



**The Board of Directors of University Hospital**

Annual Public Meeting

September 24, 2020

10:00 a.m.

Via WebEx

Rutgers Cancer Institute of New Jersey  
at University Hospital

205 South Orange Avenue, Board Room B-1120  
Newark, New Jersey

**Present via WebEx:** Tanya L. Freeman, Esq., Chair; Cecile A. Feldman, DMD, MBA; Keith H. Green; Heather Howard, JD; Robert L. Johnson, MD, FAAP; David T. Molowa, PhD; Mary O'Dowd, MPH; Eric Pennington, Esq., Brian L. Strom, MD, MPH

**Present In-Person:** Robert J. Rubino, MD

**Absent:** James M. Orsini, MD

**I. Opening Statement and Roll Call**

Chairwoman Freeman opened the meeting and welcomed all in attendance.

At the direction of Chairwoman Freeman, Ms. Tammy Robinson read University Hospital's statement of compliance with the Senator Byron M. Baer Open Public Meetings Act and the New Jersey Medical and Health Sciences Education Restructuring Act, and called the roll. With a quorum of members present, the meeting was called to order at 10:05 a.m.

**II. Report of the President and Chief Executive Officer**

Dr. Elnahal provided updates regarding improvements to hospital operations following the decrease in patient volume due to COVID-19. He reported that the community reconnected to care relatively quickly in most areas, though there remains some lag in surgery and procedures. The hospital has experienced an overall increase in volume and revenue and continues to work with community partners encouraging patients to resume care.

Dr. Elnahal reported that following its triennial reaccreditation survey by The Joint Commission last week, the hospital had no high-risk, wide-spread findings. The hospital

anticipates a favorable outcome and reaccreditation for a three-year period. Dr. Elnahal congratulated the staff for all of their hard work and effort.

Lastly, Dr. Elnahal reported that the State budget for the last nine months of the fiscal year is expected to be amended to restore Charity Care and Graduate Medical Education funding, and also an increase in the full-time employee cap for the hospital.

Chairwoman Freeman thanked Dr. Elnahal for his report. The Chairwoman then confirmed current Board Committee assignments for each of the members.

### **III. Public Comment**

Chairwoman Freeman opened the meeting to public comment and Ms. Mary Maples, Corporate Secretary instructed public members participating on the WebEx to indicate whether their wish to make a comment by utilizing the chat bubble or raise hand feature.

Ulysses Coleman, Michael Alexander, Erin Watts and Ezra Pace each expressed their personal accounts of positive experiences with Bergen Pharmacy, one of the neighborhood pharmacies, and stated their support for Bergen Pharmacy staying at its present location next to the hospital.

Hearing no further public comment, the Chair closed the public comment portion of the meeting.

### **IV. Review and Approval of Board Meeting Minutes of June 25, 2020**

Chairwoman Freeman accepted a motion, duly seconded to approve the minutes. A roll call was conducted, and the motion was approved by unanimous vote of the members, with no abstentions.

### **V. Review of Financial Statements**

Mr. Gary Huck, Interim Chief Financial Officer, provided an overview of the Fiscal Year August 31, 2021 financial statements. He reported that the balance sheet showed an increase in cash received from an infusion of funding from the CARES Act and reimbursement for uninsured COVID-19 patients. He also noted that the accounts receivables remained stable compared to the year-end amounts and that a recent Delivery System Reform Incentive Payment (DSRIP) contributed to the increase. Mr. Huck pointed out a decrease in accounts payables and noted the decrease was due to the bond interest payment that occurred in July. On the statement of revenue and expenses, he reported a variance in the net patient service revenue as a result of increased volume of inpatients. He further highlighted that CARES Act funding could assist in recuperating other lost revenue and expenses related to COVID-19.



Mr. Huck briefly reported that the key operating indicators case mix index remained stable compared to budget and the length of stay (LOS) index performed better than budget. He noted that the August 2020 LOS index report was recently received and remains consistent with the previous month. There was an increased amount of discharges compared to budget and a decrease in ambulatory services units. Mr. Huck also stated that both supplies, and salaries and expenses experienced reductions as a result of spending controls. In response to an inquiry from Dr. Rubino, Dr. Elnahal reported that the increase in volume for Pediatrics may be attributed to a greater level of trust in the community following the pandemic. He also posited that a favorable Leapfrog assessment which showed that the hospital meets and exceeds standards may also be a contributing factor. Dr. Elnahal further noted the hospital's efforts to increase childhood vaccinations. Dr. Rubino agreed that these efforts bolster good maternal and child health outcomes and should be promoted to patients at the point of care.

Lastly, Mr. Huck reported a marked improvement on the benchmark statistics with most of the indicators meeting or exceeding performance goals. The hospital continues to face challenges in the areas of discharges, surgeries, ambulatory and emergency department.

As a housekeeping matter, Dr. Rubino recommended that presenters utilize a laser pointer or highlighter to facilitate the members' following along in the financial statement presentation.

#### **VI. Proposed Actions – Consent Agenda Items**

Ms. Maples presented the consent agenda which included a resolution for the ratification of actions adopted by the Executive Committee on behalf of the Board in the months prior to this Board meeting. Ms. Maples highlighted the recusal of Directors Feldman, Johnson, O'Dowd and Strom from the vote for Resolution 2020- 0722-106. Ms. Maples also presented a resolution to adopt the 2021 public meeting schedule for the Board of Directors.

Chairwoman Freeman accepted a motion, duly seconded to approve the consent agenda items. A roll call was conducted, and the motion was approved by unanimous vote of the eligible members, with the recusals as noted.

#### **VII. Proposed Actions – Regular Items**

Ms. Maples presented a resolution to approve certain awards of contracts and asked certain staff to review each of the items for member deliberation. Mr. Huck provided a summary of the proposed award of contracts for the Charity Care Eligibility and Self-Pay Accounts Receivable Management Services, and the No Fault/Workers' Compensation Accounts Receivables Management Services. In response to an inquiry from Dr. Rubino concerning a protest of award for the No Fault/Workers' Compensation Accounts Receivables Management Services solicitation, Mr. Paul Weiss stated that two protests were adjudicated through the hospital's administrative process and a final decision upholding the award was issued to all of the affected respondents.



Ms. Eve Borzon presented the proposed award of contract for the retail pharmacy project. Ms. Borzon reported that the evaluation committee recommended the award of a contract to Shields Pharmacy, as the most responsible bidder based on price and other factors. She also presented a proposed award of a contract extension for a one-year term with Bergen Pharmacy for the administration of the Specialty Pharmacy 340B prescription program.

During the discussion of the retail pharmacy project, Ms. O'Dowd noted that earlier public comments referenced Bergen Pharmacy and asked for additional discussion to address the comments raised by the public during the public comment portion of the meeting. Ms. Borzon stated that Bergen has been providing service and administering the 340B program on behalf of the hospital under a separate competitively bid contract, and the requested extension would continue that service through October 4, 2021. Ms. Maples added that the hospital's current or future selection of an on-site pharmacy would not in any way impede a patient's ability to choose their preferred pharmacy. It was noted that the hospital, through the proposed extension of contract, intends to continue its 340B relationship with Bergen Pharmacy while contemporaneously seeking to expand pharmacy options for its patients through the proposed on-site retail pharmacy project. In response to Dr. Strom's inquiry about the project, Dr. Elnahal recommended that the Board consider discussing the proposed contract and any related questions as part of an executive session of the meeting.

At this point in the meeting, Mr. J. Levine, a member of the public participating on the Webex, enabled his microphone and inquired about the justification for discussing the proposed contract as part of an executive session, and whether the evaluation criteria used to assess the bid responses for the project considered the potential negative competitive impact to Bergen Pharmacy. Ms. Maples responded that the public comment portion of the meeting was closed, but further stated that the criteria utilized by the evaluation committee was set forth in the published RFP documents, and that no other criteria was used to evaluate the proposals received by the hospital for the retail pharmacy project. Ms. Maples further stated that, as legal counsel for the hospital, she needed to provide advice to the board of directors as it deliberated the proposed contracts with Bergen and associated legal implications to the Board's actions. The Board agreed to table the retail pharmacy and 340B specialty pharmacy actions pending their discussion in executive session.

As to the other procurement actions, Chairwoman Freeman accepted a motion, duly seconded to approve the Charity Care Eligibility and Self-pay Accounts Receivable Management Services award and the No Fault/Workers' Compensation Accounts Receivable Management Services award. The motion was approved by unanimous vote of the members.

#### **VIII. Informational/Reference Materials**

Chairwoman Freeman directed the members' attention to the minutes of the Finance and Audit, Safety and Quality, and Executive Committees of the Board for informational references.



## **IX. Executive Session**

Chairwoman Freeman accepted a motion, duly seconded to adopt Resolution 2020-0924-113 to convene an executive session. Ms. Maples noted for the public's benefit that the members would reenter the public session portion of the meeting at 11:30AM for those members of the public that wanted to rejoin the meeting. The motion to enter into a closed session was approved by unanimous vote of the members.

The Board of Directors reconvened the public session portion of the meeting at 11:30AM and Ms. Maples listed the following actions for vote:

- a. Retail Pharmacy proposed award of contract
- b. Specialty Pharmacy 340B proposed award of a contract extension
- c. Resolution 2020-0924-114 appointing Ms. Shané Harris, Mr. Colin Newman, and Ms. Marjorie Perry to the Board of Trustees of the Foundation for University Hospital
- d. Resolution 2020-0924-115 appointing Mr. Robert Iannaccone to the Board of Trustees for Broadway House

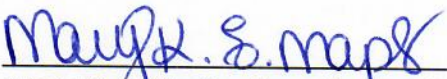
Chairwoman Freeman accepted a motion, duly seconded, to adopt the foregoing proposed actions. A roll call was conducted, and the motion was approved by unanimous vote of the members.

## **X. Adjournment**

There being no further business, the public meeting of the Board of Directors of University Hospital adjourned at 11:35 AM. The next Meeting of the Board of Directors is scheduled for Thursday, November 19, 2020 at 10:00AM, in the Rutgers Cancer Institute of New Jersey at University Hospital located at 205 South Orange Avenue, Room B-1120, Newark, New Jersey.

## **CERTIFICATION**

I, MARY K. E. MAPLES, Chief Legal Officer and Corporate Secretary of University Hospital, DO HEREBY CERTIFY that the foregoing is a true and complete copy of the Minutes of the Public Session of the University Hospital Board of Directors meeting conducted on September 24, 2020.

  
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Mary K. E. Maples, Esq., Corporate Secretary