

**MINUTES OF THE BOARD OF MANAGERS
OF
UMC HEALTH SYSTEM**

MONDAY, SEPTEMBER 26, 2022

Ms. Jolyn Wilkins, Chairman, called the Board of Managers of University Medical Center to order at 8:41 a.m. on Monday, September 26, 2022. The meeting was held in the board room at University Medical Center, 602 Indiana Avenue, Lubbock, TX. The meeting was held utilizing the Microsoft platform, TEAMS, with appropriate notice and opportunity for the public to participate pursuant to the temporary suspension of certain Open Meeting Laws due to the State Governor's COVID-19 disaster declaration.

The Chair confirmed that no one from the public registered to comment.

Ms. Jolyn Wilkins welcomed the Board Members and guests and thanked them for attending. The following members and guests were present:

BOARD MEMBERS PRESENT

Steven Berk, M.D.	Curtis Griffith	Jolyn Wilkins
Carlos Garcia	Mont McClendon	Gladys Whitten, D.M.D.
Gary Greenstreet	Laura Vinson**	

MEMBERS ABSENT

OTHERS PRESENT

Teresa Barron	Adonica Hall	Nick Skeen
Tina Belcher	Alan Haynes, M.D.	Chris Smith (virtual)
Jeff Dane	Jeff Hill (virtual)	Dave Summers
Aaron Davis	Brent King	Amanda Tijerina
Kristi Duske	John Lowe	Kala Waits
Bill Eubanks	Brian Payne, M.D.	Phillip Waldmann
Glen Frick	Britt Pharris	Tammy Williams
Mark Funderburk	Jodene Satterwhite (virtual)	

INVOCATION

Mr. Mark Funderburk voiced the invocation.

QUORUM

With six voting members present, a quorum was established.

**Board Member, Laura Vinson, was not able to attend the full meeting and did not participate in voting decisions.

EXECUTIVE SESSION

The Board of Managers went into a Closed Meeting under Government Code Sections 551.071, 551.072, 551.073, 551.074, 551.076 and 551.085 at 8:41 a.m. to consult with attorney concerning pending or contemplated litigation, settlement offers, and confidential legal matters; to deliberate the purchase, exchange, lease or value of real property, deliberate personnel matters; to deliberate financial planning information relating to negotiation for provision of services or product lines; to deliberate proposed new services or product lines and to review Professional Staff credentials (Health and Safety Code Section 161.031 et seq.).

RECESS: Without objection, the Board agreed to recess at 10:31 a.m. to take a brief break before entering Open Session.

**Board of Managers
UMC Health System
September 26, 2022**

OPEN SESSION

The Board of Managers entered Open Session at 10:44 a.m.

APPROVAL OF THE CONSENT AGENDA ITEMS

The following were presented for approval.

- A. Minutes- Performance Improvement Oversight Committee – August 22, 2022
- B. Minutes-Regular Board of Managers – August 22, 2022
- C. Professional Staff Report- Professional Staff Report – The Board was provided a report of recommendations from the Executive Committee Meeting held on September 12, 2022, including Applicants to Staff, Ad Hoc Applicants to Staff, Temporary Privileges, Resignations, Active Reappointments, and Referring Reappointments.
- D. ENT Navigation Platform
The Board was provided with information for the Stryker Scopis ENT navigation platform, which is a next-generation solution for navigating functional endoscopic sinus surgery. This platform offers surgeons a highly advance image guidance and visualization capabilities in a single system. Staff recommends the purchase from Stryker, a Premier vendor, for a total cost of \$114,142. This will be paid for out of the 2022 budgeted funds.
- E. Anesthesia Machines (4)
The board was provided information that this purchase is for four anesthesia machines, which are needed for the fourth floor East Tower Operating Rooms. Staff recommends the purchase from GE, a Premier vendor, for a total cost of \$244,481. This will be paid for out of the 2022 budgeted funds.
- F. Trios Surgical Table
The board was provided with a request for new orthopedic surgical table, which is needed for the fourth floor East Tower Operating Room. Staff recommends the purchase from Mizuho, a Premier vendor, for a total cost of \$129,420. This will be paid for out of the 2022 budgeted funds.
- G. Meera Surgical Table (2)
The board was provided with a request for two new surgical tables, which are needed for the fourth floor East Tower Operating Room. Staff recommends the purchase from Getinge, a Premier vendor, for a total cost of \$69,950. This will be paid for out of the 2022 budgeted funds.
- H. Stretchers (10)
The board was provided with a request for stretchers in the Emergency Center. The current stretchers have reached their end of life. The stretchers have been discontinued by the manufacturer so certain replacement parts are unavailable. Staff recommends the purchase from Stryker, a Premier vendor, for a total cost of \$94,024. These will be paid for out of the 2022 budgeted funds.
- I. Microsoft True-Up
The board was provided information on the Enterprise agreement with Microsoft that UMC is required to “true-up” the licenses based on user and technology growth. Staff recommends the purchase from SHI, a DIR vendor, for a total cost of \$123,579. This will be paid for out of the 2022 budgeted funds.
- J. Contract Management Report
The Board was provided a report of UMC’s contract management system report. The data is completed for the Det Norske Veritas (DNV) survey and is for information purposes.

**Board of Managers
UMC Health System
September 26, 2022**

K. Affordable Alcove Shops Inc. Agreement

The board was provided with a storage lease agreement for a 4500 square foot warehouse located near Wolfforth. Renting this space would allow UMC Information Technology to consolidate storage to one location and allow twice the storage space for the same amount that UMC is currently spending. A \$3,000 deposit and \$3,040 a month is the total spend of this agreement. The term of this agreement is three years from September 2022 through August 2025.

L. BD CareFusion Solutions Agreement

The Board was provided with a software subscription with BD CareFusion Solutions. This subscription agreement will provide software for data mining hospital acquired conditions. UMC is committed to a total spend of \$144,900. The term of this agreement is September 1, 2022, through August 31, 2023.

M. Accounts For Referral

The Board was provided the September Accounts For Referral report. There were three total accounts in September. There were two accounts totaling \$133,652 in the \$35 to \$100k range and one account over \$100k for \$133,385.

Chairman Wilkins called for a motion to approve the Consent Agenda items.

ACTION: Mr. McClendon moved to approve the Consent Agenda items as presented. The motion was seconded by Mr. Garcia and approved unanimously.

UMC FOUNDATION ANNUAL REPORT

Mr. Britt Pharris, Chief Philanthropy Officer, introduced Mr. Brent Redford from Robinson Burdette Martin and Seright, L.L.P. Mr. Redford presented the 2021 UMC Foundation financial audit. The financial statements that were audited included statements of financial position as of December 31, 2021, and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. It was the auditor's opinion that these financial statements were presented fairly, in all material respects, and that the financial position of the Foundation as of December 31, 2021, and 2020. The changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

It was the staff's recommendation to approve the audit as presented.

ACTION: Mr. McClendon moved to approve the UMC Foundation Annual Report as presented. The motion was seconded by Mr. Garcia and approved unanimously.

SUPPLEMENTAL RETIREMENT PLAN OF UMC AND THE TRUST AGREEMENT

Kristi Duske, Senior Vice President and Chief Legal Officer presented the Supplemental Retirement Plan of UMC (SERP) and the Trust Agreement for the Board of Managers to review.

It was the staff's recommendation to approve the SERP, the Trust Agreement, and re-approve Prosperity Bank as Administrator of the SERP.

ACTION: Mr. Greenstreet moved to approve the Supplemental Retirement Plan of UMC, and the Trust Agreement as presented. The motion was seconded by Dr. Whitten and approved unanimously. Laura Vinson was not present for the vote and did not participate in the discussion.

**Board of Managers
UMC Health System
September 26, 2022**

PRESIDENT'S REPORT

Mr. Mark Funderburk, President and Chief Executive Officer, reviewed the UMC Strategic Scorecard. Mr. Funderburk was pleased with the recent Magnet Survey. He is looking forward to receiving the report.

Mr. Funderburk also reported that Det Norske Veritas (DNV) is also scheduled to visit in the coming weeks.

Mr. Funderburk mentioned the great success of the Children's Miracle Network Telethon that was held on September 21, 2022.

Mr. Funderburk was excited to announce the "Pedi Flip" project has begun. The "Pedi Flip" project will establish the UMC Children's Hospital within the East Tower and will be dedicated to women and children.

Mr. Funderburk was also happy to announce, the newly remodeled Lakeridge Clinic location is now open.

Mr. Funderburk also announced the successful involvement with the Lubbock Independent School District Staff Employee Wellness Screenings being offered through October 14, 2022.

After discussion and opportunity for all present to be heard, the Chairman called for a motion.

ACTION: Dr. Whitten moved to accept the President's report as presented. The motion was seconded by Mr. Greenstreet and approved unanimously.

CHIEF FINANCIAL OFFICER'S REPORT

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, presented information to the Board on the July 2022 financial statements. It was the staff's recommendation to approve as presented.

ACTION: Mr. Garcia moved to accept the July 2022 financial statements as presented. The motion was seconded by Mr. Griffith and approved unanimously.

TTUHSC REPORT

Steven Berk, M.D., Executive Vice President, Provost, and Dean of the School of Medicine, reported on the Texas Tech University Health Sciences Center surgical oncology fellowship program for 2023. Dr. Berk announced, TTUHSC will be partnering with the John Wayne Cancer Foundation Surgical Oncology Fellowship Program. The Fellowship Program is focused on advanced surgical education of oncologist and fellow-driven research to find ways to treat and diagnose cancer.

Dr. Berk was also pleased to announce that TTUHSC was ranked fifth most affordable medical school by US News and World Report.

This report is for information only. No action is required.

BID PROPOSALS AND SERVICE AGREEMENTS

- A. Neuro Drills (15)
 - Ms. Adonica Hall, Vice President of Surgical Services, presented the Neuro Drills to the Board.
 - Ms. Hall explained that this request will replace fifteen neuro drill sets, which have reached their end of life. The new sets are smaller, lighter, and produce less heat when being used.

**Board of Managers
UMC Health System
September 26, 2022**

Staff recommends the purchase from Stryker, a Premier vendor, for a total cost of \$30,970. This will be paid for out of the 2022 budgeted funds.

- B. Stryker Equipment for 4th Floor ORs
Ms. Adonica Hall, Vice President of Surgical Services, presented the Stryker equipment for the fourth floor Operating Rooms to the Board. Ms. Hall explained that this request will include two towers, ten cameras, three TPX drill sets, three Neuro Pi drives, two ENT Pi drives, four Neptune suction systems with one docking station, and two surgical tables.
- Staff recommends the purchase from Stryker, a Premier vendor, for a total cost of \$974,518. This will be paid for out of the 2022 budgeted funds.
- C. Storz Equipment for 4th Floor ORs
Ms. Adonica Hall, Vice President of Surgical Services, presented the Storz equipment for the fourth floor Operating Rooms to the Board. Ms. Hall explained that this request is to purchase the needed CMAC video laryngoscope equipment, digital ureteroscopes, plex cytosopes, and pedisopes that are needed to operate the fourth-floor operating rooms.
- Staff recommends the purchase from Karl Storz, a Premier vendor, for a total cost of \$496,036. This will be paid for out of the 2022 budgeted funds.
- D. CT Scan Machine
Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the CT Scan Machine to the Board. Mr. Skeen explained that this request is to purchase a Revolution Apex Power Xstream CT machine with cardiac capabilities for the Health and Wellness Hospital.
- Staff recommends the purchase from Vizient, a GE vendor, for a total cost of \$2,061,122. This will be paid for out of the 2023 budgeted funds.
- E. 3T MRI Machine
Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the 3T MRI machine to the Board. Mr. Skeen explained that this request is to purchase a Signa Architect 3T MRI machine for the Health and Wellness Hospital.
- Staff recommends the purchase from Vizient, a GE vendor, for a total cost of \$1,908,805. This will be paid for out of the 2023 budgeted funds.
- F. CT Scan Machine
Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the CT Scan Machine to the Board. Mr. Skeen explained that this request is to purchase a Revolution Apex Power Xstream CT machine for the main campus. This will also add fluoro capabilities to another CT scanner.
- Staff recommends the purchase from Vizient, a GE vendor, for a total cost of \$2,258,722. This will be paid for out of the 2023 budgeted funds.
- G. 1.5T MRI Machine
Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the 1.5T MRI machine to the Board. Mr. Skeen explained that this request is to purchase a Signa Artist 1.5T MRI machine for the Health and Wellness Hospital.
- Staff recommends the purchase from Vizient, a GE vendor, for a total cost of \$1,706,864. This will be paid for out of the 2023 budgeted funds.
- H. H & W Hospital – Sheet Metal Flashing Award
Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the Health and Wellness, Sheet Metal Flashing Award. Mr. Skeen explained that this request is to award the bid for the sheet metal flashing subcontractor at the Health and Wellness Hospital.

**Board of Managers
UMC Health System
September 26, 2022**

Staff recommends the purchase from the lowest compliant vendor, Rudd-Palmer Co and All-Star for a total cost of \$212,511. This will be paid for out of the 2022 budgeted funds.

I. Outpatient Activities Center Renovation

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the Outpatient Activities Center renovation to the Board. Mr. Skeen explained that this renovation of the UMC Outpatient Center located at 7105 Kewanee Avenue will allow UMC to add a retail pharmacy and three Medication Therapy Management (MTM) locations. The addition to these service lines will increase the annual net income an estimated \$629,901 in year one and up to \$1,898,907 in year four. MTM has allowed Pharmacy services to expend significantly over the past seventeen months. This renovation is needed to add capacity to allow for continued growth.

Staff recommends the purchase from the lowest compliant vendor, WR Construction, for a total cost of \$2,056,920. This will be paid for out of the 2022/2023 budgeted funds.

J. Enterprise Tier I and PACS Storage

Mr. Bill Eubanks, Executive Vice President and Chief Integration Officer, presented the Enterprise Tier I and PACS storage to the Board. Mr. Eubanks explained that this will be a replacement of the exiting Tier 1 storage and purchase to a storage solution specifically of the Radiology PACS solution. The existing Tier 1 solution is nearing end of life. The current storage solution for Radiology PACS is a shared storage solution and has significant performance issues.

Staff recommends the purchase from UniqueDigital, a Premier vendor, for a total cost of \$692,763. This will be paid for out of the 2022 budgeted funds.

K. West Mechanical Switch Gear Changeout

Mr. Phillip Waldmann, Executive Vice President of Operations and Chief Operating Officer, presented the West Mechanical Switch Gear Changeout to the Board. Mr. Waldmann explained that this project will entail setting new electrical switchgear in the West mechanical room and transfer all electrical services feeds into the new switchgear. This will upgrade the current switchgear, which is old and currently experiencing failures.

Staff recommends the purchase from Hub City Plumbing and Border States Electric, for a total cost of \$221,997. This will be paid for out of the 2022 unbudgeted funds.

At this time, Ms. Wilkins gave members an opportunity to ask questions or voice objections. With no objections, Ms. Wilkins asked for a motion.

ACTION: Dr. Whitten moved to accept staff's recommendation of the bids, proposals and service agreements as presented. The motion was seconded by Mr. Greenstreet and approved unanimously.

AGREEMENTS, PROPOSALS, POLICIES AND DISCUSSION ITEMS

A. Microsoft Enterprise Agreement Renewal

Mr. Bill Eubanks, Executive Vice President and Chief Integration Officer, presented the Microsoft Enterprise agreement with renewal to the Board. Mr. Eubanks explained that this agreement is a renewal of the existing Microsoft Enterprise Agreement. This also includes access to Microsoft Office 365 and Windows user license for all UMC/UMCP employees and some Texas Tech providers. Also included are Windows Server and SQL Server licensing for all servers in the UMC datacenter. The total spend is \$1,169,410 per year. The term of this agreement is October 2022 through September 2025.

B. Cardinal Health – Prime Vendor for Medication Purchases

Mr. John Lowe, Vice President of Support Services, presented the Cardinal Health agreement to the Board. Mr. Lowe explained that this is for general medications purchased by UMC. This agreement works in conjunction with other Premier Member Letter of Participation Agreement. Combined, these agreements will advance UMC's ability to provide medications to patients and services lines, both inpatient and retail. The estimated spend with Cardinal is

**Board of Managers
UMC Health System
September 26, 2022**

\$47,370,525 annually and based on 2021 orders. The term of this agreement is three years with two, one-year renewals.

- C. Cardinal Health – Participating Member Letter of Participation
Mr. John Lowe, Vice President of Support Services, presented the Cardinal Health agreement to the Board. Mr. Lowe explained that this is for the general medications purchased by UMC. This agreement works in conjunction with the other Prime Vendor for Medication Purchases agreement. Combined, these agreements will advance UMC’s ability to provide medications for patients and services lines, both inpatient and retail. The estimated spend with Cardinal is \$47,370,525, annually and based on 2021 orders. The term of this agreement is three years with two, one-years renewals.

At this time, Ms. Wilkins gave members an opportunity to ask questions or voice objections. With no objections, Ms. Wilkins asked for a motion.

ACTION: Mr. Griffith moved to accept staff’s recommendation of the as presented. The motion was seconded by Mr. McClendon and approved unanimously.

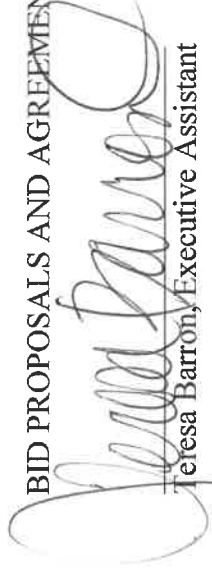
With no further business to come before the Board, the Chair adjourned the meeting at 11:36 a.m.

APPROVED:


Julyn Wilkins, Chair

Gladys Whitten, D.M.D., Secretary

BID PROPOSALS AND AGREEMENTS PREPARED BY:


Teresa Barron, Executive Assistant

APPROVED AS TO FORM:


Tina Belcher, Executive Assistant