



**TABLE OF CONTENTS
FOR
HEALTH AFFAIRS COMMITTEE**

Committee Meeting: 8/18/2021

Board Meeting: 8/19/2021
Austin, Texas

Christina Melton Crain, Chairman
R. Steven Hicks
Jodie Lee Jiles
Janiece Longoria
Nolan Perez
Stuart W. Stedman

	Committee Meeting	Board Meeting	Page
Convene	<i>1:45 p.m.</i> <i>Chairman Crain</i>		
1. U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration	Discussion	Action	197
2. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns and approve rates for the Plan	Action <i>Dr. Zerwas</i> <i>Mr. Sharphorn</i>	Action	198
3. U. T. System: Discussion and appropriate action to establish, maintain, and administer the Texas Epidemic Public Health Institute at The University of Texas Health Science Center at Houston	Action <i>Dr. Zerwas</i> <i>President Colasurdo</i>	Action	200
4. U. T. System: Discussion and appropriate action to a) establish, name, and operate a multi-institution center in Laredo, Texas, under the direction of the University of Texas System Board of Regents; b) assign management of the center to the Chancellor; c) allocate and authorize the expenditure of approximately \$7.2 million of appropriated funds for costs; and d) delegate authority to the Chancellor to execute related documents and take other necessary action	Action <i>Dr. Zerwas</i>	Action	202
Adjourn		<i>2:15 p.m.</i>	

1. **U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration**

RECOMMENDATION

The proposed Consent Agenda items assigned to this Committee are [Items 61 - 81](#).

2. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns and approve rates for the Plan

RECOMMENDATION

The Chancellor concurs in the recommendation of The University of Texas System Professional Medical Liability Benefit Plan (Plan) Management Committee, chaired by the Vice Chancellor and General Counsel, and comprised of the Chair, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for Business Affairs, after consultation with Milliman, Inc., actuary for the Plan, that:

- a. overall premium rates remain unchanged; and
- b. \$6 million in premiums be returned to the participating U. T. System institutions based on a methodology that considers each institution's losses.

The proposed distribution of \$6 million is set forth on the following page as Exhibit 1.

BACKGROUND INFORMATION

With the implementation of tort reform in 2003, the Plan Management Committee (Committee) has consistently recommended significant reductions in total Plan assets to bring the reserve levels to those generally accepted by the industry. The Committee continues balancing Plan revenue from premiums charged and investment income with adequate capitalization from which to pay Plan claims, reserves for future claims, and administrative expenses. As part of this effort, Plan premiums were significantly reduced for several years immediately following tort reform adoption, and since 2007, the premium rates have either been reduced or unchanged. However, Plan premiums are adjusted annually for institutional loss experience.

For the coming year, the Committee recommends maintaining overall premiums at the current rates. Based on Plan investment income and efficient management of claims, the Committee recommends a return to the contributing institutions of \$6 million so that excessive reserves are not maintained. The combination of unchanged rates along with this distribution should still allow for adequate capitalization of the Plan.

The methodology for distribution of \$6 million to participating institutions considers the proportion of each institution's payment into the Plan as well as each institution's loss experience. Thus, those institutions with higher claims receive lower distributions.

Since there are remaining funds previously designated for U. T. efforts in patient safety enhancement through collaborative projects, as identified by the Executive Vice Chancellor for Health Affairs, no additional such funds are recommended for such purposes for this fiscal year.

Exhibit 1
The University of Texas System Professional Medical Liability Benefit Plan
Proposed Distribution of Plan Returns
 FY 2021

<i>Institution</i>	<i>Premium Paid</i>	<i>Claims Expense</i>	<i>Net Contribution Amount</i>	<i>Rebate based on Net Contribution</i>
	<i>2019-2021 (3 year)</i>	<i>2019-2021 (3 year)</i>	<i>3 Yr (Premium - Expenses)</i>	<i>FY 2021</i>
UT Arlington	8,205	-	8,205	2,182
UT Austin	627,460	197,711	429,749	114,311
UT Dallas	5,849	1,246	4,603	1,224
UT El Paso	948	-	948	252
UT Rio Grande Valley	1,188,321	75,232	1,113,089	296,075
UT San Antonio	4,818	-	4,818	1,282
UTSWMC	7,595,600	3,357,630	4,237,970	1,127,274
UTMB	4,694,434	3,208,089	1,486,345	395,359
UTHSCH ¹	11,642,423	2,904,701	8,737,722	2,324,179
UTHSCSA	5,261,477	1,692,837	3,568,640	949,236
UTMDACC	3,830,566	1,484,875	2,345,691	623,939
UTHSCT	668,068	48,931	619,137	164,687
Subtotal	\$ 35,528,169	\$ 12,971,252	\$ 22,556,917	\$ 6,000,000

¹ UTHSCH Premium includes premium collected from the Med Foundation in FY 2019.

TOTAL DISTRIBUTION FY 2021	\$ 6,000,000
TOTAL DISTRIBUTION FY 2019-2021	\$ 18,000,000

3. U. T. System: Discussion and appropriate action to establish, maintain, and administer the Texas Epidemic Public Health Institute at The University of Texas Health Science Center at Houston

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor for Governmental Relations, and the Vice Chancellor and General Counsel that the U. T. System Board of Regents

- a. establish, maintain, and administer the Texas Epidemic Public Health Institute at U. T. Health Science Center - Houston, under the direction of the U. T. System Board of Regents and the Chancellor through the institutional president; and
- b. delegate authority to the institution president to execute all documents, instruments, and other agreements, following review and approval by the Chancellor, the Executive Vice Chancellor for Health Affairs, the Vice Chancellor for Governmental Relations, and the Vice Chancellor and General Counsel, and to take all further actions necessary or advisable to carry out the purpose and intent of the foregoing actions.

BACKGROUND INFORMATION

The 87th Texas Legislature, through bipartisan legislation, approved the establishment of the Texas Epidemic Public Health Institute (TEPHI) at U. T. Health Science Center - Houston, for the protection of public health in the State of Texas. Pursuant to Texas Senate Bill 1780, TEPHI will establish and maintain a public health reserve network of public health professionals, community health workers, state and local public health agencies, health care organizations, universities throughout the state, and other relevant entities and persons for the purpose of coordinating efforts to protect public health in the state, and support pandemic and epidemic disaster preparedness and response components of the state emergency management plan.

TEPHI will:

- operate as a separate Texas state agency in affiliation with U. T. Health Science Center - Houston's School of Public Health.
- launch a statewide learning network to provide high-quality training opportunities for Texas public health professionals and community health workers to increase the capacity of local and state health departments to effectively respond to, recover from, and build community resilience related to infectious disease threats and emergencies.
- build an infrastructure to recruit, train, and ready for deployment of 3,500 adults throughout Texas to serve in the public health reserve.
- create and house an analytics core providing guidance to public health leadership and communities on how to identify, prevent, monitor, and/or respond to outbreaks of selected infectious diseases in Texas.

- serve as a coordinating center to assure that all pandemic-related data and stewarding agencies are following the F.A.I.R. principles, which states that data must be Findable, Accessible, Interoperable, and Reusable.
- create and maintain an accurate inventory of pandemic-related data resources, create a network of pandemic-related data scientists, and convene an annual meeting of data resources and analytics to promote networking and sharing of best practices.
- commit to serving the vulnerable, underserved, and rural populations through prevention, health literacy, and pandemic response.
- work with businesses and professional organizations to prepare for business disruption and protect the safety and well-being of employees, especially in essential services and food supply chains.
- inventory and convene severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) testing laboratories to create a manual of procedure of best practices and identify shared areas of needed improvement across the state.

The Legislature may meet at a future date to appropriate funds specifically for the TEPHI. If the Legislature does not appropriate funds for TEPHI, the Board of Regents may, but is not required to, implement the provisions of Texas Senate Bill 1780 using other money available to the Board of Regents for that purpose. TEPHI may also accept gifts, grants, and donations from any source to support its purposes.

4. **U. T. System: Discussion and appropriate action to a) establish, name, and operate a multi-institution center in Laredo, Texas, under the direction of the University of Texas System Board of Regents; b) assign management of the center to the Chancellor; c) allocate and authorize the expenditure of approximately \$7.2 million of appropriated funds for costs; and d) delegate authority to the Chancellor to execute related documents and take other necessary action**

RECOMMENDATION

The Chancellor concurs with the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor for Governmental Relations, the Vice Chancellor and General Counsel, and the institutional president that the U. T. System Board of Regents

- a. establish, name, and operate a multi-institution health center in Laredo, Texas, under the direction of the U. T. System Board of Regents;
- b. assign management of the center to the Chancellor;
- c. allocate and authorize the expenditure of approximately \$7.2 million of appropriated funds for costs; and
- d. delegate authority to the Chancellor to execute related documents and take other necessary action.

BACKGROUND INFORMATION

The 87th Texas Legislature approved the establishment and operation of a multi-institution center in the city of Laredo, Texas, by the U. T. System Board of Regents, to host educational activities, conduct and facilitate research, and engage in community outreach. Pursuant to Texas Senate Bill 884, U. T. institutions may use the center in accordance with its primary purpose to provide undergraduate and graduate medical and dental education, including residency training programs, and other levels of health education work in collaboration with any public institution of higher education considered appropriate by the U. T. System Board of Regents. The Board may assign responsibility for management of the center to a U. T. institution.

The Legislature may appropriate funds specifically for the center. Appropriated funds may be used to maintain, operate, and conduct health education programs and other related work at the multi-institution center in Laredo. Operating costs of the center will be paid from available funds from any public or private entity. U. T. System Board of Regents may accept public and private offers of land in Laredo, Texas, to construct a center, and public or private funds necessary to construct an administrative building. The Board may also accept and administer gifts and grants from any public or private person or entity for the use and benefit of the center, including accepting and administering gifts and grants of land and physical facilities.