Health Affairs Committee Meeting
University of Missouri System
Women's and Children's Conference Center, Columbia, Missouri
Jun 17, 2021 1:00 PM - 2:30 PM CDT

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III. ACTION
   A. Minutes Approval, April 13, 2021 Health Affairs Committee Meeting........32
   B. Resolution, Executive Session of the Health Affairs Committee Meeting....33

IV. Health Affairs Committee Meeting - Executive Session (time is approximate)

V. Recess
Health Affairs Committee
EVC Report
Richard J. Barohn, MD
Executive Vice Chancellor for Health Affairs
June 17, 2021
Shared vision for serving Missourians

Sinclair School of Nursing

NextGen Precision Health building

New Children’s Hospital
May 18th Retreat: Strategic Priorities and Themes

- Make a Distinct Impact
  - Leverage our rural population as a key differentiator across our tripartite mission
- Grow Our Ability to Serve
  - Empower Our People Through a Culture of Diversity, Inclusion and Accountability
  - Achieve the Scale Needed to Support Clinical and Academic Excellence
MU Health Care and School of Medicine unified strategic planning

Next Steps Summary

1. **Updated Strategic Plan**: Strategic Planning is developing a more formal document that can be distributed to broad stakeholder groups.

2. **Action Plans**: Strategic Planning will convene focus area leaders and/or accountable leaders to further refine and finalize FY22 action plans.

3. **Performance Scorecard(s)**: Finalize MU Health Care & SOM indicators/targets.

4. **Communication & Alignment**: Communicate corporate plan and targets and cascade strategy throughout the system through operational plan development.

5. **Implementation & Reporting**: Strategic Planning will track progress through PPM tool and support targeted implementation. Accountable leaders provide regular updates.
COVID-19 response

- We gathered May 13 for a time of remembrance, gratitude, hope and optimism

- Boone County is the most vaccinated county in Missouri – 48.4% of population has initiated vaccination (as of 6/3/21)

- Our expertise and collaboration helped drive campus response

- Moving forward: Masking policy, visitor policy and return-to-campus
NextGen Precision Health – Grand opening Oct. 19

• Building is **on time** and **on budget**

• **Save the date** for the NextGen Precision Health building grand opening!

• Tuesday, Oct. 19, 2021, at 10 a.m.
Recognizing Ron Ashworth

- Received an Attorney General Honors Award for extraordinary citizens who go “above and beyond” to make Missouri a better place to live
- $1 million gift from Bill and Nancy Thompson established Ron Ashworth Endowed Professorship in Child Development
Dean’s Report
June 17, 2021

Steven Zweig, MD
Dean of MU School of Medicine

School of Medicine
University of Missouri
Springfield Clinical Campus

- Completing **five-years** of our medical school in Springfield

- Under the new leadership of Associate Dean **David Haustein**
Springfield Clinical Campus: Facts

Program
• All students spend first two years in Columbia
• Up to 32 students will go SCC in the third year for required clerkships
• SIM centers and support staff on each campus
• Fourth year students can learn in either campus
• Close integration between Columbia and Springfield campuses to ensure equivalent educational experiences

Students
• 2021: 19 M3s and 23 M4s at SCC
• 2022: 31 M3s and 19 M4s at SCC
• Full range of specialties selected (20% stayed in Missouri for training)

Faculty
• Paid faculty clerkship directors
• Volunteer faculty: 170 CoxHealth, 120 Mercy Springfield
New Leaders

- **Dr. Parvesh Kumar**, associate dean for clinical and translational research and associate director for clinical research at Ellis Fischel Cancer Center
  - Will champion clinical trials research and participation
  - Expert in radiation oncology and clinical research management; came from UNLV School of Medicine where he was Vice Dean for Research
  - He joins 3 other associate deans that manage the full translational continuum of medical research:
    - William Fay, MD, Laboratory
    - Russ Waitman, PhD, Informatics
    - Gillian Bartlett, PhD, Population/Health Outcomes
Recruitment updates and Growth

- Chair searches in OB/GYN and Neurology
- Chief of Hematology/Oncology, Cancer Center Director
- Research Hiring (RISE-UP)
  - 34 positions approved
  - 12 offers made
  - 7 new faculty hired
- Clinical revenue FYTD $204,649,000 + 2.1% over last year
  - Services by SOM faculty (through May)
    - Outpatient visits 507,476
    - Inpatient visits 208,322
    - Procedures 163,045
Research Awards and Expenditures
(by fiscal year in millions $)

- All Research Expenditures
- AAU Phase 1 Awards
- AAU Phase 1 Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>All Research Expenditures</th>
<th>AAU Phase 1 Awards</th>
<th>AAU Phase 1 Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>38.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>39.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>43.0</td>
<td>38.1</td>
<td>38.8</td>
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<tr>
<td>2020</td>
<td>53.4</td>
<td>44.2</td>
<td>40.0</td>
</tr>
<tr>
<td>2021 (YTD)</td>
<td>56.8</td>
<td>50.3</td>
<td>40.0</td>
</tr>
</tbody>
</table>
Challenges

1. Competition for faculty in southwest Missouri:
   • our partners are competing health systems
   • large osteopathic school in Joplin (350 per class)
   • tax credit for volunteer faculty (HB 689) did not pass in the MO Senate

2. Faculty recruitment in Columbia:
   • competition for funded researchers
   • post-COVID uncertainty affects desire to move
   • challenging housing market

3. Need to sustain clinical growth and grow philanthropy to support academic mission
   • each $1 from external sources requires average $1.52 investment
Growth in Research Expenditures Will Require Investment

Relationship Between Externally Funded Research and Total Research Expenditures
(On average 1.52 investment needed for every $1 increase in Expenditures)

Expenses funded by restricted grants & contracts for research (in $M)

Source: Association of Academic Health Centers. “How much does research cost” 2014
CEO Report
June 17, 2021

Jonathan Curtright
Chief Executive Officer
“Dr. Fiala and all staff members were courteous and personable. Dr. Fiala was up to date on my health records and the recent X-ray images. He discussed options for treatment with me, explained the details clearly, and answered my questions. Very helpful and friendly.”
System level quality and safety
<table>
<thead>
<tr>
<th>MU Health highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CMS.gov</strong>&lt;br&gt;Centers for Medicare &amp; Medicaid Services</td>
</tr>
<tr>
<td><strong>MACRA / MIPS</strong></td>
</tr>
<tr>
<td><strong>Level I Stroke Center</strong>&lt;br&gt;Missouri Department of Health and Senior Services</td>
</tr>
<tr>
<td><strong>THE COMMITTEE ON TRAUMA</strong>&lt;br&gt;VERIFIED TRAUMA CENTER</td>
</tr>
<tr>
<td><strong>MBSAQIP</strong>&lt;br&gt;ACCREDED CENTER&lt;br&gt;QUALITY PROGRAM</td>
</tr>
<tr>
<td><strong>LOWN INSTITUTE HOSPITALS INDEX</strong></td>
</tr>
</tbody>
</table>
Children’s Hospital rendering

- Expanding by **90 inpatient beds** this fall
- **On time** and **on budget** for summer 2024 opening
- **Oct. 1** formal groundbreaking ceremony
- Children’s Hospital philanthropy team
Challenges

1. Revenue pressures
   • Managed Medicaid
   • Specialty pharmacy and imaging
   • Inpatient to outpatient orthopaedics

2. Medical inflation and construction costs

3. Recruitment of cardiologists, neurologists and oncologists
University of Missouri Health Care
Health Affairs Committee

Financial Report
Fiscal Year 2021, April Year-to-Date

Overview
Year-to-date financial performance for Net Income is favorable to forecast by $8.9M. Net revenues per adjusted patient day are 11.4% higher than prior year, offsetting the 7.0% increase over prior year in operating expenses per adjusted patient day. The focus on aligning operating expenses in relation to patient revenue and volume is reflected in favorable operating performance.

Performance Updates
- Case Mix Index of 2.0 is 8.8% higher than forecast and 7.0% higher than prior year
- Average Daily Census is 2.1% lower than forecast and 3.2% lower than prior year
- OR Cases are 1% lower than forecast and 3.4% higher than prior year
- Clinic visits are .7% lower than forecast and 4.7% higher than prior year

Ratios and Benchmarks
Operating Margin, Annualized Return on Total Assets, Cash to Total Debt, Debt to Capitalization and Maximum Annual Debt Service Coverage are favorable to Moody’s A rated medians, while Net Days Revenue in AR and Days Cash on Hand are unfavorable to Moody’s A rated medians.

- The impacts of the Cerner Revenue Cycle Conversion on cash collections and accounts receivable are will be short term and are reflected in the financial ratios and benchmarks below.
- Construction on the Children’s Hospital Facility began in March and the project is favorable to spending projections to date and funded by operating income.

<table>
<thead>
<tr>
<th>Financial Ratios and Benchmarks</th>
<th>Actual</th>
<th>Forecast</th>
<th>Prior Year</th>
<th>Moody’s A-Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Margin</td>
<td>7.7%</td>
<td>6.5%</td>
<td>3.8%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Annualized Return on Total Assets</td>
<td>6.6%</td>
<td>4.9%</td>
<td>2.2%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Cash to Total Debt</td>
<td>171.0%</td>
<td>147.0%</td>
<td>195.0%</td>
<td>137.9%</td>
</tr>
<tr>
<td>Debt to Capitalization</td>
<td>24.2%</td>
<td>28.9%</td>
<td>23.8%</td>
<td>30.9%</td>
</tr>
<tr>
<td>Maximum Annual Debt Service Coverage</td>
<td>6.1</td>
<td>5.4</td>
<td>2.9</td>
<td>4.7</td>
</tr>
<tr>
<td>Days Cash on Hand</td>
<td>186.8</td>
<td>193.1</td>
<td>198.2</td>
<td>215.1</td>
</tr>
<tr>
<td>Net Days Revenue in AR</td>
<td>59.6</td>
<td>49.9</td>
<td>40.0</td>
<td>46.2</td>
</tr>
</tbody>
</table>
University of Missouri School of Medicine
Health Affairs Committee

Financial Report
Fiscal Year 2021, April Year-to-Date

<table>
<thead>
<tr>
<th>Consolidated Financial Results ($000's)</th>
<th>Actual</th>
<th>Forecast</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Clinical Revenues</td>
<td>$196,264</td>
<td>$195,111</td>
<td>$197,626</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(199,777)</td>
<td>(195,350)</td>
<td>(194,001)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>(3,513)</td>
<td>(239)</td>
<td>3,625</td>
</tr>
<tr>
<td>Non-operating Revenues, Net</td>
<td>(1,484)</td>
<td>(114)</td>
<td>5,001</td>
</tr>
<tr>
<td>Change in Net Assets/Net Income</td>
<td>-4,997</td>
<td>-353</td>
<td>8,626</td>
</tr>
</tbody>
</table>

Overview
Year-to-date financial performance for Net Income is below forecast by $4.6M. Net clinical revenues continue to outperform forecast by $1.2M but still below prior year primarily due to COVID and Cerner Software Conversion factors. External grants and contracts are robust at 20% higher than prior YTD. Negative change in net assets also reflect that reserves are being used to support increased research faculty hires and related startup costs.

Performance Updates
- Total faculty productivity as measured by Work RVU’s are even with forecast and 6% higher than prior year
- Clinical FTE are 341 faculty which represents an increase of 29 over prior year
- External grants and contracts are $9M above forecast and 20% higher than prior year
- BRIMNR Ranking increased to 82 compared to 83 prior year
- Clinic visits are .7% lower than forecast and 4.7% higher than prior year
- The impacts of the Cerner Revenue Cycle Conversion on cash collections and accounts receivable will be short term
Memo

To: Board of Curators – Health Affairs Committee
   University of Missouri System

From: Jennifer May
   MU Health Chief Compliance Officer

Date: June 17, 2021

Re: Quarterly Compliance Update

I. Corporate Integrity Agreement Update
   A. Reporting Period 5
      i. Covers dates July 1, 2020 through June 30, 2021
      ii. Final year of the five-year agreement, term ends June 30, 2021
      iii. Final annual report will be submitted no later than October 1, 2021
      iv. The five locations selected for review by the Independent Review Organization, BKD, have been received. The Claims Review process will begin after the close of the fiscal year and wrap prior to the submission of the final annual report.

   B. Status of Task Items
      i. See CIA tracking spreadsheet

   C. Close Out Process
      i. Barring any requests from the OIG for additional materials, Clauses VII: OIG Inspection, Audit and Review Rights; X: Breach and Default; and XI: Effective and Binding Agreement, are set to expire on or about January 29, 2022 (based on submission date of final report)
      ii. OIG has one year to initiate any Validation Review of the final Claims Review, which option shall expire on or about October 1, 2022 (based on submission date of final report)

   D. Overview of CIA Annual Report items
      i. Please note: the full report will be reviewed with this committee during the August 2021 meeting; all information below is preliminary
      ii. Executive Compliance Committee (ECC): upon completion of the June 2021 meeting, this committee will have met each month during the reporting period; topics reviewed included CIA updates, compliance reports, risk assessment reviews, work plan updates, and other relevant areas of review
      iii. Compliance Report Intake: staff and faculty have continued to use all three primary means of communication to report issues (direct communication, Patient Safety Network, and the UM System hotline) throughout the reporting period; overall direct reports to the compliance office continue to trend up over prior year
iv. Training and Education: all staff and faculty are trending to complete all modules on-time
v. Management Certifications: certifications of compliance must be made annually by management level personnel identified in the CIA; this process will begin after the close of the reporting period
vi. Exclusion Screening: checks have been completed each month throughout the reporting period
vii. Policy Review: this process is currently underway; scheduled for completion by June 30, 2021
viii. FY21 Monitoring and Auditing: work plans are in the final stages of completion
ix. FY22 Risk Assessment and Compliance Plan: UM system has completed their risk assessment and audit plan for FY22 and presented it to the ECC in May; the Office of Corporate Compliance is finalizing their risk assessment and compliance work plan for FY22 and will present it to the ECC at the scheduled June meeting
x. CIA Resolution: the resolution below will be presented for consideration at the August 2021 Health Affairs Committee meeting:
   1. “The Health Affairs Committee of the Board of Curators of the University of Missouri has made a reasonable inquiry into the operations of the Compliance Program of MU Health (sometimes referred to as University of Missouri Health System or UMHS) including the performance of the Chief Compliance Officer and the Compliance Committee. Based on on its inquiry and review, the Health Affairs Committee has concluded that, to the best of its knowledge, UMHS has implemented an effective Compliance Program to meet Federal health care program requirements and the obligations of the Corporate Integrity Agreement.”
<table>
<thead>
<tr>
<th>CIA Section #</th>
<th>CIA Section Title / Content Summary</th>
<th>Action Item</th>
<th>Assigned To</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>III.A.1</td>
<td>Chief Compliance Officer</td>
<td>quarterly reports to BOC</td>
<td>CCO / BOC HAC</td>
<td>17-Jun-2021</td>
</tr>
<tr>
<td>III.A.2</td>
<td>Compliance Committee</td>
<td>quarterly meetings of ECC</td>
<td>CCO</td>
<td>25-May-2021</td>
</tr>
<tr>
<td>III.A.3</td>
<td>BOC Compliance Obligations</td>
<td>description of materials reviewed</td>
<td>BOC (CCO)</td>
<td>1-Oct-2021</td>
</tr>
<tr>
<td>III.A.3</td>
<td>BOC Compliance Obligations</td>
<td>resolution</td>
<td>BOC (CCO)</td>
<td>1-Oct-2021</td>
</tr>
<tr>
<td>III.A.4</td>
<td>Management Certification</td>
<td>annual certification of compliance</td>
<td>CCO</td>
<td>starts 7/1/21</td>
</tr>
<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>annual review of COC</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>annual distribution to all Covered Persons</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>annual review of all compliance policies</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.C.1</td>
<td>Training Plan</td>
<td>furnish training to all Covered Persons</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.C.2</td>
<td>Certification</td>
<td>Covered Persons certification of training</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.C.3</td>
<td>Update of Training Plan</td>
<td>annual review of training plan</td>
<td>CCO</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.C.5</td>
<td>Update of Training Plan</td>
<td>changes to training plan (requires OIG approval)</td>
<td>CCO</td>
<td>n/a</td>
</tr>
<tr>
<td>Appendix B</td>
<td>Claims Review</td>
<td>annual review</td>
<td>IRO</td>
<td>1-Oct-2021</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.1.c. Population</td>
<td>furnish patient census and payor mix to OIG</td>
<td>CCO/ UP</td>
<td>31-Mar-2021</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.1.c. Population</td>
<td>proposed subset of claims for review (not req'd)</td>
<td>CCO / UP</td>
<td>31-Mar-2021</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.3 Repayment of Overpayments</td>
<td>UMHS shall repay IRO-identified overpayments</td>
<td>UP</td>
<td>if necessary</td>
</tr>
<tr>
<td>III.E</td>
<td>Risk Assessment and Internal Review</td>
<td>annual risk assessment conducted</td>
<td>CCO/ Internal Audit</td>
<td>30-Jun-2021</td>
</tr>
<tr>
<td>III.F</td>
<td>Disclosure Program</td>
<td>maintain disclosure log / record of disclosures</td>
<td>CCO</td>
<td>30-Jun-2021</td>
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<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current Covered Persons - annually - SAM</td>
<td>CCO</td>
<td>1-Jun-2021</td>
</tr>
<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current Covered Persons - monthly - LEIE</td>
<td>CCO</td>
<td>1-Jun-2021</td>
</tr>
<tr>
<td>III.J.2</td>
<td>Reporting of Reportable Event</td>
<td>notification to OIG of reportable event</td>
<td>CCO / CPO</td>
<td>as necessary</td>
</tr>
<tr>
<td>V.B</td>
<td>Annual Reports</td>
<td>submission of annual report</td>
<td>CCO</td>
<td>1-Oct-2021</td>
</tr>
<tr>
<td>V.C.1</td>
<td>Certifying Employees</td>
<td>management certifications in annual report</td>
<td>CCO</td>
<td>1-Oct-2021</td>
</tr>
<tr>
<td>V.C.2</td>
<td>CCO and EVC-HA</td>
<td>certification by CCO and EVC-HA in annual report</td>
<td>CCO / EVC-HA</td>
<td>1-Oct-2021</td>
</tr>
</tbody>
</table>

as of 06/04/2021  Effective Date is June 30, 2016 / Reporting Period (RP) is each 1 yr period after effective date
### COMPLETED DURING REPORTING PERIOD 1

<table>
<thead>
<tr>
<th>III.A.2</th>
<th>Compliance Committee</th>
<th>appmt of Committee (ECC) / CCO chair</th>
<th>CCO</th>
<th>Completed RP1</th>
</tr>
</thead>
<tbody>
<tr>
<td>III.A.4</td>
<td>Management Certification</td>
<td>written process for certifications</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>implementation of code of conduct</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Code of Conduct</td>
<td>performance eval process includes Code of Conduct</td>
<td>HR</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>implementation of compliance policies</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>performance eval process includes policies</td>
<td>HR</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>(see a. - h. for policy topics)</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>policies available to all Covered Persons</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.C.1</td>
<td>Training Plan</td>
<td>develop written training plan</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.C.2</td>
<td>BOC Training</td>
<td>provide 2-hour training to BOC (certifications signed)</td>
<td>CCO / BOC Office</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.D.1.a</td>
<td>Engagement of IRO</td>
<td>engage IRO, as required in Appendix A</td>
<td>Finance</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current CPs - initial</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>policy for Covered Persons to disclose exclusion</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.I.2</td>
<td>Overpayments Policies and Procedures</td>
<td>develop and implement written policy</td>
<td>Finance</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>V.A</td>
<td>Implementation Report</td>
<td>submission of implementation report</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>V.C.3</td>
<td>CFO of UMHS</td>
<td>first annual report only; cert of settlement agmt</td>
<td>CFO</td>
<td>Completed RP1</td>
</tr>
</tbody>
</table>

### COMPLETED PRIOR TO EFFECTIVE DATE

<table>
<thead>
<tr>
<th>III.A.1</th>
<th>Chief Compliance Officer</th>
<th>appmt of CCO/job duties</th>
<th>EVC-HA</th>
<th>Completed Prior</th>
</tr>
</thead>
<tbody>
<tr>
<td>III.E</td>
<td>Risk Assessment and Internal Review</td>
<td>annual risk assessment process established</td>
<td>CCO / Internal Audit</td>
<td>Completed Prior</td>
</tr>
<tr>
<td>III.F</td>
<td>Disclosure Program</td>
<td>establish disclosure program (hotline)</td>
<td>CCO / Internal Audit</td>
<td>Completed Prior</td>
</tr>
<tr>
<td>III.G.2.a</td>
<td>Screening Requirements</td>
<td>screening process for prospective Covered Persons</td>
<td>HR</td>
<td>Completed Prior</td>
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</tbody>
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The contractual collaboration between MU Health Care (MUHC) and Cerner Corporation (Cerner), known as the Tiger Institute for Health Innovation (Tiger Institute), is scheduled to auto-renew for an additional five (5) years from 7/1/2025 through 6/30/2030. The estimated total cost for the extension is $167,235,682.

In 2010, the Board of Curators approved, and MUHC and Cerner subsequently signed, a set of 10-year contracts that created the Tiger Institute. Since the formation of the Tiger Institute, MUHC has achieved many health technology successes, including but not limited to: being ranked in the top 2 percent by Healthcare Information and Management Systems Society (HIMSS), exceeding a goal of the top 5 percent; attained “Digital Health Most Wired” status every year since 2011; and achieved HIMSS Electronic Medical Record Adoption Model Stage 7 for adoption and utilization of electronic medical record function in 2012, recertified in 2016 and 2021.

In July 2015, the contract was renewed for another ten (10) years through June 30, 2025 to reset goals, objectives, and strategies to lead MUHC into the next decade. The focus shifted to becoming a broader resource for Missouri and beyond; growing platforms, leveraging data to excel clinical outcomes, value-based care, research, and cost efficiency. All goals outlined in the 2015 contract remain in effect for the renewal period through June 30, 2030.

The existing Amended and Restated Cerner Preferred Client Relationship Agreement that was signed in 2015 automatically renews for successive five-year renewal terms unless either party provides written notice of the intent not to renew at least four years before the expiration of the then current term. A system fee schedule and master agreement renewal request were approved by the Tiger Institute Executive Committee in February 2021 and the Tiger Institute Board of Governors in April 2021. It will be presented to the Health Affairs Committee as an informational item in June 2021.

Agreements, including existing schedules and amendments, that will remain intact through the extension of the collaborative relationship include:

- Amended and Restated Cerner Preferred Client Relationship Agreement (Master Agreement) – Governs the overall Tiger Institute relationship and outlines the key initiatives the parties intend to pursue.
- Second Amended and Restated Cerner System Agreement – Governs information systems and ITWorks management.
- Research Initiative Agreement – Defines a process whereby Cerner and the University of Missouri System can collaborate on research activities.

June 24, 2021
• **Iconic Status Initiative Agreement** – Specifies tactics the parties are using and will continue to use to assist MUHC in attaining Iconic Status.

• **Population Health Initiatives Agreement** – Specifies tactics for developing population health activities, including exploring ways to utilize technology to further MUHC’s clinically integrated networks and provide population health management services to employers, including University of Missouri System.

• **Amended and Restated Living Lab Agreement** – Redefines the parties’ parameters for Cerner’s $2 million per year commitment to the Living Lab and developing new, innovative products and solutions.

• **Amended and Restated Health Information Exchange (HIE) Network Agreement** – Governs the HIE and allows the University to resell products to outside entities.

• **Schedule of ITWorks Services** – Provides MUHC’s IT workforce.

The projected financial impact has not changed materially since the last contract approved by the Board of Curators in 2015. Projected annual costs for the extension period range from $32.1M to $34.9M per year, which includes a 3% annual CPI increase for ITWorks labor fees only. This is a change from the current contract in that all fees are subject to an increase currently, and only labor fees will be subject to the increase for the renewal period. In addition, one FTE per year will no longer be automatically added to the ITWorks fees. Additional ITWorks FTE’s will be negotiated as needed. The IT operating expense as a percentage of total MUHC operating expenses was 3.68% for FY20, which has dropped from 3.92% in FY18 and 3.75% in FY19. MUHC believes this cost is comparable to the IT costs of other health systems and represents a good value when the moderate cost is compared to the high level of IT performance that it has allowed MUHC to achieve.

The total $167,235,682 expenditure will be paid from MU Health Care’s operating funds.

June 24, 2021
It was moved by _______________ and seconded by _______________, that the minutes of the April 13, 2021 Health Affairs Committee meeting, held in conjunction with the April 22, 2021 Board of Curators Meeting, be approved as presented.

Roll call vote of Committee: YES NO

Mr. Ashworth
Curator Graham
Mr. Phillips
Curator Wenneker
Curator Williams

The motion ________________.
Recommended Action – Resolution for Executive Session of the Board of Curators Health Affairs Committee Meeting, June 17, 2021

It was moved by _________ and seconded by __________, that there shall be an executive session with a closed record and closed vote of the Board of Curators Health Affairs Committee meeting June 17, 2021 for consideration of:

- **Section 610.021(1), RSMo**, relating to matters identified in that provision, which include legal actions, causes of action or litigation, and confidential or privileged communications with counsel; and

- **Section 610.021(2), RSMo**, relating to matters identified in that provision, which include leasing, purchase, or sale of real estate; and

- **Section 610.021(3), RSMo**, relating to matters identified in that provision, which include hiring, firing, disciplining, or promoting of particular employees; and

- **Section 610.021 (13), RSMo**, relating to matters identified in that provision, which include individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment; and

- **Section 610.021(14), RSMo**, relating to matters identified in that provision, which include records which are protected from disclosure by law.

Roll call vote of the Committee:  

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<th>YES</th>
<th>NO</th>
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| Mr. Ashworth  
Curator Graham  
Mr. Phillips  
Curator Wenneker  
Curator Williams |

The motion ________________.