University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
December 9, 2015

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Rose Street
Las Vegas, Clark County, Nevada
Tuesday, December 9, 2015
3:00 p.m.

The University Medical Center Governing Board Audit and Finance Committee met in the ProVidence Suite, UMC Trauma Building, 5th Floor, Las Vegas, Clark County, Nevada, on Tuesday, December 9, 2015, at the hour of 3:00 p.m. The meeting was called to order at the hour of 3:06 p.m. by Committee Chair Eileen Raney and the following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Board Members:

Present:
Eileen Raney, Chair
Robyn Caspersen (non-voting member)
Donald Mackay
Harry Hagerty
Jeff Ellis

Absent:
Michael Saltman - excused

Others Present:
Stephanie Merrill, Chief Financial Officer
Susan Pitz, General Counsel
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

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

Speaker(s): None

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on November 10, 2015. ***(For possible action)***

ACTION TAKEN: A motion was made by member Mackay that the minutes be approved as recommended. Motion carried by unanimous vote.

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

ACTION TAKEN: A motion was made by member Hagerty that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Review and recommend for approval by the Governing Board the Application of a Sub-Grant Award (HD # 15130) for the Ryan White HIV/AIDS Part B Program between the State of Nevada Department of Health and Human Services Health Division and University Medical Center of Southern Nevada and authorize the CEO to accept the Sub-Grant if and when awarded; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
-Notice of Sub-Grant Award

DISCUSSION: John Liston, Director of Materials Management explained that the application was for a Sub-Grant award for the State of Nevada and would allow for the funding of the additional mental health and substance abuse counseling.

Member Ellis asked Jan Richardson, Wellness Center Manager, a question with regards to the funding.

Jan replied that the amount of the grant is more than we may be able to spend in the three months time.

ACTION TAKEN: A motion was made by member Hagerty to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 5 Review and recommend for approval by the Governing Board, new "Professional Services Agreements (Individual and Group Physician On-Call Coverage)" for Neurosurgery/Spine, Adult Urology and Cardiac Anesthesia Services, and authorize the CEO to execute Individual or Group Agreements with providers of these on-call services, and to approve each agreement extension year if/when each option is exercised; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
-Professional Services Agreement (Individual Physician On-Call Coverage)
-Professional Services Agreement (Group Physician On-Call Coverage)

DISCUSSION: Member Hagerty asked why Adult Urology is "TBD" and General Counsel Susan Pitz explained that the fair market valuation for Urology has not been finalized as of today. This item will be pulled off the Consent Agenda for the Governing Board if they can't get it by tomorrow.

ACTION TAKEN: A motion was made by member Ellis to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 6 **Review and recommend for approval by the Governing Board, a Notice of Option to Extend the Interlocal Agreement for Family Medicine Resident and Fellow Moonlighting at UMC, with the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada School of Medicine; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Letter of Notice

DISCUSSION: A discussion ensued about the hourly rate of pay for the physicians at the clinic. It was noted that the pay is slightly lower than what we pay our Per Diems but we are within fair market value.

ACTION TAKEN: A motion was made by member Hagerty to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 7 **Review and recommend for approval by the Governing Board, Amendment Two to Agreement for Physician Professional Services for Urgent Care Services, with the University of Nevada School of Medicine Integrated Clinical Services, Inc. and University of Nevada School of Medicine Multispecialty Group Practice South, Inc. d/b/a/ Medschool Associates South, Inc., to extend the Agreement for 12 months; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment Two to Agreement

DISCUSSION: Mr. Liston noted that this agreement is with the faculty side and for Urgent Care.

ACTION TAKEN: A motion was made by member Mackay to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 8 **Review and recommend for ratification by the Governing Board Amendment Two to Quality Measures Abstraction Agreement between**

Primaris Holdings, Inc. and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Agreement

DISCUSSION: This amendment is to request Sepsis one chart abstractions. This is a CMS mandated reporting with all the discharges. The annual cost to add this is $12,600.

ACTION TAKEN: A motion was made by member Mackay to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 9 Review and recommend for approval by the Governing Board the Provider and Hospital Agreements between Aetna Health, Inc. and University Medical Center of Southern Nevada (UMC); and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Draft Agreement

DISCUSSION: Rose Coker, Director of Managed Care explained that Aetna purchased Coventry Health Care, and First Health and they are merging the contracts together so they had to rewrite the language. Ms. Coker and Ms. Pitz are working on finalizing certain legal language in the contract and anticipate receiving it back from Aetna's Legal team tomorrow. The negotiated rates will remain the same.

ACTION TAKEN: A motion was made by member Hagerty to approve and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 10 Review and recommend the ratification of the Third Amendment to the Hospital Participation Agreement between Choice Care Network and University Medical Center of Southern Nevada; and take action as deemed appropriate. (For possible action)

DOCUMENTS SUBMITTED:
- Third Amendment Agreement

DISCUSSION: Ms. Coker explained that we are extending the terms of this contract and this meets our requirements.

Member Ellis asked how many years it was being extended for and Mr. Coker replied that it was for two years, then a rate increase will occur after the two years.

ACTION TAKEN: A motion was made by member Mackay to approve the Agreement and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 11 Review and recommend for approval by the Governing Board the Agreement between Radiometer America, Inc. and University Medical Center of Southern Nevada for Blood Gas Analyzers, Software, Supplies and Associated Support; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
-Quote from Radiometer America Inc.

DISCUSSION: Mr. Liston explained that this agreement is for equipment lease and supplies; the term of the agreement is for five years.

Member Caspersen asked about the price and Mr. Liston replied that this vendor is on our GPO and was the best price, it was actually $4,000.00 cheaper per year.

ACTION TAKEN: A motion was made by member Ellis to approve the Agreement and make a recommendation to the Governing Board to approve the Agreement. Motion carried by unanimous vote.

ITEM NO. 12 Receive monthly update on the Electronic Health Record (EHR) System Replacement and direct staff accordingly. ***(For possible action)***

DOCUMENTS SUBMITTED:
-EHR Update Audit and Finance Committee

DISCUSSION: Brian Rosenberg, consultant gave a brief update on where we are at with the EHR system. He explained that demonstrations have occurred, surveys were completed and staffing needs are being reviewed.

Ernie McKinley, Chief Information Officer, explained that the intent is to fill the positions needed for this, from within the hospital. For this to work, the best people from each department need to be involved. The time frame for involvement in the project would be two years.

Member Hagerty asked if we will bring in a Contract Specialist with a background in these types of agreements to look at the contract.

Mr. McKinley said that there were people available to do this and he can definitely get someone on board if needed.

Susan Pitz, General Counsel agreed that someone with a background in EHR contracts would be helpful in the review process and suggesting engaging someone as soon as possible.

ACTION TAKEN: None Taken

ITEM NO. 13 Receive monthly financial report for October 2015; and direct staff accordingly. *(For possible action)*

DOCUMENTS SUBMITTED:
-October FY 2016 Financials

DISCUSSION: Chief Financial Officer, Stephanie Merrill gave a review of the financials for October FY 2016.

Member Hagerty asked if we had any comparative metrics as to what like-sized institutions spend in capital expenditure as a percentage of some operating metric. He would like to see how we compare to other institutions.

Chair Raney said we could get that information from University Health Consortium.

Chair Raney also brought up robotics and CFO Merrill said that they are back on track for December.

It was suggested that Dr. Don Galloway, Director of Surgical Services come to the February meeting and present surgery stats.

ACTION TAKEN: None Taken

ITEM NO. 14 Receive an update from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*

DOCUMENTS SUBMITTED:
-None

DISCUSSION: Ms. Merrill noted that Ms. Pitz and she attended the iContracts training; it is up and ready to go.

ACTION TAKEN: None Taken

SECTION 3: EMERGING ISSUES

ITEM NO. 15. Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action)*

Chair Raney suggested the committee meet to discuss the EHR proposal.

Mr. Rosenberg said he will be ready to present the EHR recommendation and budget to Audit and Finance in January.

A discussion ensued as to availability of the members for a special meeting if needed.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Raney 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 Committee at this time, at the hour of 4:34 p.m., Chair Raney adjourned the meeting.

MINUTES APPROVED: January 13, 2016

MINUTES TAKEN BY: Terra Lovelin