

THE METROHEALTH SYSTEM
BOARD OF TRUSTEES
LEGAL & GOVERNMENT RELATIONS COMMITTEE

June 22, 2016

Present: Committee Members: Thomas McDonald, Charles Spain

Other Trustees: Maureen Dee

Staff: Dr. Akram Boutros, Elizabeth Allen, Dr. Alfred Connors, Marlene Franklin, Michael Phillips, Craig Richmond

The meeting was called to order at 2:05 p.m. by Mr. Spain. 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. The minutes of the March 23, 2016, meeting were approved.

II. Consent Items

Mr. Phillips informed the Board that discussion concerning the following resolution would be reserved for Executive Session.

1. Authorization of the Engagement of BakerHostetler as Special Counsel for Ethics and Compliance

III. Discussion Items

- Government Relations Update

Ms. Allen stated that Tracy Carter would begin with an update on the Hospital Outpatient Department (HOPD) pending legislation. Ms. Carter reported that in November 2015 Congress passed the Bipartisan Budget Act to provide cost savings for the HOPD, and one of the savings was to reduce the payment rate for the offsite outpatient department programs. Since MetroHealth has three to four projects under development that would be impacted by this legislation, MetroHealth has partnered with Cleveland Clinic, University Hospitals, Sisters of Charity, the American Hospital Association, and the America's Essential Hospitals for changes to allow these sites under development deemed inactive which will entitle them to be grandfathered and protected.

Ms. Carter stated that Congressman Tiberi and Congressman Renacci have been assisting MetroHealth on the House side in getting The Helping Hospitals Improve Patient Care Act of 2016 (H.B. 5273) approved. If H.B. 5273 becomes final law, MetroHealth's Brecksville project would be protected. She said MetroHealth is exploring avenues in this legislation and through the Centers for Medicare and Medicaid (CMS) regulations to see if the Parma and Cleveland Heights sites could be protected as well. On June 7, 2016, H.B. 5273 went through the House and is now on its way to the Senate, and MetroHealth will be contacting Senators Brown and Portman to pursue adopting similar legislation to protect MetroHealth's interests.

In association with discussing the HOPDs, Dr. Boutros reviewed the 340B program, a federal drug discount program that MetroHealth providers utilize to serve low-income patients, which is under attack by the pharmaceutical industry.

- Risk Management Report

Ms. Franklin's report was reserved for Executive Session.

A motion was unanimously passed by roll call vote to hold an executive session to consider litigation and trade secrets.

Following the executive session, the meeting reopened.

1. Authorization of the Engagement of BakerHostetler as Special Counsel for Ethics and Compliance

Mr. Spain requested approval of BakerHostetler as Special Counsel for Ethics and Compliance, specifically Steven Dettelbach, to serve as Special Counsel to the President and Chief Executive Officer for Ethics and Compliance.

Upon motion made and seconded, the Committee resolved to recommend approval of retaining BakerHostetler as Special Counsel for Ethics and Compliance, specifically Steven Dettelbach, to serve as Special Counsel to the President and Chief Executive Officer for Ethics and Compliance.

IV. Action Items - None

Ms. Franklin updated the Committee on the upcoming trial docket.

There being no further business, the meeting adjourned at 3:15 p.m.

Respectfully submitted,

Michael Phillips
Senior Vice President and Chief Legal Officer