UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Thursday August 8, 2019
9:00 a.m.

The University Medical Center Governing Board Strategic Planning Committee met at the time and location listed above. The meeting was called to order at the hour of 9:02 a.m. by Chair Hagerty and the following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Board Members:

Present:
Harry Hagerty, Chair
Robyn Caspersen
Renee Franklin
Dr. Mackay
Mary Lynn Palenik- via phone

Absent:
David Struve, Ex-Officio (Excused)
Christian Haase (Excused)

Also Present:
Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Danita Cohen, Chief Experience Officer
Deb Fox, Chief Nursing Officer
James Conway, Assistant General Counsel
Vick Gill, Associate Administrator
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chair Hagerty asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

David Baldwin from Engineering used his break time to stop in and thank the committee members and Mr. VanHouweling for all their hard work.

Kennon Perrin, Account Executive with Healthcare and Life Sciences is here today to observe.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Strategic Planning Committee meeting on June 6, 2019. *(For possible action)*

Chair Hagerty corrected the spelling of Dave Struve's name.

Marcia Turner name was not capitalized in Item number 6.

FINAL ACTION: A motion was made by Dr. Mackay that the minutes be approved as amended. Motion carried by unanimous vote.

ITEM NO. 3 Approval of Agenda *(For possible action)*

FINAL ACTION: A motion was made by Member Franklin that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a report regarding UMC market share and service line performance; and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED:
- Market share and Service Line Update

DISCUSSION: Vick Gill presented the 2019 Market Share Update as well as a brief update on Healthcare Partners, Intermountain and Dignity systems.

Mr. VanHouweling added that some of the hospitals are concerned about Intermountain coming in and trying to build a network.

Member Franklin asked for a brief tutorial on how the networks work and where the money flows.

Mr. VanHouweling added that they can do that and also include the subject of micro hospitals.

It was discussed that perhaps these topics be agenized at a future meeting so all Board members could listen to the presentation.

UMC has about 10% of the market share with Sunrise leading at 14%.

There were significant advances in our cardiology business and this helped increase market share. There has been a focus on transport volume and this has helped increase our share. We have about 26% of the EMS transport volume, right behind Sunrise at 29%.

Chair Hagerty asked why we are declining over each quarter.

Staff replied that other hospitals have added beds and services to help increase their market share. Not all patients need to be admitted so the more efficient we are in discharging, the less in patients we are showing.

Trended Market Share

Cardiac services have shown growth in 2019 Q1 as well as Orthopedics, Oncology and Pediatrics.

Outpatient surgery is the category that is slowly declining but the increases are occurring in the categories we want and the ones we are focusing on.

We are down in OB deliveries, dentistry and general medicine, and our Children's Hospital is at capacity.

Ms. Fox added that we aren't seeing the seasonal visits like in the past coming into the Children's Hospital; we are seeing more neurological issues. We also continue to see pediatric oncology direct admits and we are at capacity across the entire children's' hospital. The hospital converted a fourth of the rooms in general pediatrics so we can see more patients and manage the volume.

Danita Cohen added that UMC consistently markets the Children's hospital and cardiology and we are just now beginning to market the other areas.

Surgical services and orthopedics are categories where we need to better utilize existing space in the hospital to show increases in these areas. Attention is focused on block schedule management in these areas. The team is looking at adding a second robot as there are increasing requests for this.

FINAL ACTION TAKEN: None taken.

ITEM NO. 5 Receive an update regarding UMC's service line committees; and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED:
-None submitted

DISCUSSION: Chair Hagerty provided a summary from the cardiology service line committee.

Member Palenik's committee, Pediatrics, meets directly after this meeting. The focus has been to review available data and look at a SWOT analysis. Their findings are that in house data is time consuming and hard to analyze. The gap in the data is being looked at. Weaknesses identified include the environment and lack of women's services, payor mix, and capacity issues.

Dr. Mackay provided an update on the orthopedics service line committee. Block time in the operating room was discussed at their meeting. The MEC is currently making a rule regarding block time and consequences of missing scheduled surgery time.

Dr. Kubiak was mentioned up as a high provider of joint replacement surgeries.

Member Caspersen summarized the oncology service line committee meeting. Normalizing and optimizing was also part of her committees brainstorming discussion as well as SWOT analysis. She also mentioned the mission of UMC and how to help fulfill the mission. The need to focus on Kaufmann Hall was also discussed as it needs to be looking at the finances and the financial outlook of the service line.

Member Franklin provided a report from the general surgery committee. They are focusing on normalizing the areas such as block scheduling of the surgery department. Space utilization and staffing was also brought up as a topic they are discussing. Member Franklin also wanted to remind staff of the mission while discussing these topics.

FINAL ACTION TAKEN: No action taken

ITEM NO. 6 **Discuss CEO annual FY19 incentive compensation performance standards as it relates to the subject matter relevant to the Strategic Planning Committee and make a recommendation to the Human Resources and Executive Compensation Committee.** ***(For possible action)***

DOCUMENT SUBMITTED:
- FY 19 CEO Performance Objectives

DISCUSSION:

Objective #1
Develop a 10-year Strategic Plan for UMC addressing short and long terms goals in identified service lines including but not limited to addressing strategic priorities, resources required and operation and financial metrics and projection.

This has been achieved and all six service lines have been covered in depth and committees formed.

Objective #2
Position UMC as a strategic and active leader in the development of the Las Vegas Medical District

There is a planning committee and staff is active in this committee. There is also a security and safety meeting that meets. A public relations and marketing committee has also been formed and meets regularly.

The Las Vegas Medical District Development Corporation was created with an objective of advocating for public policies and investments that benefit the district. UNLV, Valley and UMC are all invested in this.

Objective #3
Execute a Master Affiliation Agreement with UNLV School of Medicine by June 30, 2019

We did sign a fourth affiliation agreement going into this fiscal year and we will continue to work on a Master Affiliation Agreement. A new document has not been created as we wanted to continually build on it. However, the document we received back was not what we agreed upon and we couldn't accept the suggestions provided by the school.

Objective #4
Develop joint branding between UMC and UNLV School of Medicine as a plan to promote the partnership to the community

Documentation was distributed showing advertising campaigns and marketing. B&P is the campaign provider for UMC and UNLV. Staff thought the ads and materials were great for a marketing campaign but the feeling was not mutual from UNLV.

There is a new Interim Dean of UNLV, Dr. Fildes. Mr. VanHouweling has met with him and with UNLV President Meana and there is good collaboration going on now.

UMC is ready to go on the marketing plan and staff is very excited to have Dr. Fildes on board.

A discussion ensued regarding the percentage that the committee felt Mr. VanHouweling met and the committee collectively came up with the following:

Chair Hagerty suggested that the goals be weighted the following:

Goal 1: 30%

Goal 2: 30%

Goal 3: 25%

Goal 4: 15 %

And suggested each goal be awarded as follows:

Goal 1: 80%
Goal 2: 100%
Goal 3: 90%
Goal 4: 90%

Member Franklin feels like Goal 1 should be a bit higher.

Member Palenik feels like Goal 1 should have been more specific than stated.

Mr. VanHouweling stated that 90% is very fair and represents what was done this last year. (Strategy makes up 25% of the committee goals)

The committee felt that Mr. VanHouweling met 90% of goals stated.

Chair Hagerty stated that for 2020 he feels there is nothing more important than these four that are currently listed.

FINAL ACTION TAKEN: A motion was made by Chair Hagerty to recommend to the HR Committee that Mr. VanHouweling be awarded 90% percent of the 25 percent that comes from the Strategic planning committee. Motion carried by unanimous vote.

ITEM NO. 7 Discuss CEO annual FY20 goals and objectives as it relates to the subject matter relevant to the Strategic Planning Committee and make a recommendation to the Human Resources and Executive Compensation Committee. *(For possible action)*

Mr. VanHouweling added four FY20 Performance Objectives for the committee to consider.

1. Implement strategic/operational/financial goals and tactics related to the 10-year Strategic Plan for UMC addressing in identified service lines (Cardiology, Orthopedics, General Surgery, Pediatrics, Oncology and Ambulatory)

2. Develop a marketing plan and associated centers of excellence related to the development of an Academic Health Center

3. Market Share Growth Metrics

4. Finalize Master Plan and associated Business Plans and implement associated phases

Chair Hagerty asked if everyone could review the above goals and get together as a committee in September to discuss 2020 goals.

Board Secretary Terra Lovelin will schedule a September meeting that works with everyone's schedules.

SECTION 3: EMERGING ISSUES

ITEM NO. 7 Identify emerging issues to be addressed by staff or by the Board at future meetings; and direct staff accordingly. *(For possible action)*

Have a discussion regarding where the health care industry is going and on other hospital networks coming in.

Schedule a September meeting to discuss FY20 goals.

COMMENTS BY THE GENERAL PUBLIC:

Comments from the general public were called for prior to going into closed session. No such comments were heard.

There being no further business to come before the committee this time, at the hour of 11:12 a.m. Chair Hagerty adjourned the meeting.

APPROVED:

MINUTES PREPARED BY: Terra Lovelin

AGENDA

University Medical Center of Southern Nevada
UMC GOVERNING BOARD STRATEGIC PLANNING COMMITTEE
September 19, 2019 8:00 a.m.
800 Hope Place, Las Vegas, Nevada
UMC Trauma Building, ProVidence Suite (5th Floor)

Notice is hereby given that a meeting of the UMC Governing Board Strategic Planning Committee has been called and will be held at the time and location indicated above, to consider the following matters:

This meeting has been properly noticed and posted in the following locations:

University Medical Center 1800 W. Charleston Blvd. Las Vegas, NV (Principal Office)	CC Government Center 500 S. Grand Central Pkwy. Las Vegas, NV	Third Street Building 309 S. Third St. Las Vegas, NV	Regional Justice Ctr 200 Lewis Ave., 1st Fl Las Vegas, NV
City of Las Vegas 400 Stewart Ave. Las Vegas, NV	City of Henderson 240 Water St. Henderson, NV		

- The main agenda is available on University Medical Center of Southern Nevada's website http://www.umcsn.com, For copies of agenda items and supporting back-up materials, please contact Terra Lovelin, Board Secretary, at (702) 765-7949. The Strategic Planning Committee may combine two or more agenda items for consideration.
- Items on the agenda may be taken out of order.
- The Strategic Planning Committee may remove an item from the agenda or delay discussion relating to an item at any time.
- Consent Agenda - All matters in this sub-category are considered by the Strategic Planning Committee to be routine and may be acted upon in one motion. Most agenda items are phrased for a positive action. However, the Strategic Planning Committee may take other actions such as hold, table, amend, etc.
- Consent Agenda items are routine and can be taken in one motion unless a Strategic Planning Committee member requests that an item be taken separately. For all items left on the Consent Agenda, the action taken will be staff's recommendation as indicated on the item.
- Items taken separately from the Consent Agenda by Committee members at the meeting will be heard in order.

SECTION 1. OPENING CEREMONIES

CALL TO ORDER

1. Public Comment

PUBLIC COMMENT. This is a period devoted to comments by the general public about items on ***this*** agenda. If you wish to speak to the Committee about items within its jurisdiction but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Comments will be limited to three minutes. Please step up to the speaker's podium, clearly state your name and address and please ***spell*** your last name for the record. If any member of the Committee wishes to extend the length of a presentation, this will be done by the Chair, or the Committee by majority vote.

2. Approval of minutes of the regular meeting of the UMC Governing Board Strategic Planning Committee meeting on August 8, 2019. *(For possible action)*

3. Approval of Agenda. *(For possible action)*

SECTION 2. BUSINESS ITEMS

4. Discuss CEO annual FY20 goals and objectives as it relates to the subject matter relevant to the Strategic Planning Committee and make a recommendation to the Human Resources and Executive Compensation Committee; and direct staff accordingly *(For possible action)*

SECTION 3: EMERGING ISSUES

5. Identify emerging issues to be addressed by staff or by the Board at future meetings; and direct staff accordingly. *(For possible action)*

COMMENTS BY THE GENERAL PUBLIC

A period devoted to comments by the general public about matters relevant to the Committee's jurisdiction will be held. No action may be taken on a matter not listed on the posted agenda. Comments will be limited to three minutes. Please step up to the speaker's podium, clearly state your name and address and please **spell** your last name for the record.

All comments by speakers should be relevant to the Committee's action and jurisdiction.

UMC ADMINISTRATION KEEPS THE OFFICIAL RECORD OF ALL PROCEEDINGS OF UMC GOVERNING BOARD STRATEGIC PLANNING COMMITTEE. IN ORDER TO MAINTAIN A COMPLETE AND ACCURATE RECORD OF ALL PROCEEDINGS, ANY PHOTOGRAPH, MAP, CHART, OR ANY OTHER DOCUMENT USED IN ANY PRESENTATION TO THE BOARD SHOULD BE SUBMITTED TO UMC ADMINISTRATION. IF MATERIALS ARE TO BE DISTRIBUTED TO THE COMMITTEE, PLEASE PROVIDE SUFFICIENT COPIES FOR DISTRIBUTION TO UMC ADMINISTRATION.

THE COMMITTEE MEETING ROOM IS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES. WITH TWENTY-FOUR (24) HOUR ADVANCE REQUEST, A SIGN LANGUAGE INTERPRETER MAY BE MADE AVAILABLE (PHONE: 765-7949).

UMC Governing Board

Strategic Planning Committee

CEO Bonus Goals – FY 2020

HH Draft 9/18/19

1. Financial Plan. Develop a five-year financial plan (FY 20 – FY 24 inclusive) for UMC as a whole with a consolidated income statement, balance sheet and cash flow statement. Each department and/or service line should have a detailed P&L showing patient volumes, revenue per case and direct expense per case by DRG. Each department, service line and support department should have headcount and compensation detail identified. Each department, service line and support department should have detailed forecast of capital spending and the related financial impact of such capital spending. The consolidated balance sheet and cash flow statement should reflect explicit assumptions about working capital needs and capital expenditure funding sources.

2. Marketing Plan with UNLV SoM. Develop and implement a joint branding and marketing campaign with the UNLV School of Medicine to promote the two institutions' cooperation as Las Vegas's premier Academic Medical Center.

3. Continued Leadership in Las Vegas Medical District. Together with the executive team of the Las Vegas Medical District, identify that medical activities that the LVMD should seek to attract to complement the existing major tenants: two hospitals and a medical school.