

Minutes of the University Health Care Committee
University of Kentucky Board of Trustees
Friday, September 13, 2024

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

A. Meeting Opened

Bob Vance, chair of the University Health Care Committee called the meeting to order at 8:00 a.m.

B. Roll Call

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

C. Approval of Minutes

Chair Vance stated that the minutes of the June 13, 2024 meeting had been distributed and asked for a motion. Trustee Boone moved approval, and Trustee Gosney 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

Provost and Co-Executive Vice President for Health Affairs Robert DiPaola detailed the talent strategy for UKHC within a comprehensive university. Programmatic focused care as part of an overall patient care strategy aligns facilities, recruitment, research, training, education, partnerships and retention to provide the best overall care for UKHC's patients and employees. Dr. DiPaola provided examples of collaboration in areas such as spinal care for patients with acute and chronic spinal diagnoses.

As part of talent strategy, adult and pediatric services are evaluated based on urgency. Dr. DiPaola indicated that areas with the greatest need for growth to address state-wide needs are prioritized to ensure patients are not required to leave the state for advanced subspecialty care.

E. Financial and Operational Update

Acting Chief Operating Officer Colleen Swartz discussed FY24 preliminary unaudited key performance indicators. She reported FY24 discharges were higher than the prior year due to a decrease in the length of stay. Much like previous reports, UKHC exceeded budget in all areas with the exception of inpatient operating room cases in FY24. Dr. Swartz stated outpatient operating cases exceeded budget by approximately 1,000 surgeries and the shift to outpatient procedures could explain the decrease in inpatient surgeries.

Senior Vice President and Chief Financial Officer Craig Collins advised that preliminary unaudited FY24 total healthcare (UKHC and Royal Blue Health) finished the year 14.8% higher than budget.

FCR 7 Approval of Lease

The Board authorized the Executive Vice President for Finance and Administration (EVPFA) to negotiate and execute a lease with the Kentucky Medical Services Foundation (KMSF) for space located at 138 Leader Avenue, Lexington, for UKHC. The 26,681 square feet of leased space with annual rent not to exceed \$888,477 per year will provide offices for UKHC administrative staff. The leased space will be funded with agency funds.

Trustee Geoghegan made a motion to recommend approval of FCR 7. Trustee Boone seconded the motion. The motion carried without dissent.

FCR 12 Improve UK HealthCare Facilities – UK Chandler Hospital (Pavilion H Infusion Center Relocation) Capital Project

The recommendation that the Board of Trustees approve a scope increase for the Improve UK HealthCare Facilities – UK Chandler Hospital (Pavilion H Infusion Center Relocation) capital project.

At its September 15, 2023, meeting, the Board approved the \$2.8M capital project to relocate an outpatient infusion center from the Gill Heart and Vascular Institute to the first floor of the Chandler Medical Center and Hospital.

A revised scope of work will increase the cost of the project by \$1.5M and include an additional 1,735 square feet of space for the infusion center. The revised space will add additional infusion treatment areas and a dedicated waiting room. This revised \$4.3M project is well within the total legislative authorization and funded with agency funds.

Trustee Gosney made a motion to recommend approval of FCR 12. Trustee Geoghegan seconded the motion. The motion carried without dissent.

FCR 13 Improve UK HealthCare Facilities – UK Chandler Hospital (Pavilion G Cath Lab 2) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Improve UK HealthCare Facilities – Chandler Hospital (Pavilion G Cath Lab #2) capital project.

The \$3.1M capital project will renovate the existing Cath Lab #2 located in the Gill Heart Institute and funded with agency funds. The project scope includes replacing bi-plane system with a new Siemens Cath Lab system.

Trustee Boone made a motion to recommend approval of FCR 13. Trustee Daniels seconded the motion. The motion carried without dissent.

FCR 16 Improve Central Plants and Construct/Improve Utilities Infrastructure UK HealthCare (University Utilities Expansion and Upgrades) Capital Project

The recommendation that the Board of Trustees support and approve the initiation of the Central Plants and Construct/Improve Utilities Infrastructure UK HealthCare (University Utilities Expansion and Upgrades) capital project and authorize the Executive Vice President for Finance and Administration to negotiate and execute all documents necessary to create a viable Public-Private Partnership (P3).

Due to planned expansions, the University must address the technological improvements and mechanical upgrades needed to existing utility plants and distribution systems to better serve current and future needs. Consequently, the University is exploring an opportunity for a holistic approach to utility infrastructure upgrades that will significantly improve the infrastructure systems' efficiencies and sustainability and support needed growth.

Using two legislative authorizations, this project is not expected to exceed \$400M and would be well within the total legislative authorization of \$800M. It will be funded with third-party financing and agency funds.

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

F. Privileges and Appointments

Acting Executive Chief Medical Officer Christopher DeSimone presented the list of providers from the UKHC Medical Staff for privileges and appointments. Trustee Gosney made a motion to approve the list. Trustee Boone seconded the motion, and it passed without dissent.

G. 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 9:09 a.m.

Respectfully submitted,
Leigh Bays Donald
University Health Care Committee Secretary