

**University Medical Center of Southern Nevada**  
**Governing Board Audit and Finance Committee Meeting**  
**November 12, 2025**

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Emerald Conference Room  
Delta Point Building, 1<sup>st</sup> Floor  
901 Rancho Lane  
Las Vegas, Clark County, Nevada

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:12 p.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

**CALL TO ORDER**

**Board Members:**

**Present:**

Robyn Caspersen (via Teams)  
Harry Hagerty  
Bill Noonan (via Teams)  
Christian Haase (via Teams)  
Mary Lynn Palenik (via Teams)

**Absent:**

None

**Others Present:**

Tony Marinello, Chief Operating Officer  
Jennifer Wakem, Chief Financial Officer  
Ricky Russell, Chief Human Resources Officer  
Doug Metzger, Controller  
Susan Pitz, General Counsel  
Lia Allen, Assistant General Counsel - Contracts  
Stephanie Ceccarelli, Board Secretary

**SECTION 1. OPENING CEREMONIES**

**ITEM NO. 1 PUBLIC COMMENT**

Committee Chair Caspersen asked if there were any public comments 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 Audit and Finance Committee meeting on October 22, 2025. *(For possible action)***

A motion was made by Member Noonan to approve the minutes as presented. Motion carried by a majority vote. Member Palenik abstained, as she was not present at the meeting.

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

A motion was made by Member Hagerty to approve the agenda as presented.  
Motion carried by unanimous vote.

**SECTION 2. BUSINESS ITEMS**

**ITEM NO. 4    Receive and recommend for acceptance by the Governing Board the Fiscal Year 2025 Basic Financial Statements from BDO USA, LLP, Certified Public Accountants for University Medical Center of Southern Nevada; and take action as deemed appropriate. *(For possible action)***

**DOCUMENTS SUBMITTED:**

- PowerPoint Presentation

**DISCUSSION:**

John Barry, Engagement Partner, Aaron Rios, Engagement Director, Trupti Jadav, Engagement Senior and Maya Gocheva, Assurance Senior Manager, presented the BDO Audit wrap-up for fiscal year 2025.

The status of the audit was reviewed. The audit of the financial statements has been completed for the year ending June 30, 2025. The audit was conducted in accordance with accepted auditing standards. Objectives and the scope of work performed were reviewed. An unmodified opinion was issued on the hospital's financial statements on November 6, 2025. Mr. Barry informed the Committee that the single audit will be issued after the 2025 compliance supplement has been released to complete procedures in compliance with federal programs and awards.

Results of the audit, including accounting practices, policies and estimates, were reviewed. There were no significant changes in accounting policies and practices during FY2025. Significant accounting estimates were disclosed in Note 1 of the financial statements. A summary of recently issued accounting pronouncements are included in Note 2. No significant changes were made to the processes or significant assumptions used to develop the significant accounting estimates in 2025. The quality of the hospital financial reporting was appropriate.

There were no corrected or uncorrected misstatements related to accounts or disclosures that were presented to management.

Internal controls were reviewed, with no significant deficiencies or material weaknesses reported.

Member Hagerty asked if there were any control or significant deficiencies noted. Mr. Barry replied that there were no control or significant deficiencies. No significant changes were made to the planned audit strategy, and there were no communication issues. Representations requested from management was provided in the management representation letter.

Links to the management quality report were provided.

The Committee thanked the BDO representatives for their service to UMC and Ms. Wakem and her team for their work on the audit.

Ms. Wakem will provide a copy of the signed letter of representation to Chair Caspersen.

A discussion ensued regarding the impacts to the healthcare industry as a result of the government shutdown, federal supplemental funding, and effects on the audit processes in the future.

**FINAL ACTION TAKEN:**

None

**ITEM NO. 5    Receive an update report from the Chief Financial Officer; and direct staff accordingly. (For possible action)**

**DOCUMENTS SUBMITTED:**

-    None

**DISCUSSION:**

Ms. Wakem provided the following updates:

**Government Shutdown:**

The shutdown is on day 43. UMC has not experienced any significant impacts due to the government shutdown. Professional bill claims have been paused as of October 1, 2025, but this does not pose a significant impact for UMC.

**Special Legislative Session:**

Governor Lombardo is expected to announce a special legislative session, starting on November 14th. This will be a short session, lasting about 4-5 days, focusing on unfinished business from the regular session. Bills related to healthcare include SB434 for grant funding and a bill aimed at streamlining credentialing and physician licensing. The session will also address the distribution of COVID-19 vaccines.

**Supplemental Payments and Financial Statements:**

The October financial statements will be presented in December. Supplemental payments were received during the month. As of October 31st, approximately \$67 million remains outstanding.

**ACA Premium Subsidy:**

These are set to expire December 31, 2025.

**340B Discount Program:**

HRSA recently approved a new rebate model, starting January 1, 2026. Under this program, entities will purchase drugs at wholesale prices and receive rebates. The initiative will start with 10 popular drugs.

Member Hagerty asked how this will be recorded as a receivable and whether there will be an allowance for it. Ms. Wakem responded that the team plans to meet to discuss to decide if we have enough information to do it accurately.

Chair Caspersen inquired about the criteria for the rebate since it would not be automatic. Ms. Wakem explained that there is a process to determine what qualifies as 340B. A discussion followed regarding the overall cost impact to UMC.

Physician Employment:

Physician employment continues to grow. Membership in the American Medical Society for U.S. physicians has decreased from 75% to 15%. Fewer than half of doctors now work in physician-owned practices, down from 60% a decade ago. Statistics show that hospital physician employment has increased from 29% in 2012 to 40% in 2022.

FINAL ACTION TAKEN:

None taken

**ITEM NO. 6 Ratify the Amendment to the Provider Participation Agreement with Anthem Blue Cross and Blue Shield and HMO Colorado, Inc. for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Provider Agreement Amendment – Redacted
- Disclosure of Ownership

DISCUSSION:

This ratification request allows UMC to join the Enhanced Personal Health Care Essentials program, a quality incentive program with Anthem. UMC will earn performance-based incentive payments by meeting quality thresholds. Ratification was necessary to receive the incentive funds for 2026.

FINAL ACTION TAKEN:

A motion was made by Member Hagerty to ratify the amendment and make a recommendation to the Governing Board to ratify the amendment. Motion carried by unanimous vote.

**ITEM NO. 7 Review and recommend for approval by the Governing Board the Amendment 28 to Software License and Services Agreement with Solventum Health Information Systems, Inc.; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 28
- Disclosure of Ownership

DISCUSSION:

Solventum, formerly known as 3M, is to extend the software schedule term through July 2026, and increase the funding for the 360 Encompass System. This software automates coding, improves the accuracy of patient care documentation, ensures compliance with regulations, and supports informed, data-driven decision-making. Ultimately, these enhancements lead to increased operational efficiency and improved financial performance for UMC.

The Committee asked if there would be better pricing if the term was extended. Ms. Allen responded that this extension would allow transition to another vendor.

**FINAL ACTION TAKEN:**

A motion was made by Member Hagerty to approve the amendment to make a recommendation to the Governing Board to approve the amendment. Motion carried by unanimous vote.

**SECTION 3: EMERGING ISSUES**

**ITEM NO. 8 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action*)**

None

At this time, Chair Caspersen asked if there were any public comment to be heard on any items not listed on the posted agenda.

**COMMENTS BY THE GENERAL PUBLIC:**

SPEAKERS(S): None

**FINAL ACTION TAKEN:**

At the hour of 2:43 p.m., the meeting was adjourned.

MINUTES APPROVED: December 10, 2025

Minutes Prepared by: Stephanie Ceccarelli