UNIVERSITY of KENTUCKY BOARD OF TRUSTEES
UNIVERSITY HEALTH CARE COMMITTEE
May 13, 2013

Members
Ms. Barbara Young, Chair
Mr. William Britton
Mr. William S. Farish, Jr.
Dr. Keith Gannon
Dr. Charles R. Sachatello

Community Advisory Members
Mr. Robert Clay
Mr. Luther Deaton
Ms. Pam Miller
Mr. Nick Nicholson

Ex Officio Members
President Eli Capilouto
Dr. Stephen Strup
Dr. Colleen Swartz

Guests
Mr. Mark Birdwhistell
Mr. Jay Blanton
Ms. Denise Canales
Ms. Shannan Carroll
Mr. Murray Clark
Mr. Joe Claypool
Dr. Michael Dobbs
Ms. Leigh Donald
Dr. Roberto Gedaly
Ms. Kelly Holland
Dr. Charles Hoopes
Mr. Cliff Iler
Ms. Kristi Lopez
Ms. Angie Martin
Dr. Robert Means
Mr. Eric Monday
Dr. Marc Randall
Ms. Ann Smith
Mr. James W. Stuckert
Mr. Tim Tarnowski
Dr. Tim Tracy
Ms. Kim Wilson
I. CALL TO ORDER AND APPROVAL OF MINUTES

The meeting was called to order at 4:01pm by Ms. Barbara Young. Minutes of the previous meeting were approved unanimously.

II. FINANCIAL REPORT

Murray Clark, Interim Chief Financial Officer, reviewed the FYTD March 2013 Financials and the FYTD 2013 Preliminary April Statistics. Inpatient discharges for March were above budget by 49. We are above budget by 338 for YTD and 946 discharges above last year. Discharges per day are 97.23 compared to budget of 96 and prior year of 93.44 or 3.79 discharges per day above FY 2012. The occupancy rate for the combined facilities was 82.76% for the month and stands at 80.83% for the year. Chandler occupancy average was 85.69% for the month with many areas running 90-95%. Average length of stay and CMI adjusted length of stay continue to run below budget and the prior year. Emergency department cases were below budget in March. We are starting to see some indicators that our emergency department visits are being impacted by our lack of ability to move patients to an inpatient bed location. Operating room cases were slightly below budget for the month but remain above budget for the year and prior year. The case mix index continues to be higher than budget by over 1% and 2% higher than the prior year. The net revenue for the month was slightly below budget. Inpatient net revenue exceeded budget due to the higher discharges, case mix and positive LOS, while outpatient revenues were under budget as reflection of lower ED visits, outpatient surgeries and outpatient visits. Personnel expenses are above budget for the month. This was anticipated and reflects additional staff to manage the volume increases and market adjustments in salaries. Personnel remains under budget for the year as a result of increased emphasis throughout the year on managing staffing to benchmarks. Overall, March was a good month exceeding the budgeted income from operations and contributing to an overall positive year. Cash and cash equivalents represent operating plant fund and gift cash. March ended with a total $36.3 million in cash and for the second month in the year, avoided the need for University cash advance.

III. COMPLIANCE UPDATE

Brett Short, Chief Compliance Officer, reviewed the 2013 OCC Compliance Work Plan and new trending issues. He reviewed areas of progress and focus.

IV. UK HEALTHCARE TRANSPLANT PROGRAM UPDATE

Dr. Roberto Gedaly and Dr. Charles Hoopes discussed the importance of the transplant program for both the health of Kentuckians, states surrounding Kentucky and UK HealthCare. It will continue to be an important part of UK HealthCare’s growth as a major academic medical center. UK HealthCare takes high level transplants that include heart and lung combinations. Taking the most complex patients sets us apart from other places. Due to many different factors,
UK HealthCare has a shorter wait list. The shorter wait list has created opportunity for growth in the program. Patients that receive organs earlier are more cost effective. Kentucky still has a low organ donation rate in some areas. However, progress in organ donation continues to be made.

V. PRIVILEGES AND CREDENTIALS

Dr. Steven Strup presented for approval the current list of privileges and credentials. The committee made a motion to accept the privileges and credentials brought before them. The motion carried and was approved by the committee.

VI. NEW BUSINESS

Ms. Young, seeing no other business, adjourned the meeting at 5:22pm.