

Minutes of the University Health Care Committee
University of Kentucky Board of Trustees
Thursday, June 13, 2024

The University Health Care Committee of the Board of Trustees of the University of Kentucky (UK) met on June 13, 2024, in the Harris Ballroom of the Gatton Student Center.

A. Meeting Opened

Bob Vance, chair of the University Health Care Committee called the meeting to order at 3:00 p.m.

B. Roll Call

The following members of the University Health Care Committee were in attendance: Alex Boone, Ray Daniels, Ron Geoghegan, Brenda Baker Gosney and Bob Vance; Community Advisory members Jennifer Barber, Luther Deaton, Josh Proffitt and Barbara Young.

C. Approval of Minutes

Chair Vance stated that the minutes of the April 25, 2024 meeting had been distributed and asked for a motion. Trustee Gosney moved approval, and Trustee Geoghegan seconded the motion. The motion carried without dissent. (See meeting minutes on the Board of Trustees website, www.uky.edu/Trustees, under "Agenda".)

D. Executive Vice President for Health Affairs (EVPHA) Update

Executive Vice President for Finance and Administration and Co-EVPHA Eric Monday presented preliminary programming and architectural renderings for the estimated \$3.3B Chandler expansion project. He provided an estimated timeline for the multi-year project. Construction for the project will begin in 2027 with a phased completion date of 2029-2033.

Dr. Monday reiterated the need for the additional bed capacity to help with the thousands of annual lost transfers. He reminded that these are high-acuity patients that need advanced subspecialty care that sometimes can only be provided by our health care system.

E. FY2025 Enterprise Goals and FY2025 Organization Quality Improvement Plan

Senior Associate Vice President for Chandler Expansion and Performance Improvement Jennifer H. Rose discussed the FY2025 Organizational Quality Improvement Plan and Enterprise Goals. She explained the process and required metrics that provide the structure and focus for performance improvement across the health care enterprise.

UHCCR 1 UK HealthCare FY2025 Organization Quality Improvement Plan

The recommendation that the Board of Trustees approve the UK HealthCare FY2025 Organization Quality Improvement Plan.

In accordance with conditions set by the Centers for Medicare and Medicaid Services, the UK HealthCare FY2025 Organization Quality Improvement Plan details an effective ongoing, hospital-wide, data-driven, quality assessment and performance improvement program for the university's hospitals and clinical activities for FY2025.

Trustee Boone made a motion to recommend approval of UHCCR 1. Trustee Gosney seconded the motion. The motion carried without dissent.

F. Financial and Operational Update

Acting Chief Operating Officer Colleen Swartz discussed FYTD24 April Key Operating Statistics. She reported that similar to her last report, UKHC exceeded budget in all areas with the exception of inpatient operating room cases. Dr. Swartz stated outpatient operating cases exceeded budget by approximately 1,000 surgeries.

Senior Vice President and Chief Financial Officer Craig Collins advised that UKHC finished FYTD24 April 0.8% higher than budget. He discussed that UKHC and Royal Blue Health combined finished FYTD24 April 2.3% higher than budget.

Finance Committee Resolutions

FCR 16 Construct Cancer/Ambulatory Facility Phase 2 (Cancer Treatment Center/Ambulatory Outpatient Center) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Construct/Ambulatory Facility Phase 2 (Cancer Treatment Center/Ambulatory Outpatient Center) capital project.

The Board approved the initiation of the construction phase of the Cancer Treatment Center/Ambulatory Outpatient Center capital project with an approved scope of \$500M. The facility was originally planned to have three shelled floors for future growth. Increased demands for cancer and ambulatory care necessitated an increase in scope to \$850M. Funded by agency and private funds, the revised scope is authorized by the 2022 and 2024 Kentucky General Assembly and within the total legislative authorization of \$900M. The combined Phase 1 and Phase 2 will be reported by the University to the Capital Projects and Bond Oversight Committee.

Trustee Daniels made a motion to recommend approval of FCR 16. Trustee Gosney seconded the motion. The motion carried without dissent.

FCR 17 Improve Clinical/Ambulatory Services Facilities (Kentucky Clinic Starbucks) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Improve Clinical/Ambulatory Services Facilities (Kentucky Clinic Starbucks) capital project.

The 1.4M project will renovate and expand the space for the Kentucky Clinic Starbucks. This location experiences heavy and consistent demand and the current space cannot adequately serve patients, staff and customers. Authorized by the 2024 Session of the Kentucky General Assembly and within the total legislative authorization of \$50M, the project will be funded with agency funds.

Trustee Geoghegan made a motion to recommend approval of FCR 17. Trustee Boone seconded the motion. The motion carried without dissent.

FCR 18 Improve Clinical/Ambulatory Services Facilities (Replace Two Elevators at Kentucky Clinic) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Improve Clinical/Ambulatory Facilities (Replace Two Elevators at Kentucky Clinic) capital project.

The project will replace elevators #7 and #8 at the Kentucky Clinic. The scope of work will include the replacement of all equipment and cabs associated with the elevators which have reached the end of their useful service lives.

Funded by agency funds, this \$1.4M project is authorized by the 2024 Kentucky General Assembly and within the total legislative authorization of \$50M.

Trustee Geoghegan made a motion to recommend approval of FCR 18. Trustee Gosney seconded the motion. The motion carried without dissent.

FCR 19 Acquire/Improve Medical/Administration Facility 3 (UK King's Daughters Emergency Department, Imaging and Endoscopy) Capital Project

The recommendation that the Board of Trustees approve the expanded scope of the Acquire/Improve Medical/Administration Facility 3 (UK King's Daughters Emergency Department, Imaging and Endoscopy) capital project.

Prior to member substitution on December 1, 2022, King's Daughters Medical Center began construction on the main hospital campus. After construction began, an opportunity to expand the project scope was identified. The revised capital project will relocate imaging and add additional departments. The Royal Blue Health Board approved the revised project scope on April 24, 2024.

Funded by agency funds, this \$162.2M revised project is authorized by the 2022 Kentucky General Assembly and within the total legislative authorization of \$300M.

Trustee Boone made a motion to recommend approval of FCR 19. Trustee Daniels seconded the motion. The motion carried without dissent.

FCR 20 Construct Support Services Building (Environmental Quality Management Center) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Construct Support Services Building (Environmental Quality Management Center capital project).

The Environmental Quality Management Center (EQMC) serves as the University's sole facility where all hazardous waste originating on campus is accumulated and processed per regulatory requirements prior to off-site shipment. This project will replace the existing facility, which is scheduled to be demolished due to the planned expansion of the Albert B. Chandler Hospital. The new facility will house Environmental Health and Safety Division staff and will ensure uninterrupted hazardous waste management operations and continued compliance with federal and state environmental regulations.

Funded by agency funds, this \$25M project is authorized by the 2024 Kentucky General Assembly and within the total legislative authorization of \$35M.

Trustee Gosney made a motion to recommend approval of FCR 20. Trustee Geoghegan seconded the motion. The motion carried without dissent.

G. Privileges and Appointments

Kentucky Children's Hospital Chief Medical Officer Lindsay Ragsdale presented the list of providers from the UKHC Medical Staff for privileges and appointments. Trustee Boone made a motion to approve the list. Trustee Geoghegan seconded the motion, and it passed without dissent.

H. Other Business and Adjournment

Chair Vance called for new or other business that needed to be brought before the University Health Care Committee or questions for the presenters. Hearing no further business, the meeting was adjourned at 4:06 p.m.

Respectfully submitted,

Leigh Bays Donald
University Health Care Committee Secretary