

BOARD OF TRUSTEES
The MetroHealth System

Date: October 24, 2018

Time: 8:00 a.m.

Place: The MetroHealth System Board Room

Present: Ms. Anderson, Ms. Dee (via phone), Mr. Hurwitz, Mr. McDonald, Mr. Monnolly, Mr. Moss, Dr. Silvers, Ms. Whiting

Staff: Dr. Boutros, Ms. Allen, Mr. Botros, Dr. Boulanger, Ms. Brown, Dr. Chehade, Ms. Hannu, Mr. Phillips, Ms. Platten, Mr. Richmond, Mr. Stern, Ms. Wahl, Dr. Watts, Dr. Werner

Guests: Mr. Brian M. O'Neill, Chair, Board of Directors, The MetroHealth Foundation;
Dr. Patricia Thomas, Vice Dean of Medical Education, Case Western Reserve University School of Medicine

MINUTES OF MEETING

The meeting was called to order by Mr. McDonald at 8:05 a.m. Mr. McDonald noted that there were only five Trustees present in person and that Mr. Monnolly had just joined via telephone. Mr. Monnolly indicated that he would join the meeting in person but would participate via telephone until he arrived at the Board Room.

(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 September 26, 2018.
RESOLUTION 19233.

2. Consent Agenda

A. Audit and Compliance Committee – No Meeting

B. Community Engagement Committee – None

C. Diversity Committee – No Meeting

D. Executive Committee – No Meeting

E. Facilities and Space Committee – No Meeting

F. Finance Committee

1. The Board unanimously approved an increase to the amount of capital funds for 2018 from \$20 million to \$25 million to be funded from 2018 operating cash flow for the ongoing operations of MetroHealth. RESOLUTION 19234.
2. The Board unanimously approved the purchase of certain capital equipment as listed in Exhibit A, for costs not to exceed the amounts shown, to be paid out of available capital funds. RESOLUTION 19235.

3. The Board unanimously approved certain annual purchasing policies and procedures, for participation in group/joint procurement arrangements for the calendar year 2018, for acquisition supplies, equipment, and services routinely used in the operations of the System. The System may pay group purchasing organizations (GPO) and joint purchasing programs (JPP) participation or membership fees and costs, if any out of general operating funds. RESOLUTION 19236.
4. The Board unanimously approved a lease for space at a health center location as more fully described in Attachment A. RESOLUTION 19237.

G. Legal and Government Relations Committee - No Meeting

H. Nominating Committee – No Meeting

I. Patient Experience Committee – No Meeting

J. Quality and Safety Committee – No Meeting

3. President and CEO's Report

Dr. Boutros indicated his report was in the Board Book and that he had nothing more to add.

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

Ms. Theresa Hannu reported in Ms. Kline's absence and stated that approximately 40 nurses attended the second minority nurse recruiting event that was held with a third event to be held in December; two offers of employment to nurses were accepted and another seven additional nurses are in recruitment phases of receiving offers. Kelly Seabold, Magnet Program Manager, was named as one of Northeast Ohio's top young professionals and selected as one of *Crain's* 2018 Forty Under 40 and will be profiled in the 19th Edition of *Crain's* next month.

Dr. Boutros added that Kelly Seabold's announcement was in his President's Report, as well as Michael Dalton, Director of State Government Relations, was selected by *Modern Healthcare* as one of only 15 "Up and Comers" in healthcare.

5. Medical Staff

A. Report of Medical Staff President – Dr. Sandra Werner

At the request of Dr. Werner, Mr. McDonald made a motion and the Board unanimously approved the Medical Staff Appointments, Actions, and Reappointments for October 2018, as well as the Medical Executive Committee Minutes of September 14, 2018. Dr. Werner continued her report by recognizing notable events by staff members: Dr. Heather Vallier, Chief of Orthopaedic Research, was elected 2nd President Elect to the Board of Directors of the Orthopaedic Trauma Association; Dr. Richard Wilson, Director of the Division of Neurorehabilitation and Director of Stroke Rehabilitation, was awarded a five-year \$3.3 million grant from the National Institute of Health to study the effectiveness of peripheral nerve stimulation for the treatment of subacromial impingement syndrome for shoulder impingement; Dr. Kenneth Laurita, bioscientific staff in the Heart and Vascular Center, and Dr. Lance Wilson, attending physician in the Department of Emergency Medicine, were awarded a \$600,000 NIH grant to improve cardiac outcomes during resuscitation from sudden cardiac arrest; Dr. David Kaelber, Chief Medical Informatics Officer, was appointed to the American Academy of Pediatrics' Child Health Informatics Center Project Advisory Committee; and Dr. Terry Stancin, Chief of Psychology and Director of Child and Adolescent Psychiatry and Psychology, has been named one of six finalists for the 2018 National Compassionate Caregiver of the Year Award.

B. Approval of Medical Staff Providers Appointments, Actions and Reappointments – October 2018

1. The Board unanimously approved the Medical Staff Providers Appointments, Actions, and Reappointments for October 2018. RESOLUTION 19238.

C. Medical Executive Committee Minutes – September 14, 2018

D. Report of Case Western Reserve University (CWRU), School of Medicine – Dr. Patricia Thomas

Dr. Thomas updated the Board on two brief announcements: Dean Pamela B. Davis, MD PhD, gave her State of the School Address on October 23, 2018, and it is available online for those individuals interested in reviewing the School of Medicine's accomplishments over the last year; and the week of October 15, 2018, the School of Medicine received the final decision letter from the LCME, CWRU's School of Medicine accreditation agency, indicating they are fully in compliance with all of the standards and the next cycle is scheduled for 2025.

6. Audit Committee – No Meeting

7. Community Engagement Committee – Cancelled

A. Report of Committee Chairperson McDonald

Mr. McDonald reported for verification that the Board of Trustees Community Engagement Committee meeting was cancelled due to no Board quorum present; however, the community discussion continued.

Ms. Allen stated that 10 members of the community attended and recalled that last year was the first year the Community Engagement Committee met and established the five priority areas for engaging in community health. This year was spent on tracking the progress of those five priorities and she reviewed with the Board briefly what was discussed. Dr. Nabil Chehade updated the group on the social determinants of health initiative and the progress on the opioid epidemic. Tina Arundel is the co-producer and voice over for MetroHealth's first podcast involving seven episodes in which 3,400 people listened with an average of 90% of the people watching all seven episodes. A pilot program called Mos Vida, a program involving nutrition and cooking, was created to assist in eliminating disparities and chronic diseases; preliminary results of hemoglobin A1C before and after for participant #1 began with an A1C of 15.8 and was reduced to 6.7 with the assistance of the Mos Vida program in the span of three months' time. A Good Neighbor Program was created to address Community Building in the Clark Fulton area; this involves people from MetroHealth walking the streets and talking to individuals living in the neighborhood to show that MetroHealth cares about the health, beauty and cleanliness of the neighborhood, such as the painting of fire hydrants the beginning of October. Rev. Tony Minor provided an update on Community Trauma; significant progress has been made in building relationships between people in the community and churches, and the demand for gun locks has been such a success that MetroHealth's Public Safety personnel will participate at most community events. MetroHealth received a grant from First Year Cleveland which enabled hiring of a part-time program manager and two part-time loss trainers (persons who have experienced infant mortality themselves) as counseling people concerning sleep related deaths. Sleep related deaths in Cuyahoga County in 2015 was 27 and in 2017 was 13; the campaign Safe Sleep seems to be helping, noting that the newest piece of the campaign is that every baby born at MetroHealth and other organizations receive a Onesie both in English and in Spanish

states on the back Turn Me Over and the front in print provides the Safe Sleep instructions.

B. Non-Consent Agenda

1. Action Item - None
2. Information Items
 - a. Progress Update on Five Priority Areas Identified in Community Health Needs Assessment
 - b. Presentation on Infant Mortality
 - c. 2019 Shared Community Health Needs Assessment
 - d. Social Determinants of Health Initiative

8. Diversity and Inclusion Committee – No Meeting

9. Executive Committee – No Meeting

10. Facilities and Space Committee – No Meeting

11. Finance Committee – No Meeting

A. Report of Committee Chairperson Silvers

Mr. McDonald chaired the meeting of the Finance Committee in Dr. Silvers' absence and requested Mr. Richmond to report on his behalf.

Mr. Richmond stated that the Management Discussion and Analysis concerning the financial results through September 30, 2018, were contained in the meeting materials and contained pertinent information reviewed at the Finance Committee meeting. Operating Performance for nine months ended September 30 was \$76.1 million, indicating a 16.2% increase over the prior year or approximately 6% over Target; the increased Operating Performance was due to Emergency Department volumes, the patient acuity, surgical volumes, and the Care Innovation and Community Improvement Program (CICIP) or what is more commonly known as the "physician upper payment limit program". Operating Income for the nine months ended September 30 was \$32.3 million, approximately 31% over the prior year and a 15% increase over Target. Adam Blake, Senior Managing Director of Hartland, attended the meeting as the System's Investment Advisor after the Investment Committee of the Board convened and approved the investment approach and strategy on July 21, 2018, based upon the Investment Policy that was approved by Cuyahoga County also in July 2018. Mr. Stern and Dr. Boulanger provided an update on volumes and Geoff Himes, VP of Finance, provided an update on some of the Accounting Pronouncements and Standards changes. Mr. Richmond stated there will be further accounting changes in years to come; GASB 75 is the change for 2018 having to do with treatment of post-employment benefits, noting that this is an accounting liability and not any legal liability and these accounting changes do not have any impact on the bond covenants. In looking at the Finance package, the Unrestricted Cash and Investments has increased from year end by approximately \$30 million due to timing and due to the \$5 million of shared savings received from the ACO, the CICIP Program and Operating Performance, with an all-time high of approximately \$430 million as of September 30, 2018. Lastly, the meeting entered Executive Session to discuss the 2019 Annual Budget and Mr. Richmond indicated that on October 30 a second investor disclosure update call will be held concerning MetroHealth's Continuing Disclosure Agreement relating to the bond issuance.

Dr. Boutros reviewed with the Board that MetroHealth has seen a steady increase in the last five or six years in the number of unique patients from 180,000 to 300,000. He indicated that MetroHealth has reached the theoretical limit of unique patients with two other large health care systems in Cuyahoga County. The focus moving forward will be

on how to provide more services to the existing patients and the additional access to patients MetroHealth will have within the other eight counties due to the passage of the State of Ohio House Bill 111. He also called attention to Page 3 of the Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Period Ended September 30, 2018, which explains the rules of the Government Accounting Standards Board (GASB) as it relates to the Net Position of MetroHealth, noting the Net Position on Table 1 on Page 5 on December 31, 2016, was \$437 million compared to September 30, 2018, being \$512 million.

B. Non-Consent Agenda

1. Action Items
 - a. Approval of 2019 Annual Budget (Executive Session)
2. Information Items
 - a. Third Quarter 2018 Investment Performance
 - b. Third Quarter 2018 Financial Results
 - c. Third Quarter 2018 Operating Performance Volumes
 - d. Accounting Pronouncements and Standards Update

12. Legal and Government Relations Committee – No Meeting

13. Nominating Committee – No Meeting

14. Patient Experience Committee – No Meeting

15. Quality and Safety Committee – No Meeting

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

Ms. Allen began her report by indicating that MetroHealth has reached over 10,000 fans on Facebook, noting that a new Social Media Manager from Fox 8 was hired and assisted MetroHealth with its success. At the request of several physicians, MetroHealth held a voter registration drive at four different MetroHealth facilities and registered over 2,000 employees and visitors during the allotted time. A community empowerment event was held at the Buckeye Health Center providing health screenings, gun locks, and two dozen local agencies representing job opportunities and healthy eating.

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

Ms. Brown began her report by thanking all present who participated in the GALA event on October 6, 2018; she stated this outstanding event executed by the External Affairs term raised nearly \$1.2 million for the Campus Transformation. The MetroHealth Foundation has been communicating with Falls Communications concerning refining MetroHealth's message as the Campus Transformation campaign is gaining momentum.

Mr. O'Neill, Chair of The MetroHealth Foundation, stated shortly after the GALA MetroHealth was awarded \$1 million competitive grant from a major corporate donor in Cleveland and expects a public announcement to follow with the details and formalities being completed. He reported this as a classic example of teamwork between The MetroHealth System leadership, members of the Campaign Cabinet, The MetroHealth Foundation, and Ms. Brown's Development team. Mr. O'Neill mentioned that reaching the commitment goal of 100% participation of The MetroHealth Foundation 45 Member Board should be completed in the next few weeks. Lastly, he wanted to thank previous Foundation Board Chairs Rob Durham and Collin Knisely for soliciting donations from former Foundation Board Chairs that led to commitments totaling \$200,000.

18. Other Board Items - None

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

Following the Executive Session, the meeting reconvened in open session at approximately 9:40 a.m.

A motion was made to consider the proposed Budget for 2019 and following further discussion, the Board unanimously approved the proposed budget for the 2019 fiscal year and authorized the submission of the same to the government of Cuyahoga County, Ohio. RESOLUTION 19239.

The meeting adjourned at approximately 9:45 a.m.

NEXT MEETING: November 28, 2018 (WEDNESDAY) – 8:00 a.m.

The MetroHealth System

Respectfully submitted,

Thomas McDonald, Chairperson

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