Minutes of the Academic Medical Centers and Hospitals Committee
of the Board of Trustees of the State University of New York
December 4, 2012

Pursuant to a notice of meeting duly given on November 17, 2012, the Academic Medical Centers and Hospitals Committee of the Board of Trustees of the State University of New York held a meeting on December 4, 2012 at the State University Plaza, 353 Broadway, Albany, New York.

Committee Members Present:
(Mr. John Murad, Chair)
Trustee Stephen Hunt
Trustee Eunice A. Lewin
Trustee Marshall Lichtman
Trustee Cary Staller

Trustees not present:
Trustee Sanford

Other Trustees Present:
Trustee Joseph Belluck
Trustee Henrik Dullea
Trustee Ronald Ehrenberg
Chairman H. Carl McCall
Trustee Angelo Fatta
Trustee Kenneth O’Brien
Trustee Kevin Rea
Trustee Geri Warren-Merrick

Others Present:
Chancellor Nancy Zimpher, Dr. David Lavallee, Mr. Brian Hutzley, Ms. Stacey Hengsterman, Mr. James Introne, Mr. Jason Helgerson, Ms. Kaitlin Gambrill, Dr. John Williams, Ms. Astra Bain-Dowell, Dr. David Smith, Dr. John McCabe, Dr. Steve Brady, Mr. Ken Kaushansky, Mr. Fred Hildebrand, Mr. Robert Kraushaar, Mr. Fred Matthews, Ms. Heather Eichin.

The Academic Medical Centers and Hospitals Committee meeting was called to order by Trustee John Murad at 11:30 a.m. on Tuesday, December 4, 2012 at SUNY System Administration.

- Mr. Murad asked if there were any corrections or amendments to the revised agenda. The revised agenda was approved.
- Mr. Murad made a motion to enter Executive Session at 11:45 a.m.
- Executive Session ended at 12:45 p.m.
• Mr. Murad asked for approval of the minutes from the November 14, 2012 Committee meeting. The minutes were approved.
• Mr. Murad commented that hospital governance is an important issue and requires the Board of Trustees attention as governance models and options are reviewed. He commented on the importance of the input of the academic medical centers and cabinet and that they are brought into discussions prior to a final governance decision.
• Mr. Staller requested that cabinet members review the articles that were circulated to the members related to governance.
• Mr. McCall requested that a proposal be prepared by the Chancellor as things move forward.
• Mr. Murad requested the update on Upstate Medical University. (see attached presentation)
• Mr. Staller questioned if Upstate was sure of the impact on overtime and weekend shifts should nurses affected by the change to the shift differential would request regular shifts.
• Dr. McCabe indicated that Upstate has an ability within its system to assign shifts.
• Dr. Lichtman asked how are people getting advised of the new expectations?
• Dr. McCabe articulated that once approved they would move toward a time certain and effective communication and operational plan.
• Dr. Lichtman asked if nurses would see a reduction in salary. Dr. Smith indicated yes and explained that the percent of salary approach based on collectively bargained salaries has priced them above market for the shift differential. Dr. McCabe agreed.
• Dr. Lichtman asked if they needed to be above market to remain competitive. Dr. McCabe said that the educational opportunities that Upstate can offer make them attractive to nurse staff.
• Ms. Lewin asked what happens if nurses exit. Dr. McCabe said that nursing movement is always present and they may need to recruit nurses from outside their area. Ms. Lewin asked when the plan to evaluate that is. Dr. McCabe said that at Upstate the department of recruitment and retention is an ongoing function and continually evaluates the nursing needs for Upstate.
• Dr. Smith said overall the plan is to reduce traveling nurses. Dr. McCabe concurred that there are contracts in place for travelers and are far from ideal, but can provide temporary assistance.
• Mr. Hunt asked if there were specific factors for the hospitals for ERS calculations. Dr. Smith said that the calculations were built on existing tier 1, 2, 3 and 4 employees and that they would advocate for other tier options as we move down the road.
• Mr. Hunt asked if there was backup to the ERS calculation provided with the bill. Dr. Smith said no. Mr. Hunt said that as an auditor, he often found that the ERS salaries were inflated. Dr. Smith said that there should be an audit of the calculation.
• Mr. Staller asked if Upstate was making a floor and creating a transitional care unit to assist with Upstate’s hard to place patient issue. Mr. Murad said that Upstate currently had a CON into DoH for a transitional care unit. Dr. McCabe said that a transitional care unit is an intermediate step for patients that are not sick enough for the hospital, but do not require long term care.
• Mr. Staller said that the pension problem is a really serious problem and that there is a need to focus on it.
• Mr. Murad welcomed Dr. John Williams, President of Downstate Medical Center and requested his Performance Improvement Plan presentation.(see attached presentation)
• Mr. Murad stated that he is feeling very comfortable with what Dr. Williams is doing at Downstate.
• Mr. Rea asked how widespread is the discontent from the one year letter and what are the plans if there is an incident? Dr. Williams stated that the employee may be removed for direct cause immediately.
• Dr. Williams outlined how he has taken particular pains to meet with students and the student groups and so far the schools have not been affected.
• Mr. Ehrenberg asked if physician compensation is tied to productivity. Dr. Williams stated no.
• Dr. Staller asked how the quality of care is at Downstate. Dr. Williams said that quality of care is remarkably good as the majority of physicians are Downstate graduates and take extreme pride in their work and work very hard.
• Mr. Staller reiterated that Downstate has always had very high scores on quality and is that because of right size doing well or because patient load of employees. Dr. Williams said at any time there are 500 people and we have some of the sickest patients in the country with nowhere to go and not enough nursing homes.
• Mr. O’Brien commented that Downstate serves a population that deserves the best medical care. Downstate has a long record of educating medical students. He said that he is deeply distressed for a medical center to have anything other than a patient centered institution. He thanked Dr. Williams for taking this on.
• Ms. Lewin thanked Dr. Williams for taking on the immense challenges. Dr. Williams quoted his mentor, Steven Trachtenberg, and said “never waste a good crisis”. He stated that the IGT will provide an opportunity to create something sustainable and transformational. He said that Brooklyn is currently broken and that a Brooklyn solution is required and Downstate thinks a strong consortium is important and is working on it.
• Ms. Lewin asked what proportion of the operation could be fixed by a better billing system and what portion of students does UHB care for. Dr. Williams commented that financial figures were still being finalized, but a ballpark would be about half resolved with a new billing system. He said that 45 – 48% of 3-4 year students rotate at other hospitals. Kings County takes a large portion and he has spoken with other hospitals about taking additional students. One Brooklyn hospital told Dr. Williams that they would prefer Downstate students to St. George’s and that Rebranding will be a large part of this strategy when speaking to other hospitals as Downstate is the only AMC of Brooklyn and physicians should want to be associated with it from a prestige perspective.
• Dr. Lichtman asked if there is a movement of money for the residents at other hospitals. Dr. Williams said yes. Dr. Lichtman followed up by asking if Kings County is included in the cost of education. Dr. Williams said yes, half the faculty is also on Kings County.
• Mr. Staller asked if the systemic problem in Brooklyn could be mitigated by creating a medical home. Dr. Williams said yes the accountable care act is pushing us even more.
• Ms. Lewin asked if the finance office could rebuild the billing system. Dr. Williams said that Pitts feels confident to rebuild it.
• Mr. Murad thanked Dr. Williams and stated that the committee looked forward to working with him.
• Mr. Murad made a motion to enter Executive Session at 1:15 p.m.
• Executive Session ended at 1:45 p.m.
• Mr. Murad asked for the approval of two resolutions. The first was approval for the Commendation of Associate Vice Chancellor Kathleen Preston who he stated the committee had great respect for and put forth a motion to approve the resolution. It was approved to move forward to the full Board of Trustees for consideration.
• Mr. Murad put forth the resolution for Upstate Medical Center’s nurse pay differential and asked Mr. Howard to comment. Mr. Howard provided that the resolution was for Upstate Medical to adjust the manner by which they were calculating the nursing shift differential from a percentage of salary to a defined specific hourly amount. Mr. Murad made a motion to move the resolution forward to the full Board of Trustees for consideration. There was approval by the committee to move this resolution forward to the full Board.
• Mr. John Murad made a motion to end the meeting at 2:00 p.m., which was approved by all.