

University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
November 9, 2022

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
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 2:02 p.m. by Chair Robyn Caspersen and the following members were present, which constituted a quorum.

CALL TO ORDER

Board Members:

Present:

Robyn Caspersen
Dr. Donald Mackay
Jeff Ellis (via WebEx)
Christian Haase (via WebEx)
Mary Lynn Palenik (via WebEx)

Absent:

Harry Hagerty (Excused)

Others Present:

Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Rose Coker, Director of Managed Care
Susan Pitz, General Counsel
Emelia 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 19, 2022. (For possible action)

FINAL ACTION:

A motion was made by Member Mackay that the minutes be approved as presented. Motion carried by a unanimous vote.

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

Item 9 was removed from the agenda.

FINAL ACTION:

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive a report from the Chief Financial Officer; and direct staff accordingly. (*For possible action*)

DOCUMENTS SUBMITTED:

- September FY23 Financials

DISCUSSION:

Jennifer Wakem, Chief Financial Officer, provided an update to the Committee. There was no financial update, due to timing of the books being closed for October.

Ms. Wakem provided an update on the BDO Financial Statement Audits for FY2022. The audit report is anticipated to be presented at the December meeting. The audit is split, with the Financial Statements being presented in December and the Single Audit will be presented in February.

Period 13 adjustments have been completed. The net impact to the financial statements was a pickup of \$2.3 million. It was previously reported in June that income from ops before depreciation and amortization was \$27.3 million. The primary sources of the pickup were due to an adjustment in supplemental payments and reduced expenses.

CMS auditor, Livanta, is currently auditing 22 accounts from UMC for potential recoupment of reimbursement. Ms. Wakem will continue to provide updates in the future.

The public health emergency, which was slated to expire October 13, 2022, but has been extended for 90-days and will now expire January 11, 2023.

Lastly, the Committee was provided an update on the capital slides. An example was shared of what the project timelines and capital spend will look like when presented in the future. The detailed information will now allow the team to make better decisions during the project, rather than at the end of the project.

Thank you to Member Palenik for her valuable contribution during this process.

FINAL ACTION TAKEN:

None

- ITEM NO. 5 Review and recommend for ratification by the Governing Board the Amendment 006 to the Hospital Services Agreement with Aetna Health, Inc.; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 006 to Hospital Services Agreement

DISCUSSION:

Rose Coker, Director of Managed Care, stated that this amendment will update the compensation schedule, the multi-specialty service and rate schedule. This will add higher level EP studies, orthopedic and anesthesia.

FINAL ACTION TAKEN:

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

- ITEM NO. 6 Review and recommend for approval by the Governing Board the Amendment Four to Primary Care Physician Participation Agreement with LifePrint Health, Inc. d/b/a OptumCare; and take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 4 to Physician Participation Agreement

DISCUSSION:

This is a request for approval to update the 2022 Provider Group Medication Adherence incentive program. This will allow UMC to receive reimbursement for clinical exams performed by its providers.

FINAL ACTION TAKEN:

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

- ITEM NO. 7 Review and recommend for approval by the Governing Board the Provider Group Services Agreement with Optum Health Networks, Inc. for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Provider Group Services Agreement

DISCUSSION:

This is a request to enter into an agreement for UMC's providers in Orthopedic surgery to provide services to OptumCare members. This is a 3-year term with an effective date of November 1st.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

- ITEM NO. 8 Review and recommend for ratification by the Governing Board the Third Amendment to Facility Participation Agreement with United Healthcare Insurance Company for Managed Care Services; or take action as deemed appropriate. (For possible action)**

DOCUMENTS SUBMITTED:

- Amendment 3 to Facility Participation Agreement

DISCUSSION:

This amendment extends the term of the agreement through October 2025, replaces the all payer appendix and updates the language related to maintenance of and access to records, as well as time to file claims. This amendment adds EP studies, outpatient implantables and high cost drugs. Rates are effective immediately. We are in the process of negotiating new language.

FINAL ACTION TAKEN:

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

- ITEM NO. 9 Review and recommend for approval by the Governing Board the Records Management and Storage Services Agreement with Iron Mountain Information Management, LLC; authorize the Chief Executive Officer to exercise any extension options and execute future amendments; or take action as deemed appropriate. (For possible action)**

DISCUSSION

This item was removed from the agenda.

FINAL ACTION TAKEN:

None

- ITEM NO. 10 Review and recommend for approval by the Governing Board the Acknowledgment to Amended and Restated Professional Services**

Agreement of the annual reconciliation of clinical hours with Robert B. McBeath, M.D., P.C. d/b/a OptumCare Anesthesia; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Acknowledgement and Disclosure of Ownership

DISCUSSION:

This is a request to approve the annual acknowledgment which closes out the amounts due under the prior contract year. This is a reconciliation of the term of April 1, 2021 to March 31, 2022. A final reconciliation for the current agreement will be done January 2023.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 11 Review and recommend for approval by the Governing Board the Amendment No. 1 to the Interlocal Agreement with Clark County for Ryan White (Part A); authorize the Chief Executive Officer to take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Rapid Start Program Amendment

DISCUSSION:

This request is to amend the interlocal agreement with Clark County for Ryan White, Part A grant funding. The amendment updates the scope of work and performance measures, as well as provides for extension options and adds additional funding.

FINAL ACTION TAKEN:

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

ITEM NO. 12 Review and recommend for ratification by the Governing Board the Professional Services Agreement for non-surgical General Orthopedic Medicine clinic services with Eugene Libby, D.O., PC; authorize the Chief Executive Officer to exercise any extension options; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Professional Services Agreement

DISCUSSION:

This is a request for ratification of the agreement with Dr. Libby, who will provide non-surgical general orthopedic medicine service, including applicable subspecialties at UMC's Ortho/Spine Institute. Services cover 4 clinics/days per week. The agreement commenced on November 1, 2022 and is for a term of 2-years with three 1-year options and term at any time with 30-days notice.

FINAL ACTION TAKEN:

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

ITEM NO. 13 Review and recommend for award by the Governing Board the Bid No. 2022-08 Bio-Med Build Out to Monument Construction, the lowest responsive and responsible bidder; authorize the Chief Executive Officer to exercise any Change Orders within his delegation of authority; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- Bid 2022-08 Notice of Intent to Award
- Disclosure of Ownership

DISCUSSION:

In August, a solicitation for bid was published for a project to renovate the first floor of the south 1-story building administration and storage areas. Three bids were received and Monument Construction was the lowest bidder. Staff recommends that the award goes to Monument Construction as the lowest responsive and responsible bidder.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Governing Board to award the bid to Monument Construction. Motion carried by unanimous vote.

ITEM NO. 14 Review and recommend for approval by the Governing Board the quotes and proposals Trauma Interventional Specials room & Adult ED Radiology & CT room project with Philips Healthcare and GE Healthcare; authorize the Chief Executive Officer to exercise any extension options and execute future amendments within his yearly delegation of authority; or take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED:

- GE Quote 200907965.5 – Redacted
- GE Quote 2009143372.8 – Redacted
- Philips Quote - 2OZ2NJL – CT-EQ – Redacted
- Philips Quote - 1-2JFJFZY – CT – Redacted
- Philips Quote - 1-2FIMEQ2 - SID 520779 wTurnkey - Redacted

- Philips Formal Quotation
- Philips – TurnkeyContractingProposal – Azurion 7 Bi-Plane System Project
- Philips - TurnkeyContractingProposal – Incisive CT System Project
- Sourcing Letter – CT
- Sourcing Letter – Imaging Ultrasound products
- Disclosure of Ownership

DISCUSSION:

This is a turnkey project for the radiology department and Cath lab. This will include purchasing new equipment and replacing end of life equipment, refresh to flooring, adding a CT scanner and upgrading equipment.

Ms. Allen explained that Philips will be the primary contractor for installation and implementation of the project for this 2 phase project. The 1st phase will be 34 weeks and the 2nd phase will be 42 weeks.

Chair Caspersen asked if the vendor was on GPO. Ms. Allen replied that Philips and GE are on GPO and the request is in compliance with NRS statutes.

Chris Jones provided clarity as to the project details.

Ms. Allen made a clarification to the agenda item to reflect that the recommendation would need approval by the BCC.

FINAL ACTION TAKEN:

A motion was made by Member Mackay to approve and make a recommendation to the Board of Hospital Trustees to approve the agreement. Motion carried by unanimous vote.

SECTION 3: EMERGING ISSUES

ITEM NO. 15 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

COMMENTS BY THE GENERAL PUBLIC:

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

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 2:36 p.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED: December 7, 2022
Minutes Prepared by: Stephanie Ceccarelli