

AN ORDINANCE 2008-01-31-0061

AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE INTERLOCAL AGREEMENT WITH THE BEXAR COUNTY HOSPITAL SYSTEM d/b/a UNIVERSITY HEALTH SYSTEM (UHS) TRANSFERRING CLINICAL PREVENTIVE HEALTH FUNCTIONS FROM THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT (SAMHD) TO UHS; AUTHORIZING PAYMENTS TO UHS IN AN AMOUNT NOT TO EXCEED \$4,202,870.00; AUTHORIZING THE ELIMINATION OF 125 STAFF POSITIONS WITHIN SAMHD; AND AUTHORIZING THE PROVISION OF SERVICES BY SAMHD TO UHS IN ACCORDANCE WITH THE TEXAS STATE DEPARTMENT OF HEALTH SERVICES TITLE X GRANT;

* * * * *

WHEREAS, the San Antonio Metropolitan Health District (SAMHD) and University Health System (UHS) wish to promote the public purpose of strengthening the focus on health, wellness and prevention within the City of San Antonio and Bexar County in order to eliminate duplication of services and expand preventive health services, health education and community-based outreach within UHS; and

WHEREAS, a Joint Planning and Operations Council (JPOC) composed of senior staff from both SAMHD and UHS was formed in October 2006 to explore areas for consolidation and establish a high-performing public health system; and

WHEREAS, after much study on health system coordination and integration, including State Statutes which regulate both entities, the JPOC recommended that all individual clinical preventive health services should transition from SAMHD to UHS control, including the personnel and grants that support these activities. These services include prenatal care, family planning, well-child screenings, breast and cervical cancer screenings, senior health screenings, and refugee health services; and

WHEREAS, the SAMHD should continue to provide population-based health services including the health authority responsibilities, community health monitoring and investigations, community-based preventive health services, communicable disease control programs, food and environmental health programs, maintenance of vital statistics and public health emergency preparedness; and

WHEREAS, this amendment authorizes payment not to exceed \$4,202,870.00 to UHS to provide clinical preventive health services in up to ten SAMHD service locations during the period February 4, 2008 through December 31, 2008 (the "Transition Period"); and

WHEREAS, in addition, 125 staff positions will be eliminated from SAMHD and created within UHS to provide clinical preventive health services; and

WHEREAS, eight (8) SAMHD grants related to transferred services will be terminated as of January 31, 2008 for UHS to assume; and

WHEREAS, moreover, UHS will be allowed to operate in SAMHD facilities and use all of the equipment and City support services at no cost through the Transition Period; and

WHEREAS, it is anticipated that over time gradual adjustments will be made to enhance services and improve efficiencies through inter-agency collaboration and economies of scale; and

WHEREAS, long-term objectives of this transfer of services are to strengthen the focus on health, wellness, and prevention within the City and County and expand preventive health services, health education, and community-based outreach within UHS; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee, or the Director of the San Antonio Metropolitan Health District (SAMHD) or his designee, is authorized to execute the Second Amendment to Interlocal Services and Planning Agreement with San Antonio Metropolitan Health District thereby transferring clinical preventive health services to University Health System (UHS) and providing for the provision of services by SAMHD of Title X grant services to UHS. A copy of the amendment is attached hereto and incorporated herein for all purposes as Attachment I.

SECTION 2. The budget in the General Fund for the Health Department will be revised in FY 2008 in the amount of \$3,008,241.00 by reducing the budget in various Fund Centers and Commitment items (to be supplied by the Health Department) into Cost Center 3601010001 Director/Assistant Director, and Commitment Item 5201030, Fees for Governmental Contractors.

SECTION 3. An amount not to exceed \$3,008,241.00 is authorized to be paid to UHS by the issuance of a Purchase Order charging Cost Center 3601010001 and General Ledger 5201030.

SECTION 4. Payments not to exceed \$1,194,629.00 to UHS for FY 2009 will be contingent upon the approval of the FY 2009 operating budget for the General Fund.

SECTION 5. The amount of \$86,913.00 is authorized to be accepted from UHS in consideration for the provision of Title X grant services to UHS by SAMHD.

SECTION 6. The SAMHD is authorized to eliminate 125 staff positions associated with the provision of clinical preventive health services transferred to UHS.

SECTION 7. The Director of the San Antonio Metropolitan Health District, or his designee, is authorized to terminate eight (8) grants from the Texas Department of State Health Services as set out in Attachment I, attached hereto and incorporated herein for all purposes.

SECTION 8. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 9. This Ordinance shall become effective immediately upon passage by eight (8) affirmative votes of the entire City Council; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 31st day of January, 2008.

ATTEST: *Janina D. S.*
City Clerk

Phil Hardberger
M A Y O R

PHIL HARDBERGER

APPROVED AS TO FORM: *Hollis Young*
for City Attorney

STATE OF TEXAS

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SECOND AMENDMENT TO
INTERLOCAL SERVICES AND
PLANNING AGREEMENT WITH
SAN ANTONIO METROPOLITAN
HEALTH DISTRICT (SAMHD)

COUNTY OF BEXAR

This Second Amendment to the Agreement for Services and Planning (the "Agreement by and between the **City of San Antonio**, a home-rule municipality situated within Bexar County, Texas, herein called "CITY" and the **Bexar County Hospital District d/b/a University Health System**, a political subdivision of the State of Texas, herein called "UHS" "), is entered into this 1st day of February, 2008, pursuant to the Texas Interlocal Cooperation Act.

WITNESSETH

WHEREAS, the governing bodies of cities, counties and other governmental entities may establish health districts for the operation of a coordinated health program for the members of such districts; and

WHEREAS, the governing bodies of the CITY and Bexar County (COUNTY) have established a health district by mutual agreement; and

WHEREAS, on September 21, 2006, UHS and City entered into an Interlocal Agreement that is also referenced as City of San Antonio City Ordinance 2006-09-21-1111 pursuant to the Texas Interlocal Cooperation Act for the purpose of engaging in joint planning activities to promote effective and efficient health care operations that reduce duplication, increase access to care, and improve the overall health status of residents of the COUNTY; and

WHEREAS, among the activities identified to incorporate within the development of a systems approach to optimum health care include securing certain clinical and administrative services from UHS, including laboratory and radiology and pharmacy services; and provision by the CITY through the San Antonio Metropolitan Health District (HEALTH DISTRICT) of preventive dental care, public health and emergency preparedness services in unincorporated areas of the COUNTY; and

WHEREAS, UHS and CITY have reviewed the service needs of the community and based on that review have identified that the clinical laboratory services of UHS are a necessary component of an integrated health care system to optimize efficiency of diagnosis, treatment and prevention of communicable disease; and

WHEREAS, CITY AND UHS wish to strengthen the focus on health, wellness and prevention within the CITY and the COUNTY in order to eliminate duplication of services and expand preventive health services, health education and community-based outreach within UHS; and

WHEREAS, to facilitate collaboration and improved continuity and quality of health care services, UHS and CITY desire to amend this Agreement to incorporate the specific terms of "Attachment E" which provides for the transfer of operations of clinical preventive health

services, including prenatal services, family planning services, well-child exams, senior health services, breast and cervical cancer screenings, and refugee health screening services from the HEALTH DISTRICT to UHS beginning on February 4, 2008;

NOW THEREFORE, the parties agree as follows:

ARTICLE I
PURPOSE AND EFFECTIVE DATE

1.01 The purpose of this Amendment is to amend the said Interlocal Services and Planning Agreement to incorporate the agreed specific terms of "Attachment D" reflecting the provision of services by CITY through the HEALTH DISTRICT to UHS, and, the agreed specific terms of "Attachment E" reflecting a transfer of services to UHS from the CITY. This Amendment shall be effective February 4, 2008.

ARTICLE II
AMENDMENTS

2.01 Article III, "CITY Obligations" is hereby amended to reflect the deletion of Section 3.01(a)(3).

2.02 Article III, "CITY Obligations" is hereby amended to reflect the addition of Sections 3.07 and 3.08 to read as follows:

3.07 The CITY through the HEALTH DISTRICT shall provide outreach health services to UHS in conjunction with the Texas Department of State Health Services (DSHS) Title X Male Involvement Infrastructure and Title X grant outlines, including, but not limited to, basic reproductive health, general STD education, abstinence, safer sex messages, encouraging parental involvement in decision making, and general preventive health information as described in Attachment D which is attached hereto and incorporated herein for all purposes.

3.08 HEALTH DISTRICT shall transfer the operation of clinical preventive health services, including prenatal services, family planning services, well-child exams, senior health services, breast and cervical cancer screening, and refugee health screening services to UHS beginning February 4, 2008.

2.03 Article IV, "UHS Obligations," is hereby amended to reflect the deletion of Section 4.02 and replaced with Section 4.02 as follows:

4.02 UHS agrees to accept the operation of clinical preventive health services, including prenatal services, family planning services, well-child exams, senior health services, breast and cervical cancer screening, and refugee health screening services and further agrees to provide these services as described in Attachment E beginning February 4, 2008.

2.04 Article V "Joint Obligations" is hereby amended to reflect the deletion of Sections 5.01 (d), 5.02, and 5.04. Section 5.02 is hereby replaced with Section 5.02 to read as follows:

5.02 HEALTH DISTRICT and UHS hereby agree to the transfer and provision of clinical preventive health services in accordance with the terms and conditions as set out in Attachment E which is attached hereto and incorporated herein for all purposes.

2.05 Article VI, "Cost of Service," is hereby amended to reflect the addition of Section 6.02 (c) related to the payment for services in accordance with Attachment D, and further amended to reflect the agreement of means of payment for services in accordance with payments set out in Attachment E. Section 6.02 (c) is added and 6.05 is amended to read as follows:

6.02 (c) For the outreach health services described in Section 3.07 herein: UHS agrees to pay for said services as set out in Attachment D.

6.05 HEALTH DISTRICT through the CITY agrees to pay and UHS agrees to accept payment for services rendered in accordance with payment schedules in Attachment B, Attachment C and Attachment E.

ARTICLE III
TERMS AND CONDITIONS

All other terms and conditions of the Interlocal Services and Planning Agreement remain in full force and effect.

EXECUTED IN DUPLICATE ORIGINALS ON THE DATE WRITTEN ABOVE.

**Bexar County Hospital District d/b/a
University Health System:**

City of San Antonio:

BY: _____
GEORGE B. HERNÁNDEZ, JR.
President/Chief Executive Officer

BY: _____
FRANCES A. GONZALEZ
Assistant City Manager

APPROVED AS TO FORM:

ATTEST:

BY: _____
BRIGID SHERIDAN
Staff Attorney
University Health System

BY: _____
LETICIA M. VACEK
City Clerk

APPROVED AS TO FORM:

**_____
MICHAEL D. BERNARD**
City Attorney

Attachment D

Terms and Obligations Related to the Provision of Services Outlined in the Texas Department of State Health Services Title X Infrastructure and Title X Male Involvement Grants

General Provisions

- This agreement is contingent upon approval of the transition of clinical preventive services from SAMHD to UHS by the San Antonio City Council and UHS Board of Managers, and the transfer of Texas Department of State Health Service grant programs from SAMHD to UHS
- This agreement will cover the period of February 1, 2008 (date of transition of clinical preventive health services from SASMHD to UHS) through August 31, 2008 (end of the current grant period) (the "Term"). Decisions regarding future obligations associated with the Title X Infrastructure and Title X Male Involvement grants will be made jointly by UHS and SAMHD at least 90 days in advance of the end of the grant cycle to allow sufficient time for coordination with the Texas Department of State Health Services (DSHS) on future funding applications.
- If additional grant funds are directed to UHS by DSHS for either the Title X Infrastructure or Title X Male Involvement grants, UHS will follow DSHS directive(s) as to how these funds will be applied, which may include increasing the funds provided to SAMHD in support of the project deliverables.

Statement of Work

- Key deliverables for which SAMHD will be responsible are drawn from both the Title X infrastructure grant as well as the Title X Male Involvement grant.
- SAMHD and UHS both agree that neither they, nor any other party designated by them to provide services hereunder, shall perform elective abortion procedures, or contract with, or provide funds to, any individual or entity for the performance of elective abortions.
- SAMHD will disband their Information and Education Committee and Health Advisory Committee supporting Title X activities as of January 31, 2008. It is agreed that UHS will invite all SAMHD committee members to participate in equivalent UHS committees for the remainder of the grant cycle.
- Quality Assurance activities are critical to assuring performance measures are met and improvements are achieved in providing both clinical and population-based preventive health services. To this end, the UHS Vice President of Women's and Preventive Health Services will appoint a representative to serve on the SAMHD Quality Assurance Committee and the SAMHD Assistant Director of Health for Clinical and Population Based Services will appoint a representative to serve on the UHS Women's and Preventive Health Services Quality Assurance Committee.

Male Involvement

- Pursuant to this agreement, SAMHD will provide outreach health information to 2,000 males, ages 15 -25, residing in Bexar County. The health content will

include basic reproductive health, minimum of two contraceptive methods, and general STD education.

- SAMHD will provide health education in group settings to 200 males, ages 15 - 25, residing in Bexar County. The health content will include basic reproductive health, minimum of two contraceptive methods, general STD education, effective communication techniques between partners regarding use of contraceptive methods and general preventive health information. These classes will be delivered in a culturally sensitive manner with post-test evaluation. Classes will be consistent with the Family Planning Male Training Center recommendations, and will use available evidence-based program materials.
- SAMHD personnel serving as Male Involvement Health Educator must attend one (1) United States Office of Population Affairs sponsored male involvement program prior to the end of the Term with prior approval by UHS.
- SAMHD will support UHS in submitting process data required for Texas Department of State Health Services Title X Male Involvement Grant Progress Reports (Objectives). SAMHD will submit reports at least two weeks in advance of the UHS report deadlines of March 15, 2008 and August 1, 2008. Process data includes class logs, outreach logs with location and number reached, sample curriculum, summary of pre and post test evaluation, comments regarding successes, weaknesses, and lessons learned.
- The Male Involvement Health Educator will be an active member of the UHS Title X Information and Education Committee and will provide reports as requested to the Committee.
- UHS and SAMHD employees supporting Title X Male Involvement grant activities will meet at least monthly to coordinate clinical service and outreach activities.
- The Male Involvement Health Educator will assist in conducting male clinic services upon a mutually agreed upon schedule.

Title X Infrastructure Objectives

- SAMHD will provide outreach health information to 1,500 adolescents, ages less than 19, residing in Bexar County. The health content will include basic reproductive health, minimum of two contraceptive methods, and general STD education.
- The Adolescent Health Educator will be an active member of the UHS Title X Information and Education Committee and will provide reports to the Committee as requested.
- SAMHD will provide health education in group setting to 200 adolescents, ages less than 17, residing in Bexar County. The health content will include basic reproductive health, general STD education, abstinence, safer sex messages, encouraging parental involvement in decision making, and general preventive health information. The class(es) will be delivered in a culturally sensitive manner with pre and post test evaluation using an evidence-based curriculum.
- UHS and SAMHD employees supporting Title X Infrastructure grant activities will meet at least monthly to coordinate clinical service and outreach activities.

- SAMHD will support UHS in submitting process data required for Texas Department of State Health Services Title X Male Infrastructure Grant Progress Reports (Objectives). SAMHD will submit reports at least two weeks in advance of the UHS report deadlines of March 15, 2008 and August 1, 2008. Process data includes class logs, outreach logs with location and number reached, sample curriculum, summary of pre and post test evaluation, comments regarding successes, weaknesses, and lessons learned.

Budget and Payment Schedule

- UHS will provide \$86,913.00 to SAMHD to fund employee salaries and benefits and to meet associated program expenses to provide the deliverables outlined above.
- In accordance with the DSHS monthly schedule for disbursement of Title X grant funds, SAMHD will submit monthly invoices to UHS as soon as possible following the end of the month and no later than the tenth working day of each month.

Attachment E

Terms and Obligations Related to Transfer of Clinical Preventive Health Services from SAMHD to UHS

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Section 1 – Scope of Transition

The San Antonio Metropolitan Health District (SAMHD) will transfer operation of clinical preventive health services, including prenatal services, family planning services, well-child exams, senior health services, breast and cervical cancer screenings, and refugee health screening services, to the University Health System (UHS) on February 4, 2008. This transfer will include staff (public health nurses, public health aides, administrative /office assistants, medical providers, etc.) and the immediate use of 9 SAMHD/City of San Antonio (City) clinic facilities via lease agreement. SAMHD and UHS will each independently execute agreements with the San Antonio Housing Authority (“SAHA”) to secure the use of, and provide services in, the SAHA-owned Ricardo Salinas clinic facility.

Section 2 – Organizational Structure and Culture

Organizational Structure and Services

- a) Initially, transferred SAMHD staff will be maintained in one organizational division within the Health System’s Ambulatory Services division. Direct supervision of transferred nursing staff will be through the position of Nursing Program Manager. The Nursing Program Manager will report to the Vice President/UCCH & Community Health Services. The organizational placement of providers and staff within UHS is shown in Exhibit A. Staff in support positions such as accountants, custodians, IT specialists, etc. will become part of existing UHS Ambulatory Services support services divisions.
- b) The Joint Planning and Operations Council (JPOC) will be the primary vehicle for collaborative planning between the SAMHD and UHS. This body will develop plans, identify resources, and seek approval from both the City of San Antonio and UHS governance and management to assure that the public health needs of Bexar County residents are met.

Organizational Culture for Prevention

- c) Long-term objectives of this transfer of services are to strengthen the focus on health, wellness, and prevention within the City and County and expand preventive health services, health education, and community-based outreach within UHS.
- d) In addition to continuing operations of current SAMHD sites, UHS proposes to assign a few key, experienced public health nurses to roles within the UHS primary care clinic sites in order to identify opportunities for expanded prevention, health education, and community-based outreach.
- e) The UHS ambulatory services division will incorporate public health core values into its evolving mission and values statements.

Section 3 – Clinical Operations and Medical Providers

Clinic Operations

a) UHS will ensure that adequate resources are committed to maintain the same or higher level of productivity at all clinic locations to include, but not be limited to staffing, supplies, and support services. To maintain transparency of the service transition to clients in the community, there will be adequate mechanisms and protocols in place to enable clinic operations to function by February 4, 2008.

b) The Health System shall maintain the current SAMHD service locations and existing hours of operation from February 4, 2008 through December 31, 2008. UHS agrees that the number of hours of service provided at any site will not be reduced during this timeframe. Should UHS determine that the clinic schedule should be adjusted to provide better patient service the proposed change will be addressed through the JPOC. Upon agreement by the JPOC, and upon proper public notice the change in hours shall be instituted. It is understood that the clinics will follow the UHS holiday schedule. During this period, the Health System will analyze and evaluate potential efficiencies and improvements for incorporation into the 2009 tax rate proposal and operating budget. Any proposed changes affecting service delivery at the preventive health clinics will be shared through the JPOC to support continued coordination of services.

c) As services of the University Health System, these operations will be subject to Joint Commission standards effective February 4, 2008.

d) New patient medical records will be established by University Health System. Prior to February 4, 2008, SAMHD staff will facilitate continuity of care by providing UHS with copies of medical records of SAMHD patients who have an appointment in a UHS medical facility. SAMHD will then close and store all medical records for patients served in SAMHD preventive health clinics. After February 4, 2008, UHS may obtain a copy of a patient record by submitting a request to SAMHD that is signed by the patient or the patient's parent/guardian or by providing evidence that the patient has an appointment in a UHS facility. SAMHD patient records will be archived for the period(s) required by applicable state and federal law and then destroyed.

Medical Providers

e) Transitioning clinical preventive services are currently provided by:

- six full-time nurse-practitioners;
- one part-time nurse practitioner;
- one full-time physician; and,
- four part-time physicians.

f) UHS currently has contracts with the UTHSCSA Departments of Obstetrics and Gynecology to provide medical staffing for prenatal services at SAMHD sites and may explore cooperative arrangements with additional clinical departments in the future. UTHSCSA Family Practice is currently staffing clinics and will be allowed to continue as they do now.

g) Current SAMHD providers who are providing services at the clinics listed in Exhibit B and that are affected by the transfer of services will be supervised and evaluated by a new prevention division of Community Medicine Associates (CMA) and/or an appropriate UTHSCSA Department.

h) CMA and UTHSCSA will execute an agreement to define the working relationship in the affected clinics for UT and CMA providers.

i) The new prevention division within CMA will have a representative on the JPOC and will be involved with operational planning for prevention and community health activities in partnership with SAMHD.

j) Current SAMHD providers who are providing services in clinics listed in Exhibit B and affected by the transfer of services will be credentialed by the University Health System.

Section 4 – Facilities

a) The City of San Antonio will allocate space in ten (10) SAMHD locations for UHS to provide clinical services.

Six (6) of these facilities are owned by the City of San Antonio and occupied solely by SAMHD:

- Eastside Branch (210 N. Rio Grande)
- Kenwood Clinic (302 Dora),
- Old Highway 90 Clinic (911 Old Highway 90 West),
- Pecan Valley Clinic (802 Pecan Valley),
- South Flores Clinic (7902 S. Flores), and
- Zazamora Clinic (4503 S. Zazamora).

SAMHD will transfer all functions in the Old Highway 90 and South Flores clinics to UHS. UHS shall be the sole occupant of these two (2) clinics upon transfer of the functions set out herein.

SAMHD will continue to provide services, separate and apart from those transferred to UHS in the remainder of the clinics listed above (Eastside, Kenwood, Pecan Valley, and Zazamora).

Three (3) of these facilities are owned by the City of San Antonio and occupied by multiple CoSA departments including SAMHD:

- Bob Ross Multi-service Senior and Resource Center (2219 Babcock),
- Frank Garrett Community Family Resource and Learning Center (1226 NW 18th St.), and
- Naco-Perrin Clinic (4020 Naco-Perrin)

Space can be made available in one (1) other City facility that is not currently providing SAMHD clinical preventive services if UHS wishes to expand services into this location:

- Southwest Branch (9011 Poteet-Jourdanton Freeway)

The City is currently leasing 9,522 square feet of space in Southwest Branch Clinic to CentroMed. This lease may be terminated upon 120 days written notice to the lessee and made available to UHS, if required. (See Exhibit B).

From February 4, 2008 through December 31, 2008 the space, as outlined in Exhibit B, will be provided to the Health System via a comprehensive lease agreement which will include a floor plan of each facility and the square footage to be occupied solely by the Health System along with space to be shared with other programs.

b) Space will also be allocated in one (1) facility owned by the San Antonio Housing Authority (SAHA):

- Salinas Clinic (630 Gen. McMullen)

This space, as identified in Exhibit B, will be made available to the Health System via Lease Agreement between SAHA and UHS which will provide that the Health System will provide clinical services to SAHA residents without charge in lieu of paying rent for the facility. SAMHD will assist UHS in establishing an agreement with SAHA for 2008. Any agreement after 2008 will be the sole responsibility of UHS. It is anticipated that SAMHD and UTHSCSA Dental will also have leases at this facility and will provide clinical services to SAHA residents subject to their individual leases.

c) The City will pay UHS to operate said clinical preventive health facilities from February 4, 2008- December 31, 2008. UHS will be responsible for the cost of any additional equipment, services, or renovations that are procured for the leased space.

d) The City agrees that if UHS wishes to continue to provide services at the following locations after December 31, 2008, City will provide UHS with long term rent-free lease space in each of the following facilities on January 1, 2009.

- Bob Ross Multi-service Senior and Resource Center (2219 Babcock),
- Frank Garrett Community Family Resource and Learning Center (1226 NW 18th St.), and
- Naco-Perrin Clinic (4020 Naco-Perrin)

e) The City agrees that it will transfer, per separate written agreement, the following facilities to UHS on January 1, 2009: Eastside, Kenwood, Old Highway 90, Pecan Valley, South Flores and Zarzamora Clinics. This transfer will be made pursuant to Texas Local Government Code §253.011 and is contingent upon completion of title investigation of each property, presentation and approval by the City of San Antonio Planning Commission, approval by City Council and associated due diligence. If, in the event that the transfer to UHS of any or all of the locations within this section is not approved by the City of San Antonio Planning Commission and/or City Council, the City agrees that if UHS wishes to continue to provide services at these locations after December 31, 2008, City will provide UHS with long term rent-free lease space at each of

the facilities in which UHS has operations or occupancy on January 1, 2009 via City Council-approved lease agreement.

f) If the transfer of facilities identified in paragraph (e) is approved and in effect on January 1, 2009, UHS will provide SAMHD with rent-free lease space in each of these facilities in which SAMHD has operations or occupancy on January 1, 2009.

g) The provision of light maintenance, housekeeping, landscaping and mowing at these facilities will be the responsibility of the on-site custodial staff included in the transition of services from the SAMHD and UHS. Major facility repairs, HVAC replacement, or maintenance issues will remain the responsibility of the building owner and will be addressed in any and all short term and long term lease agreement(s) and/or transfer of facilities.

h) Current clinic furniture and equipment, to include desks, chairs, business machines, information technology, security and communications equipment at these sites will remain in place for use by the Health System from February 4, 2008- December 31, 2008 and will be included in any and all short term and long lease agreement(s) and/or transfer of facilities. Health System staff and patients will have free access to the parking areas of each facility.

i) From February 4, 2008- December 31, 2008, the City will be responsible for maintaining the current security systems at the facilities including building alarms, equipment alarms (vaccine freezers and refrigerators) and security cameras installed inside and outside of the facilities. Maintenance of this equipment will remain the responsibility of the building owner after January 1, 2009 and will be addressed in any and all lease agreement(s) and/or transfer of facilities.

j) Any alterations, additions or remodeling of the COSA facilities listed in Exhibit B from February 4, 2008- December 31, 2008 will be subject to the written lease agreement between SAMHD/CoSA and UHS and subject to any and all long term lease agreements thereafter.

Section 5 – Information Systems

Infrastructure and Equipment

a) The existing City of San Antonio information technology and support infrastructure will remain intact at the facilities transitioned to the Health System through December 31, 2008.

b) Additional equipment that is needed (hardware, pagers, cell phones, etc.) after February 4, 2008 will be provided by the Health System.

c) Information Technology (IT) equipment and systems such as telephones, computers, cell phones, pagers, printers, fax machines, networks, and similar assets owned by SAMHD will remain at said facilities for use by Health System staff as needed.

d) Health System employees using City communications and technology equipment will comply with City Administrative Directives 7.3, 7.4, 7.5 and 7.6 (attached hereto as Exhibit C) while said equipment is in use, and may have their access to this equipment suspended if these

directives are violated. Said violations may also subject employees to disciplinary action pursuant to established UHS policies and directives.

e) SAMHD and UHS will transition to UHS networks during the period from February 4, 2008-December 31, 2008 at UHS expense if technology performance is severely impacted during this time. It is acknowledged that any significant IT change to a City facility must be approved and coordinated through the Information Technology Services Department of the City of San Antonio.

f) The Health System will be responsible for providing services required by the Texas Department of State Health Services and input into the Texas Wide Integrated Client Encounter System (TWICES) for immunization registry purposes and monitoring of grants. SAMHD will assist UHS in setting up billing capability on TWICES to facilitate payments for services provided under State grant programs. UHS will allow SAMHD to view TWICES data for performance management purposes as outlined in Section 12.

g) UHS will install its data and voice networks into facilities upon determination of how these facilities will be utilized. UHS will work with and coordinate with the City of San Antonio's Information Technology Services Department (ITSD) with regard to the installation of equipment or systems, or the removal of unneeded equipment and access. It is understood that all installations or removals will comply with the comprehensive lease agreement in place between the parties.

System Access

h) As of February 4, 2008, SAP access for staff transitioning to UHS will be disabled. SAMHD and UHS will evaluate the need for UHS staff to retain COSA email, as needed using specific criteria and/or for select personnel.

i) UHS will provide access, as needed, to its applications to include IDX, Sunrise, email and associated training.

j) UHS staff will abide by UHS and SAMHD information technology policies where both systems are accessed. UHS will ensure that all equipment and IT services provided by SAMHD will be used only to conduct clinical preventive health services and will be safeguarded from misuse or theft.

Support

k) Support services (i.e. response to "trouble tickets") from February 4, 2008- December 31, 2008 will continue to be provided by the City of San Antonio for equipment, voice, and network systems. Requests will be submitted through the SAMHD Department Systems Manager.

Data Sharing

1) UHS and SAMHD will explore opportunities to share data as permitted by law that better serves the public health of the county.

Section 6 – Human Resources

Date of Service

a) All employees transitioning from SAMHD to University Health System will have a new start date of employment of February 4, 2008. UHS will recognize employee's relevant professional experience when computing salary and time of service with the City with regard to the accrual of paid time off (as described in Exhibit D attached hereto).

Employee Benefits

b) All employees transitioning from SAMHD to University Health System will be eligible for benefits including but not limited to: health, dental, life, short and long-term disability, etc. (as described below and in Exhibit D attached hereto):

Health Benefits:

i) University Health System will waive the waiting period for medical health benefits. The effective date of coverage will be February 4, 2008. All election forms must be submitted by transitioning employees to UHS Human Resources in compliance with UHS requirements for a February effective date. The parties agree and acknowledge that waiting periods tied to "voluntary" health benefits cannot be waived.

Voluntary Benefits:

1) University Health System offers a variety of Voluntary Benefits to their employees, with no subsidy from UHS. Some of these benefits are currently provided to City employees with a City subsidy (i.e. Life insurance, Short-term Disability). As such, the parties acknowledge that there may be some gaps in coverage that are out of the control of both UHS and the City. These benefits are described in the attached Exhibit.

Retirement Plans:

ii) All employees transitioning from SAMHD to University Health System will be eligible to participate in the Pension and 457 Retirement Savings Plan based on the current participation formula. The University Health System Board will waive the one-year waiting period for eligibility and contributions into the Pension and 457 Plan.

iii) City employees who are vested in TMRS will not lose their contributions or the City's 2-1 match, up to the date of transition, if the account remains active through age 60. Additionally, a City employee who is eligible for retirement may retire prior to transfer to University Health System and still make the transition of employment to UHS.

- 1) City of San Antonio employees who are within six (6) months of vesting or retirement eligibility will transition to UHS on February 4, 2008, while completing their TMRS requirement by separate agreement with the City.

Transfer of Annual Leave

iv) The City of San Antonio will pay out some or all of the value of remaining annual leave balance to the employees prior to their ending employment date. The employee can decide whether to receive payment in increments of 25% (rounded up to the nearest hour). Payment to the employee will be made at their respective City rate of pay. The City of San Antonio will pay University Health System any remainder of the current annual leave balances at the UHS rate of pay. University Health System will accept payment for all leave balances and credit the transferring employee with the leave balance hours accordingly.

Employees will accrue leave at UHS at an accrual rate based on years of service with the City of San Antonio. The accrual rate will begin on the first day of employment.

Leave without Pay

v) University Health System will waive the 90-day waiting period for employees to take Leave Without Pay.

Employee Compensation

c) All employees transitioning to University Health System will be paid in accordance with the Compensation and Benefits plan considering internal equity adjustments if applicable.

Job Descriptions

d) Initially all SAMHD job descriptions will be utilized to ensure a seamless transition and provide University Health System management an opportunity to recommend revisions as deemed appropriate. Qualifications, new functions, etc. will need to be determined and finalized by clinic management.

Staff Orientation

e) All employees transitioning from SAMHD to University Health System will participate in a two-day (four day for clinical staff) orientation to the System. New employees will receive information, material, ID badge, parking permit (if applicable), etc. in preparation for a February 4, 2008 start date.

Transition of City Staff

f) Designated part-time and grant positions and personnel will transfer to University Health System on February 4, 2008.

- Grant employees will transfer to regular full-time status positions at University Health System, and will be eligible for benefits with University Health System.
- Part-time employees will transfer to regular part-time status positions at University Health System, and will be eligible for reduced benefits (based on number of hours budgeted to work) with University Health System.

g) The City will attempt to place all support personnel identified by SAMHD that are not part-time or grant-funded, within alternate City of San Antonio jobs. Employees in this category will have the option to transfer to University Health System or to stay with the City of San Antonio.

h) All full-time, non-grant funded clinical personnel and positions identified by SAMHD, who have been employed by the City for less than 15 years as of February 4, 2008, will transfer to University Health System on February 4, 2008

i) All full-time, non-grant funded clinical personnel and positions identified by SAMHD, who have been employed by the City for more than 15 years as of February 4, 2008 will have the option to transfer to University Health System or stay within the City of San Antonio. Some eligible employees will have the option of retiring from the City. Those employees who retire prior to transfer to UHS may still make the transition of employment to UHS.

j) All City of San Antonio positions associated with the University Health System merger will be eliminated on February 4, 2008 unless the person holding the position is not actively at work on that date (on short-term disability, long-term disability, workers compensation, FMLA). Those positions will be eliminated upon return to work and the personnel will transfer to UHS as outlined above.

k) All vacancies will be transferred to University Health System on February 4, 2008 at the value of the City of San Antonio base salary rate.

Reimbursement of Personnel Costs

l) The City will only reimburse for the term of this Agreement for:

- Salary and social security costs budgeted in the FY 2008 Adopted budget for identified support and clinical positions
- Vacant positions will be funded at the base rate of the City of San Antonio
- The value of the annual leave paid out to the employee will be at the final City of San Antonio rate of pay. The value of annual leave paid to University Health System would include the additional incremental cost of annual leave associated with a salary equity increase.

- Half of the costs associated with salary increases implemented by the University Health System for internal equity.
- The full cost of bringing employees to “no loss of pay” at University Health System associated with the City of San Antonio Language Skill Pay, subsequent to an internal equity increase, if necessary.
- Half of the costs associated with the funding of Post Employment Benefits
- The value of the pension contribution for University Health System for the contract term. Employee will pay their own contribution.
- The value of UHS cost of benefit program (medical, dental, vision, life insurance, disability insurance, workers compensation, unemployment compensation, employee assistance program) for the contract term. Employee will pay any associated premiums or out-of-pocket costs.
- The full one time incremental value based on the term of this contract for the employees to accrue leave at a rate determined by years of service with the City rather than accrue at the rate of a new employee at University Health System.
- Half of the cost of accrual of leave at the standard rate (8.62 per pay period), in an amount not to exceed \$229,167.00. The amount of \$36,647 will be provided at the commencement of the contract. The remaining balance will be paid at the end of the calendar year, subtracting leave used and accounting for individuals who leave UHS employment/new vacancies.
- Half the cost of physician incentives paid by UHS during the period from February 4, 2008 through December 31, 2008.

Employment Guarantee

m) University Health System will guarantee employment of transitioned City employees through December 31, 2008 except for issues of cause or loss of grant funding.

Section 7 – Funding Plan

a) For the term of February 4, 2008 to December 31, 2008, the City of San Antonio will provide funding to UHS for the management and operation of those clinics identified in Section 3 and Exhibit B of this term sheet. The City will make payment to UHS for said operations in two City Fiscal Years. Specifically, an eight (8) month funding payment will be made in FY 2008 covering February 4, 2008 through September 30, 2008. A three (3) month funding payment will be made in FY 2009 for the period of October 1, 2008 through December 31, 2008. The City will recommend for City Council approval a reduction in its Ad Valorem Tax Rate in its FY 2009 and FY 2010 Budgets commensurate with the budget amounts of the transferred functions and services. UHS will adjust its tax rate for the twelve month calendar year 2009 for the transferred functions and services. This agreement in no way waives the right of the City or UHS to increase or decrease their Ad Valorem Tax Rates as deemed necessary to keep pace with economic conditions that may affect either party's overall budget and generation of revenue.

b) The funding provided by CoSA is outlined in Exhibit E.

c) UHS will be entitled to all patient co-payments, Medicaid reimbursements and other program income earned from UHS clinic operations.

d) Beginning January 1, 2009, the Health System will be responsible for funding all of the transferred clinical preventive health services accepted from SAMHD, and as such, it is anticipated that UHS will include budget allocations for transferred clinical preventive health services beginning in its FY 2009 budget.

Section 8 – Grants/Contracts and Billing

Grants

a) SAMHD will request that all grants listed in Exhibit F be terminated effective January, 31 2008 and further request that said grants are offered to UHS beginning February 1, 2008.

b) UHS will assume sole responsibility for any grants received through this procedure. All proceeds from activities in support of these grants will be the property of UHS.

c) The Title X Male Health Grant has a component of extensive outreach and education. Incorporating a systems approach to optimal health services, SAMHD will provide the outreach and education performance measures outlined in the initial SAMHD male health grant application to UHS via Interlocal Agreement. Additionally, SAMHD and UHS will work together to assure the stated SAMHD FY08 Title X Family Planning outreach and education objectives are met. SAMHD and UHS will jointly determine a process for future coordination of Title X grant activities at least 90 days in advance of the next funding cycle.

d) UHS will provide routine prenatal care, well child services, breast and cervical cancer screening, immunizations, family planning services, and refugee health evaluations regardless of the patient's ability to pay as required by the Texas Department of State Health Services.

e) SAMHD will not apply competitively with UHS for the grants set out in Exhibit F. UHS will apply to the grantor or contracting agency when renewal opportunities and applications become available for each grant and assume full responsibility for these programs when the new terms begin. SAMHD will provide technical assistance to UHS, as needed, to support an application for grant funding, especially on grants for which UHS has not previously applied, and further will provide services and support as outlined above in paragraph (c).

f) SAMHD will not compete with UHS for the contract to provide medical screenings to enrollees of Parent, Child, Incorporated (PCI). However, UHS acknowledges that the Director of Health, as Health Authority for San Antonio and unincorporated Bexar County, will continue to provide consultation services to PCI in matters related to public health.

Billing

g) A new provider prevention division will be created by UHS within Community Medicine Associates (CMA) in order to credential SAMHD providers and to facilitate billing to Medicaid, Medicare and any other appropriate third parties for services provided in connection with transferred clinical preventive health services.

Section 9 – Ancillary Services

Courier Services

a) SAMHD and UHS will coordinate courier activities from February 4, 2008- December 31, 2008 to provide services to all sites being transitioned to UHS. A daily delivery to University Health Center Downtown will also be made to deliver lab specimens routed to that facility.

Pharmacy

b) The Health System will provide necessary pharmacy services to support the operations at the transitioning clinic sites and SAMHD will pay for said services as outlined in the Interlocal Agreement.

c) UHS will provide Class D Pharmacy consultation services to remaining SAMHD STD, TB, and Dental programs, as outlined in the Interlocal Agreement, to assure compliance with Texas Pharmacy Rules and Regulations.

d) Transferring facility locations with a current Class D Pharmacy (i.e. all facilities listed in Exhibit B with the exception of the Bob Ross Center) will transfer the management of the Class D Pharmacy to the UHS Pharmacy program.

Laboratory Services

e) Transitioning facility locations performing laboratory procedures (all those listed in Exhibit B) will transfer the management of laboratory procedures to the UHS Laboratory. These include both CLIA-waived point of service testing (performed at all service locations listed in Exhibit B) and non-CLIA waived testing (ordered at all service locations listed in Exhibit B with the exception of the Bob Ross Center).

f) UHS will continue to provide support to SAMHD laboratories for analysis of clinical specimens that are submitted for epidemiological investigation purposes.

g) SAMHD will pay for uncompensated laboratory procedures performed by UHS in transitioning clinics according to the schedule provided in the Interlocal Agreement.

Radiology

h) UHS will continue to support SAMHD radiology needs as outlined in the existing Interlocal Agreement.

Section 10 – Health Promotion/Preventive Health Programs

- a) UHS and SAMHD will work cooperatively toward integrating health promotion and disease prevention programs for the benefit of improving the overall health of the community.
- b) SAMHD as the public health authority will lead the process for setting broad community public health priorities and a plan for addressing those needs.
- c) SAMHD will establish an agenda through its population based services division that will be developed into a community strategic health plan. This will complement the SAMHD strategic plan and incorporate resources and efficiencies derived from collaboration with UHS. An initial plan outlining specific community metrics and a preliminary timeline based on an assessment by SAMHD population-based services will be presented to the JPOC for review.
- d) Sources used to guide the preventive health focus will include various elements, such as the Bexar County Community Health Collaborative (BCCHC) Community Health Assessment, the SAMHD Health Profiles, the Department of Health and Human Services' Healthy People 2010, and the JPOC Prevention Matrix of Programs.
- e) All assessment data used for evaluative purposes must be shared between both SAMHD and UHS to maximize the sources of information to establish a valid and reliable set of indicators.
- f) SAMHD will work collaboratively with UHS to ensure that population based prevention services support the clinical preventive services that will be provided by UHS and seek to provide an outcomes assessment of those services.
- g) UHS and CFHP will align its prevention programs to the broader plan led by SAMHD
- h) UHS will assume responsibility for integrating individual and group clinical prevention services into UHS's existing clinical organization. UHS's prevention programs will strategically address the UHS patient population needs.
- i) UHS will produce a report regarding the status of UHS, CFHP and SAMHD prevention programs to include UHS' five year plan for prevention. This report will include the review of existing data on community health needs and the efforts of UHS, CFHP, and SAMHD to address these needs through current programs. The final report will be issued in 2008 and will be reported to the JPOC committee for review and revisions as needed.
- j) In consultation with SAMHD, UHS may strategically relocate some of its current prevention programs into the city-owned facilities that will house UHS clinical services beginning February 4, 2008.
- k) UHS and SAMHD will jointly apply for grants related to prevention and community health programs. One organization will be designated as the grantee while the other organization will

be designated as the subcontractor to ensure the proper allocation of resources and appropriate oversight of the grant performance metrics.

Section 11 – Utilization of UHS Staff for Public Health Events/Public Health Emergencies

a) SAMHD and UHS will jointly develop a community response plan to assure that adequate staffing and resources are available from both SAMHD and UHS to meet community needs for all emergency public health hazards and community events such as:

- Natural Disasters – floods, hurricanes, heat waves, etc.
- Emergency shelter health management
- Immunization Campaigns – back to school, flu shots, and similar efforts
- Unexpected emergency situations

b) The SAMHD Director of Health or his designee shall be responsible for maintaining a copy of the written plan.

Community Health Events

c) UHS and SAMHD will develop a joint calendar of community health events that will help to prioritize allocation of staff and resources and avoid duplication. This will include such things as:

- i) Scheduled immunization campaigns (e.g., back to school, influenza immunization season); and,
- ii) Screening events to be held for purposes of identifying underlying illnesses and facilitating access to care (e.g., mobile mammography; screening for cervical cancer, diabetes, glaucoma, hypertension, and hypercholesterolemia).

Public Health Emergencies

d) Public health leadership, to include declaring a public health emergency, is the responsibility of the Director, San Antonio Metropolitan Health District (SAMHD).

e) A public health emergency is an immediate threat from a naturally occurring or intentional event that poses a high risk of fatalities or serious long-term disability to large numbers of people. This includes events with a potential major public health impact due to a substantial risk of exposure from a high level of contamination or when the mode of transmission of the infectious agent might cause public panic and social disruption.

f) The primary leadership positions at each SAMHD disaster response site, Strategic National Stockpile (SNS) Point of Dispensing Sites (PODS), and all hazard shelters will be filled by SAMHD full-time staff.

g) University Health System (UHS) will staff appropriately trained personnel from UHS ambulatory facilities in support of an emergency response declaration by the SAMHD. SAMHD will provide the UHS Emergency Preparedness Division with a list of qualifications required and the number of personnel in each job category, and UHS will develop response teams to meet those needs. SAMHD will designate training needs for the UHS staff assigned to the response teams and assist in obtaining the needed training.

h) UHS will identify staff designated for participation on POD/shelter teams, triage teams, or medical response teams. Identified staff will be reviewed by SAMHD to assure responders receive necessary training from SAMHD or coordinating agencies. UHS will participate in all hazards event exercises in conjunction with City and County departments to better coordinate response activities.

i) UHS will provide a liaison to the SAMHD Incident Command Post to coordinate activities during all hazards events in cases where the Regional Medical Operations Center (RMOC) is not activated.

j) Identified staff members will be made available by UHS for training conducted by SAMHD or coordinating agencies on the roles specified; however, the training required by SAMHD does not necessarily extend to the remainder of UHS employees. UHS will ensure that these identified staff members, and others that may be identified as necessary in the future, maintain the training necessary to serve in this capacity for any all hazard emergency response. This will include such competencies in Incident Command System (ICS), Strategic National Stockpile (SNS), all hazards event response to include hurricane response, CHEM-pack and radiological response, and others as recommended by SAMHD.

k) Acquiring additional staff to fulfill SAMHD emergency preparedness responsibilities will be conducted through existing regional response entities and structures such as the Regional Medical Operations Center and the Bexar County Medical Society and the Medical Volunteer Coordinating Committee. These personnel include but are not exclusively represented by UHS staff.

l) The RMOC, at the direction of SAMHD, will coordinate the distribution of state and federal pre-positioned supply and equipment caches. Any additional supplies and equipment provided by local healthcare institutions (including UHS) will be inventoried for accountability and reimbursement.

m) UHS will be required to maintain all redundant communications systems (including satellite phones, 800 MHz radios and wireless WebEOC) to support emergency preparedness and response activities, regardless of future availability of grant funding.

n) UHS and SAMHD will develop a joint annex to be included in each organization's emergency response plan that addresses the specific details of the job categories, training requirements, and mechanisms to ensure adequate staffing levels for any all hazard response. The annexes will also provide sufficient detail to ensure minimal delay with regard to communication and activation of an emergency response and describe the process by which that

will occur. The annex will be completed and included in each agency's response plan no later than the transition date of clinical preventive health services from SAMHD to UHS on February 4, 2008.

Emergency Preparedness Planning

o) When requested by SAMHD, UHS will facilitate consultation with infectious disease, nuclear medicine, and other expert physicians for the purposes of public health preparedness planning (e.g. pandemic influenza planning) to include laboratory consultation for certain epidemiological investigations.

p) UHS will participate in planning for mass casualty events in conjunction with SAMHD and the Bexar County Medical Examiner's Office.

Section 12 – Assuring Quality of Transitioned Services

Performance Management Plan

a) Pursuant to Texas Health and Safety Code § 121.002 et seq., SAMHD in its public health assurance role is charged to "evaluate the effectiveness, accessibility, and quality of personal and population based health services in a community." It is therefore critical that during the transition of clinical preventive services from SAMHD to UHS that evaluation and quality improvement plans be established.

b) UHS and SAMHD will jointly provide oversight of transferred services through December 31, 2008 via the JPOC. The JPOC will serve as the body to review performance monitoring data and recommend performance improvement activities as needed with input from both UHS and SAMHD representatives, as set out in Section 13.

c) A detailed performance management plan will be submitted through the JPOC to the leadership of UHS and SAMHD for a joint commitment to adhere to the plan through December 31, 2008.

d) The SAMHD Director of Health or his designee shall be responsible for maintaining a copy of the written plan.

Performance Domains, Measures, and Standards

e) Performance measures will be adopted that will assess the organizational capacity and processes associated with the provision of clinical preventive health services. The following performance domains will be assessed during the transition of clinical preventive health services from SAMHD to UHS:

- Quality of Clinical Preventive Health Services
- Accessibility of Clinical Preventive Health Services
- Equity of Clinical Preventive Health Services

- Efficiency of Clinical Preventive Health Services (to include financial efficiencies)
- Patient Satisfaction
- Clinic Staff and Provider Satisfaction

Specific measures for each of these domains have been developed with input from both UHS and SAMHD stakeholders. Measures are aligned with UHS continuous quality improvement indicators where possible to allow for comparisons across UHS clinical settings.

f) Historical SAMHD performance data, as available will be used to assess the effects of the transition of clinical preventive services, and for select indicators will serve as the minimum standard for UHS performance during the transition period.

Data Sources and Collection

g) To the extent possible, data collection utilizes existing SAMHD and UHS systems and assessment tools. However, some new data collection efforts will need to be implemented including the collection of qualitative data. The performance management plan identifies specific data collection processes, instruments, frequencies and responsible individuals associated with each measure. Primary responsibility for data collection will rest with UHS, with technical assistance and support provided by SAMHD. All data will be collected at least quarterly, with some indicators assessed on a monthly basis given the availability of data.

Data Analysis and Interpretation

h) Collected data will be provided by UHS to a subcommittee of the JPOC that will be responsible for reviewing and interpreting data, and overseeing the production of a preliminary quarterly report that will be submitted to the full JPOC. The JPOC will provide additional comments regarding the progress in transitioning services, benefits and challenges encountered, and any performance improvement activities recommended.

Reporting and Performance Improvement Activities

i) UHS and SAMHD will jointly be responsible for reporting to the City Manager, SAMHD Advisory Board of Health and UHS Board of Managers on a periodic basis the findings of the performance monitoring activities, any performance improvement activities that have been identified and will be implemented, and the status and results of any performance improvement activities previously implemented.

Section 13 – Joint Planning and Operations Council

a) The Joint Planning and Operations Council (JPOC) will be composed of at least three members of the senior management staff of SAMHD and UHS. Representatives for CMA, the UTHSCSA and other health system partners may also be appointed to this body.

b) After February 4, 2008, JPOC membership will be reassessed by both SAMHD and UHS to assure appropriate representatives are available to meet the goals of the group.

c) From February 4, 2008 through December 31, 2008 the JPOC will continue to meet at least monthly to support the following ongoing activities:

i) Provide strategic and operational oversight of the transition of clinical preventive health services from SAMHD to UHS utilizing the JPOC performance management plan. Explore opportunities to expand community input into the oversight process through a community advisory board such as the Community Translational Science Award Community Advisory Board and others that may be appropriate.

ii) Identify additional opportunities for collaboration or coordination of services to improve continuity and quality of services to Bexar County including strengthening referral systems between SAMHD and UHS for related programs, exploring models to further improve the quality of care in clinical service areas, and expanding partnerships in prevention focused programs.

iii) Continue to pursue grant and funding opportunities jointly or with well-coordinated approaches and develop a protocol to guide joint grant development and management.

iv) Provide oversight of the plans and protocols that outline the shared responsibilities of UHS and SAMHD to the community regarding emergency response to all hazards incidents as well as community health events.

v) Develop plans for increased information systems interface and data sharing to support coordination of services and community health monitoring between SAMHD and UHS and to explore opportunities to work with UTHSCSA.

vi) Develop common health system workforce competencies and evaluate opportunities for integrated workforce training.

vii) Engage additional health system and community partners in developing and documenting the vision and goals for a High Performance Health System for San Antonio which includes roles and expectations for UHS and SAMHD and the UTHSCSA, UTHSCSH-SPH.

viii) Provide a forum for discussion and facilitation for securing long-term arrangements for the acquisition or lease of facilities transitioned to UHS.

ix) Provide a forum for discussion and determination of the cost of continued provision of transitioned services by UHS beyond December 31, 2008.

Section 14 – Governing Law and Severability

a) The Terms and Obligations stated herein shall be construed under and in accordance with the laws of the State of Texas and the United States and all obligations of the parties created herein are performable in Bexar County, Texas.

b) If any clause, provision, term or obligation of this Agreement is illegal, invalid or unenforceable under present or future laws effective during the term hereof, then and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected thereby, and it is the intention of the parties to this Agreement that in lieu of each clause, provision, term or obligation of this Agreement that is illegal, invalid or unenforceable, there be added as a part hereof a clause, provision, term or obligation as similar in terms to such illegal, invalid or unenforceable clause, provision, term or obligation as may be possible and be legal, valid and enforceable.

Exhibit A: Medical Staff and Prevention Program Organization

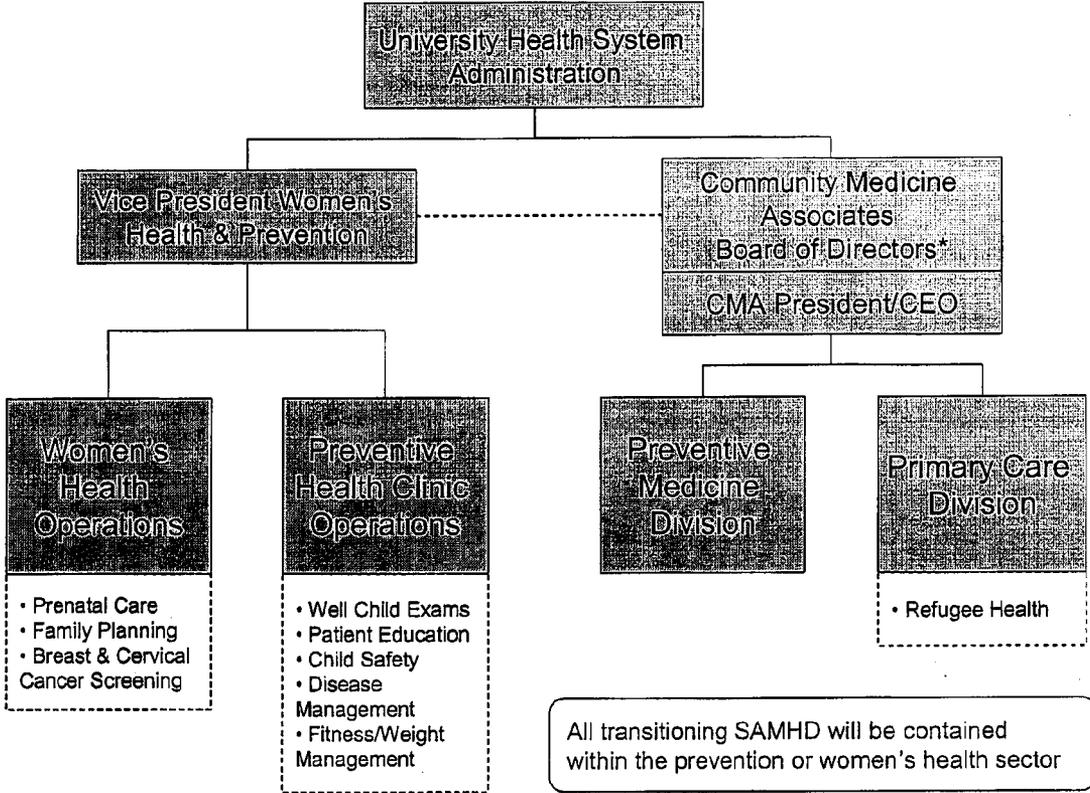


Exhibit B: Clinical Preventive Health Service Sites

City Facilities				
Clinic	Location	Services Provided	Space Allocated	Shared Space
Bob Ross Center	2219 Babcock 78229	Adult Health	2,415	460
Eastside Branch Clinic	210 N. Rio Grande 78202	Refugee Screening	3,699	3,222
Kenwood Clinic	302 Dora St. 78212	Adult Health, Dental, Family Planning, Maternity, Well Child, Immunizations,	3,795	1,176
Naco-Perrin Clinic	4020 Naco-Perrin Boulevard	Adult Health, Family Planning, Maternity, Well Child, Immunizations,	7,355	395
Old Highway 90 Clinic	911 Old Highway 90 West 78237	Adult Health, Family Planning, Maternity, Well Child, Immunizations,	5,554	0
Pecan Valley Clinic	802 Pecan Valley Dr. 78220	Adult Health, Family Planning, Maternity, Well Child, Immunizations, WIC	3,113	2,079
South Flores Clinic	7902 S. Flores St. 78221	Adult Health, Family Planning, Maternity, Well Child, Immunizations	5,940	0
Southwest Branch Clinic*	9011 Poteet-Jourdanton Freeway	Dental, WIC	9,522	1,900
Frank Garrett Center	1226 NW 18th St. 78207	Adult Health, Dental, Family Planning, Maternity, Well Child, Immunizations,	1,899	1,241
Zarzamora Clinic	4503 S. Zarzamora 78211	Adult Health, Family Planning, Maternity, Well Child, Immunizations, WIC	4,959	2,335
Non - City Facilities				
Salinas Clinic	630 S. Gen. McMullen 78237	Adult, Dental, Maternity, Immunizations, Well Child, WIC	3,053	3,773

* clinic area currently being leased by CentroMed

Exhibit D: UHS Benefits Summary

UHS Summary of Benefits		
Medical		
University Health System offers two medical plan options administered by Community First Health Plans.		
<ul style="list-style-type: none"> • University Family Care Plan • University Family Care Plus Plan 		
Coverage Category	Family Care Plan	Family Care Plus Plan
Employee	\$35.45/month	\$251.69/month
Employee & spouse	\$61.97/month	\$583.42/month
Employee & child(ren)	\$60.99/month	\$656.07/month
Employee & family	\$89.60/month	\$914.93/month
Dental		
University Health System Self-Insured Dental Plan - Benefit Planners, Inc.		
<ul style="list-style-type: none"> • The University Health System dental plan is a traditional PPO no co-payment plan that allows employees the freedom to see any dentist nationwide. BPI offers the DenteMax Provider Network with over 30,000 locations across the country. • If \$300 or more worth of dental services are required, the dentist will need to submit a pre-determination of benefits form to Benefit Planners, Inc. for approval. • If a DenteMax provider is selected, the employee will pay up to 35% less in out-of-pocket expenses than if an out-of-the-network dentist is used. 		
CIGNA Dental Plan		
<ul style="list-style-type: none"> • The second dental option is CIGNA Dental Plan, a managed dental care DMO plan. CIGNA allows employees to select a general dentist from the provider network. The primary general dentist then refers employees to a specialist for extended care. This plan covers preventive care; restorative care; periodontics; adult and child orthodontics without deductibles, co-insurance or maximums. 		
Coverage Category	Benefit Planners	CIGNA
Employee	\$10.37/month	No Cost
Employee & spouse	\$30.87/month	\$11.36/month
Employee & child(ren)	\$41.62/month	\$15.41/month
Employee & family	\$54.36/month	\$20.21/month
Life		
Group Term Life		
<ul style="list-style-type: none"> • University Health System provides Group Term Life Insurance to all regular full-time and part-time employees (24+ standard hours) at no cost. • Group Term Life Insurance covers employees on or off the job. Dependents are not covered under this policy. The amount of Group Term Life coverage is \$4,000, subject to applicable age reductions for eligible employees age 70 and over according to the schedule in the policy. 		
Supplemental Life Insurance		
<ul style="list-style-type: none"> • University Health System offers eligible employees the option of purchasing additional low-cost life insurance coverage that can be adjusted to meet specific individual needs. Employees may purchase supplemental life and accidental death and dismemberment coverage in an amount equal to 1 or 2 times their annual rate of basic earnings minus \$4,000. If an employee should become disabled prior to age 60, premiums for life insurance can be waived after a six-month disability. 		

Accidental Death and Dismemberment

- University Health System provides Accidental Death and Dismemberment (AD&D) Insurance to all regular full-time and part-time employees (24+ standard hours) at no cost.
- AD&D Insurance covers employees on or off the job. Dependents are not covered under this policy. The amount of each employees AD&D coverage is \$4,000, subject to applicable age reductions for eligible employees age 70 and over according to the schedule in the policy. The AD&D benefit is also determined by the extent of the accidental loss.

Dependent Group Life

- Life insurance coverage is available for employees to purchase for their spouse and/or child(ren) who are up to the age of 25 and maintain full-time student status.
- Employees pay one premium no matter how many eligible dependents they cover.

Dependent Group Life Premiums	
Premium	\$2.60/month
Spouse	\$10,000 in coverage
Child	\$5,000 in coverage

Universal Life Insurance

- University Health System offers Universal Life Insurance at competitive rates according to the benefit chosen. Universal Life insurance offers an easy and affordable way to safeguard the family's future by providing death benefits.
- Once enrolled, the plan is theirs even if they separate from service or have a change in health. The employee's insurance premiums are then directly billed to their home. The insurance coverage and premium remains the same unless the employee chooses to adjust them.
- The plan also offers an accelerated death benefit to provide employees and their dependents with living benefit choices for the future.
- This plan builds cash value over time when employees continue to pay premiums. Employees can withdraw cash or borrow against their policy's accumulated cash value for financial emergencies, investment opportunities or other needs (subject to applicable surrender charges).

Disability

Short-Term Disability Insurance

- Short-Term Disability can provide employees with an income in case they experience a non-work related illness or injury. Short-Term Disability provides income to help continue living expenses such as rent, food, utilities, car payments, etc. University Health System offers all eligible full-time and part-time employees (20 hours or greater) with this extremely valuable opportunity to purchase protection at a low cost.
- Short-Term Disability benefits begin on the 31st day of disability due to continuous disability. During the waiting period, employees will use their Paid Time Off days.
- Employees can select a weekly benefit equal to, or less than, the one listed for their salary range up to \$1,400 per week. This benefit provides up to 22 weeks of pay continuation. If employees enroll at the time of hire and are selecting a weekly benefit of \$700 a week or less, there is no evidence of insurability requirement. Employees will be required to provide evidence of insurability if they are electing coverage of \$700 a week or more or are enrolling after the first 30 days of employment. If disability continues beyond the maximum benefit period, Long-Term Disability (LTD) benefits may continue to provide the employee with income protection if the employee is eligible for LTD at the time of disability.

Long-Term Disability Insurance

- University Health System provides this very valuable benefit at no cost to all eligible full-time and regular part-time employees (32 hours or greater) after one year of continuous regular employment. Long-Term Disability (LTD) coverage provides partial income protection for the eligible employee in the event of long-term disability.
- Eligibility begins after six months of being disabled and benefits are paid once the claim has been approved.
- Total benefit paid is 60 percent of monthly earnings up to \$6,000 per month [the total payable benefit will be offset by other sources of income (e.g. Social Security, Disability, etc.)].

- Length of benefit will depend upon disability and/or age of participant when disability begins.
- Cancer, Dread Disease, ICU Policy**
- University Health System offers a Cancer, Dread Disease, ICU Policy. This policy pays cash benefits directly to employees, regardless of other coverage, for cost typically not covered under their insurance policy such as:
 - Missed work days for a covered family member's treatment; transportation for non-local treatment; meals required away from home; motels during non-local treatment; babysitting for children at home; long distance phone calls; loss of wages while caring for a covered family member; and parking/hotel fees.
 - The plan also includes an intensive care/coronary care component. When a covered person is confined to an intensive care unit, the plan will pay \$300 to 600 per day up to a pre-determined limit per confinement as a result of any sickness or accident.
 - Once enrolled, the participant remains on the plan even if he/she is separated from service or has a change in health.
 - Insurance premiums are then directly billed to the participant's home. The insurance coverage and premium remain the same.

Cancer Dread Disease, ICU Policy		
(Bi-weekly Rate)	Basic	Enhanced
Individual	\$7.36	\$10.11
Family	\$12.75	\$17.64

Group Accident Hospital Income Plan

- All regular full-time employees who have completed one year of service are automatically covered by this plan. There is no annual premium and the plan pays \$100 per day if the employee is hospitalized in the event of a non work-related accident. Admission must be in a hospital, not a skilled nursing facility.
- Covers up to 180 days annually
- A \$500,000 lifetime maximum
- Coverage for employees only

FSA

Flexible Spending Accounts

- University Health System provides an opportunity to participate in two types of flexible spending accounts (FSAs) — a Health Care FSA and a Dependent Care FSA. Employees may elect to participate in one or both of these accounts. The accounts allow employees to set aside money on a pre-tax basis to reimburse for eligible health and dependent care expenses. Employees save money by not paying taxes on the amount set aside. Employees must re-elect this coverage every year during annual enrollment. Coverage is not automatic and will not roll over from year to year.

The Health Care Reimbursement Account

- The Health Care Reimbursement Account exists to help employees pay for healthcare expenses that are medically necessary, non-cosmetic in nature and not fully covered under their medical or dental plan. The maximum amount each employee can deposit into this account in 2007 is \$5,000.

Dependent Care Reimbursement Account

- The Dependent Care Reimbursement Account exists to help employees pay for dependent care expenses for their children under age 13 or adult family members who are disabled and depend on the employee for support. If dependent care is required to enable the employee (or a spouse or single person) to work, these expenses may be eligible for reimbursement. Included are payments to child care centers, nursery schools, kindergarten and schools for children up to but not including first grade. Eligible expenses also include payment for summer day camps, after school care and elder care. Care within the employee's home by a relative, or a non-relative, as long as such person is reporting payments as income, is also eligible. The maximum amount each employee can deposit in 2007 is \$5,000, or \$2,500 if the employee is married, but filing

separately.

Retirement

Pension Plan

- A contribution equal to 2% of gross pay is mandatory upon achievement of eligibility and thereafter until the time of retirement or separation from employment with University Health System. The cost of plan participation will be automatically deducted from each bi-weekly paycheck on a pre-tax basis. University Health System contributes the majority of funding for this pension plan. Then University Health System makes its contributions directly to the Pension Trust each year.
- Employees are eligible to begin participating in the Plan on the next January 1st or July 1st following attainment of 21 years of age and 1 year of continuous service with the Health System during which the employee worked at least 1000 hours.
- Participation is automatic upon attainment of the eligibility criteria. University Health System believes that a retirement income is essential for all employees. For this reason, if an employee is eligible to participate in the Plan, participation is required as a condition of employment.
- Vesting status entitles employees to a pension benefit that may commence at age 55 or later, as elected. If an employee should terminate from the Health System, but is vested, he/she will be entitled to draw the pension benefit at age 55 or later, as elected.
- For the purpose of vesting, employees will be credited with one year of vesting service for each year of continuous service in which 1000 or more hours are worked. Employees will become vested in the Plan upon completion of five years of vesting service. Employees are 100% vested once they have accrued five years of vesting service.
- If employees separate from employment before being vested, they are not eligible for a pension benefit, but their contributions to the Plan will be refunded with interest at the annual rate of 4 ½ percent.

457 Deferred Compensation Plan

- Deferred Compensation Plans provide a way for employees to build their retirement savings on a pre-tax basis through payroll deduction. "Deferred Compensation" means that a certain portion of current earnings are set aside without being taxed and are invested in investment vehicles where money grows on a tax-deferred basis until the employee retires or separates from the Health System. The program allows all employees of the Health System to participate in a savings program that provides considerable savings from an income tax standpoint, as authorized by the Internal Revenue Service. Employees may begin deferring compensation into their accounts at any time and may defer as much as they wish, up to current annual limits established by law (up to \$15,500.00 in 2007).
- Beginning with the year in which employees reach age 50, they may make additional contributions. Also, for each one of their last three taxable years prior to age 65, employees may make additional contributions, if maximum allowable contributions in prior years were not made.
- Employee catch-up contributions may not exceed the amount they could have contributed in prior years but did not. No employer match is provided on catch-up contributions.
- There are no vesting requirements for the 457 Deferred Compensation Plan. Employees are always vested in their own contributions and interest. Participation in the Health System's Deferred Compensation Plan is voluntary.
- University Health System will match employee contributions, up to 4% of their pay, to a 457 Retirement Savings Account, at the rate of 25% (\$0.25 on the \$1).
- Employees become eligible for the University Health System Match Savings Plan on the next January or July 1st following attainment of 21 years of age and 1 year of continuous service with the Health System, during which 1000 hours are worked.
- The vesting requirement for the Match Savings Plan is the same as the vesting requirements for the University Health System Pension Plan. Employees are 100% vested once they have accrued five years of vesting service. If an employee leaves the Health System before being vested in the Match Savings Plan, they will forfeit the matching contributions made by the Health System to their match account and any return on those contributions.

Summary

Retirement Plans Summary		
Plan	Enrollment	Deduction Amount
Pension	Automatic	2% of gross pay
457 Deferred Compensation	Voluntary	1-100% of gross pay, but no more than \$15,500
Match Savings Plan	Automatic	UHS Contributions

Other Benefits

Employee Assistance Program (EAP)

- The Choice CARE Employee Assistance Program is a completely free and confidential counseling and support service for Health System employees and their families. Choice CARE counselors will provide counseling at no cost to all regular full-time and part-time employees, their spouse and dependent children under the age of 21 living at home. Each family member is entitled to eight sessions per problem, per year for marital, family, behavioral, substance abuse, grief, depression and other forms of counseling support.

Educational Benefits

- Tuition reimbursement (up to \$1500 annually)
- Continuing education and certification reimbursement (up to \$200 per year)
- Free on-site classes for University Health System employees
- Contact hours for nursing staff

Paid Time Off (PTO)

- In recognition of our unique individual needs, the Health System offers a Paid Time Off (PTO) program that allows each employee to accumulate and schedule time off according to individual needs. Eligible employees begin accruing PTO benefit hours in their own personal bank from the first day of work. When we need time off for vacations, holidays, illnesses, injuries, personal business, school conferences, or any other reason, we draw from our bank of PTO time. Unused PTO remains in the bank for future use and can accumulate up to 1,040 hours.
- Some employees choose to sell their PTO time to help fund school, holiday, vacation and other expenses. Once employees have accrued 256 hours of PTO, they can cash part of it in for 50 percent of its current value. The sell-back option is available every pay period.

	PTO Accrual Rates	Accrual per pay period	Per Year	Maximum
Full-time	1st Year	8.62	28 days	1040 Hours
	2nd Year	8.93	29 days	1040 Hours
	3rd Year	9.24	30 days	1040 Hours
	4th Year	9.54	31 days	1040 Hours
	5th Year	9.85	32 days	1040 Hours
	6th Year	10.16	33 days	1040 Hours
	7th Year	10.47	34 days	1040 Hours
	8th Year	10.77	35 days	1040 Hours
	9th Year	11.08	36 days	1040 Hours
	10th Year	11.39	37 days	1040 Hours
	11+ Years	11.7	38 days	1040 Hours
Part-time	16-39 hrs	0.1077	24 hrs=16.80 days	36-39 hrs =28 days

Exhibit E: Positions and Other Expense Items

Positions Transitioning to UHS				
Position	Full-time		Part-time	Total
	GF	Grant	Grant	
Accountant II		1		1
Administrative Assistant I		2		2
Building Custodian	7			7
Case Aide	2	1		3
Custodial Services Crew Leader	1			1
Dept Systems Specialist		1		1
Health Program Specialist	1			1
LVN	13			13
Nursing Program Manager	1			1
Administrative Associate	14	3		17
PH Nurse	14	1		15
PH Nurse Practitioner	5	1	1	7
PH Nurse Supervisor	8	1		9
Public Health Aide	21	6	1	28
Sr. Administrative Assistant	1			1
Sr. Office Assistant	1			1
Sr. PH Nurse	8	4		12
PH Physician	1		4	5
Total	98	21	6	125

SAMHD/UHS Calculation of Costs for Transition of Clinical Preventive Health Services			
Item	11 Month Estimate	8 Months - FY 2008 Estimate	3 Months - FY 2009 Estimate
<i>Estimated General Fund Costs for Services</i>	\$4,801,876	\$3,424,204	\$1,377,672
Budgeted General Fund Revenues			
HMO Medicaid Reimbursement	\$370,433	\$256,854	\$113,579
Medicaid/Medicare	\$89,424	\$66,748	\$22,676
Patient Co-pay	\$139,149	\$92,361	\$46,788
<i>Total Budgeted General Fund Revenues</i>	<i>\$599,006</i>	<i>\$415,963</i>	<i>\$183,043</i>
UHS Contract Amount (less revenues)¹	\$4,202,870	\$3,008,241	\$1,194,629

Budget Detail			
General Fund Personal Services and Other Items	Current COSA Proposal Amount	8 Month Payment	3 Month Payment
General Fund Salaries (w/ half internal equity)	\$3,283,031	\$2,387,659	\$895,372
Social Security (7.65%)	\$259,464	\$188,701	\$70,763
Health Benefits (COSA \$8,280/FT employee) / UHS	\$290,672	\$211,398	\$79,274
<i>Personal Services Subtotal</i>	<i>\$3,833,167</i>	<i>\$2,787,758</i>	<i>\$1,045,409</i>

OPEB	\$45,472	\$45,472	\$0
MD Incentive	\$9,167	\$6,667	\$2,500
Annual Leave Payout ¹	\$178,973	\$178,973	\$0
Increased Annual Leave (UHS Internal Equity)	\$26,660	\$26,660	\$0
Workers/Unemployment Compensation	\$50,902	\$37,020	\$13,882
Base PTO Accrual Rate (FY 08 Amount)	\$36,647	\$36,647	\$0
Base PTO Accrual Rate (FY 09 Amount)	\$192,520	\$0	\$192,520
Additional PTO Accrual Rate (Based on City Years of Service)	\$91,667	\$66,667	\$25,000
UHS Pension	\$183,260	\$133,280	\$49,980
Other Items Subtotal	\$815,268	\$531,386	\$283,882
Other Non-Position-Related Items Subtotal	\$153,441	\$105,060	\$48,381
Estimated General Fund Costs for Services	\$4,801,876	\$3,424,204	\$1,377,672

Estimated Grant Balances to be Transferred to UHS			
	Ending Date of Grant Contract	Total Grant Award (without program income)	Estimated Grant Balance on 1/31/07
Breast & Cervical Cancer Screening Project	6/30/2008	\$200,200.00	\$126,000.00
Refugee Resettlement	8/31/2008	\$143,495.00	\$95,640.00
Title V Family Planning	8/31/2008	\$129,649.00	\$60,000.00
Title V Maternal and Child Health	8/31/2008	\$212,998.00	\$130,000.00
Title X ²	8/31/2008	\$39,882.00	\$32,700.00
Title X Male Involvement ¹	8/31/2008	\$125,000.00	\$72,917.00
Title XX Family Planning	8/31/2008	\$357,628.00	\$177,400.00
UTHSCSA Patient Navigator	8/31/2008	\$148,194.00	\$86,700.00
Totals		\$1,357,046.00	\$781,357.00

¹ This amount will be reduced by any payment for accrued annual leave made directly to transitioning staff prior to employment with UHS (if any).

² Does not include \$86,913 that will be subcontracted to SAMHD for the Male Health Grant