I. **Attendance/Call to Order**

Chair Reiter called the meeting to order.

Present: Chair Robert G. Reiter, Jr. and Directors Hon. Dennis Deer, LCPC, CCFC; David Ernesto Munar; and Mary B. Richardson-Lowry (4)

Board Chair M. Hill Hammock (ex-officio) and Directors Mary Driscoll, RN, MPH; Ada Mary Gugenheim; Mike Koetting; and Heather M. Prendergast, MD, MS, MPH

Steven Scheer (Non-Director Member)

Absent: None (0)

Additional attendees and/or presenters were:

- Ekerete Akpan – Chief Financial Officer
- Charles Jones – Chief Procurement Officer
- James Kiamos – Chief Executive Officer, Health Plan Services
- Jeff McCutchan – General Counsel
- Beena Peters, DNP, RN, FACHE – Chief Nursing Officer
- Deborah Santana – Secretary to the Board
- John Jay Shannon, MD – Chief Executive Officer

II. **Public Speakers**

Chair Reiter asked the Secretary to call upon the registered public speakers.

The Secretary responded that there were none present.

III. **Action Items**

A. **Minutes of the Finance Committee Meeting, November 15, 2019**

   Director Munar, seconded by Director Richardson-Lowry, moved to accept the Minutes of the Finance Committee Meeting of November 15, 2019. THE MOTION CARRIED UNANIMOUSLY.

B. **Contracts and Procurement Items** (Attachment #1)

   Charles Jones, Chief Procurement Officer, provided an overview of the contractual requests presented for the Committee’s consideration. The Committee reviewed and discussed the requests.
III. Action Items

B. Contracts and Procurement Items (continued)

During the discussion of request number 8 (increase contract with Milliman, Inc. for actuarial services), a request was made for a memorandum to be provided prior to the December 20th Board Meeting explaining what work was legacy and what work is new based on this request.

The Committee held an extensive discussion regarding request number 15, which is a request to execute a contract with Vizient Inc. for contract management and nursing registry services. Currently, CCH contracts with several vendors for nurse registry services; under this contract, Vizient would provide contract management, staffing and analytics. It is expected that CCH will reduce its spend on nurse registry services by 30%. The vendor will be able to use the Minority and Women-Owned Business Enterprise (M/WBE) vendors that CCH currently has on file as prime vendors; they would be considered subcontractors under the Vizient contract and would be considered as such with regard to M/WBE compliance.

Director Driscoll requested that the Committee receive a report on the contract in nine (9) months to show how it is performing and to review the analytics that Vizient is collecting.

Director Deer expressed concern that the subcontractors under the Vizient contract will have to pay Vizient a 5% fee to participate in the contract. Dr. Shannon noted that, in paying the fee, those companies are getting access to a broad pool of other health systems that use Vizient. Director Deer stated that he is opposed to having any M/WBE company having to pay a fee to participate in a contract.

Dr. Beena Peters, Chief Nursing Officer, noted that the concept associated with the Vizient contract is widely used in the industry. The administration chose it from a clinical perspective and cost effectiveness perspective. This will help to expand the pool of nurses available, and will greatly reduce invoicing processing and improve payment timeliness.

It was determined that the contract will be withdrawn at this time and will be submitted directly to the Board for consideration at the December 20th Board Meeting. Mr. Jones was encouraged to negotiate the 5% fee for participating subcontractors out of the contract, in the meantime. Dr. Shannon stated that Mr. Jones will do the best he can, but noted that the FY2020 budget was based on the savings that would be achieved through this concept. Board Chair Hammock stated that, if the fee cannot be waived, the Committee and Board needs to have an understanding of what happens to the fundamental contract, and understand the complexity of what happens next if this contract is not approved or the concept is significantly altered.

Chair Reiter, seconded by Director Deer, moved the approval of request numbers 1 through 20, with the exception of request number 15, which was withdrawn, and subject to completion of review by Contract Compliance, where appropriate. THE MOTION CARRIED UNANIMOUSLY.

C. Any items listed under Section III
IV. **Report from Chief Procurement Officer** (Attachment #2)

A. **Report on Minority and Women-Owned Business Enterprise (M/WBE) Participation**
B. **4th Quarter FY2019 Report of Purchases made under the authority of the Chief Executive Officer**
C. **Report of emergency purchases** (none presented)

Mr. Jones provided an overview of the two (2) Reports presented for the Committee’s information. The Committee reviewed and discussed the information.

During the discussion of the 4th Quarter FY2019 Report of Purchases made under the authority of the Chief Executive Officer, Board Chair Hammock inquired regarding the contracts with some vendors that appear to cumulatively exceed $150,000. Jeff McCutchan, General Counsel, stated that, pursuant to the Procurement Policy, it is determined by whether it is for the same product or service. He will have his staff review these to ensure that they comply with the Procurement Policy; he anticipates providing further information/confirmation at the January Finance Committee meeting. In the meantime, he stated that he can provide a summary of guidelines for what is acceptable, based on the Procurement Policy, by the December 20th Board Meeting.

V. **Report from the Chief Financial Officer** (Attachment #3)

- **Metrics**
- **Financials: October 2019**

Ekerete Akpan, Chief Financial Officer, provided an overview of the metrics and Financials through October 2019. The Committee reviewed and discussed the information.

During the review of slide 23 of the presentation, regarding non-emergent self-pay charges, Director Koetting inquired whether CCH collects co-pays for Medicare services. Mr. Akpan responded that he will follow-up with that information; he believes that Medicare co-pays are collected at Pharmacy, but will confirm and return with more information.

The Committee discussed the standard practice used by many health care organizations of collecting co-pays from patients contingent to receiving non-emergent care services. CCH does not do this but believes that such a practice could lead to a reduction in bad debt. The Committee discussed the possibility of instituting such a practice versus the current practice. Director Koetting cautioned that such a change could be viewed as a change in mission. Board Chair Hammock encouraged Mr. Akpan and the administration to accelerate implementation, where possible, of projects and programs that will improve CCH’s financial position moving forward.

VI. **Adjourn**

As the agenda was exhausted, Chair Reiter declared the meeting ADJOURNED.

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

XXXXXXXXXXXXXXXXXXXXXXXXX
Robert G. Reiter, Jr., Chair
Follow-up / Requests:

Request: Regarding request number 8 (increase contract with Milliman, Inc. for actuarial services), a request was made for a memorandum to be provided prior to the December 20th Board Meeting explaining what work was legacy and what work is new based on this request. Page 2

Request: Regarding request number 15 (execute contract with Vizient, Inc. for contract management and nurse registry services), a request was made to receive a report on the contract in nine (9) months to show how it is performing and to review the analytics that Vizient is collecting. Page 2

Follow-up: Regarding the 4th Quarter FY2019 Report of Purchases made under the authority of the Chief Executive Officer, General Counsel’s Office will review the contracts that appear to cumulatively exceed $150,000 to ensure that they comply with the Procurement Policy, and will report back to the Committee in January. Additionally a summary of guidelines for what is acceptable, based on the Procurement Policy, will be provided by the December 20th Board Meeting. Page 3

Follow-up: Request for information regarding whether CCH collects co-pays for Medicare services. Page 3

Attest:

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Deborah Santana, Secretary