

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

MONDAY, MAY 22, 2023

Mr. Gary Greenstreet, Chairman, called the Board of Managers of University Medical Center to order at 9:09 a.m. on Monday, May 22, 2023. The meeting was held in the board room at University Medical Center, 602 Indiana Avenue, Lubbock, TX.

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

Mr. Greenstreet 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.
Gary Greenstreet
Curtis Griffith

Mont McClendon
Jason Medina
Laura Vinson

Jolyn Wilkins

MEMBERS ABSENT

Gladys Whitten, D.M.D.

OTHERS PRESENT

Teresa Barron
Tina Belcher
Jeff Dane
Aaron Davis
Dean Diersing
Kristi Duske
Connor Frankhouser
Mark Funderburk

Adonica Hall
Jeff Hill
Bobbye Hrcirik (virtual)
Brent King
John Lowe
Brian Payne, M.D.
Greg Roberts (virtual)
Jodene Satterwhite (virtual)

Nick Skeen
Chris Smith
Shane Terrell
Terrell Thrasher (virtual)
Amanda Tijerina
Kala Waits
Phillip Waldmann
Tammy Williams

INVOCATION

Mr. Mark Funderburk voiced the invocation.

QUORUM

With six voting members present, a quorum was established.

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 9:11 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 10:32 a.m. to take a brief break before entering Open Session.

OPEN SESSION

The Board of Managers entered Open Session at 11:07 a.m.

APPROVAL OF THE CONSENT AGENDA ITEMS

The following minutes were presented for approval.

- A. Board of Managers Meeting – April 24, 2023
- B. Performance Improvement Oversight Committee Meeting – April 24, 2023
- C. Board of Managers Public Hearing Meeting – April 24, 2023
- D. Professional Staff Report
The Board was provided a report of recommendations from the Executive Committee Meeting held on May 1, 2023, including Applicants to Staff, Ad Hoc Applicants to Staff, Temporary Privileges, Resignations, Active Reappointments, and Referring Reappointments.
- E. UMC Health & Wellness Hospital Equipment
This request is to purchase various capital equipment needed to open the UMC Health & Wellness Hospital. Staff recommends the purchase from Logiquip, IPA, ScriptPro and Beckman Coulter, all Premier vendors, for a total cost of \$481,850. This request will be paid for out of the 2023 budgeted funds.
- F. Stryker System (3)
This request is for a Stryker System 9, which will replace the current system 7 sternal saws. This system is used by the cardiothoracic and trauma surgeons when they are required to open a patient's chest cavity. The system 7 sternal saws have reached the end of life and are no longer serviced. Staff recommends the purchase from Stryker, a Premier vendor, for a total cost of \$59,133. This will be paid for out of the 2023 budgeted funds.
- G. UMC Health & Wellness Hospital Coffee Bar
This request is to purchase the equipment needed for the coffee bar at the UMC Health & Wellness Hospital. Staff recommends the purchase from TriMark and Core Concepts, both Premier vendors, for a total cost of \$205,713. This will be paid for out of the 2023 budgeted funds.
- H. UMC Health & Wellness Hospital Replenishment Lounge
This request is to purchase the equipment needed to set up the replenishment lounge at the UMC Health & Wellness Hospital. Staff recommends the purchase from TriMark and Core Concepts, both Premier vendors, for a total cost of \$71,411. This will be paid for out of the 2023 budgeted funds.

At this time, Mr. Greenstreet gave members an opportunity to ask questions or voice objections. With no objections, Mr. Greenstreet asked for a motion. Mr. Greenstreet abstained from voting for the UMC Health & Wellness Hospital Replenishment Lounge.

ACTION: Ms. Wilkins moved to approve the Consent Agenda Items as presented. The motion was seconded by Vinson and approved unanimously.

- I. Van
This request is to purchase a van for the Food & Nutrition department to use for the delivery of food to the UMC Health & Wellness Hospital. Staff recommends the purchase from Steve Coury Ford, a sole source item, for the amount of \$59,851. This will be paid for out of the 2023 budgeted funds.

Chairman Greenstreet called for a motion to approve the Consent Agenda items. At this time, Mr. Greenstreet gave members an opportunity to ask questions or voice objections. With no objections, Mr. Greenstreet asked for a motion for the remaining consent agenda items.

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

PRESIDENT'S REPORT

Mr. Mark Funderburk, President and Chief Executive Officer, reviewed the UMC Strategic Scorecard.

Mr. Funderburk was pleased to announce that UMC has been re-designated as a Level IV Maternal Program.

Mr. Funderburk announced that UMC has been ranked by CMS as a four-star Hospital. Rankings are based on mortality, readmissions, safety of care, timely and effective care, and patient experience.

Mr. Funderburk congratulated Dr. Jessica Gray, for being named Texas Tech University Team Physician for the Lady Raiders basketball team.

Mr. Funderburk summarized the President's 2023 Annual Report. The report highlighted patient success stories, total patient encounters, volunteer hours, community benefits, awards and achievements, revenue, Service is Our Passion, as well as future plans for the UMC Health System.

Mr. Funderburk also mentioned that Dr. Steven Berk would be stepping down in August as the Provost and Dean of the School of Medicine at Texas Tech University Health Sciences Center, and as a member of the UMC Board of Managers.

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

ACTION: Ms. Vinson moved to accept the President's report as presented. The motion was seconded by Ms. Wilkins and approved unanimously.

CHIEF FINANCIAL OFFICER'S REPORT

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, reviewed the April 2023 financial statements. It was the staff's recommendation to approve as presented.

Following discussion and opportunity for all present to ask questions, the Chairman called for a motion.

ACTION: Mr. McClendon moved to accept the April 2023 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, presented the TTUHSC Report to the Board.

Dr. Berk was pleased to announce that TTUHSC has been ranked by U.S. News and World Report as the third most affordable medical school.

Dr. Berk mentioned that the American Academy of Family Medicine has ranked TTUHSC as ninth regarding Family Medicine.

Dr. Berk also commented that Dr. John DeToledo would be the Interim Dean beginning September 1, 2023.

Dr. Berk's report is for information purposes only. No action is required.

BID PROPOSALS AND SERVICE AGREEMENTS

The Board considered all of the following bid proposals and service agreements.

A. Outpatient Center Furniture

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the Outpatient Center Furniture to the Board. Mr. Skeen explained that this request is to replace the furniture for the Outpatient Center renovation project, which is located on Kewanee Avenue.

Staff recommends the purchase from 1st Class Solutions, a Vizient vendor, for a total cost of \$113,887. This will be paid for out of the 2023 budgeted funds.

At this time, Mr. Greenstreet gave members an opportunity to ask questions or voice objections. With no objections, Mr. Greenstreet asked for a motion. Mr. Greenstreet abstained from voting.

ACTION: Ms. Wilkins moved to accept staff's recommendation as presented. The motion was seconded by Ms. Vinson and approved unanimously.

B. UMC Health & Wellness Hospital Medical Office Door Package

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the UMC Health & Wellness Hospital Medical Office Door Package to the Board. Mr. Skeen explained that this request is to award the door bid package for the second and third floors of the UMC Health & Wellness Hospital, Medical Office area.

Staff recommends the purchase from the lowest compliant bidder, Hallgren, for a total cost of \$206,700. This will be paid for out of the 2023 budgeted funds.

C. UMC Health & Wellness Hospital Medical Office Drywall Package

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the UMC Health & Wellness Hospital Medical Office drywall package to the Board. Mr. Skeen explained that this request is to award the drywall bid package for the second and third floors of the UMC Health & Wellness Medical Office area.

Staff recommends the purchase from the lowest compliant bidder, Baker Drywall, for a total cost of \$949,879. This will be paid for out of the 2023 Operating budget.

D. UMC Health & Wellness Hospital Medical Office Electrical Package

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the UMC Health & Wellness Medical Office electrical package to the Board. Mr. Skeen explained that this request is to award the electrical bid package for the second and third floors of the UMC Health & Wellness Hospital Medical Office area.

Staff recommends the purchase of the lowest complaint vendor, D&K Hunt Electric, for a total cost of \$1,263,234. This will be paid for out of the 2023 budgeted funds.

E. UMC Health & Wellness Hospital Medical Office Mechanical and Plumbing Package

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the UMC Health & Wellness Hospital, Medical Office mechanical and plumbing package to the Board. Mr. Skeen explained that this request is for the second and third floors of the UMC Health & Wellness Hospital Medical Office area.

Staff recommends the purchase from the lowest complaint vendor, Anthony Mechanical, for a total cost of \$2,858,966. This will be paid for out of the 2023 budgeted funds.

F. Cancer Center Architect Agreement

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the Cancer Center architect agreement to the Board. Mr. Skeen explained that this service proposal is with HDR Architecture, Inc. HDR will proceed from the Schematic Design phase to the Design Development phase of the UMC Cancer Center. The scope of work will include the design and construction documents, bidding, and construction phase services for

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this three-story, 123,000 square-foot Cancer Center. This building will house the oncology service lines from integrative medicine, oncology-based pedi and adult clinics, subspecialty clinics, radiation oncology and chemo infusion. The dry research space will house TTUHSC researchers for the NICI designation. The UMC Cancer Center is projected to serve local and regional patients in December 2025.

Staff recommends the purchase of this sole-source item, which is exempt from competitive bidding, from HDR Architecture, Inc., for \$4,846,616. This will be paid for out of the 2023 budgeted funds.

G. Main Lobby Phase I Furniture Package

Mr. Nick Skeen, Executive Vice President of Service Line Development and Chief Operating Officer, presented the Main Lobby Phase I Furniture Package to the Board. Mr. Skeen explained that this furniture is for the SICU waiting area, which is part of the Main Lobby renovation project.

Staff recommends the purchase from 1st Class Solutions, OfficeWise and Tangram Interiors, for a total cost of \$94,888. This will be paid for out of the 2023 budgeted funds.

At this time, Mr. Greenstreet gave members an opportunity to ask questions or voice objections. With no objections, Mr. Greenstreet asked for a motion. Mr. Greenstreet abstained from voting.

ACTION: Ms. Wilkins moved to accept staff's recommendation as presented. The motion was seconded by Ms. Vinson and approved unanimously.

H. UMC Health & Wellness Hospital I.T. Equipment

Mr. Shane Terrell, Senior Vice President of I.T. Operations, presented the UMC Health & Wellness Hospital, I.T. Equipment to the Board. Mr. Terrell explained that this request is to purchase the I.T. equipment needed to open the UMC Health & Wellness Hospital.

Staff recommends the purchase from Netsync, Dell, Emerson, Cerner, UKG, Calian, Unique Digital and CDW-G, for a total cost of \$1,432,960. This will be paid for out of the 2023 budgeted funds.

At this time, Mr. Greenstreet gave members an opportunity to ask questions or voice objections. With no objections, Mr. Greenstreet asked for a motion for the remaining items.

ACTION: Ms. Wilkins moved to accept staff's recommendation of the bids, proposals and service agreements as presented. The motion was seconded by Ms. Vinson and approved unanimously.

AGREEMENTS, PROPOSALS AND DISCUSSION ITEMS

A. ADP Agreement

Mr. Shane Terrell, Senior Vice President of I.T. Operations, presented the ADP SmartCompliance Agreement to the Board. Mr. Thrasher explained that this agreement will give UMC and UMCP access to the Employment Tax, Health Compliance, and Employment Verification services with ADP. ADP will handle tax filings for all required jurisdictions. For Health Compliance, UMC currently has an agreement with HR Best Practices to provide ACA services which will be cancelled. This agreement is \$99,000 per year, with an offsetting cost of \$78,000 for the existing ACA services that will be cancelled. The term of this agreement is June 1, 2023, through May 31, 2026.

B. MedImpact Healthcare Agreement

Mr. Brent King, Senior Vice President and Chief Business Development Officer, presented the MedImpact Healthcare Agreement to the Board. Mr. King explained that this agreement offers prescription drug benefit management and administration services. The term of this agreement is January 1, 2023, through December 31, 2025.

C. Ternio Agreement

Adonica Hall, Vice President of Surgical Services, presented the Ternio Agreement to the

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Board. Ms. Hall explained this is an onsite preventative maintenance and repair of instruments in the Sterile Processing department repair lab. Pieces that cannot be serviced on-site will be refurbished at TERNIO's off-site repair facility in Sugar Land, Texas for more extensive repair. This agreement is \$19,000 per month for a term of July 1, 2023, though June 30, 2026.

D. Immucor Agreement

Mr. Jeff Hill, Senior Vice President of Support Services and Government Relations, presented the Immucor Agreement to the Board. Mr. Hill explained that the UMC main campus Transfusion department will replace and upgrade existing equipment. Additionally, Immucor will provide one new analyzer at the UMC Health & Wellness Hospital. Immucor values and/or discounts include instruments, services, and validation panels for a total amount of \$42,404. The UMC reagent commitment is \$172,408.56, for a total 2022 Immucor reagent spend of \$228,508. The term of this agreement is 2023 through 2028.

E. Morris & Dickson, LLC Agreement

Mr. John Lowe, Vice President of Support Services, presented the Morris & Dickson, LLC agreement to the Board. Mr. Lowe explained that this agreement will serve as a secondary drug wholesale provider for medications that are on back-order, allocation, and difficult to acquire from UMC's primary drug wholesaler, Cardinal. UMC will pay Morris & Dickson the cost of the medication, plus five percent for 340B, WAC, or GPO pricing, as appropriate. UMC and Morris & Dickson have agreed to a minimum annual volume of \$1,200,000. The term of this agreement is one year, with one-year renewals.

F. Trust Agreement for Endowment for Excellence in Medicine

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, presented the Trust Agreement for the Endowment for Excellence in Medicine to the Board. Mr. Dane explained that this agreement is to appoint Lubbock National Bank as the trustee for the Endowment for Excellence in Medicine Trust.

G. Trust Agreement for the Self-Insurance Program

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, presented the Trust Agreement for the Self-Insurance Program to the Board. Mr. Dane explained that this agreement is to appoint Lubbock National Bank as the Trustee for the Self-Insurance Program Trust.

H. Resolution for the Lubbock County Hospital District, Self-Insurance Program Trust

Mr. Jeff Dane, Executive Vice President, Administrator and Chief Financial Officer, presented the Resolution for the Lubbock County Hospital District for the Self-Insurance Program Trust. This Resolution designates Jeffrey Dane as the Program Manager for the Lubbock County Hospital District Self-Insurance Program Trust.

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

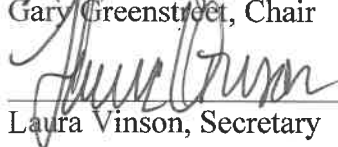
ACTION: Ms. Wilkins moved to accept staff's recommendation as presented. The motion was seconded by Ms. Vinson and approved unanimously.

With no further business to come before the Board, the Chair adjourned the meeting at 11:54 p.m.

APPROVED:



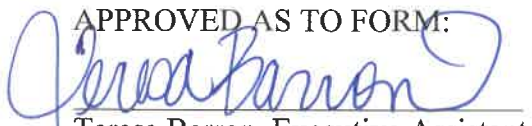
Gary Greenstreet, Chair




Laura Vinson, Secretary

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APPROVED AS TO FORM:



Teresa Barron, Executive Assistant
Bid Proposals and Agreements



Tina Belcher, Executive Assistant