



The MetroHealth System

Board of Trustees

Wednesday, September 25, 2024

4:00pm - 5:30pm

The MetroHealth System Board Room K-107 or via Zoom

Board of Trustees

Special Meeting

The MetroHealth System Board of Trustees

FULL BOARD REGULAR COMMITTEE

DATE: Wednesday, September 25, 2024

TIME: 4:00pm – 5:30pm

PLACE: MetroHealth Board Room (K107) or via Zoom
<https://us02web.zoom.us/j/84329118621>

AGENDA

- I. Approval of Minutes**
Minutes of September 16, 2024, Special Meeting of the Board of Trustees
- II. Committee Reports**
 - A. Audit & Compliance Committee – *M. Dee*
 - B. Governance Committee – *J. Moss*
 - C. Human Resources & Compensation Committee – *Mr. Corlett*
- III. Consent Agenda**
 - A. Approval to Hire Executive Director Internal Audit Services
 - B. Approval of Management Duty to Disclose
 - C. Approval of Compensation Adjustment for Acting-CEO
- VI. Executive Session**

Return to Open Meeting
- V. Recommendation/Resolution Approvals**

Next Regular Meeting: Wednesday, October 23, 2024, 3:30pm – 5:30pm
The MetroHealth System Board Room (K107) or via Zoom

The MetroHealth System Board of Trustees

SPECIAL BOARD OF TRUSTEES MEETING

Monday, September 16, 2024
1:00 pm – 5:00 pm
The MetroHealth System Board Room K-107

Meeting Minutes

Board Members: Inajo Davis Chappell-R, John Corlett-I, Maureen Dee-I, Sharon Dumas-I (late), Ronald Dziedzicki-I, Nancy Mendez-I, John Moss-I, Micheal Summers-I, E. Harry Walker, M.D.-I
Staff Present: William Dube-I, Allison Poulos-I, Tamiyka Rose-I
Guests: Secretary Marcia L. Fudge-I, Kim Russel-I, Adrian Thompson-I¹

Dr. Walker called the meeting to order at 1:00 pm, in accordance with Section 339.02(K) of the Ohio Revised Code with a quorum present.

(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 the Minutes

Dr. Walker requested for a motion to approve the minutes of August 28, 2024, full Board Meeting as presented, which was given, seconded, and unanimously approved.

RESOLUTION NO. 19646

II. Discussion of Next Steps for an Interim CEO or CEO—E. Walker, M.D.

Dr. Walker stated that he was thankful for Dr. Alexander-Ragar taking on the role as Acting CEO in late July. However, after several weeks, he thinks that it is time to start talking about a more permanent role. Dr. Walker stated that at this time it would not be in the best interest of the System to start a major national search. He reiterated that he mentioned to the Editorial Board of the Plain Dealer that a national search could take several months,

¹ I-In-person, R-Remote

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and we are fortunate enough that we have a couple of leaders in our senior leadership team who could certainly fill in for the remaining term of the former CEO's contract period.

Dr. Walker stated that he would like to discuss whether the title should be interim CEO or CEO. After a very thorough conversation, the Board agreed to interview the candidates for an interim term of fifteen months with the title of CEO, as all members wanted the appointed person to have the full authority of a CEO, but they also wanted the option to renew the contract or begin a national search in 2025.

Dr. Walker explained that every Board member has had the opportunity to review each candidate's resume and they have also had the opportunity to interview them one-on-one if they chose to do so. Dr. Walker stated that the Board will interview Candidate A and Candidate B, collectively today. Each board member will take time to evaluate the candidates privately. Dr. Walker mentioned that Kim Russel, from Russel Consulting, would assist the Board in identifying key areas they would like the successful CEO candidate to focus on, in executive session.

III. Executive Session

Dr. Walker asked for a motion to move into executive session to discuss hospital trade secrets as defined in ORC 1333.61 and to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee, and to conference with the public body's attorney to discuss a pending or imminent court action. Mr. Moss made a motion and Ms. Mendez seconded. The Board held a roll call vote with all Trustees in attendance voting to approve the motion to go into executive session for the purposes stated by Dr. Walker. Members of the public were excused. The Board went into executive session to discuss the identified matters at 1:25pm.

Following the executive session the meeting reconvened in open session at approximately 5:25pm.

There being no further business to bring before the Board, the meeting was adjourned.

THE METROHEALTH SYSTEM

E. Harry Walker, M.D., Chairperson

The MetroHealth System Board of Trustees

NEXT REGULAR MEETING: Wednesday, October 23, 2024
 3:30 – 5:30 pm
 The MetroHealth Board Room K-107 or via Zoom

Authorization and Approval to Hire Executive Director, Internal Audit Services

RESOLUTION _____

WHEREAS, The Audit and Compliance Committee ("Committee") of the Board of Trustees ("Board") of The MetroHealth System ("System") established a job description for an Executive Director, Internal Audit Services ("Executive Director") to assist the Committee in their oversight responsibilities for internal audit activities at the System;

WHEREAS, the Executive Director shall have direct and independent functional reporting to the Chair of the Committee and administrative reporting the System's SVP/Chief Ethics, Risk, and Compliance Officer ("Ethics Officer");

WHEREAS, the Executive Director shall work in collaboration with the System's external audit partner to promote sound risk management and internal control and governance activities that are consistent with industry best practices and applicable federal and state rules and regulation; and

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the Chair of the Committee in collaboration with the Ethics Officer to make an offer of employment to the final candidate for the position of Executive Director and negotiate and execute the final terms of their employment.

AYES:

NAYS:

ABSTAINED:

ABSENT:

DATE:

RECOMMENDATION FOR THE APPROVAL OF A POLICY RELATIVE TO MANAGEMENT DUTY TO DISCLOSE

Recommendation

The Acting-CEO recommends that the Board of Trustees approve a new policy relative to Management Duty to Disclose.

Background

In accordance with Chapter 339 of the Ohio Revised Code and general governance principles, the Board of Trustees can and has created a policy that establishes the expectations and process for the Chief Executive Officer (CEO) and senior leadership to report to the Board the practices, activities and decisions of the MetroHealth System to ensure that they are lawful, prudent, and in compliance with commonly accepted business and professional ethics.

The proposed policy seeks to clarify the obligation that the CEO, Chief Financial Officer and Chief Legal Officer report information in a timely and sufficient basis that would facilitate the Board's focus on governance while appropriately adhering to the Board's fiduciary duty.

Approval of Management Duty to Disclose Policy

RESOLUTION XXXXX

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for the approval of a policy relative to Management Duty to Disclose; and

WHEREAS, the Board's Governance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approves of the policy attached hereto relative to Management Duty to Disclose, Board Policy BOT-10.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

Approval of Compensation Adjustment for Acting CEO

RESOLUTION _____

WHEREAS, on July 26, 2024, consistent with policy BOT-04, CEO Emergency Succession Plan ("BOT-04") the Board of Trustees of The MetroHealth System (the "Board") appointed Christine Alexander Rager, MD as Acting CEO; and

WHEREAS, BOT-04 contemplates that the Executive Committee of the Board shall consider whether the Acting CEO should receive additional compensation in light of the Acting CEO's increased responsibilities, effective 30 days after the Acting CEO is appointed.

NOW, THEREFORE, BE IT RESOLVED, the Executive Committee of the Board hereby approves the adjustment of the Acting CEO's base salary to an annualized [REDACTED] effective July 26, 2024.

BE IT FURTHER RESOLVED that effective July 26, 2024, the Acting CEO's target Performance Based Variable Compensation ("PBVC") incentive is set at 35% of the Acting CEO's revised base salary.

BE IT FURTHER RESOLVED that the Acting CEO's base salary and PBVC target incentive set forth in this Resolution will continue until the earlier of: (1) further action by the Executive Committee of the Board to adjust the Acting CEO's compensation pursuant to BOT-04; or (2) the conclusion of Dr. Alexander Rager's appointment as Acting CEO.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE: