University Medical Center of Southern Nevada
Governing Board Special Meeting
April 28, 2021

UMC Emerald Conference Room
Delta Point Building (1st Floor)
901 Rancho Lane
Las Vegas, Clark County, Nevada
Wednesday, April 28, 2021
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 2:04 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
Donald Mackay, M.D., Vice-Chair
Robyn Caspersen
Harry Hagerty
Laura Lopez-Hobbs
Christian Haase
Renee Franklin
Jeff Ellis (via WebEx)
Mary Lynn Palenik (via WebEx)

Ex-Officio Members:

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

Absent:
None

Others Present:
Mason Van Houweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Judy Faulkner, CEO and Founder of Epic Systems (via WebEx)
Susan Pitz, General Counsel
Stephanie Ceccarelli, Board Secretary

<u>SECTION 1. OPENING CEREMONIES</u>

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: None

ITEM NO. 2 Approval of Minutes of the special meeting and the regular meeting of the UMC Governing Board held on March 31, 2021. ***(Available at University Medical Center, Administrative Office) (For possible action)***

<u>FINAL ACTION</u>:

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

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

Chair O'Reilly requested Consent Item 6 will be held for discussion with the financial report.

Items 15 and 17 were tabled for discussion at a future meeting.

<u>FINAL ACTION</u>:

A motion was made by Member Franklin that the agenda be approved as amended. Motion carried by unanimous vote.

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

ITEM NO. 4 Approve the April 2021 Medical and Dental Staff Credentialing Activities for University Medical Center of Southern Nevada (UMC) as authorized by the Medical Executive Committee (MEC) on April 27, 2021; and take action as deemed appropriate. ***(For possible action)***

<u>DOCUMENT(S) SUBMITTED</u>**:**
- Credentialing Activities

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 January 27, 2021 and February 24, 2021; and take action as deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED:
- Hospital Policy Committee List – January 27, 2021
- Hospital Policy Committee List – February 24, 2021

ITEM NO. 7 **Approve the Amendment Two to Participating Facility Agreement with SelectHealth, Inc. and SelectHealth Benefit Assurance, Inc.; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Participating Facility Agreement

ITEM NO. 8 **Approve the Amendment Number Seven to Participating Provider Agreement with SilverSummit Healthplan, Inc.; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Participating Provider Agreement

ITEM NO. 9 **Approve the Precise ID Price Change Amendment with Experian Health, Inc. and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Price Change Amendment
- Disclosure of Ownership

ITEM NO. 10 **Approve the McKesson Connect 340B Contract Pharmacy Load Forms with McKesson Corporation; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Walmart McKesson 340B Connect Load Form Applications - Redacted

ITEM NO. 11 **Approve the Professional Services Agreement for Pediatric Urology On-Call Coverage with Children's Urology Associates, LLC; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Professional Services Agreement

ITEM NO. 12 **Approve the Quotation with Philips Healthcare, a division of Philips North America LLC, for the purchase of Echocardiogram Ultrasound Machines; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Quotation
- Master Agreement
- Disclosure of Ownership
- Sourcing Letter

ITEM NO. 13 Review and recommend for approval by the Board of County Commissioners, also sitting as the Board of Hospital Trustees the Lease Agreement with Daniel L. Orr, D.D.S., M.S., LTD. and University Medical Center of Southern Nevada for space at 2040 W. Charleston Blvd., Suite 201; authorize the Chief Executive Officer to execute renewal options; and take action as deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Orr – 2040 Lease Agreement
- Disclosure of Ownership

ITEM NO. 14 Approve and recommend for approval by the Board of County Commissioners also sitting as the Board of Hospital Trustees, the First Amendment to Interlocal Medical Office Lease with the Board of Regents of the Nevada System of Higher Education (NSHE) on behalf of University of Nevada Las Vegas (UNLV) for space at 2040 W. Charleston Blvd.; authorize the Chief Executive Officer to exercise extension options; and take action as deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- First Amendment to Interlocal Medical Office Lease NSHE

FINAL ACTION:

A motion was made by Member Hagerty that Consent Items 4, 5 and 7-14 be approved as presented. Motion carried by unanimous vote.

SECTION 3: BUSINESS ITEMS

ITEM NO. 15 Recognize recipients of the annual UMC Foundation Employee Scholarship award; and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
None

DISCUSSION: Item 15 was tabled for discussion at a future meeting.

FINAL ACTION:
None

At this time, the Board received Item 18 Clinical Quality report.

ITEM NO. 18 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

DISCUSSION:

Dr. Mackay provided a summary of the April 5, 2021 meeting.

The meeting was called to order at 3:02 pm. There was a quorum of members in attendance. There was no public comment. The minutes of the February 8, 2021 meeting were approved and the agenda was approved.

Debra Fox, CNO, provided updates on the Magnet journey. A change in academic requirements requires nurses to have a Baccalaureate or higher degree. Ms. Fox also discussed the implementation of tools that will assist in patient care and measure nursing performance.

Patty Scott provided the Quality, Safety and Regulatory update. Discussions included quality, safety and infection prevention program measures, as well as the 2021 Annual Infection Control Plan that is now in place. A review of HCAHPS and ICARE4U initiatives was provided. CEO quality performance objectives and Joint Commission preparations were also discussed.

The committee unanimously approved the activities of the UMC Policy and Procedures Committee meeting from the January 27, 2021 and February 24, 2021 meetings.

Lastly, emerging issues included an invitation to Ron Roemer to provide updates regarding clinical studies. There was no public commentary and the meeting adjourned at 4:20 pm.

FINAL ACTION:
None

Chair O'Reilly asked Dr. Mackay to describe how the Committee works with the Quality department and the management team to have a serious focus on quality and safety at the facility.

At this time, the Board returned to Item 16 to receive a presentation.

ITEM NO. 16 Receive and informational presentation from Judy Faulkner, CEO and Founder of Epic Systems; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- None

DISCUSSION:

Judy Faulkner, CEO and Founder of Epic Systems, shared a presentation which included a summary of Epic System's past, present and future.

Epic focuses on development they are aware of the factors affecting health going beyond traditional healthcare. She added 72% of the US has a recent occurrence record in Epic. Epic is now located in 15 countries. There are approximately 120 million patient records in MyChart. More offerability was created in 2007 when

Care Everywhere was built, allowing patient data exchange with minimal effort. Approximately 8 million records are exchanged daily.

Newer programs that are available include: Share Everywhere, which allows data to be exchanged from anywhere in the world, Payer Platform, Epic Cosmos, Epic Radio for physician use, the Epic Health Research Network, Epic Share for Executives and statewide systems, which will be available soon to assist with behavioral and public health issues. Ms. Faulkner continued by highlighting some of the features of the new programs listed.

Ms. Faulkner continued in regards to federal regulations, stating that the temporary telehealth waivers should be extended due to the success of telehealth during the COVID era. She concluded that Epic will continue to advocate for guidance in compliance to assist patients.

UMC is clearly on the way of becoming a top tier Epic participant and model facility under the Epic guidelines. Good progress is being made.

ITEM NO. 17 Review and discuss the Governing Board 2021 Action Plan, to include a presentation from Patricia Scott, Quality Patient Safety & Regulatory Officer, regarding Joint Commission preparedness; and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- None

DISCUSSION: Item 17 was tabled for discussion at a future meeting.

FINAL ACTION:
None

At this time, the Board considered Item 23, the Hospital CEO update.

ITEM NO. 23 Receive an update from the Hospital CEO; and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
CEO Update

DISCUSSION:

Mr. VanHouweling, UMC CEO provided the following update:

The Joint Commission survey this began this week. There are 7 surveyors on site for the 4-day survey. A report will be provided to the Board by Friday.

Cath Lab #2 is operational and we are awaiting final state approval. The 7th floor refresh project began in April and will take approximately eight months to complete and the CT scanner replacement will be three months to complete.

Encore vaccine site is winding down. Vaccines will continue at the 2231 location.

A brief update regarding the 81st Legislative Session was provided to the Board. The session ends on June 1, 2021. No bills have been voted into law yet. Mr. Van Houweling provided a brief review of the bills being discussed, including the Patient Protection Commission, Medicaid expansions, crisis stabilization networks, mental health and provider tax bills. Public option for the state is being reviewed on Medicaid. Thank you to the team for the work done on AB44 and other bills that did not make it out of committee.

The employee engagement survey has already met and surpassed the response rate of 50%.

Debra Fox, CNO was recognized for serving as the President of the Nevada Organization of Nurse Leaders, which represents nurses for the state. Congratulations!

Mr. Van Houweling reminded the Board of upcoming events including, A Time for Healing Candle Light Ceremony on May 6th at 7:30pm, the UMC Employee Appreciation BBQ scheduled for May 7th, and Nurses Week. All are encouraged to attend.

FINAL ACTION:

None

ITEM NO. 22 Receive an update on the University of Nevada, Las Vegas School of Medicine; and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
None

DISCUSSION:

Dr. Marc Kahn, Dean of UNLV School of Medicine, updated the on the activities of the school.

The Board of Regents has approved the new name for the school. It will now be known as the Kirk Kerkorian School of Medicine at UNLV. The building project remains ahead of schedule and the plan to take occupancy in 2022. Discussions have started regarding a plan to have an academic health center.

Graduation will be Friday, May 7th at 2pm. The future of graduate medicine is being discussed, including the GME expansion plan, creation of new programs, as well as other models. Dr. Kahn reminded the Board that Nevada ranks 48 in the nation for GME programs.

Lastly, the MDMBA program has been approved.

FINAL ACTION:
None

At this time the Board returned to consider Business Item 19.

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

DOCUMENT(S) SUBMITTED**:**
None

DISCUSSION:

Member Caspersen provided a report on the meeting held on Wednesday, April 21, 2021 at 2:00pm. There was a quorum in attendance. There was no public comment and minutes and the agenda were both approved unanimously.
The business items were reviewed and approved by the Committee during the meeting. All of the contracts that were approved during the meeting are a part of today's consent agenda.

BDO report was presented as a part of the meeting book and it was approved at the committee level. No findings or questions.

The March FY21 month end and year to date financial results were reviewed. March was a good month for UMC. Positive trends are expected through the end of the fiscal year. Expenses continue to exceed prior year followed by contract labor and SWB. There was focus on operating and financial indicators, revenues, expenses and cash flows, which continue to be strong. Supplies remain significant and greater than budget. There continues to be a sizable backlog of federal supplemental payments.

Lastly, the committee reviewed the operating budget for FY22 which will be submitted to the County. Changes were reviewed. Considerable discussion on the proposed budget, highlighting the payor mix and the Medicaid and watch how it impacts budget moving forward and the length of stay.

Market expectations were discussed and how they impact our budget for FY22. It is moving forward for consideration.

Legislative update was provided by Carissa Rey.

There were no emerging issues, no public comment and the meeting adjourned at 4:06 PM.

FINAL ACTION:
None

At this time, the Board considered Item 6 for discussion and approval.

ITEM NO. 6 Receive and accept the Single Audit from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and direct staff accordingly. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Single Audit – Audit Wrap-up

- Single Audit Information

DISCUSSION:

None

FINAL ACTION:

A motion was made by Member Caspersen that Consent Item 6 be approved as presented. Motion carried by unanimous vote.

At this time, the Board received Item 20, the monthly financial report.

ITEM NO. 20 Receive the monthly financial report for March FY21; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
March FY 2021 Financial Report

DISCUSSION:

Ms. Wakem provided a summary of the monthly financial report for March FY21.

March was a very good month. Key indicators for March were reviewed. Admissions exceeded prior year. The AADC showed an average of 533 for the month. Acuity was high and hospital CMI was 2.10. Inpatient and outpatient surgery volumes were up. ER visits were below prior year roughly 8% and the conversion rate was 23% in the month of March. Quick cares were down almost 21%, but primary cares were up 32%.

The income statement for the month reflected it was a great month. Income from ops was $3.6 million. This is the third month in a row in the black.

Salaries, wages and benefits showed the month $1.4 million over prior year, but we are below budget. She added that contract labor has been high; there are internal plans to reduce it along with overtime.

All other expenses show the major increase is in supplies, which is above prior year $6.2 million. COVID expenses and testing were briefly reviewed. There were over one million tests processed during the month.

Vaccination volumes totaled roughly 15k for the month.

FINAL ACTION:
None

ITEM NO. 21 Receive FY 2022 Proposed Final Operating Budget to be submitted to Clark County and discuss any changes; and take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- FY22 Budget

Ms. Wakem reminded the Board that the budget has been reviewed by the Audit and Finance Committee. High level key assumptions were provided to the Board. Local economic updates received from experts were factors used in building the budget.

Key assumptions for the FY22 budget included leveraging 2019 volumes in admissions, surgeries and ER visits. Adjustments in payor mix decreased commercial by 2% and pushed Medicaid up 2% in the budget.

Federal supplemental payments have been built in separately. There was some normalization for COVID-19, based on the impact it had in FY21.

A summary of FY22 key statistics showed an increase in admissions; hospital CMI remained consistent with current projections. Ambulatory is a key initiative, therefore new quick care and primary care locations were added.

The income statement summary for FY22 showed a budgeted loss of $20 million and a projected $5.6 million loss for FY21.

Per the Board's request, Ms. Wakem explained the difference in the State's projected increase of 20% in Medicaid versus UMC's 2% increase and how she was able make this determination. A conversation ensued regarding the connection between the increase in unemployment rates and the stimulus payments.

Chair O'Reilly thanked the team and the Audit and Finance Committee for the hard work involved in building the budget.

FINAL ACTION:

A motion was made by Member Hagerty to approve and recommend the Final Operating Budget for FY22 be submitted to Clark County as presented. Motion carried by unanimous vote.

SECTION 4: EMERGING ISSUES

ITEM NO. 24 Identify emerging issues to be addressed by staff or by the Board at future meetings and direct staff accordingly. ***(For possible action)***

DISCUSSION:

Member Franklin would like a discussion regarding the next phase of COVID and our strategic plan as a health care institution.

Chair O'Reilly reminded the Board members that there would be a Governing Board 2021 Action Plan item presented as a topic for discussion at each monthly Governing Board meeting.

FINAL ACTION:

None

COMMENTS BY THE GENERAL PUBLIC:

Comments from the general public were called. No such comments were heard.

There being no further business to come before the Board at this time, at the hour of 3:28 PM. Chair O'Reilly adjourned the meeting.

APPROVED: May 26, 2021

Minutes Prepared by: Stephanie Ceccarelli, Board Secretary