University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
July 25, 2018

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Wednesday, July 25 2018
9:30 a.m.

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 9:30 a.m. The meeting was called to order at the hour of 9:31 a.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

CALL TO ORDER

Board Members:

Present:
Robyn Caspersen – Chair (Via Phone)
Dr. Donald Mackay
Harry Hagerty (Via Phone)
Chris Haase (Via Phone)
Jeff Ellis (Via Phone)

Others Present:
Barbara Fraser (Ex-Officio) (Via Phone)

Absent:
Mary Lynn Palenik (Excused)

Others Present:
Mason VanHouweling, Chief Executive Officer (Via Phone)
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Lonnie Richardson, Chief Information Officer
Susan Pitz, General Counsel
Deb Fox, Chief Nursing Officer
Jacqueline Saites, Director, Contracts Management
Terra Lovelin, Administrative Assistant

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Committee Chair Caspersen 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 June 27, 2018. *(For possible action)*

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

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

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Review and recommend for approval by the Governing Board Amendment Five to the Project Consultant Agreement between The Rosenberg Group LLC and University Medical Center of Southern Nevada and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Amendment Five

DISCUSSION: Amendment five will help UMC with the Epic strategy and transition. The term of this amendment is for 12 months, has a cost increase of up to $642,000 and will go through July 2019.

Jennifer Wakem added that this amendment is for strategic oversight and we pay only for what we need to use. It was noted that this amount is in the budget.

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

ITEM NO. 5 **Review and recommend for approval by the Governing Board the Service Request between Epic Systems Corporation and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Service Request

DISCUSSION: This service order is for a 21 week term to take us through the rest of the year. This request extends Epic consulting support for the Revenue Cycle department with a cost increase of $531,500. This is budgeted as well.

FINAL ACTION TAKEN: A motion was made by Dr. Mackay to approve and make a recommendation to the Governing Board to approve the service request. Motion carried by unanimous vote.

ITEM NO. 6 **Review and recommend for approval by the Governing Board the Immediate Analytics Support Agreement between BlueTree Network and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Agreement for Immediate Analytics Support

DISCUSSION: This new agreement is for Epic analytics and reporting across the organization. The term is for 26 weeks with a not to exceed amount of $315,315. This will provide dashboard work for each department. This vendor will also help train UMC employees so they will be able to create and pull reports in the future. This amount is in the budget.

FINAL ACTION TAKEN: A motion was made by Dr. Mackay 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 the Amendment Seven to Agreement for Staff Augmentation Services between Optimum Healthcare IT, LLC and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment Seven to Agreement for Staff Augmentation Services

DISCUSSION: Amendment seven is for a five month term with a cost increase not to exceed $1.1 million dollars. This amendment was created to hire eight supplemental staff to help with Epic support and is also included in the budget.

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

ITEM NO. 8 Review and recommend for ratification by the Governing Board the First Amendment to Hospital Services Agreement between Health Services Coalition and University Medical Center of Southern Nevada; and take action as deemed 1111. *(For possible action)*

DOCUMENTS SUBMITTED:
- First Amendment to Hospital Service Agreement

DISCUSSION: This amendment is due to UMC increasing the charge master rates. The term is for two years and revenue to hospital is based on volume.

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

ITEM NO. 9 Review and recommend for approval by the Governing Board the addition of Equipment Schedule 007 to Master Lease Agreement No. 21237667 between Flex Financial, a division of Stryker Sales Corporation and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Equipment Schedule No: 007 to Master Lease Agreement No. 21237667

DISCUSSION: This addition of the equipment schedule is regarding a move to use reusable forceps instead of disposables. The estimate cost saving to UMC is approximately $100,000 a year.

This process will of course use the standard sterilization process which is FDA approved. The items are repackaged and this also eliminates environmental waste by having the product sterilized and repackaged for use.

The term of this contract will be five years and also adds Surgicount, which is a sponge counting software.

FINAL ACTION TAKEN: A motion was made by Dr. Mackay 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 for approval by the Governing Board Amendment One to the Professional Services Agreement (Clinical –

Internal and Family Medicine) between University Medical Center of Southern Nevada, UNLV Medicine and UNLV School of Medicine; and take action as deemed appropriate. *(For possible action)*

ITEM NO. 11 Review and recommend for approval by the Governing Board Amendment One to the Professional Services Agreement (Clinical - Pediatrics) between University Medical Center of Southern Nevada, UNLV Medicine and UNLV School of Medicine; and take action as deemed appropriate. *(For possible action)*

ITEM NO. 12 Review and recommend for approval by the Governing Board Amendment One to the Professional Services Agreement (Clinical) between University Medical Center of Southern Nevada, UNLV Medicine and UNLV School of Medicine; and take action as deemed appropriate. *(For possible action)*

<u>DOCUMENTS SUBMITTED</u>:
- Amendment One to Professional Services Agreement

<u>DISCUSSION</u>: The next three items are amendments to our existing UNLV PSA's. The first two include a reduction of cost in the amount of $36,500 per year and Item number 12 is a cost increase of $255,500 per year.

<u>FINAL ACTION TAKEN:</u> A motion was made by Dr. Mackay to approve and make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

<u>SECTION 3: EMERGING ISSUES</u>

ITEM NO. 13 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 Caspersen wanted to reiterate that there were no financial statements presented at this meeting.

Jennifer Wakem stated that her team is wrapping up June and keeping period 12 open a bit longer. There is nothing currently to report and next month she will present the June and July financials.

A presentation on Ms. Wakem's plan to spend down the capital budget will also be presented at the August meeting.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Caspersen 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 9:54 a.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED: August 15, 2018
Minutes Prepared by: Terra Lovelin , Administrative Assistant, Governing Board Secretary