



DIRECTIVE 2020-058

November 2, 2020

RE: JOINT USE AGREEMENT BETWEEN NORTHEAST OHIO MEDICAL UNIVERSITY
AND UNIVERSITY HOSPITALS GEAUGA MEDICAL CENTER

Northeast Ohio Medical University has been granted appropriations contained in House Bill 481 of 133rd General Assembly in the amount of nine hundred thousand dollars. Northeast Ohio Medical University will use the funds to improve the facility owned by University Hospitals Geauga Medical Center. As required by Ohio Administrative Code section 3333-1-03, Northeast Ohio Medical University submitted a Joint Use Agreement for consideration and approval by the Chancellor.

The agreement conforms to Ohio Administrative Code as follows –

- The format of the agreement is appropriate
- The commitment extends no less than twenty years
- The value of use to Ohio higher education institutions is reasonably related to the amount of the appropriation

Agency staff reviewed the agreement and posted its recommendations to the Department's website for the purpose of providing a period of public comment before final approval by the Chancellor. The materials posted for comment and the joint use agreement are attached to this document.

Based on my review of staff recommendations, I hereby approve the Joint Use Agreement between Northeast Ohio Medical University and University Hospitals Geauga Medical Center.

This directive will take effect immediately.


Randy Gardner
Chancellor

JOINT USE AGREEMENT

This Joint Use Agreement ("Agreement") is entered into by and between Northeast Ohio Medical University, an instrumentality of the State of Ohio, created under Chapter 3345 of the Ohio Revised Code, whose address is 4209 State Route 44, PO Box 95, Rootstown, Ohio 44272 ("NEOMED"), and University Hospitals Geauga Medical Center, an Ohio non-profit organization, whose address is 1327 Ravenna Road, Chardon, Ohio 44024 ("UH Geauga Medical Center"), being effective as of the date of later signature (the "Effective Date").

WHEREAS, NEOMED and UH Geauga Medical Center mutually intend to enhance their educational relationship to share services and education opportunities as well as mutual benefits that both parties can derive by joint collaboration through the Agreement.

WHEREAS, House Bill 481 (133rd General Assembly) reappropriates the sum of Nine Hundred Thousand Dollars (\$900,000) (the "Funds") to NEOMED to be used for the UH Geauga Medical Center acquisition of certain real property further described in Section 1 below.

WHEREAS, Ohio Administrative Code §3333-1-03(E) requires a public institution to submit to the Chancellor of the Ohio Department of Higher Education a joint use agreement that contains the requirements in (E)(1)-(11) for review and approval; and

WHEREAS, NEOMED and UH Geauga Medical Center have demonstrated that the value of the purchase of a facility for a pharmacy clinic is reasonably related to the amount of the appropriation.

NOW, THEREFORE, in consideration of the mutual benefits hereunder, it is hereby agreed to between the parties as follows:

1. Facility to be purchased by UH Geauga Medical Center. Funds will support the purchase of the Geauga Family Job and Family Services building located at 12480 Ravenwood Drive, Chardon, Ohio 44024 (the "Building"). UH Geauga Medical Center will make available to NEOMED at the Building various student rotations, clinical experience and training related to pharmacy education. If the Building is not available, NEOMED will use an alternate location providing the same services and value until the permanent location is available.
2. Use of the facility by NEOMED. NEOMED and UH Geauga Medical Center shall collaboratively work together to program student education and training at UH Geauga Medical Center and the Building as follows and as described in Attachment A, hereby incorporated:

- a) Create a pharmacy clinic staffed by University Hospitals and NEOMED preceptors to give NEOMED pharmacy students clinical experience in an ambulatory care setting. For the avoidance of doubt, the pharmacy clinic will not dispense drugs. It will be a space to see patients for medication therapy management, INR testing, and discussion of medications in an educational setting for NEOMED pharmacy students.
 - b) Create educational rotations at the pharmacy clinic which will include Advanced Pharmacy Practice Experiences, the final component of the Doctor of Pharmacy curriculum at NEOMED.
 - c) The parties anticipate NEOMED students will use and have access to the pharmacy clinic and equipment during their 2 month rotation period during clinic operational hours. Rotations would be on a rolling basis throughout the year. These rotations allow student pharmacists to gain experience, apply knowledge and skills, and gain professional competence by providing direct patient care under the supervision of a University Hospitals licensed pharmacist.
3. **Term.** This Agreement shall be effective upon the Effective Date. The term of this Agreement shall be for twenty (20) years, commencing upon the date NEOMED has access to the Facility.
 4. **Reimbursement of Funds.** The State of Ohio shall be reimbursed by UH Geauga Medical Center should NEOMED's right to use the pharmacy clinic be terminated by UH Geauga Medical Center prior to the expiration of the 20-year term, calculated by dividing the Funds contributed by the State by 20 and multiplying that sum by 20 less the number of full years during which UH Geauga Medical Center's obligations under this Agreement have been fulfilled.
 5. **Use of Funds.** UH Geauga Medical Center and NEOMED agree that the Funds shall be used by UH Geauga Medical Center only for capital acquisition and not operating costs, and that Funds shall be used as defined in House Bill 481 (133rd General Assembly).
 6. **Location and Ownership.** The pharmacy clinic will be located in the Building. UH Geauga Medical Center hereby represents to NEOMED that it is, or will be, the owner of the Building and corresponding pharmacy clinic and no other person, party, or entity has any ownership rights in or to the pharmacy clinic that would prevent UH Geauga Medical Center from satisfying its obligations under this Agreement. The use, operation, maintenance, and management of physical resources of the pharmacy clinic shall be the responsibility of UH Geauga Medical Center or its designee.

7. **Insurance.** UH Geauga Medical Center shall obtain and maintain during the term of this Agreement, at its own cost, commercial general liability insurance in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate. A certificate of insurance reflecting the coverage all of such policies procured by UH Geauga Medical Center hereunder shall be made available to NEOMED within thirty (30) days written request. Such policies shall be an endorsement stating that the insurer agrees to notify NEOMED not less than thirty (30) days in advance of any proposed modifications or cancellation of any such policy.
8. **Hold Harmless.** UH Geauga Medical Center shall hold the State of Ohio, NEOMED, its officers, trustees and employees harmless from any and all obligations, expenses, liabilities, or claims of any kind arising out of (i) the construction, renovation, operation, and maintenance costs of the Building and (ii) an omission or an alleged action or omission of UH Geauga Medical Center, its officers, directors or employees including, but not limited to, UH Geauga Medical Center's failure or alleged failure to comply with the applicable public bidding requirements.
9. **Compliance with federal, state and local law.** UH Geauga Medical Center shall comply with all pertinent federal, state and local laws as well as state administrative regulations applicable to the use of the Funds.
10. **Competitive bidding.** UH Geauga Medical Center, in connection with the expenditure of Funds, shall follow the required competitive bidding procedures which include, at a minimum, publishing advertisements to seek bids, receiving sealed bids, and awarding contracts to the lowest responsive and responsible bidder, as described generally in Ohio Revised Code Chapter 153.
11. **Records.** Either party of this Agreement shall, upon request, supply the requesting parties with all pertinent records, which measure the nature and extent of use of the facility by NEOMED. The parties agree that notwithstanding anything that could be construed to the contrary, UH Geauga Medical Center shall have no obligation to make available or provide any patient or individually identifying information.
12. **Distribution of Funds; Administrative Fee.** Upon execution of this Agreement, NEOMED shall submit to the Controlling Board a formal request for the release of Funds. After a release of the Funds, UH Geauga Medical Center shall submit to NEOMED a request for payment along with supporting documentation for permitted use of the Funds. Upon NEOMED's receipt of approved request for payment, NEOMED shall distribute payment to UH Geauga Medical Center. NEOMED does not intend to,

and will not charge an administrative fee to UH Geauga Medical Center from the Funds during the term of this Agreement.

13. **Notices.** All notices to the parties shall be sent by registered or certified mail, postage prepared and addressed to the parties at the addresses set forth below, or to such other address as either party shall have designated by prior notice:

NEOMED:

With a copy to:

UH.GEAUGA MEDICAL CENTER: University Hospitals Geauga Medical Center
1327 Ravenna Road
Chardon, Ohio 44024
Attn: President

With a copy to: University Hospitals Health System, Inc.
3605 Warrensville Center Road
Shaker Heights, Ohio 44122
Attn: Chief Legal Officer

If to Chancellor: Chancellor of the Ohio Department of
Higher Education
25 S. Front Street, 7th Floor
Columbus, Ohio 43215
Attn: Chancellor

14. **Entire Agreement; Amendments.** This Agreement sets forth the entire agreement of the parties hereto relating to the subject matter hereof and supersedes all prior communications, proposals, representatives, or other understandings requirements or agreement of any kind. Any amendments to this Agreement shall be in writing, signed by both parties and will be submitted to the Chancellor for approval before any amendment takes effect.

15. **Heading.** The headings used in this Agreement are inserted only as a matter of convenience and for reference and should not be given effect in the interpretation of this Agreement.
16. **Governing Law.** The Agreement and the rights of the parties hereunder shall be governed, construed and interpreted in accordance with the laws of the State of Ohio and only Ohio courts shall have jurisdiction over any action or proceeding concerned the Agreement and/or performance thereunder.
17. **Binding Nature.** This Agreement shall be binding upon and inure to the benefit of NEOMED and UH Geauga Medical Center.

Entered into as of the Effective Date.

University Hospitals Geauga Medical Center

Northeast Ohio Medical University

By: Ronald DeCarlo, MD

By: Mary Taylor

Name: RONALD DeCARLO

Name: Mary Taylor

Date: September 18, 2020

Date: 9/23/2020

Approved as to form and law by:

Maria R. Schimer 09/21/2020

Maria R. Schimer, J.D., M.P.H. Date
General Counsel

NEOMED

A. J. Salvatore

Digitally signed
by Salvatore
Esposito
Date:
2020.09.17
15:55:20 -04'00'

ATTACHMENT A

Project: University Hospitals Acquisition of Geauga County Job and Family Services
Building

Date: _____

Section I: State appropriation information.

1. Amount of state appropriation provided: \$900,000
2. Estimated annual debt service on the appropriation: \$69,189.00
3. Term of the state bond, in years: 20 years

Section II: Estimated value of use of the facility.

Use(s) of the facility*	Annual value of use	# of years
a. <u>Pharmacy Clinic Rotations / Clinical Training</u>	<u>\$ 149,108.56</u>	<u>20 years</u>
b. _____	<u>\$ _____</u>	<u>_____</u>
c. _____	<u>\$ _____</u>	<u>_____</u>
d. _____	<u>\$ _____</u>	<u>_____</u>
e. _____	<u>\$ _____</u>	<u>_____</u>
f. _____	<u>\$ _____</u>	<u>_____</u>

(* List additional uses on separate page as needed.)

Section III:

On a separate page, explain how each use listed in Section II was valued for this analysis Direction: The purpose of this worksheet is to enable a campus to demonstrate how the value of the uses that will be derived from a Joint Use Agreement is reasonably related to the value of the state capital appropriation made to the partner entity. Section I is to be filled out by the staff of the Department of Higher Education. Sections II and III are to be filled out by the partner campus.

Example: A campus wishes to enter into a Joint Use Agreement with a 501(C)(3) entity for a state appropriation of \$5,000,000. The annual debt service paid by the state on this appropriation is about \$384,381 per year, for 20 years. To demonstrate that the value of the uses of the facility is reasonably

related to the state appropriation, the sum of the campus' educational uses of the facility should roughly equal \$384,381 per year for 20 years.

a) Pharmacy Clinic Rotations/Clinical Training; \$149,108.56; Costs associated with UH GMC ambulatory care pharmacist (salary and benefits) providing one on one training for NEOMED student pharmacists at UH GMC as well as other incidental costs for the program (e.g., access to electronic medical record, equipment, support staff). Introductory Pharmacy Practice Experiences (IPPE) and Advanced Pharmacy Practice Experiences (APPE) are required components of the Doctor of Pharmacy degree. The preceptor pharmacist assumes clinical responsibility for a specific student pharmacist to provide a rich learning experience for the students by training them through direct patient care. The preceptor nurses observe, teach, demonstrate, and engage the student in critical thinking about patient care and pharmacy interventions.

1. Salaried position for clinical pharmacy specialists (equivalent of 1 full time employee (FTE), which will consist of least five staff members): $\$57.69 \text{ per hour} \times 40 \text{ hours per week} \times 52 \text{ weeks} = \$119,995.20$
2. Student APPE rotations: $\$1000.00 \text{ cost of each two-month rotation} \times 8 \text{ student rotations per year} = \8000.00
3. Student IPPE rotations: $\$320.00 \text{ cost of each IPPE student rotation} \times 4 \text{ student rotations per year} = \1280.00
4. Ambulatory Electronic Medical Record Access: $\$8,500.00 \text{ for one year access for pharmacist. } \$1,416.67 \text{ for two-month student rotation} \times 8 \text{ APPE student rotations} = \$11,333.36. \text{ Total} = \$19,833.36.$