
UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Tuesday, September 11, 2018
8:00 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 8:00 a.m. 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 (Arrived @8:11am)
Renee Franklin (Via phone @8:14am)
Christian Haase
Mary Lynn Palenik
Dr. Mackay

Absent:

Also Present:
Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Danita Cohen, Chief Experience 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.

None present but staff recognized Greg with Lorian Health Home Care who was in the audience to observe what UMC is about.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Strategic Planning Committee meeting on August 9, 2018. ***(For possible action)***

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

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

Chair Hagerty suggested that Item number five be heard first to ensure the committee has enough time discuss the CEO performance accomplishments.

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 5 Discuss CEO annual 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:
-Fiscal 2018 CEO Performance Objectives

DISCUSSION: The following are the FY2018 Performance Objectives pertaining to the Strategy committee that will be discussed by CEO, Mason VanHouweling today.

1. **Create new Annual Strategic Plan for UMC addressing short and long term goals including but not limited to addressing budget, staffing, operations, capital needs and potential changes in reimbursement**

The Annual Plan was presented at the July 2017 Strategy meeting. Throughout the year staff touched on these issues at each committee. A slide was presented that shows the Vision, Strategies, Objectives and Initiatives that make up the 2018 Strategic Vision.

2. **Establish at least one network UMC can contract with as well as other external strategic relationships and partnerships that support the overall Hospital objectives**

UMC joined Silver State Accountable Care Organization, with hospital members on the board. We entered into transfer agreements with Dignity Health and Culinary Health as well as contracted with P3 Health Partners to care for Managed Medicare lives. We continue to expand efforts in event medicine with teams such as the Golden Knights, Las Vegas Lights, the Speedway, Las Vegas

Aces, and UNLV. Our partnership with US Air Force has been expanded to create a one-of-a-kind program which has expanded clinical programs and services to the hospital.

3. Achieve a 10% increase in market share of commercial and Medicare payers over July 1, 2017 to June 30, 2018

Intellimed data shows that in 2016 Q3-2017 Q1 UMC captured 6,978 admissions in the Medicare business. In 2017 Q3-2018 Q1, admissions grew by 133 for a total of 2,627, a 10% increase.

The intent was to grow our own internal volume by growing our market share by 10% of where we were.

Chair Hagerty requested more information with regards to market share and Medicare and Mr. VanHouweling replied that we could obtain more numbers for him to show areas of growth.

4. Signed and Board approved Master Affiliation agreement with UNLV

UMC entered into a Third Amendment to the Preliminary Affiliation Agreement which set the residency and academic mission support for academic year 2018-2019.

It was also noted that UMC Administration meets regularly with UNLV School of Medicine leadership and multiple subcommittees also meet regularly.

Marcia Turner, Chief Administrative Officer added that UNLV requested a delay for the agreement to deal with the staffing issues and changes that occurred this year. The staff they have on board now will ensure things move swiftly along.

Chair Hagerty requested that this goal be repeated next year with much less tolerance for amendments and that it be finalized in 2019.

With regards to objective number three, achieving a 10% increase in market share, Chair Hagerty stated that improving our payor mix is the single most important thing we have to do. This is a goal that the committee will be looking at and measuring on a regular basis.

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

Goal 1: 4/5
Goal 2: 5/5
Goal 3: 3/5
Goal 4: 5/5
17/20=85% (Strategy makes up 20% of the committee goals)
The committee felt that Mr. VanHouweling met 85% of goals stated.

FINAL ACTION TAKEN: A motion was made by Chair Hagerty to recommend to the HR Committee that Mr. VanHouweling be awarded 85 percent of the 20 percent that comes from the Strategic planning committee. Motion carried by unanimous vote.

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

DOCUMENT SUBMITTED:
- Service Line Strategic Growth

DISCUSSION: Vick Gill presented an overview on service lines and growth.

Cardiovascular is the largest service line in Las Vegas, followed by Orthopedics, General Medicine and Neurology. To determine the size of the market they pulled data from IntelliMed and took the number of 18%. The net revenue in the market was shown at an 18% net to gross.

Chair Hagerty asked if Mr. Gill thought UMC could be better in all of these service lines.

Mr. VanHouweling replied that we do need to narrow down the areas to focus on.

Member Palenik asked if there were any complimentary adjacency's, i.e. does pulmonary go along with cardiology? Do we have to target pulmonary to get cardiology?

Mr. Gill replied that it was a great question and that there are complimentary services that we focus on as well.

Chair Hagerty stated that we need to focus on the needs for the next 20 years and the opportunities, specifically as the population gets older and Cardiology services will be needed more.

A general SWOT Analysis of the hospital was shown including strengths, weaknesses, opportunities and threats.

The service lines UMC is focusing on is Cardiology, Orthopedics, General Surgery, Pediatrics and Ambulatory.

Cardiology is the largest market in Las Vegas with opportunity for growth. UMC has the ability to market new state-of-the-art Cath Labs to recruit new physicians.

Orthopedics is the 2nd largest market and UMC is sixth in the market in Las Vegas We need to drive down costs by standardizing our clinical care delivery and will work with UNLV faculty to expand into elective areas.

General Surgery is where UMC ranks first in volume and drives hospital admission and adjusted patient days.

UMC ranks third in Pediatrics and the Pediatric service line drives additional growth. The Peds market is about a $327 million dollar market.

Ambulatory provides a continuum of care and provides downstream ED visits and admissions.

Chair Hagerty stated that we need to be in sync with UNLV and asked Mr. Gill to identify what the UNLV School of Medicine integration looks like. Mr. Gill replied that he could add a column that identifies this and let him know that in the meetings between UMC and UNLV this has been discussed and continues to be the main topic at the monthly meetings.

Chair Hagerty stated that the topic of service lines and market share is the core of what this committee should be discussing at each meeting.

<u>FINAL ACTION</u>: None taken

ITEM NO. 6 Identify emerging issues to be addressed by staff or by the Strategic Planning Committee at future meetings, and direct staff accordingly. *(For possible action)*

<u>COMMENTS BY THE GENERAL PUBLIC</u>:

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

SPEAKER(S): None

There being no further business to come before the Board at this time, at the hour of 9:48 a.m. Chair Hagerty adjourned the meeting.

APPROVED: October 11, 2018
MINUTES PREPARED BY: Terra Lovelin

ITEM NO. 7 Go into closed session, pursuant to NRS 450.140(3)(a) to discuss new or material expansion of UMC's health care services and hospital facilities.

A motion was made by Chair Hagerty that the committee goes into closed session pursuant to NRS 450.140(3)(a) Motion carried by unanimous vote.

At the hour of 9:48 a.m., the Board recessed to go into closed session.

The meeting was reconvened in closed session at 9:49 a.m.

At the hour of 10:05 a.m. the closed session was adjourned.

FINAL ACTION: No action taken