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Graduate School of Biomedical Sciences  
Board of Trustees  
New Jersey Dental School  
New Jersey Medical School  
Robert Wood Johnson Medical School  
School of Health Related Professions  
School of Nursing  
School of Osteopathic Medicine  
School of Public Health

**University of Medicine and Dentistry of New Jersey  
Board of Trustees Meeting  
March 20, 2007**

Stanley S. Bergen Building  
15<sup>th</sup> Floor Board Room  
65 Bergen Street, Newark, New Jersey

**Present:** Robert J. Del Tufo, Esq., *Chair*; Kevin Barry, M.D.; Mary Ann Christopher, RN, MSN, FAAN; Kevin Covert, Esq.; John A. Hoffman, Esq.; Milton Hollar-Gregory, Esq.; Fred M. Jacobs, M.D., J.D. (*ex-officio*); Jonathan Orenstein, D.M.D.; Oliver Quinn, Esq.; Eric S. Pennington, Esq.; Harold Shapiro, Ph.D.; Anita V. Spivey, Esq.; Anthony Terracciano

**Also attending:**

Ana Alaya, the Star Ledger  
Peter Amenta, Interim Dean, RWJMS  
Simone Bellamy, Special Assistant, Board of Trustees  
Edward Burke, CFO, University Hospital, and Special Advisor to the President  
Lacretia Caldwell, Special Assistant to the Executive Vice President  
William Cambria, Esq., McElroy, Deutsch, Mulvaney, & Carpenter, LLP  
Thomas Cavalieri, Interim Dean, SOM  
Michael Clarke, Esq., Vice President, Chief Ethics and Compliance Officer  
Darlene Cox, President & CEO, University Hospital  
Walter Douglas, NJMS  
Aristide Economopoulos, the Star Ledger  
Anna Farneski, Director Communications & Media Relations, University Affairs  
Cecile Feldman, Dean, NJDS  
David Gibson, Dean, SHRP  
Michael Gonnella, Esq., Deputy Attorney General, State of New Jersey  
Audrey Gotsch, Dean, SPH  
Richard Hamilton, Esq., Stern & Kilcullen, LLP  
John Inglesino, Esq., Stern & Kilcullen, LLP  
Robert Johnson, Interim Dean, NJMS  
Sharon Joyce, Esq., Assistant Attorney General, State of New Jersey  
Michael Knecht, Senior Vice President, Government & University Affairs

Christopher Kosseff, President & CEO, UBHC  
Maryann Master, Senior Vice President of Administration  
Blair MacInnes, UH Board of Trustees  
Cecile McArthur, the Bard Group  
Edward McGinnis, University Hospital  
Julane Miller-Armbrister, Vice President of Government Affairs  
Denise Mulkern, C.P.A., Senior Vice President, Finance  
Donna M. Perry, Executive Assistant to the President  
Sharon Price-Cates, Esq., Office of the Governor's Authorities Unit  
Karina Robredo, Former Patient  
Denise Rodgers, M.D., Executive Vice President, Academic & Clinical Affairs  
James Rowan, Vice President and University Chief of Staff  
Susan Salmond, Interim Dean, SN  
Mark Sayde, NJMS  
Robert Schwartz, NJMS, Faculty Secretary  
Alexandra Sedehi, Special Assistant to the President  
Bruce C. Vladeck, Ph.D., Interim President  
Mary Wilkes, the Bard Group

### Minutes

- The public session was called to order at 2:30 p.m. by Mr. Del Tufo.
- Mr. Del Tufo read from the Open Public Meetings Law:  
"The notice requirements provided for in the Open Public Meetings Law have been satisfied. Notice of this meeting was properly given in the Annual Notice which was transmitted to the Secretary of State. Notice of this meeting was also sent to various newspapers in the State and posted throughout the University.
- Mr. Del Tufo noted that the Governor, through Executive Order 59, memorialized the contributions Judge Menza made to the state of New Jersey and ordered that flags throughout the state be flown at half mast.
- Mr. Del Tufo requested a moment of silence in remembrance of Judge Menza, who died on March 6, 2007.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

- BE IT RESOLVED** that on March 20, 2007, the Board of Trustees of the University of Medicine and Dentistry of New Jersey honors the life and professional career of the Honorable Alexander J. Menza with gratitude for his service to the University and to the University Hospital, recognizes a life's work championing the most vulnerable among us, and extends heartfelt condolences to his family, friends, and colleagues.
- Mr. Covert was sworn in as a member of the Board of Trustees. Mr. Del Tufo welcomed him and stated that he looked forward to working with him.

- Mr. Del Tufo noted the presence of Blair MacInnes, who was confirmed by the New Jersey Senate as a member of the University Hospital Board of Trustees.
- Mr. Del Tufo stated that it was time to go into Executive Session.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED** that the Board of Trustees will convene in closed session to discuss pending or anticipated litigation under subsection (7) of N.J.S.A. 10:4-12b, and personnel matters under subsections (3) and (8) of N.J.S.A. 10:4-12b.

**BE IT FURTHER RESOLVED** that each of these matters shall be made public when they have been resolved and/or concluded.

**The Board adjourned to Executive Session at 2:39 p.m.**

**Public Session re-opened at 3:37 p.m.**

- The Board approved the Public Session minutes of the February 20, 2007 meeting.

Chair's Report, provided by Mr. Del Tufo:

- Dr. Jacobs provided the board with an update on the work of the Ad Hoc Cardiology Committee:
  - o Dr. Jacobs reviewed the Committee's actions since its inception in November 2006.
  - o Dr. Maria Soto Green, the Vice Dean at NJMS, and Dr. Suzanne Atkin, the Chief of Staff at UH, provided the Committee with analyses of how on-call coverage needs might be more effectively met through part-time faculty, as well as how the faculty members are meeting the residency review requirements. Additionally, the Committee reviewed the credentialing process, which appeared to be comprehensive. However, further emphasis on the academic attainments and teaching experience of community cardiologists would assist in identifying qualified individuals as educators.
  - o In regard to legal review, Garfunkel, Wild & Travis ("GWT") emphasized to the Committee the need for memorialization and retention of a thorough needs analysis, and a comprehensive employment agreement. In addition, GWT drafted a Modification of Employment agreement which spells out the specific services expected of each physician and the oversight provided, as well as the consideration that failure to accept these terms will result in the end of employment. It also sets forth a clear policy on compensation and billing, stipulating that UH referred patients be billed through UPA. However, the community cardiologists would be responsible for billing patients referred through their own practices. Additionally, no hours spent teaching through the provision of professional services on their private patients would be counted towards the hours required for academic services. Only teaching for the UH referred patient would be counted. A monitoring mechanism would also be established to make sure that time and effort are accurately tracked,

and reports would be produced regularly. Finally, there would be assurance that the seven “converted” cardiologists are treated in the same way as other faculty at NJMS.

- The Committee also received input from the federal Monitor, in the person of Mr. Hamilton. The Monitor’s office is of the view that the steps taken to date were reasonable and necessary to eliminate any ongoing violations of the law. At the same time, however, they have expressed some concern. First, the Modification of Employment agreements must delineate individual duty and time commitments, that the compensation ultimately reflects fair market value, and the needs analysis supporting retention of the five faculty members who continue to be paid be a little more detailed and specific with respect to how institutional needs would be better met with several part-time faculty members as opposed to a single full-time faculty member. Additionally, the Monitor’s office recommended that the University review the seven doctors who were converted to unpaid voluntary staff to assure that they are “qualified educators,” have met appropriate legal and ethical standards applicable to those holding privileges at the University and UH, and that their retention could not be seen as an improper inducement of referrals.
  - Dr. Jacobs said that there were three items upon which the Committee would focus its work. First, the needs analyses require further refinement. Second, the individualized modification of employment agreements must immediately be issued to the five cardiologists, without awaiting the fair market value analysis of physician compensation, since it is not clear how long that will take. Although the fair market analysis will obviously be necessary for final approval, and adjustments in the salaries may be necessary, the Committee believes that in the interim, it is critical that expectations be formalized and performance be analyzed. There will be very serious consequences if the five cardiologists do not agree to go forward as the program continues. Third, the Committee must evaluate the voluntary unpaid cardiologists to assure that those who have changed their status to voluntary unpaid still meet the educational and clinical needs of the Hospital, practiced in accordance with all of the legal and ethical standards applicable to those holding privileges. The Committee needs to explore the processes which have been adopted by the NJMS and the hospital to address those issues, and after that analysis, make whatever referrals are deemed appropriate depending on the findings that come forward at that point.
  - Because the Committee only very recently received its report, and two committee members did not participate in the conference call with GWT, the Committee must review and approve it prior to submitting it to the Board.
- Mr. Del Tufo noted that information on board governance resources had been provided to each of the Board members.
  - Mr. Del Tufo stated that Middle States was extending the University’s probationary status through November 2007, and was requesting the submission of an additional report by September 1, 2007. The areas of concern identified by Middle States are the same as those identified in earlier reports. However, Mr. Del Tufo added, he was

optimistic that the report would be positive and would reflect important developments at the University, including the addition of new Board members, the inauguration of a permanent president, and the hiring of a new general counsel.

- Mr. Del Tufo stated that Dr. James Broach, of Princeton University, was nominated and confirmed as a new member of the Board, and would be present at its April meeting. In addition, Governor Corzine nominated Ms. Mary Sue Heniflin, Mr. Bradford Hildebrandt, and Mr. Miguel Brito for the Board.

#### President's Report, provided by Dr. Vladeck:

- Dr. Vladeck reported that Project Vaccinate, a collaborative program administered by the Newark Department of Health and Human Services and directed by an associate professor at New Jersey Medical School, has been recognized by the federal Centers for Disease Control and Prevention for achieving the greatest improvement in vaccination rates among children between the ages of 19 and 35 months who live in urban areas.
- George Hampton, who has served the University for 27 years, most recently as the Vice President for Community Affairs, is retiring at the end of March. He noted Mr. Hampton's commitment to civic affairs, both at the University and for the city of Newark. Following Mr. Hampton's retirement, the Department of Urban and Community Development will become part of University Affairs, under the direction of Michael Knecht.
- On February 23, most of the senior management team met in Stratford with the Deans of the seven schools with programs in South Jersey to discuss existing initiatives in interschool collaboration and interdisciplinary education and to move forward with future plans.
- Dr. Vladeck commented that on March 21, Governor Corzine would be speaking in Atlantic City to announce the Fraternal Order of Police- Blueheart Law Enforcement Assistance Program, which will be an expansion of UBHC's Cop-to-Cop program. The Cop-to-Cop program provides peer counseling for law enforcement officers experiencing stress and other problems in their work and personal lives. The Blueheart program seeks to expand its services for law enforcement officers who have been injured in line of duty or elsewhere. Its affiliation with the Cop-to-Cop program is a vote of confidence by the State government in the work being conducted at the University.

#### Committee Reports

##### Affirmative Action Committee, provided by Mr. Quinn:

- The Board accepted the minutes from the Committee's March 12 meeting.
- Mr. Quinn reiterated Dr. Vladeck's comments regarding George Hampton, who was instrumental in ensuring that the spirit of Newark Agreements was kept alive.
- Mr. Quinn also acknowledged the passing of Judge Menza, and noted the extensive work he performed for the Board.
- Mr. Quinn stated that during the last six months, the Committee performed an exhaustive review of the various components within the University, and consequently

restructured a number of areas. Mr. Quinn added that a sound infrastructure is now in place, so that some of the important issues within the University can be addressed. Several policies recently adopted by the Board, including the Supplier Diversity and Vendor Development policy- exemplify the types of changes the Committee is making. Mr. Quinn stated that the goal has been to place accountability with the unit heads and the department heads, while the Committee will retreat to a more appropriate role of monitoring and oversight. He also acknowledged the role of staff, led by Maryann Master, in assisting in this process.

Audit Committee, provided by Mr. Terracciano:

- The Board accepted the Audit Committee's Executive Summary dated February 7, 2007.
- The Board accepted the Audit Committee's Executive Summary, dated March 7, 2007. At the meeting, Pricewaterhouse Coopers ("PwC") informed the Committee that it would give an unqualified opinion on a consolidated statement for 2006. Similar to last year, however, it will qualify its opinion as a result of UPA's modified cash basis system of accounting. Mr. Terracciano stated that he is hopeful that the problem could be solved by the end of the year, although he emphasized that it would not solve problems for the next fiscal year. Mr. Terracciano also stated that PwC would not be reporting any new material problems or reportable conditions. However, it is still working on others which were previously identified. The Stark law allegations are the only factor delaying a complete unqualified opinion for 2005 and 2006. Mr. Terracciano noted that the issue should be resolved by the end of the month or the middle of April. Additionally, he stated that PwC reported good cooperation from management and the Internal Audit department, and came close to meeting its scheduled reporting date.
- Mr. Terracciano cited several other problems which the Audit Committee is addressing including the adequacy of accounts receivable reserves, and time and effort reporting by the medical staff. In regard to the latter, he previously told management that the University should aim for a 90% compliance rate by the end of the calendar year. Mr. Terracciano also stated that the University must monitor the degree to which its databases are purged. He added that unless they are kept current, potential risk would either be overstated or understated.

Finance Committee, provided by Mr. Hoffman:

- Mr. Hoffman noted the passing of Judge Menza, and commented that he always fought for the underdog, and maintained a positive attitude.
- The Board accepted the Finance Committee's Executive Summary dated March 7, 2007.
- The Committee recommended that the Board approve two contracts, for which a resolution is annexed hereto. The first contract provided for the University's purchase of the Ventana Discovery XT system for immuno-histochemical tests and services to upgrade current equipment. The second contract, between the University and Wood Group Light Industrial Turbines, Inc. allowed for the maintenance and service for three turbine generation packages. The Wood Group contract is a six year contract, and provides for the right to cancel after three years, for \$50,000. Thus, if

the contract were cancelled after three years, the University would not be obligated to pay the full contractual amount of \$3.3 million.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Finance, Investment, and Administration Committee, accepts, ratifies, and approves the aforementioned contracts.

Joint Conference & Planning Committee, provided by Ms. Christopher:

- Ms. Christopher noted Judge Menza's passing, and highlighted his substantial contributions to JC/PC and University Hospital.
- The Committee is in the process of restructuring its meetings in order to more adequately meet its responsibilities. Going forward, it will focus on a variety of areas, including the financial viability of UH, issues of access, issues of patient safety and quality, and lastly, being sure that the Committee is up to date with legislative and regulatory issues as they relate to the functioning of University Hospital. The Committee also spent time analyzing the Bard Group's 120 day plan. Ms. Christopher stated that assuming the 120 day plan is implemented, the Committee is confident that the UH deficit will decrease. The Committee is also planning to establish a quality dashboard for itself, in order to develop an understanding of what it needs to monitor to ensure consistency with state, regional, and national benchmarks. Additionally, the Government Relations staff will provide a standing report at JC/PC.
- The Committee had an extensive discussion on clinical documentation requirements, particularly medical record documentation. The chief of the Neurosurgery was invited to the JCPC meeting to discuss documentation issues within his department. Ms. Christopher stated that the Committee would continue to work with the staff to resolve the issue. She also commented that there is a much greater understanding of the need for compliance and timely documentation. The Committee also held a subsequent meeting to refine its initial observations on the documentation issue. The staff will be return to the JCPC meeting in April with a very detailed plan, including timelines and targets, to ensure that the medical records compliance meets the JCAHO benchmarks.
- Horizon Blue Cross Blue Shield awarded UH a grant in excess of \$100,000. The average amount of its grants in New Jersey is \$80,000. The UH grant reflects its stellar record in looking at the quality indicators set by external entities that drive the safety and quality agenda.
- UBHC presented its quality improvement and patient safety plan, as well as its program annual review looking at their indicators around patient care and safety. It exceeded the benchmarks in almost every category. Where it fell slightly short, the staff has a comprehensive education and remediation plan.
- Pursuant to the requirements of the Joint Commission on the Accreditation of Healthcare Organizations, the Board approved the minutes of the JC/PC meeting of

February 6, the minutes of the Medical Executive Committee meeting of January 23, the minutes of the Credentials Committee meeting of February 12, 2007, the minutes of the Board of Concerned Citizens meeting of January 23, the minutes of the UBHC Executive Committee meeting of January 16.

- The Committee recommended that the Board accept UBHC's patient safety plan, its program plans, and its program evaluations for 2007.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the Board of Trustees accepts, ratifies and approves the recommendation of the Joint Conference/Planning Committee for the Quality Improvement and Patient Safety Program Plan of University Behavioral HealthCare.

- Dr. Jacobs requested clarification on an item within the Credentials Committee minutes, which discussed a new application for an appointment for the Department of Radiology at UH. Ms. Cox and Dean Johnson stated that they would follow up on Dr. Jacobs question and report back at the next JC/PC meeting.
- Ms. Cox provided the Board with an update regarding University Hospital. She stated that UH is moving in the right direction in terms of finance, access, and quality. She noted that she and her staff provided a tour of the hospital for new Board members, which included introductions to its leadership. Ms. Cox stated that the hospital's financial health continues to improve. In particular, its net income was better than what was budgeted, and the length of stay decreased by .1 days, which is equal to about \$1 million. The hospital's census is approximately 87%, and although further efficiencies might be determined, on the whole, it is quite good. Because the cardiology program might have significant financial problems by the end of the year, it is being tracked. Ms. Cox noted that with respect to improving patient access, UH will focus its work in operating rooms, the emergency department, and ambulatory care. Additionally, it is working with Bard Phase II to improve quality measures such as phone manner. Ms. Cox also noted that the UH 5 star program agenda is being reengineered to focus on teamwork, communication, first impressions made by staff, ownership of problems, care and respect. Ms. Cox stated that better performance in these areas would lead to further financial growth. Following Ms. Cox's presentation, Mr. McGinnis provided the Board with a more in depth update on the financial health of UH.
- The Bard Group made a presentation to the Board, and stated that it was focused on three pieces in its long-range planning for UH: overall volume, revenue, and back end process.

Degree Candidates, provided by Dr. Vladeck

- The Board approved the list of degree candidates from the School of Osteopathic Medicine.

Governance & Ethics Committee, provided by Mr. Del Tufo:

- The Board accepted the minutes from the Committee's February 20, 2007 meeting.
- The Committee recommended that the Board approve three separate policies dealing with the University's procurement processes. Together, the three policies form a comprehensive package that reorganizes the University's practices in the letting of contracts so as to ensure that it receives the best price for goods and services, in as open and competitive a process as possible. Mr. Del Tufo noted the hard work of University staff and the Monitor's office in formulating the policies.
- Mr. Rowan presented the new procurement policies to the Board. He noted that Dr. Vladeck and the Board of Trustees convened a review team to analyze and restructure the University's procurement process. The Review Team considered the recommendations in the federal Monitor's Second Quarterly Report and Justice Stein's report, as well as pertinent state regulations. The revised University Purchasing Policy establishes guidelines and procedures, and defines the responsibilities of University employees, in connection with the purchasing of goods and services in support of the University's operations, ensuring the purchasing process is fair, transparent, and designed to obtain quality goods and services at the best possible value and in compliance with applicable state requirements. The revised Bid Waiver Policy establishes guidelines and procedures, and defines the responsibilities of University employees, in connection with the initiation, processing, and management of bid waivers for the procurement of goods and services by the University outside the public bidding process. The new Contract Management Policy establishes a University-wide process that provides oversight and management of contract terms and conditions, establishes timelines, deliverables, acceptance of contract deliverables, and authorization for payment, while minimizing contractual risk and exposure. Mr. Hoffman suggested several changes to the policies in order to clarify them and ensure adherence to applicable law.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Governance & Ethics Committee, approves the adoption of the policy titled "Purchasing Process."

And

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Governance & Ethics Committee, approves the adoption of the policy titled "Waiver of Bids."

And

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees, upon recommendation of the Governance & Ethics Committee, approves the adoption of the policy titled “Contract Management.”

University Affairs Committee, provided by Dr. Shapiro:

- The Board accepted the minutes of the University Affairs/Research Committee meeting of February 7, 2007.
- The Committee proposed that the Clinical Research Center be renamed the Center for Clinical and Translational Science at UMDNJ-RWJMS. The purpose of the name change is to assist the University’s efforts in expanding its translational research efforts. In particular, the name change would likely be helpful in obtaining grants in this area.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees accept and approve the recommendation of the University Affairs/Research Committee to change the name of the Clinical Research Center to the Center for Clinical and Translational Science at UMDNJ – Robert Wood Johnson Medical School.

- The Committee next recommended that the name of the Stem Cell Research Center be changed to the Ira B. Black Center for Stem Cell Research. Dr. Shapiro noted that Ira B. Black was instrumental in advancing stem cell research in New Jersey.

**WHEREUPON** the following Resolution was introduced, seconded, and unanimously approved:

**BE IT RESOLVED**, that the University of Medicine and Dentistry of New Jersey Board of Trustees accept and approve the recommendation of the University Affairs/Research Committee to change the Stem Cell Research Center at UMDNJ – Robert Wood Johnson Medical School to the Ira B. Black Center for Stem Cell Research.

- Lastly, the Committee recommended that the Board approve a two year program to enable foreign dental students to obtain their clinical education through New Jersey Dental School. Dr. Shapiro emphasized that the program was not a new degree program; the students would receive the same degree as those enrolled in the regular four year program. Rather, NJDS would simply accept foreign training as a substitute for the first two years of its four year program. The program would include a three

month assessment period to ensure that the foreign students are ready to move into clinical training. Dr. Shapiro added that the Committee looked very carefully at how the program would be financed, and reported that it is a self-financing program, which would not require additional space or funding. Finally, he stated that the Committee would come back to the Board with a request to set the program's tuition.

- Dr. Shapiro stated that the Committee had received a report on Dean Feldman's review, and that it was, on the whole, excellent. Upon Dr. Shapiro's motion, the Board recognized that it received the report, subject to several corrections to data it included, by Dean Feldman.

**There being no further business, the UMDNJ Board of Trustees meeting was adjourned at 4:41 p.m. The next meeting of the UMDNJ Board of Trustees will be held at 2:30 p.m. on Tuesday, April 17, 2007 at the Stanley S. Bergen, Jr. Building, 65 Bergen Street, Newark, New Jersey.**