

Minutes of the meeting of the Finance Committee of the Board of Directors of the Cook County Health and Hospitals System held Friday, August 19, 2011 at the hour of 9:30 A.M., at 1900 W. Polk Street, in the Second Floor Conference Room, Chicago, Illinois.

I. Attendance/Call to Order

Chairman Carvalho called the meeting to order.

Present: Chairman David Carvalho and Directors Quin R. Golden; Luis Muñoz, MD, MPH; Heather O'Donnell, JD, LL.M.; and Jorge Ramirez (5)

Board Chairman Warren L. Batts (ex-officio)

Absent: None (0)

Additional attendees and/or presenters were:

Michael Ayres – System Chief Financial Officer
Claudia Fegan, MD – System Interim Chief Medical Officer
LaVerne Hall – Cook County Office of Contract Compliance
Jeanene Johnson – System Interim Director of Performance Improvement

John O'Brien, MD – System Chair of Planning, Education and Research
Elizabeth Reidy – System General Counsel
Deborah Santana – Secretary to the Board
Nita Stith – Supply Chain Management

II. Public Speakers

Chairman Carvalho asked the Secretary to call upon the registered speakers.

The Secretary called upon the following registered public speakers:

- | | |
|---------------------|--|
| 1. George Blakemore | Concerned Citizen |
| 2. Jeff Carlson | Representative, SterilMed |
| 3. Emilie Junge | Representative, Doctors Council SEIU (written testimony also provided – Attachment #1) |
| 4. Leslie Curtis | Director – National Nurses Organizing Committee |

Following public testimony, Chairman Carvalho noted that, for today's meeting, the budget review presentation will consist of a short summary of the status. A more detailed budget review presentation is expected to take place at the Board of Directors Meeting on August 26th.

III. Action Items

A. Minutes of the Finance Committee Meeting, July 22, 2011

Director O'Donnell, seconded by Director Muñoz, moved to accept the minutes of the Finance Committee Meeting of July 22, 2011. THE MOTION CARRIED UNANIMOUSLY.

III. Action Items (continued)

B. Contracts and Procurement Items (Attachment #2)

This item was considered concurrently with Item III(C) and III(D).

Nita Stith, Interim Deputy Director of Supply Chain, presented the requests for the Committee's consideration. She stated that request numbers 17, 25 and 26 are pending review by Contract Compliance. Errata was provided for request number 9; the correct identification of the vendor is the Illinois Department of Healthcare and Family Services. The Committee reviewed and discussed the requests.

The Committee discussed request number 16. In public testimony provided earlier in the meeting, Jeff Carlson of SterilMed indicated that his company is interested in being considered as a potential vendor for this service; however, SterilMed is not a vendor under the Novation group purchasing organization (GPO). Ms. Stith provided information regarding the contractual request and the selection methodology used under the GPO. She noted that if Supply Chain is approached by a vendor who is not on a GPO contract, Supply Chain will immediately contact the GPO, to ask them to reach out to the vendor, to work with them so that the vendor can be considered either in the next contracting pool, or to see if there is any possibility that they can work with them. Ms. Stith stated that she will validate that these activities transpired with SterilMed. Chairman Carvalho indicated that this information should be provided at the Board Meeting on August 26th; conditional approval will be recommended by the Committee today, pending receipt of this information on the 26th.

The Committee discussed the subject of purchasing through the GPO versus other methods of procurement. Director Muñoz indicated that it was his understanding that when the GPO was implemented, the intent was that not all purchases would go through the GPO. Further information was requested on the determining factors and process used to determine that this procurement would be made through the GPO. Ms. Stith stated that when a product or service is needed, Supply Chain will search the GPO agreement to determine if the GPO has coverage of that product or service line. They also look to the market to see if the GPO has a contract with a vendor who perhaps doesn't either have the emerging technology or it is a little dated in its offering. Once it is determined that it meets the basic service need, Supply Chain also does a very in-depth spreadsheet with a financial analysis, so that it supports the direction. If it is found that the GPO contract is not as attractive financially, there is the option to not use the GPO. If there is an opportunity to bring along a minority supplier along with that GPO agreement, Ms. Stith noted that Supply Chain has become very aggressive with that, to meet the financial and the service need, as well as the minority and women business enterprise (MBE/WBE) goals and local needs.

Director Ramirez inquired regarding request number 24. He requested that this be delayed so that further information can be received. He noted that the County has a performance improvement initiative; he indicated that further discussions should be held regarding how the System's Office of Performance Improvement interrelates with the County's, and how the System plans to bring these services in-house. Ms. Stith stated that there is a plan being put forward to hire for the key positions within the next six months. Director Ramirez stated that he is interested in having discussions with the County, to possibly coordinate efforts in some areas or services in order to achieve overall savings for the System and County.

III. Action Items

B. Contracts and Procurement Items (continued)

Further information was presented regarding request number 24 by Jeanene Johnson, System Interim Director of Performance Improvement and representing The Oland Group. She stated that her office heads up all performance improvement work with the outside consulting groups to make sure that the benefits that are being delivered are exactly the benefits that are to be recorded. She and her staff are the System's decision support team; they go through any external data that is required of this institution and make sure that it is accurate. They work with the legal department to assist with Freedom of Information Act (FOIA) requests. She noted that they are in the process of assisting with the installation of the decision support system. With regard to the County's performance management initiative, Ms. Johnson indicated that she and her staff are working with the County on this initiative.

The Committee discussed the proposed renewal of the program addendum with McGaw Medical Center of Northwestern University, and the phasing-out of the Obstetrics/Gynecology Residency Program at Stroger Hospital. Dr. John O'Brien, System Chair of Planning, Education and Research, stated that the System is phasing out the residency program in June of 2012; the reason for this is because it was becoming increasingly difficult to maintain its accreditation. It was disaccredited twice in the past, but with a great deal of effort, reaccreditation was reached. The main reason for the issues with accreditation was the decrease in volume. He added that there have also been challenges regarding the volume of gynecological procedures due to operating room inefficiencies and equipment; this is also something that the System has been working on with Northwestern.

Director O'Donnell, seconded by Director Muñoz, moved the approval of the Proposed Academic Affiliation Agreement, and approval of request numbers 1 through 26, as amended, noting that request numbers 17, 25 and 26 are pending Contract Compliance, and with conditional approval of request numbers 16 and 24, pending the receipt of additional information, under the Contracts and Procurement Items and Supplemental Contracts and Procurement Items. **THE MOTION CARRIED.**

Chairman Carvalho abstained and voted PRESENT on request number 6.

Note: At the Board of Directors Meeting on August 26, 2011, request numbers 25 and 26 were withdrawn from consideration, as they were pending Contract Compliance.

Following the consideration of the requests, LaVerne Hall, Director of the Cook County Office of Contract Compliance, presented the Supplier Diversity Commitment Report (Attachment #3). The Committee reviewed and discussed the information. Ms. Hall stated that she intends to present this report on a quarterly basis.

C. Supplemental Contracts and Procurement Items (Attachment #4)

This item was considered concurrently with Item III(B) and III(D).

D. Proposed Academic Affiliation Agreement (Attachment #5)

This item was considered concurrently with Item III(B) and III(C).

III. Action Items (continued)

E. Bank of America Lease

Michael Ayres, System Chief Financial Officer, stated that this item would be covered under his report to the Committee; no action is being requested at this time.

F. Any items listed under Sections III and IV

IV. Recommendations, Discussion/Information Items

A. Notification of Emergency Purchases (Attachment #6)

In accordance with Part II, Section 2.8 of the Cook County Health and Hospitals System Procurement Policy that states that emergency purchases be reported to the Finance Committee no later than at its next regularly scheduled meeting, the Committee received information on the emergency purchase that has been made. Also in accordance with the Policy, a communication in writing was sent to Chairman Carvalho and Board Chairman Batts on this matter.

B. Financial Reports June 2011 (Attachment #7)

Dorothy Loving, Executive Director of Finance, presented the Financial Reports through June 2011. The Committee reviewed and discussed the information.

C. Draft Resolution presented by Director Ansell at July 29th Board Meeting, regarding an approach to the budget and the System's finances

The Committee briefly discussed the subject; however, no action was taken on this item.

D. 2012 CCHHS Initial Draft Budget Review

Mr. Ayres stated that the process for approval of this budget has had some fairly significant changes in comparison to last year's process. President Preckwinkle has requested that the System present a budget to her on September 1st; this moves everything into a much tighter window. He stated that his team is working to present to the System Board a finite budget with a list of options.

There are several numbers with which the Budget team is working. The first number is under the direction to provide a 2012 budget that continues with the implementation of the Strategic Plan. The second number is the President's anticipated budget of \$901 million in appropriations. The third number is the effect that revenues will have on either one of those numbers.

President Preckwinkle has provided the System with a guideline of \$248 million in subsidy, which is \$25 million less than last year's budgeted number. In trying to find how those numbers work together, what his Budget team has done is to budget at the 2012 Strategic Plan level, calculating the revenue numbers and measuring the difference between the revenues and subsidy, minus the appropriations at each of the levels as mentioned. The resulting spread is the number to either deal with or the amount needed in additional support. Those schedules should be complete by the first of next week; he and his staff will be speaking to the Directors individually to determine how to proceed going forward for the Board Meeting next week.

V. Report from System Chief Financial Officer (Attachment #8)

Mr. Ayres presented updates on the following subjects: Medicare, Medicaid and SCHIP Benefit Improvement and Protection Act of 2000 (BIPA) transfer; State Negotiations; Physician Billing; Bank of America Leasing Program; Chamberlin Edmonds; PricewaterhouseCoopers Performance Improvement Update; and the Cerner/Siemens Reengineering Project.

Additionally, Mr. Ayres presented information on the FY2012 Revenue Forecast. The Committee reviewed and discussed the information.

VI. Adjourn

As the agenda was exhausted, Chairman Carvalho declared the MEETING
ADJOURNED.

Respectfully submitted,
Finance Committee of the
Board of Directors of the
Cook County Health and Hospitals System

XXXXXXXXXXXXXXXXXXXXXXX
David Carvalho, Chairman

Attest:

XXXXXXXXXXXXXXXXXXXXXXX
Deborah Santana, Secretary

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #1



August 16, 2011

Dr Terry Mason
Interim CEO
Cook County Health & Hospital System
1900 W Polk Street
Chicago, IL 60612

Dear Dr. Mason:

Thank you for meeting with us to discuss contracting out inpatient rehabilitation services to Schwab Rehabilitation Hospital.

New revenue opportunities, forward-thinking innovations, and a common sense approach to identifying efficiencies and cost savings is the best hope for providing a solid foundation for Cook County Health & Hospital System's (CCHHS) long-term economic prosperity. We commend you on your efforts and accomplishments. But a sustainable future for CCHHS cannot be achieved either by cutting CCHHS services and standards to the bone, or contracting out CCHHS' most valued services service lines to private, non-profit competitors. We believe that maintaining control of these public services is key to the Hospital System successfully implementing Vision 2015 and preparing for a future under the Affordable Care Act.

Accordingly, we are opposed in principle to contracting out inpatient rehabilitation services to Schwab Rehabilitation Hospital. If you decide to go ahead with contracting out, we would like to review the contract and offer our input to strengthen it to CCHHS' advantage.

We want to share the following questions and concerns:

- 1) **Retaining Patients:** Contracting out inpatient rehab services directs patients away from CCHHS. Absent a reliable and proven process to redirect patients from Schwab back to CCHHS for follow-up primary care, this contract amounts to giving patients away to a competitor. With Medicaid expansion under an 1115 waiver or after 2014, CCHHS can't afford the type of one-way referral relationship that features few opportunities to recapture those patients.
- 2) **Preventing Dumping:** Over time, we expect Schwab will keep patients with public or private insurance or refer them to Mount Sinai Hospital, a permanent affiliate of Schwab Rehabilitation Hospital, while sending patients without insurance back to CCHHS for follow-up. How will the contract prevent Schwab from "dumping" indigent self-pay patients on CCHHS and keeping insured patients?

- 3) **Cost-Benefit of Follow-up:** Does contracting out rehab do more harm than good both from a revenue cycle perspective? Keeping rehab patients in-house is a good business practice because these patients can be reconverted on the back-end for follow-up primary care. Have we calculated the cost of losing inpatient rehab services in CCHHS' integrated service set? Does the annual projected saving of \$3-4 million outweigh the benefits and opportunities associated with keeping rehab capacity within CCHHS? How can we insure that the follow-up primary care for rehab patients be delivered through CCHHS, rather than Schwab funneling insured people to Mount Sinai Hospital and diverting self-pay patients back to CCHHS?
- 4) **Lose-Lose:** A contract that simply pays Schwab \$1,450/patient/day with no reciprocation built into it is a lose-lose proposition. What does CCHHS get out of the deal? Are there not any contract provisions that would benefit CCHHS in the short or long term?
- 5) **Accountability:** Public workers are ultimately accountable to taxpayers through elected officials. Contracting out work undermines public accountability and challenges the power of elected officials to hold other public servants accountable. Accountability and control are key.
- 6) **How will we hold the contractors accountable to the public?**
When public agencies don't have enough staff to regularly monitor the contracts, the public loses. If CCHHS doesn't monitor Schwab closely, we could end up with cost overruns and a reduced quality of care for CCHHS patients. How will CCHHS hold Schwab accountable for cutting corners on quality of services and supplies, or cutting staffing levels below what is agreed to in the contract?
- 7) **Low-balling:** Schwab may have exaggerated the cost savings by submitting an unrealistically low bid. Is Schwab's bid unrealistically low? Could Schwab be low-balling at the outset to win the contract, with a plan to gradually increase costs over a few years until CCHHS loses the ability to provide the service itself?
- 8) **Hidden Costs of Contracting:** Has CCHHS considered the hidden costs of contracting out? How does the contract treat cost overruns that require supplemental payments beyond what is initially agreed to in the contract?
- 9) **The Full Cost of Contracting:** Does contracting out rehab services account for the full costs? Is it a true "apples to apples" comparison? Even when contracts appear cheaper, savings often arise simply because full costs are hidden from view. The total cost to the public may be higher than simply keeping the function in-house with staff that is paid a living wage and health benefits. We must insure that Schwab's bid reflects the real costs, not an estimate that will undercut CCHHS workers. The full costs of contracting out include:
 - The cost of enforcement and monitoring, and publishing results.
 - The cost of CCHHS staff collaboration with private vendors: answering questions, training contractor staff, ensuring continuity.
 - The cost of moving equipment or data from CCHHS to the contractor.

- The cost of defending lawsuits that result from alleged contractor failures or procurement problems, and the cost of insurance or damages for any failures.
 - The cost of public resources used by the contractor without paying for them or tallying them in the contract costs, including time spent by CCHHS IT staff.
 - The cost of services or unemployment benefits paid to the CCHHS employees who have lost their jobs.
 - The cost of Schwab charging CCHHS for the depreciation of capital assets such as computers, equipment, and facilities? These costs can be manipulated to exceed their actual value.
 - The cost of returning the function to the public if contracting proves to be a failure – since continuation of the contract cannot be guaranteed in advance.
- 10) **Cultural Competency:** if Schwab's staff is familiar with a certain population, how do you expect to manage issues of cultural competency?
 - 11) **Do we have a Plan B?** If Schwab fails to deliver, how much will it cost to cancel the contract? Have you considered the legal fees and overtime for public workers or back-up contractors to replace Schwab? Once a public agency downsizes the front line workers that know how to do the work, it takes time to re-create an in-house team with experience and expertise.
 - 12) **Contracting can be a One-way Street:** If Schwab does not fulfill the contract and CCHHS wishes to revert to public employees, it may not be possible to bring it back in house because CCHHS will no longer own the capital or have the expertise/personnel to staff it. It would be a heavy lift to rebuild CCHHS' rehabilitation capacity after contracting it out for three years. Once it's gone, it's probably gone for good.
 - 13) **Long contract:** A three year contract extends into 2014, well into the expansion of Medicaid.
 - 14) **Overestimating Cost savings:** the alleged cost savings from closing inpatient rehab at Oak Forest Hospital may not have taken. Unused space still needs to be heated, cooled, and maintained.
 - 15) **Hasty decision:** The decision to contract inpatient rehabilitation services should be made intentionally after much deliberation and consultation. Rushing could result in short-term gain, with long-term pain.
 - 16) **"Handing over" control of things we own:** Contracting out rehabilitation services amounts to handing over control of something we currently own – to a private entity. We will no longer have a say in how it is run.
 - 17) **"Monopoly"** Awarding a contract to a private entity with no competition provides Schwab with less motivation to do the best job it can and no alternative should Schwab not perform as expected.
 - 18) **Precedent:** If all of CCHHS' service lines were put to the same standard, few if any would run in the black, given the payer mix. Does this decision set a precedent to contract out any and all of CCHHS' unprofitable service lines?

The decision to contract out inpatient rehabilitation services has been framed as a stark choice between providing inpatient rehab services at Provident at an operating loss, or contract these services out to Schwab and risk losing future business. Isn't there a middle ground? For example, could we model CCHHS' relationship with Schwab after CCHHS's Family Medicine doctors who deliver babies at St. Anthony's? Could we ask Schwab to compensate CCHHS for 2-3 doctors' time for providing services at Schwab and coordinating care with CCHHS?

The promise of contracting out is almost always oversold, with cost overruns instead of cost savings. Contracting out valuable service lines is not a silver bullet to solving CCHHS' budget problems. At the very least, we would like input into the contract to make sure it is in the best interests of the System and community.

Sincerely yours,

Emilie Junge
Doctors Council SEIU

Christine Boardman
SEIU Local 73

cc:

David Carvalho davidcarvalho@mail.com

Quin Golden quin.golden@uchospitals.edu

Heather O'Donnell heather.odonnell@cje.net

Luis Munoz luisrmunoz333@sbcglobal.net

Jorge Ramirez jramirezcf@yahoo.com

Warren Batts wlbatts@gmail.com

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #2

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(B)
AUGUST 19, 2011 FINANCE COMMITTEE MEETING
CONTRACTS AND PROCUREMENT ITEMS - AS AMENDED

Request #	Vendor	Service or Product	Fiscal Impact	Affiliate / System	Begins on Page #
Capital Program Item - Permission to Advertise for Bids					
1		For the Greenhouse Demolition at Oak Forest Hospital Project		OFHCC	4
Capital Program Item - Proposed Change Order					
2	Ideal Heating Company	For the Oak Forest Hospital of Cook County and Provident Hospital of Cook County Pharmacy HVAC Upgrade Project	(\$14,497.13)	PHCC, OFHCC	5
Capital Program Item - Enter Into Contract					
3	The Gordian Group	For the coordination and administrative management of the Job Order Contracting contracts from the approved JOC contractors for the City of Chicago	Fiscal impact for CCHHS-related items: \$4,812,435.00	PHCC, ACHN, SHCC, OFHCC	6
Real Estate Item - Approval of Third Amendment to Lease					
4	Imperial Realty Company, as agent for Klairmont Family Associates, LP	For space located in the building known as the Eisenhower Tower, located at 1701 S. First Avenue, in Maywood, Illinois	\$239,148.00	CCDPH	7
Renew Grants					
5	Illinois Department of Human Services	Service - Supplemental nutrition for Women, Infants and Children (WIC)	Grant renewal amount: \$786,000.00	CCDPH	9
6	Illinois Department of Public Health	Service - West Nile Virus Prevention Program	Grant renewal amount: \$438,035.00	CCDPH	11
7	Illinois Department of Human Services	Service - case management for high-risk infants	Grant renewal amount: \$242,211.00	CCDPH	13
8	Illinois Department of Human Services	Service - Supplemental nutrition for Women, Infants and Children (WIC)	Grant renewal amount: \$128,075.00	ACHN	15

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(B)
AUGUST 19, 2011 FINANCE COMMITTEE MEETING
CONTRACTS AND PROCUREMENT ITEMS - AS AMENDED

Request #	Vendor	Service or Product	Fiscal Impact	Affiliate / System	Begins on Page #
Renew Supplemental Grant Agreement					
9	Illinois Department of Public Aid Healthcare and Family Services	Service - Medicaid case management	Supplemental grant agreement amount: \$700,000.00	CCDPH	16
Extend and Increase Contracts					
10	Beckman Coulter Inc.	Product - reagents, controls and consumables for flow cytometry testing	\$200,000.00	SHCC	18
11	HiQ Analytics, LLC	Service - professional consulting	\$112,320.00	System	20
12	Dayspring Inc.	Service - janitorial services	\$105,942.00	ACHN	21
13	M3 Medical Management Services, Ltd.	Service - transcription services	\$85,000.00	SHCC	22
Amend and Increase Contract					
14	Trako Dental and Medical Supply Inc.	Product - dental supplies	\$300,000.00	CCDPH	24
Execute Contracts					
15	Classic X-Ray, LTD	Product - radiology film and chemistry	\$1,366,930.60	PHCC, ACHN, SHCC, OFHCC	26
16	Stryker Sustainability Solutions	Service - device remanufacturing	\$992,661.42	SHCC	27
17	Abbott Vascular Devices	Product - drug eluting stents	\$900,000.00	SHCC	30
18	St. Jude Medical	Product - cardio rhythm management devices	\$600,000.00	SHCC	32

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(B)
AUGUST 19, 2011 FINANCE COMMITTEE MEETING
CONTRACTS AND PROCUREMENT ITEMS - AS AMENDED

Request #	Vendor	Service or Product	Fiscal Impact	Affiliate / System	Begins on Page #
Execute Contracts (continued)					
19	Medtronic USA Inc.	Product - porcine heart valves, annuloplasty rings and accessories	\$600,000.00	SHCC	34
20	Acumed	Product - articulating radial head plates and screws	\$500,000.00	SHCC	36
21	Stryker Endoscopy Division	Product - OB/GYN video tower and endoscopic equipment	\$146,589.77	SHCC	38
22	Iron Mountain	Service - storage of records	\$144,928.21 (grant funded)	CCDPH	40
Amend Previously Approved Request to Execute Contract					
23	Med One Capital Funding (previously listed as Carefusion Solutions LLC)	Product - Alaris System large volume IV pumps	\$4,422,700.00	System	41

CAPITAL PROGRAM ITEM - PERMISSION TO ADVERTISE

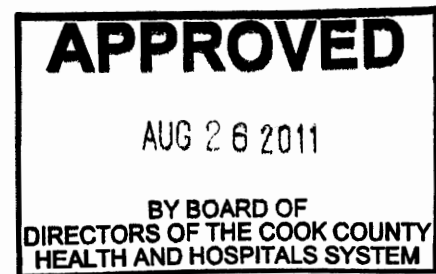
Transmitting a Communication, dated August 5, 2011 from

HERMAN BREWER, Director, Office of Capital Planning and Policy

requesting authorization for the Purchasing Agent to advertise for bids for the Greenhouse Demolition at Oak Forest Hospital Project.

To demolish the Greenhouse on the Oak Forest campus, maintain the utility tunnel access, and relocate the existing electrical panels.

33000 Oak Forest Hospital.



Request #
1

CAPITAL PROGRAM ITEM - PROPOSED CHANGE ORDER

Transmitting a Communication, dated August 5, 2011 from

HERMAN BREWER, Director, Office of Capital Planning and Policy

transmitted herewith for your approval is Change Order No.6 a credit in the amount of (\$14,497.13) to Contract #07-53-550 with Ideal Heating Company, Brookfield, Illinois, for the Oak Forest Hospital of Cook County and Provident Hospital of Cook County Pharmacy HVAC Upgrade Project. It is respectfully requested that this Honorable Body approve this request.

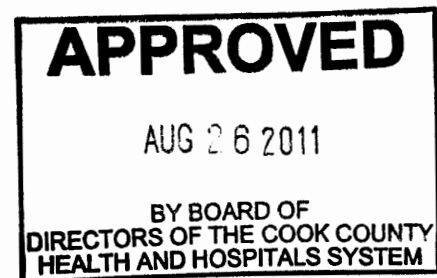
Reason: Work not performed associated with the relocation of the chemotherapy biohazard cabinet in room J-22 at Oak Forest Hospital. This work was previously approved under change order #4.

Contract No. 07-53-550

Original Contract Sum:	\$1,164,000.00
Total Changes to-date:	<u>188,678.00</u>
Adjusted Contract to-date:	\$1,352,678.00
Amount of this Modification:	<u>(\$14,497.13)</u>
Adjusted Contract Sum:	\$1,338,180.87

Estimated Fiscal Impact: (14,497.13). Contract extension: N/A
28000 Cook County Health & Hospitals

This item was approved by the Finance Committee of the Cook County Health & Hospitals System



Request #
2

Capital Program Item – Request for Authorization to Enter Into Contract

Transmitting a Communication, dated August 11, 2011 from

HERMAN BREWER, Director, Office of Capital Planning and Policy

requesting authorization for the Purchasing Agent to enter into a contract with The Gordian Group, Chicago, Illinois, for The coordination and administrative management of the Job Order Contracting* contracts from the approved JOC contractors for the City of Chicago.

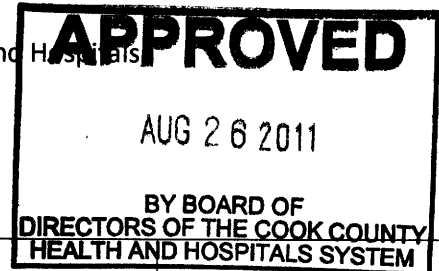
This contract will be a collaboration with the City of Chicago to use the JOC program at Cook County to perform approved capital projects. Cook County does not have a JOC program and use of the city contract will save administrative cost, time and allow Cook County to quickly and efficiently complete several smaller capital projects.

Estimated Fiscal Impact: \$5,714,435. Contract period: September 7, 2011 through August 31, 2012.

9000 County Building, 20000 County Physical Plant, 28000 Cook County Health and Hospitals

33000 Oak Forest Hospital

(CCHHS-related items indicated in **bold**)



JOB ORDER CONTRACTING PROJECTS W/ City of Chicago		
	<u>Project Description</u>	<u>Budget</u>
1	Cafeteria Hot Food Table Replacement at Stroger Hospital	\$ 90,000
2	Remove & Replace Air Dryers at Stroger Hospital	\$ 60,000
3	Remove and Replace Lime in Basins at Stroger Hospital	\$ 56,600
4	Install Decontamination Shower at Stroger Hospital	\$ 23,500
5	Boiler Room Valve Replacement at OFH	\$ 75,000
6	Descale Powerhouse Boilers 1, 2 & 3 at OFH	\$ 75,000
7	Powerhouse Refrigeration Air Dryer at OFH	\$ 25,000
8	Replacement of the Running Track at DOC Boot Camp	\$ 150,000
9	Repaving & Striping at Division XI Parking Lot	\$ 125,000
10	Remove and Replace Domestic Water Pumps and Controls at Fantus Clinic	\$ 79,500
13	Stroger Hospital- Surface Lot Parking	\$ 3,800,000
14	New Exterior Doors at Fantus Clinic	\$ 77,835
15	Remove & Replace West Storefront & Entrance Door at Bridgeview	\$ 40,000
16	Maywood Fire Pump and Exterior Fire Bell Replacement	\$ 80,000
17	Maywood Courthouse Supply Fan Repair/Replacement	\$ 220,000
18	Provident Hospital Dock Repairs	\$ 50,000
19	Brick Retaining Wall Project at the DOC	\$ 287,000
20	Stroger Hospital Polymer Epoxy Flooring	\$ 400,000
	Total	\$ 5,714,435
Request #		

THE BOARD OF COMMISSIONERS

TONI PRECKWINKLE

PRESIDENT

EARLEAN COLLINS	1st Dist.	BRIDGET GAINER	10th Dist.
ROBERT STEELE	2nd Dist.	JOHN P. DALEY	11th Dist.
JERRY BUTLER	3rd Dist.	JOHN A. FRITCHEY	12th Dist.
WILLIAM M. BEAVERS	4th Dist.	LAWRENCE SUFFREDIN	13th Dist.
DEBORAH SIMS	5th Dist.	GREGG GOSLIN	14th Dist.
JOAN P. MURPHY	6th Dist.	TIMOTHY O. SCHNEIDER	15th Dist.
JESUS G. GARCIA	7th Dist.	JEFFREY R. TOBOLSKI	16th Dist.
EDWIN REYES	8th Dist.	ELIZABETH ANN DOODY GORMAN	17th Dist.
PETER N. SILVESTRI	9th Dist.		



BUREAU OF ECONOMIC DEVELOPMENT

DEPARTMENT OF CAPITAL PLANNING
REAL ESTATE MANAGEMENT DIVISION
George W. Dunne Cook County Office Building
69 W. Washington, Suite 3000
Chicago, Illinois 60602-4053
TEL: 312-603-0040
FAX: 312-603-9840
TDD: 312-603-5255

Transmitting a Communication, dated July 29, 2011 from

ANNA ASHCRAFT, Director, Real Estate Management Division

Respectfully requesting approval of a Third Amendment to Lease between Imperial Realty Company, as agent for Klairmont Family Associates, LP, as Landlord, and the County of Cook, as Tenant. The term of the Lease as amended will expire September 30, 2011. The Premises is located in Cook County District #1, in the building known as the Eisenhower Tower, located at 1701 S. First Avenue, Maywood and is currently occupied by the Cook County Department of Public Health (CCDPH).

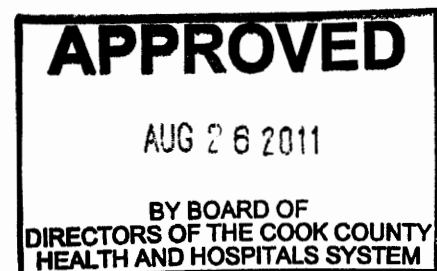
The Third Amendment extends the term of the Lease for one year under the same terms and conditions. This time frame will allow CCDPH to continue offering a variety of vital health services to the community of west suburban Cook County while CCDPH works toward consolidating leased space into County owned locations, where appropriate for client services. Details are:

Landlord: Imperial Realty Company as agent for Klairmont Family Associates, LP
Tenant: County of Cook
Using Agency: Cook County Department of Public Health
Location: 1701 S. First Avenue, Maywood, Illinois 60153
Term: October 1, 2011 – September 30, 2012
Space Occupied: 14,400 square feet

Base Rent: \$19,929.00 per month / \$239,148.00 Annually

Approval of this item would commit Fiscal 2012 year funds.

Approval is recommended.



Request #

4

COOK COUNTY DEPARTMENT OF PUBLIC HEALTH

Toni Preckwinkle • President
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Cook County Health & Hospitals System

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Cook County Health & Hospitals System



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15900 S. Cicero Avenue, Bldg. E
Oak Forest, Illinois 60452
(708) 633-4000

Stephen A. Martin, Jr., Ph.D., MPH
Chief Operating Officer

July 28, 2011

RECEIVED BY COOK COUNTY
REAL ESTATE

JUL 29 2011

MANAGEMENT DIVISION

Anna B. Ashcraft
Director
Cook County Real Estate Management
69 W. Washington Street, Suite 3000
Chicago, Illinois 60602

Dear Ms. Ashcraft:

Please be advised that the Cook County Department of Public Health (CCDPH) wishes to extend its lease for space at 1701 First Avenue, Maywood, IL for 1 year. Currently, this site serves as the CCDPH west district location offering a variety of vital services to the community of west suburban Cook County. At this location, we offer the following services:

- WIC
- Dental
- APORS Case Management
- Illinois Breast And Cervical Cancer Program
- Sexually Transmitted Infection Treatment Clinic
- Limited Immunization Clinic

At this time, CCDPH is in the process of reviewing its physical space inventory across the system and the necessary time required to possibly transition to a county-owned location now prior to the ending date of the current lease is not feasible. However, we believe that this extension will allow CCDPH to forecast its future lease space needs and consolidate service locations where best appropriate for our clients in already existing county-owned locations by next year sometime.

Therefore, we respectfully request the Cook County Health & Hospitals System Board's and the Cook County Board of Commissioners' approval of this lease extension for 1 year.

Sincerely,

Stephen A. Martin, Jr., Ph.D., M.P.H.
Chief Operating Officer

SAM/af

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Chief Operating Officer, CCDPH SM	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Supplemental Nutrition for Women, Infants and Children (WIC)	
TYPE OF REQUEST: Grant Contract Renewal		VENDOR / SUPPLIER: Illinois Department of Human Services, Springfield, Illinois	
FISCAL IMPACT: 9791101 Department of Public Health \$692,022.00		GRANT FUNDED AMOUNT: \$786,000.00	
CONTRACT PERIOD: 07/01/2011 thru 09/30/2011		CONTRACT #: 11GQ02043	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

The previous contract with the Illinois Department of Human Services included all Illinois Department of Human Services Programs: Case Management for High-Risk Infants, Supplemental Nutrition for Women, Infants, and Children, and the Healthy Child Care Illinois. This current agreement pertains to Supplemental Nutrition for women, infants and children only and has a term of three months in the amount of \$786,000.00.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
11GM131000	Grant Award	08/26/2010	07/01/2010	06/30/2011	\$3,988,233.00	12
11GQ02043	Renew Grant		07/01/2011	09/30/2011	\$786,000.00	3

NEW PROPOSAL JUSTIFICATION:

This program provides low-income pregnant, breastfeeding and postpartum women, infants and children to age five determined to be at nutritional risk, at no cost, supplemental nutritious foods, nutritional education, and referrals to health and social services. The required match of the total grant award of \$786,000.00 is \$692,022.00.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

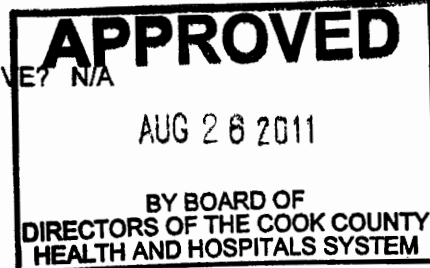
This is a request to renew grant contract 11GQ02043 for a period of 3 months from 07/01/2011 thru 09/30/2011 in the amount of \$786,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

ATTACHMENTS

BID TABULATIONS:

CONTRACT COMPLIANCE MEMO:



Request #

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DATE: 08/12/2011	PRODUCT / SERVICE: Service - Supplemental Nutrition for Women, Infants and Children (WIC)
TYPE OF REQUEST: Grant Contract Renewal	VENDOR / SUPPLIER: Illinois Department of Human Services, Springfield, Illinois

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

CCHHS CEO: 
Terry Mason, Interim Chief Executive Officer

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Jr., COO, CCDPH	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - West Nile Virus Prevention Program	
TYPE OF REQUEST: Grant Contract Renewal		VENDOR / SUPPLIER: Illinois Department of Public Health, Springfield, Illinois	
FISCAL IMPACT: 7551101 Department of Public Health \$201,864.00		GRANT FUNDED AMOUNT: \$438,035.00	
CONTRACT PERIOD: 04/01/2011 thru 03/31/2012		CONTRACT #: 15380025	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

The Board of Directors of Cook County Health and Hospitals System approved execution of grant contract 05380406 to provide West Nile Virus Prevention Services. This is a request to renew the grant contract from the Illinois Department of Public Health.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
05380406	Original Contract	05/27/2010	04/01/2010	03/31/2011	\$525,246.55	12
15380025	Renew Contract		04/01/2011	03/31/2012	\$438,035.00	12

NEW PROPOSAL JUSTIFICATION:

The West Nile Virus prevention grant provides funding for environmental surveillance, public information, human case investigation and disease prevention. The required match of the total grant award of \$438,035.00 is \$201,864.00. The Cook County Department of Public Health received the grant contract from the Illinois Department of Public Health on 06/21/2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

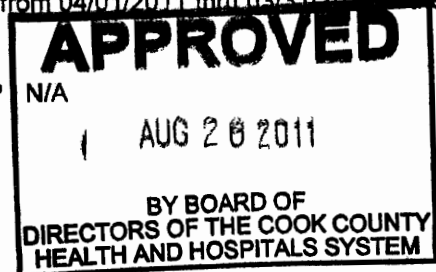
This is a request to renew grant contract 15380025 for a period of 12 months from 04/01/2011 thru 03/31/2012 in the amount of \$438,035.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A



Request #

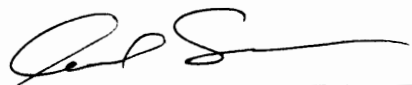
6

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DATE: 08/12/2011	PRODUCT / SERVICE: Service - West Nile Virus Prevention Program
TYPE OF REQUEST: Grant Contract Renewal	VENDOR / SUPPLIER: Illinois Department of Public Health, Springfield, Illinois

CCHHS COO: 
 Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
 Michael Ayres, Chief Financial Officer

CCHHS CEO: 
 Terry Mason, Interim Chief Executive Officer

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Jr., Chief Operating Officer, CCDPH	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Case Management for High-Risk Infants	
TYPE OF REQUEST: Grant Contract Renewal		VENDOR / SUPPLIER: Illinois Department of Human Services, Springfield, Illinois	
FISCAL IMPACT: 9741106 Department of Public Health \$224,213.00		GRANT FUNDED AMOUNT: \$242,211.00	
CONTRACT PERIOD: 07/01/2011 thru 10/31/2011		CONTRACT #: 11GQ01105	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

The previous contract with the Illinois Department of Human Services included all Illinois Department of Human Services Programs: Case Management High-Risk Infants, Supplemental Nutrition for Women, Infants, and Children, and Healthy Child Care Illinois. The current agreement pertains to Case Management High-Risk Infants only, and has a term of four months from July 1, 2011 thru October 31, 2011 in the amount of \$242,211.00.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
11GM131000	Grant Award	08/26/2010	07/01/2010	06/30/2011	\$3,988,233.00	12
11GQ01105	Renew Grant		07/01/2011	10/31/2011	\$242,211.00	4

NEW PROPOSAL JUSTIFICATION:

This grant provides case management services to families with high risk infants identified by the Adverse Pregnancy Outcome Reporting System; infants diagnosed with a high risk condition after newborn hospital discharge; and/or infants and children at medical and/or environmental risk because of adolescent parent, drug abusing parent or other high risk situations. The required match of total grant award of \$242,211.00 is \$224,213.00.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

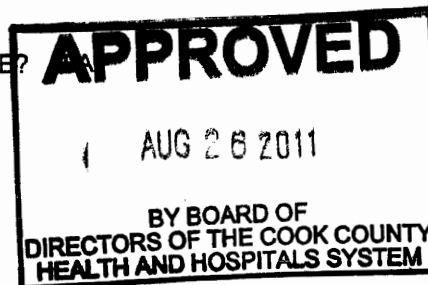
This is a request to renew grant contract # 11GQ01105 for a period of 4 months from 07/01/2011 thru 10/31/2011 in the amount of \$242,211.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE?

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A



Request #

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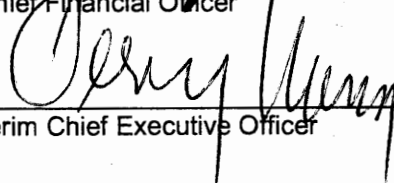
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Revised 03/01/2011

DATE: 08/12/2011	PRODUCT / SERVICE: Service - Case Management for High-Risk Infants
TYPE OF REQUEST: Grant Contract Renewal	VENDOR / SUPPLIER: Illinois Department of Human Services, Springfield, Illinois

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

CCHHS CEO: 
Terry Mason, Interim Chief Executive Officer

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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 893 Ambulatory and Community Health Network		SPONSOR: Enrique Martinez, M.D., Interim Chief Operating Officer, ACHN	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Supplemental Nutrition for Women, Infants and Children (WIC)	
TYPE OF REQUEST: Grant Contract Renewal		VENDOR / SUPPLIER: Illinois Department of Human Services, Springfield, Illinois	
FISCAL IMPACT: 9461108 ACHN		\$133,353.75	GRANT FUNDED AMOUNT: \$128,075.00
CONTRACT PERIOD: 07/01/2011 thru 09/30/2011		CONTRACT #: 11GQ02044	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

The previous contract with the Illinois Department of Human Services was for 12 months in the amount of \$512,300.00. The current agreement has a term of three months in the amount of \$128,075.00.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
11GM129000	Original	12/17/2010	07/01/2010	06/30/2011	\$512,300.00	12
11GQ0244	Renew Grant		07/01/2011	09/30/2011	\$128,075.00	3

NEW PROPOSAL JUSTIFICATION:

This program provides low-income pregnant, breastfeeding and postpartum women, infants and children to age five determined to be at nutritional risk, at no cost, supplemental nutritious foods, nutritional education, and referrals to health and social services. The required match of the total grant award of \$128,075.00 is \$133,353.75.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to renew grant contract 11GQ0244 for a period of three 3 months from 07/01/2011 thru 09/30/2011 in the amount of \$128,075.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

ATTACHMENTS

BID TABULATIONS: N/A

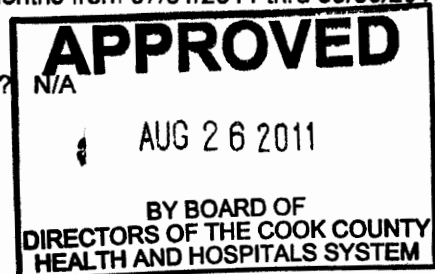
CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO: _____

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: _____

Michael Ayres, Chief Financial Officer



Request #

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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Jr., Chief Operating Officer, CCDPH <i>SM</i>	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Medicaid Case Management	
TYPE OF REQUEST: Renew Supplemental Grant Agreement		VENDOR / SUPPLIER: Illinois Department of Public Aid, Springfield, Illinois	
FISCAL IMPACT: 9741130 Department of Public Health \$141,321.00		GRANT FUNDED AMOUNT: \$700,000.00	
CONTRACT PERIOD: 07/01/2011 thru 06/30/2012		CONTRACT #: N/A	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

The previous Supplemental Grant Agreement with the Illinois Department of Public Aid included Case Management expenses over and above those reimbursed by Illinois Department of Human Services. The Supplemental Grant Agreement was for twelve months in the amount of \$700,000.00. It was approved by the Board of Directors of the Cook County Health & Hospitals System on August 26, 2010.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
N/A	Supplemental Grant Agreement	08/26/2010	07/01/2010	06/30/2011	\$700,000.00	12
N/A	Renew Supplemental Grant Agreement		07/01/2011	06/30/2012	\$700,000.00	12

NEW PROPOSAL JUSTIFICATION:

This is a request to renew the supplemental grant agreement to provide case management services related to the Maternal and Child Health population and for facilitating the claim for federal matching funds for the efficient and effective administration of the program. This agreement covers expenditures related to services to clients under the Medical Programs as administered by the Illinois Department of Public Aid. The renewal of the supplemental grant agreement of \$700,000.00 is \$141,321.00.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to renew supplemental grant agreement for Medicaid Case Management for a period of 12 months from 07/01/2011 thru 06/30/2012 in the amount of \$700,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? N/A

APPROVED

AUG 26 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

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DATE: 08/12/2011	PRODUCT / SERVICE: Service - Medicaid Case Management
TYPE OF REQUEST: Renew Supplemental Grant Agreement	VENDOR / SUPPLIER: Illinois Department of Public Aid, Springfield, Illinois

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: N/A

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

CCHHS CEO: 
Terry Mason, Interim Chief Executive Officer

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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / DEPT / AFFILIATE: 897-365 Stroger Hospital / Department of Pathology		SPONSOR: <i>Submitted for Ms. Dulski 8-4-11</i> Joanne Dulski, Director of Pathology, CCHHS Roslyn Lennon, Chief Clinical Officer, CCHHS	
DATE: 08/12/2011	PRODUCT / SERVICE: Product – Reagents, Controls and Consumables for Flow Cytometry Testing		
TYPE OF REQUEST: Extend and Increase Contract	VENDOR / SUPPLIER: Beckman Coulter Inc., Miami, Florida		
FISCAL IMPACT: 897-365 Stroger Hospital \$200,000.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 12/31/2011		CONTRACT #: 08-41-364	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
X NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

Beckman Coulter Inc. has provided Flow Cytometry Testing for the Department of Pathology at Stroger Hospital since 2008.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
08-41-364	Original	08/07/2008	09/01/2008	08/31/2011	\$1,518,688.95	36
08-41-364	Extend and Increase Contract		09/01/2011	12/31/2011	\$200,000.00	4

NEW PROPOSAL JUSTIFICATION:

This is a request to extend and increase the current contract with Beckman Coulter Inc. to provide reagents, controls and all consumables for Flow Cytometry tests which diagnose health disorders, specifically blood cancers and HIV. This extension will allow tests to be performed until the implementation of the new contract is in place. This contract is not expected to be extended beyond December 31, 2011; an RFP is currently being developed and posted.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

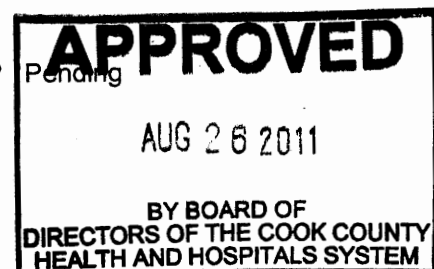
This is a request to extend and increase contract 08-41-364 for a period of 4 months from 09/01/2011 thru 12/31/2011 in the amount of \$200,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE?

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending



Request #

10

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DATE:
08/12/2011

PRODUCT / SERVICE:
Product – Reagents, Controls and Consumables for Flow Cytometry Testing

TYPE OF REQUEST:
Extend and Increase Contract

VENDOR / SUPPLIER:
Beckman Coulter Inc., Miami, Florida

CCHHS COO: _____

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: _____

Michael Ayres, Chief Financial Officer

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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 890-260 CCHHS / Corporate Compliance		SPONSOR: Cathy Bodnar, Chief Compliance Officer, CCHHS	
DATE: 08/12/2011		PRODUCT / SERVICE: Service – Professional Consulting	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: HiQ Analytics, LLC Chicago, Illinois	
FISCAL IMPACT: 890-260 CCHHS \$112,320.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 11/01/2011 thru 10/31/2012		CONTRACT #: H10-25-161	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] RFP: Multiple Providers – single selection based on cost and service		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

This contract was sourced as a competitive RFP and awarded to a single provider for a 12-month period expiring October 31, 2011.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
H10-25-161	Original	11/19/2010	11/01/2010	10/31/2011	\$ 112,320.00	12
H10-25-161	Extend and Increase Contract		11/01/2011	10/31/2012	\$ 112,320.00	12

NEW PROPOSAL JUSTIFICATION:

The Department of Corporate Compliance is requesting approval of the Board of Directors of CCHHS to extend and increase the current contract to provide interim staffing in the absence of an internal resource (the hire of a CCHHS Privacy Officer) and continued support to achieve ongoing compliance with the most current privacy and security regulations pursuant to the Health Insurance Portability and Accountability Act (HIPAA) of 1996, the Privacy and Security Rules, and the Health Information Technology for Economic and Clinical Health Act (HITECH) provisions of the American Recovery and Reinvestment Act of 2009 (ARRA).

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation or Cost avoidance calculation: N/A
Percent: N/A

TERMS OF REQUEST:

This is a request to extend and increase contract H10-25-161 for a period of 12 months from 11/01/2011 thru 10/31/2012 in the amount of \$112,320.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

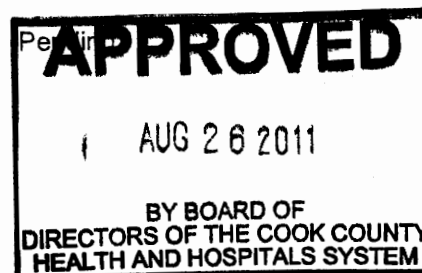
CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO

Michael Ayres, Chief Financial Officer



Request #

11

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 893-235 / ACHN Administration		SPONSOR: Enrique Martinez, M.D., Interim Chief Operating Officer Ambulatory & Community Health Network	
DATE: 08/12/2011		PRODUCT / SERVICE: Service – Janitorial Services	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: Dayspring Inc., South Holland, Illinois	
FISCAL IMPACT: 893-235 ACHN \$105,942.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 11/30/2011		CONTRACT #: 09-53-132	
<input checked="" type="checkbox"/> COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] Bid: Multiple providers: single selection based on cost			
<input type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

Dayspring, Inc. was awarded the contract for a 24 month period expiring August 31, 2011.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
09-53-132	Original	08/26/2009	08/31/2009	08/31/2011	\$847,536.00	24
09-53-132	Extend and Increase Contract		09/01/2011	11/30/2011	\$105,942.00	3

NEW PROPOSAL JUSTIFICATION:

The Ambulatory & Community Health Network (ACHN) is requesting approval to extend and increase the current contract with Dayspring, Inc. to provide janitorial services for all of the ACHN clinics throughout the network. This request allows time to complete the new Request For Proposal currently in process. The new contract is expected to be presented by the November 2011 Finance Committee of the Board of Directors of CCHHS.

FINANCIAL BENEFIT: [Prior Cost Versus New Cost]

Saving calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to extend and increase contract 09-53-132 for a period of three months to 11/30/2011 in the amount of \$105,942.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE?

ATTACHMENTS

BID TABULATIONS:

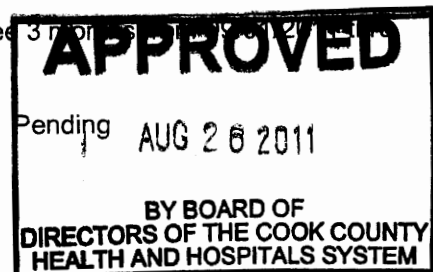
CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO: 

Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 

Michael Ayres, Chief Financial Officer



Request #
12

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-260 Stroger Hospital / Department of Health Information Management		SPONSOR: John Morales, Chief Financial Officer, Stroger Hospital	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Transcription Services	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: M3 Medical Management Services, Ltd, Chicago, Illinois	
FISCAL IMPACT:		GRANT FUNDED AMOUNT:	
897-260 Stroger Hospital \$85,000.00		N/A	
891-260 Provident Hospital \$0.00			
898-260 Oak Forest Hospital \$0.00			
895-260 Department of Public Health \$0.00			
Total: \$85,000.00			
CONTRACT PERIOD: 10/01/2011 thru 12/31/2011		CONTRACT #: 08-84-159 Rebid	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO Bid: Multiple Providers – single selection based on cost		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

M3 Medical Management Services was awarded the contract for transcription services in August 2008; the current contract expires 09/30/2011.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
08-84-159 Rebid	Original	08/07/2008	10/01/2008	09/30/2011	\$1,063,000.00	36
08-84-159 Rebid	Increase Contract	02/24/2011	02/28/2011	09/30/2011	\$186,000.00	7
08-84-159 Rebid	Extend and Increase Contract		10/01/2011	12/31/2011	\$85,000.00	3

NEW PROPOSAL JUSTIFICATION:

This is a request to extend and increase the current contract with M3 Medical Management to provide transcription services until a new contract can be completed. This contract is not expected to be extended past 12/31/2011. The transcription vendor transforms physician/provider verbal dictation into electronic reports for inclusion in the electronic health record for use in patient care. Requested funds are for Stroger Hospital. The County of Cook has funds remaining to carry through December 2011.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

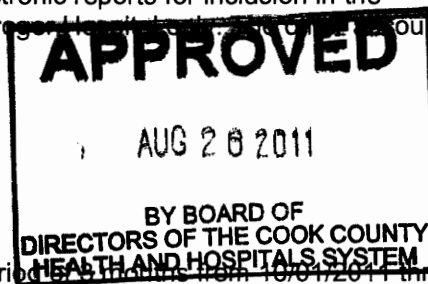
TERMS OF REQUEST:

This is a request to extend and increase contract 08-84-159 Rebid for a period from 10/01/2011 thru 12/31/2011 in the amount of \$85,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

Request #

13



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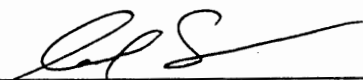
Revised 03/01/2011

DATE: 08/12/2011	PRODUCT / SERVICE: Service - Transcription Services
TYPE OF REQUEST: Extend and Increase Contract	VENDOR / SUPPLIER: M3 Medical Management Services, Ltd, Chicago, Illinois

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Jr., COO, CCDPH	
DATE: 08/12/2011		PRODUCT / SERVICE: Product - Dental Supplies	
TYPE OF REQUEST: Amend and Increase Contract		VENDOR / SUPPLIER: Trako Dental and Medical Supply Inc., Grayslake, Illinois	
FISCAL IMPACT:		GRANT FUNDED AMOUNT:	
895-360 Department of Public Health \$300,000.00		N/A	
897-360 Stroger Hospital \$0.00			
240-360 Cermak Health Services \$0.00			
Total: \$300,000.00			
CONTRACT PERIOD: 11/19/2010 thru 11/18/2013		CONTRACT #: 09-73-190 Rebid/Revised	
X COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] Bid: Multiple providers: single selection based on cost			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

Contract 09-73-190 Rebid/Revised was awarded by the Board of Directors of Cook County Health and Hospitals System to Trako Dental and Medical Supply Inc. for dental supplies for Stroger Hospital and Cermak Health Services. At the time of original contract, the Department of Public Health was not included.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
09-73-190 Rebid/Revised	Original	11/19/2010	11/19/2010	11/18/2013	\$504,763.15	36
09-73-190 Rebid/Revised	Amend and Increase Contract		09/01/2011	11/18/2013	\$300,000.00	26

NEW PROPOSAL JUSTIFICATION:

The Department of Public Health is requesting approval to amend and increase contract 09-73-190 Rebid/Revised to provide dental supplies needed to support the CCDPH. This is a request to amend the contract to include the Department of Public Health as opposed to soliciting bids solely for the CCDPH.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

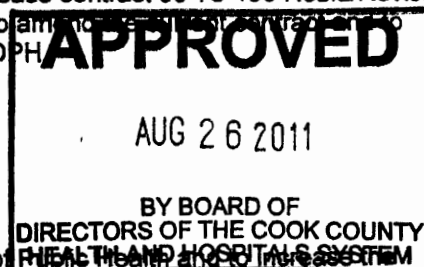
This is a request to amend contract 09-73-190 to include the Department of Public Health and increase the contract amount \$300,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending



Request #

14

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Revised 03/01/2011

DATE: 08/12/2011	PRODUCT / SERVICE: Product - Dental Supplies
TYPE OF REQUEST: Amend and Increase Contract	VENDOR / SUPPLIER: Trako Dental and Medical Supply Inc., Grayslake, Illinois

CCHHS COO 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO 
Michael Ayres, Chief Financial Officer

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Revised 03/01/2011

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / DEPT / AFFILIATE: CCHHS / Department of Radiology		SPONSOR: Patrick Dunne, MD, Chairman, Department of Radiology, CCHHS <i>Pat Dunne 8/5/11</i>	
DATE: 08/12/2011		PRODUCT / SERVICE: Product – Radiology Film and Chemistry	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Classic X-Ray, LTD Schaumburg, Illinois	
FISCAL IMPACT:		GRANT FUNDED AMOUNT:	
897-367 Stroger Hospital \$12,840.00		N/A	
893-367 ACHN \$68,709.00			
898-367 Oak Forest Hospital \$210,940.00			
891-367 Provident Hospital \$1,074,441.60			
Total: \$1,366,930.60			
CONTRACT PERIOD: 09/01/2011 thru 08/31/2014		CONTRACT #: H11-73-087	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP]			
<input checked="" type="checkbox"/> GPO: Multiple Providers – single selection based on cost			
NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE]			
N/A			

PRIOR CONTRACT HISTORY:
Classic X-Ray has been Cook County Health and Hospitals System incumbent provider for these products and services for the past ten years. Classic X-Ray is a new GPO vendor that meets specifications and lowest pricing.

NEW PROPOSAL JUSTIFICATION:
The Department of Radiology of the Cook County Health and Hospitals System is requesting approval to execute a contract with Classic X-Ray, LTD to provide X-ray film, supplies, and preventative maintenance to meet the radiology film and chemistry needs. Supplies and services are to be furnished and include x-ray film, processor chemicals and replenishment services, film processor preventative maintenance and repair, quality assurance services and image plates and cassettes (used with digital radiology and PACs).

FINANCIAL BENEFIT: [Prior Cost versus New Cost]
Savings calculation: N/A
Percent: N/A

TERMS OF REQUEST:
This is a request to execute contract H1-73-087 for a period of 36 months from 09/01/2011 thru 08/31/2014 in the amount of \$1,366,930.60.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS
BID TABULATIONS: N/A
CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO: *Carol Schneider*
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: *Michael Ayres*
Michael Ayres, Chief Financial Officer

APPROVED

AUG 26 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #
15

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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-215 Stroger Hospital / Department of Surgery		SPONSOR: Tanda Russell, Director, Perioperative Services, CCHHS Faran Bokhari, MD, Chairman, Division of Prehospital Care and Resuscitation and Chairman of Value Analysis, CCHHS	
DATE: 08/12/2011	PRODUCT / SERVICE: Service - Device Remanufacturing		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Stryker Sustainability Solutions, Kalamazoo, Michigan		
FISCAL IMPACT: 897-215 Stroger Hospital	\$992,661.42	GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/31/2014		CONTRACT #: H11-73-048	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO: Multiple Providers - single selection based on cost		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

Not applicable; this is a newly requested service.

NEW PROPOSAL JUSTIFICATION:

The Department of Surgery is requesting approval to execute a contract with Stryker Sustainability Solutions to provide device remanufacturing services (reprocessing). Reprocessing is the practice of cleaning, disinfecting, sterilizing and testing products, per federal regulations, so that a device can be safely re-used. Reprocessing reduces a device to its component parts, then repairs, refurbishes and reconstructs the device using only those components that have passed all inspections. These processes are highly regulated and take place in advanced manufacturing settings. The Department of Surgery will be able to purchase these reprocessed products through a credit system which will be based on collection rate.

The reprocessing program was reviewed by a CCHHS Value Analysis Sub-Committee consisting of members from the following departments: Surgery, Nursing, Risk Management, Infection Control, Corporate Compliance, and Materials Management. In addition, the Value Analysis Perioperative team evaluated the safety, efficacy, and capabilities of the program. This contract will result in savings for the Department of Surgery and will enable CCHHS to maximize savings associated with an increased level of compliance through the current GPO.

FINANCIAL BENEFIT:

Cost avoidance calculation: \$1,294,386.00
Percent: 32%

TERMS OF REQUEST:

This is a request to execute contract H11-73-048 for a period of 36 months from 09/01/2011 thru 08/31/2014 in the amount of \$992,661.42.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Yes

APPROVED

AUG 26 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #
16

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
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DATE: 08/12/2011	PRODUCT / SERVICE: Service - Device Remanufacturing
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Stryker Sustainability Solutions, Kalamazoo, Michigan

CCHHS COO: 
 Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
 Michael Ayres, Chief Financial Officer

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COOK COUNTY
OFFICE OF CONTRACT COMPLIANCE

LAVERNE HALL
DIRECTOR

118 North Clark Street, Room 1020
Chicago, Illinois 60602-1304
TEL (312) 603-5502
FAX (312) 603-4547

July 28, 2011

Ms. Girvena LeBlanc
Supply Chain Management
& Procurement Department
John H. Stroger, Jr. Hospital
1901 West Harrison Street, LL250
Chicago, IL 60612

Re: **Contract No. H11-73-048**

Dear Ms. LeBlanc:

The following bid for the above referenced contract has been reviewed for compliance with the General Conditions regarding the Minority and Women Owned Business Enterprises Ordinance and has been found to be responsive to the Ordinance supporting 25% Minority and 10% Women participation.

Contract Amount: \$992,661.42
Contractor: Stryker Sustainability Solutions
Description: Reprocessing

<u>M/WBE</u>	<u>Status</u>	<u>Percentage of Participation</u>
Alternative Custom Crating, Inc.	MBE	2%-Indirect

Waiver Granted:

Good Faith Efforts Documented include: Stryker's submitted Corporation Supplier Diversity Analysis indicating a 1% Minority Spend; 2.34% Women spend; 1.57% Veteran spend. In addition, Minority and Women comprise 78% of Stryker's temporary contract labor force.

Stryker Sustainability Solutions also indicates a lack of sufficient qualified M/WBE capable of providing the goods or services required due to the rural character of the area where contract services are performed.

Sincerely,

LaVerne Hall
Contract Compliance Administrator

LH/pgb



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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-362 Stroger Hospital / Division of Cardiology		SPONSOR: Russell F. Kelly, M.D., Chairman, Division of Cardiology, Stroger Hospital Faran Bokhari, M.D. Chairman, Division of Prehospital Care and Resuscitation and Chairman of Value Analysis, CCHHS	
DATE: 08/12/2011	PRODUCT / SERVICE: Products - Drug Eluting Stents		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Abbott Vascular Devices, Chicago, Illinois		
FISCAL IMPACT: 897-362 Stroger Hospital \$900,000.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/30/2013		CONTRACT #: H11-73-083	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO MS70344 GPO: Multiple providers – single selection based on quality and cost		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

The prior contract was supported by a single provider for multiple years across CCHHS. This request was forwarded to the Value Analysis Committee to determine the highest quality, most cost effective product on the market.

NEW PROPOSAL JUSTIFICATION:

The Department of Cardiology is requesting approval to execute a contract with Abbot Vascular Devices to provide Drug Eluting Stents. Drug Eluting Stents are a peripheral or coronary stent placed into narrowed, diseased peripheral or coronary arteries that slowly releases a drug to block cell proliferation. This prevents fibrosis that, together with clots, could otherwise block the stented artery, a process called restenosis. These stents are used to significantly reduce the risk of in-stent stenosis especially in selected high-risk patient therefore reducing the need for hospital admission and reduce the need for repeated angioplasty.

The Value Analysis Committee alongside the Department of Cardiology met and determined that Abbott Vascular Devices provided a superior stent as opposed to the incumbent vendor in regards to quality and cost. Additionally, Abbott Vascular Devices is part of the GPO agreement; this move also aligns with the goal of reducing GPO compliance and spend through the GPO contract.

FINANCIAL BENEFIT:

Savings calculation: \$60,000.00
Percent: 6% over current price

TERMS OF REQUEST:

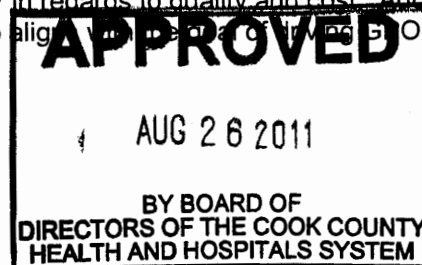
This is a request to execute contract H11-73-083 for a period of 24 months from 09/01/2011 thru 08/30/2013 in the amount of \$900,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending



Request #

17

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DATE: 08/12/2011	PRODUCT / SERVICE: Products - Drug Eluting Stents
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Abbott Vascular Devices, Chicago, Illinois

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

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• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-362 Stroger Hospital / Division of Cardiology		SPONSOR: Russell F. Kelly, M.D., Chairman, Division of Cardiology, Stroger Hospital Faran Bokhari, M.D., Chairman, Division of Prehospital Care and Resuscitation and Chairman of Value Analysis, CCHHS	
DATE: 08/12/2011		PRODUCT / SERVICE: Product - Cardio Rhythm Management Devices	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: St. Jude Medical, Chicago, Illinois	
FISCAL IMPACT: 897-362 Stroger Hospital \$600,000.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/30/2014		CONTRACT #: H11-73-084	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO GPO: Multiple Providers – single selection based on cost		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

St. Jude Medical has been Stroger Hospital's provider for these devices for the past two years. This request was forwarded to the Value Analysis Committee to determine the highest quality, most cost effective product on the market.

NEW PROPOSAL JUSTIFICATION:

The Division of Cardiology at Stroger Hospital is requesting approval to execute a contract with St. Jude Medical for the provision of Cardio Rhythm Management Devices (Pacemakers and leads). The Value Analysis Committee alongside the Division of Cardiology met and determined to stay with St. Jude Medical as the vendor of choice for cardiac rhythm management devices as they currently have 100% market share at CCHHS. Additionally, St. Jude Medical is part of the GPO agreement; this move also aligns with the goal of driving GPO compliance and spend through the GPO contract.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Pricing is fixed from existing pricing so there is no significant change; however, the pricing is low compared to the usage at CCHHS as benchmarked by the GPO. Additional savings will be achieved through rebates paid quarterly over three years.

- Year 1 - Quarterly Rebates \$2,500 = \$10,000.00
- Year 2 - Quarterly Rebates \$2,000 = \$8,000.00
- Year 3 - Quarterly Rebates \$1,500 = \$4,500.00

Total Rebates over term of Contract = \$22,500.00

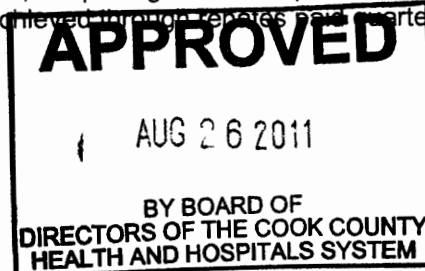
Percent: N/A

TERMS OF REQUEST:

This is a request to execute contract H11-73-084 for a period of 36 months from 09/01/2011 thru 08/30/2014 in the amount of \$600,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

Request #
18



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DATE: 08/12/2011	PRODUCT / SERVICE: Product - Cardio Rhythm Management Devices
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: St. Jude Medical, Chicago, Illinois

ATTACHMENTS

BID TABULATIONS: N/A

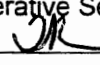
CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / DEPT / AFFILIATE: 897-362 Stroger Hospital / Department of Surgery		SPONSOR: Tanda Russell, Director of Perioperative Services, CCHHS 	
DATE: 08/12/2011		PRODUCT / SERVICE: Product – Porcine Heart Valves, Annuloplasty rings and accessories	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Medtronic USA Inc., Minneapolis, Minnesota	
FISCAL IMPACT: 897-362 Stroger Hospital \$600,000.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/31/2013		CONTRACT #: H10-25-095	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

The previous contract was provided by Medtronic USA.

NEW PROPOSAL JUSTIFICATION:

The Department of Surgery is requesting approval to purchase Freestyle Root Stentless Porcine bioprosthesis, the Hancock II Aortic Mitral Valve, Duran Annuloplasty rings and disposable accessories from Medtronic USA Inc. All products referenced above are trademarked products of Medtronic. It is recommended by the Cardiology Department that the above mentioned heart valves with the required disposable accessories provide the best patient outcomes when used on patients requiring surgery for destroyed or very small aortic roots.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

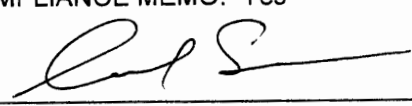
This is a request to execute contract H10-25-095 for a period of 24 months from 09/01/2011 through 08/31/2013 in the amount of \$600,000.00

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

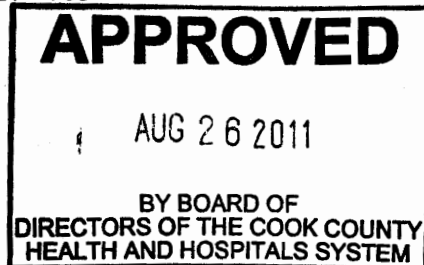
ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Yes

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer



Request #
19

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COOK COUNTY
OFFICE OF CONTRACT COMPLIANCE

LAVERNE HALL
DIRECTOR

118 North Clark Street, Room 1020
Chicago, Illinois 60602-1304
TEL (312) 603-5502
FAX (312) 603-4547

March 25, 2011

Ms. Girvena LeBlanc, BA, MPA
Supply Chain Management
Procurement Department
John H. Stroger, Jr. Hospital
1969 W. Ogden Avenue, LL250
Chicago, IL 60612

Re: Contract No. H10-25-095

Dear Ms. LeBlanc:

The following bid for the above referenced contract has been reviewed for compliance with the General Conditions regarding the Minority and Women Owned Business Enterprises Ordinance and has been found responsive.

Bidder: Medtronic USA, Inc.
Bid Amount: \$600,000.00

Waiver Granted: Contract Compliance granted an M/WBE waiver based on the procurement spend Medtronic USA, Inc. demonstrates with local diverse suppliers.

The Office of Contract Compliance has been advised by the Requesting Department that no other bidders are being recommended for award.

Sincerely,

LaVerne Hall
Director

LH/lar



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Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / DEPT / AFFILIATE: 897-362 Stroger Hospital / Department of Surgery		SPONSOR: Tanda Russell, Director of Perioperative Services, CCHHS	
DATE: 08/12/2011	PRODUCT / SERVICE: Product – Articulating Radial Head Plates and Screws		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Acumed, Hillsboro, Oregon		
FISCAL IMPACT: 897-362 Stroger Hospital \$500,000.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/31/2013		CONTRACT #: H10-25-036	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
X NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

Acumed has provided the articulating radial head implants and screws for CCHHS for the last four years.

NEW PROPOSAL JUSTIFICATION:

The Department of Surgery is requesting approval to purchase articulating radial head plates and screws that are required to treat orthopedic trauma fractures. Acumed's radial head system provides a comprehensive solution for radial head replacement including advanced instrumentation, insertion and placement procedures, and a precise anatomical implant. These specialty radial head implants provide a greater range of motion, reduce wear on the capitellum, and carry a reduced chance of long term prosthesis loosening which causes less pain for patients.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A
Percent: N/A

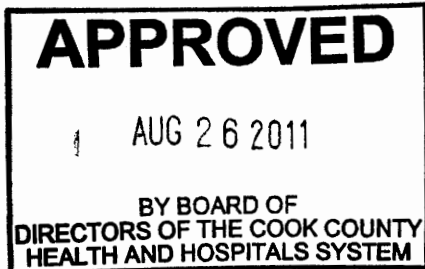
TERMS OF REQUEST:

This is a request to execute contract H10-25-036 for a period of 24 months from 09/01/2011 thru 08/31/2013 in the amount of \$500,000.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

ATTACHMENTS

BID TABULATIONS: N/A
CONTRACT COMPLIANCE MEMO: Yes



CCHHS COO:
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO:
Michael Ayres, Chief Financial Officer

Request #
20

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
CORE Center •

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COOK COUNTY
OFFICE OF CONTRACT COMPLIANCE

LAVERNE HALL
DIRECTOR

118 North Clark Street, Room 1020
Chicago, Illinois 60602-1304
TEL (312) 603-5502
FAX (312) 603-4547

June 22, 2011

Ms. Girvena LeBlanc, BA, MPA
Supply Chain Management
Procurement Department
John H. Stroger, Jr. Hospital
1969 W. Ogden Avenue, LL250
Chicago, IL 60612

Re: Contract No. H10-25-036

Dear Ms. LeBlanc:

The following bid for the above referenced contract has been reviewed for compliance with the General Conditions regarding the Minority and Women Owned Business Enterprises Ordinance and has been found to be responsive.

Bidder: Acumed, Inc.

Bid Amount: \$500,000.00

Waiver Granted:

Acumed, Inc. is the sole source manufacturer and sole supplier of the products listed on Exhibit A of contract H10-25-036. This sole source justification appears to be based on physician preference.

The Office of Contract Compliance has been advised by the Requesting Department that no other bidders are being recommended for award.

Sincerely,

LaVerne Hall
Director

LH/lar



Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / DEPT / AFFILIATE: 897-362 Stroger Hospital / Department of Surgery		SPONSOR: Tanda Russell, Director of Perioperative Services, CCHHS	
DATE: 08/12/2011		PRODUCT / SERVICE: Product – OB GYN Video Tower & Endoscopic Equipment	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Stryker Endoscopy Division, Kalamazoo, Michigan	
FISCAL IMPACT: 897-362 Stroger Hospital \$146,589.77		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: One time purchase		CONTRACT #: H10-73-178	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO : Multiple Providers – single selection based upon quality		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

N/A: No previous contract, this is a capital equipment purchase.

NEW PROPOSAL JUSTIFICATION:

The Department of Surgery is requesting approval to execute a contract with Stryker Endoscopy to replace existing OB / GYN video towers that have reached their life span. The high definition camera technology and high-strength instrumentation allow providers to achieve minimally invasive gynecological procedures. Stryker's patented Speed-Lock connections make instrument integration fast and secure, allowing surgical staff to exchange instruments during procedures quickly, smoothly and safely.

FINANCIAL BENEFIT:

Cost avoidance calculation: \$165,303.35
Percent: 53%

TERMS OF REQUEST:

This is a request to execute contract H10-73-178 for a one time purchase in the amount of \$146,589.77. Capital Item # 292 was approved by the Board of Commissioners of Cook County on 05/09/2009

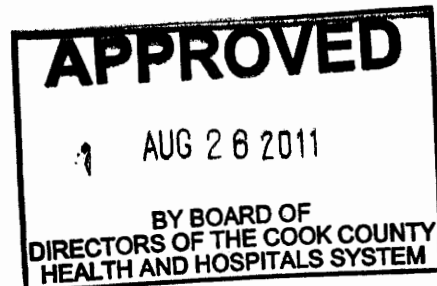
CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Yes

ATTACHMENTS

BID TABULATIONS: N/A
CONTRACT COMPLIANCE MEMO: Yes

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer



Request #
21

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
CORE Center •

THE BOARD OF COMMISSIONERS

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EDWIN REYES	8th Dist.	JEFFREY R. TOBOLSKI	16th Dist.
		ELIZABETH ANN DODDY GORMAN	17th Dist.



COOK COUNTY
OFFICE OF CONTRACT COMPLIANCE

LAVERNE HALL
DIRECTOR

118 North Clark Street, Room 1020
Chicago, Illinois 60602-1304
TEL (312) 603-5502
FAX (312) 603-4547

March 22, 2011

Ms. Girvena LeBlanc, BA, MPA
Supply Chain Management
Procurement Department
John H. Stroger, Jr. Hospital
1969 W. Ogden Avenue, LL250
Chicago, IL 60612

Re: Contract No.: H10-73-178

Dear Ms. LeBlanc:

The following bid for the above referenced contract has been reviewed for compliance with the General Conditions regarding the Minority and Women Owned Business Enterprises Ordinance and has been found to be responsive to the professional service goals of 35% participation.

Bidder: Stryker Endoscopy
Bid Amount: \$146,589.77

<u>M/WBE</u>	<u>Status</u>	<u>Dollar Amount</u>	<u>%</u>
Luz, Inc.	WBE	\$51,310.00 (I)	35%

The Office of Contract Compliance has been advised by the Requesting Department that no other bidders are being recommended for award.

Sincerely,

LaVerne Hall
Contract Compliance Administrator

LH/lar



Printed on Recycled Paper

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 895 Department of Public Health		SPONSOR: Stephen A. Martin, Jr., COO, CCDPH <i>SM</i>	
DATE: 08/12/2011		PRODUCT / SERVICE: Service - Storage of Records	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Iron Mountain, New York, New York	
FISCAL IMPACT: 895 Department of Public Health None		GRANT FUNDED AMOUNT: \$144,928.21	
CONTRACT PERIOD: 06/01/2011 thru 05/30/2016		CONTRACT #: H11-72-046	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

N/A: No prior contract history.

NEW PROPOSAL JUSTIFICATION:

This contract provides storage of records for the Supplemental Nutrition for Women, Infants and Children (WIC) Program conducted by the Cook County Department of Public Health (CCDPH). The CCDPH is required by federal law to maintain WIC records for five (5) years from the patient's last contact date at which time the records can be destroyed. Iron Mountain maintains approximately 9,700 cubic feet of WIC records. This is a onetime grant funded contract decreasing yearly until the records have met the compliance criteria and can be destroyed.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

This contract will save the cost of transportation fees; retrieval costs and re-inventory costs should the records be moved to another location.

TERMS OF REQUEST:

This is a request to execute contract H11-72-046 for a period of 60 months from 06/01/2011 thru 05/30/2016 in the amount of \$144,928.21.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

CCHHS

Carol Schneider
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO

Michael Ayres
Michael Ayres, Chief Financial Officer

APPROVED

AUG 26 2011

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

22

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
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Revised 03/01/2011

COOK COUNTY HEALTH & HOSPITALS SYSTEM

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Cook County Board of Commissioners

Warren L. Batts • Chairman
Cook County Health & Hospitals System

Jorge Ramirez • Vice-Chairman
Cook County Health & Hospitals System

Terry Mason, M.D., F.A.C.S. • Interim CEO
Cook County Health & Hospitals System



CCHHS

Health & Hospitals System Board Members

Dr. David A. Ansell
Commissioner Jerry Butler
David N. Carvalho
Quin R. Golden
Benn Greenspan
Sr. Sheila Lyne
Dr. Luis R. Muñoz
Heather E. O'Donnell

Date: August 12, 2011

To: Chairman Batts and Carvalho
Board of Directors of Cook County Health and Hospitals System

From: Nita Stith, System Director of Supply Chain Management
Cook County Health and Hospitals System

Re: Authorization to amend previously approved requests to execute contracts

Dear Chairman Batts and Carvalho,

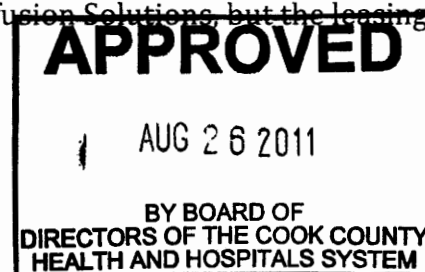
A request was previously approved by the Board of Directors of Cook County Health and Hospitals System (CCHHS) that contained an incorrect vendor name and needs authorization to amend the request to execute the contract.

Carefusion Solutions approved July 29, 2011

The Board of Directors of CCHHS approved a request on July 29, 2011 (Request # 32) to execute contract H11-73-069 to lease Carefusion Solutions IV Pumps in the amount of \$4,422,700.00. Please see attached stamped board approval request for your reference.

The Department of Supply Chain Management at CCHHS is requesting authorization to amend the previously approved request to reflect the correct vendor name. Supply Chain Management inadvertently listed the incorrect vendor name; the correct vendor name should be Med One Capital Funding, Sandy, Utah. The IV Pumps will be provided by Carefusion Solutions, but the leasing agreement is provided by Med One Capital Funding.

Thank you for your consideration.



Request #
23

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 890-360 CCHHS / Department of Anesthesiology and Pain Management		SPONSOR: Gennadiy Voronov, M.D., Chairman, Department of Anesthesiology and Pain Management Roz Lennon, Chief Clinical Officer, CCHHS G ✓ RL	
DATE: 07/15/2011	PRODUCT / SERVICE: Product - Alaris System Large Volume IV Pumps		
TYPE OF REQUEST: Execute Lease Agreement	VENDOR / SUPPLIER: Carefusion Solutions LLC, San Diego, California		
FISCAL IMPACT: 890-360 CCHHS \$4,442,700.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 08/01/2011 thru 07/31/2016		CONTRACT #: H11-73-069	
<input checked="" type="checkbox"/> COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO: Multiple providers – single selection based on cost and evaluation process			
<input type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A			

PRIOR CONTRACT HISTORY:

No previous contract history. The existing IV Pumps have reached their life span. A system wide value analysis team conducted an evaluation resulting in Carefusion Solutions LLC offering best GPO pricing.

NEW PROPOSAL JUSTIFICATION:

The Departments of Anesthesiology and Pain Management are requesting approval to execute a lease agreement with Carefusion Solutions LLC. The Value Analysis Team consisting of representatives from the Nursing Department, Physicians, and H.I.S. conducted a highly and extension evaluation. Based on their evaluation, Carefusion Solutions LLC was the leader in this market. The Alaris System is the most comprehensive IV medication safety system on the market and is an integrated system that allows you to protect every infusion and every patient, every time. This means it can tackle serious preventable adverse drug events which are IV related. Built on a modular platform, the Alaris System with Guardrails Suite MX safety software gives you safety beyond just dose error reductions. A customized implementation plan is provided based on the unique needs and project goals of CCHHS. The Carefusion will provide professional and technical services staff that will assist with all implementation milestones.

CCHHS will lease for 60 months at \$60,050.00 a month with a fair market value buyout at the end of the term. Carefusion Solutions LLC has offered approximately \$800,000.00 additional savings from the GPO best tier purchase pricing.

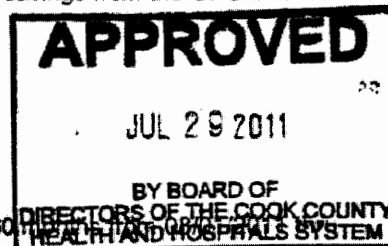
FINANCIAL BENEFIT: [Discount Pricing]

Cost avoidance calculation: \$800,000.00

Percent: 15% from best GPO tier pricing

TERMS OF REQUEST:

This is a request to execute a lease agreement H11-73-069 for a period of 60 months from 08/01/2011 to 07/31/2016 in the amount of \$4,442,700.00.



CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

Request #

32

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 • John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
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Revised 03/01/2011

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #3

Quarterly Supplier Diversity Commitment Report

04/01/2011 thru 06/30/2011

CCHHS SERVICE

Company	Contract Amount	Direct	Indirect	AA	H	A	W	Out of State	Waiver	Extend & Increase	Dept.
Ambulance Transportation, Inc.	\$4,478,221.00		√	27%			10%				ACHN
The Sibery Group, LLC	\$795,000.00								√	√	Administration
Anika Clifton* (Staff)	\$96,000.00	√					100%		√		Administration
Smith, Thomas, Williams* (Staff)	\$1,285,000.00	√		100%						√	Administration
Sharon Freyer* (Staff)	\$69,996.00	√					100%				Administration
Adrienne Brown* (Staff)	\$24,650.00	√					100%				Administration
University of Illinois	\$88,000.00								Exempt		Administration
Quick Leonard International, Inc.	\$205,000.00								√		Administration
Julie Rys* (Staff)	\$30,800.00	√					100%				Administration
Women to Women Healthcare*	\$150,000.00						100%				Administration
Midway Moving & Storage, Inc.	\$32,200.00		√							√	Environmental Services
McKesson Revenue Management	\$13,039,527.00							√	√		Finance
Health Revenue Management	\$1,500,000.00										Finance / Pending CC Requires EDS Pages
Medifax d/b/a Emdeon	\$940,620.00							√	√		Finance
Diskriter, Inc.	\$530,000.00							√	√		Finance
Medifax d/b/a Emdeon	\$519,000.00							√	√		Finance
Medifax d/b/a Emdeon	\$465,180.00							√	√		Finance
Medifax d/b/a Emdeon	\$189,000.00							√	√		Finance
QuadraMed Corporation	\$218,253.35							√	√		Health Information Stms.
Soft Computer Consultants											
Board Approval Request indicates: N/A for Contract Compliance	\$0.00							√		√	Health Information Stms.
Siemens Medical Solutions											
Partial Waiver 25% MBE	\$4,312,319.00		√				10%	√	√	√	Health Information Stms.
Teletracking Technologies, Inc.	\$1,266,694.40	√					8%				Health Information Stms.
The Nurse Agency*	\$500,000.00	√					100%				Nursing

Quarterly Supplier Diversity Commitment Report

04/01/2011 thru 06/30/2011

CCHHS SERVICE

Company	Contract Amount	Direct	Indirect	AA	H	A	W	Out of State	Waiver	Extend & Increase	Dept.
Illinois Department of Public Health	\$30,000.00								Exempt	√	Pathology
Cardinal Health 06/15/11 Responsive with 1% Participation; Contract specific goal is 5%; 1% broken down between 2 WBEs/1 VBE and 2 MBEs	\$7,500,000.00	√						√			Pathology
Laboratory Corporation of America Partial Waiver 25% MBE	\$994,230.00		√				10%	√	√	√	Pathology
Quest Diagnostics	\$5,538,528.00		√			15%	21%	√			Pathology
ITXM (Lifesource)	\$128,750.00								Exempt		Pathology
Illinois Department of Public Health	\$156,000.00								Exempt	√	Pathology
Carefusion Solutions, LLC	\$178,068.00							√	√		Pharmacy
University of Chicago Northshore University Health System	\$118,191.00								Exempt		Planning
Honeywell International	\$189,850.00				25%		10%				Plant Operations
Cavalry Fire Protection*	\$206,542.00	√		90%			10%				Provident Hospital
Illinois Department of Public Health	\$160,000.00								Exempt		Public Health Grant Renewal
Illinois Department of Public Health	\$31,000.00								Exempt		Public Health Grant Renewal
Illinois Department of Public Health	\$70,290.00								Exempt		Public Health Grant Renewal
Illinois Hospital Association	\$145,392.97								Exempt		Public Health Extend Contract

Quarterly Supplier Diversity Commitment Report

04/01/2011 thru 06/30/2011

CCHHS SERVICE

Company	Contract Amount	Direct	Indirect	AA	H	A	W	Out of State	Waiver	Extend & Increase	Dept.
Integrated Solutions Consulting Corp.	\$325,000.00		√	6%			5%				Public Health Grant Funded
Illinois Department of Public Health	\$40,000.00								Exempt		Public Health Grant Funded
Illinois Department of Public Health	\$34,000.00								Exempt		Public Health Grant Funded
Cook County Radiation Oncology	\$1,922,889.00					100%					Radiology
Nebo System, Inc.	\$3,278,000.00		√	25%			10%				Revenue Cycle
Standard Register, Inc.	\$1,318,833.00	√	√	11%				√			Supply Chain
Sodexo America, LLC	\$19,423,678.76	√		19%	5.5%	1%	10%				Support Services
Aramark Healthcare M/WBE Goal Percentages are based on Adjusted Revenue Amount due to Less Removal of 6 CTS from Aramark revised contract amount = \$16,114,554.00	\$18,346,554.00	√		2%	1%	5.52%	12%			√	Stroger Hospital / Plant Operations
Aramark Healthcare Over 50% M/WBE Workforce Diversity Strategy	\$4,220,773.68										Stroger Hospital / Plant Operations
Coviden	\$261,423.00							√	√		Stroger Hospital / Pulmonary Medicine
TOTAL	\$95,353,454.16										
* Indicates MBE or WBE											

Quarterly Supplier Diversity Commitment Report

04/01/2011 thru 06/30/2011

CCHHS SUPPLIES

Company	Contract Amount	Direct	Indirect	AA	H	A	W	Out of State	Waiver	Extend & Increase	Dept.
More Direct, Inc.	\$1,200,000.00	√			10%	10%		√		√	Health Information Stms.
More Direct, Inc.	\$40,000.00	√			10%	10%		√		√	Health Information Stms.
QuadraMed Corporation	\$218,253.35							√	√		Health Information Stms.
Paper Solutions	\$594,200.00	√		25%			10%	√			Medical Records
Gen-Probe, Inc.	\$72,102.00							√	√	√	Pathology
Trinity Biotech	\$203,508.00		√			1%		√			Pathology
W.W. Grainger, Inc.	\$985,000.00								√		Plant Operations
Parata Systems	\$217,002.00								√	√	Provident Hospital / Pharmacy
Triad Nuclear Pharmacy	\$1,662,082.90	√	√	.3%		1.8%	1.14%	√			Radiology
Owens & Minor, Inc. 10% Total Direct Participation = 3% WBE; 3% MBE and 4% VBE	\$60,000,000.00	√				3%	3%	√			Supply Chain Mgmt.
GE Healthcare	\$443,105.00								√		Surgery
Edwards Lifesciences	\$400,000.00		√				35%	√			Surgery
Simbionix USA Corporation	\$143,555.00							√	√		Stroger Hospital / Cardiology
GE Healthcare	\$184,766.70							√	√		Stroger Hospital / Anesthesiology & Pain Mgt.

Quarterly Supplier Diversity Commitment Report

04/01/2011 thru 06/30/2011

CCHHS SUPPLIES

Company	Contract Amount	Direct	Indirect	AA	H	A	W	Out of State	Waiver	Extend & Increase	Dept.
Olympus America, Inc.	\$148,743.60							√	√		Trauma
TOTAL	\$64,459,865.20										
* Indicates MBE or WBE											

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #4

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(C)
AUGUST 19, 2011 FINANCE COMMITTEE MEETING
SUPPLEMENTAL CONTRACTS AND PROCUREMENT ITEMS

Request #	Vendor	Service or Product	Fiscal Impact	Affiliate / System	Begins on Page #
Extend and Increase Contract					
24	Oland Group LLC	Service - Performance improvement management consulting services	\$830,196.00	System	2
Execute Contracts					
25	Maquet	Product - intra-aortic balloon pump catheters	\$163,561.50	SHCC	4
26	The Olenik Consulting Group	Service - Health Information Management Interim Resources	\$107,800.00	System	5

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 890-260 CCHHS / Administration		SPONSOR: Terry Mason, M.D., Interim Chief Executive Officer, CCHHS	
DATE: 08/12/2011		PRODUCT / SERVICE: Service – Performance Improvement Management Consulting Services	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: Oland Group LLC, Bloomfield Hills, Michigan	
FISCAL IMPACT: 890-260 CCHHS \$830,196.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 10/01/2011 thru 03/31/2012		CONTRACT #: 09-41-239	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
X NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

This original contract 09-41-239 was awarded by the Cook County Health and Hospitals System on 06/26/2009 for a period of 9 months with two additional amendments extending the contract until 09/30/2011.

Contract No.	Description	Bd. Approval	Start Date	End Date	Amount	Months
09-41-239	Original	06/26/2009	06/29/2009	03/31/2010	\$339,840.00	9
09-41-239	Amend and Increase Contract	12/18/2009	04/01/2010	09/30/2010	\$1,314,477.00	6
09-41-239	Extend and Increase Contract	08/26/2010	10/01/2010	09/30/2011	\$1,660,392.00	12
09-41-239	Extend and Increase Contract		10/01/2011	03/31/2012	\$830,196.00	6

NEW PROPOSAL JUSTIFICATION:

CCHHS is requesting approval to extend and increase the current contract with Oland Group, LLC to maintain a consistent and systematic approach for the identification, management and evaluation of performance improvement opportunities and resources across CCHHS. The Oland Group, LLC provides executive-level project oversight and infrastructure to ensure implementation of internal and external performance improvement efforts. This request includes the services of an Interim Director of the Office of Performance Improvement and Project Management and project management oversight of key initiatives as well as two project management specialists and one information specialist.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

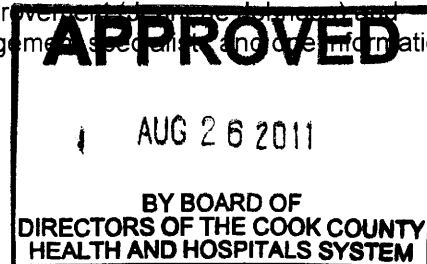
TERMS OF REQUEST:

This is a request to extend and increase contract 09-41-239 for a period of 6 months from 10/01/2011 thru 03/31/2012 in the amount of \$830,196.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

Request #

24



• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Hospital • Provident Hospital • Ruth M. Rothstein
CORE Center •

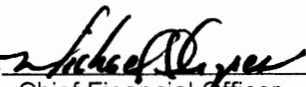
DATE: 08/15/2011	PRODUCT / SERVICE: Professional Service – Performance Improvement
TYPE OF REQUEST: Extend and Increase Contract	VENDOR / SUPPLIER: Oland Group LLC, Bloomfield Hills, Michigan

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
Michael Ayres, Chief Financial Officer

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-362 Stroger Hospital / Division of Cardiology		SPONSOR: Russell Kelly, Chairman, Division of Cardiology, CCHHS	
DATE: 08/12/2011		PRODUCT / SERVICE: Product - Intra aortic balloon pump catheters	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Maquet, Wayne, New Jersey	
FISCAL IMPACT: 897-362 Stroger Hospital \$163,561.50		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 09/01/2011 thru 08/31/2014		CONTRACT #: H11-73-086	
X	COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] GPO: Multiple providers -- single selection based on quality and cost		
	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

The prior contract was supported by a single provider for multiple years across CCHHS. This request was forwarded to the Value Analysis Committee to determine the highest quality, most cost effective product on the market.

NEW PROPOSAL JUSTIFICATION:

This contract will provide for Intra-aortic balloon pump (IABP) catheters. The IABP catheter is a mechanical device that increases myocardial oxygen perfusion while at the same time increasing cardiac output. Increasing cardiac output increases coronary blood flow and therefore myocardial oxygen delivery. The Value Analysis Committee alongside the Division of Cardiology met and determined that Maquet should provide superior devices. Also, Maquet currently has 100% market share at CCHHS. Additionally, Maquet is part of the GPO agreement; this move also aligns with the goal of driving GPO compliance and spend through the GPO contract.

FINANCIAL BENEFIT: [Discount Pricing]

Savings calculation: \$69,750.00

Percent: 42%

Tier 2 savings from existing pricing achieved using GPO contract. CCHHS was also able to negotiate better pricing directly with the vendor.

TERMS OF REQUEST:

This is a request to execute contract H11-73-086 for a period of 36 months from 09/01/2011 thru 08/31/2014 in the amount of \$163,561.50.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

WITHDRAWN

CCHHS COO: _____

Carol Schneider, Chief Operating Officer

CCHHS CFO: _____

Michael Ayres, Chief Financial Officer

Request #

25

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Revised 03/01/2011

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 890-260 CCHHS / Administration		SPONSOR: Michael Ayres, Chief Financial Officer, CCHHS
DATE: 08/12/2011	PRODUCT / SERVICE: Service - Health Information Management Interim Resources	
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: The Olenik Consulting Group, Chicago, Illinois	
FISCAL IMPACT: 890-260CCHHS	\$107,800.00	GRANT FUNDED AMOUNT: N/A
CONTRACT PERIOD: 09/01/2011 thru 11/30/2011		CONTRACT #: H11-25-095
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A		
X NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider		

PRIOR CONTRACT HISTORY:

N/A: This is a new request.

NEW PROPOSAL JUSTIFICATION:

This is a request to execute a contract with The Olenik Consulting Group for interim management services for the Department of Health Information Management (HIM) at CCHHS. The Olenik Consulting Group will provide a combination of Director/Manager level support for five days/week coverage. These resources shall be responsible for providing ongoing operational management, advice, recommendations, and implementation assistance to the Health Information Management department, with the objective of maintaining current HIM operations and supporting approved HIM activities.

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to execute contract H11-25-095 for a period of 3 months from 09/01/2011 thru 11/30/2011 in the amount of \$107,800.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

WITHDRAWN

CCHHS COO: 
Carol Schneider, Interim Chief Operating Officer

CCHHS CEO: 
Terry Mason, Interim Chief Executive Officer

Request #
26

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Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #5

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(D)
AUGUST 19, 2011 FINANCE COMMITTEE MEETING
PROPOSED ACADEMIC AFFILIATION AGREEMENT

Request #	Vendor	Service or Product	Fiscal Impact	Affiliate / System	Begins on Page #
Renewal of Program Addendum					
<i>Recommended for Approval by the Quality and Patient Safety Committee on May 17, 2011</i>					
1	McGaw Medical Center of Northwestern University	Service - Obstetrics/Gynecology Resident Program	\$4,128,926.00	SHCC	2

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

REQUESTING ACCOUNT / AFFILIATE / DEPT: 897-272 Stroger Hospital / Department of Planning, Education and Research		SPONSOR: John O'Brien, M.D., Chairman of Planning, Education and Research, CCHHS <i>John 8/4/11</i>	
DATE: 08/12/2011		PRODUCT / SERVICE: Service – Obstetrics / Gynecology Resident Program	
TYPE OF REQUEST: Renewal Program Addendum		VENDOR / SUPPLIER: McGaw Medical Center of Northwestern University, Chicago, Illinois	
FISCAL IMPACT: 897-272 Stroger Hospital \$4,128,926.00		GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 08/26/2011 thru 06/30/2015		CONTRACT #: 06-41-561-11B	
COMPETITIVE SELECTION METHODOLOGY: [BID / RFP / GPO / OMP] N/A			
X NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] Single Feasible Provider			

PRIOR CONTRACT HISTORY:

This is a Renewal of a Program Addendum to Cooperative Educational Master Agreement (06-41-561) between Stroger Hospital and McGaw Medical Center. McGaw Medical Center has been providing these services since 2008.

NEW PROPOSAL JUSTIFICATION:

This program addendum allows for the continuation of residency services in Obstetrics and Gynecology by authorizing continued resident services (10 FTE residents in year one, and 16 FTE residents in years two through four). This agreement will provides post graduate education and quality improvement support for inpatient and outpatient Obstetrics and Gynecology as a replacement to the Stroger Hospital Residency Program which phases out in June 2012. This agreement was reviewed by Director Lyne on April 29, 2011 and by the Quality and Patient Safety Committee on May 17, 2011.

	PGY1	PGY2	PGY3	PGY4	Total	\$ (add 4% /yr)
Year 1 (8/11-6/12)	3	4	2	1	10	\$659,314
Year 2 (7/12-6/13)	4	4	4	4	16	\$1,115,232
Year 3 (7/13-6/14)	4	4	4	4	16	\$1,156,537
Year 4 (7/14-6/15)	4	4	4	4	16	\$1,197,842
Total \$						\$4,128,926

APPROVED

FINANCIAL BENEFIT: [Prior Cost versus New Cost]

Savings calculation: N/A

Percent: N/A

TERMS OF REQUEST:

This is a request to execute contract 06-41-561-11B for a period of 47 months from 08/26/11 thru 06/30/15 in the amount of \$4,128,926.00.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE? Pending

ATTACHMENTS

BID TABULATIONS: N/A

CONTRACT COMPLIANCE MEMO: Pending

AUG 26 2011
BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

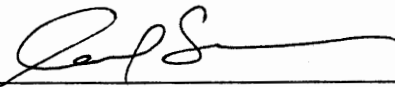
1

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DATE: 08/12/2011	PRODUCT / SERVICE: Service – Obstetrics / Gynecology Resident Program
TYPE OF REQUEST: Renewal Program Addendum	VENDOR / SUPPLIER: McGaw Medical Center of Northwestern University, Chicago, Illinois

CCHHS COO: 
 Carol Schneider, Interim Chief Operating Officer

CCHHS CFO: 
 Michael Ayres, Chief Financial Officer

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Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #6

August 2011 Emergency Purchase

Ref	Vendor	Service	Supply/Service	Reason for Selection	Amount
1	High Voltage Maintenance Corp.	Parts, materials, equipment and labor provided for emergent response to recover from the electrical fire in the Hektoen Building.	Electrical fire caused severe damage to cables and fire pump which needed to be replaced.	Vendor chosen for expertise in field	\$137,656.00

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #7

Cook County Health and Hospitals System

Financial Statements for the Month Ended
June 30, 2011

As of July 29, 2011

Index

1. Mission Statement
2. Attestation Statement
3. Management Discussion and Analysis
4. Combining Balance Sheet – Assets
5. Combining Balance Sheet – Liabilities and Net Assets
6. Combining Income Statement
7. Comparative Income Statements:
 - Cook County Health Facilities (Consolidated)
 - Stroger Hospital
 - ACHN (Clinics)
 - Oak Forest Hospital
 - Provident Hospital
 - Bureau of Health
 - Dept. of Public Health
 - Cermak
8. Disclosure Checklist

COOK COUNTY HEALTH & HOSPITALS SYSTEM

MISSION STATEMENT

The Cook County Health and Hospitals System will deliver integrated health services with dignity and respect regardless of a patient's ability to pay; and,

Foster partnerships with other health providers and communities to enhance the health of the public; and,

Advocate for policies, which promote and protect the physical, mental and social well being of the people of Cook County.

Board of Directors
Cook County Health and Hospitals System

The accompanying financial statement of Cook County Health and Hospitals System and the related Management's Discussion and Analysis for the month ended June 30, 2011 have been prepared by Management who is responsible for their presentation and disclosure. The statement have not been compiled, reviewed or audited by independent accountants.

CCHHS maintains an internal control structure designed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed, recorded and summarized to produce reliable records and reports,

To the best of Management's knowledge and belief the statements were prepared in conformity with generally accepted accounting principles and governmental accounting standards using the accrual basis of accounting and are based on recorded transactions and Management's best estimates and judgment.

Michael D. Ayres, Chief Financial Officer

Dorothy M. Loving, Executive Director of Finance

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

This discussion and analysis provides the readers of the monthly unaudited financial statements of the Cook County Health and Hospital System (CCHHS) with an overview of the financial activities and financial activities for the month ended June 30, 2011. This discussion focuses on the significant financial issues and major financial activities during the current month. It should be read in conjunction with the accompanying financial statements of the CCHHS.

The CCHHS includes the following entities: John H. Stroger Jr. Hospital (JSH); Oak Forest Hospital (OFH); Provident Hospital (PHCC); the Department of Public Health (DPH); the Ambulatory and Community Health Network (ACHN); the Bureau of Health Services (BHS); and Cermak Health Services (CHS). Collectively, these entities provide primary, intermediate, acute, and tertiary medical care to patients, without regard to their ability to pay. The Bureau of Health Services oversees the operational, planning, and policy activities of the CCHHS.

The CCHHS is included in the reporting entity of the Cook County, Illinois, as an enterprise fund. As an enterprise fund, the CCHHS' financial statements are prepared using proprietary fund accounting that focuses on the determination of changes in net assets, financial position, and cash flows in a manner similar to private sector businesses. The financial statements are prepared on an accrual basis of accounting, which recognizes revenue when earned and expenses when incurred.

SUMMARY OF OPERATING AND FINANCIAL HIGHLIGHTS

The Cook County Health and Hospital Systems continues to undertake significant restructuring with a focus on operational efficiency so that the system can better fulfill its mission of serving the health care needs of the region. Effective in July, 2010 CCBHHS engaged Price Waterhouse Coopers as its revenue cycle vendor to re-engineer the revenue cycle process and to improve efficiencies within the expenditure process.

FINANCIAL HIGHLIGHTS (IN THOUSANDS)

The Cook County Health and Hospitals System finished the seven months with overall revenue of \$552,105 and overall expenses was \$630,785.

Net Patient revenue for the seven months was \$364,476.

Net Patient revenue consists of all charges including automated contractual allowances and bad debt adjustments. Write-off of Bad Debt is a CCHHS Board approved policy.

Other revenue was \$3,254. Other revenue consists primarily of parking and cafeteria revenue.

Patient Accounts Receivable

Patient Accounts Receivable has increased in May and again in June from the level outstanding at the end of April. April patient's accounts receivable was at 205 days of revenue outstanding, May was at 215 days, and June was at 230 days.

Inpatient Accounts Receivable

Discharged not Final Billed

The total dollars of discharged not final billed inpatient patient accounts have remained at the same level from April to the end of June. The System is not getting further behind in unbilled inpatient accounts during this period in time, but there is a constant problem with unbilled inpatient accounts. The patient accounting system is setup to hold an account for five days before it can be billed. At the end of the last three months more than 50% of the unbilled inpatient accounts remain unbilled after five days. There was \$8,231,289 of unbilled inpatient accounts greater than five days past discharge at the end of June. CCHHS is in the process of hiring an outside vendor to assist in the coding of the unbilled inpatient accounts.

Billed Inpatient Accounts

The outstanding billed inpatient patient accounts are made up of balances from the three old legacy systems and the new system that was put into service on December 1, 2010. There are a large volume of older accounts that should be placed with an agency and removed from active A/R. This volume of older accounts on the legacy systems is declining slowly each month. The outstanding A/R on the new system is continuing to grow. The DNFB has stabilized, but the billed inpatient accounts on the new system are continuing to grow each month. The ratio of self pay accounts to third party accounts does not fluctuate much from month to month. There does not appear to be an issue preventing collection that is concentrated between either self pay accounts or insurance accounts.

Unbilled Outpatient Accounts

The unbilled outpatient accounts on the three legacy systems have been declining slowly during the last three months. The unbilled outpatient accounts on the new system have been increasing each month. In May the unbilled outpatient accounts on the new system increased by \$3,818,810 and increased another \$4,579,982 in June. At the end of June there was \$16,375,570 of unbilled outpatient accounts on the new system that were unbilled for more than 30 days past the date of service. There are current efforts to identify additional resources to help reduce the inventory of unbilled outpatient accounts. The very large volume of outpatient accounts is extremely difficult to stabilize and begin to reduce unless additional help is found.

Billed Outpatient Accounts

The outpatient billed accounts on legacy systems continue to decline each month, but there are a large volume of these accounts that need to be removed from active A/R. The bulk of these accounts will be placed with an outside vendor to resolve or place with a collection agency. The outpatient accounts on the new system have been increasing over the last three months. There was an increase of \$14,849,898 in May and an increase of \$15,024,550 in June. CCHHS plans on using an outside vendor to bill the accounts and follow up on the accounts that are paid in a timely manner. The vendors have been

identified and the transition to the new approach to collecting these accounts is in progress.

Operating Expenses at the end of seven months was \$630,785 broken down as follows:

Salaries and Wages - \$331,686

Benefits - \$80,247

Supplies - \$63,069

Purchased Services, Rental, and Other - \$97,771

Depreciation - \$21,250

Utilities - \$5,537

Insurance - \$31,223

Nonoperating Revenue was \$184,375. The largest portions of this are attributed to sales tax in the amount of \$99,275 and property tax in the amount of \$39,903.

Taxes collected for the Health to date have been fully credited to the Health Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the CCHHS financial statements. CCHHS basic monthly unaudited financial statements are comprised of fund financial statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CCHHS, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Accounts Receivable Comparison
Cook County Health and Hospitals System
Fiscal 2011**

	12/31/2010 Legacy + BEPA	1/31/2011 Legacy + BEPA	2/28/2011 Legacy + BEPA	3/31/2011 Legacy + BEPA	4/30/2011 Legacy + BEPA	5/31/2011 Legacy + BEPA	6/30/2011 Legacy + BEPA	11/30/2010 Combined Legacy	(=Growth)	%%
Inpatient										
In-house	\$ 11,898,937.00	\$ 14,211,571.00	\$ 13,981,191.00	\$ 14,409,367.00	\$ 14,415,408.00	\$ 15,299,087.00	\$ 14,104,278.00	\$ 19,986,905.58	\$ 5,882,627.58	29.4%
Discharged Not Final Billed	\$ 28,227,287.61	\$ 27,798,651.00	\$ 24,406,269.00	\$ 23,338,140.00	\$ 18,945,491.00	\$ 20,526,491.00	\$ 18,709,127.89	\$ 12,345,700.54	\$ (6,363,427.35)	-51.5%
Billed	\$ 301,926,805.75	\$ 305,446,321.73	\$ 317,871,466.96	\$ 331,209,750.92	\$ 335,371,523.17	\$ 352,627,675.32	\$ 361,371,649.08	\$ 291,150,173.24	\$ (70,221,475.84)	-24.1%
Total Inpatient Asccounts Receivable	\$ 342,053,030.36	\$ 347,456,543.73	\$ 356,258,926.96	\$ 368,957,257.92	\$ 368,732,422.17	\$ 388,453,253.32	\$ 394,185,054.97	\$ 323,482,779.36	\$ (64,970,473.96)	-20.1%
Outpatient										
Unbilled	\$ 26,834,114.35	\$ 30,935,698.56	\$ 32,148,532.81	\$ 32,091,146.66	\$ 28,715,659.68	\$ 36,276,712.16	\$ 39,730,199.19	\$ 26,490,787.35	\$ (13,239,411.84)	-50.0%
Billed	\$ 143,816,697.26	\$ 152,110,893.15	\$ 160,579,087.78	\$ 185,812,375.22	\$ 201,003,185.78	\$ 211,303,003.37	\$ 237,672,010.85	\$ 141,704,243.66	\$ (95,967,767.19)	-67.7%
Total Outpatient Accounts Receivable	\$ 170,650,811.61	\$ 183,046,591.71	\$ 192,727,620.59	\$ 217,903,521.88	\$ 229,718,845.46	\$ 247,579,715.53	\$ 277,402,210.04	\$ 168,195,031.01	\$ (109,207,179.03)	-64.9%
Combined Inpatient and Outpatient A/R										
Unbilled	\$ 66,960,338.96	\$ 72,945,920.56	\$ 70,535,992.81	\$ 69,838,653.66	\$ 62,076,558.68	\$ 72,102,290.16	\$ 72,543,605.08	\$ 58,823,393.47	\$ (13,720,211.61)	-23.3%
Billed	\$ 445,743,503.01	\$ 457,557,214.88	\$ 478,450,554.74	\$ 517,022,126.14	\$ 536,374,708.95	\$ 563,930,678.69	\$ 599,043,659.93	\$ 432,854,416.90	\$ (166,189,243.03)	-38.4%
Total IP and OP Accounts Receivable	\$ 512,703,841.97	\$ 530,503,135.44	\$ 548,986,547.55	\$ 586,860,779.80	\$ 598,451,267.63	\$ 636,032,968.85	\$ 671,587,265.01	\$ 491,677,810.37	\$ (179,909,454.64)	-36.6%
Average Daily Revenue	\$ 2,229,348.00	\$ 2,546,902.65	\$ 2,491,988.18	\$ 2,663,156.00	\$ 2,919,561.00	\$ 2,958,694.00	\$ 2,916,170.00	\$ 2,054,207.00	\$ (861,963.00)	-42.0%
Days of Revenue Outstanding	230	208	220	220	205	215	230	239	9	

Cook County Health Facilities
Combining Balance Sheet of General Funds (Unaudited)
(In Thousands)
June 30, 2011

	Stroger Hospital	ACHN (Clinics)	Total Stroger & ACHN	Oak Forest Hospital	Provident Hospital	Bureau of Health	Hospitals Total	Dept of Public Health	Cermak	Grand Total
ASSETS										
CURRENT ASSETS:										
Cash and cash equivalents:										
Cash in banks	870	1	871	105	189		1,165	6		1,171
Cash held by Cook Co Treas	365,463		365,463	64,132	101,128		530,724	98,333		629,057
Due from working cash fund	60,526	34,607	95,133				95,133			95,133
Total cash & cash equivalent	426,859	34,609	461,468	64,237	101,317		627,022	98,340		725,361
Property taxes receivable:										
Tax levy - current year	13,910	16,530	30,441	2,612	2,501	1,416	36,970	4,706		41,676
Tax levy - prior year	46,042	26,136	72,178	10,453	13,436	2,545	98,612	7,999		106,611
Total property taxes rec	59,952	42,666	102,618	13,065	15,938	3,961	135,582	12,705		148,288
Receivables:										
Patient AR-net of allowances	129,442		129,442	4,791	3,089		137,323			137,323
Third-party settlements	4,685		4,685	15	70		4,771			4,771
Other receivables	619	10	629	12	19	164	824		3	827
Due from State - sales taxes	6,869	7,567	14,437	2,035	3,314	658	20,444	2,783	5,700	28,927
Interacct (payable)receivabl	(115,136)		(115,136)	11,280	(19,826)	123,685	2	(2)		
Total receivables	26,480	7,577	34,057	18,133	(13,333)	124,507	163,363	2,781	5,703	171,848
Inventories	3,343		3,343	505	1,372		5,219			5,219
TOTAL CURRENT ASSETS	516,633	84,852	601,485	95,940	105,293	128,468	931,187	113,826	5,703	1,050,716
CAPITAL ASSETS:										
Depreciable assets - net	383,419	7,164	390,583	28,379	22,673	4,760	446,394	82	416	446,893
TOTAL ASSETS	900,053	92,016	992,069	124,319	127,966	133,227	1,377,581	113,909	6,119	1,497,609

Cook County Health Facilities
Combining Balance Sheet of General Funds (Unaudited)
(In Thousands)
June 30, 2011

	Stroger Hospital	ACHN (Clinics)	Total Stroger & ACHN	Oak Forest Hospital	Provident Hospital	Bureau of Health	Hospitals Total	Dept of Public Health	Cermak	Grand Total
LIABILITIES & NET ASSETS										
CURRENT LIABILITIES:										
Due to Cook County Treasurer		179,155	179,155			543,010	722,165		714	722,878
Accounts payable	18,357	391	18,748	1,752	3,181	12,280	35,961	976	191	37,128
Accrued salaries, wages, & other liabilities	37,163	4,489	41,651	1,168	1,215	4,814	48,848		3,869	52,718
Compensated absences	24,773	2,942	27,714	3,845	4,133	3,061	38,753	1,094	2,159	42,006
Deferred revenues				12,087	10,071		22,157			22,157
Due to others				11	6		18			18
TOTAL CURRENT LIABILITIES	80,292	186,976	267,268	18,862	18,607	563,165	867,902	2,070	6,933	876,905
LONG-TERM LIABILITIES:										
Reserve-tax objection suits	3,378	1,750	5,129	700	900	170	6,899	744		7,643
TOTAL LIABILITIES	83,671	188,726	272,397	19,562	19,507	563,335	874,801	2,814	6,933	884,549
OPERATING NET ASSETS:										
Invested in capital assets, net of related debt	383,419	7,164	390,583	28,379	22,673	4,760	446,394	82	416	446,893
Beginning balance	428,108	(161,584)	266,524	91,569	98,883	(345,559)	111,417	104,389	7,791	223,597
Bond depreciation	16,071	549	16,620	1,777	1,459	1,242	21,098	15	137	21,250
Excess revenue (expenses)	(11,216)	57,160	45,944	(16,967)	(14,556)	(90,550)	(76,129)	6,607	(9,159)	(78,680)
Ending balance	816,382	(96,710)	719,672	104,757	108,459	(430,107)	502,780	111,095	(814)	613,060
TOTAL LIABILITIES & OPERATING NET ASSETS	900,053	92,016	992,069	124,319	127,966	133,227	1,377,581	113,909	6,119	1,497,609

Cook County Health Facilities
Combining Income Statement of General Funds (Unaudited)
(In Thousands)
June 30, 2011

	<u>Stroger Hospital</u>	<u>ACHN (Clinics)</u>	<u>Total Stroger & ACHN</u>	<u>Oak Forest Hospital</u>	<u>Provident Hospital</u>	<u>Bureau of Health</u>	<u>Hospitals Total</u>	<u>Dept of Public Health</u>	<u>Cermak</u>	<u>Grand Total</u>
REVENUE:										
Net patient service revenue	268,917	68,319	337,236	15,345	11,894		364,475	1		364,476
Other revenue	1,415	224	1,639	171	47		1,858	1,304	93	3,254
Total Revenue:	270,333	68,542	338,875	15,516	11,941		366,332	1,305	93	367,730
OPERATING EXPENSES:										
Salaries and wages	200,676	24,597	225,273	25,891	24,841	26,748	302,753	6,747	22,187	331,686
Employee benefits	46,200	6,380	52,579	5,211	6,703	7,779	72,272	1,962	6,013	80,247
Supplies	12,262	21,497	33,759	2,637	924	25,357	62,677	34	359	63,069
Purchased svs, rental & other	46,641	2,751	49,392	4,533	7,220	34,661	95,805	981	986	97,771
Depreciation	16,071	549	16,620	1,777	1,459	1,242	21,098	15	137	21,250
Utilities	3,523	99	3,622	1,112	757		5,490	47		5,537
Insurance expense	17,142	2,788	19,930	4,013	2,594	2,048	28,585	866	1,772	31,223
TOTAL OPERATING EXPENSES	342,515	58,659	401,174	45,172	44,499	97,834	588,680	10,652	31,454	630,785
GAIN (LOSS) FROM OPERATIONS	(72,183)	9,883	(62,299)	(29,656)	(32,558)	(97,834)	(222,347)	(9,347)	(31,361)	(263,055)
NONOPERATING REVENUE:										
Property taxes	13,131	16,127	29,257	2,451	2,294	1,377	35,378	4,525		39,903
Cigarette taxes	3,984	2,378	6,362	951	1,223	231	8,766	1,012		9,778
Sales taxes	23,575	25,971	49,545	6,985	11,374	2,258	70,162	9,551	19,562	99,275
Interest income	4		4	1	0		5			5
Retirement plan contribution	20,274	2,802	23,076	2,302	3,111	3,419	31,907	867	2,641	35,414
TOTAL NONOPERATING REVENUE	60,967	47,277	108,243	12,689	18,002	7,285	146,218	15,954	22,203	184,375
NET INCOME (LOSS)	(11,216)	57,160	45,944	(16,967)	(14,556)	(90,550)	(76,129)	6,607	(9,159)	(78,680)

Cook County Health Facilities
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	317,256	47,219	364,476
Other revenue	1,875	1,379	3,254
Total Revenue	<u>319,131</u>	<u>48,599</u>	<u>367,730</u>
OPERATING EXPENSES:			
Salaries and wages	282,183	49,503	331,686
Employee benefits	68,698	11,549	80,247
Supplies	55,250	7,819	63,069
Purchased svcs, rental & other	81,101	16,671	97,771
Depreciation	18,214	3,036	21,250
Utilities	4,898	639	5,537
Insurance expense	26,763	4,460	31,223
TOTAL OPERATING EXPENSES	<u>537,108</u>	<u>93,677</u>	<u>630,785</u>
GAIN (LOSS) FROM OPERATIONS	<u>(217,976)</u>	<u>(45,079)</u>	<u>(263,055)</u>
NONOPERATING REVENUE:			
Property taxes	34,832	5,070	39,903
Cigarette taxes	8,611	1,167	9,778
Sales taxes	84,872	14,403	99,275
Interest income	3	2	5
Retirement plan contribution	30,355	5,059	35,414
TOTAL NONOPERATING REVENUE	<u>158,674</u>	<u>25,701</u>	<u>184,375</u>
NET INCOME (LOSS)	<u>(59,303)</u>	<u>(19,378)</u>	<u>(78,680)</u>

Stroger Hospital
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	234,301	34,617	268,917
Other revenue	1,235	181	1,415
Total Revenue	<u>235,535</u>	<u>34,797</u>	<u>270,333</u>
OPERATING EXPENSES:			
Salaries and wages	169,503	31,173	200,676
Employee benefits	39,537	6,663	46,200
Supplies	8,401	3,861	12,262
Purchased svcs, rental & other	36,530	10,111	46,641
Depreciation	13,775	2,296	16,071
Utilities	3,109	414	3,523
Insurance expense	14,694	2,449	17,142
TOTAL OPERATING EXPENSES	<u>285,548</u>	<u>56,967</u>	<u>342,515</u>
GAIN (LOSS) FROM OPERATIONS	<u>(50,013)</u>	<u>(22,170)</u>	<u>(72,183)</u>
NONOPERATING REVENUE:			
Property taxes	11,592	1,539	13,131
Cigarette taxes	3,509	475	3,984
Sales taxes	20,154	3,420	23,575
Interest income	2	2	4
Retirement plan contribution	17,378	2,896	20,274
TOTAL NONOPERATING REVENUE	<u>52,634</u>	<u>8,332</u>	<u>60,967</u>
NET INCOME (LOSS)	<u>2,621</u>	<u>(13,837)</u>	<u>(11,216)</u>

ACHN (Clinics)
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	56,997	11,321	68,319
Other revenue	185	39	224
Total Revenue	<u>57,182</u>	<u>11,360</u>	<u>68,542</u>
OPERATING EXPENSES:			
Salaries and wages	20,879	3,718	24,597
Employee benefits	5,461	919	6,380
Supplies	18,774	2,722	21,497
Purchased svcs, rental & other	2,237	514	2,751
Depreciation	471	78	549
Utilities	79	19	99
Insurance expense	2,389	398	2,788
TOTAL OPERATING EXPENSES	<u>50,290</u>	<u>8,369</u>	<u>58,659</u>
GAIN (LOSS) FROM OPERATIONS	<u>6,892</u>	<u>2,991</u>	<u>9,883</u>
NONOPERATING REVENUE:			
Property taxes	13,775	2,351	16,127
Cigarette taxes	2,094	284	2,378
Sales taxes	22,203	3,768	25,971
Retirement plan contribution	2,402	400	2,802
TOTAL NONOPERATING REVENUE	<u>40,474</u>	<u>6,803</u>	<u>47,277</u>
NET INCOME (LOSS)	<u>47,366</u>	<u>9,794</u>	<u>57,160</u>

Oak Forest Hospital
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	15,408	(63)	15,345
Other revenue	155	17	171
Total Revenue	<u>15,563</u>	<u>(47)</u>	<u>15,516</u>
OPERATING EXPENSES:			
Salaries and wages	22,834	3,057	25,891
Employee benefits	4,466	744	5,211
Supplies	2,280	357	2,637
Purchased svcs, rental & other	3,652	881	4,533
Depreciation	1,523	254	1,777
Utilities	1,034	78	1,112
Insurance expense	3,439	573	4,013
TOTAL OPERATING EXPENSES	<u>39,228</u>	<u>5,945</u>	<u>45,172</u>
GAIN (LOSS) FROM OPERATIONS	<u>(23,665)</u>	<u>(5,991)</u>	<u>(29,656)</u>
NONOPERATING REVENUE:			
Property taxes	2,177	274	2,451
Cigarette taxes	838	113	951
Sales taxes	5,971	1,013	6,985
Interest income	1	0	1
Retirement plan contribution	1,973	329	2,302
TOTAL NONOPERATING REVENUE	<u>10,959</u>	<u>1,730</u>	<u>12,689</u>
NET INCOME (LOSS)	<u>(12,706)</u>	<u>(4,262)</u>	<u>(16,967)</u>

Provident Hospital
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	10,549	1,345	11,894
Other revenue	43	5	47
Total Revenue	<u>10,592</u>	<u>1,349</u>	<u>11,941</u>
OPERATING EXPENSES:			
Salaries and wages	21,643	3,198	24,841
Employee benefits	5,746	957	6,703
Supplies	1,046	(122)	924
Purchased svcs, rental & other	6,231	989	7,220
Depreciation	1,251	208	1,459
Utilities	639	118	757
Insurance expense	2,224	371	2,594
TOTAL OPERATING EXPENSES	<u>38,780</u>	<u>5,719</u>	<u>44,499</u>
GAIN (LOSS) FROM OPERATIONS	<u>(28,189)</u>	<u>(4,369)</u>	<u>(32,558)</u>
NONOPERATING REVENUE:			
Property taxes	2,084	209	2,294
Cigarette taxes	1,077	146	1,223
Sales taxes	9,724	1,650	11,374
Interest income	0	0	0
Retirement plan contribution	2,666	444	3,111
TOTAL NONOPERATING REVENUE	<u>15,552</u>	<u>2,450</u>	<u>18,002</u>
NET INCOME (LOSS)	<u>(12,637)</u>	<u>(1,919)</u>	<u>(14,556)</u>

Bureau of Health
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue			
Other revenue			
Total Revenue			
OPERATING EXPENSES:			
Salaries and wages	22,780	3,968	26,748
Employee benefits	6,660	1,119	7,779
Supplies	24,550	807	25,357
Purchased svcs, rental & other	30,617	4,043	34,661
Depreciation	1,064	177	1,242
Insurance expense	1,756	293	2,048
TOTAL OPERATING EXPENSES	87,427	10,407	97,834
GAIN (LOSS) FROM OPERATIONS	(87,427)	(10,407)	(97,834)
NONOPERATING REVENUE:			
Property taxes	1,180	197	1,377
Cigarette taxes	203	28	231
Sales taxes	1,931	328	2,258
Retirement plan contribution	2,930	488	3,419
TOTAL NONOPERATING REVENUE	6,244	1,040	7,285
NET INCOME (LOSS)	(81,183)	(9,367)	(90,550)

Dept of Public Health
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Net patient service revenue	1	0	1
Other revenue	166	1,138	1,304
Total Revenue	<u>167</u>	<u>1,138</u>	<u>1,305</u>
OPERATING EXPENSES:			
Salaries and wages	5,865	881	6,747
Employee benefits	1,682	280	1,962
Supplies	30	3	34
Purchased svcs, rental & other	934	47	981
Depreciation	13	2	15
Utilities	37	10	47
Insurance expense	743	124	866
TOTAL OPERATING EXPENSES	<u>9,305</u>	<u>1,347</u>	<u>10,652</u>
GAIN (LOSS) FROM OPERATIONS	<u>(9,138)</u>	<u>(209)</u>	<u>(9,347)</u>
NONOPERATING REVENUE:			
Property taxes	4,024	501	4,525
Cigarette taxes	891	121	1,012
Sales taxes	8,165	1,386	9,551
Retirement plan contribution	743	124	867
TOTAL NONOPERATING REVENUE	<u>13,823</u>	<u>2,131</u>	<u>15,954</u>
NET INCOME (LOSS)	<u>4,685</u>	<u>1,922</u>	<u>6,607</u>

Cermak
Comparative Income Statement of General Funds (Unaudited)
(In Thousands)
For the Month Ending June 30, 2011

	<u>May 31, 2011</u>	<u>Inc (Dec)</u>	<u>June 30, 2011</u>
REVENUE:			
Other revenue	92	0	93
Total Revenue	<u>92</u>	<u>0</u>	<u>93</u>
OPERATING EXPENSES:			
Salaries and wages	18,679	3,508	22,187
Employee benefits	5,147	866	6,013
Supplies	168	191	359
Purchased svs, rental & other	900	86	986
Depreciation	117	20	137
Insurance expense	1,519	253	1,772
TOTAL OPERATING EXPENSES	<u>26,530</u>	<u>4,924</u>	<u>31,454</u>
GAIN (LOSS) FROM OPERATIONS	<u>(26,437)</u>	<u>(4,924)</u>	<u>(31,361)</u>
NONOPERATING REVENUE:			
Sales taxes	16,724	2,838	19,562
Retirement plan contribution	2,263	377	2,641
TOTAL NONOPERATING REVENUE	<u>18,987</u>	<u>3,215</u>	<u>22,203</u>
NET INCOME (LOSS)	<u>(7,450)</u>	<u>(1,709)</u>	<u>(9,159)</u>

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
FINANCIAL STATEMENT DISCLOSURE CHECKLIST

Fiscal Year 2011

OBJECTIVE:

The object of this checklist is to help determine if the form and contents of the financial statements are in conformity with the accounting standards applicable to financial statement basis of accounting.

DISCLOSURE PRINCIPLES:

Note: Management can comply with a disclosure principle by making disclosure in body of financial statements or in the notes accompanying the financial statements. In a compilation engagement, management's election to omit substantially all disclosures applies to all disclosure principles in GAAP financial statements.

	Yes, N/A, No?	If no, state reason (immaterial, estimated, etc.)
FINANCIAL STATEMENT REFERENCES:		
1. Do the financial statements reference footnotes (MD&A) or selected information?	Yes	
GENERAL DISCLOSURES:		
<u>A. Estimates:</u>		
1. General disclosure about use of estimates (MD&A)?	Yes	
2. Disclosure of possible changes in estimates?	Yes	
<u>B. Vulnerabilities do to concentrations in following areas disclosed?:</u>		
1. Customers?	Yes	
2. Suppliers?	Yes	
3. Lenders?	Yes	
4. Products?	Yes	
5. Supply of materials, labor or supplies?	Yes	
6. Location of assets in geographic area?	Yes	
<u>C. Related parties (FASB 57):</u>		
1. Known common control and economic dependency disclosure?	Yes	
2. Known transactions with related parties disclosed?	Yes	
<u>OTHER DISCLOSURE AREAS TO BE CONSIDERED:</u>		
1. Method of consolidations?	Yes	
2. Accounting changes including changes in GAAP and in estimates?	Yes	
3. Business combinations?	Yes	
4. Discontinues operations?	Yes	
5. Going concern?	Yes	

COMMENTS:

Completed by _____

Date _____

Reviewed by _____

Date _____

Cook County Health and Hospitals System

Financial Operations and Statistical Reports
(Non GAAP)

For the Month Ended June 30, 2011

Index

1. Actual vs. Budget – Cash Receipts
2. Actual vs. Budget – Expenses per Adjusted Patient Days
3. Payer Mix
4. Utilization Factors

Year-To-Date Cash Receipts
Actual to Budget Comparison by Payer Type

John H. Stroger, Jr., Hospital of Cook County
Through June-2011

	Actual	Budget	Variance
Medicaid	\$ 60,637,305	\$ 102,865,053	\$ (42,227,748)
Medicare	27,683,126	30,293,702	(2,610,576)
Third Party	5,015,914	10,683,414	(5,667,500)
Self-Pay	3,180,031	2,118,002	1,062,029
Totals	\$ 96,516,376	\$ 145,960,171	\$ (49,443,795)

Provident Hospital of Cook County
Through June-2011

Payer Type	Actual	Budget	Variance
Medicaid	\$ 5,122,987	\$ 9,661,329	\$ (4,538,342)
Medicare	3,380,360	4,510,683	(1,130,323)
Third Party	1,016,812	1,742,714	(725,902)
Self-Pay	15,010	64,839	(49,829)
Totals	\$ 9,535,169	\$ 15,979,565	\$ (6,444,396)

Oak Forest Hospital of Cook County
Through June-2011

Payer Type	Actual	Budget	Variance
Medicaid	\$ 7,867,257	\$ 9,146,822	\$ (1,279,565)
Medicare	1,483,332	2,769,395	(1,286,063)
Third Party	422,633	433,122	(10,489)
Self-Pay	42,636	8,842	33,794
Totals	\$ 9,815,858	\$ 12,358,181	\$ (2,542,323)

CCHHS Totals
Through June-2011

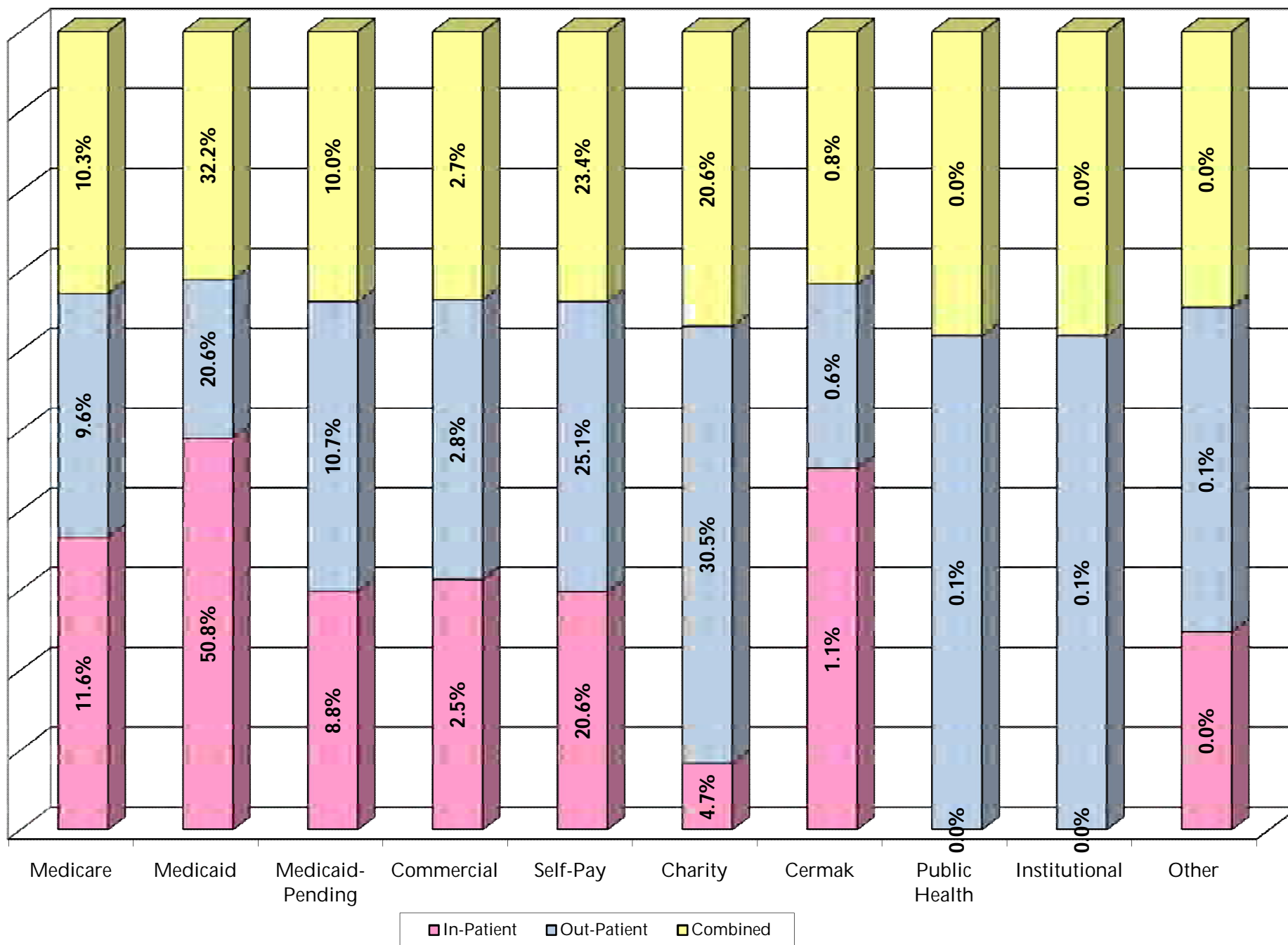
Payer Type	Actual	Budget	Difference
Medicaid	\$ 73,627,549	\$ 121,673,204	\$ (48,045,655)
Medicare	32,546,818	37,573,780	(5,026,962)
Third Party	6,455,359	12,859,250	(6,403,891)
Self-Pay	3,237,677	2,191,683	1,045,994
Totals	\$ 115,867,403	\$ 174,297,917	\$ (58,430,514)

The data from this report is from the Comptroller's
Revenue Report and reports Patient Fee revenue only.

**Cook County Health Facilities
System Expenses per Adjusted Patient Days
Budget and Actual (Non-GAAP Budget Basis)
As of June 30, 2011**

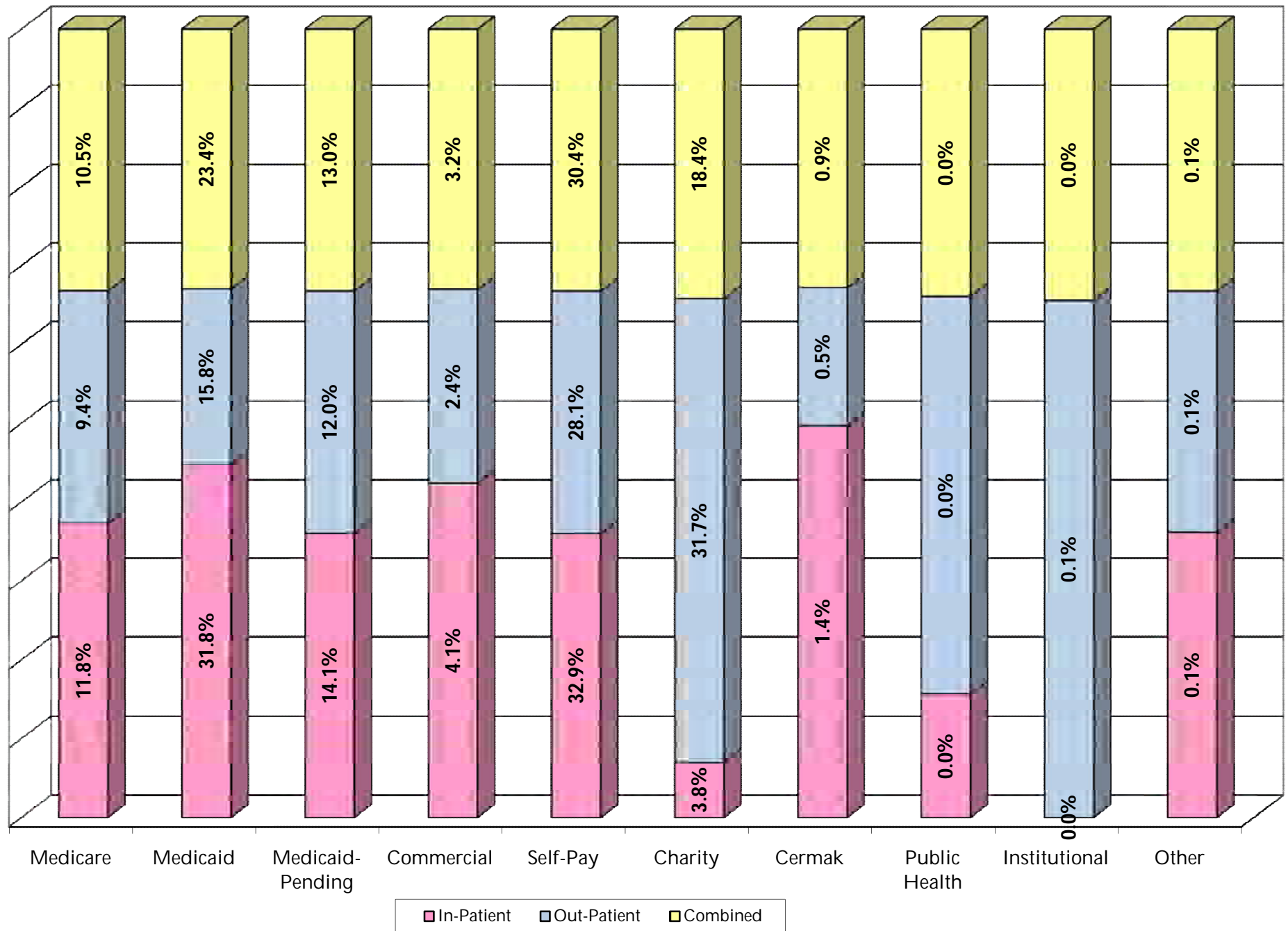
<u>Institution</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Stroger	\$ 3,693	\$ 3,389	-8.98%
Oak Forest	\$ 2,546	\$ 2,311	-10.17%
Provident	\$ 3,381	\$ 3,578	5.49%

CCHHS IP, OP, And Combined Payer Mix For June-2011



- The Charity, Cermak, Public Health, Institutional, and Other payer types are options in the new Siemens system, but without historical data.
- Other includes Grants, Risk Management, and Workman's Compensation.

Cumulative CCHHS IP, OP, And Combined Payer Mix Through June-2011

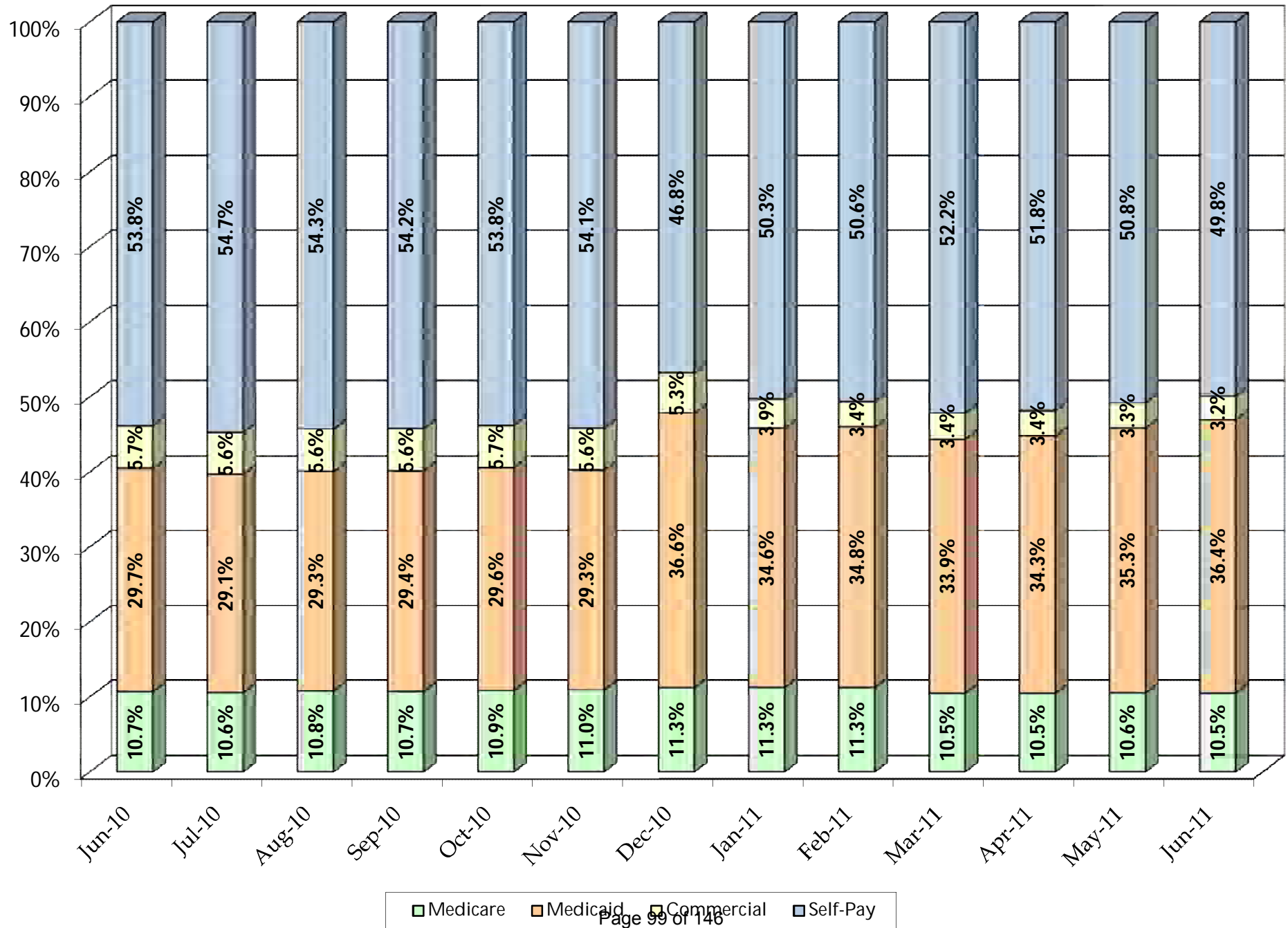


- The Charity, Cermak, Public Health, Institutional, and Other payer types are options in the new Siemens system, but without historical data.
- Other includes Grants, Risk Management, and Workman's Compensation.

IP And OP Cumulative Combined Payer Mix Comparison

Cook County Health And Hospitals System

Prior 13 Months Ending June-2011



CCHHS Utilization Factors

June-2011

Admissions

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	246	207	39	17	34	(17)	1	-	1	264	241	23
Medicaid	490	819	(329)	22	50	(28)	1	-	1	513	869	(356)
Medicaid-Pending	347	-	347	30	-	30	-	-	-	377	-	377
Adjusted Medicaid	837	819	18	52	50	2	1	-	1	890	869	21
Commercial	67	127	(60)	4	8	(4)	-	-	-	71	135	(64)
Self-Pay	810	798	12	69	43	26	-	-	-	879	841	38
Charity	11	-	11	14	-	14	-	-	-	25	-	25
Cermak	43	-	43	-	-	-	-	-	-	43	-	43
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Workmens' Compensation	2	-	2	-	-	-	-	-	-	2	-	2
Total Admissions	2,016	1,951	65	156	135	21	2	-	2	2,174	2,086	88

Patient Days

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	1,108	1,034	74	51	170	(119)	99	-	99	1,258	1,204	54
Medicaid	2,392	4,095	(1,703)	73	251	(178)	150	-	150	2,615	4,346	(1,731)
Medicaid-Pending	1,695	-	1,695	94	-	94	25	-	25	1,814	-	1,814
Adjusted Medicaid	4,087	4,095	(8)	167	251	(84)	175	-	175	4,429	4,346	83
Commercial	368	634	(266)	8	41	(33)	-	-	-	376	675	(299)
Self-Pay	3,956	3,989	(33)	218	213	5	57	-	57	4,231	4,202	29
Charity	77	-	77	35	-	35	2	-	2	114	-	114
Cermak	183	-	183	-	-	-	-	-	-	183	-	183
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Workmens' Compensation	3	-	3	-	-	-	-	-	-	3	-	3
Total Patient Days	9,782	9,752	30	479	675	(196)	333	-	333	10,594	10,427	167

Adjusted Patient Days

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	2,642	1,770	872	294	303	(9)	1,322	-	1,322	4,258	2,073	2,185
Medicaid	5,705	7,012	(1,307)	421	448	(27)	2,002	-	2,002	8,128	7,460	668
Medicaid-Pending	4,042	-	4,042	542	-	542	334	-	334	4,918	-	4,918
Adjusted Medicaid	9,747	7,012	2,735	963	448	515	2,336	-	2,336	13,046	7,460	5,586
Commercial	878	1,085	(207)	46	73	(27)	-	-	-	924	1,158	(234)
Self-Pay	9,435	6,829	2,606	1,257	380	877	761	-	761	11,453	7,209	4,244
Charity	184	-	184	202	-	202	27	-	27	413	-	413
Cermak	436	-	436	-	-	-	-	-	-	436	-	436
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Workmens' Compensation	7	-	7	-	-	-	-	-	-	7	-	7
Total Adjusted Patient Days	23,329	16,696	6,633	2,762	1,204	1,558	4,446	-	4,446	30,537	17,900	12,637

Average Length of Stay

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital - Acute			Oak Forest Hospital - Rehabilitation (1)		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	5.5	5.0	0.5	2.9	4.0	(1.1)	-	-	-	2,251.5	15.2	2,236.3
Medicaid	7.2	5.0	2.2	2.9	4.0	(1.1)	13.0	6.9	6.1	-	-	-
Medicaid-Pending	4.4	5.0	(0.6)	4.4	4.0	0.4	11.3	6.9	4.4	-	-	-
Commercial	5.5	5.0	0.5	2.8	4.0	(1.3)	-	-	-	-	-	-
Self-Pay	4.4	5.0	(0.6)	4.4	4.0	0.4	11.3	6.9	4.4	571.0	15.2	555.8
Charity	15.9	5.0	10.9	2.8	4.0	(1.2)	11.0	6.9	4.1	-	-	-
Cermak	4.5	5.0	(0.5)	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Workmens' Compensation	1.5	5.0	(3.5)	-	-	-	-	-	-	-	-	-
Overall Average LOS	5.2	5.0	0.2	3.0	4.0	(1.0)	11.6	6.9	4.7	1,691.3	15.2	1,676.1

CCHHS Utilization Factors
Cumulative For Fiscal Year 2011 Through June-2011

Admissions

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	1,675	1,463	212	293	330	(37)	111	235	(124)	2,079	2,028	51
Medicaid	2,751	5,787	(3,036)	196	489	(293)	82	534	(452)	3,029	6,810	(3,781)
Medicaid-Pending	2,606	-	2,606	269	-	269	246	-	246	3,121	-	3,121
Adjusted Medicaid	5,357	5,787	(430)	465	489	(24)	328	534	(206)	6,150	6,810	(660)
Commercial	407	896	(489)	43	78	(35)	14	15	(1)	464	989	(525)
Self-Pay	6,077	5,641	436	631	414	217	575	863	(288)	7,283	6,918	365
Charity	218	-	218	57	-	57	134	-	134	409	-	409
Cermak	242	-	242	1	-	1	3	-	3	246	-	246
Public Health	1	-	1	-	-	-	-	-	-	1	-	1
Workmens' Compensation	12	-	12	-	-	-	-	-	-	12	-	12
Total Admissions	13,989	13,787	202	1,490	1,311	179	1,165	1,647	(482)	16,644	16,745	(101)

Patient Days

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	7,623	7,282	341	1,121	1,485	(364)	1,470	1,039	431	10,214	9,806	408
Medicaid	14,894	28,846	(13,952)	631	2,197	(1,566)	1,704	2,350	(646)	17,229	33,392	(16,163)
Medicaid-Pending	12,287	-	12,287	851	-	851	1,425	-	1,425	14,563	-	14,563
Adjusted Medicaid	27,181	28,846	(1,665)	1,482	2,197	(715)	3,129	2,350	780	31,792	33,392	(1,600)
Commercial	2,554	4,465	(1,911)	156	355	(199)	69	66	3	2,779	4,886	(2,107)
Self-Pay	28,670	28,092	578	1,978	1,857	121	3,325	3,805	(480)	33,973	33,754	219
Charity	914	-	914	109	-	109	465	-	465	1,488	-	1,488
Cermak	1,147	-	1,147	2	-	2	41	-	41	1,190	-	1,190
Public Health	8	-	8	-	-	-	-	-	-	8	-	8
Workmens' Compensation	48	-	48	-	-	-	-	-	-	48	-	48
Total Patient Days	68,145	68,685	(540)	4,848	5,894	(1,046)	8,499	7,260	1,240	81,492	81,838	(346)

Adjusted Patient Days

Payer Type	Stroger Hospital			Provident Hospital			Oak Forest Hospital			System Total		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	15,308	12,467	2,841	3,604	2,649	955	4,775	1,911	2,864	23,687	17,027	6,660
Medicaid	30,097	49,389	(19,292)	2,268	3,921	(1,653)	6,690	4,319	2,371	39,055	57,629	(18,574)
Medicaid-Pending	24,851	-	24,851	3,018	-	3,018	3,799	-	3,799	31,668	-	31,668
Adjusted Medicaid	54,948	49,389	5,559	5,286	3,921	1,365	10,489	4,319	6,170	70,723	57,629	13,094
Commercial	5,167	7,643	(2,476)	534	633	(99)	183	122	61	5,884	8,398	(2,514)
Self-Pay	57,988	48,094	9,894	7,178	3,314	3,864	8,867	6,995	1,872	74,033	58,403	15,630
Charity	1,714	-	1,714	472	-	472	1,113	-	1,113	3,299	-	3,299
Cermak	2,324	-	2,324	10	-	10	99	-	99	2,433	-	2,433
Public Health	17	-	17	-	-	-	-	-	-	17	-	17
Workmens' Compensation	91	-	91	-	-	-	-	-	-	91	-	91
Total Adjusted Patient Days	137,557	117,593	19,964	17,084	10,517	6,567	25,526	13,347	12,179	180,167	141,457	38,710

(1) The Average Length of Stay for Oak Forest Hospital's Rehab unit is comprised of three patientes whose combined length of stay is 5,074 days. One of the three patients had a length of stay of 4,222 days.

CCHHS Utilization Factors
Emergency Room Visits - June-2011

Stroger Hospital				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	426	197	77	700
Medicaid	1,184	306	170	1,660
Medicaid-Pending	1,663	243	302	2,208
Adjusted Medicaid	2,847	549	472	3,868
Commercial	250	40	21	311
Self-Pay	3,882	569	704	5,155
Charity	1,139	5	295	1,439
Cermak	52	35	2	89
Grants & Research	-	-	-	-
Public Health	24	-	-	24
Institutional	13	-	1	14
Workmens' Compensation	9	2	-	11
Totals	8,642	1,397	1,572	11,611
			Budget	10,618
			Variance	993

Provident Hospital				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	162	16	10	188
Medicaid	336	20	24	380
Medicaid-Pending	575	26	47	648
Adjusted Medicaid	911	46	71	1,028
Commercial	91	2	3	96
Self-Pay	1,342	61	110	1,513
Charity	203	9	9	221
Cermak	-	-	-	-
Grants & Research	-	-	-	-
Public Health	-	-	-	-
Institutional	5	-	-	5
Workmens' Compensation	-	-	-	-
Totals	2,714	134	203	3,051
			Budget	3,060
			Variance	(9)

Oak Forest Hospital				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	75	-	1	76
Medicaid	133	-	17	150
Medicaid-Pending	408	-	46	454
Adjusted Medicaid	541	-	63	604
Commercial	44	-	5	49
Self-Pay	949	-	107	1,056
Charity	407	-	30	437
Cermak	-	-	-	-
Grants & Research	-	-	-	-
Public Health	-	-	-	-
Institutional	-	-	-	-
Workmens' Compensation	-	-	-	-
Totals	2,016	-	206	2,222
			Budget	2,673
			Variance	(451)

System Total				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	663	213	88	964
Medicaid	1,653	326	211	2,190
Medicaid-Pending	2,646	269	395	3,310
Adjusted Medicaid	4,299	595	606	5,500
Commercial	385	42	29	456
Self-Pay	6,173	630	921	7,724
Charity	1,749	14	334	2,097
Cermak	52	35	2	89
Grants & Research	-	-	-	-
Public Health	24	-	-	24
Institutional	18	-	1	19
Workmens' Compensation	9	2	-	11
Totals	13,372	1,531	1,981	16,884
			Budget	16,351
			Variance	533

Notes:

- ER Elopes are patients who leave without being seen by a physician.
- "Medicaid Pending" assumes 30% of Self-Pay visits are successfully converted to Medicaid visits.

CCHHS Utilization Factors
Cumulative Emergency Room Visits Through June-2011

Stroger Hospital					Provident Hospital				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits	Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	2,584	1,344	472	4,400	Medicare	1,100	278	86	1,464
Medicaid	7,035	1,653	989	9,677	Medicaid	2,188	189	269	2,646
Medicaid-Pending	10,481	1,867	1,865	14,213	Medicaid-Pending	3,953	245	428	4,626
Adjusted Medicaid	17,516	3,520	2,854	23,890	Adjusted Medicaid	6,141	434	697	7,272
Commercial	1,426	268	117	1,811	Commercial	454	40	37	531
Self-Pay	24,457	4,357	4,344	33,158	Self-Pay	9,220	575	996	10,791
Charity	11,760	197	2,212	14,169	Charity	955	40	113	1,108
Cermak	334	211	10	555	Cermak	2	-	-	2
Grants & Research	-	-	1	1	Grants & Research	-	-	-	-
Public Health	151	1	1	153	Public Health	-	-	-	-
Institutional	116	-	11	127	Institutional	16	-	2	18
Workmens' Compensation	43	10	-	53	Workmens' Compensation	4	-	-	4
Totals	58,387	9,908	10,022	78,317	Totals	17,892	1,367	1,931	21,190
			Budget	70,701				Budget	19,903
			Variance	7,616				Variance	1,287

Oak Forest Hospital					System Total				
Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits	Payer Type	Patients Treated And Released	Admissions From ER	ER Elopes	Total Visits
Medicare	576	83	38	697	Medicare	4,260	1,705	596	6,561
Medicaid	698	54	89	841	Medicaid	9,921	1,896	1,347	13,164
Medicaid-Pending	3,029	203	351	3,583	Medicaid-Pending	17,463	2,315	2,644	22,422
Adjusted Medicaid	3,727	257	440	4,424	Adjusted Medicaid	27,384	4,211	3,991	35,586
Commercial	287	13	31	331	Commercial	2,167	321	185	2,673
Self-Pay	7,065	471	824	8,360	Self-Pay	40,742	5,403	6,164	52,309
Charity	2,721	113	249	3,083	Charity	15,436	350	2,574	18,360
Cermak	-	-	-	-	Cermak	336	211	10	557
Grants & Research	-	-	-	-	Grants & Research	-	-	1	1
Public Health	2	-	-	2	Public Health	153	1	1	155
Institutional	6	-	-	6	Institutional	138	-	13	151
Workmens' Compensation	2	-	-	2	Workmens' Compensation	49	10	-	59
Totals	14,386	937	1,582	16,905	Totals	90,665	12,212	13,535	116,412
			Budget	18,892				Budget	109,496
			Variance	(1,987)				Variance	6,916

Notes:

- ER Elopes are patients who leave without being seen by a physician.
- "Medicaid Pending" assumes 30% of Self-Pay visits are successfully converted to Medicaid visits.

CCHHS Utilization Factors
ACHN Clinic Visits

ACHN Clinic Visits - June-2011				Cumulative ACHN Clinic Visits Through June-2011			
	Actual	Budget	Variance		Actual	Budget	Variance
FANTUS / STROGER SCC CAMPUS	35,713	36,257	(544)	FANTUS / STROGER SCC CAMPUS	233,014	247,704	(14,690)
WEST CLUSTER	6,150	6,652	(502)	WEST CLUSTER	44,485	47,131	(2,646)
SOUTH CLUSTER	6,302	6,428	(126)	SOUTH CLUSTER	40,854	46,970	(6,116)
SOUTH SUBURBAN CLUSTER	5,555	5,851	(296)	SOUTH SUBURBAN CLUSTER	36,496	37,552	(1,056)
Total ACHN Visits	53,720	55,188	(1,468)	Total ACHN Visits	354,849	379,357	(24,508)

Cook County Health and Hospitals System
Minutes of the Finance Committee Meeting
August 19, 2011

ATTACHMENT #8

Memorandum

To: CCHHS Finance Committee
From: Michael Ayres, CFO
Subject: August 2011 Report
Date: August 18, 2011

BIPA Transfer

The 2011 budget anticipated that CCHHS would receive \$131 million in federal funds in two parts -- \$94 million in August and \$37 million in November. On August 17th we received \$93.75 million. The remaining \$27.5 million is anticipated some time in November. We anticipate receiving the full \$131 million.

State Negotiations

CCHHS staff, PricewaterhouseCoopers and HealthCare Management Associates continues to have discussions with the state on the status on reimbursement for physician upper payment limit, retroactive rate adjustments and the 2012 Medicaid base reimbursement rate. There continues to be no technical opposition but we have yet to receive final approval for payment. We have periodic meetings with Michael Gelder, Senior Health Policy Adviser to Gov. Quinn and representatives from Pres. Preckwinkle's office to discuss the status of the Chamberlin Edmonds Medicaid application process. At the August meeting it was agreed that state staff working with on UPL and rate adjustments will be invited to attend the September meeting to discuss closure of these items. As you are aware, we anticipate a rather significant settlement that will help offset current revenue shortfall in 2011.

Physician Billing

McKesson initiated emergency room physician billing on August 1. The first eight days resulted in 858 emergency room bills from the three hospitals. The process will be expanded into the other clinical areas as rapidly as possible as physician enrollment with the payer's are completed.

Current physician billing is based on the intensity of service provided or level. The initial data reflected in the chart below shows the percentage of visits billed for each visit with Level I being the lowest acuity and Level V the highest. The greater the level of service

the greater the reimbursement received. The chart compares our intensity of service with that of five other emergency rooms.

Level	Comparable Ranges	CCHHS
I -- 99281	0% -- 1%	1%
II -- 99282	1% -- 2%	6%
III -- 99283	27% -- 34%	55%
IV -- 99284	27% -- 43%	32%
V -- 99285	18% -- 34%	6%

The initial data indicates that CCHHS emergency rooms are providing a higher percentage of lower intensity services when compared to other facilities. This is not surprising given that prior to now the level of documentation, charge capture and process control has not been as rigorously reviewed as other facilities that have mature billing processes. A major part of McKesson and PricewaterhouseCoopers activity is to begin clinical documentation improvement activity, process improvement and coding services. This should, within a relatively short time, show a clinically correct increase in the distribution of emergency room acuity.

Bank of America Leasing Program

To date, CCHHS has used approximately \$14.7 million of the Bank of America asset leasing line. The bank has agreed to extend additional availability based on individual projects. It is management intent to identify assets eligible for lease and present each proposal for approval by the board following the current practice. Each year's operating budget will be increased by an estimated amount needed to service the debt.

Chamberlin Edmonds

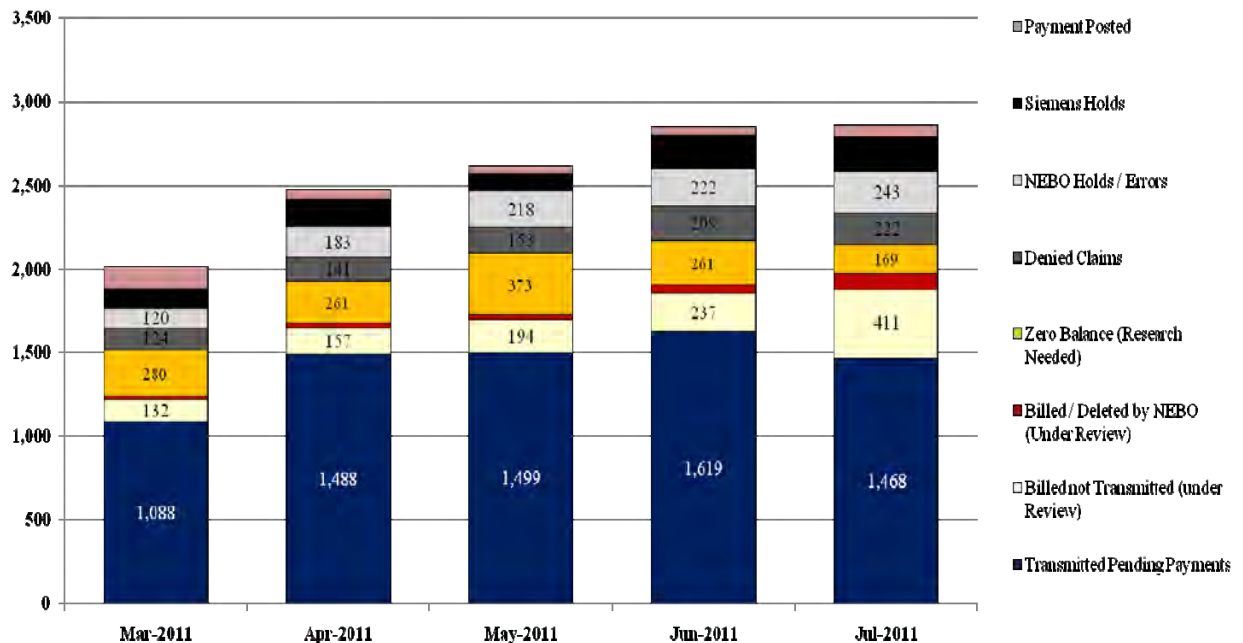
The Medicaid application process continues to be a major focus. During July there were lower inpatient volumes by approximately 13.7% with 47.1% deemed to be appropriate for application for assistance. Emergency room referral volume was over 5,700 patients with between 18 and 21% considered appropriate for application depending upon the facility providing service. Only 8% of the self-pay emergency patients seen at Stroger leave without being screened -- 3% at Provident.

Accounts approved by Medicaid dropped during July to 524 inpatients and 222 for emergency room accounts. In June, the approvals were 718 inpatient and 336 outpatients. Approved unpaid accounts grew from 2,856 in June to a record high 2,890 in July.

Accounts approved and converted to cash dropped from 21% in June to 11% in July with a major factor being five process weeks in June; four in July with a major holiday. Average remittance per account increased, however, from \$23,633 in June to \$25,891 in July making for the second-highest remittance month at \$13.3 million, slightly less than

\$14.4 million in June. Total cash year to date 2011 is \$76.1 million, \$15.6 million ahead of the \$60.5 million budget.

In July the Approved Unpaid Accounts grew to 2,890, slightly over June's 2,856. The following graph identifies where the accounts are being held pending payment.



The majority, 1,468, have been transmitted to Medicaid and awaiting payment. Those that were submitted electronically will be paid within two weeks. Any claim for service over one year ago must be submitted manually and requires additional time for payment. There are 411 accounts that have completed the billing process but have yet to be transmitted to Medicaid. Generally, these accounts are held in the billing system pending some specific review or correction prior to release. A small group have been billed but deleted from the billing process based on a number of historical practices that are being investigated and corrected. The zero balance claims (169) are waiting for charges to be applied -- another historical practice where self-pay claims were not completed because of the perception of no realizable value. The 222 denied claims must be investigated to determine why they were not paid and what, if any, action can be taken. The NEBO and Siemens hold category are those accounts that have not been released pending correction of errors or omissions based on the controls estimated in these two systems. The posted payment category are those accounts are paid late in the month that had not yet been removed from the unpaid accounts listing.

It is apparent that progress is being made in addressing the Medicaid revenue efficiency. The number of accounts being approved by and payments received from state are increasing and the process improvements implemented as a result of the single billing platform migration in December is providing a better understanding of where each count

lies in the collection cycle and what actions are required for correction. This information was not available prior to March 2011. The challenge continues to be that this process is almost entirely manual.

PWC Performance Improvement Update

Time did not allow for the update to be presented during the July committee meeting. Attached is a copy of the material prepared by PWC of performance from project inception through July 30. If time allows, the firm will present their material.

Cerner/Siemens Reengineering Project

Last month the committee heard a presentation on managements plan to reengineer the Cerner clinical and the Siemens financial systems. It is management's opinions that absent an investment in these two products and the continued improvement in the processes and procedures CCHHS will be unable to achieve the revenue improvements that are available. The attached presentation has been modified for updated information and file operating plans.

The initial investment of \$12 million will be spent with PWC, Cerner and Siemens and is expected to result in improvements in documentation, charge capture, interfaces and billing in the largest 15 clinic locations. Funding has been arranged through the Bank of America leased facility and will be amortized over the next five years. An additional \$3 million has been added to the 2012 operating budget in order to initiate the infrastructure in CCHHS's information technology department to support this effort as well as continued implementation of ongoing activities.

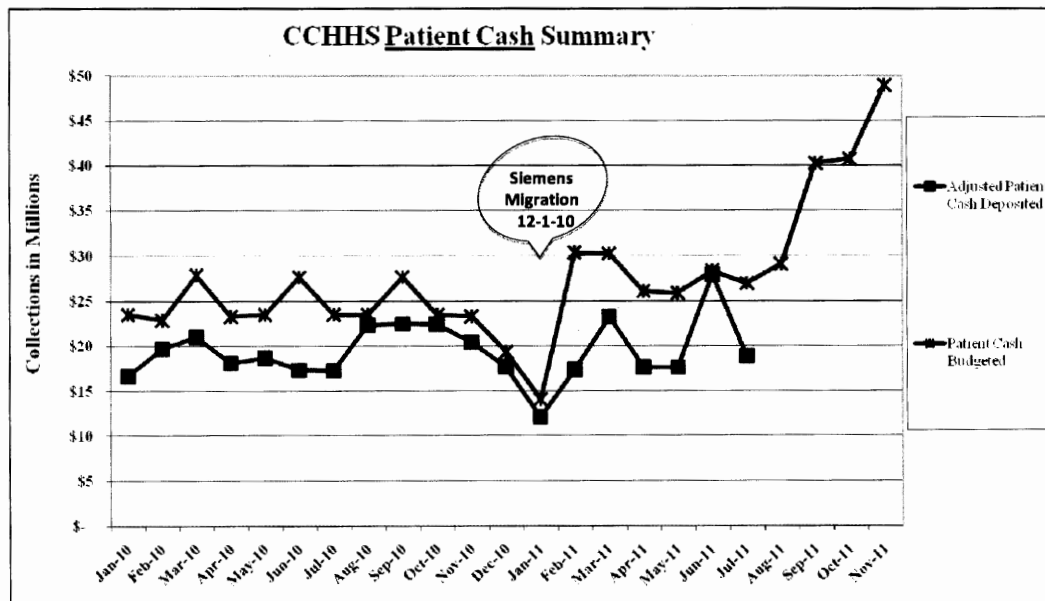
Successful implementation and ongoing maintenance requires that CCHHS commit to providing resources to the installation and maintenance this activity. Failure to do so will result in the inability to install the remaining 192 clinic locations, provide ongoing maintenance and upgrades as well as technical support. These investments in both capital and manpower cannot be ignored or deferred if the benefits expected are to be maintained.

Pending approval the project will be implemented immediately.

Memorandum

To: CCHHS Finance Committee
From: Michael Ayres, CFO
Subject: FY 2012 Revenue Forecast
Date: August 19, 2011

The 2011 budget assumed that CCHHS would collect \$638.5 million from all sources -- \$131.3 million from BIPA, \$140.0 million from disproportionate share, \$6.9 million from other sources and \$360.3 million from patient service revenues. The patient service revenue included \$321.3 million generated internally of which \$20 million was from physician funding and \$50 million in increased revenue through PWC. The final \$39 million was the assumed increased collection from Medicaid. Through July collections from all sources has been \$234.5 million or \$60.1 million below budget. Management has forecast that the total variance by year end will be approximately \$120 million offset by \$30 million in unbudgeted settlements from retroactive rate adjustments, Medicare cost reports settlements and upper payment limit revenue.



There have been many discussions around why CCHHS has been unable to accomplish the goals establish the first of the year. Outlined below is a refresh of root causes that have been highlighted in previous finance committee meeting and both formal and informal discussions with members of the board and the County commissioners.

Budget was unobtainable due to numerous factors:

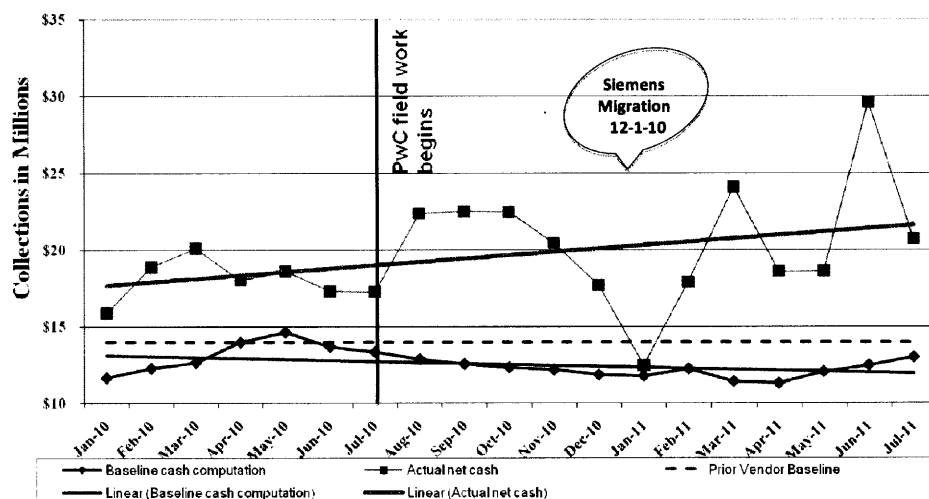
- Budget was built based on a historical base that was not repeatable:
 - 2011 revenue base was constructed on collections from July through November 2010 assuming that the process improvements and revenue performance during that period could be maintained through 2011.
 - Anticipated project benefits were added to the base budget without enough consideration being given to the combined magnitude of additional revenue. The oversight was not recognized until after the budget was approved.
- Some revenue included in the budget were later found to be non-compliant and discontinue including:
 - i) Auto physician billing
 - ii) ESI safe guard billing
 - iii) Inappropriate one day stays
- Included revenue subsequently discontinued due regulatory changes including same-day multiple scripts for pharmacy.
- Included revenue dependent upon the rebuild of Cerner and Siemens interface which resulted in the inability to capture:
 - all charges for services
 - complete physician documentation to support coding
 - orders and diagnosis on outpatient visits
- Included projected revenue for physician professional fees to commence 1/1/11 and not implemented due to the delay in:
 - contract and implementation of the billing subcontractor
 - completion of physician enrollment
 - physician documentation training and IT implementation
- Included a monthly conversion and collection of 35% self-pays to Medicaid that has not occurred. Significant and growing applications backlog at the state, awaiting approval to bill Medicaid.
- Included a Medicaid claims adjudication timeline of 14 days: While some claims are still being paid within this timeframe, a high percentage of the higher revenue claims are not due to:
 - The state is auto rejecting all Inpatient One Day Stays, requesting hard copy documentation with individual reviews

- after receipt of documentation claims are added to a work queue for manual adjudication
- The health system lack of resources to pull the requested data timely (resources pulled for this are being taken away from current day claims processing activities, causing incremental delayed billing and cash collections)
- Delay in approving applications requires increasing numbers of claims to be manually processed by both the health system and the state. As requires additional resources and extends payment delay.
- The delay in application approval and subsequent claim payment reduced the net receivable as a result of changes in the FMAP percentage which is now dropped to 48.6%.

Conclusion.

Collections are higher than prior year, volume adjusted, including the incremental gap that was filled by Med Assets. Many of the process improvements produced results but may could not be accomplished because of personnel, process and technical challenges. The value is still in the organization. It will take more time and investment to obtain the desired results.

CCHHS Revenue Cycle Transformation Historical Cash Over Baseline (Volume Adjusted) (Compared to Prior Vendor Baseline)



Note: Reduction in January is due to the impact of the Siemens migration 12/1/10 delayed claims release.



CCHHS – Transforming Our System Through Growth and Efficiency

Performance Improvement Update

Cook County Health and Hospitals System

August 19, 2011

Agenda

- Performance Improvement Economic Plan
- Key Accomplishments by Workstream
- Appendix – Selected Revenue Cycle Graphs

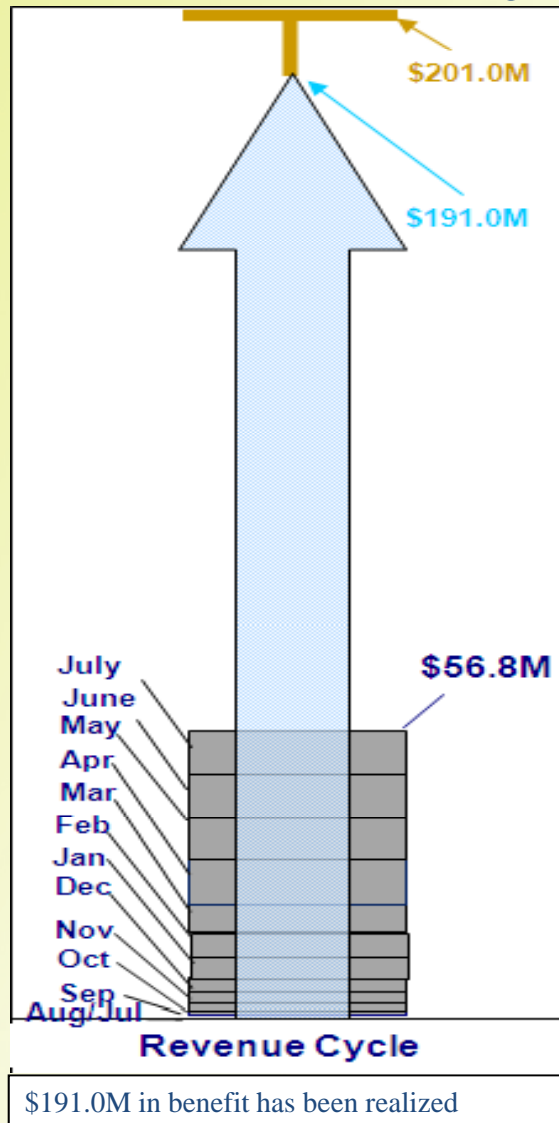
Transformation Economic Plan

Key Challenges to Driving Organizational Change

	24 MONTH VIEW		FY2011 VIEW	
Workstream	24 Month Value Proposition	Cumulative Benefit Through 7/31/11	Budgeted FY2011 TARGETED BENEFIT ¹	ACTUAL FY2011 Benefit 7 Months Through 7/31/11
Revenue Cycle	\$150M	\$191.0M	\$67M	\$128.0M
Operations	\$30M	\$2.5M	\$5M	\$2.5M
Supply Chain	\$41.5M	\$21.3M	\$8M	\$21.3M
ACHN / Cermak / Public Health	\$15.8M	\$0M	\$0M	\$0M
Physician Effort and Funding	\$76.5M	\$0M	\$20M	\$0M
Total	\$313.8M	\$214.8M	\$100M	\$151.8M

¹ Budgeted target for FY2011 as provided in final approved CCHHS budget.

Revenue Cycle



- Realized benefit through 7/31/11 totaled \$191M (\$101M incremental cash over baseline and \$90M to sustain operations)
- Rebilled 10,390 claims previously auto deleted or not submitted; collections to date: \$2.2M vs. \$300K in July.
- Hired 11 Revenue Cycle managers to date (6 internal, 5 external); 23 open positions remain.
- Medicaid Applications Backlog
 - Introduced vendor with software solution
 - Low cost solution; 3 month ramp up
 - 94% approval rate
- Physician Billing:
 - 8/5/11 Commenced ED billing (effective 8/1/11 dates of service)
 - 8/22/11 target Go Live for specialties
 - Medicaid and Commercial physician enrollment in process
 - Physician documentation training in process
 - ED physicians at all sites
 - 204 specialty physicians trained to date
 - IT interface development in process

All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved

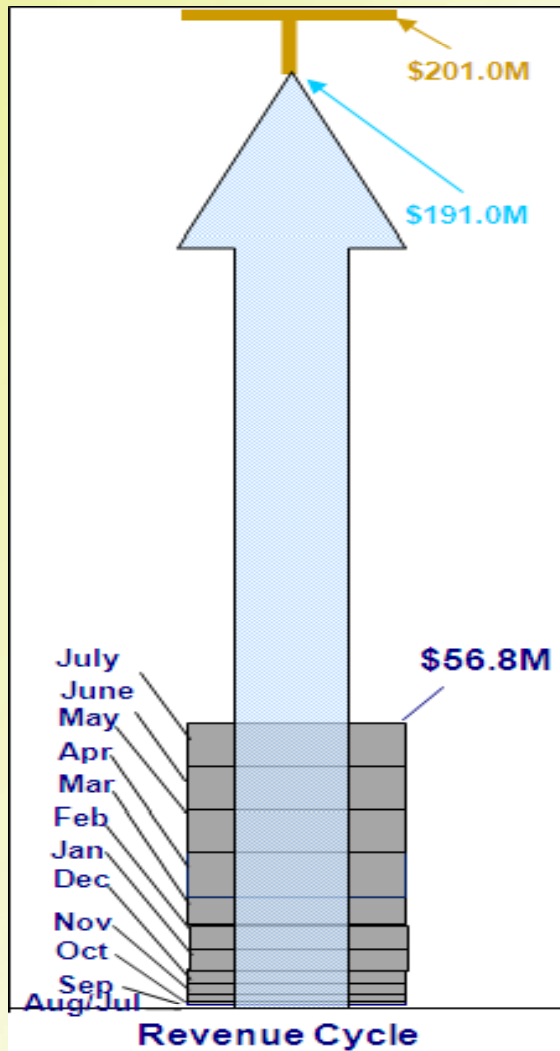


- Green hash indicates total benefit confirmed and realization in progress



- Yellow hash indicates total benefit confirmed but not yet realized

Revenue Cycle Continued



\$191.0M in benefit has been realized

- Issued coding outsource RFP; 13 vendors responded; selection evaluation in process.
- Patient Access Training and Quality Assurance Review:
 - 433 registration staff received training/job aids for new single platform.
 - 77 Registrars received focused training: 41 across CCHHS Emergency Departments ; 21 in CCHHS Pre-Processing Center; 15 in Stroger Admissions.
 - Implemented QA Billing Review program in the Stroger ED: Current average error rate 30% to 50%; target is 2%.
 - Implemented document imaging in ED, Admissions and Prenatal Clinics.
- Pre-Processing Center roll out :
 - Added new location and onboarded 10 additional resources;
 - Reduced patient wait times & improved no-show rate from 40% to 25%.
- CareLink at Stroger is targeted for 9/12/11 roll out.

All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved

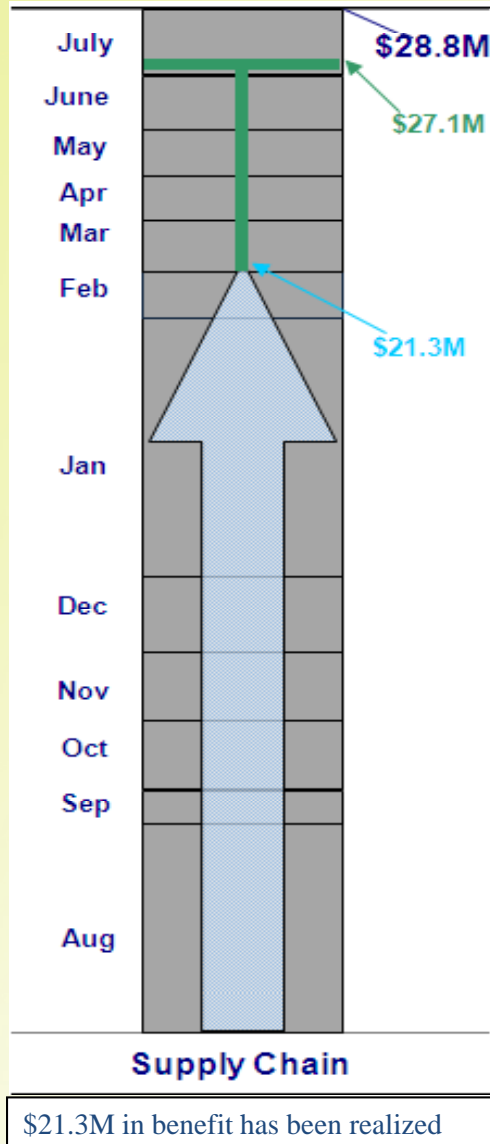


- Green hash indicates total benefit confirmed and realization in progress



- Yellow hash indicates total benefit confirmed and realization in progress but not yet realized

Supply Chain



- Transitioning Food and Nutritional Services program and Environmental Services with Sodexo; Savings \$2M/yr.
- Continuing Cardinal Lab Distribution and Quest Reference Lab transition; Savings \$1M/yr.
- Implementing document management/standardization strategy; Savings \$160K/yr.
- Successfully closed Stroger warehouse and terminated lease on 7/31/2011; Savings \$390K.
- Posted 7 job positions for the Supply Chain department to fill critical needs, including System Director of Supply Chain Management.
- Began collaborative work with County Office of Purchasing for opportunities to consolidate contracts and utilize the GPO.

All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved

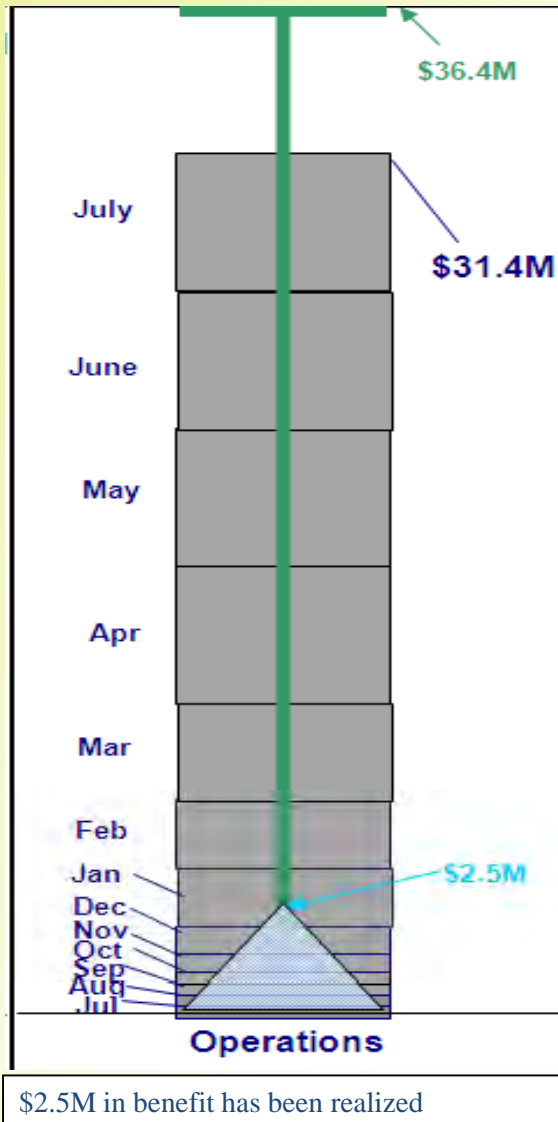


- Green hash indicates total benefit confirmed and realization in progress



- Yellow hash indicates total benefit confirmed in progress but not yet realized

Operations



All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved



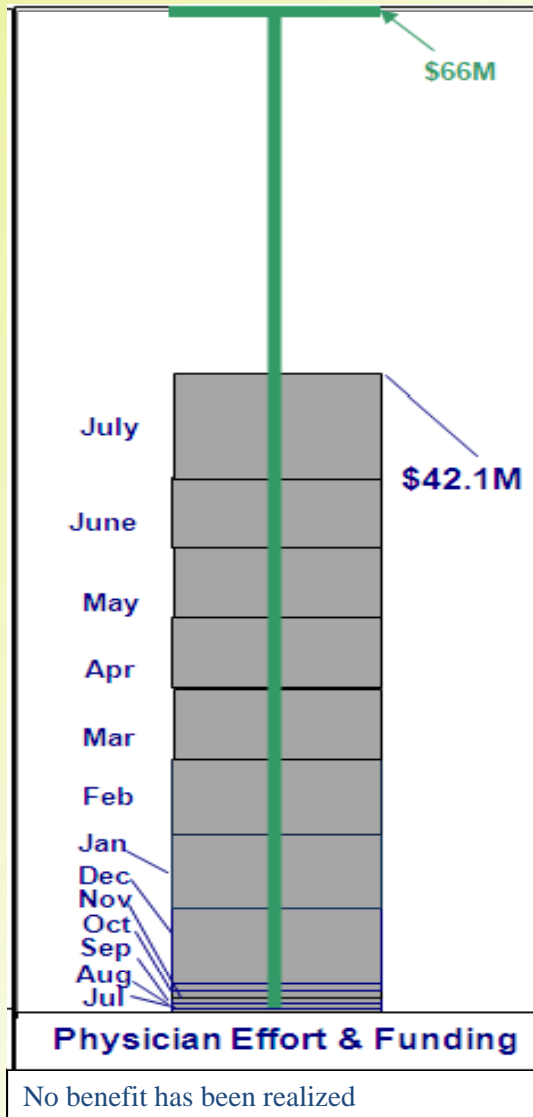
T - Green hash indicates total benefit confirmed and realization in progress



T - Yellow hash indicates total benefit with confirmation in progress but not yet realized

- ED Simulation Model was completed and presented to ED leadership for review and comment. Developed action plan for implementation to facilitate throughput, and decrease wait times.
- Labor & Productivity targets utilized in FY12 budget process. Developed productivity monitoring tool to manage resource utilization going forward.
- The nursing services “float pool” team has finalized the RN job description/questionnaire and required competencies for the different work clusters.
- Identified productivity baselines and began the process to set productivity targets for departments at Provident Hospital.
- OR simulation was completed and presented to OR leadership for review and comment. Developed action plan for implementation to facilitate throughput and room utilization.

Physicians Effort and Funding



- Acting as interim Grant Management Director to establish Office of Sponsored Programs (OSP).
- Implementing new processes to streamline grant submissions, identifying specific grant opportunities, and increasing and diversifying CCHHS grant funding.
- Working on draft policies and assisting with filling three open positions in the OSP.
- Identifying a grant to pilot through the federal application process to analyze the facility and administration reimbursements.
- Developing communication material related to new grant process for faculty and staff.

All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved

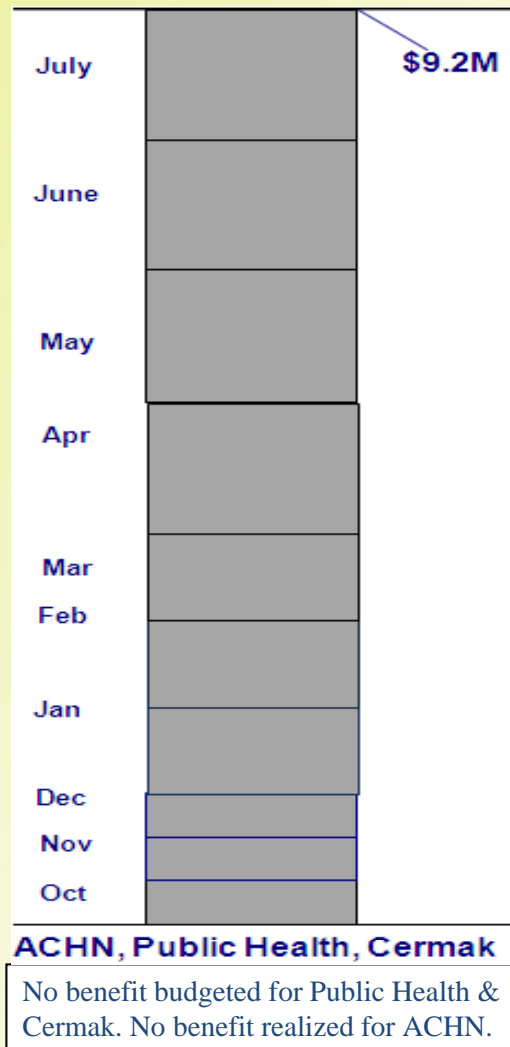


- Green hash indicates total benefit confirmed and realization in progress



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ACHN & Public Health



- Conducted educational sessions for 70 clinic leadership staff throughout ACHN on the implementation of a standardized operating model.
- Targeted work sessions (7) were conducted for clinic leadership and support staff on the use toolkit and analyses to implement operational processes.
- Implementation workgroups continue in Orthopedics, Ophthalmology, and GMC.
- Pre-processing has been implemented in Orthopedics, Ophthalmology, and GMC clinics and has shown a decrease in no show rates (6% over 2 months).
- Competed 5-year strategic plan for the Department of Public Health. County Board Approved and Implementation in process

All dollar amounts are in Millions.



- Shading indicates budgeted benefit goal



- Blue arrow indicates actual benefit achieved



- Green hash indicates total benefit confirmed and realization in progress



- Yellow hash indicates total benefit with confirmation in progress but not yet realized



Cerner/Siemens Re-Engineering Project

August, 2011



CERNER

Scheduling
Patient Registration
Eligibility /Authorization
Orders

Power Chart/Power Note
Mapping Orders to Charge
Services

Charge Service #'s

Charge Capture

Charge Capture Reconciliation

Interface Linkage

Mapping Cerner Charge Services
to Siemens CDM #'s

CDM Numbers

Registration

Eligibility/ Ins Verification

Coding

Billing

Account Follow Up

Collections/Bad Debt

Payment Posting

Cash Applications/
Reconciliation

SIEMENS

Critical Needs as Highlighted Since August of 2010

- Standardized Electronic Medical Record
- Expanded IT Functionality and Integration
- Specialized IT Resources
- Rev Cycle Management & Operations Resources
- Standardized Processes & Training
- Productivity/Quality/Performance Standards & Reporting
- Accountability

August 2011

CCHHS is Missing A Critical Core Function!

Problem

The Cerner applications while functional; have been installed with multiple variations to support over 200 clinics/departments at different times and without consideration to drive economics for the health system.

Impact of Current State



REDUCED REVENUE:

- DO NOT realize 100% of revenues earned through services provided by CCHHS (*hospital & physician*)
- DO NOT consistently capture:
 - Physician orders
 - Clinical documentation
 - Diagnosis codes
 - Procedures
 - Charges



INCREASED COST:

- Manual processing to capture, bill and collect:
 - Incomplete, incorrect, untimely output
 - Denials, Reactive Re-work
 - Dependency on Vendors & Consultants

Solution

Re-engineer versus Optimize

- Standardize to a manageable number of variations (12 – 15):



Process

- Patient throughput
- Clinical documentation
- Charge Capture/CDM



Technology

- Leverage existing tools (*Cerner & Siemens*)
- Leverage industry practice templates
- Add comprehensive orderables
- Map all orderables to services
- Build interfaces to billing system



People

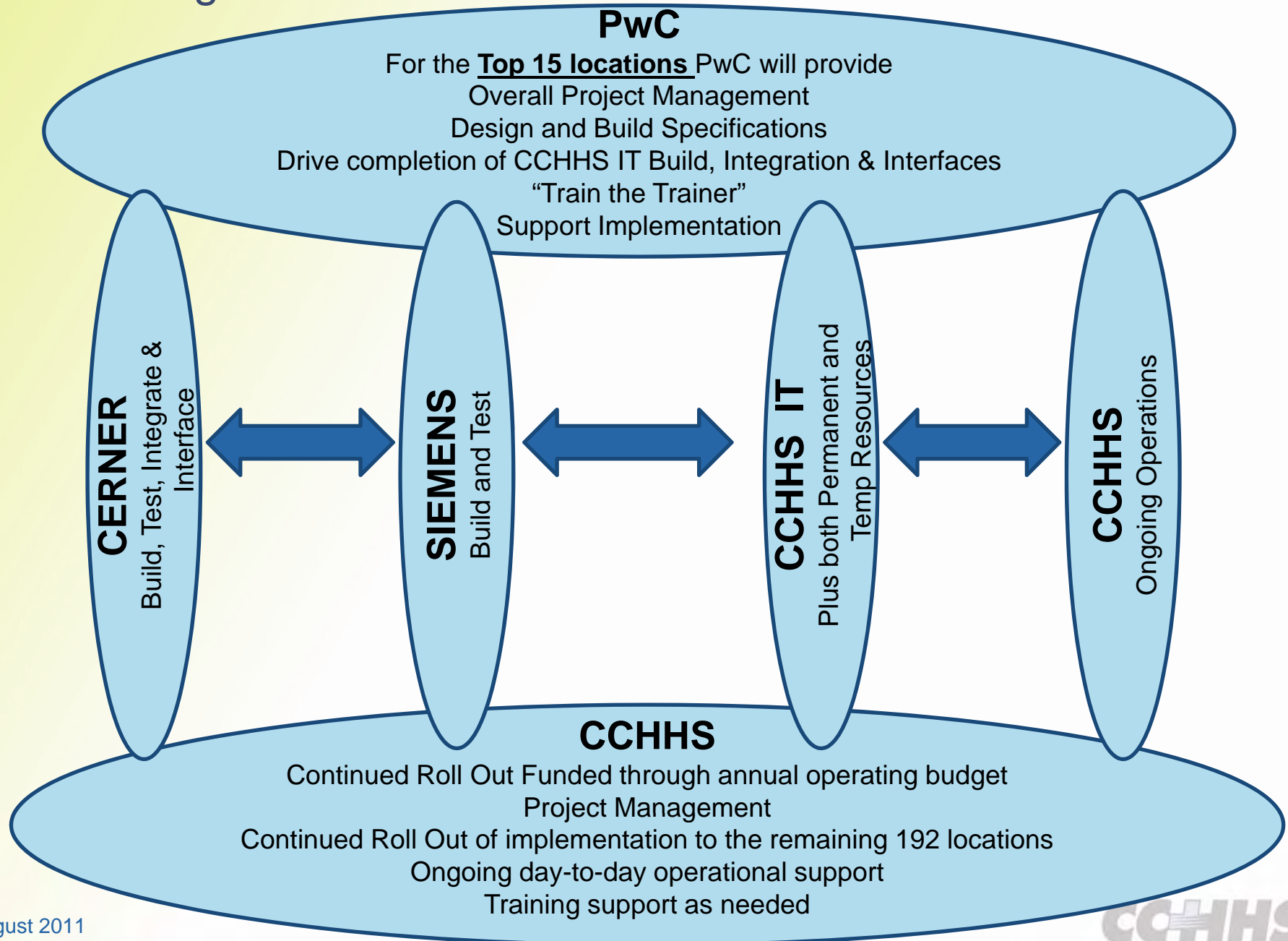
- Change management
- Ongoing maintenance

What does this give CCHHS that it did not have before?

(Which has existed for years at other Health Systems)

#	Implementation Outcomes	REQUIRED To Survive Health Reform
1	Standardized Electronic Medical Record across the Health System – required for meaningful use	
2	Detail Charges versus One Charge for One Bill	
3	Fee-for-Service Billing versus All-Inclusive	
4	Compliant Hospital Billing (Nursing Documentation – Resource Consumption Capture)	
5	Compliant Physician Billing (Standardized Physician Documentation)	
6	Enable CCHHS to Operate in Managed Care Environment	
7	Increased accurate Revenue Fee-for-Service & Cost Reporting	
8	Allows CCHHS to Achieve Sustainable Results	

How will it get done?



How much will it cost for the Top 15 locations?

NEED	Recurring BENEFIT	TOTAL COST
Physician Billing Optimization <i>Fully implemented initial billing System with interface to hospital patient accounting system</i>	\$8M	\$3M
Patient Registration, Clinical Order Capture and Billing System Optimization <i>Cerner and Siemens upgrade for all patient accounting and billing systems</i>	\$37M	\$9M
Required Immediate Operating Capital	\$ 45M	\$12M

Refer to Appendix II for breakdown of this investment.

Funding Sources:

- (1) \$11M from existing Lease Line of Credit; \$1M from FY12 Operations Budget
- (2) \$3M incremental annual recurring IT costs from FY12 Operations Budget
- (3) Roll out to the remaining 192 locations will be funded through ongoing operations budget

Triggering Failure Events (Critical)

Lack of funding for Operating Capital

Inability to secure IT resources to accelerate build

Lack of physician agreement to standardize

Lack of physician agreement to accelerate change

Lack of support of Train-the-Trainer” approach

There is MORE Than “IT” Involved!

- **CCHHS Needs to CONTROL** the continued implementation roll out effort (Budgeted positions not yet filled)
- **CCHHS Needs To INVEST** (Training Team and Subject Matter Expertise to support ongoing operations)

Next Steps

1

- Fund the Initial Investment
(Future funding through operations budget)

2

- Mobilize the Integrated Project Team
- Involve the physician champions and designated trainers

3

- Execute Plan and begin the engagement for the top 15 locations

4

- Commence the “Train-the-Trainer approach across 207 locations

5

- Status Reporting/Issues Management

Appendix I

Project Approach, Timeline, and Team Structure

Cerner Clinic/Departments Standardized Re-design & Implementation

Enabled by Standardized Re-engineering of Cerner

Key Elements of the Project

- **Phased Approach supported by initial funding**
 - Phase I: 9 diverse locations
 - Phase II: Roll out to 6 additional locations
- **Team** members
 - Physician Champions, IT, Cerner, Siemens, PwC
- **Timeline**: Planned for 6 months
- Design and build **standardized model** to support 12 – 15 variations
- **Leverage leading practice** to build standardized model
- Build interfaces to **support 100% integration** of all elements for the 15 locations implemented.

Cerner Clinic/Departments Standardized Re-design & Implementation

Enabled by Standardized Re-engineering of Cerner

Key Elements of the Project (Continued)

- Support IT with validation testing
- Train the designated clinic members in the first 15 clinics
- Support implementation in the first 15 clinics
- Provide overall project management
- Develop prioritized roll out plan to remaining 192 clinics
- **Dependencies to achieve success:**
 - Change management and buy-in to standardized model & accelerated change.
 - Dedicated resources to design, build, test, train and implement concurrently.
 - Designated “super-users” in each of the 207 locations to support train-the-trainer approach after PwC transitions during 6 month initial engagement
 - Executive commitment to support accountability to the standardized model & accelerated implementation roll out.
 - Staff in key positions to manage IT operations
 - Staff in key positions to manage and monitor business processes such as: Orders mapping for continued roll out; suspended Charges, Transaction Control Error report (TCE), Missing CDM numbers

Phased Project Approach and Methodology

PHASE I: IMPLEMENTATION of Nine (9) Diverse Clinics/Departments Locations , as follows:

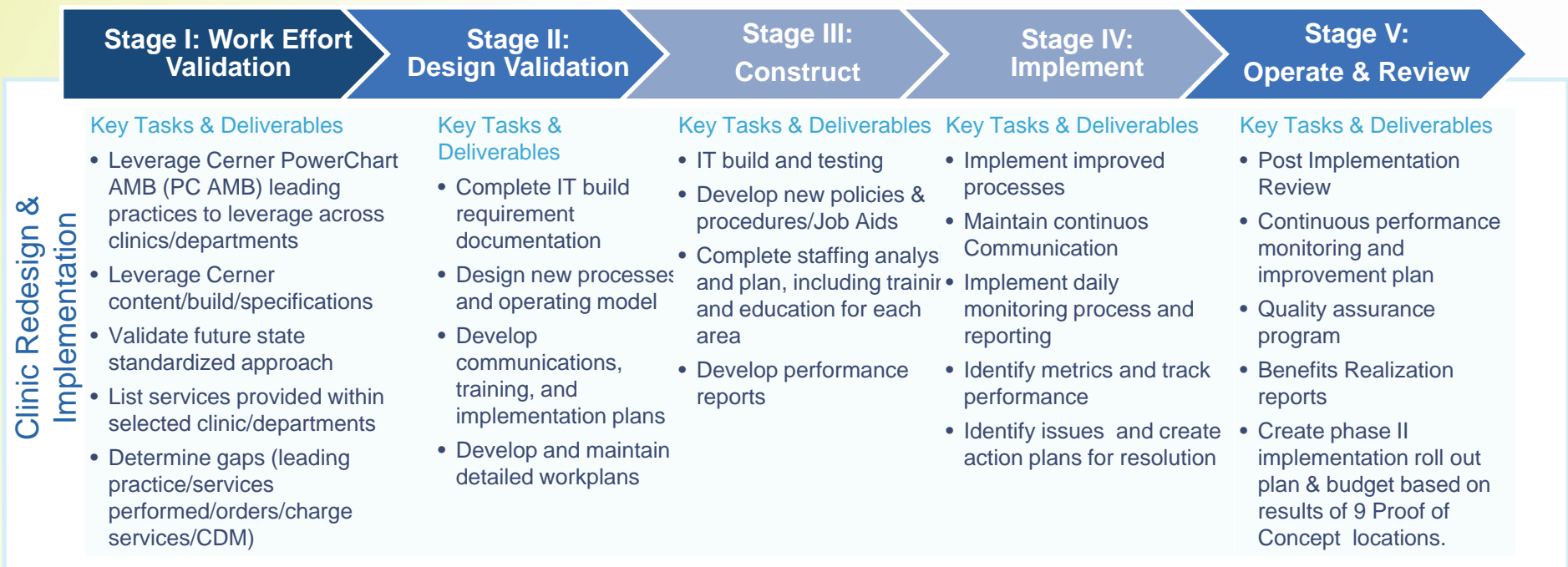
9 clinics/departments selected which represent a majority of the workflow variations in the CCHHS system.

Detail discovery, build, test, training, & implementation for 9 locations:

- 2 specialty clinics: Orthopedics & Ophthalmology
- 1 primary clinic: General Medicine/Fantus
- 1 community clinic: Prieto Clinic
- 5 hospital departments: Emergency Department, Oncology/Chemo, Physical Therapy, Dialysis, & Nuclear Medicine

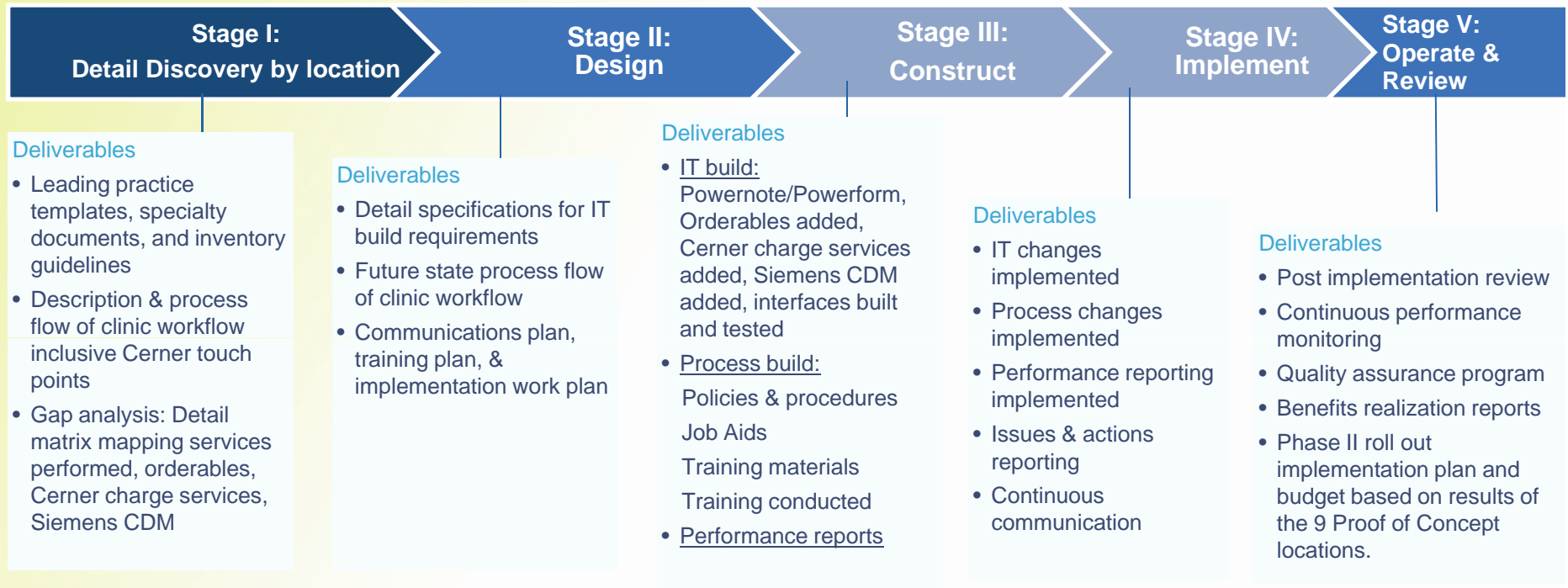
PHASE II ROLL OUT TO 6 ADDITIONAL LOCATIONS and DEVELOPMENT OF DETAIL ROLL OUT PLAN

Based on findings from Phase I Proof of Concept, roll out to an additional 6 clinics/departments utilizing same stages as depicted.



Project Deliverables and Timeline

(15 Locations in 6 Months with Train-the-Trainer to support roll out)



PHASE I: IMPLEMENTATION OF 9 DIVERSE LOCATIONS

Weeks 1 - 9	Weeks 2 – 10	Weeks 3 – 11	Weeks 4 – 12	Weeks 5 – 13
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Timeline Assumption: One team performing efforts for the 9 Proof of Concept clinics in sequential order. Timeline to be validated.

PHASE II ROLL OUT TO AN ADDITIONAL 6 LOCATIONS

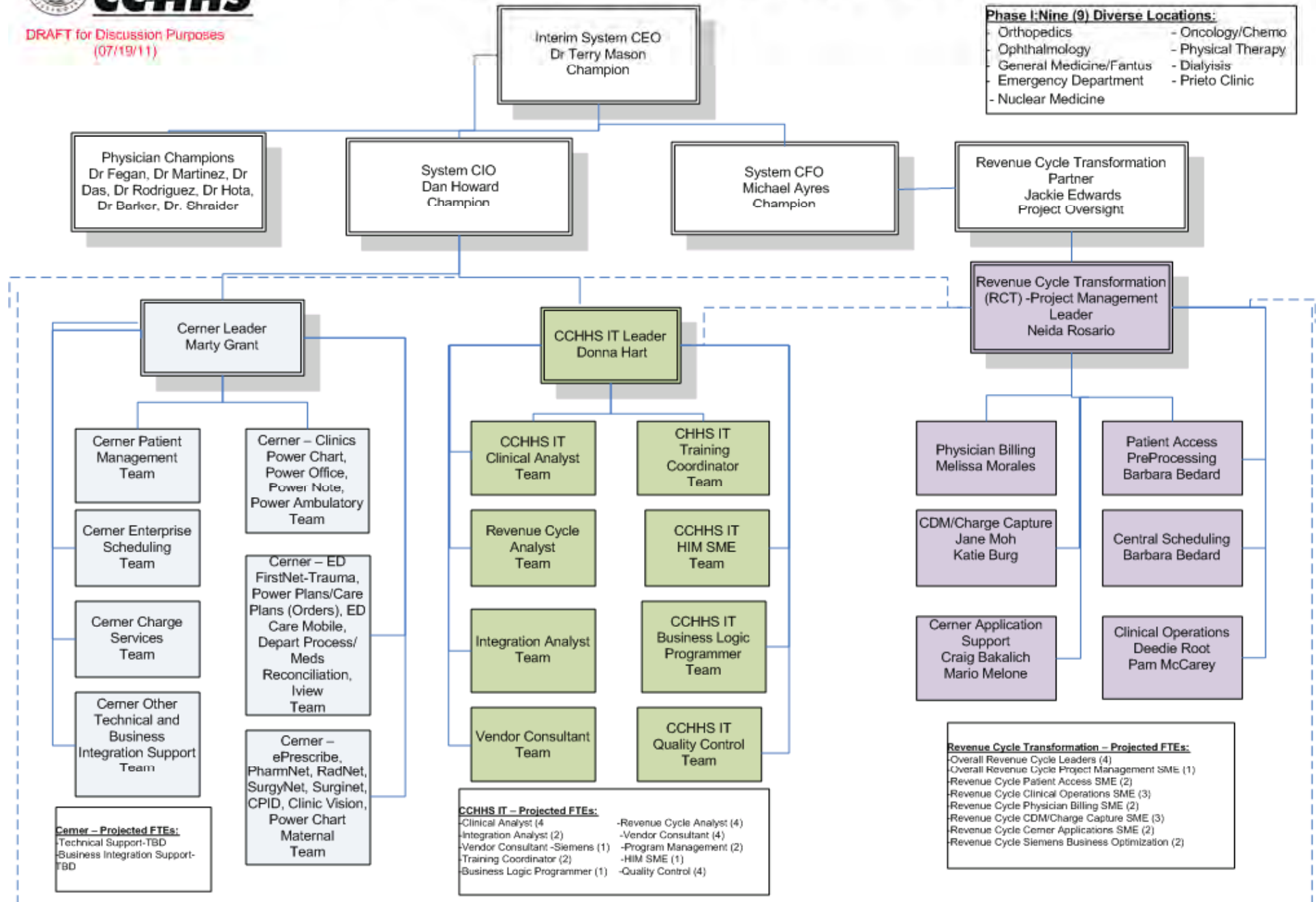
Weeks 14 - 20	Weeks 15 - 21	Weeks 16 - 22	Weeks 17 – 23	Weeks 18 – 24
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Timeline Assumption: Utilizing concurrent efforts to complete roll out to the first 15 clinics/departments over 6 months period



DRAFT for Discussion Purposes
(07/19/11)

Revenue Cycle Transformation Clinical Process Re Design Enabled by Re-engineering of the Cerner System



Appendix II

Details of Investment

Operating Capital Related Items & Action Steps

NEED	Recurring BENEFIT	TOTAL COST
Physician Billing Optimization <i>Fully implemented initial billing System with interface to hospital patient accounting system</i>	\$8M	\$3M
Patient Registration, Clinical Order Capture and Billing System Optimization <i>Cerner and Siemens upgrade for all patient accounting and billing systems</i>	\$37M	\$9M
Required Immediate Operating Capital	\$ 45M	\$12M

Funding Sources:

- (1) \$11M from existing Lease Line of Credit; \$1M from FY12 Operations Budget
- (2) \$3M incremental annual recurring IT costs from FY12 Operations Budget
- (3) Roll out to the remaining 192 locations will be funded through ongoing operations budget

Contracts Ready For Execution

Source	Scope	Resources	Total Cost
<i>Cerner/ Siemens</i>	Application Build, Version Upgrades, Integration and Staffing	12	\$3.3M
<i>CCHHS IT Contractors</i>	IT Interfaces Build Testing, Training Coordination Implementation	26	\$3.1M
<i>PwC</i>	<ul style="list-style-type: none"> • Design & Implementation Assistance for 15 Clinics/Depts • Orders Mapping Gap Analysis • Train-the Trainer • Training & Implementation • Subject matter expertise across all six functional areas 	22	\$1.49M
<i>SOW's</i>			\$1.94M
<i>RC 20 - 23</i>			\$2.32M
			\$.5M
Subtotal		60	\$12.6M ⁽¹⁾
<i>CCHHS IT</i>	<i>Ongoing IT Operations Need</i>	8	\$ 1.2M - \$2M ⁽²⁾

Funding Sources:

(1) \$11M from existing Lease Line of Credit; \$1M from FY12 Operations Budget

(2) \$3M incremental annual recurring IT costs from FY12 Operations Budget

(3) Roll out to the remaining 192 locations will be funded through ongoing operations budget

Contracts (Cerner and Siemens)

Area	Scope	Resources	Total Cost
<i>Physician Billing</i>	Software Purchases/Upgrades Technical Support Hardware Business Integration Support		\$1.0M
<i>Cerner Optimization</i>	Software Purchases/Upgrades Technical Support Hardware Business Integration Support		\$2.3M
Total	Cerner Vendor Costs	12	\$3.3M

NOTE: While the contracts for these additional services are being developed, the Phase I, 9 diverse sites can be supported effective immediately, with 7 resources that are currently staffed through the existing Cerner and Siemens Contracts in addition to 3 internal CCHHS IT resources.

Contracts (CCHHS IT Contractors)

Area	Scope	Resources	Total Cost
<i>Physician Billing</i>	Clinical Analysts 2	13	\$1.54M
	Revenue Cycle Analysts 2		
	Integration Analyst 1		
	Vendor Consultants 3		
	IT Program Management 1		
	Training Coordinator 1		
	HIM SME 0.5		
	Business Logic Programmer 0.5		
	Quality Control 2		
<i>Cerner and Siemens</i>	Clinical Analysts 2	13	\$1.57M
	Revenue Cycle Analysts 2		
	Integration Analyst 1		
	Vendor Consultants 3		
	IT Program Management 1		
	Training Coordinator 1		
	HIM SME 0.5		
	Business Logic Programmer 0.5		
	Quality Control 2		
Total	Resources and Cost	26	\$3.11M

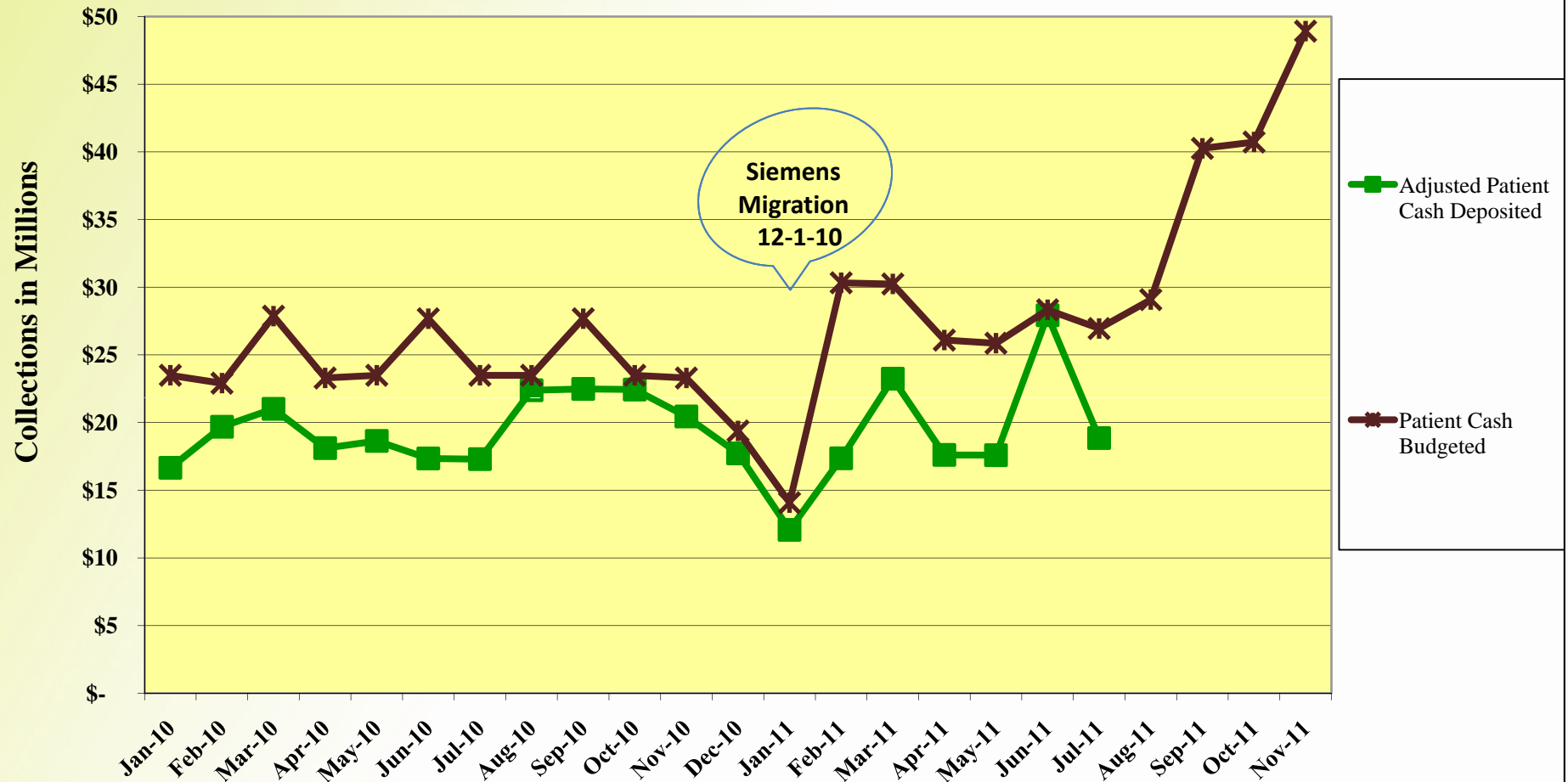
Contracts (PwC Out of Scope SOW's)

SOW	Scope	Resources	Total Cost
RC20 – RC23	Subject Matter Expertise across functional areas: Patient Access Clinic Operations Charge Capture Charge Description Master Physician Billing Patient Accounting		
	Design & Implementation Assistance for 15 Clinics/Depts Orders Mapping Gap Analysis Train-the Trainer Training & Implementation Subject matter expertise across all six functional areas		
RC20	Charge Capture/CDM/ Patient Access	5.5	\$1.49M
RC21	Siemens Migration Phase II	7	\$1.94M
RC 22	Cerner Optimization	8	\$2.32M
RC23	Physician Billing Vendor Mgmt	1.5	\$.5M
		22	

Contracts (CCHHS IT Ongoing Operations)

Area	Scope	Resources	Total Cost
<i>CCHHS IT</i>	Technical Support Daily IT Operations Support of all IT Systems	8	\$ 1.2M - \$2M

CCHHS Patient Cash Summary

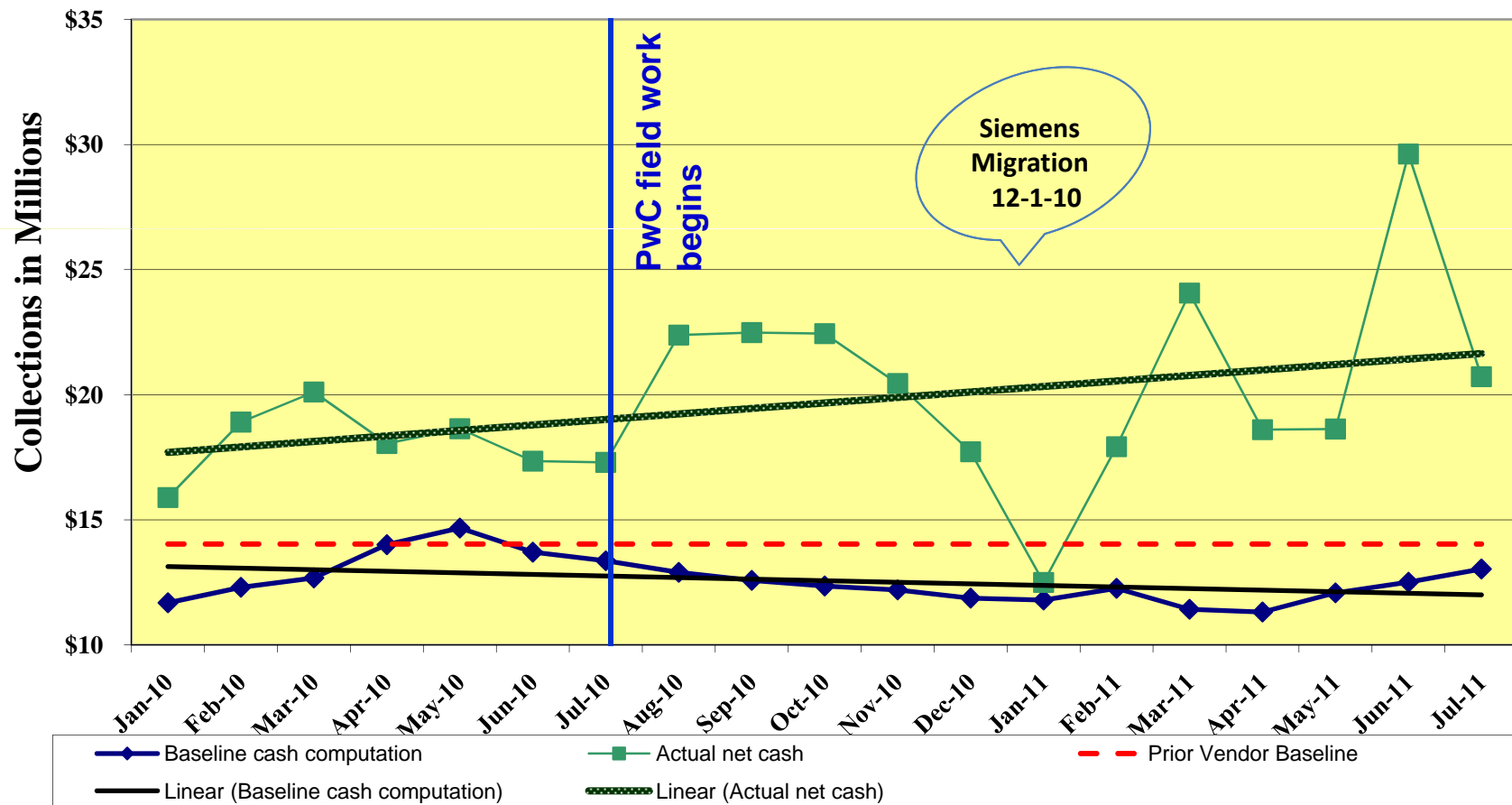


1. Decrease in Dec and Jan cash due to claims delay impact from Siemens 12/1/10 migration.
2. Incremental decrease in January due to claims delay impact from 1/1/11 price increase implementation.
3. Deposits were expected to rebound in Feb, Mar, and April (experienced Medicaid processing delays)
4. Nov 2011 increase in budgeted cash includes expected Medicaid retroactive rate update; timing of payment is dependent on state decision.

CCHHS Revenue Cycle Transformation

Historical Cash Over Baseline (Volume Adjusted)

(Compared to Prior Vendor Baseline)



Note: Reduction in January is due to the impact of the Siemens migration 12/1/10 delayed claims release.