The University Medical Center Hospital Advisory Board Finance Committee met in Conference Rooms I & J, 800 Rose Street, Las Vegas, Clark County, Nevada, on Wednesday, June 6, 2012, at the hour of 4:00 p.m. The meeting was called to order at the hour of 4:05 p.m. by Harry Hagerty, Committee Chair, and the following members were present, constituting a quorum of the Committee:

SECTION 1. OPENING CEREMONIES:

CALL TO ORDER

Present:
Harry Hagerty, Chair
Barbara Robinson
Anthony Marlon, M.D.
Ash Mirchandani
Nick Spirtos, M.D

Absent:
Robert McBeath, M.D. [Arrived at 4:12 pm, Item No. 3]
Bobbette Bond [Arrived at 4:08 pm, Item No. 3]
Dwayne Murray

Also Present:
John Eddy, Associate Administrator, Ambulatory Services
Stephanie Merrill, Chief Financial Officer
Vicki Huber, RN, Chief Nursing Officer
Joan Brookhyser, M.D., Chief Medical Officer [Arrived at 4:08 pm, Item No 3]
Floyd Stevens, Controller
Pete Tibone, Director, Reimbursement/Cost Reporting
Rose Coker, Director, Managed Care
Jim Haining, Contracts Management
Walt Justice, Interim Director, Materials Management

ITEM NO. 1  Approval of Minutes of the Joint Hospital Advisory Board Contracts and Finance Committees’ meeting on May 2, 2012 (For possible action)  [Copies available at the University Medical Center, Administration Office or on UMC’s Internet Website, www.UMCSN.com.]
FINAL ACTION: A motion was made by Dr. Marlon to adopt the minutes as written. The motion carried by unanimous vote.

ITEM NO. 2 Approval of Agenda (For possible action)

FINAL ACTION: A motion was made by Dr. Marlon to approve the agenda as recommended. The motion carried by unanimous vote.

PUBLIC COMMENT:

Harry Hagerty, Committee Chair asked if there was anyone in the audience that would like to be heard on any item on this agenda.

Speaker(s): None.

SECTION 2. BUSINESS ITEMS:

ITEM NO. 3 Review and recommend for award RFP No. 2012-07, Medicaid 1115 Waiver Project, to Public Consulting Group, Inc.; and take action as deemed appropriate for recommendation of acceptance to the Hospital Advisory Board. (For possible action)

[Bobbette Bond and Rob McBeath arrived during this item.]

DOCUMENT(S) SUBMITTED: Contract Executive Summary; Medicaid 1115 Waiver Agreement; Disclosure of Ownership/Relationship

DISCUSSION: Pete Tibone, Director of Reimbursement/Cost Reporting, explained the purpose of the Medicaid 1115 Waiver Project. Recognizing that the Medicaid rules are often prohibitive, a section of Federal Regulation authorizes the Medicaid program to do waivers, a method to implement or test ideas without breaking rules, created and approved for a specific period of time. UMC desires to hire a consultant with expertise with Medicaid 1115 Waivers to analyze UMC’s opportunities and identify ideas to present to the Medicaid program, such as Presumptive Eligibility.

Rich Albertoni, consultant with Public Consulting Group (PCG), was introduced. PCG has been in existence for 25 years with a public sector focus. Their specialty is to identify and strengthen a hospital’s ability to make individuals eligible for Medicaid under allowable Federal rules. Hospitals can have revenue sources for temporary eligibility, such as emergency care for the undocumented. With potentially fewer uninsured, there is a new focus for many public hospitals being funded by the Federal government to move forward Delivery System Reform initiatives. With their budget neutrality requirement, Federal and State government allows the bending of rules without additional cost to them. PCG has a working relationship with NV Medicaid regarding the health care reform implementation. Whether health care reform is mandated, 1115 Waivers
have been in existence for some time and there will be Medicaid expansion, policy reforms on the horizon, and new opportunities.

With new expansion to waivers, UMC solicited the RFP to take advantage of getting people covered on Medicaid who won’t be eligible until the health care reform comes into place. The goal is to look for a match of Federal funds with the local indigent care funds. Medicaid has also started looking into the same idea.

The contract price is task-oriented, a five year project covering the duration of the project life cycle, as the waiver, if approved, typically is for five years. In the first phase, PCG would make an assessment and present ideas where the ROI would be identified, compared to a national level, and UMC would direct which ideas are taken into the second phase. PCG would facilitate conversations with Medicaid, make presentations and prepare the 1115 application. There is an evolution with the Waivers for the Federal government, moving directly to fund hospital initiatives due to them not only paying uncompensated care but also looking at their role at public hospitals, as agents of delivery system reform. PCG could start after the Supreme Court ruling. HAB would approve the start of each task.

FINAL ACTION: A motion was made by Dr. Marlon to recommend approval of a contract that only provides for Tasks 1 and 2 to be brought back to the Committee. The motion carried by unanimous vote.

ITEM NO. 4

Review Amendment Three to Agreement for Direct Patient Care by Provider between Ronald L. Casey, M.D., PC d/b/a Hospitalist Medicine Physicians of Clark County and University Medical Center of Southern Nevada for hospitalist medical services; and take action as deemed appropriate for recommendation of acceptance to the Hospital Advisory Board. (For possible action)

DOCUMENT(S) SUBMITTED: Contract Executive Summary; Third Amendment to Agreement; Disclosure of Ownership/Relationship

DISCUSSION: Dr. Joan Brookhyser explained the request is an extension without any changes to terms. Amendment Three extends the terms through December 31, 2012, and allows time for staff to negotiate and finalize a new agreement.

FINAL ACTION: A motion was made by Dr. Marlon to recommend approval by the Hospital Advisory Board. The motion carried by unanimous vote.

ITEM NO. 5

Review Amendment Four to Agreement for Physician Medical Directorship of the Pediatric Pulmonology Department and Related Professional Services between Children’s Lung Specialists, Craig Nakamura, M.D., Ltd. d/b/a Children’s Lung Specialists and University Medical Center of Southern Nevada; and take action as
deemed appropriate for recommendation of acceptance to the Hospital Advisory Board. *(For possible action)*

**DOCUMENT(S) SUBMITTED:** Contract Executive Summary; FY11 Lied Peds Dr. Nakamura Pt Payer Mix; Disclosure of Ownership/Relationship

**DISCUSSION:** While this is the second extension request, John Eddy asked for an additional three month extension to for more time to finalize a new agreement. Dr. Nakamura’s services are highly specialized.

**FINAL ACTION:** A motion was made by Dr. Marlon to recommend approval for the three month extension by the Hospital Advisory Board. The motion carried by unanimous vote.

**ITEM NO. 6**

Review the Letter of Extensions for Collection Agency Services with Allied Collection Services, Inc. d/b/a Clark County Trustee Services, Credit Bureau Central, Inc. and R.M. Galicia, Inc. d/b/a Progressive Management Systems; and take action as deemed appropriate for recommendation of acceptance to the Hospital Advisory Board. *(For possible action)*

**DOCUMENT(S) SUBMITTED:** Contract Executive Summary; June 13, 2012 Notice of Option to Extend the Agreement for Collection Agency Services to: Clark County Trustee Services, Credit Bureau Central, Inc., and Progressive Management Systems; Disclosure of Ownership/Relationship

**DISCUSSION:** Stephanie Merrill, Chief Financial Officer, explained the request is for a one year renewal of the existing contract, exercising the second of two, one-year renewal options. Next time, the RFP process will be utilized.

**FINAL ACTION:** A motion was made by Dr. Marlon to recommend approval by the Hospital Advisory Board. The motion carried by unanimous vote.

**ITEM NO. 7**

Receive a report of Contracts currently in active preparation by the Contracts Management team which will be presented to the Hospital Advisory Board for approval at a future meeting.

**DOCUMENT(S) SUBMITTED:** Report of Contracts List

**DISCUSSION:** A list of contracts to come before the Board in the near future was reviewed. It was noted that there are ongoing efforts to bring contracts near expiration to the HAB Finance Committee at least three months prior to the former contract expiring, affording time to make changes or make proper evaluations, if necessary. Some contracts are under ongoing negotiations where extensions are necessary or perhaps there is only one respondent during the RFP process. For example the
Hospitalists contract has been under negotiation for eight months. Jim Haining will add the names of the persons from the committee participating on the contract review onto the Contract Executive Summary.

FINAL ACTION: No action taken.

ITEM NO. 8

Review the revised room/bed rates and other service charges of University Medical Center of Southern Nevada and recommend for approval to the Board of Hospital Trustees, who has final approval authority of the Charge Master rates. (For possible action)

DOCUMENT(S) SUBMITTED: Charge Master Price Increase Summary

DISCUSSION: At least once a year, UMC’s hospital room rates and prices are reviewed. Increases have been consistent over the last three years. There was a 5% increase last July. Pete Tibone stated there are 20-25 thousand items for on the list with over ten thousand that are active. Overall, pricing remains below market comparisons. Stephanie Merrill noted that the proposed 5%, effective July 1, 2012, is an average across the board, as some pricing would need to decrease.

FINAL ACTION: A motion was made by Dr. Marlon to recommend approval by the Hospital Advisory Board. The motion carried by unanimous vote.

ITEM NO. 9

Review the Management Performance Measures of UMC; and take action as deemed appropriate. (For possible action)

DOCUMENT(S) SUBMITTED: Draft UMC Hospital Wide/ Organizational Dashboard

DISCUSSION: Vicki Huber provided a template of the draft the UMC Hospital Wide/Organizational Dashboard the Committee had requested. Senior leadership put together a high level dashboard of key metrics for regular review to present regularly to HAB, starting this July. Publicly reported items and value based items include clinical quality and patient safety metrics most associated with direct revenue, financial metrics that will be seen regularly, and key strategic initiatives in customer service and IT. This information will be helpful to note trends from data collected. A glossary of terms, a background on all the items that will be measured, along with where the data is derived from will be provided to committee members in preparation for the July report.

FINAL ACTION: A motion was made by Dr. Marlon to recommend approval by the Hospital Advisory Board. The motion carried by unanimous vote.
ITEM NO. 10  Identify emerging issues to be addressed by staff or by the committee at future meetings; and direct staff accordingly.

DISCUSSION: The following information was requested for the next meeting.

- Provide finalized and approved Budget data.
- A special report was requested regarding ED/Trauma transfers from individual hospitals to UMC with a six month history by specialty and by payor. This report would come as an agenda item to this committee and Patient Care, as well.

Agenda Items Pending from Previous Meetings:

- With regard to the contract with Hospitalist Medicine Physicians of Clark County, learn the value of compensation from paying patients and revise the contract to include stringent performance consequences.

SECTION 3. - PUBLIC COMMENT:

Harry Hagerty, Finance Committee Chair asked if there were any persons present in the audience wishing to be heard on any matter.

Speaker(s): None.

There being no further business to come before the committee at this time, at the hour of 5:01 p.m., the meeting was adjourned.

DATE MINUTES APPROVED: July 3, 2012

UMC HOSPITAL ADVISORY BOARD FINANCE COMMITTEE
Harry Hagerty, Chair, Finance Committee