



University of Connecticut
Health Center

Health Affairs Committee

February 6, 2001
Minutes

Attendees: See attached list.

Ms. Leonardi called the meeting to order at 8:32 a.m.

I. Public Comment - None.

II. Introductory Business Items

A. Approval of Minutes – November 7, 2000, November 28, 2000, January 9, 2001

- The minutes of November 7, 2000, November 28, 2000 and January 9, 2001 were approved unanimously.

B. Recognition(s) – None.

III. Consents:

A. Institutional

- Contracts > \$500,000

- The HAC unanimously approved the following recommendation to the Board of Trustees – **“St. Francis Hospital and Medical Center – That the Health Affairs Committee and the Board of Trustees approve the contract where the Contractor agrees to reimburse the Health Center for providing the services of the UCHC School of Medicine, Department of Family Medicine faculty to the Contractor in support of the faculty time and effort assigned to the Contractor for the period July 1, 2000 – June 30, 2001.**

B. Specific to the UCHS including JCC approved action items and UCHC Finance Corporation

- The HAC unanimously approved the following recommendation to the Board of Trustees – **That the Board of Trustees authorize the University of Connecticut Health Center to enter into a 3-year 6-month lease agreement, commencing March 1, 2001 through August 31, 2004, with one 5-year option to renew, with New Boston Fund for Suite 173 at The Exchange, Farmington, for the purpose of providing additional administrative office space for the Correctional Managed Health Care operations currently located at The Exchange.**
- The HAC unanimously approved the following recommendation to the Board of Trustees – **That the Board of Trustees contract with the University of Connecticut Health Center finance Corporation, on behalf of the UConn Medical Group, to enter into a lease with Simsbury Medical Associates for approximately 1,512 square feet of rentable space on the main floor of the Medical Office Building at 381 Hopmeadow Street, Simsbury.**

- The HAC unanimously approved the following recommendation to the Board of Trustees — **That the Board of Trustees authorize the University of Connecticut Health Center, on behalf of its Correctional Managed Health Care (CMHC) Program, to enter into an agreement with a to-be-determined-vendor for the provision of on site dialysis services at various Connecticut Department of Corrections (DOC) sites. The cost of this program is not to exceed \$850,000 over the 15-month life of the agreement.**

C. Specific to Schools – None.

IV. Information Items:

A. Regularly recurring Items

- Contracts >\$5000
- Contracts \$3000-\$5000 – None.
- Personnel Actions

B. Policy Changes – None.

V. Education: None.

VI. Main Business

A. Chair's Remarks and Reports – Discussion concerning the Working Group on Governance

- HAC Working Group on Governance Report – the report was presented to HAC. James Walker, Bruce Chudwick, Paul Johnson, Ann Smith, Ann Horbetak, and Scott Wetstone then provided overviews of the report and justification for its recommendations. The Working Group strongly advocated the expansion of the HAC, recommended areas of expertise, influence and constituencies that should be considered for its membership, and stressed the need for sufficient authority to ensure successful recruitment onto the new committee by persons of the highest ability. The name of HAC would be changed to “Board of Directors of the University of Connecticut Health Center” (BoD). Use of subcommittees was also recommended to ensure sufficient board level attention to the operations of the Health Center.
- Chairwoman Leonardi thanked all participants of the HAC Working Group for their participation in this important activity
- Chairwoman Leonardi noted some changes made from the Working Group's recommendations which are included in her resolution to the full Board of Trustees:
 - Authority to approve the operating and capital budgets was shifted to the BoT
 - 2 BoD members who are not also serving as BoT members would sit as voting members of the BoT's Finance Committee.
 - The first Nominating Committee can recommend its own members. Membership of the nominating committee would include the University President and Executive Vice President for Health Affairs as voting members.
 - The terms of the initial appointments will not be determined by chance.
- It is unclear whether the submitted changes in bylaws are consistent with State Statute. In order to avoid any lengthy controversy on this point, the University will proposed changes in the State Statute relating to the BoT to ensure the proposed changes in bylaws are within the authority of the BoT to grant.

- Marketing/PR should be part of mission.
- A general discussion took place concerning the balance between the authority to be granted to the BoD versus the BoT and how that might impact recruitment of BoD members. Also discussed was the trade-off regarding the number of members on the BoD, the need to have a manageable size group versus having sufficient numbers to maximize the benefits of new expertise, constituency groups and ability to influence external groups and to support a subcommittee structure.
- A vote on the proposal was deferred until a subsequent special HAC meeting to be held on February 22, before the BoT's next meeting.

B. Executive Vice President and Deans' Remarks and Reports (P. Deckers, P. Robinson)

Dr. Deckers' reports:

- Research recruitments: UCHC has successfully recruited 45 persons in support of the original five-year strategic plan. Several outstanding candidates have demonstrated interest and are being pursued. The availability of sufficient space and new operational dollars will be necessary to conclude such recruitments.
- The remaining 1 ½ unfinished floors in the Academic Research Building may now be completed because Representative Nancy Johnson has secured \$1.8 million of federal funds for this purpose. These are 'matching' funds and with her help, the State Bond Commission has released an additional \$2.4 million for these renovations, which should take at least 18 months to complete.
- FY 02 new initiatives budget request: UCHC is requesting ~\$10 million in new funds (\$3.1 million for year 5 of the original strategic plan and \$6.6 million for the new Integrated Strategic Plan.)
- The SOM faculty compensation plan has been implemented. 'Academic' raises have been issued and the clinical component distribution will occur later this month. Discussion took place regarding the availability of sufficient data and its validity to support the plan. The plan administrator, Dr. Simon, is comfortable the data is accurate and it is vetted 3 months in advance.
- Discussion took place concerning the status of UCHC's IT systems and the IT strategic plan which is under development. An RFP is being released to ensure this plan is in synchrony with other academic health centers. Savings resulting from cooperation with the IT unit at Storrs will be considered. The IT plan should be vetted in time to request capital funds from the Legislature during the current session., perhaps using one-time State surplus funds.
- Year to date research income is \$3 million ahead of last year.

Dr. Robinson's reports:

- The class of 2000 is having a successful year. They ranked 1st in the country on Part Two of the National Dental Boards and 92% are going onto residency (the national average is 34% and the SODM's average is 75-80%).
- SODM residency programs also did well in the match and much better than last year.
- The incoming class of 2005 appears strong with a GPA of 3.46 and a DAT of 20.3 (ranked 5th in the nation). We are holding 43 deposits on 94 offers with 10% URM and 42% women. The applicants from Connecticut have dropped by 45% over the last two years (the national applicant pool is down 5% with lower interest in dentistry demonstrated in New England than the west coast.) Discussion took place concerning the reasons for the low applicant pool from Connecticut. Many graduates of the School and residency programs elect to stay in State resulting in a "brain gain" for Connecticut.
- The School is in final preparation for submitting its self-study for reaccreditation. The accreditation site visit is scheduled for October 23-25.

- The School in cooperation with the DPH has proposed two delivery systems including educational, administrative and financial support to participating dentists at two pilot sites to the DSS. We are awaiting approval from the DSS on the financial packages for the pilot sites

C. Clinical Operations Report (S. Strongwater)

- Physician Order Entry – implementation is planned for late February. This system is designed to improve the quality of care.
- Average Daily Census – ADC exceed budget in January by 14 patients/day (budgeted 129.1 versus actual 143.) This reverses a dip that occurred in December that was largely attributed to physician vacations and seasonal diseases. Budgeted ADC for February is high and this will be a challenge to achieve. The Neonatal unit's ADC has recovered compared to last year in part due to outreach. Outreach for the endovascular program will begin in February and Department of Veterans Affairs Rocky Hill Contract which began in January should continue to generated admissions.
- Accreditation and licensure – Our JCAHO site visit grid score was 92. The three type I errors detected were related disaster drills, competency reports to HAC, and percentage of performance reviews completed. The DPH licensure visit was also successful.
- UMG performance – UMG has a \$1.4 million positive variance to budget. Outreach sessions were held for ProHealth physicians in Dermatology and more are planned.

D. CFO's Remarks and Reports (L. Aronson, D. Upton)

- Quarterly Report for UCHC Review Committee
 - Second quarter closed with a favorable variance of \$1,095,176 against budget. There was an excess of revenues over expenses of \$689,421 versus a projected deficit of \$405,755.
 - Fiscal year-to-date (6-month period ending 12/31/00) shows a favorable variance of \$1,386,856 over budget. There was an actual deficiency of revenue over expenses of \$61,927 versus a projected deficit of \$1,448,784.
 - Revenues were below budget by \$2.76 million, a 1.7% of the total year-to-date budget of \$165.5 million due to the timetable of recording grant revenue. This process is undergoing revision. It is not an indication of an overall reduction in grant awards. Year-to-date grant awards are \$2.7 million over the same period last year.
 - Expenses were below budget by \$4.76 million, 2.2% of the total year-to-date budget of \$216.8 million.

The HAC unanimously approved the following recommendation to the Board of Trustees – **“That the Board of Trustees approve the University of Connecticut Health Center Quarterly Financial Report for the period ending December 31, 2000 for submission to the General Assembly's Health Center Review Committee.”**

The following issues and/or concerns were raised:

- The variance with expenses appears to be in personal services. Is there a specific plan to delay hires related to the Integrated Strategic Plan in order to limit expenses – No.
- Significant improvements have been realized in presenting more timely data to the HAC. It is hoped the resignation of Ms. Rachel Tressy will not negatively impact this. The HAC still desires a balance sheet and forecasting for year-end hypothecating. PwC reported that it may take 2 to 3 budget cycles to achieve our ultimate goals for reporting to the HAC with the most accurate ability to predict seasonal trends. This

applies more to the expense side as reimbursements are far more volatile in the rapidly changing health care environment.

- The Governor's budget will be release tomorrow and we must be prepared to react to any changes it makes from the requests we made and budgeted for.

E. Other Business

- PricewaterhouseCoopers Performance Audit Recommendations (S. Whetstone) – An update as to UCHC's actions in addressing PwC's recommendations was provided in the HAC book and ongoing updates will be provided at subsequent HAC meetings.
- Audited Financial Statements and Management Letter for the John Dempsey Hospital, University Medical Group, and UCHC Finance Corporation – deferred to the March 20 HAC meeting.

VII. Executive Session

The Health Affairs Committee voted to enter into Executive Session at 10:23 am. to discuss matters that would result in the disclosure of public records described in Sec. 1-210 (b) of the Connecticut General Statutes. The Chairman noted that on the advice of counsel only staff members whose presence was necessary to provide their opinion would be permitted to attend Executive Session.

Trustees present were: C. Leonardi, L. Jacobs, J. Abromaitis. Staff present were: P. Austin, L. Aronson, B. Carlson, P. Deckers, D. Upton, E. Grab, P. McManus, S. Strongwater, S. Whetstone and S. Wetstone.

HAC left Executive Session at 12:20 pm.

There being no further business, the meeting was adjourned at 12:30 pm.

Respectfully submitted,

Peter J. Deckers, M.D.

Attendees

J. Abromaitis, P. Austin, L. Aronson, J. Blechner, S. Brohinsky, J. Comerford, B. Chudwick, P. Davern, P. Deckers, R Garibaldi, E. Grab, A. Horbatuck, L. Jacobs, P. Johnson-by phone, P. Keefe, B. Kozol, J. Lattanzio, C. Leonardi, M. Martinez-by phone, J. Mazzone, P. McManus, P. Robinson, A. Smith, R. Simon, S. Strongwater, R. Trestman, D. Turling, D. Upton, J. Walker-by phone, J. Walter, S. Wetstone, S. Whetstone, N. Williams.

Documents Distributed During the Meeting

None.