

## **RESOLUTION OF THE BOARD OF TRUSTEES**

WHEREAS, The Children's Medical Center ("the Medical Center"), through its Board of Trustees, reaffirms its mission to provide quality pediatric care to the children in its 20 county region regardless of ability to pay; and

WHEREAS, it is the continuing desire of the Board to provide a broad range of pediatric services within its facilities at a reasonable cost; and

WHEREAS, the Board is also committed to providing educational opportunities for physicians in training because these opportunities result in the Medical Center remaining in the forefront of medical education and facilitate the recruitment and retention of high quality subspecialists; and

WHEREAS, it is the responsibility of the Board to exercise reasonable care and skill in preserving the fiscal integrity of the Medical Center and in protecting patients; and

WHEREAS, in accordance with its legal and ethical responsibilities, the Board of the Medical Center has a fiduciary duty to facilitate the efficient and effective management and operation of its services and facilities, including neonatal services, ambulatory surgery facilities, and pediatric subspecialty services; and

WHEREAS, the Medical Center is facing increasing competition from other health care entities, which may not share the same commitment to providing quality, comprehensive pediatric care, including charitable or uncompensated services to patients in the region; and

WHEREAS, the Board has determined that proper management of the assets of the Medical Center and sound professional practice require that certain steps be taken to further its mission.

NOW BE IT RESOLVED THAT a pediatric subspecialist (“Practitioner”) who has a *significant* compensation arrangement with, or an ownership or investment interest in, any competing health care entity that results in practice patterns that are inconsistent with, or detrimental to, the interests of the Medical Center, shall not be granted appointment or clinical privileges to practice at the Medical Center’s facilities. For the purpose of this Resolution, “compensation arrangement” shall be defined as any arrangement involving remuneration between the Practitioner and a competing health care entity. “Remuneration” includes any remuneration, directly or indirectly, overtly or covertly, in cash or in kind. For the purpose of this Resolution, an ownership or investment interest may be through equity, debt or other means.

BE IT FURTHER RESOLVED THAT any Practitioner who is currently granted appointment to the Professional Staff and/or clinical privileges to practice at the Medical Center and who, as of the date of this Resolution, has a *significant* compensation arrangement with, or an ownership or investment interest in, any competing health care entity shall be grandfathered, such that this policy will not render such individual ineligible for reappointment and the renewal of clinical privileges. However, at any time during the Practitioner’s appointment and prior to considering the Practitioner for reappointment or the renewal of clinical privileges, the Board may evaluate the Practitioner’s practice patterns to ascertain whether the practice patterns are inconsistent

with, or detrimental to, the interests of the Medical Center. If the evaluation reveals that the Practitioner's practice patterns are inconsistent with, or detrimental to, the interests of the Medical Center, the Board may determine that the Practitioner is ineligible for continued appointment and clinical privileges or reappointment and/or renewal of privileges.

BE IT FURTHER RESOLVED THAT any Practitioner who is currently granted appointment and/or clinical privileges to practice at the Medical Center who, subsequent to the date of this Resolution, enters into a *significant* compensation arrangement with, or an ownership or investment interest in, any competing health care entity that results in practice patterns which are inconsistent with, or detrimental to, the interests of the Medical Center, shall be ineligible for continued appointment and clinical privileges and/or reappointment and the renewal of clinical privileges.

BE IT FURTHER RESOLVED THAT the Medical Center, consistent with legal standards, will use its best efforts to foster cooperative relationships with Practitioners to facilitate the integration of pediatric services in the region so that high quality care can be provided in the most cost-effective manner.

BE IT FURTHER RESOLVED THAT, in recognition of the fact that it is necessary to sustain a certain volume of care, especially care of a highly specialized nature, to enable specialists practicing at its facilities to maintain their proficiency and in order to maintain a reputation as a teaching institution, the Board will take appropriate steps to ensure that these volumes are sustained.

BE IT FURTHER RESOLVED THAT action by the Medical Center determining a Practitioner to be ineligible for initial appointment, continued appointment, reappointment and/or clinical privileges, as set forth in this Resolution, shall not constitute a professional review action, and thus shall not trigger any rights to a hearing or appeal under the Professional Staff Policies and Procedures or the Fair Hearing Plan, nor shall such determination be reportable to the National Practitioner Data Bank or the Ohio State Board of Medicine.

BE IT FURTHER RESOLVED THAT the management of the Medical Center shall provide notice of this Resolution as soon as possible after its adoption to all Professional Staff appointees and other interested parties.

ADOPTED this 20<sup>th</sup> day of June, 1999.

Alma I. Clarke \_\_\_\_\_  
Secretary, Board of Trustees