

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

MAY 23, 1990

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**** Other Items ****

The Minnesota Hospital Trustee Conference - July 13-15, 1990 - Cragun's Conference Center - Brainerd, Minnesota

The Minnesota Hospital Trustee Conference - Thursday, May 31, 1990 - Health Care in the '90s: Ethical Decisions & Dilemmas - "Can Our Ethics Shape the Use of Technology?"

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
MAY 23, 1990
2:30 P.M.
555 DIEHL HALL

AGENDA

- | | | |
|------|--|-------------|
| I. | <u>Approval of the April 25, 1990 Minutes</u> | Approval |
| II. | <u>Chairman's Report</u>
-Mr. Robert Nickoloff | Information |
| III. | <u>Hospital Director's Report</u>
-Mr. Robert Dickler | Information |
| IV. | <u>Special Presentation: Dr. David Hunter</u>
-Associate Professor
Department of Radiology | Information |
| V. | <u>Committee Reports</u> | |
| | A. <u>Joint Conference Committee</u>
-Mr. George Heenan | |
| | 1. Medical Staff-Hospital Council Report
Credentials Committee Recommendations | Approval |
| | B. <u>Planning and Development</u>
-Ms. B. Kristine Johnson | |
| | 1. Robert Wood Johnson Grant/
Strategic Planning Project | Approval |
| | 2. Development Office Update | Information |
| | 3. Quarterly Capital Expenditure Report | Information |

C. Finance Committee

-Mr. Jerry Meilahn

- | | |
|--|-------------|
| 1. April 30, 1990 Financial Statements | Information |
| 2. 1990-91 Budget
(Revised budget material will be
distributed at the meeting) | Approval |

D. Committee on Process

-Mr. George Heenan Discussion

VI. Other Business

VII. Adjournment

MINUTES

**BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic**

April 25, 1990

Call To Order

Mr. Robert Nickoloff called the April 25, 1990 meeting of the Board of Governors to order at 2:45 p.m. in 555 Diehl Hall.

Attendance

Present: Leonard Bienias
David Brown, M.D.
Robert Dickler
Gordon Donhowe
Phyllis Ellis
George Heenan
Kris Johnson
Bob Latz
Margaret Matalamaki
Robert Maxwell, M.D.
Jerry Meilahn
Robert Nickoloff
Cherie Perlmutter
Jan Withers

Not Present: Paula Clayton, M.D.
Barbara O'Grady

Approval of Minutes

The Board of Governors seconded and passed a motion to approve the minutes of the March 28, 1990 meeting with one correction. Mr. Bob Latz was not present at the March 28, 1990 meeting.

Special Presentation: Dr. David Bradford

Mr. Dickler introduced the Board to Dr. David Bradford, Professor, Department of Orthopaedics. Dr. Bradford presented an overview of the Department of Orthopaedics Spine Service. The Spine Service has a distinguished reputation in healing patients with spinal injuries and deformities. Physicians trained at the University of Minnesota Orthopaedic Surgery Department Spine Service now practice internationally.

Chairman's Report

Mr. Nickoloff announced that the Board of Regents will meet in early May to review nominations for three new slots on the Board of Governors. Those nominations will be presented to the Board of Regents for approval in June.

Director's Report

Mr. Dickler reported on the recent Hennepin County Attorney's decision not to prosecute UMHC physicians who treated patient Brian Mahoney. We were exceptionally disappointed, however, that the County Attorney continues to characterize appropriate medical intervention as homicide.

Mr. Dickler presented to the Board some rate increase figures which would need Board approval at a later date to be submitted to the Department of Health.

Mr. Dickler announced that Ms. Nancy Janda, Associate Director and Secretary to the Board of Governors, would be completing her tenure as Board Secretary and Ms. Shannon Lorbiecki, Administrative Fellow, will be named as Secretary.

Joint Conference Committee Report

Mr. Heenan reported that Paul Keller and Therese Bodine, Master's in Business Administration students, presented their field work project, With Dr. Amos Deinard as their advisor, the students developed a computerized prospective quality assurance system for the CUHCC Clinic.

Ms. Barbara Tebbitt presented the Home Health Care Services' Policies and Procedures to the Board, requesting their annual endorsement. The Board seconded and passed a motion to approve the Home Health Care Services' Policies and Procedures as presented.

Mr. Heenan presented the Clinical Service Quality Monitoring Progress Report. The updated evaluation of compliance of the clinical services' quality monitoring programs with the Joint Commission requirements were presented to the Joint Conference Committee. Each time the Joint Conference Committee reviews the progress report, a greater number of clinical departments have well developed quality assurance tools. The Joint Commission will visit this fall and will review all quality assurance tools at that time.

Planning and Development Committee Report

Ms. Kris Johnson called on Mr. Al Dees to present the Cardiovascular Radiology Equipment Replacement proposal. UMHC acquired the radiology equipment in one of its two Cardiovascular Radiology rooms in 1975. This equipment is physically worn out and no longer provides the quality images or capabilities required for procedures being performed today. Estimated cost for replacement is \$863,000. The Board seconded and passed a motion to approve the Cardiovascular Radiology Equipment replacement.

Ms. Johnson presented the Development Office quarterly report of activities and donations received during the second quarter of FY 1990 (October-December). Contributions through the second quarter total \$774,928. The annual goal is \$950,000.

The Board of Governors seconded and passed a motion to approve the January - March, 1990 Quarterly Purchasing Report. Purchasing activity during this third quarter totaled \$15,561,142, a dollar level consistent with several of the preceding quarters.

Finance Committee Report

Mr. Jerry Meilahn called on Mr. Cliff Fearing to give the financial report. Mr. Fearing reported the Hospitals Statement of Operations for the period July 1, 1989 to March 31, 1990 shows revenues over expenses of \$4,861,853, a favorable variance of \$3,556,742.

Mr. Fearing reported inpatient admissions for March totaled 1,496 which was 143 below budgeted admissions of 1,639. Overall length of stay for the month was 7.8 days. Outpatient clinic visits for the month of March totaled 22,331 which was 1,864, or 7.7%, below budgeted visits of 24,195.

Mr. Fearing reviewed the Third Quarter Bad Debts. Bad debts for the quarter totaled \$541,038.68, representing 1,777 accounts. Recoveries amounted to \$2,900.36, leaving a net charge-off of \$538,138.32. This amount represents 0.68% of gross charges and compares to a budgeted level of bad debts of 1.22% (\$1,028,811).

Mr. Dickler provided a 1990-91 budget summary for the Board. Two rate increase scenarios were presented. One assuming a 7.5% rate increase, and one assuming 9.9% effective July 1, 1990. Mr. Dickler noted that both budget scenarios are based on utilization estimates that exceed current operating levels. Current utilization levels are being watched very closely and operational adjustments are being made as appropriate.

In the course of evaluating the 1990-91 budget, the Board of Governors discussed several significant issues including options for controlling operating expenses, the recruitment and retention of clinically oriented physicians, the relationship between UMHC and local HMOs and the bearing that relationship has on patient access to the Hospital.

In the end, the Board of Governors agreed upon a maximum price increase for 1990-91 of 9.9%. The Board also asked for progress reports from the

Faculty/Medical Staff Recruitment and Retention Task Force, the Program Development and Evaluation Task Force and the Systems and Network Development Task Force. These reports will be made within 90 days.

The Board of Governors seconded and passed a motion to approve the submission of a rate increase not to exceed 9.9% to the state rate review.

The Board of Governors seconded and passed a separate motion to approve the request for the above mentioned reports within 90 days.

Mr. Meilahn reported on comments and recommendations of the KPMG Peat Marwick audit letter.

Nominating Committee Report

Ms. Cherie Perlmutter presented the Nominating Committee report to the Board.

The Board of Governors seconded and passed a motion to hold the annual election of the Chair and Vice Chair of the Board of Governors late in the calendar year each year, so that the regular term of office shall become January 1 through December 31.

The Board of Governors seconded and passed a motion that Mr. Robert Nickoloff be reelected to the position of Chair and Ms. B. Kristine Johnson be reelected to the position of Vice Chair for January 1, 1990 through December 31, 1990.

Other Business

Mr. Dickler presented Ms. Barbara Tebbitt with a plaque for recognition of her contributions to the nursing profession, UMHC nursing and medical staffs and the patients during her 11 years tenure as Director of Nursing Services.

Adjournment

There being no further business, the April 25, 1990 meeting of the Board of Governors was adjourned at 4:35 p.m.

Respectfully submitted,

Gail A. Strandemo

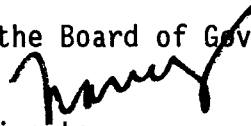
Gail A. Strandemo
Board of Governors Office



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

May 18, 1990

TO: Members of the Board of Governors
FROM: Nancy Janda 
Associate Director
Secretary to the Board of Governors

We are pleased to welcome Dr. David Hunter as our enrichment speaker this month. Dr. Hunter is the Associate Professor in the Department of Radiology

This is another in a series of presentations designed to broaden or enhance Board of Governors familiarity with issues that impact The University of Minnesota Hospital and Clinic.

CURRICULUM VITAE

David W. Hunter
One River Terrace Court #201
Minneapolis, Minnesota 55414

DATE OF BIRTH: January 14, 1947

PLACE OF BIRTH: Rochester, New York

EDUCATION:

1968 B.A. Cornell University, Ithaca, NY

1973 M.D. University of Minnesota, Minneapolis, MN

POSTDOCTORAL TRAINING:

Internship and Residencies:

1973-1974 Combined Surgical-Rotating Internship, Ramsey County Hospital, St. Paul, MN

1978-1981 Resident, Diagnostic Radiology, University of Minnesota Hospitals, Minneapolis, MN

Clinical and Research Fellowships:

1981-1983 Fellow, Cardiovascular and Interventional Radiology, University of Minnesota Hospitals, Minneapolis, MN

1983 Research Associate in Cardiovascular Pathology, Pathology Department, United Hospitals, St. Paul, MN

LICENSURE AND CERTIFICATION:

1973 Minnesota Medicine and Surgery License
No. 021762-8

1981 American Board of Radiology, Certificate

MAJOR RESEARCH INTERESTS:

1. Angiographic Evaluation of Cardiovascular Disease
2. Interventional Radiology

TEACHING EXPERIENCE:

1982-1983 Didactic Sessions in Diagnostic Radiology for Residents and Medical Students in the Department of Radiology, University of Minnesota Hospitals, Minneapolis, MN

VISITING PROFESSORSHIPS:

1. Medical College of Wisconsin, Milwaukee, WI. January 27, 1986.
2. William Beaumont Hospital, Royal Oak, Michigan. October 28, 1986.

MINUTES
Joint Conference Committee
Board of Governors
May 9, 1990

CALL TO ORDER:

Chairman Heenan called the May 9, 1990 meeting of the Joint Conference Committee to order at 4:45 P.M. in Room 8-106 in the University Hospital.

Attendance:

Present:	Debbie Day, M.D. George Heenan Jan Withers
Absent:	Amos Deinard, M.D. Robert Dickler Phyllis Ellis Robert Maxwell, M.D. Bruce Work, M.D.
Staff:	Greg Hart Shannon Lorbiecki Ann Russell

CREDENTIALS COMMITTEE RECOMMENDATIONS

Mr. Greg Hart discussed the recommendations of the Credentials Committee which were endorsed by the Medical Staff Hospital Council on May 8.

A quorum was not present, therefore, the Credentials Committee Report will go forward to the Board of Governors without a recommendation from the Joint Conference Committee.

CLINICAL CHIEFS REPORT

Mr. Hart reported that the Council of Clinical Chiefs has discussed various proposals to modify the promotions system for clinical faculty either by increasing the time period for obtaining tenure or by establishing a separate non-tenured clinical track for the Medical School. Action on a proposal to extend the tenure period to 10 years will be delayed until the Fall of 1990.

A Task Force chaired by Dr. Shelley Chou has presented a recommendation to the Dean of the Medical School that a separate non-tenured clinical track be established. Promotions under a clinical track would be based upon clinical performance rather than research activity.

ADJOURNMENT

There being no further business, the regular business meeting was adjourned at 4:52 P.M.

NON-PUBLIC SESSION

At 4:52 Chairman Heenan called to order a non-public session of the Joint Conference Committee to hear a report from the Hospital Attorney. The purpose of the meeting was to discuss the recent decision issued by the Hennepin County Attorney not to present a case to the Grand Jury. The case involved a death which occurred at The University of Minnesota Hospital in March of 1989 in which the cause of death has been classified as homicide.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

SL



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Box 707
Harvard Street at East River Road
Minneapolis, Minnesota 55455
(612) 626-1945

May 10, 1990

TO: Members of the Board of Governors

FROM: Robert E. Maxwell, M.D., Chief of Staff
Chairman, Medical Staff-Hospital Council

SUBJECT: Credentials Committee/Medical Staff-Hospital Council
Report and Recommendations.

The Medical Staff-Hospital Council on May 8 and the Joint Conference Committee on May 9 have endorsed the attached Credentials Committee Report and Recommendations.

I am forwarding these recommendations to you for your review and approval on May 23. If you should have any questions, please feel free to call on me.

REM/cf
Attachment



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

May 2, 1990

TO: Medical Staff-Hospital Council
FROM: Marvin Goldberg, M.D. *Marvin Goldberg*
Chairman pro tem, Credentials Committee
SUBJECT: Credentials Committee Report and Recommendations

The Credentials Committee after examining all pertinent information provided to them concerning the professional competence and other necessary qualifications, hereby recommends the approval of provisional status and clinical privileges to the following applicants to the Medical Staff of The University of Minnesota Hospital and Clinic.

<u>Department of Family Practice</u>	<u>Category</u>
Janet C. West	Attending Staff
<u>Department of Medicine</u>	
Nina DiAngelis	Attending Staff
Thomas Ducker	Attending Staff-ER
Gary S. Francis	Attending Staff
Jody Hargrove	Clinical Staff
<u>Department of Neurology</u>	
Mario F. Mendez	Clinical Staff

The following medical staff have submitted applications and supporting documentation requesting addition and/or deletion of clinical privileges and change in staff category. The Committee has reviewed and considered their requests and hereby recommends approval.

<u>Department of Neurology</u>	<u>Present Category</u>	<u>Recommended Category</u>
Ilo E. Leppik	Attending Staff	Clinical Staff
John R. Gates	Attending Staff	Clinical Staff
<u>Department of Psychiatry</u>	<u>Category</u>	<u>Joint Appointment</u>
Thomas Mackenzie	Attending Staff	Medicine
Delete: Joint appointment and clinical privileges in Department of Medicine		

The following physician has applied for leave of absence from the medical staff. The Committee hereby recommends approval of this leave of absence.

<u>Department of Psychiatry</u>	<u>Category</u>
Daniel R. Hanson	Attending Staff

Leave of Absence: January 1, 1990 through December 31, 1990

The Committee recommends acceptance of the resignations of Medical and Dental Staff appointments from the following physicians.

<u>Department of Hospital Dentistry</u>	<u>Category</u>
Mark Jaspers	Attending Staff

<u>Department of Orthopedics</u>	
Oheneba Boachie-Adjei	Attending Staff

Resignation effective: July 1, 1990

<u>Department of Physical Medicine and Rehabilitation</u>	
Rita Bistevins	Clinical Staff

<u>Department of Radiology</u>	
D. Gordon Drake	Attending Staff
Robert McGeachie	Attending Staff

MG/cf



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

May 17, 1990

TO: Members, Board of Governors
FROM: Planning and Development Committee
SUBJECT: Robert Wood Johnson Grant/Strategic Planning Project

Last August, the Department of Nursing Services received a \$49,865 grant from the Robert Wood Johnson Foundation to fund a year of strategic planning. The purpose of this grant initiative was to support re-structuring in nursing services and hospitals to improve patient care, address nursing shortage/retention issues, and the escalating costs of health care.

A Strategic Planning Coordinating Committee within nursing with representation from the Board of Governors and the Patient Relations Department initiated the planning process. As strategic issues were identified, the planning effort broadened beyond nursing to include medical staff, hospital administration, and personnel from many support departments. The Coordinating Committee focused intensively on work re-design and creating patient-centered multi-disciplinary care delivery models and career development opportunities for UMHC staff.

Our Board representative, Barbara O'Grady, and the Project Director, Mary Jo Kreitzer, attended the May Planning and Development Committee meeting and received the Committee's endorsement to seek additional funds from the Robert Wood Johnson Foundation for implementation. The additional funding request being made of Robert Wood Johnson totals \$1,000,000.00 over 5 years. The Hospital is prepared to reallocate existing resources of a concomitant level to fund the implementation.

Ms. O'Grady and Ms. Kreitzer will present an update on the project and the five year implementation grant at the Board of Governors meeting. The Committee recommends approval of the grant submission and authorization for Administration to reallocate existing resources to match the Robert Wood Johnson monies for project implementation.

Thank you.

MJK:jfw



UNIVERSITY OF MINNESOTA
TWIN CITIES

Development Office
The University of Minnesota Hospital and Clinic
Box 612 UMHC
Harvard Street at East River Parkway
Minneapolis, Minnesota 55455

Date: May 18, 1990
To: Board of Governors
From: Fred Bertschinger
Subject: Development Office Quarterly Report

Attached for your information are summary reports of activities and donations received during the third quarter of FY 1990 (January - March).

If you have any questions about this report, please call me at 626-6008.

/ng



UNIVERSITY OF MINNESOTA
TWIN CITIES

Development Office
The University of Minnesota Hospital and Clinic
Box 612 UMHC
Harvard Street at East River Parkway
Minneapolis, Minnesota 55455

Activities and Events
UMHC Development Office
FY 1990

1989

- July 19 Kick-off for the Communications Workers of America, Local #7200, and U.S. West joint charity project to support the UMHC Transplant Assistance Fund.
- August 24 Annual Campaign direct mail solicitations of UMHC medical staff and employees; support for the Transplant Assistance Fund is urged.
- August 25 Complete interviews with potential consultants for the CUHCC capital campaign.
- September 14 Recognition luncheon for Commodores Chorus.
- October 9 Recognition breakfast for WCCO-AM.
- November 17 Visit Kresge Foundation in Troy, Michigan.
- November 25 DRAKKAR NOIR Tennis Challenge to benefit BMT Assistance Fund. Net \$4,400.
- December 16 CWA Local 7200 meeting. \$31,600 to benefit the Transplant Assistance Fund.
- December 28 Annuity Trust signed - \$100,000.

1990

- January 23 Planning begins for Fourth Annual Turtle Derby, June 22.
- January 25 Planning begins for Sigma Chi Derby Days, May 23-26.
- February 28 Planning begins for Delta Chi Duluth Trek '90, May 26.
- March 14 Unitrust signed; UMHC to receive 80% of \$659,000.
- March 20 Grant proposal submitted to Kresge Foundation for \$150,000 challenge grant for CUHCC.

- April 18 UMHC hosted U of M Development Officers for a seminar on deferred gifts with a retained income interest.
- April 23 Telemarketing begins to previous donors; calls are made by U of M students from the central development office in Morrill Hall.
- May 4 Gerald B. Fischer, former CFO at First Bank System, Inc., was appointed as the new CEO of the U of M Foundation.
- May 6 Variety Club's Affair of the Heart a la Francaise to benefit the CUHCC clinic. Net approximately \$25,000.
- May 8 UMHC hosted donors at the annual meeting and program of the MN Alumni Association. Featured speaker is Lesley Stahl.

Contributions Received
 UMHC Development Office
 FY 1990

	I 7-9/89	II 10-12/89	III 1-3/90	IV 4-6/90	Totals
Patients Fund	\$2,078	\$1,920	1,770		5,768
Transplant Ass. Fund	3,260	21,930	6,712		31,902
Variety Club Pldg	2,010	185,717	2,775		190,502
Other Funds	522,747	155,866	1,106,281		1,784,894
Totals to Funds	<u>\$530,095</u>	<u>365,433</u>	<u>1,117,538</u>		<u>2,013,066</u>

Goal = \$950,000

Irrevocable Future Gifts	0	1 \$100,000	1 \$659,000	2 759,000
Revocable Future Gifts	1	0		

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
CAPITAL EXPENDITURES
7-1-89 THRU 3-31-90

	ANNUAL BUDGET AND ROLLFORWARD			SEASONILIZED BUDGET			ACTUAL EXPENDITURES		
	BUDGET	ROLL FORWARD FROM 6-30-89	TOTAL	9-MONTH BUDGET	9-MONTH ROLLFORWARD	TOTAL	89-90 ACTUAL	88-89 ROLL FORWARD	TOTAL
RECURRING EQUIP & REMODEL:									
EQUIPMENT PURCHASES									
89-90 Budget	\$6,699,010		\$6,699,010	\$3,000,000		\$3,000,000	\$2,699,002		\$2,699,002
Rollforward		\$4,418,612	\$4,418,612		\$3,400,000	\$3,400,000		\$932,971	\$932,971
	\$6,699,010	\$4,418,612	\$11,117,622	\$3,000,000	\$3,400,000	\$6,400,000	\$2,699,002	\$932,971	\$3,631,973
REMODELING PROJECTS	\$1,600,990		\$1,600,990	\$950,000		\$950,000	\$487,626	\$314,703	\$802,329
	\$8,300,000	\$4,418,612	\$12,718,612	\$3,950,000	\$3,400,000	\$7,350,000	\$3,186,628	\$1,247,674	\$4,434,302
PRINCIPLE PAYMENTS									
Lithotripter	\$304,670					\$228,900			\$228,900
CT SCANNER	\$192,600					\$143,100			\$143,100
COMPUTER EQUIP	\$8,909					\$8,909			\$8,909
	\$506,179					\$380,909			\$380,909
TOTAL:	\$8,806,179					\$7,730,909			\$7,730,909
BOND PAYMENTS:	\$2,215,000	(PAID FEB. 1, 1990)							
CAPITAL PROJECTS:									
	UMHC FUNDS FROM RESERVES	ADDITIONAL FUNDS FROM OTHER SOURCES	TOTAL AUTHORIZED BUDGET	1st Quarter EXPENDITURES 1989-90	2nd Quarter EXPENDITURES 1989-90	3rd Quarter EXPENDITURES 1989-90	TOTAL 1989-90	Current & Prior Year EXPENDITURES	
MRI II	\$3,600,000		\$3,600,000	\$521	\$876,983	\$11,399	\$888,903	\$3,626,628	
DERMATOLOGY	\$612,410	\$223,893	\$836,303	\$18,135	\$22,999	(\$9,637)	\$31,497	\$747,455	
MAYO 4 SURG	\$1,029,350		\$1,029,350	\$96,796	\$49,886	\$37,870	\$184,552	\$998,175	
CUHCC	\$2,200,000	\$150,000	\$2,350,000	\$4,895	\$1,280	\$14,139	\$20,314	\$352,175	
MASONIC HOSP	\$835,000	\$800,000	\$1,635,000	\$314,905	\$369,428	\$142,965	\$827,298	\$1,360,575	
COMPUTER UPGRADE	\$850,000		\$850,000						
NEURORADIOLOGY UPGRADE	\$909,000		\$909,000						
MISC. CAPITAL EXPEND.					\$24,398	\$1,295	\$25,693		
TOTAL	\$10,035,760	\$1,173,893	\$11,209,653	\$435,252	\$1,344,974	\$198,031	\$1,978,257	\$7,085,008	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS FINANCE COMMITTEE
April 25, 1990

MINUTES

ATTENDANCE:

Present: Carol Campbell
Edward Ciriacy, M.D.
Robert Dickler
Clifford Fearing
Elwin Fraley, M.D.
Margaret Matalamaki
Jerry Meilahn

Not Present: Barbara O'Grady
Vic Vikmanis

Staff: Al Dees
Greg Hart
Teri Holberg
Nancy Janda
Mark Koenig
Nels Larson
Barbara Tebbitt

CALL TO ORDER:

The Finance Committee was called to order by Mr. Jerry Meilahn on April 25, 1990 at 12:05 P.M.

APPROVAL OF THE MINUTES:

The Board of Governors Finance Committee seconded and passed a motion to approve the minutes of the February 28, 1990 meeting as written.

JULY 1, 1989 THROUGH MARCH 31, 1990 FINANCIALS:

Mr. Clifford Fearing reported to the Finance Committee for the month of March inpatient admissions totaled 1,496, which was 143 below budget; average length of stay was 7.8 days; patient days totaled 12,159, which were 1,658 days below budget; and the average daily census was 393, which was below the budgeted level of 431. Clinic visits for the month of March were reported to be 7.7% below budget.

Mr. Fearing stated ancillary revenue was 5.7% under budget and operating expenditures were reported to be 5.5% below budget. The Hospital's year-to-

date Statement of Operations showed revenues over expenses by \$4,861,853, a favorable variance of \$3,556,742. Mr. Fearing reported this month's statement of operations reflects a dividend distribution of \$1,965,000 from RUMINCO LTD. As of March 31 the balance of accounts receivable totaled \$86,920,980 and represented 94.6 days of revenue outstanding.

Lastly, Mr. Fearing stated if improvement does not occur in the revenue per admission on ancillary basis and average length of stay, the 1990-91 budget will be reviewed, as required by last month's action of the Board of Governors.

PEAT MARWICK MANAGEMENT LETTER:

Mr. Nels Larson presented to the Committee the Peat Marwick Management Letter for information.

Mr. Larson indicated Peat Marwick had one significant comment, which was the need for a computer disaster recovery plan. The Hospital's computer services department had initiated a written computer disaster recovery plan prior to the Management Letter. None of the recommendations made by Peat Marwick resulted in any year end audit adjustments.

1990-91 BUDGET:

Mr. Fearing presented to the Committee, for information, the 1990-91 Budget. The 1990-91 Budget will be brought before the Committee in May, 1990 for endorsement.

The 1990-91 budget presented was based on levels of operation through February 1990. Subsequent to February, there had been a down turn in volume which is being assessed to determine, if it continues, how it will change the proposed budget. This information will be available at the May Board of Governors meeting.

Mr. Fearing stated, because of the uncertainties of the Federal and State reimbursement levels, two increase levels are being proposed, a 7.5% rate increase and a 9.9% increase. The two rate increases were provided with the idea of proposing a rate increase of 9.9% with an implementation effective 7/1/90 of 7.5%. This would provide the flexibility to increase rates throughout the year up to 9.9% without the need to have the formal 60 day notice for rate review.

CARDIOVASCULAR RADIOLOGY EQUIPMENT:

Mr. Al Dees presented to the Committee, for endorsement, a proposal to acquire new cardiovascular angiographic and cine film systems for Room J2-468. The total estimated cost of the equipment would be \$863,000.

The Finance Committee passed a motion to endorse the acquisition of the new cardiovascular angiographic and cine film systems at a cost of \$863,000.

THIRD QUARTER, 1989-90 BAD DEBTS:

Mr. Fearing reported the bad debts for the third quarter totaled \$541,038.68 represented by 1,177 accounts. Recoveries amount to \$2,900.36, leaving a net charge-off of \$538,138.32. This amount represents 0.68% of gross charges and compares to a budgeted level of 1.22%.

The Finance Committee seconded and passed a motion to endorse the Third Quarter 1989-90 Bad Debt report as submitted.

RED WING UPDATE:

Mr. Fearing presented to the Committee a status report on the discussion with the physicians in Red Wing.

Mr. Fearing stated of the three options the physicians had available to them, at the present time they are inclined to sell their entire practice to UMHC. The Hospital was also told that Mayo Clinic had not as of early April submitted a bid. A six month mutually exclusive negotiating agreement is being developed between the Hospital and the physicians.

Mr. Fearing will continue to keep the Committee informed on the progress of this project.

There being no further discussion, the April 25, 1990 meeting was adjourned at 1:20 P.M.

Respectfully submitted,

Teri Holberg

Teri Holberg
Recording Secretary



May 24, 1990

TO: Board of Governors
FROM: Clifford P. Fearing
SUBJECT: Report of Operations for the Period
July 1, 1989 through April 30, 1990

The Hospital's operations for the month of April reflect inpatient admissions, patient days and outpatient visit activity below budget. Both ancillary revenue and routine revenue are below budgeted levels for the month.

INPATIENT CENSUS: For the month of April, inpatient admissions totaled 1,455 which was 122 below budgeted admissions of 1,577. Our overall average length of stay for the month was 8.4 days. Patient days for April totaled 11,952 and were 1,415 days below budget. The decrease in admission levels from budget was seen in almost all areas with the most significant ones being in Urology, Orthopedics, Obstetrics, and Neurosurgery.

To recap our year-to-date inpatient census:

	1988-89	1989-90	1989-90		%
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Var</u>
Admissions	15,643	15,577	15,300	(277)	(1.8)
Patient Days	133,172	131,590	123,591	(7,999)	(6.1)
Avg Length of Stay	8.5	8.5	8.1	(0.4)	(4.7)
Avg Daily Census	438.1	432.8	406.5	(26.3)	(6.1)
Percent Occupancy	75.3	73.9	70.0	(3.9)	(5.3)

OUTPATIENT CENSUS: Clinic visits for the month of April totaled 23,115 which was 772, or 3.2%, below budgeted visits of 23,887. Visits were significantly below budget in Adult Psych, OB/GYN, Urology, Dermatology, Dentistry, Sports Medicine and Ophthalmology. Areas that reported visits above budgeted levels were Otolaryngology, Psychology, and Emergency Room. Community University Health Care Center (CUHCC) visits for the month of April totaled 4,470 which was 563, or 14.4%, over budgeted visits of 3,907, while Home Health visits of 980 for the month were 10, or 1.0%, above budgeted visits of 970.

REPORT OF OPERATIONS
 APRIL 1990
 PAGE 2

To recap our year-to-date outpatient census:

	1988-89 <u>Actual</u>	1989-90 <u>Budget</u>	1989-90 <u>Actual</u>	<u>Variance</u>	<u>% Var</u>
Clinic Visits	223,067	228,713	222,445	(6,268)	(2.7)
CUHCC Visits	39,319	38,700	44,327	5,627	14.5
HHA Visits	10,059	9,828	9,499	(329)	(3.4)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by \$4,959,842, a favorable variance of \$3,680,536.

Patient care charges through April totaled \$266,403,830, which was 5.4% under budget. Routine revenue was 3.9% under budget and reflects our unfavorable inpatient census variance.

Ancillary revenue was \$12,004,148 below budget (6.0%) and primarily reflected the unfavorable variance in clinic visits. Inpatient ancillary revenue averaged \$8,700 per admission compared to the budgeted average of \$8,922 per admission. Outpatient revenue per clinic visit averaged \$240 compared to the budgeted average of \$271.

Operating expenditures through April totaled \$228,828,224 and were \$13,989,758 (5.8%) below budgeted levels of \$242,817,982. The overall favorable variance relates primarily to the decreased demand for patient services, and is reflected across most expense categories.

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of April 30, 1990, totaled \$86,483,060 and represented 94.0 days of revenue outstanding. The overall decrease in our patient receivables in April of .6 days occurred primarily in BCBSM Organ Transplants and Minnesota Medical Assistance.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for year-to-date April. While we have seen improvement in our expenditure levels, we are continuing to closely monitor our demand for services and make those operating changes that are necessary and appropriate to bring our expense levels into line with net revenues.

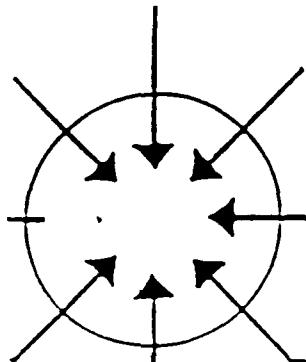
UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC

EXECUTIVE SUMMARY OF FINANCIAL ACTIVITY

FOR THE PERIOD JULY 1, 1989 TO APRIL 30, 1990

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	\$281,532,892	\$266,403,830	(\$15,129,062)	-5.4%
Deductions from Charges	66,013,320	64,721,776	(1,291,544)	-2.0%
Other Operating Revenue	8,188,293	8,895,685	707,392	8.6%
Total Operating Revenue	223,707,865	210,577,739	(13,130,126)	-5.9%
Total Expenditures	242,817,982	228,828,224	(13,989,758)	-5.8%
Net Operating Revenue	(19,110,117)	(18,250,484)	859,633	4.5%
Non-Operating Revenue and Expenses	20,389,423	23,210,326	2,820,903	13.8%
Revenue Over/Under Expense	\$1,279,306	\$4,959,842	\$3,680,536	

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Admissions	15,577	15,300	(277)	-1.8%
Patient Days	131,590	123,591	(7,999)	-6.1%
Average Daily Census	432.8	406.5	(26.3)	-6.1%
Average Length of Stay	8.5	8.1	(0.4)	-4.7%
Percentage Occupancy	73.9	70.0	(3.9)	-5.3%
Outpatient Clinic Visits	228,713	222,445	(6,268)	-2.7%



FUNDAMENTALS, FINANCE AND FUTURES

OFFICE OF THE
GENERAL DIRECTOR

MAY 10 1990

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC

**THE MINNESOTA HOSPITAL
TRUSTEE COMMITTEE**

presents the

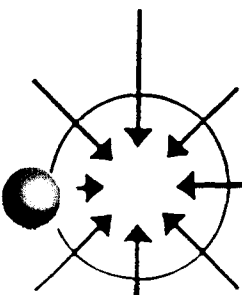
1990 TRUSTEE CONFERENCE

JULY 13 - 15, 1990

at

**CRAGUN'S CONFERENCE CENTER
2001 Pine Beach Road
Brainerd, MN 56401
(218) 829-3591**

To Register Call Gail Strandemo (626-6222)



REGISTRATION FORM
1990 TRUSTEE CONFERENCE
JULY 13 - 15, 1990
CRAGUN'S CONFERENCE CENTER

Instructions: Please complete one form per person, duplicating this form as needed. List names as you wish them to appear on the name tags. **Multiple registrations should be submitted by the participants' hospital.**

NAME _____ TITLE _____

SPOUSE/GUEST _____

FACILITY _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

Indicate which sessions you'll be attending by checking only **one** concurrent program per time slot.

Friday, July 13, 5:30-6:30 p.m. Select only one program in this slot.

- | | |
|---|---|
| <input type="checkbox"/> #1 Board Self-Evaluation Experiences | <input type="checkbox"/> #4 Legislative/HealthSpan Update |
| <input type="checkbox"/> #2 The St. Cloud Political Process | <input type="checkbox"/> #5 Orientation |
| <input type="checkbox"/> #3 Marketing and Foundation Lessons | |

Saturday, July 14, 9:00 - 10:00 a.m. Select only one program in this time slot.

- | | |
|---|---|
| <input type="checkbox"/> #6 Achieving an Ethical Base | <input type="checkbox"/> #8 Does Your Facility Match Its
Future? |
| <input type="checkbox"/> #7 Overview of Reimbursement | |

Saturday, July 14, 11:30 - 12:30 p.m. Select only one program in this time slot.

- | | |
|---|---|
| <input type="checkbox"/> #9 Medical Staff Credentialing | <input type="checkbox"/> #11 Strategic Planning |
| <input type="checkbox"/> #10 MCCAP and HCMC; a
practical application | |

- Enclosed is a check or money order made payable to the Minnesota Hospital Association in full payment of fees. (See Fees and Conference Registration.)
- Enclosed is a letter of authorization and/or purchase order number.

Send this form with payment by **JUNE 30, 1990** to:

MINNESOTA HOSPITAL ASSOCIATION
 2221 University Avenue SE, Suite 425
 Minneapolis, MN 55414-3085
 FAX# (612) 331-1001

**CASUAL DRESS IS
 STRONGLY ENCOURAGED**

ATTN: Accounting

Program #30440

**FUNDAMENTALS, FINANCE AND FUTURES
1990 TRUSTEE CONFERENCE**

FRIDAY, JULY 13

4:00 - 8:30 p.m.

REGISTRATION

5:30 - 6:30 p.m.

CONCURRENT SESSIONS (choose one only)

#1 - Board Self-Evaluation Experiences

Michael Fay, Trustee, Mesabi Regional Medical Center, Hibbing, MN
Bruce Tolzmann, Trustee, Municipal Hospital, Redwood Falls, MN
Lillian Krueger Carr, Administrator, Northern Itasca Health
Care Center, Bigfork, MN

Two trustees and an administrator will relay their experiences with the self-evaluation process: what it is, their apprehensions, what they gained from the experience and how it impacted their leadership team and facility.

#2 - The St. Cloud Political Process

John Frobenius, president, St. Cloud Hospital, St. Cloud, MN

Mr. Frobenius will detail the methods used in St. Cloud to keep political candidates and elected officials aware of the issues impacting the local healthcare delivery system and in communication with the hospital leadership.

#3 - Marketing and Foundation Lessons

Sister Jean Juenemann, Chief Executive Officer, Queen of Peace Hospital, New Prague, MN

Known as the "Queen of Marketing", this hospital has achieved national recognition for its well-researched, planned and implemented marketing strategies. Learn from these experiences and those in the area of foundation establishment, your role in helping your facility achieve these positive outcomes.

#4 - Minnesota Legislative and HealthSpan Update

John Kingrey, Senior Vice President of Public Affairs, Minnesota Hospital Association, Minneapolis, MN

This presentation will provide a brief recap of the 1990 session, as well as issues surrounding the upcoming elections. Mr. Kingrey will solicit trustee input on key potential 1991 issues including hospital reimbursement, cost containment and taxing non-profits.

#5 - Trustee/Administrator Orientation

Vernon Weckwerth, Ph.D., Professor, Health Services Administration, University of Minnesota, Minneapolis, MN

This intensive, practical and lively orientation session has been designed for trustees and administrators who have been in their positions two years or less. The main focus is to help participants differentiate between their respective roles and responsibilities.

6:30 - 7:30 p.m.

RECEPTION

7:30 - 8:30 p.m.

DINNER



FRIDAY, JULY 13

8:30 - 10:00 p.m.

OPENING CEREMONY AND KEYNOTE ADDRESS

WILLIAM FLAIG, Chairman, Minnesota Hospital Association Board of Trustees; Administrator, Douglas County Hospital, Alexandria, MN; and Vernon Hoiium, Chairman MHA Trustee Conference Task Force, Trustee, Unity Medical Center, Fridley, MN

LEADERSHIP CHALLENGES OF THE FUTURE

John A. Witt, National Advisor, Witt Associates, Inc., Oak Brook, IL
What should boards expect of their CEO and what does the CEO need from the board? Who is responsible for establishing and implementing organizational vision? How might leadership responsibilities and roles change to keep the organization moving forward? In a practical, lively and entertaining style, Mr. Witt will share his expertise in these areas providing logical and common sense answers and directions.

SATURDAY, JULY 14

7:00 - 8:00 a.m.

REGISTRATION (Continued)

BREAKFAST BUFFET

8:00 - 8:50 a.m.

FUTURES IN TECHNOLOGY AND THE INDUSTRY

Art Harkins, Futurist, University of Minnesota, Minneapolis, MN
The technology is already available to increase our life expectancy far beyond our present boundaries. In this provocative session, begin to consider the impact of change on your facility, the services delivered, the clients and the community you serve.

9:00 - 10:00 a.m.

CONCURRENT SESSIONS (choose one of three)

#6 - Achieving an Ethical Base

John A. Witt, National Advisor, Witt Associates, Inc., Oak Brook, IL
As technology continues to impact our lives and the healthcare industry, the number of ethical dilemmas facing leadership also increase. In this program Mr. Witt will provide you with some check and balance tools to keep you mindful of your organizational and community values.

#7 - Overview of Reimbursement

Mark Simonson and Nancy Bruch, Deloitte & Touche, Minneapolis, MN
HMO's, PPO's, DRG's and Part B reimbursement for physicians might just represent the alphabet soup of healthcare or may be important processes and concepts to help you make the right leadership decisions. Attend this practical and informative session to obtain your healthcare decoder ring!

#8 - Does Your Facility Match Its Future?

Richard Umbdenstock, principal, Umbdenstock-Hageman Partnership, Spokane, WA

As healthcare needs, services and clients continue to change, how can you keep your programs accessible and affordable within your existing space? This program will help you re-look at your space to determine ways it can meet the demands of today and tomorrow.

10:15-11:15 a.m.

Back To Fundamentals: Blocking and Tackling in the 90's

Robert B. McDonald, Partner, Deloitte & Touche, Minneapolis, MN
To make appropriate and effective leadership decisions, trustees need routine access to and understanding of key indicators of organizational quality and economic performance. Robert will describe the critical 12 to 15 key indicators that provide the information trustees need to best fulfill their roles. Practical examples of how these indicators can be used to help or hinder an organization's progress will also be provided.

11:30-12:30 p.m.

CONCURRENT SESSIONS (choose one of three)

#9 - Medical Staff Credentialing

Thomas W. Hoban, Executive Vice President, Hennepin County Medical Society, Minneapolis, MN; **David Feinwachs**, Ph.D., General Counsel, Minnesota Hospital Association, Minneapolis, MN

Trustees are responsible for providing quality healthcare through the physicians who have hospital privileges. The Health Care Quality Improvement Act of 1986 took this responsibility another step forward by increasing the medical quality measures hospitals need to take. This session will provide an overview of centralized medical credentialing, JCAHO medical quality requirements, a National Data Bank update and the legal responsibility of the trustee in this arena.

#10 - MCCAP and HCMC - A Practical Application

Dan McLaughlin, Associate County Administrator for Hennepin County Bureau of Health and Administrators, Hennepin County Medical Center, Minneapolis, MN

Mr. McLaughlin will explain the Minnesota Clinical Comparison and Assessment Project and how it is impacting the Hennepin County Medical Center.

#11 - Strategic Planning

Richard Umbdenstock, principal, Umbdenstock-Hageman Partnership, Spokane, WA

This practical and informative program will focus on the role and function of the trustee in the formation and implementation of the organization's strategic plan.



SATURDAY, JULY 14

12:30-1:15 p.m.

LUNCH

1:15-2:00 p.m.

Quality Is The 90's

Richard Umbdenstock, principal, Umbdenstock-Hageman Partnership, Spokane, WA

Trustees of the 90's have a mandate from regulators, law makers, professionals and the public to guarantee that the healthcare services delivered in each community have good quality. In practical terms though, how can that mandate be successfully carried out? This thought-provoking and challenging presentation will help you be a leader in quality.

2:00-6:30 p.m.

**GOLF TOURNAMENT, TENNIS TOURNAMENT
PARTICIPANTS ON THEIR OWN**

6:30-7:30 p.m.

RECEPTION

7:30-9:30 p.m.

**DINNER
ENTERTAINMENT**

SUNDAY, JULY 15

8:30-10:30 a.m.

BRUNCH

1:00 p.m.

CHECK-OUT TIME

EARLY BIRD LODGING REGISTRATION DRAWING

WIN TWO FREE NIGHTS OF LODGING

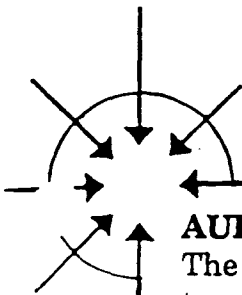
AT CRAGUN'S CONFERENCE CENTER

REGISTER BEFORE JUNE 1, 1990

AND YOU CAN BE ELIGIBLE TO WIN!!

BE SURE YOUR CRAGUN'S *LODGING* REGISTRATION

IS POSTMARKED BEFORE JUNE 1, 1990



AUDIENCE

The conference is open to trustee, administrators and physicians of Minnesota hospitals. Guests of conference attendees are invited to attend all sessions.

CERTIFICATION

The content of this conference is being reviewed by the Minnesota Board of Examiners for Nursing Home Administrators for clock hours. The quantitative value assigned will be indicated on the certificate of attendance awarded to participants who attend all sessions.

ACCOMMODATIONS

The Trustee Conference will be held at Cragun's Conference Center in Brainerd, MN. Conference participants are to register directly with Cragun's. Registration materials are provided in this brochure. If you have special health, mobility or dietary needs, please indicate these in the spaces provided on the reservation blank.

FEES AND CONFERENCE REGISTRATION

\$130 for the first registration from a facility and \$110 for each subsequent registration. All registrations should be coordinated through the hospital where the participant serves. The registration fee includes program materials and breaks. Registration is personal and made for the entire conference period. The registration cut-off date and cancellation notice is June 30, 1990. The Minnesota Hospital Association reserves the right to cancel the conference.

**For Further Information, Contact
BARBARA DIXON, Trustee Services
Twin City Calls: (612) 331-5571
Greater MN calls: (800) 462-5393
FAX# (612) 331-1001**

CONFERENCE TASK FORCE

VERNON S. HOIUM, Task Force Chairman; Trustee, Mercy Unity Medical Center, Fridley, MN

DON BREZICKA, Administrator, St. Olaf Hospital, Austin, MN

GLENN ERICKSON, Regional Administrator, Fairview Princeton/Milaca Hospitals, Princeton, MN

MICHAEL J. FAY, Trustee, Mesabi Regional Medical Center, Hibbing, MN

GREG HART, Senior Associate Director, University of Minnesota Hospital & Clinic, Minneapolis, MN

PAUL JOHNSON, Trustee, Chisago Health Services, Chisago, MN

TOM LENERTZ, Executive Vice President, Riverview Healthcare Association, Crookston, MN

LAWRENCE MCDOWELL, Trustee, Northwest Medical Center, Thief River Falls, MN

JOHN NORDWICK, Administrator, St. John's Regional Health Center, Red Wing, MN

STEPHEN RUFER, Trustee, Lake Region Hospital, Fergus Falls, MN

REV. THOR SKEIE, Board Member, Hutchinson Community Hospital, Hutchinson, MN

VERNON WECKWERTH, Ph.D., Professor, Health Services Administration, University of Minnesota, Minneapolis, MN

STAFF

TOM EVANS, Senior Vice President, Minnesota Hospital Association, Minneapolis, MN

SUSAN CLARK, Vice President, Education, Minnesota Hospital Association, Minneapolis, MN

BARBARA DIXON, Manager of Trustee Services, Minnesota Hospital Association, Minneapolis, MN

HEALTH CARE IN THE '90s: ETHICAL DECISIONS & DILEMMAS

“Can Our Ethics Shape the Use of Technology?”

Thursday, May 31, 1990

A TRUSTEE FORUM

8:00-9:30 A.M.

Whitney Hotel, Minneapolis

With medical technology proliferating faster than society can assimilate and costs increasing faster than our collective ability to pay, who will decide who gets what?

How can we equitably solve the anomaly that more and more health care dollars are spent on the few while many go without basic coverage? Will extending coverage to the uninsured dilute care and coverage for the insured?

Can the free market equitably allocate scarce resources or must we turn to public sector rationing programs? Who should decide when life begins or ends? May fetal tissue be put to productive use? What ethical problems are likely to accompany advances in biogenetics?

Should surrogate parenting be allowed?

These and other resource allocation questions are now at the heart of health policy choices. As these issues have increased in prominence and public visibility, so too have the voices of medical ethicists such as Arthur Caplan, Director of the University of Minnesota's Center for Biomedical Ethics.

Come hear Caplan's comments on these controversial topics and join the debate that will shape the 1990's.

Speaker:

Arthur Caplan, Ph.D.
Director
Center for Biomedical Ethics
University of Minnesota
Hospital & Clinic

General Information

Who Should Attend:

The Forum is recommended to all trustees, physicians, chief executive officers and key hospital administrative staff. Community leaders representing health public policy, government, planning, business, labor, third party payers, health professionals and health service organizations are also welcome to attend.

Location and Date:

The Forum will be held on Thursday, May 31, 1990, from 8:00 a.m. to 9:30 a.m.:

Whitney Hotel
150 Portland Avenue
Minneapolis, Minnesota
Breakfast will be served.

Registration Fee:

\$35 — this fee is refundable in case of cancellation up to three (3) working days prior to the Forum. Substitutions may be made anytime.

For Further Information:

Pat Pardun 641-1121.

Conference Committee

Members:

Geoffrey Kaufmann, Chairman
Vernon Hoium
Naomi Johnson
David Hunt
Pat Pardun, Coordinator



MINNESOTA
HOSPITAL
TRUSTEE
CONFERENCE



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

May 23, 1990

TO: Members, Board of Governors

FROM: Robert Dickler
General Director

SUBJECT: University of Minnesota Hospital and Clinic
Operating and Capital Budgets for Fiscal Year 1990-91

At your April Board of Governors meeting we presented a 1990-91 budget proposal that requested a 9.9% rate increase of which 7.5% was to be implemented on July 1, 1990. The remaining increase was to be deferred until more specific information was available on Medicare payment levels for 1990-91 and would only be implemented with your approval. The budget proposal, as presented to you in May, was based on volume levels for the period July 1, 1990 through January 1990. As we indicated in April, these volume levels had decreased significantly during the period February through April.

Since these decreased volume levels have continued we felt it imperative to present to you a revised budget projection for 1990-91. The following paragraphs and attached schedules are a summary of the revised budget that we are presenting to you for your approval.

For the ten month period ending April 30, 1990, Hospital inpatient admissions are running 2.2% under their levels of April 30, 1989. The average length of stay in the Hospital has decreased from 8.5 days to 8.1 days over the same period. This has created an under budget position in patient days of approximately 6.1%. The outpatient census through April 30, 1990 has decreased and is .3% under the same period of last fiscal year.

The decline in census which has created the below budget levels at the end of April has occurred since February. The decline has occurred in the majority of clinical areas in the Hospital. Because this has been a recent decline, and the Hospital had a positive revenue over expense position at the end of January, the Hospital is forecasting that its net revenue over expense position for the fiscal year ending June 30, 1990 will be approximately \$4,000,000.

The financial performance of the Hospital for the first ten months of fiscal year 1989-90 is above budgeted levels. The Hospital has net revenues over expenses of \$4,960,000 as of April 30, 1990; this is \$3,700,000 above expected levels. This position is primarily a result of three factors: a) expense reductions consistent with volume reductions, b) higher than expected government payment for services, and c) a return of \$1,965,000 in RUMINCO prior year premiums.

For 1990-91 the Hospital is projecting an average length of stay of 8.0 days and a 5.8% decline in admissions, which is consistent with the current trends in length of stay and admissions. This decline in volume projected over a full year will require UMHC to make further expense reductions to offset the decline in revenues. The 1990-91 budget incorporates \$7,453,000 in expense reductions from current levels. These expense reductions will be phased in during the early part of the fiscal year and are consistent with projected volume and ongoing cost reduction initiatives. In addition to these expense reductions it is expected that the recruitment of new faculty in a variety of clinical departments and programs will improve the volume levels in these areas during 1990-91. However, due to the uncertainty of these expectations, no increase in volume has been incorporated in the 1990-91 forecasts. At the same time the Hospital and faculty continue their efforts in developing rural physician relationships including discussions regarding opportunities to develop more formal relationships with certain physician groups. Discussions with HMOs continue including the possibility of creating an HMO clinic within the Health Science Center.

Since all of these efforts will require a number of months to manifest, the Hospital is projecting that it will be necessary to reduce its planned commitment to its capital plan in 1990-91 by \$2,000,000 to \$19,108,000 to bring forth a balanced budget for 1990-91. The Hospital is also preparing a five year financial plan to determine what impact the recent declines in volumes will have in the Hospital capital plan and what adjustments to the plan will be necessary. This revised plan should be available in late June.

Included for your review of the 1990-91 budget are graphic presentations of patient activity levels for the last six years. The highlights of the operating budget are a maximum 9.9% price increase, bringing projected gross patient care charges to \$342,484,000, and cost increases of 3.9%, bringing operating costs to \$287,303,000. The Hospital intends to implement a 7.5% rate increase on July 1, 1990 and, if at all possible, to avoid using the full 9.9%. Further increases above 7.5% will be subject to your approval and will be dependent on Hospital financial performance, government payments, and finalization of other compensation factors.

The inclusion within the budget of a 9.9% potential increase but limiting the July 1 increase to a lower level (i.e. 7.5%) is identical to the methodology utilized in 1989/90. During the current year only the 7.5% increase was utilized. This approach to rate increases provides flexibility to respond to rapid changes in health care both within the University and in meeting the requirements that rate changes be submitted to the State at least 60 days prior to implementation. These price changes are consistent with price increases of other hospitals in this area. Table VI summarizes recent price increases of other hospitals in Minnesota. The following factors have been taken into account when recommending this increase: anticipated inflation, reductions in payments anticipated from Medicare and Medicaid, increases in staff salaries consistent with the community, University and with existing union contracts, significant increases in fringe benefit costs such as health insurance, volume projections based on current levels, and proposed 1990-91 capital expenditures. Each of these factors is described in more detail in the attached budget material.

Capital expenditures that will be provided from operating cash flows in 1990-91 for recurring equipment replacement and minor remodeling will be \$8,445,000. In addition, \$3,563,000 will be spent for debt service on equipment and the bonds, and parking ramp amortization.

In addition to those capital expenditures provided from operating cash flow, we are projecting that we will spend \$11,544,000 from Hospital reserves. Within this total is \$2,244,000 for the completion of projects that have received your approval (CUHCC, Neuroradiology Upgrade and the Digital Acquisition/Processing System), \$9,300,000 for renovation/equipment projects that have yet to be brought to you for approval (Neuroradiology upgrade expansion, computer upgrade, Linear Accelerator replacement, and Heart Cath remodeling and equipment upgrade). Finally, we are planning on spending \$13,626,000 from the reserves for the Remodeling Project II. This total includes construction costs of \$6,904,000, costs related to Mayo of \$2,938,000, and non-building costs, such as architectural fees, of \$3,784,000. All of these projected expenditures are subject to modification based upon the capital reassessment noted earlier.

Hospital reserves are expected to be \$119,045,000 as of June 30, 1990. Of this amount approximately \$4,503,000 will be dedicated to various approved capital projects, such as the Neuroradiology Upgrade and the Community University Health Care Clinic, and \$29,000,000 will represent cash assigned to our internal debt reserve and our working capital reserve. If the major facilities renovation plans are approved and initiated in 1990-91, total Hospital reserves are projected to be approximately \$105,636,000 by June 30, 1991. Schedule XI summarizes the Hospital reserves for fiscal years 1989-90 and 1990-91.

Board of Governors
May 23, 1990
Page four

Assuming a 7.5% rate increase July 1, 1990, total uncommitted cash generated from operations in 1990-91, following deductions for capital obligations, is projected to be \$948,000. This modest level of uncommitted cash provides some further flexibility to respond to unforeseen changes and to provide resources for new initiatives directed toward developing new inpatient and outpatient activities. In addition to this \$948,000, the Hospital has dedicated interest income on its reserves of \$6,800,000 and an additional \$300,000 of cash from operations toward its major capital facilities projects, bringing total net cash generated from Hospital operations to \$8,048,000.

The 1990-91 Hospital budget incorporates volume forecast based on current activity levels and provides for the Hospital operating and recurring capital requirements for 1990-91. The Hospital believes this budget is consistent with its financial objectives for 1990-91, and we are requesting your endorsement of the budget so it may be forwarded to the Board of Regents for information in June and approval in July.

Enclosures

**UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BUDGET LETTER
1990-91 BUDGET**

The 1990-91 Budget has been developed with the following set of assumptions:

1989-90 Budget Base

In projecting the 1990-91 fiscal year budget elements, the current experience in each category was used as the starting point to determine expected 1990-91 results. As described below and shown in the attached schedules, forecast admissions, patient days, clinic visits, expenses, revenues, and revenue deductions have been based on current year experience. Current year experience has then been adjusted for changes in projected volume, mix, and intensity of services, and new and pending reimbursement regulations. The following are general descriptions of how the major elements in the 1990-91 budget were projected:

• **Demand Analysis:**

For the 1989-90 fiscal year we had developed a budget of 18,860 admissions and 158,100 patient days. Using our actual experience through March, 1990, we are projecting 18,419 admissions and 147,464 patient days. The decrease in admission levels occurred in more than two thirds of the clinical service areas, with the most significant decreases occurring in Medicine, Urology, and Neurology. Several areas experienced increases in admissions, including Pediatrics, Gynecology, and Otolaryngology. The 6.7% decrease in patient days also reflects our decline in the overall average length of stay from 8.4 days to 8.0.

The 1990-91 census projections reflect an overall decreased level of demand but with additional declines in specific services, such as Ophthalmology, Urology, Obstetrics, and Medicine. These declines reflect changes in clinical staff or programs. They are slightly offset by expected increases in Neurosurgery and Orthopedics. Inpatient census for 1990-91 has been budgeted at 17,350 admissions and 137,800 patient days.

Schedules I, II, and III summarize the demand forecasts for 1989-90 and 1990-91.

• **Ancillary Service Utilization**

The 1990-91 budget for ancillary service revenue reflects the projected lower level of inpatient admissions with a slight upward shift in case-mix. In the 1990-91 budget year we anticipate continued growth in a few programs and services, including Bone Marrow Transplants and Cardiovascular Surgery. In addition, we expect continued expansion in several new programs in the outpatient clinics, specifically, Cutaneous Surgery, Low Back Functional Restoration, and Eating Disorders.

• **Deductions from Charges**

Schedule IV is a summary of the expected deductions from revenue for fiscal years 1989-90 and 1990-91. The fiscal 1990-91 projection is based on current experience as well as pending legislative and regulatory changes relating to the Medicare and Medicaid Programs.

o **Medicare Prospective Payment System (PPS)**

Assumptions affecting UMHC payments include the following:

- 1) A 4.1% payment rate increase (5.6% market basket less 1.5%) on the DRG rate, effective October 1, 1990.
- 2) A reduction in the indirect medical education factor from 7.7% to 6.0%, effective October 1, 1990.
- 3) Capital costs are reduced from a 15% reduction to a 20% reduction effective October 1, 1990.

These assumptions are, of course, subject to change and will be monitored closely.

o **Medical Assistance (Medicaid) and General Assistance Medical Care (GAMC)**

Payments will continue to be based on the 39 diagnostic categories set up by the State Department of Human Services (DHS). We are assuming a continued distinction in payment rates between AFDC and non-AFDC patients, with a 5.0% increase in those rates effective July 1, 1990. In addition, we are projecting a decrease in inpatient reimbursement (approximately \$450,000) as a result of anticipated legislative changes currently being discussed in the Health and Human Services Joint Conference Committee.

o **HMO/PPO Discounts**

The major contracts with HMO's and PPO's include the Blue Cross and Blue Shield AWARE and Blue Plus contracts, Group Health, Med Centers, Share, and Physicians Health Plan (PHP). For the budget year we are assuming that our payment to charge ratios will worsen slightly as the expected increases in our payment levels (4.0% - 5.0%) fall behind our required overall rate increase of 7.5%.

o **Provision for Uncollectables**

The budgeted provision for uncollectables reflects the current year's experience for bad debts, which is significantly lower than UMHC has recognized in the past. This can be partly attributed to a change in payor mix and partly to more aggressive collections efforts by UMHC.

• **Other Operating Revenue**

Schedule V is a summary of projected operating revenues from sources other than patient care. The increase in other operating revenue projected for the 1989-90 fiscal year is primarily due to increases in the reference lab and grant revenues over the original 1989-90 budget levels. The only major change expected in the 1990-91 budget year is a decrease in the interest income earned on the bond proceeds as we spenddown the principal balance during the Renewal Project II. This accounts for a \$665,000 decrease in revenue.

• **Expenditure Summary**

Schedule VI is a comparative summary of expenditures projected for 1989-90 and budgeted for 1990-91. The expenditure levels have been determined using January, 1990, year-to-date

actual experience as a basis for projection. Although all pay plans for employees have not been finalized, we have incorporated salary and wage increases that appear consistent with those in the community and the University pay plans. The following inflationary assumptions were used in budgeting 1990-91:

Salaries:

This budget incorporates a planned 7% increase for nursing classes, consistent with community increases. We are in the second year of existing union contract settlements, which have a base increase of 5%. Other employee classes are budgeted with a 5% base increase. Also included in the salary projection are adjustments for step increases, pay equity, and marketplace range moves. Specific pay plans have not yet been determined; these will be presented to the Board in May or June.

Other Expenses:

Inflationary increases for supplies and expenses are expected to average 6.5% in the budget year.

*** Non-Operating Revenue**

Schedule VIII is a summary of expected appropriations and other non-patient revenues for fiscal years 1989-90 and 1990-91. The increase in non-operating revenue projected for the 1989-90 fiscal year is primarily due to an increase in interest income on reserves over the original 1989-90 budget levels and the receipt of a dividend distribution from RUMINCO LTD, in the amount of \$1,965,000. In the budget year 1990-91 we are expecting an overall decrease of \$1,530,000. Although we're assuming a net increase in appropriations of 3.1%, we're budgeting reductions in the interest earned on our reserves and the second annual dividend distributed by RUMINCO LTD.

Fiscal Year 1990-91 Price and Revenue Increases

The price increase proposed for 1990-91 is 9.9% and results in an increase in patient charges of approximately \$30,852,000. It brings total patient charges to \$342,484,000. However, since many of the specific federal payment levels will not be known for some time and not effective until October 1, 1990, we are intending to increase rates 7.5% effective July 1, 1990, and 2.4% later in the year if necessary. The Comparative Statement of Operations and Operating Cash Flow on Schedule IX summarizes our projected position for the 1990-91 fiscal year.

Capital Expenditures

Capital expenditures that will be provided from operating cash flows in 1990-91 for recurring equipment replacement and minor remodeling will be \$8,445,000. In addition, \$3,563,000 will be spent for debt service on equipment and the bonds, capital lease payments, and parking ramp amortization.

In addition to those capital expenditures provided from operating cash flow, we are projecting that we will spend \$11,544,000 from Hospital reserves. Within this total is \$2,244,000 for the completion of projects that have received Board of Governors approval (CUHCC, Neuroradiology upgrade, and the Digital Acquisition/Processing System), and \$9,300,000 for renovation/equipment projects that have yet to be brought to the Board for approval (Neuroradiology upgrade expansion, computer upgrade, Linear Accelerator replacement, and Heart Cath remodeling and equipment upgrade). Schedule X is a summary of these expected capital outlays.

Schedule XI summarizes the Board-Designated Fund Activity for the current year 1989-90 and the budget year 1990-91. The specified activity includes the capital expenditures mentioned above, and transfers of income and other funds. As the schedule indicates, the balance at July 1, 1990, is projected to be \$119,045,000; we are projecting a balance of \$105,636,000 at June 30, 1991.

Finally, we are planning on spending \$13,626,000 from the Construction Fund for the Remodeling Project II. This total includes construction costs of \$6,904,000, costs related to Mayo of \$2,938,000, and non-building costs, such as architectural fees, of \$3,784,000.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
 FOR FISCAL YEARS 1989/90 AND 1990/91
 COMPARATIVE DEMAND ANALYSIS
 INPATIENT ADMISSIONS

SCHEDULE I

	<u>1989/90 PLANNED ADMITS</u>	<u>1989/90 PROJECTED ADMITS</u>	<u>1990/91 BUDGET ADMITS</u>
ANESTHESIOLOGY	0	3	2
CLINICAL RESEARCH	439	414	384
DENTISTRY	43	38	44
DERMATOLOGY	70	28	20
FAMILY PRACTICE	34	15	22
GYNECOLOGY	1,267	1,482	1,359
MEDICINE	4,594	4,203	3,929
NEWBORN	357	344	306
NEUROLOGY	401	298	296
NEUROSURGERY	926	954	1,060
OBSTETRICS	614	555	472
OPHTHALMOLOGY	543	453	283
ORTHOPEDICS	1,282	1,149	1,178
OTOLARYNGOLOGY	275	382	386
PEDIATRICS	3,083	3,359	3,107
PM&R	209	186	170
PSYCHIATRY-ADULT	856	821	754
PSYCHIATRY-CHILD	109	69	57
RADIATION THERAPY	4	0	0
RADIOLOGY	10	19	30
SURGERY	2,872	2,967	2,902
UROLOGY	<u>872</u>	<u>680</u>	<u>589</u>
TOTAL HOSPITAL	<u>18,860</u>	<u>18,419</u>	<u>17,350</u>

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
 FOR FISCAL YEARS 1989/90 AND 1990/91
 COMPARATIVE DEMAND ANALYSIS
 PATIENT DAYS

SCHEDULE II

	1989/90 PLANNED <u>DAYS</u>	1989/90 PROJECTED <u>DAYS</u>	1990/91 BUDGET <u>DAYS</u>
ANESTHESIOLOGY	0	10	7
CLINICAL RESEARCH	1,759	1,405	1,287
DENTISTRY	94	101	77
DERMATOLOGY	674	151	122
FAMILY PRACTICE	217	49	60
GYNECOLOGY	7,025	8,497	7,961
MEDICINE	35,366	30,016	26,902
NEWBORN	1,144	996	854
NEUROLOGY	2,978	1,944	1,906
NEUROSURGERY	6,459	6,459	6,735
OBSTETRICS	2,323	2,009	1,812
OPHTHALMOLOGY	1,660	1,266	863
ORTHOPEDICS	7,294	6,497	6,833
OTOLARYNGOLOGY	995	1,740	2,080
PEDIATRICS	33,351	33,093	30,921
PM&R	4,404	3,479	3,382
PSYCHIATRY-ADULT	15,624	14,038	12,801
PSYCHIATRY-CHILD	3,186	2,288	2,017
RADIATION THERAPY	8	0	0
RADIOLOGY	42	22	35
SURGERY	30,191	30,474	28,958
UROLOGY	<u>3,306</u>	<u>2,930</u>	<u>2,187</u>
TOTAL HOSPITAL	<u>158,100</u>	<u>147,464</u>	<u>137,800</u>

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
 FOR FISCAL YEARS 1989/90 AND 1990/91
 COMPARATIVE DEMAND ANALYSIS
 CLINIC VISITS

SCHEDULE III

	1989/90 PLANNED <u>VISITS</u>	1989/90 PROJECTED <u>VISITS</u>	1990/91 BUDGET <u>VISITS</u>
CLINIC VISITS	240,360	225,604	221,205
EMERGENCY ROOM VISITS	17,457	19,114	18,779
RADIATION THERAPY VISITS	16,803	18,823	19,573
AMBULATORY SURGERY VISITS	<u>3,580</u>	<u>3,471</u>	<u>3,443</u>
TOTAL	<u>278,200</u>	<u>267,012</u>	<u>263,000</u>
COMMUNITY UNIVERSITY HEALTH CARE CENTER	46,700	45,448	45,448
HEALTH ETC	0	7,666	7,666
HOME HEALTH	11,800	11,222	11,222

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
 DEDUCTIONS FROM CHARGES
 FOR FISCAL YEARS 1989/90 AND 1990/91

SCHEDULE IV

	1989/90 PLANNED BUDGET	1989/90 PROJECTED	1990/91 BUDGET @ 7.5%	1990/91 BUDGET @ 9.9%
BILLING ADJUSTMENTS (a)	\$11,479,000	\$11,798,000	\$12,454,000	\$12,731,000
HMO/PPO DISCOUNTS (b)	15,080,000	17,897,000	19,890,000	21,005,000
GOVERNMENT CONTRACTUAL ADJUSTMENTS (c)	48,573,000	42,678,000	47,539,000	50,188,000
CHARITABLE CARE	550,000	600,000	600,000	600,000
PROVISION FOR UNCOLLECTABLES	4,171,000	3,026,000	3,015,000	3,082,000
TOTAL	\$79,853,000	\$75,999,000	\$83,498,000	\$87,606,000

a) Includes Outreach Lab billings, and other miscellaneous billing adjustments.

b) Includes HMO's and BCBSM.

c) Includes Medicare, Medical Assistance, GAMC, and other government program writeoffs.

**UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
OTHER OPERATING REVENUE SUMMARY
FOR FISCAL YEARS 1989/90 AND 1990/91**

SCHEDULE V

	<u>1989/90 BUDGET</u>	<u>1989/90 PROJECTED</u>	<u>1990/91 BUDGET</u>
Food Services	\$1,627,000	\$1,566,000	\$1,477,000
Parking Services	714,000	884,000	838,000
Grant Revenue	1,269,000	1,607,000	1,664,000
Reference Lab Income	1,958,000	2,297,000	2,393,000
Pro Fees -- Net Revenue	2,056,000	1,744,000	1,715,000
Interest Income on Remaining Construction Fund Bond Proceeds	2,125,000	2,290,000	1,625,000
Other	<u>117,000</u>	<u>219,000</u>	<u>115,000</u>
TOTAL	<u>\$9,866,000</u>	<u>\$10,607,000</u>	<u>\$9,827,000</u>

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
 EXPENDITURE SUMMARY: 1989/90 PROJECTION VS 1990/91 BUDGET
 FOR FISCAL YEARS 1989/90 AND 1990/91

SCHEDULE VI

	1989/90 PLANNED BUDGET	1989/90 PROJECTION	VARIANCE	PERCENT VARIANCE	1990/91 BUDGET	INCREASE/ DECREASE	PERCENT CHANGE
EXPENDITURES:							
SALARIES	\$123,859,000	\$116,351,000	(\$7,508,000)	-6.1%	\$118,374,000	\$2,023,000	1.7%
FRINGE BENEFITS	27,976,000	27,440,000	(536,000)	-1.9%	28,671,000	1,231,000	4.5%
ACADEMIC CONTRACTS	2,235,000	2,185,000	(50,000)	-2.2%	2,269,000	84,000	3.8%
RESIDENT CONTRACTS	6,242,000	6,345,000	103,000	1.7%	6,953,000	608,000	9.6%
PHYSICIAN COMPENSATION	3,167,000	3,015,000	(152,000)	-4.8%	3,279,000	264,000	8.8%
TOTAL SALARIES, FRINGES & FEES	\$163,479,000	\$155,336,000	(\$8,143,000)	-5.0%	\$159,546,000	\$4,210,000	2.7%
LAUNDRY AND LINEN	2,395,000	2,159,000	(236,000)	-9.9%	2,139,000	(20,000)	-0.9%
RAW FOOD	1,946,000	1,791,000	(155,000)	-8.0%	1,822,000	31,000	1.7%
DRUGS	20,366,000	18,781,000	(1,585,000)	-7.8%	19,914,000	1,133,000	6.0%
BLOOD AND BLOOD DERIVATIVES	11,343,000	8,855,000	(2,488,000)	-21.9%	10,090,000	1,235,000	13.9%
MEDICAL SUPPLIES AND SERVICES	26,628,000	25,760,000	(868,000)	-3.3%	26,024,000	264,000	1.0%
UTILITIES	6,256,000	6,055,000	(201,000)	-3.2%	6,148,000	93,000	1.5%
INSURANCE	992,000	748,000	(244,000)	-24.6%	771,000	23,000	3.1%
RENTAL	3,866,000	3,624,000	(242,000)	-6.3%	3,052,000	(572,000)	-15.8%
MAINTENANCE AND REPAIR	5,101,000	4,687,000	(414,000)	-8.1%	5,022,000	335,000	7.1%
NET LOSS ON DISPOSAL OF ASSETS	24,000	84,000	60,000	250.0%	48,000	(36,000)	-42.9%
CAMPUS ADMINISTRATIVE EXPENSES	282,000	282,000	0	0.0%	296,000	14,000	5.0%
DEPRECIATION	18,283,000	17,546,000	(737,000)	-4.0%	19,497,000	1,951,000	11.1%
INTEREST	13,038,000	12,898,000	(140,000)	-1.1%	12,690,000	(208,000)	-1.6%
GENERAL SUPPLIES AND EXPENSES	19,129,000	17,804,000	(1,325,000)	-6.9%	20,244,000	2,440,000	13.7%
TOTAL SUPPLIES AND EXPENSES	\$129,649,000	\$121,074,000	(\$8,575,000)	-6.6%	\$127,757,000	\$6,683,000	5.5%
TOTAL EXPENDITURES	\$293,128,000	\$276,410,000	(\$16,718,000)	-5.70%	\$287,303,000	\$10,893,000	3.9%

**UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
EXPLANATION OF VARIANCES AND BUDGET INCREASES
FOR FISCAL YEARS 1989-90 AND 1990-91**

SCHEDULE VII

1. **RESIDENT CONTRACTS**
Budget year, 1990-91, increase is due to: (a) inflation increase of \$358,000, and (b) increased funding of \$250,000.
2. **PHYSICIAN COMPENSATION**
Variance in the current year is due to the actual contract being less than assumed. The increase in current year is due to an anticipated increase in the contract.
3. **LAUNDRY AND LINEN**
Variance in current year is due to: (a) implementing new procedures relating to linen changes (\$150,000), and (b) more favorable pricing of (\$120,000).
4. **RAW FOOD**
Current year variance is due to new programs having less than expected volume. Budget year increase is due to inflation.
5. **DRUGS**
Variance in the current year is due to: (a) a decrease in anticipated usage because of reduced volume, (b) not being billed for investigative drugs which have not been approved by the FDA, and (c) more efficient drug usage. The budget year increase is due to: (a) inflation increase of \$1,130,000, (b) \$400,000 for new drugs, (c) BMT and Oncology service charge of \$270,000, and (d) (\$670,000) reduction in expenses due to decreased census.
6. **BLOOD & BLOOD DERIVATIVES**
Variance in the current year is due to: (a) reduced usage caused by less than anticipated transplants, (b) new and more effective method of usage, and (c) more favorable unit cost for blood derivatives. The increase in budget year is due to: (a) inflation of \$800,000, (b) increase in blood usage of \$600,000, (c) \$310,000 due to additional BMT beds, and (d) (\$510,000) reduction of expenses due to decreased census.
7. **MEDICAL SUPPLIES & SERVICES**
Favorable variance in the current year is due to a hospital wide effort to reduce expenses. The increase in budget year is due to: (a) new BMT beds and transplant contracts of \$310,000, (b) increased ancillary activity \$170,000, (c) savings found through employee cost saving programs of (\$100,000), (d) inflation increase of \$1,020,000, and (e) (\$1,130,000) reduction of expenses due to decreased census.
8. **UTILITIES**
Variance in current year is due to more favorable rates than anticipated.

9. **MAINTENANCE & REPAIRS**
Variance in the current year is due to the redefinition of capital guidelines. Budget year increase is due to: (a) increase in remodeling projects \$104,000, and (b) inflation increase \$231,000.
10. **DEPRECIATION**
Variance in the current year is due to the delayed receipt of equipment, (MRI, hypothermia machine). Budget year increase is due to: (a) new acquisition of \$1,350,000, and (b) one full year of depreciation on equipment received late in the current year of \$600,000.
11. **INSURANCE**
Variance in the current year is due to a decrease in the liability premium.
12. **INTEREST**
Variance in current year is due to more favorable rates. Decrease in budget year is the result of principal payments being made.
13. **GENERAL SUPPLIES & EXPENSES**
Variance in the current year is due to: (a) \$467,000 increased office supplies, (b) \$775,000 unanticipated payment to Champ partners and consulting fees to McFaul/Lyons, which were partially offset by less usage of nursing temps than anticipated and (c) (\$2,179,000) programs not implemented, such as physician recruitment support and the Low Back Functional Restoration program, (d) (\$539,000) due to lower volume in transportation, travel and communication, (e) (\$336,000) patient transportation services not being utilized as planned, and (f) \$500,000 unanticipated relocation expenses. Increase in budget year is due to : (a) \$2,000,000 for relocation and rental expenses related to proposed major building project, (b) \$460,000 increase in physician recruitment support, (c) (\$1,110,000) decrease in contract services and office supplies, and (d) \$1,092,000 inflation increase.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
 NON-OPERATING REVENUE SUMMARY
 FOR FISCAL YEARS 1988/89 AND 1990/91

SCHEDULE VIII

	1989/90 PLANNED BUDGET	1989/90 PROJECTED	1990/91 BUDGET
	-----	-----	-----
APPROPRIATIONS & SUPPORT	\$15,579,000	\$15,491,000	\$15,976,000
INTEREST INCOME ON RESERVES	6,906,000	8,341,000	7,686,000
SHARED SERVICES	181,000	179,000	179,000
INVESTMENT INCOME HELD BY TRUSTEE	1,484,000	1,446,000	1,400,000
OTHER INVESTMENT INCOME	130,000	175,000	171,000
DIVIDEND DISTRIBUTION	0	1,965,000	655,000
	-----	-----	-----
TOTAL	\$24,280,000	\$27,597,000	\$26,067,000
	=====	=====	=====

University of Minnesota Hospital and Clinic
 Summary Statement of Operations and Operating Cash Flow
 For Fiscal Years 1989/90 and 1990/91

SCHEDULE IX

	1989/90 BOG	1989/90 Projection	1990/91 Budget @ 7.5%	1990/91 Budget @ 9.9%
Gross Patient Charges	\$340,467,000	\$318,203,000	\$335,005,000	\$342,484,000
Deductions from Charges	79,853,000	75,999,000	83,498,000	87,606,000
Other Operating Revenue	9,866,000	10,607,000	9,827,000	9,827,000
Total Revenue from Operations	\$270,480,000	\$252,811,000	\$261,334,000	\$264,705,000
Non-Operating Revenue	24,280,000	27,597,000	26,067,000	26,067,000
Total Revenue	\$294,760,000	\$280,408,000	\$287,401,000	\$290,772,000
Total Expenditures	293,128,000	276,410,000	287,303,000	287,303,000
Revenue Over/(Under) Expenses	\$1,632,000	\$3,998,000	\$98,000	\$3,469,000
Add Non-Cash Outlays:				
Depreciation	18,283,000	17,546,000	19,497,000	19,497,000
Campus G & A	182,000	182,000	196,000	196,000
Net Increase to Working Capital	2,539,000	1,065,000	1,957,000	1,957,000
Total Funds Provided	\$22,636,000	\$22,791,000	\$21,748,000	\$25,119,000
Funds Applied				
Increase in Accounts Receivable	3,051,000	(7,953,000)	1,692,000	3,032,000
Capital Obligations:				
Principal Payment on Fixed-Rate Bonds	2,215,000	2,215,000	2,345,000	2,345,000
Principal Payment on Equipment	840,000	579,000	1,142,000	1,142,000
Recurring Equipment and Renovation	7,876,000	8,200,000	8,445,000	8,445,000
Parking Ramp Sinking Fund	76,000	76,000	76,000	76,000
Total Funds Applied	\$14,058,000	\$3,117,000	\$13,700,000	\$15,040,000
Total Cash Available from Operations	\$8,578,000	\$19,674,000	\$8,048,000	\$10,079,000
Cash Required for Capital Plan	5,550,000	5,550,000	6,800,000	6,800,000 a
Operations Cash Funding for Capital Plan	2,069,000	2,069,000	300,000	300,000 b
Capital Plan Excess/(Shortfall)	\$959,000	\$12,055,000	\$948,000	\$2,979,000

NOTES TO CASH FLOW

- a. Cash Required for Capital Plan is composed of \$6,800,000 of Investment Income earned on our Board Designated Reserves for Capital Expenditures. This money is being set aside as part of the Long Range Capital Facilities Plan. These funds will be dedicated toward capital expenditures and will not be used to offset operating costs.
- b. \$300,000 of our Operating Cash is being set aside for funding of the Unit J Expansion Project.

**University of Minnesota Hospital and Clinic
1990-91 Capital Budget**

Schedule X

I. Annual Equipment and Remodeling Requirements	\$8,550,000
II. Approved Projects	
Neuroradiology Upgrade	909,000
CUHCC	1,000,000
Digital Acquisition/Processing System	335,000
III. Anticipated Major Capital Expenditures (funded from reserves/borrowings)	
Linear Accelerator Replacement	1,700,000
Computer Upgrades	2,000,000
Neuroradiology Upgrade	900,000
Heart Cath/CV Radiology	4,700,000
IV. Principal payments on Unit J debt, and equipment lease principal payments	3,563,000
Subtotal	----- \$23,657,000
V. Renewal Project II design and construction	13,626,000 *
Total	----- \$37,283,000 =====

*Timing of projected expenditures for Renewal Project II are preliminary estimates, and are subject to appropriate approvals.

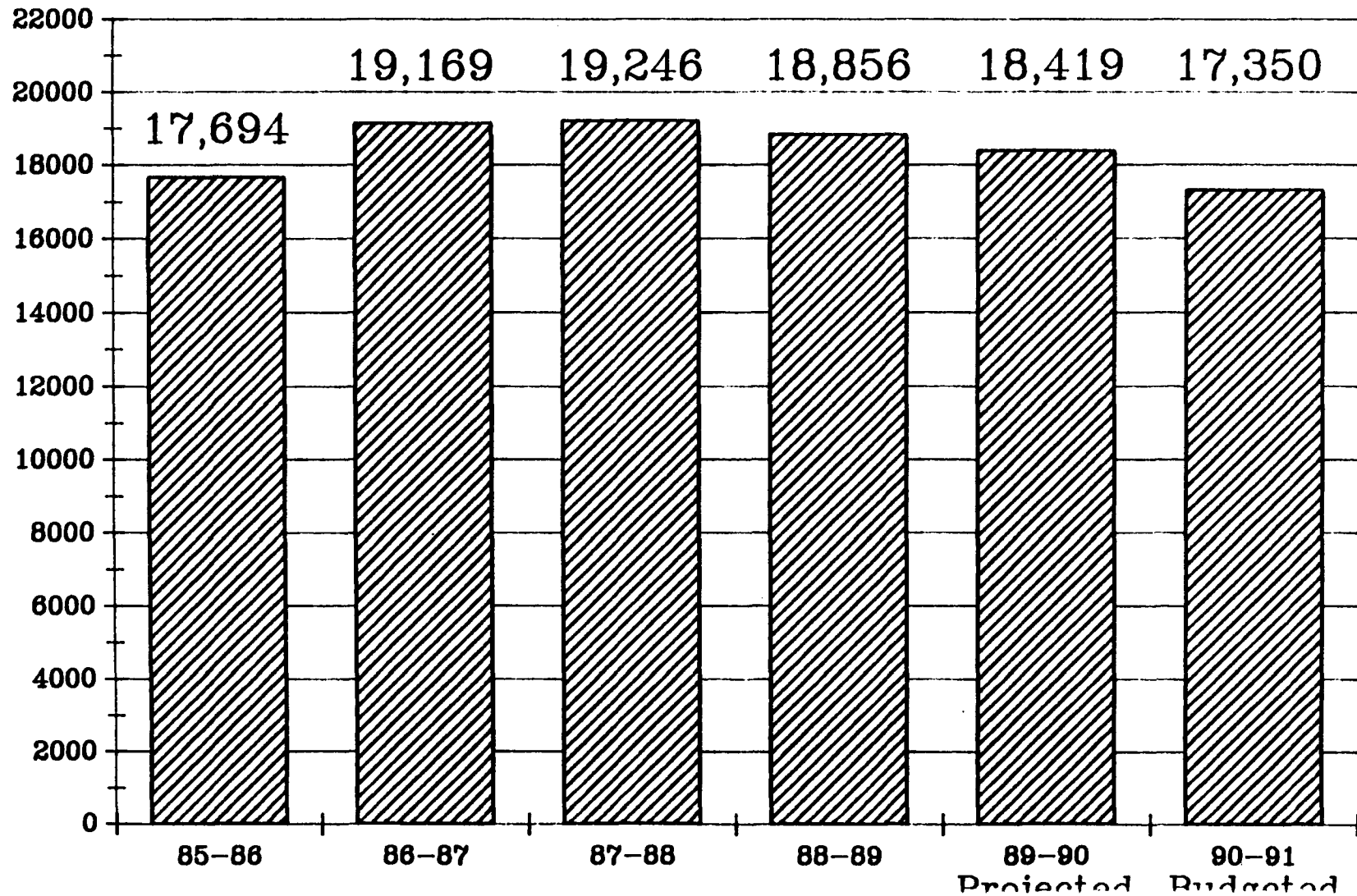
University of Minnesota Hospital and Clinic
Summary of Hospital Reserves
1989-90 through 1990-91

Schedule XI

	<u>1989-90</u>	<u>1990-91</u>
Cash Assigned to Approved Construction Projects	\$4,503,000	\$985,000
Cash Assigned to Internal Debt Service Reserve	13,000,000	13,000,000
Cash Assigned to Working Capital Reserve	16,000,000	16,000,000
Cash Assigned to Renewal Project Phase II and Long Range Capital Plan	85,542,000	75,651,000
Total	<u>\$119,045,000</u>	<u>\$105,636,000</u>

University of Minnesota Hospital and Clinic Admissions

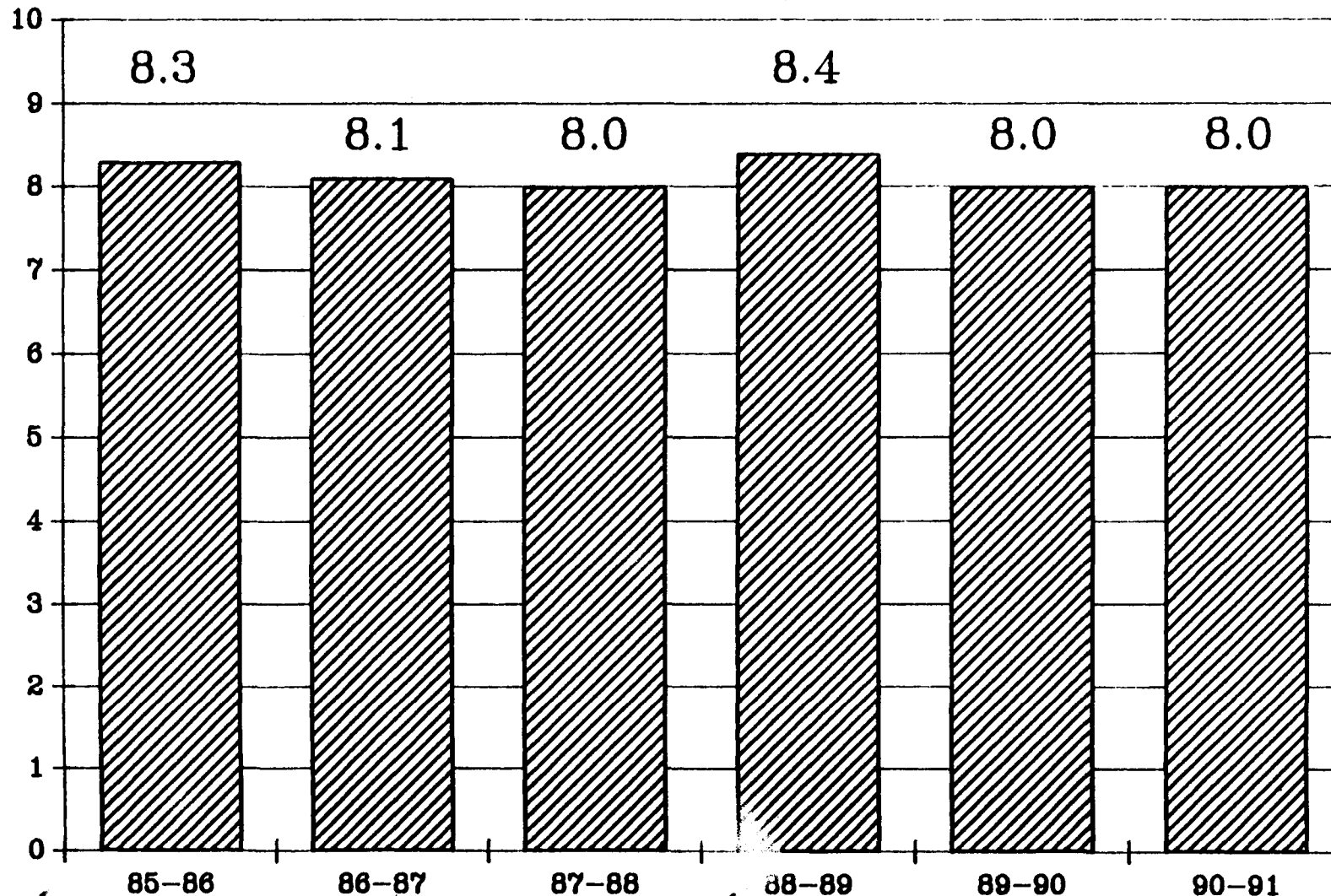
1985-86 through 1990-91



University of Minnesota Hospital and Clinic

Average Length of Stay

1985-86 through 1990-91

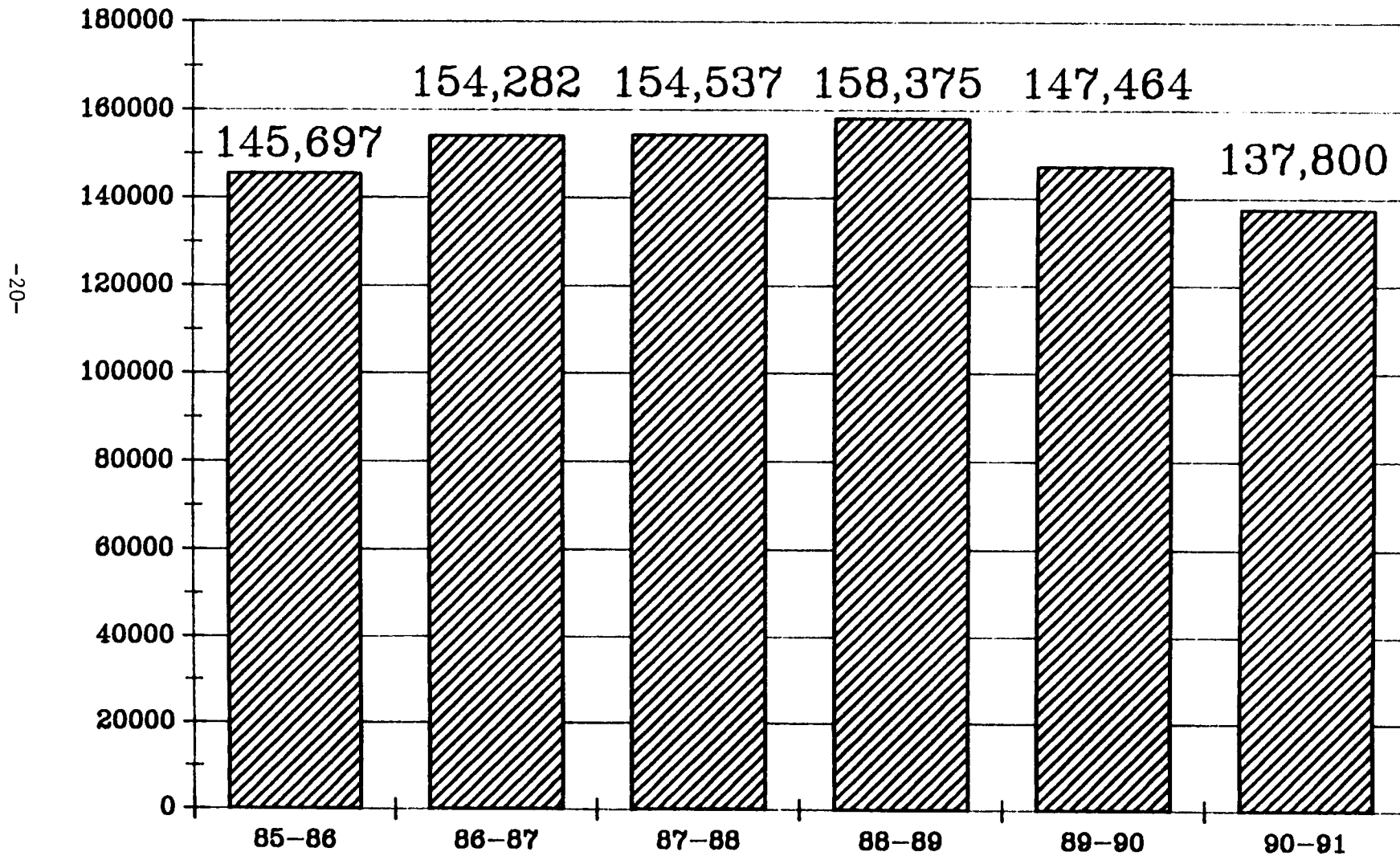


Projected Budgeted

University of Minnesota Hospital and Clinic

Patient Days

1985-86 through 1990-91



University of Minnesota Hospital and Clinic
 Patient Origin – Inpatient Admissions

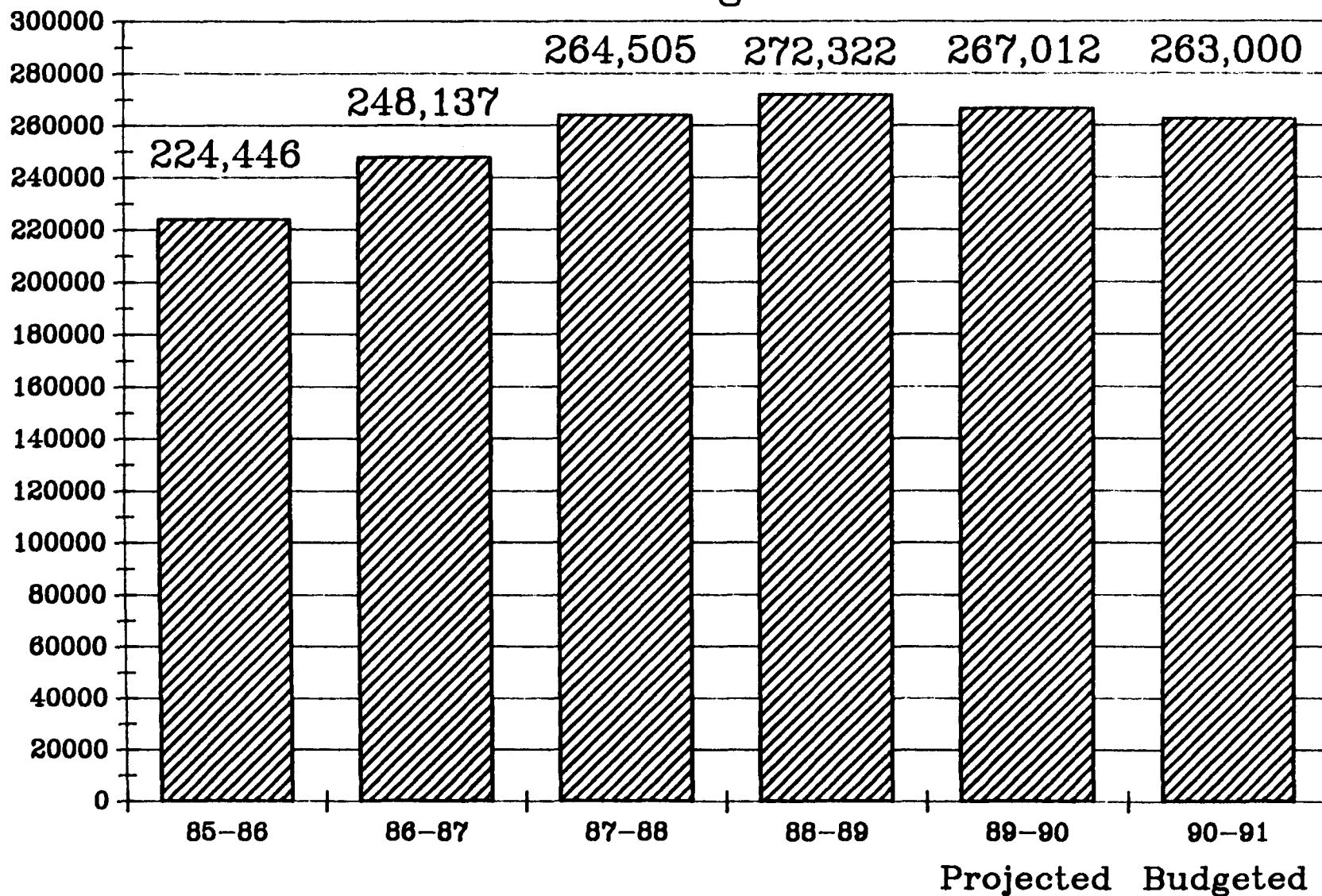
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Service Area	1985–86	1986–87	1987–88	1988–89	April YTD 1989–90
Metro	44%	45%	44%	44%	43%
Non–Metro	33%	32%	33%	34%	34%
Out–of–State	23%	23%	23%	22%	23%

University of Minnesota Hospital and Clinic

Outpatient Clinic Visits

1985-86 through 1990-91



RECENT COMMUNITY RATE INCREASES*

	<u>HOSPITAL</u>	<u>1989</u>	<u>1990</u>	<u>CUMULATIVE</u>
1)	Abbott-Northwestern	8.0%	8.0%	16.0%
2)	Fairview Southdale	15.0%	15.0%	30.0%
3)	Hennepin County Medical Center	15.0%	13.0%	28.0%
4)	Metropolitan Medical Center	19.0%	22.0%	41.0%
5)	Midway Hospital	27.8%	12.0%	39.8%
6)	North Memorial Medical Center	5.0%	9.0%	14.0%
7)	Rochester Methodist	6.8%	8.5%	15.3%
8)	St. Mary's, Rochester	7.2%	10.6%	17.8%
9)	St. Paul Ramsey Medical Center	8.0%	14.0%	22.0%
10)	St. Paul United Hospital	15.7%	16.5%	32.2%
11)	University of Minnesota Hospital and Clinic	7.5%	7.5%	15.0%

* All rate increases are effective on January 1 of each year with the exception of Midway, whose rate increases are implemented September 1, and UMHC, whose rates go into effect July 1. A second rate increase of 2.4% may be implemented at UMHC depending on the outcomes of federal regulations regarding Medicare reimbursement. Included in the rates cited above are interim rate increases for the following hospitals:

Hennepin County Medical Center	1.0%	October 1989
Metropolitan Medical Center	6.0%	February 1988
	5.0%	October 1988
	5.0%	July 1989
	10.0%	November 1989
St. Paul United Hospital	3.0%	July 1988
	5.0%	September 1989

All information has been provided UMHC by the Minnesota Rate Review Program.

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
SUMMARY STATEMENT OF OPERATIONS AND DETAILED OPERATING CASH FLOW
1989/90 BUDGET, 1989/90 CURRENT YEAR PROJECTIONS, ORIGINAL 1990/91 BUDGET, AND REVISED 1990/91 BUDGET

	1989/90 ANNUAL BUDGET	1989/90 CURRENT YEAR PROJECTION	1990/91 ORIGINAL BUDGET @ 1.075	1990/91 REVISED BUDGET @ 1.075
Gross Patient Charges	\$340,467,000	\$318,203,000	\$348,641,000	\$335,005,000
Deductions from Charges	79,853,000	75,999,000	87,984,000	83,498,000
Other Operating Revenue	9,866,000	10,607,000	9,982,000	9,827,000
Total Operating Revenue	\$270,480,000	\$252,811,000	\$270,639,000	\$261,334,000
Expenditures				
Salaries	\$123,859,000	\$116,351,000	\$121,372,000	\$118,374,000
Fringe Benefits	27,976,000	27,440,000	29,401,000	28,671,000
Contract Compensation	11,644,000	11,545,000	12,730,000	12,501,000
Medical Supplies, Drugs, Blood	58,337,000	53,396,000	58,879,000	56,028,000
Campus Administration Expense	282,000	282,000	296,000	296,000
Depreciation	18,283,000	17,546,000	19,497,000	19,497,000
General Supplies & Expense	52,747,000	49,850,000	52,601,000	51,936,000
Total Expenditures	\$293,128,000	\$276,410,000	\$294,776,000	\$287,303,000
Net Revenue from Operations	(\$22,648,000)	(\$23,599,000)	(\$24,137,000)	(\$25,969,000)
Total Non-Operating Revenue				
Appropriations	\$15,579,000	\$15,491,000	\$16,122,000	\$15,976,000
Interest Income on Reserves	6,906,000	8,341,000	7,193,000	7,686,000
Shared Services	181,000	179,000	179,000	179,000
Investment Income on Trustee Held Assets	1,484,000	1,446,000	1,400,000	1,400,000
Other Investment Income	130,000	175,000	171,000	171,000
Dividend Distribution	0	1,965,000	655,000	655,000
Total Non-Operating Revenues	\$24,280,000	\$27,597,000	\$25,720,000	\$26,067,000
Revenue Over/-Under Expenses	\$1,632,000	\$3,998,000	\$1,583,000	\$98,000
Add Non-Cash Outlays:				
Depreciation	18,283,000	17,546,000	19,497,000	19,497,000
Campus Administration Expense	182,000	182,000	196,000	196,000
Loss on Disposal of Assets	24,000	84,000	48,000	48,000
Increase in Accrued Interest	94,000	35,000	(70,000)	(70,000)
Increase in Accrued Expense	2,310,000	615,000	2,183,000	1,676,000
Decrease in Other Receivables	719,000	113,000	825,000	825,000
Total Funds Provided	23,244,000	22,573,000	24,262,000	22,270,000
Funds Applied				
Increase in Accounts Receivable	3,051,000	(7,953,000)	4,175,000	1,692,000
Increase in Prepaid Expense	82,000	98,000	54,000	54,000
Increase in Inventories	396,000	(491,000)	466,000	297,000
Increase in Investments	130,000	175,000	171,000	171,000
Capital Obligations:				
Principal Payment on Fixed-Rate Bonds	2,215,000	2,215,000	2,345,000	2,345,000
Principal Payment on Equipment	840,000	579,000	1,142,000	1,142,000
Recurring Equipment and Renovation	7,876,000	8,200,000	8,445,000	8,445,000
Parking Ramp Sinking Fund	76,000	76,000	76,000	76,000
Interest Income Committed to Capital Plan	5,550,000	5,550,000	6,800,000	6,800,000
Operations Cash Funding for Capital Plan	2,069,000	2,069,000	2,300,000	300,000
Total Funds Applied	22,285,000	10,518,000	25,974,000	21,322,000
Total Cash Available from Operations	\$959,000	\$12,055,000	(\$1,712,000)	\$948,000

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
 ASSUMPTIONS INFORMATION
 1989/90 BUDGET, 1989/90 CURRENT YEAR PROJECTIONS, ORIGINAL 1990/91 BUDGET, AND REVISED 1990/91 BUDGET

	1989/90 ANNUAL BUDGET -----	1989/90 CURRENT YEAR PROJECTION -----	1990/91 ORIGINAL BUDGET @ 1.075 -----	1990/91 REVISED BUDGET @ 1.075 -----
ASSUMPTIONS:				
Admissions	18,860	18,419	18,414	17,350
Average Length of Stay	8.4	8.0	8.0	8.0
Patient Days	158,100	147,464	147,580	137,800
Average Daily Census	433.2	404.0	404.0	377.5
Clinic Visits	278,200	267,012	266,094	263,000
FTE'S	4,089	3,858	3,742	3,644
Days in Accounts Receivable	97	95	95	95

maintaining attendance for the duration of their meetings. The Planning and Development Committee has been difficult to schedule and has difficulty agreeing upon a regular schedule. The Finance Committee routinely meets just prior to the Board of Governors meeting, but includes out of town Board members, who's attendance depends on travelling a distance.

The Committee on Process recognized the Board of Governors Committee forum as being appropriate for in-depth detailed review of agenda items. Further, the Committee on Process felt each Board Committee most qualified to recommend the management of their agenda items at the full Board; whether a one or two month review cycle is necessary and whether the agenda items require a substantive or a non-substantive review.

RECOMMENDATIONS

1. The Committee on Process seconded and passed a motion directing staff to develop a list of major Board of Governors agenda items. The list will be reviewed in an effort to establish a Board of Governors meeting schedule. This calendar should include a combination of short business meetings and some longer meetings designed to focus on such topics as the operating budget or the year end financials.

RATIONALE:

The specific agenda items which need to be covered should drive the frequency and duration of meetings.

2. The Committee seconded and passed a motion recommending the establishment of a consent agenda for use by the Board of Governors. A consent agenda would include any item recommended for non-substantive review. Items would be placed on the consent agenda by the Committee conducting the substantive review. Any Board member desiring more detailed discussion of an item on the consent agenda could request a more detailed review.

RATIONALE:

Development of a "consent agenda" would enable the Board of Governors to focus attention on the most substantive items and more efficiently manage items not requiring an in-depth or substantive review by the full Board.

3. The Committee on Process seconded and passed a motion recommending that Committees take a more active role in determining the review process for their agenda items. Beyond recommending items for the consent agenda, Committees would govern the purpose for which and the timing in which agenda items are brought to the Board of Governors. Solutions to the attendance and meeting frequency difficulties are best found by the Committees themselves.

RATIONALE:

At the conclusion of the substantive review, the Committee is best equipped to evaluate the level of review necessary by the Board of Governors.

4. The Committee recommended no change to the current practice of inviting enrichment speakers to the monthly Board meetings.

RATIONALE:

Enrichment speakers at the Board meetings are viewed as very educational in furthering the members' knowledge of the Hospital. The presentations also increase visibility of the Board with the medical staff.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:45 A.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

SL

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

JUNE 27, 1990

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THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
JUNE 27, 1990
2:30 P.M.
555 DIEHL HALL

AGENDA

- | | | |
|------|---|-------------|
| I. | <u>Approval of the May 23, 1990 Minutes</u> | Approval |
| II. | <u>Chairman's Report</u>
-Mr. Robert Nickoloff | Information |
| III. | <u>Hospital Director's Report</u>
-Mr. Robert Dickler | Information |
| IV. | <u>Special Presentation: Dr. Michael Osterholm</u>
-State Epidemiologist and Chief
Minnesota Department of Health | Information |
| V. | <u>Committee Reports</u> | |
| | A. <u>Joint Conference Committee</u>
-Mr. George Heenan | |
| | 1. Medical Staff-Hospital Council Report
Credentials Committee Recommendations | Approval |
| | 2. Committee Chairman Appointments | Approval |
| | 3. Clinical Chiefs Appointments | Approval |
| | B. <u>Planning and Development</u>
-Mr. Robert Latz | |
| | 1. Red Wing Update | Information |
| | 2. Remodeling of Obstetric Unit | Approval |

C. Finance Committee

-Mr. Jerry Meilahn

- | | |
|--|-------------|
| 1. May 31, 1990 Financial Statements | Information |
| 2. Personnel Policy Changes | Approval |
| 3. Employee Compensation Plan | Approval |
| 4. 1990-91 Capital Budget
(To be distributed at the meeting) | Information |
| 5. Long Range Capital Plan
(To be distributed at the meeting) | Information |

D. Committee on Process

-Mr. George Heenan

Approval

VI. Other Business

VII. Adjournment

MINUTES
BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic
May 23, 1990

Call To Order

Mr. Robert Nickoloff called the May 23, 1990 meeting of the Board of Governors to order at 2:40 p.m. in 555 Diehl Hall.

Attendance

Present: Leonard Bienias
David Brown, M.D.
Paula Clayton, M.D.
Robert Dickler
George Heenan
Bob Latz
Margaret Matalamaki
Jerry Meilahn
Robert Nickoloff
Barbara O'Grady
Cherie Perlmutter
Jan Withers

Not Present: Gordon Donhowe
Phyllis Ellis
Kris Johnson
Robert Maxwell, M.D.

Approval of Minutes

The Board of Governors seconded and passed a motion to approve the minutes of the April 25, 1990 meeting as submitted.

Special Presentation: Dr. David Hunter

Mr. Dickler introduced the Board to Dr. David Hunter, Associate Professor, Department of Radiology. Dr. Hunter presented an overview of the Department of Radiology and various procedures performed within the Radiology Department.

Chairman's Report

Mr. Nickoloff announced two Minnesota Hospital Association Trustee Seminars described in the Board packet. He encouraged Board members to attend.

Director's Report

Mr. Dickler reported very positively on a recent hospital stay of his Father's.

Joint Conference Committee Report

Mr. Heenan presented the recommendations of the Credentials Committee which were endorsed by the Medical Staff-Hospital Council on May 8 and the Joint Conference Committee on May 9. Mr. Heenan indicated that Dr. Janet West had withdrawn her application. The recommendations of the Credentials Committee were unanimously endorsed as presented.

Mr. Heenan reported that the Joint Conference Committee adjourned into a non public session following adjournment of the regular business meeting. No further action was needed regarding this session.

Planning and Development Committee Report

Mr. Robert Latz called on Ms. Mary Jo Kreitzer and Ms. Barbara O'Grady to present the Robert Wood Johnson Grant/Strategic Planning Project. Last August, the Department of Nursing Services received a \$49,865 grant from the Robert Wood Johnson Foundation to fund a year of strategic planning. The purpose of this grant initiative was to support re-structuring in nursing services and hospitals to improve patient care, address nursing shortage/retention issues, and the escalating costs of health care. The Hospital will submit a grant application for additional funding from the Robert Wood Johnson Foundation of \$1,000,000.00 over 5 years.

The Board of Governors, upon recommendation from the Planning and Development Committee, seconded and passed a motion to approve grant submission and authorization for Administration to reallocate existing resources to match the Robert Wood Johnson monies for project implementation.

Mr. Latz presented the Development Office report of activities and donations received during the third quarter of FY 1990 (January-March). Contributions through the second quarter total \$2,013,066. The annual goal is \$950,000.

Mr. Hart presented the Quarterly Capital Expenditure Report to the Board.

Finance Committee Report

Mr. Jerry Meilahn called on Mr. Cliff Fearing to give the monthly financial report. Mr. Fearing reported the Hospital's Statement of Operations for the period July 1, 1989 through April 30, 1990 shows revenues over expenses of \$4,959,842, a favorable variance of \$3,680,536.

Mr. Fearing reported inpatient admissions for April totaled 1,455 which was 122 below budgeted admissions of 1,577. Overall average length of stay for the month was 8.4 days. Outpatient clinic visits for the month of April totaled 23,115 which was 772, or 3.2%, below budgeted visits of 23,887.

Mr. Dickler and Mr. Fearing presented the 1990-91 budget proposal which included a 9.9% rate increase of which 7.5% was to be implemented on July 1, 1990. The remaining increase was to be deferred until more specific information was available on Medicare payment levels for 1990-91 and would only be implemented with the approval of the Board of Governors.

For the ten month period ending April 30, 1990, Hospital inpatient admissions are running 2.2% under their levels of April 30, 1989. The average length of stay in the Hospital has decreased from 8.5 days to 8.1 days over the same period. This has created an under budget position in patient days of approximately 6.1%. The outpatient census through April 30, 1990 has decreased and is .3% under the same period of last fiscal year.

The financial performance of the Hospital for the first ten months of fiscal year 1989-90 was above budgeted levels. For 1990-91 the Hospital is projecting an average length of stay of 8.0 days and a 5.8% decline in admissions, which is consistent with the current trends in length of stay and admissions.

The Hospital is projecting that it will be necessary to reduce its planned commitment to its capital plan in 1990-91 by approximately \$2,000,000 to \$19,108,000 to bring forth a balanced budget for 1990-91. The Hospital is also preparing a long range financial plan to determine what impact the recent declines in volumes will have on the Hospital capital plan and what adjustments to the plan will be necessary. The revised plan should be available in late June.

Capital expenditures that will be provided from operating cash flows in 1990-91 for recurring equipment replacement and minor remodeling will be \$8,445,000. In addition, \$3,563,000 will be spent for debt service on equipment and the Hospital's bonds, and parking ramp amortization.

The Board of Governors seconded and passed a motion to approve the 1990-91 Budget. The Hospital believes this budget is consistent with its financial objectives for 1990-91.

Committee on Process Report

Mr. George Heenan presented a summary of the Ad Hoc Committee on Board of Governors Process meeting. The minutes and responsibility list will be added as agenda items to the upcoming Board of Governors committee meetings.

Other Business

Mr. Nickoloff presented Ms. Nancy Janda with a clock in recognition of her contributions as Secretary to the Board of Governors.

Adjournment

There being no further business, the May 23, 1990 meeting of the Board of Governors was adjourned at 4:15 p.m.

Respectfully submitted,

Gail A. Strandemo

Gail A. Strandemo
Board of Governors Office

CURRICULUM VITAE

Michael T. Osterholm, Ph.D., M.P.H.

Address: (Office) Acute Disease Epidemiology Section
Minnesota Department of Health
717 SE Delaware Street, PO Box 9441
Minneapolis, MN 55440
(612) 623-5414

Education:

B.A. (Biology and Political Science)
Luther College, Decorah, IA

M.S. (Environmental Health)
University of Minnesota, Minneapolis, MN

M.P.H. (Epidemiology)
University of Minnesota, Minneapolis, MN

Ph.D. (Environmental Health)
University of Minnesota, Minneapolis, MN

Positions Held:

1972-1975 Research Assistant, Luther College Biology Department

1976-1979 Research Associate, University of Minnesota, School of Public Health

1975-1979 Communicable Disease Epidemiologist, Minnesota Department of Health

1979-Present Section Chief, Acute Disease Epidemiology Section, Minnesota Department of Health

1981 Acting State Epidemiologist, Minnesota Department of Health

1984-Present State Epidemiologist, Minnesota Department of Health

Faculty Appointments:

1976-1979 Lecturer, School of Medicine and School of Public Health, University of Minnesota

1979-1985 Clinical Assistant Professor, Division of Epidemiology, School of Public Health, University of Minnesota

1984-1987 Director, Infectious Disease Program, Division of Epidemiology, School of Public Health, University of Minnesota

1985-Present Adjunct Associate Professor, Division of Epidemiology, School of Public Health, University of Minnesota

Honors:

Outstanding Graduate Student Presentation,
National Environmental Health Association
Annual Educational Conference, San Diego,
California, June 1977

President's Award for Student Leadership,
University of Minnesota, June, 1977

Best Paper Award, North Central Section,
American Water Works Association, 61st
Annual Conference, Rochester, MN, September,
1977

Special Award for Outstanding Performance in
the Pursuit of Disease Control, Minnesota
Environmental Health Association, 1979

Bush Foundation Summer Fellows Award, May, 1982

Minnesota Public Health Association Achievement
Award, October, 1983

Jay S. Drotman Memorial Award, American Public
Health Association, November, 1983

American Academy of Pediatrics Citation for
Outstanding Service, June, 1984

"Register of Men and Women Under 40 Who Are
Changing America" Esquire Magazine,
December, 1985

Northstar Communicator of the Year Award,
Minnesota Association of Government
Communicators, November, 1987

Biographical inclusion in Five Thousand
Personalities of the World, Second Edition;
American Biographical Institute, Inc.,
December, 1987

Fellow, Salzburg Seminar, Salzburg, Austria,
February, 1988

Education Award in Recognition of Outstanding
Achievement, American College of Health Care
Administrators, Minnesota Chapter, April, 1986

Park Nicollet Medical Center Board of Trustees
Community Service Award, May, 1988

Selected Teaching Experience:

Faculty, Epidemic Intelligence Service Course,
Centers for Disease Control, Atlanta, GA, July,
1980 and July, 1981

Guest Lecturer, University of Minnesota Graduate
Epidemiology Summer Session, Minneapolis, MN,
1980, 1981

Faculty, University of Minnesota Graduate
Epidemiology Summer Session, Minneapolis, MN,
1982-1987

Guest Lecturer, New England Epidemiology
Institute Summer Program, Amherst, MA, 1982

Faculty, Symposium on Infectious Diseases in
Child Day Care: Management and Prevention,
Minnesota Department of Health and University
of Minnesota, Minneapolis, MN, 1984

Guest Lecturer, Program in Epidemiology, School of
Public Health, University of California,
Berkeley, 1985-present

Professional Societies:

American Association for the Advancement of Science
American College of Epidemiology (Fellow)
American Epidemiological Society
American Public Health Association
Epidemiology Section Council, 1986-1988
American Society for Microbiology
Council of State and Territorial Epidemiologists
Delta Omega Honorary Public Health Society
Infectious Disease Society of America (Fellow)
Minnesota Public Health Association
New York Academy of Science
Sigma Xi (Full Member)
Society for Epidemiologic Research

Research Awards:

Centers for Disease Control, RFP 200-83-0631 (P),
Reye Syndrome Surveillance Project, 1983-1985,
Principal Investigator.

Research Awards: (continued)

National Institutes of Allergy and Infectious Diseases, NIH. #1R13AI10869-01, Symposium on Infectious Diseases in Day Care Conference Grant, 1984. Principal Investigator.

National Institute of Allergy and Infectious Diseases, NIH. R01-AI1842-01. Impact of Day Care on *Haemophilus* Disease Epidemiology, 1986-89. Principal Investigator.

National Institute of Allergy and Infection Diseases NIH. R01 AI/HD 2/842-04 EDC. The Impact of Vaccination on *Haemophilus* Disease Incidence, 1988-1994. Principal Investigator.

Special Appointments:

Student National Environmental Health Association
President, 1976-1977, Vice-president 1975-1976

Member, Infection Control Committee, Hennepin County
Medical Center, Minneapolis, MN, 1976 - Present

Member, Infection Control Committee, St. Paul-Ramsey
Medical Center, St. Paul, MN, 1976-1982,
Consultant, 1982 - Present

Chairman, Metropolitan Mosquito Control District
Technical Advisory Board, St. Paul, MN, 1982-1983

Chairperson, Planning Committee, First International
Symposium on Infectious Disease in Day Care:
Management and Prevention, Minneapolis, MN, 1982-1984

Member, Northwest Area Foundation Medical Sciences
and Health Advisory Committee, St. Paul, MN, 1983
- 1986

Special Study Section Reviewer, Natural History of
Acquired Immunodeficiency Syndrome, National
Institutes of Allergy and Infectious Diseases
Review Group, National Institutes of Health,
Bethesda, MD, 1983

Chairman, Minnesota Mosquito Research and Control
Program, Working Group, Minnesota Department of
Health, Minneapolis, MN, 1984

Special Appointments: (continued)

Collaborator, Report of the Committee on Infectious Diseases, Twentieth and Twenty-First Editions, American Academy of Pediatrics, 1984, 1988

Visiting Scientist, Mayo Clinic, Rochester, MN, 1984-Present

Chairperson, Commissioner's Statewide Task Force on Acquired Immunodeficiency Syndrome, Minnesota Department of Health, Minneapolis, 1985-Present

Consultant on the Education and Foster Care of Children Infected with Human T-Lymphotropic Virus Type III/Lymphadenopathy-Associated Virus, Centers for Disease Control, Atlanta, GA, 1985

Special Study Section Reviewer, Epidemiology of Acquired Immunodeficiency Syndrome, National Institutes of Allergy and Infectious Diseases Review Group, National Institutes of Health, Bethesda, MD, 1985, 1986

Ex-officio Member, Minnesota Medical Association Task Force on Acquired Immunodeficiency Syndrome, Minneapolis, MN, 1985-Present

Reviewer, University of California Task Force on Acquired Immunodeficiency Syndrome, Berkeley, CA, 1985, 1986, 1987

Member, Hennepin County Task Force on Acquired Immunodeficiency Syndrome, Minneapolis, MN, 1985-Present

Member, Consensus Conference on HTLV-III Antibody Testing and Community Approaches, Association of State and Territorial Health Officials, Washington, D.C., March 1986

Consultant on Strategies For Prevention and Control of Public Health Problems Related to *Aedes albopictus* Infestation. Centers for Disease Control, Atlanta, GA, 1987

Consultant, Director's Review Panel on the Association Between Swine Influenza Vaccination and Guillain-Barre' Syndrome, Centers for Disease Control, Atlanta, GA 1987

Special Appointments: (continued)

Member, Panel on The Public Health Aspects of
Human Immunodeficiency Virus Antibody Testing,
Centers for Disease Control, Atlanta, GA, 1987

Member, Editorial Advisory Board, AIDS Reference
Guide, Washington, D.C., 1987 - Present

Member, American Academy of Pediatrics/American
Public Health Association Technical Panel on
Prevention and Control of Infectious Disease;
Out-of-Home Child Care Performance Standards
Project, Evanston IL, 1988-89.

Consultant, World Health Organization Global
Programme on AIDS, Geneva Switzerland,
1988-present.

Member, Public Health Faculty/Agency Forum;
Centers for Disease Control, Health Resources
and Services Administration, and Johns Hopkins
University; Baltimore, MD, 1989-1990.

Editorial Assignments: (present)
Editorial Boards

Infection Control and Hospital Epidemiology
Journal of Community Health
The Pediatric Infectious Disease Journal

Reviewer/Guest Editor

American Journal of Epidemiology
American Journal of Public Health
Annals of Internal Medicine
Epidemiologic Reviews
Gastroenterology
International Journal of Epidemiology
Journal of the American Medical Association
Journal of Infectious Diseases
Journal of Pediatrics
Mayo Clinic Proceedings
New England Journal of Medicine
Pediatrics
Public Health Reports
Reviews of Infectious Diseases (Guest Editor)

MINUTES
Joint Conference Committee
Board of Governors
June 13, 1990

CALL TO ORDER:

Chairman Heenan called the June 13, 1990 meeting of the Joint Conference Committee to order at 4:37 P.M. in Room 8-106 in the University Hospital.

Attendance:

Present:	Debbie Day, M.D. Amos Deinard, M.D. Robert Dickler George Heenan Robert Maxwell, M.D. Bruce Work, M.D.
Absent:	Phyllis Ellis Jan Withers
Staff:	Greg Hart Shannon Lorbiecki Helen Pitt Ann Russell

APPROVAL OF MINUTES

The minutes of the May 9, 1990 meeting were approved as submitted.

MEDICAL STAFF HOSPITAL COUNCIL REPORT

CREDENTIALS COMMITTEE RECOMMENDATIONS

Dr. Robert Maxwell presented the recommendations of the Credentials Committee, endorsed by the Medical Staff Hospital Council, on the reappointment of Unit II eligible physicians for 1990-1992. The recommendations include termination of medical staff appointments, regular staff appointments, additions/deletions of clinical privileges, change in staff categories, leave of absences, provisional appointments, resignations, and loss of medical staff privileges.

The recommended appointments for otolaryngology faculty are for reappointment with current clinical privileges until September 1, 1990, as requested by the Clinical Chief to allow for a review of all privileges to assure that they continue to be appropriate.

A motion to endorse the recommendations of the Credentials Committee passed unanimously.

COMMITTEE CHAIRMEN APPOINTMENTS

Dr. Maxwell presented the Medical Staff-Hospital Council recommendations for committee chairmen appointments for the 1990/1991 year. The proposed new appointments are Richard Palahniuk, M.D. as Chairman of the Bed Allocation Committee, Susan Berry, M.D. as Chairman and Kathy Wilde, R.N. as Co-Chair of the Biomedical Ethics Committee, and Jeffrey McCullough, M.D., as Chair of the Bylaws Committee.

The Committee unanimously endorsed the recommendations for Medical Staff-Hospital Council committee chairmen appointments.

ANNUAL APPOINTMENTS OF CHIEF OF CLINICAL SERVICES

Dr. Robert Maxwell and Mr. Greg Hart presented recommendations for the appointment of 13 Clinical Chiefs for 1990-1991. They noted that six individuals, Dr. George Adams, Dr. Leo Furcht, Dr. William Knobloch, Dr. Richard Price, Dr. Richard Palahniuk, and Dr. James Swift are serving in their initial three year term as Chief of Clinical Service, thus their reappointment is not required this year.

The Committee unanimously endorsed the recommendations for Chiefs of Clinical Services.

FACULTY/MEDICAL STAFF RECRUITMENT AND RETENTION

Mr. Hart presented an update on activities of the Faculty/Medical Staff Recruitment and Retention Task Force, Chaired by Dr. William Thompson. The Task Force was appointed by Bob Dickler following discussion at the Board of Governors Retreat in October of 1989. The charge has been divided into four major issues: retention of junior level faculty, retention of senior level faculty, individual recruitment, and organizational recruitment needs.

The Task Force has spent a considerable amount of time considering the issue of retaining junior level faculty. A report of an ad hoc committee considering clinical track development has gone forward to the Dean of the Medical School. Additional changes may be necessary to enable development of a successful clinical track and improve retention of clinically oriented junior level faculty.

Retention of senior level faculty has also been considered. There is a perception, which may or may not be true, that resources and recognition tend to be devoted to new recruitments rather than to retaining and rewarding current faculty. Members of the Committee suggested that the Task Force make recommendations that ensure we are proactive in our efforts to retain senior faculty.

Recruiting an individual today almost always involves spousal employment and other family issues. The Task Force is considering recommendations to centralize assistance to clinical departments involved in recruitment efforts.

Recruitment to fill institutional needs has been the most difficult issue the Task Force has considered. This issue involves determining what the institution really needs and what needs to be done logistically to fulfill the need.

AD HOC COMMITTEE ON BOARD OF GOVERNORS PROCESS

Mr. George Heenan presented the recommendations made by the Ad Hoc Committee on Board of Governors Process. The Committee has recommended that each of the Board Committees considered the proposed Board of Governors work plan and determine whether any changes should be made to their meeting schedules.

Mr. Heenan asked the members to consider the proposed calendar prior to the next meeting.

CLINICAL CHIEFS REPORT

Dr. Bruce Work reported that the Council of Clinical Chiefs has spent their meetings discussing hospital finances, Hospital and Medical School space, and parking during the upcoming Olympic Festival. The Council of Clinical Chiefs now holds an executive session once each month.

OTHER BUSINESS

Mr. Hart reported that the national search for a Director of Quality Assurance has not led to a successful recruitment. Ms. Carol Miles and Ms. Sally Huntington have been effective as the acting Co-Directors and therefore, some additional time will be taken to consider the appropriate role of the quality assurance function and the Quality Assurance Department within UMHC.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:57 P.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

SL



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Box 707
Harvard Street at East River Road
Minneapolis, Minnesota 55455
(612) 626-1945

June 15, 1990

TO: Members of the Board of Governors

FROM: Robert E. Maxwell, M.D., Chief of Staff
Chairman, Medical Staff-Hospital Council

SUBJECT: Credentials Committee/Medical Staff-Hospital Council
Report and Recommendations.

The Medical Staff-Hospital Council on June 12 and the Joint Conference Committee on June 13 have endorsed the attached Credentials Committee Report and Recommendations. Included in this report is the reappointment of Medical Staff in Unit II and Specified Professional Personnel-Psychology Staff for the years 1990-1992.

I am forwarding these recommendations to you for your review and approval on June 27. If you should have any questions, please feel free to call on me.

REM/cf
Attachment



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

June 7, 1990

TO: Medical Staff-Hospital Council
FROM: Henry Buchwald, M.D.
Chairman, Credentials Committee
SUBJECT: Credentials Committee Report and Recommendations

The Credentials Committee having considered medical staff in Unit II eligible for reappointment for 1990 through 1992, hereby recommend all those included in the Credentials Committee report (pages 1-15) for reappointment to the medical staff, delay for reappointment (page 16); and recommendations for termination of medical/dental staff appointment (page 17).

Also included are the Credentials Committee's recommendations for regular medical staff appointments (pages 18-19); addition and/or deletion of clinical privileges (pages 20-26); change in staff category (page 27); leave of absence (page 27); provisional medical staff appointments (page 28); resignations from the medical staff (page 29); deceased (page 29).

The Credentials Committee has also considered the reappointment of Specified Professional Personnel-Psychology Staff eligible for reappointment for 1990 through 1992 and hereby recommend all those included in the report (pages 30-31); addition of clinical privileges (page 32); leave of absence (page 32); and, resignation of specified professional personnel-psychology staff (page 32).

HB/cf
Attachment

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
LABORATORY MEDICINE AND PATHOLOGY		
AMSDEN, THOMAS W.	Clinical Staff	
ARTHUR, DIANE C.	Attending Staff	Pediatrics
BACH, FRITZ	Attending Staff	
BALFOUR, HENRY	Attending Staff	Pediatrics
BENSON, ELLIS	Attending Staff	
BOWMAN, ROBERT J.	Clinical Staff	
BRADLEY, G.MARY	Attending Staff	
BROOKER, DORIS C.	Attending Staff	Ob/Gyn
BROWN, DAVID M.	Attending Staff	Pediatrics
BRUNNING, RICHARD	Attending Staff	
BURKE, BARBARA	Attending Staff	
CONNELLY, DONALD P.	Attending Staff	
DALMASSO, AGUSTIN P.	Clinical Staff	
ECKFELDT, JOHN H.	Attending Staff	
EDSON, J.ROGER	Attending Staff	
ESTENSEN, RICHARD D.	Attending Staff	
FERRIERI, PATRICIA	Attending Staff	Pediatrics
FURCHT, LEO T.	Attending Staff	
GAJL-PECZALSKA, K.	Attending Staff	
GARRY, VINCENT F.	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
LABORATORY MEDICINE AND PATHOLOGY		
GREENBERG, JAMES M.	Attending Staff	Pediatrics
KERSEY, JOHN	Attending Staff	Pediatrics
LASKY, LARRY C.	Attending Staff	
MCCULLOUGH, JOHN J.	Attending Staff	
O'LEARY, JAMES J.	Attending Staff	
OKAGAKI, TAKASHI	Attending Staff	Ob/Gyn
PERRONE, THERESA L.	Attending Staff	
PERRY, ELIZABETH H.	Attending Staff	
SNOVER, DALE C.	Attending Staff	
STEFFES, MICHAEL W.	Attending Staff	
STRICKLER, JOHN G.	Attending Staff	
STRONCEK, DAVID F.	Attending Staff	
SUNG, JOO HO	Attending Staff	Neurology
WATTENBERG, LEE W.	Attending Staff	
WHITE, JAMES G.	Attending Staff	Pediatrics

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
ORTHOPEDICS		
ARENDT, ELIZABETH	Attending Staff	
BRADFORD, DAVID	Attending Staff	
CRAIG, EDWARD V.	Attending Staff	
HOUSE, JAMES H.	Attending Staff	
OGILVIE, JAMES W.	Attending Staff	
ROBINSON, HARRY J.	Attending Staff	
THOMPSON, ROBY C.	Attending Staff	
TRANSFELDT, ENSOR E	Attending Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - September 1, 1990

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
*OTOLARYNGOLOGY		
ADAMS, GEORGE	Attending Staff	
DUVALL, ARNDT J.	Attending Staff	
GODING, GEORGE S.	Clinical Staff	
HILGER, PETER A.	Attending Staff	
HUFF, JOHN S.	Clinical Staff	
KOOP, SEVERIN H.	Clinical Staff	
LEVINE, SAMUEL C.	Attending Staff	
LISTON, STEPHEN L.	Clinical Staff	
MAISEL, ROBERT	Attending Staff	
MARENTETTE, LAWRENCE	Clinical Staff	
SIEGEL, LEIGHTON G.	Clinical Staff	
SIGEL, MELVIN E.	Clinical Staff	
SZACHOWICZ, EDWARD H	Clinical Staff	

*Reappointment with current clinical privileges recommended until September 1, 1990

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PEDIATRICS		
ANDERSON, ARNOLD S.	Emeritus Staff	
ANDERSON, PETER M.	Attending Staff	
AREY, STUART L.	Emeritus Staff	
BASS, JOHN	Attending Staff	
BECKER, LOWELL L.	Clinical Staff	
BERRY, SUSAN A.	Attending Staff	
BESSINGER, F.BLANTON	Clinical Staff	
BLAZAR, BRUCE R.	Attending Staff	
BLOOM, DAVID	Clinical Staff	Medicine
BLUM, ROBERT WM.	Attending Staff	
BOSTROM, BRUCE C.	Attending Staff	
BRAUNLIN, ELIZABETH	Attending Staff	
BROWN, DAVID R	Clinical Staff	
CHIVERS, BLANCHE M.	Attending Staff	
CHUN, KARL H.	Attending Staff	
CICH, JOHN A.	Clinical Staff	
CLAWSON, C.CARLYLE	Attending Staff	
DEINARD, AMOS	Attending Staff	
DUNNIGAN, ANN C.	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PEDIATRICS		
EINZIG, STANLEY	Attending Staff	
ELLIOTT, GREGORY R.	Attending Staff	
ETZWILER, DONNELL D.	Clinical Staff	
FILIPOVICH, ALEXANDRA	Attending Staff	
FISCH, ROBERT O.	Attending Staff	
FISH, ALFRED J.	Attending Staff	
FISH, LLOYD	Clinical Staff	
FREESE, DEBORAH K.	Attending Staff	
GEORGIEFF, MICHAEL K	Attending Staff	
GIEBINK, G.SCOTT	Attending Staff	
GREEN, THOMAS P.	Attending Staff	
HESSLEIN, PETER S.	Attending Staff	
HORROBIN, J.MARGARET	Clinical Staff	
HOSTETTER, MARGARET	Attending Staff	
JOHNSON, DANA	Attending Staff	
KAPLAN, EDWARD L.	Attending Staff	
KASHTAN, CLIFFORD E.	Attending Staff	
KIM, YOUNGKI	Attending Staff	
KLEIN, DAVID J.	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PEDIATRICS		
KOSINA, HELENA B.	Clinical Staff	
KRABILL, KIMBERLY A.	Attending Staff	
KRIVIT, WILLIAM	Attending Staff	
LEONARD, STANLEY A.	Clinical Staff	
LUCAS, RUSSELL V.	Attending Staff	
MAUER, S.MICHAEL	Attending Staff	
MCKAY, CAROLYN J.	Clinical Staff	
MICHAEL, ALFRED F.	Attending Staff	
NEGLIA, JOSEPH P.	Attending Staff	
NESBIT, MARK E.	Attending Staff	
NEVINS, THOMAS	Attending Staff	
O'DEA, ROBERT	Attending Staff	
PESCOVITZ, ORA H.	Attending Staff	
PIERPONT, MARY ELLA	Attending Staff	
PLATT, JEFFREY L.	Attending Staff	
POKORA, THOMAS J.	Clinical Staff	
PRIEST, JOHN R	Clinical Staff	
QUIE, PAUL G.	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PEDIATRICS		
RAMSAY, NORMA KC	Attending Staff	
REGELMANN, WARREN E.	Attending Staff	
REMAFEDI, GARY J.	Attending Staff	
SATRAN, LEON	Attending Staff	
SCHWARZENBERG, SARAH	Attending Staff	
SHAPIRO, RALPH S.	Attending Staff	
SHARP, HARVEY L.	Attending Staff	
SINAIKO, ALAN R.	Attending Staff	
SMITH, CLARK M.	Attending Staff	
SMITH, THEODORE S.	Emeritus Staff	
SOCKALOSKY, JOSEPH J	Clinical Staff	
STEINHORN, DAVID	Attending Staff	
STONE, FREDERIC M.	Clinical Staff	
TEN BENSEL, ROBERT W.	Attending Staff	
THOMPSON, THEODORE R	Attending Staff	
TUCHMAN, MENDEL	Attending Staff	
ULSTROM, ROBERT A.	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PEDIATRICS		
VACCARELLA, R.JAMES	Clinical Staff	
VERNIER, ROBERT L.	Attending Staff	
WARWICK, WARREN J.	Attending Staff	
WEISDORF, SALLY A.	Attending Staff	
WHITLEY, CHESTER B.	Attending Staff	
WOODS, WILLIAM	Attending Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PHYSICAL MEDICINE AND REHABILITATION		
AWAD, ESSAM A.	Attending Staff	
BATEMAN, RONALD M.	Clinical Staff	
BENNINGHOFF, KAREN S	Attending Staff	
BENSMAN, ALAN S.	Clinical Staff	
DAVIS, ELIZABETH A.	Clinical Staff	
DOUCETTE, MARGARET M.	Attending Staff	
DYKSTRA, DENNIS D.	Attending Staff	
GULLICKSON, GLENN	Emeritus Staff	
KNAPP, MILAND	Emeritus Staff	
KOTTKE, FREDERIC	Emeritus Staff	
SNOW, LEANN M.	Attending Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PSYCHIATRY		
BERNSTEIN, GAIL A.	Attending Staff	
BORCHARDT, CARRIE M.	Attending Staff	
CLAYTON, PAULA J.	Attending Staff	
COLON, EDUARDO A.	Attending Staff	
ECKERT, ELKE	Attending Staff	
GARFINKEL, BARRY D.	Attending Staff	
GREENBERG, LAWRENCE	Attending Staff	
HALIKAS, JAMES A.	Attending Staff	
HARTMAN, BOYD K.	Attending Staff	
JENSEN, JONATHAN B.	Attending Staff	
KROLL, JEROME L.	Attending Staff	
LENTZ, RICHARD D.	Clinical Staff	
MACKENZIE, THOMAS B.	Attending Staff	
MELLER, WILLIAM H.	Attending Staff	
MITCHELL, JAMES E.	Attending Staff	
POPKIN, MICHAEL K.	Attending Staff	
PYLE, RICHARD L.	Attending Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
RADIOLOGY		
AMPLATZ, KURT	Attending Staff	
BOUDREAU, ROBERT J.	Attending Staff	
CASTANEDA, WILFRIDO	Attending Staff	
DAY, DEBORAH L.	Attending Staff	
DUCRET, RENE P.	Attending Staff	
FEINBERG, SAMUEL B.	Attending Staff	
GOLDBERG, MARVIN E.	Attending Staff	
HALVORSEN, ROBERT A.	Attending Staff	
HUNTER, DAVID W.	Attending Staff	
KUNI, CHRISTOPHER	Attending Staff	
LEE, BENJAMIN C.P.	Attending Staff	
LETOURNEAU, JANIS G.	Attending Staff	
LOKEN, MERLE	Emeritus Staff	
THOMPSON, WILLIAM M.	Attending Staff	
YEDLICKA, JOSEPH W.	Attending Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
SURGERY		
ABRAMS, JEROME H.	Attending Staff	
AHRENHOLZ, DAVID H.	Clinical Staff	
BUCHWALD, HENRY	Attending Staff	
BULS, JOHN G.	Clinical Staff	
CERRA, FRANK B.	Attending Staff	
CUNNINGHAM, BRUCE L.	Clinical Staff	
DELANEY, JOHN P.	Attending Staff	
DUNN, DAVID L.	Attending Staff	
FOKER, JOHN E.	Attending Staff	
GOLDBERG, STANLEY	Clinical Staff	
GOODALE, ROBERT L.	Attending Staff	
GRAGE, THEODOR B.	Attending Staff	
HELSETH, HOVALD K.	Clinical Staff	
KNIGHTON, DAVID R.	Attending Staff	
LEONARD, ARNOLD S.	Attending Staff	
MATAS, ARTHUR J.	Attending Staff	
MCPARLAND, FELIX A.	Clinical Staff	
MOLINA, J.ERNESTO	Attending Staff	

Continued on next page.....

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
SURGERY		
NAJARIAN, JOHN S.	Attending Staff	
PAYNE, WILLIAM D.	Attending Staff	
ROTHENBERGER, DAVID	Clinical Staff	
SHEAREN, JOHN G.	Clinical Staff	
SHUMWAY, SARA J.	Attending Staff	
SUTHERLAND, DAVID	Attending Staff	
WARD, HERBERT B.	Clinical Staff	
WONG, WESTLEY D.	Clinical Staff	

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment
to the Medical and Dental Staff

July 1, 1990 - June 30, 1992

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
THERAPEUTIC RADIOLOGY		
KIM, TAEHWAN	Attending Staff	
LEE, CHUNG KYU KIM	Attending Staff	
LEVITT, SEYMOUR	Attending Staff	
MONYAK, DAVID J.	Attending Staff	
POTISH, ROGER A.	Attending Staff	

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Delay for Reappointment
Medical and Dental Staff

SABBITICAL LEAVE OF ABSENCE

DEPARTMENT

LEAVE OF ABSENCE

ORTHOPEDICS

HUNTER, ROBERT

January 1, 1990 through December 31, 1990

PEDIATRICS

MILLER, LAURIE

Extended leave since October 1987

MOLLER, JAMES H.

September 1, 1989 through August 31, 1990

PSYCHIATRY

HANSON, DANIEL

January 1, 1990 through December 31, 1990

REALMUTO, GEORGE

June 1, 1990 through May 31, 1991

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Termination
of Medical/Dental Staff Appointments

NO EVIDENCE OF REQUIRED PROFESSIONAL LIABILITY INSURANCE SUBMITTED

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
PSYCHIATRY		
LAWTON, JAMES J.	Clinical Staff	

REAPPRAISAL AND REAPPOINTMENT APPLICATION NOT SUBMITTED

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
LABORATORY MEDICINE AND PATHOLOGY		
HASEGAWA, DUANE	Clinical Staff	Pediatrics
PEDIATRICS		
TATE, DOUGLAS Y.	Clinical Staff	

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Recommendations for Regular Medical/Dental Appointments

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>DATE ELIGIBLE</u>
ANESTHESIOLOGY		
ANDERSON, JAMES V.	Attending Staff	December 28, 1989
AUGUSTINE, SCOTT D.	Attending Staff	April 25, 1990
MOLINARI, PAUL S.	Attending Staff	December 28, 1989
MEDICINE		
ELY, PAMELA	Attending Staff	April 25, 1990
KVASNICKA, JOHN H.	Attending Staff-ER	April 25, 1990
MARINELLI, WILLIAM A.	Attending Staff	April 25, 1990
McGINN, ANDREW L.	Attending Staff	April 25, 1990
PIEPER-BIGELOW, CHRISTINA	Attending Staff-ER	April 25, 1990
ROSENBERG, MARK	Attending Staff	April 25, 1990
SEAQUIST, ELIZABETH R.	Attending Staff	April 25, 1990
UHLMAN, DOROTHY L.	Attending Staff	April 25, 1990
OBSTETRICS AND GYNECOLOGY		
MCCARTHY, CHARLES C.	Clinical Staff	April 25, 1990
OTOLARYNGOLOGY		
MALONE, BARBARA N.	Clinical Staff	April 25, 1990
PEDIATRICS		
GOODMAN, DENISE M.	Attending Staff	April 25, 1990
HEISEL, MARGARET A.	Clinical Staff	April 25, 1990
SHANNON, MICHAEL C.	Attending Staff	April 25, 1990
STEINHORN, ROBIN H.	Attending Staff	April 25, 1990

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Recommendations for Regular Medical/Dental Appointments

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>DATE ELIGIBLE</u>
RADIOLOGY		
GRIFFITHS, HENRY	Attending Staff	April 25, 1990
LONGLEY, DEBORAH	Attending Staff	April 25, 1990
McDONALD, CAROLYN	Attending Staff	April 25, 1990

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

**Recommendations for Addition and/or Deletion of Clinical Privileges
Medical and Dental Staff**

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
LABORATORY MEDICINE AND PATHOLOGY		
BALFOUR, HENRY H. Add: Pediatrics Clinical Privileges--bone marrow aspiration	Attending Staff	Pediatrics
BROWN, DAVID M. Add: Pediatrics Clinical Privileges--arterial puncture; diagnosis of inborn errors of metabolism	Attending Staff	Pediatrics
KERSEY, JOHN H. Add: Pediatrics Clinical Privileges--arterial puncture	Attending Staff	Pediatrics
WHITE, JAMES G. Add: Pediatrics Clinical Privileges--arterial puncture; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; venipuncture catheter placement; pericardiocentesis	Attending Staff	Pediatrics
OTOLARYNGOLOGY		
MAISEL, ROBERT H. Add: soft tissue, larynx and bronchoscopy--KTP laser	Attending Staff	
PEDIATRICS		
BERRY, SUSAN A. Add: arterial puncture; diagnosis of inborn errors of metabolism; prenatal diagnosis; arterial catheter, percutaneous; placement central venous line	Attending Staff	
BRAUNLIN, ELIZABETH A. Add: myocardial biopsy--in both cath lab and OR; electrophysiologic therapies; heart catheter--originated therapies; respiratory assistance therapy	Attending Staff	
CHIVERS, BLANCHE M. Add: arterial puncture; shaldon catheter placement for dialysis access; arterial catheter, percutaneous; venipuncture catheter placement; venous catheter placement percutaneous; aspiration of bladder with insertion of suprapubic catheter; hemodialysis; peritoneal dialysis; continuous arterio-venous hemofiltration; exchange transfusion during hemodialysis	Attending Staff	
CLAWSON, C. CARLYLE Add: collect and handle unusual specimen--nasal cilia scraping; pulmonary-biopsy, intranasal, -pulmonary function studies; pulmonary-chronic respiratory insufficiency management	Attending Staff	

Continued on next page.....

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Addition and/or Deletion of Clinical Privileges
Medical and Dental Staff

DEPARTMENT

CATEGORY

PEDIATRICS

GEORGIEFF, MICHAEL K. Attending Staff

Add: central venous pressure measurement; arterial catheter, percutaneous; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; subclavian cannulization; venipuncture catheter placement; venous catheter placement cutdown; venous catheter placement percutaneous; management complete parenteral nutrition; respiratory assistance therapy

GIEBINK, G. SCOTT Attending Staff

Add: arterial puncture; chemotaxis assay; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; venipuncture catheter placement; venous catheter placement percutaneous

GREEN, THOMAS P. Attending Staff

Add: pulmonary function studies; puncture aspiration of abscess, hematoma, bulla, or cyst; shaldon's catheter placement; subclavian cannulization; Swan-Ganz catheter placement; management complete parenteral nutrition; pericardiocentesis; respiratory assistance therapy; assisted respiration; chest tube placement and management

HOSTETTER, MARGARET K. Attending Staff

Add: arterial puncture; puncture aspiration of abscess, hematoma, bulla, or cyst

JOHNSON, DANA E.

Add: arterial puncture; counselling of patients and families; pulmonary function studies; arterial cutdown; arterial catheter, percutaneous; central venous catheter, percutaneous; peripheral vein cut-down; placement central venous line; puncture aspiration of abscess, hematoma, bulla, or cyst; subclavian cannulization; venipuncture catheter placement; venous catheter placement cutdown; venous catheter placement percutaneous; management complete parenteral nutrition; pericardiocentesis; respiratory assistance therapy; chronic pulmonary management; respiratory assistance therapy; chest tube placement and management

KASHTAN, CLIFFORD E. Attending Staff

Add: skin biopsy; shaldon's catheter placement; hemodialysis; peritoneal dialysis

Continued on next page.....

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Addition and/or Deletion of Clinical Privileges
Medical and Dental Staff

DEPARTMENT

CATEGORY

PEDIATRICS

- PESCOVITZ, ORA H. Attending Staff
Add: skin biopsy; diagnosis of inborn errors of metabolism; arterial catheter, percutaneous; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; intensive care, pediatric
- PIERPONT, MARY ELLA M. Attending Staff
Add: arterial puncture; diagnosis of inborn errors of metabolism; clinical genetics-counselling of patients and families; prenatal diagnosis; electrophysiologic therapies; heart catheter-originated therapies; management heart transplant
- PLATT, JEFFREY L. Attending Staff
Add: arterial puncture; arterial catheter, percutaneous; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; shaldon's catheter placement; subclavian cannulization; aspiration of bladder with insertion of suprapubic catheter; hemodialysis; peritoneal dialysis
- QUIE, PAUL, G. Attending Staff
Add: chemotaxis assay
- RAMSAY, NORMA K. Attending Staff
Add: arterial puncture; central venous pressure measurement; arterial cutdown; arterial catheter, percutaneous; placement central venous line; puncture aspiration of abscess, hematoma, bulla, or cyst; venipuncture catheter placement; venous catheter placement cutdown; venous catheter placement percutaneous; marrow transplanation
- REGELMANN, WARREN E. Attending Staff
Add: arterial puncture; central venous pressure measurement; chemotaxis assay; biopsy, intranasal; lung aspiration (needle); pleural biopsy (needle); pulmonary function studies; central venous catheter, percutaneous; peripheral vein cut-down; placement central venous line; puncture aspiration of abscess, hematoma, bulla, or cyst; chest tube placement and management; subclavian cannulization; Swan-Ganz catheter placement; venipuncture catheter placement; venous catheter placement cutdown; venous catheter placement percutaneous; respiratory assistance therapy; assisted respiration
- SATRAN, LEON Attending Staff
Add: puncture aspiration of abscess, hematoma, bulla, or cyst; venipuncture catheter placement; venous catheter placement percutaneous

Continued on next page.....

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Addition and/or Deletion of Clinical Privileges
Medical and Dental Staff

DEPARTMENT

CATEGORY

PEDIATRICS

- SCHWARZENBERG, SARAH J.** Attending Staff
Add: arterial puncture; central venous pressure measurement; diagnosis of inborn errors of metabolism; clinical genetics-counselling of patients and families; central venous catheter, percutaneous; puncture aspiration of abscess, hematoma, bulla, or cyst; venipuncture catheter placement; venous catheter placement percutaneous
- SHARP, HARVEY L.** Attending Staff
Add: central venous pressure measurement; thoracentesis; diagnosis of inborn errors of metabolism; counselling of patients and families; puncture aspiration of abscess, hematoma, bulla, or cyst; management complete parenteral nutrition; management liver transplant
- SINAIKO, ALAN R.** Attending Staff
Add: arterial puncture; venipuncture catheter placement
- SOCKALOSKY, JOSEPH J.** Clinical Staff
Add: arterial puncture; diagnosis of inborn errors of metabolism
- THOMPSON, THEODORE R.** Attending Staff
Add: arterial puncture; central venous pressure measurement; diagnosis of inborn errors of metabolism; counselling of patients and families (consultation with genetics); prenatal diagnosis (consultation with genetics); arterial cutdown; arterial catheter, percutaneous; central venous catheter, percutaneous; puncture aspiration of abscess hematoma, bulla, or cyst; subclavian cannulization; venous cutdown; management complete parenteral nutrition; respiratory assistance therapy; chest tube placement and management; pulmonary function (neonatal); thoracenteses
- TUCHMAN, MENDEL** Attending Staff
Add: arterial puncture; endocrine-metabolism-diagnosis of inborn errors of metabolism; clinical genetics-counselling of patients and families, prenatal diagnosis; arterial catheter, percutaneous; venous catheter placement percutaneous; venipuncture femoral and jugular; management of complete parenteral nutrition; pediatric resuscitation; orotracheal and/or nasotracheal intubation
- Delete: abdominal paracentesis; bladder aspiration; bone marrow aspiration; development screening; thoracentesis; incision and drainage of abscess; newborn blood exchange; venipuncture catheter placement; cardiac monitoring for arrhythmias; electrocardiographic interpretation (with report); intravenous cutdown; suprapubic bladder tap

Continued on next page.....

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Change in Staff Category
Medical and Dental Staff

<u>DEPARTMENT</u>	<u>PRESENT CATEGORY</u>	<u>RECOMMENDED CATEGORY</u>
LABORATORY MEDICINE AND PATHOLOGY		
BENSON, ELLIS S.	Attending Staff	Emeritus Staff with privileges
PEDIATRICS		
ULSTROM, ROBERT A.	Attending Staff	Emeritus Staff with privileges

Leave of Absence from the Medical/Dental Staff

<u>DEPARTMENT</u>	<u>CATEGORY</u>
PSYCHIATRY	
REALMUTO, GEORGE	Attending Staff
Leave of Absence from June 1, 1990 through May 31, 1991	

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Provisional Medical/Dental Staff Appointments

DEPARTMENT

CATEGORY

LABORATORY MEDICINE AND PATHOLOGY

MANIVEL, JUAN C.

Attending Staff

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Resignations from the Medical/Dental Staff

<u>DEPARTMENT</u>	<u>CATEGORY</u>	<u>JOINT APPOINTMENT</u>
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ORTHOPEDICS

BESSETTE, GARY C.	Attending Staff	
-------------------	-----------------	--

PRIEST, JAMES D.	Clinical Staff	
------------------	----------------	--

OTOLARYNGOLOGY

BOIES, LAWRENCE R.	Clinical Staff	
--------------------	----------------	--

PHYSICAL MEDICINE AND REHABILITATION

BISTEVINS, RITA	Clinical Staff	
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PSYCHIATRY

HESTON, LEONARD L.	Attending Staff	
--------------------	-----------------	--

RADIOLOGY

ARDILL, RICHARD H.	Attending Staff	
--------------------	-----------------	--

KORTE, KENNETH P.	Clinical Staff	
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WILCOX, WILLIAM A.	Attending Staff	
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Deceased

<u>DEPARTMENT</u>	<u>CATEGORY</u>
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PEDIATRICS

SINGHER, LAWRENCE J.	Clinical Staff
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UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment to the
Specified Professional Personnel-Psychology Staff

July 1, 1990 - June 30, 1992

DEPARTMENT

CATEGORY

HOSPITAL DENTISTRY

HATHAWAY, KATE

Attending Staff

FAMILY PRACTICE AND COMMUNITY HEALTH

COLEMAN, EDMOND

Attending Staff

DWYER, MARGRETTA

Attending Staff

HOUGE, DONALD

Attending Staff

IRETON, HAROLD

Attending Staff

METZ, MICHAEL

Attending Staff

NEUROLOGY

SHAPIRO, ELSA

Attending Staff

NEUROSURGERY

BENIAK, THOMAS

Attending Staff

HUNG, JOHN

Attending Staff

MANFRED, MEIER

Attending Staff

ROBINER, WILLIAM

Attending Staff

PEDIATRICS

CHANG, PI-NIAN

Attending Staff

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Reappointment to the
Specified Professional Personnel—Psychology Staff

July 1, 1990 - June 30, 1992

DEPARTMENT

CATEGORY

PSYCHIATRY

AUGUST, GERALD	Attending Staff
ERBAUGH, SUSAN	Clinical Staff
GROVE, WILLIAM	Attending Staff
HATSUKAMI, DOROTHY	Attending Staff
HOBERMAN, HARRY	Attending Staff
SCHOFIELD, WILLIAM	Attending Staff
SINES, LLOYD	Attending Staff

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Recommendations for Addition and/or Deletion of Clinical Privileges
Specified Professional Personnel—Psychology Staff

DEPARTMENT

CATEGORY

NEUROSURGERY

BENIAK, THOMAS E.

Attending Staff

Add: perform and interpret intracarotid sodium amytal (Wada) procedures --
neuropsychological component only

Leave of Absence from the Specified Professional Personnel—Psychology Staff

DEPARTMENT

CATEGORY

PHYSICAL MEDICINE AND REHABILITATION

ATHELSTAN, GARY T.

Attending Staff

Leave of Absence: Medical

Resignations from the Specified Professional Personnel—Psychology Staff

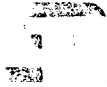
DEPARTMENT

CATEGORY

FAMILY PRACTICE AND COMMUNITY HEALTH

HAROWSKI, KATHY

Attending Staff



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

June 20, 1990

TO: Board of Governors
FROM: Robert E. Maxwell, M.D., Chief of Staff
Chairman, Medical Staff-Hospital Council
RE: Appointment of Medical Staff-Hospital Council
Committee Chairmen

The Bylaws of the Medical and Dental Staff, Article VI, Part A, Section 1, (s), sets forth the requirement that the appointment of all Medical Staff-Hospital Council committee chairmen be made by the Board of Governors after receiving recommendations from the Medical Staff-Hospital Council.

The Medical Staff-Hospital Council endorsed the attached recommendations for the appointment of committee chairmen for the coming year on June 12 and the Joint Conference Committee endorsed the recommendations on June 13. I am asking for your review and approval on June 27. If you have any questions please contact me.

/gs

Attachment

THE UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
MEDICAL STAFF-HOSPITAL COUNCIL COMMITTEE CHAIRMEN APPOINTMENTS

1990/1991

1. Bed Allocation Committee.
* Richard J. Palahniuk, M.D.
2. Biomedical Ethics Committee
* Susan Berry, M.D.
Kathy Wilde, R.N.
Nurse Manager, Co-Chair
3. Bylaws Committee
* J. Jeffrey McCullough, M.D.
4. Cardiorespiratory Advisory Committee
Russell H. Larsen, M.D.
5. Cardiovascular Advisory Committee
Michael W. Steffes, M.D.
6. Credentials Committee
Henry Buchwald, M.D.
7. Disaster Committee
Charles Andres, M.D.
8. Emergency Department Committee
Randall Moore, M.D.
9. Infection Control Committee
Frank Rhame, M.D.
10. Medical Record and Patient Care Information Committee
Marvin Goldberg, M.D.
11. Operating Room Committee
Roby Thompson, M.D.
12. Outpatient Committee
Amos Deinard, M.D.
13. Pharmacy & Therapeutics Committee
Russell Lucas, M.D.
14. Product Evaluation & Standardization Committee
Jon F. Berlauk, M.D.
15. Quality Assurance Steering Committee
Robert E. Maxwell, M.D.
16. Tissue & Procedure Review Committee
Ricardo Gonzales, M.D.
17. Transfusion Therapeutics Committee
J. Jeffrey McCullough, M.D.

* New Appointment



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

June 20, 1990

TO: Board of Governors
FROM: Robert Dickler, General Director
Robert Maxwell, M.D., Chief of Staff
RE: Annual Appointments of Chief of Clinical Services

The Bylaws of the Board of Governors of The University of Minnesota Hospital and Clinic were amended in November, 1982, requiring the following:

Article V. Section 5 (B)

After consultation with the Joint Conference Committee, at its June meeting each year, the Board of Governors shall appoint the chief of each clinical service of the Medical Staff to serve at the discretion of the Board for an initial term of three years, except in the case of a chief of a clinical service who is an individual other than the Head of the corresponding medical or dental school clinical department, in which case the initial appointment shall be for one year. Reappointment thereafter by the Board of Governors shall be yearly. Vacancies in the office of the chief of a clinical service may be filled at any time by the Board. In the event that a chief of a clinical service is appointed at some time other than the June meeting, and if the appointment is made no longer than December, for purposes of determining the time of reappointment the appointment shall be deemed to have commenced the preceding June. In the event that the appointment is made after December, for purposes of determining the time of reappointment the computation time shall be deemed to commence at the next succeeding June.

The Hospital Director, in consultation with the Chief of Staff, hereby recommends the appointment of the following Clinical Chiefs for 1990-91:

<u>Name</u>	<u>Department</u>
Essam Awad, M.D.	Physical Medicine & Rehab.
Edward Ciriacy, M.D.	Family Practice
Paula Clayton, M.D.	Psychiatry
Thomas Ferris, M.D.	Medicine
Elwin Fraley, M.D.	Urology
Roberto Heros, M.D.	Neurosurgery
Seymour Levitt, M.D.	Therapeutic Radiology
Peter Lynch, M.D.	Dermatology
Alfred Michael, M.D.	Pediatrics
John Najarian, M.D.	Surgery
Roby Thompson, M.D.	Orthopaedic Surgery
William Thompson, M.D.	Radiology
Bruce Work, M.D.	Obstetrics & Gynecology

Dr. George Adams (Otolaryngology), Dr. Leo Furcht (Laboratory Medicine & Pathology), Dr. William Knobloch (Ophthalmology), Dr. Richard Price (Neurology), Dr. Richard Palahniuk (Anesthesia) and Dr. James Swift (Hospital Dentistry) are serving in their initial three year terms as Chief of Clinical Services, thus reappointment is not required this year.

Thank you.

/gs

MINUTES
Planning and Development Committee
May 17, 1990

CALL TO ORDER

Robert Latz called the May 17, 1990 meeting of the Planning and Development Committee to order at 3:06 p.m. in room 8-106 in the University Hospital.

Attendance: Present	Robert Latz, Chair Leonard Bienias Robert Dickler Clint Hewitt B. Kristine Johnson Geoff Kaufmann Peter Lynch, M.D. Ted Thompson, M.D.
Absent	William Jacott, M.D.
Staff	Fred Bertschinger Greg Hart Nancy Janda Mary Jo Kreitzer John LaBree Shannon Lorbiecki Lisa McDonald
Guest:	Barbara O'Grady

APPROVAL OF MINUTES

The minutes of the April 12, 1990 meeting were approved with it noted that Robert Latz be listed as absent.

ROBERT WOOD JOHNSON STRATEGIC PLANNING GRANT

Ms. Kreitzer reported that the Department of Nursing Services has completed the strategic planning process for restructuring nursing services and UMHC to improve patient care, address the nursing shortage and retention issues, and the escalating costs of health care. The planning was made possible by a \$49,865 grant from the Robert Wood Johnson Foundation. The committee, which was made up of the Nursing Strategic Planning Coordinating Committee, with representation from the Board of Governors, Administration and Hospital Patient Relations is in the process of requesting a five-year implementation grant for \$1 million. The proposal has been expanded beyond nursing to include medical staff, hospital administration and personal from other support areas. They will focus on work re-design and creating patient centered multi-disciplinary care delivery models and career development opportunities for UMHC staff.

Ms. O'Grady, Board representative to the committee said that the patient care component will be looked at from an interdisciplinary approach and should enhance patient care. Mr. Dickler concluded that the Board has discussed the

need to evaluate the way things are done and that hopefully the results will impact positively on the quality and cost of health care. Dr. Thompson commented that it will help with discharge planning and that some of the non-metro medical facilities were excited about it.

The budget has not been finalized but the annual non-incremental costs are estimated to be \$200,000/year for personnel, space and data collection.

The committee unanimously endorsed UMHC's participation in the grant program.

HOSPITAL DIRECTOR'S REPORT

Discussions continue with Interstate Medical Center in Red Wing and some of their satellites.

Renewal discussions continue with OB. UMHC will not commit to spending up to \$350,000 until the faculty has committed to volume, recruitment and outreach goals.

The 1990/91 budget will be presented at the next Board meeting. The capital capacity evaluation will be available by the June board meeting. At that time the renewal program will be reviewed.

BETHESDA/REPARATIVE MEDICINE PROGRAM

Mr. Hart discussed the negotiations that are occurring to relocate the Reparative Medicine Program to Bethesda. He said that Bethesda is attractive because they are designated as a long-term care facility and the wound healing patients are often hospitalized for long lengths of stay. A financial analysis is being done and Health East is looking at reimbursement rates.

QUARTERLY CAPITAL EXPENDITURE REPORT

Mr. Hart said that capital expenditures through the third quarter were \$4.3 million and were lower than the seasonized budgeted amount of \$7.3 million. Ms. Johnson expressed the need to communicate that UMHC is not doing business as usual and suggested that the approval process be reviewed. Mr. Dickler said there is a Council of Chiefs Capital Committee that provides a medical perspective on capital priorities and that they might become more involved. Mr. Latz said that this was a good opportunity to communicate to employees the financial status of the hospital. Mr. Dickler said UMHC could do other things in lieu of calling a freeze on capital spending to control costs. Mr. Dickler said that capital requests will continue to be presented to the Board in order to make up for some of the department deficiencies.

Mr. Hart concluded that UMHC will be closely monitoring all capital expenditures.

DEVELOPMENT UPDATE

Mr. Bertschinger reported on UMHC development activities and events with the two most recent being Variety Club's Affair of the Heart A la Francaise (3/6) which netted around \$25,000 and hosting UMHC's donors at the annual MN Alumni Association meeting on 5/5. Through third quarter \$2,013,066 had been raised. The goal is \$950,000.

Variety Club has raised \$2.7 million of the \$8 million pledge as they near the half-way point.

Mr. Bertschinger reported on deferred gifts of \$790,000 with a present value of \$174,000.

UMCA UPDATE

Dr. Lynch reported that HMO volume is down and that projected State Health Plan volume and resulting reimbursement has not been realized. Negotiations are under way with Group Health to bring on site primary care for University employees. The affiliation would allow UMCA physicians to be affiliated with Group Health. The hospital would probably have a capitated rate for inpatient admissions. UMHC has recently hired a coordinator for Group Health patients.

Mr. Dickler said that he is vice-chair of a University group which is looking at a University health plan separate from the state. Mr. Latz expressed a strong need to facilitate access of University employees to UMHC. Negotiations continue with PHP. Medicine and Dermatology are using the billing component of the patient management system of the IDX system that was purchased by UMCA which is generating some revenue.

PROGRAM DEVELOPMENT AND EVALUATION TASK FORCE

In the interest of time Dr. Lynch will present the final report from the Program and Development Evaluation Task Force at the next meeting. The committee has developed a definition of program, comprehensive list of interdisciplinary programs from the U-ACCESS directory and has received over 100 program development ideas. In response to the number of program ideas a two page evaluation form has been developed.

ADJOURNMENT

Mr. Latz adjourned the Planning and Development Committee at 5:05 p.m.

Respectfully submitted,



Lisa McDonald
Assistant Director
Planning and Marketing



Date: June 14, 1990
To: Planning and Development Committee Members
From: Bob Dickler
Subject: **FUTURE OBSTETRICAL SERVICE RECOMMENDATIONS AND PLANS**

The viability of the obstetrical service at UMHC has been a subject of debate for the past 20 years. Since 1980 the planning for an obstetrical unit has ranged from being a component of the Unit J building, remaining in the Mayo building and subsequently in the Renewal Project Phase II.

There continues to be ongoing concerns about the viability of an obstetrical service at its current levels of activity. Since it is projected that it will be a minimum of three years before a new unit is available through the Renewal Project Phase II, the Department of Ob/Gyn and the hospital have looked at interim steps to maintain and enhance the program's short- and long-term viability.

Extended discussions with the department of Ob/Gyn have resulted in agreement on an appropriate course of actions which provides for limited investment in current facilities in Mayo and the completion of new facilities contingent on a number of changes in the scope and volume of deliveries during the time frame between a remodeled facility and the creation of a new unit.

The following sections of this memo include the agreed-upon stipulations between the department of Ob/Gyn and UMHC with regard to the remodeling of existing facilities and the creation of new facilities, the proposed program changes and the cost estimates associated with the remodeling plan.

We are asking that the Planning and Development Committee endorse this plan and the proposed stipulations so that planning may proceed on the remodeling of the current obstetrical unit.

Stipulations

UMHC will remodel the current obstetrical facilities in the magnitude of approximately \$350,000 with the following stipulations:

- A. That the Department of Ob/Gyn recruit at least one perinatologist to the Department by July 1, 1991. The individual(s) recruited should be employed in an ongoing position and be active in the Department's programs.

- B. That the Department - both through existing faculty and new recruitments - maintain and enhance its outreach efforts within Minnesota and the surrounding region.
- C. That these, and other efforts, result in an increase of 125 births on an annual basis compared with the 1989/'90 base year. This rate of increase must occur by January 1, 1993 and be evidenced either by an absolute increase or by evidence based upon growth patterns, registrations, and other definitive factors that such an increase will occur on an annualized basis. Furthermore, 100 of these increased births should occur above and beyond those attributable to other programs or activities such as Family Medicine, (including U-Care) where the Department has little or no involvement and reflect a payor mix which maintains or improves the Program's financial performance.
- D. That if these changes do not occur by September 1, 1991 the completion of the space currently designated for OB in Renewal Phase II facility will need to be delayed if the current project schedule is maintained. If this increase is not achieved by January 1993 or 24 months after the completion of remodeling, the Department, Medical School and Hospital will initiate a process to transfer our obstetrical activity to another institution.
- E. To both support our efforts to increase census, and assure an orderly transition if our joint expectations cannot be achieved, we also believe that the Department should continue its current commitment to explore options with other community facilities to jointly develop and foster obstetrical program activity. These discussions should also include the potential transfer of our programs to those facilities if our internal efforts are not successful.

Program Changes

The redesign of the current OB space would provide the following new features:

- A. Six rooms on Unit 59 would be converted to an Labor, Delivery, Recovery, Post Partum (LDRP) function for single room maternity care.
- B. The nursery would be relocated to a central site adjacent to an upgraded main desk area. Direct observation and access would exist between the desk and nursery, increasing efficiency and visibility of newborns.
- C. Current nursery space would be dedicated to patient/family activities. Rooms would be converted to patient/family dining, education, and conference functions.
- D. The patient shower room would be renovated to provide privacy when utilized by several patients and showering methods/equipment that are up-to-date and meet patient preferences.

- E. An aesthetic upgrade of Unit 59 would increase patient and staff satisfaction.
- F. All functions of the OB program would be accomplished on Unit 59 except obstetrical/surgical procedures including C-sections and IVF surgical procedures.
- G. A room on Unit 68 would be designated for post-op IVF patients to increase the privacy of infertility patients from OB patients.
- H. Additional space on Unit 68 would be dedicated to the IVF Program to support their laboratory functions.

Remodeling Plan

Project Remodeling Costs (including 10% Contingency)	\$173,778
<u>Equipment</u> (Transferable to C3 OB Unit)	<u>165,642</u>
Total Costs	\$339,420

Remodeling Timetable

<u>Activity</u>	<u>Timeframe</u>
Design	6 weeks
Bid Process	3 weeks
Construction	<u>12-16 weeks</u> 5-6 months

6/15/90(30); 6/18/90; 6/19/90

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS FINANCE COMMITTEE
May 23, 1990

MINUTES

ATTENDANCE:

Present: Carol Campbell
Edward Ciriacy, M.D.
Robert Dickler
Clifford Fearing
Elwin Fraley, M.D.
Barbara O'Grady
Margaret Matalamaki
Jerry Meilahn
Vic Vikmanis

Staff: Greg Hart
Teri Holberg
Nancy Janda
Nels Larson
Shannon Lorbiecki

CALL TO ORDER:

The Finance Committee was called to order by Ms. Margaret Matalamaki on May 23, 1990 at 12:05 P.M.

APPROVAL OF THE MINUTES:

The Board of Governors Finance Committee seconded and passed a motion to approve the minutes of the April 25, 1990 meeting as written.

JULY 1, 1989 THROUGH APRIL 30, 1990 FINANCIALS:

Mr. Clifford Fearing reported to the Finance Committee the month of April inpatient admissions totaled 1,455, which was 122 below budget; average length of stay was 8.4 days; patient days totaled 11,952, which were 1,415 days below budget. The April average daily census was 398, which was below the budgeted level of 446. Clinic visits for the month of April were reported to be 3.2% below budget.

The Hospital's year-to-date Statement of Operations showed revenues over expenses by \$4,959,842, a favorable variance of \$3,680,536. Mr. Fearing stated ancillary revenue was 6.0% under budget and operating expenditures were reported to be 5.8% below budget. Mr. Fearing reported this month's statement of operations reflects a dividend distribution of \$1,965,000 from RUMINCO LTD.

Lastly, Mr. Fearing reported as of April 30 the balance of accounts receivable totaled \$86,483,060 and represented 94.0 days of revenue outstanding.

Lastly, Mr. Fearing reported as of April 30 the balance of accounts receivable totaled \$86,483,060 and represented 94.0 days of revenue outstanding.

1990-91 BUDGET:

Mr. Robert Dickler presented to the Committee, for endorsement, the 1990-91 Budget.

The budget brought before the Committee in April had not reflected the volume changes the Hospital had been experiencing since February, therefore a revised 1990-91 budget was presented in May. It was also stated that because of the volume changes the 5 and 10 year capital financing projections will be reevaluated. The revised 5 and 10 year capital financing projections will be brought before the Committee in June.

The 1990-91 Budget would have a rate increase of 9.9% with an implementation of 7.5% on July 1, 1990. After it becomes known how changes in Federal and State reimbursement levels will impact the budget and if it is believed necessary, with prior Board approval the remaining 2.4% would be implemented. The 1990-91 Budget will go before the Board of Regents at their June meeting for information and to be presented to their July meeting for action.

The Board of Governors Finance Committee second and passed the motion to approve the 1990-91 Operating Budget.

QUARTER CAPITAL EXPENDITURE REPORT:

Mr. Greg Hart presented to the Committee the Quarterly Capital Expenditure Report for information only.

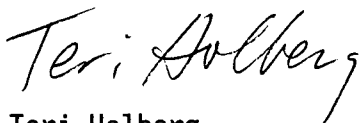
Mr. Hart reported the actual capital expenditures year-to-date was \$3,186,628. Comparing that amount to the seasonilized budget, the Hospital had underspent the capital budget by \$763,372.

RED WING UPDATE:

Mr. Dickler stated a letter of agreement with Red Wing for exclusive negotiation for the next six to nine months will be developed prior to the next Board meeting. Board members will be notified of the signing of the agreement. Mr. Dickler stressed there will not be a commitment of ownership of the facility in the document.

There being no further discussion, the May 23, 1990 meeting was adjourned at 1:05 P.M.

Respectfully submitted,



Teri Holberg
Recording Secretary



June 27, 1990

TO: Board of Governors
FROM: Clifford P. Fearing
SUBJECT: Report of Operations for the Period
July 1, 1989 through May 31, 1990

The Hospital's operations for the month of May reflect inpatient admissions, and patient days activity below budget. Clinic visits were above budgeted levels for the month. Both ancillary revenue and routine revenue are below budgeted levels for the month.

INPATIENT CENSUS: For the month of May, inpatient admissions totaled 1,523 which was 114 below budgeted admissions of 1,637. Our overall average length of stay for the month was 7.9 days. Patient days for May totaled 12,119 and were 1,388 days below budget. The decrease in admission levels from budget was seen in almost all areas with the most significant ones being in Urology, Orthopedics, Medicine, Ophthalmology and Surgery.

To recap our year-to-date inpatient census:

	1988-89	1989-90	1989-90		%
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Var</u>
Admissions	17,262	17,214	16,823	(391)	(2.3)
Patient Days	146,080	145,097	135,710	(9,387)	(6.5)
Avg Length of Stay	8.4	8.4	8.1	(0.3)	(3.6)
Avg Daily Census	436.1	433.1	405.1	(28.0)	(6.5)
Percent Occupancy	74.9	73.9	69.8	(4.1)	(5.6)

OUTPATIENT CENSUS: Clinic visits for the month of May totaled 24,604 which was 266, or 1.1%, more than budgeted visits of 24,338. Visits were significantly below budget in OB/GYN, Urology, Dermatology, and Sports Medicine. Areas that reported visits above budgeted levels were Otolaryngology, Medicine, Psychology, and Emergency Room. Community University Health Care Center (CUHCC) visits for the month of May totaled 4,518 which was 425, or 10.4%, over budgeted visits of 4,093, while Home Health visits of 985 for the month were 17, or 1.7%, below budgeted visits of 1,002.

REPORT OF OPERATIONS
MAY 1990
PAGE 2

To recap our year-to-date outpatient census:

	1988-89	1989-90	1989-90		%
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Var</u>
Clinic Visits	247,750	253,051	247,049	(6,002)	(2.4)
CUHCC Visits	43,850	42,793	48,845	6,052	14.1
HHA Visits	11,156	10,830	10,484	(346)	(3.2)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by \$4,918,930, a favorable variance of \$3,646,032.

Patient care charges through May totaled \$293,314,249, which was 5.7% under budget. Routine revenue was 4.3% under budget and reflects our unfavorable inpatient census variance.

Ancillary revenue was \$13,863,571 below budget (6.2%) and reflected the unfavorable variance in both inpatient and outpatient census and the unfavorable variance in the average revenue per clinic visit. Inpatient ancillary revenue averaged \$8,871 per admission compared to the budgeted average of \$8,922 per admission. Outpatient revenue per clinic visit averaged \$239 compared to the budgeted average of \$271.

Operating expenditures through May totaled \$251,803,645 and were \$16,371,183 (6.1%) below budgeted levels of \$268,174,828. The overall favorable variance relates primarily to the decreased demand for patient services, and is reflected across most expense categories.

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of May 31, 1990, totaled \$85,483,434 and represented 93.5 days of revenue outstanding. The overall decrease in our patient receivables in May of .5 days occurred primarily in Blue Cross and Blue Shield of Minnesota.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for year-to-date May. While we have seen improvement in our expenditure levels, we are continuing to closely monitor our demand for services and make those operating changes that are necessary and appropriate to bring our expense levels into line with net revenues.

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC

EXECUTIVE SUMMARY OF FINANCIAL ACTIVITY

FOR THE PERIOD JULY 1, 1989 TO MAY 31, 1990

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	\$311,004,153	\$293,314,249	(\$17,689,904)	-5.7%
Deductions from Charges	72,929,113	71,807,072	(1,122,041)	-1.5%
Other Operating Revenue	9,026,978	9,781,942	754,964	8.4%
Total Operating Revenue	247,102,018	231,289,119	(15,812,899)	-6.4%
Total Expenditures	268,174,828	251,803,645	(16,371,183)	-6.1%
Net Operating Revenue	(21,072,810)	(20,514,526)	558,284	2.6%
Non-Operating Revenue and Expenses	22,345,708	25,433,456	3,087,748	13.8%
Revenue Over/Under Expense	\$1,272,898	\$4,918,930	\$3,646,032	

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Admissions	17,214	16,823	(391)	-2.3%
Patient Days	145,097	135,710	(9,387)	-6.5%
Average Daily Census	433.1	405.1	(28.0)	-6.5%
Average Length of Stay	8.4	8.1	(0.3)	-3.6%
Percentage Occupancy	73.9	69.8	(4.1)	-5.6%
Outpatient Clinic Visits	253,051	247,049	(6,002)	-2.4%



UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Harvard Street at East River Road
Minneapolis, Minnesota 55455

June 21, 1990

TO: Members, Board of Governors

FROM: Robert Dickler
Hospital Director

SUBJECT: Personnel Policy Changes

The Hospital Personnel Policies require that changes in those policies or major changes in personnel procedures require the approval of the Board of Governors. We are recommending changes in three policies/procedures, as attached.

These recommendations originate primarily from our Employee Advisory Committee, who periodically review the content and language in our Hospital Personnel Policies. The recommendations for changes in policies #4 and #5 are intended largely to clarify intent and/or to have the procedures more accurately reflect current practice. While we typically would not bring such detailed procedural changes to the Board of Governors, in these cases the actual policy statement is also being changed. Because the policy statement is being changed, Board approval is required, even though the changes are not significant in content.

We also wanted to bring to the Board's attention the change in approval process for leaves of absence, in Policy 12, Section 8. With this change, the approval of the Hospital Director is explicitly required before "exceptional" leaves of absence are granted.

We will be happy to respond to any questions you may have on Wednesday.

/kj

attachments

PERSONNEL

SUBJECT: RECRUITMENT AND EMPLOYMENT

POLICY NO. 4

SOURCE: Board of Governors

POLICY

The University of Minnesota Hospital and Clinic will provide ~~and administer a system to post and fill vacancies.~~ Employment opportunities will be provided without regard to race, religion, color, sex, national origin, handicap, age, veteran status, sexual orientation, marital status, status with regard to public assistance, political opinions, or union or other organizational affiliations.

More than one member of a family may work for The University of Minnesota Hospital and Clinic, provided that there will be no immediate supervisory or substantive administrative relationships among ~~relatives~~ family members. "Members of a family" shall be interpreted in this policy as including:

1. by blood or adoptive relationships: parents, grandparents, children, grandchildren, brothers, sisters;
2. by marriage relationships: husband, wife, brother(sister)-in-law, father(mother)-in-law, son(daughter)-in-law, stepparent, stepchild.

PROCEDURE

Section 1

Request to Fill New Position or Vacancy

When a new position or vacancy in an old position is to be filled, the department head shall submit a personnel requisition to the Human Resources Department on the form prescribed. Upon receipt of a requisition, the Human Resources Department shall have the classification of the position reviewed and shall either approve the requested classification or recommend reclassifying it, as appropriate.

Section 2

Announcement of Employment Opportunities

Announcements (postings) of all vacancies in continuing positions shall be posted on the official bulletin boards of the Human Resources Department.

Personnel Policy No. 4

An announcement concerning a vacancy in a continuing position shall remain posted for a minimum of five (5) work days. A hiring decision may be made at the end of the posting period.

Temporary positions of less than six (6) months duration need not be posted, but the department must submit a requisition to the Human Resources Department before the position is filled.

Section 3Hiring and Certification

The Human Resources Department will screen applicants for minimum qualifications and refer qualified applicants to the hiring supervisor.

Applicants who have applied for a specific vacancy and who have been certified as meeting the minimum qualifications of that vacancy shall normally be given consideration for employment in the following order:

1. the incumbent of a position which has been reclassified;
2. former employees whose names appear on the layoff list, under Seniority, Layoff, and Resignation policy;
3. current University Hospital and Clinic employees;
4. current University employees;
5. all other applicants.

The order of preference may be changed under special circumstances by the University Equal Opportunity Officer in accordance with Affirmative Action policies of the Board of Regents. Employment Hiring decisions will be made by supervisors and managers- from the list of qualified applicants referred by the Human Resources Department. All appointments shall be subject to approval by the Human Resources Director and the Affirmative Action officer.

No appointment shall be submitted by a department head without prior certification by the Human Resources Department that the candidate is qualified. ~~All appointments shall be subject to approval by the Human Resources Director and the Affirmative Action officer.~~

Personnel Policy No. 4

Section 4

Employment of Family Members

If a ~~nepotism situation~~ an immediate supervisory or substantive administrative relationship exists among members of a family, a reasonable effort will be made to transfer one of the employees to another position.

Any employee who has passed an initial probationary period and who is required to resign from a position in order to comply with ~~the nepotism policy~~ this procedure shall have rights to the layoff list as though he/she had been laid off.

Section 5

Employment Procedure and Files

Applications for all University of Minnesota Hospital and Clinic employment shall be made on forms and in such manner as prescribed by the Human Resources Director, and upon submission to the Human Resources Department, become the property of The University of Minnesota Hospital and Clinic.

Each employee shall have a right upon request to see his or her personnel file ~~upon request~~ in the Human Resources Department in the presence of the Human Resources Director or designated member of his/her staff. The official personnel file for each department is the one maintained by the Human Resources Department.

Section 6

Types of Appointment

Trainee appointments may be made when the Human Resources Director approves trainee programs to qualify persons for a particular work classification. An employee hired as a trainee shall be hired at a rate below the salary range for the class and may be granted incentive increases as he/she progresses through an organized training program until successfully completing the program and reaching minimum salary of the range for the class. He/she shall then be required to successfully complete the probationary period assigned to the class before receiving a continuing appointment. Successful completion of a training program or probation period is determined by the department head or other appropriate administrator.

Continuing appointments shall be made to any position in which the assigned work time is at least 50 percent of full time and of a continuing nature, when the employee has successfully completed the probationary period for the class of work.

Personnel Policy No. 4

Temporary appointments (which have a beginning and ending date) may be made to any position. Employees on a temporary appointment, which may be part time or full time, shall not serve a probationary period and shall not have the same rights which accrue to an employee on a continuing appointment. Temporary employees reserve the right to grieve a situation thought to be discriminatory. Employees on a temporary appointment shall be notified, in writing, of the temporary nature of their appointment and the ending date of the appointment, and shall be given to the employee by the supervisor and to the Human Resources Department at the time of hiring.

Part-time appointments may be made to any position in which the assigned work time is less than 75% time. Such an appointment may be temporary or continuing.

PERSONNEL

SUBJECT: PROBATIONARY PERIOD AND ORIENTATION

POLICY NUMBER: 5

SOURCE: Board of Governors

POLICY

The probationary period shall be regarded as an integral part of the selection process for appointment to any position of a continuing nature and shall be used by the supervisor for observing the employee's work, for helping the new employee adjust to the position, and for discontinuing the appointment of any employee whose performance does not meet required standards. Supervisors are required to help probationary employees understand their job responsibilities and duties. Successful completion of probation is determined by the supervisor, department head and/or other appropriate administrative manager.

PROCEDURE

Section 1

Application of Probationary Period

~~A probationary period of employment shall be designated for each classification and shall be served by every employee hired in a continuing position regardless of whether such employment occurs as an original appointment, as a promotion, transfer, or demotion, and shall be successfully completed before the employee can be given a continuing appointment to the position.~~

~~No probationary period shall be required of an employee who is an incumbent in a reclassified position, who is assigned to a different position in the same job class in the same department, or who is re-employed in the same class and department following layoff or reinstatement after resignation unless probation is requested in writing by the appointing authority and approved by the Human Resources Director.~~

~~No probationary period shall be required of an employee who bumps back into any position in a classification in which he/she has previously passed probation.~~

A probationary period of employment shall be designated for each classification and shall be served by every employee hired in a continuing position, regardless of whether such employment occurs as a:

1. new appointment
2. promotion
3. transfer
4. demotion

The probationary period must be successfully completed before the employee can be given a continuing appointment to the position.

A probationary period is not required for the following conditions unless requested in writing by the department head and approved by the Human Resources Director:

1. reclassification of an employee
2. different position, same job class and department
3. re-employed in the same class and department following
 - a. layoff
 - b. reinstatement after resignation (see Policy #15, Section 3)

A probationary period is not required if an employee "bumps back" into a position in a classification in which s/he has already passed probation.

The Human Resources Director shall determine and publish the length of the probationary period for each classification in which University Hospital is predominant. This period may be not less than three (3) months or more than one year. Employees appointed less than 75 percent time will have probationary periods based on calendar months. The number of months shall be comparable equal to the number of months served by a full-time employee.

The probationary period shall be automatically extended by adding to it the number of work days the employee has been absent without pay.

Section 2

Orientation

Each supervisor shall develop an orientation plan and shall be responsible for the orientation of each employee. The Human Resources Director will develop a plan by which required information will be communicated to new employees.

Section 3

Probationary Rating

Each employee will receive a mid-term probationary evaluation, to be completed by the supervisor and discussed with the employee by the mid-point of the probationary period. At least ten (10) work days before the expiration of the probationary period the department head, supervisor, or other appropriate manager shall report, by submitting at least one written service rating to the Human Resources Department, his/her judgment of the quality and quantity of work of the employee. Failure by a department head, supervisor, or other appropriate manager to complete the written service rating will be

construed as an automatic passing of probation. Employees will be provided with progress reports throughout their probationary period.

Section 4

Discontinuance of Employment During Probationary Period

If the ~~department head~~ supervisor and his/her supervisor determines at any time during the probationary period that the employee's performance does not meet required standards, he/she may discontinue the appointment. Such discontinuance is not grievable except under the discrimination policy. Discrimination grievances will not be subject to arbitration.

The ~~department head~~ supervisor and his/her supervisor shall normally give an employee who fails to pass his/her probation period at least ten (10) work days notice before termination, and shall normally attempt to help the employee correct deficiencies before giving termination notice unless unusual circumstances indicate immediate termination.

An employee who is being terminated for substandard performance during the probationary period shall have the right to return to his/her most recent, former position (or if that position no longer exists, to the layoff list) within ten (10) days of notifying the former supervisor, provided he/she:

- has successfully completed the probationary period from the former position; and
- was promoted or transferred from the former position, and notifies the former supervisor of the intent to return on or prior to the termination day.

~~An employee who is terminated from a position for disciplinary reasons while on probation and who has previously passed probation in another job classification shall be able to return to the previous job classification if a vacancy exists; the employee will again be considered to be in a probationary period, consistent with the usual period for that job classification.~~

An employee who is being terminated during the probationary period for substandard performance, and who chooses not to exercise the option to "bump" another employee from a previously held continuing position, has the option of going on the layoff list.

An employee who is terminated for disciplinary reasons for misconduct who is on probation may not access a previous position.

SECTION:	PERSONNEL
POLICY NUMBER:	12
SUBJECT:	Authorized Leaves of Absence

Sick leave is accumulated during a military leave of absence without pay for all military services in time of war or declared emergency, be it with a reserve component or regular armed service component and during a reservist's initial period of active duty for training (boot camp) of not less than three consecutive months. Contact the Human Resources Department for the complete policy on military leave.

Section 8

Leaves of Absence With Pay

Upon approval by his/her department head, an employee shall be granted a leave of absence with pay for:

-- Service on a jury, provided he/she is regularly employed at a designated percentage of time of 50 percent or more. An employee serving on a jury is expected to report for work during any work hours when the jury is recessed. He/she may be requested to render some additional services to the department in order to minimize the interruption of service caused by his/her absence, but is not to be paid overtime or be otherwise compensated in addition to regular pay for such services.

-- Appearance before court, legislative committee, or other judicial or quasi-judicial body as a witness in action involving the federal government, the State of Minnesota, a political subdivision thereof, or the University, in response to a subpoena or other direction by proper authority.

-- Attendance in court in connection with an employee's official duty. Such attendance shall include the time required in going to the court and returning to the employee's headquarters. Any absence, whether voluntary or in response to a legal order to appear and testify in private litigation, not as an officer or employee of the University, but as an individual, shall be taken as vacation leave, or as leave of absence without pay, or as deduction from authorized accumulated overtime.

-- Tour of duty in the reserve armed forces of the United States or National Guard, not to exceed 15 work days per Military Year (October 1-September 30).

-- Attendance at professional and scientific meetings and other approved educational activities.

-- Educational leave may be granted for not more than four hours per week (or more if make-up schedule for additional time is approved by supervisor); to be used for such purposes as attending class on a Regents' scholarship.

Paid leaves of absence not specifically authorized by these policies require the approval of the Hospital Director.



June 21, 1990

TO: Members, Board of Governors
FROM: Robert Dickler
Hospital Director
SUBJECT: 1990-91 Employee Compensation Plan

The Board of Governors is asked to approve recommendations for annual pay plans for certain groups of Hospital employees each June. Recommendations for the 1990-91 pay plan follow.

First, by way of background, the Board of Governors' approval of employee compensation relates to "Hospital-dominated classes" (primarily health professional, technical and supervisory classifications), while the compensation plans for Hospital employees in "University-dominated classes" (e.g. secretarial staff, data processing staff) are determined by the University-wide Civil Service pay plan. Compensation for employees in bargaining units represented by Unions are determined through the collective bargaining process; we are entering the second year of an existing two year contract agreement with the units represented by AFSCME and the Teamsters.

With the above as background, the following recommendations for the 1990-91 compensation plan for non-student, non-unionized employees in Hospital-dominated classes are presented, with an effective date of July 1, 1990:

1. A 4% general increase, consisting of a 2% change in salary ranges and a 2% progression increase, i.e., movement through the salary range. For employee classes whose progression increases have traditionally been on a "step" basis to match the community (e.g. radiologic technologists), the "step" plan will continue to be used, rather than the 2% progression increase. The total cost of these increases is \$1,044,000.
2. Pay equity increases for classes eligible for such adjustments, continuing the previously approved plan. The cost of these adjustments is \$161,000 for staff in Hospital-dominated classes. University-dominated classes with pay equity increases get \$291,000 in pay equity adjustments. This is the final year of the six-year pay equity plan.
3. Increases for registered nurse related classes consistent with the existing community nursing contract. The total cost of these increases is \$4,018,000, representing an appropriate 9.4% cost increase, including range changes, step increases, and other additions.

4. Additional marketplace increases, where marketplace data or recruitment/retention issues evidence the need for such adjustments. The Hospital's financial position during the year, as well as market conditions, will be a consideration relative to actual implementation of these increases.

All of the above pay plan elements can be implemented within the salary expense parameters built into the 1990-91 budget.

We are recommending Board of Governors approval of the four components of the pay plan as outlined above. We look forward to answering any questions you may have at the Board meetings.

/kj

In discussing Board Committee attendance and meeting frequency, the Committee on Process did acknowledge some difficulties. The Joint Conference Committee has adhered to a regular meeting schedule but has some difficulty in maintaining attendance for the duration of their meetings. The Planning and Development Committee has been difficult to schedule and has difficulty agreeing upon a regular schedule. The Finance Committee routinely meets just prior to the Board of Governors meeting, but includes out of town Board members, who's attendance depends on travelling a distance.

The Committee on Process recognized the Board of Governors Committee forum as being appropriate for in-depth detailed review of agenda items. Further, the Committee on Process felt each Board Committee most qualified to recommend the management of their agenda items at the full Board; whether a one or two month review cycle is necessary and whether the agenda items require a substantive or a non-substantive review.

RECOMMENDATIONS

1. The Committee on Process seconded and passed a motion directing staff to develop a list of major Board of Governors agenda items. The list will be reviewed in an effort to establish a Board of Governors meeting schedule. This calendar should include a combination of short business meetings and some longer meetings designed to focus on such topics as the operating budget or the year end financials.

RATIONALE:

The specific agenda items which need to be covered should drive the frequency and duration of meetings.

2. The Committee seconded and passed a motion recommending the establishment of a consent agenda for use by the Board of Governors. A consent agenda would include any item recommended for non-substantive review. Items would be placed on the consent agenda by the Committee conducting the substantive review. Review of the consent agenda should precede the review of all other agenda items at the Board of Governors Meeting. Any Board member desiring more detailed discussion of an item on the consent agenda could request a more detailed review.

RATIONALE:

Development of a "consent agenda" would enable the Board of Governors to focus attention on the most substantive items and more efficiently manage items not requiring an in-depth or substantive review by the full Board.

3. The Committee on Process seconded and passed a motion recommending that Committees take a more active role in determining the review process for their agenda items. Beyond recommending items for the consent agenda, Committees would govern the purpose for which and the timing in which agenda items are brought to the Board of Governors. Solutions to the attendance and meeting frequency difficulties are best found by the Committees themselves.

RATIONALE:

At the conclusion of the substantive review, the Committee is best equipped to evaluate the level of review necessary by the Board of Governors.

4. The Committee recommended no change to the current practice of inviting enrichment speakers to the monthly Board meetings.

RATIONALE:

Enrichment speakers at the Board meetings are viewed as very educational in furthering the members' knowledge of the Hospital. The presentations also increase visibility of the Board with the medical staff.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:45 A.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

SL

**BOARD OF GOVERNORS
RECURRING RESPONSIBILITY LIST
BY MONTH
PROPOSED**

January

Annual Meeting * Quarterly Financials (2) * Quarterly Bad Debt Report (2) * Quarterly Development Report (1) * Quarterly Purchasing Report (1) * Quarterly Capital Expenditure Report (1) * End Stage Renal Disease Policies

FEBRUARY

Mid Year Retreat

March

No Meeting

April

Operating Budget * Rate Increase Approval * Capital Budget * Quarterly Financials (3) * Home Health Program Policies * Quarterly Bad Debt Report (3) * Quarterly Development Report (2) * Quarterly Purchasing Report (2) * Quarterly Capital Expenditure Report (2)

May

Operating Budget * Capital Budget

June

Compensation Plan * Biennial Credentials * MSHC Chair Appointments * Clinical Chief Appointments

July

Year End Financials * Quarterly Bad Debt Report (4) * Quarterly Development Report (3) * Quarterly Purchasing Report (3) * Quarterly Capital Expenditure Report (3)

August

No meeting

SEPTEMBER

Annual Retreat

October

Quarterly Financials (1) * Quarterly Bad Debt Report (1) * Quarterly Development Report (4) * Quarterly Purchasing Report (4) * Quarterly Capital Expenditure Report (4)

November

No meeting

December

External Audit * Officer Elections

(#) = Quarter of the Fiscal Year

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Summary of Projected Capital Expenditures
(in thousands of dollars)

Fiscal Year	Projected Capital Expenditures
1991	\$ 40,761
1992	42,790
1993	36,728
1994	25,915
1995	23,598
1996	16,481
1997	17,281
1998	<u>18,231</u>
	<u>\$221,785</u>

Note: All Numbers in Thousands

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Calculation of 1990 Debt Capacity

Excess of Revenue over Expenses	\$ 3,998
Add Back: Depreciation	17,546
Interest	<u>12,898</u>
Cash Available for Debt Service	34,442
Target Debt Service Coverage	<u>2.5</u>
MAXIMUM DEBT SERVICE	<u>\$ 13,777</u>
Assumed Interest Rate	8.0%
Assumed Loan Term (years)	30
TOTAL DEBT CAPACITY	<u>\$155,096</u>

Note: All Numbers in Thousands

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Capital Position Summary
1991-1998

USES:

Projected Capital Expenditures 1991-1998	\$221,785
Projected Principal Payments 1991-1998	<u>33,016</u>
TOTAL CAPITAL REQUIREMENTS 1991-1998	<u>\$254,801</u>

SOURCES:

Unrestricted Cash (6/30/90)	\$137,575
Total Debt Capacity	\$155,096
Less: Outstanding Debt	(169,278)
Non-Project Proceeds	<u>- 0 -</u>
Net Available Debt Capacity	<u>0</u>
TOTAL EXISTING SOURCES AVAILABLE 1991-1998	<u>\$137,575</u>
ESTIMATED CASH REQUIRED FROM OPERATIONS FOR CAPITAL PLAN 1991-1998	<u>\$117,226</u>

TOTAL CASH REQUIREMENTS

1991 - 1998

Estimated Cash Required from Operations for Capital Plan 1991-1998		\$117,226
CASH TO DEBT SERVICE REQUIREMENTS		
(A) Total Debt Capacity	\$155,096	
(B) Debt Outstanding	169,278	
Estimated Debt Capacity Greater of A or B	<u>\$169,278</u>	
Maximum Debt Service based on Estimated Debt Capacity at 8% and 30 years on \$169,278	\$ 15,037	
Cash Cushion Target (Cash to Debt Service)	4 times	
Cash to Debt Service Requirement		<u>60,146</u>
Total 1991-1998 Cash Requirement from Operations		<u>\$177,372</u>

Note: All Numbers in Thousands

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Comparison of Methodology
To Calculate Minimum Cash Balance Requirements

University of Minnesota	
<u>1990</u>	
Third Party Reserve Cash	\$15,000
Trusteed Cash	18,870
Minimum Operating Cash Reserves	<u>30,000</u>
	<u>\$63,870</u>

KHA Methodology	
<u>1990</u>	
Long-Term Debt	\$169,278
Debt Service at 30 years & 8%	\$ 15,037
4x Debt Service	<u>\$ 60,146</u>

Note: All Numbers in Thousands

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Annual Cash Surplus or Shortfall
Sensitivity Analysis: Higher Volume Assumptions

	1991	1992	1993	1994	1995	1996	1997	1998
SOURCES OF CASH								
Net Cash Provided	24,783	25,751	23,343	22,257	22,384	22,192	21,870	21,244
LESS USES OF CASH								
Total Uses of Cash	43,009	53,835	42,322	31,984	30,154	24,185	25,395	26,791
Annual Cash Shortfall	<18,226>	<28,084>	<18,979>	<9,726>	<7,770>	<1,993>	<3,524>	<5,547>
Estimated Total Cash Balance at End of Fiscal Year	\$138,220	\$110,136	\$ 91,157	\$ 81,431	\$ 73,661	\$ 71,668	\$ 68,143	\$ 62,597
Cushion Required (4x Debt Service)	\$ 58,897	\$ 57,652	\$ 56,349	\$ 55,002	\$ 53,855	\$ 52,030	\$ 50,116	\$ 48,102
Additional Cash Required to Maintain Cushion (Cumulative)	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Total Estimated Cash Shortfall	\$<18,226>	\$<28,084>	\$<18,979>	\$<9,726>	\$<7,770>	\$<1,993>	\$<3,524>	\$<5,547>

Note: All Numbers in Thousands

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
Annual Cash Surplus or Shortfall

Baseline Scenario

	1991	1992	1993	1994	1995	1996	1997	1998
SOURCES OF CASH								
Net Cash Provided	20,345	21,678	18,905	17,236	16,734	15,853	14,779	13,333
LESS USES OF CASH								
Total Uses	45,146	49,386	42,156	31,806	29,965	23,983	25,178	26,560
Annual Cash Shortfall	<24,801>	<27,707>	<23,252>	<14,569>	<13,231>	<8,130>	<10,400>	<13,227>
Estimated Total Cash Balance at End of Fiscal Year	\$131,645	\$103,937	\$ 80,685	\$ 66,116	\$ 52,885	\$ 44,755	\$ 34,355	\$ 21,128
Cushion Required (4x Debt Service)	\$ 58,897	\$ 57,652	\$ 56,349	\$ 55,002	\$ 53,855	\$ 52,030	\$ 50,116	\$ 48,102
Additional Cash Required to Maintain Cushion (Cumulative)	- 0 -	- 0 -	- 0 -	- 0 -	\$ (970)	\$ (7,275)	\$ (15,761)	\$ (26,978)
Total Estimated Cash Shortfall	\$<24,801>	\$<27,707>	\$<23,252>	\$<14,569>	\$<14,201>	\$<15,405>	\$<26,161>	\$<40,205>

Note: All Numbers in Thousands