

**MINUTES OF THE  
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Seventy-sixth Session  
May 2, 2011**

The Senate Committee on Health and Human Services was called to order by Chair Allison Copening at 3:39 p.m. on Monday, May 2, 2011, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Allison Copening, Chair  
Senator Valerie Wiener, Vice Chair  
Senator Sheila Leslie  
Senator Ruben J. Kihuen  
Senator Joseph (Joe) P. Hardy  
Senator Ben Kieckhefer  
Senator Greg Brower

**STAFF MEMBERS PRESENT:**

Marsheilah Lyons, Policy Analyst  
Risa Lang, Counsel  
Shauna Kirk, Committee Secretary

**OTHERS PRESENT:**

Brian Brannman, Chief Operating Officer, University Medical Center of Southern Nevada  
Marcia Turner, Vice Chancellor for the University of Nevada Health Sciences System, System Administration Office, Nevada System of Higher Education  
Lawrence P. Matheis, Nevada State Medical Association  
John A. Ellerton, M.D.  
John Pappageorge, Health Services Coalition  
Denise Selleck Davis, Nevada Osteopathic Medical Association

CHAIR COPENING:

We will open the Senate Committee on Health and Human Services meeting with Assembly Bill (A.B.) 29.

**ASSEMBLY BILL 29 (1st Reprint)**: Revises provisions governing county hospitals and requires certain hospitals to report information concerning the transfers of patients between hospitals to the Legislative Committee on Health Care. (BDR 40-343)

BRIAN BRANNMAN (Chief Operating Officer, University Medical Center of Southern Nevada):

This bill is an effort to amend *Nevada Revised Statutes (NRS)* chapter 450. It has three basic issues incorporated within it. The first is related to the establishment of the hospital advisory board and the compensation associated with it. There is a provision within NRS 450 for compensation for the hospital advisory board members. This would give the county commissioners, our board of trustees, the ability to adjust that figure. The second portion deals with the efforts that have been underway to align the University Medical Center (UMC) with the University of Nevada School of Medicine (UNSM) to strengthen our role as an academic medical center. It gives some leeway to medical staff affiliation. The third discusses the continuation of the inter-facility transfer study that we started last Session. The hospital advisory board formation comes from an ongoing effort to look at the governance of UMC, streamline the operations and gain a better business posture in the competitive environment. The commissioners are interested in putting in place a body of individuals who have a greater depth of knowledge to focus on health care. It is a substantial commitment of their personal time; it involves a minimum of one hospital advisory board meeting a month, and there are a series of subcommittees that get into a detailed analysis of contracting, medical staff professional issues, quality-of-care issues and finances. The commissioners requested a study by FTI Consulting who recommended we closely affiliate the medical staff of UMC with UNSM. This amendment would provide the opportunity to make the connection with the medical staff and have some teaching affiliation with UNSM. The staff member would not be required to be an employee of UMC but would have a teaching role integrated with day-to-day duties. The third item deals with the progress made since the last Session on the study bill regarding inter-facility transfers. Transparency has been good for the distribution of patients and focusing on their clinical needs. The desire is to continue the study.

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SENATOR KIECKHEFER:

What is the problem and how does this solve it?

MR. BRANNMAN:

Our medical staff is 100 percent open to the community. We have approximately 1,200 physicians on our medical staff. Approximately 450 of them are teaching the residents. We also have those people we only see when they have a patient without a pay source and put the patient on our operating room schedule. They are not dedicated to UMC or the mission, and there is no contribution. We are used as an escape valve. For example, we had a surgeon who completed over 150 cases at one of the private hospitals, 110 at another private hospital and 17 at UMC. He wanted to place on the schedule a patient who was having a \$30,000 implant. We would be reimbursed approximately \$3,000. We would be happy to have him with us and get all of his work to offset the losses we get from the uncompensated patients. This is to draw and strengthen the academic role of UMC and the UNSM and cultivate medical staff that is a hybrid model.

CHAIR COPENING:

If you have a network of physicians affiliated with teaching at the universities, would that fill your quota of physicians and allow for a variety of cases with the focus along the academic side?

MR. BRANNMAN:

The goal is to focus the attention of the medical school in UMC and embark on more research and clinical trials. The best health care in America is in practicing academic medical centers. There are bright, young residents anxious to learn.

SENATOR LESLIE:

Will you comment on the advisory board receiving compensation up to \$1,000 per month?

MR. BRANNMAN:

We are not proposing to pay them \$1,000 a month. The current regulation had been in place approximately 30 years before the current advisory board was established. The idea is to have the flexibility for the commissioners to establish a higher rate than the \$100. We would have the ability to look at a reasonable amount. This gives us some flexibility for the future.

SENATOR LESLIE:

Are you having trouble recruiting people to serve on the advisory board?

MR. BRANNMAN:

This is our first recruitment. We have 11 people on it. I do not know if this would be a salary that entices someone to be on our advisory board, but it is recognizing some reasonable amount of compensation for the number of hours.

SENATOR KIECKHEFER:

What are the requirements for a physician to receive a faculty or clinical appointment with one of the two schools? Is that a burdensome process, or do they send in a letter asking for it?

MR. BRANNMAN:

The physician's credentials will be looked at for professional growth and knowledge. The faculty appointment is going to be given by the UNSM. Traditionally, they have looked for an ongoing involvement with research and academic activity, publishing articles and staying current with medicine in all aspects of their particular specialty. We have a wide spectrum in the community. Some physicians have not published an article or completed any continuing medical education in 20 years after they finished their fellowship or residency programs. Other physicians have published articles and are involved in clinical trials. Those are the ones we want to attract for mentors of our young students.

SENATOR KIECKHEFER:

How many physicians are working in your facility who would no longer be eligible after this requirement goes into place?

MR. BRANNMAN:

I do not know that the medical staff is going to exclude anyone tomorrow or the next day. This is a step down the road to give the medical staff and the faculty of the medical school a chance to build that structure. Hospitals the size of UMC, with medical schools associated with residency programs, function very efficiently with 400 or 500 full-time staff. This is a collaborative effort. There is no vision these will be full-time employees. It is still going to be a hybrid model. We are going to be dependent on collaboration with community physicians. Ideally, we would have a self-selection. The people who have the desire to

teach and further the growth of the quality of health care in a community are the people who would self-select and want to be on our faculty.

SENATOR KIECKHEFER:

Is there any requirement that once physicians decide to practice at UMC, they cannot practice at any other facility?

MR. BRANNMAN:

No.

SENATOR KIECKHEFER:

How does that solve the problem of them bringing you people who cannot pay?

MR. BRANNMAN:

Dedicated staff would make the time commitment. As part of their teaching responsibility, there has to be a certain amount of contact time with the students and residents. The expectation would be to bring the interesting cases to us. We have a fair amount of core staff who bring us a good share of patients.

SENATOR WIENER:

How many of your physicians are teaching staff? If you already have a substantial number who are already making that commitment, then this is already a big part of the culture.

MR. BRANNMAN:

I do not have that information.

MARSHEILAH LYONS (Policy Analyst):

The minutes from the hearing on A.B. 29 of the Assembly Committee on Health and Human Services on February 11, 2011, state in part:

**Assemblywoman Pierce:**

If this bill was passed, how many physicians do you have and how many physicians, podiatric physicians, and dentists do you have who are not now affiliated with University School of Medicine or School of Dentistry?

**Kathleen Silver:**

Right now we have over 1,300 independent physicians on UMC's medical staff. Of that, probably somewhere in the neighborhood of 120 to 140 are actually affiliated with the School of Medicine as School of Medicine employees or faculty members. We have a large number of community physicians who also have faculty appointments with the School of Medicine. I do not know exactly how many that is, but probably another 100 or so.

**Assemblywoman Pierce:**

So this would be a huge change.

**Kathleen Silver:**

It would be a significant change in terms of the way that UMC operates because of the 1,300 physicians, we probably have 300 that are active

MR. BRANNMAN:

I will provide the Committee with a better number for you.

CHAIR COPENING:

What would the impact be on your budget if a change like this takes place?

MR. BRANNMAN:

There would be no cost impact to us. For the people who have a clinical professorship and a letter of appointment, there is no compensation from us related to that. They are volunteer faculty members. The positive impact would be in the nature of those physicians making a commitment to bring a broader spectrum of their patients to us.

SENATOR HARDY:

The UMC is losing approximately \$80 million to \$100 million per year. In many hospitals, the hospital board is a voluntary position based on expertise. Touro University is nationwide and has physicians who are being trained. They have clinical as well as fiscal expertise. We need to recognize there has to be some interaction with the medical center. Have we looked at creating a new entity that is shared by two medical schools such as has happened in other major institutions across the country?

We have to have 40 hours of continuing medical education (CME) to get our license. There are no doctors licensed in the State who have been decades without CME. You would severely limit the number of people on your staff if you considered publishing. How long did it take Renown to complete its transition? Are we looking at the "quick-care funnel" to get UMC paying patients who contract to doctors and the increased staff? One of the issues with UMC is the staff benefit-pay collective-bargaining issues that may not be the same in some other issues. Is there any other way to limit the practicing of physicians at UMC besides "a staff model" with UNSM or one of the other medical schools? There should be some kind of limitation of their practicing at UMC. I do not know if this is the way they want to do it.

MARCIA TURNER (Nevada System of Higher Education):

The Nevada System of Higher Education is in support of this bill. We have been working with UMC for many years. Over the last year and a half, we have made a concerted effort to look at the possibilities of turning UMC into a more robust teaching hospital. The consultant spent a lot of time with UMC and UNSM. We are looking at this beyond the UNSM. The UNSM is the cornerstone of the relationship. This is something that is enabling and will not happen immediately. The law prohibits UMC from requiring affiliation or creating regulations regarding specific limitation to staff. The idea is not to exclude anyone. It is to work together on those centers of excellence and make sure everyone is committed to the mission of UMC and the teaching mission of the hospital.

CHAIR COPENING:

When UMC opened, was there a focus as a teaching hospital? If not, when did the focus of becoming a teaching institution happen?

MS. TURNER:

I do not have that exact date.

SENATOR WIENER:

Is the exclusive contract with a physician for special services based on your experience from the hospital side and the academic side? Is that something to bring in some patients who might not already be there or would not otherwise be going to UMC?

MS. TURNER:

That was an amendment UMC added in the first round of hearings—to give UMC the flexibility above and beyond the academic affiliation piece. For instance, if there was a service we did not have the faculty to provide or we were not engaged in that side of academic medicine, there is the ability to contract directly with the group of physicians to provide one of those services.

SENATOR WIENER:

If there is a neonatology physician who would be the exclusive provider of that service at UMC, there would not be another such physician. In addition to having that kind of contractual arrangement, they would also be able to provide the patients to the facility for the teaching aspect. Would it be integrated in that way?

MS. TURNER:

The UMC is committed to enhancing its role as an academic teaching institution. Regardless of whether contracting with UNSM or an outside group, there would be an opportunity to do what you are saying and enhance teaching and care.

MR. BRANNMAN:

We have certain services in which the school has no training program. We envision having a single group providing service in those areas. As the school blossoms, we would start to grow those additional programs.

LAWRENCE P. MATHEIS (Nevada State Medical Association):

The growth and sustainability of the UNSM is essential if we are ever going to move toward having a workforce sufficient to our needs. A number of amendments we proposed in the Assembly have been incorporated in A.B. 29. Unfortunately, we do oppose the bill. The concern is that this is a public hospital. The open-staff model is part of a commitment to the community. It is a perspective of the role of public hospitals. A great number of the medical staff who serve at UMC do so out of the same community commitment as the nurses who work there. The physicians who have dedicated their entire practice to Nevada have done so because they feel that special commitment to the institution and the community mission of that institution. To become a complete academic medical center cannot happen in two, three, five or ten years. The UNSM will have grown its residency program. A number of residents will have a faculty with enough fellowships to be able to perform all of the missions of the



hospital. That is why the open-staff model is one that public facilities need to the extent that private facilities do not. They can rethink their missions in ways the public hospitals cannot. To move from what is mostly an open-staff model to a closed-staff model will change the nature of that facility and will change the relationship with that community.

JOHN A. ELLERTON, M.D.:

If the problem is sustainability, why would someone cast aside the community physicians and not let them be a part of the picture? There is a certain amount of concern in the general medical community in Las Vegas that UMC has become unfriendly to the community physicians. There is concern that UNSM is not as friendly as it could be to the community physicians. I agree with Mr. Brannman. It is through self-selection that physicians would come there to work, but who would choose who those are? Publishing and research could not be done by some of my professors, and they were good teachers. My main concern is that this is the public hospital. It is a county hospital that has had an open-staff model for years. Changing it drastically is going to change the nature of the institution and the relationship to the community. I have grave concerns that it may not be the best thing for the sustainability of UMC.

JOHN PAPPAGEORGE (Health Services Coalition):

The Health Services Coalition is neutral on the bill, but we are not neutral on UMC. We strongly support the hospital. We do not object to the amount of the money the advisory board may be paid. Our members could possibly serve in that capacity, and that is why we are neutral.

DENISE SELLECK DAVIS (Nevada Osteopathic Medical Association):

The Nevada Osteopathic Medical Association is opposed to this bill. Most of our concerns have already been addressed. We are concerned about limiting physicians to the hospital for its sustained mission.

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CHAIR COPENING:

We will close the meeting on A.B. 29 and adjourn the Senate Committee on Health and Human Services meeting at 4:22 p.m.

RESPECTFULLY SUBMITTED:

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Shauna Kirk,  
Committee Secretary

APPROVED BY:

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Senator Allison Copenig, Chair

DATE: \_\_\_\_\_