

UNIVERSITY of KENTUCKY BOARD OF TRUSTEES
UNIVERSITY HEALTH CARE COMMITTEE RETREAT
September 8, 2008

MEMBERS

Mr. James Hardymon
Judge Phillip Patton
Dr. Charles Sachatello

COMMUNITY ADVISORY
MEMBERS

Mr. Luther Deaton
Ms. Pam Miller
Ms. Barbara Young
Ms. Myra Tobin

ADVISORY MEMBERS

Dr. Lee T. Todd Jr.
Dr. Michael Karpf
Dr. Richard Lofgren
Dr. Jay Perman
Mr. Murray Clark
Mr. Frank Beirne
Ms. Caroline Henderson

GUESTS

Ms. Mira Ball
Ms. Ruth Booher
Mr. Frank Butler
Mr. Joe Claypool
Mr. Shawn Crouch
Ms. Jo Hern Curris
Mr. Harry Dadds
Ms. Ann Haney
Ms. Courtney Higdon
Mr. Marc Mathews
Mr. Sergio Melgar
Ms. Amanda Nelson
Ms. Sandi Patterson
Mr. John Steiner
Mr. Bob Wiseman

I. CALL TO ORDER AND APPROVAL OF MINUTES

The meeting was called to order at 4:00 p.m. by Mr. James Hardymon.

Mr. Hardymon asked if there were any questions about the minutes. Dr. Sachatello commented on his agreement with the point made on June 16 by Mr. Bradford Koles that focused on the changing nature of patient volumes across the country and its relationship to the ongoing mission of providing cost effective health care. The minutes were approved as submitted.

Dr. Karpf commented on the progress of the organization noting the delivery today of some very advanced imaging equipment for the new imaging center including at 3T MRI, a 1.5T MRI, and a 64-slice CT scanner.

II. FINANCIAL REPORT

Mr. Melgar briefly commented on the June financials noting that the audit for fiscal year 2008 is not yet complete. Investment income had its worst month ever in June, but we still hit our targets for the year because of the outstanding performance on operations. Mr. Hardymon noted the need to focus on operations as the market will be volatile. Mr. Melgar noted that the audited financials will look slightly different from those presented at the June meeting due to GASB pronouncements however, this does not impact the bottom line. Dr. Sachatello requested a report at the next meeting relative to the nonpaying emergency room patient population.

Mr. Melgar presented the July financial report. This month recorded the highest collections ever. Revenues were strong as well as income. In reviewing the income target for 2009, which is slightly lower than the 2008 target, Mr. Melgar noted that for a number of reasons, achieving this goal will take a bigger effort than was needed to reach the 2008 goal.

III. CORE MEASURES AND PATIENT SATISFACTION UPDATE

Dr. Lofgren began with a review of the core measures as identified by the Centers for Medicaid and Medicare Services. He noted those that the UK HealthCare medical staff believe to be most clinically relevant and also reported our progress on all measures. Dr. Lofgren then reviewed the recently reported data in USA Today. He emphasized the organization's focus on performance and its commitment to constantly work on processes in order to improve care. Dr. Lofgren also reviewed recent patient satisfaction data noting that general trends are positive. Slight variances in the data have significant impact on how we compare with other organizations.

IV. BYLAW AMENDMENT

Ms. Booher introduced for approval an amendment to the medical staff bylaws applicable at Chandler Hospital, a privileging matter involving the community physicians at Good Samaritan Hospital and an amendment to the Good Samaritan Hospital rules and regulations. The first amendment to the medical staff bylaws recognizes the role department chairmen have in policy and decision making and brings the bylaws into accord with the requirements of The Joint Commission. The second matter extends the term of Chandler Hospital class 1 privileges of the community physicians on the medical staff at Good Samaritan Hospital. The extension is necessary to allow ample time for these physicians to be recredentialed and privileged at Chandler Hospital. The final amendment, revising the Good Samaritan Hospital Rules and Regulations, provides for the appropriate policies governing the supervision of residents at Good Samaritan Hospital. The committee made a motion and approved the amendments.

V. PRIVILEGES AND APPOINTMENTS

Dr. Lofgren presented for approval the privileges for Chandler and Good Samaritan Hospitals. He noted that these have been appropriately reviewed by the medical staff. The committee made a motion and approved all of the privileges.

VI. RESOLUTIONS

Mr. Melgar reviewed four resolutions related to capital projects that will be brought to the Board of Trustees from the finance committee. The University Health Care Committee will take action on these items as a sign of support as each is a medical center related resolution. The resolutions are as follows: Patient Care Facility authority consolidation, Expansion of the Ophthalmology Clinic, Coldstream Laboratories transaction, and the lease/purchase of medical equipment. The committee made a motion and approved the resolutions.

VII. OTHER BUSINESS

Dr. Karpf noted the article in the back of their materials on UK HealthCare strategy that will be published in Academic Medicine later this year. This is the third paper he and his staff have published and the philosophies and principles have caught a lot of national attention.

Mr. Wiseman commented that bid package #6 is out for bid on the new patient care facility. This package is a little over \$100 million. Overall the project is on budget and on schedule noting that the garage is essentially complete and the central utility plant work is finishing up. Provost Subbaswamy commented that every effort is being made by the project team to ease the passage of students from the Ag campus to main campus. Ms. Ball noted her pleasant surprise at the accessibility of the emergency room since the construction of the new entrance.

Dr. Karpf asked the committee members to view the mockette of the commissioned artwork that will hang in the skylight of the new hospital. The piece will be created by Warren Selig. Dr. Karpf also mentioned that the mockups of the patient rooms are nearly complete and the board members will have an opportunity to go through them next month.

There being no further business, the meeting adjourned at 4:55pm.