

## Butler, Kevin

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**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Monday, October 05, 2015 12:07 PM  
**To:** 'Brian Essi'; Summers, Mike; Hagan, Mary; Bullock, Tom  
**Cc:** Madigan, Mary; O'Leary, Sam; Anderson, David; Juris, Shawn; Marx, Cynthia; Nowlin, Ryan; John Bodine; Paul Colarusso; Petrus, Jeannine  
**Subject:** RE: Records Request--Use of Huron Consulting For Political Purposes  
**Attachments:** Huron Consulting Services LLC - contract for hospital due diligence.pdf; Huron Consulting Final invoice 09212015.pdf

Mr. Essi,

We received your email below. I'll respond to the extent it's a request for records.

With respect to your first item, we are looking for responsive records and will forward when we have them.

With respect to your second request, please see the attached document titled "Huron Consulting Final invoice 09212015."

With respect to your third request, please see the attached document titled "Huron Consulting Services LLC – contract for hospital due diligence."

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Brian Essi [<mailto:bjessi@sbcglobal.net>]  
**Sent:** Monday, October 05, 2015 11:43 AM  
**To:** Butler, Kevin; Summers, Mike; Hagan, Mary; Bullock, Tom  
**Cc:** Madigan, Mary; O'Leary, Sam; Anderson, David; Juris, Shawn; Marx, Cynthia; Nowlin, Ryan; John Bodine; Paul Colarusso  
**Subject:** Records Request--Use of Huron Consulting For Political Purposes

Dear Director Butler, Mayor Summers and Councilman Bullock,

I wish I could say that I am shocked at the new low that the three of you have achieved.

Attached is a September 29, 2015 email from Huron Consulting to Messrs. Butler and Bullock that Mayor Summers handed to the editorial board of the Plain Dealer on October 1, 2015 in an effort to obtain a political endorsement. I believe the email makes false allegations concerning statements allegedly made by Senator Skindell. It seems clear that Huron Consulting has been improperly used by the three of you for personal political purposes and not in furtherance of any legitimate purpose of City Hall.

Please produce the following public records:

1. All records, emails, letters, and notes of all communications by, among and/or between Kevin Butler, Mike Summers, Tom Bullock, Paul Colarusso and/or John Bodine or any of them from

September 1, 2015 through the date of this request including but not limited to the email(s) that Mr. Colarusso was responding to on September 29, 2015.

2. All invoices and time records submitted by Huron Consulting at any time.
3. All engagement letters or contracts with Huron Consulting for any matter.

Sincerely,

***Brian J. Essi***  
*Cell 216-346-3434*

## Butler, Kevin

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**From:** Bullock, Tom <Tom.Bullock@lakewoodoh.net>  
**Sent:** Monday, October 05, 2015 11:50 AM  
**To:** Brian Essi  
**Cc:** Butler, Kevin; Summers, Mike; Hagan, Mary; Madigan, Mary; O'Leary, Sam; Anderson, David; Juris, Shawn; Marx, Cynthia; Nowlin, Ryan; John Bodine; Paul Colarusso  
**Subject:** Re: Records Request--Use of Huron Consulting For Politcal Purposes

Brian,  
I'll let Dir. Butler handle the records requests.

It's entirely appropriate to seek clarifications from the City's analyst to clarify their statements which were quoted by a candidate campaign (out of context), in this case Sen. Skindell. Those clarifications are related to better understanding a policy issue.

Please direct your umbrage to Sen. Skindell, who politicized the Huron report and who has for months politicized the hospital issue.

In addition, I'd like to request you to keep a more neighborly tone. I respect your dedication to your position on the hospital, but many of your communications come across as nasty, personal, attacking, and exaggerated. You may find that your efforts are more persuasive if they are communicated more politely.

Sincerely,  
Tom

On Oct 5, 2015, at 11:42 AM, Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)> wrote:

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Brian J. Essi  
Cell 216-346-3434

<HuronResponsetoSkindell.pdf>

**Butler, Kevin**

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**To:** Kevin Butler; Mike Summers; Mary Hagan; Tom Bullock  
**Cc:** Mary Madigan; Sam O'Leary; David Anderson; Shawn Juris; Cynthia Marx; Ryan Nowlin; John Bodine; Paul Colarusso  
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***Brian J. Essi***  
*Cell 216-346-3434*

**Butler, Kevin**

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**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Tuesday, September 29, 2015 7:14 PM  
**To:** John Bodine  
**Subject:** Automatic reply: Clarification on Huron statements in report for Lakewood

Thank you for your e-mail. I'm away until Wednesday, September 30, 2015. I will have limited access to email and may not be able to respond remotely. You may email [law@lakewoodoh.net](mailto:law@lakewoodoh.net) in my absence, or for an emergency, please call the Law Department at (216) 529-6030.

## Butler, Kevin

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**From:** Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Tuesday, September 29, 2015 5:37 PM  
**To:** Bullock, Tom  
**Subject:** RE: Clarification on Huron statements in report for Lakewood  
**Attachments:** image001.gif

Certainly. Apologies – please note typo below now fixed (highlighted).

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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**From:** Bullock, Tom [<mailto:Tom.Bullock@lakewoodoh.net>]  
**Sent:** Tuesday, September 29, 2015 4:25 PM  
**To:** Paul Colarusso; John Bodine  
**Cc:** Butler, Kevin  
**Subject:** Re: Clarification on Huron statements in report for Lakewood

Thank you. These are helpful clarifications, and I'll share them with my colleagues and the public. I appreciate your quick turnaround.

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Tom

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Tom Bullock  
Lakewood City Council at Large  
216-395-7LWD (-7593)  
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Sign up for emergency notifications: [tinyurl.com/q5budby](http://tinyurl.com/q5budby)  
How was our service?: <http://tinyurl.com/qgus4sd>

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**From:** Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Tuesday, September 29, 2015 5:10 PM  
**To:** Bullock, Tom; John Bodine  
**Cc:** Butler, Kevin  
**Subject:** !RE: Clarification on Huron statements in report for Lakewood

Hi Tom,

Please see below for our response (in green).

- "Under these circumstances, there is simply no cause to abandon Lakewood Hospital or do anything else in a hurry. As **Huron Consulting affirmed**, holding Cleveland Clinic to its obligations while conducting a patient, transparent, genuine



search for a new partnership is a perfectly viable option." <http://savelakewoodhospital.org/why-lakewood-hospital-is-not-st-michaels/>

- The term “perfectly” is inaccurate. While it is our opinion that continuing the partnership search process is an option that can be pursued, it will likely be expensive (due to the need for a replacement facility) and **we are** not sure if it will yield positive results given the lack of independent physicians in the market (more on this below) and the lack of interested suitors.
- <http://savelakewoodhospital.org/huron-consulting-report-other-news/> "Certain of its [Huron's] observations have generated much discussion, among them:
  - The city’s purported search for alternative partners was mishandled and abandoned well short of completion
    - Huron does not use the term “mishandled” or the phrase “abandoned well short of completion.” Huron had concerns with certain areas of the marketing process, including (a) Subsidium is not an investment banker, (b) a letter of release from Cleveland Clinic was not obtained, (c) there were two sets of RFPs, and (d) certain mission/faith-based systems or companies with a history of investing in distressed hospitals were not approached. However, it is incomplete and misleading to note the above without mentioning that it is our belief that the Hospital was marketed to nearly all logical parties and we have no expectation that a different outcome would have resulted if the above concerns were addressed during the sale process.
  - "The earlier report by Subsidium consultants ignored important issues in concluding that Lakewood does not need “obsolete” inpatient hospital facilities
    - This is not our quote and is not supported by our analysis. In our report, we note that we believe the criteria Subsidium utilized in determining the viable options for Lakewood is reasonable and comprehensive. We also note that we believe Subsidium considered essentially all relevant potential options. That said, we point out that the City of Lakewood may also consider non-financial factors that we did not investigate including the impact on employment in the community or whether or not the City feels it has a responsibility to ensure that acute care services are provided within Lakewood.
  - “Continue operating under the current lease agreement, while also pursuing strategic initiatives and affiliation discussions” is a viable option for Lakewood.
    - Given numerous factors, including the recent downturn in financial performance, we believe that it will be difficult for the Hospital to continue on a status-quo course of action. Accordingly, this is only considered a viable option if the City addresses the facility issues, develops a supportive physician network, and pursues negotiations with potential partners. If this strategy is unsuccessful, the cost to the community in terms of financial losses and lost services could be significant. While the above initiatives and negotiations are taking place, the investment portfolio of LHA will likely be depleted.
- "A population the size of Lakewood has the ability to support an acute care hospital..." Pages 38, 71 (My question: is that statement only true if Fairview Hospital is not drawing away so much patient volume?)
  - The population is large enough to support an acute care hospital, but only if a larger portion of the population utilizes the facility (this would require the redirection of patients that are currently out-migrating to other facilities including Fairview).

- "Huron believes status quo 'may be a viable option if LHA and the City prefer to delay a decision on the Hospital, during which time the City would continue to receive payments under the lease.' Use additional time 'to develop a strategy to address facility issues, develop a supportive physician network; and pursue negotiations with potential partners.'" Pages 40, 71 (My question -- wouldn't achieving these things take longer periods of time and are very costly, correct? Would achieving these things take weeks, months, or years? How much money?)
  - It is our opinion that it would likely take several years to build a new facility and possibly longer to develop a physician network (if it is even possible). The time requirement can be shortened if the Hospital renovates the current space (as opposed to a complete rebuild), although refurbished space is seldom of the same standard as a new facility and may not be competitive depending on the extent of the renovations. It will likely cost over \$100 million to build a new facility and develop a physician network, potentially less if the existing space is renovated.
- "Right Size Hospital - Reduction of Beds - Huron believes this is 'a viable option if there is sufficient capital for facility renovations and an ability to expand the physician network and capture additional community support for the Hospital.'" Page 40 (My question -- wouldn't achieving these things take longer periods of time and are very costly, correct? Would achieving these things take weeks, months, or years? How much money?)
  - Our answer to this question is similar to the previous question, especially since we would expect a new or renovated hospital to contain fewer beds than are currently in place. We would expect a new facility to contain between 50 and 100 beds. Construction costs for a hospital typically range from \$700,000 to \$1.4 million per bed.

If you have any further questions, please let me know.

Thank you,

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---

**From:** Bullock, Tom [<mailto:Tom.Bullock@lakewoodoh.net>]  
**Sent:** Tuesday, September 29, 2015 8:28 AM  
**To:** John Bodine  
**Cc:** Paul Colarusso; Butler, Kevin  
**Subject:** Re: Clarification on Huron statements in report for Lakewood

Thank you

On Sep 28, 2015, at 10:07 PM, John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)> wrote:

Tom:

We will review and respond shortly.

On Sep 28, 2015, at 2:33 PM, Bullock, Tom <[Tom.Bullock@lakewoodoh.net](mailto:Tom.Bullock@lakewoodoh.net)> wrote:

John and Paul:

Several findings of Huron's report for Lakewood have been quoted in the community in what I understand to be an out-of-context or misinterpreted manner. I'd like to ask you to clarify whether the excerpts of Huron's report quoted below have been accurately quoted such as to convey the full and intended meaning, and/or whether these points have been interpreted accurately and with the full context? Finally, do some of these quotes exclude portions of Huron's report that would cast a different light on the stated interpretation?

The impression I get is that these are quotes cherry-picked by citizens who feel intensely that Lakewood Hospital ought to continue as an inpatient facility and that their reading of Huron's report is skewed accordingly. However, I wanted to check with you.

These quotes are:

- "Under these circumstances, there is simply no cause to abandon Lakewood Hospital or do anything else in a hurry. **As Huron Consulting affirmed**, holding Cleveland Clinic to its obligations while conducting a patient, transparent, genuine search for a new partnership is a perfectly viable option." <http://savelakewoodhospital.org/why-lakewood-hospital-is-not-st-michaels/>
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  - <http://savelakewoodhospital.org/huron-consulting-report-other-news/> "Certain of its [Huron's] observations have generated much discussion, among them:
    - The city's purported search for alternative partners was mishandled and abandoned well short of completion
    - "The earlier report by Subsidium consultants ignored important issues in concluding that Lakewood does not need "obsolete" inpatient hospital facilities
    - **"Continue operating under the current lease agreement, while also pursuing strategic initiatives and affiliation discussions"** is a viable option for Lakewood.
- The following three points from this page: <http://www.skindell4lakewood.com/about-the-hospital.html>
  - "A population the size of Lakewood has the ability to support an acute care hospital..." Pages 38, 71 (My question: is that statement only true if Fairview Hospital is not drawing away so much patient volume?)
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Sign up for emergency notifications: [tinyurl.com/q5budby](http://tinyurl.com/q5budby)  
How was our service?: <http://tinyurl.com/qgus4sd>

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How was our service?: <http://tinyurl.com/qgus4sd>

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  - "Right Size Hospital - Reduction of Beds - Huron believes this is 'a viable option if there is sufficient capital for facility renovations and an ability to expand the physician network and capture additional community support for the Hospital.'" Page 40 (My question -- wouldn't achieving these things take longer periods of time and are very costly, correct? Would achieving these things take weeks, months, or years? How much money?)

Thank you,  
Tom

---

Tom Bullock  
Lakewood City Council at Large  
216-395-7LWD (-7593)  
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Report-a-Problem webform: [tinyurl.com/qxkl5be](http://tinyurl.com/qxkl5be)  
Sign up for emergency notifications: [tinyurl.com/q5budby](http://tinyurl.com/q5budby)  
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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Tuesday, September 29, 2015 5:11 PM  
**To:** Bullock, Tom; John Bodine  
**Cc:** Butler, Kevin  
**Subject:** !RE: Clarification on Huron statements in report for Lakewood  
**Attachments:** image001.gif

Hi Tom,

Please see below for our response (in green).

- "Under these circumstances, there is simply no cause to abandon Lakewood Hospital or do anything else in a hurry. As **Huron Consulting affirmed**, holding Cleveland Clinic to its obligations while conducting a patient, transparent, genuine search for a new partnership is a perfectly viable option." <http://savelakewoodhospital.org/why-lakewood-hospital-is-not-st-michaels/>
  - The term “perfectly” is inaccurate. While it is our opinion that continuing the partnership search process is an option that can be pursued, it will likely be expensive (due to the need for a replacement facility) and we not sure if it will yield positive results given the lack of independent physicians in the market (more on this below) and the lack of interested suitors.
- <http://savelakewoodhospital.org/huron-consulting-report-other-news/> "Certain of its [Huron's] observations have generated much discussion, among them:
  - The city’s purported search for alternative partners was mishandled and abandoned well short of completion
    - Huron does not use the term “mishandled” or the phrase “abandoned well short of completion.” Huron had concerns with certain areas of the marketing process, including (a) Subsidium is not an investment banker, (b) a letter of release from Cleveland Clinic was not obtained, (c) there were two sets of RFPs, and (d) certain mission/faith-based systems or companies with a history of investing in distressed hospitals were not approached. However, it is incomplete and misleading to note the above without mentioning that it is our belief that the Hospital was marketed to nearly all logical parties and we have no expectation that a different outcome would have resulted if the above concerns were addressed during the sale process.
  - "The earlier report by Subsidium consultants ignored important issues in concluding that Lakewood does not need “obsolete” inpatient hospital facilities
    - This is not our quote and is not supported by our analysis. In our report, we note that we believe the criteria Subsidium utilized in determining the viable options for Lakewood is reasonable and comprehensive. We also note that we believe Subsidium considered essentially all relevant potential options. That said, we point out that the City of Lakewood may also consider non-financial factors that we did not investigate including the impact on employment in the community or whether or not the City feels it has a responsibility to ensure that acute care services are provided within Lakewood.

- “Continue operating under the current lease agreement, while also pursuing strategic initiatives and affiliation discussions” is a viable option for Lakewood.
  - Given numerous factors, including the recent downturn in financial performance, we believe that it will be difficult for the Hospital to continue on a status-quo course of action. Accordingly, this is only considered a viable option if the City addresses the facility issues, develops a supportive physician network, and pursues negotiations with potential partners. If this strategy is unsuccessful, the cost to the community in terms of financial losses and lost services could be significant. While the above initiatives and negotiations are taking place, the investment portfolio of LHA will likely be depleted.
- "A population the size of Lakewood has the ability to support an acute care hospital..." Pages 38, 71 (My question: is that statement only true if Fairview Hospital is not drawing away so much patient volume?)
  - The population is large enough to support an acute care hospital, but only if a larger portion of the population utilizes the facility (this would require the redirection of patients that are currently out-migrating to other facilities including Fairview).
- "Huron believes status quo 'may be a viable option if LHA and the City prefer to delay a decision on the Hospital, during which time the City would continue to receive payments under the lease.' Use additional time 'to develop a strategy to address facility issues, develop a supportive physician network; and pursue negotiations with potential partners.'" Pages 40, 71 (My question -- wouldn't achieving these things take longer periods of time and are very costly, correct? Would achieving these things take weeks, months, or years? How much money?)
  - It is our opinion that it would likely take several years to build a new facility and possibly longer to develop a physician network (if it is even possible). The time requirement can be shortened if the Hospital renovates the current space (as opposed to a complete rebuild), although refurbished space is seldom of the same standard as a new facility and may not be competitive depending on the extent of the renovations. It will likely cost over \$100 million to build a new facility and develop a physician network, potentially less if the existing space is renovated.
- "Right Size Hospital - Reduction of Beds - Huron believes this is 'a viable option if there is sufficient capital for facility renovations and an ability to expand the physician network and capture additional community support for the Hospital.'" Page 40 (My question -- wouldn't achieving these things take longer periods of time and are very costly, correct? Would achieving these things take weeks, months, or years? How much money?)
  - Our answer to this question is similar to the previous question, especially since we would expect a new or renovated hospital to contain fewer beds than are currently in place. We would expect a new facility to contain between 50 and 100 beds. Construction costs for a hospital typically range from \$700,000 to \$1.4 million per bed.

If you have any further questions, please let me know.

Thank you,

Paul Colarusso  
 Associate  
 550 W. Van Buren Street  
 Chicago, Illinois 60607  
 Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)

**From:** Bullock, Tom [mailto:Tom.Bullock@lakewoodoh.net]  
**Sent:** Tuesday, September 29, 2015 8:28 AM  
**To:** John Bodine  
**Cc:** Paul Colarusso; Butler, Kevin  
**Subject:** Re: Clarification on Huron statements in report for Lakewood

Thank you

On Sep 28, 2015, at 10:07 PM, John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)> wrote:

Tom:

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On Sep 28, 2015, at 2:33 PM, Bullock, Tom <[Tom.Bullock@lakewoodoh.net](mailto:Tom.Bullock@lakewoodoh.net)> wrote:

John and Paul:

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These quotes are:

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Tom

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**Butler, Kevin**

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Tuesday, September 29, 2015 10:44 AM  
**To:** Paul Colarusso  
**Subject:** Automatic reply: Final Presentation

Thank you for your e-mail. I'm away until Wednesday, September 30, 2015. I will have limited access to email and may not be able to respond remotely. You may email [law@lakewoodoh.net](mailto:law@lakewoodoh.net) in my absence, or for an emergency, please call the Law Department at (216) 529-6030.

## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Tuesday, September 29, 2015 10:44 AM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation  
**Attachments:** image001.gif; Huron Presentation to the City of Lakewood HIGHLIGHTED CHANGES.pdf

Hi Kevin,

Please see attached report that highlights changes that were made from the last iteration. The changes include the following eliminations, which were made at Lakewood Hospital Foundation's request:

- Page 57, footnote 3, last sentence: *Note that "all or a substantial portion" of these funds must be aggregated with the funds available from Lakewood Hospital Foundation into a new foundation.*
- Page 57, footnote 6 removed entirely: *The Beneficial Interest in Lakewood Hospital Foundation funds will be retained by the City but must be contributed to the new foundation in aggregate with Cleveland Clinic's contributions. Note that we have included the current balance of the Beneficial Interest in Lakewood Hospital Foundation at its full value, although there is risk to this assumption as we assume that the fund balance is permanently restricted and may require donor approval in order to be available to LHA or the City under the proposed agreement.*
- Page 58, last sentence: *It is assumed that, if the Hospital is not operating as a going-concern, the Interest in Lakewood Hospital Foundation funds will be returned to the donors.*

If there is anything else I can do, please let me know.

Thanks,

Paul Colarusso  
Associate  
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Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
**Sent:** Monday, September 28, 2015 3:42 PM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation

It turns out it'd be very helpful to highlight the changes. Thanks for the offer, Paul. Perhaps something as simple as a PDF showing the tracked changes would do the trick.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034



[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

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**From:** Paul Colarusso [<mailto:pcolarusso@huronconsultinggroup.com>]  
**Sent:** Thursday, September 17, 2015 11:34 AM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation

Hi Kevin,

My apologies for any inconvenience. The changes are on pages 16, 56, 57, and 58. If you would like me to further outline said changes, please let me know.

Thanks,

Paul Colarusso  
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Chicago, Illinois 60607  
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[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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**From:** Butler, Kevin [<mailto:Kevin.Butler@lakewoodoh.net>]  
**Sent:** Thursday, September 17, 2015 10:25 AM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation

Thanks, Paul. This will present a little bit of a logistical challenge, which isn't necessarily your problem but is ours. Can you identify the page numbers that reflect changes from the August 14 report to this version? That'd be helpful so I can point them out to Council.

Appreciate your help.

Kevin M. Butler, Director of Law  
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(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

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**From:** Paul Colarusso [<mailto:pcolarusso@huronconsultinggroup.com>]  
**Sent:** Wednesday, September 16, 2015 6:19 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
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Hi Kevin,

Lakewood Hospital Foundation requested that we make a few changes to our presentation as it relates to certain statements that were made about the Foundation. Accordingly, please see attached.

If you have any questions or concerns, please let me know.

Thanks,

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## Butler, Kevin

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**From:** Bullock, Tom <Tom.Bullock@lakewoodoh.net>  
**Sent:** Tuesday, September 29, 2015 9:28 AM  
**To:** John Bodine  
**Cc:** Paul Colarusso; Butler, Kevin  
**Subject:** Re: Clarification on Huron statements in report for Lakewood

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Tom:

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## Butler, Kevin

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**From:** John Bodine <jbodine@huronconsultinggroup.com>  
**Sent:** Monday, September 28, 2015 10:08 PM  
**To:** Bullock, Tom  
**Cc:** Paul Colarusso; Butler, Kevin  
**Subject:** Re: Clarification on Huron statements in report for Lakewood

Tom:

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## Butler, Kevin

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**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Monday, September 28, 2015 4:42 PM  
**To:** 'Paul Colarusso'  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation  
**Attachments:** image001.gif

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**From:** Butler, Kevin [mailto:[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)]  
**Sent:** Thursday, September 17, 2015 10:25 AM  
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**Subject:** RE: Final Presentation

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Kevin M. Butler, Director of Law



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Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Tuesday, September 22, 2015 11:47 AM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Final Invoice - Huron  
**Attachments:** image001.gif; 1063903001.doc

Hi Kevin,

Please see updated invoice. Will this suffice?

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
**Sent:** Monday, September 21, 2015 5:31 PM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Final Invoice - Huron

Thanks, Paul. This isn't pressing but if you could revise the invoice merely to show that the city paid the \$20K down payment, and then resend, that would be helpful for our records and to clear up any confusion among our bookkeepers. Appreciate that minor adjustment. I will approve payment right away.

Kevin

Kevin M. Butler  
City of Lakewood | Law Director  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)  
(216) 529-6034 direct  
*Sent by mobile*

----- Original message -----

From: Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
Date: 09/21/2015 6:14 PM (GMT-05:00)  
To: "Butler, Kevin" <[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)>  
Cc: John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>  
Subject: Final Invoice - Huron

Hi Kevin,

Please see attached final bill related to our consulting services provided to the City of Lakewood.

If you have any questions or concerns regarding the bill or any other aspect of our engagement, please let me know.

Thank you again for the opportunity – it was a pleasure to work with you and for the City of Lakewood.

Best Regards,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Monday, September 21, 2015 7:09 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** Re: Final Invoice - Huron  
**Attachments:** image001.gif; mg\_info.txt

Not a problem. Thanks, Kevin.

Sent from my iPhone

On Sep 21, 2015, at 5:31 PM, "Butler, Kevin" <[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)> wrote:

Thanks, Paul. This isn't pressing but if you could revise the invoice merely to show that the city paid the \$20K down payment, and then resend, that would be helpful for our records and to clear up any confusion among our bookkeepers. Appreciate that minor adjustment. I will approve payment right away.

Kevin

Kevin M. Butler  
City of Lakewood | Law Director  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)  
(216) 529-6034 direct  
*Sent by mobile*

----- Original message -----

From: Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
Date: 09/21/2015 6:14 PM (GMT-05:00)  
To: "Butler, Kevin" <[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)>  
Cc: John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>  
Subject: Final Invoice - Huron

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Thank you again for the opportunity – it was a pleasure to work with you and for the City of Lakewood.

Best Regards,

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[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)

<image001.gif>

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## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Monday, September 21, 2015 6:31 PM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Final Invoice - Huron  
**Attachments:** image001.gif

Thanks, Paul. This isn't pressing but if you could revise the invoice merely to show that the city paid the \$20K down payment, and then resend, that would be helpful for our records and to clear up any confusion among our bookkeepers. Appreciate that minor adjustment. I will approve payment right away.

Kevin

Kevin M. Butler  
**City of Lakewood** | Law Director  
kevin.butler@lakewoodoh.net  
(216) 529-6034 direct  
*Sent by mobile*

----- Original message -----

From: Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
Date: 09/21/2015 6:14 PM (GMT-05:00)  
To: "Butler, Kevin" <Kevin.Butler@lakewoodoh.net>  
Cc: John Bodine <jbodine@huronconsultinggroup.com>  
Subject: Final Invoice - Huron

Hi Kevin,

Please see attached final bill related to our consulting services provided to the City of Lakewood.

If you have any questions or concerns regarding the bill or any other aspect of our engagement, please let me know.

Thank you again for the opportunity – it was a pleasure to work with you and for the City of Lakewood.

Best Regards,

Paul Colarusso  
Associate  
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Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Monday, September 21, 2015 6:14 PM  
**To:** kevin.butler@lakewoodoh.net  
**Cc:** John Bodine  
**Subject:** Final Invoice - Huron  
**Attachments:** image001.gif; 1063903001.doc

Hi Kevin,

Please see attached final bill related to our consulting services provided to the City of Lakewood.

If you have any questions or concerns regarding the bill or any other aspect of our engagement, please let me know.

Thank you again for the opportunity – it was a pleasure to work with you and for the City of Lakewood.

Best Regards,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Thursday, September 17, 2015 3:46 PM  
**To:** kevin.butler@lakewoodoh.net  
**Cc:** John Bodine  
**Subject:** Administrative Fees  
**Attachments:** image001.gif

Hi Kevin,

Regarding administrative fees, we do not have historical details for the sub-categories with the exception of the shared services. What we can conclude from the information we have is this: while shared services have increased as a percent of net revenue, they have decreased as a percent of total administrative fees, implying that the other sub-categories have increased on a total basis and as a percent of net revenue.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
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## Butler, Kevin

---

**From:** Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Thursday, September 17, 2015 11:34 AM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation  
**Attachments:** image001.gif

Hi Kevin,

My apologies for any inconvenience. The changes are on pages 16, 56, 57, and 58. If you would like me to further outline said changes, please let me know.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Butler, Kevin [<mailto:Kevin.Butler@lakewoodoh.net>]  
**Sent:** Thursday, September 17, 2015 10:25 AM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation

Thanks, Paul. This will present a little bit of a logistical challenge, which isn't necessarily your problem but is ours. Can you identify the page numbers that reflect changes from the August 14 report to this version? That'd be helpful so I can point them out to Council.

Appreciate your help.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Paul Colarusso [<mailto:pcolarusso@huronconsultinggroup.com>]  
**Sent:** Wednesday, September 16, 2015 6:19 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** Final Presentation

Hi Kevin,

Lakewood Hospital Foundation requested that we make a few changes to our presentation as it relates to certain statements that were made about the Foundation. Accordingly, please see attached.

If you have any questions or concerns, please let me know.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 11:34 AM  
**To:** 'Brian Essi'; Hagan, Mary; 'John Bodine'  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; 'robyn.smyers@thompsonhine.com'; 'Paul Colarusso'  
**Subject:** RE: Public Materials Provides to Huron

Mr. Essi:

I've provided additional responses below, in red. Huron has indicated that it cannot provide the Cleveland Clinic data referenced in items 1, 2, 4, 6, 9b, 9c and 9d without authorization from the Clinic to release it to the public. Huron has also indicated that notes from its interviews, referenced in 9a, are its own work product and not subject to public release.

Kevin

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Butler, Kevin  
**Sent:** Wednesday, September 16, 2015 5:09 PM  
**To:** 'Brian Essi'; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; robyn.smyers@thompsonhine.com; John Green; Paul Colarusso  
**Subject:** RE: Public Materials Provides to Huron

Mr. Essi:

I've taken each of your requests in turn.

1. Cleveland Clinic' 2014 Shared Admin Service Allocation (Lakewood Brief) Presentation (undated). **Response:** The city has no records responsive to this request.
2. Cleveland Clinic's LHA 2014 Admin Services Details and Allocation Methodology Excel File (undated). **Response:** The city has no records responsive to this request.
3. Subsidium Healthcare's Lakewood Hospital Data Book (undated) **Response:** I am uncertain whether the attached information is the document referenced, but this document ("Lakewood Hospital Data Book.pdf") is what's in the city's possession. **Huron indicates the document I sent yesterday is the document it referenced.**
4. Patient day data for the fiscal years ended December 31, 2010 through 2014 and the year-to-date period ended June 30, 2015. **Response:** The city has no records responsive to this request.
5. Subsidium Healthcare's Lakewood Hospital Association Board of Trustees Strategic Options Evaluation Process, dated January 12, 2015. **Response:** The city has no records responsive to this request. **Huron reports this information is here:** [http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015\\_SubsidiumOverview.pdf](http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015_SubsidiumOverview.pdf).

6. Key Performance metrics for Lakewood Hospital for the year-to-date period ended November 30, 2013 and the fiscal year ended December 31, 2014. **Response:** The city has no records responsive to this request.

7. "Lakewood City Council Committees of the Whole Considering the Letter of Intent." **Response:** We are uncertain whether the committee of the whole minutes Mary Hagan sent today are the materials referenced in Huron's report, but these documents are what are in the city's possession.

8. Thompson Hine opinions: The Huron Report at page 47 states "According to Thompson Hine LLP, counsel for the City, pursuant to the terms of the Definitive Agreement and the Lease Agreement, the Cleveland Clinic does not have a general obligation to fund operating losses." Please produce all records provided to Huron Consulting by Thompson Hine, the City or any of their representatives regarding this statement or opinion of Thompson Hine. Also please produce any and all records of communication between or among Thompson Hine and Huron Consulting or either of their representatives regarding Lakewood Hospital and/or Thompson Hine's engagement as attorneys for the City. **Response:** The city will not provide copies of Thompson Hine documents or communications because they are privileged and excepted from the Public Records Act under R.C. 149.43(A)(1)(v).

9. Administrative Services. Please produce:

a. all records of the interviews of representatives of LHA and the Cleveland Clinic referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request.

b. any confidentiality agreement signed by Huron Consulting or any of its representatives regarding "proprietary and confidential documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof" referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request.

c. all "documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof" that was provided to and reviewed by Huron Consulting and referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request.

d. all "correspondence and written documentation" reiterating statements that formed Huron's "understanding that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request.

Huron Consulting Services is not the city's agent and the scope of its services did not include furnishing all materials upon which it relied for the preparation of its report. However, I have forwarded your requests to Huron to determine which documents it may release within the scope of its services. If we receive any such documents, we will forward them to you.

Best wishes,

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Brian Essi [mailto:[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)]

**Sent:** Wednesday, September 16, 2015 1:01 PM

**To:** Butler, Kevin; Hagan, Mary; John Bodine

**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso

**Subject:** Re: Public Materials Provided to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

**Brian J. Essi**

Cell 216-346-3434

---

**From:** Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)>

**To:** Kevin Butler <[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)>; Mary Hagan <[mary.hagan@lakewoodoh.net](mailto:mary.hagan@lakewoodoh.net)>; John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>

**Cc:** Mary Madigan <[mary.madigan@lakewoodoh.net](mailto:mary.madigan@lakewoodoh.net)>; Tom Bullock <[tom.bullock@lakewoodoh.net](mailto:tom.bullock@lakewoodoh.net)>; David Anderson <[david.anderson@lakewoodoh.net](mailto:david.anderson@lakewoodoh.net)>; Cynthia Marx <[cindy.marx@lakewoodoh.net](mailto:cindy.marx@lakewoodoh.net)>; Sam O'Leary <[sam.oleary@lakewoodoh.net](mailto:sam.oleary@lakewoodoh.net)>; Ryan Nowlin <[ryan.nowlin@lakewoodoh.net](mailto:ryan.nowlin@lakewoodoh.net)>; Shawn Juris <[shawn.juris@lakewoodoh.net](mailto:shawn.juris@lakewoodoh.net)>; Mike Summers <[mike.summers@lakewoodoh.net](mailto:mike.summers@lakewoodoh.net)>; "robyn.smyers@thompsonhine.com" <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green <[john.green@thompsonhine.com](mailto:john.green@thompsonhine.com)>; Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>

**Sent:** Tuesday, August 18, 2015 10:16 AM

**Subject:** Public Materials Provides to Huron

Dear Director Butler, Ms. Hagan and Mr. Bodine,

Pursuant to public records laws, kindly produce the following materials all of which are referred to on pages 5, 6, 47, 54 and 55 of the Huron Report dated August 14, 2015:

1. Cleveland Clinic' 2014 Shared Admin Service Allocation (Lakewood Brief) Presentation (undated)
2. Cleveland Clinic's LHA 2014 Admin Services Details and Allocation Methodology Excel File (undated).
3. Subsidium Healthcare's Lakewood Hospital Data Book (undated)
4. Patient day data for the fiscal years ended December 31, 2010 through 2014 and the year-to-date period ended June 30, 2015.
5. Subsidium Healthcare's Lakewood Hospital Association Board of Trustees Strategic Options Evaluation Process, dated January 12, 2015.
6. Key Performance metrics for Lakewood Hospital for the year-to-date period ended November 30, 2013 and the fiscal year ended December 31, 2014.
7. "Lakewood City Council Committees of the Whole Considering the Letter of Intent."
8. Thompson Hine opinions: The Huron Report at page 47 states "*According to Thompson Hine LLP, counsel for the City, pursuant to the terms of the Definitive Agreement and the Lease Agreement, the Cleveland Clinic does not have a general obligation to fund operating losses.*" Please produce all records provided to Huron Consulting by Thompson Hine, the City or any of their representatives

regarding this statement or opinion of Thompson Hine. Also please produce any and all records of communication between or among Thompson Hine and Huron Consulting or either of their representatives regarding Lakewood Hospital and/or Thompson Hine's engagement as attorneys for the City.

9. Administrative Services. Please produce:

a. all records of the interviews of representatives of LHA and the Cleveland Clinic referred to on page 54 of the Huron Report.

b. any confidentiality agreement signed by Huron Consulting or any of its representatives regarding *"proprietary and confidential documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof"* referred to on page 54 of the Huron Report.

c. all *"documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof"* that was provided to and reviewed by Huron Consulting and referred to on page 54 of the Huron Report.

d. all *"correspondence and written documentation"* reiterating statements that formed Huron's **"understanding"** that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report.

As to this request number 9, kindly be advised that the Lease (a public contract with a public charity) requires "full disclosure of hospital operations" to the general public of which I am a member. In that regard, the claim that *"specific fees incurred and the allocation thereof"* to LHA are somehow *"proprietary and confidential documentation"* in the hands of the Clinic has no basis in law or fact. Indeed, the Clinic is the managing fiduciary of a public charity pursuant to a public contract, has custody of public money and property and is in sole possession of said public documentation substantiating the fees charged---claiming that they have "proprietary and confidential" rights to keep the information from us turns logic and the law on its head. On the contrary, that documentation directly relates to hospital operations, the viability of the hospital and the legitimacy of the fees charged---one issue both City Council and the Executive Branch of the City apparently agreed upon when they tasked Huron to investigate it and, therefore, the public has the right to know.

Finally, while I understand that Huron was at the mercy of the Clinic as to the information produced, it is unsettling to me that the information the Clinic did produce was so limited that Huron had to use the following qualifiers in reporting to us about it: *"It is our understanding...If so, and assuming...is reportedly determined by...it is reasonable to assume....and the Cleveland Clinic has claimed..."* On April 8, 2015, Mayor Summers expressed similar concerns when he told me *"our partner is not being very transparent"* referring to the same issue of administrative fees.

Why would we consider any future arrangement that would benefit an entity that treats us this way in regard to basic information we have a full right to know?

Sincerely,

**Brian J. Essi**  
Cell 216-346-3434





## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 11:25 AM  
**To:** 'Paul Colarusso'  
**Cc:** John Bodine  
**Subject:** RE: Final Presentation  
**Attachments:** image001.gif

Thanks, Paul. This will present a little bit of a logistical challenge, which isn't necessarily your problem but is ours. Can you identify the page numbers that reflect changes from the August 14 report to this version? That'd be helpful so I can point them out to Council.

Appreciate your help.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Paul Colarusso [mailto:[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)]  
**Sent:** Wednesday, September 16, 2015 6:19 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** Final Presentation

Hi Kevin,

Lakewood Hospital Foundation requested that we make a few changes to our presentation as it relates to certain statements that were made about the Foundation. Accordingly, please see attached.

If you have any questions or concerns, please let me know.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 11:19 AM  
**To:** 'John Bodine'; Paul Colarusso  
**Subject:** RE: Public Materials Provides to Huron  
**Attachments:** image001.gif

OK. Thanks. Just wanted to have some response.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** John Bodine [mailto:jbodine@huronconsultinggroup.com]  
**Sent:** Thursday, September 17, 2015 11:19 AM  
**To:** Butler, Kevin; Paul Colarusso  
**Subject:** RE: Public Materials Provides to Huron

Kevin:

We obviously have interview notes but generally consider them to be our internal work product.

John Bodine  
Managing Director  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-3411 | Mobile 630-301-8445  
[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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**From:** Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
**Sent:** Thursday, September 17, 2015 10:16 AM  
**To:** Paul Colarusso  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Thank you, Paul. How about a response regarding 9(a)?

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**Sent:** Wednesday, September 16, 2015 6:47 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Hi Kevin,

Please see comments below. Note that certain documents we received were marked either proprietary & confidential, attorney-client privileged, or had some caveat to say that the information is not to be made publically available without the prior written consent of CCF or LHA. In these cases, I have noted below what the restrictive language was. Please let me know if you would like to discuss.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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**To:** 'Brian Essi'; Hagan, Mary; John Bodine

**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso

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- [http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015\\_SubsidiumOverview.pdf](http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015_SubsidiumOverview.pdf)

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"The enclosed data and other information should not be used for other purposes or made publicly available without the prior written consent of LHA and CCF."

7. "Lakewood City Council Committees of the Whole Considering the Letter of Intent." **Response:** We are uncertain whether the committee of the whole minutes Mary Hagan sent today are the materials referenced in Huron's report, but these documents are what are in the city's possession. **See link:**

- [http://www.onelakewood.com/wp-content/uploads/2015/06/2015\\_CouncilCOWMtgs.pdf](http://www.onelakewood.com/wp-content/uploads/2015/06/2015_CouncilCOWMtgs.pdf)

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**From:** Brian Essi [<mailto:bjessi@sbcglobal.net>]

**Sent:** Wednesday, September 16, 2015 1:01 PM

**To:** Butler, Kevin; Hagan, Mary; John Bodine

**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers,

Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso

**Subject:** Re: Public Materials Provides to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

**Brian J. Essi**  
Cell 216-346-3434

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**From:** Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)>

**To:** Kevin Butler <[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)>; Mary Hagan <[mary.hagan@lakewoodoh.net](mailto:mary.hagan@lakewoodoh.net)>; John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>

**Cc:** Mary Madigan <[mary.madigan@lakewoodoh.net](mailto:mary.madigan@lakewoodoh.net)>; Tom Bullock <[tom.bullock@lakewoodoh.net](mailto:tom.bullock@lakewoodoh.net)>; David Anderson <[david.anderson@lakewoodoh.net](mailto:david.anderson@lakewoodoh.net)>; Cynthia Marx <[cindy.marx@lakewoodoh.net](mailto:cindy.marx@lakewoodoh.net)>; Sam O'Leary <[sam.oleary@lakewoodoh.net](mailto:sam.oleary@lakewoodoh.net)>; Ryan Nowlin <[ryan.nowlin@lakewoodoh.net](mailto:ryan.nowlin@lakewoodoh.net)>; Shawn Juris <[shawn.juris@lakewoodoh.net](mailto:shawn.juris@lakewoodoh.net)>; Mike Summers <[mike.summers@lakewoodoh.net](mailto:mike.summers@lakewoodoh.net)>; "[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)" <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green <[john.green@thompsonhine.com](mailto:john.green@thompsonhine.com)>; Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>

**Sent:** Tuesday, August 18, 2015 10:16 AM

**Subject:** Public Materials Provides to Huron

Dear Director Butler, Ms. Hagan and Mr. Bodine,

Pursuant to public records laws, kindly produce the following materials all of which are referred to on pages 5, 6, 47, 54 and 55 of the Huron Report dated August 14, 2015:

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2. Cleveland Clinic's LHA 2014 Admin Services Details and Allocation Methodology Excel File (undated).
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d. all *"correspondence and written documentation"* reiterating statements that formed Huron's **"understanding"** *that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report.*

As to this request number 9, kindly be advised that the Lease (a public contract with a public charity) requires "full disclosure of hospital operations" to the general public of which I am a member. In that regard, the claim that *"specific fees incurred and the allocation thereof"* to LHA are somehow *"proprietary and confidential documentation"* in the hands of the Clinic has no basis in law or fact. Indeed, the Clinic is the managing fiduciary of a public charity pursuant to a public contract, has custody of public money and property and is in sole possession of said public documentation substantiating the fees charged---claiming that they have "proprietary and confidential" rights to keep the information from us turns logic and the law on its head. On the contrary, that documentation directly relates to hospital operations, the viability of the hospital and the legitimacy of the fees charged---one issue both City Council and the Executive Branch of the City apparently agreed upon when they tasked Huron to investigate it and, therefore, the public has the right to know.

Finally, while I understand that Huron was at the mercy of the Clinic as to the information produced, it is unsettling to me that the information the Clinic did produce was so limited that Huron had to use the following qualifiers in reporting to us about it: *"It is our understanding...If so, and assuming...is reportedly determined by...it is reasonable to assume....and the Cleveland Clinic has claimed..."* On April 8, 2015, Mayor Summers expressed similar concerns when he told me *"our partner is not being very transparent"* referring to the same issue of administrative fees.

Why would we consider any future arrangement that would benefit an entity that treats us this way in regard to basic information we have a full right to know?

Sincerely,

**Brian J. Essi**  
Cell 216-346-3434

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**Subject:** RE: Public Materials Provides to Huron  
**Attachments:** image001.gif

Thank you, Paul. How about a response regarding 9(a)?

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Paul Colarusso [mailto:[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)]  
**Sent:** Wednesday, September 16, 2015 6:47 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Hi Kevin,

Please see comments below. Note that certain documents we received were marked either proprietary & confidential, attorney-client privileged, or had some caveat to say that the information is not to be made publically available without the prior written consent of CCF or LHA. In these cases, I have noted below what the restrictive language was. Please let me know if you would like to discuss.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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**From:** Butler, Kevin [mailto:[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)]  
**Sent:** Wednesday, September 16, 2015 4:09 PM  
**To:** 'Brian Essi'; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
**Subject:** RE: Public Materials Provides to Huron

Mr. Essi:

I've taken each of your requests in turn.

1. Cleveland Clinic' 2014 Shared Admin Service Allocation (Lakewood Brief) Presentation (undated). **Response:** The city has no records responsive to this request. **Huron received certain documents but is not permitted to share without a confidentiality agreement.**
2. Cleveland Clinic's LHA 2014 Admin Services Details and Allocation Methodology Excel File (undated). **Response:** The city has no records responsive to this request. **Huron received certain documents but is not permitted to share without a confidentiality agreement.**
3. Subsidium Healthcare's Lakewood Hospital Data Book (undated) **Response:** I am uncertain whether the attached information is the document referenced, but this document ("Lakewood Hospital Data Book.pdf") is what's in the city's possession. **This is the correct document.**
4. Patient day data for the fiscal years ended December 31, 2010 through 2014 and the year-to-date period ended June 30, 2015. **Response:** The city has no records responsive to this request. **Huron received documentation from Michael Meehan, however, the subject of the email states the information is "Attorney Client Privileged."**
5. Subsidium Healthcare's Lakewood Hospital Association Board of Trustees Strategic Options Evaluation Process, dated January 12, 2015. **Response:** The city has no records responsive to this request. **See link:**
  - [http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015\\_SubsidiumOverview.pdf](http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015_SubsidiumOverview.pdf)
6. Key Performance metrics for Lakewood Hospital for the year-to-date period ended November 30, 2013 and the fiscal year ended December 31, 2014. **Response:** The city has no records responsive to this request. **This document was forwarded to John Bodine by Mike Summers, who received it from Shannon Ritchie. In Mr. Ritchie's email, he notes, "The enclosed data and other information should not be used for other purposes or made publicly available without the prior written consent of LHA and CCF."**
7. "Lakewood City Council Committees of the Whole Considering the Letter of Intent." **Response:** We are uncertain whether the committee of the whole minutes Mary Hagan sent today are the materials referenced in Huron's report, but these documents are what are in the city's possession. **See link:**
  - [http://www.onelakewood.com/wp-content/uploads/2015/06/2015\\_CouncilCOWMtgs.pdf](http://www.onelakewood.com/wp-content/uploads/2015/06/2015_CouncilCOWMtgs.pdf)
8. Thompson Hine opinions: The Huron Report at page 47 states "According to Thompson Hine LLP, counsel for the City, pursuant to the terms of the Definitive Agreement and the Lease Agreement, the Cleveland Clinic does not have a general obligation to fund operating losses." Please produce all records provided to Huron Consulting by Thompson Hine, the City or any of their representatives regarding this statement or opinion of Thompson Hine. Also please produce any and all records of communication between or among Thompson Hine and Huron Consulting or either of their representatives regarding Lakewood Hospital and/or Thompson Hine's engagement as attorneys for the City. **Response:** The city will not provide copies of Thompson Hine documents or communications because they are privileged and excepted from the Public Records Act under R.C. 149.43(A)(1)(v).
9. Administrative Services. Please produce:
  - a. all records of the interviews of representatives of LHA and the Cleveland Clinic referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request.
  - b. any confidentiality agreement signed by Huron Consulting or any of its representatives regarding "proprietary and confidential documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof" referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request. **Huron has not signed a confidentiality agreement.**
  - c. all "documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof" that was provided to and reviewed by Huron Consulting and referred to on page 54 of the Huron Report. **Response:** The city has



no records responsive to this request. **Huron received certain documents but is not permitted to share without a confidentiality agreement.**

d. all "correspondence and written documentation" reiterating statements that formed Huron's "understanding that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report. **Response:** The city has no records responsive to this request. **Huron received certain documents but is not permitted to share without a confidentiality agreement.**

Huron Consulting Services is not the city's agent and the scope of its services did not include furnishing all materials upon which it relied for the preparation of its report. However, I have forwarded your requests to Huron to determine which documents it may release within the scope of its services. If we receive any such documents, we will forward them to you.

Best wishes,

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Brian Essi [<mailto:bjessi@sbcglobal.net>]  
**Sent:** Wednesday, September 16, 2015 1:01 PM  
**To:** Butler, Kevin; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
**Subject:** Re: Public Materials Provides to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

***Brian J. Essi***  
*Cell 216-346-3434*

---

**From:** Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)>  
**To:** Kevin Butler <[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)>; Mary Hagan <[mary.hagan@lakewoodoh.net](mailto:mary.hagan@lakewoodoh.net)>; John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>  
**Cc:** Mary Madigan <[mary.madigan@lakewoodoh.net](mailto:mary.madigan@lakewoodoh.net)>; Tom Bullock <[tom.bullock@lakewoodoh.net](mailto:tom.bullock@lakewoodoh.net)>; David Anderson <[david.anderson@lakewoodoh.net](mailto:david.anderson@lakewoodoh.net)>; Cynthia Marx <[cindy.marx@lakewoodoh.net](mailto:cindy.marx@lakewoodoh.net)>; Sam O'Leary <[sam.oleary@lakewoodoh.net](mailto:sam.oleary@lakewoodoh.net)>; Ryan Nowlin <[ryan.nowlin@lakewoodoh.net](mailto:ryan.nowlin@lakewoodoh.net)>; Shawn Juris <[shawn.juris@lakewoodoh.net](mailto:shawn.juris@lakewoodoh.net)>; Mike Summers <[mike.summers@lakewoodoh.net](mailto:mike.summers@lakewoodoh.net)>; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com) <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green <[john.green@thompsonhine.com](mailto:john.green@thompsonhine.com)>; Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Tuesday, August 18, 2015 10:16 AM  
**Subject:** Public Materials Provides to Huron

Dear Director Butler, Ms. Hagan and Mr. Bodine,

Pursuant to public records laws, kindly produce the following materials all of which are referred to on pages 5, 6, 47, 54 and 55 of the Huron Report dated August 14, 2015:

1. Cleveland Clinic' 2014 Shared Admin Service Allocation (Lakewood Brief) Presentation (undated)
2. Cleveland Clinic's LHA 2014 Admin Services Details and Allocation Methodology Excel File (undated).
3. Subsidiary Healthcare's Lakewood Hospital Data Book (undated)
4. Patient day data for the fiscal years ended December 31, 2010 through 2014 and the year-to-date period ended June 30, 2015.
5. Subsidiary Healthcare's Lakewood Hospital Association Board of Trustees Strategic Options Evaluation Process, dated January 12, 2015.
6. Key Performance metrics for Lakewood Hospital for the year-to-date period ended November 30, 2013 and the fiscal year ended December 31, 2014.
7. "Lakewood City Council Committees of the Whole Considering the Letter of Intent."
8. Thompson Hine opinions: The Huron Report at page 47 states "*According to Thompson Hine LLP, counsel for the City, pursuant to the terms of the Definitive Agreement and the Lease Agreement, the Cleveland Clinic does not have a general obligation to fund operating losses.*" Please produce all records provided to Huron Consulting by Thompson Hine, the City or any of their representatives regarding this statement or opinion of Thompson Hine. Also please produce any and all records of communication between or among Thompson Hine and Huron Consulting or either of their representatives regarding Lakewood Hospital and/or Thompson Hine's engagement as attorneys for the City.
9. Administrative Services. Please produce:
  - a. all records of the interviews of representatives of LHA and the Cleveland Clinic referred to on page 54 of the Huron Report.
  - b. any confidentiality agreement signed by Huron Consulting or any of its representatives regarding "*proprietary and confidential documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof*" referred to on page 54 of the Huron Report.
  - c. all "*documentation provided by Cleveland Clinic regarding specific fees incurred and the allocation thereof*" that was provided to and reviewed by Huron Consulting and referred to on page 54 of the Huron Report.
  - d. all "*correspondence and written documentation*" reiterating statements that formed Huron's "**understanding** that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report.

As to this request number 9, kindly be advised that the Lease (a public contract with a public charity) requires "full disclosure of hospital operations" to the general public of which I am a member. In that regard, the claim that "*specific fees incurred and the allocation thereof*" to LHA are somehow "*proprietary and confidential documentation*" in the hands of the Clinic has no basis in law or

fact. Indeed, the Clinic is the managing fiduciary of a public charity pursuant to a public contract, has custody of public money and property and is in sole possession of said public documentation substantiating the fees charged---claiming that they have "proprietary and confidential" rights to keep the information from us turns logic and the law on its head. On the contrary, that documentation directly relates to hospital operations, the viability of the hospital and the legitimacy of the fees charged---one issue both City Council and the Executive Branch of the City apparently agreed upon when they tasked Huron to investigate it and, therefore, the public has the right to know.

Finally, while I understand that Huron was at the mercy of the Clinic as to the information produced, it is unsettling to me that the information the Clinic did produce was so limited that Huron had to use the following qualifiers in reporting to us about it: *"It is our understanding...If so, and assuming...is reportedly determined by...it is reasonable to assume....and the Cleveland Clinic has claimed..."* On April 8, 2015, Mayor Summers expressed similar concerns when he told me *"our partner is not being very transparent"* referring to the same issue of administrative fees.

Why would we consider any future arrangement that would benefit an entity that treats us this way in regard to basic information we have a full right to know?

Sincerely,

**Brian J. Essi**  
Cell 216-346-3434

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## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 11:00 AM  
**To:** 'Paul Colarusso'  
**Cc:** John Bodine  
**Subject:** RE: Huron follow-up items  
**Attachments:** image001.gif

Thank you for this.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Paul Colarusso [mailto:pcolarusso@huronconsultinggroup.com]  
**Sent:** Wednesday, September 16, 2015 6:14 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Huron follow-up items

Hi Kevin,

The "Lakewood PSA" column shows Lakewood's PSA (zip codes 44102, 44107, 44777, 44116) with only Lakewood beds and Fairview beds (excluding Avon). This totals 4.3 per 1,000 people. The column entitled "Eight Zip Codes," which indicates 5.5 beds per 1,000 people, is the PSA and SSA (includes Lakewood, Fairview, MetroHealth, St. John, and Lutheran beds - and excludes Avon beds). Please advise if this is not what Monique is looking for.

Regarding the administrative fees, we have looked into the historical expenses and found that both administrative fees and shared services fees have increased as a percent of net revenue from 2009 to 2014. It is our understanding that the increase is primarily due to transfers of FTEs from LHA over to Shared Services and then allocated back to Lakewood. We are not permitted to share raw data without a confidentiality agreement.

Other follow up items that John mentioned are listed below:

- Should the ER have observation beds? What would the costs & benefits be?
  - Benefits are mainly realized by the hospital as they are able to avoid costly admissions (and readmissions), and decrease average lengths of stay.
  - The potential benefit for Lakewood residents is that the following conditions can be treated in an observation bed rather than being admitted (and sent to one of the surrounding hospitals): chest pain, asthma, congestive heart failure, abdominal pain, syncope, dehydration, transient ischemic attack (stroke), atrial fibrillation, deep vein thrombosis, infections (pneumonia, cellulitis, and pyelonephritis), pain, and patients at-risk of self-harm.
  - Conversely, the out-of-pocket expenses for Medicare patients can be significantly higher as it relates to Medicare Part A (hospital insurance) coverage vs. Medicare Part B (medical insurance – typically covering outpatient services) coverage. In observation beds, the patient is still considered to be an outpatient, often unbeknownst to the patient.
  - The actual cost of building in observations beds in a freestanding ER in Lakewood would require more in-depth research but certainly would include a much larger space (with high overhead costs) plus a significant amount of staff.

- With the future of healthcare being unknown, it may be a proactive move to have this space already built so it can be utilized now as an observation unit but also available for other potential future needs.
- The biggest requirement for a successful observation bed unit is an active and dedicated staff, which would provide employment opportunities for residents but may require space they do not have and costs that CC may not want to incur (although it would likely help Fairview & Avon).
- How much would it cost to build a 75 bed facility? Would it fit in a 5-acre space?
  - After reviewing many active and completed hospital expansion and greenfield projects, we have seen construction costs per bed range from approximately \$700,000 to as much as \$1,400,000. The wide range is directly associated with types of services offered and add-on facilities. The amenities and services, along with parking structures and ancillary support facilities, determine the project's total costs. A 75-bed facility will tend to be closer to the top of the range as the entire facility will require all of the amenities of a 250 bed complex but will not be able to recognize the economies of scale.
  - To determine if a 5-acre site would be adequate for construction of a 75-bed hospital, many factors must be considered. These include but are not limited to physical layout of the facility plus governmental restricts such as zoning, height restriction, and parking ratio calculations. In order to determine if 5-acres is adequate space, an architectural engineering firm should be retained to provide a feasibility study.

I will send a response to the data request in a separate email.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)




---

**From:** Butler, Kevin [<mailto:Kevin.Butler@lakewoodoh.net>]  
**Sent:** Tuesday, September 15, 2015 9:06 PM  
**To:** Paul Colarusso; John Bodine  
**Subject:** FW: Huron follow-up items

Paul and John, would you kindly see below and respond with any info you have? I'd appreciate it. Thanks.

Kevin

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Smith, Monique  
**Sent:** Tuesday, September 08, 2015 6:30 PM  
**To:** Butler, Kevin  
**Cc:** Madigan, Mary  
**Subject:** Huron follow-up items

Hi, Kevin.

I'm working on my final draft of the minutes from the 8/17 COW and finding some possible action items for John Bodine.

As John presented the Huron report, there were a couple of instances in which council asked for further info. Not sure if these have already been addressed in some way, but here are the two items I see in my notes:

1. From O'Leary – In the report's chart on page 17, there is no column that does not include Avon...
  - **Bodine – Can provide a number with Lakewood in and Avon out (Discussion occurred at about 7:15pm in the recording)**
2. From Anderson – Regarding \$18.3 million in management fees: Would imagine that a hospital with a precipitous decrease in patients and revenue would also have decrease in administrative fees. Has the \$18.3 million gone down over the years?
  - Bodine – We were not given / did not ask for historical trends... It may be included in some materials that were provided / buried in the model somewhere... CAN CHECK ON THIS. Normally, yes, as volume goes down, there will be an decrease.
  - **Anderson - Might there be opportunity to re-look at this and prove that there was a decrease? \*ACTION ITEM\***
  - **Bodine - yes, will take a look at it.**

Are these something that I could send to John's attention, or would it be better for your office to do so? Or, do you feel that these don't require further action?

Monique

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## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 9:24 AM  
**To:** 'Paul Colarusso'  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Got it. Thanks.

Kevin M. Butler, Director of Law  
City of Lakewood | Law Department  
(216) 529-6034  
kevin.butler@lakewoodoh.net

-----Original Message-----

From: Paul Colarusso [mailto:pcolarusso@huronconsultinggroup.com]  
Sent: Thursday, September 17, 2015 9:23 AM  
To: Butler, Kevin  
Cc: John Bodine  
Subject: RE: Public Materials Provides to Huron

Hi Kevin,

Sorry, the second message was poorly worded and I wanted to re-write but not a big deal.

While we have not signed a confidentiality agreement, even if we had, we would still not be permitted to share the information without a release or authorization letter from Cleveland Clinic. Hope this is clear and apologies for the confusion.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024 pcolarusso@huronconsultinggroup.com

Huron Consulting Group, Inc.  
www.huronconsultinggroup.com

-----Original Message-----

From: Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
Sent: Thursday, September 17, 2015 7:59 AM  
To: Paul Colarusso  
Subject: RE: Public Materials Provides to Huron

Paul, which email message were you attempting to recall? I have two from you with the same subject line.

Kevin M. Butler, Director of Law

City of Lakewood | Law Department  
(216) 529-6034  
kevin.butler@lakewoodoh.net

-----Original Message-----

From: Paul Colarusso [mailto:pcolarusso@huronconsultinggroup.com]  
Sent: Wednesday, September 16, 2015 7:05 PM  
To: Butler, Kevin  
Cc: John Bodine  
Subject: Recall: Public Materials Provides to Huron

Paul Colarusso would like to recall the message, "Public Materials Provides to Huron".  
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The information transmitted in this e-mail message and attachments, if any, may be attorney-client information, including privileged and confidential matter, and is intended only for the use of the individual or entity named above. Distribution to, or review by, unauthorized persons is strictly prohibited. All personal messages express views solely of the sender, which are not to be attributed to any organization. If you have received this transmission in error, immediately notify the sender and permanently delete this transmission including attachments.

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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Thursday, September 17, 2015 9:23 AM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Hi Kevin,

Sorry, the second message was poorly worded and I wanted to re-write but not a big deal.

While we have not signed a confidentiality agreement, even if we had, we would still not be permitted to share the information without a release or authorization letter from Cleveland Clinic. Hope this is clear and apologies for the confusion.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024 pcolarusso@huronconsultinggroup.com

Huron Consulting Group, Inc.  
www.huronconsultinggroup.com

-----Original Message-----

From: Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
Sent: Thursday, September 17, 2015 7:59 AM  
To: Paul Colarusso  
Subject: RE: Public Materials Provides to Huron

Paul, which email message were you attempting to recall? I have two from you with the same subject line.

Kevin M. Butler, Director of Law  
City of Lakewood | Law Department  
(216) 529-6034  
kevin.butler@lakewoodoh.net

-----Original Message-----

From: Paul Colarusso [mailto:pcolarusso@huronconsultinggroup.com]  
Sent: Wednesday, September 16, 2015 7:05 PM  
To: Butler, Kevin  
Cc: John Bodine  
Subject: Recall: Public Materials Provides to Huron

Paul Colarusso would like to recall the message, "Public Materials Provides to Huron".  
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**Butler, Kevin**

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Thursday, September 17, 2015 8:59 AM  
**To:** 'Paul Colarusso'  
**Subject:** RE: Public Materials Provides to Huron

Paul, which email message were you attempting to recall? I have two from you with the same subject line.

Kevin M. Butler, Director of Law  
City of Lakewood | Law Department  
(216) 529-6034  
kevin.butler@lakewoodoh.net

-----Original Message-----

From: Paul Colarusso [mailto:pcolarusso@huronconsultinggroup.com]  
Sent: Wednesday, September 16, 2015 7:05 PM  
To: Butler, Kevin  
Cc: John Bodine  
Subject: Recall: Public Materials Provides to Huron

Paul Colarusso would like to recall the message, "Public Materials Provides to Huron".  
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**Butler, Kevin**

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Wednesday, September 16, 2015 7:05 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** Recall: Public Materials Provides to Huron

Paul Colarusso would like to recall the message, "Public Materials Provides to Huron".

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## Butler, Kevin

---

**From:** Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Wednesday, September 16, 2015 7:03 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron  
**Attachments:** image001.gif

Kevin – apologies if the language below is unclear. I do not mean that we will not share but rather that we were asked by Cleveland Clinic to keep the documents that they sent to us confidential. When I say, “we are not permitted to share without a confidentiality agreement,” it is meant to indicate that we are not permitted to share their information unless we have received some sort of release or authorization from Cleveland Clinic.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Paul Colarusso  
**Sent:** Wednesday, September 16, 2015 5:47 PM  
**To:** 'Butler, Kevin'  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron

Hi Kevin,

Please see comments below. Note that certain documents we received were marked either proprietary & confidential, attorney-client privileged, or had some caveat to say that the information is not to be made publically available without the prior written consent of CCF or LHA. In these cases, I have noted below what the restrictive language was. Please let me know if you would like to discuss.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Butler, Kevin [<mailto:Kevin.Butler@lakewoodoh.net>]  
**Sent:** Wednesday, September 16, 2015 4:09 PM

**To:** 'Brian Essi'; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
**Subject:** RE: Public Materials Provides to Huron

Mr. Essi:

I've taken each of your requests in turn.

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  - [http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015\\_SubsidiumOverview.pdf](http://www.onelakewood.com/pdf/Lakewood%20Hospital/2015_SubsidiumOverview.pdf)
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  - [http://www.onelakewood.com/wp-content/uploads/2015/06/2015\\_CouncilCOWMtgs.pdf](http://www.onelakewood.com/wp-content/uploads/2015/06/2015_CouncilCOWMtgs.pdf)
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Best wishes,

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Brian Essi [<mailto:bjessi@sbcglobal.net>]  
**Sent:** Wednesday, September 16, 2015 1:01 PM  
**To:** Butler, Kevin; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
**Subject:** Re: Public Materials Provides to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

***Brian J. Essi***  
*Cell 216-346-3434*

---

**From:** Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)>  
**To:** Kevin Butler <[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)>; Mary Hagan <[mary.hagan@lakewoodoh.net](mailto:mary.hagan@lakewoodoh.net)>; John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>  
**Cc:** Mary Madigan <[mary.madigan@lakewoodoh.net](mailto:mary.madigan@lakewoodoh.net)>; Tom Bullock <[tom.bullock@lakewoodoh.net](mailto:tom.bullock@lakewoodoh.net)>; David Anderson <[david.anderson@lakewoodoh.net](mailto:david.anderson@lakewoodoh.net)>; Cynthia Marx <[cindy.marx@lakewoodoh.net](mailto:cindy.marx@lakewoodoh.net)>; Sam O'Leary

<[sam.oleary@lakewoodoh.net](mailto:sam.oleary@lakewoodoh.net)>; Ryan Nowlin <[ryan.nowlin@lakewoodoh.net](mailto:ryan.nowlin@lakewoodoh.net)>; Shawn Juris <[shawn.juris@lakewoodoh.net](mailto:shawn.juris@lakewoodoh.net)>; Mike Summers <[mike.summers@lakewoodoh.net](mailto:mike.summers@lakewoodoh.net)>; "robyn.smyers@thompsonhine.com" <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green <[john.green@thompsonhine.com](mailto:john.green@thompsonhine.com)>; Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Tuesday, August 18, 2015 10:16 AM  
**Subject:** Public Materials Provides to Huron

Dear Director Butler, Ms. Hagan and Mr. Bodine,

Pursuant to public records laws, kindly produce the following materials all of which are referred to on pages 5, 6, 47, 54 and 55 of the Huron Report dated August 14, 2015:

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8. Thompson Hine opinions: The Huron Report at page 47 states "*According to Thompson Hine LLP, counsel for the City, pursuant to the terms of the Definitive Agreement and the Lease Agreement, the Cleveland Clinic does not have a general obligation to fund operating losses.*" Please produce all records provided to Huron Consulting by Thompson Hine, the City or any of their representatives regarding this statement or opinion of Thompson Hine. Also please produce any and all records of communication between or among Thompson Hine and Huron Consulting or either of their representatives regarding Lakewood Hospital and/or Thompson Hine's engagement as attorneys for the City.
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  - a. all records of the interviews of representatives of LHA and the Cleveland Clinic referred to on page 54 of the Huron Report.
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d. all "*correspondence and written documentation*" reiterating statements that formed Huron's "***understanding*** that the clinical and administrative service fee are direct costs that are incurred by Cleveland Clinic and allocated to Lakewood Hospital"---referred to on page 54 of the Huron Report.

As to this request number 9, kindly be advised that the Lease (a public contract with a public charity) requires "full disclosure of hospital operations" to the general public of which I am a member. In that regard, the claim that "*specific fees incurred and the allocation thereof*" to LHA are somehow "*proprietary and confidential documentation*" in the hands of the Clinic has no basis in law or fact. Indeed, the Clinic is the managing fiduciary of a public charity pursuant to a public contract, has custody of public money and property and is in sole possession of said public documentation substantiating the fees charged---claiming that they have "proprietary and confidential" rights to keep the information from us turns logic and the law on its head. On the contrary, that documentation directly relates to hospital operations, the viability of the hospital and the legitimacy of the fees charged---one issue both City Council and the Executive Branch of the City apparently agreed upon when they tasked Huron to investigate it and, therefore, the public has the right to know.

Finally, while I understand that Huron was at the mercy of the Clinic as to the information produced, it is unsettling to me that the information the Clinic did produce was so limited that Huron had to use the following qualifiers in reporting to us about it: "*It is our understanding...If so, and assuming...is reportedly determined by...it is reasonable to assume....and the Cleveland Clinic has claimed...*" On April 8, 2015, Mayor Summers expressed similar concerns when he told me "*our partner is not being very transparent*" referring to the same issue of administrative fees.

Why would we consider any future arrangement that would benefit an entity that treats us this way in regard to basic information we have a full right to know?

Sincerely,

***Brian J. Essi***  
*Cell 216-346-3434*

DISCLAIMER:

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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Wednesday, September 16, 2015 6:47 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Public Materials Provides to Huron  
**Attachments:** image001.gif

Hi Kevin,

Please see comments below. Note that certain documents we received were marked either proprietary & confidential, attorney-client privileged, or had some caveat to say that the information is not to be made publically available without the prior written consent of CCF or LHA. In these cases, I have noted below what the restrictive language was. Please let me know if you would like to discuss.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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Sincerely,

***Brian J. Essi***  
*Cell 216-346-3434*

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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Wednesday, September 16, 2015 6:19 PM  
**To:** kevin.butler@lakewoodoh.net  
**Cc:** John Bodine  
**Subject:** Final Presentation  
**Attachments:** image001.gif; Huron Presentation to the City of Lakewood.pdf

Hi Kevin,

Lakewood Hospital Foundation requested that we make a few changes to our presentation as it relates to certain statements that were made about the Foundation. Accordingly, please see attached.

If you have any questions or concerns, please let me know.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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## Butler, Kevin

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**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Wednesday, September 16, 2015 6:14 PM  
**To:** Butler, Kevin  
**Cc:** John Bodine  
**Subject:** RE: Huron follow-up items  
**Attachments:** image001.gif

Hi Kevin,

The "Lakewood PSA" column shows Lakewood's PSA (zip codes 44102, 44107, 44777, 44116) with only Lakewood beds and Fairview beds (excluding Avon). This totals 4.3 per 1,000 people. The column entitled "Eight Zip Codes," which indicates 5.5 beds per 1,000 people, is the PSA and SSA (includes Lakewood, Fairview, MetroHealth, St. John, and Lutheran beds - and excludes Avon beds). Please advise if this is not what Monique is looking for.

Regarding the administrative fees, we have looked into the historical expenses and found that both administrative fees and shared services fees have increased as a percent of net revenue from 2009 to 2014. It is our understanding that the increase is primarily due to transfers of FTEs from LHA over to Shared Services and then allocated back to Lakewood. We are not permitted to share raw data without a confidentiality agreement.

Other follow up items that John mentioned are listed below:

- Should the ER have observation beds? What would the costs & benefits be?
  - Benefits are mainly realized by the hospital as they are able to avoid costly admissions (and readmissions), and decrease average lengths of stay.
  - The potential benefit for Lakewood residents is that the following conditions can be treated in an observation bed rather than being admitted (and sent to one of the surrounding hospitals): chest pain, asthma, congestive heart failure, abdominal pain, syncope, dehydration, transient ischemic attack (stroke), atrial fibrillation, deep vein thrombosis, infections (pneumonia, cellulitis, and pyelonephritis), pain, and patients at-risk of self-harm.
  - Conversely, the out-of-pocket expenses for Medicare patients can be significantly higher as it relates to Medicare Part A (hospital insurance) coverage vs. Medicare Part B (medical insurance – typically covering outpatient services) coverage. In observation beds, the patient is still considered to be an outpatient, often unbeknownst to the patient.
  - The actual cost of building in observations beds in a freestanding ER in Lakewood would require more in-depth research but certainly would include a much larger space (with high overhead costs) plus a significant amount of staff.
    - With the future of healthcare being unknown, it may be a proactive move to have this space already built so it can be utilized now as an observation unit but also available for other potential future needs.
    - The biggest requirement for a successful observation bed unit is an active and dedicated staff, which would provide employment opportunities for residents but may require space they do not have and costs that CC may not want to incur (although it would likely help Fairview & Avon).
- How much would it cost to build a 75 bed facility? Would it fit in a 5-acre space?
  - After reviewing many active and completed hospital expansion and greenfield projects, we have seen construction costs per bed range from approximately \$700,000 to as much as \$1,400,000. The wide range is directly associated with types of services offered and add-on facilities. The amenities and services, along with parking structures and ancillary support facilities, determine the project's total



costs. A 75-bed facility will tend to be closer to the top of the range as the entire facility will require all of the amenities of a 250 bed complex but will not be able to recognize the economies of scale.

- To determine if a 5-acre site would be adequate for construction of a 75-bed hospital, many factors must be considered. These include but are not limited to physical layout of the facility plus governmental restricts such as zoning, height restriction, and parking ratio calculations. In order to determine if 5-acres is adequate space, an architectural engineering firm should be retained to provide a feasibility study.

I will send a response to the data request in a separate email.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



---

**From:** Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
**Sent:** Tuesday, September 15, 2015 9:06 PM  
**To:** Paul Colarusso; John Bodine  
**Subject:** FW: Huron follow-up items

Paul and John, would you kindly see below and respond with any info you have? I'd appreciate it. Thanks.

Kevin

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

---

**From:** Smith, Monique  
**Sent:** Tuesday, September 08, 2015 6:30 PM  
**To:** Butler, Kevin  
**Cc:** Madigan, Mary  
**Subject:** Huron follow-up items

Hi, Kevin.

I'm working on my final draft of the minutes from the 8/17 COW and finding some possible action items for John Bodine.

As John presented the Huron report, there were a couple of instances in which council asked for further info. Not sure if these have already been addressed in some way, but here are the two items I see in my notes:

1. From O'Leary – In the report's chart on page 17, there is no column that does not include Avon...
  - **Bodine – Can provide a number with Lakewood in and Avon out (Discussion occurred at about 7:15pm in the recording)**
2. From Anderson – Regarding \$18.3 million in management fees: Would imagine that a hospital with a precipitous decrease in patients and revenue would also have decrease in administrative fees. Has the \$18.3 million gone down over the years?

- Bodine – We were not given / did not ask for historical trends... It may be included in some materials that were provided / buried in the model somewhere... CAN CHECK ON THIS. Normally, yes, as volume goes down, there will be an decrease.
- Anderson - Might there be opportunity to re-look at this and prove that there was a decrease? **\*ACTION ITEM\***
- Bodine - yes, will take a look at it.

Are these something that I could send to John's attention, or would it be better for your office to do so? Or, do you feel that these don't require further action?

Monique

#### DISCLAIMER:

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## Butler, Kevin

---

**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Wednesday, September 16, 2015 5:14 PM  
**To:** Butler, Kevin; John Bodine  
**Subject:** RE: Public Materials Provides to Huron  
**Attachments:** image001.gif

Thank you, Kevin. I will gather appropriate documents and forward to you.

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
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---

**From:** Butler, Kevin [mailto:Kevin.Butler@lakewoodoh.net]  
**Sent:** Wednesday, September 16, 2015 4:08 PM  
**To:** Paul Colarusso; John Bodine  
**Subject:** FW: Public Materials Provides to Huron

Paul and John,

I'm about to respond to Brian Essi's requests below, essentially by indicating we have no responsive documents except Council Committee of the Whole meeting minutes and audio and Subsidiary's Lakewood Hospital Data Book. To the extent you can share any documents he requests, which apparently assisted you in formulating the conclusions in your report, feel free to send them to me. Note that we are not asking you to forward any communications between you and Thompson Hine. That request will be rejected.

Thanks.

Kevin

Kevin M. Butler, Director of Law  
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**From:** Brian Essi [mailto:bjessi@sbcglobal.net]  
**Sent:** Wednesday, September 16, 2015 1:01 PM  
**To:** Butler, Kevin; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
**Subject:** Re: Public Materials Provides to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

**Brian J. Essi**  
Cell 216-346-3434

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**From:** Brian Essi <[bjessi@sbcglobal.net](mailto:bjessi@sbcglobal.net)>  
**To:** Kevin Butler <[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)>; Mary Hagan <[mary.hagan@lakewoodoh.net](mailto:mary.hagan@lakewoodoh.net)>; John Bodine <[jbodine@huronconsultinggroup.com](mailto:jbodine@huronconsultinggroup.com)>  
**Cc:** Mary Madigan <[mary.madigan@lakewoodoh.net](mailto:mary.madigan@lakewoodoh.net)>; Tom Bullock <[tom.bullock@lakewoodoh.net](mailto:tom.bullock@lakewoodoh.net)>; David Anderson <[david.anderson@lakewoodoh.net](mailto:david.anderson@lakewoodoh.net)>; Cynthia Marx <[cindy.marx@lakewoodoh.net](mailto:cindy.marx@lakewoodoh.net)>; Sam O'Leary <[sam.oleary@lakewoodoh.net](mailto:sam.oleary@lakewoodoh.net)>; Ryan Nowlin <[ryan.nowlin@lakewoodoh.net](mailto:ryan.nowlin@lakewoodoh.net)>; Shawn Juris <[shawn.juris@lakewoodoh.net](mailto:shawn.juris@lakewoodoh.net)>; Mike Summers <[mike.summers@lakewoodoh.net](mailto:mike.summers@lakewoodoh.net)>; "robyn.smyers@thompsonhine.com" <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green <[john.green@thompsonhine.com](mailto:john.green@thompsonhine.com)>; Paul Colarusso <[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)>  
**Sent:** Tuesday, August 18, 2015 10:16 AM  
**Subject:** Public Materials Provides to Huron

Dear Director Butler, Ms. Hagan and Mr. Bodine,

Pursuant to public records laws, kindly produce the following materials all of which are referred to on pages 5, 6, 47, 54 and 55 of the Huron Report dated August 14, 2015:

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As to this request number 9, kindly be advised that the Lease (a public contract with a public charity) requires "full disclosure of hospital operations" to the general public of which I am a member. In that regard, the claim that *"specific fees incurred and the allocation thereof"* to LHA are somehow *"proprietary and confidential documentation"* in the hands of the Clinic has no basis in law or fact. Indeed, the Clinic is the managing fiduciary of a public charity pursuant to a public contract, has custody of public money and property and is in sole possession of said public documentation substantiating the fees charged---claiming that they have "proprietary and confidential" rights to keep the information from us turns logic and the law on its head. On the contrary, that documentation directly relates to hospital operations, the viability of the hospital and the legitimacy of the fees charged---one issue both City Council and the Executive Branch of the City apparently agreed upon when they tasked Huron to investigate it and, therefore, the public has the right to know.

Finally, while I understand that Huron was at the mercy of the Clinic as to the information produced, it is unsettling to me that the information the Clinic did produce was so limited that Huron had to use the following qualifiers in reporting to us about it: *"It is our understanding...If so, and assuming...is reportedly determined by...it is reasonable to assume....and the Cleveland Clinic has claimed..."* On April 8, 2015, Mayor Summers expressed similar concerns when he told me *"our partner is not being very transparent"* referring to the same issue of administrative fees.

Why would we consider any future arrangement that would benefit an entity that treats us this way in regard to basic information we have a full right to know?

Sincerely,

**Brian J. Essi**  
Cell 216-346-3434

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## Butler, Kevin

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**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Wednesday, September 16, 2015 5:09 PM  
**To:** John Bodine (jbodine@huronconsultinggroup.com)  
**Cc:** 'Paul Colarusso' (pcolarusso@huronconsultinggroup.com)  
**Subject:** FW: Public Materials Provides to Huron  
**Attachments:** Lakewood Hospital Data Book.pdf

Forgot to copy you, John.

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
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**Sent:** Wednesday, September 16, 2015 5:09 PM  
**To:** 'Brian Essi'; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; robyn.smyers@thompsonhine.com; John Green; Paul Colarusso  
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Best wishes,

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**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; [robbyn.smyers@thompsonhine.com](mailto:robbyn.smyers@thompsonhine.com); John Green; Paul Colarusso  
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**Brian J. Essi**  
Cell 216-346-3434

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**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; robyn.smyers@thompsonhine.com; John Green; Paul Colarusso  
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"[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)" <[robyn.smyers@thompsonhine.com](mailto:robyn.smyers@thompsonhine.com)>; John Green  
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Sincerely,

**Brian J. Essi**  
Cell 216-346-3434

## Butler, Kevin

---

**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Wednesday, September 16, 2015 5:08 PM  
**To:** 'Paul Colarusso' (pcolarusso@huronconsultinggroup.com); John Bodine (jbodine@huronconsultinggroup.com)  
**Subject:** FW: Public Materials Provides to Huron

Paul and John,

I'm about to respond to Brian Essi's requests below, essentially by indicating we have no responsive documents except Council Committee of the Whole meeting minutes and audio and Subsidiary's Lakewood Hospital Data Book. To the extent you can share any documents he requests, which apparently assisted you in formulating the conclusions in your report, feel free to send them to me. Note that we are not asking you to forward any communications between you and Thompson Hine. That request will be rejected.

Thanks.

Kevin

Kevin M. Butler, Director of Law  
**City of Lakewood** | Law Department  
(216) 529-6034  
[kevin.butler@lakewoodoh.net](mailto:kevin.butler@lakewoodoh.net)

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**From:** Brian Essi [mailto:bjessi@sbcglobal.net]  
**Sent:** Wednesday, September 16, 2015 1:01 PM  
**To:** Butler, Kevin; Hagan, Mary; John Bodine  
**Cc:** Madigan, Mary; Bullock, Tom; Anderson, David; Marx, Cynthia; O'Leary, Sam; Nowlin, Ryan; Juris, Shawn; Summers, Mike; robyn.smyers@thompsonhine.com; John Green; Paul Colarusso  
**Subject:** Re: Public Materials Provides to Huron

Dear Director Butler,

I have not received any response to this and several other pending requests.

This is a violation of law.

***Brian J. Essi***  
*Cell 216-346-3434*

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**From:** Brian Essi <bjessi@sbcglobal.net>  
**To:** Kevin Butler <kevin.butler@lakewoodoh.net>; Mary Hagan <mary.hagan@lakewoodoh.net>; John Bodine <jbodine@huronconsultinggroup.com>  
**Cc:** Mary Madigan <mary.madigan@lakewoodoh.net>; Tom Bullock <tom.bullock@lakewoodoh.net>; David Anderson <david.anderson@lakewoodoh.net>; Cynthia Marx <cindy.marx@lakewoodoh.net>; Sam O'Leary <sam.oleary@lakewoodoh.net>; Ryan Nowlin <ryan.nowlin@lakewoodoh.net>; Shawn Juris <shawn.juris@lakewoodoh.net>; Mike Summers <mike.summers@lakewoodoh.net>;

"robyn.smyers@thompsonhine.com" <robyn.smyers@thompsonhine.com>; John Green  
<john.green@thompsonhine.com>; Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Tuesday, August 18, 2015 10:16 AM  
**Subject:** Public Materials Provides to Huron

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Sincerely,

**Brian J. Essi**  
Cell 216-346-3434

## **Butler, Kevin**

---

**From:** Brian Essi <bjessi@sbcglobal.net>  
**Sent:** Wednesday, September 16, 2015 1:01 PM  
**To:** Kevin Butler; Mary Hagan; John Bodine  
**Cc:** Mary Madigan; Tom Bullock; David Anderson; Cynthia Marx; Sam O'Leary; Ryan Nowlin; Shawn Juris; Mike Summers; robyn.smyers@thompsonhine.com; John Green; Paul Colarusso  
**Subject:** Re: Public Materials Provides to Huron

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*Cell 216-346-3434*

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**To:** Kevin Butler <kevin.butler@lakewoodoh.net>; Mary Hagan <mary.hagan@lakewoodoh.net>; John Bodine <jbodine@huronconsultinggroup.com>  
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## Butler, Kevin

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**From:** John Bodine <jbodine@huronconsultinggroup.com>  
**Sent:** Tuesday, September 15, 2015 10:31 PM  
**To:** Butler, Kevin  
**Cc:** Paul Colarusso  
**Subject:** Re: Huron follow-up items  
**Attachments:** mg\_info.txt

We have looked into these and can provide additional detail.

On Sep 15, 2015, at 9:06 PM, "Butler, Kevin" <[Kevin.Butler@lakewoodoh.net](mailto:Kevin.Butler@lakewoodoh.net)> wrote:

Paul and John, would you kindly see below and respond with any info you have? I'd appreciate it. Thanks.

Kevin

Kevin M. Butler, Director of Law  
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**From:** Smith, Monique  
**Sent:** Tuesday, September 08, 2015 6:30 PM  
**To:** Butler, Kevin  
**Cc:** Madigan, Mary  
**Subject:** Huron follow-up items

Hi, Kevin.

I'm working on my final draft of the minutes from the 8/17 COW and finding some possible action items for John Bodine.

As John presented the Huron report, there were a couple of instances in which council asked for further info. Not sure if these have already been addressed in some way, but here are the two items I see in my notes:

1. From O'Leary – In the report's chart on page 17, there is no column that does not include Avon...
  - **Bodine – Can provide a number with Lakewood in and Avon out (Discussion occurred at about 7:15pm in the recording)**
2. From Anderson – Regarding \$18.3 million in management fees: Would imagine that a hospital with a precipitous decrease in patients and revenue would also have decrease in administrative fees. Has the \$18.3 million gone down over the years?
  - Bodine – We were not given / did not ask for historical trends... It may be included in some materials that were provided / buried in the model somewhere... CAN CHECK ON THIS. Normally, yes, as volume goes down, there will be an decrease.
  - **Anderson - Might there be opportunity to re-look at this and prove that there was a decrease? \*ACTION ITEM\***
  - **Bodine - yes, will take a look at it.**



Are these something that I could send to John's attention, or would it be better for your office to do so? Or, do you feel that these don't require further action?

Monique

## Butler, Kevin

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**From:** Butler, Kevin <Kevin.Butler@lakewoodoh.net>  
**Sent:** Tuesday, September 15, 2015 10:06 PM  
**To:** 'Paul Colarusso' (pcolarusso@huronconsultinggroup.com); John Bodine (jbodine@huronconsultinggroup.com)  
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**From:** Paul Colarusso <pcolarusso@huronconsultinggroup.com>  
**Sent:** Tuesday, September 08, 2015 4:41 PM  
**To:** David.Anderson@lakewoodoh.net  
**Cc:** John Bodine; kevin.butler@lakewoodoh.net  
**Subject:** Administrative/Management Fees  
**Attachments:** image001.gif

Mr. Anderson,

We received a description and amounts of the administrative fees that LHA has paid to Cleveland Clinic over the last five years or so. The shared service amount increased as a percent of net revenue from 2009 to 2014. It is our understanding that the increase is primarily due to transfers of FTEs from LHA over to Shared Services and then allocated back to Lakewood.

We are not permitted to share raw data without a confidentiality agreement. I advise that you please contact Michael Meehan and/or Ankit Chhabra, who will be able to provide you with the data directly.

If there is anything else we can do to help, please let me know.

Thanks,

Paul Colarusso  
Associate  
550 W. Van Buren Street  
Chicago, Illinois 60607  
Office 312-880-5617 | Mobile 312-288-5024  
[pcolarusso@huronconsultinggroup.com](mailto:pcolarusso@huronconsultinggroup.com)  
[www.huronconsultinggroup.com](http://www.huronconsultinggroup.com)



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