University Medical Center of Southern Nevada
Governing Board
August 26, 2020

UMC ProVidence Conference Room
UMC Trauma Building (5th Floor)
800 Hope Place
Las Vegas, Clark County, Nevada
Wednesday, August 26, 2020
2:00 PM.

The University Medical Center Governing Board met in regular session, at the location and date above, at the hour of 2:00 PM. The meeting was called to order at the hour of 2:02 PM by Chair O'Reilly. The following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Board Members:

Present:
John O'Reilly, Chair (via phone)
Donald Mackay, M.D., Vice-Chair
Harry Hagerty
Robyn Caspersen (via phone)
Laura Lopez-Hobbs (via phone)
Christian Haase (via phone)
Renee Franklin (via phone)
Jeff Ellis – (via phone)
Mary Lynn Palenik – (via phone)

Ex-Officio Members:

Present:
Dr. Marc Kahn, Dean UNLV
Dr. Frederick Lippmann, Chief of Staff (via phone)
Barbara Fraser, Ex-Officio (via phone)

Others Present:
Mason VanHouweling, Chief Executive Officer (via phone)
Susan Pitz, General Counsel
Marcia Turner, Chief Administrative Officer
Jennifer Wakem, Chief Financial Officer
Tony Marinello, Chief Operating Officer
Jeremy Aguero (Via WebEx)
Dennis Hall, IT
Stephanie Ceccarelli, Board Secretary

SECTION 1. OPENING CEREMONIES

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ITEM NO. 1 PUBLIC COMMENT

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

Speakers: Letter dated August 26, 2020 received from Michael T. Monroe, MD, G. Mark Sylvain, MD and Richard N. Wulff, MD of Orthopaedic Specialists of Nevada, LLC regarding Agenda Item 13, was read into the record by Susan Pitz, UMC General Counsel.

This concludes the public comment.

At this time, Chair O'Reilly called for presentation of Item 18 due to time constraints of Mr. Aguero.

ITEM NO. 18 Receive a presentation from Jeremy Aguero of Applied Analysis on the current economic environment and forecast for Southern Nevada Post-COVID-19; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- Power point

DISCUSSION:

Mr. VanHouweling introduced Mr. Aguero as a leader in the State for economic forecasting.

Jeremy Aguero shared a brief slide presentation overview of the current economic environment and forecast for Southern Nevada Post- COVID-19. He stated that, though COVID is thought of as a public health crisis, it is also an economic, fiscal and legal challenge that we are facing as well. He acknowledged that the public health crisis has translated into an economic crisis, which has led to concern and instability within our economy.

He put into perspective the remarkable economic downturn that we are facing today as compared to the Great Recession and September 11th. The impact on employment loss in the community in a short period of time was highlighted. He emphasized that in a two month period alone, a decade of employment was lost. The magnitude of the employment declines has impacted every sector of the economy, including hospitality. He added that the speed and depth of the decline is substantial and is greater than anything ever seen in history. He continued by demonstrating why the declines are so great in the leisure and hospitality industry.

Next, he spoke about the dramatic public health and economic affects in unpaid mortgage payments, food insufficiencies and delayed medical care because of COVID-19.

Transitioning to fiscal impact, he referenced the Cares Act funding of $2.3 trillion dollars. He emphasized what a remarkable amount of money this is to assist consumers. He presented a breakdown in terms of US disposable personal income; the amount that is put in the hands of consumers. He added that unemployment compensation is remarkably high and different that what was seen in the previous recessions and economic down turns. He mentioned that we are burning through the relief programs and funding faster that we can get through the crisis.

Finally, he touched on some of the legal implications that are involved, including contract claims, business liability claims, bankrupsy, foreclosures, etc. These are all things that are stemming from COVID-19. The follow-on effect associated with this will be significant and we will be dealing with these elements long after there is a solution to the COVID-19 crisis.

Looking forward, he provided a glimpse into the recovery curve in visitor volumes in Southern Nevada. The overall recovery could take 4-5 years.

He concluded by providing a sobering belief that, though the economy is resilient and resourceful, the public health crisis is only one element of the challenges facing our community. He predicts that the next half of this challenge will be more difficult and the follow-on affects are going to be formidable for the community. He encouraged preparation for some degree of instability.

<u>FINAL ACTION:</u> None

At this time the meeting returned to agenda Item No. 2.

ITEM NO. 2 **Approval of Minutes of the regular meeting of the UMC Governing Board on July 29, 2020.** ***(Available at University Medical Center, Administrative Office) (For possible action)***

<u>FINAL ACTION</u>: A motion was made by Member Dr. Mackay that the minutes be approved. The motion was carried by a unanimous vote.

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

Chair O'Reilly requested that Consent Item 13 would be held for separate discussion.

<u>FINAL ACTION</u>: A motion was made by Member Dr. Mackay that the agenda be approved as amended. The motion was carried by a unanimous vote.

<u>SECTION 2. CONSENT ITEMS</u>

ITEM NO. 4 **Approve the August 2020 Physician Credentialing Activities for University Medical Center of Southern Nevada (UMC) as authorized by the Medical Executive Committee (MEC) August 25, 2020.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- August Credentialing

ITEM NO. 5 **Approve the Clinical Quality and Professional Affairs Committee's recommendation for approval of the UMC Policy and Procedures Committee's activities from its meetings held on May 27 and June 24, 2020*. (For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Memo to MEC from Hospital Policy – May 27, 2020
- Agenda Supplement – May 27, 2020
- Memo to MEC from Hospital Policy – June 24, 2020
- Agenda Supplement – June 24, 2020

ITEM NO. 6 **Approve the Emergency Purchase Order with Florida Import Experts, Inc. for COVID-19 Gloves; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Quote 1 – PO177061
- Quote 2 – PO177061
- Quote – PO175956
- Quote – PO176034
- Quote – PO176473
- PO177061
- PO175956
- PO176034
- PO176473
- Florida Imports Disclosure of Ownership

ITEM NO. 7 **Ratify the Emergency Purchase Order with Fisher Scientific for COVID testing supplies; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Order Confirmation – C02051927
- Thermofisher Dislcosure of Ownership
- Fisher Lab COVID Standing Order

ITEM NO. 8 **Approve the Emergency Purchase Order with Health Research System for COVID-19 PPE Supplies; and take action as deemed appropriate. (For possible action)**

DOCUMENT(S) SUBMITTED**:**
- Health Research Systems PPE Glove Order
- Disclosure of Ownership

ITEM NO. 9 **Approve the Third Amendment to the Hospital Agreement with OneHealth, Hometown Health Plan, Inc. and Hometown Health Providers Insurance Company, Inc.; and authorize the Chief Executive Officer to sign the Amendment. *(For possible action)***

DOCUMENT(S) SUBMITTED
- OneHealth & Hometown Health Amendment

ITEM NO. 10 Approve for ratification the Agreement for Temporary Staffing with ACI Federal, Inc.; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- ACI Federal Inc. Temporary Staffing Agreement
- Disclosure of Ownership

ITEM NO. 11 Review and recommend for ratification by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Lease Agreement with HIP Valley View, LLC.; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- Lease Agreement
- Disclosure of Ownership

ITEM NO. 12 Approve the Staffing Services Agreement with Merci, Inc. and MedicWest Ambulance, Inc.; and take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED
- AMR-UMC Staffing Agreement
- MedicWest - Disclosure of Ownership
- Mercy Inc. - Disclosure of Ownership

ITEM NO. 14 Approve the Provider Agreement between Kathleen Wairimu, MD and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- Kathleen Wairimu, MD - Provider Agreement
- Kathleen Wairimu, MD - Disclosure Of Ownership

ITEM NO. 15 Approve the Professional Services Agreement with UNLV Medicine and UNLV School of Medicine for surgery services; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- UNLV Medicine – Professional Services Agreement

ITEM NO. 16 Approve the Supply Agreement between Vericel Corporation and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- Vericel Tissue Supply Agreement
- Disclosure of Ownership

ITEM NO. 17 Approve Amendment 1 to the Service Agreement for Rapid Patient Service Desk Activation with Bluetree Network, Inc., and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED
- Bluetree Networks - Amendment 1
- Disclosure of Ownership

FINAL ACTION: A motion was made by Member Haase to approve the Items 4-17, with the exception of Item 13, on the Consent Agenda as recommended. Motion carried by unanimous vote.

At this time the Board considered Item 13, which was held out for separate discussion.

ITEM NO. 13 Award RFP No. 2020-11 Orthopaedic Surgery and Orthopaedic Spine Surgery On-Call and Clinical Services to Robert B. McBeath, MD, PC d/b/a OptumCare Orthopaedics and Spine; and authorize the Chief Executive Officer to sign the Professional Services Agreement and exercise any extension options. *(For possible action)*

DOCUMENT(S) SUBMITTED
- Professional Services Agreement

Member Dr. Mackay recused himself from the discussion of this item, as he has personal and professional relationships with individuals of both orthopaedic groups in discussion.

Susan Pitz, General Counsel summarized the status of the matter involving the letter that was read into the record regarding orthopaedic call and orthopaedic spine call for the UMC Trauma Center. She provided an overview of the RFP process, which had been delayed due to COVID and a timeline of actions taken leading to the notice of award of the RFP. She noted that any protest of the RFP process are to be received within 5 business days after recommendation of the award. She affirmed that no such protest was provided to or received by UMC's contract department with the required time frame.

At this time, Chair O'Reilly asked if there was any reason why there should not be a vote on agenda Item 13. Ms. Pitz stated a vote could be taken based on the RFP process.

Mr. VanHouweling added that he has reviewed the process with the contracts department and General Counsel, and feels comfortable moving forward with the award.

Member Ellis asked asked if the existing group responded to the RFP and if they were put on notice of the term of their contract. He also wanted to know if their termination would affect surgery volume. He was informed that the subject group did respond to the RFP and their orginal contract expired on the initial terms and no written notice was provided that the contract would be extended. The conversation continued regarding impact on surgery volumes.

FINAL ACTION: A motion was made by Member Haase to approve Item 13 on the Consent Agenda as recommended. Motion carried by a majority vote. Member Dr. Mackay abstains.

SECTION 3: BUSINESS ITEMS

ITEM NO. 19 Receive a report from the Governing Board Clinical Quality and Professional Affairs Committee; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- None submitted

DISCUSSION: Member Dr. Mackay provided a report of the meeting held on Monday, August 10, 2020. The meeting was called to order at 3:05 pm. All members were present and there was no public comment. The minutes from the June 8, 2020 meeting were approved and the agenda was approved.

An update was received on HCAHPS scores and ICare activities. New member, Jovie Remitio, RN was welcomed to the ICare4U team during this meeting. There was a review of ICare4U initiatives. Quality, Stafety, Infection Prevention and Regulatory updates were reviewed.

The Committee members unanimously approved policies and procedures and contract evalualtions from May 27, 2020 – June 24, 2020 that were approved by the Medical Executive Committee. The CEO Performance Goals were also reviewed and a performance recommendation was forwarded to the Human Resourses and Executive Compensation Committee. CEO Performance Objectives for FY21 were also discussed.

No public comment and the meeting adjoured at 4:20 pm.

Dr. Kahn asked if there was any way that the School of Medicine can help in the improvement of HCAHPS scores. Mr. VanHouweling stated that he will collaborate with Dean Kahn.

ITEM NO. 20 Receive a report from the Governing Board Strategic Planning Committee; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- None submitted

DISCUSSION: Member Hagerty provided a report of the meeting held on Wednesday, August 5, 9:00 am. There was a quorum in attendance. There was no public comment and the agenda was approved.

There were updates on changes and progress on the six prioritized service lines. The Cath Lab project is expected to be complete by the end of the calendar year.

He reviewed patient volumes in the cath lab and oncology. He added that we are striving to achieve accreditation from the Commission on Cancer.

A report was received on UMC's COVID response in the community and he highlighted volume of testing being done throughout the valley and noted the increase in lab capacity to 10k tests per day and a target turn around time of less than 48 hours.

CEO Performance Objectives were reviewed and a recommendation will be forwarded to the Human Resourses and Executive Compensation Committee.

There were two emerging issues proposed, which would be to invite Dean Kahn to a future meeting to discuss the six priority service lines and secondly, encourage staff to provide feedback on changes due to COVID and what this means to UMC's strategic direction and plans.

There was no public comment and the meeting adjourned at 11:25am.

ITEM NO. 21 Receive a report from the Governing Board Audit and Finance Committee; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- None submitted

DISCUSSION: Member Caspersen provided a report of the virtual meeting held on Wednesday, August 19, 2:00pm via WebEx. There was a quorum in attendance. There was no public comment, and minutes were approved and the agenda were approved.

There were consent items and business items which were reviewed and approved by the Committee during the meeting. All of the contracts that were approved are part of today's consent agenda.

The June FY20 and July FY21 year to date financial reports were reviewed during the meeting. Member Caspersen added that the June results were subject to audit.

July financials focused on trends impacting financial statements and cash flows related to COVID. There was aslo discussion regarding the impact of the Voluntary Separation Program and funding that has been received and secured through the Cares Act and County sources.

The Committee discussed and finalized the CEO Financial and Operational Performance Goals for FY2020 and recommended them to the Human Resources Committee for consideration of the achievement of the overall performance criteria.

There was an emerging issue regarding the analysis of capital expenditures plans moving forward.

There was no public comment and the meeting adjourned at 3:25 PM.

FINAL ACTION: None

ITEM NO. 22 Receive the monthly financial report for June FY20 and July FY21; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- FY20 July Slide Presentation

DISCUSSION: Jennifer Wakem, Chief Financial Officer, provided a summary of the June FY 20 and July FY 21 financial reports.

She began with the June FY 20 year to date total income from operations showed a loss of $52.3 million. The year ended below budget $63.1 million. We have received $32.4 million in Cares Act Funding. She stated that June numbers will not be finalized until the auditors complete their review and the final June year to date financial statement will be shared once the audit is complete.

Chair O'Reilly asked what was the period of loss. Ms. Wakem reminded the Committee that prior to COVID19, we were exceeding budget. She affirmed that losses were between March through June.

Key indicators for the month of July were reviewed and volumes were significantly better than anticipated. Admissions were over budget 34%. Hospital CMI was up for the month of July. There was a significant increase in COVID positive patients for the month which attributed to a higher length of stay.
Inpatient surgeries were 11.5% down compared to prior year.
Out-patient surgeries were down 11.8%.
ER visits were 26% over budget.

Quick cares exceeded budget 25% and primary cares were down 2.8% from prior year.

Income statement for July showed that revenue was up $26 million due to volume increases.
Operating expenses were $16.5 over budget primarily due to labor and supplies.
Total income ops before depreciation showed a loss of $18.3 on a budget of $17.3 million. Approximately $4 million was received in Cares Act Funding.

Salaries wages and benefits were $3.4 million over budget in labor and significantly over budget in volume due to COVID testing.

Supplies were $12.9 million over budget. We have a large supply of PPE to make sure staff is safe while caring for our COVID patients. She mentioned that rates have increased in PPE purchases. Mr. VanHouweling added that we are getting ahead with supplies needed for flu and potential COVID vaccinations.

Lastly, she shared a comparison of the COVID testing between June and July, which showed a significant increase.

FINAL ACTION: None

ITEM NO. 23 Receive a report on the University of Nevada Las Vegas School of Medicine; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- None submitted

DISCUSSION:

Member Dean Kahn discussed the final audit going on for the school. He stated that he would like to work with UMC to address issues regarding uncompensated care and lost revenue.

Clinical students have been working. First graduation is scheduled to take place in May and match days are scheduled for March. He stated that it has become clear that the relationship between the School of Medicine and UMC is very important.

FINAL ACTION: None

ITEM NO. 24 Receive an update from the Hospital CEO and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- CEO Update

DISCUSSION:

Mason Van Houweling, CEO, provided a brief update on the current COVID status at the hospital.There is a trending down of the COVID positive patients. There have been over 216k COVID community tests performed to date. Availability of testing at the convention center will continue through the end of the year. Health and Human Services will also be here to perform approximately 60k test over the course of 5 days in September. He stated that turn around times for test results has been less than 48 hours. PPE is in the green and staffing has been in the yellow.

He informed the Board that phase one of the Cath Lab is due for inspection by the state by the end of September; phase two will commense thereafter. Two nuclear medicine cameras have passed state inspection and we are expecting a use letter in the coming days. This will support imaging and radiology departments tremendously.

We are offering a new Infectious Disease Center, which is an expanded service under our Wellness Center. This will support the community and allow patients to be assisted with a host of services including prescription management, wound checks, lab test and imaging referrals.

We achieved Pathways to Excellence designation on May 12, 2020. Thank you to Deb Fox and staff accomplishing this achievement.

Maria Sexton was announced as Interim Chief Information Officer.

Lastly, he recognized the great community partners and donors for their support to UMC in providing donations.

Member Palenik provided personal experience of the COVID testing process. She also recognized staff members for their availability to answer questions and their response to the community. Mr. VanHouweling highlighted the testimonials that have been received through UMC.

FINAL ACTION: None

SECTION 4: EMERGING ISSUES

ITEM NO. 25 Identify emerging issues to be addressed by staff or by the Board at future meetings and direct staff accordingly. *(For possible action)*

None.

COMMENTS BY THE GENERAL PUBLIC:

Comments from the general public were called before going into closed session.

No such comments were heard.

There being no further business to come before the Board at this time, at the hour of 3:37 PM, Chair O'Reilly adjourned the meeting, and the Board recessed to go into closed session.

SECTION 5: CLOSED SESSION

ITEM NO. 26 Go into closed session pursuant to NRS 241.015(3)(b)(2) to receive information from the General Counsel regarding potential or existing litigation involving matters over which the Board had supervision, control, jurisdiction or advisory power, and to deliberate toward a decision on the matters; and direct staff accordingly. *(For possible action)*

The meeting was reconvened in closed session at 3:43 PM.

At the hour of 3:59 PM, the closed session on the above topic ended.

FINAL ACTION: No action was taken by the Board.

APPROVED: September 30, 2020

Minutes Prepared by Stephanie Ceccarelli