

**BOARD OF TRUSTEES  
The MetroHealth System**

**Date:** September 28, 2016

**Time:** 4:00 P.M.

**Place:** The MetroHealth System Board Room

**Present:** Ms. Dee, Mr. McDonald, Mr. Monnolly, Mr. Moss, Dr. Silvers, Mr. Spain, Ms. Whiting

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

**MINUTES OF MEETING**

The meeting was called to order by Mr. McDonald at 4:04 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 July 27, 2016, and the Special Meeting of August 19, 2016. RESOLUTION 19004.

**2. Consent Agenda**

**A Audit Committee – None**

**B. Diversity and Inclusion Committee – No Meeting**

**C. Facilities and Space Committee**

1. The Board unanimously approved the requested lease for space to establish a clinical care location in Cuyahoga County, Ohio. RESOLUTION 19005.
2. The Board unanimously approved the requested lease for space to establish a retail care location in Cuyahoga County, Ohio. RESOLUTION 19006.
3. The Board unanimously approved a lease of space in Beachwood, Ohio. RESOLUTION 19007.
4. The Board unanimously approved leases for real estate in Cuyahoga County. RESOLUTION 19008.

**D. Finance Committee**

1. The Board unanimously approved the changes to the Hospital and Professional Charge Description Master (CDM) file. RESOLUTION 19009.

2. The Board unanimously approved the services of Preferred Medical Marketing Corporation for pricing strategy advisory services. RESOLUTION 19010.
3. The Board unanimously approved the continued on-going assistance of Kaufman Hall as the System's Financial Advisor for Transformation, for the purpose of providing financial planning, advice and guidance related to the Transformation commencing September 2016 through 2017, for aggregate fees not to exceed \$260,000 plus reasonable travel and other expenses not to exceed 10% of the fees, to be paid out of general operating funds. RESOLUTION 19011.
4. The Board unanimously approved certain core terms for a three-year Collective Bargaining Agreement between MetroHealth and Ohio Patrolmen's Benevolent Association for the purpose of finalizing negotiations and executing contract documents. RESOLUTION 19012.

**E. Legal and Government Relations Committee**

1. The Board unanimously approved the engagement of Willis Towers Watson as insurance consultant and broker of record for The MetroHealth System for a three-year term, with option to renew, for a fixed fee of \$65,000 for year one, with increases in each of the two succeeding years not to exceed 3%, with an option to renew and a right to cancel. RESOLUTION 19013.
2. The Board unanimously approved the establishment of a Community Engagement Committee of the Board for the purpose of providing governance oversight and support in aligning The MetroHealth System's community engagement activities with its mission and to address the health needs of the community The MetroHealth System serves and the purpose, functions and responsibilities of the Community Engagement Committee as provided in the attached Charter. RESOLUTION 19014.
3. The Board unanimously approved the engagement of Strategic Health Care as consultants for the System's federal government relations activities, for total costs not to exceed \$80,000, plus reasonable out-of-pocket expenses, and over a period not to exceed 16 months, to be paid out of general operating funds. RESOLUTION 19015.

**F. Patient Experience Committee – None**

**G. Executive Committee – None**

**H. Quality and Safety Committee – No Meeting**

**3. President and CEO's Report**

Dr. Boutros began his report by stating the tremendous loss felt by the MetroHealth community with the passing of Dr. Joseph Carter, an exemplary physician and person. He shared with the Board that Dr. Carter's wife, Allison, was touched by all the support received from all, was on the phone with him when he passed, and that Dr. Carter spoke to her frequently and even on that day of his love for his patients and for MetroHealth. Dr. Boutros then reported that Thursday, September 29, 2016, he would be joining Daniel Lewis, Dr. Bernard Boulanger and members of the Dyad in conducting the first Service Line Strategic Planning Retreat, explaining the division of the Family Care Service Line into the Adult Health and Wellness Service Line and the Women and Children's Health and Wellness Service Line due to the size and large scope of responsibility.

More information is included in the President's Report in the Board packet and on the metrohealth.org website.

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

Ms. Kline reported that the Nursing Enterprise completed their annual Nurse Satisfaction Survey in June and has received the results, reporting that the participation rate was 72% and all Magnet requirements were met even though lower than the last survey. She stated that five new categories were included in the Survey and the Nursing Enterprise was better than the benchmark on four of them, being just slightly below the benchmark in professional development access. Future focus on improvement contained in the unit-level scores reported for Magnet will be staffing and resource adequacy, Nurse Manager leadership and support, and nurse to nurse interactions. She then noted in conjunction with focusing on improving the unit-level scores that a task force is being implemented comprised of Nurse Managers, Directors of Nursing and Senate Representatives to evaluate and implement best practices and ideas, to provide feedback to assure governance in the CNO Council, and to create a system-wide action plan to go into effect the beginning of November. The next survey is scheduled for May 1-21, 2017.

**5. Medical Staff**

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

Dr. Kasprzak began his report by reiterating Dr. Boutros' comments regarding Dr. Carter and the overwhelming support exhibited to the Carter family and how the entire institution will mourn his loss. He then recognized the following faculty members: Dr. Sherrie Dixon-Williams, the immediate Medical Staff Past President, named to the 340B Health Board of Directors having to do with pricing of pharmaceuticals under the 340B Program; Dr. Joan Papp receiving the Attorney General's Award, the highest award from the U.S. Department of Justice for her work with Project DAWN, the task force designed to alleviate opioid and heroin addiction; and Dr. Abdulla Ghori, MetroHealth's Designated Institutional Official (DIO), receiving the 2016 Parker J. Palmer Courage to Lead Award for overseeing the training of the academic program for residents and fellows, the highest award of the Accreditation Council for Graduate Medical Education (ACGME). Dr. Kasprzak then brought to the attention of the Board the September appointments and actions to be approved, noting the MetroHealth appointments of Dr. Bryan Hecht as a Reproductive Endocrinologist well known for his academic work and Dr. David Roberts returning to MetroHealth from Akron.

**B. Approval of Medical Staff/Allied Health Providers/Advanced Practice Nurses Appointments/Actions – June/July 2016**

1. The Board unanimously approved the Medical Staff Appointments/Actions for September 2016. RESOLUTION 19016.
2. The Board unanimously approved the Allied Health Appointments/Actions for September 2016. RESOLUTION 19017.

**C. Medical Executive Committee Minutes – August 12, 2016**

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

Dr. Thomas began her report by stating that the CWRU School of Medicine would also like to congratulate and are very proud of Dr. Abdulla Ghori for his work in academic education. She indicated that she was asked to discuss the new University Hospitals/Case Western Reserve University School of Medicine Affiliation Agreement that

went into effect right after Labor Day and respond to any questions from the Board. This new affiliation means that the primary affiliate status is removed and the CWRU School of Medicine and University Hospitals can affiliate with other entities. She also indicated that after September 30, 2016, University Hospitals Case Medical Center will be known as University Hospitals Cleveland Medical Center. Dr. Thomas indicated the major advantage for the CWRU School of Medicine is that this provides the Dean more flexibility to allocate support to targeted areas, such as convening city-wide initiatives in the areas of research and education. She further reported that the Dean was adamant in negotiating clinical slots/appointments for Case Medical students being maintained and stated an appendix exists outlining the details of the number of slots/appointments, noting the residency programs continue to use the CWRU title, the same as MetroHealth residency programs and the faculty at CWRU remaining CWRU faculty. Dr. Thomas further explained the ability of the Dean to name the academic chair of her choice for many of the clinical affiliates, and has put together a job description naming the responsibilities for the academic chairs.

## **6. Audit Committee**

### **A. Report of Committee Chairperson**

Dr. Silvers stated that the Audit Committee met and reported on the following areas: an update of where we are concerning the external audit plan with the external auditors present and planning for next year; discussion concerning issues and questions regarding the construction cost review with a focus on services around the procedures as it relates to the Critical Care Pavilion project and operations and processes within the Department of Construction Management, the Committee feeling comfortable with the current path; and an Internal Audit update, noting all was good news and did not foresee any issues. Lastly, he indicated the Committee reviewed the Internal Audit Charter/Mission Statement for the Internal Audit Department, a guidance document to assist the Internal Audit Committee in terms of direction in the area of objectivity and independence.

Dr. Boutros added that he informed the Board that he is contemplating an analysis and a proposal to switch the fiscal year we currently utilize from a calendar year of January through December to an academic year of July to June, noting that it may take as much as 18 months to implement.

Mr. Richmond elaborated on Dr. Silvers report to the Board, noting that RSM is our external auditor and the audit includes a 15% minority firm partner, Dinkus & Daga, as part of their audit team. He stated the interim process for the external audit will begin in October and continue through November, at which time RSM will return after January 1, 2017, to conclude their 2016 audit and present it to the Board in March. Mr. Richmond reviewed the fact that KPMG is our internal auditor at MetroHealth and Jim Mylen, a partner at KPMG, is our Director of Internal Audit for The MetroHealth System, who reviewed five projects over the past quarter and will be conducting 10 to 12 additional audits during the remainder of the year.

### **B. Non-Consent Agenda**

1. Action Items - None
2. Information Items
  - a. RSM 2016 External Audit Plan – Lori Kalic
  - b. 2016 Construction Cost Review Services Update – John Croy, RSM
  - c. 2016 Internal Audit Update – Jim Mylen, KPMG
  - c. Compliance Update – Mary Legerski
  - d. HIPAA Privacy and Security Update – Mary Legerski

**7. Diversity and Inclusion Committee – No Meeting**

**8. Facilities and Space Committee**

**A. Report of Committee Chairperson**

Mr. Monnolly stated that the Facilities and Space Committee met and briefly reviewed the consent items and adjourned into Executive Session to discuss real estate and trade secrets.

**B. Non-Consent Agenda**

1. Action Items - None
2. Information Items
  - a. Facilities Management Update

**9. Finance Committee**

**A. Report of Committee Chairperson**

Dr. Silvers stated that the Finance Committee met immediately following the Audit Committee meeting. Discussions with the Finance Committee included a review of the financial analysis, the Budget process for this year and going to the Board for approval in October, the Infor Lawson Upgrade, and the consent items voted on at the beginning of the meeting. He reported that we are behind but management states that we are going to arrive at our goal for the year, noting that some of the reasoning is due to timing and differences in volume and price. He stated that the Budget was also revised to show additional targets for financial purposes necessary to reach the yearly goal.

Mr. Richmond elaborated on Dr. Silvers report to the Board stating that the Board packet included the Management Discussion and Analysis, which essentially is the narrative of what took place from an operating standpoint and MetroHealth's statement of financial position. He additionally reviewed the financial reporting change, indicating that the word Budget will be replaced with the word Target and the actual results will be compared to the target set going forward. Mr. Richmond reported Operating Income at \$3.4 million for August and approximately \$3.5 million below target, indicating Net Patient Revenue was below by several million dollars but on target as it relates to expenses. Performance in August presented growth compared to August 2015. He stated that the Budget process has been condensed for 2017, noting it will be not conclude in October, will last several months and will be approximately \$20 million in Operating Income, representing a 1.7% Operating Margin presented in October. Lastly, Mr. Richmond reviewed the Infor/Lawson Upgrade which involves EPIC, financial applications, supply chain applications, and HR applications.

Dr. Boutros reported to the Board that 2016 has been a year of significant change concerning the financials, noting the emergence of a second Level I Trauma Center in the region which had a significant impact to MetroHealth's operating margin, a reduction of inpatient volumes shifting to outpatient, and the acquisition and investment associated with HealthSpan.

**B. Non-Consent Agenda**

1. Action Items - None
2. Information Items
  - a. Monthly Financial Report – August 2016 – Craig Richmond
  - b. Management’s Discussion and Analysis/Financial Highlights – August 2016 – Craig Richmond
  - c. 2017 Budget Process – Craig Richmond
  - d. Infor Lawson Upgrade – Geoff Himes

**10. Legal and Government Relations Committee**

**A. Report of Committee Chairperson**

Mr. Spain began his report by highlighting on the Consent Agenda that the Board established a Community Engagement Committee which will meet quarterly and engage the external community with the activities taking place within The MetroHealth System. He indicated that prior to the establishment of this Community Engagement Committee the Diversity and Inclusion Committee was responsible for the community involvement within MetroHealth. He indicated that Elizabeth Allen advised the Board that Tracy Carter is now the Senior Director of State and Federal Government Relations and will be focusing on activities in Washington and Medicaid expansion at the State level. Mr. Spain stated that Ms. Carter gave a government relations update and advised the Board that her and her team have been in contact with different mayors of communities to form an EMS group and that her team had completed discussions and resolved the license renewal of MetroHealth Parma Health Center with the Ohio Department of Health. Lastly, he reported that Marlene Franklin gave a risk management update that was discussed in Executive Session. Mr. McDonald also reported that Bishop Minor will be the Chairperson of the new Community Engagement Committee, appointments will be made to the Committee, and a number of associate members from the community will be asked to participate as well.

**B. Non-Consent Agenda**

1. Action Items - None
2. Information Items
  - a. Government Relations Update – Tracy Carter
  - b. Risk Management Update – Marlene Franklin

**11. Patient Experience Committee**

**A. Report of Committee Chairperson**

Ms. Dee reported that the Patient Experience Committee met on September 12, 2016, and Megan Bedo began by providing information on Integration/Experience Navigators to welcome and assist former HealthSpan patients to MetroHealth, providing on-site informational sessions, assisting patients and family members with accessing services, resolving problems, and providing service recovery to assist with access and retention. Ms. Bedo stated three patient experience navigators were hired in August 2016 for the Bedford, Cleveland Heights and Parma sites. Michelle Mencke provided an update on the Emmi software system, a software program to increase patient satisfaction and improve patient experience by providing information concerning patient care. Dr. Laskey provided a report on complaints and grievances, noting that complaints increased due to the HealthSpan integration, decreased for the general hospital environment, but increased for outpatient. Ms. Dee reported that Jennifer Fragapane gave a follow-up report on Access, the Network Service Center Update, reviewing our patients’ challenges and experiences with call centers and ways to improve that would impact our patients’ experiences. Lastly, Ms. Dee stated the Committee had to table the Scores/Data Updates from Dr. Laskey and Katrina

Dubovikova, but noted a review of the documentation indicated an improvement in past reporting, which results were affected by the integration of HealthSpan patients to MetroHealth and represented the most impact on access scores.

**B. Non-Consent Agenda**

1. Action Items - None
2. Information Items
  - a. Integration/Experience Navigators – Megan Bedo
  - b. Complaints/Grievances – Sara Laskey, MD
  - c. Access – Jennifer Fragapane
  - d. Scores – Updates and Review – Sara Laskey, MD/Katrina Dubovikova

**12. Executive Committee – No Report**

**13. Quality & Safety Committee – No Meeting**

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

Ms. Allen began her report by updating the Board that the Medicaid waiver with respect to Healthy Ohio had been turned down by Centers for Medicare and Medicaid Services (CMS), and this would have affected approximately 50,000 MetroHealth patients causing them to have personal responsibility. She indicated that the Ohio Hospital Association came to MetroHealth and shared opinion polling of 500 Ohioans and how they felt about general health care, noting that the hospitals, both local and regional, community and larger hospitals, are very well regarded by the public, and the public is more annoyed with both pharmaceutical and insurance companies. She also stated there is strong bipartisan support in the State for Medicaid expansion and reform. Lastly, Ms. Allen indicated that public opinion concerning awareness of MetroHealth's advertising campaign Change is Healthy is significantly increasing to the extent that one out of four people are stating that MetroHealth's reputation is excellent.

**15. Foundation and System Philanthropy Report - Kate Brown, Senior Vice President, Foundation and System Philanthropy**

Ms. Kirk reported to the Board in Ms. Brown's absence stating that MetroHealth was recently notified by the Ohio Department of Health of the receipt of \$560,000 in funds by our Nurse Family Partnership Program, noting that this funding will support 140 new low income moms joining that program for the first time. Reporting on the Foundation Board side, she indicated that a preparatory retreat planning session was held on Monday, September 26, 2016, at Highland Software with 13 highly engaged Board members and Dr. Ron Fountain reviewing the role of the Foundation Board relative to the Transformation and the goal of raising \$100 million in support of same. Ms. Kirk stated that Dr. Boutros has spent time revisiting with several people what the Transformation means to The MetroHealth System and is looking forward to the full Foundation Board retreat in mid-November to develop strategies and increase engagement.

**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 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 meeting adjourned at approximately 6:20 p.m.

**NEXT MEETING:       October 26, 2016 (WEDNESDAY) – 4 p.m.**

The MetroHealth System

Respectfully submitted,

Thomas McDonald, Chairperson

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