

MEETING OF THE UNIVERSITY HEALTHCARE SYSTEM COMMITTEE
OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS

JULY 22, 2020

This meeting of the University Healthcare System Committee was held via teleconference¹ on Wednesday, July 22, 2020, beginning at 12:32 p.m.

Trustee Stuart C. King, chair of the committee, welcomed everyone to the meeting and asked the secretary to call the roll. The following committee members were present: Mr. Ramón Cepeda; Mr. Ricardo Estrada; Dr. Stuart C. King; Mr. Edward L. McMillan; Mr. Ali Mirza, student trustee, Urbana. Ms. Jill B. Smart was absent. Mr. Donald J. Edwards, chair of the Board, attended the meeting. Ms. Naomi D. Jakobsson; Ms. Jocelyn Bravo, voting student trustee, Chicago; and Mr. Austin Verthein, student trustee, Springfield, attended the meeting as guests.

Also present were President Timothy L. Killeen; 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; Dr. Karen M. Whitney, interim chancellor, University of Illinois at Springfield, and vice president, University of Illinois; Dr. Avijit Ghosh, comptroller (and vice president/chief financial officer); Dr. Joseph T. Walsh, interim vice

¹ Per Governor J. B. Pritzker's Executive Order 2020-44

president for economic development and innovation; Mr. Thomas R. Bearrows, University counsel; Mr. Thomas P. Hardy, executive director for University relations; and Mr. Gregory J. Knott, secretary of the Board of Trustees and of the University.

Attached is a listing of other staff members and some members of the media in attendance at this meeting.

Dr. King welcomed everyone to the meeting, and the secretary introduced others in attendance. Dr. King requested a motion to approve the minutes of the meeting held March 11, 2020. On motion of Mr. Cepeda, seconded by Mr. Estrada, the minutes were approved by the following vote: Aye, Mr. Cepeda, Mr. Estrada, Dr. King, Mr. McMillan, Mr. Mirza; No, none; Absent, Ms. Smart.

OPENING REMARKS

Dr. King asked Dr. Robert A. Barish, vice chancellor for health affairs, Chicago, to make some opening remarks. Dr. Barish commented on a new phase in UI Health's response to COVID-19 and acknowledged the efforts of the entire health-care team. He said that the hospital cared for 90 COVID-19 patients at its peak, administered 30,000 COVID-19 tests, and discharged 1,200 patients who recovered from the disease. He reported that today, there are no COVID-19 patients on ventilators at the hospital. Dr. Barish referred to other efforts throughout the university to cope with the impacts of the pandemic and assist with treatments and vaccines. He recognized the deans throughout the university, as well as the leadership team, and he said he is very proud of the university and hospital.

Dr. Barish mentioned process improvements and ongoing projects at the hospital and said that the hospital received a credit rating of A- stable from Standard and Poor's, which he said is a remarkable achievement, particularly due to recent circumstances.

REVIEW OF RECOMMENDED BOARD ITEMS
FOR THE MEETING OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ILLINOIS ON JULY 23, 2020

Dr. King introduced the recommended items within the purview of this committee on the Board's agenda for its meeting on July 23, 2020. All recommended items discussed at the meeting are on file with the secretary.

Purchase Recommendations

Mr. Michael B. Zenn, chief executive officer, University of Illinois Hospital and Clinics, provided information on the recommendation to purchase spinal implants and ancillaries from Howmedica Osteonics Corporation. He described the ways in which these items are used, and he said that this purchase is exempt from competitive selection procedures and, as such, does not have established Business Enterprise Program (BEP) goals.

Mr. Zenn then discussed the recommended purchase of three-dimensional (3D) mammography and digital breast tomosynthesis (DBT) for UI Health. He said the price was discounted at 51.4 percent off the list price and was negotiated at 7 percent below current contracted pricing. Mr. Zenn stated that purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code.

REPORTS

Hospital and Clinics Chief Executive Officer Report

Next, Dr. King asked Mr. Zenn; Dr. Susan Bleasdale, chief quality officer, University of Illinois Hospital and Clinics; and Dr. Mark I. Rosenblatt, dean, College of Medicine, to give the hospital and clinics CEO report (materials on file with the secretary). Mr. Zenn first commented on the coronavirus pandemic and the indescribable challenges and obstacles faced by the hospital since March. He thanked the Board for its support and acknowledged President Killeen; Dr. Amiridis; Dr. Barish; Dr. Bleasdale; Dr. Terry Vanden Hoek, chief medical officer; Dr. Laurence Appel, chief financial officer; and Dr. Rosenblatt. Mr. Zenn said he is in awe of the hospital's leadership team and expressed pride in the way they have managed the pandemic.

Mr. Zenn then began his presentation and reviewed data related to the coronavirus pandemic and its impact on the hospital. He asked Dr. Bleasdale to comment and emphasized her critical role during the pandemic as the medical director of infection control. He expressed great appreciation for her efforts and hard work. Dr. Bleasdale showed the case trend from March 16 through July 6 and referred to the peak of 90 COVID-19 patients that were being treated at the hospital. She said there are currently 11 patients in the hospital with COVID-19, four of whom are in intensive care. Dr. Bleasdale said the case trend mimics the trends of cases throughout the city and state, and she referred to efforts to decrease the number of cases. She said there is currently a

plateau in cases. Dr. Bleasdale then showed the positivity rate of COVID-19 tests per week from March 22 through July 12 and said this was used to determine phases in the state. She said there are currently five to 10 new COVID-19 cases per day per 100,000 people, compared to states with high COVID-19 activity that have more than 40 new COVID-19 cases per day per 100,000 people.

Mr. Zenn thanked Dr. Bleasdale for her remarks and asked Dr. Rosenblatt to report on clinical projects related to COVID-19. Dr. Rosenblatt highlighted several grant-funded research projects and clinical trials, including clinical vaccine trials. He said there are more than 25 funded research studies underway with another 55 grants that are awaiting decision. Dr. Rosenblatt described projects created by the Innovation in COVID-19 Working Group, including 3D printed testing swabs, a non-intubation positive pressure ventilator, and N95 mask adaptors. Mr. Zenn referred to other COVID-19 related projects aimed at serving the community, and he highlighted a drive-up testing site at the Mile Square Health Center; COVID-19 symptom evaluation sites; and efforts to help the homeless population in Chicago with food scarcity and supplies. He described initiatives to better serve patients with COVID-19, including the use of iPads that were donated by Cubs Charities to facilitate communication between patients isolated during treatment and their families. He also gave an overview of ways in which health-care workers were protected and supported during this period.

Next, Mr. Zenn gave an overview of the hospital's financial position and discussed the impact of the coronavirus pandemic on the hospital's finances. He said that

a loss of revenue from decreases in outpatient clinic visits and surgeries, combined with additional costs for supplies and labor to treat patients with COVID-19, has had a negative impact on the hospital's finances. Mr. Zenn reported on CARES Act funding to the hospital. He said that a \$5.0 million loss was projected for this fiscal year due to the implementation of Epic, which has been delayed. He reminded the committee that the hospital was having a good year before the start of the coronavirus pandemic. Mr. Zenn reported on days of cash on hand and noted that \$75.2 million of Medicare advance payments distributed through the CARES Act has to be repaid in Fiscal Year 2021. He discussed the A- stable rating from Standard and Poor's and the criteria they use to make that determination.

Mr. Zenn then reported on COVID-19 recovery and said that seven recovery focus areas have been identified. He said that he, Dr. Barish, and Dr. Rosenblatt worked together with Huron Consulting Group to begin recovery planning, and he asked Dr. Rosenblatt to comment. Dr. Rosenblatt said the recovery process pertains to the entire UI Health enterprise, and he referred to the benefits of forming a cohesive relationship between the hospital, College of Medicine, and physicians group. He listed the recovery focus areas and discussed areas of focus for May and June. Dr. Rosenblatt reported on increases in surgeries, procedures, testing, and ambulatory care and said that volumes above 100 percent of the pre-COVID-19 baseline are needed to make up for care that patients did not receive during the COVID-19 peak period.

Dr. Rosenblatt then provided information about the Clinical Operation Recovery Process Steering Committee, discussed the work of the committee, and remarked on the role of Epic in providing data, metrics, and improving operational efficiencies. Mr. Zenn emphasized that necessary process improvements will be possible with the implementation of Epic. Mr. McMillan asked if the delay in implementing Epic will result in a cost increase, and Mr. Zenn said it will, noting that the increase was also discussed at the meeting of the Audit, Budget, Finance, and Facilities Committee meeting. He discussed the reasons for the increase, which he said will be about \$6.0 million.

Mr. Estrada referred to all that is being done throughout UI Health and the rest of the University system to help the community and the State and asked how a potential halo effect might have a positive impact on the University and hospital, possibly resulting in increased patient volume and grant funding. President Killeen said that the University is tracking all COVID-19 related expenses and advocating for federal funding. He said he is in regular contact with the governor's office and legislative leadership and that they are well aware of the University's efforts to help the State and its communities cope with the pandemic. Mr. Zenn noted that it is important to share the University efforts with the public and said it is difficult to quantify the impact of its contributions.

Mr. Zenn then gave a brief update on the 3i project and said that the Epic go-live date is September 12, 2020. He said Epic gave the hospital a 4 out of 5 rating due to training difficulties resulting from safety precautions due to COVID-19. He told the

committee that Epic is an important project that will allow for greater efficiencies at the hospital.

Next, Dr. Bleasdale reported on quality and safety and reviewed Fiscal Year 2020 areas of focus. She said that despite the coronavirus pandemic, the focus on areas of improvement for quality and safety continued. Dr. Bleasdale then presented the expected mortality rate for academic health centers, including UI Health.

Discussion followed, and Dr. King inquired about the COVID-19 saliva test and asked if it was only available at Urbana. Dr. Bleasdale stated that the test results are validated at Chicago, and she and Mr. Zenn discussed the reasons why the saliva test is not yet available there. Dr. King said he is glad to see collaboration among the universities.

Chief Medical Officer Report

At 1:33 p.m., Dr. King asked Dr. Vanden Hoek to give the chief medical officer report (materials on file with the secretary). Dr. Vanden Hoek explained that this report fulfills The Joint Commission reporting requirement. He gave examples of practitioner engagement and teamwork improvements that were developed while managing and caring for the influx of COVID-19 patients and noted UI Health was one of the first hospitals to mandate universal masking. Dr. Vanden Hoek described the creation of a Virtual Visit program, made possible through a donation of iPads from Cubs Charities, that allowed admitted patients with COVID-19 to communicate virtually with loved ones

who were not permitted to visit the hospital due to restrictions resulting from the pandemic. He said this, combined with efforts from hospital staff, helped prevent loneliness, particularly in the last days of life for patients with COVID-19.

Next, Dr. Vanden Hoek reported on the establishment of COVID-19 triage and testing locations in areas of Chicago with a high percentage of people testing positive for COVID-19. He discussed various initiatives and told the committee that efforts are being made to increase efficiency in preparation for the potential second wave of the coronavirus pandemic. Dr. Vanden Hoek then described wellness and resiliency services and activities and thanked all who joined him in leadership rounding. He emphasized the hospital's health equity mission and said it is important. Dr. Vanden Hoek commented on programs to support health equity and noted that many of the employees at UI Health reside in its primary service area. He thanked the leadership of UI Health for their extraordinary efforts in recent months and concluded his presentation.

Dr. King thanked everyone for participating in this meeting and said it is clear everyone is putting in 120 percent. He said that work in health care is more than just a job, and he remarked on the impactful nature of these roles. Dr. King referred to the hard work done in recent months due to the coronavirus pandemic and said it makes him proud to be a doctor.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

Dr. King asked if there was any old business to discuss. Mr. McMillan echoed the remarks previously made and commented on the hospital's ability to handle this crisis, noting that it may not have fared so well if this had happened 11 to 12 years ago. Mr. Cepeda thanked the presenters and highlighted the A- credit rating of the hospital. He asked what types of data would signal a financial problem in the event there is a resurgence of COVID-19 cases, and Mr. Zenn said that he closely monitors the operating margin, days of cash on hand, and the cash to debt ratio, and he said that significant changes in these would be cause for alarm. Mr. Estrada complimented the hospital's leadership team for working together and said that the positive relationship between the hospital and the College of Medicine is evident.

Dr. King then announced that the next meeting is scheduled for September 9, 2020, at 12:30 p.m., at a location to be determined.

MEETING ADJOURNED

Dr. King then asked for a motion to adjourn the meeting. On motion of Mr. Estrada, seconded by Mr. Cepeda, the meeting adjourned at 1:55 p.m. by the following vote: Aye, Mr. Cepeda, Mr. Estrada, Dr. King, Mr. McMillan, Mr. Mirza; No, none; Absent, Ms. Smart.

Respectfully submitted,

GREGORY J. KNOTT
Secretary

STUART C. KING, MD, MBA
Chair

EILEEN B. CABLE
Special Assistant to the Secretary