

# The MetroHealth System Board of Trustees

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## AUDIT AND COMPLIANCE COMMITTEE

Wednesday, November 9, 2022

Meeting held at MetroHealth Glick Center Room 311A  
& Via Zoom at <https://us02web.zoom.us/j/88017529894>

### Meeting Minutes

<b>Committee Members Present:</b>	Ms. Dee, Mr. Moss, Ms. Whiting
<b>Other Trustees Present:</b>	Ms. Chappell, Dr. Silvers, Dr. Walker
<b>Staff Present:</b>	Mr. Fiser, Ms. McBride, Ms. Morales, Mr. Richmond, Ms. Venn, Ms. Wahl
<b>Guests:</b>	Mr. Despoth, Mr. Holloway, Mr. Mylen (KPMG), Ms. Kalic, Mr. Luker, Ms. Pallante (RSM)

Ms. Dee called the meeting to order at 2:05 pm.

(The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.)

#### I. **Approval of Minutes**

The minutes of the August 10, 2022 Committee meeting were approved as submitted.

#### II. **Information Items**

##### **Transformation Project Construction Cost Review – David Luker, RSM**

Mr. Luker provided an update on the Transformation, Apex, Behavioral Health and Ambulatory Enabling Project construction projects. Mr. Luker stated RSM



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continues to conduct monthly reviews through e-Builder (construction management software) of the invoices submitted by consultants and contractors, making sure there is adequate supporting documents, and that invoicing is in accordance with agreements. Mr. Luker provided the number and dollar amounts of invoices reviewed during the period, including the amount paid to date to each construction contractor and consultant. Mr. Luker provided an update on the status of interim audit findings, including the results of Interim audit procedures performed on the Behavioral Health Project. Mr. Luker provided a summary of process improvements and invoice review findings noted during the period. Mr. Luker highlighted the interim audit for the Apex project will commence in November 2022, and the interim audit for the Glick Tower component of the Transformation project will commence upon substantial completion, currently slated for the fourth quarter of 2022. Mr. Luker stated closeout procedures for the Behavioral Health project will commence in the first quarter of 2023.

### **2022 External Audit Plan – Lori Kalic, RSM**

Ms. Kalic presented on the planned scope and timing of the 2022 Financial Statement audit. Ms. Kalic introduced the RSM engagement team, which are consistent with the prior year, including several specialists from RSM and Charles E. Harris & Associates who will serve as the Minority Firm Partner. The scope of services included in the engagement were discussed and included in the audit are The MetroHealth System, Select Assurance Captive LLC, Recovery Resources, Lumina Imaging, and all other Component Units. Ms. Kalic discussed RSM's responsibilities under U.S. Generally Accepted Auditing Standards, and their risk-based audit approach that focuses on areas of significant judgement or estimates employed by management. Ms. Kalic presented the 2022 audit timeline stating initial interim work is underway. Ms. Kalic mentioned the timeline will culminate with a presentation of the audit, and RSM's Opinion being presented at the March 2023 Audit Committee. Ms. Kalic noted that RSM has made significant investments in technology which they will employ throughout the audit to create efficiencies and increase value.



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## 2022 Internal Audit Update – Jim Mylen and Veronica Despoth, KPMG

Mr. Mylen (MetroHealth’s Internal Audit Director) provided an update on the 2022 Internal Audit (IA) plan and an overview of the accomplishments and goals for the quarter. Mr. Mylen, Ms. Despoth and Mr. Holloway reviewed the status of the 2022 IA plan including the completion of interim 2022 financial reporting control (FRC) testing stating finalized FRC testing and financial process narratives are sent to MetroHealth’s external auditor, RSM, for reliance during their 2022 financial statement audit procedures. Mr. Mylen and Ms. Despoth provided an update of the quarterly financial reporting disclosure structure with emphasis on the importance of monitoring the financial statements, financial reporting controls and business operations for changes and updates. Mr. Mylen, Ms. Despoth and Mr. Holloway provided the committee with a preview of top 2023 industry risks in the healthcare provider space and discussed how these risks will be considered during the 2023 enterprise risk assessment process which has been kicked off and will conclude during the first quarter of 2023 with Internal Audit’s presentation of the 2023 audit plan to the Audit and Compliance Committee of MetroHealth’s Board of Trustees.

## 2022 Ethics and Compliance Update – Cheryl Forino Wahl and Lisa Venn

Ms. Wahl and Ms. Venn provided a report on recent compliance program activities. Ms. Wahl stated the Compliance work plan is 86 percent complete through October and most projects are on track to be completed by the end of December. Ms. Wahl mentioned recent accomplishments include publishing a refreshed code of conduct: *This is Who We Are: Our Culture of Ethics*, launching a psychological safety toolkit, developing a framework for assessing research compliance risk, and developing a three-year schedule to evaluate the effectiveness of various components of our compliance program. Ms. Venn shared the success of the Privacy Liaison program and some of the unexpected benefits of the program. Ms. Wahl explained changes in hotline data reporting due to the redirection of workplace civility (human resources (HR) issues to a separate reporting modality managed by HR. Ms. Wahl reviewed the hotline data for the third quarter of 2022 and identified recent trends and provided comparisons to national benchmarks.



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## Cyber Security and IT Update – David Fiser

Mr. Fiser provided an update on Information Services (IS) cyber security and IT activities stating that MetroHealth continues to conduct monthly Phishing Simulations focused on helping employees recognize, avoid, and report potential threats. These simulations are based on real phishing attacks, which are used to test all workforce members with additional Phishing training provided as needed. Mr. Fiser mentioned additional security tools have been implemented to monitor network account changes, monitoring of the Dark web and centralizing of access logs for patient data applications to help with investigations and reporting.

Mr. Fiser stated they have initiated the fourth year of a multi-year disaster recovery program including application test plans and testing. Mr. Fiser stated MetroHealth has completed implementation for the Epic Behavioral Health module supporting system-wide Behavioral Health treatment planning, documentation, patient safety, monitoring, risk management and reporting. Mr. Fiser stated MetroHealth has completed implementation for the Epic Connect Rose Module to support Population Health Management with Virtual Chronic Disease Management and Hospital-In-The-Home patient care. Mr. Fiser stated implementation was completed of applications and technologies to support the go-lives of the new Cleveland Heights Behavioral Health Hospital in October 2022 and the new main campus Glick Center in November 2022.

Mr. Fiser mentioned that MetroHealth has been recognized by The College of Healthcare Information Management Executives (CHIME) as a Digital Health Most Wired Health System for 2022 and that MetroHealth was awarded two Level 8 Digital Health Most Wired achievements for Acute Care and Ambulatory Care.

Mr. Fiser stated the 21<sup>st</sup> Century Cures Act is designed to prevent blocking of electronic health information between devices, applications, and health systems, that MetroHealth has met the requirements for the Cures Act by October 2022.

Mr. Fiser discussed Enterprise Resources Planning (ERP) which involves applications supporting operations for Finance, Supply Chain and Human Resources. Mr. Fiser stated implementation is planned to begin in 2023 and that the project is estimated to take between 18 to 20 months to complete.



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## III. Executive Session

Ms. Dee indicated that all further matters to be considered at this meeting involve the discussions of hospital trade secrets. Upon unanimous roll call vote, the Committee went into Executive Session to discuss such matters at 3:14 pm.

Following Executive Session, the meeting reconvened in open session at 3:58 pm.

## IV. Recommendation/Resolutions Approvals

A. No items at this time.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 3:59 pm.

Craig Richmond  
Executive Vice President, Chief Financial &  
System Services Officer

Cheryl Wahl  
Senior Vice President, Chief Ethics & Compliance  
Officer