University Medical Center of Southern Nevada
Governing Board
May 25, 2016

UMC Emerald Room
901 Rancho Lane, Suite 180
Las Vegas, Clark County, Nevada
Wednesday May 25, 2016
2:00 p.m.

The University Medical Center Governing Board met in regular session, at the regular place of meeting in the Emerald Room, 901 Rancho Lane, Suite 180, Las Vegas, Clark County, Nevada, on Wednesday, May 25, 2016, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:05 p.m. by Chair John O'Reilly and the following members were present, which constituted a quorum of the members thereof:

CALL TO ORDER

Board Members:

Present:
John O'Reilly, Chair
Eileen Raney, Vice Chair
Renee Franklin
Donald Mackay, M.D.
Harry Hagerty
Laura Lopez-Hobbs
Michael Saltman
Jeff Ellis

Absent:

Ex-Officio Members:

Present:
Thomas Schwenk, M.D., Dean, University of Nevada School of Medicine
Dale Carrison, D.O., Chief of Staff

Absent:
Barbara Atkinson, M.D, Planning Dean, UNLV School of Medicine (Excused)

Also Present:
Mason VanHouweling, Chief Executive Officer
Susan Pitz, General Counsel
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

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.

Speaker(s): None

ITEM NO. 2 **Approval of minutes of the regular meeting of the UMC Governing Board on April 20, 2016.** ***(Available at*** **University** ***Medical Center, Administrative Office) (For possible action)***

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

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

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a presentation from the Smith Group *(For possible action)*

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

DISCUSSION: Mr. VanHouweling introduced the presenters from the SmithGroup LLC. Simon Bruce, National Planning Expert, Anne Bilsbarrow, Planning Discipline Leader and Craig Passey, Health Studio Leader.

It was also noted that UMC engaged the last master plan in the mid 90's. UMC did go down a path in 2013 to reengage the master plan but due to funding, the project was cancelled. Since then UMC's funding has improved and it is important to look at improving access to our health care system as well as improving quality and patient care. Mr. VanHouweling suggested the SmithGroup is best qualified to develop our master plan.

Mr. Passey leads the health care pursuits in the Southwest and presented a brief overview of the SmithGroup. They have been working in UMC's backyard for the last ten years. They also were involved with the main UNLV campus, the new medical school on the Shadow Lane Campus and the Medical District.

Ms. Bilsbarrow explained that they spent most of this year and last year on the Medical District. They realize some of the primary location issues that UMC shares with the entire medical district such as Project Neon and the traffic flow. They also understand some of the issues that may be best addressed on a district wide level such as parking and a wellness center.

Mr. Bruce explained the three main phases of the project during the six month estimated process. He also said they will have weekly or monthly meetings with the key stakeholders so that everyone is up to speed on the decision and ideas as they evolve and develop.

The challenge in preparing a master plan document is that there is an incredible amount of dense data. As the SmithGroup develops the document they are aware that they need to present useful and comprehensible data. They use a variety of techniques so the data is easy to understand and available.

Member Raney said that our biggest issues is providing capital so she inquired how the SmithGroup will help identify adequate capital.

Mr. Passey replied that it starts with identifying the priorities and costs associated with it.

Member Hagerty stated that we have to be able to articulate credible, medical and financial plans for a variety of different practice areas within UMC. We need to identify what those resources and needs are. If we can show we can cover our costs then we will get an audience. This master plan needs to be done in conjunction with the Strategic Plan so he wanted to know what service lines we will consider.

Mr. Bruce replied that the team is working with a national consultant group, the Inova group. Inova's goal is to focus on the strategic issues of the future of the Academic Medical Center in the interim and long term.

Mr. VanHouweling reiterated that it is critical to make sure that the SmithGroup is plugged into the initiatives of UMC.

Member White said that the committee has recently pressed staff to assess the challenges of UMC and future needs.

Member Lopez-Hobbs asked if Mr. VanHouweling and staff will be working closely with the SmithGroup and he replied he absolutely will. There will be many working sessions, probably daily, with his team and caregivers at the bedside.

Chair O'Reilly asked if the SmithGroup has any plans to do work for any other schools or hospitals in this market and they replied no, they do not have any such plans.

Mr. Passey stated that he will make reports available to the Chair and staff regarding other similar projects that they have done.

Dr. Carrison asked if there was a consideration with regard to an independent Children's Hospital within the Master Plan.

Ms. Bilsbarrow replied that it was not but it could certainly be included.

Dr. Carrison commented that if UMC is to be world class medical center then there has to be consideration of a Children's Hospital.

Mr. VanHouweling commented that we would look at our children's services, our current capacity, space and demand.

Member Saltman said he was abstaining from voting on this issue and any other related plan issues regarding UMC and the medical school. His company is in preliminary discussion with the City and UNLV regarding possible, purpose-built housing for the Medical District. He thinks it's best he take an abundance of caution and abstain.

ITEM NO. 5 Approve the Agreement for UMC Master Plan between SmithGroup, LLC and University Medical Center of Southern Nevada; and authorize the Chief Executive Officer to sign the agreement. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**
- Agreement for UMC Master Plan

DISCUSSION: Discussion took place with Item No. 4

FINAL ACTION: A motion was made by Member Franklin to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 6 Receive annual required training from Rani Gill, Compliance Officer, on compliance for hospital governing boards. ***(For possible action)***

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

DISCUSSION: Ms. Gill is here today to discuss the changes within the compliance structure for UMC. In January 2016 the compliance function separated from the Clark County Audit Department. Ms. Gill now reports to the CEO and the Governing Board. This allows for policy development and management, as well as other key initiatives.

The Governing Board, "shall be knowledgeable about the content and operation of compliance and ethics program and shall exercise reasonable oversight with respect to the implementation of the compliance and ethics program."

To have an effective compliance program, an organization must establish and maintain and organizational culture that "encourages ethical conduct and a commitment to compliance with the law."

Culture of compliance begins with the Board and there are seven required elements of an effective compliance program.

1. Compliance Officer and Oversight
2. Code of Conduct and Policies/Procedures
3. Education and Training
4. Reporting and Communication
5. Monitoring and Auditing
6. Response and Corrective Action
7. Enforcement and Discipline

Member Hagerty asked the Board if they should have a dedicated compliance committee.

Chair O'Reilly thinks Member Hagerty's question is a good one to explore and asked staff to place it on next month's agenda unless there is a reason to place it at a future date. He would like Mason and Rani to discuss this issue as well.

Member Raney inquired about a hotline and Ms. Gill replied that we do have one.

Mr. VanHouweling let the Board know that we are adding more resources to the UMC team in regards to this topic.

FINAL ACTION: No action taken.

ITEM NO. 7 Receive a report from the Human Resources and Executive Compensation Committee; and take any action deemed appropriate. ***(For possible action)***

DOCUMENT(S) SUBMITTED**:**

- None submitted

DISCUSSION: Member Lopez-Hobbs gave a brief overview at what was discussed at the last Human Resources and Executive Compensation Committee Meeting on May 24, 2016.

Management has been reviewing the UMC Management Compensation Plan document otherwise known as the M Plan. This document has governed car allowance, physicals and payment for unused sick leave, among other things. Management has been reviewing the plan for marketability and usefulness.

In addition, management was seeking approval to introduce an incentive plan for management at the C-Suite level. The Plan would be structured in three tiers with a maximum incentive payout based on certain metrics. The HR Committee approved the suggested changes. Management will return to the HR Committee with a specific plan for the incentive plan that includes performance measures, metrics and proposed payouts.

The HR Committee received an update on the current contract negotiations for the Service Employees International Union (SEIU) and the International Union of Operating Engineers (IUOE). Remember that negotiations must follow state law. The process is overseen and can go to an arbitrator if issues are at an impasse. Strikes are not allowed under state law.

Negotiations have been positive so far, several areas have been resolved with management and collective bargaining coming to agreement. The contract expires June 30 and must be approved by HR, the full Board and the Board of County Commissioners.

In addition, a report on Recruitment Metrics was received and we've seen an improvement in the time it takes to receive approval on a new job to the time it takes to go from posting to hiring.

The committee also heard on update from Deb Fox the CNO and the plans to change the care delivery model and the nursing leadership organizational structure.

FINAL ACTION: No action taken.

ITEM NO. 8 **Receive a report from the Audit and Finance Committee; and take any action deemed appropriate.** ***(For possible action)***

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

DISCUSSION: Chair of the Audit and Finance Committee, Eileen Raney gave a brief overview of what was discussed at their last meetings held on May 18, 2016.

The first agenda item was the review of three internal audit reports. Results were generally good but the biggest findings were around Sodexo, a third party vendor. We need to deal with a few issues but they are being addressed.

A report on robotics was presented and staff was asked to go back and include the original goals and do a comparative analysis for the committee.

A discussion began on capital expense planning. The committee requested that staff look at different formatting of funding versus expense, and include more detail.

A checklist was presented from Materials Management based on the Committee's request to ensure there is a concrete process for all contracts brought for approval. This solved a lot of past concerns and was very helpful. It was suggested that the contracts staff add a process for looking at the credit worthiness and financial worthiness of any private vendor doing business with UMC so we do not put ourselves at risk.

FINAL ACTION: No action taken.

ITEM NO. 9 Receive the monthly financial report for March 2016; and direct staff accordingly. *(For possible action)*

DOCUMENT(S) SUBMITTED**:**
- Management Discussion and Analysis FY2016 March

DISCUSSION:
-Ninth Consecutive month with positive net operating income
-Continued volume and payor mix improvements have helped to contribute to the favorable variance over budget
-Occupancy remains high at 90%
-ED volumes exceeding prior years volumes.
-Net patient AR improved over prior fiscal year
-Payor mix is similar to prior months
-Purchased services is below budget for month of March
-408 patients in beds for the month of March
-Admission is highest it's been this fiscal year
-Outpatient surgery is better than last month

Mr. VanHouweling added that they have been focusing on the VA and he is encouraged with the surgeries and orthopedics.

FINAL ACTION: No action taken.

ITEM NO. 10 Receive an update on the University of Nevada School of Medicine; and direct staff accordingly. *(For possible action)*

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

DISCUSSION: Dean Schwenk noted that they have a compliance committee at UNSOM and are following all the guidelines in the earlier presentation by Ms. Gill.

It was recommended to the Governor from the Residency Development Task Force that funding be provided for various programs; great news for UMC.

The funds available for this cycle were $5 million now and $5 million coming up for the next cycle.

The orthopedic residency match went well.

Chair O'Reilly asked what the source of funding is for the dollars in the residency program.

Dean Schwenk replied that there is funding that UMC receives from Medicare for residency training. UMC provides substantial funding on top of that so UMC provides a budget for UNSOM for additional faculty and resident costs. There is also a small amount of state funding.

Chair O'Reilly would like to see the budget for Orthopedic Residency program.

FINAL ACTION: No action taken.

ITEM NO. 11 Receive an update on the University of Nevada Las Vegas School of Medicine; and direct staff accordingly. *(For possible action)*

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

DISCUSSION: Dean Atkinson is not able to be here today so Mason will highlight some of her updates in his report.

FINAL ACTION: No action taken.

ITEM NO. 12 Receive an update from the Hospital CEO; and direct staff accordingly. *(For possible action)*

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

DISCUSSION:
-May 13th Trauma Survivor's luncheon held at Caesar's Palace
    -$5,000.00 donate to the UMC's Trauma Center
-The Health Board votes on the addition of new trauma centers on June 23.
-Car show was held this weekend with proceeds going to the Children's Hospital
    -$4,000.00 was donated
-Employee picnic was held at Lorenzi Park
    -Over 400 employees attended
-Patient Room refurbishments are underway and many have been completed, a big thanks to Carissa and the entire Engineering staff
-Employee service awards will be held on June 24th at noon at Texas Station honoring 25, 30 and 35 year employees
-Employee survey going on now until June 1st, this is the first one in more than four years.
-UNLV land transfer, 2040 lease and affiliation agreement
-20 Cardiologists showed up for the Cardiologist forum for a great discussion
-New Cardiology ad campaign designed for EMS, physicians and patients

FINAL ACTION: No action taken.

ITEM NO. 13 Approve the settlement agreement in the matter of District Court Case A-13-693101-C, entitled Rochelle Yvonie Coleman vs. County of Clark, a Political Subdivision of the State of Nevada Ex Rel. University Medical Center of Southern Nevada; University Medical Center; and authorize the Chief Executive Officer to execute the necessary settlement documents. *(For possible action)*

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

FINAL ACTION: A motion was made by member Saltman to approve as recommended. Motion carried by unanimous vote.

Items Number 14 through 16 on Consent Items were discussed separately and voted on separately.

SECTION 3: CONSENT ITEMS

ITEM NO. 14 Accept a donation in the amount of $52,200 from Fidelity for the Spirit of Halloween fund raiser. *(For possible action)*

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

DISCUSSION: Chair O'Reilly asked how we thank these individuals for this generous donation and Mr. VanHouweling said they we have thanked them many times for their support of the Children's hospital over the years.

As it gets close to the Halloween spirit he would like everyone to be reminded to thank them by patronizing them and thanking them for their support.

FINAL ACTION: A motion was made by Dr. Mackay to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 15 Approve the Clinical Trial Agreement between Arteriocyte, Inc., Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Reno (UNR) and University Medical Center of Southern Nevada (UMC) [which includes a Memorandum of Understanding (MOU) between UMC and UNR in connection with the services of the Investigator], and authorize the Chief Executive Officer to sign future extensions so long as the total term of the agreement does not exceed five years; and take action as deemed appropriate. *(For possible action)*

DOCUMENT(S) SUBMITTED:
- Clinical Trial Agreement
- MOU

DISCUSSION: Mr. VanHouweling explained that this agreement is with Dr. Jay Coates and he is an UNSOM employee and the Medical Director of the Burn Center.

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 16 **Approve the Registry Site Agreement between Duke University acting on behalf of Duke Clinical Research Institute (Duke), Nevada Heart and Vascular Center (Resh), LLP (NV Heart) and University Medical Center of Southern Nevada (UMC) [which includes a Memorandum of Understanding (MOU) between UMC and NV Heart in connection with the services of the Participating Investigator; and a Letter of Indemnification (LOI) between AstraZeneca LP (AstraZeneca) UMC, and UNR]; and take action as deemed appropriate. *(For possible action)***

DOCUMENT(S) SUBMITTED:
- Registry Site Agreement
- MOU

DISCUSSION: A question was asked as to whether UMC can do independent clinical research and the response was that we can.

FINAL ACTION: A motion was made by member Saltman to approve as recommended. Motion carried by unanimous vote.

All matters of this section were considered to be routine and were acted upon in one motion.

ITEM NO. 17 **Approve the Eighth Amendment to the Hospital Services Agreement between University Medical Center of Southern Nevada ("UMCSN") and CIGNA; and take action as deemed appropriate. *(For possible action)***

DOCUMENT SUBMITTED:
-Amendment Number Eight to Hospital Agreement

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 18 **Approve Amendment One to the Interlocal Preferred Provider Agreement between University Medical Center of Southern Nevada (UMC) and Clark County; and take action as deemed appropriate. *(For possible action)***

DOCUMENT SUBMITTED:
-Interlocal Preferred Provider Agreement

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 19 **Approve the Amendment Three to Service Agreement for Interpretation and Translation Services between CyraCom International, Inc. and University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment Three to Service Agreement

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 20 **Approve the ratification of Amendment Six to the INOtherapy Services Agreement between INO Therapeutics, LLC d/b/a Ikaria and University Medical Center of Southern Nevada for nitric oxide gas/delivery devices and authorize the Chief Executive Officer to execute future amendments under his signing authority; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Amendment to INOtherapy Services Agreement
- Disclosure of Ownership/Principals

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

ITEM NO. 21 **Approve the Provider Agreement between Michelle Lisoskie, M.D. and University Medical Center of Southern Nevada for Outpatient Psychiatric Services for members of the Ryan White Program; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:

- Provider Agreement

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

Member White abstained from voting on the following 2 items due to his affiliation with UNLV.

ITEM NO. 22 **Approve the Preliminary Affiliation Agreement between the Board of Regents of the Nevada System of Higher Education (NSHE) on behalf of the University of Nevada, Las Vegas and its School of Medicine (UNLV School of Medicine) and University Medical Center of Southern Nevada (UMC); and take action as deemed appropriate.** ***(For possible action)***

DOCUMENTS SUBMITTED:
- Preliminary Affiliation Agreement
- Final Exhibits to Preliminary Affiliation Agreement

FINAL ACTION: A motion was made by Dr. Mackay to approve as recommended. Motion carried by unanimous vote with member White abstaining.

ITEM NO. 23 **Recommend for approval by the Board of County Commissioners also sitting as the Board of Hospital Trustees the Interlocal Medical Office Lease for 2040 W. Charleston Blvd. between the Board of Regents of the Nevada System of Higher Education (NSHE) on behalf of University of Nevada Las Vegas (UNLV) and University Medical Center of Southern Nevada; and take action as deemed appropriate.** ***(For possible action)***

DOCUMENTS SUBMITTED:
- 2014 Medical Office Lease
- Memo

FINAL ACTION: A motion was made by Dr. Mackay to approve as recommended. Motion carried by unanimous vote with member White abstaining.

ITEM NO. 24 **Approve additional funding for the new Order Form between McKesson Technologies, Inc. and University Medical Center of Southern Nevada for Application Management Services and Infrastructure Management Services for Support of the McKesson Electronic Health Systems during Implementation of the replacement EHR that was approved by the Governing Board on April 20, 2016; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- None submitted

FINAL ACTION: A motion was made by member Raney to approve as recommended. Motion carried by unanimous vote.

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)***

COMMENTS BY THE GENERAL PUBLIC:

A period devoted to comments by the general public about matters relevant to the Board's jurisdiction will be held. No action may be taken on a matter not listed on the posted agenda. Comments will be limited to three minutes. Please step up to the speaker's podium, clearly state your name and address and please ***spell*** your last name for the record.

All comments by speakers should be relevant to the Board's action and jurisdiction.

There being no further business to come before the Board at this time, at the hour of 3:58 p.m. Chairman O'Reilly adjourned the meeting.

Minutes Prepared by: Terra Lovelin

APPROVED: June 22, 2016