



University Health System

RESOLUTION OF THE BOARD OF MANAGERS OF BEXAR COUNTY HOSPITAL DISTRICT REGARDING PROPOSED LEGISLATIVE BUDGETARY IMPLICATIONS

WHEREAS, the Bexar County Hospital District d/b/a University Health System (the “Health System”) is a political subdivision of the State of Texas created to provide medical and hospital care to the needy and indigent of Bexar County, Texas; and

WHEREAS, the Health System is a nationally recognized academic medical center, and through its partnership with University of Texas Health Science Center San Antonio (UTHSCSA), the Health System is consistently recognized as a leader in advanced treatment options, new technologies and clinical research; and

WHEREAS, as an added value to the Bexar County community, the Health System established a Level I Trauma Center providing expert trauma care for the critically injured and burned children and is South Texas’ first and only Magnet® healthcare organization; and

WHEREAS, the Health System is also one of the largest public health systems in the State and is a key economic driver in the community to include some \$1.9 billion in annual spending, \$989.4 million in yearly output, and contributes towards 13,426 jobs, with significant spillover to the rest of the San Antonio area and beyond; and

WHEREAS, the State is facing a significant budgetary shortfall in the upcoming biennium which State leaders have vowed to balance with spending cuts alone, without using the Rainy Day Fund or raising new revenues; and

WHEREAS, the proposed Appropriation Bills under consideration target the reduction, elimination or change in many State funded programs, having an enormous impact on the Health System, UTHSCSA, and jobs in the local community; and

WHEREAS, such measures include a 10% reduction to the already inadequate Medicaid payments for doctors, hospitals, nursing homes and other healthcare providers which will pose unintended consequences resulting in more doctors refusing to treat Medicaid patients, thereby increasing more costly emergency room visits as well as increases in both local taxes and insurance premiums to cover the cost of uncompensated care to children, elderly and people with disabilities; and



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WHEREAS, other proposed cost saving initiatives in the budget further jeopardizes approximately \$2.4 billion in federal supplemental payments annually to hospitals who provide care to their community's poor and uninsured populations in Texas; and

WHEREAS, the Medicaid Upper Payment Limit Program maximizes the state's ability to draw down federal tax dollars, and proposed state budget cuts will leave valuable federal funds on the table, allowing other states to benefit from Texans' tax dollars; and

WHEREAS, these measures, as well as other proposed budgetary cuts, undermine the economic recovery of the State and reduces critical healthcare services to an aging and growing population; and

WHEREAS, proposed budgetary cuts further shifts the burden of financing healthcare to the local level, forcing hospital districts, city and county hospitals to raise local taxes to compensate for the potential loss in state and federal funds; and

WHEREAS, shifting this responsibility to the local level is not feasible especially since local tax payers bear the brunt of this cost with Bexar County residents currently contributing approximately 51% of its county tax dollars in support of healthcare; and

WHEREAS, with the Health System positioned as a major employer and an economic force in the community, it is deeply troubled by the potential impact these budgetary measures will have on the essential healthcare services it offers to the residents of Bexar County and the ripple affect it will have on the overall strength of the economy and the well being of Bexar County; now therefore,

BE IT RESOLVED BY THE BOARD OF MANAGERS OF THE BEXAR COUNTY HOSPITAL DISTRICT:

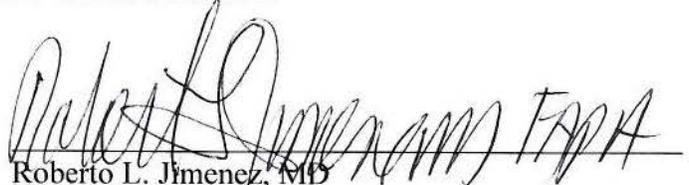
Section 1: The Board respectfully urges the Texas Legislature to consider an evenhanded approach to balancing the budget that looks towards savings, use of the Rainy Day fund and additional revenues rather than the cuts-only approach which would potentially undermine the economic recovery of the State and have a devastating impact on jobs and essential services needed by all Texans to ensure their future.



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Section 2: That this Resolution shall take effect upon its adoption and approval by the Board.

PASSED AND APPROVED BY THE BOARD OF MANAGERS OF THE BEXAR COUNTY HOSPITAL DISTRICT AT A REGULAR MEETING HELD THIS 22nd DAY OF FEBRUARY, 2011, AT WHICH A QUORUM WAS PRESENT.


Roberto L. Jimenez, MD
Chairman, Board of Managers
Bexar County Hospital District

ATTEST:


Ira Smith, Secretary, Board of Managers
Bexar County Hospital District

(SEAL)

CERTIFICATE OF SECRETARY

STATE OF TEXAS

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**BEXAR COUNTY HOSPITAL
DISTRICT D/B/A UNIVERSITY
HEALTH SYSTEM**

COUNTY OF BEXAR

THE UNDERSIGNED HEREBY CERTIFIES that:

1. On the 22nd day of February, 2011, the Board of Managers (the *Board*) of the Bexar County Hospital District d/b/a University Health System (the *District*) convened in regular session at the regular meeting place of the District (the *Meeting*), the duly constituted members of the Board being as follows:

Robert L. Jimenez, M.D.	Chairman
James R. Adams	Vice Chairman
Ira Smith, Jr.	Secretary
Alexander E. Briseño	Member
Rebecca Quintanilla Cedillo	Member
Robert Engberg	Member
Linda Rivas	Member

and all such persons were present at the meeting, except the following: Linda Rivas
-----, thus constituting a quorum. Among other business considered at the Meeting, the attached resolution (the *Resolution*) entitled:

**RESOLUTION OF THE BOARD OF MANAGERS OF BEXAR
COUNTY HOSPITAL DISTRICT REGARDING PROPOSED
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was introduced and submitted to the Board for passage and adoption. After presentation and discussion of the Resolution, a motion was made by Member Brisenno that the Resolution be finally passed and adopted. The motion was seconded by Member Cedillo and carried by the following vote:

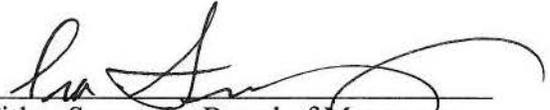
5 Voted "For" 0 Voted "Against" 0 Abstained

all as shown in the official Minutes of the Board for the Meeting.

2. The attached Resolution is a true and correct copy of the original on file in the official records of the District; the duly qualified and acting members of the Board on the date of the Meeting are those persons shown above, and, according to the records of my office, each member of the Board was given actual notice that the Resolution would

be considered; and the Meeting and deliberation of the aforesaid public business, including the subject of the Resolution, was posted and given in advance thereof in compliance with the provisions of Chapter 551, as amended, Texas Government Code.

IN WITNESS WHEREOF, I have signed my name officially and affixed the seal of the District this 22nd Day of February, 2011.



Title: Secretary, Board of Managers
Bexar County Hospital District
Signed: Ira Smith

(DISTRICT SEAL)