

Minutes of the meeting of the Finance Committee of the Board of Directors of the Cook County Health and Hospitals System held Friday, January 17, 2014 at the hour of 8:45 A.M., at 1900 W. Polk Street, in the Second Floor Conference Room, Chicago, Illinois.

I. Attendance/Call to Order

Chairman Butler called the meeting to order.

Present: Chairman Hon. Jerry Butler and Directors Ada Mary Gugenheim and Dorene P. Wiese, EdD (3)
Board Chairman David Carvalho (ex-officio) and Mr. Donald Oder (non-Director Member)

Present
Telephonically: Director M. Hill Hammock (1)

Absent: Director Jorge Ramirez (1)

Chairman Butler stated that Director Hammock was unable to be physically present, but was able to participate in the meeting telephonically.

Director Wiese, seconded by Director Gugenheim, moved to allow Director Hammock to participate as a voting member in this meeting telephonically. THE MOTION CARRIED UNANIMOUSLY.

Chairman Butler indicated that this would be the last meeting for the Finance Committee's non-Director Member, Mr. Don Oder; he and the Committee Members thanked Mr. Oder for his service and dedication. Board Chairman Carvalho stated that Mr. Oder has been an advisor and contributor, and in that capacity he has made invaluable contributions to the improvement of the financial reporting done by the System. Dr. Ram Raju, Chief Executive Officer, stated that Mr. Oder has a very insightful and thoughtful way of presenting his thoughts; due to Mr. Oder's efforts, the System has changed the way it reports its finances, so that it is much more transparent and understandable.

Additional attendees and/or presenters were:

Gina Besenhofer – System Director of Supply Chain Management
John Cookinham – System Chief Financial Officer
Claudia Fegan, MD - Executive Medical Director/Medical Director Stroger Hospital
Steven Glass – Executive Director of Managed Care
Randolph Johnston –System Associate General Counsel

Ram Raju, MD, MBA, FACS, FACHE – Chief Executive Officer
Elizabeth Reidy – System General Counsel
Deborah Santana – Secretary to the Board
Agnes Therady, RN, MBA – Executive Director of Nursing

II. Public Speakers

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

The Secretary called upon the following registered speaker:

1. George Blakemore Concerned Citizen

III. Action Items

A. Minutes of the Finance Committee Meeting, December 6, 2013

Director Gugenheim, seconded by Director Wiese, moved to accept the minutes of the Finance Committee Meeting of December 6, 2013. THE MOTION CARRIED UNANIMOUSLY.

B. Contracts and Procurement Items (Attachment #1)

Gina Besenhofer, System Director of Supply Chain Management, provided an overview of the requests presented for the Committee's consideration. The Committee reviewed and discussed the requests.

The following individuals provided additional information on the requests: Dr. Claudia Fegan, Executive Medical Director/Medical Director Stroger Hospital; and Agnes Therady, Executive Director of Nursing.

With regard to request number 2, Ms. Besenhofer indicated that this request includes dollars for some transactions that have accumulated. Board Chairman Carvalho requested that, in the future, if this is the case, the transmittals should note that information.

During the discussion of request number 3, a question arose regarding whether the vendor is a for-profit corporation. Ms. Besenhofer responded that she will check and provide that information to the Committee¹. Board Chairman Carvalho provided an overview of the history of the System's transition from providing these types of services at System facilities to outsourcing those services through vendors. In response to a question from Director Hammock regarding the rates paid for these services, Ms. Besenhofer stated that the rates are on a per-diem basis, and there was no increase to the rates relating to this contract extension. Board Chairman Carvalho asked Ms. Besenhofer to be able to address two subjects relating to the request for the Board Meeting next week: 1) need to provide the back story relating to the contract history and history of the provision of these services; and 2) need to elaborate on the subject of the rates, as it relates to the marketplace. He suggested that this information be incorporated for the full Board².

Director Wiese, seconded by Director Gugenheim, moved the approval of request numbers 1 through 9. THE MOTION CARRIED UNANIMOUSLY.

C. Any items listed under Sections III and IV

IV. Recommendations, Discussion/Information Items

A. Update on Section 1115 Medicaid Waiver Demonstration Project/CountyCare

Steven Glass, Executive Director of Managed Care, provided an update on the Section 1115 Medicaid Waiver Demonstration Project/CountyCare.

Mr. Glass informed the Committee that on December 30, 2013, the Centers for Medicare and Medicaid Services (CMS) granted the State of Illinois a 90-day temporary extension of the CountyCare waiver through March 31st; CMS noted that they would consider an additional three month temporary extension, if needed. The most significant change in the extension is that CountyCare is able to claim 100% of the per-member per-month capitation for its membership starting January 1, which aligns to the Fiscal Year 2014 budget. In addition, the extensive application assistor network that has been put in place will be allowed to continue through March 31st without disruption.

IV. Recommendations, Discussion/Information Items

A. Update on Section 1115 Medicaid Waiver Demonstration Project/CountyCare (continued)

These 90 days will allow leadership from the System and the Illinois Department of Healthcare and Family Services (HFS) to continue their negotiations of the managed care agreement which will make CountyCare a full-fledged managed care entity. It is anticipated that the managed care agreement will be brought to members of the Finance Committee for review in March.

Also within these next 90-days, CountyCare leadership will finalize its plans to transition its back-office third-party administrator to a new vendor. The agreement for this is under negotiation, and is expected to be brought to the Finance Committee in February for review.

During the update, Board Chairman Carvalho provided an overview regarding a meeting held yesterday by the Healthcare Reform Implementation Council; a report was presented by the State regarding their progress in implementing the Affordable Care Act (ACA). Two notable things were learned. First, of the number of persons whom the State has identified as benefiting from the expansion of Medicaid, about half or more than half of them are here at the System; the System has really contributed to the State's ability to tout the fact that a lot of persons have been enrolled in Medicaid and the ACA. Secondly, it was reported that the handoff from the federal website to the State of persons who really belong in Medicaid, not in the ACA options, apparently is not working well; therefore, the State is about to receive approximately 70,000 applications that they are now going to have to figure out how to process. They made reference to the fact that they may have to pull people from other tasks in order to do it in a timely way. Board Chairman Carvalho asked whether the administration has received any assurances from the State that they will not be pulling people from the staff of County-paid State employees who process System applications; he inquired whether the processing of System applications is at risk because of this. Mr. Glass responded that the administration has not heard that this will happen, but he will confirm and report back on the matter³.

With regard to enrollment and membership activity for CountyCare since the last meeting, Mr. Glass stated that on Friday, January 10th, CountyCare approved membership surpassed 70,000 members. This accomplishment was announced and celebrated at an event attended by Cook County Board President Toni Preckwinkle, United States Senator Richard Durbin, System Finance Committee Chairman and Cook County Commissioner Jerry Butler, Board Chairman David Carvalho, Dr. Raju and several System staff at Erie Family Health Center, one of the System's partnering Federally-Qualified Health Center (FQHC) sites. He added that, as of this past Wednesday, 71,494 people have been approved for membership in CountyCare.

In addition to this membership threshold, Mr. Glass stated that CountyCare also achieved another significant milestone last week –100,000 applications have been submitted to the State for processing. As of Tuesday, there have been 101,496 applications for CountyCare membership sent to the State for processing.

The Committee received and filed the report without objection.

V. Report from System Director of Supply Chain Management

- A. Report of emergency purchases**
- B. Report of procurement and non-procurement matters for FY2013 – 4th Quarter (Attachment #2)**

There were no emergency purchases to report at this time.

Ms. Besenhofer presented the report of procurement matters for FY2013-4th Quarter. The Committee reviewed the information.

VI. Report from Chief Financial Officer (Attachment #3)

John Cookinham, System Chief Financial Officer, reviewed his report, which contained information on the following subjects: Year End Results; Year End Comparison; 2013 Cash Collections versus Budget; and Year End Adjustments. The Committee reviewed and discussed the information.

During the discussion of the information on page five of the presentation, Board Chairman Carvalho inquired regarding the section on Physician Revenue and Contracts. Mr. Cookinham explained that this section relates to those situations where System physicians are placed at other institutions; in some cases the System collects money for their services at those institutions, and in other instances the institutions pay for staffing contracts under which the System provides the physician, and the institution pays the System for the cost of the physician. Dr. Raju provided additional information on the subject. He stated that the System provides some specialist physicians for some of the safety-net hospitals, and collects money for those services. Board Chairman Carvalho noted that several years ago the System had an issue in which Roseland Hospital was well behind in its payments to the System; he inquired whether that issue has been cleared up. Dr. Raju responded in the negative; he stated that the System continues to have a problem with receiving payment from Roseland Hospital. Board Chairman Carvalho requested that the Committee receive a report on the situation with Roseland Hospital, at some point in the near future.

VII. Adjourn

As the agenda was exhausted, Chairman Butler declared the meeting ADJOURNED.

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

XXXXXXXXXXXXXXXXXXXXXXXXXX
Hon. Jerry Butler, Chairman

Attest:

XXXXXXXXXXXXXXXXXXXXXXXXXX
Deborah Santana, Secretary

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- ¹ Follow-up: For request number 3, Ms. Besenhofer to respond to question regarding whether the vendor is a for-profit corporation. Page 2.
- ² Follow-up: For request number 3, for the full Board, Ms. Besenhofer to address 1) providing the back story relating to the contract history and history of the provision of these services; and 2) elaborate on the subject of the rates, as it relates to the marketplace. Page 2.
- ³ Follow-up: Mr. Glass to address the question of what, if any, impact the State's issue of processing the additional 70,000 applications might have on the System's processing of CountyCare applications by County-paid State employees. Page 3.

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
January 17, 2014

ATTACHMENT #1

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III(B)
JANUARY 17, 2014 FINANCE COMMITTEE MEETING
CONTRACTS AND PROCUREMENT ITEMS

Request #	Vendor	Service or Product	Fiscal impact not to exceed:	Affiliate / System	Begins on Page #
Amend and Increase Contracts					
1	Digby's Detective and Security Agency, Inc.	Service - security services	\$1,592,307.30	PHCC	2
2	The Standard Register Company	Service - System-wide forms, labels and document printing management	\$600,000.00	System	3
Extend and Increase Contracts					
3	NuCare Services Corporation	Service - short-term and long-term care	\$5,435,854.88	SHCC, OFHC	4
4	Gareda Diversified Business Services, Inc.	Service - nursing agency services	\$705,000.00	JTDC, CHSCC, PHCC, ACHN, OFHC, SHCC	5
5	Standard Textile Co., Inc.	Service - laundry and linen service program	\$545,000.00	PHCC, SHCC, OFHC	6
6	Maxim Staffing Solutions	Service - nursing agency services	\$239,000.00	JTDC, CHSCC, PHCC, ACHN, OFHC, SHCC	7
7	Nursefinders	Service - nursing agency services	\$221,000.00	JTDC, CHSCC, PHCC, ACHN, OFHC, SHCC	8
Amend, Extend and Increase Contract					
8	Strategic Management Services, LLC	Service - professional consulting (Corporate Compliance)	\$390,000.00	System	9
Execute Contract					
9	Cardinal Health 200 LLC	Product - rental, reagents and consumable controls	\$973,554.09	System	10

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: N/A		EXECUTIVE SPONSOR: Anthony Rajkumar, Chief Business Officer <i>Anthony Rajkumar</i>	
DATE: 11/27/2013		PRODUCT / SERVICE: Service – Security Services	
TYPE OF REQUEST: Amend and Increase Contract		VENDOR / SUPPLIER: Digby's Detective and Security Agency, Inc., Chicago, IL	
ACCOUNT: 891-260	FISCAL IMPACT NOT TO EXCEED: Provident \$1,592,307.30	GRANT FUNDED /RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 05/01/2013 thru 04/30/2015		CONTRACT NUMBER: H13-25-032	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFQ		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: N/A		

PRIOR CONTRACT HISTORY:

The Cook County Health and Hospitals System Board approved a contract with Digby's Detective and Security Agency, Inc. on 03/28/2013 in the amount of \$910,707.84 for security services for the Ambulatory Clinics and the Hoyne building to ensure the safety of the patients, visitors and staff. The contract was awarded for a period of 24 months from 05/01/2013 thru 04/30/2015.

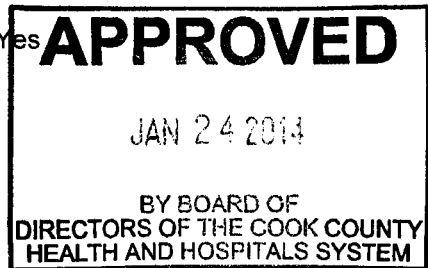
NEW PROPOSAL JUSTIFICATION:

The scope of work for Provident Hospital has been reviewed and revised. The scope of work has been reduced to be comparable with the current environment and will yield no negative impact to the safety of our patients and staff. A Request for Quotation was issued to our two incumbents. The results of the scope of services utilized for the RFQ which are more closely aligned with true requirements will result in savings of \$1,213,112.70. In keeping with our desire to standardize across all CCHHS facilities and based upon both responses received to our Request for Quotation proposal, we request to amend and increase the current contract with Digby's Detective & Security Agency in the amount of \$1,592,307.30 for fifteen (15) months and to make the contract amendment coterminous with the original contract period.

TERMS OF REQUEST:

This request is to amend and increase contract number H13-25-032 in an amount not to exceed \$1,592,307.30 as needed, for a fifteen (15) month period from 02/01/2014 thru 04/30/2015.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes



CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

Request #
1

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Regina M. Besenhofer, Director of Supply Chain Management		EXECUTIVE SPONSOR: Anthony Rajkumar, Chief Business Officer	
DATE: 11/21/2013	PRODUCT / SERVICE: Service- System Wide Forms, Labels and Document Printing Management		
TYPE OF REQUEST: Amend and Increase Contract	VENDOR / SUPPLIER: The Standard Register Company, Dayton, OH		
ACCOUNT: 897-355	FISCAL IMPACT NOT TO EXCEED: \$600,000.00	GRANT FUNDED / RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 7/1/2011 thru 6/30/2014		CONTRACT NUMBER: H11-72-053	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: GPO		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: N/A		

PRIOR CONTRACT HISTORY:

The Cook County Health and Hospitals System Board of Directors approved contract number H11-72-053 in the amount of \$1,318,833.00 on 06/24/2011 for the period from 07/01/2011 through 06/30/2014. The contract provides for forms, labels and document printing management at all CCHHS facilities.

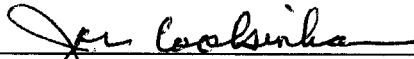
NEW PROPOSAL JUSTIFICATION:

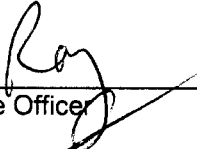
This request is to amend and increase the contract for the printing of forms, labels and document management. The increase is needed due to the volume and increased utilization of clinical labels, pharmacy and lab labels, prescription forms as well as marketing and communication materials - such as brochures and pamphlets including those for County Care. This has resulted in the increase for additional funding. Going forward, the overall print cost is planned to be reduced by 30% by June 2014 and 80% by year end. This will be accomplished by migrating printed clinical forms to electronic formats utilizing the current Electronic Medical Record technology.

TERMS OF REQUEST:

This is a request to amend and increase contract number H11-72-053 in an amount not to exceed \$600,000.00, as needed for the remainder of the contract period.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CFO: 
John Cookinham, Chief Financial Officer

CCHHS CEO: 
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
2

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

CMP

SPONSOR: Laura Wahlfeldt, RN, BSN, ACM, Director, Case Management <i>LW</i>		EXECUTIVE SPONSOR: Claudia M. Fegan, MD, Executive Medical Director, Medical Director Stroger Hospital	
DATE: 11/04/2013		PRODUCT / SERVICE: Service - Short Term Care & Long Term Care	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: NuCare Services Corporation, Lincolnwood, IL	
ACCOUNT: 897-272	FISCAL IMPACT NOT TO EXCEED: \$4,935,854.88	GRANT AWARD RENEWAL AMOUNT: N/A	
898-272	\$ 500,000.00		
Total	\$5,435,854.88		
CONTRACT PERIOD: 08/01/2010 thru 11/30/2014		CONTRACT NUMBER: H10-72-086	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

NuCare was chosen to provide long and short term care to patients who were being discharged from the County health facilities but could not be discharged home. This contract was approved by the Cook County Health and Hospitals System (CCHHS) Board on 06/25/2010 in the amount of \$6,374,725.00 for 1 year from 08/01/2010 thru 07/31/2011. The contract contained 5 single years' renewal options subject to CCHHS's approval. The contract was extended by the CCHHS Board on 07/29/2011 for a period of 1 year from 08/01/2011 thru 07/31/2012 and funding was increased by \$7,300,350.00. Amendments to extend the contract were done for time only from 08/01/2012 thru 07/21/2013 and 08/01/2013 thru 11/30/2013.

NEW PROPOSAL JUSTIFICATION:

NuCare provides short term care & long term care for patients who cannot be discharged home for lack of the resources or insurance coverage necessary to secure these services directly. Patients are placed in short term modalities such as IV antibiotics or sub-acute rehabilitation when they no longer meet the criteria for inpatient hospitalization. This contract also covers the long term care for patients as well as hospice patients needing skilled nursing care. As the contract included optional annual renewals we are requesting the CCHHS Board to approve the additional funding for a one year option to renew this contract.

TERMS OF REQUEST:

This is a request to extend and increase contract number H10-72-086 in an amount of \$5,435,854.88, as needed for the period from 12/01/2013 thru 11/30/2014.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS COO: *Anthony Rajkumar*
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
3

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: N/A		EXECUTIVE SPONSOR: Agnes Therady, Executive Director Nursing <i>AT 1/21/14</i>	
DATE: 11/21/2013		PRODUCT / SERVICE: Service - Nursing Agency Services	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: Gareda Diversified Business Services, Inc., Calumet City, IL	
ACCOUNT: FISCAL IMPACT NOT TO EXCEED: 897- 275 Stroger Hospital 891-275 Provident Hospital 898-275 Oak Forest Health Center 893-275 ACHN 240-275 Cermak 241-275 JTDC Total: \$705,000.00		GRANT FUNDED /RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 12/01/2010 thru 05/31/2014		CONTRACT NUMBER: H10-25-154	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: N/A		

PRIOR CONTRACT HISTORY:

A three year contract was initiated with multiple supplemental staffing agencies to provide nursing care to areas in the system with unfilled vacancies while recruiting efforts are underway. Contract number H10-25-154 was approved by the Cook County Health and Hospitals System Board on 11/19/2010 for a period from 12/01/2010 through 11/30/2013 in the amount of \$4,217,100.00.

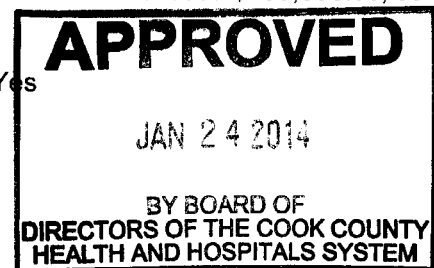
NEW PROPOSAL JUSTIFICATION:

Utilization of the supplemental staffing agencies is high as we strive to provide nursing care to meet patient demand, ensure quality and meet acuity as the nursing department continues to experience a high attrition rate. A review of current supplemental staffing needs is currently underway. A Request for Proposal will be posted in the next 30 days seeking vendors to provide specialized services for each department. This will bring the total contract spend to \$4,922,100.00.

TERMS OF REQUEST:

This is a request to extend and increase contract number H10-25-154 in an amount not to exceed \$705,000.00, as needed, for the period from 12/01/2013 to 05/31/2014.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes



CCHHS CBO: *Anthony Rajkumar*
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

Request #
4

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Regina M. Besenhofer, Director of Supply Chain Management		EXECUTIVE SPONSOR: Anthony Rajkumar, Chief Business Officer	
DATE: 11/21/2013	PRODUCT / SERVICE: Service - Laundry and Linen Service Program		
TYPE OF REQUEST: Extend and Increase	VENDOR / SUPPLIER: Standard Textile Co., Inc., Cincinnati, OH		
ACCOUNT: 897-222	FISCAL IMPACT NOT TO EXCEED: \$545,000.00	GRANT FUNDED AMOUNT: N/A	
CONTRACT PERIOD: 08/01/2010 thru 12/31/2013		CONTRACT NUMBER: H10-25-026	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: GPO		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: [SOLE SOURCE] N/A		

PRIOR CONTRACT HISTORY:

This contract provides for laundry and linen service at Stroger and Provident Hospitals as well as Oak Forest Health Center. The Cook County Health and Hospitals System Board of Directors approved this contract on 4/30/2010 in the amount of \$6,540,000.00 for the period from 08/01/2010 through 07/31/2013. The contract was extended from 08/01/2013 thru 10/31/2013 with no increase in cost. The contract was subsequently extended from 10/31/2013 thru 12/31/2013 with no increase in cost.

NEW PROPOSAL JUSTIFICATION:

This request is to extend and increase the current Linen contract to allow for the thorough evaluation of the RFP responses. It is critical to allow enough time for the chosen vendor to be prepared to meet the complete scope of work as defined in the RFP.

TERMS OF REQUEST:

This is a request to extend and increase contract number H10-25-026 in an amount not to exceed \$545,000.00, as needed, for the period from 01/01/2014 through 03/31/2014.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
5

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: N/A		EXECUTIVE SPONSOR: Agnes Therady, Executive Director Nursing CCHHS <i>AT 1/8/14</i>	
DATE: 11/21/2013,		PRODUCT / SERVICE: Nursing Agency Services	
TYPE OF REQUEST: Extend and Increase Contract		VENDOR / SUPPLIER: Maxim Staffing Solutions, Chicago, IL	
ACCOUNT: FISCAL IMPACT NOT TO EXCEED: 897- 275 Stroger Hospital 891-275 Provident Hospital 898-275 Oak Forest Health Center 893-275 ACHN 240-275 Cermak 241-275 JTDC Total: \$239,000.00		GRANT FUNDED /RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 12/01/2010 thru 05/31/2014		CONTRACT NUMBER: H10-25-156	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: N/A		

PRIOR CONTRACT HISTORY:

A three year contract was initiated with multiple supplemental staffing agencies to provide nursing care to areas in the system with unfilled vacancies while recruiting efforts are underway. Contract number H10-25-156 was approved by the Cook County Health and Hospitals System Board on 11/19/2010 for a period from 12/01/2010 through 11/30/2013 in the amount of \$1,428,500.00.

NEW PROPOSAL JUSTIFICATION:

Utilization of the supplemental staffing agencies is high as we strive to provide nursing care to meet patient demand, ensure quality and meet acuity as the nursing department continues to experience a high attrition rate. A review of current supplemental staffing needs is currently underway and a Request for Proposal will be posted in the next 30 days seeking vendors to provide specialized services for each department. This will increase the total contract spend to \$1,667,500.00.

TERMS OF REQUEST:

This is a request to extend and increase contract number H10-25-156 in an amount not to exceed \$2,500,000.00 needed, for the period from 12/01/2013 to 05/31/2014.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CBO: *Anthony Rajkumar*
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
6

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: N/A		EXECUTIVE SPONSOR: Agnes Therady, Executive Director Nursing <i>AT 1/14</i>	
DATE: 11/21/2013		PRODUCT / SERVICE: Service - Nursing Agency Services	
TYPE OF REQUEST: Extend and Increase		VENDOR / SUPPLIER: Nursefinders, Arlington, TX	
ACCOUNT: FISCAL IMPACT NOT TO EXCEED: 897- 275 Stroger Hospital 891-275 Provident Hospital 898-275 Oak Forest Health Center 893-275 ACHN 240-275 Cermak 241-275 JTDC Total: \$221,000.00		GRANT FUNDED /RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 12/01/2010 thru 05/31/2014		CONTRACT NUMBER: H10-25-181	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: N/A		

PRIOR CONTRACT HISTORY:

A three year contract was initiated with multiple supplemental staffing agencies to provide nursing care to areas in the system with unfilled vacancies while recruiting efforts are underway. Contract number H10-25-181 was approved by the Cook County Health and Hospitals System Board on 11/19/2010 for a period from 12/01/2010 through 11/30/2013 in the amount of \$2,114,242.00.

NEW PROPOSAL JUSTIFICATION:

Utilization of the supplemental staffing agencies is high as we strive to provide nursing care to meet patient demand, ensure quality and meet acuity as the nursing department continues to experience a high attrition rate. A review of current supplemental staffing needs is currently underway and a Request for Proposal will be posted in the next 30 days seeking vendors to provide specialized services for each department. This will bring the total contract spend to \$2,335,242.00.

TERMS OF REQUEST:

This is a request to extend and increase contract number H10-25-181 in an amount not to exceed \$221,000.00, as needed, for the period from 12/01/2013 to 05/31/2014.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CBO: *Anthony Rajkumar*
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

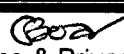
BY BOARD OF DIRECTORS OF THE COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Request #
7

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: N/A		EXECUTIVE SPONSOR:  Cathy Bodnar, Chief Compliance & Privacy Officer	
DATE: 11/20/2013		PRODUCT / SERVICE: Service - Professional Consulting (Corporate Compliance)	
TYPE OF REQUEST: Amend, Extend and Increase Contract		VENDOR / SUPPLIER: Strategic Management Services, LLC, Alexandria, VA	
ACCOUNT: 890-260		FISCAL IMPACT NOT TO EXCEED: \$390,000.00	GRANT FUNDED /RENEWAL AMOUNT: N/A
CONTRACT PERIOD: 08/24/2012 thru 06/05/2015		CONTRACT NUMBER: H12-28-0128	
COMPETITIVE SELECTION METHODOLOGY:			
<input checked="" type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY: Sole Source		

PRIOR CONTRACT HISTORY:

The initial agreement was approved by Supply Chain Management on 08/24/2012 in the amount of \$98,000, with an increase to \$145,000 based upon the cost of the highly specialized 340B consultant. Strategic Management Services, LLC is the vendor of choice for providing intermittent subject matter expertise in the area of healthcare compliance to the Cook County Health and Hospitals System (CCHHS) Corporate Compliance Program. Strategic Management personnel have substantive governmental experience. The Strategic Management team has experience in federal government agencies as well as with private sector hospital systems, academic medical centers, long term care organizations, pharmaceutical companies, managed care organizations, and others. In addition providing guidance to ensure compliance with statutory, regulatory, and enforcement requirements, Strategic Management has played, and continues to play, a significant role at CCHHS in the area of 340B compliance.

NEW PROPOSAL JUSTIFICATION:

This is a request to increase the contract to allow Strategic Management to provide continued guidance to the corporate compliance programs in addition to ongoing statutory, regulatory, and enforcement requirements.

TERMS OF REQUEST:

This is a request to extend and increase contract number H12-28-0128 in an amount not to exceed \$390,000.00, as needed for the period from 12/06/2013 thru 06/05/2015.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CBO: 
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: 
John Cookinham, Chief Financial Officer

CCHHS CEO: 
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
8

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

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

1/21/14

John Harkness

SPONSOR: Joanne Marcichow-Dulski, Lab Director, Department of Pathology		EXECUTIVE SPONSOR: Peter Daniels, Chief Operating Officer, CCHHS <i>W.G.S.D.</i>	
DATE: 12/31/2013	PRODUCT / SERVICE: Product - Rental, Reagents and Consumable Controls		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Cardinal Health 200 LLC, Dublin, Ohio		
ACCOUNT: 890-365	FISCAL IMPACT NOT TO EXCEED: \$973,554.09	GRANT FUNDED /RENEWAL AMOUNT: N/A	
CONTRACT PERIOD: 02/01/2014 thru 01/31/2017		CONTRACT NUMBER: H13-25-080	
COMPETITIVE SELECTION METHODOLOGY:			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: Sole Source			

PRIOR CONTRACT HISTORY:

The Cook County Health and Hospitals System (CCHHS) Board approved contract number H11-25-001 on 12/17/2010, in the amount of \$1,047,427.53 for the period from 12/22/10 thru 12/21/13 to allow ORTHO Clinical Diagnostics System to provide reagents and consumables controls for manual and automated blood bank testing at Stroger and Provident, Hospitals and Oak Forest Health Center.

NEW PROPOSAL JUSTIFICATION:

This contract will provide reagents and consumables controls for manual and automated blood bank testing at Stroger and Provident Hospitals and Oak Forest Health Center. These tests are required prior to administering transfusion blood and blood-related products to patients at the three sites. Reagents and consumables are part of a closed proprietary system.

TERMS OF REQUEST:

This is a request to execute contract number H13-25-080 in an amount not to exceed \$973,554.09, as needed, for a period of 36 months from 02/01/2014 thru 01/31/2017.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS CBO: *Anthony Rajkumar*
Anthony Rajkumar, Chief Business Officer

CCHHS CFO: *John Cookinham*
John Cookinham, Chief Financial Officer

CCHHS CEO: *Ram Raju*
Ram Raju, M.D., Chief Executive Officer

APPROVED

JAN 24 2014

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

Request #
9

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

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
January 17, 2014

ATTACHMENT #2

**Purchased Under the Authority of the Chief Executive Officer
September 2013 - November 2013**

Vendor	Contract	Supplies/Services	Purpose	Value
Cardinal Health 200 LLC	H13-76-0037	Equipment - Cryostats	Capital	\$45,340.92
Cardinal Health 200, LLC	H13-76-0082	Equipment - Cabinets, Freezer, analyzer, etc	Capital	\$94,587.43
Given Imaging, Inc.	H13-28-0079	Supplies; Pillcam Kits	Operating Expense	\$25,000.00
GRM Information Management Svcs	H13-25-057	Services; Professional Imaging and Scanning	Operating Expense	\$98,000.00
Hogan , Marren	H13-25-0091	Services; Legal Services for County Care	Operating Expense	\$149,000.00
ITXM	H13-73-0052	Services; Directorship for Bloodbank	Operating Expense	\$75,000.00
Medrad, Inc.	H13-76-0093	Equipment - Stellant Injector	Capital	\$52,392.88
Natus Neurology, Inc.	H13-76-0101	Equipment - HIS- NicVue Connect HL7 Software	Capital	\$32,365.00
Olympus America , Inc.	H13-76-0117	Equipment -Hospital & surgical	Capital	\$34,580.00
Olympus America , Inc.	H13-76-0123	Equipment- surgery	Capital	\$61,248.68
ServRight	H13-25-0065	Services; Scanner software & Maintenance	Operating Expense	\$51,239.50
Torres Consulting, Inc.	H13-25-0056	Services; Outreach	Operating Expense	\$60,000.00
Zoll Medical Corp.	H13-76-0060	Equipment - Defibriliator	Capital	\$79,999.76

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
January 17, 2014

ATTACHMENT #3

Cook County Health and Hospitals System

Report of the CFO as of January 2014

Year End Results

- CCHHS was able to improve its cash collections in 2013 as compared to the prior fiscal year.
- Actual cash collections for 2013 were over 87 million dollars greater than in fiscal 2012.
- The largest area of improved 2013 cash collections was from the 1115 waiver.
- The 1115 waiver (CountyCare) collections received in fiscal 2013 were over 123 million dollars for capitation revenue, 21 million dollars of retro Medicaid revenue, and almost 2 million dollars for administrative expense reimbursement.

Year End Comparison

CCHHS Cash Collections	2012	2013	Difference
Medicare	\$ 62,329,749.00	\$ 57,955,708.00	\$ (4,374,041.00)
Medicaid	\$ 132,151,386.00	\$ 105,517,685.00	\$ (26,633,701.00)
Retro Adjustment to Medicaid	\$ 46,935,434.00	\$ -	\$ (46,935,434.00)
Other	\$ 20,789,585.00	\$ 25,208,999.00	\$ 4,419,414.00
Physician Billing	\$ 6,158,038.00	\$ 9,668,141.00	\$ 3,510,103.00
Medicaid Upper Payment Limit Adjustment	\$ -	\$ 5,003,136.00	\$ 5,003,136.00
Vendor fees paid from revenue	\$ (2,411,690.00)	\$ (2,772,211.00)	\$ (360,521.00)
Physician revenue and contracts	\$ 861,119.00	\$ 631,981.00	\$ (229,138.00)
Meaningful Use	\$ 9,621,518.00	\$ 8,682,794.00	\$ (938,724.00)
1115 Waiver	\$ -	\$ 123,169,356.00	\$ 123,169,356.00
DSH	\$ 150,807,707.00	\$ 160,416,478.00	\$ 9,608,771.00
Retro DSH	\$ 19,782,059.00	\$ 10,374,628.00	\$ (9,407,431.00)
BIPA	\$ 131,250,000.00	\$ 161,450,000.00	\$ 30,200,000.00
Total Collections	\$ 578,274,905.00	\$ 665,306,695.00	\$ 87,031,790.00

2013 Cash Collections vs Budget

- CCHHS cash collection were under the budget for 2013 due to a backlog in the processing of CountyCare applications.
- As County Care applications are approved CCHHS receives PMPM payments from the date of application. CCHHS is also able to bill Medicaid for fee for service revenue for CCHHS services provided 90 days prior to the approval of CountyCare. It is expected that the backlog of applications will result in 2014 cash collections.
- In addition to the revenue associated with patient services for CountyCare patients CCHHS is owed additional administrative reimbursement for program expenses.

2013 Cash Collections vs Budget

CCHHS Cash Collections	2013 Actual	2013 Budget	Difference
Medicare	\$ 57,955,708.00	\$ 52,856,693.00	\$ 5,099,015.00
Medicaid	\$ 105,517,685.00	\$ 135,238,470.00	\$ (29,720,785.00)
Retro adjustment to Medicaid	\$ -	\$ -	\$ -
Other	\$ 25,208,999.00	\$ 21,234,384.00	\$ 3,974,615.00
Physician Billing	\$ 9,668,141.00	\$ 12,118,000.00	\$ (2,449,859.00)
Medicaid Upper Payment Limit Adjustment	\$ 5,003,136.00	\$ -	\$ 5,003,136.00
Vendor Fees paid from revenue	\$ (2,772,211.00)	\$ -	\$ (2,772,211.00)
Physician revenue and contracts	\$ 631,981.00	\$ 956,422.00	\$ (324,441.00)
Meaningful Use	\$ 8,682,794.00	\$ 8,701,573.00	\$ (18,779.00)
1115 Waiver	\$ 123,169,356.00	\$ 196,964,900.00	\$ (73,795,544.00)
DSH	\$ 160,416,478.00	\$ 150,800,000.00	\$ 9,616,478.00
Retro DSH	\$ 10,374,628.00	\$ -	\$ 10,374,628.00
BIPA	\$ 161,450,000.00	\$ 131,250,000.00	\$ 30,200,000.00
Total Collections	\$ 665,306,695.00	\$ 710,120,442.00	\$ (44,813,747.00)

Note: over 78 million dollars of 2013 revenue will be collected in 2014

Year End Adjustments

- CCHHS will collect in 2014 CountyCare 2013 PMPM revenue, 2013 CountyCare Administrative Reimbursement, and retro active Medicaid fee for service revenue. These additional CountyCare collections total almost 70 million dollars.
- CCHHS was able to re-bill the Medicaid program for Pharmacy services that were not paid appropriately. In December CCHHS received over 8 million dollars from Medicaid. In addition there is an estimated additional 400 thousand dollars that has been re-billed in December.
- The 2013 revenue to be collected in 2014 is estimated to be more than 78 million dollars. In December CCHHS has already collected almost 34 million dollars of 2013 PMPM revenue and 8.3 million dollars of prior period Pharmacy revenue.

Year End Adjustments

1115 Waiver (CountyCare) 2014 Collections

PMPM revenue received in December 2013	\$	33,960,381.00	
Estimated additional PMPM revenue to be received - est.	\$	26,201,225.00	
CountyCare Administrative reimbursement to be received - est.	\$	9,800,000.00	
Total 1115 Waiver (CountyCare) 2013 revenue to be received in fiscal 2014			\$ 69,961,606.00

Retro-active Pharmacy Reimbursement

Pharmacy revenue received in December 2013	\$	8,331,994.00	
Estimated additional 2013 Pharmacy revenue to be received in 2014	\$	394,000.00	
Toal 2013 Pharmacy revenue to be collected in fiscal 2014			\$ 8,725,994.00
Total 2013 revenue to be collected in fiscal 2014			\$ 78,687,600.00