



**BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

Tuesday, August 26, 2025
6:00 pm
Cypress Room, University Hospital
4502 Medical Drive
San Antonio, Texas 78229

MINUTES

BOARD MEMBERS PRESENT:

Jimmy Hasslocher, Chair
Anita L. Fernández, Vice Chair
Margaret Kelley, MD
Beverly Watts Davis
David Cohen, MD
Melinda Rodriguez, PT, DPT.
Patricia (Pat) Jasso

OTHERS PRESENT:

Edward Banos, President/Chief Executive Officer, University Health
Bill Phillips, Executive Vice President/Chief Operating Officer, University Health
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health
Dr. Bryan Alsip, Executive VP, Chief medical Officer, University Health
Robert Hromas, MD, Dean and Professor of Medicine, UT Health San Antonio
And other staff attendees.

CALL TO ORDER:

Mr. Hasslocher called the Board meeting to order at 6:05 pm.

INVOCATION AND PLEDGE OF ALLEGIANCE — JIMMY HASSLOCHER, CHAIR

Invocation – Andrew Hrywnak, University Health, Pharmacy — *Jimmy Hasslocher, Chair*

Mr. Hasslocher led the pledge of allegiance.

PUBLIC COMMENT: NONE

APPROVAL OF MINUTES OF PREVIOUS MEETING: July 29, 2025 (*Regular Meeting*)

SUMMARY: The minutes of the Board meetings of Tuesday, July 29, 2025 was submitted for the Board's approval.

RECOMMENDATION: Staff recommends approval of the minutes as submitted.

COMMENTS /DISCUSSIONS: None

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen **SECONDED** by Ms. Rodriguez, and **PASSED UNANIMOUSLY**.

EVALUATION: None

FOLLOW UP: None

Report from UT Health San Antonio — Francisco G. Cigarroa, M.D., EVP/Health Affairs and Health System

SUMMARY: Dr. Cigarroa shared that on Monday, September 1st, UT Health and UTSA become integrated as one. Additionally, Dr. Cigarroa added that University Health will still be a leading, continuing partnership for many years to come. Dr. Hromas added that Dr. Higgins will be assuming the position of Chair of Pathology on September 1st. Dr. Randy Robinson named to the National Board of Obstetrics and Gynecology. Dr. Adam Salmon has been elected President of the Gerontologic Society of America, the nation's Aging Research agency and is in charge of the Barshop. Dr. Ralph DeFronzo has been a pillar at the Texas Diabetes Institute, he was awarded the Dartmouth Medical School Lifetime Achievement award. Dr. Little added positive comments he observed in the OR room on the achievement of various individuals have set goals to advanced their careers and have successfully done so.

COMMENTS /DISCUSSIONS: Mr. Hasslocher added that University Health looks forward to the continued partnership to continue improving on patient care for the community that we all serve.

NEW BUSINESS:

CONSENT AGENDA – JIMMY HASSLOCHER, VICE CHAIR

Consideration and Appropriate Action Regarding Medical-Dental Staff Membership and Privileges — Michael Little, M.D., President, Medical/Dental Staff

SUMMARY: The Credentials Committee met on July 25, 2025 and reviewed the credential files of the individuals listed on the attached Credentials Report and the Professional Performance Evaluation Report. In its meeting of August 5, 2025, the Executive Committee of the Medical-Dental Staff recommended approval of the Credentials Committee Report.

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Professional Practice Evaluations and Delineation of Privileges — Michael Little, M.D., President, Medical/Dental Staff

SUMMARY: The Credentials Committee met on July 25, 2025 and reviewed proposed revisions to Delineation of Privilege and the Professional Performance Evaluation Report and forms. In its meeting of August 5, 2025, the Executive Committee of the Medical-Dental Staff recommended approval the attached Delineation of Privileges and Focused/Ongoing Professional Performance Evaluation Report.

Consideration and Appropriate Action Regarding Telemedicine Privileges — *Bryan Alsip, M.D.*

SUMMARY: The Board of Managers of University Health has approval authority for the appointment of clinical providers to the Medical-Dental Staff, and the granting of clinical privileges for overseeing the quality of care and provision of treatment to patients. University Health's Professional Staff Services Department (PSS) is responsible for ensuring compliance regarding all applicants for the credentialing and privileging of providers, to include those approved for Telehealth privileges.

In accordance with section 3.7, Telehealth, of the Bylaws, when University Health facilities are the originating site, University Health may use the privileging and credentialing decision from the distant site to make a final privileging decision provided all required elements are met. The providers have been reviewed by Professional Staff Services in accordance with University Health's Bylaws and Joint Commission Medical Staff standards (13.01.01).

Consideration and Appropriate Action Regarding Reappointments to the Community First Health Plans (CFHP) Board of Directors — *Jimmy Hasslocher, Chair, Nominating Committee*

SUMMARY: The Bylaws of Community First Health Plans, Inc., state that the Board of Managers as the governing body for the sole member of the corporation shall approve the appointment of the Board of Directors to manage the affairs of the corporation. There are currently seven members on the Board of Directors.

The following board members have terms that will expire September 30, 2025, and are recommended for re-appointment to their current Board of Director positions:

Anita L. Fernández
Edward Banos

The Nominating Committee recommends the re-appointment of the board members as noted for two-year terms beginning September 30, 2025 through September 30, 2027. All members have expressed an interest and a willingness to continue to serve, and respectively, each brings a wealth of knowledge, expertise, and continuity to the organization.

Consideration and Appropriate Action Regarding a Settlement and Release of Claims with Purdue Pharma, L.P., et.al. and Other Manufacturer Defendants in the Matter of: *In Re: Texas Opioid Litigation*, MDL No. 2018-63587 — *Serina Rivela*

SUMMARY: The "opioid crisis" continues to be a public health and safety crisis across the nation. Texas, and particularly Bexar County, has not been immune from the opioid crisis. In response to the opioid crisis, the Texas State Attorney General's office and other local governments, including Bexar County, University Health and the City of San Antonio, have championed investigations and litigation to seek accountability and legal remedies.

On November 26, 2019, University Health filed a lawsuit against manufacturers, distributors, and retailers relating to tortious conduct in the marketing, promotion, sale, distribution, and dispensation of opioids. A separate lawsuit was filed by Bexar County. Both the Bexar County and University Health claims are pending in *In Re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152d Judicial District Court of Harris County, Texas and seek monetary relief to address the deleterious impact of the pandemic on the Bexar County community.

To date, the State of Texas has obtained close to \$3.3 billion in legal settlements with drug manufacturers (Johnson & Johnson, Endo, Teva, and Allergan), distributors (Amerisource Bergen, Cardinal Health, and McKesson) and pharmacy/grocery chains (CVS, Walgreens, Walmart and Kroger) for their roles in the national opioid epidemic. Under the Sackler family's ownership, Purdue Pharma became notorious for producing and aggressively marketing opioid products over several decades, a practice that played a central role in fueling the deadliest drug crisis in U.S. history. This led to Purdue Pharma filing for bankruptcy on September 15, 2019, in White Plains, New York, seeking to shield itself from widespread opioid-related litigation across the country.

In March 2022, the Sackler family reached a settlement, which was initially approved by the bankruptcy court but was later overturned by the U.S. Supreme Court, primarily due to the preferential treatment it afforded the Sacklers. Subsequently, this resulted in all State Attorney Generals, including Texas Attorney General Ken Paxton, united to negotiate a nationwide settlement totaling \$6.5 billion, to be paid over 15 years to help support opioid related addiction treatment, prevention and recovery efforts. Most importantly, this settlement ends the Sacklers' control of Purdue and their ability to sell opioids in the United States, and is in principle, the nation's largest settlement to date with individuals responsible for the opioid crisis.

In addition to the Purdue settlement, a Global Settlement Agreement has been reached with eight (8) secondary or downstream opioid manufacturers: Alvogen, Inc., Amneal Pharmaceuticals Inc., Apotex Corp., Hikma Pharmaceuticals USA, Inc., Indivior Inc., Mylan, Sun Pharmaceutical Industries, Inc., and Zydus Pharmaceuticals (USA) Inc. (Other Manufacturer Defendants). Although these entities were not originally named in University Health's opioid litigation, their inclusion in the broader settlement presents an unexpected opportunity for additional financial relief to support the Bexar County community.

Texas is expected to receive as much as \$286.6 million from the Purdue settlement over the next 15 years, with approximately \$27.3 million earmarked for Hospital Districts. In addition, the state is expected to gain roughly \$44.6 million over the next 10 years from settlements with the Other Manufacturer Defendants, including an estimated \$4.2 million allocated specifically for Hospital Districts. The distribution will follow the terms outlined in the Texas Term Sheet for each litigating subdivision, with the Attorney General's office retaining 6.34% of the total amount. As with previous settlements, the Purdue Pharma and the Other Defendant settlements hinges on the majority of governmental entities agreeing to release their claims by a set deadline—September 30, 2025. However, unlike other agreements, failure to submit the required release by the deadline will disqualify University Health—and any other litigating entity—from receiving any proceeds. It is therefore imperative that University Health sign the settlement agreement by September 30 to ensure that Texas, and especially the citizens and entities of Bexar County, receive the full opioid remediation funds to which they are entitled.

To date, University Health has received approximately \$5.6 million for its portion of the settlement proceeds and will continue to receive additional funds over the years in accordance with the various settlement terms. In addition to its portion of the 15% hospital district allocation as set out in Chapter 403 of the Texas Government Code, University Health will be eligible to submit requests for funding from the remaining abatement funds for proposed opioid related education, prevention, and treatment programs specially tailored to address the recovery needs in Bexar County. Most recently, University Health was the recipient of a \$25 million grant from the abatement funds for its statewide distribution of Naloxone to help prevent drug overdose.

Consideration and Appropriate Action Regarding an Amendment to the Pediatric Perfusion Services Agreement with Infinity Care Solutions, LLC — *Bill Phillips*

SUMMARY: Infinity Care Solutions provides specialized pediatric perfusion services for pediatric congenital cardiac surgical procedures requiring cardiopulmonary bypass at University Hospital. Services include pre-operative preparation, intraoperative management, and post-operative support, including extracorporeal membrane oxygenation (ECMO) for critical respiratory or cardiac failure. Coverage is available 24 hours a day, seven days a week, under the direction of University Health's pediatric cardiac surgeons.

The Perioperative Services department recommends approval to amend the current contract with Infinity Care Solutions to extend coverage for an additional 26 weeks. Extending this agreement will ensure continuity of service while recruitment and onboarding of University Health employed pediatric perfusionists is completed. University Health's pediatric cardiac program performs approximately eighty cases annually, encompassing complex congenital repairs, valve replacements, and other procedures that require specialized perfusion expertise.

The demand for specialized pediatric perfusion services continues to grow due to higher rates of congenital heart defect diagnoses, expanded access to surgical interventions, and advances in perfusion and life-support technologies. Innovations such as miniaturized bypass circuits, improved biocompatible oxygenators, and advanced real-time monitoring have significantly enhanced surgical safety and recovery outcomes.

Perfusionists are essential not only for open-heart surgeries, but also for ECMO programs supporting patients with severe cardiac or respiratory failure. In pediatric cases, these services require precise adaptation to the patient's age, weight, and physiology, making specialized expertise critical to achieving optimal outcomes. The market for certified pediatric perfusionists is extremely limited, and recruitment can be lengthy. Maintaining this contracted coverage ensures uninterrupted service, preserves surgical capacity, and supports timely delivery of life-saving interventions.

Consideration and Appropriate Action Regarding an Agreement for the Purchase, Renovation, and Installation of a New Reverse Osmosis System for the West Dialysis Water Room at the Texas Diabetes Institute and all Actions in Support Thereof — *Bill Phillips*

SUMMARY: West Dialysis is located at University Health Texas Diabetes Institute (TDI), 701 S. Zarzamora Street, San Antonio. The facility was opened in 1994 and currently provides dialysis services to the local community. This location has performed an average of 1,500 treatments per month since 2020. The water room equipment is 31 years old and is original to the facility. Due to the age of the equipment, it poses increasing risks of system failure, contamination, and non-compliance. The replacement of the water system will help save on operating costs without compromising treatment quality by optimizing resources. It will provide flexible design, intelligent technology, and reduced maintenance requirements. This system offers an efficient solution to more demanding water quality standards, higher labor and resource costs.

Staff have consulted with multiple external professional services to provide validation of the proposed water room equipment and associated cost. This was done to ensure that the specified system meets optimal basis of design and the operational healthcare requirements. Upon reviewing the best way to assure uninterrupted dialysis services to this dialysis center during the replacement of water room equipment, a multidisciplinary team found the best and most economical solution is the use of portable Reverse Osmosis (RO) machines to assure that patient care continues on-site without relocation or disruption to patients.

University Health recommends procuring the reverse osmosis equipment and installation for the West Dialysis water treatment room from Fresenius USA Marketing, Inc. for \$440,000. The demolition and construction make ready of the water room installation will have a cost of \$175,000. The total not to exceed price for this project is \$615,000 to be funded from the 2025 routine capital budget.

University Health staff recommend procuring the equipment now due to the lead time of the water room equipment. At a later date when the support components are fully designed and the costs are reviewed, staff will bring to the Board the remainder of the project for construction. The value of this additional work is estimated at \$1,016,000 making the total value of this project a combined value of \$1,631,000.

Consideration and Appropriate Action Regarding an Amendment to the Professional Services Agreement with Barrio Comprehensive Family Health Care Center, Inc. d/b/a CommuniCare Health Centers for CareLink Members — Virginia Mika PhD/Theresa Scepanski

SUMMARY: University Health, through the CareLink program, provides medical services to low income and uninsured residents of Bexar County. While CareLink is not an insurance product, it has similarities in terms of encouraging a lasting relationship between a patient and their primary care provider, promoting access to preventive health services, and providing quality care to its members. CareLink has contracted with Barrio Comprehensive Health Care Center d/b/a CommuniCare Health Centers since September 2001.

CommuniCare provides primary care services as well as some specialty services such as neurology and rheumatology and has expanded access to orthopedic services to CareLink members. The renewal contract was approved in October 2023 with an annual estimated amount of \$240,000. In 2024, CareLink increased the panel size at CommuniCare from an average of 528 members per month to 1,985 members per month based on volume and member needs. Staff is recommending an amendment to increase the funding amount of the current contract with CommuniCare to continue to secure primary care and specialty services for CareLink members. This contract ensures that CareLink members have access to both primary and specialty care in a pre-acute setting.

This fee for service (FFS) contract is based on 100% of the current Medicare fee schedule for all professional services rendered to CareLink members. The anticipated monthly spend for the remaining 18 months of the current contract, based on member clinic visits, is estimated to average \$40,000 per month for a total of \$720,000.

Consideration and Appropriate Action Regarding an Amendment to the Agreement with Beyond Faith Homecare & Rehab of Abilene, LLC d/b/a Beyond Health Homecare & Rehab of San Antonio for CareLink Members — Virginia Mika PhD/Theresa Scepanski

SUMMARY: University Health, through the CareLink program, provides medical services to the uninsured residents of Bexar County. CareLink includes home health services as part of the CareLink schedule of benefits to facilitate inpatient discharges from University Hospital. A contract with Access Quality Therapy Services (AQTS) has been in place since January 1, 2021, and subsequently assigned to Beyond Faith Homecare & Rehab of Abilene, LLC d/b/a Beyond Health Homecare & Rehab of San Antonio following the purchase and acquisition of AQTS.

As a result of increased numbers of CareLink members being discharged from University Hospital who require home health services, additional funds are needed to maintain the contract. Providing access to home health services allows University Health to optimize throughput with the goal of appropriately decreasing length of stay and decompressing the emergency department by safely discharging the patient home and providing skilled staff to continue follow-up care.

The purpose of this amendment is to add additional funds to continue to secure home health services for CareLink members. Payment of services is based on a fee for service reimbursement model.

The term of this contract was three (3) years beginning April 1, 2021 and ending March 31, 2024, but the contract had two, one year renewal options. We are in the final year with the contract ending March 31, 2026. The contract will go out for bid either later this year or early next year. Rates increased from 93 to 100 percent of the current Medicare fee schedule for the two renewal years. Additionally, patient volume has increased from an average of 30 members monthly in 2023 to 41 members in 2025 representing a 37% increase in volume.

The two, one-year options were estimated at \$374,000 per year for CareLink; however, an additional \$480,000 is requested to cover the remainder of the last year of the renewal option. CareLink's average monthly spend for 2025 is \$55,000 and previously awarded funds will be expended prior to the contract termination date without the additional funds.

Consideration and Appropriate Action Regarding an Agreement with Forvis Mazars LLP for Audit Services — *Reed Hurley*

SUMMARY: Securing an annual audit of University Health's financial records is an important fiduciary responsibility of the Board of Managers. The audit serves as an outside review to ensure the proper recording of financial transactions in accordance with Generally Accepted Accounting Principles (GAAP). The annual financial audits are required and reviewed by various outside organizations including bond rating agencies, bond investors, banks, governmental payers, Bexar County, Pension Review Board, and other regulatory and oversight entities.

As of June 2024 Forvis, LLP merged with Mazars, LLP another large global accounting firm to become Forvis Mazars, LLP. The merger of these two large accounting firms makes Forvis Mazars, LLP a top 10 global accounting firm. The 2025 audit will be the thirteenth annual audit engagement for Forvis Mazars, LLP. They are currently engaged to perform the audits on all University Health entities including University Health (Consolidated), Community First, Foundation, University Health System Services of Texas, Inc., Pension Plan, OPEB Plan, and the Financial Assistance programs (Single Audit). In addition, Forvis Mazars supports University Health with the annual Cost Report filing, the Foundation Form 990 and all other required tax returns.

Forvis Mazars, LLP is a large global, well-respected, accounting firm and is currently the accounting firm of choice for most of the large public health systems in the State of Texas. Having a high-quality accounting firm available to consult on very complex accounting issues is a huge benefit for University Health's accounting and finance staff. Having a high-quality annual audit report provides assurance for the Board of Managers, bond rating agencies and other outside reviewers that University Health's finances are reported appropriately.

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) — *Reed Hurley/Travis Smith*

SUMMARY: University Health's Purchasing Consent attachment for the month of August 2025 includes 28 proposed contracts for Board of Managers action. The total requested Board of Managers approval for these 28 contracts is \$16,101,525. All other Board of Managers agenda items and contracts will be addressed and approved separately by the Board.

RECOMMENDATION: Staff recommends Board of Manager's approval of:
1) Purchasing Consent Agenda Items; and
2) Purchasing Consent Attachment "A" in the amount of \$16,101,525

COMMENTS /DISCUSSIONS: None

ACTION: A MOTION to APPROVE staff's recommendation was made by Dr. Kelley, SECONDED by Ms. Fernández, and PASSED UNANIMOUSLY.

EVALUATION: None

FOLLOW UP: None

Action Items:

Consideration and Appropriate Action Regarding Selected Purchasing Items:

Consideration and Appropriate Action Regarding a Contract Renewal for Specialty Pharmacy Support Services with Shields Health Solutions — *Jennifer Rodriguez*

SUMMARY: In 2020, the University Health Pharmacy Department partnered with Shields Health Solutions through a five-year contract to launch two Specialty Pharmacies to improve access to medications for our patients. These “specialty medications” or “limited distribution drugs” (LDDs) are specifically designed for treating complex, chronic, or rare medical illnesses, many of which require advanced administration and monitoring. These illnesses are usually progressive, life-threatening, or have severe symptoms requiring medications that traditional retail pharmacies typically do not offer due to their special handling, cost, and oversight requirements. Insurance companies and manufacturers require that these medications be dispensed exclusively through accredited specialty pharmacies to ensure safe, coordinated care. University Health has established two Specialty Pharmacies—one located within the University Hospital Discharge Pharmacy and the other at the Robert B. Green Campus Pharmacy. Prior to starting Specialty Pharmacy Services, University Health patients sometimes left without the specialty medications needed to treat their conditions or to improve their quality of life.

Specialty drugs represent the fastest growing segment of the U.S. pharmaceutical market, expanding by 15–20% annually. However, patients frequently experience significant delays due to complex prior authorization processes involving Pharmacy Benefit Managers (PBMs), provider clinics, and specialty pharmacies. Additionally, many patients must often visit separate pharmacy locations for specialty and non-specialty prescriptions, further disrupting care.

The Specialty Pharmacy Program now streamlines medication access, coordinates approvals, and ensures timely delivery of these life-saving drugs without unnecessary delays.

The rapid establishment of this program was facilitated by the partnership with Shields Health Solutions. Leveraging Shields’ established payor network, manufacturer access, data aggregation, and documentation platforms, this collaboration expedited dual program accreditation and enabled swift access to payors and specialty medications.

Through our partnership with Shields Health Solutions, University Health met these goals and earned its first accreditation from the Accreditation Commission for Health Care (ACHC) in 2022, followed by a second accreditation from the Utilization Review Accreditation Commission (URAC) in 2023. Having dual accreditation allows University Health much greater access to Limited Distribution Drugs to better serve patients. This has enabled the Specialty Pharmacy Program to currently serve over 5,000 patients. Through the University Health Prescription Savings Club, every patient receives their prescribed medication—regardless of ability to pay—and, like our “Meds-to-Beds” program, every patient leaves with medications in hand with an average copay of only \$20.

Each year, the Specialty Pharmacy Program has exceeded expectations by delivering measurable health improvements, streamlining the care experience, and expanding access to life-saving medications for some of our community's most vulnerable patients. By taking over prior authorization negotiations and working directly with Pharmacy Benefit Managers, the program has cut medication access times from as long as a year to just days, often with a 48-hour turnaround time to dispense medication therapy. This model not only expands access to specialty medications, but it also allows providers to spend more time seeing patients and providing those patients with dedicated pharmacist instructions to better manage their care.

RECOMMENDATION: Staff recommends Board of Managers approve a three-year contract renewal with Shields Health Solutions to continue the support and expansion of a Specialty Pharmacy Program at University Health in an amount not to exceed \$27,000,000.

COMMENTS /DISCUSSIONS: Dr. Ms. Jasso asked if the Compounding pharmacy falls under Specialty? There are allot of medicines that are compounded but not too many of them. Dr. Cohen asked who is eligible to receive their meds? Only our inpatient in one of our clinics or the financially challenged? Further discussions ensued.

ACTION: **A MOTION to APPROVE** staff's recommendation was made by Ms. Jasso, **SECONDED** by Ms. Fernández, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding the Purchase of the IMRIS InVision 3T Operating Suite at University Hospital — *Bill Phillips*

SUMMARY: When Sky Tower opened in 2014 it was constructed with 35 operating rooms, which two of those were shelled for future growth. This year University Hospital is projected to perform 29,000 surgical cases. As surgical volume in the Sky Tower operating rooms has grown 70% since 2015, staff evaluated the most effective use of the two remaining shelled operating rooms. These rooms, on the second floor of the Sky Tower, were designed to accommodate intraoperative MRI capability. This technology, primarily used in the most complex neurosurgical cases, performs an imaging scan during a surgical procedure. An intraoperative MRI gives the surgical team a clear look at the structures, organs and tissues inside the body that are often difficult to see clearly during an operation. The MRI can also perform independently to increase overall MRI throughput when not needed for a surgical case. In addition, University Hospital can utilize this system for expanded clinical procedures, such as prostate obliteration as a minimally invasive procedure as opposed to prostate surgery.

After review of current case volumes and anticipated future growth in surgical case, we have reached the point where it is time to complete the build-out of the remaining two shelled operating rooms. This includes the acquisition of an IMRIS InVision 3T Operating Suite to provide real-time, high-resolution imaging during surgical procedures without compromising patient positioning. The IMRIS InVision 3T Operating Suite will enhance surgical precision, and optimize outcomes for service lines to include neurosurgery, oncology, and urology.

The IMRIS significantly reduces the probability of repeat procedures through higher rates of complete resection, enhances precision with real-time imaging, improves clinical outcomes, allows for multispecialty integrations, and provides versatility for the surgical teams. Intraoperative MRI has become the standard of care in advanced academic medical centers.

The IMRIS InVision 3T Operating Suite allows clinicians to obtain real-time MRI images while maintaining optimal surgical access and anesthesia connectivity. Patients remain safely positioned throughout the procedure, eliminating multiple transfers between rooms or beds.

Dr. This technology significantly reduces patient risk and supports precision-guided surgery. The integrated suite enables surgeons to adjust treatment based on imaging insights acquired mid-procedure and assist the surgeons in the procedure to assure the best patient outcome.

RECOMMENDATION: Staff recommends the Board of Managers approve the total intraoperative MRI project estimate of \$18,500,000 to be funded from Board Designated capital funds and authorize the purchase of the IMRIS InVision 3T Operating Suite for an amount not to exceed \$8,959,196.

COMMENTS /DISCUSSIONS: Ms. Rodriguez asked if the equipment is an opened MRI and where will the MRI be located at? Dr. Kelley asked about the weight limit. Further discussions ensued.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Ms. Jasso, **SECONDED** by Dr. Cohen, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding the Renovation and Purchase of a New Cardiac PET/CT and Associated Equipment for the Advanced Diagnostic Center — *Bill Phillips*

SUMMARY: The Advanced Diagnostic Center was opened in 2020 and currently provides bronchoscopy, endoscopy and cardiac catheterization laboratory clinical services. In order to ensure that University Health provides high quality care and is in alignment with best practices, a multidisciplinary team that included physicians, nurses, and cardiac operations leadership evaluated current technology utilized in academic comprehensive cardiac programs. The team determined that a PET/CT provided the most appropriate clinical functions to address the needs of University Hospital patients. Compared to the current Single Photon Emission Computed Tomography (SPECT) imaging system used for nuclear stress testing, cardiac PET/CT offers superior diagnostic accuracy, particularly in detecting myocardial perfusion abnormalities.

The addition of a cardiac PET/CT will expand the current diagnostic imaging services provided and will offer a higher degree of accuracy for detecting myocardial perfusion blockages compared to the current SPECT imaging equipment. This technology combines the functional measurements from the PET/CT with the anatomical structures identified from the CT scan, allowing for a more comprehensive assessment of the heart health. This method offers superior diagnostic accuracy when compared to the current technology utilized in the field. The reduced imaging time will enable University Health to conduct nuclear stress tests for up to ten patients per day, thereby increasing accessibility, enhancing workflow efficiency, and optimizing specialty equipment utilization. The existing SPECT based nuclear stress tests require up to four hours and often necessitate multi-day protocols for complex patents, while a PET/CT reduces the total imaging time to less than one hour for all patients regardless of complexity.

The GE Healthcare Legend, identified as the optimal PET/CT equipment available in the industry provides an additional benefit of lower radiation exposure and enhanced image resolution, which can contribute to more accurate and confident clinical decision-making. Given the sustained growth in demand for advanced cardiac imaging services, the acquisition of the GE Healthcare Legend cardiac PET/CT will ensure that University Hospital remains the most trusted cardiovascular diagnostic provider in south Texas.

RECOMMENDATION: Staff recommends the Board of Managers approve the purchase and turnkey installation of a GE Healthcare Legend PET/CT, and associated furniture, fixtures and equipment costs for an amount not to exceed \$3,219,670.

COMMENTS /DISCUSSIONS: None

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen, **SECONDED** by Ms. Fernández, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding a Lease Agreement with Philips Inc. for Patient Monitors — *Bill Phillips*

SUMMARY: In 2012, University Health standardized on a single vendor for physiological monitors. Physiological monitors are devices used to track and display a patient's vital signs in real-time. Philips was selected as the best product due to scalability of patient monitoring platforms, vigorous security standards, long-term reliability, clinical decision support tools, and robust integration capabilities. University Health and Philips has maintained and expanded upon the longstanding patient monitoring partnership to create one of the largest telemetry over WiFi systems in the country, covering 2.5 million square feet. The complete integration of these monitors with EPIC ensures that patient vitals and telemetry wave strips are automatically captured and displayed within the patient record in real-time. The current operating system will reach its end-of-life December 31, 2025, and will need to be upgraded to maintain current and expanded functionality.

Philips recently announced a new program called Enterprise Monitoring as a Service (EMaaS). This program provides an enterprise-wide subscription service that includes the latest monitoring software. This program includes security patches, antivirus updates, updated operating system, and software enhancements through the life of the contract. In addition, as a result of participating in this program, the organization will receive substantial discounts on all future purchases of physiological monitoring needs. Based on our current estimated physiological monitor requirements for the new hospitals there is an anticipated estimated cost savings of \$27 million in capital expenditures. As new software upgrades become available, University Health will be able to take advantage with no additional cost during the life of this agreement.

This agreement will ensure that University Health has the latest security patches, anti-virus updates, and operating system enhancements, meeting the highest cybersecurity standards of care. Additionally, physiological monitoring will be expanded and will create standardization of alarm escalation and notification workflows across the enterprise, adding a digital 'safety net' to ensure clinicians are promptly aware of patient events and deterioration. As a large academic site, the utilization of cloud data to bridge academic research, with robust patient data, to promote cutting edge technology and research trials.

RECOMMENDATION: Staff recommends the Board of Managers approve an Enterprise Monitoring as a Service (EMaaS) agreement with Philips, Inc in an amount not to exceed \$26,180,411 for a five-year agreement.

COMMENTS /DISCUSSIONS: Dr. Cohen asked what hospital system is bigger than us utilizing Phyllis equipment? We are second in the United States. Further comments ensued.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen, **SECONDED** by Dr. Kelley, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding the Financial Report for July 2025 — Reed Hurley

SUMMARY: The July 2025 financials showed University Health's consolidated bottom line for the month to reflect a gain of \$21.7 million, \$17.6 million better than the budgeted gain of \$4.2 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$29.1 million.

In July, clinical activity (as measured by inpatient days) was up by 2.8% and inpatient discharges were higher than budget by 7.8%. Volumes exceeded prior year performance across most key service delivery areas.

Community First experienced a bottom line gain of \$465 Thousand, which was \$3.1 million less than the budgeted gain of \$3.6 million. Community First membership is up 4.8% compared to Budget but Medicaid Medical Claims Expense is higher than expected for the month.

Year to Date Operating Revenue:

- Net patient revenue is over budget by \$143.4 million driven by high patient volumes, acuity of inpatient services, and the continued growth of retail pharmacy volumes.
- Supplemental revenue is under budget \$5.6 million due to a change in estimated NAIP program revenue and DSH/UC final funding.
- Community First premium revenue exceeds budget by \$40.2 million due to a 3.9% increase in insured membership compared to budget.

Year to Date Operating Expense:

- Employee Compensation is over budget by \$45.1 million due to increased patient volumes requiring additional bedside staff and an increase in related health insurance expense.
- Purchased Services are under budget by \$7.9 primarily related to timing of projects and professional services.
- Supplies are under budget by \$7.6 million primarily due to implementation of supply savings initiatives reducing the cost per patient in procedural areas.
- Community First claims expense is over budget by \$55.4 million due to higher than expected enrollment.

Year to Date Non-Operating Expense:

- Investment income of \$50.5 million was higher than budget by \$14.5 million.
- A net unrealized gain of \$13.4 million has been recorded.

Consolidated Balance Sheet Report:

- Days Revenue in Patient Accounts Receivable: 36.8 days on a budget of 38.0 days.
- The Community Hospitals project has a total expected budget of \$1.58 billion; \$1.3 billion of contracts have been approved by the Board of Managers.
- Total payments of \$508 million have been paid to date leaving \$804 million encumbered. Of the Community Hospital's \$1.58 billion budget, \$1.3 billion in cash and bond proceeds have been committed for the project and additional cash reserves will be allocated over the next two years to fully fund the project.
- Unencumbered funds reserved for future capital needs has a balance of \$34.5 million.
- University Health's Net Asset Value has increased \$215 million year to date on a Generally Accepted Accounting Principles (GAAP) basis including debt service tax revenue and interest expense on bonds.

RECOMMENDATION: Staff recommends approval of the July 2025 Financial Report subject to audit.

COMMENTS /DISCUSSIONS: Mr. Hasslocher commented on the end results of the financial report and it reflects the hard work the staff puts forth in the patient care we deliver to the community. We are very fortunate, you can build beautiful buildings but it takes the staff inside, the talent that has people that want to come to University Health for their care.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Kelley, **SECONDED** by Ms. Rodriguez, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Presentations and Education:

A. Annual Community First Health Plans, Inc. Board Report — Theresa Scepanski

COMMENTS: Theresa Scepanski introduced Judy Razzo, VP, Experience and Growth and Kevin Nyaribo, Chief Information Officer.

SUMMARY: In 2024, Community First Health Plans, Inc. (Community First) achieved strong results associated with high-quality and operational performance outcomes such as the completing 100% annual reporting from across the organization, to remain compliant with our Health Plan Accreditation from the National Committee on Quality Assurance (NCQA) for Medicaid and Commercial programs and Distinction status for Long Term Services and Support (LTSS). In addition, steps were taken to pursue NCQA Health Plan Accreditation for Health Equity and Health Equity Plus Accreditation. In addition to Improved claims auto-adjudication rate from 77% to 82% (goal 85% or higher). Successfully launched the STAR+PLUS Medicaid program effective September 1, 2024. Initial enrollment surpassed the estimated 10,000 STAR+PLUS members with a total of 15,479. Experienced positive membership growth in the Marketplace. Community First's approach was to target a specific subset of the CareLink population that is between 100-300 percent of the Federal Poverty Limit (FPL) for this product. And also, generated Net Income at year-end of \$35.8M compared to budgeted Net Income of \$15.1M, for a favorable variance of \$20.7M.

Our claims lifecycle remains one of the highest priorities for the team. The adoption of the Power BI analytics tool has provided staff with real-time data on claims inventory, auto-adjudication rate, and appeals, thus, alerting the team early in the process to course-correct and focus on reducing the manual adjudication volume.

Overall, in 2024, Community First maintained a steady market share across all four Medicaid product lines while experiencing membership growth in CHIP and newly contracted STAR+PLUS. Community First continues to lead the market in CHIP and STAR Kids despite membership fluctuations resulting from the end of Medicaid continuous coverage and the redetermination/application process led by the Texas Health and Human Services Commission (HHSC). Community First is the second ranked Managed Care Organization in the market for STAR and STAR+PLUS.

Patients are more likely to embrace information that incorporates health equity principles because the information is more likely to meet each audience's specific cultural, linguistic, environmental, and historical needs and priorities. Individuals who are not proficient in English also account for increased costs due to ineffective communications or lack of health literacy understanding and processes, which result in increased lengths of stay and hospital readmissions. Unfortunately, these events are all drivers of an increased health cost burden and decreased quality metric scores. Health literacy and health equity work together to improve people's health and health care.

Significant disparities in life expectancy and other health outcomes persist across the community with language being one of the largest barriers. Community First serves members from different races, ethnicities, and languages. For 30 years, Community First has contributed to improving the multiple Non-Medical Drivers of Health (NMDoH) experienced within our community. Health equity encompasses the attainment of the highest level of health for all individuals regardless of race, ethnicity, disability, gender, sexual orientation, socioeconomic status, geography, preferred language, or other factors that can adversely affect health outcomes and an individual's well-being.

In 2024, Community First, screened over 9,000 members, for all lines of business using, our NMDoH needs assessment. Of the total number of members screened, 7,000 screened positive for social barriers. The social barriers rising to the top four (4) needs were food insecurity, housing instability, transportation needs, and new this year, childcare.

With many members needing wrap around services, Community First utilizes both internal and external platforms to track referrals by line of business and social need(s). Our team partners with Unite Us as a referral platform to refer members to community organizations and assist members with navigation. The Unite Us referral platform offers a software solution with an expansive network of resources and care options, including reporting capabilities with meaningful outcomes data and analytics.

In 2024, Community First expanded its partnerships to include a Distinguished Partner Program that incentivized CBOs to provide timely care for members experiencing the highest level of complex medical needs and social barriers by ensuring members received the services they needed. Partnerships include organizations such as Latched Support to care for pregnant members who are at risk for pre-term birth, and Greater Randolph Area Service Program (GRASP) to aid members needing emergency housing and utilities assistance. Other partnerships include collaboration with our network provider groups to raise awareness on managing diabetes.

Community First serves a diverse population. In previous years, English and Spanish have been the standard languages for all member materials. In 2024, Community First created and now offers member handbooks in Pashto. A third language introduced based on community needs, for members who require vital information about healthcare benefits and services.

Community First has adopted, with the approval of the Board of Directors, a Health Equity Model that reduces disparities, invests in our community, addresses NMDoH, and influences policy. We educate our workforce and network providers on the impact culture and language have on health and wellness, how members and their caregivers perceive illness and disease, and how person-centered care is delivered by our health plan. Our Quality Council oversees and monitors the implementation of the Cultural Competency Plan, ensuring that the provision of health education and outreach services to members is appropriate and consistent and that our workforce is properly trained.

Our Quality Management department conducts ongoing assessments of our Culturally and Linguistically Appropriate Services (CLAS)-related activities, integrates measures into continuous quality improvement, and reports progress on cultural competency goals and strategies to the Board of Directors annually.

The healthcare industry faces an evolving cybersecurity landscape, that's seen a surge in cyber security threats. In a world where technology is advancing at a rapid pace, organizations must embrace the need for robust strategies and solutions to safeguard sensitive, confidential, and protected data. By adopting and implementing cybersecurity/security frameworks, an organization can demonstrate they have implemented necessary robust security infrastructure and processes.

In Q2 of 2024, Community First began the journey to achieve HITRUST Certification. HITRUST, the leader in enterprise risk management, information security, and compliance assurances, offers a certification system for the application and validation of security, privacy, and Artificial Intelligence (AI) controls, informed by over sixty standards and frameworks. For over 17 years, HITRUST has led the assurance industry and, today, is widely recognized as the most trusted solution to establish, maintain, and demonstrate security capabilities for risk management and compliance.

In pursuit of program diversification, Community First was successful in securing a Health Insurance Exchange contract with the Centers for Medicare and Medicaid Services (CMS) and the Texas Department of Insurance (TDI) in 2021. Community First's approach is to identify and target a specific subset of the community that is between 100-300 percent of the Federal Poverty Limit (FPL) for this product.

Moving this targeted population to an Individual Insurance Health Plan on the Texas Exchange within Community First's Exclusive Provider Organization (EPO) network reduces the need for county funds by replacing the cost with federal funds thereby benefitting members, University Health, and Bexar County, and is in alignment with Community First's strategic goal of enhancing integration with University Health.

In 2024, key initiatives were achieved including increased membership by 12%, by successfully enrolling over 1,966 members into the Community First Marketplace, compared to 1,750 members in 2023. As of July 2025, the total membership is 3,637. Our goal is to expand membership to 5,000 by year-end 2025.

COMMENTS /DISCUSSIONS: Ms. Jasso asked about the kids that are under the STARPlus program that are 21 years of age with special needs, do they have to be employed? Ms. Scepanski responded no. Further discussion ensued.


Information Only Items:

- I. Annual CareLink Report — *Virginia Mika PhD*
- II. Second Quarter Vendor Engagement Report — *Latifah Jackson/Horacio Vasquez/Travis Smith*
- III. Update on the Community Hospitals — *Brian Freeman*
- IV. University Health Foundation Update — *Sara Alger*
- V. Report on Recent Recognitions and Upcoming Events — *Leni Kirkman*

Adjournment: — *Jimmy Hasslocher, Chair*

There being no further business Mr. Hasslocher adjourned the public meeting at 7:09pm.


Jimmy Hasslocher
Chair, Board of Managers


Margaret A. Kelley, MD.
Secretary, Board of Managers


Janie M. Guevara, Recording Secretary

The Board of Managers may recess during the open meeting in order to hold a closed meeting. Alternatively, a closed meeting may be held before the open meeting or after its adjournment.

Closed Meeting: A closed meeting will be held pursuant to TEX. GOV'T CODE, Section 551.085 to receive information regarding pricing, market data and/or financial and planning information relating to the arrangement or provision of proposed new services and/or product lines.

Closed Meeting: A closed meeting will be held pursuant to TEX. GOV'T CODE, Section 551.085 to receive information regarding pricing or financial planning information relating to a bid or negotiation for the arrangement or provision of services or product lines to another person if disclosure of the information would give advantage to competitors of the hospital district.



**MEETING OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS CERTIFIED AGENDA**

Tuesday, August 26, 2025

The following is an agenda of a closed meeting of the Board of Managers of the Bexar County Hospital District d/b/a University Health, held pursuant to the Texas Open Meetings Act, TEX. GOV'T CODE § 551.001 et seq. (Vernon 2004).

The Board Chair, Jimmy Hasslocher, announced this meeting closed to the public at 7:09 p.m., on the 26th of August 2025 with the following Board members present:

Jimmy Hasslocher, Chair
Anita L. Fernández, Vice Chair
Margaret A. Kelley, M.D., Secretary
David J. Cohen, M.D., Member
Beverly Watts-Davis, Member
Melinda Rodriguez, P.T., D.P.T., Member
Pat Jasso, Member

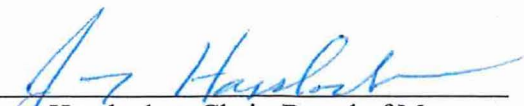
Also present were Mr. Edward Banos, President/Chief Executive Officer; Bill Phillips, EVP/Chief Executive Officer; Reed Hurley, EVP/Chief Financial Officer; Bryan Alsip, M.D., EVP/Chief Medical Officer; Rosa Olivares, Executive Director/Operations, and Serina Rivela, SVP/Chief Legal Officer.

A closed meeting was held pursuant to TEX. GOV'T. CODE, Section 551.085 to receive information regarding pricing or financial planning information relating to a negotiation of a certain agreements with UT Health San Antonio for the arrangement or provision of services or product lines or proposed new services and/or product lines to another person if disclosure of the information would give advantage to competitors of the hospital district.

After discussion, no action was taken in closed session.

The Board Chair, Jimmy Hasslocher, announced that the closed meeting ended at 8:08 p.m., on the 26th of August 2025.

I certify that this agenda kept pursuant to TEX. GOV'T CODE, §551.103 (Vernon 2004) is a true and correct record of these proceedings.


Jimmy Hasslocher, Chair, Board of Managers

