

Minutes of the University Health Care Committee
University of Kentucky Board of Trustees
Thursday, April 24, 2025

The University Health Care Committee of the Board of Trustees of the University of Kentucky (UK) met on April 24, 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 1:15 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, Josh Proffitt and Barbara Young.

C. Approval of Minutes

Chair Vance stated that the minutes of the February 2, 2025 meeting had been distributed and asked for a motion. Trustee Gosney moved approval, and Trustee Boone 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

Celebrate Success

Executive Vice President for Finance and Administration and Co-Executive Vice President for Health Affairs Eric Monday reminded the committee that two years ago, on April 28, 2023, leadership requested the Board’s support for a strategic refresh of UK HealthCare, following a multi-month evaluation process. Dr. Monday shared a story of progress—a reflection on promises made and promises kept. He added progress has been made possible through the collective efforts of everyone in the room, and the thousands of dedicated individuals across UK HealthCare (UKHC) who work each day to improve the health of Kentuckians.

Dr. Monday revisited UKHC’s strategic priorities with a fresh perspective. He provided an overview not only of what UKHC has accomplished over the past two years but also what lies ahead.

In terms of tangible infrastructure progress, UKHC celebrated several major milestones. In May 2024, UKHC opened the Hamburg ambulatory clinic—a foundational step in expanding their ambulatory footprint in anticipation of a larger medical office building. More recently, on March 31, 2025, UKHC opened an ambulatory clinic in

Frankfort. UKHC highlighted the Richmond Road site, developed in partnership with EasterSeals to serve children with complex medical and behavioral needs, demonstrating our commitment to community-focused, inclusive healthcare.

Looking forward, the visible presence of construction cranes on campus is a testament to the momentum of our expansion efforts. Significant progress is being made on the Cancer and Advanced Ambulatory Building, a nearly \$900 million, fully cash-funded facility. This center will consolidate cancer services previously spread across six or seven locations, providing enhanced, centralized care. Additionally, the board's prior authorization enabled UKHC to expand this facility by two more levels, allowing greater capacity to serve both current and future needs.

The Chandler Expansion Project is also underway, with site preparation supported by the relocation of facilities from the UK Martin Gattton College of Agriculture, Food and Environment. Once complete, the expansion—together with Pavilion A—will bring UKHC's total inpatient capacity to over 1,400 beds. As the Chandler facility comes online, UKHC plans to decommission the Good Samaritan Hospital site, which will open new development opportunities for the University.

Finally, Provost and Co-EVPHA Robert DiPaola informed the Committee that the Health Education Building, funded in part by a \$250 million investment from the Commonwealth of Kentucky (part of a \$385 million total project), is progressing rapidly. The structure now rises several stories above ground and will ultimately house four colleges. It will serve as a physical and symbolic gateway between UK's academic core and health missions, reinforcing the University's vision of integrated, forward-looking education and healthcare delivery.

UKHC's Chief Strategy Officer Dorian Herceg shared insights into the emerging strategy for 2030 and beyond. He provided context and revisited UKHC's core focus: advancing specialty care within Kentucky so that no resident must leave the state for the care they need; expanding ambulatory care access in local communities; strengthening partnerships with hospitals across the region; and fully integrating UKHC's missions of clinical care, research and education to leverage the advantages of being a unified academic health enterprise.

Dr. DiPaola introduced Alison Hansson, Associate Vice President for Operations, Program Planning, and Implementation, to provide an update on the organization's ambulatory strategy.

Ms. Hansson began by expressing appreciation for the opportunity to share updates and acknowledged the earlier comments made by the Co-EVPHA. She emphasized the organization's continued commitment to advancing its ambulatory strategy with a strong focus on supporting both patients and partners. Hansen reported that outpatient demand remains robust, with over three million total outpatient visits, two million of which took place in ambulatory clinics. She highlighted progress on the implementation of the first four ambulatory sites approved by the committee in April 2023,

noting that the Hamburg and Frankfort locations have already opened, while implementation efforts are actively underway for the Richmond and Fayette County sites.

Ms. Hansson continued by outlining the collaborative and thoughtful approach taken in the development and execution of the ambulatory strategy. She emphasized that the guiding principles—displayed during the presentation—serve to ensure strategic alignment while maintaining a clear focus on supporting both people and partners. These principles are closely aligned with the ongoing efforts of the operations, human resources, and finance teams, as the organization works collectively toward workforce alignment, efficient operational utilization, and sound financial stewardship.

She noted the valuable lessons learned from colleagues at UK King's Daughters, particularly regarding their expansive ambulatory footprint, which Sarah Marks would elaborate on in her upcoming presentation. Hansen further highlighted the collaborative work of the executive triad and ambulatory triad—comprising Mark Filburn, Patty Hughes, and Dr. Kristen Stakelin—in establishing a standardized, scalable process. This process is designed to effectively address evolving needs and opportunities in the ambulatory environment. By bringing together a broad group of stakeholders, this model supports strategic alignment and data-driven decision-making, enabling leaders to respond more promptly as ambulatory demands continue to grow.

Following Ms. Hansson presentation, Sarah Marks, President and Chief Executive Officer of UK King's Daughters, discussed the organization's role in serving as an integrated system. Sarah Marks began by sharing that UK King's Daughters recently celebrated its 125th anniversary of serving the community, which spans 11 counties across Kentucky and Ohio. Over the past several years, the organization has experienced significant growth and now includes 5,500 team members who support two acute care facilities: King's Daughters Medical Center in Ashland, with 465 beds, and King's Daughters Ohio, a 10-bed facility. Additionally, the system includes Kingsbrook Life Care Center, which provides both short-term and long-term care, along with eight urgent care centers and 80 physician practices.

Marks also highlighted the role of King's Daughters Medical Transport, a service that supports both acute and ambulatory care by completing over 18,000 medical transports annually. This integrated approach helps ensure continuity of care across the health system's various service lines. She continued by discussing the growth of the ambulatory footprint at UK King's Daughters over the past few decades. As a result of this sustained expansion, the organization's current revenue breakdown reflects 70% from ambulatory or outpatient care and 30% from inpatient care. Marks commended the teams for their effectiveness in managing patient care in outpatient settings, thereby reducing the need for inpatient admissions whenever possible.

One significant area of growth has been in primary care. Marks highlighted the benefits of the partnership with the University of Kentucky, which has enabled substantial investments in infrastructure and enhanced access to care across the region. A recent example is the South Point, Ohio, primary care clinic—a 4,000-square-foot facility that

currently offers primary care, specialty care, and laboratory services, with plans underway to add imaging capabilities as well.

Sarah Marks concluded her remarks by extending a formal invitation to the UK Board of Trustees to visit Ashland on Thursday, May 8 at noon for a ribbon-cutting ceremony and facility tours. She expressed enthusiasm about the opportunity to showcase the recent developments and noted that she would be happy to answer any questions.

FCR 10 Acquire/Partnership Medical System 1 (Radiation Oncology Medical Practice)

The recommendation that the Board of Trustees authorize the CEO of UK King's Daughters to enter into a purchase agreement to acquire a radiation oncology medical practice located at 706 23rd Street, Ashland, Kentucky.

Total consideration is not to exceed \$13,700,000 plus the costs for customary due diligence, appraisals, land surveys, closing fees and other capitalized costs of acquisition. The acquisition has been authorized by the 2024 Kentucky General Assembly and will be funded with agency funds.

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

FCR 11 Improve UK Good Samaritan Hospital Facilities (Cafeteria Renovation) Capital Project

The recommendation that the Board of Trustees approve the initiation of the Improve UK Good Samaritan Hospital Facilities (Cafeteria Renovation) Capital Project

The project will improve and renovate the cafeteria on the first floor of UK Good Samaritan Hospital. This project will replace old equipment which has exceeded its useful life and no longer meets the needs of the patients, patients' families and staff. In addition to the installation of new equipment, the project includes necessary infrastructure and system upgrades.

This \$1,500,000 capital project, authorized by the 2024 Kentucky General Assembly falls within the total legislative authorization of \$30,000,000 and will be funded using agency funds.

Trustee Geoghegan made a motion to recommend approval of FCR 11. Trustee Gosney 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 Geohegan seconded the motion, and it passed without dissent.

E. 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 2:22 p.m.

Respectfully submitted,
Leigh Bays Donald
University Health Care Committee Secretary