ESSENTIAL HOSPITALS INSTITUTE

Board of Directors Meeting

September 30, 2013

Washington Marriot | Washington, D.C.

essentialhospitalsinstitute.org

AMERICA'S ESSENTIAL HOSPITALS
1301 Pennsylvania Ave NW Ste 950
Washington DC 20004

t: 202.585.0100
f: 202.585.0101
e: info@essentialhospitals.org

ESSENTIAL HOSPITALS INSTITUTE

Table of Contents
Board of Directors Meeting

September 30, 2013
1:00 pm – 5:00 pm

Washington Marriot
1221 22nd Street NW
Washington, DC 20037

Agenda 2

Essential Hospitals Institute Board of Directors 2013 - 2014 3

Essential Hospitals Institute Board of Directors Code of Conduct 4

Minutes from Board of Directors Meeting, June 2012 8

Essential Hospitals Institute 2013 Financial Update 14

Essential Hospitals Institute Activities Report 23

Essential Hospitals Institute Board of Directors Conflict of Interest Policy 33

America's Essential Hospitals Member List 39

ESSENTIAL HOSPITALS INSTITUTE

Agenda
Board of Directors Meeting
September 30, 2013
1:00 pm – 5:00 pm

Washington Marriot
Washington, DC 20037

1:00 – 1:10 pm	**Call to Order/Agenda Overview** *Clifford Wang* **Action Item:** *Approve June 18, 2013 Board Meeting Minutes*
1:10 – 1:25 pm	**Treasurer's Report** *Anna Roth* **Action Item:** *Accept Treasurer's Report* **Finance Committee, Essential Hospitals Institute** **Action Item:** *Confirm Committee Membership*
1:25 – 1:45 pm	**Education Committee Update** *Caroline Jacobs, Co-chair Education Committee*
1:45 – 3:15 pm	**Research Center Update/Agenda 2014** *Linda Cummings* o *AcademyHealth Translation and Dissemination Institute* o *Current Projects* ***Transforming Care Delivery in America's Safety Net*** ***Essential Hospitals Institute/George Washington University/NACHC*** *Ricky Harrison* ***PCORI: Identifying the facilitators and barriers to providing chronic disease care for patient populations at risk for health and health care disparities in safety net settings*** *Bianca Perez* ***New Priorities: 2014*** *Linda Cummings* o *Section 1115Medicaid Waivers* o *Population Health*
3:15 – 3:30 pm	**Break**
3:30 – 5:00 pm	**Transformation Center Update/Agenda 2014** *David Engler* *Hospital Engagement Network* o *Potential REL focus in 2014* o *Fellows Program 2014*

ESSENTIAL HOSPITALS INSTITUTE

Essential Hospitals Institute
Board of Directors

2013 - 2014

CHAIR
Clifford Wang, MD
Hospitalist, Division of Medicine
Santa Clara Valley Medical Center

SECRETARY
Caroline M. Jacobs, MPH
Senior Vice President, Safety & Human Development
New York City Health and Hospitals Corporation

TREASURER
Anna M. Roth, MPH, MS, RN
CEO
Contra Costa Regional Medical Center

PAST CHAIR
Johnese M. Spisso, MPA, RN
Chief Health System Officer, UW Medicine and VP for Medical Affairs, UW
UW Medicine

RECORDING SECRETARY/EX OFFICIO
Bruce Siegel, MD, MPH
President & CEO
America's Essential Hospitals

MEMBER DIRECTOR
John W. Bluford, III, MBA
President and CEO
Truman Medical Centers

Leon L. Haley, Jr., MD, MHSA
Executive Associate Dean, Clinical Services - Grady Chief Medical Officer
Grady Health System

Susan Moffatt-Bruce, MD, PhD
Chief Quality and Patient Safety Officer
The Ohio State University Wexner Medical Center

Christine Neuhoff, JD
System Vice President and General Counsel
St. Luke's Health System

L. Reuven Pasternak, MBA, MD, MPH
CEO
Stony Brook University Hospital

OUTSIDE DIRECTOR
Donald A. Goldmann, MD
Chief Medical and Scientific Officer
Institute for Healthcare Improvement

Jerod M. Loeb, PhD
Executive Vice President, Division of Healthcare Quality Evaluation
The Joint Commission

Melissa Stafford Jones, MPH
President and CEO
CAPH-California Association of Public Hospitals and Health Systems

Alan Weil, JD
Executive Director
National Academy for State Health Policy

Winston F. Wong, MD, MS
Medical Director, Disparities Improvement and Quality Initiatives
Kaiser Foundation Health Plan

EX-OFFICIO
Richard P. Lofgren, MD, MPH
Senior Vice President and Chief Clinical Officer
UHC

Essential Hospitals Institute Board of Director's
Code of Conduct Policy

Board Member's Oath of Office: Board members agree to an Oath of Office on joining its Essential Hospitals Institute Board of Directors. Such agreement will include acceptance of the provisions included in this document.

As a director of the Institute, I declare that, in carrying out my duties as a director I will:

- Exercise the powers of my office and fulfill my responsibilities in good faith and in the best interests of Essential Hospitals Institute.
- Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
- Respect and support Essential Hospitals Institute's Bylaws, Policies, Code of Conduct, and decisions of the Board and membership.
- Keep confidential all information that I learn about members, personnel, and any other matters specifically determined by Board motion to be matters of confidence including and especially matters dealt with during executive (closed) meetings.
- Conduct myself in a spirit of collegiality and respect for the collective decisions of the Board and subordinate my personal interests to the best interests of Essential Hospitals Institute.
- Immediately declare any personal conflict of interest that my come to my attention.
- Immediately resign my position as director of Essential Hospitals Institute in the event that I, or my colleagues on the Board, have concluded that I have breached by Oath of Office or Code of Conduct.

Board Member's Code of Conduct: The Board commits itself and its members, as well as all staff to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting on behalf of Essential Hospitals Institute. They will at all times conduct themselves in a manner that:

- Supports the mission, values, goals and objectives of Essential Hospitals Institute.
- Brings credibility to Essential Hospitals Institute, and takes no action nor creates any perception that may bring discredit to the good name and credibility of Essential Hospitals Institute.
- Respects and gives fair consideration to diverse and opposing viewpoints.
- Demonstrates due diligence and dedication in preparation for and attendance at the meetings.
- Ensures that the financial affairs of Essential Hospitals Institute are conducted in a responsible and transparent manner with due regard for their fiduciary responsibilities.
- Avoids real or perceived conflicts of interest.

- Complies with the Bylaws and policies approved by the Board, in particular this Code of Conduct, the Oath of Office, and Conflict of Interest policies.
- Publically acknowledges and adheres to decisions legitimately taken in the transaction of Essential Hospitals Institute's business.

Conflicts of Interest: Members of the Board of Directors shall act at all times in the best interests of Essential Hospitals Institute. Board members shall immediately disclose any conflicts of interest to the Chairperson or publically state the conflict at Essential Hospitals Institute's board meeting, if earlier. The following provides guidance regarding real, perceived, and/or potential conflicts of interest.

Definition of Conflict of Interest:

- Board members are considered to be in "conflict of interest" whenever they themselves, or member of their family, business partners or close personal associates, may personally benefit either directly or indirectly, financially or otherwise, from their position on the Board.

- Whether a conflict of interest may be "real", "potential", or "perceived," the same duty to disclose applies.

- Full disclosure in itself does not remove a conflict of interest. On disclosure of a conflict, the presiding officer has the right to ask a member to recuse him/herself from voting, from participating in discussion, or from being present in the meeting. This right extends up to and including asking for the member's resignation from the Board, committee(s) or task force(s).

Principles for Dealing with Conflict of Interest:

- The Board member must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises and before the Board or its committees deal with the matter at issue.

- If the Board member is not certain he/she is in a conflict of interest position, the matter may be brought before the Chairperson or Board for advice and guidance.

- It is the responsibility of other Board members who are aware of a real, potential or perceived conflict of interest on the part of a fellow Board member to raise the issue for clarification, first with the Board member and, if still unresolved, with the Board presiding officer.

The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. If applicable, the time the member left and returned to the meeting shall also be recorded.

Examples of Conflict of Interest on the Part of a Board Member:

- Any circumstance that may result in a personal or financial benefit to a director or his family, business associate or friend. This includes but is not limited to, accepting any payment for services rendered to the corporation, including contracted work or honoraria; accessing financial or other resources for personal use, i.e. transportation, training costs, supplies, equipment, etc.

- Personal interests which conflict with the interests of Essential Hospitals Institute or are otherwise adverse to the interests of Essential Hospitals Institute;

- Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking business with Essential Hospitals Institute;

- Being a member of the Board or staff of another organization which might have material interests that conflict with the interests of Essential Hospitals Institute or its clients; and, dealing with matters on one Board which might materially affect the other Board;

- Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate or friend of the director;

- Individuals who serve as directors on the same Board with members of their family or others with whom they have a direct business or personal relationship are subject to an immediate perception of conflict of interest.

Disposition of Complaints and Disputes involving Directors

The Essential Hospitals Institute Board of Directors, in a meeting duly called for the purpose, shall review any complaints that a director has violated any provision of the Corporation's Bylaws, Policies, Code of Conduct or Oath of Office.

The Essential Hospitals Institute Board of Directors shall similarly review disputes between members of the Board that interfere with the ability of the Board to carry on its business. If necessary and/or appropriate, complaints may be referred to an independent arbiter.

Allegations of illegal activity shall be immediately referred to police, child welfare or other appropriate authorities for investigation. Any director against whom such allegations are made shall, on request of the Essential Hospitals Institute Board of Directors, take a leave of absence from the Board pending completion of the investigation.

The review of such complaints or disputes shall include an opportunity for the member(s) concerned to present their positions. This will normally be accomplished in a special executive (closed) meeting of the Essential Hospitals Institute Board of Directors called for this purpose, with due notice provided to all parties.

Every attempt should be made to resolve such matters expeditiously and fairly. If applicable, recommendations regarding resolution of such matters shall be brought to the Board for approval.

The ruling of the Essential Hospitals Institute Board of Directors shall be final. Should the member refuse to abide by the ruling, the Board may table the matter pending determination of disciplinary action. Such action may include, but is not limited to, formal or informal censure by the presiding officer or the Board, suspension, or a request for the member's resignation.

Board of Directors Meeting Minutes
Westin Diplomat Hotel Resort and Spa
Hollywood, Florida
June 18, 2013

Board of Directors
John W. Bluford, III, MBA
Reginald Coopwood, MD
Leon L. Haley, JR., MD, MHSA
Caroline M. Jacobs, MPH, MS.Ed.
Jerod M. Loeb, PhD
Susan Moffatt-Bruce, MD, PhD
Christine Neuhoff, JD
Anna M. Roth, MPH, MS, RN
Bruce Siegel, MD, MPH
Johnese M. Spisso, MPA, RN
Melissa Stafford Jones, MPH
Clifford Wang, MD
Alan Weil, JD
Winston F. Wong, MD, MS

Staff
Sarah Callahan, MHSA
Linda Cummings, PhD
David Engler, PhD
Beth Feldpush, DrPH
Rhonda Gold
Carl Graziano
Ricky Harrison, MPA, MS
Jane Hooker, MN, RN
Brian Hurdle, MPH
Kristine Metter
Bianca Perez, PhD
Jill Steinbruegge, MD, PhD

Minutes

Johnese Spisso, board chair, called the meeting to order at 8:12am, and welcomed all in attendance. David Engler, the new Vice President for Leadership and Innovation was in attendance at his first board meeting so all in attendance stated their names, company, title, and position on the board (if applicable).

The first action item was to seek approval of the board meeting minutes from the March 18 and April 19, 2013, meetings. Christine Neuhoff offered a correction to the minutes of the board call regarding the rebranding on April 19th, stating that she had been in attendance. A call for a motion to approve the minutes for both meetings, corrected for April 19th, was made by Ms. Spisso. The motion was made by Jerod Loeb; seconded by Leon Haley and carried unanimously.

Johnese Spisso informed the attendees that there was a new board member, L. Reuven Pasternak, MD, CEO of Stony Brook University Hospital, who could not be in attendance due to a scheduling conflict.

Treasurer's Report and Auditors' Report

Caroline Jacobs, board treasurer, began the report by offering compliments to Rhonda Gold for her work. With input from Ms. Gold, Ms. Jacobs informed the board about a recent audit and the impact of the Partnership for Patients (PFP) contract funded by the Centers for Medicare and Medicaid Services (CMS). At the outset of the project, 66 member hospitals indicated interest in joining the Transformation Center's hospital engagement network. When the contract was finalized, 29 members actually enrolled as a result of multiple solicitations from state quality associations, UHC, etc. Ms. Jacobs then explained that because of the nature of the contract, the auditors suggested moving funds from income into liability. As a result there is the possibility that CMS may view the fewer hospitals in the project as a change of scope and request the return of some of the funding.

Ms. Jacobs stated that the switch from income to liability has impacted the 2013 budget. She explained that the Institute's current $385,000 operating surplus could decrease to $61,000, to be determined by future CMS action. It is likely, however, that the funding will remain as contracted because the Transformation Center has proposed, at CMS's request, to take on a new scope of work around the collection of race, ethnicity and language data. Ms. Jacobs resumed her report by stating that the rest of the budget projections were as expected.

Johnese Spisso called for a motion to approve the treasurer's report and the auditor's report. Leon Haley moved for approval; the motion was seconded by Jerod Loeb, and approved unanimously.

New Staff Introduction

Bruce Siegel introduced David Engler, the new Senior Vice President for leadership and Innovation to all in attendance. Dr. Engler was received with a warm welcome.

NPHHI Rebranding: Essential Hospitals Institute

Bruce Siegel began with a recap of the NAPH/NPHHI branding activities over the past few months. He mentioned that the final vote among participating NAPH board members was 56 in favor of and 3 opposed to the name change of the association and the Institute. Dr. Siegel then spoke about the new organizational structure for America's Essential Hospitals. The rebranded NPHHI, the Essential Hospitals Institute, will have two branches--the Research Center and the Transformation Center. Dr. Siegel then introduced the new visual identities for the association and the Institute. Dr. Siegel concluded the discussion by reminding the board of directors that the rebranding would become official for the association and the Institute at the June 20, 2013, meeting of members.

Proposed Revisions to the By-laws of the Essential Hospitals Institute

Kristine Metter, Vice President for Member Services, led the discussion on the work of the Institute's bylaws task force by seeking approval for the recommended changes to the Institute's bylaws and purposes within the articles of incorporation. Ms. Metter then outlined the major revisions to the bylaws. The first revision is for the Institute to no longer have members. Because the Essential Hospitals Institute is a 501(c)3 organization, Ms. Metter explained that having members adds vulnerability as a nonprofit. She explained that with the elimination of members, the Board of Directors of America's Essential Hospitals (formerly the 18-member executive committee) will elect the officers of the Institute's board of directors.

Kristine Metter continued the report with a description of how the Institute will follow guidelines as a supporting organization. She mentioned that having the association's board of directors elect the Institute's board will establish this role as a supporting organization. Furthermore, Ms. Metter mentioned that the association's board of directors will be asked to approve recommendations to fill mid-term vacancies on the Institute board.

Ms. Metter then discussed changes to the board committee structure. She added that the changes proposed will provide clarity about the function of certain committees and ease the burden of establishing new committees as needed. One example, provided by Ms. Metter, was the possibility of the finance committee functioning as a committee of the entire board with the CFO providing information to the board's treasurer. Based on concerns raised, the finance committee will be appointed as a subset of the board but the responsibility of approving the annual budget will remain with the entire board.

Following the report by Ms. Metter, Dr. Siegel thanked the task force members who worked on the by-laws revisions. A motion was then called to approve the recommendations of the task force. The motion was approved, seconded, and passed unanimously.

Integrated Care Delivery in Safety Net Health Systems Presentation

Linda Cummings, PhD, began the presentation by offering her thanks to the Essential Hospitals team who worked on this project and to the advisory committee members especially those present at the meeting: Dr. Leon Haley, Grady Health; David Estorge, Memorial Hospital Foundation at Memorial Hospital at Gulfport; and Sue Pickens, Parkland Health Systems.

Dr. Cummings then provided the rationale for the research for the project. She explained that America's Essential Hospitals set integrated care as a strategic priority in 2010. Part of the focus on transformation under the strategic plan was to assist our members as they developed into integrated delivery systems. Dr. Cummings mentioned that the 2010 Fellows program on

integrated care delivery was the best attended program to that point and initiated the Institute's knowledge base around integrated care.

Dr. Cummings described the project's study design which included organizing an advisory committee, conducting an extensive literature review, surveying 140 member sites, and conducting interviews and site visits at 4 member hospitals. She explained that the literature review uncovered 175 definitions of integrated delivery systems.

Dr. Cummings described how findings from the interviews and site visits provided the project with a set of key components to an integrated delivery system in essential hospitals systems:

- A clear and explicit vision of system integration aligned with the organization's mission
- Strong relationship with state payers
- Accountability for clinical and fiscal outcomes
- A focus on population health, primary care, and behavioral health
- Established relationships with strategic partners
- A branded vision
- Robust health information technology systems
- Investment for long term and sustainable transformation

Many board members contributed to the discussion of the key components of an IDS. John Bluford felt that alignment with other payers is an important component. He explained that in Kansas City that he is looking into initiatives with Blue Cross, Aetna, and United Healthcare to assist with Truman Medical Centers' "hot-spotting" efforts and their work addressing the social determinants of health. Dr. Loeb asked how integrated care in the study sites works with ACOs and PCMHs. Dr. Cummings explained that integrated care is the framework and it is used to build an ACO or PCMH. Dr. Coopwood added that "our patients" will become, one day, everybody's patients if our systems do not retain their patient base. Dr. Haley added that we must remain flexible with our IDS definitions because new methods of care are appearing all the time.

Clifford Wang raised a question about the threshold that fully measures if a system is an IDS or not and what does this mean for measuring outcomes? Anna Roth feels that there should be a measurement strategy or a creation of a metric that centers on the Triple Aim. Ms. Roth pointed out that because our hospitals are embedded in the community, we can demonstrate that we are leaders in building integration. Dr. Cummings responded by mentioning that the Institute's projects are aligned under the strategic priorities, and we should start to think "cross-platform" about the work we are doing.

Dr. Cummings provided an overview of the four study sites in the Aetna project: UW Medicine, Harris Health, Boston Medical Center, and Cambridge Health Alliance. She noted that the geographic location, hospital size, and markets in which each site is located made them suitable candidates for study. She added that they all have very robust ambulatory activities and that a full report, detailing the four sites, will go to the sites for editing prior to submission to Aetna. Dr. Cummings added that there was a good amount of vital information gathered from each site. She added that one of the notable features was the managed care and PCMH clinic structures at Cambridge and BMC. Harris Health also has an extensive outpatient system that is vital for their uninsured and undocumented population. Dr. Cummings then went on to explain the shared characteristics of those sites visited. She noted that leadership and putting patients first were vital elements of each of the four sites and that they also had a strong commitment to their patients and their mission.

As part of the presentation, Dr. Cummings described several challenges our hospitals face in building an IDS: meeting the special needs of vulnerable patients, financial constraints, and workforce issues including physician alignment/buy-in. She noted that physician alignment is not a challenge that is unique to the safety net. Mr. Bluford mentioned the extensive behavioral health services provided by members that can present additional challenges in building an integrated delivery system.

Dr. Cummings continued the presentation describing strategies to overcome challenges, including innovations such as Harris Health System's palm print ID system, leadership initiatives, and a branded vision of the essential value these hospital systems bring to their communities.

After the presentation, Dr. Cummings opened the discussion on how the Institute might go forward with this work. Two members of the board, Johnese Spisso and Leon Haley, discussed efforts at their hospital systems to further integrated care. Ms. Spisso described UW Medicine's successes in developing an integrated system that is building its key programs, furthering relationships, and delivering quality and safety outcomes. UW Medicine's strategic plan supports these priorities with a focus on serving the patient and family. Dr. Cummings asked Dr. Haley to talk about how Grady Health System promoted its essential value to the community as part of its strategic plan. Dr. Haley briefly outlined how Grady works with the businesses of the community to remind the community of the value that Grady provides. He mentioned that they continually promote Grady's value for services such as trauma, burn care, and academic training.

Following the discussion, Jill Steinbruegge, retiring Senior Vice President for Leadership and Innovation, spoke to the board and commented how much she valued her two years building the

Transformation Center and the hospital engagement network. She recalled her first days two years ago at the annual conference. She mentioned the clear direction and support that she received from the board during her tenure and expressed her appreciation. She mentioned that her focus has been to assist with a smooth transition for David Engler.

Dr. Cummings provided her thanks to the board for their discussion and advice. She then thanked Johnese Spisso for serving as chairperson for the past year and presented her with a gift in recognition of her contribution

The meeting was officially adjourned at 11:06 am.

Caroline M. Jacobs, MPH, MS.Ed. 9/20/13 Date

ESSENTIAL HOSPITALS INSTITUTE

2013 Financial Update

DATE September 10, 2013
TO Board of Directors
FROM Rhonda Gold, CFO
RE Financial Projection for 2013 MEMORANDUM

This memorandum summarizes the 2013 financial projection compared with the projection presented to you in June and with the approved budget. The Institute's treasurer, Anna Roth, has reviewed the attached materials.

The following action item is requested from the board:

- Acceptance of this treasurer's report

Presented in attachment I is an updated financial projection compared with the last projection as presented at the June 2013 Annual Conference; attachment II reflects this projection against budget. As discussed with you, the auditors reclassified unexpended budget funds in 2012 to a liability for the Centers for Medicare & Medicaid Services' (CMS') Partnership for Patient initiative until we receive a modified scope of work reflecting fewer participating hospitals. This reclassification impacted the Institute's 2013 bottom line because the approved budget assumed unspent monies from the fixed price contract could be held as additional profit (totaling $333,000). Therefore, the approved budgeted operating surplus of $385,000 was overstated because this finding from the auditor came after the budget was prepared and approved by the board. Based on our discussions with CMS, we are hopeful that the contract will be renewed with an increased focus on disparities. We expect a decision in the next several weeks.

Since our last update, we are pleased to report a $99,769 six-month award from the Patient-Centered Outcomes Research Institute (PCORI) to identify barriers for providing chronic disease care to patient populations at risk for health and health care disparities in safety net settings. This contract is included in the attached projection.

Column 2 of attachment I reflects projected unrestricted income of $6.66 million (including $4.19 million from CMS) which is offset by almost $6.5 million in expenses, leaving an unrestricted operating surplus of $164,000. This projected surplus is $221,000 less than budget (column 5, attachment II) mostly because of the CMS funds that could potentially be returned. Compared with our last projection, the projected surplus is $103,000 better (column 4, attachment I) because of less-than-anticipated new project development costs. The budget and last projection assumed $200,000 in new projects, but we have now reduced these costs to

$100,000. While we do not anticipate spending this by the end of the year, it is included in the projection to cover unanticipated costs associated with the organization's rebranding initiative.

After taking into account last year's beginning net assets, total 2013 projected net assets (restricted and unrestricted) are $2.2 million (column 3, attachment I), including $1.08 million in temporarily restricted assets and $1.12 million in unrestricted net assets.

Significant variances within individual line items from the June projection are described below (refer to column 4 in attachment I):

Contract and grant income: Grant income is $85,500 more than last projected because of the new PCORI award. Projected CMS income is almost $237,000 lower than last projected because a budgeted IT position was not filled; a staff position became vacant; and fringe costs were lower than anticipated. Under the contract, income is not earned unless the money is spent.

Core funding from America's Essential Hospitals: Projected core funding from the association to cover Research Center and Transformation Center staff personnel costs and programmatic expenses has been reduced by $185,000.

Salaries and employee benefits: Projected savings of $225,000 because we did not fill a vacant assistant vice president position and experienced lower-than-projected (and budgeted) salary increases and health insurance premiums.

Travel and meetings: Projected savings of $54,300 because of lower attendance at the spring governance meeting, resulting in reduced travel stipend and food costs; reduced Annual Conference hotel costs through complimentary rooms for staff; and savings resulting from less staff travel to external meetings.

Consultants and subcontractors: Projected savings of $33,700 because of less usage of consultants for the CMS contract.

In addition to the Partnership for Patients contract, 2013 external funding includes these awards:

Funder	Description	Term	Total Budget
Kaiser Permanente	Funding for Transformation Center	1/1/12-1/1/15	$1.5 million
Kaiser Permanente	Collaboration with the National Association of Community Health Centers	4/1/13-4/1/16	$1.8 million, split between the three organizations

	and George Washington University for a study on 2014 Preparations by Community Health Centers and Safety Net Hospitals		
Aetna Foundation	Study of integrated health care for vulnerable populations	10/1/11-12/31/12 (extended through 6/30/13)	$222,800
Massachusetts Learning Collaborative	Learning collaborative on the Massachusetts care delivery system	9/27/12-6/30/14	$516,000
Provider Resources, Inc.	National campaign to reduce medical complications related to preterm births	7/1/12-3/31/13	$278,621
Patient-Centered Outcomes Research Institute	Identify barriers for providing chronic disease care to at-risk patient populations	7/11/13-12/31/13	$99,769
Virginia Commonwealth University	Study on the comparative effectiveness of Virginia Coordinated Care	10/1/12-9/30/13	$50,000

If you have questions prior to the fall meeting, please contact Rhonda at 202-585-0109 or rgold@essentialhospitals.org.

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT I

Statement of Functional Expenses: 2013 Fall Projection and June Projection
For the Year Ended December 31, 2013

column 1

	2013 June Projection							
INCOME:	**Grants**	**Partnership for Patients**	**Research**	**Transf Center & Fellows**	**Genl and Administrative**	**Total Programs: Unrestricted**	**Temporarily Restricted**	**Total**
Unrestricted Grant from UHC					$ 350,000	$ 350,000		$ 350,000
Grant Income	$ 592,500			$ 500,000		$ 1,092,500	$ 590,800	$ 1,683,300
Government Contract		$ 4,428,300				$ 4,428,300		$ 4,428,300
Fellows Program				$ 240,000		$ 240,000		$ 240,000
Investment Income					$ -	$ -		$ -
Miscellaneous						$ -		$ -
Contribution/Support from NAPH			$ 640,000	$ 245,000	$ -	$ 885,000		$ 885,000
Net Assets Released from Donor Restrictions						$ -	$ (1,017,664)	$ (1,017,664)
TOTAL INCOME	**$ 592,500**	**$ 4,428,300**	**$ 640,000**	**$ 985,000**	**$ 350,000**	**$ 6,995,800**	**$ (426,864)**	**$ 6,568,936**
Salaries and employee benefits	$ 306,000	$ 1,894,900	$ 575,000	$ 619,000	$ 550,100	$ 3,945,000		$ 3,945,000
Equipment and Furniture					$ 34,500	$ 34,500		$ 34,500
Office Supplies & Services	$ 1,500	$ 6,000	$ 14,000	$ 44,900	$ 117,000	$ 183,400		$ 183,400
Rent		$ 252,400			$ 82,200	$ 334,600		$ 334,600
Travel & meetings	$ 46,400	$ 322,100	$ 40,500	$ 201,500	$ 124,100	$ 734,600		$ 734,600
Depr and amort.		$ 67,400			$ 45,000	$ 112,400		$ 112,400
Consultants & sub-contracted svces	$ 154,800	$ 839,500	$ 61,200	$ 119,600	$ 115,000	$ 1,290,100		$ 1,290,100
Information Technology					$ 68,200	$ 68,200		$ 68,200
Misc, Taxes and Insurance					$ 32,000	$ 32,000		$ 32,000
Project Development					$ 200,000	$ 200,000		$ 200,000
Sub-total before grant overhead coverage	**$ 508,700**	**$ 3,382,300**	**$ 690,700**	**$ 985,000**	**$ 1,368,100**	**$ 6,934,800**	**$ -**	**$ 6,934,800**
Allocation of Overhead to Grants	$ 80,100	$ 65,254		$ 65,000	$ (210,354)	$ -		$ -
Total Expenses	**$ 588,800**	**$ 3,447,553**	**$ 690,700**	**$ 1,050,000**	**$ 1,157,747**	**$ 6,934,800**	**$ -**	**$ 6,934,800**
Change in Net Assets	**$ 3,700**	**$ 980,747**	**$ (50,700)**	**$ (65,000)**	**$ (807,747)**	**$ 61,000**	**$ (426,864)**	**$ (365,864)**
Net Assets:								
Prior Year Net Assets	**$ (6,707)**	**$ 290,706**	**$ (51,450)**	**$ 31,754**	**$ 697,686**	**$ 961,990**	**$ 1,491,368**	**$ 2,453,358**
Change in Net Assets	**$ 3,700**	**$ 328,000**	**$ (50,700)**	**$ (65,000)**	**$ (155,000)**	**$ 61,000**	**$ (426,864)**	**$ (365,864)**
Net Assets, End of Year	**$ (3,007)**	**$ 618,706**	**$ (102,150)**	**$ (33,246)**	**$ 542,686**	**$ 1,022,990**	**$ 1,064,504**	**$ 2,087,494**
Restricted Net Assets						$ -	$ 1,064,504	$ 1,064,504
Unrestricted Net Assets	**$ (3,007)**	**$ 618,706**	**$ (102,150)**	**$ (33,246)**	**$ 542,686**	**$ 1,022,990**	**$ -**	**$ 1,022,990**
Total Net Assets	**$ (3,007)**	**$ 618,706**	**$ (102,150)**	**$ (33,246)**	**$ 542,686**	**$ 1,022,990**	**$ 1,064,504**	**$ 2,087,494**

* The Transformation Center is funded mostly by a three year grant from Kaiser Permenante for $500,000/year

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT I

Statement of Functional Expenses: 2013 Fall Projection and June Projection
For the Year Ended December 31, 2013

							column 2	column 3
	2013 Fall Projection							
INCOME:	Grants	Partnership for Patients	Research	Transf Center & Fellows	Genl and Administrative	Total Programs: Unrestricted	Temporarily Restricted	Total
Unrestricted Grant from UHC					$ 350,000	$ 350,000		$ 350,000
Grant Income	$ 678,000			$ 500,000		$ 1,178,000	$ 688,800	$ 1,866,800
Government Contract		$ 4,191,600				$ 4,191,600		$ 4,191,600
Fellows Program				$ 240,000		$ 240,000		$ 240,000
Contribution/Support from Association			$ 475,000	$ 225,000	$ -	$ 700,000		$ 700,000
Net Assets Released from Donor Restrictions						$ -	$ (1,097,800)	$ (1,097,800)
TOTAL INCOME	**$ 678,000**	**$ 4,191,600**	**$ 475,000**	**$ 965,000**	**$ 350,000**	**$ 6,659,600**	**$ (409,000)**	**$ 6,250,600**
Salaries and employee benefits	$ 391,800	$ 1,747,600	$ 316,700	$ 565,300	$ 698,600	$ 3,720,000		$ 3,720,000
Equipment and Furniture					$ 17,600	$ 17,600		$ 17,600
Office Supplies & Services	$ 2,300	$ 6,000	$ 20,100	$ 36,700	$ 125,000	$ 190,100		$ 190,100
Rent		$ 252,400			$ 80,500	$ 332,900		$ 332,900
Travel & meetings	$ 28,300	$ 333,300	$ 41,500	$ 211,400	$ 65,800	$ 680,300		$ 680,300
Depr and amort.		$ 67,400			$ 40,200	$ 107,600		$ 107,600
Consultants & sub-contracted svces	$ 166,500	$ 800,800	$ 60,700	$ 113,400	$ 115,000	$ 1,256,400		$ 1,256,400
Information Technology					$ 66,200	$ 66,200		$ 66,200
Misc, Taxes and Insurance					$ 24,500	$ 24,500		$ 24,500
Project Development					$ 100,000	$ 100,000		$ 100,000
Sub-total before grant overhead coverage	**$ 588,900**	**$ 3,207,500**	**$ 439,000**	**$ 926,800**	**$ 1,333,400**	**$ 6,495,600**	**$ -**	**$ 6,495,600**
Allocation of Overhead to Grants	$ 94,700	$ 673,700		$ 65,300	$ (833,700)	$ -		$ -
Total Expenses	**$ 683,600**	**$ 3,881,200**	**$ 439,000**	**$ 992,100**	**$ 499,700**	**$ 6,495,600**	**$ -**	**$ 6,495,600**
Change in Net Assets	**$ (5,600)**	**$ 310,400**	**$ 36,000**	**$ (27,100)**	**$ (149,700)**	**$ 164,000**	**$ (409,000)**	**$ (245,000)**
Net Assets:								
Prior Year Net Assets	**$ (6,707)**	**$ 290,706**	**$ (51,450)**	**$ 31,754**	**$ 697,686**	**$ 961,990**	**$ 1,491,368**	**$ 2,453,358**
Change in Net Assets	**$ (5,600)**	**$ 310,400**	**$ 36,000**	**$ (27,100)**	**$ (149,700)**	**$ 164,000**	**$ (409,000)**	**$ (245,000)**
Net Assets, End of Year	**$ (12,307)**	**$ 601,106**	**$ (15,450)**	**$ 4,654**	**$ 547,986**	**$ 1,125,990**	**$ 1,082,368**	**$ 2,208,358**
Restricted Net Assets						**$ -**	**$ 1,082,368**	**$ 1,082,368**
Unrestricted Net Assets	**$ (12,307)**	**$ 601,106**	**$ (15,450)**	**$ 4,654**	**$ 547,986**	**$ 1,125,990**	**$ -**	**$ 1,125,990**
Total Net Assets	**$ (12,307)**	**$ 601,106**	**$ (15,450)**	**$ 4,654**	**$ 547,986**	**$ 1,125,990**	**$ 1,082,368**	**$ 2,208,358**

* The Transformation Center is funded mostly by a three year grant from Kaiser Permenante for $500,000/year

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT I

Statement of Functional Expenses: 2013 Fall Projection and June Projection
For the Year Ended December 31, 2013

column 4

2013 Fall Proj vs June Proj

	Grants	Partnership for Patients	Research	Transf Center & Fellows	Genl and Admin.	Total Programs: Unrestricted	Temporarily Restricted	Total
INCOME:								
Unrestricted Grant from UHC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grant Income	$ 85,500	$ -	$ -	$ -	$ -	$ 85,500	$ 98,000	$ 183,500
Government Contract	$ -	$ (236,700)	$ -	$ -	$ -	$ (236,700)	$ -	$ (236,700)
Fellows Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contribution/Support from Association	$ -	$ -	$(165,000)	$ (20,000)	$ -	$ (185,000)	$ -	$ (185,000)
Net Assets Released from Donor Restrictions	$ -	$ -	$ -	$ -	$ -	$ -	$ (80,136)	$ (80,136)
TOTAL INCOME	**$ 85,500**	**$ (236,700)**	**$(165,000)**	**$ (20,000)**	**$ -**	**$ (336,200)**	**$ 17,864**	**$ (318,336)**
Salaries and employee benefits	$ (85,800)	$ 147,300	$ 258,300	$ 53,700	$ (148,500)	$ 225,000	$ -	$ 225,000
Equipment and Furniture	$ -	$ -	$ -	$ -	$ 16,900	$ 16,900	$ -	$ 16,900
Office Supplies & Services	$ (800)	$ -	$ (6,100)	$ 8,200	$ (8,000)	$ (6,700)	$ -	$ (6,700)
Rent	$ -	$ (1)	$ -	$ -	$ 1,700	$ 1,700	$ -	$ 1,700
Travel & meetings	$ 18,100	$ (11,200)	$ (1,000)	$ (9,901)	$ 58,300	$ 54,300	$ -	$ 54,300
Depr and amort.	$ -	$ -	$ -	$ -	$ 4,800	$ 4,800	$ -	$ 4,800
Consultants & sub-contracted svces	$ (11,700)	$ 38,700	$ 500	$ 6,200	$ (0)	$ 33,700	$ -	$ 33,700
Information Technology	$ -	$ -	$ -	$ -	$ 2,000	$ 2,000	$ -	$ 2,000
Misc, Taxes and Insurance	$ -	$ -	$ -	$ -	$ 7,500	$ 7,500	$ -	$ 7,500
Project Development	$ -	$ -	$ -	$ -	$ 100,000	$ 100,000	$ -	$ 100,000
Sub-total before grant overhead coverage	**$ (80,200)**	**$ 174,800**	**$ 251,700**	**$ 58,200**	**$ 34,700**	**$ 439,200**	**$ -**	**$ 439,200**
Allocation of Overhead to Grants	$ (14,600)	$ (608,446)	$ -	$ (300)	$ 623,346	$ -	$ -	$ -
Total Expenses	**$ (94,800)**	**$ (433,647)**	**$ 251,700**	**$ 57,900**	**$ 658,047**	**$ 439,200**	**$ -**	**$ 439,200**
Change in Net Assets	**$ (9,300)**	**$ (670,346)**	**$ 86,700**	**$ 37,900**	**$ 658,047**	**$ 103,000**	**$ 17,864**	**$ 120,864**
Net Assets:								
Prior Year Net Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in Net Assets	$ (9,300)	$ (17,600)	$ 86,700	$ 37,900	$ 5,300	$ 103,000	$ 17,864	$ 120,864
Net Assets, End of Year	**$ (9,300)**	**$ (17,600)**	**$ 86,700**	**$ 37,900**	**$ 5,300**	**$ 103,000**	**$ 17,864**	**$ 120,864**
Restricted Net Assets								
Unrestricted Net Assets								
Total Net Assets								

* The Transformation Center is funded mostly by a three year grant from Kaiser Permenante for $500,000/year

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT II

Statement of Functional Expenses: 2013 Fall Projection and 2013 Budget
For the Year Ended December 31, 2013

	2013 Approved Budget							
INCOME:	Grants	Partnership for Patients	Research	Transf Center & Fellows	Genl and Administrative	Total Programs: Unrestricted	Temporarily Restricted	Total
Unrestricted Grant from UHC			$ -	$ -	$ 350,000	$ 350,000		$ 350,000
Grant Income	$ 648,500			$ 500,000		$ 1,148,500	$ 250,000	$ 1,398,500
Government Contract	$ -	$ 5,054,000				$ 5,054,000		$ 5,054,000
Fellows Program				$ 240,000		$ 240,000		$ 240,000
Investment Income					$ 1,500	$ 1,500		$ 1,500
Contribution/Support from NAPH			$ 600,000	$ 260,000	$ 25,000	$ 885,000		$ 885,000
Net Assets Released from Donor Restrictions						$ -	$ (1,148,800)	$ (1,148,800)
TOTAL INCOME	**$ 648,500**	**$ 5,054,000**	**$ 600,000**	**$ 1,000,000**	**$ 376,500**	**$ 7,679,000**	**$ (898,800)**	**$ 6,780,200**
Salaries and employee benefits	$ 337,100	$ 2,132,000	$ 482,000	$ 632,200	$ 616,700	$ 4,200,000		$ 4,200,000
Equipment and Furniture		$ 6,900			$ 34,500	$ 41,400		$ 41,400
Office Supplies & Services	$ 3,500	$ -	$ 21,000	$ 44,900	$ 156,000	$ 225,400		$ 225,400
Rent	$ -	$ 257,400			$ 86,800	$ 344,200		$ 344,200
Travel & meetings	$ 44,600	$ 451,000	$ 41,450	$ 206,650	$ 124,100	$ 867,800		$ 867,800
Depr and amort.	$ -	$ 64,800			$ 79,200	$ 144,000		$ 144,000
Consultants & sub-contracted svces	$ 181,000	$ 697,700	$ 55,000	$ 119,600	$ 115,000	$ 1,168,300		$ 1,168,300
Information Technology			$ -	$ -	$ 68,200	$ 68,200		$ 68,200
Misc, Taxes and Insurance					$ 34,700	$ 34,700		$ 34,700
Project Development					$ 200,000	$ 200,000		$ 200,000
Sub-total before grant overhead coverage	**$ 566,200**	**$ 3,609,800**	**$ 599,450**	**$ 1,003,350**	**$ 1,515,200**	**$ 7,294,000**	**$ -**	**$ 7,294,000**
Allocation of Overhead to Grants	$ 72,700	$ 782,600		$ 65,200	$ (920,500)	$ -	$ -	$ -
Total Expenses	**$ 638,900**	**$ 4,392,400**	**$ 599,450**	**$ 1,068,550**	**$ 594,700**	**$ 7,294,000**	**$ -**	**$ 7,294,000**
Change in Net Assets	**$ 9,600**	**$ 661,600**	**$ 550**	**$ (68,550)**	**$ (218,200)**	**$ 385,000**	**$ (898,800)**	**$ (513,800)**
Net Assets:								
Prior Year Net Assets	**$ (6,707)**	**$ 290,706**	**$ (51,450)**	**$ 31,754**	**$ 697,686**	**$ 961,990**	**$ 1,491,368**	**$ 2,453,358**
Change in Net Assets	**$ 9,600**	**$ 661,600**	**$ 550**	**$ (68,550)**	**$ (218,200)**	**$ 385,000**	**$ (898,800)**	**$ (513,800)**
Net Assets, End of Year	**$ 2,893**	**$ 952,306**	**$ (50,900)**	**$ (36,796)**	**$ 479,486**	**$ 1,346,989**	**$ 592,568**	**$ 1,939,557**
Restricted Net Assets	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 592,568**	**$ 592,568**
Unrestricted Net Assets	**$ 2,893**	**$ 952,306**	**$ (50,900)**	**$ (36,796)**	**$ 479,486**	**$ 1,346,989**	**$ -**	**$ 1,346,989**
Total Net Assets	**$ 2,893**	**$ 952,306**	**$ (50,900)**	**$ (36,796)**	**$ 479,486**	**$ 1,346,989**	**$ 592,568**	**$ 1,939,557**

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT II

Statement of Functional Expenses: 2013 Fall Projection and 2013 Budget
For the Year Ended December 31, 2013

	2013 Fall Projection							
INCOME:	Grants	Partnership for Patients	Research	Transf Center & Fellows	Genl and Administrative	Total Programs: Unrestricted	Temporarily Restricted	Total
Unrestricted Grant from UHC					$ 350,000	$ 350,000		$ 350,000
Grant Income	$ 678,000			$ 500,000		$ 1,178,000	$ 688,800	$ 1,866,800
Government Contract		$ 4,191,600				$ 4,191,600		$ 4,191,600
Fellows Program				$ 240,000		$ 240,000		$ 240,000
Investment Income					$ -	$ -		$ -
Contribution/Support from NAPH			$ 475,000	$ 225,000	$ -	$ 700,000		$ 700,000
Net Assets Released from Donor Restrictions						$ -	$ (1,097,800)	$ (1,097,800)
TOTAL INCOME	**$ 678,000**	**$ 4,191,600**	**$ 475,000**	**$ 965,000**	**$ 350,000**	**$ 6,659,600**	**$ (409,000)**	**$ 6,250,600**
Salaries and employee benefits	$ 391,800	$ 1,747,600	$ 316,700	$ 565,300	$ 698,600	$ 3,720,000		$ 3,720,000
Equipment and Furniture					$ 17,600	$ 17,600		$ 17,600
Office Supplies & Services	$ 2,300	$ 6,000	$ 20,100	$ 36,700	$ 125,000	$ 190,100		$ 190,100
Rent		$ 252,400			$ 80,500	$ 332,900		$ 332,900
Travel & meetings	$ 28,300	$ 333,300	$ 41,500	$ 211,400	$ 65,800	$ 680,300		$ 680,300
Depr and amort.		$ 67,400			$ 40,200	$ 107,600		$ 107,600
Consultants & sub-contracted svces	$ 166,500	$ 800,800	$ 60,700	$ 113,400	$ 115,000	$ 1,256,400		$ 1,256,400
Information Technology					$ 66,200	$ 66,200		$ 66,200
Misc, Taxes and Insurance					$ 24,500	$ 24,500		$ 24,500
Project Development					$ 100,000	$ 100,000		$ 100,000
Sub-total before grant overhead coverage	**$ 588,900**	**$ 3,207,500**	**$ 439,000**	**$ 926,800**	**$ 1,333,400**	**$ 6,495,600**	**$ -**	**$ 6,495,600**
Allocation of Overhead to Grants	$ 94,700	$ 673,700		$ 65,300	$ (833,700)	$ -		$ -
Total Expenses	**$ 683,600**	**$ 3,881,200**	**$ 439,000**	**$ 992,100**	**$ 499,700**	**$ 6,495,600**	**$ -**	**$ 6,495,600**
Change in Net Assets	**$ (5,600)**	**$ 310,400**	**$ 36,000**	**$ (27,100)**	**$ (149,700)**	**$ 164,000**	**$ (409,000)**	**$ (245,000)**
Net Assets:								
Prior Year Net Assets	**$ (6,707)**	**$ 290,706**	**$ (51,450)**	**$ 31,754**	**$ 697,686**	**$ 961,990**	**$ 1,491,368**	**$ 2,453,358**
Change in Net Assets	**$ (5,600)**	**$ 310,400**	**$ 36,000**	**$ (27,100)**	**$ (149,700)**	**$ 164,000**	**$ (409,000)**	**$ (245,000)**
Net Assets, End of Year	**$ (12,307)**	**$ 601,106**	**$ (15,450)**	**$ 4,654**	**$ 547,986**	**$ 1,125,990**	**$ 1,082,368**	**$ 2,208,358**
Restricted Net Assets						$ -	$ 1,082,368	$ 1,082,368
Unrestricted Net Assets	$ (12,307)	$ 601,106	$ (15,450)	$ 4,654	$ 547,986	$ 1,125,990	$ -	$ 1,125,990
Total Net Assets	**$ (12,307)**	**$ 601,106**	**$ (15,450)**	**$ 4,654**	**$ 547,986**	**$ 1,125,990**	**$ 1,082,368**	**$ 2,208,358**

ESSENTIAL HOSPITALS INSTITUTE

ATTACHMENT II

Statement of Functional Expenses: 2013 Fall Projection and 2013 Budget
For the Year Ended December 31, 2013

column 5

	2013 Fall Proj vs Budget							
INCOME:	Grants	Partnership for Patients	Research	Transf Center & Fellows	Genl and Admin.	Total Programs: Unrestricted	Temporarily Restricted	Total
Unrestricted Grant from UHC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grant Income	$ 29,500	$ -	$ -	$ -	$ -	$ 29,500	$ 438,800	$ 468,300
Government Contract	$ -	$ (862,400)	$ -	$ -	$ -	$ (862,400)	$ -	$ (862,400)
Fellows Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment Income	$ -	$ -	$ -	$ -	$ (1,500)	$ (1,500)	$ -	$ (1,500)
Contribution/Support from NAPH	$ -	$ -	$(125,000)	$ (35,000)	$ (25,000)	$ (185,000)	$ -	$ (185,000)
Net Assets Released from Donor Restrictions	$ -	$ -	$ -	$ -	$ -	$ -	$ 51,000	$ 51,000
TOTAL INCOME	**$ 29,500**	**$ (862,400)**	**$(125,000)**	**$ (35,000)**	**$ (26,500)**	**$ (1,019,400)**	**$ 489,800**	**$ (529,600)**
Salaries and employee benefits	$ (54,700)	$ 384,400	$ 165,300	$ 66,900	$ (81,900)	$ 480,000	$ -	$ 480,000
Equipment and Furniture	$ -	$ 6,900	$ -	$ -	$ 16,900	$ 23,800	$ -	$ 23,800
Office Supplies & Services	$ 1,200	$ (6,000)	$ 900	$ 8,200	$ 31,000	$ 35,300	$ -	$ 35,300
Rent	$ -	$ 5,000	$ -	$ -	$ 6,300	$ 11,300	$ -	$ 11,300
Travel & meetings	$ 16,300	$ 117,700	$ (50)	$ (4,750)	$ 58,300	$ 187,500	$ -	$ 187,500
Depr and amort.	$ -	$ (2,600)	$ -	$ -	$ 39,000	$ 36,400	$ -	$ 36,400
Consultants & sub-contracted svces	$ 14,500	$ (103,100)	$ (5,700)	$ 6,200	$ -	$ (88,100)	$ -	$ (88,100)
Information Technology	$ -	$ -	$ -	$ -	$ 2,000	$ 2,000	$ -	$ 2,000
Misc, Taxes and Insurance	$ -	$ -	$ -	$ -	$ 10,200	$ 10,200	$ -	$ 10,200
Project Development	$ -	$ -	$ -	$ -	$ 100,000	$ 100,000	$ -	$ 100,000
Sub-total before grant overhead coverage	**$ (22,700)**	**$ 402,300**	**$ 160,450**	**$ 76,550**	**$ 181,800**	**$ 798,400**	**$ -**	**$ 798,400**
Allocation of Overhead to Grants	$ (22,000)	$ 108,900	$ -	$ (100)	$ (86,800)	$ -	$ -	$ -
Total Expenses	**$ (44,700)**	**$ 511,200**	**$ 160,450**	**$ 76,450**	**$ 95,000**	**$ 798,400**	**$ -**	**$ 798,400**
Change in Net Assets	**$ (15,200)**	**$ (351,200)**	**$ 35,450**	**$ 41,450**	**$ 68,500**	**$ (221,000)**	**$ 489,800**	**$ 268,800**
Net Assets:								
Prior Year Net Assets	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Change in Net Assets	**$ (15,200)**	**$ (351,200)**	**$ 35,450**	**$ 41,450**	**$ 68,500**	**$ (221,000)**	**$ 489,800**	**$ 268,800**
Net Assets, End of Year	**$ (5,900)**	**$ (333,600)**	**$ (51,250)**	**$ 3,551**	**$ 63,200**	**$ (221,000)**	**$ 489,800**	**$ 268,800**

Essential Hospitals Research and Education Activities
Board of Directors Meeting
September 30, 2013

DATE September 30, 2013

TO Essential Hospitals Institute Board of Directors

FROM Linda Cummings, PhD, Director, Essential Hospitals Institute

RE Activities Report: June – October 2013

MEMORANDUM

The Essential Hospitals Institute advances the strategic agenda of America's Essential Hospitals through research, education, and member engagement around quality and delivery system innovations. The Institute communicates to external audiences the vital role that member hospitals and health systems have in providing high-quality care to all, especially the most vulnerable. Increasingly, the Institute aligns its work with key policy initiatives of America's Essential Hospitals and collaborates with other organizations to extend our reach.

America's Essential Hospitals will host its second Innovations Summit, developed by the Institute, on October 3. The summit, **Spotlight on 2014: Ensuring Population Health and Building Workforce Capacity for Health Reform**, is co-sponsored with AcademyHealth. More than 100 policymakers, researchers, and thought leaders have enrolled to attend the Summit, which will feature Bruce Siegel, MD, MPH, America's Essential Hospitals president and CEO; Lisa Simpson, MB, BCh, MPH, president and CEO of AcademyHealth; and as the keynote speaker, David Blumenthal, MD, MPH, president of The Commonwealth Fund. Patrick Conway, MD, MSc, director of the Center for Medicare and Medicaid Innovation, will moderate the population health panel; Sheldon Retchin, MD, MSPH, CEO of Virginia Commonwealth University Health System, will moderate the workforce panel. Both panels will include presenters from members of America's Essential Hospitals and leading health services researchers.

During the past year, the Institute has participated in several panels on issues related to our strategic agenda:

- Expert Panel, Agency for Healthcare Research and Quality (AHRQ) Healthcare Innovations Exchange—This panel addressed how AHRQ's Innovation Exchange could provide information relevant to implementing the Affordable Care Act (ACA) and identify and disseminate innovations related to ACA implementation.
- Technical Expert Panel convened by Mathematica Policy for the Office of the Assistant Secretary for Planning and Evaluation at the U.S. Department of Health and Human

Services (HHS) —The purpose of the panel was " . . . to learn more about efforts to identify high performing health care organizations, the approaches/metrics used to assess their performance, and what commonalities exist across providers within such organizations that may contribute to organization-wide performance."

- Advisory Committee, AcademyHealth's Translation and Dissemination Institute—The Translation and Dissemination Institute was established by AcademyHealth's board of directors to support effective approaches to spreading health services research to the health care delivery system. A particular emphasis of this work is to translate and disseminate research to providers filling a safety net role and to vulnerable populations.

The June meeting of the board of directors of the Essential Hospitals Institute focused on a review of the Institute's project on integrated care delivery funded by Aetna, Inc. Following feedback and guidance from the board and several members of the project's advisory committee, the Institute submitted a report to Aetna that highlights strategies among four member health systems for achieving and sustaining integrated care: a clear and explicit vision of system integration aligned with the organization's mission; strong relationships with state payers; accountability for clinical and fiscal outcomes; use of transparency and data to drive system improvement; a focus on population health, primary care, and behavioral health; established relationships with strategic partners; a branded vision; effective health information technology; and investment in long-term, sustainable transformation. The Institute will release a research brief featuring the key findings of the project this fall; the full report will be available on the Institute's new website in January 2014.

This activities report provides an update on major projects of the Institute's Research Center and Transformation Center since the June meeting. At our upcoming meeting, we would like to review with the board how our ongoing work advances the strategic plan and what we propose as a focus for 2014.

We look forward to seeing you next week here in Washington, D.C.

Research Center

Massachusetts Learning Collaborative

In October 2012, six Massachusetts safety net hospitals joined a two-year learning collaborative developed by the Essential Hospitals Institute as a Transformation Center initiative: Boston Medical Center, Cambridge Health Alliance, Holyoke Medical Center, Lawrence General Hospital, Mercy Medical Center, and Signature Healthcare Brockton. The learning collaborative aims to help these six hospitals advance their projects related to the Massachusetts delivery

system transformation initiatives (DSTIs) under the state's Medicaid waiver and to build sustainable transformation.

Specifically, the collaborative supports the work of the hospitals around three DSTI goals: (1) developing fully integrated delivery systems; (2) improving health outcomes and quality; and (3) helping hospitals transition to value-based purchasing and alternative payment models. To date, the Institute has held five in-person learning meetings involving national expert speakers as well as peer-to-peer presentations for hospitals to learn strategies and best practices related to their DSTI projects. Earlier this year, the Institute conducted interviews with clinical and administrative leaders from each hospital to learn about the successes and challenges encountered with the DSTI program during year one. The interview findings served as the basis for an annual report that summarized hospitals' transformation efforts to date. The learning collaborative participants are currently reviewing the report, which will be submitted to the Commonwealth of Massachusetts as part of a request for a five-year waiver renewal.

Identifying the Barriers and Facilitators to Caring for Patient Populations at Risk for Health and Health Care Disparities in Safety Net Settings (contract with Patient-Centered Outcomes Research Institute and subcontract with George Washington University)

The Patient-Centered Outcomes Research Institute (PCORI) asked the Essential Hospitals Institute to help PCORI develop a new request for proposals on chronic disease management in the safety net. From July through December 2013, the Institute is conducting a landscape review that compares patient-centered medical homes (PCMH) and accountable care organizations (ACOs) in terms of how they are implemented in essential hospitals (those that fill a safety net role), as well as their impact on chronic disease care, clinician satisfaction, health care disparities, and patient-centered outcomes. The landscape review will be executed in two phases: a literature review examining PCMHs and ACOs, followed by site visits and interviews at six member hospitals that have a PCMH and/or ACO. Interviews with a wide range of providers and hospital staff —including c-suite leaders, physicians, nurses, care coordinators, community outreach workers, psychologists, pharmacists, and information technology (IT) directors —will explore their perspectives on the challenges and facilitators to caring for vulnerable patients with chronic disease. In addition, interviews with patients from patient advisory committees will capture their expectations and preferences of chronic disease care. A final report will synthesize the literature, interview findings, and site visit observations, as well as highlight the significant research gaps to be included in PCORI's request for proposals.

Comparative Effectiveness of Virginia Coordinated Care Versus the Traditional Safety Net Delivery System (Virginia Commonwealth University [VCU]/AHRQ subcontract)
The Essential Hospitals Institute is in the third and final year of funding under an AHRQ grant to VCU to evaluate the effectiveness of VCU's Virginia Coordinated Care (VCC) program on patient care and outcomes. As the final deliverable on the project, Essential Hospitals Institute staff is conducting dissemination activities.

Results from the qualitative interviews revealed key themes:

1) The managed care program provides not only access to care but access to quality care.
2) Electronic health records are vital in coordinating care for the indigent population.
3) Access to specialty medical care is difficult.
4) Patient engagement is hindered by low health literacy.

The second webinar on the findings from this study will be held on October 16 to present an expanded look at the uninsured population of the Richmond metropolitan area and how VCC compares to a traditional safety net system. Potential policy implications of a program like VCC also will be included in the discussion.

The Essential Hospitals Institute plans also to produce two research briefs in fall 2013: the first to report on the providers' perspective of the program, and the second to disseminate findings from the qualitative and quantitative phases of the study. In addition to the webinars and research, Institute staff is contributing to articles that the VCU team has submitted to peer-reviewed journals.

Transforming Care Delivery in America's Safety Net: Aligning Efforts to Improve Access and Care Coordination

The Essential Hospitals Institute, the National Association of Community Health Centers, and the George Washington University's Department of Health Policy have entered into a partnership committed to improving vulnerable patients' access to care and the quality of care they receive. The partnership is launching an exciting new project funded by Kaiser Permanente Community Benefit, titled, Transforming Care Delivery in America's Safety Net: Aligning Efforts to Improve Access and Care Coordination. This 2.5-year project identifies strategies for collaboration between essential hospitals and community health centers. It also identifies effective models of integration and care coordination across different settings and communities. The project will accomplish the following goals:

- Establish a strategic partnership at the national level
- Create a stakeholder program

- Conduct a safety net assessment and track progress
- Disseminate results

The partnership has selected an advisory committee and is currently interviewing key staff and others in 40 sites in 30 states to obtain baseline information about partnerships between community health centers and safety net hospitals and their readiness for 2014 health reforms. Based on information from these interviews and strategic assessments of state policies, the partnership will identify five states and promote integrated care and collaborations that can serve as models for other parts of the country.

Transformation Center

Since the June board meeting, the Transformation Center has continued to implement the 2013-2014 Fellows Program, the Essential Hospitals Engagement Network (formerly the NAPH Safety Network), and the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Learning Network. A description of ongoing Transformation Center work with members to support quality improvement appears later in this report.

2013-2014 Fellows Program

During the first session of the 2013 Fellows Program in June, fellows learned how to become leaders of high-performing organizations and to cultivate a culture of excellence. They also discussed the tools needed to lead people through change, which they will use to develop their projects. In addition, the fellows visited Memorial Healthcare System, a top-performing essential hospital, to meet with their leaders and learn best practices.

After the first session, fellows began planning their projects and conducted the Hospital Leadership Quality Assessment Tool (HLQAT) survey at their organizations to determine current leadership structures, processes, and activities, as well as opportunities for improvement. They also have been participating in monthly, hour-long "Kitchen Cabinet" group coaching calls, which support fellows' project work and help them understand their Myers Briggs Type Indicator (MBTI) and HLQAT survey results.

Based on participant feedback, former fellows have been invited to share their experiences in the program and their leadership journeys at the October session. In addition, the Transformation Center developed a *Fellows Update* newsletter to update CEO sponsors on their fellows' progress and activities between sessions.

Essential Hospitals Engagement Network (EHEN)

EHEN staff continue the primary work of the Centers for Medicare & Medicaid Services (CMS) contract: supporting hospital improvement teams that work to reduce the Partnership for

Patients' (PfP) 10 targeted hospital-acquired conditions and readmissions, collecting data, and coaching hospitals as they implement improvement cycles.

Between June and September, the EHEN conducted a second round of site visits to more than half of the 22 hospitals in our network. Each hospital improvement team develops 90-day action plans that outline specific goals and interventions to be achieved by the end of 2013. The EHEN presented its hospitals' accomplishments during a 2013 annual conference session, along with special sessions on early elective deliveries and readmissions.

This summer, the EHEN kicked off a new collaborative focusing on health equity with a special distance learning event, which attracted both members and non-members of America's Essential Hospitals. Since June, the EHEN also focused on securing a third year of project funding by meeting major milestones in July that were laid out by CMS. We are awaiting official word of contract renewal.

The EHEN also enhanced its focus on patient and family engagement, working on specific goals articulated by the PfP and coordinating with existing Transformation Center efforts. As a result, the EHEN formed a new partnership with the Institute for Patient- and Family-Centered Care (IPFCC) and the National Partnership for Women and Families to offer technical assistance to four member hospitals to build or augment their patient and family programs.

Through September, the EHEN offered 10 webinars covering the PfP conditions, leadership, health equity, and patient and family engagement. The EHEN website continues to grow as we add new resources and materials from our monthly webinars and tools from our member hospitals (http://tc.nphhi.org/Collaborate).

Data Collection and UHC Subcontract

The EHEN subcontracts with UHC to collect and analyze data required under the hospital engagement contract. The EHEN has executed all the necessary business associates agreements for our hospitals to share information with the EHEN and UHC; nearly 70 percent of the network now regularly submits data each month.

HCAHPS Learning Network Year Two: Beyond the Basics

The HCAHPS Learning Network completed its second year on September 11 after offering 11 webinars in conjunction with the Health Research and Educational Trust (HRET) and funded by the AHRQ. The program's second year, which built on the fundamentals from year one and incorporated member feedback, included topics such compassionate care (keeping empathy in

practice), measuring progress on HCAHPS, ensuring leadership engagement, patient and family engagement in the emergency department and ambulatory center, and cultural competence.

Carrie Brady, JD, MA, continued to serve as faculty for all of the webinars, with members of America's Essential Hospitals frequently serving as special content experts. During this year's webinars, we emphasized the patient and family perspective by including Executive Vice President of The Joint Commission's Division of Healthcare Quality Evaluation Jerod Loeb, PhD, a cancer patient, and his wife Sherri Loeb, BSN, RN, in our discussions. During the final webinar, the entire Loeb family participated in the discussion, and the Measurement Subcommittee of The Joint Commission Board listened in as part of their quarterly meeting. Participant feedback continues to be very positive.

This year, continuing education unit (CEU) credits were available to individuals who participated in HCAHPS Learning Network webinars. Organizations that signed letters of commitment to attend the entire webinar series were given access to the Institute for Healthcare Improvement (IHI) Open School, which offers a wide variety of improvement content.

Hand Hygiene Learning Network

In partnership with The Joint Commission Center for Transforming Healthcare, America's Essential Hospitals launched the Hand Hygiene Learning Network, which began in June 2013 and will end in December 2013. The collaborative includes six webinars that aim to help participating hospitals reduce hospital-acquired infections by improving hand hygiene compliance.

The two-part program leverages the Targeted Solutions Tool (TST), an evidence-based tool developed by the Joint Commission Center for Transforming Healthcare that guides health care organizations through a step-by-step process to accurately measure their performance and identify barriers and solutions.

In the first part of the program, each organization assesses baseline hand hygiene compliance in one unit, applies best practice strategies to increase compliance, and evaluates the intervention's impact. In the second part, organizations will implement successful interventions on a housewide basis.

The two key measures of success will be used to evaluate the project's outcomes:

1. Improved hand hygiene compliance in units that members identify for the project
2. Members' willingness to participate in part two of the program

Participating members are Alameda Health System, Truman Medical Centers (three facilities), Natividad Medical Center, University of New Mexico, Jackson Health System (three facilities), and University of Florida Health.

Silvia Munoz-Price, MD, medical director for infection control at Jackson Memorial Hospital, is the physician champion for the project. Cleveland-based MetroHealth System was highlighted as an organizational role model, as they successfully have used the TST to improve hand hygiene compliance and reduce infections.

Healthy Mothers and Healthy Babies: Improving Prenatal Care in the Medicaid Population

America's Essential Hospitals recently completed a project in partnership with Provider Resources, Inc., funded by the Center for Medicaid and Children's Health Insurance Program (CHIP) Services. The project included a literature review on the barriers and problems associated with high rates of prematurity in the Medicaid population.

Based on the review, the Institute developed an interview survey that was administered to the chair of obstetrics and gynecology and select team members at seven member organizations representing different U.S. regions, number of births, and percentage of Medicaid patients in the prenatal care population. Participants included Contra Costa Health Services, Denver Health, Harborview Medical Center, Jackson Health System, JPS Health Network, Parkland Health & Hospital System, and Santa Clara Valley Medical Center. The Institute identified Parkland and Santa Clara for site visits at the end of the interview.

We submitted a comprehensive report, including the literature review, to CMS earlier this year. A research brief is due for release in September.

Gage Awards 2014

Due to the popularity of the 2013 Gage Awards, applications will open in October and close in early December of this year. The topics will continue to be "Quality" and "Population Health;" and the award winners will be announced at the 2014 annual conference, which will be held in San Antonio, Texas, next June.

A panel of distinguished external judges, chaired by Karen Adams, PhD, vice president of the National Priorities Partnership, will evaluate submissions and select winners. The pictures and biographies of Gage Award judges will be available on the America's Essential Hospitals website.

Other Institute Activities

America's Essential Hospitals Annual Hospital Characteristics Survey

This year marks the 20th anniversary of the America's Essential Hospitals' annual hospital characteristics survey. In preparation for the 20th anniversary, the Essential Hospitals Institute temporarily suspended conducting the survey while staff restructured the data collection process and made other refinements that will make the survey more manageable and less time-consuming for hospital staff to complete:

- Survey questions that duplicate other annual surveys and databases, such as CMS databases and the American Hospital Association's annual survey, were removed.
- Survey questions that were once used for special projects, but are no longer used by America's Essential Hospitals, were removed.
- The survey submission process was modified by using a spreadsheet form-controlled survey template instead of a Web-based response system. The previous Web-based system was difficult to use and did not allow for multiple staff within the hospital to complete the survey easily.

The survey was launched on March 1, 2013, to collect hospital characteristics data for fiscal year 2012. Data collection with the hospitals has been occurring since the spring of 2013 and will close on September 30, 2013. Final results of the survey will be published in December 2013. In addition, the Essential Hospitals Institute will release more survey data products, including data tables and summary slides, in a visually enhanced graphical format that will enable members to analyze and share the survey results.

Data Tool

The Essential Hospitals Institute is in the final stages of developing a data tool that will be a repository of information on member hospitals, including hospital and financial characteristics and patient safety, quality, and community/population health data. The data tool will use external databases that will allow the Essential Hospitals Institute to conduct research using a national sample of hospitals rather than research that focuses only on members.

The Institute also has been working with EmpowerIT, an IT consulting and development company, to develop an online, customizable query and dashboard tool. This tool will allow member hospitals to execute the following tasks:

- Access data housed at the Institute
- Create and export customized graphical and tabular queries and reports for their hospital
- Benchmark with other members across the country and with other hospitals in their service area and/or referral region

- Create customized dashboards to monitor their hospital's performance in relation to custom benchmarks and peer groups
- Report summary-level data (including patient safety and quality data) for future Transformation Center and research projects

The data tool will be piloted among staff members this fall and will be released to members of America's Essential Hospitals later this year.

Essential Hospitals Institute

Board and Senior Executive
Conflict Of Interest Policy

Essential Hospitals Institute

BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY

Article I

PURPOSE

The purpose of this conflict of interest policy is to protect Essential Hospitals Institute's (Institute) interest when its board of directors (board) considers a transaction or arrangement that might benefit the private interest of a member of the Essentials Hospitals Institute board of directors. The policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to non-profit and tax-exempt organizations. It applies to matters brought for approval by the board regarding which an Institute member or a senior executive of America's Essential Hospitals has a financial interest (see definitions in Article II).

Article II

DEFINITIONS

1. Senior Executive

Senior executives include America's Essential Hospitals President and CEO, CFO and Essential Hospitals Institute's Director.

2. Interested Person

An interested person includes any member of the Institute's board of directors or any senior executive who has a direct or indirect financial interest in a transaction or arrangement as defined below.

3. Financial Interest

A person has a financial interest in a transaction coming before the board or other committee if the person has directly, or indirectly through business, investment or family (including immediate family and any domestic partner who resides in the person's household):

a. An ownership or investment interest in the other party to the proposed transaction or arrangement, or

b. A compensation arrangement with the other party to the proposed transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, the other party to the proposed transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person with a financial interest has a conflict of interest only if it is determined that a conflict of interest exists.

4. Conflict of Interest

A financial interest results in a conflict of interest if:

a. the proposed transaction creates an opportunity for private benefit;

b. the opportunity would directly or indirectly redound to the benefit of the interested person; and

c. the board or other committee considering the transaction deems the opportunity for benefit to be material under the circumstances.

5. Essentials Hospitals Institute

In most cases, the body considering a proposed transaction pursuant to this policy will be the Essentials Hospitals Institute's board of directors. Where instead the full board or another committee is considering the transaction in question, then references to the Essentials Hospitals Institute shall be deemed to refer the body that is actually considering the transaction.

Article III

PROCEDURES

1. Duty to Disclose

a. At the time an actual or possible conflict of interest arises or the interested person becomes aware of it, he or she must disclose the existence of his or her financial interest to the Institute's board chair, CFO, or director. At such time as a senior executive independently becomes aware of any such financial interest, he or she shall first report it to the CFO and to the interested person. Annually, the director or CFO shall provide the Institute's board of directors with a summary report of all financial interests that became known to him or her during the prior year.

b. The interested person shall disclose such material facts as requested, and shall be given the opportunity to disclose any additional material facts, to the Institute's board of directors. In no event shall the interested person participate in formal discussion or action on the proposed transaction without properly disclosing his or her financial interest.

2. Determining Whether a Conflict of Interest Exists

After the interested person has disclosed material facts to the Institute's board of directors, he or she shall leave the meeting during the deliberation on the existence of a conflict of interest. The board of directors shall determine whether the opportunity for benefit is material under the circumstances, and thus whether a conflict of interest exists with respect to the transaction in question.

3. Procedures for Addressing a Conflict of Interest

If a conflict of interest is found, the following procedures shall apply to consideration of the transaction:

c. The board of directors shall consider whether the Institute, exerting reasonable efforts, can obtain a more advantageous transaction or arrangement that would not give rise to a conflict of interest.

d. If appropriate, the Institute's board of directors chair shall appoint a disinterested person or subcommittee (investigator) to investigate alternatives to the proposed transaction and report findings back to the board.

e. Any such investigator shall exercise due diligence and assess the reasonable availability of a more advantageous transaction that would not give rise to a conflict of interest. If the investigator concludes that a preferable alternative is not reasonably available, then it shall consider whether the proposed transaction

is fair and reasonable to the Institutes' best interest. The investigator shall report its conclusion on each matter to the board.

f. The interested person may make a presentation to the board, but after such presentation, he or she shall leave the meeting during the discussion of and vote on the transaction giving rise to the conflict of interest.

g. If after consideration of any reports and after due deliberation, the board concludes that a more advantageous transaction is not reasonably attainable without conflict of interest, it shall determine by majority vote of disinterested members whether the proposed transaction is fair and reasonable to the Institute's best interest. It shall approve or disapprove the transaction or arrangement in conformity with such determination.

h. With respect to potential conflicts arising between meetings of the Institute's board of directors, the CEO shall determine whether it is in the Institute's best interest to enter into such transaction, subject to the review and approval of the board at its next meeting. The board of directors may void any such contract or transaction that it determines is a conflict of interest.

4. Violations of the Conflicts of Interest Policy

a. If the Institute's board of directors has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform such person of the basis for its belief and afford him or her an opportunity to explain the alleged failure to disclose.

b. If, after hearing the explanation and making such further investigation as may be warranted in the circumstances, the board determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

5. Confidentiality.

All such proceedings and deliberations of the Institute board of directors shall be held in executive session.

Article IV

RECORDS OF PROCEEDINGS

The minutes of the Essentials Hospitals Institute shall contain:

1. The name of any person found to have a financial interest in connection with an actual or possible conflict of interest; the nature of the financial interest; any action taken to determine whether a conflict of interest was present; and the determination as to whether a conflict of interest in fact existed.

2. The names of the persons present and their notes relating to the determination of conflict, and those relating to approval or disapproval of the transaction; and the content of the discussion, including any alternatives to the proposed transaction.

Article V

RECUSAL

1. Compensation

A voting member of the board of directors who receives compensation, directly or indirectly, from the Institute for services is precluded from voting on matters pertaining to that member's compensation.

2. Consideration of Conflict

An interested person shall recuse himself or herself from any deliberations or vote of the board of directors with respect to the existence of a conflict or of a violation of this conflicts policy; or, if a conflict is determined to exist, with respect to the underlying transaction or other disposition of the conflict. Only the disinterested members of the Institute shall participate in such deliberations or vote.

Article VI

ANNUAL STATEMENTS

Each member of the Institute and senior executives shall annually sign a statement which affirms that he or she –

1. Has received a copy of the conflicts of interest policy,

2. Has read and understands the policy, and

3. Agrees to comply with the policy.

Article VII

PERIODIC REVIEWS

To ensure that the Essential Hospitals Institute operates in a manner consistent with its exempt purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted, and the CEO or CFO shall certify the Institute's compliance. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, are based on comparable information and are at arm's-length.

2. Whether acquisitions of services result in impermissible private benefit.

3. Whether partnership and joint venture arrangements and arrangements with other organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Institute's purposes and do not result in impermissible private benefit.

Article VIII

USE OF OUTSIDE ADVISORS

The Institute may, in its discretion, use outside advisors (e.g., its auditors) in conducting the periodic reviews pursuant to Article VII. The use of outside advisors will not relieve the Institute's board of directors' responsibility to ensure that periodic reviews are conducted; nor the CEO or CFO of responsibility to certify compliance, based on the advisors' review.

ESSENTIAL HOSPITALS INSTITUTE

America's Essential Hospitals Membership

Alameda Health System (Oakland, CA)
- Fairmont Hospital (San Leandro, CA)
- Highland Hospital (Oakland, CA)
- John George Psychiatric Hospital (San Leandro, CA)

Arrowhead Regional Medical Center (Colton, CA)

Bergen Regional Medical Center (Paramus, NJ)

Bon Secours Baltimore Health System (Baltimore, MD)

Boston Medical Center (Boston, MA)

Broadlawns Medical Center (Des Moines, IA)

Broward Health (Fort Lauderdale, FL)
- Broward Health Coral Springs (Coral Springs, FL)
- Broward Health Imperial Point (Fort Lauderdale, FL)
- Broward Health Medical Center (Fort Lauderdale, FL)
- Broward Health North (Deerfield Beach, FL)
- Chris Evert Children's Hospital (Fort Lauderdale, FL)

Cambridge Health Alliance (Cambridge, MA)
- Cambridge Hospital Campus (Cambridge, MA)
- Somerville Hospital Campus (Somerville, MA)
- Whidden Hospital Campus (Cambridge, MA)

Central Health (Austin, TX)

City and County of San Francisco Department of Public Health (San Francisco, CA)
- Laguna Honda Hospital and Rehabilitation Center (San Francisco, CA)
- San Francisco General Hospital and Trauma Center (San Francisco, CA)

Contra Costa Health Services (Martinez, CA)
- Contra Costa Regional Medical Center (Martinez, CA)

Cook County Health & Hospitals System (Chicago, IL)
- John H. Stroger, Jr. Hospital of Cook County (Chicago, IL)
- Oak Forest Health Center (Oak Forest, IL)
- Provident Hospital of Cook County (Chicago, IL)

Cooper Green Mercy Health Services (Birmingham, AL)

Denver Health Medical Center (Denver, CO)

Einstein Healthcare Network (Philadelphia, PA)
- Belmont Behavioral Health-Center for Comprehensive Treatment (Philadelphia, PA)
- Einstein Medical Center Elkins Park (Elkins Park, PA)
- Einstein Medical Center Montgomery (East Norriton, PA)
- Einstein Medical Center Philadelphia (Philadelphia, PA)
- MossRehab (Elkins Park, PA)

Erie County Medical Center (Buffalo, NY)

GACH-Georgia Alliance of Community Hospitals (Tifton, GA)
- Columbus Regional Healthcare System (Columbus, GA)
- Doctors Hospital (Columbus, Georgia)
- Floyd Medical Center (Rome, GA)
- Georgia Regents Health System (Augusta, GA)
- Hughston Hospital (Columbus, GA)
- John D. Archbold Memorial Hospital (Thomasville, GA)
- Medical Center of Central Georgia (Macon, GA)
- Medical College of Georgia (Augusta, GA)
- Phoebe Putney Memorial Hospital (Albany, GA)
- University Hospital (Augusta, GA)

Grady Health System (Atlanta, GA)
- Lindbergh Women's & Children's Center (Atlanta, GA)

Halifax Health (Daytona Beach, FL)
- Halifax Health Medical Center (Daytona Beach, FL)
- Halifax Health Medical Center Port Orange (Port Orange, FL)

Harris Health System (Houston, TX)
- Ben Taub Hospital (Houston, TX)
- Lyndon B. Johnson General Hospital (Houston, TX)
- Quentin Mease Hospital (Houston, TX)

Health and Hospital Corporation of Marion County (Indianapolis, IN)
- Wishard Health Services (Indianapolis, IN)

Health Care District of Palm Beach County (Palm Springs, FL)
- Lakeside Medical Center (Belle Glade, FL)

Hennepin County Medical Center (Minneapolis, MN)

Henry Ford Health System (Bingham Farms, MI)
Henry Ford Hospital (Detroit, MI)
Henry Ford Kingswood Hospital (Ferndale, MI)
Henry Ford Macomb Hospital (Clinton Township, MI)
Henry Ford Macomb Hospital-Mt. Clemens Campus (Warren, MI)
Henry Ford Macomb Physical Rehabilitation Center (Warren, MI)
Henry Ford West Bloomfield Hospital (West Bloomfield, MI)
Henry Ford Wyandotte Hosptial (Wyandotte, MI)

Howard University Hospital (Washington, DC)

Hurley Medical Center (Flint, MI)

Jackson Health System (Miami, FL)
Holtz Children's Hospital (Miami, FL)
Jackson Behavioral Health Hospital (Miami, FL)
Jackson Memorial Hospital (Miami, FL)
Jackson North Medical Center (Miami, FL)
Jackson Rehabilitation Hospital (Miami, FL)
Jackson South Community Hospital (Miami, FL)

JPS Health Network (Fort Worth, TX)
John Peter Smith Hospital (Fort Worth, TX)

Kern Medical Center (Bakersfield, CA)

Lee Memorial Health System (Fort Myers, FL)
Cape Coral Hospital (Cape Coral, FL)
Golisano Children's Hospital of Southwest Florida (Fort Myers, FL)
Gulf Coast Medical Center (Fort Myers, FL)
HealthPark Medical Center (Fort Myers, FL)
Lee Memorial Hospital (Fort Myers, FL)
The Rehabilitation Hospital (Fort Myers, FL)

Los Angeles County Department of Health Services (Los Angeles, CA)
Harbor-UCLA Medical Center (Torrance, CA)
High Desert Health System Multi-Service Ambulatory Care Center (Lancaster, CA)
LAC+USC Medical Center (Los Angeles, CA)
Olive View-UCLA Medical Center (Sylmar, CA)
Rancho Los Amigos National Rehabilitation Center (Downey, CA)

LSU Health Care Services Division (Baton Rouge, LA)
Bogalusa Medical Center (Bogalusa, LA)
Dr. Walter O. Moss Regional Medical Center (Lake Charles, LA)
Earl K. Long Medical Center (Baton Rouge, LA)
Interim LSU Public Hospital (New Orleans, LA)
Lallie Kemp Regional Medical Center (Independence, LA)
Leonard J. Chabert Medical Center (Houma, LA)
University Hospital and Clinics (Lafayette, LA)

Maricopa Integrated Health System (MIHS) (Phoenix, AZ)
Maricopa Medical Center (Phoenix, AZ)

Memorial Healthcare System (Hollywood, FL)
Joe DiMaggio Children's Hospital (Hollywood, FL)
Memorial Hospital Miramar (Miramar, FL)
Memorial Hospital Pembroke (Pembroke Pines, FL)
Memorial Hospital West (Pembroke Pines, FL)
Memorial Regional Hospital (Hollywood, FL)
Memorial Regional Hospital South (Hollywood, FL)

Memorial Hospital at Gulfport (Gulfport, MS)

MetroHealth System (Cleveland, OH)
MetroHealth Medical Center-Main Campus (Cleveland, OH)

Metropolitan Nashville Hospital Authority (Nashville, TN)
Nashville General Hospital at Meharry (Nashville, TN)

Natividad Medical Center (Salinas, CA)

New York City Health and Hospitals Corporation (New York, NY)
Bellevue Hospital Center (New York, NY)
Coler-Goldwater Specialty Hospital and Nursing Facility (New York, NY)
Coney Island Hospital (Brooklyn, NY)
Dr. Susan Smith McKinney Nursing and Rehabilitation Center (Brooklyn, NY)
Elmhurst Hospital Center (Elmhurst, NY)
Harlem Hospital Center (New York, NY)
Jacobi Medical Center (Bronx, NY)
Kings County Hospital Center (Brooklyn, NY)
Lincoln Medical and Mental Health Center (Bronx, NY)
Metropolitan Hospital Center (New York, NY)
North Central Bronx Hospital (Bronx, NY)
Queens Hospital Center (Jamaica, NY)
Sea View Hospital and Rehabilitation Center and Home (Staten Island, NY)
Woodhull Medical and Mental Health Center (Brooklyn, NY)

Norwegian American Hospital (Chicago, IL)

NuHealth (East Meadow, NY)

Orlando Health (Orlando, FL)
Arnold Palmer Hospital for Children (Orlando, FL)
Dr. P. Phillips Hospital (Orlando, FL)

Health Central Hospital (Orlando, FL)
Orlando Regional Medical Center (Orlando, FL)
South Lake Hospital (Clermont, FL)
South Seminole Hospital (Longwood, FL)
Winnie Palmer Hospital for Women and Babies (Orlando, FL)

Parkland Health & Hospital System (Dallas, TX)

Regional Medical Center at Memphis (The MED) (Memphis, TN)

Riverside County Regional Medical Center (Moreno Valley, CA)

San Joaquin General Hospital (French Camp, CA)

San Mateo Medical Center (San Mateo, CA)

Santa Clara Valley Health & Hospital System (San Jose, CA)
Santa Clara Valley Medical Center (San Jose, CA)

Sinai Health System (Chicago, IL)
Holy Cross Hospital (Chicago, IL)
Mount Sinai Hospital (Chicago, IL)
Schwab Rehabilitation Hospital (Chicago, IL)
Sinai Children's Hospital (Chicago, IL)

SNHAF-Safety Net Hospital Alliance of Florida (Tallahassee, FL)

St. Luke's Health System (Boise, ID)
St. Luke's Children's Hospital (Boise, ID)
St. Luke's Elmore Medical Center (Mountain Home, ID)
St. Luke's Jerome (Jerome, ID)
St. Luke's Magic Valley Medical Center (Twin Falls, ID)
St. Luke's McCall Medical Center (McCall, ID)
St. Luke's Meridian Medical Center (Meridian, ID)
St. Luke's Regional Medical Center (Boise, ID)
St. Luke's Wood River Medical Center (Ketchum, ID)

SUNY-State University of New York (Albany, NY)
Stony Brook University Hospital (Stony Brook, NY)
SUNY Downstate Medical Center (Brooklyn, NY)
SUNY Upstate Medical University (Syracuse, NY)

Swedish Covenant Hospital (Chicago, IL)

Tampa General Hospital (Tampa, FL)

Temple University Health System (Philadelphia, PA)
Jeanes Hospital (Philadelphia, PA)
Temple University Hospital (Philadelphia, PA)

The Ohio State University Wexner Medical Center (Columbus, OH)
OSU Harding Hospital (Columbus, OH)
Richard M. Ross Heart Hospital (Columbus, OH)
University Hospital (Columbus, OH)
University Hospital East (Columbus, OH)

The University of Arizona Health Network (Tucson, AZ)
The University of Arizona Medical Center-South Campus (Tucson, AZ)
University of Arizona Medical Center-University Campus (Tucson, AZ)

The University of Kansas Hospital (Kansas City, KS)

The University of Texas Medical Branch (Galveston, TX)
Children's Hospital (Galveston, TX)
John Sealy Hospital (Galveston, TX)

Truman Medical Centers (Kansas City, MO)
TMC Behavioral Health (Kansas City, MO)
TMC Hospital Hill (Kansas City, MO)
TMC Lakewood (Kansas City, MO)

UK HealthCare (Lexington, KY)
Kentucky Children's Hospital (Lexington, KY)
UK Albert B. Chandler Hospital (Lexington, KY)
UK Good Samaritan Hospital (Lexington, KY)

UMass Memorial Health Care (Worcester, MA)
Clinton Hospital (Clinton, MA)
HealthAlliance Hospital (Leominster, MA)
Marlborough Hospital (Marlborough, MA)
UMass Memorial Medical Center (Worcester, MA)
Wing Memorial Hospital (Palmer, MA)

University Health System (San Antonio, TX)
University Hospital (San Antonio, TX)

University Hospital (Newark, NJ)

University Medical Center of El Paso (El Paso, TX)

University Medical Center of Southern Nevada (Las Vegas, NV)
Children's Hospital of Nevada at UMC (Las Vegas, NV)

University of Alabama at Birmingham (UAB Health System) (Birmingham, AL)
Callahan Eye Hospital (Birmingham, AL)
Spain Rehabilitation Center (Birmingham, AL)
UAB Hospital (Birmingham, AL)
UAB Hospital-Highlands (Birmingham, AL)
Women & Infants Center (Birmingham, AL)

University of Arkansas for Medical Sciences (UAMS) (Little Rock, AR)

University of California (Oakland, CA)
- Mattel Children's Hospital UCLA (Los Angeles, CA)
- Resnick Neuropsychiatric Hospital at UCLA (Los Angeles, CA)
- Ronald Reagan UCLA Medical Center (Los Angeles, CA)
- UC Davis Medical Center (Sacramento, CA)
- UC Irvine Medical Center (Orange, CA)
- UC San Diego Health System (San Diego, CA)
- UCLA Medical Center Santa Monica (Santa Monica, CA)
- UCSF Benioff Children's Hospital (San Francisco, CA)
- UCSF Medical Center at Mount Zion (San Francisco, CA)

University of Colorado Health (Aurora, CO)
- Anschutz Inpatient Pavilion (Aurora, CO)
- Children's Hospital Colorado at Memorial Hospital (Cascade, CO)
- Children's Hospital of Colorado (Aurora, CO)
- Medical Center of the Rockies (Loveland, CO)
- Memorial Hospital Central (Colorado Springs, CO)
- Memorial Hospital North (Colorado Springs, CO)
- Mountain Crest Behavioral Healthcare Center (Fort Collins, CO)
- Poudre Valley Hospital (Fort Collins, CO)
- University of Colorado Hospital (Aurora, CO)

University of Florida Health (Gainesville, FL)
- UF Health Shands Hospital (Gainesville, FL)
- UF Shands Hospital for Children (Gainesville, FL)
- UF Shands Jacksonville (Jacksonville, FL)
- UF Shands Lake Shore Regional Medical Center (Lake City, FL)
- UF Shands Live Oak Regional Medical Center (Live Oak, FL)
- UF Shands Rehab Hospital (Gainesville, FL)
- UF Shands Vista (Gainesville, FL)

University of Illinois Hospital & Health Sciences System (Chicago, IL)

University of Missouri Health Care (Columbia, MO)
- Missouri Psychiatric Center (Columbia, MO)
- Missouri Rehabilitation Center (Mount Vernon, MO)
- University Hospital (Columbia, MO)
- University of Missouri Children's Hospital (Columbia, MO)
- University of Missouri Women's and Children's Hospital (Columbia, MO)

University of South Alabama Medical Center (Mobile, AL)
- University of South Alabama Children's and Women's Hospital (Mobile, AL)

University of Utah Health Care (Salt Lake City, UT)

UNM Health Sciences Center (Albuquerque, NM)
- UNM Carrie Tingley Hospital (Albuquerque, NM)
- UNM Children's Hospital (Albuquerque, NM)
- UNM Children's Psychiatric Center (Albuquerque, NM)
- UNM Hospitals (Albuquerque, NM)
- UNM Psychiatric Center (Albuquerque, NM)

UT Health Northeast (Tyler, TX)

UW Medicine (Seattle, WA)
- Harborview Medical Center (Seattle, WA)
- Northwest Hospital & Medical Center (Seattle, WA)
- UW Medical Center (Seattle, WA)
- Valley Medical Center (Renton, WA)

Ventura County Health Care Agency (Ventura, CA)
- Santa Paula Hospital (Santa Paula, CA)
- Ventura County Medical Center (Ventura, CA)

Virginia Commonwealth University Health System (Richmond, VA)
- Children's Hospital of Richmond (Richmond, VA)
- MCV Hospitals (Richmond, VA)
- VCU Pauley Heart Center (Richmond, VA)

West Virginia University Hospitals, Inc. (Morgantown, WV)
- Chestnut Ridge Center (Morgantown, WV)
- City Hospital (Martinsburg, WV)
- Jefferson Memorial Hospital (Ranson, WV)
- Ruby Memorial Hospital (Morgantown, WV)
- WVU Children's Hospital (Morgantown, WV)

Westchester Medical Center (Valhalla, NY)

essentialhospitalsinstitute.org

AMERICA'S ESSENTIAL HOSPITALS
1301 Pennsylvania Ave NW Ste 950
Washington DC 20004

t: 202.585.0100
f: 202.585.0101
e: info@essentialhospitals.org