

**MINUTES OF A MEETING OF
THE VIRGINIA COMMONWEALTH UNIVERSITY
HEALTH SYSTEM AUTHORITY BOARD OF DIRECTORS
September 16, 2020**

Board Members

The Honorable Lamont Bagby

Dr. Peter Buckley

Mr. Clyde Clark

Dr. Alice Coombs

Mr. Steven DeLuca

Ms. Pamela Eli

Dr. Lisa Ellis

Ms. May Fox

Mr. Donald Gehring

The Honorable Lisa Hicks-Thomas

Dr. Gopinath Jadhav

Dr. Bruce Mathern

Mr. Timothy McDermott

Mr. Keith Parker

Dr. Michael Rao (Chair)

Mr. Stuart Siegel

Dr. Shantaram Talegaonkar

The Honorable Marilyn Tavenner

Dr. Michelle Whitehurst-Cook

Dr. Wilhelm Zuelzer

Staff

Dr. Gonzalo Bearman

Dr. Ron Clark

Mr. Matt Conrad

Ms. Karah Gunther

Ms. Melinda Hancock

Ms. Dale Harvey

Ms. Karen Helderman

Mr. Marcos Irigaray

Ms. Sharon Jahn

Dr. David Lanning

Ms. Pamela Lepley

Mr. David Litton

Ms. Jill McCormack

Mr. Elias Neujahr

Mr. Paul Neimeyer, Esq.

Ms. Mary Tacconi

Dr. Thomas Yackel

Dr. Deb Zimmermann

Other Guests

Angela Inge - EY

Audra Shekelton - EY

I. Call to order

In accordance with Virginia Freedom of Information Act, Section 2.2-3708.2 "Meetings held through electronic means", Subsection D., this meeting of the VCU Health System ("VCUHS") Board of Directors was held in person, via Zoom and livestreamed. Dr. Rao called the meeting to order at 11:01 a.m. He began his Report of the President and Chair by introducing the newly appointed members of the Board of Directors; Mr. Clyde Clark, senior commercial

relationship manager-senior vice president for Fulton Bank, Dr. Alice Coombs, associate professor of anesthesiology in the VCU School of Medicine, Mr. Don Gehring, former VCU vice president for Government Relations and Health Policy, Delegate Lamont Bagby, representative for the 74th District since 2015 and chair of the Virginia Legislative Black Caucus, as well as Ms. Pam El, a VCU Board of Visitors appointee and owner of a consulting firm. Dr. Rao then welcomed Dr. Kellermann, the new VCUHS Chief Executive Officer (VCUHS CEO) and VCU, Senior Vice President of Health Sciences (SVPHS). He noted that Dr. Kellermann is a nationally recognized emergency room doctor as well as a member of the National Academy of Medicine, who previously served as Dean of the School of Medicine at Uniformed Services University. Dr. Rao then thanked Dr. Buckley for serving in the interim role, of VCUHS CEO and SVPHS. He praised Dr. Buckley's great leadership during the pandemic, his work with clinical placements, as well as his support of research. He noted that funding was at an all-time high over the last year. Next, Dr. Rao spoke about his priorities. He stated his top priority is the health and safety of the students, team members, faculty, and staff. He complemented the engagement and work of the faculty that planned the reactivation of VCUHS and the reopening of the University. Dr. Rao highlighted the student body and its compliance, support and understanding during the pandemic. He noted that ethnic and racial minorities, who most affected by the virus are the majority of the patients served at VCUHS and forty percent (40%) of VCU's student population. He emphasized that VCU and VCUHS want to do what is right for everyone and that institutions like VCU can level the playing field for the underrepresented. Dr. Rao then spoke about his FY21 focus on the patient experience, the student experience, and timely

outcomes and wellness for both students and patients. He stated that patient access is critical, and will have a tighter focus in the coming year. He emphasized VCU Health is committed to being the safest hospital in the country. Dr. Rao stated that focus on access for students and student success are also a focus, and removing barriers to retention and timely graduation especially for black and brown students, is important. He then spoke about the strategic research plan which has a multi-disciplinary focus on the causes, consequences and remedies of inequity and reducing the disease burdens that heavily affects minority groups. He stated it continues to be important to increase clinical trials which are critical for Massey's comprehensive cancer status and CTSA renewal. Lastly, Dr. Rao congratulated Dr. Talegaonkar for creating an endowed professorship, the Talegaonkar Family Professorship for Democracy and Civil Society in Indian Studies. He also wished Mr. Parker a happy birthday.

Dr. Buckley then gave his report of the Chief Executive Officer. He spoke briefly about the importance of the successful integration of students into clinical placements during the pandemic. He then spoke about VCUHS' work to around diversity, equity and inclusion specifically noting the search for a Chief Diversity Officer. Dr. Buckley noted the commitment to capital projects that continued during the pandemic, highlighting the opening of the New Kent ER, Sheltering Arms Institute, and the ongoing implementation of a new electronic medical record. He also reviewed the clinical reactivation as well as the services that continued during the shutdown. He noted the pivot to telehealth provided greater, and more timely, access to VCUHS. Lastly, he commended the leadership on its cohesion during the pandemic. Dr. Buckley stated it is a great time to have Dr. Kellermann joining VCUHS. Dr. Buckley asked the Chief Nursing Officer, Dr.

Zimmermann, to present the Safety STAR. Dr. Zimmermann described how senior nurse Lisa Pipkin's clarifying questions, questioning attitude, and accountability, ensured a patient with newly diagnosed C-Diff was transferred safely to VCUHS by securing a private room over a semi-private room, which would put other patients at risk of the infection. Dr. Zimmermann noted that Ms. Pipkin was also recognized by the Virginia Hospital Association for her efforts. She continued that it takes everyone to become the safest hospital in America. Next, Dr. Clark spoke about the MAGNET Designation visit. He then reviewed recent awards the hospital received, the Lown Institute Hospital Index which looks at patient outcomes, civic leadership, and value of care as well as recognition from the Virginia Hospital and Healthcare Association for its work in reducing patient harm. Lastly, Dr. Clark spoke about the US News and World Report recognitions, specifically for Pediatrics in Cancer, Nephrology, Pulmonary, and Urology. He stated those accomplishments continue our path to be a Top 20 Children's Hospital by 2022.

The Board received the audit results from Ernst and Young. Ms. Shelton and Ms. Inge discussed the FY 2020 financial statement audit and Ms. Shekleton indicated that the auditor's report will include an unmodified opinion on the financial statements. The report also included discussion of areas of audit emphasis and other required communications to the committee. There were no significant deficiencies or material weaknesses in internal control reported.

Finally, Dr. Rao asked for public comment. Being none, Dr. Rao asked for a motion into closed session.

II. Motion Into Closed Session

On motion made and seconded the, and as authorized by Sections 2.2-3711 (A) (1), (6), (8) and (23), including matters within Sections 8.01-581.16 and 17 of the *Code of Virginia*, the board convened into closed session to discuss: (i) operational strategies where disclosure of such strategies would adversely affect the competitive position of the Authority, including: FY20 ATIP Results, FY21 First Quarter ATIP Results, Executive Total Compensation Assessment, EY Financial Statement Audit Results for FY 2020, Audit Update, Compliance & Privacy Annual Report, Compliance Auditing & Monitoring, Strategic Financial Review & Analysis of FY 2020 Preliminary Year End & July 31, 2020, Revenue Cycle Update, Investment and Debt Committee Review, Leases, 401(a) Retirement Plan Amendment, Quality Improvement Reports for VCU Medical Center, Health System Safety & High Reliability Report, Hospital Acquired Infection (HAI) Report, Quality Improvement Reports for MCV Physicians, Quality Improvement Reports for Crippled Children's Hospital d/b/a Children's Rehabilitative Services, the American College of Surgeon's Children's Surgery Quality Improvement Program Resolution; (ii) to discuss members of the Medical Staff Membership and Privileges; and (iii) to consult with legal counsel and receive briefings by staff members pertaining to actual and probable litigation and other specific legal matters requiring the provision of advice by counsel, which discussions, consultations and briefings include the Report of the President and Chair, the Report of the Chief Executive Officer, and the Report of the General Counsel.

III. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	X	
Mr. Clyde T. Clark, Jr.	X	

Dr. Alice Coombs	X
Mr. Steven A. DeLuca	X
Ms. Pamela El	X
Dr. Lisa Ellis	X
Ms. May Fox	X
Mr. Donald C.J. Gehring	X
The Honorable Lisa M. Hicks-Thomas	X
Dr. Gopinath Jadhav	X
Dr. Bruce E. Mathern	X
Mr. Timothy McDermott	X
The Honorable Ryan T. McDougle	Absent
Mr. Keith Parker	X
Dr. Michael Rao	X
Mr. Stuart Siegel	X
Dr. Shantaram Talegaonkar	X
The Honorable Marilyn Tavenner	X
Dr. Michelle Whitehurst-Cook	X
Dr. Wilhelm A. Zuelzer	X

Vote:

Ayes	20
Nays	0

ABSENT DURING MEETING: 1
 ABSENT DURING VOTING: 1

IV. Open Session:

Following closed session, on a motion made and seconded, the board convened into open session by roll call vote.

V. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	X	
Mr. Clyde T. Clark, Jr.	X	
Dr. Alice Coombs	X	
Mr. Steven A. DeLuca	X	
Ms. Pamela El	X	
Dr. Lisa Ellis	X	
Ms. May Fox	X	
Mr. Donald C.J. Gehring	X	
The Honorable Lisa M. Hicks-Thomas	X	
Dr. Gopinath Jadhav	X	
Dr. Bruce E. Mathern	X	
Mr. Timothy McDermott	X	

The Honorable Ryan T. McDougle	Absent
Mr. Keith Parker	X
Dr. Michael Rao	X
Mr. Stuart Siegel	X
Dr. Shantaram Talegaonkar	X
The Honorable Marilyn Tavenner	X
Dr. Michelle Whitehurst-Cook	X
Dr. Wilhelm A. Zuelzer	X

Vote:

Ayes	20
Nays	0

ABSENT DURING MEETING: 1
 ABSENT DURING VOTING: 1

VI. Resolution of Certification

Following closed session, on a motion made and seconded, the following resolution was approved by roll call vote:

The Board of Directors of the Virginia Commonwealth University Health System Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters that are lawfully exempt from the open meeting requirements under Virginia law were discussed in the closed session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered.

VII. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	X	
Mr. Clyde T. Clark, Jr.	X	
Dr. Alice Coombs	Absent	
Mr. Steven A. DeLuca	X	
Ms. Pamela El	X	
Dr. Lisa Ellis	X	
Ms. May Fox	X	
Mr. Donald C.J. Gehring	Absent	
The Honorable Lisa M. Hicks-Thomas	X	
Dr. Gopinath Jadhav	X	
Dr. Bruce E. Mathern	X	
Mr. Timothy McDermott	X	
The Honorable Ryan T. McDougle	Absent	
Mr. Keith Parker	X	

Dr. Michael Rao	X
Mr. Stuart Siegel	X
Dr. Shantaram Talegaonkar	X
The Honorable Marilyn Tavenner	X
Dr. Michelle Whitehurst-Cook	X
Dr. Wilhelm A. Zuelzer	X

Vote:

Ayes	18
Nays	0

ABSENT DURING MEETING: 1
 ABSENT DURING VOTING: 3

VIII. Motion to Accept

On a motion made and seconded, the Board approved, as presented, compliance with the terms of the FY20 ATIP Plan and the payout thereunder and authorized the CEO to pursue market adjustments to base salary for the President of the practice plan and Chief Information Officer, with input from their direct managers, not to exceed the 50th percentile by roll call.

IX. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	Recused	
Mr. Clyde T. Clark, Jr.	X	
Dr. Alice Coombs	Recused	
Mr. Steven A. DeLuca	X	
Ms. Pamela El	X	
Dr. Lisa Ellis	Recused	
Ms. May Fox	X	
Mr. Donald C.J. Gehring	Absent	
The Honorable Lisa M. Hicks-Thomas	X	
Dr. Gopinath Jadhav	X	
Dr. Bruce E. Mathern	Recused	
Mr. Timothy McDermott	X	
The Honorable Ryan T. McDougale	Absent	
Mr. Keith Parker	X	
Dr. Michael Rao	X	
Mr. Stuart Siegel	X	
Dr. Shantaram Talegaonkar	X	
The Honorable Marilyn Tavenner	X	
Dr. Michelle Whitehurst-Cook	Recused	

Dr. Wilhelm A. Zuelzer

Recused

Vote:

Ayes 13
Nays 0

ABSENT DURING MEETING: 1
ABSENT DURING VOTING: 2
RECUSALS: 6

On a motion made and seconded, the Board accepted the Report of the President, the Report of the Chief Executive Officer, the General Counsel and approved, as presented, Leases; a 401(a) Retirement Plan Amendment; an American College of Surgeon's Children's Surgery Quality Improvement Plan Resolution; and VCU Medical Center Medical Staff Membership by roll call.

X. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	X	
Mr. Clyde T. Clark, Jr.	X	
Dr. Alice Coombs	X	
Mr. Steven A. DeLuca	X	
Ms. Pamela El	X	
Dr. Lisa Ellis	X	
Ms. May Fox	X	
Mr. Donald C.J. Gehring	Absent	
The Honorable Lisa M. Hicks-Thomas	X	
Dr. Gopinath Jadhav	X	
Dr. Bruce E. Mathern	X	
Mr. Timothy McDermott	X	
The Honorable Ryan T. McDougale	Absent	
Mr. Keith Parker	X	
Dr. Michael Rao	X	
Mr. Stuart Siegel	X	
Dr. Shantaram Talegaonkar	X	
The Honorable Marilyn Tavenner	X	
Dr. Michelle Whitehurst-Cook	X	
Dr. Wilhelm A. Zuelzer	X	

Vote:

Ayes 19
Nays 0

ABSENT DURING MEETING: 1
ABSENT DURING VOTING: 2

XI. Audit and Compliance Committee:

Ms. Helderman reviewed the Audit and Compliance Committee Charter, and Meeting Planner, the Audit and Compliance Services Department Charter, as well as an update to the Services provided by EY and the Proposed FY21 Audit and Compliance Work Plans.

XII. Governance Committee

Next, Mr. Neimeyer reviewed the amendments to the VCUHS Bylaws and the MCVP Bylaws. Ms. Hicks-Thomas then presented the nominations for Board and Committee members.

On a motion made and seconded, the Board approved, as presented the Audit and Compliance Committee Charter, the Audit and Compliance Meeting Planner, the Audit and Compliance Services Department Charter, the Ratification of EY Services and the Proposed FY21 Audit and Compliance Work Plans as well as Members of the Board of Directors of UHS, Inc.; Members of the Board of Directors of Virginia Hospital Laundry; Members and Officers of the Board of Directors of Virginia Children's Care Network, LLC; Members of the Board of Directors of Crippled Children's Hospital d/b/a Children's Rehabilitative Services; Members of the Board of Directors of Children's Pavilion Condominium Unit Owners Association; Members of the Board of Directors of Community Memorial Hospital; Officers of the VCUHS Board of Directors and the VCUHS Committee Chairs and Members. And on a motion made and seconded, the following Meeting Minutes were approved, by roll call vote :

Audit and Compliance Committee

- Minutes of a Meeting held December 11, 2019

Board of Directors

- Minutes of a Meeting of Board Representatives held December 4, 2019
- Minutes of a Meeting held June 8, 2020
- Minutes of two Meetings of Board Representatives held June 23, 2020
- Minutes of a Meeting of Board Representatives held June 24, 2020
- Minutes of a Meeting of Board Representatives held June 29, 2020
- Minutes of two Meetings of Board Representatives held June 30, 2020
- Minutes of a Meeting of Board Representatives held July 1, 2020
- Minutes of a Joint Meeting held July 29, 2020

Evaluation and Compensation Committee

- Minutes of a Meeting held December 11, 2019
- Minutes of a Meeting held August 14, 2020

Finance and Property Committee

- Minutes of a Meeting held December 11, 2019
- Minutes of a Meeting held August 14, 2020

Governance Committee

- Minutes of a Meeting held December 11, 2019

Investment and Debt Subcommittee

- Minutes of a Meeting held December 11, 2019

Quality, Safety, and Service Committee

- Minutes of a Meeting held December 11, 2019
- Minutes of a Joint Committee Meeting held December 11, 2019

I. Roll Call Vote:

	<u>Ayes</u>	<u>Nays</u>
The Honorable Lamont Bagby	X	
Dr. Peter Buckley	X	
Mr. Clyde T. Clark, Jr.	X	
Dr. Alice Coombs	X	
Mr. Steven A. DeLuca	X	
Ms. Pamela El	X	
Dr. Lisa Ellis	X	
Ms. May Fox	X	
Mr. Donald C.J. Gehring	X	
The Honorable Lisa M. Hicks-Thomas	X	
Dr. Gopinath Jadhav	X	
Dr. Bruce E. Mathern	X	
Mr. Timothy McDermott	X	
The Honorable Ryan T. McDougale	Absent	
Mr. Keith Parker	X	
Dr. Michael Rao	X	

Mr. Stuart Siegel	X
Dr. Shantaram Talegaonkar	X
The Honorable Marilyn Tavenner	X
Dr. Michelle Whitehurst-Cook	X
Dr. Wilhelm A. Zuelzer	X

Vote:

Ayes	20
Nays	0

ABSENT DURING MEETING: 1

ABSENT DURING VOTING: 1

There being no further business, the meeting was adjourned at 4:15 p.m.