

FCR 9

Office of the President
September 11, 2012

Members, Board of Trustees:

DEVELOPMENT PLAN WITH SHRINERS HOSPITALS FOR CHILDREN

Recommendation: that the Board of Trustees authorize the President, or his designee, to negotiate and prepare a final development plan with Shriners Hospitals for Children to relocate Shriners Hospitals for Children – Lexington to the University of Kentucky campus.

Background: The University of Kentucky and Shriners Hospitals for Children (SHC) – Lexington have a long-standing relationship. SHC Lexington provides pediatric orthopedic care to children of Kentucky and surrounding states. The majority of the medical staff at SHC Lexington are faculty of the Department of Orthopedics in the College of Medicine. The Department of Anesthesia as well as several other College of Medicine department faculty, provide services at SHC Lexington. SHC Lexington also supports several medical resident and student rotations.

SHC Lexington's hospital on Richmond Road currently provides care to 10,800 patients. The hospital, now in its 85th year of operation, has a 180,000 square foot facility. The facility has 50 inpatient beds, two operating rooms, physical therapy services and outpatient clinics.

The majority of the services provided by SHC Lexington are outpatient. In 2011, the hospital performed 689 out-patient surgeries and 198 inpatient surgeries. The movement of the majority of its surgical cases to an outpatient setting has significantly diminished the need for SHC Lexington to operate an inpatient hospital service.

The EVPHA for Health Affairs and the Administration of SHC Lexington have developed a preliminary proposal to jointly provide a system of care for the children SHC Lexington serves. Under the proposal, SHC Lexington will provide all outpatient care to its patients and all inpatient care will be provided in the Kentucky Children's Hospital. SHC Lexington will develop a new facility on the University of Kentucky campus near the Kentucky Children's Hospital to provide outpatient surgical services, outpatient clinics, physical therapy and other related services. The proposed facility would be built by SHC on land leased from the University of Kentucky.

Should planning proceed as anticipated, Board action on a lease and specific agreements will be requested later this year or early next year.

Action taken: Approved Disapproved Other _____