

APPROVED BY THE
COMMITTEE

JUL 12 2017

Dedra M. Williams
SECRETARY OF THE BOARD

MEETING OF THE UNIVERSITY HEALTHCARE SYSTEM COMMITTEE
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS
MARCH 14, 2017

This meeting of the University Healthcare System Committee was held in Illini Rooms B and C, Illini Union, 1401 West Green Street, Urbana, Illinois, on Tuesday, March 14, 2017, beginning at 12:34 p.m.

Trustee Timothy N. Koritz, chair of the committee, welcomed everyone to the meeting and asked the clerk to call the roll. The following committee members were present: Mr. Patrick J. Fitzgerald, Dr. Timothy N. Koritz. Mr. Collin T. Schumock, voting student trustee, Urbana, was present. President Timothy L. Killeen was in attendance.

Also present were Dr. Barbara J. Wilson, executive vice president and vice president for academic affairs; Dr. Robert J. Jones, chancellor, University of Illinois at Urbana-Champaign, and vice president, University of Illinois; Dr. Michael D. Amiridis, chancellor, University of Illinois at Chicago, and vice president, University of Illinois; Mr. Walter K. Knorr, comptroller (and vice president/chief financial officer); Mr. Thomas R. Bearrows, University counsel; Mr. Thomas P. Hardy, executive director for University relations; and Ms. Dedra M. Williams, secretary of the Board of Trustees and

of the University. Attached is a listing of other staff members in attendance at this meeting, as well as some members of the media.

Dr. Koritz welcomed everyone to the meeting and asked participants to introduce themselves. He then requested a motion to approve the minutes of the meeting held January 18, 2017. On motion of Mr. Fitzgerald, seconded by Mr. Schumock, the minutes were approved. There were no “nay” votes.

OPENING REMARKS

Dr. Koritz invited Dr. Robert A. Barish, vice chancellor for health affairs, Chicago, to make some opening remarks. Dr. Barish provided an update and highlighted PRONTO, the pilot program for nonemergency transportation of patients who are ready to leave the hospital. He explained that this increases the availability of critical beds and costs between \$18 and \$35 per ride. He reported that 88 patients have been transferred using the PRONTO program to date.

REVIEW OF RECOMMENDED BOARD ITEMS FOR THE MEETING OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS ON MARCH 15, 2017

Dr. Koritz introduced the recommended items within the purview of this committee on the Board’s agenda at its meeting on March 15, 2017. All recommended items discussed at the meeting are on file with the clerk.

Approve Student Health Insurance Rates for Urbana, Chicago, and Springfield
Campuses, Academic Year 2017-2018

Dr. Koritz asked Dr. Wilson to report on the recommendation to approve student health insurance rates for Urbana, Chicago, and Springfield, Academic Year 2017-2018. Dr. Wilson reported on the recommendation for student health insurance rates and gave some background on rates at Urbana, Chicago, and Springfield in previous years. She then presented the proposed rates at Urbana, Chicago, and Springfield and said there is no recommended increase at Chicago and a decrease in the cost of student health insurance at Springfield. Dr. Wilson then discussed the proposed increase at Urbana and described the cost drivers impacting the cost of student health insurance there. She emphasized the increase in claims and claims costs in the previous year. She said that negotiations lessened the rate increase, and she told the committee that it is not an ideal time to negotiate a new contract due to uncertainty surrounding the Affordable Care Act. Dr. Wilson reported that the cost of student health insurance at the University is competitive with peer institutions, and she told the committee that the process by which students at Urbana can opt out due to coverage under an alternate policy has been made easier. Dr. Wilson also noted that these rates are set in consultation with a student advisory group. Dr. Wilson then reviewed the overall cost of medical coverage, including the mandatory health service fee, and she thanked Ms. P.J. Kale, executive director of risk management; Dr. Peter J. Newman, associate vice president of treasury operations; and other University system staff for their hard work, expertise, and input on this recommendation.

Discussion followed regarding the type of coverage available at Urbana, Chicago, and Springfield and the criteria and process for opting out at each.

Reappoint Member to the Advisory Board, Division of Specialized Care for
Children (DSCC) in Springfield, Chicago

Dr. Koritz then asked Dr. Amiridis to report on the recommendation to reappoint Dr. Laura Deon to the advisory board of the Division of Specialized Care for Children in Springfield. Dr. Amiridis described Dr. Deon's background, experience, and credentials, and he commented briefly on the recommendation. He told the committee that these are not financially compensated positions.

Purchase Recommendations

Dr. Koritz asked Mr. Richard D. Elmore, assistant vice president for procurement services, to report on purchase recommendations. Mr. Elmore provided information on the recommended purchase of spinal implant systems from K2M Group Holding, Inc., for use by orthopedic and neurological spine surgeons at UI Health. He explained that this is a justified sole-source purchase because these items are patented and the vendor is the only manufacturer. He stated that this technology allows surgeons to use spinal implants uniquely fitted to a patient's anatomy, and he referred to an anticipated increase in the patient census for these types of surgeries.

Next, Mr. Elmore discussed the recommended purchase of an accident and illness insurance plan for students at Springfield from Academic Health Plans/Blue Cross Blue Shield. He told the committee that negotiations resulted in decreased cost.

Mr. Elmore then reported on recommended renewals, beginning with a recommended renewal option for student health insurance and routine administrative services from United Healthcare Services, Inc., for students at Urbana. He said this is the second of eight renewal options and will cost a maximum of \$29.0 million. He reported that these costs are paid each semester.

Lastly, Mr. Elmore reported on the recommended renewal option for the purchase of temporary personnel services required for the University of Illinois at Chicago and the University of Illinois Hospital and Health Sciences System. He said these would be purchased on an as-needed basis at an amount not to exceed \$4,747,172.

PRESENTATION

Medical Staff Services – Initial & Reappointments: Applicant Information and Primary Source Verification

Next, Dr. Koritz asked Dr. Bernard H. Pygon, chief medical officer, UI Hospital, to report on the verification process for initial applicants and reappointments to the hospital (materials on file with the clerk). Dr. Pygon discussed the credentialing process, which he said is done according to industry standards, and told the committee that outside legal counsel has been consulted on this process. He described the types of data that are

verified and background checks that are conducted, and he referred to processes that verify malpractice claims and suspensions, sanctions, and insurance claims. Dr. Pygon and committee members discussed the process for reappointing physician employees. Mr. Fitzgerald said that trustees defer to the process and emphasized the need to ensure that new physicians and reappointed physicians are properly vetted and scrutinized. The committee then discussed some changes to the process and agreed that the Board would be briefed on these changes. Dr. Koritz reminded the committee that The Joint Commission requires Board oversight of these appointments. Dr. Koritz, Dr. Pygon, and Dr. Barish thanked Mr. Fitzgerald for his interest.

COLLABORATION HIGHLIGHT

Interprofessional Education in Team-Based Care

Dr. Koritz then introduced the collaboration highlight and asked Dr. Krista Jones, director of the UIC College of Nursing, Urbana; Dr. Janet Liechty, associate professor of social work, Urbana; and Ms. Barbara Bennett, director of medical education and curriculum management, Urbana, to provide a presentation on interprofessional education in team-based care (materials on file with the clerk). Dr. Jones told the committee that the UIC College of Nursing, College of Medicine, and College of Social Work at Urbana have offered joint interprofessional education in team-based care for the past three years, and she discussed the purpose and benefits of this type of education. She described an integrative practice experience between the College of Nursing and College of Medicine,

and Dr. Liechty provided details regarding a poverty simulation involving nursing students, social work students, and medical students. Ms. Bennett reported on an interprofessional education program on disability awareness and provided examples of the growth of collaborations between these colleges. Mr. David Cho, Mr. Cesar Hernandez, and Mr. Vence Malicdem described their experiences participating in these interprofessional education experiences as students and made positive remarks regarding the benefits as students and future practitioners. Brief discussion followed regarding additional interprofessional education experiences.

REPORTS

Hospital and Clinics Chief Executive Officer Report

Next, Dr. Koritz asked Dr. Avijit Ghosh, chief executive officer, University of Illinois Hospital, to provide a report (materials on file with the clerk). Dr. Ghosh gave an operations summary and presented a variety of metrics, and he highlighted increases in revenue and operating margin. He commented briefly on revenue growth and challenges faced by the hospital. Dr. Ghosh discussed increased acuity levels in patients and the constraints resulting from capacity issues, and Dr. Koritz commented on the benefits of increased acuity for medical education. Dr. Ghosh said the hospital is preparing to handle new bundled payments and discussed ways in which the hospital would like to invest in the future with new equipment, renovations, revised programs and processes, and updates to technology infrastructure. He highlighted a project remodeling the

hospital's lobby that he said will create a welcoming space for patients and visitors. Dr. Koritz commented on upcoming challenges and inquired about impact from potential changes to the Affordable Care Act, and Dr. Ghosh said that changes at the State and federal level are being monitored. Dr. Amiridis referred to proposed legislation that would impact the hospital's ability to create a public-private partnership to make a new outpatient facility possible. Dr. Barish also referred to the hospital's expertise in treating sickle cell disease and the high volume of patients with the disease that are treated by the hospital. He reported that students at Chicago helped create proposed legislation that would remove the penalty for these patients being readmitted to the hospital.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

Dr. Koritz announced that the next meeting is scheduled for July 12, 2017, and said that the time has not been determined.

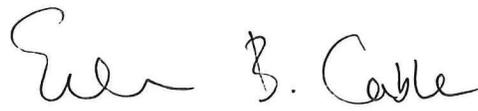
MEETING ADJOURNED

On motion of Mr. Fitzgerald, seconded by Mr. Schumock, the meeting adjourned at 1:51 p.m. There were no "nay" votes.

Respectfully submitted,


DEDRA M. WILLIAMS
Clerk


TIMOTHY N. KORITZ, MD
Chair


EILEEN B. CABLE
Assistant Clerk