University Medical Center of Southern Nevada
Governing Board
January 29, 2014

UMC Emerald Room
901 Rancho Lane, Suite 180
Las Vegas, Clark County, Nevada
Wednesday, January 29, 2014
2:00 p.m.

The University Medical Center Governing Board met in regular session, at the regular place of meeting in the Emerald Room, 901 Rancho Lane, Suite 180, Las Vegas, Clark County, Nevada, on Wednesday, January 29, 2014, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:05 p.m. by Lawrence Barnard, Interim Chief Executive Officer, and the following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Board Members:

Present:
Jeff Ellis
Renee Franklin
Harry Hagerty
Laura Lopez-Hobbs
John O'Reilly
Eileen Raney
Michael Saltman
John White

Ex-Officio Members:

Present:
Lawrence Barnard, Chief Operating Officer and Interim Chief Executive Officer
Dale Carrison, D.O. Chief of Staff
Thomas Schwenk, M.D., Dean, University of Nevada School of Medicine

Absent:
Brian Brannman, Chief Executive Officer [Arrived at 2:10]

Also Present:
Mary-Anne Miller, Deputy District Attorney
Lisa Logsdon, Deputy District Attorney
Larry Gage, Consultant

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 Approval of Agenda *[For possible action]*

FINAL ACTION: A motion was made by Michael Saltman and seconded by Renee Franklin, that the agenda be approved as recommended. Motion carried by unanimous vote.

ITEM NO. 2 PUBLIC COMMENT

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

Speaker(s):

Jerri Strasser, UMC Pediatric ICU Nurse and Chief Nursing Steward for the SEIU, expressed the support of the Union Officers in naming Lawrence Barnard as a permanent CEO, in lieu of a national search.

SECTION 2. BUSINESS ITEMS

ITEM NO. 3 Swearing in of all Governing Board members. ***(For possible action)***

All Board members were sworn in.

ITEM NO. 4 Introduction of all members of the UMCSN Governing Board. ***(For possible action)***

Each of the Board members was introduced to the public:

Jeff Ellis
Harry Hagerty
Laura Lopez-Hobbs
John O'Reilly
Eileen Raney
Michael Saltman
John White
Lawrence Barnard (ex-officio)
Dale Carrison, D.O. ex-officio)
Dean Thomas Schwenk, M.D. (ex-officio)

ITEM NO. 5 Select the term of each Board member. ***(For possible action).***

A lottery was held to determine each member's term on the UMC Governing Board.

Board terms were established as follows:

One year term:
Eileen Raney
Jeff Ellis

Two year term:
John O'Reilly
Harry Hagerty
Renee Franklin

Three year term:
John White
Michael Saltman
Laura Lopez-Hobbs

ITEM NO. 6 Elect a Chair and Vice-Chair and take other action as appropriate. *(For possible action)*

DISCUSSION: Nominations were received and vote taken for the two-year terms of Chair and Vice-Chair of the Board.

FINAL ACTION: A motion was made by Michael Saltman and seconded by John White to nominate John O'Reilly as Chair. Mr. O'Reilly was elected Chair of the Governing Board with a unanimous vote.

A motion was made by Michael Saltman and seconded by John White to nominate Eileen Raney as Vice Chair. Ms. Raney was elected Vice-Chair of the Governing Board with a unanimous vote.

ITEM NO. 7 Discuss interim Rules of Procedure and distribute proposed Governing Board Bylaws and Policies and Procedures. *(For possible action).*

DOCUMENTS SUBMTITED:
- "Bylaws of UMC Governing Board (Discussion Draft of January 28, 2014)"
- "UMC Governing Board Policies and Procedures (Draft of January 28, 2014)"

DISCUSSION:

BYLAWS:

The Board reviewed all articles of the draft UMC Governing Board Bylaws. The following changes were discussed:

Section 3.4 Suggest clarification that terms are three years "except as provided in Section 5.1 with respect to Board Officers".

Section 3.5 Change suggested that as Board members' terms expire, the process should include a presentation of a slate of replacements to the Commissioners, rather than an individual selection – similar to the selection of original Board members. Counsel advised this would require a change in the Ordinance.

Suggestion to delete lines 23-29 "To facilitate the nomination of candidates, that Governing Board shall.....develop and maintain a Board Successor Plan".

Section 3.9
- (j) Clarify that approval of contracts may not exceed the annual encumbrances "as set forth in the Ordinance".
- (o) Suggestion to include reference to the Ordinance.
- (t) Suggestion to change "development" to "review and approval". Suggestion that the Ordinance be changed to reflect this change.
- (u) Suggestion to change "development" to "oversight of the development". Suggestion that the Ordinance be changed to reflect this change.

Section 8.1 Change "development" to "oversight and approval". Suggestion that the Ordinance be changed to reflect this change.

POLICIES/PROCEDURES:

There was much discussion about the need to have human resources issues addressed at a Board Committee level. After discussion of various suggestions for assigning this responsibility to an existing Committee, there was consensus that a fourth Committee would be added to address Human Resources and Executive Compensation issues. Responsibilities of the Committee will be consistent with Section III, No. 10, of the Ordinance.

There was also consensus that with the addition of a fourth Committee, composition of all committees would be changed to have a minimum of two Board members with the Board Chair voting in the event of a tie. Outside members can be added to the Committees in an advisory capacity, with Board members being the only voting members.

There was discussion regarding the importance of the Strategic Planning Committee, given the Board's role of providing direction and oversight of the hospital, rather than operation of the hospital.

Deputy District Attorney Mark Wood was introduced to the Board. Mr. Wood works closely with the Medical Executive Committee and all HIPAA matters.

The Board Chair requested that legal counsel review Bylaws and Policy changes suggested today to be sure that they are consistent with the Ordinance. Mary-Anne Miller suggested that recommended changes to the Ordinance be dealt with at a future meeting, to include a larger scope.

All recommendations to Bylaws and Policies and Procedure discussed at today's meeting will be presented for approval at a special meeting on a date yet to be announced.

Direction to staff included:

- Provide confirmation that the hospital has a service mark or DBA filed for the name "UMC".
- Provide report on the review status of Hospital Administrative Policies and Procedures.

FINAL ACTION: No action taken.

ITEM NO. 8 Determine future meeting dates and times of the Governing Board through Calendar Year 2014 and direct staff accordingly. *(For possible action).*

DISCUSSION: There was discussion about possible standing meeting dates, as well as a date and time for a special meeting for final review and approval of the UMC Governing Board Bylaws and Policies and Procedures. The Board Secretary will poll Board members for availability. Those unable to participate in the special meeting may forward any appropriate comments to the Board Chairman or Secretary.

FINAL ACTION: No action taken.

ITEM NO. 9 Receive a presentation on Ethics in Government from the Nevada Commission on Ethics. *(For possible action)*

DOCUMENT SUBMTITED: PowerPoint presentation "Nevada Ethics In Government"

DISCUSSION: Caren Cafferata-Jenkins, Esq., Executive Director of the Nevada Commission on Ethics, gave a comprehensive presentation on ethics in government.

FINAL ACTION: No action taken.

Chairman O'Reilly called for a brief recess at 4:08 p.m.
The regular meeting of the UMC Governing Board was reconvened at 4:16 p.m.

ITEM NO. 10 Receive a presentation on Nevada Public Records Act from the Office of the Attorney General. *(For possible action)*

DOCUMENT SUBMTITED: PowerPoint Presentation "Is it Public? A General Public Records Analysis Under the Nevada Pubic Records Act (NPRA)"

DISCUSSION: Sarah Bradley, from the Office of the Attorney General, gave a comprehensive presentation on the Nevada Public Records Act (NPRA).

Chairman O'Reilly requested that Staff provide the Board with the policy and person responsible for public records request.

FINAL ACTION: No action taken.

ITEM NO. 11: Receive a presentation on HIPAA and Corporate Compliance. *(For possible action)*

DOCUMENTS SUBMTITED:
- PowerPoint presentation "Corporate Compliance and You (Accountability and Integrity)"
- PowerPoint presentation "Information Privacy Awareness"
- PowerPoint presentation "Information Privacy"
- Handout "Joint Notice of Privacy Practices"
- Handout "Confidentiality Agreement"

DISCUSSION: Rani Gill, Corporate Compliance Officer, gave a brief overview of UMC's Corporate Compliance program, and Keith Slade, HIPAA Privacy Officer, gave a brief overview of the Board's responsibility in regards to HIPAA laws. Mr. Slade and Ms. Gill will be invited back at a later date to present more detailed information. Both are available any time for questions the Board members might have.

FINAL ACTION: No action taken.

ITEM NO. 12: Receive an overview on meeting procedures, delegation of power, fiduciary duties of Board Members and other orientation issues and direct staff accordingly. *(For possible action)*

DOCUMENT SUBMITTED: PowerPoint presentation "UMCSN Governing Board Orientation; the Duties of Board Members"

DISCUSSION: Due to time constraints, this item was tabled; to be placed on February agenda.

FINAL ACTION: No action taken.

ITEM NO. 13: Discuss the Hospital Chief Executive Officer position, and take action as deemed appropriate. *(For possible action)*

DISCUSSION: Chairman O'Reilly suggested that staff provide information at the February meeting regarding the details and options for a nation-wide recruitment of a permanent CEO, and include how this might be affected by the Open Meeting Law.

There was also discussion about the Board confirming the Board of County Commissioners' appointment of Lawrence Barnard as Interim CEO. After motion was made, legal counsel advised that the agenda item was not specific to this action. Staff requested to place the item on the February agenda with appropriate notice.

FINAL ACTION: A motion was made by Michael Saltman and seconded by Eileen Raney to confirm the Board of County Commissioners' appointment of Lawrence Barnard as

Interim CEO. Before a vote could be taken, legal counsel advised that the agenda item was not specific enough for this action, and therefore no vote was taken.

ITEM NO. 14: Discuss the transition plan recommended by the County Commission for implementation of the Governing Board powers and duties and discuss whether changes are required in such plan. (*For possible action*)

DOCUMENTS SUBMTITED: "UMC Governing Board Implementation Plan (December 10, 2013)"

DISCUSSION: Board members expressed desire for all delegated items, as provided in the Ordinance, to come before the Governing Board, in conjunction with their ongoing education and orientation. Mary-Ann Miller stated that those items will come before the Governing Board, though there may be occasional items taken to the Board of County Commissioners (BCC) as a convenience, due to the fact that the Governing Board is only meeting once a month and the BCC meets bi-weekly. Board members expressed that they would like to be made aware of such instances, and given the opportunity to have an emergency meeting to address, if necessary.

There was additional discussion specific to UMC's Budget. Members expressed a desire to be included in current budget preparation for FY15 budget, which begins July 1, 2014. They expressed concerned that it would be difficult to have meaningful discussions about strategic planning and other key areas without being involved in the budget. It was suggested that the budget education/orientation be moved to the February agenda, and that the information be sent to Board members in advance of the meeting so that they can prepare appropriately.

Board members were encouraged to review the Implementation Plan again and make suggestions to re-evaluate priorities based on today's discussion, and send those comments to the Board Secretary for inclusion in the next agenda.

Direction to Staff included:

- Bring all items covered in the Board's delegation of authority to the Governing Board for action
- Notification of Chair/Vice-Chair if there are items that need to be addressed before the next regularly scheduled meeting
- Provide excerpts of Board of County Commission (BCC) meeting minutes specific to UMC business
- Provide monthly status of transition plan and completion of orientations items
- Place budget education/orientation on the February agenda

FINAL ACTION: No action taken.

ITEM NO. 15: Discuss the unfilled ninth position on the Governing Board, and take such action as deemed appropriate. ***(For possible action)***

DISCUSSION: Chairman O'Reilly suggested that the discussion and deliberation of a ninth Board position be placed on the April agenda. In the interim, Board members should direct any interested parties to forward their resumes to the Board Secretary for future reference.

FINAL ACTION: A motion was made by Renee Franklin, seconded by Michael Saltman, and unanimously approved to move this item on the April agenda.

ITEM NO. 16: Receive a presentation regarding the current business, financial and overall status and needs of UMCSN, discuss and take action and direct staff as deemed appropriate. ***(For possible action)***

DOCUMENT SUBMTITED: PowerPoint Presentation "UMC Financial Overview"

Stephanie Merrill, Chief Financial Officer, gave a high level overview of the hospital's finances, including a ten-year summary of the hospital's operating income/loss, financial results and cash flow for the current year, Clark County subsidy, and a capital needs summary.

The capital budget was discussed. While CEO Brannman estimated it would take approximately $14 million to bring the hospital back to a normal replacement schedule, that would not take into account capital improvements necessary to keep the hospital competitive in the current environment. Board members requested that staff compile the budget orientation that addresses all realistic ongoing needs.

Staff was requested to send copies of the December financial report to Board members by the end of week, and to include prioritized capital Budget requests on the February agenda.

FINAL ACTION: No action taken.

ITEM NO. 17: That the Governing Board identify emerging issues to be addressed by staff or by the Board at future meetings; and direct staff accordingly. ***(For possible action)***

No emerging issues identified.

On behalf of Board, Chairman O'Reilly acknowledged and thanked Brian Brannman for his service to UMC. Mr. Brannman then thanked the Board members for their generous service and dedication to further the mission and future of UMC. Commissioner Weekly, Chair of the UMC Board of Trustees, was also thanked for his attendance at today's meeting.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chairman O'Reilly asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKERS(S): None

There being no further business to come before the Board at this time, at the hour of 6:05 p.m., Chairman O'Reilly adjourned the meeting.

APPROVED:

John O'Reilly, Chairman

ATTEST:

Cindy Dwyer

Cindy Dwyer, Board Secretary