

## **OPTN Finance Committee**

### **Meeting Summary**

**May 10, 2023**

**WebEx Meeting**

**Brad Kornfeld, Chair**

**Dale Smith, Chief Financial Officer**

### **Introduction**

The OPTN Finance Committee met via WebEx teleconference on 05/10/2023 to discuss the following agenda items:

1. Opening Remarks
2. FY 2024 OPTN Budget Working Station

The following is a summary of the Committee's discussions.

#### **1. Opening Remarks**

Brad Kornfeld, Chair, welcomed the committee and presented the agenda for the session. He also informed the committee that HRSA not yet approved the budget and fee for FY 2023, but reminded the committee that staff have been responsive in additional information requested from HRSA representatives.

#### **2. FY 2024 OPTN Budget Working Session**

Dale Smith, OPTN Contractor Chief Financial Officer, discussed that the objective of the call is to engage the committee's expertise and perspective in building the proposed FY24 OPTN Budget. Mr. Smith illustrated what steps have been taken by internal UNOS senior leadership team to develop budget guidance. The guidance was based on market research and includes a 5% merit increase for employees. The current intent is also keep the FY24 budget flat with the FY23 proposed budget. The senior leadership team will consider new budget requests from UNOS staff with business case or justification. Mr. Smith also acknowledged that the FY24 budget planning will be based on what is known now about the OPTN contract. The committee cannot foresee what impacts the HRSA modernization project will have on current budget.

Mr. Smith showed the committee a table and discussed that it was the FY23 Revised Budget compared to the Preliminary FY24 Budget based on the internal value stream discussions. Mr. Smith also noted the list of budget items that are significantly different in the preliminary FY24 budget when compared to FY23 revised budget and let the committee know each item has an additional slide with details around the value stream discussions. Mr. Smith reminded the committee that these slides are not the final proposal to the committee. A committee member asked if the group will discuss budget offset from the unapproved FY2023 fee, and Mr. Smith explained that the offset is certainly part of the discussion of the committee. The offset will be determined by when and if proposed fee for FY23 is approved and what the OPTN cash position looks like. A committee member mentioned it would be interesting to segment pieces of the budget based on a potential division of the OPTN contract. Mr. Smith agreed that this may be a reasonable approach when they receive more information from RFIs. A HRSA representative encouraged the committee to look at the budget under current makeup of the contract. The HRSA representative then asked how the figures from FY23 compared to FY24 were created and explained

that this amount of detail is what HRSA wants the committee to understand, as well as policy activity from Policy Oversight Committee. In response Mr. Smith referenced what was covered in the last working session of the committee and that in the next slides the committee will discuss the topics in more detail. A committee member asked if there would be value in seeing summarizations of the previous meetings. UNOS staff reminded the committee know that summaries are created following each meeting and posted to the OPTN website.

A committee member asked HRSA to clarify what the additional detail was needed if this was the first year that there has been a delay in approval of the fee. A HRSA representative noted that this is the first year the delay in approval of the fee has taken place. HRSA has increased their internal review and requirements so what has been provided in the past is no longer sufficient, and HRSA is seeking more detail and documentation from the committee based on scrutiny of HRSA's oversight of the OPTN. A committee member asked what level of detail and documentation HRSA is looking for from the committee. The HRSA representative provided the example of additional documentation on the expansion of IT headcount and suggested that the committee consider if the increased headcount is needed to do the level of work.

Mr. Smith showed the committee recommended preliminary personnel expenses for the FY24 Budget. A HRSA representative stated that they would need more information on the 5% merit increase so that they can better explain to HRSA leadership. Mr. Brad Kornfeld, Chair, acknowledged the request made sense but recommended that the committee continue to move forward with the slides that provide the additional details. Mr. Smith reviewed specific positions that are being considered within the FY24 budget. The IT Information Security Program Manager position is an FTE headcount that will be needed based on HRSA's OPTN contract modification for member security work. The OPTN contractor does not currently have the staffing to support the additional work included in the modification. The Instructional Designer position was included to support additional patient education. Mr. Smith then introduced 4 additional roles that were requested and discussed internally but do not currently fit within the preliminary FY24 budget.

A committee member noted that it would be helpful to see which projects the additional FTE headcount will work on. A HRSA representative recommended including information on why current staffing cannot handle the projects and the new FTE is needed rather than reallocation.

Mr. Smith then presented the preliminary budget for meetings and travel based on market costs as well as continuing two in person meetings per committee per year. This budget was developed by taking into account lower in-person meeting costs, lower in-person attendance, and lower support staff requirements. A committee member noted the invaluable impact of in-person committee meetings for relationship building. A patient member of the committee added that the in-person meetings are especially impactful to patient, donor, and family members to build relationships and a culture of engagement. A HRSA representative asked if there were any specific patient initiatives that may be included in the budget. Mr. Kornfeld noted that he chaired the Executive Committee's Patient Engagement Workgroup and explained that two implemented recommendations from the workgroup were to have two patient, donor or family members on each policy making committee and to have a patient representative on regional nominating committees. Mr. Smith then spoke to the growth in the legal budget based on the eGFR lawsuit.

Mr. Smith then spoke to the preliminary increase to IT purchased services, specifically within IT security, due to the additional workload of member site visits. One-third of all OPTN member organizations will have an on-site IT security survey annually as a result of a unilateral OPTN contract modification. A HRSA representative asked if the work will be done by contractor staff or outside consultants. Mr. Smith said that the OPTN contractor has requested quotes from outside firms, which is what leads to an increase

in purchased services costs rather than staff headcount. Mr. Smith spoke to ICD-10 as a cost that was not included in the preliminary budget but should be a discussion item for the committee. He noted that the committee should also be aware that becoming FedRAMP certified is also a consideration if the OPTN wants to budget for the work required for the certification. FedRAMP certification is under consideration because it was originally a unilateral modification that has now been removed by HRSA, but the organization may still want to be prepared to become certified if the requirement arises again. 24/7 Member Tech Support is another IT budget discussion item that is currently not included in the preliminary budget of \$73 million. The OPTN currently has a solution in place, but the committee should decide if the current solution meets the expectation and need of the community. Mr. Smith reviewed a summary slide with the committee to show where certain items could be reallocated. The committee will continue with their working sessions in the next meeting on June 1.

The meeting was adjourned.

## Attendance

- **Committee Members**
  - Andrea Tietjen
  - Bradley Kornfeld
  - Renee Bennett
  - Robert Goodman
  - Stuart Sweet
- **HRSA Representatives**
  - Christopher McLaughlin
- **UNOS Staff**
  - Anna Messmer
  - Dale Smith
  - Jacquelyn Flannagan
  - Kasey Darnes
  - Liz Robbins Callahan
  - Matthew Rowland
  - Michael Letson
  - Morgan Jupe
  - Ryan Ehrensberger
  - Susie Sprinson
  - Tiwan Nicholson
  - Tony Ponsiglione