

Cuyahoga County Council
Health, Human Services & Aging Committee

Dan Brady, Chair
Yvonne Conwell, Vice Chair

Minutes

Thursday, May 19, 2011

1:00 pm.

Council Chambers

- I. Call to Order at 1:05 pm
- II. Roll Call: **Committee Members Present:** Dan Brady, Yvonne Conwell, Michael Gallagher, Pernel Jones, Jr., Sunny Simon

Council Members Present: Ellen Connally, Chuck Germana, Dave Greenspan, Dale Miller
- III. Approval of Minutes of May 12, 2011: Upon motion, duly made and seconded, the minutes were approved as submitted.
- IV. Public Comment (none)
- V. Matters referred to Committee (none)
- VI. Presentation – The MetroHealth System, Mark Moran, President & CEO

Mr. Moran introduced Ron Fountain, Chair of Metro's Board, board members Polly Clemo, Tom McDonald, Bill Gaskill and several members of the senior clinical leadership of hospital. Mr. Moran expressed appreciation for the county's HHS levy support and noted that the Cuyahoga county subsidy is about average for state and local support of public hospitals. Mr. Moran commented on the following:

- Metro's mission and the economic picture of public hospitals nationwide.
- MetroHealth is the lynchpin of the area's safety net medical services; 53% of discharged patients are uninsured or Medicaid-eligible; Metro's share of uninsured patients has increased 25% since 2008;
- MetroHealth must find about \$51M to cover uncompensated care even with HHS levy funding and Ohio HCAP; Metro must do commercial business in order to serve uninsured;
- The system has hired a variety of consultants under contracts worth \$26M but can show a return on investment of and ongoing improvements of \$68M;
- Health care reform will result in coverage expansion; but likely reduced reimbursement; Metro hopes to earn margin on business; want to increase insured patients; want to increase access to outpatient services to sustain mission to serve underserved;

- Metro has seen reduced emergency room visits with those using the “medical home” model
- Metro’s deferred maintenance and capital needs are significant

Mr. Moran concluded his presentation with a request that Council support MetroHealth’s mission and role, focus on the HHS levy; preserve Metro’s current subsidy level, support its renewal plans, and address any governance issues through the Metro board.

Questions:

- Council Member Gallagher noted his service on Southwest Hospital, his appreciation of issues facing hospitals, and noted the county’s need to work together with Metro. Mr. Gallagher expressed concerns about the unresolved issue of Metro’s assistance with medical services for the jail.
 - Mr. Moran said that talks began under the previous government. Metro saw providing services to the jail population as within its mission, but outside its medical expertise. Concerns were expressed over the risks involved with correctional medicine practice, particularly litigation exposure. All clinical services, including nursing, as well as pharmacy and electronic records, would need to be consolidated if Metro or a medical partner were to assume this practice. There have been discussions with the sheriff again about helping them find a Medical Director for the jail. Ken Kochevar, Director of Corrections noted that Metro did assist the sheriff, and medical director interviews have taken place.
- Council Member Greenspan noted that his issue is the county’s overall fiscal concerns; given that Metro can produce revenue, unlike some other programs, is it possible that Metro can do with less in an era of shrinking revenues? Mr. Greenspan asked the increase in salaries when Metro reduced its number of employees.
 - Mr. Moran noted that Metro increased its numbers of physicians and nurses; in order to compete with other systems in areas of clinical, medical, nursing and administration, Metro pays salaries set against benchmarks
- Council Member Jones asked whether Metro intends to move away from its core mission and Mr. Moran said no.
- Council Member Brady asked about Metro’s plans for ambulatory centers
 - Mr. Moran stated that Metro covers most Cleveland neighborhoods; need to make decisions about other areas; Metro is looking for a prototype of outpatient centers; believes that need is one or two suburban; one or two replacement or new in current areas, to be completed by 2015.

Mr. Brady asked for an update on the plans when available

- Council Member Connally asked about Metro as a health care insurer for county employees
 - Mr. Moran commented on MetroSelect as a health care option for approximately 1100 county employees. Metro saved the county about \$3500 per patient, giving the county employee same rates as Metro employees, with significant prescription savings. One issue in covering more employees is ambulatory centers in proximity to communities.
- Council Member Simon asked Mr. Moran to rank aspects of Metro’s mission and whether metor is meeting the mission.
 - Mr. Moran asserted that Metro is meeting its mission, but there are concerns about the economics of how Metro provides that mission. The facilities and capital infrastructure is old. Metro has invested in new technologies, but maintenance of facilities is an issue

and the system needs to focus on how to make transition to an appropriate infrastructure for service delivery.

- Council Member Greenspan asked about the audit and whether the consulting fees were all for Booz & Company
 - Mr. Moran noted that Metro uses about 10 firms for consulting on a variety of issues related to improved services and increased efficiencies.
- Council Member Miller, focusing on the aging facilities, asked about the expected cost of capital needs.
 - Mr. Moran said that Metro is about to embark on a master facility plan, and the costs are unknown right now. Metro has about \$255M in debt outstanding; not enough to do ambulatory network upgrade and main campus upgrade.
- Council Member Germana asked about discussions around collaboration with the other area systems
 - Mr. Moran said that Metro is in regular conversations with the other systems, but any collaboration must preserve the mission of Metro.
- Council Member Conwell asked about Metro's plan to purchase North Coast Behavioral Facility
 - Mr. Moran noted that the state has offered the property to Metro, which may be willing to accept it, - not buy it, if the building is taken down. Conversations continue with the state.
- Council Member Miller asked whether Metro could finance capital improvements with expected cost-savings and about the impact of the closing of Huron Road's trauma center.
 - Mr. Moran noted that developers have done this type of financing in other areas through a purchase and leaseback, but Metro has not yet considered this as an option. Metro needs to redefine main campus needs, clinical operations and energy savings. Mr. Moran also noted that Metro can handle the trauma cases from Huron Road; current and anticipated increased ER visits are not trauma-related.
- Council Member Jones asked about the impact of the health care reform law and the strength of the board.
 - Mr. Moran noted that increased coverage means Metro will be compensated for care of those no longer uninsured, but compensation rates will go down. Mr. Moran indicated that Metro has long-standing trustees who spend a great deal of time on governing a complex system, per Ohio Revised Code Chapter 339. The board directed Mr. Moran to do the mission and do it in the black.
- Council Member Greenspan asked about the collaboration with Akron Children's Hospital and why children were being served outside the county?
 - Mr. Moran noted that Metro does work with CCF and UH to provide some pediatric subspecialties. The collaboration with Akron Children's hospital allows Metro to keep more children at the Metro campus. This was clinical decision.
- Council Member Gallagher asked about Metro's relationship with the Juvenile Detention Center.
 - Mr. Moran noted that Metro does provide a doctor at the Juvenile Center.

VII. Miscellaneous Business/Other Public Comment (none)

VIII. Adjournment – at 2:55 p.m.

NEXT MEETING: Thursday, May 26, 2011 - 1:00 p.m.

