



UNIVERSITY HOSPITAL
Newark, New Jersey

The Board of Directors of University Hospital

PUBLIC SESSION
January 24, 2017
8:30 a.m.

Rutgers New Jersey Medical School/University Hospital
Cancer Center
205 South Orange Avenue, Board Room B-1120
Newark, New Jersey

Present: Hon. Donald T. DiFrancesco, *Chair*; James M. Orsini, MD, *Vice-Chair*; Annette Catino, MBA; Tanya L. Freeman, Esq.; Keith H. Green; Robert L. Johnson, MD, FAAP; Robert J. Rubino, MD; Brian L. Strom, MD, MPH; Michael A. Curi, MD

Present Via Teleconference: Robert L. Barchi, MD, PhD; David H. Brody, MD; Cecile A. Feldman, DMD, MBA

University Hospital Attendees: John N. Kastanis, MBA, FACHE, *President and Chief Executive Officer*; Susan Ann Abookire, MD, MPH, *Interim Chief Medical Officer*; Thomas Daly, *Chief Financial Officer*; Nancy Hamstra, *Chief Operating Officer*; Carl A. Kirton, *Chief Nursing Officer*; Paul B. Matey, *Senior Vice President & General Counsel*; Richard Tunnell, *Chief Information Officer*; Gerard Garcia, *Chief Human Resources Officer*; and Tammy Robinson, *Special Assistant*

I. Opening

Chairman DiFrancesco opened the meeting by reading from the Open Public Meetings Act:

The notice requirements of the Senator Byron M. Baer Open Public Meetings Act and the New Jersey Medical and Health Sciences Restructuring Act have been satisfied. Notice of this meeting was timely sent to various newspapers in the State of New Jersey and was also timely posted on the website of University Hospital.

A roll call was conducted by Ms. Robinson:

Hon. Donald T. DiFrancesco	Present
Robert L. Barchi, MD, PhD	Present via teleconference
David H. Brody, MD	Present via teleconference
Annette Catino, MBA	Present
Cecile A. Feldman, DMD, MBA	Present via teleconference
Tanya L. Freeman, Esq.	Present
Keith H. Green	Present
Robert L. Johnson, MD, FAAP	Present
James M. Orsini, MD	Present
Robert Rubino, MD	Present
Brian L. Strom, MD, MPH	Present

With a quorum of members present, Chairman DiFrancesco called the meeting to order at 8:28 a.m.

II. Approval of Meeting Minutes

1. Chairman DiFrancesco presented the minutes of the November 15, 2016 meeting of the Board of Directors for approval.

2. Mr. Kastanis noted the following corrections to the minutes:

a. Page 3, IV. Report of the President and CEO letter E. should read "Mr. Kastanis *was appointed to* the Vizient Board of Managers";

b. Page 5, B. Report of the Finance, Investment, Administration and Audit Committee, number 5 should read "Mr. Kastanis stated that ambulatory *care visits increased*";

c. Page 6, VII. Executive Session paragraph two should read "*November 15, 2016*".

3. Chairman DiFrancesco accepted a motion to approve the minutes as amended. The minutes were approved unanimously.

III. Report of the Chairman of the Board

None

IV. Report of the President and CEO

1. Mr. Kastanis reported that UH continues to monitor developing federal legislative issues that could impact the Hospital. He noted that national and local hospital associations are advocating to protect the interests of member organizations should the Affordable Care Act (ACA) be repealed. Mr. Kastanis stated that a recent Executive Order enacted by President Trump called for easing some of the regulatory burdens incurred by providers, insurance carriers, and health care institutions as a result of ACA mandates. Mr. Kastanis noted that the UH could be particularly impacted by any repeal of Medicaid expansion.

2. Mr. Kastanis reported that University Hospital was recognized for its groundbreaking work to raise organ and tissue donation awareness. The award was presented by the President and Chief Executive Officer of the Sharing Network in a ceremony at UH. During the ceremony, Patti Jackson, an advocate for organ donation was honored. Ms. Jackson's 13-month old daughter Zoe died in 2011 and her organs were donated to the benefit of three pediatric patients at UH.

3. Mr. Kastanis announced a number of recent recruits at UH including Terry Spittell, Executive Director of Marketing and Communications; Deanna Breglia, Director of Development; Ryan Chesterfield, Patient Experience Advisor; Edlynn Lewis, Business Manager for Perioperative Services; Umberto Petrucci, Director of Physical Plant; Michelle Hepburn, Emergency Department Director; and Richard Remington, Principal Public Relations Specialist.

4. Mr. Kastanis reported that UH was officially awarded the designation of "Baby-Friendly Hospital," the first hospital in Essex County to earn this designation. Mr. Kastanis congratulated and commended Dr. Kirton and his team for their efforts.

5. Mr. Kastanis reported on the Hospital Consumer Assessment of Healthcare Providers and Systems survey (known as "HCAHPS" scores), noting that UH has begun targeting the third quartile of academic medical centers. Mr. Kastanis acknowledged that substantial work is needed toward improving the Hospital's rankings, and that the Patient Experience department continues to make strides.

6. Mr. Kastanis reported that the Patient Experience department has partnered with the Rutgers, New Jersey Medical School to create a training program for first year medical students. The new program assigns students to in-patient units where they will round in order to assess whether patients' non-clinical expectations are met. Dr. Johnson added that this program is part of the medical school's professionalism education for students, and helps students obtain a better perspective of healthcare in a hospital setting. In response to Dr.

Rubino's suggestion, Dr. Johnson commented that there is a pipeline program designed to introduce younger students and undergraduates to medical career opportunities.

V. Committee Reports and Action Items

A. Report of the Compensation Committee

Chair, Mr. Keith H. Green

1. Upon recommendation of the Compensation Committee, Mr. Green requested that the Board accept and approve Compensation Committee Minutes of September 14, 2016. The Board accepted and approved the minutes unanimously.

B. Report of the Finance, Investment, Administration and Audit Committee

Chair, Ms. Annette Catino, MBA

1. Upon recommendation of the Finance, Investment, Administration and Audit ("FIAA") Committee, Ms. Catino requested that the Board accept and approve a) the FIAA Committee Minutes of October 26, 2016; and b) the FIAA Committee Minutes of November 15, 2016. The Board accepted and approved the minutes unanimously.

2. Upon recommendation of the FIAA Committee, Ms. Catino requested that the Board accept and approve a) the September 2016 Financial Statement; b) the October 2016 Financial Statement; and c) the Quarter 1 Secondary Market Disclosure Statement. The Board accepted and approved the financial statements unanimously.

4. Ms. Catino reported that the IST Migration plan continues to be on time and on budget.

5. Ms. Catino reported that in a recent press release, Fitch Ratings affirmed the 'BBB' rating and stable outlook for University Hospital's bonds.

6. Ms. Catino reported that both the Internal Audit and Compliance departments have provided their 90 Day Plan, as well as work plans for Fiscal Year 2017.

C. Report of the Governance, Ethics and Legal Committee

Chair, Ms. Tanya L. Freeman, Esq.

No Report

D. Report of the Medical Liaison Committee

Chair, Dr. James M. Orsini, MD

1. Upon recommendation of the Medical Liaison ("ML") Committee, Dr. Orsini requested that the Board accept and approve a) the ML Committee Minutes of December 8,

2016; b) the ML Committee Minutes of December 20, 2016; and c) the ML Committee Minutes of January 19, 2017. Dr. Orsini noted that these items were approved by the committee via electronic vote. The Board accepted and approved the minutes unanimously.

2. Upon recommendation of the ML Committee, Dr. Orsini requested that the Board accept and approve a) Credentials Committee Action Items of November 14, 2016; b) Credentials Committee Action Items of November 29, 2016; c) Credentials Committee Action Items of December 12, 2016; and d) Credentials Committee Action Items of January 10, 2017. The Board accepted and approved the action items unanimously.

3. Upon recommendation of the ML Committee, Dr. Orsini requested that the Board accept and approve the Medical Executive Committee Minutes of October 25, 2016. The Board accepted and approved the minutes unanimously.

4. Upon recommendation of the ML Committee, Dr. Orsini requested that the Board accept and approve a) the Credentials Committee Minutes of October 17, 2016; b) the Credentials Committee Minutes of November 14, 2016; and c) the Credentials Committee Minutes of December 12, 2016. The Board accepted and approved the minutes unanimously.

5. Upon recommendation of the ML Committee, Dr. Orsini requested that the Board accept and approve the Reappointment Roster dated January 1, 2017. The Board accepted and approved the Reappointment Roster unanimously.

E. Report of the Quality of Care Committee

Chair, Dr. David H. Brody, MD

1. Upon recommendation of the Quality of Care ("QOC") Committee, Dr. Brody requested that the Board accept and approve the QOC Committee Minutes of August 31, 2016. The Board accepted and approved the minutes unanimously.

2. Upon recommendation of the QOC Committee, Dr. Brody requested that the Board accept and approve a) the Quality Council Committee Minutes of August 4, 2016; b) the Quality Council Committee Minutes of September 26, 2016; and c) the Quality Council Committee Minutes of October 24, 2016. The Board accepted and approved the minutes unanimously.

3. Upon recommendation of the QOC Committee, Dr. Brody requested that the Board accept and approve a) the Patient Safety Committee Minutes of July 13, 2016; and b) the Patient Safety Committee Minutes of September 4, 2016. The Board accepted and approved the minutes unanimously.

4. Dr. Brody stated that Dr. Abookire, Interim Chief Medical Officer would provide a summary of the presentation regarding Structural Overhaul for Quality, Patient Safety and Value.

5. Dr. Abookire reported that the quality scores for UH reflect its status as a top tier academic medical center. She noted that the proposed restructuring plan would coordinate the various components of the quality program across the organization, promote the highest quality outcomes, and ensure continued patient safety.

6. Dr. Abookire summarized that one of the goals of the restructuring would include implementing high reliability, interdisciplinary teams and collecting important data analytics.

VI. Resolutions for Presentation and Consideration

1. Chairman DiFrancesco presented Resolution No. 2017-0119-44 to Amend the Bylaws regarding settlement authority for legal matters. In response to an inquiry, Ms. Freeman stated that the amendment would allow settlements less than \$250,000 to be approved by the CEO or General Counsel. The resolution was approved and adopted unanimously.

2. Chairman DiFrancesco presented Resolution No. 2017-0124-45 to approve a contract with the Stone Center to provide lithotripsy services. The resolution was approved and adopted unanimously.

3. Chairman DiFrancesco presented Resolution No. 2017-0124-46 to approve a contract with the Epic Systems Corporation to provide software and implementation services. The resolution was approved and adopted unanimously.

VII. Public Comment

Chairman DiFrancesco noted that all business of the Board was completed and introduced Ms. Sharon Clark to provide public comment.

1. Ms. Clark commented on the QOC Committee presentation “Structural Overhaul Quality, Patient Safety and Value.” Ms. Clark stated that she is an employee of another hospital, and briefly described aspects of that organization's process for maintaining Leapfrog scores.

2. Ms. Clark offered comments regarding her late mother’s inpatient stay at University Hospital. Ms. Clark stated that her questions and concerns regarding the care her mother received were not addressed to her satisfaction.

3. Chairman DiFrancesco expressed condolences and thanked Ms. Clark for presenting her comments to the Board.

4. Chairman DiFrancesco stated that all business of the Board was complete and that the Directors would convene in Executive Session.

VIII. Executive Session

Chairman DiFrancesco stated that the Board would convene in Executive Session by resolution:

BE IT RESOLVED, that the Board will meet in executive session on this date, January 24, 2017, to review matters falling within the attorney-client privilege and such other matters as may be discussed in executive session, in accordance with N.J.S.A. 10:4-12.

BE IT FURTHER RESOLVED, that any necessary action will be taken at the earliest possible public meeting of the Board, and that each of these matters shall be made public when they have been resolved and/or concluded.

The University Hospital Board of Directors will convene in Executive Session. We do not intend to conduct any additional public business.

VIII. Adjournment

There being no further business, the public meeting of the Board of Directors of University Hospital adjourned at 9:37 a.m. The next meeting of the Board is scheduled for Tuesday, March 28, 2017 at 8:30 a.m., in the Rutgers Cancer Institute of New Jersey at University Hospital located at 205 South Orange Avenue, Board Room B-1120, Newark, New Jersey.