

**University Medical Center of Southern Nevada
Governing Board Strategic Planning Committee
February 3, 2022**

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Thursday, February 3, 2022
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 9:00 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
Dr. Mackay
Robyn Caspersen (Via WebEx)
Mary Lynn Palenik (Via WebEx)
Renee Franklin (Via WebEx)

Absent:

Christian Haase

Also Present:

Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer (via telephone)
Chris Jones, Executive Director of Support Services
Shana Tello, Academic and External Affairs Administrator
Dr. Marc Kahn, Dean of the Kirk Kerkorian School of Medicine (Via WebEx)
Susan Pitz, General Counsel
Stephanie Ceccarelli, 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. No such comments were heard.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Strategic Planning Committee meeting on December 2, 2021. (For possible action)

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a report regarding UMC Service Line Performance Overview; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

- Service Line Update

DISCUSSION:

Tony Marinello, Chief Operating Officer, began the discussion regarding the service line update. He made the Committee aware that he Market Share information from Intellimed was not available to present at this meeting.

Chair Hagerty asked Mr. Jones what was the time period represented in the P&L dashboard and also asked if the comparison presented moving forward could be shown year over year, as well as actual vs. budget, in order to provide a proper seasonal comparison of data. Staff confirmed that the period of time represented on the P&L dashboard covers Q1 of 2022.

Chris Jones, Executive Director of Support Services, reviewed the Service Line Updates for general surgery, orthopedics, cardiology, oncology and ambulatory.

The Service Line P&L data showed that the major financial classes was led by Medicaid, followed by Medicare. In inpatient services, Children's Hospital dominated the number of cases by service line with 18% followed by Women's Services and General Surgery. Children's Hospital held 5.3% of net revenue.

In outpatient services, the number of cases by financial class was led by commercial with 35.19%, followed by Medicaid and self-pay. The highest percentage by number of cases and net revenue were in ambulatory at quick care and primary care locations.

Chair Hagerty asked for clarification as to what the miscellaneous services were that were noted on the slide.

Mr. Jones pointed out that there was a 5% price increase in charges in all of the service lines presented. Surgery costs are up primarily due to an increase in premium pay in labor costs and an increase transplants. A discussion ensued regarding the Medicaid reimbursement rates associated with implants. It was suggested that staff investigate the Medicaid volume in the market share.

Inpatient surgery shows that volumes were down but charges, total revenue and costs are up. Outpatient volumes are up, as well as total charges, net revenue and costs. Contribution margins and percentages are down.

General surgery inpatient volumes, charges and net revenue are down. Transplants are up by 5 cases over Q4. Charges, total net revenue and contribution margin are up.

Mr. Marinello next provided the service line operational updates and capital investment plans, strategic next steps, as well as the technology strategies that are set to go-live.

Chair Hagerty asked about the ability to maximize efficiencies with surgery rooms, block times and staffing and realign the volume to satisfy the demand.

Member Franklin commented on the strategic next steps with costs and labor and how they relate to service recovery and maximizing staffing opportunities when there are delayed surgeries.

Next, Chris Jones, reviewed the Service Line Updates for orthopedics, inpatient and outpatient statistics. Volumes and costs were affected due to the pause in inpatient and outpatient orthopedic surgeries. Surgery volumes are now back up to 50%.

Mr. Marinello next highlighted the Integrative Joint Program, enhancements in expense and revenue controls and strategic next steps which included new website and brochure for all robotics; to date there have been 68 procedures performed with the Rosa robot. The tech strategy includes the Intrados Real time texting notifications. Anticipated potential for go-live is February 28, 2022.

In Cardiology, there has been a slight increase in the services. Medicare is up slightly and Medicaid is down. Inpatient shows cases are down slightly. Costs are down and contribution margins have increased. Outpatient volumes were up slightly.

In the service line update, Mr. Marinello stated that the EP equipment was installed in December and Cryo hardware is operational. Capital investments were reviewed, along with revenue enhancements with the Cath lab, strategic next steps to promote the EP service line and implementation of the telehealth consultations. He added that TAVRs, which is a less invasive heart procedure, could be a standard of care for the future as technology evolves.

Chair Hagerty stated that he hopes that TAVRs will be a trend that is likely to grow. The conversation continued regarding this subject matter.

In ambulatory, there have been record volumes. Trended volumes year over year were shown for quick cares and primary cares. Mr. Van Houweling added that this is an area that we want to grow with UNLV strategically. There was an extensive discussion regarding the timing in booking the revenue per case.

Service line updates include operational updates regarding the UMC Express Care at the airport, clinic refreshes, primary care recruitments and extending hours at quick care locations. Revenue enhancements for quick cares, the TCM program, staff education and Experian Health implementation were also discussed. Strategic next steps include provider staffing realignment. In

technology, strategies in the telemedicine service line and system enhancement with BlueTree were mentioned.

Next, in oncology, the service line is looking good as a whole and volumes are up. Costs are up and the contribution margin is up. Inpatient, oncology volumes are down, but the charges and costs, as well as contribution margin dollars are up. On outpatient – total net revenue is down and costs are up. Contribution dollars are down and the percentages is down.

Dean Kahn mentioned there is no infusion center and there are discussions taking place to remedy this. He added that an infusion center will drive down costs. Mr. Marinello added that we need the physician expertise to build and grow this service line.

Mr. Marinello next reviewed the oncology service line with updates in operations, revenue enhancement, strategic next steps and technology.

The Children's Hospital is doing well quarter over quarter. Peds volume is up. Inpatient volumes, revenue and costs and margins are up. Contribution margin in dollars are up significantly.

The operational update highlights the newborn nursery service led by 2 NP's and the NICU refresh is complete. The Pediatrics Charge Revenue was postponed but is resuming. Next steps include discussions regarding dedicated anesthesia for pediatrics and telemedicine and E-Consults.

Women's services volumes continue to climb. The costs are up with volume, but the contribution margin is better. Women's services are highly Medicaid driven. Inpatient and outpatient service line P&L dashboards were discussed. Mr. Marinello gave a review of the service line update.

FINAL ACTION TAKEN:

None taken.

ITEM NO. 5 Receive an update regarding Telehealth implementation; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

-PowerPoint Presentation

DISCUSSION:

Mr. Marinello provided a brief overview on telemedicine.

UMC Online Care went live on Tuesday, January 18, 2022. The brand is UMC Online Care. There was a soft launch with patients at Quick Care locations. The operation is 24/7 and to date, there have been 60 visits.

Chair Hagerty asked what the capacity per hour for this service and how quickly can providers be added to fill demand. Mr. Marinello stated that it is approximately 4 encounters per hour per provider. There are 4 providers.

There was a lot of discussion regarding the service that will be provided. The strategic next steps will be to advertise to all employees and then to the general public, enhance primary care and start to build specialty consultants in March 2022.

FINAL ACTION TAKEN:

Non taken.

ITEM NO. 6 Receive an and update on the FY23 Budget Planning; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

- None

DISCUSSION:

Jennifer Wakem, CFO provided a short update. She made the Committee aware that the 2023 budget process will be starting. The expectation is to have the service line directors work with finance on any initiatives that come out of the hospital committee meetings. A proforma will be built based on the outcomes of the committee discussions.

Chair Hagerty provided suggestions on how to structure the budget for FY2023.

FINAL ACTION TAKEN:

No action taken

ITEM NO. 7 Receive an update on FY22 CEO Goals; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

- PowerPoint Presentation

1. Continue to play a leading role in the development of the Las Vegas Medical District. This goal has been met.
2. Improve Focused Six Service Lines financial outcomes and next steps (identify and enhance existing strategic service line initiatives and incorporate into 5-year financial plan utilizes Proforma). This goal still has opportunity for improvement. Mr. Marinello anticipates a turn around on performance.
3. Expand upon the five-year financial plan for UMC Enterprise to include consolidated income statement, cash flow statement and facility wide capital plan. The plan will be detailed down to the service line level and, within service lines will forecast volumes, revenue and expenses by sub service line. Ms. Wakem anticipates that this goal will be met. Key initiatives received from the service lines will help build a proforma and a long range planning module in Kaufman Hall that can assist in achieving this goal.

4. Align UMC/UNLV strategic initiatives. Mr. Marinello states that leadership has been working together to achieve this goal and he provided examples of some of the collaborative actions taking place.

FINAL ACTION TAKEN: No action taken

ITEM NO. 8 Receive an update regarding UMC/UNLV business strategy; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

- None

Mr. Marinello began with a high level overview of the of strategic opportunities between the hospital and the school. He mentioned the combining of the Aliante Quick Care and Peds Clinic, the PFT collaboration and the continuing oncology discussions.

Dean Kahn discussed the success of the UMC/UNLV leadership meeting held last week. They are in the process of hiring several rheumatologists. He also mentioned that there needs to be more discussions regarding stroke care.

Mr. Van Houweling highlighted the hospital and school are working together on several lease and provider agreements together.

Chair Hagerty suggested that a detailed list be provided of some of the collaborative projects taking place, timelines, deliverables, as well as what has been accomplished. He would like to see it by the end of the fiscal year.

Dean Kahn also mentioned how the school and the hospital are working together to increase the GME resident positions.

Shana Tello, Academic and External Affairs Administrator, also listed some of the other items that are being worked on jointly.

ITEM NO. 9 Receive an update regarding the Medical District and Façade progress; and direct staff accordingly. (For possible action)

DOCUMENT SUBMITTED:

Ms. Tello provided a timeline of the progress with the Medical District and Façade projects.

-Façade project – The site walk took place on January 27th, there were 13 respondents. Details of the next steps were provided.

-Medical District Update - UMC is the healthcare leader in the healthcare district. A meeting is planned with the project management consultant with regards to the upgrades within the District, as well as the Shadow Lane and Wellness southeast corner. There will be discussions also regarding the industry needs and community needs. Impacts to traffic into UMC was provided.

-

SECTION 3: EMERGING ISSUES

ITEM NO. 10 Identify emerging issues to be addressed by staff or by the Board at future meetings; and direct staff accordingly. (For possible action)

DISCUSSION:

1. Anchor tenants –
What does the hospital of the future look like, where is the provision of healthcare going, and what are the services that may be needed in the next decade?
2. How does technology impact the future of the medical district and competitive setting in the future?

FINAL ACTION TAKEN:

No action taken

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 10:59 a.m.

APPROVED: April 7, 2022

MINUTES PREPARED BY: Stephanie Ceccarelli, Board Secretary