

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

JULY 16, 2025

This meeting of the University Healthcare System Committee of the Board of Trustees of the University of Illinois was held in the Isadore and Sadie Dorin Forum, Rooms D, E, and F, 725 West Roosevelt Road, Chicago, Illinois, on Wednesday, July 16, 2025, beginning at 12:36 p.m.

Trustee Jesse H. Ruiz, chair of the committee, convened the meeting and asked the secretary to call the roll. The following committee members were present: Mr. Ramón Cepeda; Dr. Suzet M. McKinney; Ms. Sarah C. Phalen;¹ Mr. Jesse H. Ruiz; Dr. Bryan S. Traubert; Mr. Quinn S. Basta, student trustee, Chicago; and Mr. Joe Humphrey, student trustee, Springfield. Ms. J. Carolyn Blackwell;² Ms. Tami Craig Schilling; Mr. Joseph Gutman; Mr. Wilbur C. Milhouse III; and Ms. Ariana A. Mizan, voting student trustee, Urbana, attended as guests.

Also present were President Timothy L. Killeen; Mr. Lester H. McKeever Jr., treasurer; Dr. Nicholas P. Jones, executive vice president and vice president for academic affairs; Dr. Charles L. Isbell Jr., chancellor designate, University of Illinois Urbana-Champaign, and vice president designate, University of Illinois System; Dr.

¹ Ms. Phalen attended via remote videoconference and arrived at 1:00 p.m.

² Ms. Blackwell arrived at 1:24 p.m.

Marie Lynn Miranda, chancellor, University of Illinois Chicago, and vice president, University of Illinois System; Dr. Janet L. Gooch, chancellor, University of Illinois Springfield, and vice president, University of Illinois System; Dr. Paul N. Ellinger, comptroller (and vice president/chief financial officer); Ms. Adrienne Nazon, vice president of external relations and communications; Mr. Scott E. Rice, University counsel; and Dr. Jeffrey A. Stein, secretary of the Board of Trustees and of the University.

MOTION FOR EXECUTIVE SESSION

Mr. Ruiz stated: “A motion is now in order to convene an executive session to consider the following topic as permitted under Section 2(c) of the Illinois Open Meetings Act: pending, probable, or imminent litigation against, affecting, or on behalf of the University (subsection 11).” On motion of Dr. McKinney, seconded by Dr. Traubert, the motion was approved. There were no “nay” votes.

EXECUTIVE SESSION

Material redacted pursuant to the Illinois Open Meetings Act (5 ILCS 120/2.06d)

EXECUTIVE SESSION ADJOURNED

With no additional questions or comments, the executive session ended at 12:54 p.m.

REGULAR MEETING RESUMED

The meeting resumed at 12:59 p.m. Mr. Ruiz gave an overview of the meeting. He requested a motion to approve the minutes of the meeting held May 21, 2025. On motion of Mr. Basta, seconded by Dr. McKinney, the minutes were approved. There were no “nay” votes.

OPENING REMARKS

Mr. Ruiz asked Dr. Robert A. Barish, vice chancellor for health affairs, Chicago, to make opening remarks. Dr. Barish introduced Dr. R.V. Paul Chan, the John H. Panton chair of the Department of Ophthalmology and Visual Sciences, director of Pediatric Retina and Retinopathy of Prematurity (ROP) Services, and UIC Distinguished Professor in the Department of Ophthalmology and Visual Science, University of Illinois Chicago. Dr. Barish described the history of the Illinois Eye and Ear Infirmary and said the university’s ophthalmology department is ranked number one in the State and 17th in the nation. He described its clinical excellence and shared information about its facility, which occupies the top two floors of the UI Health Specialty Care Building. Dr. Barish stated that the department is internationally renowned, with 120,000 patient visits and 4,400 surgeries per year. He told the committee it is the only Level 1 eye trauma center in the region, and he shared information about its world-class faculty. Dr. Barish reported that the university’s ophthalmology residency is ranked first in the state, and he provided information about its residency and fellowship programs, as well as its prominent alumni. Dr. Barish then discussed research, innovation, and funding, and he highlighted Ai-O, the

Artificial Intelligence in Ophthalmology Center. He referred to startups and numerous clinical trials, and he said the department ranks in the top 15 for National Institutes of Health-funded awards. He gave examples of areas of research.

Dr. Traubert remarked on the caliber of the department and its worldwide influence. Dr. McKinney asked if there is data available on the volume of medical tourism at UI Health, and Dr. Chan stated that he sees many international patients seeking a second or third opinion. Dr. Miranda said they have mapped patient data over the last two years and said she could provide that information. Dr. McKinney then asked about concerns related to federal reductions to National Institutes of Health funding. Dr. Mark I. Rosenblatt, chief executive officer, University of Illinois Hospital and Clinics, and G. Stephen Irwin Dean, College of Medicine, Chicago, discussed concerns related to the changing scope of grants and stop work orders and said budget impacts are likely. He referred to significant impacts and the need to adapt. Dr. Miranda stated that the initial \$16.0 million to \$18.0 million in grant termination letters received by the university have been reduced to \$11.0 to \$12.0 million, and she said extensive planning and modeling is underway to adapt to these changes. Mr. Gutman referred to opportunities to highlight the university's ophthalmology work to raise the profile and reputation of UI Health. Ms. Mizan inquired about the use of artificial intelligence (AI), and Dr. Rosenblatt discussed the use of imaging in ophthalmology to diagnose a wide variety of diseases, stating that it is a window into the nervous system and vascular system. He said Dr. Chan is an expert in this area. Dr. Rosenblatt said Dr. Chan has developed algorithms to diagnose and treat certain diseases that would cause blindness in infants. Dr. Chan said the university is a

leader in medical AI and said that it is used in both diagnostics and surgical precision. He gave examples of the work of faculty, and he elaborated on his own work, stating that he worked with partners to develop the first AI algorithms for retinopathy prematurity. Dr. Chan said the first deployment internationally started in December 2024 in Mongolia. He said AI is also used locally in Chicago to promote access to care for populations with diabetic retinopathy. He referred to opportunities in Illinois and for the university to lead in this area. Mr. Basta asked about maximum capacity, and Dr. Barish stated that peak capacity has not been reached and that there is room to grow. He noted that UI Health is also the only urgent eye care center in Illinois. Dr. Chan remarked on the increased space and capacity that was made possible by the move into the UI Health Specialty Care Building, and he said the department has hired additional faculty and expanded optometric services. He said additional space may be needed in five to 10 years.

REVIEW OF RECOMMENDED BOARD ITEMS
FOR THE MEETING OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF ILLINOIS ON JULY 17, 2025

Mr. Ruiz introduced the recommended item within the purview of this committee on the Board's agenda at its meeting on July 17, 2025. The recommended item discussed at the meeting is on file with the secretary.

Approve Minutes of the Board of Trustees
as the Sole Member of Wolcott, Wood and Taylor, Inc., Meeting

Mr. Ruiz stated that the minutes reflect the meeting of the Board of Trustees as the sole

member of Wolcott, Wood and Taylor, Inc. that was held on July 11, 2024. There were no questions or comments regarding the minutes, and Mr. Ruiz said the committee would recommend them for approval at the meeting of Board of Trustees as the sole member of Wolcott, Wood and Taylor, Inc., to be held the following day. He noted that the annual report for Wolcott, Wood and Taylor, Inc. was submitted and made available to members of the Board.

REPORTS

Hospital and Clinics Chief Executive Officer Report

Mr. Ruiz asked Dr. Rosenblatt to give the Hospital and Clinics Chief Executive Officer Report (materials on file with the secretary). Dr. Rosenblatt shared points of pride and highlighted the hospital's Magnet journey. He referred to a recent site review, and he remind the committee that Magnet designation is one of the highest honors a hospital can achieve, noting it is a nursing-led distinction. Dr. Rosenblatt said the process of achieving Magnet designation has been led by Dr. Tiesa Hughes-Dillard, chief nursing officer. Dr. Rosenblatt showed photographs of the site surveyors' visit to the hospital, and he said the visit was very positive, with one surveyor stating that their visit to the hospital was life changing. He said they do not yet have the results of the survey but are cautiously optimistic that they will receive notification of their Magnet recognition on July 23, 2025.

Dr. Rosenblatt also reported on the hospital's celebration of Doctor's Day and told the committee that more than 424 people attended the event.

Dr. Rosenblatt then reported on financial results and gave a summary of Fiscal Year 2025 through April 2025. He reported on an eight-month operating loss of \$29.5 million; increases in clinic visits and surgeries; and \$431.0 million in unrestricted and internally restricted cash and investments. He said there are 115 days of cash on hand, and he told the committee that Standard and Poor's affirmed the hospital's bond rating of A- with a stable outlook. Dr. Rosenblatt discussed revenue and expenses, and he presented a graph of unrestricted and internally restricted cash and investments.

Dr. Rosenblatt gave a quality update and showed progress on Fiscal Year 2025 True North metrics, noting continued and steady improvement and overall positive trends. He said work to maintain those gains continues. Mr. Ruiz thanked Dr. Rosenblatt for the presentation and asked if trustees had questions. Dr. Traubert asked if the operating loss was caused by the labor situation, and Dr. Rosenblatt stated that it was the primary, but not only, factor, adding that he believes the hospital would have ended the year with a positive margin if not for the labor disruption. Ms. Mizan asked about the slight decrease in emergency visits, and Dr. Rosenblatt referred to fluctuations. He said one issue is that the Emergency Department is quite busy, and he said the high volume can cause patients to leave or not come at all. Dr. Rosenblatt said there are plans to expand the southeast quadrant of the hospital, which he said would expand capacity for acute care and the hospital, alleviating some of the pressure on the Emergency Department.

Chief Medical Officer Report

Mr. Ruiz asked Dr. Jonathan M. Radosta, chief medical officer, University of Illinois Hospital and Clinics, to give the Chief Medical Officer Report (materials on file with the secretary). Dr. Radosta presented the results of the physician engagement survey and stated that while engagement among physicians nationally has decreased, engagement among UI Health physicians has increased. He showed questions to assess engagement in three areas: emotional and personal connection; strong partnership with leadership and shared vision on execution of mission and goals; and safety culture. Dr. Radosta said results were positive.

Dr. Radosta stated that all operating room staff and physicians were trained on a UI Health Universal Protocol, which he said is the choreography used when a patient enters the operating room to ensure that everything is done the same way every time. He said this ensures the correct patient is receiving the correct procedure with appropriate consents and implants. Dr. Radosta said UI Health created its own Universal Protocol following best practices and guidelines and trained more than 1,000 physicians and staff on the protocol.

Lastly, Dr. Radosta discussed hospital privileges and credentialing. He outlined the process and emphasized the work involved before the privileges are sent to the Board for approval. He asked that trustees respond promptly to requests for approval, noting that those physicians have been hired and are getting paid but are not allowed to practice until they are approved by the Board.

Dr. Traubert inquired about a comparison of provider engagement prior to 2024. Dr. Radosta explained that the questions on the survey changed slightly between 2023 and 2024, which is why comparison data prior to 2024 is not included. He said the responses to the provider engagement survey have been tracked for the past six or seven years. Dr. Radosta told the committee that levels rebounded after a significant dip at the start of the COVID-19 pandemic, and he said levels are higher now than they have ever been in the past.

Compliance Update

At 1:33 p.m., Mr. Ruiz asked Ms. Crystal Singleton, chief compliance officer, University of Illinois Hospital and Clinics, to give a compliance update (materials on file with the secretary). Ms. Singleton gave some background on her position and highlighted the Board's oversight role. She listed aspects of a successful compliance program and shared potential red flags that would require Board attention. Ms. Singleton gave a real-world example of a compliance failure at the University of Colorado that resulted in a \$23.0 million settlement, and she emphasized the Board's role in supporting a culture of integrity.

Ms. Singleton then gave a UI Health Compliance Program update and shared Fiscal Year 2025 workplan progress. She then reported on the Fiscal Year 2025 compliance risk assessment and showed a comparison of participation in 2024 to 2025, demonstrating an increase in the level of engagement. Ms. Singleton also presented level of participation by entity. She showed the number of reports submitted to the compliance

hotline in Fiscal Year 2024 and 2025 and noted the increase in number of reports submitted in 2025. She told the committee this indicates that outreach has been effective. Ms. Singleton presented industry benchmarking and said that UI Health's reporting above benchmarks is a positive indicator. She then showed reports by category for the fourth quarter of Fiscal Year 2024 through the third quarter of Fiscal Year 2025, and she presented a chart reflecting compliance hotline substantiation by category, noting that one in five reports is substantiated. Ms. Singleton concluded her presentation by sharing the proposed Fiscal Year 2025 workplan.

Dr. Traubert pointed out that none of the reports related to visitor and guest concerns were substantiated, and Mr. Singleton stated that those concerns are often related to access or are attempts to obtain guidance or submit inquiries, rather than reports of wrongdoing. Mr. Ruiz asked Ms. Singleton about the size of her team, and she said the compliance department is comprised of eight staff, including herself. She said the department is split into two teams with one focused on reimbursements and auditing claims, the other team focuses on all other aspects of compliance. Mr. Ruiz asked if the size is sufficient and if there are plans for growth, and Ms. Singleton said her department is maximizing opportunities through existing resources. She described some approaches to meeting the needs of the compliance function and said staffing is adequate at the moment, noting that there may be additional needs going forward. Ms. Singleton and Mr. Ruiz discussed the use of outside compliance consultants, and Mr. Ruiz asked if any AI tools are being utilized. Ms. Singleton gave examples of the use of an AI tool to review claims.

Mr. Cepeda congratulated the team on the upwards trends following the nurses' strike. He said as a patient and trustee, he commended UI Health and its management team for their work in difficult times.

OLD BUSINESS

There was no business presented under this aegis.

NEW BUSINESS

Mr. Ruiz asked if there was any new business to discuss, and there was none. He announced that the next meeting is scheduled for September 17, 2025, at 12:30 p.m., in Urbana.

MEETING ADJOURNED

Mr. Ruiz then asked for a motion to adjourn the meeting. On motion of Dr. Traubert, seconded by Mr. Cepeda, the meeting adjourned at 1:50 p.m. There were no “nay” votes.

Respectfully submitted,

JEFFREY A. STEIN
Secretary

JESSE H. RUIZ
Chair

EILEEN B. CABLE
Special Assistant to the Secretary