

THE OHIO STATE UNIVERSITY
OFFICIAL PROCEEDINGS OF THE
FIFTH MEETING OF THE
WEXNER MEDICAL CENTER BOARD

Columbus, Ohio, June 4, 2014

The Wexner Medical Center Board met on Wednesday, June 4 at the Ohio Union, Columbus, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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June 4, 2014 meeting, Wexner Medical Center Board

Mr. Gasser called the meeting of the Wexner Medical Center Board to order on Wednesday, June 4, 2014 at 1:31 pm.

Present: Michael J. Gasser, Janet B. Reid, William G. Jurgensen, Cheryl L. Krueger, Corbet A. Price, David B. Fischer, Stephen D. Steinour, John F6. Wolfe, Steven G. Gabbe, Geoffrey S. Chatas, Edmund F. Funai, E. Christopher Ellison, and Michael A. Caligiuri. Late arrival: Leslie A. Wexner, Chairman, and Abigail S. Wexner.

Mr. Gasser:

Good afternoon everyone. Mr. Wexner's running a little late, I'm going to start the meeting off today. I would like to convene the meeting of the Wexner Medical Center Board and ask Ms. Link to note the attendance.

Ms. Link:

A quorum is present.

Mr. Gasser:

Thank you. So that we are able to conduct the business of this meeting in an orderly fashion, I would ask that the ringers of all cell phones and other communication devices be turned off at this time, and I would also ask that all members of the audience observe rules of proper decorum to conducting the business at hand.

The minutes of the April meeting of the Wexner Medical Center Board were distributed to all members of the board. If there are no editions of corrections, the minutes are approved as distributed.

Are there any corrections or modifications? We will consider them approved.

Geoff Chatas, would you like to give us a financial update?

Mr. Chatas:

I am going to ask Mr. Geier to walk through the April year-to-date financials.

Mr. Geier:

The financial update is also in the board book. This is the financial performance for the consolidated health system for the 10 months of the fiscal year ending April 30. The May preliminary numbers indicate a very strong month, which historically is for our hospital system. Many of the same trends reported on in the past have continued. I think we will see some variances for the month of May.

Inpatient admissions were up over last year and off budget a little bit. The bulk of that is in University Hospital and James Hospital. University Hospital East is having a very strong year relative to activity and profitability. Surgical volume, we talked about this earlier, when we put the budgets together we had four or five surgeons that left; some just took different jobs, some left the state, and one was ill who is a very high volume surgeon. There has been a lot of recruiting to bring that surgical volume back. I doubt if we will end up closing this variance for the year but I think our surgical volume will continue to pick up with some of the new recruits that replaced the people who have left.

Most of the variance in the hospitals is inpatient visits. Outpatient visits have been very strong within the surgical center and Gowdy Field. This is across the board, at all of the hospitals, at all of our CarePoints. Really, for the first time, we've seen growth in outpatient psychiatric care. This is something that we wanted to see. One of our problems was we didn't really have very robust outpatient care for psychiatric patients. Patients come in to the emergency department, get stabilized, discharged, and then end up right

back in the emergency department. That's a relatively small base but it's growing and it's an area we want to continue to grow.

Operating revenues were slightly over budget. Some of the volume activity is driven by our outpatient visits and tend to have a better pair mix than inpatient. We are seeing the benefits of Medicaid expansion, particularly at University Hospital East, and to a lesser extent then University Hospital. At University Hospital East, we have a self-pay mix of about 15%, which has dropped to 5%. We have been actively working within the community to get people signed up on insurance and educated as far as Medicaid expansion. Expenses are well within line. The team is doing a good job. We are experiencing some of the ramp up to the new hospital but that really won't begin to show up until next year's fiscal budget. Gain from operations is over budget, as you can see, about \$10 million: \$7 million from University Hospital and \$3 million from University Hospital East.

Besides that, all the other units are on budget, or right at budget. Dropping down to the three financial ratios are operating even to margin, our days cash and our debt service coverage, those are all on budget. I see no reason to not hit target for the year. Barring anything unforeseen, which I don't see particularly in the May numbers, we should end the year on budget or a little bit better than budget in most of the categories.

Mr. Gasser:

Thank you, Pete. Are there any questions?

Dr. Gabbe, do you want to talk about the Medical Center Initiatives Scorecard?

Dr. Gabbe:

Thank you. I want to begin with just a few updates for the Medical Center Board. In your notebook you will see a document *Commitment to Collaboration*. This is from the Central Ohio Hospital Council. As you know, the Central Ohio Hospital Council is the CEOs of our four health systems in Columbus. This document gives you an opportunity to review the collaborative efforts of our health systems to improve the healthcare in our community. You can see the work we have done around preterm birth and infant mortality, around quality and safety, blood banking, our interactions with vendors, and our efforts to enhance supplier diversity in the community. A very important document that we work on with the Department of Public Health and Franklin County is the Health Map. We are very proud that what we do here in Columbus is so different than other cities in that we work collaboratively to improve the healthcare of our community.

I wanted to be sure that all the members of the board are aware of the announcement of the Oncology Research Information Exchange Network (ORIEN), that Dr. Caligiuri and Mr. Walker have worked on for quite some time. This is an alliance with Moffitt Cancer Center in Tampa, which will create total cancer care. This will enable patients to contribute deidentified data and tissue samples so that researchers and clinicians can work to find cures faster. They already have 100,000 consented patients in this biorepository network.

We also learned last week that graduateprograms.com, which is site that receives feedback from current and recent graduate students, had rated our Neuroscience Graduate program, led by Randy Nelson who chairs our neuroscience department in the College of Medicine, number one in the country; the number one neuroscience graduate program in the country over Harvard and Princeton. Also, our College of Medicine, for the first time, was ranked in the top 10. This is feedback from our students and our graduates, which we think that is important. The Medical Center was also named by Becker's Hospital Review as one of the 100 greatest hospitals in the country. We are very pleased that for the fourth time, Leap Frog group gave us an A for our patient safety programs.

Looking at the Medical Center Initiative Scorecard, I won't go over the data that Pete has already shared with you. We will be talking about the Medical Center expansion, that's number two under strategic

growth. You will see the yellow bar that our target year to date is 86% and we are at 84.7%. That metric is the services that have been billed for by Turner construction and doesn't really reflect how much of the building has been done. As Jay will tell you the building is on time. Jay, do you want to comment on that?

Mr. Kasey:

That metric was the most quantifiable way to determine the completion of the building. We know that Turner is a little behind in the invoices from their vendors. It is tracking a percentage point behind but the schedule is on target for the completions of each floor.

Dr. Gabbe:

Thank you, Jay.

If we look under the long range financial plan, number seven, is the development dollars. You can see that is a yellow bar. We have raised \$63 million dollars to date against a target of \$100 million dollars. Of that, \$63.1 million, \$42 million has been raised by James Cancer Hospital and \$7.3 million by the Medical Center. You see that our total for the year, and this includes private grants, is \$131.9 million. Talking with Patty Hill-Callahan and her team, we anticipate that we are going to finish the year at about \$127 million, which is where we were last year.

We think that is a pretty good year when you realize that last year we had several eight figure gifts and this year we haven't had any. So we've had a lot more gifts they just haven't been as big. In fact, just in the last few weeks, we received a one million dollar gift from Libby Ross to fund educational advancement leadership training and career development for nurses at the Ross Heart Hospital. We received a million dollar gift from Art Shepard to establish a professorship in his wife's honor, the Dotty Dohan Shepard Professorship in Cardiovascular Medicine. That's pretty remarkable when you learn that Mr. Shepard is a 102 years old and attended the event to celebrate this gift and is sharp as a tack.

If you look under academic and research excellence, our total research awards are yellow. We have been doing well this year. Many of the awards we have received recently are not reflected in this total. Overall, when we compare ourselves to last year's totals, our total research awards are up 18%, our NIH awards are up 11.3%, and our department of medicine is now ranked 23rd in the country for NIH funding.

If you look down below at patient care, quality, and satisfaction, you'll see our readmissions are yellow. Our goal for the year is a 30 day readmission rate of 11.2% and we are 12.2%. We think some of this improvement has been due to our homecare program, targeting those patients who are at the greatest risk for readmission and emergency room visits. That has been yielding positive results. We were recently named by the University Health Systems Consortium as one of the most improved hospitals in the country for our readmission rate. You see our inpatient observed to expected mortality at 0.65. That is one of the best in the country and we are very proud of that.

We have two red bars under patient satisfaction for both inpatient and outpatient services. The H-caps, which is the Health Consumer Assessment of Health Providers and Systems metric for inpatient, is the percent of people who give you a nine or a 10 for the very simple question of "How would you rate your hospital stay?", rated from zero to ten. The outpatient satisfaction score question is "Would you recommend this provider's office to your family and friends?" You can see that we got 73% of nines and tens for inpatient and nearly 91% for outpatient. We are doing a lot to improve the inpatient scores including nurse leader rounding, bedside shift reports where the doctors and nurses are at the bedside, transitioning care, and discharge phone calls.

In the outpatient area, we have developed a first-impressions training program for our registration teams. We now have an ambulatory patient experience subcommittee. The area that has been the biggest challenge for us is focusing on how patients get their test results in a way that they want to get their test results. For April, we had the highest H-caps inpatient scores we have ever had. We had 80.7% of patients give us a nine or ten. That puts us in the 93rd percentile nationwide. Virtually, every one of our hospitals

had the highest H-caps they have ever had. I think some of the things we have been working on are beginning to pay off. I know Mr. Jurgensen tells us anything less than 100% isn't satisfactory, that is our ultimate goal but this last month we did see some positive progress. Thank you.

Mr. Gasser:

Any questions for Steve? Jay, you want to talk to us about the expansion project update?

Mr. Kasey:

Yes, thank you. I want to give a brief update in this meeting and take you into the first slide which gives you a detail by each of the categories that we manage the project under, each of the large project components of the budget that has been realized to us by the board, which is now 100%, and the contract commitments and what we have spent to date. Most of the commitments yet to be made are on the tower. It is the last project element to be delivered and the largest. Most of those are in IT and furniture which have still not been fully committed, although some of those contracts are going out. We remain on budget for this and we remain confident that our contingencies and our budget surpluses in different categories will hold.

Also, we are expected by both the university and the state to report on the amount of minority participation by contractors of minority-ownership. They are called "Edge Contractors." We are currently carrying about 29% of our contracts with Edge providers and Edge vendors. This is a remarkable percentage and one that we set at 20% for this project. The state's goals are normally 7% for their contracts. We should be very proud of this. Almost 87% of our contracts have been for the largest portion of the project that is under construction reform legislation and are being led with Ohio-based firms or firms that have a large prominent office in Ohio.

The pictures I have included are there for your perusal, but I will stop at the emergency department picture and tell you that this one slide is important in that this is the first floor that was to be scheduled for delivery. It was scheduled to be delivered here this week, on Monday. It actually was delivered a week early. We then schedule about 30 days for us to go in a fit out the IT, final cleaning, provide education for our staff who need to go through and see and make sure they understand how to manage in that space. We expect this doubling of our emergency department to open the weekend after the 4th of July, I think that would be the 6th or 7th. This is a very good sign that we delivered the first one on time. We have about 22 more deliveries in this package which should be completed, with the final delivery of the entire building, on September 25th. I'll stop there and ask if there are questions.

Mr. Gasser:

Thank you, Jay. Any questions for Jay? Thank you for the report. I look forward to having it completed.

At this time we would like to recess into executive session to discuss business sensitive trade secret matters required to be kept confidential under federal and state statutes and to discuss the acquisition of real property.

Upon motion of Mr. Wolf, seconded by Mr. Steinour, the Wexner Medical Center Board members adopted the foregoing motion by unanimous roll call vote, cast by board members Mr. Wexner, Mr. Gasser, Dr. Reid, Mr. Jurgensen, Ms. Krueger, Mr. Price, Mr. Fischer, Mr. Steinour, Mrs. Wexner, Mr. Wolfe, Dr. Gabbe, and Mr. Chatas.

Mr. Gasser:

We are recessed. Thank you.

June 4, 2014 meeting, Wexner Medical Center Board

Mr. Gasser reconvened the meeting of the Wexner Medical Center Board to order on Wednesday, June 4, 2014 at 2:41 pm.

Mr. Gasser:

I would like to reconvene the meeting of the Wexner Medical Center Board. Dr. Gabbe, you will present the *Amendments to the Bylaws and Rules and Regulations of the Medical Staff* of the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute.

Dr. Gabbe:

You have the overall resolution and in brief, the resolution is calling for a change in the Bylaws for waiving of the ECFMG requirement for internationally trained physicians who are exceptional clinicians and clinician scientists. It calls for a clarification of the reporting relationship of the chief quality officer. It calls for the creation of the associate physician in chief and medical director of surgical services positions. It notes that the individuals who hold medical director positions cannot become the chief of staff unless they agree to give up those appointments. It also describes the requirements for history and physical examinations for patients who will be treated in an ambulatory setting and defers that history and physical examination for patients who are going to be receiving psychology, psychiatric, or substance abuse ambulatory treatment if they have had a physical done within the last six months, or at their initial visit, or within 30 days after that initial visit, so that they can get the acute care that they need from a psychologist or a psychiatrist.

**AMENDMENTS TO THE BYLAWS AND RULES AND REGULATIONS
OF THE MEDICAL STAFF OF THE ARTHUR G. JAMES CANCER
HOSPITAL AND RICHARD J. SOLOVE RESEARCH INSTITUTE**

Resolution No. 2014-2 WMCB

Synopsis: The amendments to the *Bylaws and Rules and Regulations of the Medical Staff* of the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute are recommended for approval.

WHEREAS the proposed amendments to the *Bylaws and the Rules and Regulations of the Medical Staff* of The Ohio State University Hospitals were approved by the James Bylaws Committee on March 31, 2014 and by the Quality and Professional Affairs Committee on May 27, 2014; and

NOW THEREFORE

BE IT RESOLVED, That the Wexner Medical Center Board hereby recommends the attached *Bylaws and Rules and Regulations of the Medical Staff* of the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute be recommended to the Board of Trustees for approval.

(See Appendix II for background information, page 61)

Mr. Gasser:

Thank you Dr. Gabbe.

Geoff, do you want to present the Kingsdale Ambulatory Care Project?

Mr. Chatas:

Today we are asking the board to approve a resolution that will allow us to negotiate agreements related to a lease for up to 100,000 square foot facility in Upper Arlington to provide ambulatory care to patients in Upper Arlington and feeder into our other hospitals. We are going to ask to revise this.

Mr. Gasser:

Yes, you have a resolution and go ahead and present it. We will make some modifications.

Mr. Chatas:

We are asking for this group's recommendation to approve to the board to give us the authority to enter into a lease for that facility.

LEASE

**AMBULATORY CARE CENTER LOCATED IN UPPER ARLINGTON
KINGSDALE SHOPPING CENTER - ZOLLINGER ROAD
UPPER ARLINGTON, OHIO 43221**

Resolution No. 2014-3 WMCB

Synopsis: Authorization to negotiate and enter into a series of agreements providing for the construction and occupancy of a multidisciplinary medical office facility approximately 100,000 square feet in size located in the Kingsdale Shopping Center along Zollinger Road in Upper Arlington, Ohio, is proposed.

WHEREAS The Ohio State University issued a Request for Expressions of Interest on November 19, 2012 for multi-specialty medical office facility space in the Upper Arlington area able to accommodate up to a 100,000 square feet building with accompanying parking, and the university met with certain responsive developers to discuss criteria of the various sites proposed, including access, visibility, strategic fit, cost issues and growth potential; and

WHEREAS the City of Upper Arlington owns the desired site, and Continental Real Estate Companies, or its affiliate, has previously been granted certain rights in connection with such site; and

WHEREAS The Ohio State University through its Wexner Medical Center will initially occupy approximately 80,000 square feet of finished medical office space upon completion of construction, through a long term lease or other agreement with Continental Real Estate Companies or its affiliate, and a variety of healthcare services shall be offered at the facility including primary care, heart care, women's health and other medical specialties; and

WHEREAS the Wexner Medical Center has determined that this site and the proposed facility meet the objectives and requirements of the Wexner Medical Center's Strategic Plan, and the funds necessary to meet the university's obligations under the agreements will be provided through the Wexner Medical Center:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves that the president, the senior vice president for business and finance, or the senior vice president for administration and planning be authorized to enter into a series of agreements providing for the construction and occupancy of a medical facility approximately 100,000 square feet in size located in the Kingsdale Shopping Center along Zollinger Road in Upper Arlington, Ohio, on such terms and conditions as deemed to be in the best interests of the university.

Mr. Gasser:

I think there are some modifications to your resolution that I would propose. The proposal would be that you would negotiate a series of agreements, pending final recommendation by the Wexner Medical Center Board and final approval of the Board of Trustees. That would give us opportunity to look at some more data as you present it to us. In concept, I would recommend to this board that we agree to that, but would have one more time to look at the data but to go ahead and do that.

June 4, 2014 meeting, Wexner Medical Center Board

Fellow board members, are you comfortable with this? May I have a motion to approve the *Amendments to the Bylaws and Rules and Regulations of the Medical Staff* of the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute resolution and the lease resolution with the amendments?

Upon motion of Mr. Price, seconded by Ms. Krueger, the Wexner Medical Center Board members adopted the foregoing motion by unanimous voice vote.

Mr. Gasser:

At this time we would like to recess into executive session to consider business sensitive trade secret matters required to be kept confidential by Federal and State statutes, and to discuss personnel matters regarding the appointment, employment, compensation, and dismissal of public officials.

Upon motion of Dr. Reid, seconded by Mr. Wexner, the Wexner Medical Center Board members adopted the foregoing motion by unanimous roll call vote, cast by board members Mr. Wexner, Mr. Gasser, Dr. Reid, Mr. Jurgensen, Ms. Krueger, Mr. Price, Mr. Fischer, Mr. Steinour, Mrs. Wexner, Mr. Wolfe, Dr. Gabbe, and Mr. Chatas.

Mr. Gasser:

Thank you, we are adjourned.

Attest:

Leslie H. Wexner
Chairman

Heather A. Link
Associate Secretary

(APPENDIX II)

**Summary of Changes to the
BYLAWS AND RULES AND REGULATIONS
OF THE MEDICAL STAFF OF THE ARTHUR G. JAMES CANCER
HOSPITAL AND RICHARD J. SOLOVE RESEARCH INSTITUTE**

Chapter 3335-111

3335-111-01 Medical staff name.

no change

3335-111-02 Purpose.

(A)-(E) no change

3335-111-03 Patients.

(A)-(D) no change

3335-111-04 Membership.

(A)-(D) no change

(E) Procedure for appointment

(1)-(2) no change

(3) An application for membership on the medical staff shall be considered complete when all the information requested on the application form is provided, the application is signed by the applicant and the information is verified. A completed application must contain:

(a)-(c) no change

(d) Satisfaction of ECFMG requirements, if applicable. If an individual receives a Conceded Eminence Certificate or a Clinical Research Faculty Certificate from the State Medical Board of Ohio, the requirement for ECFMG certification may be waived at the discretion of the medical center board.

(e)-(q) no change

(4)-(14) no change

(F)-(G) no change

3335-111-05 Peer review and corrective action.

(A)-(E) no change

3335-111-06 Hearing and appeal process.

(A)-(E) no change

3335-111-07 Categories of the medical staff.

(A)-(K) no change

3335-111-08 Organization of the CHRI medical staff.

(A)-(C) no change

(D) The chief quality officer of the Ohio state university medical center.

The chief quality and patient safety officer of the Ohio state university medical center is referred to herein these bylaws as the chief quality officer. The chief quality officer reports to the chief medical officer for administrative and operational issues and has an independent reporting relationship to the senior vice president for health sciences regarding quality data and patient safety events. The chief quality officer ~~and~~ works collaboratively with clinical leadership of the medical center, including director of medical affairs for the CHRI, nursing leadership and hospital administration. The chief quality officer provides leadership in the development and measurement of the medical center's approach to quality, patient safety and reduction of adverse events. The chief quality officer communicates and implements strategic, operational and programmatic plans and policies to promote a culture where patient safety is an important priority for medical and hospital staff.

(E) no change

(F) Associate Physician-in-Chief

The Associate to the Physician-in-Chief oversees the alignment of clinical service lines within the Cancer Program. The Associate serves at the direction of the Physician-in-Chief to further the global cancer mission at OSU. This role functions as a key strategic liaison between the Physician-in-Chief, Chief of Staff and the Medical Staff to strategically grow the footprint of the Cancer Program. The Associate Physician-in-Chief reports to the Physician-in-Chief of the James.

(G) Medical Director of Surgical Services

The Chief of Surgical Services has oversight of all James designated perioperative services and procedural suites. Working collaboratively with the administrator of Perioperative services, the Chief of Surgical Services facilitates the timely sharing of OR resources (including personnel and equipment) across the medical center in order to maximize the efficiency of OR services. The Chief of Surgical Services works with clinical service lines and clinical leadership to coordinate OR services in a manner that enhances the quality of care and safety of services for patients. The Chief of Surgical Services reports to the Physician-in-Chief of the James.

~~(F)~~(H) The sections

no change

~~(G)~~(I) Clinical department chief

no change

3335-111-09 Elected officers of the medical staff of the CHRI.

(A)-(C) no change

(D) Qualifications of officers.

(1) no change

(2) The chief executive officer ~~and~~ director of medical affairs, chiefs of the clinical departments, section chiefs, medical directors, associate and/or assistant medical directors are not eligible to serve as chief of staff or chief of staff-elect unless they are replaced in their CHRI administrative role during the period of their term of office.

(E) Election of Officers

(1) no change

(2) The nominating committee will be composed of five members. The chief of staff and the chief of staff-elect will serve on the committee and the chief of staff will be its chairperson. The chief of staff will appoint the three other members of the committee.

(3)-(6) no change

(F)-(G) no change

3335-111-10 Administration of the medical staff of the CHRI.

(A)-(J) no change

3335-111-11 History and physical.

(A) no change

(B) Deadlines and sanctions.

(1)-(2) no change

(3) For admitted patients or patients undergoing an outpatient/ambulatory procedure or outpatient/ambulatory surgery, the history and physical examination may be performed or updated up to thirty days prior to admission, procedure/surgery or the visit. If completed before admission or procedure/surgery or patient's initial visit, there must be a notation indicating the presence or absence of changes in the patient's condition since the history and physical was completed. This notation must be completed and documented in the patient's medical record within 24 hours after admission, or before procedure/surgery, whichever occurs first. The update must be performed by a member of the medical staff with appropriate credentials, and be signed, dated and timed. In the event the history and physical update is performed by the medical staff member's designee, it shall be countersigned, dated and timed by the responsible medical staff member.

(4) Ambulatory patients must have a history and physical at the initial visit.

(5) For psychology, psychiatric and substance abuse ambulatory sites, if no other acute or medical condition is present on the initial visit, a history and physical examination may be performed either:

- i. within the past six months prior to the initial visit,
- ii. at the initial visit, or
- iii. within 30 days following the initial visit.

3335-111-12 Amendments and adoption.

(A)-(D) no change

3335-111-13 Meetings and dues.

(A)-(B) no change

3335-111-14 Rules of construction.

(A)-(B) no change

APPENDICES

APPENDIX I.
COAT OF ARMS OF
THE OHIO STATE UNIVERSITY HOSPITALS-no change

APPENDIX II.
COAT OF ARMS OF THE MEDICAL STAFF
OF THE OHIO STATE UNIVERSITY HOSPITALS-no change