

# Attachment 1



To: Children's Community Physicians Association Purchasing Partners, L.P.  
Board of Directors

From: Kena Norris, Executive Director

Re: Minutes of Monday, September 21, 2015, CCPAPP Board of Directors Meeting

## **Members Present**

Virginia DePaul, MD  
Alison Gehle, MD  
Mary Hall, MD  
Ushma Patel, MD  
Guy Randolph, MD  
Sheri Ross, MD  
Dov Shapiro, MD  
Michael Siegel, MD  
Susan Sirota, MD  
Rebecca Unger, MD

## **Members Absent**

Douglas Ashley, MD  
Timothy Geleske, MD  
Diane Holmes, MD  
Valerie Kimball, MD

## **Others Present**

Kena Norris  
LaVonna Swilley

### **1. Call to order**

**Dov Shapiro, MD**

The Children's Community Physicians Association Purchasing Partners Board of Directors meeting was held on Monday, September 21, 2015 at McCormick and Schmick's, Skokie, IL. Dr. Shapiro, President, called the meeting to order at 8:09 p.m.

- A. *Motion 1: To approve the minutes from the 07/13/2015 Board meeting (Attachment 1).* The motion was made, seconded and unanimously approved with the corrections discussed.

### **2. Report from the Treasurer**

**Michael Siegel, MD**

Dr. Siegel reviewed the Treasurer's Report for YTD Financial Statement as of 7/31/2015. There are 3005 members as of July 2015 versus 2367 as of July 2014. There is an increase in revenue from a few of the vendors, which is more than the approved annual budget.

- A. *Motion 2: To approve Treasurer's Report for YTD Financial Statement as of 7/31/2015 (Attachment 2).* The motion was made, seconded and unanimously approved.

### 3. Report from Executive Director

Kena Norris, MJ, FACHE

#### A. Restructuring of CCPA Purchasing Partners (*Attachment 3*)

Ms. Norris explained that the restructuring of CCPAPP recommendation has been updated by Rob McCann in a memo that was distributed to everyone before the meeting. CCPAPP will be converted directly from a Limited Partnership to a Limited Liability Company. The steps are listed below.

<i>Step</i>	<i>Action</i>	<i>Documents</i>
1	Existing GPO is Converted to LLC	<ul style="list-style-type: none"><li>• Approval by Partners</li><li>• Articles of Conversion</li><li>• Operating Agreement</li></ul>
2	Develop proposed Group Purchasing contract between LLC and physicians/groups	<ul style="list-style-type: none"><li>• Participation Agreement</li></ul>
3	All partners/members contribute their interests in the LLC to CCPA	<ul style="list-style-type: none"><li>• Assignment of LLC Interest</li></ul>

Rob McCann's initial projected legal expenses for reconstructing the GPO was \$10,000, but we have already spent \$13,000 to date. It will tentatively take another 20-25 hours of legal assistance to roll-out the plan.

Ms. Norris explained that a super majority vote is needed from members to approve the restructure, but the use of voting by proxy (with physician owners voting on behalf of all of the interests in their practice) will be a means to help achieve the required votes.

- A. *Motion 3: To approve the restructuring of CCPA Purchasing Partners (Attachment 3).* The motion was made, seconded and unanimously approved.

**Action:** Ms. Norris to request a letter drafted from Rob McCann explaining the restructure of the organization to the GPO members.

#### B. Lurie - Flu vaccine purchasing

Ms. Norris reported that she attended a meeting with Ann & Robert H. Children's Hospital of Chicago about Lurie Children's joining CCPAPP to purchase flu vaccines. In preparation of this meeting, Ms. Norris met with our Sanofi representative regarding the request. The representative completed an analysis between the GPO and the hospital looking specifically for savings. The findings consisted of about a thousand dollars that the hospital would save by purchasing on our GPO contract versus their current contract. Ms. Norris shared this information with the hospital and they decided that it would not be in their best interest to become a CCPAPP member. In addition, CCPAPP would only net a few hundred dollars annually with the hospital utilizing our flu vaccine contract, which is not worth the administrative work needed to set up the accounts and follow up with any compliance issues.

Lurie Children's management then suggested that CCPAPP cancel its current vendor contracts and sign up on the hospital's purchasing groups, Novation and Provista. Ms. Norris stated that she did not accept the hospital's offer because it is not in the best interest of CCPA as the GPO, through its vendor contracts, is our organization's primary source of revenue. The board agreed with this decision.

### C. Vendor Contract Updates

#### i. Merck contract renewal

Ms. Norris informed the board that the Merck contract has been renewed for another three years with the major contract change being the possibility of adding direct purchasing from Merck. Merck will let us know if/when they are able to roll-out the direct purchasing option, which will also allow CCPAPP to capture administrative fees on member purchases through Merck.

#### ii. Pfizer - Trumenba discount

Ms. Norris stated that the Trumenba discount has been extended until January 13, 2016. If ordering the Trumenba directly from Pfizer, practices will receive the contracted 5% discount and a promotional discount of 9% until the January deadline.

### D. Potential Vendors:

#### i. Go Check Kids (*Attachment 4*)

Ms. Norris reviewed the Go Check Kids Mobile Vision Diagnostics as a potential vendor for the GPO, which was recommended by a CCPA member. Go Check Kids is a photoscreener on a smartphone that is designed to detect amblyopia risk factors in children. The board reviewed the vendor's handout and discussed the usage of the product. The board decided that CCPAPP is not interested in adding clinical products to its portfolio at this time.

A. *Motion 4: To reject Go Check Kids as a potential vendor (Attachment 4).* The motion was made, seconded and unanimously approved.

#### ii. speroMD (*Attachment 5*)

Drs. Ross, Siegel, and Sirota recused themselves from the following discussion. Ms. Norris reported on speroMD, a company affiliated with PediaTrust, as a potential vendor that had reached out to the GPO staff. The board reviewed the speroMD handout information. There were concerns about the company being so newly established and only available locally and not nationally. In addition, because of speroMD's affiliation with board members' practice, it was stated that extra due diligence was required when reviewing this company.

It was decided that the GPO staff will follow the CCPA PP protocol when adding a new vendor by sending out RFPs to other billing companies for comparison. Ms. Norris asked if the board had any billing companies that they would like to recommend. A few suggestions were given for the GPO staff to reach out to at a future date, but it was noted that restructuring the GPO should remain the organization's priority.

A. *Motion 5: To follow a RFP process before adding a potential billing company to the vendor portfolio. (Attachment 5).* The motion was made, seconded and unanimously approved.

## 4. Executive Session

Dov Shapiro, MD

This was a closed session and therefore no minutes were taken during this time. The CCPAPP Board of Directors meeting was adjourned at 9:50 pm.