

**EL PASO COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS MEETING MINUTES**

**TUESDAY, MARCH 14, 2017 – 3:00 P.M.
EIGHTH FLOOR BOARD ROOM**

<u>PRESENT</u>	<u>GUESTS</u>
Steve DeGroat, Chairman James Volk, Vice Chairman Joy Martinez, Board Member Steve Anderson, Board Member R. Jacob Cintron, President & CEO Michael Nunez, Chief Financial Officer Cindy Stout, Chief Nursing Officer Lorena Navedo, Chief Administrative Office Christina Ford, Chief Legal Officer Cathy Gibson, Chief Waiver/Compliance Officer Maria Zampini, Chief Operating Officer Leticia Flores, Corporate Controller Sabrina Addison, Recording Secretary Jennifer Maxwell, Recording Secretary <u>ABSENT</u> Miguel Fernandez, Board Member Carmen Arrieta-Candelaria, Board Member Henry Gallardo, Board Member	Michael Rooney, Citizen Dennece Knight, UMC Foundation Janice Harris, UMC Eric Johansen, UMC Ryan Mielke, UMC Bruce Yetter, Assistant County Attorney Javier Saenz, Assistant County Attorney Laurel Huston, Assistant County Attorney Dr. Richard Lange, TTUHSC Jerry Akin, Broaddus & Associates Paul Braden, Norton Rose Fulbright Maria Urbina, First Southwest Financial Adv. Ryan Mielke, UMC Alfonso Silva, UMC Jorge Reyes, County Valeria Contreras, County Aileen Flores, El Paso Times

1, 2, & 3. CALL TO ORDER

Meeting was called to order at 3:01 p.m. on March 14, 2017, by Mr. Steve DeGroat, Chairman. After establishing that a quorum was present, Mr. DeGroat led the Pledge of Allegiance.

Mr. Cintron introduced Chief Nursing Officer, Ms. Cindy Ann Stout, to the Board of Managers. He noted that she joined UMC four weeks prior and provided some background information.

CONSENT AGENDA

ACTION: MOTION to approve the Consent Agenda items 4-10 (listed below) was made by Mr. Volk and seconded by Ms. Martinez. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

4. Approve the minutes of the Board of Managers meeting for February 14, 2017.
(TAB A)

5. Review and approve the January 2017 Financial Statements for the El Paso County Hospital District's d/b/a University Medical Center of El Paso.
(TAB B) (Finance Committee)

6. Review and approve the January 2017 Financial Statements for El Paso First HealthPlans, Inc.
(TAB C) (Finance Committee)

7. Review and approve the January 2017 Financial Statements for the El Paso Children's Hospital.
(TAB D) (Finance Committee)

8. Review and take appropriate action on the following Medical Staff requests:
(TAB C)

- A. Medical Staff Initial Applications
- B. Allied Health Professional Initial Applications
- C. Advancement from Provisional Status
- D. Medical Staff Reappointments and Renewal of Privileges
- E. Allied Health Professional Reappointment and Renewal of Privileges
- F. Focus Professional Practice Evaluations
- G. Ongoing Professional Practice Evaluations
- H. Additional Privileges
- I. Change in Status/Privileges
- J. Leave of Absence/Resignation/Relocation
- K. Suspensions and Reinstatements
- L. Automatic termination per Bylaws Article VIII 8.1.6
- M. Delineation of Privileges
- N. Medical Staff Policy MS-124 *Medical Staff Performance Improvement Procedures*

9. Review and take appropriate action on the following policies:
A. Hospital Policy H-3-2, *Background Screening*
B. Hospital Policy P-2, *Screening and Treatment for Emergency Medical Conditions Including Active Labor (EMTALA)*
C. Hospital Policy P-19, *Violent and Non-Violent Restraints*
(TAB F)

10. Review and take appropriate action on proposed revisions to the El Paso County Hospital District Internal Audit Charter.
(TAB G) (Compliance Committee)

REGULAR AGENDA

**11. Receive and accept CEO Report.
(TAB H)**

Mr. Cintron noted the following highlights:

- a. *Eastside Clinic Ribbon Cutting* – Well attended; the Pediatric side was open on Saturday for patients. Received many positive remarks. Dr. Lange and his team will provide specialty care to include orthopedics, OB, and cardiology. Great partnership in providing those types of services and access to those living in the eastside.
- b. *Westside Clinic* – Tentative ribbon cutting on April 18, 2017; will duplicate the services of the Eastside Clinic with the addition of outpatient rehab.
- c. *Government Funding* – Received notification that the current NAIP will be phased out over the next ten years with a 10% reduction each year beginning September 2018. UMC will continue to evaluate the current projects/programs in place, their value/impact, and determine which of those are sustainable and will be kept and/or consolidated.
- d. *Expansion of the Waiver* – TX Health and Human Services Commissioner, Charles Smith requested a formal expansion of the waiver to extend for 21 months ending September 30, 2019. Still waiting for a response. This is designed to allow stability while waiting to see what if any changes will be made to the Affordable Care Act by Congress and the new Administration. Continue with the 85th Legislation. UMC, Texas Tech, City, County have all been lobbying for items related to healthcare reform.
- e. *85th Legislation* – UMC, Texas Tech, City of El Paso, and County of El Paso have all been lobbying for items related to healthcare reform. The GME asking for a waiver that allows us to increase the number of residence we have in the state which will be a benefit for Texas Tech and UMC as well.
- f. *Employee Wellness Challenge* – Challenge card with numerous activities that if completed, employee will qualify for a gift in November. Positive and fun method to encourage associates to be healthy and fit.
- g. *Culture of Safety* – “See Something, Say Something” – important for associates to speak up about anything that merits attention for the safety of our employees and patients.
- h. *Community Outreach* – Met with City Councilman Carl Robinson’s office in Northeast El Paso. They are happy with the clinic in the Northeast, would like to see a greater UMC presence in the Northeast. Discussed future plans and opportunities with the group to enhance UMC presence and meet their needs.
- i. *Poison Control Center* – El Paso First HealthPlans, Inc. and UMC Poison Control Center have developed and opened up the “First Call Medical Advice Information Line” which utilizes the poison control staff to answer any questions for any El Paso First clients that may have questions related to medication or nurse care. Started with bilingual pharmacists and nurses and has gone well.
- j. *Colon Cancer Awareness Month* – Dr. Lange, along with Texas Tech are sponsoring a walk to raise awareness on March 25, 2017. Prevention is key.
- k. *2017 Employee Honors Banquet* – Will be held on March 25, 2017, and will recognize some employees that have reached their 40 year service mark at UMC.

- l. *Neuroscience ICU* – Proud to announce that UMC has opened its Neuroscience ICU 24/7 and currently has four rooms in use. This is key in terms of stroke and addressing neurological concerns.
- m. *Milagro Gala* – Will be held on March 24, 2017, the Milagro Gala benefits the El Paso Children's Hospital. UMC will be present. Encourage others to purchase a table and support fundraising.

ACTION: MOTION to approve item was made by Ms. Martinez and seconded by Mr. Anderson. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

12. Receive and approve the University Medical Center Foundation Quarterly Report.
(TAB I)

Ms. Dennece Knight presented a power point presentation that is included in the Board of Managers package to highlight recent program/fundraising events as well as the contributions made by the University Medical Center Foundation to UMC and El Paso Children's Hospital. Ms. Knight also highlighted the upcoming 2017 Milagro Gala event scheduled to be held on Friday, March 24th.

ACTION: MOTION to approve item was made by Mr. Volk and seconded by Ms. Martinez. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

13. Discuss and take appropriate action on the appointment of Tracy Yellen to the El Paso First Health Plans Board of Directors, as a representative of the Business Community, for the remainder of the unexpired three (3) year term ending on May 9, 2019, previously held and vacated by Ron Acton, effective immediately.
(TAB J)

Item tabled.

ACTION: None taken.

14. Review and adopt a resolution approving the appointment of Alan Abbott to the El Paso Children's Hospital Board of Directors.
(TAB K)

Mr. DeGroat presented this item. He noted that Mr. Ron Acton is the current chair of the EPCH Board and his term is expiring at the end of April. Mr. DeGroat proposed to appoint Mr. Alan Abbott as one of UMC's appointments to the EPCH Board of Directors. Mr. DeGroat provided background information for Mr. Abbott. A CV for Mr. Abbott is included in the Board of Managers package.

ACTION: MOTION to approve item was made by Mr. Volk and seconded by Mr. Anderson. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

15. Review and take appropriate action on Robins & Mortin GMP 6, Change Order No. 15 and authorize the President and Chief Executive Officer to execute the amendment.
(TAB L)

Ms. Maria Zampini noted that a presentation is included in the Board of Managers package under Tab L which details Change Order No. 15. The change order is for a concealed condition under the 5th floor slab which is for a fresh air duct. The project is still under budget with a contingency amount of \$1.4 million including the change order. In addition, the project is under the 16% total aggregate change order threshold.

Change Order No. 15 has previously been reviewed by both the Planning & Development Committee and the Finance Committee.

ACTION: MOTION to approve item was made by Ms. Martinez and seconded by Mr. Anderson. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

16. Receive an update on the proposed Series 2008A Bond Refunding.
(TAB M)

Mr. Nunez presented the following points:

- a. Agenda item #16 is an update that will lead to the review and consideration of agenda item #17. This item is in reference to the 2008A general obligation bonds.
- b. The District has outstanding Series 2008A general obligation bonds that are callable at the District's option on or after August 15, 2018.
- c. The Series 2008A Bonds bear interest at interest rates ranging from 4.50% to 5.00%.
- d. Page 11 of the Hilltop Securities presentation depicts the change in NPV Savings and the True Interest Cost between July 2016 and March 2017 due to the current interest rate environment.
- e. Interest rates have increased since last summer due to the current economic status and the recent Presidential election.
- f. Received a rating from S&P of A- with a negative outlook / received a rating of AA- with a stable outlook from Fitch; seeking a third bond rating from Moody's.
- g. A Moody's rating of A1 or higher will help reduce interest cost and increase NPV savings, the final impact will be determined once UMC receives the actual rating.

ACTION: None taken.

17. Consider and adopt a resolution approving the form of, and requesting that El Paso County Commissioners Court adopt, an order authorizing the issuance of "El Paso County Hospital District General Obligation Refunding Bonds" to be issued for debt service savings; and resolving other matters incident and related to the issuance of such bonds, including the delegation of certain matters relating to the sale of the bonds to an authorized District official.
(TAB N)

Mr. Nunez continued from item #16 and noted that the resolution/order includes the following new parameters:

- a. Total interest cost not to exceed 4.15%
- b. Net present value savings of at least 3.50% of refunded par value

Mr. Nunez noted that this item was previously approved at the Finance Committee. In addition, the order and resolution will be presented to the Commissioners Court on March 20, 2017.

ACTION: MOTION to approve item was made by Mr. Volk and seconded by Mr. Anderson. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

18. Review and adopt a resolution approving the newly Restated Bylaws of the University Medical Foundation of El Paso.
(TAB O)

Ms. Dennece Knight stated that at the February 14, 2017, Board of Managers meeting an incorrect version of the Restated Bylaws for the University Medical Foundation of El Paso was inadvertently included in the Board of Managers package. Ms. Knight is requesting that the Board of Managers rescind their approval of that version. She noted that the Restated Bylaws of the Foundation will be referred back to the Foundation Board at the end of March for review and approval and presented to the Board of Managers in April.

ACTION: MOTION to rescind previously approved Restated Bylaws for the University Medical Foundation of El Paso was made by Mr. Anderson and seconded by Mr. DeGroat. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

The Board of Managers convened Executive Session at 3:37p.m.

EXECUTIVE SESSION

19. Discuss potential real property acquisition, disposition or exchange of sites in Central El Paso and discussion of possible funding sources for future growth needs of the University Medical Center, pursuant to Texas Government Code §551.072.

20. Receive legal advice and discuss various legal options including use of proceeds regarding the Series 2013 Combination Tax and Revenue Certificates of Obligation, pursuant to Texas Government Code §551.072.

Any action taken as a result of this discussion will be taken at the opening of this meeting after closed session, or at a subsequent meeting.

OPEN SESSION

The Board reconvened Open Session at 4:06p.m.

21. Review and take appropriate action regarding scope of 2013 Combination Tax and Revenue Certificates of Obligation and authorize President and CEO to negotiate and execute the transaction.

ACTION: MOTION to approve item was made by Mr. Anderson and seconded by Ms. Martinez. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

22. Discuss and take appropriate action on potential real property acquisition of site in Central El Paso for future growth needs of the University Medical Center and authorize President and CEO to negotiate and execute the transaction.

ACTION: MOTION to approve item was made by Mr. Anderson and seconded by Ms. Martinez. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

23. Discuss and take appropriate action on potential real property disposition or exchange of sites in Central El Paso for future growth needs of the University Medical Center and authorize President and CEO to negotiate and execute the transaction.

ACTION: MOTION to approve item was made by Mr. Anderson and seconded by Ms. Martinez. The vote was: Mr. Anderson, Yes; Mr. Volk, Yes; Mr. DeGroat, Yes; and Ms. Martinez, Yes. Motion Carried.

24. Adjournment

ACTION: MOTION to adjourn the meeting was made by Mr. Volk and seconded by Mr. Anderson. Mr. DeGroat adjourned the meeting at 4:08p.m.



Steve DeGroat, Board Chairman



Miguel Fernandez, Board Secretary