

**OPTN Board of Directors
Meeting Summary
October 19th, 2022
Conference Call**

**Jerry McCauley, MD, President
Dianne LaPointe Rudow, ANP-BC, DNP, FAAN, Vice President**

Introduction

The Board of Directors met via Webex on 10/19/2022 to discuss the following agenda items and public comment items:

1. Welcome
2. Directive from HHS Secretary: OPTN Data Collection on Race and Ethnicity
3. Fiscal Year 2023 Budget

The following is a summary of the Board of Directors discussions.

1. Welcome

Board Relations Manager, Susie Sprinson, welcomed the Board of Directors to the meeting and took attendance. A quorum was present during the entirety of the meeting.

2. Directive from HHS Secretary: OPTN Data Collection on Race and Ethnicity

Interim OPTN Executive Director, Dr. Maureen McBride, briefed the board on a directive from the HHS (Health and Human Services) Secretary addressing the OPTN data collection on race and ethnicity. Dr. McBride informed the board that the HHS Secretary directed the OPTN to change existing data collection on patient race and ethnicity. Current OPTN data collection combines race and ethnicity into a single variable, adhering to the OMB Standard. HRSA has requested that the variables be separated into two variables and that this change be expedited and implemented by May 2023. Dr. McBride shared that the OPTN is collaborating with SRTR, DAC, and other stakeholders as they implement this directive.

3. Fiscal Year 2023 Budget

Bradley Kornfeld, Treasurer of the OPTN Board of Directors, presented the background on the fiscal year 2023 budget that the board reviewed and took action on during the June 2022 Board of Directors Meeting. Mr. Kornfeld explained that the board approved the budget unanimously during the June 2022 meeting. On September 16, 2022, the OPTN was informed by HRSA that the budget had not been approved. The FY 2023 OPTN Registration Fee was board-approved to change on October 1, so the OPTN will continue to collect the 2022 Fiscal Year Registration Fee until the new budget is approved. Mr. Kornfeld detailed that the OPTN fee increase was planned to change from \$868 (FY 2022) to \$944 (FY 2023). The compounded annual growth rate of the OPTN Registration Fee since 2017 is 2.5%.

Mr. Kornfeld shared that on September 23rd the Board Treasurer, Board Leadership, UNOS Leadership and HRSA met to discuss HRSA's concerns about the budget increase, specifically focusing on meeting travel and the Policy Oversight Committee (POC) IT capacity to implement new policies. On October 11th, the Finance Committee met to discuss the budget that was approved in June 2022 and to discuss potential budget alternatives in response to HRSA's comments. Mr. Kornfeld explained that he presented five committee meeting budget options for the Board to consider, including the option to

keep the budget that the Board approved in June 2022. Mr. Kornfeld presented four budget options for IT capacity, including the option to keep the IT budget that the Board approved in June 2022. He explained that the increase in IT is due to the community calling for more projects over the next 2 years and the amount of work that needs to be completed to implement long-standing projects. Mr. Kornfeld explained that during the budget development phase, discussions were held between the Finance Committee and POC Leadership to understand what budget was needed to ensure there was no backlog of project implementations. He noted that no one from the community contacted the OPTN Finance Committee or UNOS Chief Financial Officer with concerns about the increase in the budget, and that no negative feedback was received from the community or other stakeholders.

Before Mr. Kornfeld opened the meeting up for discussion, he noted that he recently spoke with OPTN committee leadership. The individuals that he spoke with shared the importance of in-person committee meetings. Mr. Kornfeld recounted his recent trip to the in-person meeting for the POC and his experience in collaborating with the committee in-person versus the meetings the committee has held virtually.

Summary of discussion:

HRSA staff opened the discussion by stating that HRSA wants to sharpen aspects of the budget. HRSA noted a 13% increase in the budget from 2022 to 2023 and the 8% increase in the registration fee. Regarding travel, HRSA expressed that this was a transitional year for the OPTN, and that travel has a significant impact on that 13% budget increase. They noted that during this transitional year, there could be one in-person committee meeting, as opposed to two, but stated that HRSA is fine with two in-person meetings a year. Another HRSA representative commented on the IT expenditures. They shared that they wanted to emphasize that HRSA knows there are many projects in the pipeline that are a priority, but HRSA wants the Finance Committee and the Board of Directors to look at the expenses and the number of resources that are available already in the IT realm. The representative suggested the OPTN move things around to account for the increase in projects in the pipeline. They also emphasized that HRSA wants the Finance Committee and the Board of Directors to be clear on what they are choosing to do and what they are voting on when it comes to the budget.

A member of the board commented that it is important to consider the state of the economy, including inflation. They noted that when the Board considers the OPTN budget they should expect the budget to grow over the years because that is the way the economy historically operates. He shared that the OPTN has shown itself to be quite capable of managing a budget at a reasonable rate of growth. The board member expressed their disappointment in comments from HRSA that implied that the Board did not look at what they were voting on. They shared that this budget received a lot of consideration from the Finance Committee and the Board, and they don't think there should be any question that the Board knew what they were approving. The Board member noted that the donation and transplantation system is under scrutiny, and additional work requires a cost. They shared that this budget supports the goals of increasing transplants, maximizing the benefit of donation, and being a more effective and efficient organization at a time when the environment is becoming increasingly complicated. In closing, they said that in the absence of any feedback from the community saying the fee increase is unreasonable, they struggle with voting to affirm the Board did not know what it was doing when the budget was approved in June.

A board member voiced their support for in-person meetings and that attendance at these meetings is part of the board's fiduciary responsibility. They noted that there are conversations that happen outside of the meeting agenda during in-person meetings that help to improve the OPTN. They shared that it is important to connect the budget and fee to the goal of increasing transplants, and noted that the community is calling for additional work and enhancements. They asked if the OPTN has considered

alternative revenue sources. Dr. McBride explained that due to the Final Rule, OPTN funding must come from the fee and the appropriations from HRSA.

A board member shared that they were frustrated by the need for this meeting to reconsider the budget. They recalled times in the past when important policies took a long time to implement due to a lack of resources. They shared that they reviewed the budget proposal before the initial vote in June and were informed during the vote and supported the FY 2023 budget and fee. They noted that the community is focused on initiatives such as increasing equity, continuous distribution, and expedited placement, and that work will call for additional funding. They agreed that there was no pushback from the community and closed by sharing that they agreed with the fee in June, and they agree with it now. They explained that the fee is essential to supporting the work that needs to be completed.

Another board member agreed with the importance of in-person meetings and how invaluable these meetings are for productive conversation, discussion, and networking opportunities. They noted that they attended the board meeting in June, and were not a voting member, but they were impressed with the thorough and robust discussion and presentation surrounding the budget. They asked what the implications were of voting to affirm the originally approved FY 2023 budget and fee. Dr. McBride responded that if the board were to affirm the budget presented in June, the OPTN would send the same proposal to HRSA with additional documentation and a summary of conversation from the October 2022 Finance Committee and Board meetings. A HRSA representative shared that a conversation would happen internally with HRSA leadership upon receiving any proposal. The representative continued that many of the leadership at HRSA are experts in their field and if the OPTN Board of Directors is going to send the same proposal back with more documentation, then that is something HRSA would have to look at.

A board member commended the group for being good stewards of the budget given inflation. They shared that they recently attended an in-person committee meeting, and the synergy and productivity is stronger at in-person meetings. Another board member spoke to the stewardship of the OPTN's finances, noting that the OPTN has managed their finances well despite the COVID-19 pandemic. This board member also spoke of their recent trip to an in-person committee meeting and how productive the meeting was and how great it was to meet colleagues in person for the first time. The board member commented that the IT increase supports mission critical projects that the community and NASEM report are demanding. They said they were unsure how the OPTN would cut back on work when there is such a demand right now. A board member asked if there had been a discussion between HRSA, the OPTN, and UNOS on whether there was a level of savings that HRSA would be comfortable with. Mr. Kornfeld explained that HRSA did not specify a targeted level of savings or a targeted registration fee. The board member then asked if the money must come out of travel and IT, or whether savings could come from elsewhere. A HRSA representative said that travel and IT were noted by HRSA when they analyzed the report and they do not foresee issues with savings being made in other areas of the budget. The board member then asked whether the policies, suggestions, or workplans of the POC align with the goals of the strategic plan. Dr. McBride spoke on the work process of the OPTN Policy Oversight Committee (POC), explaining that the project road map displayed during the call is consistent with the strategic policy priorities and the OPTN strategic plan. Dr. McBride shared that the POC went through a deliberate process in the spring to review all projects in the portfolio. The board member stated that they would like the group to conduct additional work to determine a point where HRSA is comfortable. Mr. Kornfeld spoke on his involvement as the current Visiting Board Member on the POC and shared details on the committee's operations. He shared that the POC is a filter for projects and not every project that comes before the POC is recommended to become a project. The POC looks at efficiencies, opportunities, and at what the community is asking for. The committee is extremely active and engaged

in finding out where there are opportunities in time, money, and work bandwidth to help get more people transplanted. Mr. Kornfeld noted that policy development committees consider lots of ideas, but not all ideas become projects due to cost.

Another board member voiced their support in the value of in-person committee meetings, noting that committee members with two-year terms may never experience an in-person meeting. They shared that this lack of in-person meetings will impact the long-term productivity and level of engagement on the committee. Additionally, it may be difficult for the OPTN to attract new volunteers if there were no in-person meetings, especially regional meetings.

A board member expressed their gratitude to Mr. Kornfeld in recounting his experience as a Visiting Board Member on the Policy Oversight Committee (POC) this year. They affirmed their support of the existing budget. They commented that the OPTN strategic plan has many patient focused initiatives, and shared that patient participation during in-person meetings is vital. He noted it is critical to the patient community to go back to as many in-person meetings as possible.

A board member revisited the earlier statement from HRSA that the OPTN is going through a transitional year in FY 2023, but the Board member noted that the OPTN is already in a transitional year and that the community has the option to attend meetings virtually or in-person. They shared that they do not think the OPTN should slow or stop planned policy work. They noted that during regional meetings, many people asked why policy implementations take so long and asked what could be done to speed this process up. This board member proposed that the board heavily invest in all areas of the policy making process, especially in IT resources. UNOS Chief Technology Officer, Alex Tulchinsky, explained that IT staff and resources could not be reassigned to focus on policy projects because then other areas of the OPTN IT System would not have sufficient staffing to make other important enhancements.

A board member noted that a portion of the budget goes to payroll, and that due to the high inflation rates throughout the country and higher cost of living, they thought it made sense that expenses would increase to adjust to these rates. They commented that staff are crucial to supporting the mission of the OPTN. Another board member shared that the OPTN may have been underfunded in the past, which may impact the OPTN's ability to respond to community needs, and that the originally approved budget may have enough funding to make a positive impact.

A HRSA representative acknowledged the countless hours the Board and Finance Committee put into the system and the budget denial from HRSA was not meant to diminish that. The representative continued that because the system is under significant scrutiny right now, HRSA is asking for a reaffirmation from the board that they believe it is necessary to increase the IT resources to meet the priority projects of the POC. They continued that HRSA has no concerns with the projects that have been approved and are prioritized for policy development. The representative commented that the budget reflects a 100% increase in IT resources and HRSA wants to make sure that the board is fully on board with that decision, and that they will bring the board's response to HRSA leadership. Dr. McBride clarified that the IT increase of 100% is within the hours allocated to board policy projects, it is not a 100% increase in the entire IT budget. The increase is an effort to increase the time dedicated to policy projects.

Vote:

There was a motion to approve the budget as previously presented by the Finance Committee and approved by the Board in June 2022. The motion was seconded. The results of the vote were as follows: 34 approve, 1 decline and 0 abstentions.

Approved resolution:

The OPTN Board of Directors finds that the FY2023 OPTN budget and associated registration fee previously approved by the Board in June 2022, together with contract funds awarded by the Secretary of HHS to the OPTN Contractor, is sufficiently calculated to cover the reasonable costs of operating the OPTN. It is therefore

RESOLVED, that the OPTN Board of Directors reaffirms the FY2023 OPTN budget and associated registration fee previously approved by the Board in June 2022 and directs the OPTN Executive Director to re-submit a statement of the OPTN's proposed registration fee to the Secretary.

Next Steps:

The OPTN Executive Director will re-submit the proposed budget to HRSA with additional context and documentation on the OPTN Board of Directors decision.

There was no further discussion, and the meeting was adjourned.

Upcoming Meeting

- December 5th, 2022

Attendance

- **Board Members**
 - Adam Frank
 - Alan Langnas
 - Andrea Tietjen
 - Annette Jackson
 - Barry Massa
 - Bradley Kornfeld
 - Bryan Whitson
 - Christopher Woody
 - Clifford Miles
 - Daniel Yip
 - Dianne LaPointe Rudow
 - Ed Hollinger
 - Irene Kim
 - James Sharrock
 - Jan Finn
 - Jeffrey Orlowski
 - Jerry McCauley
 - Jonathan Fridell
 - Kelley Hitchman
 - Laurel Avery
 - Linda Cendales
 - Lloyd Ratner
 - Manish Gandhi
 - Mark Barr
 - Maryjane Farr
 - Matthew Cooper
 - Meg Rogers
 - Melissa McQueen
 - Merry Smith
 - Nicole Hayde
 - Richard Formica
 - Robert Goodman
 - Valinda Jones
 - Virginia McBride
 - Wendy Garrison
- **HRSA Representatives**
 - Adrienne Goodrich-Doctor
 - Christopher McLaughlin
 - Frank Holloman
 - Shannon Dunne
 - Shannon Taitt
- **UNOS Staff**
 - Alex Tulchinsky
 - Amy Putnam
 - Anna Wall

- Dale Smith
- David Klassen
- Liz Robbins Callahan
- Maureen McBride
- Morgan Jupe
- Roger Brown
- Ryan Ehrensberger
- Susie Sprinson