



OHSU Board of Directors Meeting

Thursday, September 27, 2018

1:40 – 3:30 pm

RLSB, Room 3A002

2730 SW Moody Ave., Portland, OR 97201



**OREGON HEALTH & SCIENCE
UNIVERSITY
BOARD OF DIRECTORS MEETING**

Thursday, September 27, 2018
1:40 – 3:30 pm
RLSB 3A002

1:40 pm	Call to Order/ Chairman's Comments President's Comments	Wayne Monfries Danny Jacobs, MD
	Approval of Minutes June 28 (Action)	Wayne Monfries
1:50 pm	Financial update	Lawrence Furnstahl
2:15 pm	UO/OHSU Partnership Report	Peter Barr-Gillespie, PhD
2:40 pm	Annual Report from Faculty	Derick Du Vivier, MD
3:05 pm	Annual Integrity Report	Tim Marshall
3:30 pm	Meeting adjourned	

Oregon Health & Science University
Board of Directors Meeting
June 28, 2018
CLSB, Room 3A002

Following due notice to the public, the regular meeting of the Board of Directors of Oregon Health & Science University (OHSU) was held at 1:30 p.m. in the RLSB Conference Room 3A002, 2730 SW Moody, Portland, OR 97201.

A transcript of the audio recording was made of these proceedings. The recording and transcript are both available by contacting the OHSU Board Secretary at 3181 SW Sam Jackson Park Road, Mail Code L101, Portland, Oregon 97239. The following written minutes constitute a summary of the proceedings.

Attendance

Board members in attendance were Wayne Monfries, Chair; Joe Robertson, Ana Brar, Amy Tykeson, Steve Zika, Stacy Chamberlain, Prashant Dubey and Chad Paulson. Also present were Lawrence Furnstahl, Chief Financial Officer; Connie Seeley, Secretary of the Board; other OHSU staff members and members of the public.

Call to Order

Wayne Monfries called the meeting to order at 1:30 p.m.

Chairman of the Board's Comments

Wayne Monfries

Mr. Monfries welcomed everyone and said it was an honor to be a board member. He highlighted the full agenda that included the President's comments, the FY18 year-to-date results and proposed FY19 budget from Lawrence Furnstahl, the tuition and fee book, as well as the annual report on student learning outcomes from Dr. Elena Andresen. He also mentioned that Dr. Derick Du Vivier, the faculty senate president, would be presenting the faculty perspective on the FY19 budget and there would be an update from Dan Forbes on FY18 performance indicators and the proposed indicators for FY19. Also on the agenda are comments from board member Prashant Dubey. They would close with a farewell to Dr. Robertson. He talked about the selection of the new OHSU President, Dr. Danny Jacobs. Mr. Monfries spoke of his opportunity to address the OHSU graduating class of 2018 at the commencement ceremonies on June 3, 2018. He then proceeded to introduce Prashant Dubey.

OHSU Board member update

Prashant Dubey

Mr. Dubey started by saying that he experienced a severe sports injury back in March of 2018 and proceeded to give an overview of his exceptional treatment with the Legacy Health and OHSU trauma teams, various OHSU doctors, nurses and physical therapists. He discussed his surgery and post-surgery treatment and the exceptional level of care he was given at OHSU. He thanked everyone associated with his case and said he is forever grateful to all of the teams who were involved in his care. He thanked OHSU for saving his place at the board table and said he was honored to be a small part of it.

President's Comments

Dr. Joe Robertson

Dr. Robertson thanked Prashant for having the courage to share his story and then reflected on his time at OHSU. He thanked everyone for their commitment to the OHSU mission.

Major Developments

- **Awards:** *Dr. Robertson reported OHSU Doernbecher Children's Hospital was named among the best by US News and World Report. Also, Brian Druker received the 2018 Tang Award and OHSU was named one of three national centers established by NIH in cryo-electron microsurgery or cryo-EM.*
- **Financials:** *Dr. Robertson mentioned Lawrence Furnstahl will provide a full financial update.*
- **Vision 2020 Plan:** *Dr. Robertson mentioned the successes following the institution of the plan and its core values.*
- **Vizient Ranking:** *Dr. Robertson talked about the Vizient superior ranking performance and how OHSU was ranked 12th in the nation in 2017.*
- **Unconscious Bias Training:** *Dr. Robertson mentioned OHSU is ahead of its goals.*

Approval of Minutes

Mr. Monfries asked for approval of the minutes from the April 5th, 2018 board meeting. Upon motion duly made by Steve Zika and seconded by Ana Brar, the minutes were unanimously approved.

Mr. Monfries asked for approval of the minutes from the May 8th, 2018 board meeting. Upon motion duly made by Amy Tykeson and seconded by Ana Brar, the minutes were unanimously approved.

YTD Financial Results

Lawrence Furnstahl

Lawrence presented an in-depth overview on OHSU's FY18 year-to-date results and the proposed FY19 budget. He mentioned results continue at and above trajectory and revenues are running 7% year over year.

Steve Zika stated that he got satisfactory answers at the Finance and Audit committee meeting but he really wanted to compliment Lawrence on the financial performance that his team has done in an uncertain environment and said that it is from competence, plus shared sacrifice. He said OHSU has a lot of priorities and they have managed to walk both sides of it working on the missions while still keeping in really good financial shape. He said they also set a record for number of pages for a board presentation, but said the information they give every single person on what is going on is really critical because those people are going to help them succeed.

Wayne Monfries followed up on Steve's comments around Accelerate OHSU. He said often times we commend the leadership for coming up with challenging ideas in something hard to implement, but he said it is a change in culture that helps get the financial stability that OHSU has been able to achieve and he thinks that the change in culture cannot be noted without commending the acceptance of these practices by the university-wide community. He said the university community should be commended for accepting those changes in Accelerate OHSU to make it successful. He went on record to say that about the community.

Resolution 2018-06-09 *The operating budget, capital budget, academic year fee book and health systems budget.*

Mr. Monfries asked for a motion for Resolution 2018-06-09. Steve Zika moved to approve the motion. Chad Paulson seconded the motion. The motion passed.

Annual Report on Comprehensive Assessment of Student Learning Outcomes

Elena Andresen

Elena Andresen gave a report on the comprehensive assessment of student learning outcomes. She spoke about the entire operation and the quality of the education mission.

Amy Tykeson asked if it is standard that the whole university and all the programs be assessed at the same time. She was curious because she knew OHSU just got certified for the public health. She asked to hear more about the PhD program.

Elena Andresen said she would answer at a high level and then if there were more specific questions she would turn to Constance Tucker to answer. She said there is accreditation of the entire university that asks for a comprehensive assessment and quality kind of cycle. She said it's not that OHSU isn't doing some of that, but the systematic collection of data is a more standard way of assessing student outcomes and assessments. She said that is what OHSU is doing as a more coordinated effort across the university. She said it involves a variety of other activities that Dr. Tucker has put in for OHSU to increase their capacity for both student learning and for the faculty. She mentioned individual programs go through a different kind of assessment for their accreditations and those referring to outside agencies. She said the School of Public Health has the Council on Education and Public Health as the accrediting body. She said OHSU has both kinds of assessment and accreditation. She also said they are involved in another office that sits in the office of the provost and works collaboratively across the university for those more specific kinds of accreditation. She said many of OHSU's programs, especially the clinical ones, go through a separate discipline or portfolio kind of accreditation as well.

Amy Tykeson asked is it a periodic full university assessment, or if it was more of a spot check type routine?

Elena Andresen said they are on a seven-year cycle for NWCCU and there are periodic components during this time. She said OHSU owes reports and in one sense they are having a planned spot check because of their interest in OHSU's assessment and evaluation cycle this fall. She said at OHSU's level they don't expect spot checks. She said because of OHSU's quality they don't expect the kind of spot checks that might happen if someone were on any kind of path in terms of required changes in short periods of time.

Faculty Senate Address to the OHSU Board:

Dr. Derick Du Vivier

Dr. Du Vivier gave an overview of the Faculty Senate to the OHSU board. He explained who the faculty senate is, what their role is and what their goals are. He also discussed their participation in the OHSU budget.

Amy Tykeson made a comment saying OHSU is an outstanding institution for students, research and importantly for patients. She followed by saying it is due in part to the faculty and she wanted to take a moment to thank the faculty senate and others for their leadership to help faculty engage and participate in the institution.

Dr. Du Vivier thanked her for her comments.

Stacy Chamberlain thanked Dr. Du Vivier for the presentation. She said the information was very helpful and she wanted to recognize how much work goes into this, because running the faculty senate is not their fulltime job. She said she can make better decisions when hearing from folks on the front lines about how it is actually working and what OHSU needs to do to improve. She thanked them for that because she thinks it actually makes OHSU much better.

Dr. Du Vivier thanked her for her comments.

Wayne Monfries commented on the university initiatives on diversity inclusion and wanted to use the opportunity to make further comments. He applauded that these initiatives were part of their objectives and goals and said all the areas of the university should have them as part of their objectives and goals in order to advance in diversity inclusion. He said it doesn't just come from the leadership down, but from everyone being a part of that, so he commended them for that. He said the board will continue to look at this and the leadership will look at it as well, but it will take the buy-in from the entire university community. He thanked them again in closing.

Dr. Du Vivier thanked everyone in attendance.

Report on FY18 Indicators and Proposed FY19 Indicators

Dan Forbes

Dan Forbes provided an overview on the performance of the FY 2018 Indicators and a brief update and preview of the FY 2019 Indicators.

Wayne Monfries said the metrics in terms of what OHSU would be measuring against, would be helpful.

Dan Forbes commented that the metrics will be built around management and senior management reporting out to staff on what the scores are and their action plans to help. He said it will be tailored so OHSU will have specific institutional goals that everyone will work with OHSU staff on. He said the goal will be around delivering that presentation and working on those goals on a global basis. He said they are also selecting a few teams, and are going to choose some high performing and some that maybe just need some help. They will provide additional resources to those teams that might need additional help.

Amy Tykeson said it is really valuable to have those metrics for the whole institution to see where everything is. She said she appreciated the update on that. She asked when they would have information available in terms of the specific metrics.

Dan Forbes responded saying they are being worked on in the next two weeks. He said part or some of the metrics actually may take a little bit longer to get very specific, with an example being increasing the grant dollars. He said they may not know the final grant dollar total until August, or September. He said an 8% growth will be the target, but there will be some lag time as to whether that is \$108 million or \$116 million.

Dan Forbes commented that Healthcare has no changes. He said they will be working on some of the underlying metrics, so they want to increase access. He said those measurements are going to be a little more fine-tuned. He said they will be looking at not just the total access, but will be looking on a department/specialty basis, as well as primary care so that they try to raise access everywhere so everyone will be expected to improve their access. He said if they improve just primary care, nobody can get into specialty. He said they want to make sure that they are improving access at the granular level too for patient satisfaction. He said they are switching vendors from Press Ganey to a new vendor whose name he could not remember but thinks it is NRC. He thought they do a net promoter score, and said after Q1 they will see where they are and that there should be an improvement based on that recommendation. He mentioned the transfer rate will also take some work. He said they have to wait for the race to be done and then Dr. Merkel and he will meet to look at what is the dominator and what is the appropriate way to go about assessing success as they work closely with their partners to decant and capture that fairly. He said on research there are no proposed changes. Regarding Education on his slides, he said he put them in green because at least the first one for sure shows as subtle. He said they wanted to put in a retention aspect, so not just recruiting, but retaining. He said the second one on the slide is a change. He said previously they had increased applications and they were flipping that to degrees, so they wanted to make sure they are providing degrees to students, not just applications. He then said there are no changes on the rest of education and the finances are all the same again. He said the numbers will be updated at the close of this year with the appropriate targets.

Steve Zika made a comment that this is the KPI score card. He said it's fantastic. He said it will be really fascinating and interesting as the President talks about developing a new strategic plan. He said it is critical to have a strategic plan, but even more important, a strategic doing. He said modifying that at some point to the right metrics to follow, whatever that new strategic plan will be should be, a really interesting exercise and could be somewhat different.

Amy Tykeson asked if it is called advance OHSU, and asked if they have visibility around that? She said it is because everyone is participating and looking at how we can do things different or more effectively. She said that they need to continue to build to prepare OSHU for the changing times. She said it is important to have people be aware that they are really focused on that. She said it would be appropriate to include something like that as a consideration.

Dan Forbes said he thought that sounded great.

Ana Brar mentioned the improving employee engagement with the surveys. She asked if that was just faculty surveys or also staff?

Dan Forbes responded saying it was all employees.

Wayne Monfries mentioned he has a resolution for Dr. Robertson. He said he was glad they timed it so that they can actually all be together in the building to read the following resolution.

Resolution 2018-06-10 *Recognizing Service of Joe Robertson*

Mr. Monfries asked for a motion for Resolution 2018-06-10. Amy Tykeson moved to approve the motion. Ana Brar seconded the motion. The motion passed.

Wayne Monfries said he has been on the board a couple years and said Dr Robertson has been great and said it's been great working with him. He said he looked forward to continue to work with him in his ongoing role at OHSU. He said he has been a great president and a great leader and that he has learned a lot from him. He congratulated him on his time and as a leader at OHSU. He said they will continue to look to him to participate in OHSU going forward.

Joe Robertson thanked **Mr. Monfries** and said he was very lucky there was a spot in ophthalmology when he came knocking on the door 40 years ago. He said he couldn't imagine working at another institution. He said he feels incredibly fortunate that he's been given the opportunities that he has had at OHSU and despite all the institution's success, he said the best part has been the people and working with everyone at OHSU. He said it was great getting to know and befriend everyone on this journey together at OHSU. He closed thanking everyone.

Adjournment

Hearing no further business, Mr. Monfries adjourned the meeting at 3:30 p.m.

Respectfully submitted,

Connie Seeley
Secretary of the Board



FY18 Year-End Financial Results

OHSU Board of Directors / September 27, 2018

FY18 June YTD Financial Results

- Unaudited financial results for FY18 show operating income of \$137 million, \$37 million above budget and 6% higher than last year.
- OHSU revenues increased 7% year-over-year, reflecting higher casemix, surgical cases and ambulatory visits, combined with solid 6% growth in grants and tuition.
- Starting January 1, 2018, OHSU received nearly \$13 million for the first six months of enhanced Medicaid Intergovernmental Transfer (IGT) funds:
 - These payments for unique academic health center services reduce the loss on Medicaid, freeing funds to support research & education in Oregon's only public health sciences university.
- Schools, centers & institutes, administrative and support areas all held spending well below budget, as Accelerate OHSU performance improvement efforts continued.
- Net worth rose \$228 million or 7% during FY18 to nearly \$3.4 billion. This return on equity reflects strong operations, the State grant to the Knight Cancer Challenge applied to research facilities, and 4.1% aggregate investment return (8.5% endowment return and 1.4% non-endowment return).
- FY18 caps seven years of strong revenue growth, 4.5% operating margins, and increased net worth from a balance of operations, philanthropy and investments. Early FY19 results continue this trend with \$30 million of operating income through August.

FY18 Operating Income \$37M > Budget

June YTD (12 months) (millions)	FY17 Actual	FY18 Budget	FY18 Actual	FY18 - Budget	FY18 / FY17
Net patient revenue	\$1,924	\$2,017	\$2,064	\$47	7.2%
Medicaid R&E IGT	85	85	98	13	14.7%
Grants & contracts	423	419	448	29	6.1%
Gifts applied	103	110	94	(15)	-8.1%
Tuition & fees	70	74	74	(0)	6.1%
State appropriations	36	36	37	1	4.1%
Other revenue	125	126	152	26	21.7%
Operating revenues	2,765	2,866	2,966	100	7.3%
Salaries & benefits	1,641	1,731	1,759	28	7.2%
Services & supplies	818	852	891	39	8.9%
Depreciation	146	152	151	(1)	3.1%
Interest	29	31	29	(3)	-2.3%
Operating expenses	2,635	2,766	2,829	63	7.4%
Oper. income (budget basis)	129	100	137	37	5.8%
OregonHeart investment	2		0		
Knight Cancer Research Building	59		120		
Total oper. income (pre-GASB 68)	\$190		\$257		

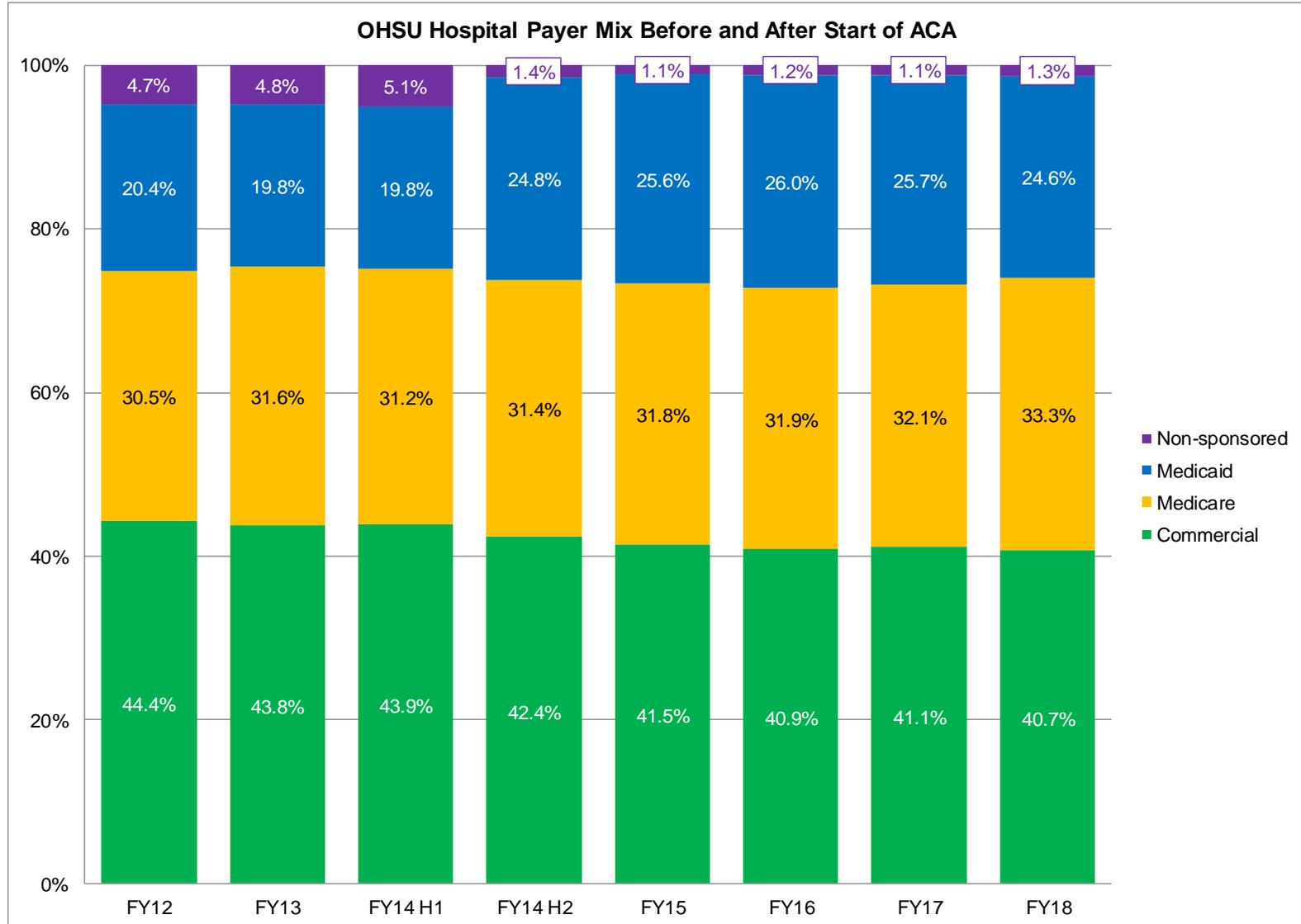
O/P Visits, Surgical & Casemix Drive Growth

OHSU Patient Activity June YTD (12 months)	FY17 Actual	FY18 Budget	FY18 Actual	Actual / Budget	Actual / Last Year
Inpatient admissions	29,747	29,836	29,213	-2.1%	-1.8%
Average length of stay	5.92	6.00	5.94	-1.0%	0.3%
Average daily census	470	479	464	-3.1%	-1.4%
Day/observation patients	37,552	37,055	40,378	9.0%	7.5%
Emergency visits	47,193	47,989	48,461	1.0%	2.7%
Ambulatory visits	893,999	915,986	955,857	4.4%	6.9%
Surgical cases	33,892	34,704	35,560	2.5%	4.9%
Casemix index	2.09	2.07	2.18	5.3%	4.3%
Outpatient share of activity	49.5%	50.0%	51.5%	3.0%	4.0%
CMI/OP adjusted admissions	122,967	123,560	131,210	6.2%	6.7%

Adult Medical / Surgical Bed Capacity Strained

FY18 Jun YTD Occupancy	Census	Beds	Occupancy
Adult medical surgical	279	305	91.5%
Adult critical care	58	79	73.4%
Doernbecher Children's Hospital	108	145	74.5%
Obstetrics	18	27	66.7%
Total OHSU	463	556	83.3%

Medicaid Expansion + Shift Toward Medicare



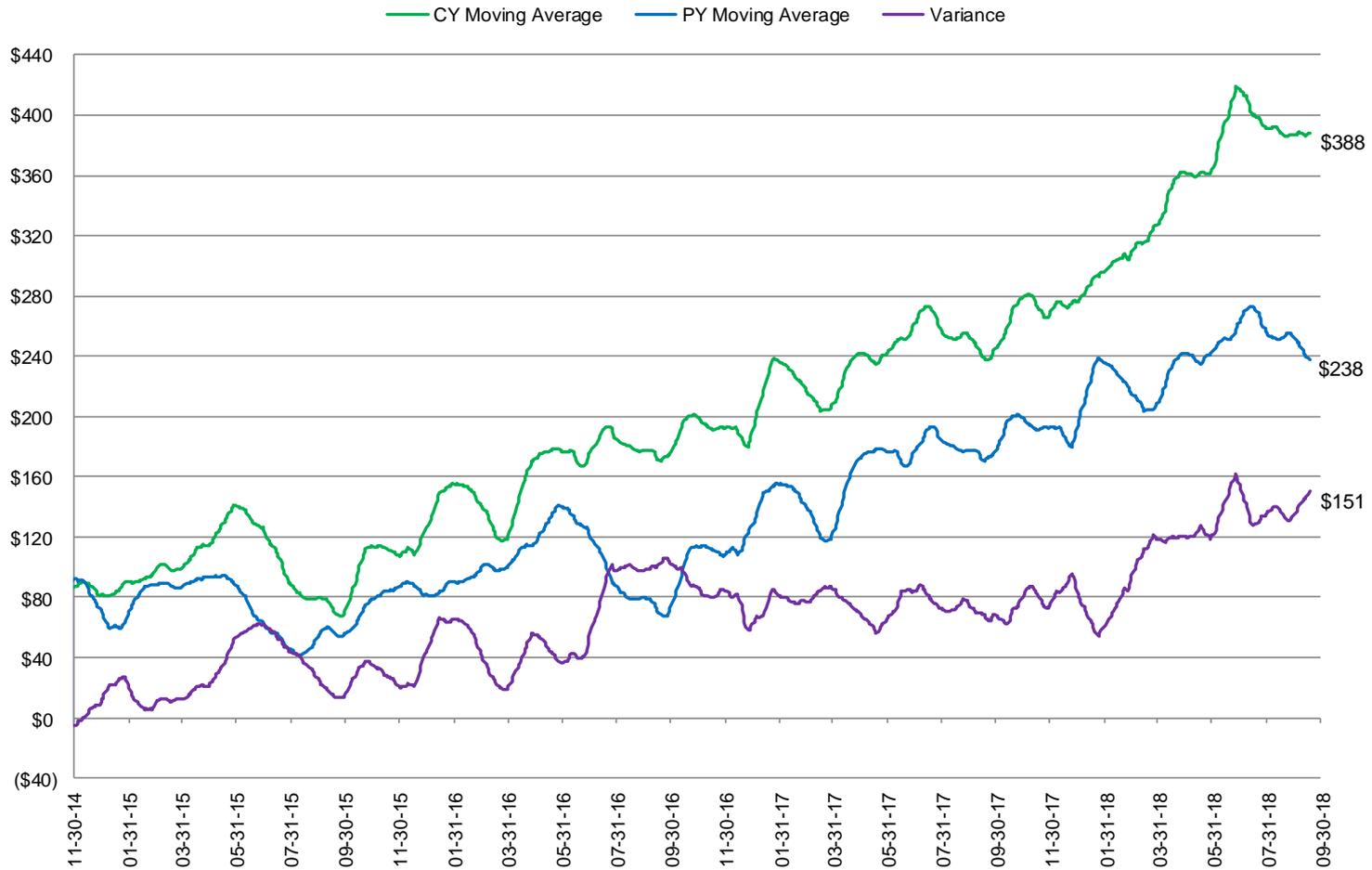
FY18 Cash Up \$108M with Net Worth Up \$228M

Balance Sheet (millions)	6/30/17	6/30/18	Change	FY18 Cash Flow (millions)	Jun YTD
Operating cash & investments	\$825	\$926	\$102	Oper. income (budget basis)	\$137
Quasi-endowment funds	86	93	6	State grant to KCC	120
Moda surplus note, net	34	34	0	Depreciation	151
				OHSU investment return	23
OHSU cash & investments	945	1,053	108	CHH-2 project funds applied	134
Trustee-held bond funds	19	43	23	Sources of OHSU cash	565
KCRB project fund	124	8	(116)	Regular principal repaid	(7)
CHH-2 project fund	144	11	(134)	Capital spending	(418)
				Other working capital, net	(32)
Total cash & investments	1,232	1,114	(118)	Uses of OHSU cash	(457)
Net physical plant	1,742	2,009	267	Sources less uses of cash	108
Interest in Foundations	1,403	1,390	(13)	6/30/17 balance	945
Long-term debt	(1,009)	(1,002)	7	6/30/18 balance	\$1,053
GASB 68 pension items, net	(298)	(327)	(29)		
Working capital & other, net	70	183	114		
OHSU net worth	3,141	3,368	228		

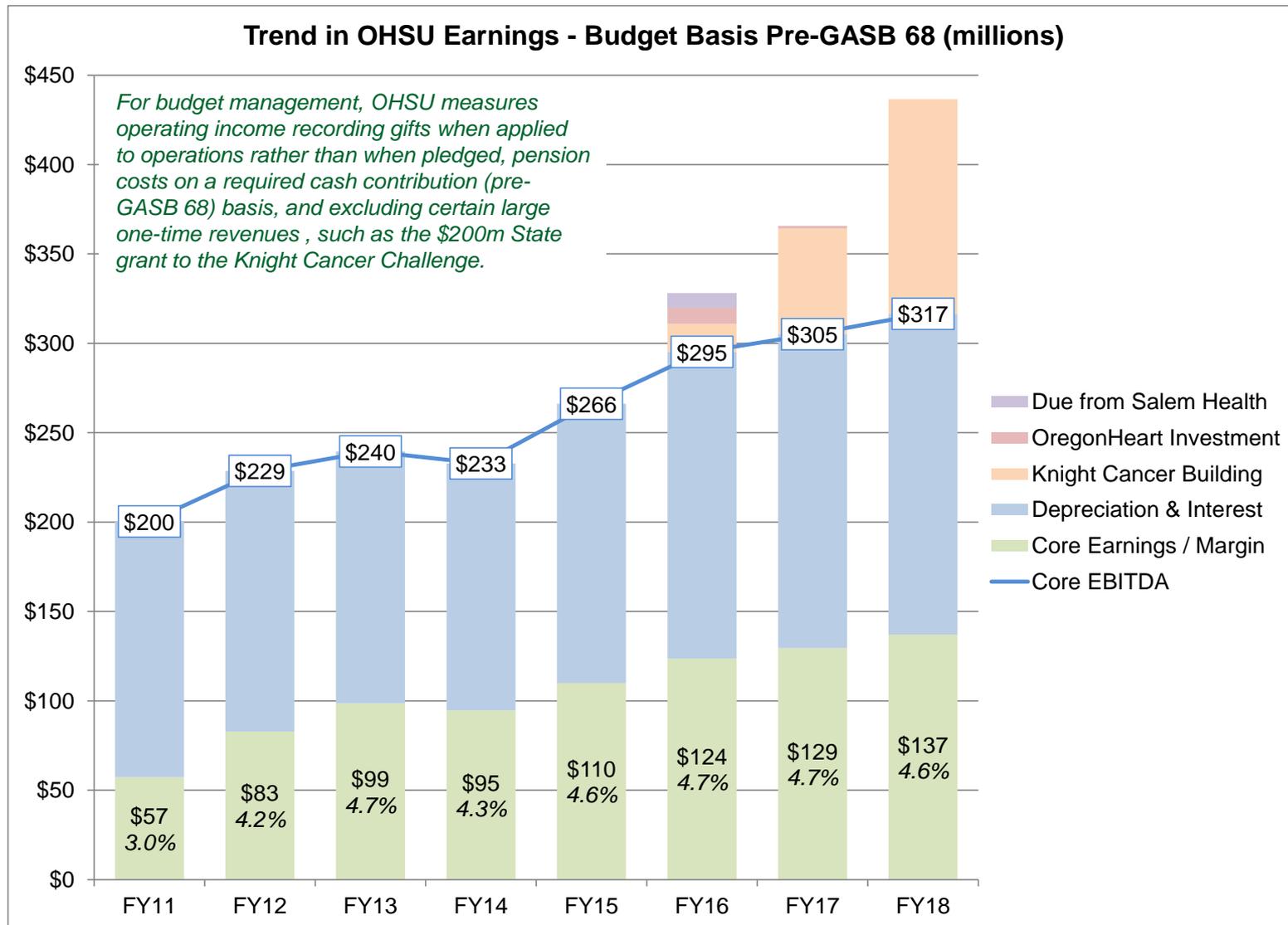
Oper. income (budget basis)	137
State grant to KCC	120
OHSU investment return	23
Gain (loss) from Foundations	16
GASB 68 pension / GASB 81 split gifts	(67)
Other non-operating items	(1)
Total change in net worth	\$228

Operating Cash Balances Trending +\$150M

Year-Over-Year Change in OHSU's Normalized Cash Balances (Four-Week Moving Average)
(millions)



4.5% Average Operating Margin since FY12

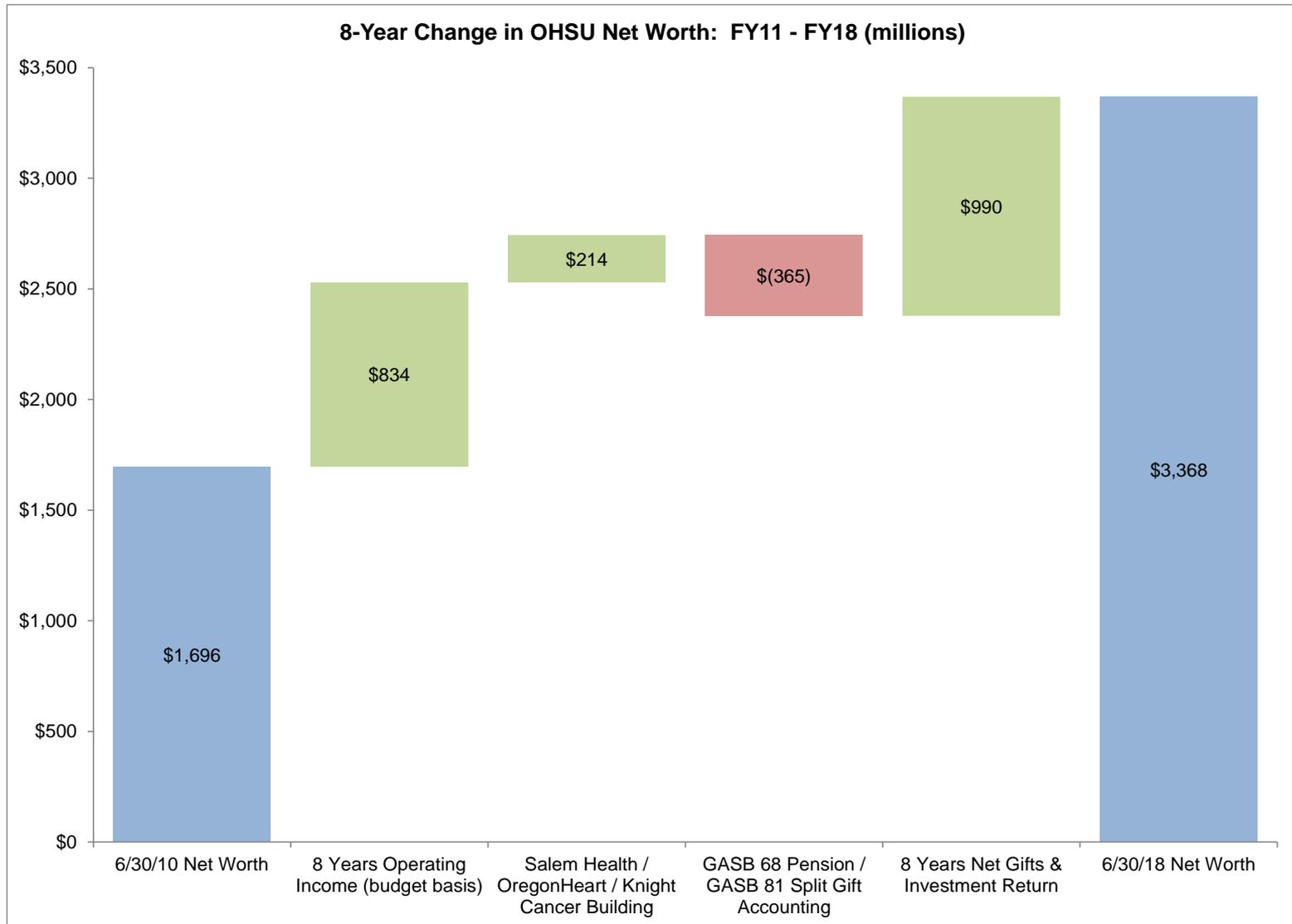


Relative Growth of Clinical, Research & Education

(millions)	FY11 Actual	FY18 Preliminary	7 Year CAGR
Net patient revenue*	\$1,303	\$2,161	7.5%
Grants & contracts	377	448	2.5%
Gifts applied to operations	31	94	17.3%
Tuition & fees	54	74	4.6%
State appropriations	39	37	-0.8%
Other revenue	82	152	9.3%
Total revenues	1,885	2,966	6.7%
Salaries & benefits	1,108	1,759	6.8%
Services & supplies	576	891	6.4%
Depreciation	106	151	5.1%
Interest	37	29	-3.5%
Total expenses	1,828	2,829	6.4%
Operating income	57	137	13.2%
<i>Operating margin</i>	<i>3.0%</i>	<i>4.6%</i>	
Revenue growth by major area of focus:			
Clinical (patient + other revenue)	1,384	2,313	7.6%
Research (grants + gifts)	408	543	4.2%
Education (tuition + appropriations)	93	111	2.5%
Total revenues	\$1,885	\$2,966	6.7%

*For consistency of comparison, net of Medicaid provider tax and including Medicaid IGT funds in both years.

Net Worth Growth from Operations + Philanthropy



FY19 August YTD Earnings \$19M > Budget

August YTD (2 months) (millions)	FY18 Actual	FY19 Budget	FY19 Actual	FY19 - Budget	FY19 / FY18
Net patient revenue	\$333	\$360	\$368	\$8	10.7%
Medicaid R&E IGT	15	19	19	0	21.3%
Grants & contracts	62	77	76	(1)	21.8%
Gifts applied	13	13	13	0	7.3%
Tuition & fees	11	11	12	1	6.0%
State appropriations	6	6	6	0	0.7%
Other revenue	22	25	33	8	47.0%
Operating revenues	462	511	527	16	13.9%
Salaries & benefits	282	305	310	5	9.9%
Services & supplies	139	163	155	(8)	11.3%
Depreciation	25	27	27	(1)	5.2%
Interest	5	5	6	1	2.7%
Operating expenses	452	500	497	(3)	10.0%
Oper. income (budget basis)	11	11	30	19	179.9%
Knight Cancer Research Building	7		3		
Total oper. income (pre-GASB 68)	\$18		\$34		

Financial Planning Implications of FY18 Results

- OHSU 10-year financial planning model assumes:
 1. Payment rate growth approximates 2% per year while unit cost growth is 3.5%.
 2. This 1.5% point gap on a \$3 billion budget would result in a \$45 million per year reduction in earnings, if not addressed.
 3. In response, volume growth must accelerate back to 5% annually through adding facilities, recruiting faculty, building programs and ensuring access.
 4. As activity increases, variable costs must be held to 70% of total costs, in order to spread 30% fixed costs over a larger base.
 5. Over time, this balances total revenue growth (5% volume + 2% rate = 7%) with total expense growth (70% x 5% = 3.5% volume + 3.5% unit cost = 7%).
- Accelerate OHSU is designed to narrow the gap between payment rate and unit cost inflation; to facilitate volume growth across missions; to hold variable costs to 70%; and to reduce current expense base until new capacity can be brought fully online.
- FY18 results show progress toward this approach, especially the 7% patient revenue growth (despite high medical / surgical occupancy) and 6% growth in both grants and tuition, while sustaining the 4.5% operating margin achieved since FY12.

OHSU's Partnership with the University of Oregon

Peter Barr-Gillespie
September 27, 2018



Importance of UO-OHSU Partnership

- OHSU and UO both developing major new research facilities thanks to unprecedented gifts from Phil and Penny Knight
- The UO broke ground on the Phil and Penny Knight Campus for Accelerating Scientific Impact in March; OHSU just opened the Knight Cancer Research Building
- OHSU and UO faculty have complementary strengths and areas of excellence (certainly not just in areas supported by the Knights!) but work together less than would be predicted
- Research has greater impact when faculty from different institutions collaborate

Charge from the Presidents

In 2017, OHSU President Joe Robertson and UO President Michael Schill called for increased partnerships to catalyze discovery and scientific impact from research in Oregon

3 areas of focus:

- Research collaborations
- Educational programs
- Administrative policies



UO-OHSU Partnership: Initial summit



Collaboration Seed Projects

- *Request for Applications for Collaborative Seed Funding* launched February 2018 with two priorities:
 - **Piloting project awards**, providing funds for activities aimed at joint UO-OHSU grant applications
 - **Convening project awards**, bringing together OHSU and UO teams to incubate collaborative ideas and explore potential for future joint proposals
- Each proposal jointly led by a UO-OHSU team
- Applications due in April 2018; 45 applications received from a broad range of disciplines at both institutions
- Funding decisions announced in June, and projects starting now

Pilot Project Awards

- *Culturally Adapting and Pilot Testing a Values-Affirmation Intervention to Improve Diabetes Health and Management Indicators among American Indians with Diabetes* — Michelle Jacob, UO, and Kelly Gonzales, OHSU
- *Nanohoops as New Materials for Multiplexed Biological Imaging* — Ramesh Jasti, UO, and Xiaolin Nan, OHSU
- *Vascular mechanisms linking obesity and hypercoagulability following hemorrhagic shock* — Belinda McCully, OHSU, and Ashley Walker, U.
- ***Building Translational Bridges Between Human and Rodent Models of Development and Mental Health* — Christopher Niell, UO, and Damien Fair, OHSU**
- *Developing Bio-Inspired Fractal Implants to Restore Vision to Patients with Retinal Diseases: In Vivo Studies* — Richard Taylor, UO, and Trevor McGill, OHSU
- *Predicting Healthcare-Associated Clostridioides Difficile Infection Probabilities in Inpatient Units* — Kevin Van Den Wymelenberg, UO, and Robert Martindale, OHSU

Convening Project Awards

- *Oregon Translational Chemical Biology Working Group* — Kimberly Beatty, OHSU, and Michael Pluth, UO)
- ***Oregon Center for Law, Ethics and Neuroscience* — Dennis Bourdette, OHSU, and Colin Koopman, UO**
- *Translational Neuroscience of Substance Use and Behavior Change Across the Lifespan* — Sarah Feldstein Ewing, OHSU, and Elliot Berkman, UO
- *Addressing Disparities in the Assessment and Treatment of Communication Disorders for Young Children from Latino Backgrounds* — Katharine Zuckerman, OHSU, and Lauren Cyclic, UO

Working Meeting Scheduled October 8

Meeting will include all research teams, collaboration steering committee, and university leadership

- Report progress on projects
- Discuss lessons learned from the collaborations
- Plan for future funding and activities



New Administrative Collaborations

- First jointly appointed faculty member, Elinor Sullivan (OHSU – ONPRC; UO – department of human physiology)
- Memorandum of Understanding (MOU) to handle intellectual property for faculty with joint appointments at OHSU and UO.
- Agreement established to charge internal rates for research core facility.
- Near future: regulatory agreements to facilitate joint research projects that involve human subjects or institutional animal care and use.

Educational activities

- Some joint courses already underway
- Discussing initiatives in several areas of interest, including data science and biomedical engineering, for new courses and academic programs

Measuring Results

- Tracking publications, grants and products generated from the Collaborative Seed Grant awards
- In FY 2017 (baseline), 10 proposals jointly submitted from OHSU-UO teams to funding agencies
- Goal is at least **20 joint proposal submissions** to funding agencies by 2020 . Assuming a 20% success rate , we expect that ~4 joint OHSU-UO projects will be awarded funding

Next Steps

- Funding for another round of awards provisionally approved
- Exploring new mechanisms of collaborations such as Grand Challenges

Other inter-institutional collaborations

- Six pilot awards (\$50K each) just awarded to joint research projects with PSU
- OHSU-PSU Joint School of Public Health
- OSU: College of Pharmacy partnership; many ongoing research collaborations across OHSU (e.g. Knight Cancer, OCTRI)



Thank You

“Annual Report from Faculty” slides
will be presented at the board meeting



Integrity Program Update

Annual Report to the OHSU Board of Directors

DATE: September 27, 2018

PRESENTED BY: TIM MARSHALL, Interim Chief Integrity Officer

Integrity at OHSU

Integrity: To commit to and remain true to a set of values and principles through our actions, with unwavering dedication to being upright and honest.

- OHSU Code of Conduct (Section 1.1)

Every OHSU Member, including the OHSU Board of Directors, is responsible for adhering to the highest ethical, organizational, and operational standards in the performance of duties and responsibilities at OHSU.

- OHSU Roles and Responsibilities guidelines

Roles and Responsibilities

The **Chief Integrity Officer** is responsible for the development, coordination, and oversight of the Integrity program at OHSU. The Chief Integrity Officer serves as a **knowledgeable resource** for organizational and operational matters related to integrity issues and **evaluates and elevates issues** to appropriate personnel for review and resolution.

The members of the **Board of Directors, President and Executive Vice Presidents** are responsible for articulating the values, mission and vision of the institution; **fostering high ethical, organizational and operational integrity**; and **ensuring compliance** with policies, laws, regulations and other appropriate standards. Executive leadership is ultimately responsible for **integrity** at OHSU.

- OHSU Roles and Responsibilities guidelines

Program Effectiveness

To have an effective compliance and ethics program, an organization shall:

- (1) exercise due diligence to prevent and detect criminal conduct; and*
- (2) otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law.*

*Such compliance and ethics program shall be **reasonably designed**, implemented, and enforced so that the program is **generally effective** in preventing and detecting criminal conduct. The failure to prevent or detect the instance offense does not necessarily mean that the program is not generally effective in preventing and detecting criminal conduct.*

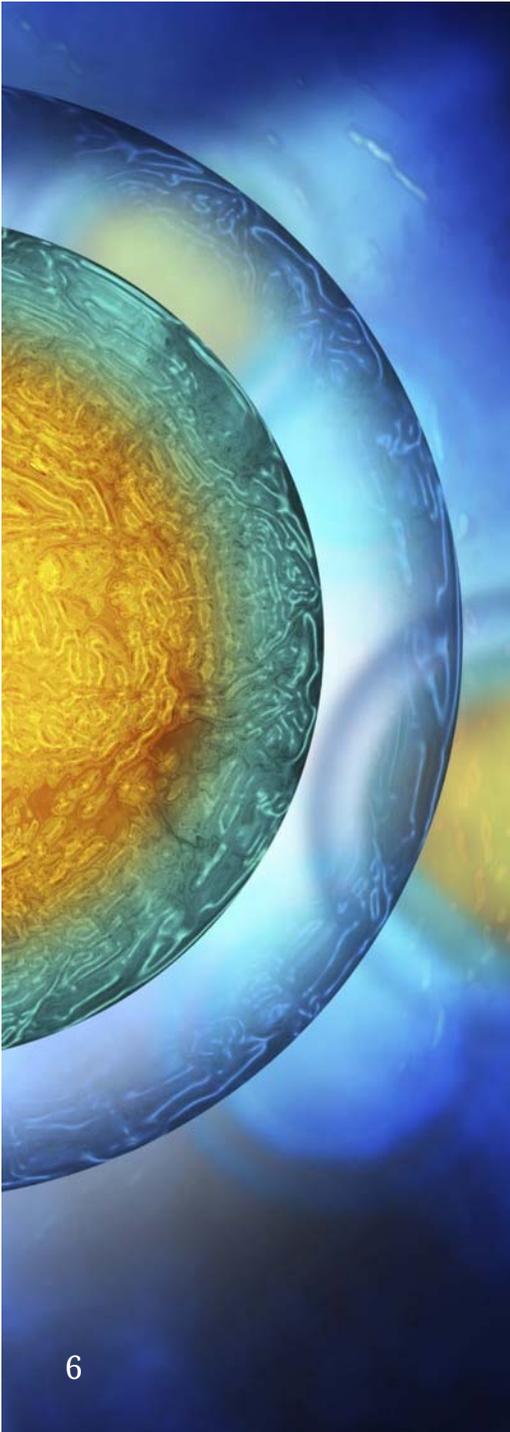
-US Sentencing Commission Guidelines Manual (§8B2.1)



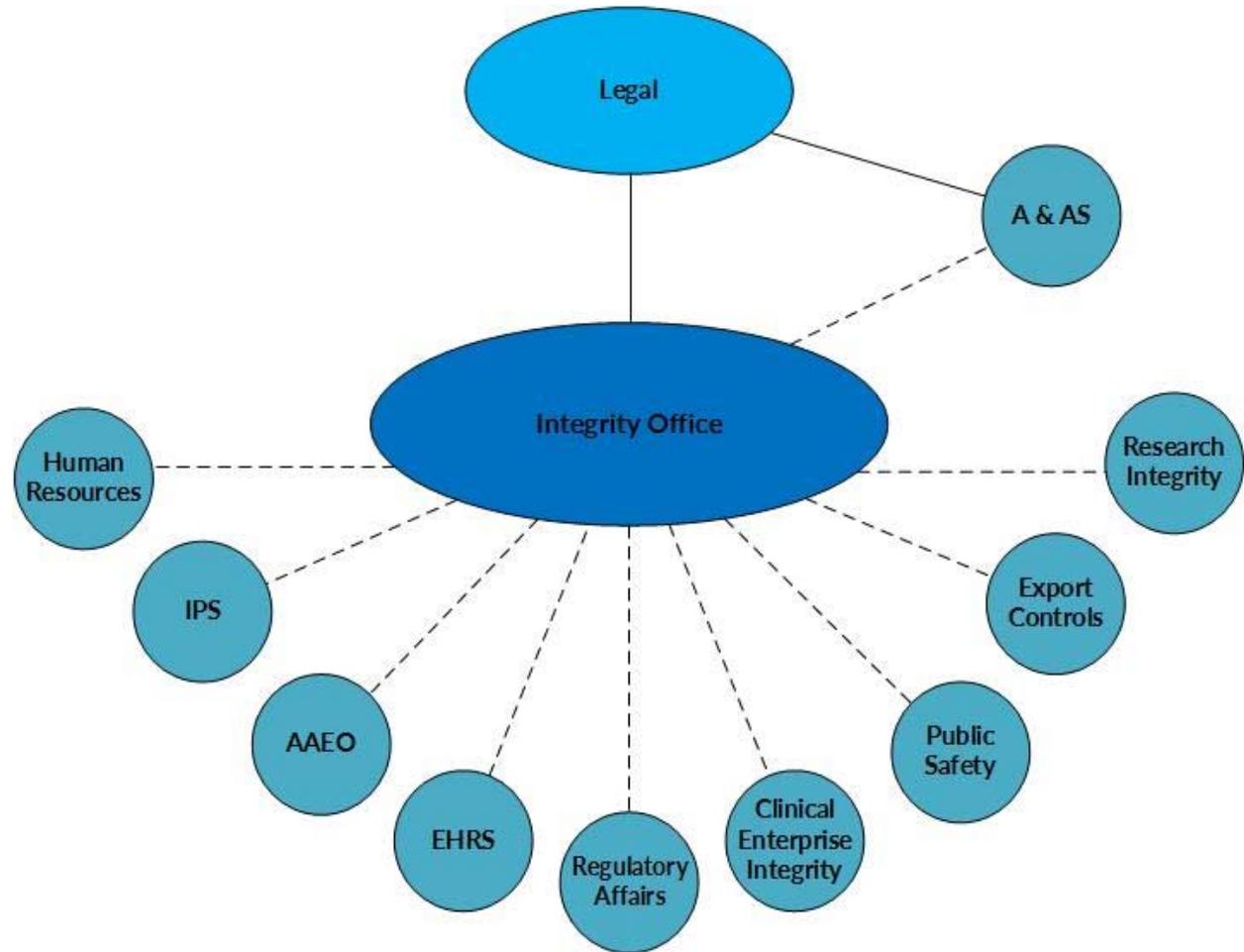
Program Effectiveness

The Office of Inspector General (OIG) defines effectiveness by these “Seven Elements of an Effective Compliance Program”

1. Written policies & procedures
2. Program oversight & governance, including:
 - a. Oversight by a governing authority
 - b. Assignment of overall responsibility to high-level personnel
 - c. Delegation of operational responsibility to specific individuals
3. Training and communication
4. Monitoring and auditing
5. Hotline or other effective reporting mechanism
6. Disciplinary measures; appropriate corrective action
7. Prevention: Periodic risk assessment and modification of program to reduce risks



How do we accomplish this?



*This is not an all-inclusive list.

Compliance is an enterprise-wide responsibility



Integrity Direct Operations

- Receive, review and recommend action on compliance matters to leadership, in collaboration with other compliance areas and Integrity programs
- Risk assessment and process improvement initiatives
- Educate and inform Integrity Program Oversight Council (IPOC)
- Manage shared services
 - Support and enforce Code of Conduct
 - Policy enforcement and support
 - Provide education and awareness (through Integrity Booster and Integrity Foundations) as well as other integrity program needs
 - Manage Integrity hotline
- Participate in various compliance related committees
- Reporting and metrics

Integrity initiatives in FY19

- Integrity/Compliance collaboration and benchmarking
- Education and training program review
- Quality Compliance assistance
- Provide support to chemical inventory tracking project
- Monitoring and Auditing





Questions

Glossary of Terms

AAEO – Affirmative Action and Equal Opportunity

ACA - Affordable Care Act. The Patient Protection and Affordable Care Act, often shortened to the Affordable Care Act (ACA) or nicknamed Obamacare, is a United States federal statute enacted by the 111th United States Congress and signed into law by President Barack Obama on March 23, 2010

AFSCME - American Federation of State, County and Municipal Employees. A union that represents OHSU classified employees.

AH - Adventist Health.

AHC - Academic Health Center. A partnership between healthcare providers and universities focusing on research, clinical services, education and training. They are intended to ensure that medical research breakthroughs lead to direct clinical benefits for patients.

AMD - Age-Related Muscular Degeneration is a common eye condition and a leading cause of vision loss among people age 50 and older.

APP – advanced practice providers

APR - Academic Program Review: The process by which all academic programs are evaluated for quality and effectiveness by a faculty committee at least once every five years.

ARRA - American Recovery and Reinvestment Act of 2009.

A/R - Accounts Receivable. Money owed to a company by its debtors

ASF - Assignable Square Feet. The sum of all areas on all floors of a building assigned to, or available for assignment to, an occupant or specific use.

A&AS – Audit and Advisory Services

BRB - Biomedical Research Building. A building at OHSU.

CAGR - Compound Annual Growth Rate measures the annual growth rate of an investment for a time period greater than a year.

CAO - Chief Administrative Officer.

Capex - Capital expense

CEI - Casey Eye Institute. An institute with OHSU.

CFO - Chief Financial Officer.

CHH - Center for Health & Healing Building. A building at OHSU.

CHH-2 - Center for Health & Healing Building 2. A building at OHSU.

CLSB - Collaborative Life Sciences Building. A building at OHSU.

CMH - Columbia Memorial Hospital. A hospital in Astoria, Oregon.

CMI - Case Mix Index. Relative value assigned to a diagnosis-related group of patients in a medical care environment.

CMS - Centers for Medicare & Medicaid Services. A federal agency within the United States Department of Health and Human Services (HHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards. In addition to these programs, CMS has other responsibilities, including the administrative simplification standards from the Health Insurance Portability and Accountability Act of 1996 (HIPAA), quality standards in long-term care facilities (more commonly referred to as nursing homes) through its survey and certification process, clinical laboratory quality standards under the Clinical Laboratory Improvement Amendments, and oversight of HealthCare.gov.

CPI - Consumer Price Index measures the average prices of goods & services in the United States.

CY - Current Year.

Downstream referral activity - specialty referrals that generate a higher margin and result from the primary care activity.

Days Cash on Hand - The number of days that OHSU can continue to pay its operating expenses with the unrestricted operating cash and investments.

DCH - Doernbecher Children's Hospital. A building at OHSU.

DMD - Doctor of Dental Medicine.

DNP - Doctor of Nursing.

EBIT - Earnings before Interest and Taxes. A financial measure measuring a firm's profit that includes all expenses except interest and income tax.

EBITDA - Earnings before Interest, Taxes, Depreciation and Amortization.

ED - Emergency Department. A department in OHSU specializing in the acute care of patients who present without prior appointment.

EHR - Electronic Health Record. A digital version of a patient's medical history.

EHS – Environmental Health and Safety

ENT - Ear, Nose, and Throat. A surgical subspecialty known as Otorhinolaryngology.

EPIC - Epic Systems. An electronic medical records system.

ER - Emergency Room.

ERG – Electroretinography is an eye test used to detect abnormal function of the retina.

ERM - Enterprise Risk Management. Enterprise risk management in business includes the methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives.

FTE - Full-time equivalent is the hours worked by an employee on a full-time basis.

FY - Fiscal Year. OHSU's fiscal year is July1 – June30.

GAAP - Generally Accepted Accounting Principles. Is a collection of commonly-followed accounting rules and standards for financial reporting.

GASB - Governmental Accounting Standards Board. Is the source of generally accepted accounting principles used by state and local governments in the United States.

GDP - Gross Domestic Product is the total value of goods and services produced within a country's borders for a specified time period.

GME - Graduate Medical Education. Any type of formal medical education, usually hospital-sponsored or hospital-based training, pursued after receipt of the M.D. or D.O. degree in the United States This education includes internship, residency, subspecialty and fellowship programs, and leads to state licensure.

GPO –group purchasing organization

H1 – first half of fiscal year

H2 – second half of fiscal year

HR - Human Resources.

HRBP – Human resources business partner

IA - Internal Arrangements. The funds flow between different units or schools within OHSU.

ICU - Intensive Care Unit. A designated area of a hospital facility that is dedicated to the care of patients who are seriously ill

IGT - Intergovernmental Transfers. Are a transfer of funds from another government entity (e.g., county, city or another state agency) to the state Medicaid agency

IPS – Information Privacy and Security

KCC - Knight Cancer Center. A building at OHSU.

KPV - Kohler Pavilion. A building at OHSU.

L&D - Labor and Delivery.

LOI - Letter of Intent. Generally used before a definitive agreement to start a period of due diligence before an enduring contract is created.

MA – Medicare Advantage

M and A - Merger and acquisition.

MBU - Mother-Baby Unit. A unit in a hospital for postpartum women and their newborn.

MCMC - Mid-Columbia Medical Center. A medical center in The Dalles, OR.

MD - Doctor of Medicine.

MOU—Memorandum of Understanding

MPH - Master of Public Health.

NFP - Not For Profit.

NICU - Neonatal Intensive Care Unit specializes in the care of ill or premature newborn infants.

NIH - National Institutes of Health. A part of the U.S. Department of Health and Human Services, NIH is the largest biomedical research agency in the world.

NOL - Net Operating Loss. A loss taken in a period where a company's allowable tax deductions are greater than its taxable income. When more expenses than revenues are incurred during the period, the net operating loss for the company can generally be used to recover past tax payments.

NPS: Net Promotor Score.

NWCCU - Northwest Commission on Colleges and Universities: OHSU's regional accrediting body which is recognized by the U.S. Department of Education as the authority on the educational quality of institutions in the Northwest region and which qualifies OHSU and our students with access to federal Title IV student financial aid funds.

OCA - Overhead Cost Allocation. Internal OHSU mechanism for allocating overhead expenses out to departments.

OCNE - Oregon Consortium for Nursing Education. A partnership of Oregon nursing programs.

OCT - Optical Coherence Tomography is a non-invasive imaging test.

OCTRI - Oregon Clinical & Translational Research Institute. An institute within OHSU.

OHA - Oregon Health Authority. A government agency in the state of Oregon.

OHSU—Oregon Health & Science University

OHSUF - Oregon Health & Science University Foundation.

ONA - Oregon Nurses Association. Professional association for nurses in Oregon.

ONPRC - Oregon National Primate Research Center. One of seven federally funded National Primate Research Centers in the United States and a part of OHSU.

OP – Outpatient. If your doctor sends you to the hospital for x-rays or other diagnostic tests, or if you have same-day surgery or visit the emergency department, you are considered an outpatient, even if you spend the night in the course of getting those services. You only become an inpatient if your doctor writes orders to have you formally admitted.

OPAM - Office of Proposal and Award Management is an OHSU department that supports the research community by providing pre-award and post-award services of sponsored projects and awards.

OPE - Other Payroll Expense. Employment-related expenses for benefits which the university incurs in addition to an employee's actual salary.

Opex: Operating expense

OR - Oregon

OR - Operating Room. A room in a hospital specially equipped for surgical operations.

OSU - Oregon State University.

PAMC - Portland Adventist Medical Center.

PDT - Photodynamic Therapy is a treatment that uses special drugs and light to kill cancer cells.

PERI-OP – Perioperative. The time period describing the duration of a patient's surgical procedure; this commonly includes ward admission, anesthesia, surgery, and recovery

PERS - Public Employees Retirement System. The State of Oregon's defined benefit plan.

PET/MRI - Positron Emission Tomography and Magnetic Resonance Imaging. A hybrid imaging technology that incorporates MRI soft tissue morphological imaging and positron emission tomography PET functional imaging.

PPI – physician preference items

PPO - Preferred Provider Organization. A type of health plan that contracts with medical providers, such as hospitals and doctors, to create a network of participating providers. You pay less if you use providers that belong to the plan's network.

PSU - Portland State University.

PTO - Personal Time Off. For example sick and vacation time.

PV - Present Value. The current value of a future sum of money or stream of cash flows given a specified rate of return.

PY - Previous Year.

Quaternary - Extension of Tertiary care involving even more highly specialized medical procedures and treatments.

R&E - Research and Education.

RLSB: Robertson Life Sciences Building

RN - Registered Nurse.

ROI – return on investment

RPA - Robotic Process Automation. Refers to software that can be easily programmed to do basic tasks across applications just as human workers do

RPV – revenue per visit

SG&A - Selling, General and Administrative expenses. A major non-production cost presented in an income statement

SLO - Student Learning Outcomes Assessment: The process of establishing learning goals, providing learning opportunities, measuring student learning and using the results to inform curricular change. The assessment process examines whether students achieved the learning goals established for them.

SoM - School of Medicine. A school within OHSU.

SPH - School of Public Health. A school within OHSU.

SPD - Sterile Processing Department. An integrated place in hospitals and other health care facilities that performs sterilization and other actions on medical devices, equipment and consumables.

TBD – to be decided

Tertiary - Highly specialized medical care over extended period of time involving advanced and complex procedures and treatments.

TTBD - Technology Transfer & Business Development supports advancement of OHSU research, innovation, commercialization and entrepreneurship for the benefit of society.

Unfunded Actuarial Liability - Difference between actuarial values of assets and actuarial accrued liabilities of a pension plan. Represents amount owed to an employee in future years that exceed current assets and projected growth.

UO—University of Oregon

UPP - University Pension Plan. OHSU's defined benefit plan.

VGTI - Vaccine and Gene Therapy Institute. An institute within OHSU.

WACC - Weighted Average Cost of Capital is the calculation of a firm's cost of capital in which each capital category is proportionately weighted.

wRVU - Work Relative Value Unit. A measure of value used in the United States Medicare reimbursement formula for physician services

YoY - Year over year.

YTD - Year to date.