

Minutes of the University Health Care Committee  
University of Kentucky Board of Trustees  
Monday, December 1, 2025

The University Health Care Committee of the Board of Trustees of the University of Kentucky (UK) met on December 1, 2025, 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 2:30 p.m.

B. Roll Call

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

C. Approval of Minutes

Chair Vance stated that the minutes of the September 11, 2025 meeting had been distributed and asked for a motion to approve. 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](http://www.uky.edu/Trustees), under "Agenda".)

D. Compliance Update

R. Brett Short, chief compliance and privacy officer for UK HealthCare, along with Noelle True, assistant chief compliance officer and Sarah Hines, system privacy officer, presented the annual Corporate Compliance Report.

The Committee received an overview of the University's Corporate Compliance Program, which was adopted by the UK Board of Trustees in 1998. Leadership reported completion of the FY25 Compliance Risk Assessment and Work Plan and reviewed the top identified risks for FY26. Updates were provided regarding Comply-Line activity, conflicts of interest, regulatory audits, and compliance and privacy activity trends.

Privacy updates included progress toward establishing an Affiliated Covered Entity (ACE) among UK HealthCare, UK King's Daughters, and UK St. Claire, as well as enhancements to privacy monitoring, training and policy alignment. The Committee also received an overview of the Data Security Compliance Program (DSCP), including implementation requirements and timelines.

E. Financial and Operational Update

FY26 October Operational and Financial Report

Craig Collins, senior vice president and chief financial officer, and Timothy Slocum, senior vice president and chief operating officer, presented financial and operational results for fiscal year 2026 year-to-date through October.

Mr. Slocum reviewed key operational metrics, including average length of stay, case mix index, discharges, operating room volumes, ambulatory visits and emergency department activity. He noted overall stable performance across the system and continued efforts to improve throughput, access and operational efficiency.

Mr. Collins presented consolidated financial results for UK HealthCare, Royal Blue Health and Claire Blue Health. He summarized revenue, expense and margin performance, and discussed key trends affecting year-to-date results. Leadership emphasized ongoing attention to cost management, productivity and financial discipline while supporting clinical growth and access to care.

F. Long-Range Planning and Financial Outlook

Senior leadership presented long-range planning updates and financial outlooks for UK HealthCare, UK St. Claire, UK King's Daughters and Beyond Blue entities, including Royal Blue Health and Claire Blue Health.

Presentations addressed base financial assumptions, projected revenue and expense trends, anticipated cost and reimbursement headwinds, capital planning considerations, and planned financial interventions intended to improve margins and liquidity over the forecast period. Leadership discussed the importance of achieving near-term financial improvement to support long-term sustainability and mitigate the potential impact of future federal and state funding changes.

UHCCR 1 UK HealthCare Scope of Services

The recommendation seeks approval for the UK HealthCare Scope of Services as required by Governing Regulation GR II.E.2.i and Joint Commission standards.

Trustee Boone made a motion to approve UHCCR 1. Trustee Gosney seconded the motion. The motion carried without dissent.

UHCCR 2 UK HealthCare Medical Staff Bylaws

The recommendation seeks approval for the amended and restated UK HealthCare Medical Staff Bylaws, reflecting updates to privileging, administrative organization, Joint Commission standards and consistency throughout the document, following approval by the Organized Medical Staff and the University Health Care

Committee.

Trustee Gosney made a motion to approve UHCCR 2. Trustee Geoghegan seconded the motion. The motion carried without dissent.

G. Regulatory Conditions of Participation and Annual Disclosures

The Committee reviewed required regulatory Conditions of Participation and annual disclosures, including the Emergency Management Report, Clinical Contract List, Obstetrical Services Requirement, Infection Prevention and Control Letter, and leadership appointments. No action was required.

H. Finance Committee Recommendations

FCR 7 Approval to Declare as Surplus Acquired University Residential Property Located in UK HealthCare Expansion Area

The recommendation that as the University acquires residential property from willing sellers in the 200 blocks of Waller Avenue, University Avenue, State Street, Conn Terrace and Transcript Avenue, the 900 block of Journal Avenue and the 800 block of Press Avenue located in Lexington, KY.

As the University acquires properties in this area to support continued growth of UK HealthCare operations, including development adjacent to the Cancer and Advanced Ambulatory Building currently under construction, the buildings on these properties are evaluated for potential institutional use. For structures determined to be unsuitable for University use, or where alternative use of the land better serves the public interest, the recommendation authorizes the buildings to be declared surplus and demolished.

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

FCR 9 Approval of Lease-Purchase

The recommendation to authorize the Executive Vice President for Finance and Administration to negotiate and execute a lease-purchase agreement between the University of Kentucky St. Claire Health and the Rowan County Board of Education to acquire an approximately 85,000-square-foot facility located at 415 West Sun Street in Morehead, Kentucky, with total lease-purchase payments of \$6.402 million. The proposed transaction complies with applicable University regulations and Kentucky statutes, has been authorized in the enacted 2024–2026 Executive Budget, and is supported by the Claire Blue Health Board of Governors and the University's Debt Management Committee.

Trustee Gosney made a motion to recommend approval of FCR 9. Trustee Geoghegan seconded the motion. The motion carried without dissent.

FCR 10 Approval to Acquire 2301 Lexington Avenue Condo 220, Ashland, KY/Conflict of Interest

The recommendation approves an exception to KRS §164.131(7) and authorized the acquisition of 2301 Lexington Avenue, Condo 220, Ashland, Kentucky, for use by UK King's Daughters (UKKD), at a price not to exceed \$270,000, with the transaction fully disclosed and determined to be in the best interest of the University, UKKD and the Commonwealth.

Trustee Gosney made a motion to recommend approval of FCR 10. Trustee Boone seconded the motion. The motion carried without dissent.

FCR 11 Approval to Acquire 1279 Old Abbott Mountain Road, Prestonsburg, Kentucky

The recommendation requests authorization for the Executive Vice President for Finance and Administration to acquire the 15,587-square-foot medical office building located at 1297 Old Abbott Mountain Road, Prestonsburg, Kentucky, on 3.48 acres. The property, appraised at \$5,850,000, will be acquired for no more than \$5,500,000 plus customary acquisition costs. The building has been leased by UK King's Daughters (UKKD) since its construction in 2012 and provides family and specialty care, as well as imaging services. The acquisition, funded with agency funds and authorized under the 2024 Kentucky General Assembly Implement Land Use Plan 1 pool, will proceed pending approval from the Secretary of the Finance and Administration Cabinet.

Trustee Gosney made a motion to recommend approval of FCR 11. Trustee Geoghegan seconded the motion. The motion carried without dissent.

FCR 12 Improve Clinical/Ambulatory Services Facilities (Pediatric Ear, Nose and Throat [ENT] Clinic) Capital Project

The recommendation seeks approval for the initiation of the \$10,000,000 Pediatric ENT Clinic renovation project in the Warren Wright Medical Plaza to expand clinical space and support the clinic's continued growth, funded with agency funds and authorized under the 2024 Kentucky General Assembly.

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

FCR 14 Acquire/Improve Service Core Systems-UK HealthCare (Replace Five Elevators at Pavilion H) Capital Project

The recommendation seeks approval to initiate the \$5,000,000 Acquire/Improve Service Core Systems – UK HealthCare (Replace Five Elevators at Pavilion H) project to replace all five elevators and associated equipment, funded with agency funds and authorized under the 2024 Kentucky General Assembly.

Trustee Gosney made a motion to recommend approval of FCR 14. Trustee Boone seconded the motion. The motion carried without dissent.

### Privileges and Appointments

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.

### I. 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 4:12 p.m.

Respectfully submitted,  
Leigh Bays Donald  
University Health Care Committee Secretary