University Medical Center of Southern Nevada
Governing Board
January 27, 2021

UMC ProVidence Conference Room
Trauma Building – 5th Floor
1800 W. Charleston Blvd.
Las Vegas, Clark County, Nevada
Wednesday, January 27, 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 2:08 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 – via phone
Harry Hagerty – 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:
Barbara Fraser, Ex-Officio - via phone
Dr. Marc Kahn Dean UNLV – via phone
Dr. Frederick Lippmann, Chief of Staff

Absent:

Others Present:
Mason VanHouweling, Chief Executive Officer
Carissa Rey, Academic and External Affairs Officer
Jennifer Wakem, Chief Financial Officer
Tony Marinello, Chief Operating Officer
Thomas Brennan, AHA Regional Execuitve – via phone
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 regular meeting of the Governing Board on December 16, 2020. ***(Available at University Medical Center, Administrative Office) (For possible action)***

Member Hagerty was not present at the meeting and will be removed as an attendee.

Member Caspersen requested a review and removal of extraneous comments.

<u>FINAL ACTION</u>: A motion was made by Member Mackay that the minutes be approved as amended. Motion carried by a majority vote. Member Hagerty abstains.

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

Chair O'Reilly requested that Item 18 on the Consent agenda be held for a brief separate discussion.

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

SECTION 2. CONSENT ITEMS

ITEM NO. 4 Approve the December 2020 and January 2021 Medical and Dental Staff Credentialing Activities for University Medical Center of Southern Nevada (UMC) as authorized by the Medical Executive Committee (MEC) on December 22, 2020 and January 26, 2021. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- December 2020 and January 2021 Credentials Packets

ITEM NO. 5 Ratify the Amendment Numbers Five and Six to Participating Provider Agreement with SilverSummit Healthplan, Inc. signed by the Chief Executive Officer. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Amendments 2 & 3 to Primary Care Agreement

ITEM NO. 6 Ratify the Amendments Two and Three to Primary Care Physician Participation Agreement with LifePrint Health, Inc. d/b/a OptumCare signed by the Chief Executive Officer. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Amendments 5 & 6 to Participating Provider Agreement

ITEM NO. 7 Approve the Amendment 004 to Hospital Services Agreement with Aetna Health, Inc.; and authorize the Chief Executive Officer to sign the Amendment. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Amendment 4 to Hospital Services Agreement

ITEM NO. 8 Ratify the Comprehensive Visit Program Agreement with P3 Health Partners-Nevada signed by the Chief Executive Officer. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Comprehensive Visit Program

ITEM NO. 9 Approve the In-Hospital Dialysis Services Agreement with Fresenius Kidney Care Nevada, LLC; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- In-Hospital Master Agreement
- Disclosure of Ownership

ITEM NO. 10 Ratify the Agreements with Philips North America, LLC for the CT Scanner replacement project; authorize the Chief Executive Officer to execute future Change Order within his delegation of authority; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Quote

- Statement of Work
- Point of Sale Service Contract
- Disclosure of Ownership
- Sourcing Letter

ITEM NO. 11 **Approve the Purchasing Agreement with Quidel Corporation for laboratory test kits; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Purchase Agreement
- Disclosure of Ownership
- Sourcing Letter

ITEM NO. 12 **Review and recommend for ratification by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the Amendment One to Client Agreement with FocusOne Solutions, LLC for COVID-19 temporary labor staffing services; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Amendment One
- Disclosure of Ownership

ITEM NO. 13 **Approve the Contracts of Services with Hello! Las Vegas Destination Management and University Medical Center of Southern Nevada for COVID-19 Testing and Vaccine Support Services; and authorize the Chief Executive Officer to execute future service orders within his delegation of authority; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Primary Commitment Agreement

ITEM NO. 14 **Approve the Agreement for Custom Orthopedic Fabrications, Prosthetics, and Orthotic Devices with Children's Orthopedic and Prosthetics, LLC; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Service Agreement
- Business Associate Agreement

ITEM NO. 15 **Approve for award RFP No. 2020-18 Clinical Denial Services to RSource, LLC; authorize the Chief Executive Officer to sign the Service Agreement for Clinical Denial Services and exercise any extension options; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Service Agreement

ITEM NO. 16 **Approve for award Bid No. 2020-17, Labor and Delivery Remodel Project, to Builders United, LLC, the lowest responsive and responsible bidder; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Invitation to Bid
- Letter of Award

ITEM NO. 17 Ratify and recommend for ratification by the Board of Hospital Trustees for University Medical Center of Southern Nevada, the License Agreement with Wynn Las Vegas, LLC; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- License Agreement

FINAL ACTION:

A motion was made by Member Franklin to approve Items 4-17 on the Consent agenda as recommended. Motion carried by unanimous vote.

At this time, the Board discussed Item 18.

ITEM NO. 18 Approve the Third Amendment to the Chief Executive Officer's Employment Agreement; and authorize the Chairman to sign the Third Amendment. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- CEO Employment Agreement - Third Amendment

FINAL ACTION:

Chair O'Reilly noted that the Board is fortunate to have Mr. Van Houweling to serve as CEO of University Medical Center and thanked him for his service.

Dr. Lippmann, Chief of Staff also thanked Mr. Van Houweling on behalf of the Medical Staff for his commitment and dedication and longevity.

Mr. Van Houweling added that he is excited to continue and thanked the Governing Board and the UMC staff for their support.

A motion was made by Member Mackay to approve the Third Amendment to the Chief Executive Officer's Employment agreement on the Consent agenda as recommended. Motion carried by unanimous vote.

SECTION 3: BUSINESS ITEMS

ITEM NO. 19 Receive an update on Federal Healthcare Topics from Thomas Brennan, Regional Executive- Region 9, of the American Hospital Association; ant take any action deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- PowerPoint 2021 Federal Update

Mason Van Houweling, CEO introduced Thomas Brennan, Regional Executive, Region 9 representative of the American Hospital Association. Mr. Brennan provided an overview of the direction and policies that will be introduced with recent changes in government administration.

Mr. Brennan shared the 2021 environmental scan which provided data and trends that highlight important issues facing the health care field and challenges that will be faced with the new administration. This includes coronavirus response relief, recovery, rebuilding, as well as behavioral health, workforce, health equity, diversity and inclusion and access and affordability.

Next, he provided an overview of the cascading activities expected in 2021 which would include executive orders, COVID-19 relief plan legislation, ongoing regulartory normal rulemaking cycle and campaign promises and seven goals that the new administration would like to accomplish. The discussion continued regarding relief plan funding and the national strategy of the Biden Administration.

He concluded his presentation with a review of ongoing legal issues and the focus of the AHA for 2021.

Member Mackay asked if Mr. Brennan was familiar with HB7059 and if it will receive any traction in the near future. Mr. Brennan stated that he would look into it and provide feedback. A discussion ensued regarding HHS appointees.

FINAL ACTION: None

ITEM NO. 20 Receive a report from the Governing Board Human Resources and Executive Compensation Committee, and take any action deemed appropriate. *(For possible action)*

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

DISCUSSION:

Member Ellis provided a summary from the meeting held on January 25, 2021 at 2:00pm. There was no public comment, a quorum of all members were present, and the minutes from October 21, 2020 meeting and agenda were approved.

The Committee was provided a detailed presentation on UMC's employee benefits program. Almost 47% of salaries and wages is being spent on benefits, which is 17% higher than other facilities. Approximately 30% is reflected in the pension plan. An update on the 2021 goals were reviewed.

There were no emerging issues identified and no public comments. Meeting adjourned at 3:30.

FINAL ACTION: None

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 on the meeting held on Wednesday, January 20, 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 are part of today's consent agenda.

The UMC fiscal year 2020 Audit and Financial statement and independent auditor's report was received from UMC's external auditor BDO, with no significant findings and the report was unqualified.

Next, a review of the December financials and YTD FY21 results were reviewed. There was focus on the high supply costs and the financial impact of COVID-19 and COVID testing. Lastly, the committee received an update on the status of additional Cares Act Funding.

There were no emerging issues, no public comment and the meeting adjourned at 3:56 PM.

ITEM NO. 22 Receive the monthly financial report for December FY21, and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- FY21 December Financials

DISCUSSION:

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

Key indicators for December showed volumes were significantly over compared to budget. Admissions were down by 18%. The AADC showed an average of 556 for the month. Length of stay was high. Acuity is high. Hospital CMI was 2.08 and Medicare CMI was 2.15. Surgery volumes were down. There were 15 transplants in the month of December. ER visits were below prior year almost 20%. ER volumes were also down. Quick care visits were below prior year.

Ms. Wakem continued by reviewing the payor mix by admits trended. Medicare is up almost 3.25% and Medicaid and self-pay is trending downward. She added that Nevada's unemployment rate has dropped to 9.2%. The national unemployment average is 6.7%.

Next, the December summary income statement showed income from operations significantly better than expected, nearly at a break even mark. Revenue was up over prior year by $12 million. This jump is related to COVID testing. Year to date income statement shows us upside down $22.7 million. A conversation ensued regarding COVID related costs.

Salaries, wages and benefits for December were good. There has been an increase in contract labor and mandatory overtime.

A review of other expenses showed the delta over prior year was roughly $11 million, with about $10 million of that number being supplies.

Finally, the COVID testing volumes were reviewed with a total of 111K tests performed in November.

FINAL ACTION: None

ITEM NO. 23 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. Kahn updated the Board on construction of the new building. It remains ahead of schedule. This is good for UNLV and UMC. Occupancy is anticipated for the fall of 2022.

Full accreditation will be reported next month. The third Friday in March will be the first match of residents and graduation will be in May. There has been great collaboration between UMC and UNLV in getting individuals vaccinated in the community.

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:

Mr. Van Houweling started his update by reviewing COVID numbers. He stated that it has been 325 days since we diagnosed our first COVID case at UMC. There have been over 2,637 inpatients. The emergency department has treated over 4,000 patients. COVID deaths are at 220. We are approaching 1 million tests in the state of Nevada. COVID positive specimines are being sent to the state lab to be tested for new trend variants.

There have been over 13K COVID vaccines administered. Mr. Van Houweling thanked all involved in this operation. We also have a collaboration with Wynn which has been very helpful and efficient.

Over 1600 UMC employees have been fully vaccinated, 617 have tested positive. A monoclonal antibody clinic has been set up to assist patients that do not require inpatient care. The financial impact is approximately $135 million both in lost revenue and expenses. The conversation continued regarding patients with existing co-mobidity issues.

Employee engagement survey will be scheduled to take place in the near future. Congratulations to the nursing team on their achievement with the NDNQI survey. Ten IMC beds have been added to the 6th floor to help with patient overflow. We have not had to divert patients. Transplants are on pace to complete 100 this year. Flu cases are low.

Lastly, he announced that the new Hospital Trustee Chair is William McCurty.

FINAL ACTION: None

ITEM NO. 25 Review and accept the standing committee assignments for calendar year 2021; and take any action deemed appropriate. *(For possible action)*

DISCUSSION:

Chair O'Reilly asked if any changes were necessary to committee assignments or if members preferred for committees to remain as they are now.

FINAL ACTION:

A motion was made by Member Dr. Mackay confirm the reappoint the Committee assignments for the calendar year 2021. Motion carried by unanimous vote.

Chair appoints and reappoints all of the existing Chair members to their current position. This will be revisited next year.

SECTION 4: EMERGING ISSUES

ITEM NO. 26 Identify emerging issues to be addressed by staff or by the Board at future meetings and direct staff accordingly. *(For possible action)*

Chairman O'Reilly invited a discussion of the key issues that are of interest to the Board.

He also suggested a full day Joint Board and Strategic Planning Committee meeting in February.

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: February 24, 2020

Minutes Prepared by Stephanie Ceccarelli