

Minutes of the University Health Care Committee
University of Kentucky Board of Trustees
Thursday, April 25, 2024

The University Health Care Committee of the Board of Trustees of the University of Kentucky (UK) met on April 25, 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 2:15 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, Bill Farish, Josh Proffitt and Barbara Young.

C. Approval of Minutes

Chair Vance stated that the minutes of the February 22, 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

Provost and Co-EVPHA Robert DiPaola discussed Kentucky's battle with lung cancer and pulmonary disease. Dr. DiPaola referenced data from the American Lung Association that ranks Kentucky the highest in the United States for new cases of lung cancer. He discussed UK HealthCare's (UKHC) comprehensive services to screen, prevent and treat pulmonary disease in the Commonwealth. Dr. DiPaola listed the many services provided to pulmonary patients from UKHC as a research-intensive academic health system. He also explained new organ procurement technology that allows donor organs to be stored longer, resulting in an increase in organ quality and acceptance rates.

Surgeon in Chief and Department of Surgery Chair William Inabnet reviewed UKHC Transplant Program's efforts to recruit highly sought-after transplant surgeons for lung transplantation. Dr. Inabnet introduced Matthias Lobe as UKHC's newest transplant faculty member. Dr. Lobe joined the program on March 1, 2024, and has already listed two patients on the lung transplant list. Dr. Inabnet continued that an additional transplant surgeon is expected to join the program on August 1, 2024.

Executive Vice President for Finance and Administration and Co-EVPHA Eric Monday reiterated UKHC's mission to serve the Commonwealth of Kentucky. Dr. Monday

discussed a revision to UKHC's refreshed strategic plan that adds partnerships as a priority for UKHC. He added the importance of not only taking care of people but also UKHC's partners. Dr. Monday advised the Committee of an announcement and recommendation that would go before the Board on the following day at the Board meeting.

UK Transplant Center Quality and Nurse Manager Jennifer Watkins presented patient and graft survival data required to be disclosed to the program's governing body to ensure expectations for safe, quality care. She reported that the Centers for Medicare and Medicaid Services (CMS), United Network for Organ Sharing and program specific quality metrics provide oversight for solid organ transplant programs and expect survival data to be provided to the Committee on a regular basis. Ms. Watkins anticipates the transplant program will receive an on-site visit from CMS later this year as part of their regulatory oversight of the solid organ transplant program at UKHC.

E. Financial and Operational Update

Acting Chief Operating Officer Colleen Swartz announced the opening of the new emergency psychiatric assessment unit (EmPATH) in June 2024 at Eastern State Hospital. Dr. Swartz advised that the new unit will evaluate and treat patients experiencing an emergent mental health crisis in a facility designed to care best for this type of illness. She added the new unit will help decompress both Good Samaritan and Chandler emergency departments and allow mental health patients to receive assessment and treatment sooner.

Dr. Swartz discussed FYTD 24 February Key Operating Statistics. She reported that UKHC exceeded budget in all areas with the exception of inpatient operating room cases. Dr. Swartz contributed the lower number of inpatient surgeries due to the shift in completing many of these cases in a lower-cost ambulatory setting. She stated outpatient operating cases exceeded budget by approximately 1,300 surgeries.

Senior Vice President and Chief Financial Officer Craig Collins advised that UKHC finished FYTD 24 February 6.8% higher than budget. Mr. Collins reported investment income was higher than budget by approximately \$19 million and UKHC received a positive payment adjustment of \$23 million. Mr. Collins concluded that combined UKHC and Royal Blue Health finished FYTD 24 February 3.0% higher than budget.

Finance Committee Resolutions

FCR 12 Approval to Acquire – 1000 Ashland Drive, Ashland, KY

The recommendation that the Board of Trustees authorize the CEO of UK King's Daughters to enter into a purchase agreement and acquire a building located at 1000 Ashland Drive, Ashland, Kentucky.

UK King's Daughters currently leases five separate medical office spaces from WB Bellefonte, LLC which are located at 1000 Ashland Drive, Ashland, Kentucky. After careful

consideration and review, it is deemed to be in the University's best interest to acquire the facility.

Total consideration for the real property assets will not exceed \$9.5M plus the cost of customary due diligence. The acquisition is authorized by the 2022 Kentucky General Assembly and will be funded with agency funds.

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

FCR 13 Approval to Acquire – Precision Cancer Center, Ashland, KY

The recommendation that the Board of Trustees authorize the CEO of UK King's Daughters (UKKD) to enter into a purchase agreement and acquire real property located at 122 St. Christopher Drive, Ashland, Greenup County, Kentucky, as part of an acquisition of a physician practice's assets.

The building currently serves as a Radiation Oncology practice and would continue to serve the patients of Boyd and Greenup Counties and the surrounding communities. As part of the overall asset acquisition, UKKD will acquire radiology and other equipment at the St. Christopher Drive location and another satellite location of the practice. UKKD will employ three physicians and two nurse practitioners to serve the patients in the Boyd and Greenup Counties.

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

F. 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 Daniels made a motion to approve the list. Trustee Geoghegan 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 3:10 p.m.

Respectfully submitted,

Leigh Bays Donald
University Health Care Committee Secretary