

**BOARD OF TRUSTEES
The MetroHealth System**

Date: January 25, 2017

Time: 4 p.m.

Place: The MetroHealth System Board Room

Present: Mr. McDonald, Rev. Minor, Mr. Monnolly, Mr. Moss, Dr. Silvers, Mr. Spain, Ms. Whiting

Staff: Dr. Boutros, Ms. Allen, Dr. Boulanger, Ms. Brown, Dr. Chehade, Dr. Connors, Mr. Jones, Dr. Kasprzak, Ms. Kirk, Ms. Kline, Mr. Lewis, Mr. Phillips, Ms. Platten, Mr. Richmond, Mr. Stern, Dr. Thomas

MINUTES OF MEETING

The meeting was called to order by Mr. McDonald at 4:05 p.m.

(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.)

1. Minutes

The Board approved the Minutes of the Regular Meeting of December 21, 2016.
RESOLUTION 19065.

2. Consent Agenda

A. Audit Committee – No Meeting

B. Diversity and Inclusion Committee – None

C. Facilities and Space Committee – None

D. Finance Committee

1. The Board unanimously approved certain capital improvements and purchases, for the items, purposes, and aggregate costs as detailed in Attachment A, to be paid out of available capital funds, and subsequently reimbursed through fund sources indicated in Attachment A. RESOLUTION 19066.
2. The Board unanimously approved acceptance of the donation of certain real estate located at 3111 Broadview Road, Cleveland 44109 and naming the future MetroHouse "Zubizarreta House". RESOLUTION 19067.

E. Legal and Government Relations Committee – No Meeting

F. Patient Experience Committee – No Meeting

G. Executive Committee – None

H. Quality and Safety Committee – None

3. President and CEO's Report

Dr. Boutros began his report by stating while the President's Report was being written, MetroHealth was waiting for the inauguration of the 45th President of the United States of America. He indicated that it was our belief that the President's first executive order concerning the Affordable Care Act (ACA) would have little impact on health care services to patients today. He indicated the Senate Bill that passed regarding the ACA repeal initially has no power except to be considered in a reconciliation process, noting that the Senate must report a financial impact in the country in order to proceed to reconciliation. Dr. Boutros further discussed how reconciliation of the ACA would have an impact on the economy of the United States, noting both Senators and Congressman know that it is not only discussion of health care coverage and that the repeal, extension or replacement could take as long as two years or more. He also discussed the issues of Exchanges and Medicaid expansion and the potential impact to MetroHealth and he also noted MetroHealth's involvement in discussions with various industry organizations and discussions with both federal and state legislators.

4. Nursing/Magnet Report – Melissa Kline, Chief Nursing Officer

Ms. Kline began her report by reviewing 2016 goals that Nursing met or exceeded: (1) 42 active Nursing research projects and 29 publications, indicating records set for Nursing concerning both the highest number of research projects and the highest number of publications; (2) completion of 27 presentations at regional and national conferences, revealing to the outside public the name MetroHealth and various achievements throughout the community; (3) the Institute of Medicine recommended the nursing workforce be 80% BSN prepared by the year 2020 and, to that end, the 2016 goal was set at 68% and Nursing surpassed that goal at 68.5% with another 11.1% of staff enrolled in the current BSN Program; and (4) the increased number of certified nurses to 25.3% or 422 nurses, indicating an increase of 95 nurses and the largest number MetroHealth has employed in one year. Dr. Boutros elaborated on the fact that the Institute of Medicine demonstrated that mortality rates go down with the percentage of BSN nurses a hospital has on staff, which reflects professional development's role in patient care. Lastly, Ms. Kline stated that Tuesday, January 24, 2017, was a difficult day in the Emergency Department with Police Officer David Fahey being struck in a hit and run incident on I-90 and later died from his injuries, noting several sergeants and leaders from the Cleveland Police Department thanked the nurses, physicians and communications staff that assisted. Dr. Boutros added that MetroHealth not only assisted with care of Officer Fahey but also participated in the care of the suspect who was later apprehended.

5. Medical Staff

A. Report of Medical Staff President – Dr. Timothy Kasprzak

Dr. Kasprzak reported that Cheryl Bradas was named Chair of the Cuyahoga County Department of Senior and Adult Services (DSAS) Advisory Board. He also stated that the Medical Staff Bylaws, the rules and regulations by which the Medical Staff is self-governed, are in the process of being updated and will be voted on in the Spring. He stated that concurrent with the changes required by law there was an effort being made to educate providers on the prescribing practices of opioids with respect to the opioid epidemic currently happening in the community. Dr. Kasprzak thanked the Board Chair, Mr. McDonald, for reading the letter addressed to Dr. Boutros and Dr. Laskey from a patient commending the team of medical professionals who ministered to her during her two surgeries near the end of 2016, noting that it is a testimony to the collective

institutional efforts being made for all employees taking ownership and embracing the philosophy in touching the lives of patients receiving care at MetroHealth. Lastly, he indicated how blessed the Medical Staff was to have Dr. Pamela Davis, Dean of the School of Medicine and Senior Vice President for Medical Affairs at Case Western Reserve University, come to MetroHealth to provide an update on activities at Case Western.

B. Approval of Medical Staff/Allied Health Providers Appointments/Actions/Reappointments – January 2017

1. The Board unanimously approved the Medical Staff Appointments/Actions for January 2017. RESOLUTION 19068.
2. The Board unanimously approved the Allied Health Appointments/Actions for January 2017. RESOLUTION 19069.

C. Medical Staff Committee Minutes – December 9, 2016

D. Report of Case Western Reserve School of Medicine – Dr. Patricia Thomas

Dr. Thomas began her report by stating how excited and pleased Dr. Pamela Davis, Dean of Case Western Reserve School of Medicine, was to address the Medical Staff on January 24, 2017, concerning the State of the School of Medicine, its relationship with MetroHealth, and highlight the leading individuals at MetroHealth. On behalf of the Case Western Reserve University School of Medicine, Dr. Thomas then congratulated Dr. Bernard Boulanger on being named the Senior Associate Dean for MetroHealth. She reported that the School of Medicine's accreditation review will be the first week of March and indicated a mock site visit will be held on January 30 and 31, 2017, the site team wanting to meet the residents in addition to students, teaching faculty, and junior faculty. Lastly, Dr. Thomas extended her thank you to everyone involved in the accreditation process and is hopeful to share a good outcome in the very near future.

6. Audit Committee – No Meeting

7. Diversity and Inclusion Committee

A. Report of Committee Chairperson

Ms. Whiting reported that the Diversity and Inclusion Committee met just prior to the Board meeting and was pleased to announce that the Diversity Committee, together with the Community Business Enterprise Campus Transformation and facilities staff, exceeded their 2016 goal, their stretch goal of 30% to 32% and their Target being 25%, noting approximately four years ago being told this goal was impossible due to not being able to find qualified minorities to do construction in Cleveland and the Diversity and Inclusion Department and senior leadership team being committed. Another impressive goal achieved was the Procurement Department exceeding their stretch goal from 20% in 2015 to 23.5% in 2016. Dr. Boutros added if MetroHealth were to exclude the acquisition of HealthSpan spend, the goal would have reached 25% which would have taken the Procurement Department to Target.

Ms. Whiting stated that the Committee received an excellent report from the Office of Inclusion and Diversity, noting they set six goals for 2017, with a couple being to work with the Medical Staff to provide culturally competent care that reduces health disparities and promotes health equity and having the ability to collect data to enable them to

measure qualitatively and quantitatively. Recruitment and retention is a second goal, reporting that this goal is to support MetroHealth's activities by identifying, recruiting, hiring and developing a qualified diverse pool of candidates by scheduling events in the work place and engaging employee councils such as Christian Fellowship, emerging leaders, and maintaining work with various interest groups within MetroHealth. A third goal discussed was training and development, indicating that a diversity tool kit for managers was developed as a simulation training for residents while case studies are used to address issues of cultural competency. The last goal discussed was that of community engagement and that the leadership team will be assisting Rev. Minor's Community Engagement Committee in the near future.

B. Non-Consent Agenda

1. Action Items – None
2. Information Items
 - a. Office of Inclusion and Diversity – Lourdes Negrón-McDaniel
 - b. Community Business Enterprise Report – Walter Jones
 - c. Supplier Diversity – Paul Martucci
 - d. Talent Acquisition – Kyle Hodges

8. Facilities and Space Committee – Cancelled

9. Finance Committee

A. Report of Committee Chairperson

Dr. Silvers began his report by recommending that the Board members review the data as outlined in the Monthly Financial Report for the 4th Quarter 2016. The 1st Quarter provided a serious shortfall and targets were set for the remainder of 2016, with the System exceeding those targets in one area and being close to target on another. He stated it was a good year except for two items: (1) non-recurring items or one-time investment and transitional costs such as the HealthSpan acquisition and (2) GASB 68, MetroHealth's accounting for pension liability under the accounting profession rules, relating to a liability for which the State of Ohio is responsible. This was a significant reporting event but was non-cash and did not impact our cash flow. Dr. Silvers also reported that the overall mix and the total bottom line are good, noting Emergency Department visits are still strong due to the opening of the new Emergency Departments, even though trauma visits have dropped.

Mr. Richmond began by noting that GASB stands for Governmental Accounting Standards Board referencing the accounting and financial reporting for pensions, which is what GASB 68 represents. The GASB 68 adjustment is recorded on an annual basis using results from the State of Ohio OPERS actuarial reports. He reviewed the process in more detail and reiterated on what Dr. Silvers reported that as far as the pension reporting, the accounting standards do not represent legal claims on MetroHealth's resources and no cash flows are associated with recognition of net pension liabilities, deferrals and expenses, noting MetroHealth only contributes what we are legally responsible to contribute by law. In 2016, the pension liability held a negative impact of \$14.6 million and in 2015 it held a positive impact of approximately \$6 million, noting there is always a one-year look back. In review of unaudited Adjusted Operating Income, for the year it was \$22.7 million compared to \$23.1 million in 2015, noting that the target was \$17.8 million and approximately \$14 million excluded from the \$22.7 million were non-recurring charges and the GASB 68 adjustment. Mr. Richmond also shared with the Board that

MetroHealth had 20% substantial growth in unique patients in 2016, noting not the growth in the number of visits but the numbers of patients which MetroHealth serves.

B. Non-Consent Agenda

1. Action Items – None
2. Information Items
 - a. Unaudited Monthly Financial Report – December 2016 – Craig Richmond
 - b. Management’s Discussion and Analysis/Unaudited Financial Highlights – December 2016 – Craig Richmond

10. Legal and Government Relations Committee – No Meeting

11. Patient Experience Committee – No Meeting

12. Executive Committee – No Report

13. Quality and Safety Committee

A. Report of Committee Chairperson

Mr. Moss reported that the Quality and Safety Committee met on Tuesday, January 24th, and the discussion centered around the Population Health Innovation Institute and a review of the Quality Institute’s goals in 2016 and the goals benchmarked for 2017. Dr. Chehade discussed the Population Health Innovation Institute, stating its main goal is to focus on integration of the population health concept into the quality of MetroHealth instead of an individual focus resulting in healthier individuals. Dr. Connors and Matthew Kaufmann discussed the formation, mission, goals and objectives of the MetroHealth Quality Institute, stating that its mission is to inspire excellence in quality through collaboration, empowerment and commitment and noting the four areas of focus being accreditation and regulatory, infection prevention, quality improvement and data management, and patient safety. In reviewing the 2016 Quality goals, Mr. Moss reported that of the twelve measures, MetroHealth improved in seven, remained about the same in four, and worse in only one, noting that their 2016 goal was to hold the threshold of seven out of the twelve. He further reported being behind on sharp injuries and the most improved being Central Line Associated Blood Stream and Catheter-associated Urinary Tract Infections.

B. Non-Consent Agenda

1. Action Items – None
2. Information Items
 - a. Population Health – Nabil Chehade, M.D.
 - b. Performance on 2016 S&Q Goals – Matthew Kaufmann
 - c. The MetroHealth Quality Institute – Alfred Connors, M.D. & Matthew Kaufmann
 - d. Presentation of 2017 Quality Goals – Alfred Connors, M.D.

14. External Affairs Report – Elizabeth Allen, Senior Vice President, External Affairs

Ms. Allen presented two brief announcements to the Board: (1) MetroHealth’s Annual Meeting is being held on Friday, June 9, 2017, from 8-10 a.m. at the Global Center for Health Innovations, Save the Date cards to be mailed out the week of January 30, 2017; and (2) Michael Dalton has been named MetroHealth’s Director of State Government Relations after a year’s search, formerly from Summa Health System.

15. Foundation and System Philanthropy Report – Kate Brown, Chief Development Officer and President, The MetroHealth Foundation

Ms. Brown began her report by stating several year-end gifts received were mentioned in the President's Report, and that 2017 began with a two-year commitment of a \$210,000 grant to the MetroHealth Autism Assessment Clinic (MAAC) on the West side of Cleveland from The Elisabeth Severance Prentiss Foundation to assist in the care of low income children and a number of Spanish speaking children, the grant also providing Spanish language interpretation services and a coordinator to assist in the coordination of care for these children. She then reviewed with Board members the status of the Old Brooklyn Zubizarreta House being built by Miguel and Denise Zubizarreta and donated to MetroHealth, the grand opening and reception scheduled for March 23rd, noting that this house will be a place to reside for paraplegic or quadriplegic patients participating in the FES Program that have suffered from spinal cord injuries and need to return to MetroHealth for additional therapies and services. The Zubizarreta House has been specifically designed to accommodate patients with rooms for a place to stay, along with a family member or care taker, which includes laundry, a community room, and a patio. Dr. Boutros thanked Miguel and Denise Zubizarreta for this extraordinary designed house and also thanked Brenda Kirk, Chair of The MetroHealth Foundation, for assisting in making the connection with the Zubizarretas.

16. Other Board Items – None

17. Executive Session

A motion was unanimously passed by roll call vote to go into Executive Session to discuss matters involving trade secrets, pending litigation and legal matters required to be kept confidential.

Following the Executive Session, the meeting reconvened in open session at approximately 6:20 p.m.

The Board unanimously authorized and ratified settlement of Claim No. 16-03-1015 in the amount of \$125,000, to be paid from The MetroHealth System Self-Insurance Trust Fund. RESOLUTION 19070.

The Board unanimously authorized and ratified settlement of Claim No. 15-08--1214 in the amount of \$1,600,000, to be paid from The MetroHealth System Self-Insurance Trust Fund. RESOLUTION 19071.

The meeting adjourned at approximately 6:30 p.m.

NEXT MEETING: March 22, 2017 (WEDNESDAY) – 4 p.m.

The MetroHealth System

Respectfully submitted,

Thomas McDonald, Chairperson

Akram Boutros, M.D., FACHE
President and Chief Executive Officer