

Office of the President
June 14, 2005

Members, Board of Trustees:

PROPOSED AMENDMENT TO THE GOVERNING REGULATIONS

Recommendation: that the attached proposed amendment, establishing the University Hospital Committee, to the Governing Regulations of the University of Kentucky (GR Part II, A, 5, h), which was received for preliminary consideration as a part of FCR 32 by the Board of Trustees on May 10, 2005 be approved.

Background: The Board of Trustees authorized the creation of the University Hospital Affiliated Corporation in 1986 in order to establish a governing body for the University Hospital, as required by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and for the possibility of separating hospital operations into a separate 501(c)(3) corporation. The corporation never acquired assets, conducted operations, or obtained a determination letter that it qualified as a 501(c)(3) corporation from the Internal Revenue Service. However, its board has served as the governing body of the University Hospital, functioning as a de facto committee of the Board of Trustees. Moreover, the corporation has filed annual reports with the Kentucky Secretary of State and continues in good standing.

The need for the corporation no longer exists because there are no plans to operate the University Hospital as a separate entity. In addition, the need for the corporation to serve as a governing body of the University Hospital for JCAHO purposes can be met by establishing a Standing Committee of the Board of Trustees to be called the University Hospital Committee with all the powers required of a governing body by JCAHO, utilizing committee operational rules.

Action taken: Approved Disapproved Other _____

PROPOSED GOVERNING REGULATION AMENDMENT PART II
5. STANDING COMMITTEES

h. UNIVERSITY HOSPITAL

Shall serve as a governing body to operate the University Hospital in accordance with the Joint Commission on Accreditation of Health Care Organizations (JCAHO). This responsibility includes: management oversight for the development of policies, rules, and regulations for the governance of the University Hospital. Policies of the Committee are implemented by the Executive Vice President for Health Affairs in carrying out the day-to-day operations of the University Hospital.

The membership of the Committee shall include five members from the Board of Trustees. Each member shall be appointed by the Chair of the Board of Trustees acting upon recommendation of the President of the University. The initial Board of Trustee member appointments to the University Hospital Committee shall be for staggered terms in the following manner: two members for three years, two members for four years and one member for five years. Any Board member appointed thereafter shall serve for three years and may be reappointed for an additional three years. Any vacancy occurring before the expiration of the term of the appointment shall be filled for the unexpired term. A quorum of the Committee members must be present in order to conduct business.

The University Hospital Committee may create sub-committees and shall create committee rules to guide their governance consistent with the Joint Commission on Accreditation of Health Care Organizations (JCAHO).

The University Hospital Committee Chair shall report regularly to the Board.