

Meeting of the
University Hospital Board of Directors

PUBLIC SESSION

August 5, 2013

The Cancer Center
205 S. Orange Avenue, Board Room
Newark, New Jersey

Present – University Hospital (“UH”) Board of Directors: Hon. Donald T. DiFrancesco, *Chair*; James M. Orsini, M.D., *Vice- Chair*; William D. Cassidy, III, Ph.D, *Secretary*; Domenic M. DiPiero, III; Cecile A. Feldman, D.M.D., MBA (*via telephone*); Robert L. Johnson, M.D., FAAP; and Christopher Molloy, Ph.D, RPh

Excused – UH Board of Directors: Robert L. Barchi, M.D., PhD

Present – UH Leadership: James R. Gonzalez, MPH, FACHE, *President & Chief Executive Officer*; Thomas Daly, *Chief Financial Officer*; Nancy Hamstra, *Chief Operating Officer & Secretary*; Dara Quinn, *Chief Compliance Officer*; Paul Wermuth, Esq., *General Counsel*, and Suzanne Atkin, M.D., *Chief Medical Officer*.

Present – UH Staff: Simone Bellamy, *Special Assistant* and Tammy Robinson, *Special Assistant*

Present – Guests: Glenn Tucker, Esq., Greenberg Dauber Epstein & Tucker

Minutes

A roll call was conducted by Ms. Bellamy:

Hon. Donald T. DiFrancesco - *Present*
William D. Cassidy, III, Ph.D. - *Present*
Domenic M. DiPiero, III - *Present*
Cecile A. Feldman, D.M.D., MBA - *Present*
Robert L. Johnson, M.D., FAAP- *Present*
Christopher Molloy, Ph.D, RPh- *Present*
James M. Orsini, M.D. - *Present*

With a quorum of members being present, Chairman DiFrancesco called the meeting to order at 8:05 a.m.



Chairman DiFrancesco read 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 special meeting was timely sent to various newspapers in the State of New Jersey and was also timely posted on the website of University Hospital.

Approval of Meeting Minutes

The Board unanimously approved the minutes of the July 1, 2013, UH Board of Directors Public Session meeting.

Dr. Michael Jaker, President of the Medical Staff summarized the information presented to the Board concerning the actions of the Medical Executive and the Medical Credentials Committees. In response to a question posed by Dr. Orsini, Dr. Jaker clarified the type of information that would be submitted to the Board for approval. He extended an invitation for members of the Board to attend an upcoming meeting.

The Board unanimously approved the following actions of the Medical Executive Committee and the Medical Credentials Committee:

- Acceptance, ratification and approval of Action Items Memos dated June 25 and July 23, 2013
- Acceptance, ratification and approval of Medical Executive Committee Meeting minutes dated April 2, April 23, May 28, and June 25, 2013
- Acceptance, ratification and approval of Credentials Committee Meeting minutes dated March 11, April 8, May 13, and June 10, 2013
- Acceptance, ratification and approval of Medical Staff Reappointment Roster of October , 2013

Chairman's Report

Chairman DiFrancesco stated that UH's transition to an independent entity went well. Chairman DiFrancesco informed members that he has discussed the importance of the Board reaching its full composition with Senate President Stephen Sweeney and expects the final three members to be appointed in the near future. Once the full membership of the Board is reached, Board related Committees will be formed. The Chairman added that he will be meeting individually with select members of the UH staff and thanked everyone involved in the transition.

President and CEO's Report

Mr. Gonzalez stated that UH was successful in functioning as an independent corporate entity during the month of July 2013. He publically thanked staff instrumental in the transition and those who continue to address the day to day issues that arise. Mr. Gonzalez then reported the following:

- A number of new areas of the Hospital including departments such as Supply Chain Management, Information Technology, Internal Audit, Corporate Compliance, and Legal Management have transitioned and are beginning to provide services.
- Through the collaboration of Finance, Human Resources, IST and other areas, payroll for over 3000 employees transitioning from UMDNJ to UH was successfully implemented.
- The University Hospital Community Oversight Board convened its first meeting on July 18, 2013. Matters such as the approval of the entity's Bylaws, the consulting agreement with Barnabas Health, Inc., and its formal meeting schedule were addressed by the Board.
- UH leadership continues to focus of employee engagement as management meets with staff to gauge how employees are doing in light of the transition.
- The maintenance of Hospital's clinical and administrative applications systems including that of the EPIC system was a lead issue during the transition period. The expertise of Deloitte Consulting and the leadership of Richard Tunnell, CIO was publically acknowledged as integral to the success of the changeover of these systems.
- UH is currently working under ten separate IT transitional service agreements with Rutgers, the State University of New Jersey and one continuing service agreement for UH to provide clinical assistance to the Rutgers, NJMS Faculty Practice.
- UH has initiated the planning process to relocate its servers and clinical applications data center offsite.
- As part of the five-year IT Roadmap, UH is preparing for several upgrades to the EPIC system. Current focus is on the installation of the EPIC Ambulatory Care Modules for the remaining outpatient clinics, the preliminary phase to begin the EPIC Clinical Documentation Module, and the purchase and installation of the EPIC Beaker Laboratory Information System.
- UH will be the recipient of a large parcel of furniture from the Panasonic Corporation. Former, UH Board of Directors member, Penny M. Joseph was instrumental in facilitating UH receiving the donation. Panasonic is currently relocating its corporate offices to the City of Newark.

- Theresa Rejrat, has resigned her position as VP of Patient Care Services & Chief Nursing Officer. Ms. Rejrat was acknowledged for her many contributions and years of service to UH.

Audit Committee Report

Mr. John Ras summarized the information presented to the Board concerning the Internal Audit Policy.

WHEREUPON the following Resolution was introduced, seconded, and unanimously approved by the UH Board of Directors:

BE IT RESOLVED, that the Board hereby adopts the attached Internal Audit Policy, effective *immediately*.

Reports to the Board of Directors

Hospital Quality Report:

Dr. Vincent Barba, Chief Quality Officer, presented the Hospital Quality Report to the Board. Dr. Barba summarized data presented in the Report which included statistics on the average length of hospital stay, patient mortality rates, patient re-admission rates, and occurrences of pressure ulcers. Dr. Barba highlighted statistics where UH has made progress and outlined areas in which there is a focus on improvement.

In response to questions posed by members, Dr. Barba explained what factors determine the mortality rate and the basis on which the State defines “re-admission”. Dr. Barba emphasized that tracking patient re-admission is important because UH is not compensated for instances where a patient is determined to have received care for the same or similar condition twice.

Financial Report:

Mr. Thomas Daly, Chief Financial Officer, presented the Financial Report to the Board. Management is in the process of working with UMDNJ Legacy units to close the fiscal year ending June 30, 2013. Over the next two weeks, preliminary numbers are expected to be available.

The preliminary financial statements for UH’s first month of independent operation, indicates increasing volume in UH’s clinical areas and that the P&L figures for the first quarter will be met.

Update Regarding Consulting Agreement

Mr. Tucker provided a brief history of the actions preceding the proposed agreement. Mr. Tucker then reported the following:



- The agreement for consulting services for UH with Barnabas Health, Inc. was approved by the University Hospital Community Oversight Board at its meeting on July 18, 2013.
- The consulting agreement was sent to the State of New Jersey Department of Health for consideration, and has since been approved.
- A meeting has been scheduled next week to further discuss the execution of the agreement.

Schedule of Board Meetings

Chairman DiFrancesco presented the FY 2014 schedule of meetings to the Board for approval. The Chairman stated that the schedule is subject to change and inquired if members had revisions. No revisions were requested.

WHEREUPON the following Resolution was introduced, seconded, and unanimously approved by the UH Board of Directors:

BE IT RESOLVED, that the UH Board of Directors hereby adopts the Schedule of Board Meeting Dates for FY 2014.

Public Comment

Chairman DiFrancesco opened the floor to individuals requesting an opportunity to address the Board. No request was made.

Chairman DiFrancesco commented briefly on the historical challenges faced by the City of Newark's since the riots of 1967. The Chairman emphasized that University Hospital has and will continue to have a commitment to the City to work hand in hand with decision makers to be part of the solution which assists the City to continue to change things for the better.

There being no further business, the UH-Board of Directors Meeting was adjourned at 8:49 a.m. The next full meeting of the UH-Board of Directors will be held at 8:30 a.m. Tuesday, September 17, 2013, Cancer Center Board Room, 205 S. Orange Avenue, Newark, New Jersey.