Board of Governors

Enrichment Speakers

1991

Al Dees, Information Systems Plan (April)

Patricia Ferrieri, M.D., Department of Laboratory Medicine and Pathology (May)

Anton Potami, Associate Vice President for
Research and Technology Transfer (June)

Albert Rocchini, M.D., Director, Pediatric Cardiology (July)

George Adams, M.D., Department of Otolaryngology (October)

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

JANUARY, 1991

Via telephone the Board of Governors unanimously passed the nominating committee report and the neuroangiography replacement.

Gail Strandemo

January 24, 1991

TO:

Leonard Bienias
David Brown, M.D.
Paula Clayton, M.D.
Robert Dickler
Michael Dougherty
Phyllis Ellis
George Heenan
Kris Johnson
Nellie Johnson
David Lentz
Margaret Matalamaki
Robert Maxwell, M.D.
Jerry Meilahn
Barbara O'Grady
Trudy Ohnsorg
Jerry Olson
Cherie Perlmutter

FROM: Robert Nickoloff

After exploring alternative dates and times for a Board meeting in January, they do not appear to be feasible for the majority of the Board members. We will plan to hold a brief, business only, meeting at the beginning of the February 27 retreat.

There are two items which require action by the Board of Governors. First, action is necessary on the Nominating Committee's report to allow for timely appointment of committee memberships by the Board Chair. Secondly, the acquisition of the neuroangiography system is pending Board of Governors approval of the proposal. I ask that you review these two items. If you have questions about the Nominating Committee report please contact Cherie Perlmutter, Chair of the Nominating Committee or me.

The proposed acquisition of neuroradiology equipment was presented to the Planning and Development Committee, the Finance Committee, and the Board of Governors for information in December. The proposal was considered by the Planning and Development Committee in January and was approved by those members who were present. If you have any questions regarding this proposal, please contact Greg Hart.

Please review these two items by January 30. You will be contacted via telephone on January 31 to ascertain your vote on the Nominating Committee's report and the proposed neuroangiography replacement. If you have any questions, please call me or contact Shannon Lorbiecki.

Board of Governors
Nominating Committee

Motion

January 23, 1991

In accordance with the Board of Governors Bylaws - Article III. Section 1., the Nominating Committee hereby recommends that the term of office for the Chair and Vice Chair of the Board of Governors commence January 1, 1991 through December 31, 1991.

The Nominating Committee recommends that Ms. B. Kristine Johnson be elected to the position of Chair and Mr. David Lentz be elected to the position of Vice Chair for the January 1, 1991 through December 31, 1991 term.

Board of Governors Nominating Committee
Vice President Cherie Perlmutter, Chair
Mr. Jerry Meilahn
Ms. Barbara O'Grady

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

January 18, 1991

TO: Members, Board of Governors

FROM: Greg Hart

RE: Neuroangiography System Replacement

There are currently two rooms in the Diagnostic Radiology department equipped with neuroangiographic x-ray machines. Due to the age and technological limitations of these systems, radiology staff is not able to produce the type and quality of images required to support new, interventional radiology procedures. Attached is a proposal to replace one of these systems.

This proposal will be presented to the Board of Governors for approval at the January meeting.

Thank you for your attention to this proposal. We look forward to answering any questions you may have.

/gs

attachments

PROPOSAL FOR PURCHASE OF NEUROANGIOGRAPHY SYSTEM
DIAGNOSTIC RADIOLOGY DEPARTMENT
THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

INTRODUCTION

The University of Minnesota Hospital and Clinic (UMHC) currently has two radiology procedure rooms equipped with single plane neuroangiographic systems. One system was acquired in 1980. The other was acquired in 1983 and upgraded with the addition of a digital biplane module in 1986. These systems are not capable of providing acceptable biplane imaging required for the new highly differentiated adult and pediatric neurointerventional procedures and other neuroangiographic studies which have been and are being developed.

PROPOSAL

Acquire a new biplane radiographic, fluoroscopic, digital neuroangiographic system to replace the Siemens/Fischer system originally installed in 1983.

RATIONALE

A. A new imaging system is required to enable performance of neurointerventional procedures currently required to support the neurosurgical staff including vascular occlusion, vascular recanalization, and vascular perfusion in addition to treating aneurysms, arteriovenous malformations, arteriovenous fistulas, tumors, thrombosis, stenosis, and vasospasm. Currently, these imaging/interventional procedures cannot be performed at UMHC and are being referred to Abbott-Northwestern Hospital (see attached letter from Dr. Roberto Heros, Chief of Neurosurgery).

B. Concern regarding the inadequacy of the existing equipment was voiced by Dr. William Thompson, Chief of Diagnostic Radiology, during his recruitment to the University of Minnesota in 1986. Replacement was postponed, however, pending selection of a new chairperson for Neurosurgery. While that postponement was appropriate, it has impeded Dr. Thompson's ability during the past three years to recruit neurointerventional radiologists.

C. Neurointerventional radiology is an expanding technology. Dr. Heros' projection of 104 - 156 cases requiring 208 - 312 procedures annually is comparable to the growth experienced at Massachusetts General Hospital (MGH). MGH has experienced a 30% growth rate per quarter, moving from 130 procedures in 1988 to 260 in 1989.

D. The projected pay back period is 3.6 years. This is based on 208 neurointerventional procedures annually, the low end of the projected volume, with an average procedure charge of $2,400, coupled with the $200,000 in charges generated annually at present and utilizing a 75% reimbursement rate.

ESTIMATED COST

Biplane neuroangiographic system	$1,655,000
Installation & remodeling	245,000
TOTAL	$1,900,000

The estimated cost for the equipment is based on bids received. This cost does not include a stereotactic module which would add $400,000. If that module is determined to be required for specific new procedures, it will be budgeted for and presented as a separate proposal in a future fiscal year.

The existing room is not large enough to accommodate all of the racks for the peripheral equipment included with this system. Consequently, it appears that x-ray equipment and a reading room located in adjacent space will need to be relocated and the space remodeled to create a separate room for the peripheral racks. Therefore, the estimated installation and remodeling cost is higher than that normally incurred for installation of new equipment.

This equipment is included in the long range capital plan as a major equipment purchase to be made during the 1990-91 fiscal year.

FINANCING

Several financing alternatives are available. The alternative used will be the one which is determined to provide the least costly approach at the time the acquisition contracts are written.

UNIVERSITY OF MINNESOTA
TWIN CITIES

Department of Neurosurgery
Medical School
Box 96 UMHC
B590 Mayo Memorial Building
420 Delaware Street S.E.
Minneapolis, Minnesota 55455

(612) 624-6666
FAX: (612) 624-0644

October 16, 1990

William Thompson, M.D.
UMHC - Box 292

RE: InterventionalNeuroradiology Room

Dear Bill:

This letter is to support in the strongest possible terms your justification of need for an interventional neuroradiology room. As you know, presently our facilities for these procedures are simply inadequate and much below par. In fact the facilities are so inadequate that we are sending routinely our patients for these procedures to Abbott Hospital where they do have first-class facilities.

Currently we are sending at least one patient a week to Abbott and on the average such a patient has at least two different sessions of interventional neuroradiology. Each session may take from four to six hours. In other words, presently our patients are utilizing the facilities at Abbott Hospital for an average of eight to twelve hours a week. This utilization is increasing quite significantly and I project that within six months there will be an average of two to three patients per week at the University Hospital in need of interventional radiology. This means that a conservative projection would be that in six months we would be utilizing this facility, if it were available at the University Hospital, for an average of 12-18 hours per week.

As you well know, I think it is an embarrassment to have to refer these patients to an outside institution for lack of adequate facilities at our own. I hope that you make every effort to correct this major deficiency and I do hope that your efforts are successful. We simply cannot continue to run a first-class clinical neurosurgical service without adequate interventional neuroradiology.

Sincerely,

Roberto C. Heros, M.D.
Lyle A. French Professor
and Department Head

RCH/bm

UNIVERSITY OF MINNESOTA
TWIN CITIES

The University of Minnesota Hospital and Clinic
Board of Governors
Box 502
Harvard Street at East River Road
Minneapolis, Minnesota 55455

The January 23, 1991 Board of Governors meeting was cancelled due to the death of Gordon M. Donhowe.

Gail A. Strandemo
Board of Governors

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

FEBRUARY 27, 1991

TABLE OF CONTENTS

*** Other Items ***

City Business, January 21-27-1991, "Business Hopes for New Era at Capital"

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
FEBRUARY 27, 1991
1:00 P.M.
RADISSON UNIVERSITY

AGENDA

I.	Approval of the December 19, 1990 Minutes	Approval
II.	Chairman's Report -Mr. Robert Nickoloff	Information
III.	Hospital Director's Report -Mr. Robert Dickler	Information
IV.	Committee Reports	
	A. Joint Conference Committee -Mr. George Heenan	
	1. Medical Staff-Hospital Council Report Credentials Committee Recommendations	Approval
	2. End Stage Renal Disease Program	Approval
	3. Joint Commission on Accreditation of Healthcare Organizations Survey Results	Information
	B. Planning and Development -Mr. Robert Nickoloff	
	1. Heart Cath Lab Expansion	Information
	C. Finance Committee -Mr. Jerry Meilahn	
	1. December 31, 1990 and January 31, 1991 Financial Statements	Information
	2. Lithotripsy Program Update	Information
	3. Major Capital Project: Bone Marrow Transplantation Expansion Project	Information
	4. 1990 Internal Year End Report	Information

5. Second Quarter, 1990-91 Bad Debts — Approval

VI. Other Business

VII. Adjournment

MINUTES

BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic

December 19, 1990

Call To Order

Mr. Robert Nickoloff called the December 19, 1990 meeting of the Board of Governors to order at 2:37 p.m. in 555 Diehl Hall.

Attendance

Present:

Leonard Bienias
David Brown, M.D.
Paula Clayton, M.D.
Robert Dickler
Gordon Donhowe
Phyllis Ellis
Kris Johnson
Nellie Johnson
Bob Latz
David Lentz
Margaret Matalamaki
Robert Maxwell, M.D.
Jerry Meilahn
Robert Nickoloff
Gerald Olson
Cherie Perlmutter
Jan Withers

Not Present:

George Heenan
Barbara O'Grady

Approval of Minutes

The Board of Governors seconded and passed a motion to approve the minutes of the October 24, 1990 meeting as submitted.

Special Presentation: Dr. Henry Buchwald

Mr. Dickler introduced Dr. Henry Buchwald, Professor of Surgery and Biomedical Engineering. Dr. Buchwald presented an overview of the POSCH study (Program on the Surgical Control of Hyperlipidemias).

Chairman's Report

Mr. Nickoloff reported that on December 14, 1990 the Board of Regents appointed Mr. Mike Dougherty to a three year term and Ms. Trudy Ohnsorg to a one year term on the Board of Governors. In addition, the Board of Regents reappointed Mr. Robert Nickoloff and Ms. Kris Johnson to three year terms. All appointments are effective January 1, 1991.

Mr. Nickoloff announced the appointment of the Nominating Committee for the positions of Chair and Vice Chair of the Board of Governors. The committee members are Ms. Cherie Perlmutter (Chair), Mr. Jerry Meilahn and Ms. Barbara O'Grady. A committee report will be made on January 23, 1991.

Mr. Nickoloff notified the Board of an invitation from the Board of Regents to a luncheon on January 10, 1991. The Board is encouraged to attend.

Mr. Nickoloff encouraged the Board to fill out the Self Evaluation Survey and return by December 31, 1990.

Director's Report

Mr. Dickler commented positively on the Board of Governors Retreat. A brief discussion about retreat follow-up ensued and will be pursued further in upcoming meetings. He also reported that there will be a mid-year retreat scheduled in February.

Mr. Dickler reported on a very successful JCAHO site visit. A final report and recommendations from the Joint Commission should arrive in February.

Mr. Dickler reported that there is a proposed reduction in state appropriations of 2% over the next five years. No decisions have been made about hospital expense reductions.

Mr. Dickler reported on the Healthcare Access Commission Report and will continue to report this information to the Board.

Joint Conference Committee Report

In Chairman Heenan's absence, Ms. Phyllis Ellis called on Dr. Robert Maxwell to present the recommendations of the Credentials Committee which were endorsed by the Medical Staff Hospital Council on December 11 and the Joint Conference Committee on December 12. The recommendations of the Credentials Committee were unanimously approved as presented.

Secondly, Dr. Maxwell presented the Joint Conference Committee's recommendation to approve the appointment of a new Clinical Chief: Dr. Leo Twiggs in Obstetrics and Gynecology. The Board of Governors seconded and passed a motion approving the appointment of the new clinical chairman as recommended.

Mr. Keith Dunder presented a revision to the policy "Making Patient Care Decisions to Forego Life Sustaining Treatment" for approval. The policy has been revised since the October meeting to more clearly reflect the intent that, in the case of an incompetent patient, the wishes of the patient as reflected in the Living Will shall be given priority. The Board of Governors seconded and passed a motion to approve the policy as recommended.

Ms. Nancy Janda presented a Preliminary Report of Recommendations made by the Joint Commission on Accreditation of Health Care Organizations at their November 26-29, 1990 site visit.

Planning and Development Committee Report

Mr. Robert Latz called on Mr. Al Dees to present the Neuroangiography System Replacement to the Board. There are currently two rooms in the Diagnostic Radiology department equipped with neuroangiographic x-ray machines. Due to the age and technological limitations of the current imaging systems, radiology staff is not able to produce the type and quality of images required to support new, interventional radiology procedures. This item is being brought to the Board for information this month and will be brought back to the Board in January for approval.

Ms. Mary Ellen Wells presented for the Board's information a major capital expenditure item in the amount of $120,555 for an Interactive Clinic Management Computer System. The Community University Health Care Center (CUHCC) must replace its current billing and management reporting system. The current computer is at capacity with outdated software. The installation of the system will coincide with opening of the new clinic building for CUHCC which is proceeding on schedule.

Mr. Greg Hart presented for the Board's information a proposal to purchase a clinical laboratory computer - 2 Tandem VLX Processors, memory and installation with a total cost of $306,000. Load projections and system performance analysis indicated that an increment of computer capacity involving two additional processor modules is required to provide adequate support.

Ms. Ellis presented the Development Office report of activities and donations received during the first quarter of FY 1991 (July-September). Contributions through the first quarter total $146,148.

Mr. Mark Koenig reported that the purchasing activity for the first quarter totaled $17,936,021.87. He reported $379,682.80 in total contract purchases. The Board of Governors seconded and passed a motion to approve the first quarter, FY 1990-91 Quarterly Purchasing Report as submitted.

Finance Committee Report

Mr. Jerry Meilahn called on Mr. Fearing to give the monthly financial report. Mr. Fearing reported that the Hospital's Statement of Operations for the period July 1, 1990 through November 30, 1990 shows revenues over expenses by $8,024,178, a favorable variance of $6,230,480.

Mr. Fearing reported inpatient admissions for November totaled 1,527 which was 106 above budgeted admissions of 1,421. Overall average length of stay for the month was 8.0 days. Outpatient clinic visits for the month of November totaled 22,426 which was 1,250, or 5.9%, more than budgeted visits of 21,176.

Mr. Fearing referred the Board to the year end audit that was put together by Coopers and Lybrand and handed out at the meeting. The audit has not identified significant issues with the financial statements.

Mr. Dickler presented for consideration, and possible action, the Renewal Project recommendations.

Two floors would be added to Unit J, one would house the inpatient Psychiatry program and the other would be shell space, at a total cost of $22 million. The scope of the planned Psychiatry day hospital renovation in the Mayo building has been decreased from four units to two with space reserved for the additional two unit if future demand and financial performance justify further renovation.

The current inpatient Rehabilitation unit will be remodeled at a cost of $500,000. The adult rehab therapy unit will be moved to 4th floor Mayo to improve patient access. A pediatric rehab therapy satellite will be built in existing Unit J space.

The plans for Obstetrics remain as previously approved by the Board, with interim remodeling in Mayo with a subsequent move to Unit J if the agreed upon conditions are met.

The recommendations include (a) moving Urology Clinic and Cystoscopy to the Phillips-Wangensteen Building, (b) moving current Ambulatory Surgery activity to the Main OR in Unit J, with construction of two new operating rooms, and (c) future expansion space for two additional operating rooms. Additional funds are budgeted for temporary upgrade of current Urology space and remodeling of departmental offices in the Mayo building.

Remaining funds will be used primarily for building system and code upgrades and remodeling where there are life-safety concerns.

Mr. Dickler stated that this project would have a budget of $37.6 million instead of the targeted $35 million. The project would be financed through reserves and future cash flow.

The Board seconded and unanimously passed a motion to endorse the Renewal Project Phase II as submitted with a budget of $37.6 million.

Other Business

Mr. Nickoloff presented gifts of appreciation to outgoing Board members Mr. Robert Latz and Ms. Jan Withers in recognition of their service as Board members. Mr. Nickoloff also presented a gift to Mr. Geoff Kaufmann for his service to the Hospital.

Mr. Nickoloff encouraged the Board to attend the Holiday Party immediately following the Board meeting in the Library at the Campus Club.

Adjournment

There being no further business, the December 19, 1990 meeting of the Board of Governors was adjourned at 4:30 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
Box 707
Harvard Street at East River Parkway
Minneapolis, Minnesota 55455
(612) 626-1945

February 21, 1991

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 February 12 and the Joint Conference Committee on February 20 have endorsed the attached Credentials Committee Report and Recommendations.

I am forwarding these recommendations to you for your review and approval on February 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 Parkway
Minneapolis, Minnesota 55455

February 5, 1991

TO: Medical Staff-Hospital Council

FROM: Henry Buchwald, M.D.
Chairman, 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.

Department of Hospital Dentistry	Category
Nelson L. Rhodus	Attending Staff
Department of Dermatology	
Kenneth E. Bloom	Attending Staff
Department of Laboratory Medicine and Pathology	
D. Ted Eastlund	Clinical Staff
Alejo Erice	Attending Staff
Department of Medicine	
Edward C. Clark	Attending Staff-ER
Timothy D. Henry	Attending Staff
Paul R. Pentel	Clinical Staff
Brad L. Pohlman	Attending Staff-ER
Kevin R. Rist	Attending Staff
Randall E. Williams	Attending Staff-ER
Paul N. Yakshe	Attending Staff
Department of Neurology	
Martha A. Fehr	Attending Staff
Christopher M. Gomez	Attending Staff

Provisional status and clinical privileges continued:

Department of Ophthalmology	Category
James E. Egbert	Attending Staff
Department of Orthopedics	
J. Patrick Smith	Clinical Staff
Department of Pediatrics	
Jane E. Crosson	Attending Staff
David F. Graft	Clinical Staff
Martha L. Spencer	Clinical Staff
Department of Radiology	**Category**
Daniel J. Loes	Clinical Staff
David E. Tubman	Clinical Staff
Department of Surgery	
Paul F. Gores	Attending Staff
Department of Therapeutic Radiology	
Larry R. Past	Clinical Staff
Department of Urology	
William D. Borkon	Clinical Staff

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

Department of Otolaryngology	Category
Leighton G. Siegel	Clinical Staff
Delete: privileges for the Argon and YAG lasers	
Department of Surgery	
Arnold S. Leonard	Attending Staff
Add: thoracoscopy	

Addition and/or deletion of clinical privileges continued:

Department of Therapeutic Radiology	Category
David J. Monyak Add: stereotactic radiosurgery	Attending Staff

Department of Urology	
Ricardo Gonzalez Add: Laparoscopy for children with intersex problems, undescended testes and other related malformations. Laparoscopic procedures for above diagnoses.	Attending Staff

The following medical staff member is completing his provisional status and is eligible for regular appointment as a member of the Medical Staff of The University of Minnesota Hospital and Clinic. The Committee has reviewed recommendations concerning his appointment and hereby recommends approval.

Department of Ophthalmology	Category	Date Eligible
Dan A. Nichols	Attending Staff	August 28, 1990

The following medical staff member has applied for a leave of absence from the Medical Staff

Department of Urology	Category
A. Ami Sidi	Attending Staff

Leave of absence from December 15, 1990 through December 15, 1991

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

Department of Medicine	Category
Randall P. Stark	Attending Staff

Department of Orthopedics	
Thomas C. Kennedy	Attending Staff

Department of Radiology	
Patrick Juenemann	Attending Staff
Barbara Luikens	Attending Staff

The Committee recommends acceptance of the termination of temporary faculty appointment and Medical Staff appointment from the following physician.

Department of Medicine	Category
Joseph Thurn	Clinical Staff

HB/cf

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

M E M O R A N D U M

Date: February 22, 1991

To: Board of Governors

From: Carole Gongaware, MS, RN
Associate Director of Nursing

Re: Dialysis Services Policies and Procedures

Approval is requested for the following changes in the Organizational Summary and policies/procedures as required by the End Stage Renal Disease (ESRD) federal program guidelines.

1. **Editorial Changes** Throughout the Dialysis Services Policy Manual the following title and terminology changes have been made to reflect structural and practice changes within the Department of Nursing and University Hospital:

- Critical Care Director to Associate Director of Nursing
- Head Nurse to Nurse Manager
- Assistant Head Nurse to Assistant Nurse Manager
- Station Instructor to Staff Development Instructor
- Chief Dialysis Technician to Senior Dialysis Technician
- Problem Oriented Medical Record (POMR) to UDOC
- Diagnosis/Assessment/Plan (DAP) Notes to Diagnosis/Assessment/Intervention/Response (DAIR) Notes
- Kidney Dialysis (KD) to Dialysis Services (DS)
- Green Medicine Service to Gold (Renal) Medicine Service

2. **Chart of Organization**

. Dr. Connie Manske has assumed the Medical Director Position for the Adult Stations replacing Dr. Thomas Hostetter.

. Ms. Helen Pitt, M.P.H., RN, is the appointed CEO with Ms. Carole Gongaware, MS, RN, as the Alternate CEO.

. Ms. Carole Gongaware, MS, RN, has assumed the Nursing Director position from Ms. Bonnie Blake, MS, RN.

3. Policy Deletions The following policies were deleted due to duplication with hospital-wide policies (hospital policy and procedure manual is now available in Dialysis Services), incorporation into other dialysis policies or due to changes in practice.

a. General Policies

. Policy #III.15. Termination of Treatment including Supplement (Hospital Policy #4.42, "Forego or Withdraw") and Supplement (Hospital Policy #4,46, "Living Will").

b. Personnel Policies

. Policy #IV.5. Physician Signature Policy.

. Policy #IV.14. Drugs to be Checked by Two RN's before Administration.

. Policy #IV.17. Overtime.

. Policy #IV.18. Communications and Staff Development Policy.

. Policy #IV.19. Leadership Group.

. Policy #IV.20. Pregnant Personnel.

. Policy #IV.23. Dress Code.

. Policy #IV.25. Time Back.

c. Infection Control Policies

. Policy #VI.1. Supplement (Hospital Policy, UBBST).

. Policy #VI.2. Supplement (Hospital Policy, Workers' Compensation Policy) and Supplement (Vaccination Program for Hepatitis B. Policy).

. Policy #VI.3. Supplement (Hepatitis B. Control Policy), Supplement (Needlestick or Other Significant Exposure), Supplement (Solid Waste Handling), Supplement (Tuberculosis Control) and Supplement (HIV Control).

. Policy #VI.5. Handling and Disposal of Wastes and Contaminants.

. Policy #VI.6. Traffic Control.

d. Emergency Procedures

. Policy #VII.3. Handling of Emergencies

. Policy #VII.5. Fire Policy

. Policy #VII.7. Kidney Dialysis Response to Severe Weather Notification.

. Policy #VII.8. Kidney Dialysis Coordination with Internal and External Disaster Plans, Orange Alert.

. Policy #VII.9. Emergency Alert System.

e. Miscellaneous

. Policy #IX.1. Methods of Procurement of Drugs and Equipment.

. Policy #IX.2. Compressed Air.

. Policy #IX.3. Electrical Safety, Supplement (Pre-Acceptance Testing of Newly Purchased Equipment), Supplement (Electrical Safety) and Supplement (Cycle Months for Scheduled Inspections).

. Policy #IX.4. Storage of Food and Biologicals.

. Policy #IX.5. Supplement (Affiliation Agreement between Methodist and UMHC), and Supplement (Approved and Executed Participating Providers Agreement).

f. CA/CC Peritoneal Dialysis Policies

. Policy #X.4. Gloves.

. Policy #X.7. Masks in Peritoneal Dialysis.

. Policy #X.13. Physicians Orders.

. Policy #X.19. Training Hours and Days.

. Policy #X.20. Transfer of Medical Information.

4. **Dialysis Services Medical Advisory Committee/Medical Direction**

. Alterations in this policy reflects change in Medical Director to Connie Manske, MD.

5. **Policy Revisions**

. Policy #III.1. Chronic Maintenance Dialysis. Updated to reflect current practice within Dialysis Services with regard to scheduling dialysis treatments.

. Policy #IV.1. General Patient Care. Updated to reflect current practice related to vital signs and lab tests

. Policy #IV.6. Nursing & Technician Coverage. Changes made to reflect current practice and personnel title changes.

. Policy #IV.9. Guidelines for Technicians Dialyzing Patients. Insertion of Fistula Needles by Kidney Dialysis Technicians (Policy #IV.12) was included in Policy #IV.11 to reflect current Technician practice.

. Policy #IV.11. On-Call Guidelines. Time to report after notification increased from 40 minutes to 1 hour to adjust to community standards.

. Policy #IV.13. Vacation Policy. The number of staff members who would be granted a pre-approved vacations was reduced from three to two.

. Policy #IV.14. Preparation and Connection of Equipment for Continuous Arterio-Venous Hemofiltration (CAVH). Pediatric and Adult guidelines were blended into one policy.

. Policy #VII.4. Green Grass Alert in Kidney Dialysis. Policy was changed to read, "Emergency Preparedness in Dialysis Services". This policy now incorporates what emergency response will be for all emergency situations within Dialysis Services.

Board of Governors

The University of Minnesota Hospital and Clinic

End Stage Renal Disease Program

Policy Statement for

The Renal Transplant Center and Dialysis Unit

The services of the Renal Transplant Center and the Dialysis Units are organized and operated as components of the Hospital and Clinic. Bylaws of this Board of Governors and those of the Medical and Dental Staff plus University Policies and Procedures and those of the Hospital and Clinic apply. Patient Care Services are supportive of our Mission and Goals which include service to the state, region and nation, consistent with support for academic objectives of education and research.

The policies and procedures specific to the operation of these services have been recommended by the Medical Directors. The Joint Conference Committee has recommended their approval and they are hereby approved by the Board of Governors. The Medical Staff is directed to review these policies each year. Any recommended changes must be approved by this Board.

The Chart of Organization specific to the Renal Transplant Service and Dialysis Units is attached. The General Director/Chief Executive Officer is responsible for management of these services. Medical direction is established and organized according to the Medical and Dental Staff Bylaws.

Approved: B. Kristine Johnson

Chairman, Board of Governors

Date: April 24, 1991

bb0214901nm

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

I have reviewed all of the following policies for Dialysis Services and approve those changes made.

Helen K. Pitt R.N. — Chief Executive Officer — Date 2/6/91

Louise Manila MD — Medical Director - Adult Stations — Date 2/5/91

J. Michael Maue — Medical Director - Pediatric Stations — Date 2-6-91

T. [illegible] FOR S. AZAR — Medical Director - Adult Peritoneal — Date 2-6-91

Thomas Reimis MD — Medical Director - Pediatric Peritoneal — Date 6 Feb '91

Carol Gangware, RD — Associate Director, Nursing — Date 2-4-91

KDU01/91.1nm

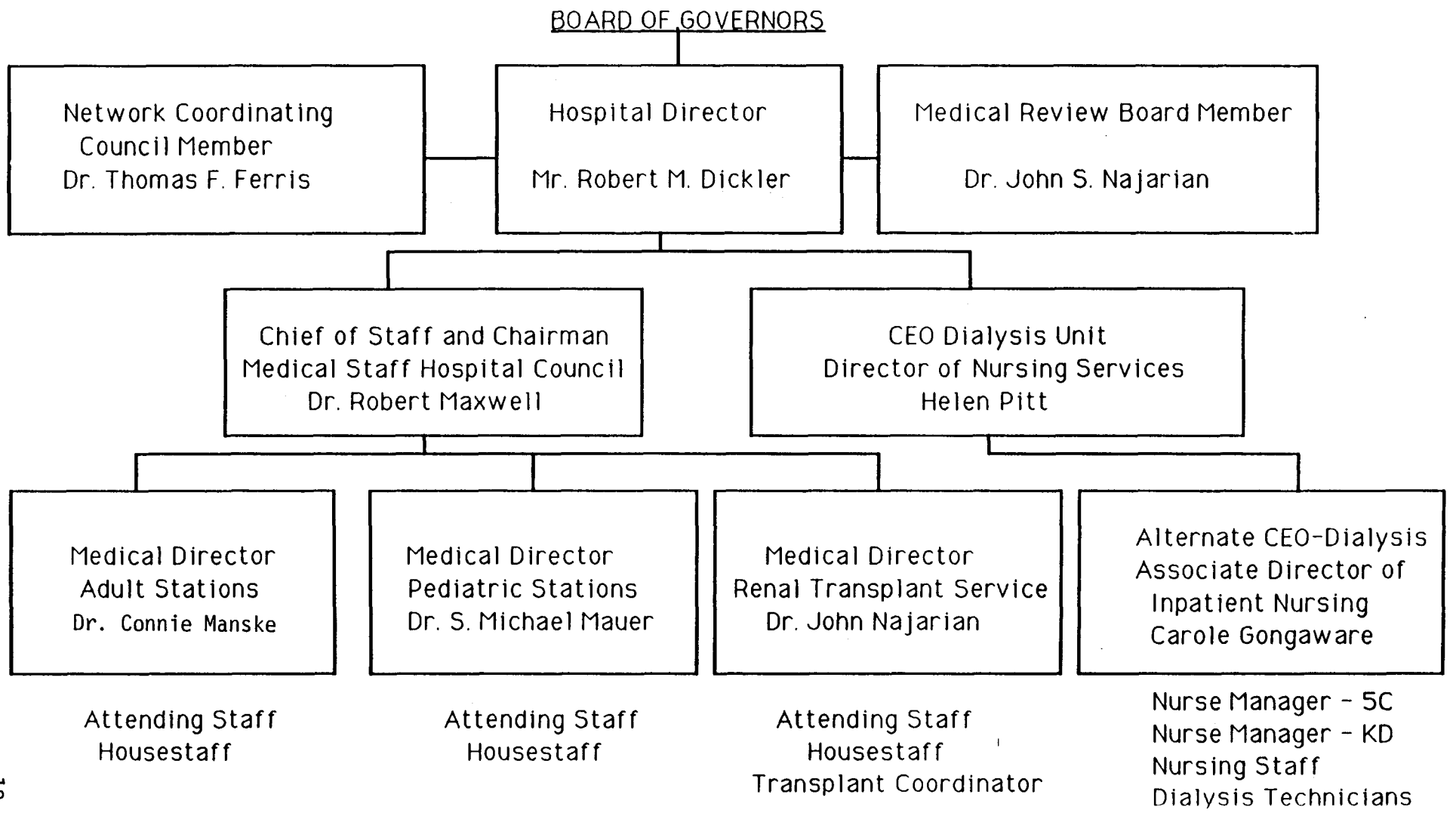
Revised 03/09/88
Revised 02/22/89
Revised 11/21/90

University of Minnesota Hospital and Clinic

Chart of Organization

End-Stage Renal Disease Program

Renal Transplant Service and Dialysis Unit



UNIVERSITY OF MINNESOTA
TWIN CITIES

Office of the Chairman
Department of Medicine
Phillips-Wangensteen Building, 14-106
516 Delaware Street S.E.
Minneapolis, Minnesota 55455

(612) 625-4162 (Office)
(612) 626-4027 (FAX)

February 5, 1991

Robert E. Maxwell, M.D.
Chief of Staff
University of Minnesota Hospital
B310-3 Mayo
Box 707

Dear Bob,

I am writing to recommend the appointment of Dr. Connie Manske as Medical Director of the Adult Dialysis Unit effective January 1, 1991. Connie, Assistant Professor of Medicine in the Nephrology Division, is a committed clinician and will be an excellent Director of the Adult Dialysis Unit. I can unequivocally recommend her.

Yours truly,

Thomas F. Ferris, M.D.
Nesbitt Professor and Chairman

TFF/lc

cc: Keith Hampton
Adult Dialysis

SCOPE OF CARE AND ORGANIZATIONAL SUMMARY

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

DIALYSIS SERVICES

I. INTRODUCTION

The goals and objectives of the unit are aimed toward excellence in clinical practice, research, and patient education. The leadership and staff of Dialysis Services (DS) support the Hospital's mission and the Nursing Services' philosophy, policies, and procedures. The professional staff believes that each patient is a significant individual who is to be given holistic, individualized, comprehensive care as identified in the Standards of Care. Dialysis Services provides hemodialysis for the acute and chronic renal failure in neonatal, pediatric, and adult patients. Dialysis Services also provides training for home peritoneal dialysis.

II. PHYSICAL

Kidney Dialysis is located in three separate areas. The Pediatric Area, located in Building J, is composed of three cubicles and one room. Each cubicle/room has a cardiac monitor, arterio-sound or datascope, television, and wall connection to Reverse Osmosis water. Suctioning and oxygen can be set up in any cubicle or room as needed. A Standardized Hospital Arrest Cart with emergency drugs and equipment is available in the area. A disposable resuscitation device (DRD) is kept on the cart. A Hewlett Packard defibrillator is kept next to the arrest cart.

The Adult Area is located in the Mayo Building. This area is composed of seven cubicles and four rooms, with only one room having the ability to be completely closed off. Each cubicle/room has wall connections to Reverse Osmosis water, television, and blood pressure equipment. Suctioning and oxygen can be set up in any cubicle or room as needed. There are two portable cardiac monitors available in the unit. Cubicle #2 also has a cardiac monitor. A Standardized Hospital Arrest Cart with emergency drugs and equipment is available in the area. A disposable resuscitation device (DRD) is kept on the cart. A Hewlett Packard defibrillator is located next to the arrest cart.

Unstable ICU patients are dialyzed on their own unit in rooms with wall connection to dialysis quality water or utilizing batch tanks.

The Peritoneal Dialysis Training Area is located in the Mayo Building. This area is composed of two training rooms. The Peritoneal Dialysis room contains a training mannequin, cycling machines for CCPD, and a disposable resuscitation device is kept in the training area. The type of Peritoneal Dialysis used is tailored to patient needs and their home environment.

III. PATIENT POPULATION

The patients who are treated by Dialysis Services staff are composed of two types of patients - those in chronic renal failure (CRF) and those in acute renal failure (ARF). The critically ill adult and pediatric patients include but are not limited to, a diagnosis of:

1. Sepsis
2. Drug Overdose
3. Hyperammoniamea
4. Hemolytic Uremic Syndrome (HUS)
5. Multisystem Failure

and recipients of:

1. Bone Marrow Transplant
2. Heart/Lung Transplant
3. Kidney/Liver Transplant
4. Kidney Transplant
5. Open Heart Surgery.

The Chronic Renal Failure population includes adults, pediatric patients with ESRD 20 to, but not limited to, the following diseases:

1. Diabetes
2. Glomerulonephritis
3. Hypertension
4. Polycystic Kidney Disease
5. Hydronephrosis
6. Congenital Bladder/Kidney Dysfunction
7. Drug-Induced Kidney Failure
8. IGA Nephropathy
9. Nephrotic Syndrome
10. Alport's
11. Post Strep-Glomerulonephritis
12. Focal Segmental Sclerosis
13. Wegner's Disease
14. Fabry's disease.

The following are Important Aspects of Care:

1. Anticoagulation
2. Fluid volume management
3. Patient/family education
4. Psychosocial support of family system
5. Initial and ongoing nursing assessment of effects of dialysis treatment
6. Management of access for dialysis
7. Pre and post assessment of treatment
8. Infection control/management
9. Risk management
10. Nutritional support
11. Medication administration.

IV. SCOPE OF SERVICES

The scope of Dialysis Services at The University of Minnesota Hospital and Clinic include, but are not necessarily limited to, the provision of:

1. Dialysis treatment to patients with End Stage Renal Disease (ESRD).
2. Dialysis treatment to patients with Acute Renal Failure (ARF).
3. Dialysis treatment to transplant patients requiring supportive dialysis following a Renal Transplant.
4. Other extracorporeal perfusion techniques to patients requiring such (e.g., overdoses, exchange transfusions, etc.).
5. Training for Self Care Peritoneal Dialysis to any patients with ESRD.
6. Ongoing education and management of those patients on Self Care Peritoneal Dialysis.
7. Education and consultative support services to patient care areas at The University of Minnesota which house Peritoneal Dialysis.
8. Patient/family education.
9. Psychosocial support of family system.
10. Initial and ongoing nursing assessment of effects of dialysis treatment.
11. Pre and post assessment of treatment.
12. Nutritional support.

V. PATIENT CARE DELIVERY SYSTEM

The patient care delivery system used in DS with the Outpatient Chronic Renal Failure (CRF) population is a modified Primary Nursing System. The goals of this system include:

1. That every CRF patient has a nurse accountable for the provision of patient care.

2. That every CRF patient has an Interdisciplinary Team composed of a Primary Nurse, Social Worker, Dietician, and Physician who plan, implement, and evaluate the patient's care plan and long term program.

3. Direct Nurse to Physician, Social Worker and Dietician communication, and Nurse to Nurse communication for coordinated patient care.

The patient care delivery system for inpatients with renal failure follows the plan of care prescribed by dialysis physicians in conjunction with the patient's primary physician, and all health team members.

A. The adult and pediatric renal fellows care for the hospitalized dialysis patients and chronic outpatients under the direct supervision of the attending physicians of the dialysis services. Physician coverage is provided 24 hours each day. This includes renal fellows and attending staff.

B. The nursing staff includes a Staff Development Instructor who assists with the coordination of orientation and continuing education of the staff, and a Nurse Manager, Assistant Nurse Manager, Senior Dialysis Technician, Charge Nurse, GSN, PLT, NSA, and NA. (See Nursing Services Narrative for role description.)

C. Support services include Dietary Services which provides patient education on nutrition and special diets, and Social Services which provides assistance with nursing home placement, transportation, home health care/counselling, and financial concerns.

VI. ORGANIZATION

A. Written policies and procedures specific to DS provide criteria for practice on the unit.

B. The Medical Advisory Committee, composed of the Medical Directors, the Associate Director of Nursing, the Nurse Manager of DS, and the Chief Executive Officer, approve all policies and procedures for DS.

C. The Medical Advisory Committee develops/approves guidelines for therapeutic interventions specific to DS.

D. The DS Quality Assurance Committee participates in department-wide monitors as well as unit-specific monitors based upon Important Aspects of Care. The Medical Quality Assurance Committee is composed of Interdisciplinary Team members which includes:
   1) a representative from UMHC Medical QA Department
   2) Nurse Manager
   3) Assistant Nurse Manager
   4) Senior Dialysis Technician
   5) Dialysis Services Physicians
   6) Associate Director of Nursing

   This committee provides monitoring and evaluation of patient care quality and appropriateness of care being provided.

VII. EDUCATION

All staff on DS are prepared for their responsibilities through Orientation, Inservices, and Continuing Education.

A. All staff will receive Basic Orientation through Central Orientation.

B. Unit Orientation is provided by the Assistant Nurse Manager, Staff Development Instructor, and DS Staff Mentors. Orientation includes completion of the following:
   1) Technical Dialysis
   2) Basic Hemodialysis Nursing
   3) Acute Hemodialysis Nursing
   4) Pediatric Chronic and Acute Hemodialysis Nursing
   5) Peritoneal Dialysis Nurse Orientation to teaching Self Care Peritoneal Dialysis
   6) Competency exams covering theory and related to technical aspects of Dialysis, Hemodialysis Nursing (acute and chronic) of Adult and Pediatric patients.

C. Special unit specific education will be provided by the Assistant Nurse Manager, Staff Development Instructor, and DS Staff Mentors. Annual retraining occurs in:
   1) Electrical Safety
   2) Emergency Preparedness
   3) Basic Cardiac Life Support (BCLS)
   4) Infection Control.

D. Inservice education appropriate for unit needs is identified from QA Monitor results and observations. It is also identified by staff and leadership.

E. Staff members, in addition, may elect to attend education modules of the Minnesota Association of Public Teaching Hospitals Education Program (MAPTH). Each staff member is also responsible for continued growth and development in dialysis nursing through self study and attendance at seminars and inservices both within and outside the hospital.

Medical Director, Adult Hemodialysis

Medical Director, Ped. Hemodialysis

Medical Director, Adult Peritoneal

Medical Director, Ped. Peritoneal

Chief Executive Officer, ESRD

Associate Director of Nursing

2/6/91
Date

KDU01/91.3nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	GENERAL POLICIES Page 1 of 1
VOL.:	POLICY NUMBER: III.1
EFFECTIVE:	3/79
REVISION:	6/83, 1/86, 5/87, 1/88, 1/89, 1/91
REVIEWED:	1/84, 1/85, 1/86, 1/87, 1/90, 1/91

SUBJECT:

CHRONIC MAINTENANCE DIALYSIS ADULT AND PEDIATRIC

SOURCE: Dialysis Leadership Team

POLICY

Chronic Maintenance Dialysis, both inpatient and outpatient, will be performed at the University of Minnesota Hospital and Clinic. Hemodialysis will be performed two to four times a week for three to six hours for each patient. The Dialysis Schedule will be arranged in order to accommodate employed patients, and those patients with transportation difficulties and/or school commitments.

In the event the patient load increases to the point that staffing becomes inadequate or space is not reasonably available, Chronic, Stable Dialysis patients may be asked to transfer to other renal units in the area.

A Continuous Ambulatory Peritoneal Dialysis (CAPD) Training Program is availab... this facility for those patients who desire. Patients will be referred elsewhere for Home Hemodialysis Training.

PROCEDURE

Responsible Individual	Action
Dialysis Patients Undergoing Transplant Work-ups	1. Receive Dialysis at University of Minnesota Dialysis Services until work-up is complete or until they are transplanted. 2. Discharged to Dialysis unit close to their home if a long waiting period before transplantation occurs.
Nurse Manager or Assistant Nurse Manager in Cooperation with the Attending Physician(s)	1. Arrange the transfer of Chronic, Stable Dialysis patients to other Dialysis units in the area, if staffing becomes inadequate or space is not reasonably available to handle the patient load.

KDU01/91.16nm

APPROVED:			DATE:
TITLE: Medical Director	Medical Director	Associate Director, Nursing	2/4/91

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Page 1 of 4
VOL.:	POLICY NUMBER: IV.1
EFFECTIVE:	
REVISION:	6/83, 1/84, 1/86, 12/87 1/91
REVIEWED:	1/84, 1/85, 1/86, 1/87, 1/89, 1/90, 1/91

SUBJECT: GENERAL PATIENT CARE POLICIES

SOURCE: Dialysis Leadership Team

POLICY

Routine dialysis care will be given by the Dialysis Nurse or Technician according to established procedures, standing orders, and the individual's capabilities as assessed by the Nurse Manager, Assistant Nurse Manager, Senior Dialysis Technician or Charge Nurse. Patients who are on the ICUs will receive their dialysis treatment in their ICU rooms. All other inpatients will be transported to the dialysis unit for their treatment. If the renal physician assesses the patient to be too unstable to transport to the dialysis unit, the physician would facilitate a transfer to the the ICU where the patient would be dialyzed.

PROCEDURE

Responsible Individual	Action
Technicians Under the Supervision of the Dialysis Nurse	1. Administer Standing Orders if necessary.
	2. Carry out orders specific to the individual patient.
	3. Utilize the "Double Check" system where technicians may question nurses and vice versa; nurses may question physicians about things which affect the patient's safe care.
	4. Report the inability to obtain adequate dialysis according to the written orders to the Nurse in Charge and/or the Physician.

kd0105883nm

APPROVED:		DATE:
TITLE: Associate Director, Nursing	Medical Directors	3/4/91

Responsible Individual	Action
Technicians Under the Supervision of the Nurse and/or the Dialysis Nurse (continued)	5. Review the patient's hospital course since the last dialysis including: a. Current condition of the patient, i.e., sensorium, respiratory/ cardiac status, drainage, bleeding, recent surgery, energy level/emotional status, treatments, medications and IVs. b. Read Progress Notes and Primary Nurse's notes. c. Assess the patient's condition and chart such on the Dialysis Record. NOTE: If the Technician is dialyzing a patient, a Nurse must do the above with the Technician. 6. Settle the patient on the weight bed, side rails up if sensorium or emotional status is questionable. 7. Observe the patient closely for untoward reactions to dialysis or a change in the patient's physical condition. 8. Take blood pressure, pulse, and respirations as indicated by the patient's condition. 9. Maintain safe clotting time levels.

kd0105883nm

Responsible Individual	Action
Technicians Under the Supervision of the Nurse and/or the Dialysis Nurse (continued)	10. Follow Physician's Orders given during rounds, i.e., blood replacement, ideal dry weight, length of dialysis, etc.
	11. Assist Physician in Shaldon catheterization placement.
	12. Obtain and send laboratory tests to appropriate hospital laboratories.
	13. Record each dialysis on the Dialysis Record.
	14. Assist stable patients back to their room.
Physician in Charge or Renal Fellow	1. Will see all newly admitted patients.
	2. Write all dialysis orders on newly admitted patients.
Attending Dialysis Physician, Renal Fellow, or Physician On-Call	1. Responsible for the patient while he/she is being dialyzed.
	2. Will make the final decisions in relation to orders for the patient on dialysis.
	3. Countersign verbal orders within 24 hours.
	4. Is available to each dialysis area at all times.
	5. Discuss orders with the Charge Nurse or the nurse assigned to the patient.
	6. Declots shunts with a dialysis nurse if the "Shunt Doctor" is unavailable.

kd0105883nm

Responsible Individual	Action
Nurse	1. Call the Attending Physician or Renal Fellow any time an order is questioned given by another physician.
	2. Take and carry out verbal orders.
	3. Transcribe orders in the Doctor's Order Sheet (Hospital Form 10108) or the Dialysis Run Record.
	4. Administer all suitable IV medications into the dialyzer tubing.
Technician	1. Administer Heparin.
	2. May not administer any other medication.

kd0105883nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Personnel Policies
VOL.:	POLICY NUMBER: IV. 6
EFFECTIVE:	6/83
REVISION:	6/83, 1/86, 1/87, 1/9
REVIEWED:	1/84, 1/85, 1/86, 1/87, 1/88, 1/89, 1/90, 1/91

SUBJECT:

NURSING AND TECHNICIAN COVERAGE - DIALYSIS SERVICES

SOURCE: Dialysis Leadership Team

POLICY

The Associate Director of Nursing, designated by the Senior Associate Director and Director of Nursing Services, the Nurse Manager, and the Assistant Nurse Manager are responsible for the quality of nursing care and the organization of the Dialysis Unit, and are under the direction of the Director of Nursing Services. Input and direction are also received from the Medical Directors.

PROCEDURE

Responsible Individual	Action
Assistant Nurse Manager	1. Coordinates the training and assimilation of Registered Nurses and also of Dialysis Technicians in the nursing aspects of dialysis.
Senior Dialysis Technician	1. Coordinates the training and assimilation of Dialysis Technicians in the operation and maintenance of dialysis related equipment.
Nurse Manager	1. Assures that there will be adequate staff present to safely care for patients requiring dialysis and that the following hours of operation are staffed: • Monday through Friday: 7:00 a.m. to 11:30 p.m. • Saturday: 7:00 a.m. to 7:30 p.m.

KDU01/91.7nm

APPROVED:			DATE:
TITLE:	Medical Director	Medical Director	Associate Director, Nursing 2/4/90

Responsible Individual	Action
Nurse Manager (continued)	2. Assures that an adequate on-call staff (RN and technician) are available for emergencies when the Dialysis Unit is not open: • Monday through Saturday: 11:30 p.m. to 7:00 a.m. • Saturday and Sunday: 7:30 p.m. Saturday evening to 7:00 a.m. Monday morning (Both dialysis areas are closed on Sundays.)

KDU01/91.7nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Personnel Policies Page 1 of 2
VOL.:	POLICY NUMBER: IV. 9
EFFECTIVE:	9/83
REVISION:	1/86, 9/87, 1/91
REVIEWED:	1/84, 1/85, 1/86, 1/87 1/88, 1/89, 1/90, 1/91

SUBJECT:

GUIDELINES FOR TECHNICIANS DIALYZING PATIENTS

SOURCE: Dialysis Leadership Team

POLICY

Except in extreme situations or emergencies, the following guidelines will be followed by the Charge Nurse when assigning technicians to perform dialysis. Extreme situations or emergencies are defined as, but not limited to, the following: addition of patients to the schedule for unplanned emergency or acute dialysis, high number of sick calls.

PROCEDURE

Responsible Individual	Action
Technicians, under the supervision of an RN	1. May be assigned to dialyze stable, chronic, adult dialysis patients who are either inpatients or outpatients. 2. Dialyzes stable, chronic, pediatric dialysis patients who weigh over 20 kg. 3. Relieves an RN for coffee breaks and lunch breaks, on stable, chronic adult dialysis patients, uncomplicated post surgical patients, or stable, acute renal failure patients. 4. Relieves an RN on stable, chronic pediatric dialysis patients over 15 kg.

KDU01/91.9nm

APPROVED:			DATE:
TITLE:	Medical Director	Medical Director	Associate Director, Nursing

2/4/91

Responsible Individual	Action
Technicians, under the supervision of an RN (continued)	5. Relieves an RN on stable, chronic pediatric patients who are under 15 kg, but at least 10 kg, only when a nurse is dialyzing a patient in the adjoining cubicle. 6. May be assigned one stable adult in addition to dialyzing a pediatric patient. 7. Will not dialyze patients in the following situations: a) When a vasoactive drip is being administered. b) When the patient's condition requires continual nursing assessment. c) When a patient requires continual medications. 8. Inserts fistula needles into the fistula of a patient.

KDU01/91.9nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Personnel Policies Page 1 of 3
VOL.:	POLICY NUMBER: IV.11
EFFECTIVE:	6/83
REVISION:	1/84, 8/84, 1/86, 1/87, 12/87, 1/91
REVIEWED:	1/84, 1/85, 1/86, 1/87, 12/87, 1/89, 1/90, 1/91

SUBJECT:

ON-CALL GUIDELINES

SOURCE: Dialysis Leadership Team

POLICY

New employees are assimilated into the Call Schedule 4 to 6 months after completing Dialysis Orientation. From time-to-time, this may vary depending on the new employee's background and experience in this Dialysis Unit.

Weekday Call starts at 12 Midnight Sunday and lasts until 7:30 a.m. Monday morning. From Monday - Friday, call begins at 11:30 p.m. and ends at 7:30 a.m. the following morning. Call starting at 11:30 p.m. Friday ends at 9:00 a.m. Saturday morning, resumes at 5:30 p.m. Saturday and ends at 12 Midnight Sunday.

Call pay must be taken as pay rather than time back. When on-call staff are called in, the hours worked begin from the time they are called in and continue until they leave the hospital. When personnel are called in and dialysis is cancelled, staff should claim three hours on their paycards. If staff are called in, hours worked may be claimed as paid hours or time back.

Dialysis personnel are to be called in only by Dialysis Physicians. When on-call staff are contacted by others, such as a unit secretary or another physician, staff should feel comfortable in instructing that individual to contact the Dialysis Physician on call. The Dialysis Physician will then contact the on-call staff.

Staff should not hesitate to discuss the need for emergency dialysis with the Dialysis Physician. On-call personnel should be called only for emergency situations or when the dialysis schedule runs past the usual hours of Unit operation. On-call staff (nurse and technician) will not work more than 16 consecutive hours.

Pregnant staff members are deleted from the Call rotation because of the possibility of being called in to dialyze patients with contagious infections.

kd1231879nm

APPROVED:			DATE:
TITLE:	Medical Director	Medical Director	Associate Director, Nursing

2/4/91

PROCEDURE

Responsible Individual	Action
Nurse and Technician On-Call	1. Carries a long range beeper when away from home.
	2. Reports to the Unit within one hour when called in.
Nurse On-Call	1. Picks up the Unit and narcotic keys in the Resource Office on arrival.
	2. Locks the Unit and returns the Unit and narcotic keys to the Resource Office when leaving.
	3. Pages the Resource Nurse at the front desk of the Hospital if the Resource Office is locked.
	4. Requests help from the patient's Unit and/or the Resource Nurse if the patient's acuity is such that assistance is needed. One-to-one patients require that the Unit nurse provide care during dialysis.
	5. Contacts the Resource Nurse if: a. Staff anticipate exceeding 16 consecutive hours of work. b. The number of patients to be dialyzed exceeds: 1. One acute patient 2. One pediatric patient 3. Three stable chronic pts.

kd1231879nm

Responsible Individual	Action
The Resource Nurse	1. Contacts other dialysis staff to come in to assist. 2. Contacts the Nurse Manager, and then the Assistant Nurse Manager if the Nurse Manager is not available.
Dialysis Physician On-Call	1. Contacts both the nurse and technician on-call if emergency dialysis is needed. 2. Sets priorities when more than one patient requires emergency dialysis.

kd1231879nm

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

POLICY AND PROCEDURES MANUAL

SECTION	
Personnel Policies	
VOL.	POLICY NUMBER
	IV.13

SUBJECT	EFFECTIVE
VACATION POLICY-DIALYSIS	7/84
	REVISION
	1/86, 1/87, 4/89
SOURCE	REVIEWED
Dialysis Leadership Team	1/85, 1/86, 1/87, 1/88, 1/89, 1/90

POLICY

The granting of time off for vacations is subject to staffing needs, leaves of absence (i.e., military, paternity or maternity LOA's), and other circumstances (i.e., patient population and acuity). Vacation requests over the Christmas and New Year holidays will not be automatically granted.

Under usual circumstances, no more than two nurses and two technicians will be granted vacation in the same time period (does not include members of dialysis leadership team).

PROCEDURE

Responsible Individual	Action
Nurse Manager	- Grants at discretion, vacation for employees 50% or less. - Determines minimum staffing necessary to deliver safe patient care. - Posts vacation sign-up sheets quarterly as per Nursing Department Policy. - Grants vacation time based upon Unit and patient care needs and Nursing Department seniority. - Posts the list of granted time off.

APPROVED	DATE
Lu Erica Dickinson Bonnie Blake, RN MS	8/11/89
TITLE	
Nurse Manager Associate Director of Nursing	

SECTION	
Page 2	
VOL.	POLICY NUMBER IV.13
SUBJECT Vacation Policy-Dialysis	

Responsible Individual	Action
Nursing and Technician Staff	- Sign up on Sign-Up Sheets for vacation during the sign-up period. - Use consideration for co-workers when signing up in peak vacation periods. - Provide the dates of expected LOA's to the Nurse Manager as soon as they are known. - Notify the Nurse Manager as soon as possible if unable to use granted vacation time. If hours are already published with vacation time, employee will take vacation time as scheduled.

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Personnel Policies
VOL.:	POLICY NUMBER: IV.14
EFFECTIVE:	9/9/87
REVISION:	12/24/87, 1/91
REVIEWED:	12/87, 1/88, 1/89, 1/90 1/91

SUBJECT:

PREPARATION AND CONNECTION OF EQUIPMENT FOR CONTINUOUS ARTERIO-VENOUS HEMOFILTRATION (CAVH)

SOURCE: Dialysis Leadership Team

POLICY

When CAVH is required for patient care, a dialysis technician will prepare the required equipment and a dialysis technician or a dialysis nurse will complete the patient-blood pathway connection. All preparation and connection will be under the orders of an adult or pediatric nephrologist or renal fellow.

PROCEDURE

Responsible Individual	Action
Nephrologist or Renal Fellow	1. Contacts the Charge Nurse in the dialysis area during regular working hours and requests a CAVH set-up; writes orders in the CAVH Record and Progress Note.
	2. Contacts the technician on call and requests a CAVH set-up and connection during on-call hours; writes orders on the CAVH Record and Progress Note.
	3. Remains with the technician and ICU Nurse during the patient-blood pathway connection.
Charge Nurse - Dialysis (if during regular working hours)	1. Designates a technician to prepare and connect the CAVH set-up.
	2. Transcribes the doctor's orders.

kd1230871nm

APPROVED:			DATE:
TITLE: Medical Director	Medical Director	Associate Director, Nursing	2/4/91

Responsible Individual	Action
Charge Nurse - ICU (if during Dialysis Unit on-call hours)	1. Transcribes the doctor's orders. 2. Reviews orders with the Dialysis Technician.
Dialysis Technician	1. Sets up and prepares the necessary equipment for CAVH.
The Individual Who Terminates the CAVH Treatment (technician or nurse or physician)	1. Notes the time the procedure was completed. 2. Signs his/her name at the bottom of the CAVH Record. 3. Notes the post-treatment vital signs and any other relevant lab work in the middle section of the CAVH Record.

kd1230871nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION: Emergency Preparedness

VOL.:

POLICY NUMBER: VII.4

EFFECTIVE: 8/88

REVISION: 1/91

REVIEWED: 1/90

SUBJECT:
EMERGENCY PREPAREDNESS -
DIALYSIS SERVICES

SOURCE: Nurse Manager - Dialysis
Fire and Safety Committee

POLICY

Insure that proper precautions, care, and safety are taken for kidney dialysis patients and personnel during an emergency within the hospital system.

PROCEDURE

Responsible Individual	Action
Fire Warden/Charge Nurse	1. Instructs staff to rinse back and move the patient nearest the alarming smoke detector out of the immediate area.
	2. Instructs staff to clamp and disconnect patient lines if fire or smoke is present.
	3. Evacuates staff and patients to adjoining zone if fire or smoke is present.
Dialysis Services Staff	1. Rinse back and move patient in area where alarm is sounding but no smoke or fire is noted.
	2. Clamp and disconnect dialysis lines to each patient.
	3. Remove patients from fire hazard zone.
	4. Monitor patients' vital signs.

KDU01/91.6nm

APPROVED:

TITLE:
Associate Director, Nursing — Medical Directors

DATE: 2/4/91

Responsible Individual	Action
Fire Warden/Charge Nurse	1. Instructs staff to return patients to dialysis area. 2. Inspects dialysis equipment for damage.
Renal Fellow and Charge Nurse	1. Evaluate each patient. 2. Decide for each patient if: a) treatment must be restarted; b) blood products need to be given.

KDU01/91.6nm

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

February 20, 1991

TO: Members of the Board of Governors

FROM: Nancy C. Janda
Associate Director

RE: Joint Commission Survey Findings

We are in receipt of the findings from the November 26-29, 1990 Joint Commission survey. A summary of those findings is attached.

Overall, we are extremely pleased with the report. We received even fewer recommendations than we had anticipated.

I will be at the Board meeting on February 27, 1991 to discuss the report with you.

NCJ/gs

November 26-29, 1990 Site Visit

TYPE I RECOMMENDATIONS*

1. **Inpatient Life Safety:** Corridor doors in the Adult Rehabilitation Therapy and Children's Rehabilitation Therapy areas slide rather than swing. (NFPA 101, 1988: 12-3.6.3., 3.6.4., 13-3.6.3., 3.6.4.)

2. **Outpatient Life Safety:** CUHCC does not have the two required remote exits on each floor. (NFPA 101, 1988: 26-2.4, 27-2.4.2)

3. **Outpatient Life Safety:** Emergency exit signs, exit access corridors, stairways and exit passageways at CUHCC are not illuminated by an emergency power source. (NFPA 101, 1988: 26-2.9, 27-2.9)

4. **Outpatient Life Safety:** The fire alarm at CUHCC does not directly transmit to the fire department, an approved central receiving station or another approved transmission point. (NFPA 101, 1988: 26-3.4, 27-3.4, 7-6.4)

* Type I Written Progress Report Due March 1, 1991

CONSULTATIVE RECOMMENDATIONS

1a + **Alcoholism and Other Drug Dependence Services:** Approximately 10% of the records reviewed lacked documentation of histories and physical examinations. (AL.2.2.1)

1b + **Alcoholism and Other Drug Dependence Services:** Approximately 10% of the records reviewed lacked assessment of high risk for communicable disease. (AL.2.2.3)

2 + **Emergency Services:** Responsibility for the patient during transfer is not clearly documented. (ER.1.6.2.2)

3 # **Governing Body:** Summaries of staff competency to the Board of Governors addresses only approximately 50% of the appropriate individuals. (GB 1.15.1)

4 # **Hospital Sponsored Ambulatory Care Services:** The emergency supply cart on the ninth floor of PWB was not checked daily. Additionally, in the Family Practice and Medicine Clinics, there are two emergency supply carts that are not designated as such, but which are used until code team members arrive. These carts are not checked daily. (HO 4.5)

5 # **Medical Record Services:** The Medical Staff Bylaw provision that allows records "in active use within the hospital" to exceed 30 days before being considered delinquent violates (MR 3.9.).

6 + **Medical Staff:** The Medical Staff Bylaws do not specify "currently pending" or "voluntary" relinquishment of licensure or registration as necessary initial appointment information. (MS 1.2.3.1.3.1.1)

7 + **Medical Staff:** The Medical Staff Bylaws do not specify the circumstances in which an individual is to report involvement in a professional liability action. (MS 1.2.3.1.3.3)

8 + **Medical Staff:** The Medical Staff Bylaws do not specify "currently pending" or "voluntary" relinquishment of licensure or registration as necessary reappointment information. (MS 5.3.1)

9 + **Plant, Technology and Safety Management, Risk Assessment:** The seclusion rooms in adult Psychiatry are not designed or equipped to allow observation of the patient at all times. Towel bars in Psychiatry bathroom are removable. (1.3.2)

+ Sharps containers in the Oncology, Pediatric and Medicine Clinics are not secured and are easily accessible to children on examination tables. (PL 1.3.2)

10 # **Plant Technology and Safety Management, Safety Committee:** Summary of safety management issues and Safety Committee activities are communicated to the Board of Governors less than quarterly. (PL 1.7)

11 # **Plant Technology and Safety Management, Safety Committee:** The objectives, scope and organization of the safety management program are not evaluated. (PL 1.9)

12 **Plant Technology and Safety Management, Life Safety:** The Occupational Therapy area on Mayo 7 and the junction of Patient Care Units 60 and 61 represent dead end corridors. Contact the JCAHO for obtaining an equivalency. (NFPA 101, 1988: 12-2.5.6, 13-2.5.5)

+ The entry way to Patient Care Unit 63 is cluttered with file cabinets and combustible materials. (NFPA 101, 1988: 12-2.3.3, 13.2.3.3)

13 + **Plant Technology and Safety Management, Life Safety:** Patient Care Unit 60 is not clean, uncluttered or well-lit. The unit also has insufficient space and equipment for patient activities. Opportunities for indoor and outdoor recreation are limited. (PL 2.2)

Corrective action should be implemented as soon as possible.

+ Recommendation should be given high priority. Special attention will be focused on compliance with these standards during the 1993 site visit.

MINUTES
Planning and Development Committee
January 14, 1991

CALL TO ORDER
Acting Chairman, Leonard Bienias, called the January 14, 1991 meeting of the Planning and Development Committee to order at 12:25 p.m. in room 8-106 in the University Hospital.

Attendance:	Present	Leonard Bienias, Acting Chair Greg Hart Peter Lynch, M.D. Ted Thompson, M.D.
	Absent	Robert Dickler Clint Hewitt William Jacott, M.D. B. Kristine Johnson Gerald Olson
	Staff	Al Dees Cliff Fearing John LaBree, M.D. Shannon Lorbiecki Lisa McDonald

APPROVAL OF MINUTES
The minutes of the December 6, 1990 meeting were accepted as distributed.

HEART CATH LAB EXPANSION
The Heart Cath Lab expansion which was approved by the Board of Governors in October for $3,000,000 was discussed. Bids were received and evaluated in December. The bids were lower than expected and another bid was placed to determine the cost of replacing the heart cath unit in room #3 at this time in order to reduce future planned major capital expenditures. The project costs were lower because of a favorable set of bids, a significant reduction in the remodeling cost of the project and agreement that the existing bi-plane unit in room #3 can be replaced with a single plane unit. Mr. Hart recommended purchasing two heart cath units now, rather than one now and the other in 1991-92, as within the approved budget of $3,000,000.

NEUROANGIOGRAPHY SYSTEM REPLACEMENT
Mr. Dees reviewed the capital project request for the biplane neuroangiographic system replacement that was presented last month. The system is $1,655,000 with installation and remodeling costs projected at $245,000. The equipment is used primarily for vascular problems, aneurisms, etc. Finance will be looking at leasing and purchase options as we get closer to the delivery date. Consideration is being given to combining it in a financial package with the two heart cath units. In response to a question, Mr. Dees indicated that the two American manufacturers couldn't meet the

specifications at this time. The purchase of the neuroangiographic system was endorsed.

RED WING UPDATE

Mr. Fearing discussed the Red Wing negotiations. A proposal will be presented to the Planning and Development Committee in the next few months.

UMCA UPDATE

Dr. Lynch provided the following update:

- Approximately 436 employees signed up for the Group Health Family Practice Clinic along with 1,600 graduate assistants.
- UMCA has closed out its relationship with CHAMP.
- The name of Ted Thompson, M.D. will be presented to the UMCA Board as UMCA's medical director.

OTHER BUSINESS

The University of Minnesota has voted to provide its own benefits, separate from the State with an effective date of 1/92.

ADJOURNMENT

Mr. Bienias adjourned the Planning and Development Committee at 1:10 p.m.

Respectfully submitted,

Lisa McDonald

Lisa McDonald
Assistant Director
Planning and Marketing

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

February 20, 1991

TO: Members, Board of Governors

FROM: Greg Hart
Senior Associate Director

RE: Heart Cath Expansion Project

In October the Board of Governors approved a $3,000,000 expansion project for the Cardiac Cath Lab, driven by the increasing volume in the lab. At that time we indicated we would report back to the Board once final equipment bids were received and final space plans for the project were developed.

We received and evaluated those bids in December. The bids were very favorable. In fact, the environment appears to be so favorable that we decided that we should take the opportunity to evaluate an expanded project, replacing (earlier than anticipated) one of our current machines in the Heart Cath Lab, in addition to adding the fourth room. We did this evaluation in the context of the need to reduce our planned major capital expenditures by approximately $10,000,000 over the decade, as we discussed with the Board of Governors last fall.

The outcome of that evaluation is that we can accomplish a significant reduction in our long-range capital plan by purchasing two heart cath unit now, rather than one now and the other in 1991-92, as previously planned. We can purchase and install both machines within the Board approved budgets for Heart Cath projects ($3,000,000 for Heart Cath expansion, $110,000 for image intensifier). This is accomplishable as a result of several factors: (a) a favorable set of bids, (b) a significant reduction in the remodeling cost of the project, due largely to very helpful cooperation between Radiology and Cardiology, and (c) agreement by the cardiologists that the existing bi-plane unit in the current Heart Cath suite can be replaced with a single plan unit. The cost of the project, reconfigured to include two new machines, is $3,100,000.

To recap the financial impact of the project as now configured:

Original Plan

Expand Room 4	$3,000,000	(Board approved)
Upgrade Imaging Room 3	110,000	(Board approved)
Replace Room 3	1,500,000	(per capital plan)
Total	$4,610,000	

Reconfigured Plan

Expand Room 4; replace Room 3	$3,100,000

The net reduction in the long-range capital plan is $1,510,000.

Because the newly configured project is within project budgets already approved by the Board of Governors, we do not believe that any additional action by the Board is necessary.

We will be happy to answer any questions at the Board meeting next week.

/gs

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS FINANCE COMMITTEE
December 19, 1990

MINUTES

ATTENDANCE:

Present:	Edward Ciriacy, M.D. Robert Dickler Clifford Fearing Nellie Johnson David Lentz Margaret Matalamaki Jerry Meilahn
Not Present:	Elwin Fraley, M.D. Roger Paschke Vic Vikmanis
Staff:	Greg Hart Teri Holberg Nels Larson
Guest:	Al Dees Stephen Grygar William Thompson, M.D. Mary Ellen Wells

CALL TO ORDER:

The Finance Committee was called to order by Mr. Jerry Meilahn on December 19, 1990 at 12:25 P.M.

APPROVAL OF THE MINUTES:

The Board of Governors Finance Committee seconded and passed a motion to approve the minutes of the October 24, 1990 meeting as written.

JULY 1, 1990 THROUGH NOVEMBER 30, 1990 FINANCIALS:

Mr. Fearing reported to the Finance Committee the month of November inpatient admissions totaled 1,527, which was 106 above budget; average length of stay was 8.0 days; patient days totaled 11,975, which were 665 days above budget. The November average daily census was 400, which was above the budgeted level of 377. Clinic visits for the month of November were reported to be 5.9% over budget.

The Hospital's year-to-date Statement of Operations showed revenues over expenses by $8,024,178 a favorable variance of $6,230,480. Mr. Fearing stated

ancillary revenue was 5.7% above budget and operating expenditures through November were reported to be 0.9% above budget.

Lastly, Mr. Fearing reported as of November 30 the balance of account receivable totaled $98,127,734 and represented 96.4 days of revenue outstanding.

RENEWAL PROJECT:

Mr. Robert Dickler presented to the Committee, for approval, the following Renewal Project recommendations.

Two floors would be added on to Unit J, one to be used for the inpatient Psychiatry program and the other for shell space at a cost of $22,000,000 of which $5,600,000 would be for the shell floor. The renovation of the Psychiatry day hospital in the Mayo building would be decreased by 50%, from four units to two. Space would be reserved for the additional two units should future demand and financial performance justify expansion and further renovation.

The inpatient Rehabilitation unit would be remodeled at a cost of $500,000, and the adult rehabilitation therapy units would be moved from Mayo 7 to Mayo 4 at a cost of $1,960,000.

The plan for Obstetrics would remain as previously approved by the Board, with interim remodeling in Mayo and a subsequent move to Unit J if certain volume levels are achieved.

The plan for Urology would (a) move Urology Clinic and Cystoscopy to the current Ambulatory Surgery Center and adjacent Colon/Rectal Clinic space in Phillips-Wangensteen, (b) move the Ambulatory Surgery activity to the Main OR in Unit J, with two newly constructed operating rooms, and (c) create future expansion space for two more (totalling four) operating rooms. The new operating rooms would be added adjacent to the existing ones in space over the fron entrance. In addition, there would be remodeling of the Urology department offices in the Mayo Building and a temporary upgrade of the current Urology Clinic/Cysto suite.

The remaining funds of the Renewal Project would be used for building system and code upgrades and remodeling in department with significant life-safety problems in the Mayo Building.

Mr. Dickler stated the $37,600,000 Renewal Project would be financed from Hospital reserves and/or cashflows. He also stated if this proposal is approved by the Board it would then be brought before the Board of Regents for information in January. It is uncertain at this time if the Renewal Project will need to go before the Regents in February for approval.

The Finance Committee seconded and passed a motion to endorse the Renewal Project at a cost of $37,600,000 as submitted.

PROGRAM FINANCIAL ANALYSIS:

Mr. Stephen Grygar presented to the Committee for information a fiscal year 1989-90 financial analysis of Cystoscopy, Obstetrics, Psychiatry, and

Rehabilitation. The financial analysis showed all four programs having a loss with Cystoscopy having the least and Psychiatry as having the greatest of these four programs.

SPECIAL CAPITAL PROJECT:

Neuroangiography System Replacement

Mr. Al Dees presented to the Committee for information a proposal to purchase a new biplane radiographic, fluoroscopic, digital neuroangiographic system at an estimated cost of $1,900,000.

Mr. Dees stated the current systems used in the two neuroradiology procedure rooms were acquired in 1980 and 1983, with an upgrade in 1986. These systems are not capable of providing acceptable biplane imaging required for the new highly differentiated adult and pediatric neurointerventioal procedures and other neuroangiographic studies which have been and are being developed.

This proposal will be brought before the Committee in January for approval.

MAJOR CAPITAL EXPENDITURES:

CUHCC Computer System

Ms. Mary Ellen Wells presented to the Committee for information a proposal to purchase an interactive clinic management computer system for the Community University Health Care Center (CUHCC) at a cost of $120,555. The system currently being used by CUHCC, which was purchased in 1978, is at capacity.

Laboratory Computer System Expansion

Mr. Dees presented to the Committee for information a proposal to expand the Clinical Laboratory Information System (CLIS) with 2 Tandem VLX Processors, memory and installation at a cost of $306,000. He stated the CLIS requires expansion in order to maintain adequate levels of service and laboratory productivity.

BCBSM 1991 CONTRACT:

Mr. Fearing reported to the Committee an agreement had been reached with BCBSM on the 1991 contract in November 1990. The agreement included an overall increase of approximately 7% to the 1990 BCBSM contract.

IMMUNOTOXINS:

Mr. Fearing reported to the Committee for information that UMHC is attempting to assist in financing the development and program of a biological product (immunotoxins) B43 PAP, which has been developed by a research physician at UMHC. This product is intended to help increase the success rate of bone marrow transplant patients. UMHC would assist in financing the first phase, the clinical/toxicity trial, which would begin in early 1991, and the second phase where the product would be tested for efficacy. Phase two would begin six months to two years after the first phase is completed. Mr. Fearing

stated this project would cost the Hospital approximately $500,000 initially and then approximately $250,000 annually for the next two to three years.

Mr. Fearing stated approval will be sought for this project from the Committee in the future, a more detailed report will be presented at that time.

RED WING:

Mr. Fearing reported negotiations are still occurring and written counter proposal is expected from Red Wing in the near future. Mr. Fearing will keep the Committee informed of the progress.

YEAR END AUDIT REPORT:

Mr. Nels Larson presented to the Committee for information the audit report issued by Coopers & Lybrand for the year ending June 1, 1990. Mr. Larson reported no audit adjustments were made with regards to the P&L, but an adjustment was made to the balance sheet. The adjust to the balance sheet was a result of the auditors working with the University where it was discovered there was an unrecognized liability with regards to workmen's compensation liabilities. The auditors went back to the June 30, 1988 and restated the fund balance and the liability to recognize the Hospital's share of the outstanding workmen's compensation liability.

There being no further discussion, the December 19, 1990 meeting was adjourned at 2:30 P.M.

Respectfully submitted,

Teri Holberg

Teri Holberg
Recording Secretary

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

January 23, 1991

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Report of Operations for the Period **July 1, 1990 through December 31, 1990**

The Hospital's operations for the month of December reflect patient days, and clinic visits activity above budget. Both ancillary revenue and routine revenue are above budgeted levels for the month.

INPATIENT CENSUS: For the month of December, inpatient admissions totaled 1,269 which was 111 below budgeted admissions of 1,380. Our overall average length of stay for the month was 8.3 days. Patient days for December totaled 11,602 and were 537 days above budget. The most significant areas in which admissions were below budget were in Gynecology, Pediatrics, Surgery, and Urology.

To recap our year-to-date inpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Admissions	9,334	8,811	9,122	311	3.5
Patient Days	75,797	70,177	73,721	3,544	5.1
Avg Length of Stay	8.0	8.0	8.0	0.0	0.0
Avg Daily Census	411.9	381.4	400.7	19.3	5.1
Percent Occupancy	71.0	66.0	69.6	3.6	5.5

OUTPATIENT CENSUS: Clinic visits for the month of December totaled 19,982 which was 410, or 2.1%, more than budgeted visits of 19,572. Visits were significantly above budget in Adult Psych, Endoscopy, Emergency Room, and Radiation Therapy. Community University Health Care Center (CUHCC) visits for the month of December totaled 3,268 which was 752, or 18.7%, below budgeted visits of 4,020, while Home Health visits of 980 for the month were 27, or 2.8%, above budgeted visits of 953.

To recap our year-to-date outpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Clinic Visits	134,404	130,193	137,871	7,678	5.9
CUHCC Visits	26,050	26,450	24,204	(2,246)	(8.5)
HHA Visits	5,609	5,658	5,002	(656)	(11.6)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by $8,610,543, a favorable variance of $8,238,811. Patient care charges through December totaled $178,256,689, which was 5.2% over budget. Routine revenue was 4.3% above budget and reflects our favorable inpatient census variance.

Ancillary revenue was $6,762,269 above budget (5.6%) and primarily reflected the favorable variance in both inpatient and outpatient census. Inpatient ancillary revenue averaged $9,942 per admission compared to the budgeted average of $9,810 per admission. Outpatient revenue per clinic visit averaged $265 compared to the budgeted average of $262.

Operating expenditures through December totaled $148,051,654 and were $1,655,097 (1.1%) above budgeted levels of $146,396,557. The overall unfavorable variance is primarily due to recognizing the estimated cost of purchasing tail coverage liability insurance for asserted claims and incidents not reported, and the increased demand for patient services, which is reflected in higher personnel costs and patient care supplies (blood and medical supplies and services).

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of December 31, 1990, totaled $98,786,724 and represented 98.6 days of revenue outstanding. The overall increase in our patient receivables in December of 2.3 days occurred primarily in Interim Payment/Advance, and State Health Care Plan. These increases were partially offset by decreases in Insurance/Medical Information Requests, and Medicare.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for December. 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, 1990 TO DECEMBER 31, 1990

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$169,383,046	$178,256,689	$8,873,643	5.2%
Deductions from Charges	40,695,052	41,054,905	359,853	0.9%
Other Operating Revenue	13,053,164	13,664,455	611,291	4.7%
Total Operating Revenue	141,741,158	150,866,239	9,125,081	6.4%
Total Expenditures	146,396,557	148,051,654	1,655,097	1.1%
Net Operating Revenue	(4,655,399)	2,814,585	7,469,984	
Non-Operating Revenue and Expenses	5,027,131	5,795,958	768,827	15.3%
Revenue Over/Under Expense	$371,732	$8,610,543	$8,238,811	

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Admissions	8,811	9,122	311	3.5%
Patient Days	70,177	73,721	3,544	5.1%
Average Daily Census	381.4	400.7	19.3	5.1%
Average Length of Stay	8.0	8.0	0.0	0.0%
Percentage Occupancy	66.0	69.6	3.6	5.5%
Outpatient Clinic Visits	130,193	137,871	7,678	5.9%

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

February 27, 1991

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Report of Operations for the Period **July 1, 1990 through January 31, 1991**

The Hospital's operations for the month of January reflect patient days, and clinic visits activity above budget. Both ancillary revenue and routine revenue are above budgeted levels for the month.

INPATIENT CENSUS: For the month of January, inpatient admissions totaled 1,617 which was 125 above budgeted admissions of 1,492. Our overall average length of stay for the month was 8.5 days. Patient days for January totaled 12,604 and were 772 days above budget. The most significant areas in which admissions were more than budget were in Medicine, Ophthalmology, and Surgery.

To recap our year-to-date inpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Admissions	10,960	10,303	10,739	436	4.2
Patient Days	88,300	82,009	86,325	4,316	5.3
Avg Length of Stay	8.1	8.0	8.1	0.1	1.3
Avg Daily Census	410.7	381.4	401.5	20.1	5.3
Percent Occupancy	70.8	65.9	69.7	3.8	5.8

OUTPATIENT CENSUS: Clinic visits for the month of January totaled 23,981 which was 2,289, or 10.6%, more than budgeted visits of 21,692. Visits were significantly above budget in Adult Psych, Endoscopy, Emergency Room, Ophthalmology, Dental, Family Practice, and Radiation Therapy. Community University Health Care Center (CUHCC) visits for the month of January totaled 4,521 which was 77, or 1.7%, above budgeted visits of 4,444, while Home Health visits of 1,026 for the month were 73, or 7.7%, above budgeted visits of 953.

To recap our year-to-date outpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Clinic Visits	156,920	151,885	161,852	9,967	6.6
CUHCC Visits	30,566	30,894	28,725	(2,169)	(7.0)
HHA Visits	6,455	6,611	6,028	(583)	(8.8)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by $9,500,666, a favorable variance of $8,949,164. Patient care charges through January totaled $207,644,549, which was 4.9% over budget. Routine revenue was 4.3% above budget and reflects our favorable inpatient census variance.

Ancillary revenue was $7,239,665 above budget (5.1%) and primarily reflected the favorable variance in both inpatient and outpatient census. Inpatient ancillary revenue averaged $9,808 per admission compared to the budgeted average of $9,810 per admission. Outpatient revenue per clinic visit averaged $264 compared to the budgeted average of $262.

Operating expenditures through January totaled $173,421,967 and were $1,884,746 (1.1%) above budgeted levels of $171,537,221. The overall unfavorable variance is primarily due to inceased insurance costs and the increased demand for patient services, which is reflected in higher personnel costs and patient care supplies (blood and medical supplies and services).

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of January 31, 1991, totaled $97,079,310 and represented 98.1 days of revenue outstanding. The overall decrease in our patient receivables in January of .5 days occurred primarily in Special Contracts - Transplants and Blue Cross Aware. These decreases were partially offset by an increase in United Health Care Transplants.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for January. 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, 1990 TO JANUARY 31, 1991

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$197,937,095	$207,644,549	$9,707,454	4.9%
Deductions from Charges	47,555,476	47,959,567	404,091	0.8%
Other Operating Revenue	15,331,032	16,015,584	684,552	4.5%
Total Operating Revenue	165,712,651	175,700,566	9,987,915	6.0%
Total Expenditures	171,537,221	173,421,967	1,884,746	1.1%
Net Operating Revenue	(5,824,570)	2,278,599	8,103,169	139.1%
Non-Operating Revenue and Expenses	6,376,072	7,222,067	845,995	13.3%
Revenue Over/Under Expense	$551,502	$9,500,666	$8,949,164	

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Admissions	10,303	10,739	436	4.2%
Patient Days	82,009	86,325	4,316	5.3%
Average Daily Census	381.4	401.5	20.1	5.3%
Average Length of Stay	8.0	8.1	0.1	1.3%
Percentage Occupancy	65.9	69.7	3.8	5.8%
Outpatient Clinic Visits	151,885	161,852	9,967	6.6%

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

February 21, 1991

TO: Members, Board of Governors

FROM: Greg Hart GH/kj

SUBJECT: Lithotripsy Program

University Hospital acquired its first lithotripter in 1985. Since that time nearly 2,000 patients have come to University Hospital for lithotripsy services. The lithotripsy program has been a success, in that volume has exceeded our original expectations, the program has been profitable, and the medical staff utilizing the technology (including several from outside University Hospital) have viewed the program positively. The fact that University Hospital has had ESWL technology available has also led to referrals for other urologic procedures, especially for related methods of kidney stone treatment and other "minimally invasive" techniques.

Late in 1989 University Hospital began leasing a second lithotripter. This machine, manufactured by Siemens, was leased with two objectives in mind: to assess the application of ESWL to gallstones (in addition to kidney stones), and to assess the viability of "anesthesia free" lithotripsy, a capability new with the Siemens machine.

The experience with the Siemens machine has been marginal for gallstone treatment. We, along with many other sites across the country, have found the range of applicability and success rates for gallstone treatment to be limited. On the other hand, our experience with the Siemens machine has been positive from the point of view of its "anesthesia free" capability. The patients and physicians using the machine have had good results, with most patients now being treated on a "same day" basis.

During this time period there has been another evolution in lithotripsy technology - mobile capability. There is a competing venture in the Twin Cities which has a mobile lithotripter, which visits sites in the Twin Cities and, increasingly, beyond. Several of our referral sources have expressed interest in purchasing mobile lithotripsy services from UMHC; this has led us to assess whether our next phase of lithotripsy program development should involve a mobile program. We now believe the market is such that a mobile program is viable and appropriate.

We are now working with the Department of Urology to assess the market, machine choice, financing, pricing, and organizational form for a mobile lithotripsy program. We have had serious interest expressed by local hospitals and health plans, in terms of referral potential for such a program. There has also been significant interest expressed by several sites outside of the Twin Cities. We are in discussions with vendors regarding potential terms of acquisition for a machine and vehicle. We are also discussing joint financing and ownership with the Department of Urology. Assuming we conclude that a joint venture is the preferred organizational form, the creation of the venture as a separate entity would require the approval of the Board of Regents, in addition to the Board of Governors.

At this point we anticipate bringing a proposal for both capital expenditure and the creation of the joint venture to the Board of Governors in April. If the Board Committee meeting schedules allow, we will discuss this item again with the Committee in March as well. We look forward to introductory discussion with the Planning and Development and Finance Committees next week.

GH/kj

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review: _____
Finance Committee Review: January 23, 1991
Board of Governors Review: January 23, 1991

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: Bone Marrow Transplantation Expansion Project

PURCHASE PRICE: $217,250.00 (Included in Capital Budget)

DESCRIPTION: Expansion of Bone Marrow Transplantation (BMT) Unit by nine beds. This will be accomplished by converting nine standard patient care beds on 4B to BMT ICU beds.

Modifications need to be made to standard patient care rooms to accommodate severely immunocompromised BMT patients. These modifications include: 1) upgrading the hourly air exchanges, 2) room finishes, and 3) installing equipment for ongoing monitoring and study of the room environment.

NOTE: The air exchange upgrade plan involves four incremental steps which may be necessary to achieve the upgrade standard. An incremental plan allows the goals of minimal disruption to the current BMT unit and cost effectiveness to be met. Each step is progressively more disruptive to the BMT unit and adds additional cost. Following the implementation of each step, the air exchange will be evaluated. When the air exchange standard has been met, no further steps will be initiated.

BUDGET:

1)	Air Exchange Upgrade	$154,250.00*
	* Maximum amount required if all four incremental steps are implemented	
2)	Room Finishes ($5,000 per room)	$ 45,000.00
3)	Environmental Monitoring ($2,000 per room)	$ 18,000.00
		$217,250.00

Submitted By: Robert Dickler
Title: Hospital Director

Approved By: [signature]
Title: Hospital Director

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

January 23, 1991

TO: Board of Governors

FROM: Clifford P. Fearing
Senior Associate Director

SUBJECT: Report of Operations for the Period
July 1, 1989 through June 30, 1990

The 1989-90 fiscal year for University of Minnesota Hospital and Clinic has shown a decline in inpatient admissions for the second straight year. At the same time we experienced a slight (.6%) decrease in our outpatient clinic visits from prior year levels. This is the first time since fiscal year 1984-85 that our outpatient activity has declined. Our levels of staffing and operating expenses decreased during the year as outpatient and ancillary demand for services went down. Below is a brief summary of major factors which have contributed to our 1989-90 financial position.

Inpatient Census: Admissions for the 1989-90 fiscal year totaled 18,331 compared to 18,856 for the previous year, a decrease of 525, or (2.8%). Patient days for the year totaled 147,484, down by 10,891 (6.9%) from 158,375 days in 1988-89. The hospital overall average length of stay decreased from 8.4 days last year to 8.0 days in the current year.

We budgeted for a decline in our inpatient census levels in 1989/90 which was consistent with industry trends. However, we experienced a greater decline than anticipated in inpatient admissions and significantly lower patient days, due to a decrease in average length of stay. While admissions in most areas decreased from the prior year or remained constant, Pediatrics and Gynecology showed some increase. The major contributors to the increase in Pediatrics and Gynecology were the continuing expansion of existing programs, increased marketing efforts, and physician recruitment.

To recap our inpatient census for the 1989-90 fiscal year:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Admissions	18,856	18,860	18,331	(529)	(2.8)
Avg. Lgth. of Stay	8.4	8.4	8.0	(0.4)	(4.8)
Patient Days	158,375	158,100	147,484	(10,616)	(6.7)
Percent Occupancy	74.5	73.9	69.6	(4.3)	(5.8)
Avg. Daily Census	433.9	433.1	404.1	(29.0)	(6.7)

Outpatient Census: The Hospital's outpatient clinic census showed a slight decrease from the 1988-89 levels, going from 272,322 visits in 1988-89 to 270,667 in 1989-90. This represents a .6% decrease from the prior year levels and a 2.7% decrease (7,533) from the budgeted 1989-90 total of 278,200. While the decrease in clinic census occurred in fewer than half of the clinic areas, those declines were significant. They occurred in Adult Psych, Dentistry, OB/GYN, Sports Medicine, Ophthalmology, and Urology. Clinic areas that experienced significant increases in activity included Masonic Day Hospital, Emergency Room, and Radiation Therapy.

To recap our outpatient census for the 1989-90 fiscal year:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Clinic Visits	272,322	278,200	270,667	(7,533)	(2.7)
CUHCC Visits	48,265	46,700	53,062	6,362	13.6
HHA Visits	12,070	11,800	11,255	(545)	(4.6)

Operations - Revenue: Patient care revenue for the 1989-90 fiscal year totaled $319,825,097 and is an increase of $10,087,958 (3.3%) over the 1988-89 fiscal year. The increase in revenue is approximately $20,641,900 below budget and results in an overall unfavorable variance of 6.1%. This overall variance is due to lower than anticipated patient days and lower than anticipated ancillary utilization for both inpatient and outpatient populations.

Routine revenue totaled $92,351,670, and represents an unfavorable variance of approximately $4,482,855. Ancillary service revenue totaled $227,473,427, and was approximately $16,159,000 (6.6%) below budget. The overall ancillary variance reflects a utilization level per patient that was lower than anticipated. Inpatient ancillary revenue per admission averaged $8,874 compared to the budgeted average of $8,922. Outpatient revenue per clinic visit averaged $239 compared to the budgeted average of $271. Nearly all ancillary areas experienced revenues below budget, with the greatest declines occurring in the clinical labs and the blood bank, pharmacy, and diagnostic radiology. While much of the decreases can be attributed to the drop in census levels, other

efforts aimed at heightened utilization awareness and increased efficiencies have also had an impact. Areas that experienced significant increases over budget included the operating room and kidney acquisition. These increases were related to the increase and expansion of our cardiovascular surgery and transplant programs.

Deductions from Charges: Deductions from charges totaled $76,882,337 for the fiscal year and represent an overall favorable variance of $2,970,700. The major portion of this variance is a $7,332,447 (15.1%) favorable variance in government contractual adjustments that relates primarily to Medicare. $3,641,000 of the variance is related to better than expected Medicare payments for capital and indirect medical education. The remaining variance is a combination of factors including a reduction in charges per case and adjustments for capital payments for 1989 and 1990.

The $3,912,900 (25.9%) unfavorable variance in HMO write-offs was due primarily to two major factors. First, in 1989-90, we saw a significant decrease in the outpatient reimbursement rates from Blue Cross/Blue Shield of Minnesota. This accounted for $1,531,000 of the variance and was caused by the implementation of BCBSM's outpatient categorical payment system. Another $900,964 of the variance is due to higher than expected charges per inpatient discharge for BCBSM. In addition, we continued to see an increase in the number of negotiated contracts for organ transplants and other specific services.

Other Operating Revenue: Other operating revenue totaled $11,292,905 for the 1989-90 fiscal year, an increase of $1,348,800 (13.6%) over the prior year total of $9,944,090. The increase is $1,427,200 (14.5%) over the budgeted revenue of $9,865,700, and reflects significant favorable variances for grant income, income from bond proceeds, reference lab revenue, and parking services. Partially offsetting this increase is a decrease in the net revenues from professional fees due to the decline in ancillary utilization.

Operations - Expenditures: Operating expenses for the 1989-90 fiscal year totaled $275,882,100 and was an increase of $6,868,856 (2.6%) over the 1988-89 fiscal year. The increase in expense was approximately $17,245,900 under budget and resulted in an overall favorable variance of 5.9%. Most of this variance was associated with the decrease in demand for patient services and increased cost containment efforts.

Personnel costs (salaries and fringe benefits) were under budget by $9,299,900. The decreased salary costs were the result of lower staffing levels. During the 1989-90 fiscal year we averaged 3,862 full-time equivalents (FTE's), which was a decrease of 228 from the budgeted total of 4,090. The decrease in staffing levels is largely attributed to the decreased census levels experienced throughout the year, with patient-related services accounting for

79% of the FTE decrease. The favorable variance in fringe benefit expenses relates primarily to the lowered salary costs.

Supplies and expense directly related to patient care activities were $5,604,500 under budget in aggregate. Many of these expenses relate directly to the decrease in ancillary revenues. They include such things as drugs, blood and blood derivatives, laboratory and medical supplies, laundry and food services, services related to bone marrow acquisitions, and the rental of patient care equipment.

Expenses related to buildings, building services, and equipment were $660,200 under budget. These costs include utilities, maintenance and repair, communications, building rental, and depreciation. This decrease resulted from several factors, including lower utility rates than expected, a change in our capitalization policy that lowered our immediate expenses, delays in purchasing some capital items, and decisions not to purchase some major pieces of equipment.

Insurance expense for 1989-90 totaled $902,679 and was $89,321 under budget. This variance is primarily the result of a drop in the net premium cost of our liability and property insurance. We received both a large retroactive credit adjustment and a retained earnings credit against the liability insurance premium because of our low loss experience.

Finally, we experienced a net favorable variance in our general supply and expense categories totaling $1,591,500. The major portions of this variance relate to a $1,087,600 favorable variance in general administrative expenses, such as recruitment, consulting, travel, and contracted services, and a $427,000 favorable variance in interest expense due to decreased rates on the variable rate bonds.

Non-Operating Revenue: Non-operating revenues totaled $28,218,962 in 1989-90 and represent a favorable variance from budget of $3,938,600. The overall variance is mainly due to increased interest earnings on the reserve funds and the investments held by the trustee, and a dividend distribution of $1,965,000 from RUMINCO LTD to the Hospital.

Accounts Receivable: The balance in patient accounts receivable as of June 30, 1990 totaled $85,705,658 and represents 93.6 days of revenue outstanding; this is a decrease of 3.8 days and a decrease of $1,966,805 from June 30, 1989. Both the decline in days and the decrease in dollars can be attributed to our increased billing and collection efforts.

Capital Expenditures: During the 1989-90 fiscal year, UMHC expended $8,953,400 from hospital operating funds, $2,500,000 from our reserve funds, and $2,776,100 from the hospital plant and trustee funds for current year capital expenditures. The major components of our capital spending were: (1) $6,179,000 for

recurring equipment, remodeling, and renovation, (2) $2,776,100 for major capital projects (Masonic III, MRI II, etc.), and (3) $5,274,400 in principal payments on debt and capital leases.

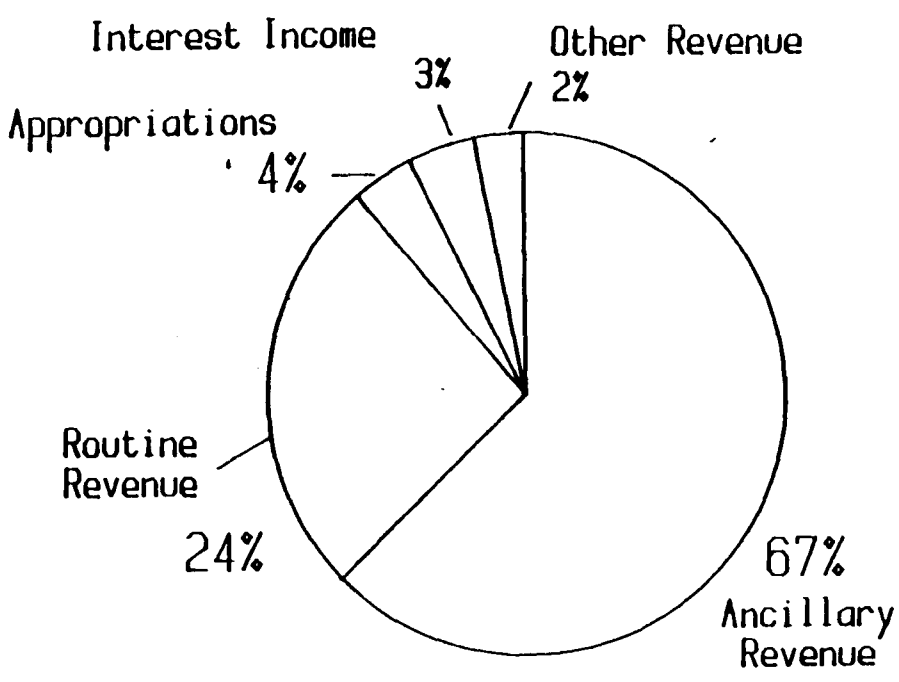
Conclusion: For the second time since fiscal year 1985-86, UMHC experienced a decline in our admission levels. At the same time, our outpatient visits decreased and our average length of stay dropped. Although the decreased ALOS was a desired goal for the institution, the declines in admissions and clinic visits are of concern. We must work towards not only retaining our share of the healthcare market, but expanding it in order to help maintain the integrity of UMHC's financial position.

UMHC continued to experience increasing pressure from third party payors as HMO's, insurance companies, and self-insured companies moved to contract for specific services, and more governmental agencies moved towards prospective payment systems. These activities are continuing to force UMHC, as well as other providers, away from fee-for-service pricing and toward negotiated fixed fee pricing. UMHC must keep working with the HMO's, PPO's, and other insurers to develop pricing strategies which will enhance our competitive position while enabling us to meet our financial goals and objectives.

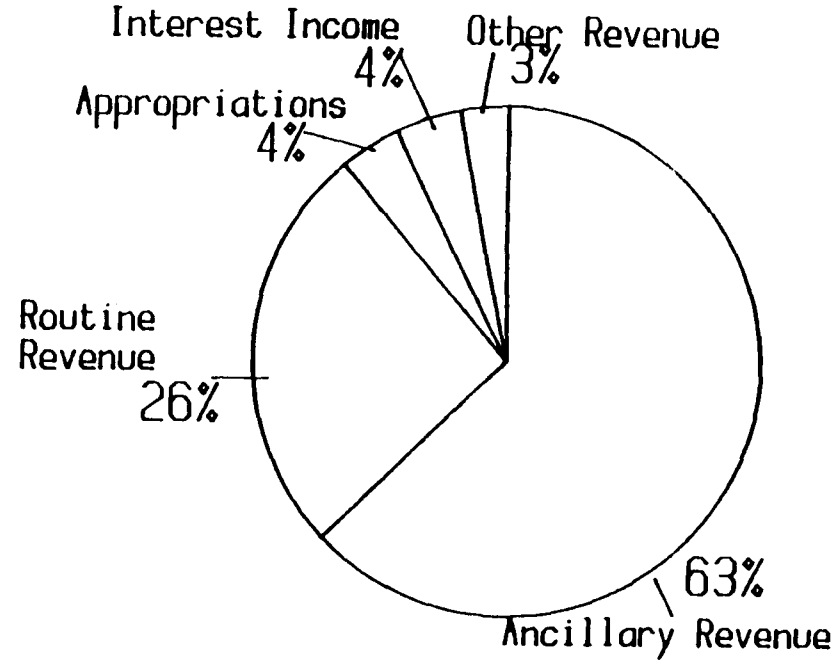
The competitive and cost conscious environment we are in will continue, and will challenge us to find new sources of revenue and ways to reduce costs. Over the past fiscal year, UMHC has instituted numerous efforts aimed at reducing costs, increasing efficiency and productivity, and minimizing the number of unnecessary or duplicative procedures performed while maintaining the high quality of patient care. We are exploring new avenues for market penetration, program diversification and expansion, and program affiliations in order to continue to sustain UMHC's mission of patient service, education, and research.

University of Minnesota Hospital and Clinic

88/89 Revenue Summary

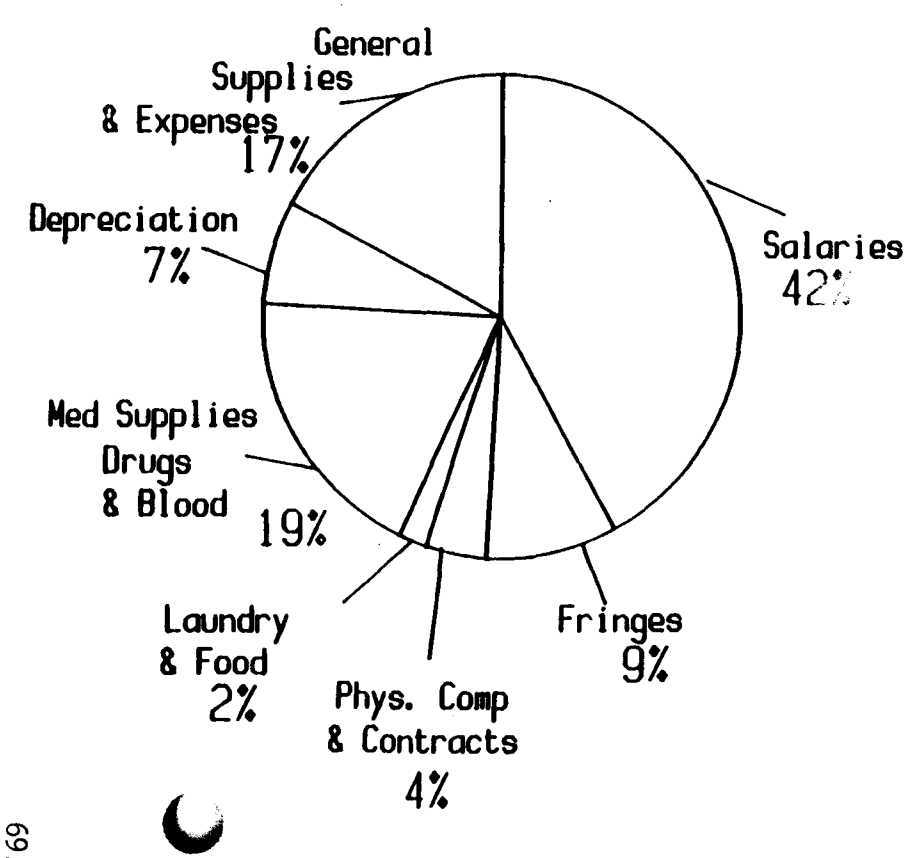


89/90 Revenue Summary

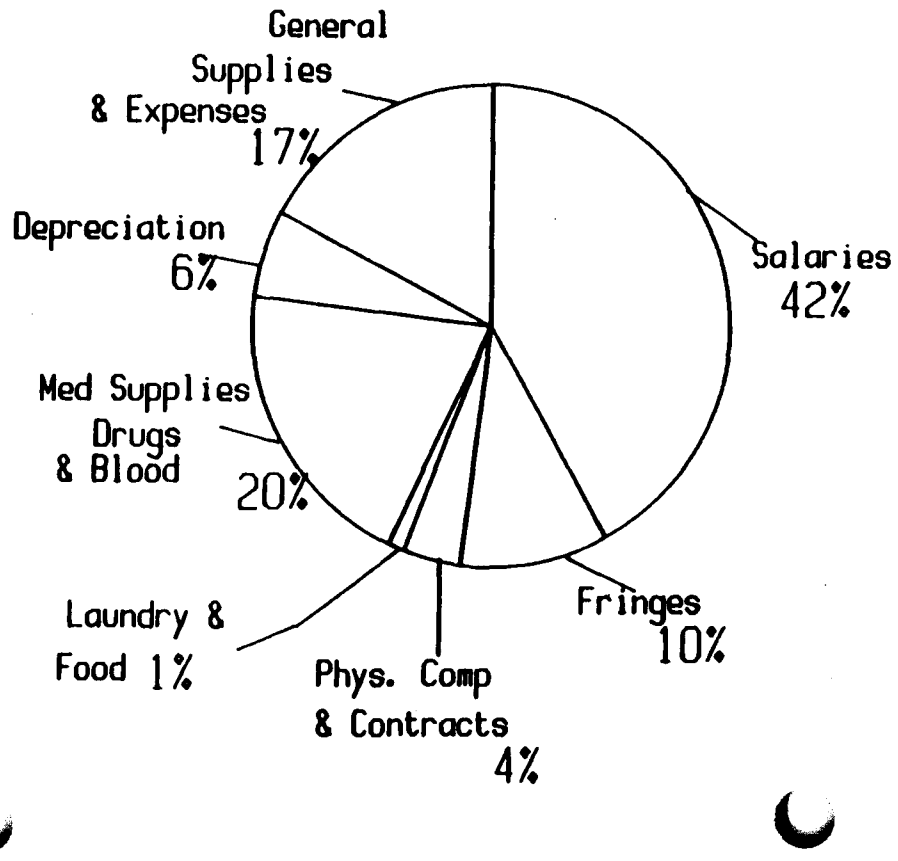


University of Minnesota Hospital and Clinic

88/89 Expense Summary



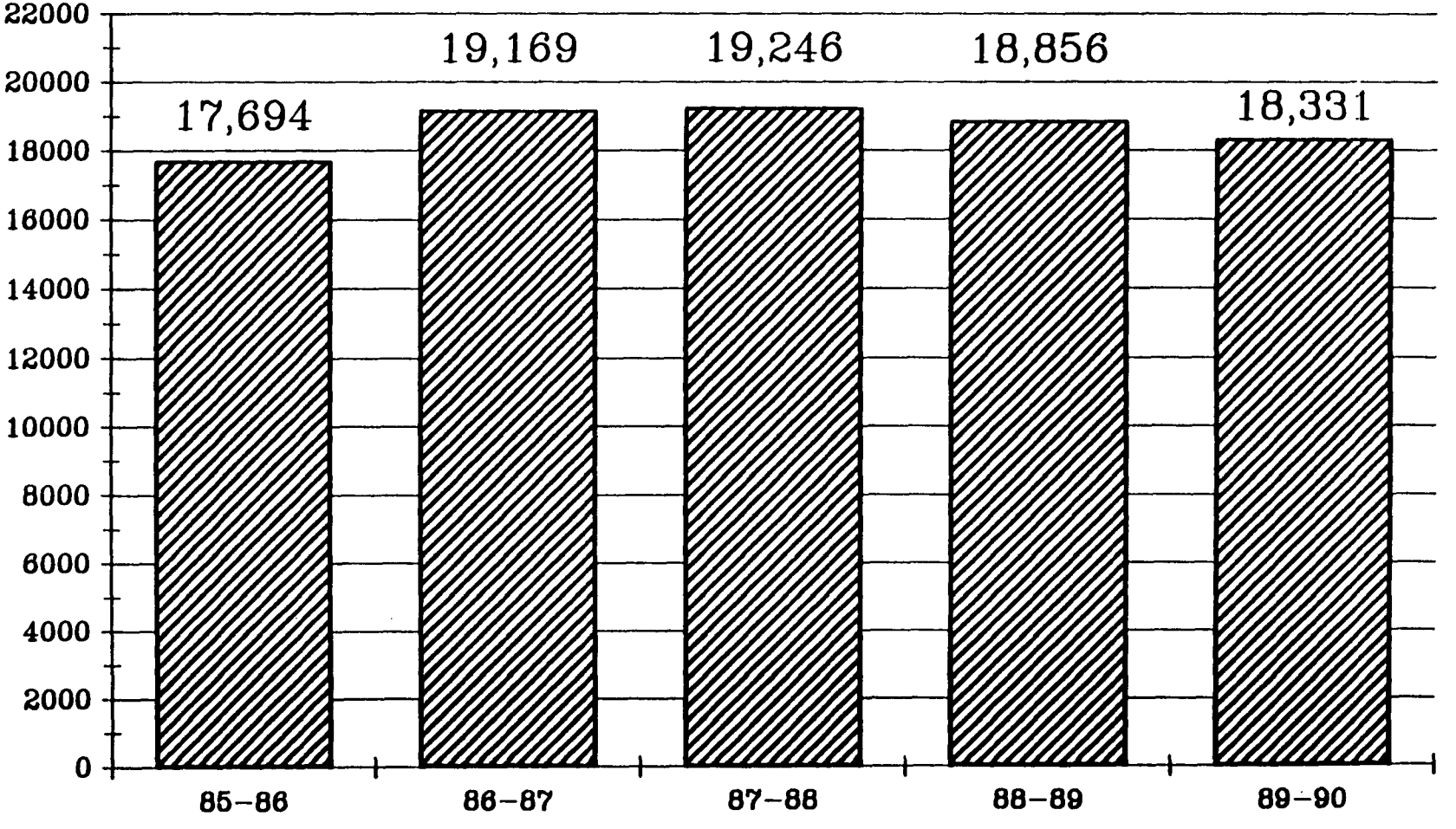
89/90 Expense Summary



University of Minnesota Hospital and Clinic

Admissions

1985–86 through 1989–90



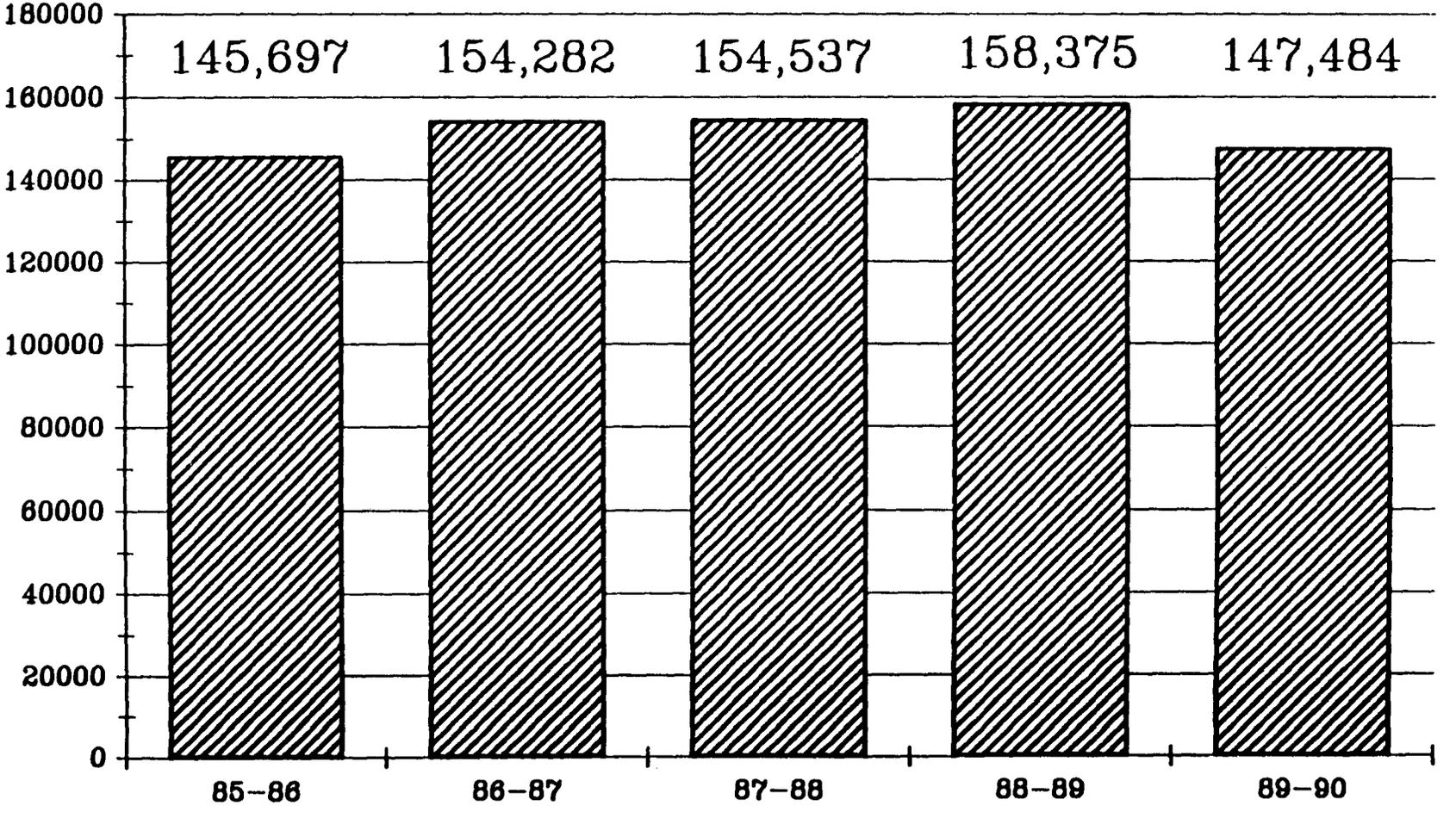
University of Minnesota Hospital & Clinic
Inpatient Admissions by Clinical Service
For FY 1985-86 through 1989-90

Admissions	1985-86	1986-87	1987-88	1988-89	1989-
Clinical Research	359	482	434	416	
Dentistry	74	70	56	47	
Dermatology	30	23	24	32	
Family Practice	33	27	27	24	
Gynecology	1,325	1,476	1,336	1,249	1,4
Medicine	3,297	3,981	4,354	4,660	4,2
Neurology	634	431	367	357	
Neurosurgery	919	878	898	937	
Newborn	318	346	345	354	
Obstetrics	508	594	575	586	
Ophthalmology	994	990	968	574	4
Orthopedics	979	1,020	1,193	1,205	1,1
Otolaryngology	502	459	447	415	4
Pediatrics	3,097	3,322	3,080	3,024	3,3
PM & R	197	163	173	206	2
Psychiatry - Adult	728	783	827	854	8
Psychiatry - Child	83	90	95	91	
Surgery	2,678	2,931	3,093	2,960	2,9
Urology	933	1,099	943	839	6
Other	6	4	11	26	
Total	17,694	19,169	19,246	18,856	18,3

University of Minnesota Hospital and Clinic

Patient Days

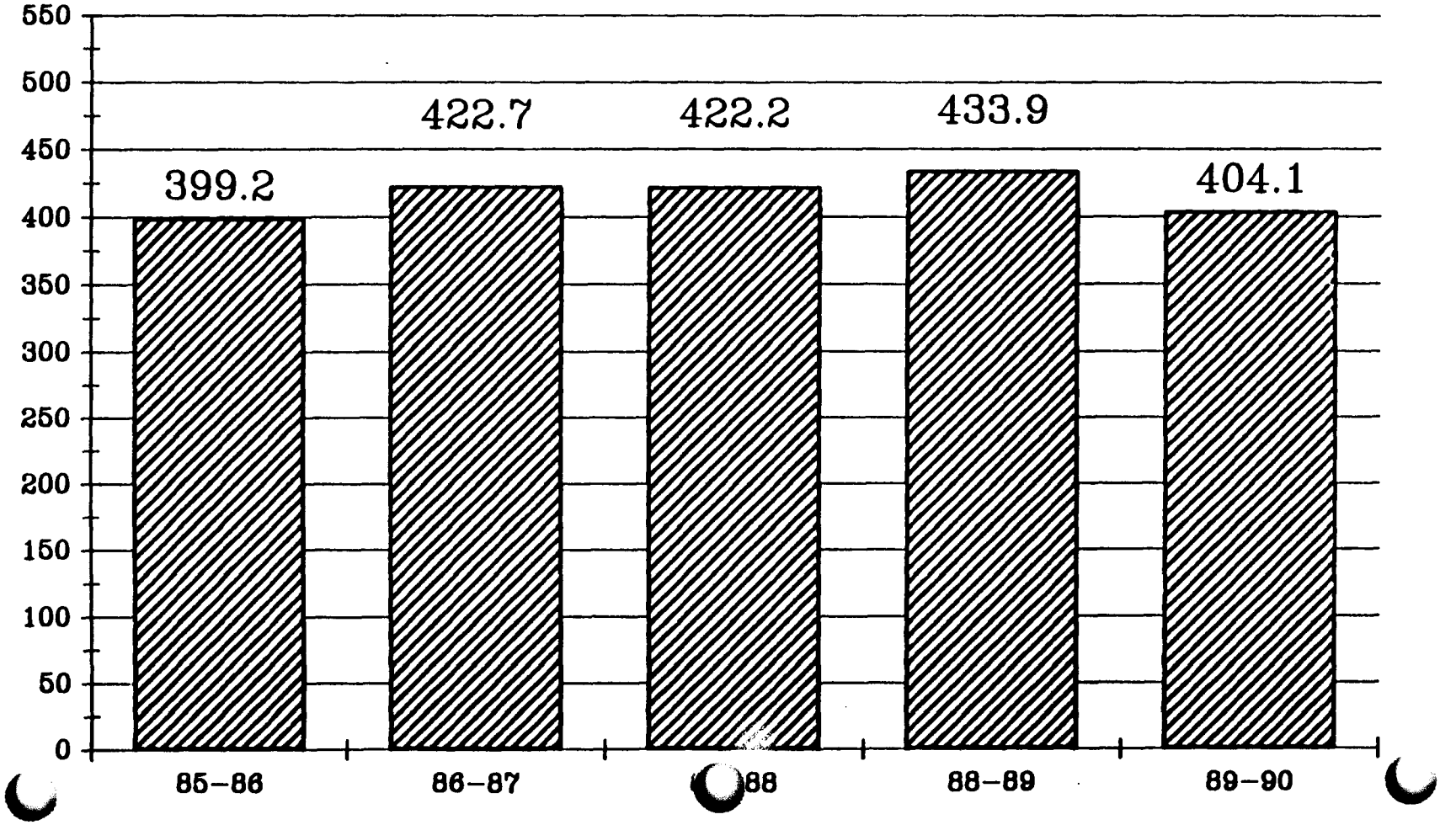
1985–86 through 1989–90



University of Minnesota Hospital and Clinic

Average Daily Census

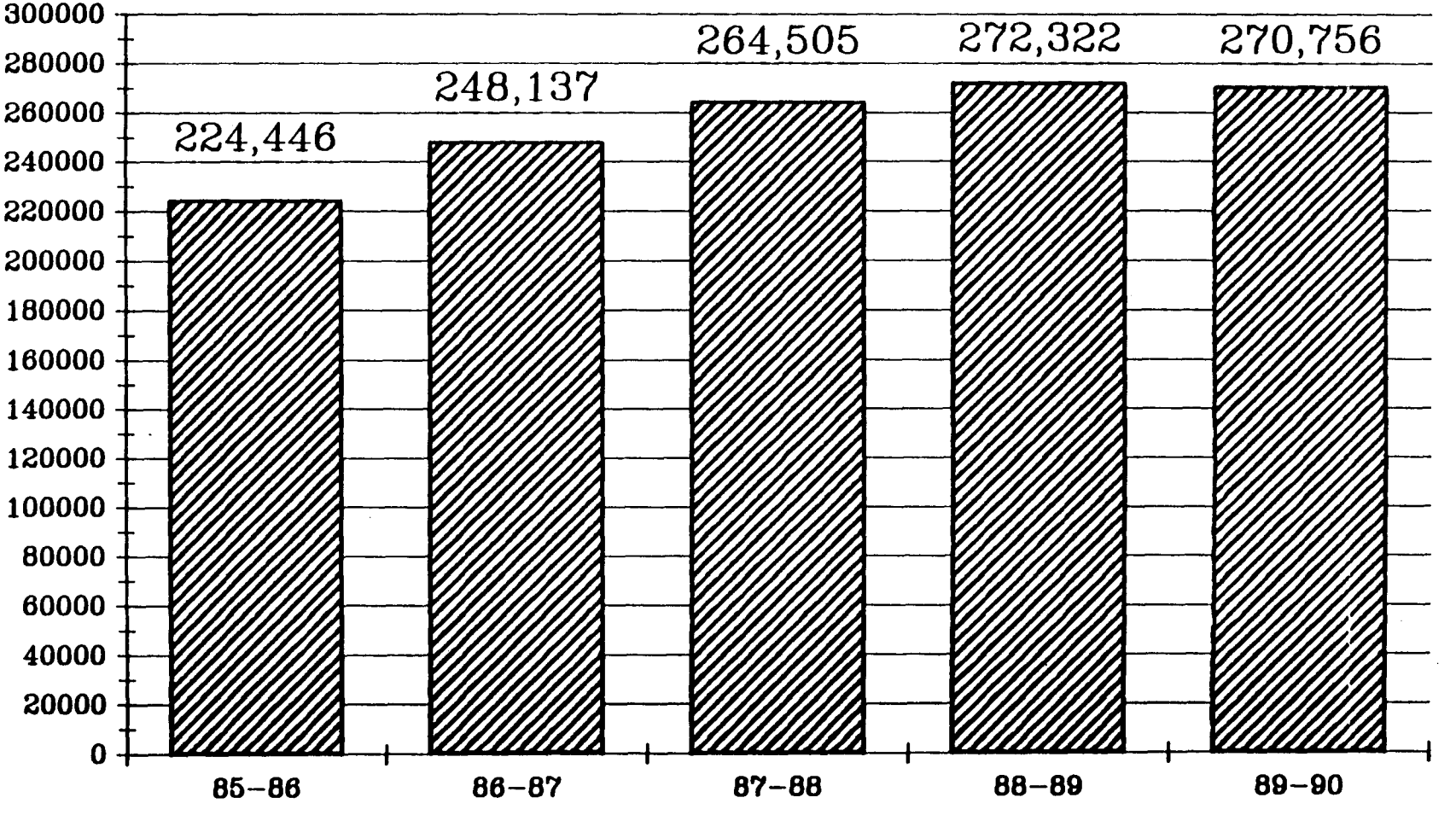
1985–86 through 1989–90



University of Minnesota Hospital and Clinic

Outpatient Clinic Visits

1985–86 through 1989–90



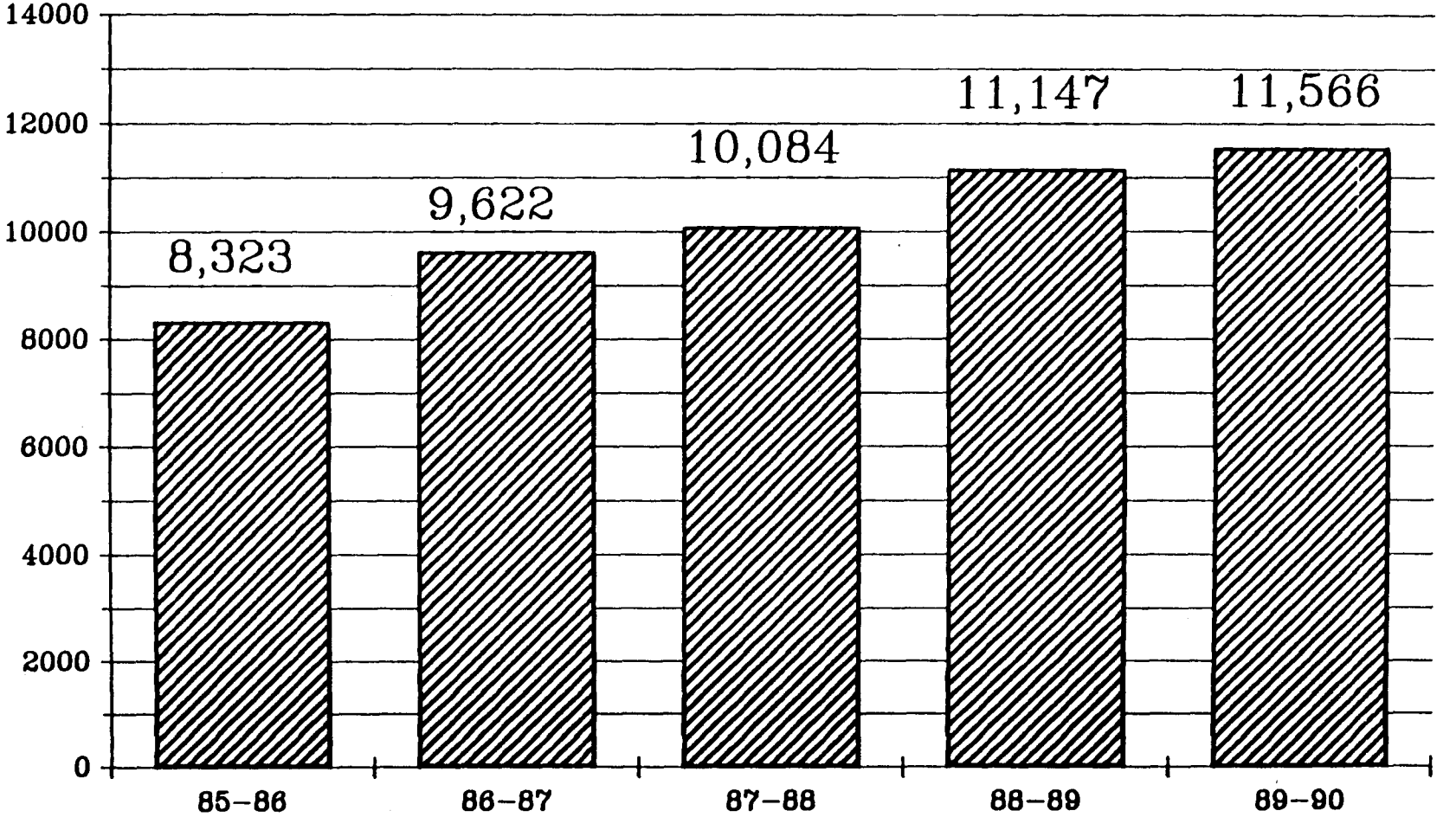
University of Minnesota Hospital & Clinic
Outpatient Clinic Visits by Clinical Services
For FY 1985-86 through 1989-90

Clinic Visits	1985-86	1986-87	1987-88	1988-89	1989
Ambulatory Surgery	3,725	3,750	3,631	3,030	2,
Dentistry	3,941	4,102	5,270	5,524	3,
Dermatology	11,922	13,517	13,854	16,313	15,
Emergency Room	14,551	16,119	15,401	16,938	19,
Family Practice	8,779	8,970	9,882	11,646	11,
Gynecology	16,713	17,328	17,886	15,127	13,
Medicine	28,923	38,623	45,400	49,859	51,
Neurology	4,833	4,667	4,595	4,569	4,
Neurosurgery	3,425	3,373	3,982	3,991	4,
Obstetrics	2,316	2,303	2,595	2,429	
Ophthalmology	23,950	25,526	26,905	23,576	22,
Orthopedics	14,597	15,187	16,640	19,337	18,
Otolaryngology	10,296	10,651	9,985	9,758	10,
Pediatrics	13,863	14,593	14,600	15,547	15,
PM & R	1,459	1,512	2,039	2,102	1,
Psychiatry	22,715	24,793	24,405	26,368	24,
Clinical Psych	2,609	3,173	4,215	4,182	4,
Radiation Therapy	17,031	16,728	18,953	17,487	18,
Surgery	12,465	14,041	14,731	15,458	15,
Urology	6,333	9,181	9,536	9,081	8,
Total	224,446	248,137	264,505	272,322	270,

University of Minnesota Hospital and Clinic

Inpatient Cost Per Admission

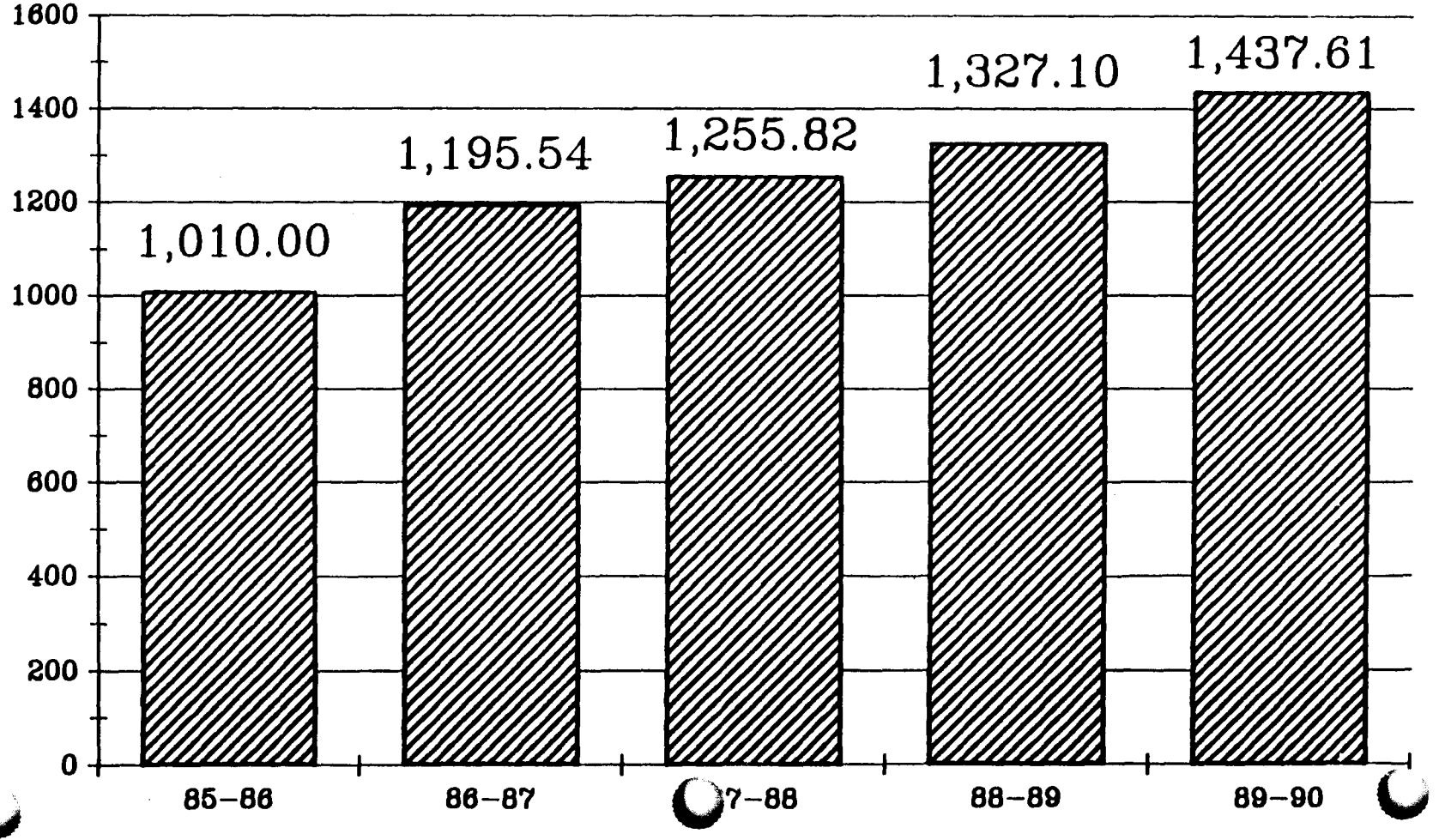
1985–86 through 1989–90



University of Minnesota Hospital and Clinic

Inpatient Cost Per Patient Day

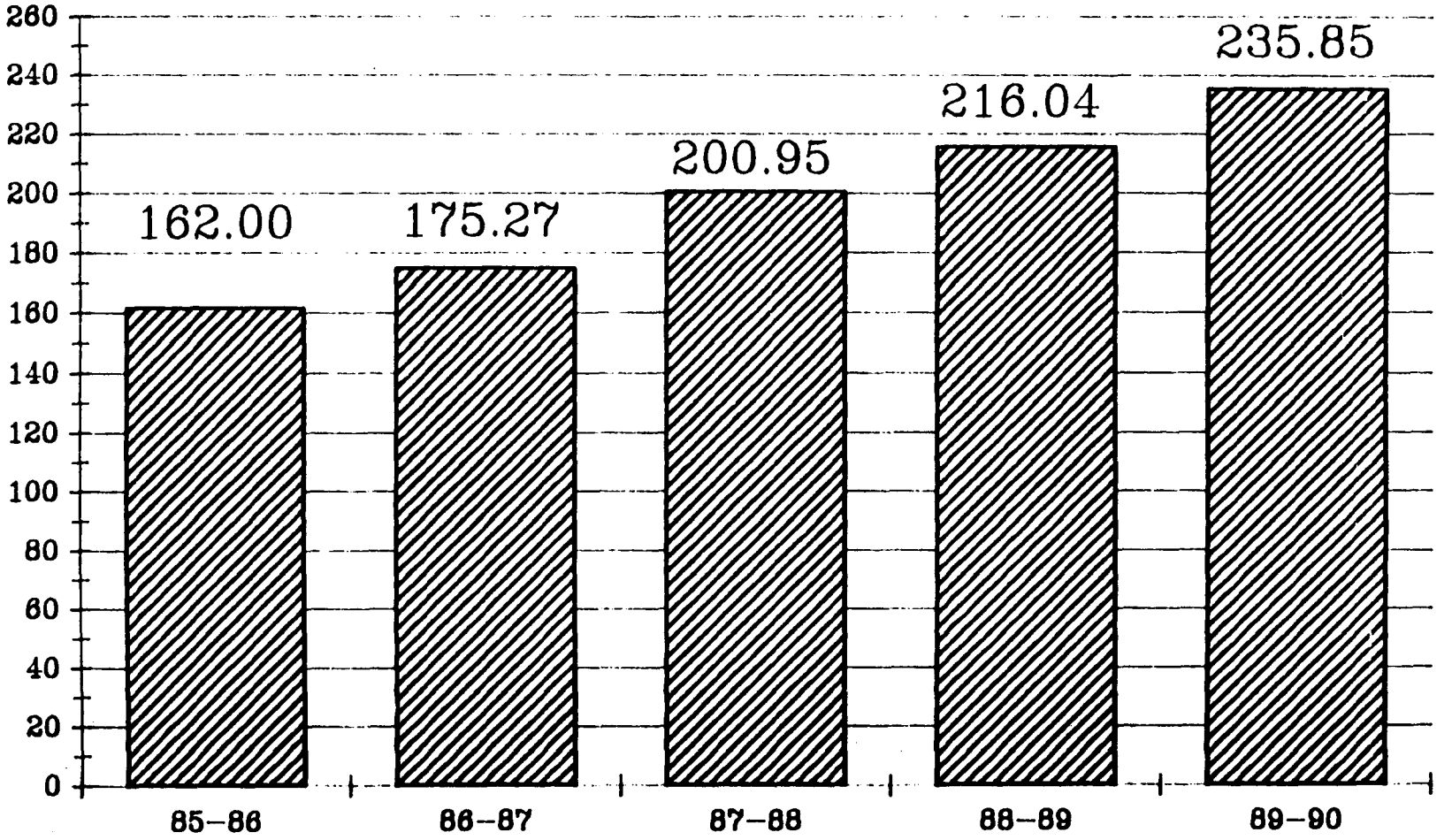
1985–86 through 1989–90



University of Minnesota Hospital and Clinic

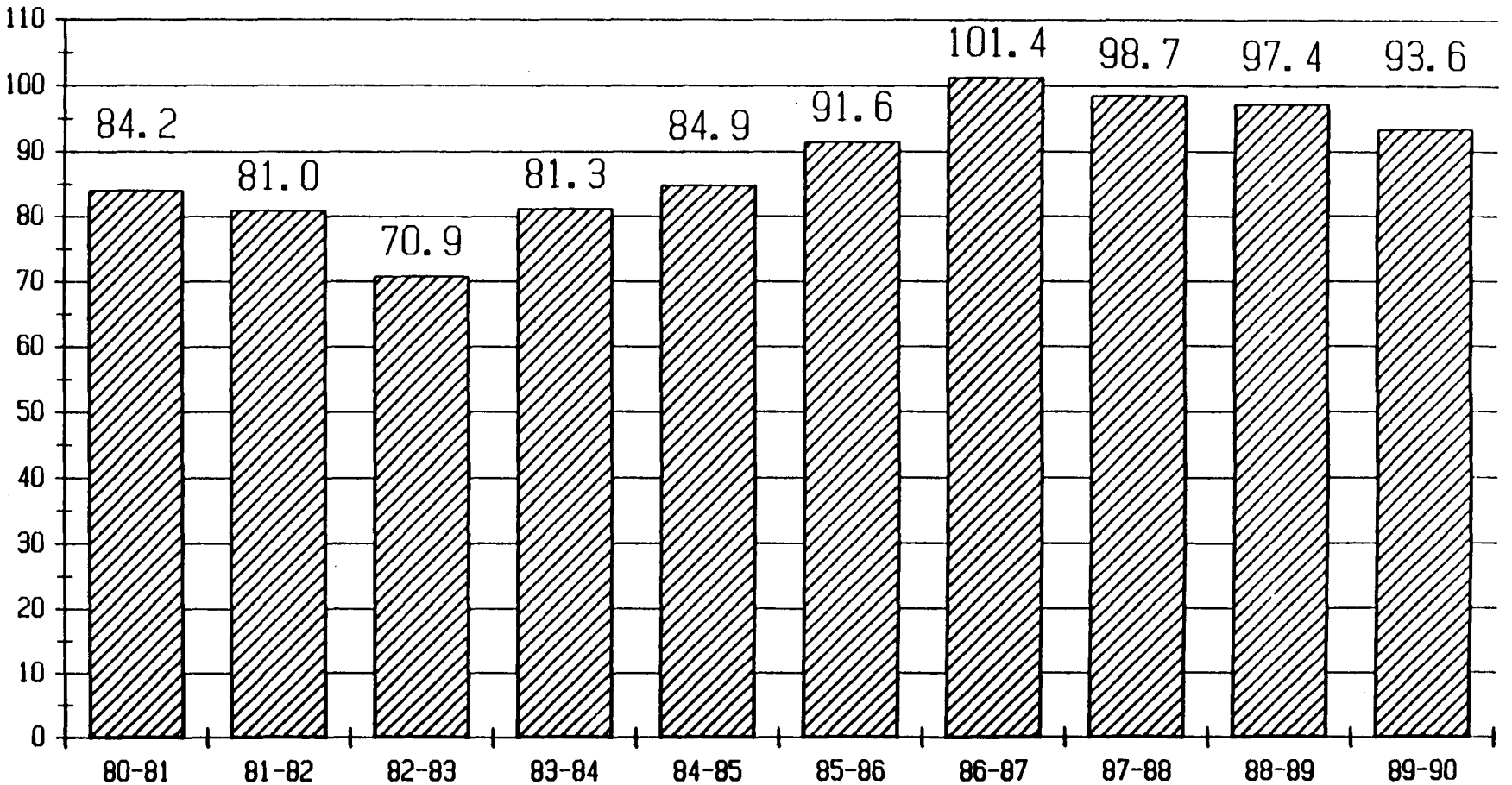
Outpatient Cost Per Visit

1985–86 through 1989–90



University of Minnesota Hospital and Clinic

Revenue Days in Accounts Receivable
1980–81 through 1989–90



UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC

SOURCE OF RECEIPTS

1986 TO 1990

	1986		1987		1988		1989		1990	
	AMT. IN 1,000'S	% OF TOTAL	AMT. IN 1,000'S	% OF TOTAL	AMT. IN 1,000'S	% OF TOTAL	AMT. IN 1,000'S	% OF TOTAL	AMT. IN 1,000'S	% OF TOTAL
MEDICARE	$39,984	20.5	$44,949	19.7	$47,513	18.2	$48,456	17.2	$52,809	17.5
MEDICAL ASSISTANCE & FEDERAL CRIPPLED CHILDREN	12,181	6.2	19,526	8.6	26,883	10.3 *	27,333	9.7 *	28,647	9.5 *
BLUE CROSS	18,185	9.3	28,578	12.5	28,385	10.9	25,153	9.0	27,803	9.2
OTHER COMMERCIAL INSURANCE	78,602	40.1	89,312	39.2	93,167	35.7	102,214	36.3	112,407	37.2
HMO	N/A	N/A	N/A	N/A	12,556	4.8 **	18,606	6.6 **	17,959	6.0 **
PATIENT LIABILITY	9,288	4.8	9,817	4.3	8,657	3.3	11,229	4.0	11,942	4.0
MISC. AGENCY ACCOUNTS	10,144	5.2	9,182	4.0	11,488	4.4	15,552	5.5	15,777	5.2
COUNTY	1,318	0.7	825	0.4	735	0.3	961	0.4	868	0.3
STUDENT HEALTH SERVICE	12	0.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COLLECTION AGENCIES	729	0.4	811	0.4	776	0.3	628	0.2	659	0.2
OTHER	261	0.1	810	0.4	885	0.3	3,301	1.2	(260)	(0.1)
REFUNDS	(3,340)	(1.7)	(4,860)	(2.1)	(4,925)	(1.9)	(5,651)	(2.0)	(5,843)	(1.9)
SUBTOTAL: PATIENT CARE RECEIPTS	$167,364	85.6	$198,950	87.4	$226,120	86.7	$247,782	88.1	$262,768	87.1
APPROPRIATIONS/SUPPORT	13,106	6.7	13,860	6.1	14,409	5.5	14,877	5.3	15,491	5.1
INVESTMENT INCOME	9,756	5.0	8,771	3.8	12,044	4.6	10,922	3.9	12,958	4.3
OTHER INCOME	5,201	2.7	6,145	2.7	8,302	3.2	7,725	2.7	10,573	3.5
TOTAL	$195,427	100	$227,726	100.0	$260,875	100	$281,306	100	$301,790	100

* STARTING IN 1987-88, CRIPPLED CHILDREN RECEIPTS WERE RECORDED IN THE MISC. AGENCY ACCOUNTS.
** STARTING IN 1987-88, THE HMO RECEIPTS WERE REMOVED FROM COMMERCIAL INSURANCE AND BLUE CROSS INTO A SEPARATE CATEGORY.

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC

EXECUTIVE SUMMARY OF FINANCIAL ACTIVITY

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

	1988-89 Actual	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$309,737,139	$340,467,000	$319,825,097	($20,641,903)	-6.1%
Deductions from Charges	71,760,252	79,853,000	76,882,337	(2,970,663)	-3.7%
Other Operating Revenue	9,944,090	9,866,000	11,292,905	1,426,905	14.5%
Total Operating Revenue	247,920,977	270,480,000	254,235,665	(16,244,335)	-6.0%
Total Expenditures	269,013,277	293,128,000	275,882,133	(17,245,867)	-5.9%
Net Operating Revenue	(21,092,300)	(22,648,000)	(21,646,468)	1,001,532	4.4%
Non-Operating Revenue	23,580,540	24,280,000	28,218,962	3,938,962	16.2%
Revenue Over Expense	$2,488,240	$1,632,000	$6,572,494	$4,940,494	

	1988-89 Actual	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Admissions	18,856	18,860	18,331	(529)	-2.8%
Patient Days	158,375	158,100	147,484	(10,616)	-6.7%
Average Daily Census	433.9	433.1	404.1	(29.0)	-6.7%
Average Length of Stay	8.4	8.4	8.0	(0.4)	-4.8%
Percentage Occupancy	74.5	73.9	69.6	(4.3)	-5.8%
Outpatient Clinic Visits	272,322	278,200	270,667	(7,533)	-2.7%

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
BALANCE SHEETS

JUNE 30, 1990 AND JUNE 30, 1989

ASSETS	06/30/90	6/30/89
CURRENT ASSETS		
Operating Cash	$72,282	$72,282
Reserve Cash- Third Party Payable	16,337,091	4,994,382
Reserve Cash- Current Indebtedness	7,239,816	8,484,143
Reserve Cash- Fringe Benefits	0	798,151
Accounts Receivable		
Patient Receivables	85,705,658	87,672,463
Other Receivables	1,115,561	1,167,188
Third Party Receivable	2,471,316	6,333,531
Appropriation Receivable	1,281,378	1,235,467
	90,573,913	96,408,649
Less Allowances for Losses in Collection	(7,440,700)	(5,933,101)
Less Allowances for Discounts to Third Party Payors	(20,215,331)	(19,160,666)
	62,917,882	71,314,882
Inventories of Drugs & Supplies	4,573,855	4,928,266
Prepaid Expenses	635,332	657,135
TOTAL CURRENT ASSETS	$91,776,258	$91,249,241
ASSETS WHOSE USE IS LIMITED		
Board Designated Assets Available for Assignment		
Cash & Investments	$74,397,090	$63,184,746
Accrued Interest	320,247	148,244
	74,717,337	63,332,990
Cash & Invest for Debt Service	13,000,000	13,000,000
Cash & Invest for Working Capital	23,380,100	16,000,000
TOTAL	$111,097,437	$92,332,990
PROPERTY, PLANT, & EQUIPMENT		
Land, Buildings & Improvements	$188,293,404	$184,168,980
Equipment	90,988,895	83,089,361
	279,282,299	267,258,341
Less Accumulated Depreciation	(116,252,046)	(100,371,670)
	163,030,253	166,886,671
Construction in Progress	4,382,077	9,057,292
TOTAL PROPERTY, PLANT, & EQUIPMENT	167,412,330	175,943,963
Assigned Cash & Investments for Construction/Equipment	8,545,989	7,006,734
TOTAL	$175,958,319	$182,950,697
INVESTMENTS HELD BY BOND TRUSTEE	$20,306,305	$19,243,104
OTHER ASSETS		
Deferred Third Party Reimbursement	$7,071,157	$7,737,794
Deferred Debt Expense	1,092,412	1,175,980
Deposits and Other	350,016	675,798
TOTAL	$8,513,585	$9,589,572
TOTAL ASSETS	$407,651,904	$395,365,604
RESTRICTED ASSETS		
Cash and Investments	$6,873,680	$5,450,761

LIABILITIES AND FUND BALANCES	06/30/90	6/30
CURRENT LIABILITIES		
Accounts Payable	$12,237,432	$8,9
Payable to Third Party Contr. Payors	13,522,090	10,0
Salaries, Wages and Payroll Taxes	9,242,538	9,1
Accrued Vacation	8,529,488	8,1
Accrued Professional Fees and Physician Compensation	1,217,012	7
Contracts Payable	492,166	
Construction Retainages	121,278	2
Interest Payable	4,971,131	5,0
Current Portion of Long-Term Debt	3,020,343	2,7
Promissory Notes Payable	1,300,000	2,5
TOTAL CURRENT LIABILITIES	$54,653,478	$47,6
LONG-TERM DEBT, LESS CURRENT PORTION	$168,167,333	$169,5
UNRESTRICTED FUND BALANCE	$184,831,093	$178,1
TOTAL LIABILITIES & FUND BALANCE	$407,651,904	$395,3
RESTRICTED FUND BALANCES		
Endowment Funds	$2,431,714	$2,1
Gift Funds	4,441,966	3,2
	$6,873,680	$5,4

University of Minnesota Hospital & Clinic

Statement of Changes in Fund Balance

For the Period July 1, 1989 through June 30, 1990

	OPERATING FUND	CURRENT DEBT SERVICE FUND	BOARD DESIGNATED FUND	PLANT FUND	TRUSTEE FUND	TOTA UNRESTRI FUND
UNRESTRICTED FUNDS						
Beginning Balance	$38,560,800	$8,484,143	$92,332,990	$19,502,374	$19,243,104	$178,123
Net Income						
Excess of Revenue over Expense	11,741,649					
Interest Income on Reserves			8,608,469			
Interest Income on Nursing Grant			1,449			
Depreciation Expense				(17,739,538)		
Loss on Disposal of Assets				(108,221)		
Interest Income on Trustee Held Fund					1,914,515	
Amortization of Deferred Bond Expense				(225,492)		
Interest Income on Bond Proceeds			2,085,913		293,750	
Total Income						6,572,
Less Expense						
University Support: G & A	190,707					190,
Transfers Between Funds						
Major Building Projects- Hosp.			(5,315,388)	5,315,388		
Capital Expenditures	(6,122,886)			6,122,886		
Major Equipment Requisition	(559,438)			559,438		
Establishment of Capital Lease	(2,505,000)		2,505,000			
Adjustment to Shared Buildings				(318,065)		(318,
Bond Interest Payment	12,278,453	(11,289,321)			(989,132)	
Bond Interest Expense Funding	(9,104,912)	11,190,825	(2,085,913)			
Bond Principal Payment	2,215,000	(2,215,000)				
Bond Principal Funding	(2,269,169)	2,269,169				
Decrease in Short Term Note Funding		(1,200,000)		1,200,000		
Trustee Income held by Campus			155,932		(155,932)	
Transfer to Microbiology/Public Health			(50,000)			(50,
Donations to Plant Fund				300,000		300,
Res. Gift Fund Committment to Plant				12,546		12,
Funding Working Capital	(12,858,984)		12,858,984			
Ending Balance	$31,566,220	$7,239,816	$111,097,436	$14,621,316	$20,306,305	$184,831,

	GIFT	ENDOWMENT	TOTAL
RESTRICTED FUNDS			
Beginning Balance	$3,289,413	$2,161,348	$5,450,761
Income	2,073,760	270,660	2,344,420
Disbursements	(608,661)	(294)	(608,955)
Transfer for Property & Equipment	(312,546)		
Ending Balance	$4,441,966	$2,431,714	$6,873,680

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
7-1-89 through 6-30-90

	Unspecified	Specified	Totals
Balance at 7-1-89	$92,332,990	$ 7,006,734	$99,339,724
Interest Income on Reserves and Appropriations	8,609,918	-0-	8,609,918
Net Transfers from Trustee to U of M Bursar's Office	155,932	-0-	155,932
Transfer from Restricted Funds	-0-	300,000	300,000
Transfer of Cash for Abandonment Note P ıble		< 1,300,000>	< 1,300,000>
Refund on MRI II when Establish Lease	2,505,000	-0-	2,505,000
Transfer to Microbiology/School of Public Health	< 50,000>	-0-	< 50,000>
Transferred from Working Capital	12,858,984	-0-	12,858,984
Transfers for:			
C.U.H.C.C.	< 631,894>	631,894	-0-
Masonic Hospital 3 & 5	< 276,591>	276,591	-0-
CT Scanner	< 1,217,000>	1,217,000	-0-
OB Remodeling	< 350,000>	350,000	-0-
Cardiovascular Radiology	< 863,000>	863,000	-0-
All-purpose Plant Funds	< 61,566>	61,566	-0-
Proposed Renovation	< 350,000>	350,000	-0-
	< 3,750,051>	3,750,051	
Transfer from Operations for Equipment Reserve	< 3,722,287>	3,722,287	-0-
Expenditures Against Equipment Roll Forward Reserve	2,156,951	< 2,156,951>	-0-
Expenditures Against Plant Funds	-0-	< 2,776,132>	< 2,776,132>
Balance at 6-30-90	$111,097,437	$ 8,545,989	$119,643,426

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

January 23, 1991

TO: UMHC Board of Governors

FROM: Clifford P. Fearing
Senior Associate Director, UMHC

SUBJECT: Bad Debts - Second Quarter
Fiscal Year 1990-91

The total amount recommended for bad debt for Hospital and Clinic accounts receivable during the second quarter of 1990-91 is $429,419.31 represented by 1,294 accounts. Bad debt recoveries during the period amounted to $1,611.42 (34 accounts) leaving a net charge-off of $427,807.89.

The net bad debts of $427,807.89 for the quarter were 0.49% of gross charges. This compares to a budgeted level of bad debts of 0.90% ($743,313).

A statistical summary is attached along with a detailed description of losses over $2,000.00 and recoveries over $200 for each month of the second quarter.

Total fiscal year bad debts have amounted to $938,369.59 represented by 2,945 accounts. Recoveries during the fiscal year amounted to $63,496.48 (77 accounts), leaving a net charge-off of $874,873.11.

The net bad debts of $874,873.11 for the fiscal year were 0.49% of gross charges. This compares to a budgeted level of bad debts of 0.90% ($1,524,490.00).

Along with the quarter attachments, we have also included a fiscal year statistical summary and a breakdown of bad debts by residence and admitting clinical services.

CPF:slw

Attachments

UMHC Patient Accounting

Bad Debt Statistics: October through December, 1990
in five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Bad Debt (701) Write-Offs	$746.43	25	$8,699.10	22	$12,078.50	8	$19,391.97	7	$98,146.98	6	$139,062.98	68
Bad Debt (702) Charity Care	$744.57	15	$10,584.59	28	$8,002.32	6	$2,657.71	1	$40,808.73	3	$62,797.92	53
Total	$1,491.00	40	$19,283.69	50	$20,080.82	14	$22,049.68	8	$138,955.71	9	$201,860.90	121
Recoveries											$0.00	0
Net Total	$1,491.00	40 *	$19,283.69	50 *	$20,080.82	14 *	$22,049.68	8 *	$138,955.71	9 *	$201,860.90	121 *
Outpatient												
Bad Debt (701) Write-Offs	$20,998.72	615	$69,674.85	269	$7,980.50	5	$27,183.75	5	$34,461.08	2	$160,298.90	896
Bad Debt (702) Write-Offs	$4,231.81	104	$29,375.13	92	$9,003.87	6	$16,071.72	4			$58,682.53	206
Total	$25,230.53	719	$99,049.98	361	$16,984.37	11	$43,255.47	9	$34,461.08	2	$218,981.43	1102
Recoveries	($404.48)	25	($1,206.94)	9							($1,611.42)	34
Net Total	$24,826.05	719 *	$97,843.04	361 *	$16,984.37	11 *	$43,255.47	9 *	$34,461.08	2 *	$217,370.01	1102 *
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$21,745.15	640	$78,373.95	291	$20,059.00	13	$46,575.72	12	$132,608.06	8	$299,361.88	964
Bad Debt (702) Charity Care	$4,976.38	119	$39,959.72	120	$17,006.19	12	$18,729.43	5	$40,808.73	3	$121,480.45	259
Total	$26,721.53	759	$118,333.67	411	$37,065.19	25	$65,305.15	17	$173,416.79	11	$420,842.33	1223
Recoveries	($404.48)	25	($1,206.94)	9	$0.00	0	$0.00	0	$0.00	0	($1,611.42)	34
Total Net Bad Debt	$26,317.05	759 *	$117,126.73	411 *	$37,065.19	25 *	$65,305.15	17 *	$173,416.79	11 *	$419,230.91	1223 *
Dollars Budgeted											$743,313.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: October through December, 1990
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Medicare Bad Debt (710)	$124.30	2	$4,980.43	10							$5,104.73	12
Recoveries											$0.00	0
Net Total	$124.30	2 *	$4,980.43	10 *	$0.00	0 *	$0.00	0 *	$0.00	0 *	$5,104.73	12 *
Outpatient												
Medicare Bad Debt (710)	$953.96	47	$2,518.29	12							$3,472.25	59
Recoveries											$0.00	0
Net Total	$953.96	47 *	$2,518.29	12 *	$0.00	0 *	$0.00	0 *	$0.00	0 *	$3,472.25	59 *
Total IP and OP Bad Debt												
Medicare Bad Debt (710)	$1,078.26	49	$7,498.72	22	$0.00	0	$0.00	0	$0.00	0	$8,576.98	71
Recoveries	$0.00	0	$0.00	0	$0.00	0	$0.00	0	$0.00	0	$0.00	0
Total Net Bad Debt	$1,078.26	49 *	$7,498.72	22 *	$0.00	0 *	$0.00	0 *	$0.00	0 *	$8,576.98	71 *

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: October through December, 1990
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Bad Debt (701) Write-Offs	$21,524.03	55	$117,538.95	13	$139,062.98	68
Bad Debt (702) Charity Care	$19,331.48	49	$43,466.44	4	$62,797.92	53
Total	$40,855.51	104	$161,005.39	17	$201,860.90	121
Recoveries	$0.00	0	$0.00	0	$0.00	0
Net Total	$40,855.51	104 *	$161,005.39	17 *	$201,860.90	121 *
Outpatient						
Bad Debt (701) Write-Offs	$98,654.07	889	$61,644.83	7	$160,298.90	896
Bad Debt (702) Write-Offs	$42,610.81	202	$16,071.72	4	$58,682.53	206
Total	$141,264.88	1091	$77,716.55	11	$218,981.43	1102
Recoveries	($1,611.42)	34	$0.00	0	($1,611.42)	34
Net Total	$139,653.46	1091 *	$77,716.55	11 *	$217,370.01	1102 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$120,178.10	944	$179,183.78	20	$299,361.88	964
Bad Debt (702) Charity Care	$61,942.29	251	$59,538.16	8	$121,480.45	259
Total	$182,120.39	1195	$238,721.94	28	$420,842.33	1223
Recoveries	($1,611.42)	34	$0.00	0	($1,611.42)	34
Total Net Bad Debt	$180,508.97	1195 *	$238,721.94	28 *	$419,230.91	1223 *
Dollars Budgeted					$743,313.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: October through December, 1990
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Medicare Bad Debt (710)	$5,104.73	12	$0.00	0	$5,104.73	12
Recoveries	$0.00	0	$0.00	0	$0.00	0
Net Total	$5,104.73	12	$0.00	0	$5,104.73	12
Outpatient						
Medicare Bad Debt (710)	$3,472.25	59	$0.00	0	$3,472.25	59
Recoveries	$0.00	0	$0.00	0	$0.00	0
Net Total	$3,472.25	59	$0.00	0	$3,472.25	59
Total IP and OP Bad Debt						
Medicare Bad Debt (710)	$8,576.98	71	$0.00	0	$8,576.98	71
Recoveries	$0.00	0	$0.00	0	$0.00	0
Total Net Bad Debt	**$8,576.98**	71	**$0.00**	**0**	**$8,576.98**	71

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through December 1990
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Bad Debt (701) Write-Offs	$1,561.06	49	$37,178.38	82	$19,116.22	13	$50,167.56	16	$256,944.75	12	$364,967.97	172
Bad Debt (702) Charity Care	$1,001.31	22	$19,543.96	49	$9,007.82	7	$26,908.62	6	$51,697.22	4	$108,158.93	88
Total	$2,562.37	71	$56,722.34	131	$28,124.04	20	$77,076.18	22	$308,641.97	16	$473,126.90	260
Recoveries	($30.00)	2					($3,620.83)	1	($10,084.79)	1	($13,735.62)	4
Net Total	$2,532.37	71 •	$56,722.34	131 •	$28,124.04	20 •	$73,455.35	22 •	$298,557.18	16 •	$459,391.28	260 •
Outpatient												
Bad Debt (701) Write-Offs	$48,055.26	1427	$185,949.38	722	$12,587.37	8	$57,718.97	12	$44,757.38	3	$349,068.36	2172
Bad Debt (702) Write-Offs	$7,306.97	180	$45,711.52	148	$11,199.75	8	$16,071.72	4	$10,954.66	1	$91,244.62	341
Total	$55,362.23	1607	$231,660.90	870	$23,787.12	16	$73,790.69	16	$55,712.04	4	$440,312.98	2513
Recoveries	($1,065.02)	56	($3,703.19)	14	($1,166.00)	1	($2,490.13)	1	($41,336.52)	1	($49,760.86)	73
Net Total	$54,297.21	1607 •	$227,957.71	870 •	$22,621.12	16 •	$71,300.56	16 •	$14,375.52	4 •	$390,552.12	2513 •
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$49,616.32	1476	$223,127.76	804	$31,703.59	21	$107,886.53	28	$301,702.13	15	$714,036.33	2344
Bad Debt (702) Charity Care	$8,308.28	202	$65,255.48	197	$20,207.57	15	$42,980.34	10	$62,651.88	5	$199,403.55	429
Total	$57,924.60	1678	$288,383.24	1001	$51,911.16	36	$150,866.87	38	$364,354.01	20	$913,439.88	2773
Recoveries	($1,095.02)	58	($3,703.19)	14	($1,166.00)	1	($6,110.96)	2	($51,421.31)	2	($63,496.48)	77
Total Net Bad Debt	$56,829.58	1678 •	$284,680.05	1001 •	$50,745.16	36 •	$144,755.91	38 •	$312,932.70	20 •	$849,943.40	2773 •
Dollars Budgeted											$1,524,490.00	

• Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through December 1990
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Medicare Bad Debt (710)	$238.38	4	$13,509.63	28	$1,115.60	1					$14,863.61	33
Recoveries											$0.00	0
Net Total	$238.38	4 *	$13,509.63	28 *	$1,115.60	1 *	$0.00	0 *	$0.00	0 *	$14,863.61	33 *
Outpatient												
Medicare Bad Debt (710)	$3,000.95	112	$7,065.15	27							$10,066.10	139
Recoveries											$0.00	0
Net Total	$3,000.95	112 *	$7,065.15	27 *	$0.00	0 *	$0.00	0 *	$0.00	0 *	$10,066.10	139 *
Total IP and OP Bad Debt												
Medicare Bad Debt (710)	$3,239.33	116	$20,574.78	55	$1,115.60	1	$0.00	0	$0.00	0	$24,929.71	172
Recoveries	$0.00	0	$0.00	0	$0.00	0	$0.00	0	$0.00	0	$0.00	0
Total Net Bad Debt	$3,239.33	116 *	$20,574.78	55 *	$1,115.60	1 *	$0.00	0 *	$0.00	0 *	$24,929.71	172 *

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through December 1990
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Bad Debt (701) Write-Offs	$57,855.66	144	$307,112.31	28	$364,967.97	172
Bad-Debt (702) Charity Care	$29,553.09	78	$78,605.84	10	$108,158.93	88
Total	$87,408.75	222	$385,718.15	38	$473,126.90	260
Recoveries	($30.00)	2	($13,705.62)	2	($13,735.62)	4
Net Total	$87,378.75	222 *	$372,012.53	38 *	$459,391.28	260 *
Outpatient						
Bad Debt (701) Write-Offs	$246,592.01	2157	$102,476.35	15	$349,068.36	2172
Bad Debt (702) Write-Offs	$64,218.24	336	$27,026.38	5	$91,244.62	341
Total	$310,810.25	2493	$129,502.73	20	$440,312.98	2513
Recoveries	($5,934.21)	71	($43,826.65)	2	($49,760.86)	73
Net Total	$304,876.04	2493 *	$85,676.08	20 *	$390,552.12	2513 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$304,447.67	2301	$409,588.66	43	$714,036.33	2344
Bad Debt (702) Charity Care	$93,771.33	414	$105,632.22	15	$199,403.55	429
Total	$398,219.00	2715	$515,220.88	58	$913,439.88	2773
Recoveries	($5,964.21)	73	($57,532.27)	4	($63,496.48)	77
Total Net Bad Debt	$392,254.79	2715 *	$457,688.61	58 *	$849,943.40	2773 *
Dollars Budgeted					$1,524,490.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through December 1990
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Medicare Bad Debt (710)	$14,863.61	33	$0.00	0	$14,863.61	33
Recoveries	$0.00	0	$0.00	0	$0.00	0
Net Total	$14,863.61	33 •	$0.00	0 •	$14,863.61	33 •
Outpatient						
Medicare Bad Debt (710)	$10,066.10	139	$0.00	0	$10,066.10	139
Recoveries	$0.00	0	$0.00	0	$0.00	0
Net Total	$10,066.10	139 •	$0.00	0 •	$10,066.10	139 •
Total IP and OP Bad Debt						
Medicare Bad Debt (710)	$24,929.71	172	$0.00	0	$24,929.71	172
Recoveries	$0.00	0	$0.00	0	$0.00	0
Total Net Bad Debt	$24,929.71	172 •	$0.00	0 •	$24,929.71	172 •

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UMHC Patient Accounting

Bad Debt Statistics: Second Quarter and Year-to-Date, Fiscal Year 1991
By State

State	Second Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Alabama			0.00	0
Alaska	41.23	1	285.23	2
Arizona	486.67	4	850.07	8
Arkansas	172.99	1	172.99	1
California	649.50	2	4,243.51	22
Colorado			569.80	4
Connecticut			298.96	1
Delaware			0.00	0
Dist. of Colombia			0.00	0
Florida	790.69	5	5,088.40	8
Georgia			0.00	0
Hawaii			0.00	0
Idaho			0.00	0
Illinois	4,875.69	8	13,646.04	26
Indiana	679.58	3	701.58	4
Iowa	2,806.10	2	3,352.53	8
Kansas	62.63	2	185.48	5
Kentucky			0.00	0
Louisiana			28.29	2
Maine			0.00	0
Maryland			19,322.83	1
Massachusetts	390.56	3	990.36	4
Michigan	959.53	5	3,549.59	15
Minnesota	313,236.86	1,146	602,330.36	2,541
Mississippi			0.00	0
Missouri	542.11	3	1,028.02	9
Montana	737.57	3	3,814.53	4
Nebraska			210.04	2
Nevada			0.00	0
New Hampshire			0.00	0
New Jersey	411.87	1	412.77	2
New Mexico	50.00	1	50.00	1
New York	1,212.09	3	3,885.13	17
North Carolina			0.00	0
North Dakota	20,850.99	19	27,442.47	37
Ohio	110.83	2	3,005.21	10
Oklahoma	8.75	1	8.75	1
Oregon			96,618.49	39
Pennsylvania	84.34	3	142.31	5
Puerto Rico			0.00	0
Rhode Island	100.00	1	100.00	1
South Carolina	9.06	1	9.06	1

UMHC Patient Accounting

Bad Debt Statistics: Second Quarter and Year-to-Date, Fiscal Year 1991
By State

State	Second Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
South Dakota	7,693.17	22	26,526.74	55
Tennessee	207.78	2	207.78	2
Texas	12,429.66	3	14,587.86	7
Utah			0.00	0
Vermont			0.00	0
Virginia	22.00	1	22.00	1
Washington	2,082.32	6	2,158.32	7
West Virginia			0.00	0
Wisconsin	4,549.59	29	18,198.82	73
Wyoming	127.03	3	127.03	3
Out-of-Country	21.24	2	546.99	5
Total	376,402.43	1,288	854,718.34	2,934
Medicare Bad Debt*	(8,576.98)	(71)	(24,929.71)	(172)
Legal Settlements	33,741.17	3	51,871.13	6
Bad Debt Agcy Und $50			0.00	0
Bad Debt - Med NC Chgs	19,275.71	3	31,780.12	5
Grand Total	420,842.33	1,223	913,439.88	2,773
Recoveries	(1,611.42)	34	(63,496.48)	77
Net Total	419,230.91	1,223	849,943.40	2,773

* NOTE: Medicare Bad Debts are included in the State Breakdown but are no longer included as a Bad Debt.

UMHC Patient Accounting

Bad Debt Statistics: Second Quarter and Year-to-Date, Fiscal Year 1991

By Service

Admitting Service	Second Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Anesthesiology			0.00	0
Clinical Research	202.06	2	202.06	2
Dentistry			463.09	2
Dermatology	140.32	1	140.32	1
Family Practice	227.50	1	227.50	1
OB			133.70	1
NB			0.00	0
GYN			3,649.27	2
GYN-Oncology	14,403.13	8	36,030.85	18
Lab Medicine & Pathology			0.00	0
Medicine-Blue	5,092.71	8	6,022.73	11
Green	13,440.56	6	14,035.44	10
Masonic (Onc)	1,009.81	4	6,878.29	12
Purple	62.70	1	62.70	1
Red A	1,899.37	2	2,572.07	3
Red B			0.00	0
Rose A	761.94	2	19,708.06	8
Rose B			0.00	0
White A	19,699.98	6	25,855.71	14
White B	36,412.53	9	38,139.24	13
White C	140.00	1	140.00	1
Yellow A	2,193.38	7	3,749.80	10
Yellow B	1,728.48	2	2,916.08	5
Neurology	5,765.18	7	9,870.65	9
Neuro-epilepsy			0.00	0
Neurosurgery	4,355.01	4	18,295.05	12
New Born-General	983.92	2	1,819.27	4
Obstetrics-General	12,067.49	2	14,282.19	5
-Midwife			0.00	0
Ophthalmology	600.00	1	3,975.23	9
Orthopaedic Surgery	1,790.75	6	3,615.42	12
Otolaryngology	344.50	1	4,325.05	6
Pediatrics-General	10,882.40	13	25,142.49	23
Dentistry			0.00	0
Dermatology			0.00	0
Neonatology			0.00	0
Neurology			370.18	2
Neurosurgery			0.00	0
Opthalmology			82.40	1
Orthopaedics			275.96	1
Otolaryngology			0.00	0
Pulmonary			324.20	1
Surgery Green	30,106.91	1	32,508.94	3
Surgery Orange			0.00	0

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UMHC Patient Accounting

Bad Debt Statistics: Second Quarter and Year-to-Date, Fiscal Year 1991
By Service

Admitting Service	Second Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Surg. Transplant			687.61	2
Urology	1,267.53	3	1,345.53	4
Physical Med. & Rehab.			0.00	0
Psychiatry-Child			793.47	2
-Adult	17,325.65	9	47,823.66	17
Radiology			0.00	0
Surgery-Blue	19,294.84	12	134,843.96	22
Orange	431.54	2	2,361.74	5
Purple	2,205.00	1	5,614.35	7
Red	688.79	2	4,298.35	14
White	206.77	2	1,828.91	6
Therapeutic Radiology			0.00	0
Urology	992.80	4	12,336.91	10
Unknown	242.08	1	242.08	1
Outpatient	169,436.80	1,155	366,727.83	2,641
Total	376,402.43	1288	854,718.34	2934
Medicare Bad Debt*	(8,576.98)	(71)	(24,929.71)	(172)
Legal Settlements	33,741.17	3	51,871.13	6
Bad Debt Agcy Und $50			0.00	0
Bad Debt - Med NC Chgs	19,275.71	3	31,780.12	5
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VOLUME 8, NUMBER 32 THE WEEKLY BUSINESS NEWSPAPER JAN. 21-27, 1991

Startup looks to purchase Van Clemens

Securities house would shift emphasis from penny stocks

By TODD NISSEN

Scott Long, who heads up corporate finance at the Minneapolis securities firm Van Clemens & Co., has started a new company and plans to buy out his current employer.

Long is the majority owner of Kennedy, Mathews, Landis, Healy & Pecora Inc., which was incorporated last year but is awaiting approval of its securities license from the Minnesota Department of Commerce.

Under the plan, Kennedy Mathews will have offices in the IDS Center in Minneapolis in space sub-leased from Hayne, Miller & Farni Inc., another Minneapolis brokerage firm. Long said the purchase agreement to acquire Van Clemens will become effective when the license is approved, which he said should happen in February. Long would not disclose the purchase price.

A Minnesota Commerce Department official said Kennedy Mathews' initial filing for a securities license listed $28,000 of shareholder equity in the new company as of Aug. 21, 1990. The Commerce Department Dec. 19 sent a letter saying it needed updated financial information, which the company has not yet submitted. The state official said so far it doesn't have enough information to rule on the application. The new firm has not yet obtained membership in the National Association of Securities Dealers, a requirement if it is to trade national over-the-counter stocks.

The new firm plans to focus on companies that trade on the national over-the-counter market, and shift away from Van

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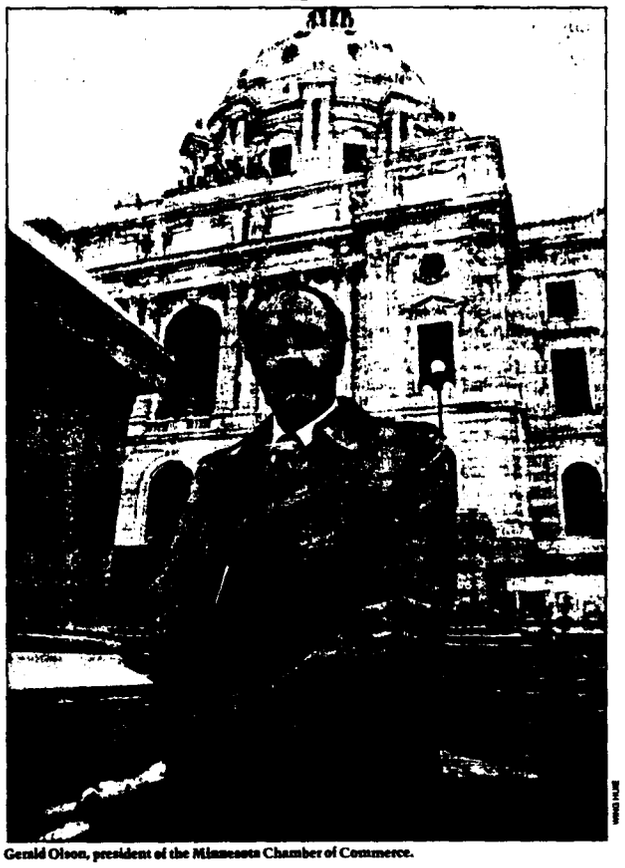
Business hopes for new era at Capitol



Gerald Olson, president of the Minnesota Chamber of Commerce.

But budget woes may put any key reforms on hold

By ANN MERRILL

With the first Republican governor taking office in eight years, the coming legislative session should have been the beginning of a bright new era for business interests in Minnesota.

But a national recession, a projected $1.4 billion state budget shortfall and continued DFL control of the Legislature make it unlikely that business will win many major victories in the statehouse this year.

"The '91 session may be more difficult than any in the past 20 years. There is a lot of talk about the deficit," said Win Borden, who fought with labor and the Legislature for more than 10 years on behalf of the Minnesota Chamber of Commerce.

"This is a critical session, even without the oil and Iraq situation," said Marcia Bystrom, chairwoman of the Minnesota Chamber of Commerce. Workers compensation, property tax relief and health care will again be primary issues for business, along with heightened concern about state spending. Gov. Arne Carlson and state legislators must deal with a $197 million shortfall in the current budget and an anticipated $1.4 billion revenue shortfall in the 1991-93 budget.

Business and labor groups will enter the session with new leaders and new strategies. Bordon's replacement, Gerald Olson, became chamber president 11 months ago. He quickly moved to develop a more cooperative approach toward the DFL-controlled Legislature. Olson has been joined in St. Paul by Thomas Triplett, new executive director of the Minnesota Business Partner-

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TOP 25

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FINANCIAL SERVICES

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Parker Brothers might go first if Tonka has to auction assets

By ANN MERRILL

If Tonka Corp. is forced to sell assets to survive, its Parker Brothers division would probably go on the auction block first, industry analysts said.

New York-based Moody's Investors Service Inc. said last week that the Minnetonka-based toy maker may need to sell assets in order to stay afloat. The firm has lowered its credit rating on $321 million of Tonka's subordinated debentures.

"Unless they come up with a hot product, they must look for other ways to survive," said Martin Mierswa, associate analyst at Moody's. Besides asset sales, other possibilities include bank restructuring and reorganization under Chapter 11 of the Federal Bankruptcy Act, he said.

"Parker Brothers is very attractive, with stable products" such as the board games Sorry!, Trivial Pursuit and Monopoly, said Larry Carlat, editor of the New York-based trade magazine *Toy & Hobby*. Tonka, which acquired Parker Brothers' parent Kenner Parker Toys Inc. in 1987 for $555 million, has been "strangled by the

(continued on page 18)

Harley-Davidson sues Minstar unit over cleanup costs

But AMF says it has already paid more than liability cap

By DALE KURSCHNER

Minstar Inc. is fighting two lawsuits seeking millions of dollars necessary to clean up contaminated soil on property owned by Harley-Davidson Inc.

Filed in Milwaukee, the circuit court lawsuit and U.S. District Court lawsuit claim that Minstar's subsidiary AMF Inc. is responsible for the contamination at Harley-Davidson's York, Pa., manufacturing plant.

AMF owned Milwaukee-based Harley-Davidson before the motorcycle manufacturing firm was acquired through a 1981 management buyout.

AMF was acquired by Minneapolis-based Minstar between 1985 and 1987. A former manufacturer of bowling pin setters, golf carts and motorcycles, AMF is now a shell corporation, following the liquidation of its assets by Minstar in the late 1980s.

Minstar currently owns one operating subsidiary, Genmar Industries Inc., a powerboat manufacturer with annual revenues of about $474 million. Irwin Jacobs is Minstar's chairman and chief executive officer.

The Harley-Davidson buyout agreement with AMF included language that covered AMF's future liability for the property — language both sides now dispute.

Scheduled to go to jury trial in May, Harley-Davidson's circuit court lawsuit claims that at the time it sold Harley-Davidson, AMF agreed to have its insurance pay for any losses arising from future environmental problems.

But Minstar attorneys argue that AMF's total possible liability for a host of issues was capped at $7 million, and that AMF already has paid Harley-Davidson $8.5 million on non-environmentally related issues.

"The cap was for a number of things, including any potential environmental costs, so if you talk in the aggregate, our cap has already been exceeded," said James Farrell, vice president and general counsel for Minstar.

Harley-Davidson attorney Scott Hansen said there was a second AMF indemnity in which AMF agreed to cover environmental cleanup costs to the total amount possible under AMF's insurance.

"They never made a claim under their insurance policies, which would have provided them coverage for these environmental problems," he said. "There is no $7 million cap on that obligation."

Harley-Davidson already has spent in excess of $2 million on cleanup work, Hansen said. Any damages the company may win through its lawsuits remain to be determined based on a final cleanup estimate, which has not yet been determined.

Farrell said he viewed Harley-Davidson's recently filed federal lawsuit against Minstar as "an attempt to get around the cap issue, plus get some more deep pockets involved in this."

The federal lawsuit was filed Dec. 28 and names Minstar, AMF, the U.S. Navy and the U.S. Defense Department as defendants under the Comprehensive Environmental Response Compensation and Liability Act.

The Navy built the York facility in 1940 and used it as an anti-aircraft machine gun and mount manufacturing plant. The property was sold to AMF in 1964.

Hansen said the Defense Department and U.S. Navy were brought into the legal action because of information obtained while people were interviewed for the circuit court lawsuit. "It was then brought against Minstar in federal court because it is the only way to get both the Navy and Minstar, the two responsible parties, together in the same lawsuit," he said.

Harley-Davidson claims in its federal suit that both the Navy and AMF owned the plant at a time when hazardous substances were disposed of on the site. □

LOBBY

(continued from page 1)

ship. Bernard Brommer, newly elected president of the AFL-CIO, will be the point man for labor.

Those voices may be new, but the major issues remain familiar.

Workers compensation reform

The state's billion-dollar workers compensation system will once again come under legislative scrutiny. A plan to cut the cost of the program for employers by 18 percent was vetoed by former Gov. Rudy Perpich in 1989, and similar bills met the same fate in 1988. Carlson said during the campaign that he was anxious to sign workers compensation reform legislation within 60 days, and a recent newspaper survey of legislators found support for some type of reform.

Workers compensation is the most costly state-mandated program for business, and business leaders have said Minnesota's program is the 12th most costly among the 45 states with similar plans. Labor leaders have countered that insurance firms are to blame for the high cost of the program.

In the coming legislative session, business will seek cost reductions of about 15 percent, Olson said. Business has traditionally sought lower rates by seeking cuts in the wage-loss benefits paid to workers.

Pierson (Sandy) Grieve, chairman of Minneapolis-based Ecolab Inc., said workers compensation reform is "way overdue." Grieve, chairman of the Minnesota Business Partnership, said the state ranks as high as fourth in some cost surveys. He said the partnership and the chamber are united on the issue and are hopeful that it will be one of the success stories for business in the coming session.

But to achieve that goal, business will need to win over the likes of Sen. Doug Johnson, DFL-Cook. Johnson, head of the Senate's Taxes and Tax Laws Committee, said simply cutting benefits to workers may not be the answer. "I hope business and government don't try to shove it down the throats of workers," the Iron Range legislator said.

Property tax relief

Another long-debated issue, commercial and industrial property tax relief, is certain to be a hot topic in the Legislature once again.

Commercial and industrial property taxes in Minnesota are some of the highest in the nation. Taxes on business property are more than 5 percent of market value, and about 5 times higher than average state taxes paid on personal property. A special session in 1989 lowered business property taxes by $110 million.

"It is a fairness issue," said Bystrom. Homestead rates on the first $68,000 are among the lowest in the country, while tax rates in downtown Minneapolis are among the highest, she said.

Olson agreed that the current rates are too high, but said there probably will not be any relief this session because of the budget shortfall.

Prior to the election this fall, Carlson said he would propose a five-year plan to reduce commercial and industrial property tax rates to a ceiling of about 3.5 percent, down from the current level of 4 percent to 5.6 percent. He said the reductions could be funded with spending cuts and increased revenues from economic growth rather than with higher taxes on residential property.

But that was before the new governor took a close look at the seriousness of the state's fiscal problems.

Health-care reform

Those troubles will also make it difficult for the Legislature to make any serious headway with health-care reform in the next session.

The Minnesota Health Care Access Commission recently proposed that Minnesota establish one of the country's first state-subsidized health insurance systems, which would serve nearly 500,000 residents. The system, estimated to cost as much as $500 million, would be funded with taxes on payroll, tobacco, alcohol and the rich.

As head of the Minnesota chamber, Olson surprised some by speaking out in favor of health-care reform. He and other business leaders have not yet announced any concrete proposals, but said they want to be part of the dialogue.

Questions about who will pay for reform and what basic coverage means remain crucial, Olson said. But, he added, "We can't stop the debate just because we don't have the money."

State spending

While business interests are not likely to find much money available for reforms or new programs in the next session, they should get their wish for lower state spending, possibly without a tax hike.

"We're hopeful that we'll be able to stop the growth of government spending. In the last biennium, growth was 10 percent per year in spending, while personal income rose only 6 percent," Bystrom said.

The session will prove to be a "test of courage" for legislators, Grieve said, forcing them to do more than make eloquent speeches about spending. High spending leads to high taxes, which businesses pass on to consumers, he said. "The working man is going to get stuck. There is no good fairy."

New leadership

Business leaders are hopeful that their new leaders will have better luck working with the DFL in this session. Henry Kristal, owner of the Embers restaurant chain and member of the executive committee of the Minnesota Chamber of Commerce, said past disappointments were numerous. "Pick any issue. On workers comp, for example, even the bill that was passed was watered down. You can go down the line."

"The chamber has changed a lot, and both Democrats and Republicans are beginning to expect it to be more of a power. In the past, it was irrelevant. From what I hear, it sounds like they are going to really get to play," said Wy Spano, a local lobbyist.

The chamber, with more than 4,000 members statewide and an annual budget of about $2 million, is expected to announce specific budget proposals within weeks.

Triplett said both the chamber and Minnesota Business Partnership are trying to develop less confrontational styles. "The bottom line is getting results; beat 'em over the head has not worked well," he said. Triplett acknowledged that parts of the business agenda may not survive the session, but he is still optimistic. "Business groups are together on these issues like never before."

Kristal said the chamber's new strategy of compromise is expected to help the organization gain recognition in St. Paul. "We've gone from one end of the spectrum to the other. I doubt we were listened to at all in the past," he said.

Olson, 57, came to the chamber after nearly two years as assistant secretary for legislation at the U.S. Department of Health and Human Services. The former vice president for government relations at the Pillsbury Co. agreed to take over as chamber president only if some changes could be made. "I really didn't agree with the thrust" of the chamber, Olson said, referring to its confrontational approach to lobbying in the past.

Olson has strengthened the chamber's ties to outstate chamber groups, has met with legislators and has rubbed shoulders with union leaders. His apparent willingness to work with labor has caused alarm in some business circles and has made him the butt of jokes in others. It has been suggested, Olson said, that he and Brommer "will be seen skipping across the mall with rose petals swirling around our feet."

It's more likely that the two men and their organizations will part company at some point. Yet Olson promised that there will be no personal attacks or name calling this time around. "We need each other more than ever" in this economy, he said.

The new talk of cooperation is seen by some as a public relations move, or worse, a lack of commitment to traditional causes. Greg Peppin, a research consultant for the IR Caucus, for example, said the chamber may be alienating some of its staunch supporters. "They are not in good stead with some of our people," he said.

Olson said he has heard the complaints, but expects to win back doubters. "One needs to go back and look at history and results. If you are content with what has been achieved, fine. If not, it makes sense to try a different approach." Detractors, he said, can make their judgment at the end of the process. "The new strategy is not without risks, but I'm betting on the results." □

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

APRIL 24, 1991

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THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
APRIL 24, 1991
2:30 P.M.
555 DIEHL HALL

AGENDA

I.	Approval of the February 27, 1991 Minutes	Approval
II.	Chairman's Report	Information
	-Ms. Kristine Johnson	
III.	Hospital Director's Report	Information
	-Mr. Robert Dickler	
IV.	Committee Reports	
	A. Joint Conference Committee	
	-Mr. George Heenan	
	1. The Joint Conference Committee Did Not Meet	
	B. Planning and Development	
	-Mr. Robert Nickoloff	
	1. Special Capital Project: Linear Accelerator Proposal	Information
	2. Major Capital Project: Color Doppler Ultrasound System Diagnostic Radiology Department	Information/Consent
	3. Major Capital Project: Mobile Radiographic C-Arm Machine Replacement Diagnostic Radiology Department	Information/Consent
	4. Quarterly Purchasing Report	Approval/Consent

C. Finance Committee

-Mr. Jerry Meilahn

1. March 31, 1991 Financial Statements	Information
2. Administrative Staff Personnel System	Information
3. Third Quarter, 1990-91 Bad Debts	Approval/Consent
4. Quarterly Capital Expenditure Report	Information/Consent

VI. Self-Evaluation Survey Findings — Information

-Ms. Shannon Lorbiecki

VII. Special Presentation: Information Systems Plan — Information

-Mr. Alfred Dees

VIII. 1991-92 Budget — Information

-Mr. Robert Dickler
-Mr. Clifford Fearing

IX. Other Business

X. Adjournment

MINUTES

BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic

February 27, 1991

Call To Order

Ms. Kristine Johnson called the February 27, 1991 meeting of the Board of Governors to order at 1:05 p.m. at the Radisson Hotel.

Attendance

Present:	David Brown, M.D. Robert Dickler Michael Dougherty Phyllis Ellis George Heenan Kris Johnson Nellie Johnson Margaret Matalamaki Robert Maxwell, M.D. Jerry Meilahn Barbara O'Grady Trudy Ohnsorg Gerald Olson Cherie Perlmutter
Not Present:	Leonard Bienias Paula Clayton, M.D. David Lentz Robert Nickoloff

Approval of Minutes

The Board of Governors seconded and passed a motion to approve the minutes of the December 19, 1990 meeting as submitted.

Chairman's Report

Ms. Johnson introduced and welcomed new Board of Governors members, Michael Dougherty and Trudy Ohnsorg.

Ms. Johnson announced that new committee assignments for the Board of Governors were mailed out with the Board packet information.

Director's Report

Mr. Robert Dickler reported that President Hasselmo is expected to announce the new Vice President of Finance and Operations in the near future.

Mr. Dickler reported that the search committee for the Vice President of Health Sciences position was in the process of scheduling interviews with candidates.

Mr. Dickler reported that Dr. Stephen C. Joseph will be recommended to the Board of Regents as the new Dean of the School of Public Health. Dr. Joseph's was formerly Commissioner of Health of New York City.

Mr. Dickler commented on the State/University Budget process and will communicate any future budget information to the Board of Governors.

Joint Conference Committee Report

Mr. Heenan called on Dr. Robert Maxwell to present the recommendations of the Credentials Committee which were endorsed by the Medical Staff Hospital Council on February 12, 1991 and the Joint Conference Committee on February 20, 1991. The recommendations of the Credentials Committee were unanimously approved as presented.

Mr. Heenan called on Ms. Helen Pitt to present the End Stage Renal Disease Policies and the Organizational Summary. The Board seconded and passed a motion to approve the End Stage Renal Disease Policies and the Organizational Summary as presented.

Mr. Heenan reported on a very successful JCAHO survey. A summary of the JCAHO findings was included in the Board packet.

Planning and Development Committee Report

The Planning and Development Committee met jointly with the Finance Committee on February 27, 1991 at 10:30 a.m.

Mr. Hart presented a Heart Cath Expansion Project to the Board. In October the Board approved a $3,000,000 expansion project for the Cardiac Cath Lab. Bids for equipment show a long term savings of $1,510,000 due to favorable bids if two new machines are purchased. Because the newly configured project is within project budgets previously approved by the Board of Governors, additional action by the Board is not necessary.

Finance Committee Report

Mr. Jerry Meilahn called on Mr. Fearing to give the monthly financial report. Mr. Fearing reported that the Hospital's Statement of Operations for the period July 1, 1990 through January 31, 1991 shows revenues over expenses by $9,500,666, a favorable variance of $8,949,164.

Mr. Fearing reported inpatient admissions for January totaled 1,617 which was 125 above budgeted admissions of 1,492. Overall average length of stay for the month was 8.5 days. Outpatient clinic visits for the month of January totaled 23,981 which was 2,289, or 10.6%, more than budgeted visits of 21,692.

1990-91 second quarter bad debts were reviewed. 1,294 accounts are proposed for write-off. Those accounts represented $427,807.89 in write-offs, or 0.49% of gross charges. The Board of Governors seconded and passed a motion to approve the Second Quarter 1990-91 Bad Debt report as submitted.

Mr. Greg Hart presented to the Board for information, a proposal to begin a mobile lithotripsy program. Several of the University's referral sources have expressed interest in developing mobile lithotripsy with UMHC; this has led us to assess whether our next phase of lithotripsy program development should involve a mobile program. A joint venture is being looked at with the Department of Urology for this lithotripsy program. After further analysis and refinements, it is anticipated that a proposal will be brought to the Board of Governors in April.

Mr. Hart presented the Bone Marrow Transplantation expansion project to the Board for information. Modifications need to be made to standard patient care rooms to accommodate severely immunocompromised Bone Marrow Transplantation patients. The expansion of the unit by nine beds and an air exchange upgrade to these rooms is planned. The total cost of this project is $217,250.00.

Adjournment

There being no further business, the February 27, 1991 business meeting of the Board of Governors was adjourned at 1:45 p.m.

Respectfully submitted,

Gail A. Strandemo

Gail A. Strandemo
Board of Governors Office

MINUTES
Planning and Development Committee
Board of Governors
March 27, 1991

CALL TO ORDER:

Chairman Nickoloff called the March 27, 1991 meeting of the Planning and Development Committee to order at 2:38 P.M. in Room 8-106 in the University Hospital.

Attendance:	Present:	Robert Dickler Greg Hart Clint Hewitt Nellie Johnson Peter Lynch, M.D. Robert Nickoloff Trudy Ohnsorg Ted Thompson, M.D.
	Absent:	Leonard Bienias William Jacott, M.D.
	Staff:	Fred Bertschinger Mark Koenig Shannon Lorbiecki
	Guests:	Barbara Lynch Jan Jost

APPROVAL OF MINUTES

The minutes of the February 27, 1991 meeting were approved as submitted.

SPECIAL EVENT

Ms. Barbara Lynch and Ms. Jan Jost discussed the efforts of the hospital auxiliary to assist the hospital in locating housing for patients. There is a significant need for improved access to affordable accommodations for patients and families. The auxiliary is planning a fund-raiser on October 19 at International Market Square. The event will involve prominent Minnesotans, a silent auction, dining, and dancing. The committee members were supportive of the event and were encouraged to submit names of prominent local persons who might be interested in participating.

DEVELOPMENT OFFICE UPDATE

Mr. Fred Bertschinger presented an update on activities of the Development Office. The U.S. West Transplant Assistance Fund campaign has been very successful in the past and will be conducted again in 1991. In response to a question, Mr. Bertschinger indicated that new donors are usually former patients or University employees.

QUARTERLY PURCHASING REPORT

Mr. Mark Koenig presented the quarterly purchasing report for the October through December 1990 quarter. Mr. Koenig indicated that the quarter's purchasing volume remains high despite relatively constant levels of patient activity. Three reasons for this increase have been identified: 1. Large settlements from Blue Cross and Medicare are included in these totals, 2. Purchases of capital equipment cause spikes in the purchasing volume, and 3. Cost of blood and blood products has increased.

A motion was seconded and passed to endorse the report and recommend it for the Board's consent agenda.

QUARTERLY CAPITAL EXPENDITURES

Mr. Greg Hart presented the quarterly capital expenditure report for the first six months of fiscal year 1990-1991. Actual expenditures are significantly behind budget for the six month period. This is attributed to historical patterns of capital expenditures and a policy that only emergency purchases were to be made during the first part of the year.

LITHOTRIPSY PROGRAM

Mr. Hart introduced a proposal to develop a mobile lithotripsy program. The hospital has been providing lithotripsy services since 1985. The program would be a joint venture between the hospital and the Department of Urology. Many details of the program remain to be worked out including machine choice, structure of the venture, and financial arrangements.

UMCA UPDATE

Dr. Peter Lynch informed the committee that the UMCA offices have moved off-site and Dr. Ted Thompson has been named part-time medical director of UMCA. The Group Health primary care clinic for State and University employees is in operation within the Family Practice Clinic. This is an important program for UMCA because it is viewed as a first step toward greater cooperation among the clinical departments.

EXTERNAL RELATIONS UPDATE : RED WING

Mr. Clifford Fearing presented an update on development of a relationship with Interstate Medical Center in Red Wing. These discussions continue and are nearing conclusion. Agreement has been reached on bylaws and articles of incorporation. Discussion continues regarding the financing arrangements.

EXTERNAL RELATIONS UPDATE: RIVERSIDE

Mr. Hart informed the committee that discussions continue with Riverside Medical Center to form a relationship in Obstetrics. A consultant may be hired to assist the two hospitals in developing a joint program.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:10 P.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow
Secretary to the Board of Governors

UNIVERSITY OF MINNESOTA

The University of Minnesota Hospital and Clinic

Harvard Street at East River Parkway
Minneapolis, MN 55455

April 17, 1991

TO: Members of the Board of Governors

FROM: Dr. Seymour Levitt
Professor and Head
Department of Therapeutic Radiology/Radiation Oncology

Nancy Janda
Associate Director

RE: Linear Accelerator Replacement

The attached proposal summarizes a recommendation to acquire a replacement linear accelerator for use in the Therapeutic Radiology Department.

The oldest of the three linear accelerators currently in use is reaching the end of its useful life. Patient volumes require operation of three accelerators.

The cost of the equipment is expected to be $1,200,000. Renovation of the shell space earmarked for this machine is estimated at $900,000. The funds needed for this project were included in the Hospital's 10 year capital plan and are intended as funding from reserves.

The project will be presented to the Planning and Development Committee, Finance Committee and the full Board of Governors in April. Endorsement and approval will be sought in May.

We will be available at your meeting this month and next to discuss the proposal in more detail.

SL/NJ/gs

Enclosure

PROPOSAL FOR LINEAR ACCELERATOR REPLACEMENT

The University of Minnesota Hospital and Clinic
Therapeutic Radiology/Radiation Oncology
March, 1991

I. BACKGROUND

A linear accelerator (Linac, for short) is a radiotherapy machine which produces high energy x-ray and electron beams for the treatment of different kinds of cancers. The Department of Therapeutic Radiology currently has three linear accelerators.

Manufacturer	Model	Purchased	Installation
Varian	Clinac 6/100	1983	1983-84
Varian	Clinac 2500	1983	1983-84
Phillips	SL 75/20	1979	1983-84

The average useful life of a linear accelerator is seven years according to the "Estimated Useful Life of Depreciable Hospital Assets" published by the American Hospital Association. The Phillips machine was purchased far in advance of its installation and is now 11 years old technologically. It has been used in treating patients for seven years. New accelerators have independent collimators, automatic wedges, computerized consoles, and modern blocking tray systems. These features allow greater accuracy and capability in providing treatment. The Philips lacks these features and is also time intensive in set-up and warm-up.

II. ISSUES

A. The Aging Phillips

The Philips is nearing the end of its useful life. Additionally, the Philips linear accelerator does not have the following state-of-the-art capabilities found in modern units.

1. The depth of the radiation penetration cannot be controlled as well as the new linear accelerators are capable of. As a result, normal tissue near the tumor may receive more radiation than with modern accelerators.

2. Custom blocks cannot be used on the machine. Blocks are shields placed in the path of the radiation beam to protect normal tissue around the tumor from receiving radiation. Generic blocks can be built up by hand but are often cumbersome, time consuming and less than optimal.

3. It is not capable of accurately defining the field of treatment by the radiation. This results in an overlap within the treated area when two adjacent areas are being treated.

4. Modern linear accelerators have computerized treatment consoles whereby machine performance is constantly monitored. In case of malfunction, diagnostics are instantly available which help locating the problem promptly and thus reducing the downtime of the machine.

B. Equipment Utilization

According to the Report of the Inter-Society Council for Radiation Oncology, the realistic load for a linear accelerator is approximately 6,000 standard treatments (single patient visit equivalents) per year. The current treatment load for the department is approximately 21,000 SPVE's per year. This is done utilizing three linear accelerators from 7:00-4:30 p.m. during the week as well as a number of routine patients and total body irradiations performed on the weekend.

	SPVE's
1986-87	19,063
1987-88	21,749
1988-89	20,180
1989-90	21,881
1990-91 (projected)	22,457

This represents a utilization level somewhat in excess of 100%. Therefore, three machines are needed at all times to accommodate the patient volume.

C. Other Considerations

In addition to the utilization factor, the Philips machine is one of two machines in the department capable of performing electron treatments. Electrons are used to boost the treatment to superficial cancers without damaging underlying tissue or organs. Approximately 40% of the patient population treated in the department undergo electron treatment. If the remaining electron capable machine were to break down, we would not be able to treat a sizable number of our patients, were we not to operate three units.

Finally, the department is now performing stereotactic radiosurgery. Stereotactic radiosurgery is used to treat inoperable intracranial disorders utilizing a precisely focused photon beam. Removal of the Philips without replacement would disrupt this service. In addition, the stereotactic procedure requires a time intensive set-up period in which the machine cannot be used for other treatments. This reduces the department's capacity to treat other patients.

D. Acquisition Timing

The time period from order placement to project completion for a linear accelerator is long. Acquisition, room renovation, installation, calibration time, and acceptance will take 18-24 months. In that time, the Philips unit will become more outdated In light of this factor, replacement this year is recommended.

In summary, the department requires three operating machines at all times, two of which have electron capabilities. The stereotactic capability must also be available with minimal interruption. Given the long acquisition period for a new accelerator and the age of the Philips, acquisition of a new accelerator is recommended this fiscal year.

III. RECOMMENDATIONS

A. Acquire a new linear accelerator with the features discussed in the proposal. There are three primary vendors that manufacture such machines.

B. Renovate the 1300 square feet shell space within the department that was originally designed when the department was constructed to accommodate this accelerator.

C. Retain the current Philips machine at least until the new machine is operational.

IV. FINANCIAL ASPECTS OF THE LINAC ACQUISITION

The Department of Therapeutic Radiology revenues and expenses can be summarized as follows:

	FY 1989-90	FY 1990-91 (proj)
Gross charges	3,772,418	4,416,600
Direct expenses	1,897,999	2,353,215
Gross margin	1,874,419	2,063,385

Charges associated with the machine proposed for replacement was $1,134,460 in FY 1989-90. Although the expenses cannot be separately tracked for this machine, it is estimated to account for approximately one-third of the total expenditures for the department.

The cost of replacing the Philips accelerator includes the purchase price of the equipment as well as the renovation of the shell space.

Linear accelerator	$1,200,000
Renovation of expansion room	$900,000
	$2,100,000

The purchase of the linear accelerator and the associated renovation were planned for FY 1990-91 as part of the Hospital's ten-year capital plan. The acquisition and facility preparation will be funded out of reserves.

From a financial perspective, the acquisition is recommended as a means to continue providing existing patient services as well as ensuring existing patient revenue.

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review: April 23, 1991
Finance Committee Review: April 24, 1991
Board of Governors Review: April 24, 1991

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: Color Doppler Ultrasound System
Diagnostic Radiology Department

PURCHASE PRICE: $237,000

DESCRIPTION:

The volume of ultrasound procedures has increased significantly during the past two years: 27.3% in 1988-89 and 10.5% in 1989-90. Total volume for the first 8 months of the current fiscal year is 15.7% above the same period last year.

The increased volume coupled with a need for improved image resolution to support the types of procedures now being performed necessitate addition of a state-of-the-art ultrasound machine. The new equipment will be utilized for standard and intracavitary abdominal, peripheral and vascular imaging procedures. While this new machine was originally planned to be a replacement for a machine purchased in 1983, the existing machine is being retained and utilized for studies for which its capabilities are adequate.

With a projected net increase of $258,000 in ultrasound revenue this year, the pay back period for the cost of the machine and the increased operating expenses will be less than two years.

Purchase of this equipment is included in the current year's capital plan utilizing funds rolled forward from last fiscal year.

Submitted By: H. Dean
Title: Assoc. Dir.

Approved By:
Title:

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review: April 23, 1991
Finance Committee Review: April 24, 1991
Board of Governors Review: April 24, 1991

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: Mobile Radiographic C-Arm Machine Replacement
Diagnostic Radiology Department

PURCHASE PRICE: $189,000

DESCRIPTION:

Wear and demand for immediate images and improved image quality from radiographic procedures performed in the Operating Room during surgical procedures necessitate replacement of Diagnostic Radiology's oldest mobile radiographic C-arm machine purchased in 1980. The new machine will be used primarily for imaging support during neurovascular, cardiovascular and cholecystectomy procedures.

The demand for imaging at a number of locations outside of the radiology department and particularly in operating rooms has grown dramatically during the past several years. Provision of this service can be done more economically through moving mobile equipment to these sites than through installing fixed equipment.

Purchase of this replacement equipment was included in the current year's capital budget.

Submitted By: [signature]
Title: Assoc. Dir.

Approved By: [signature]
Title:

UNIVERSITY OF MINNESOTA

The University of Minnesota Hospital and Clinic

Harvard Street at East River Parkway
Minneapolis, MN 55455

April 19, 1991

TO: Members, Board of Governors

FROM: Greg Hart

RE: Quarterly Purchasing Report

Attached please find the quarterly purchasing reports for the periods October - December, 1990 and January - March, 1991. These reports will be reviewed by the Planning and Development Committee. We anticipate that they will be recommended for approval on the Board's consent agenda.

Please call me if you have any questions regarding the reports.

/gs

attachments

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

ADMINISTRATIVE REPORT ON PURCHASING ACTIVITY

PERIOD OF OCTOBER - DECEMBER 1990

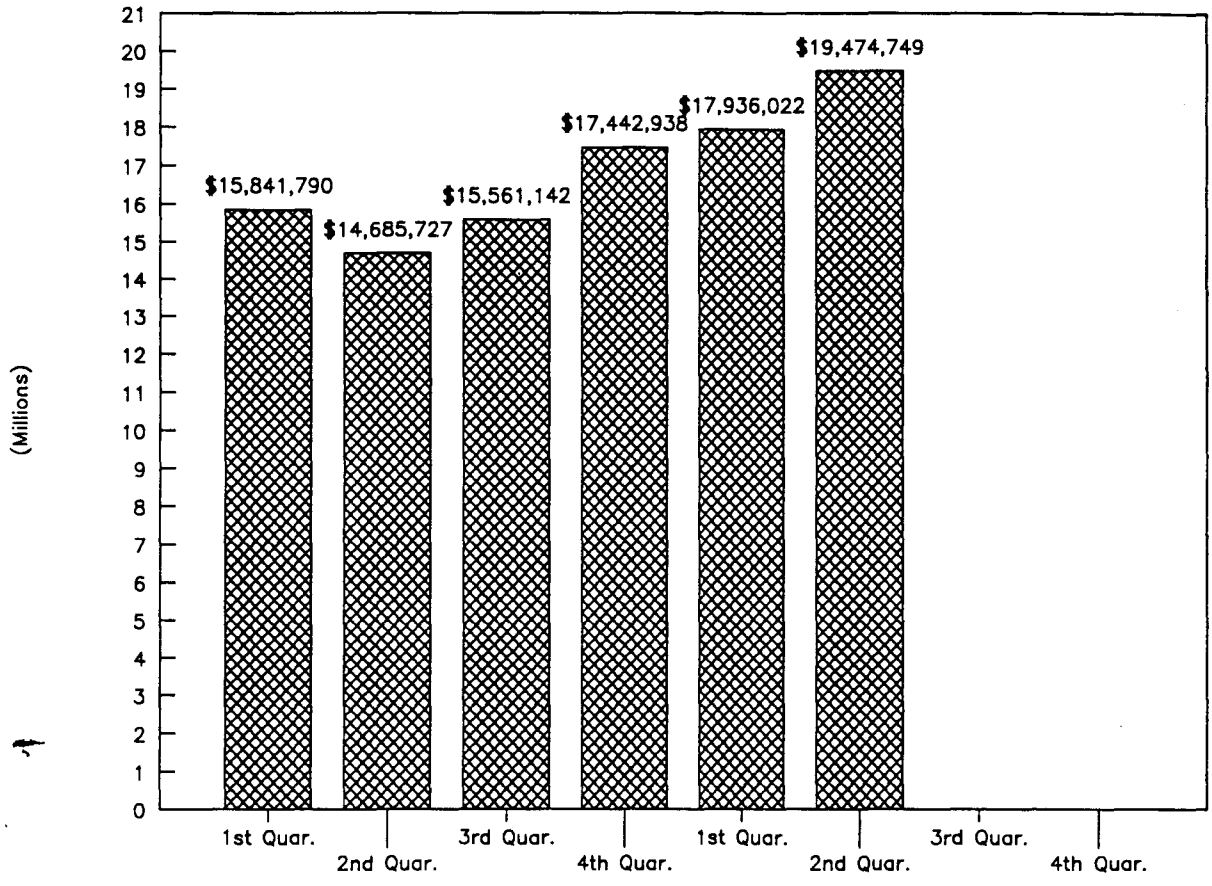
I. PURCHASE ORDER ACTIVITY

II. AWARDS TO OTHER THAN APPARENT LOW BIDDER

III. SOLE SOURCE ACTIVITY

IV. VENDOR APPEALS

PURCHASE ORDER ACTIVITY



SECOND QUARTER, FISCAL YEAR 1990-91, ACTIVITY:

	NUMBER	VALUE
PURCHASE ORDERS	8388	$18,730,641.63
OTHER PAYMENTS	491	$383,335.66
CONFIRMING ORDERS	372	$360,772.19
TOTAL THIS QUARTER	9,251	$19,474,749.48

II. PURCHASE AWARDS TO OTHER THAN LOW BIDDER ($10,000 OR MORE)

	ITEM	UNSUCCESSFUL VENDOR/AMOUNT	SUCCESSFUL VENDOR/AMOUNT	DEPARTMENT
1.	Guidewires	Argon $ 15,210.00 Bard $ 18,369.00	Cook Inc. $ 26,910.00	Materials
		The floppy tip of the guidewire is too stiff.		
2.	Automatic Clip Applier	Weck $ 10,800.00	U.S. Surgical $ 20,300.40	Materials
		The shaft of the applier is too wide and the tip is not angled, obstructing the view of the vein or artery.		
		Ethicon $ 16,189.20	U.S. Surgical $ 20,300.40	Materials
		The shaft of the applier is too wide, obstructing the view of the vein or artery.		
3.	Catheterization Tray, 15 FR., Straight	PMP $ 23,866.92	Bard $ 25,200.00	Materials
		Placement of the holes on the catheter does not allow for adequate drainage and there is no catheter lubricant.		
4.	Laparoscopy/Lymph Node Dissection Instrument	Cabot Medical $ 39,443.00	Richard Wolf $ 40,577.00	O.R.
		The resolution on the monitor with camera was poor and the laparoscope was not a panoview laparoscope as specified.		

5.	Antiserum Plater	Robbins Scientific $ 9,986.05	One Lambda $ 11,099.00	Labs
		Equipment supplied for evaluation malfunctioned twice during trials and staff were unable to obtain usable plates.		
6.	Biopsy Needles	Medix $ 30,534.40	Baxter $ 36,203.00	Materials
		Projection on the cannula that locks the trocar in place can potentially catch on a glove and cause tears which can then cause contamination of the needles and put the patient at risk.		
7.	Adult Blood Lines	Medisystems $ 14,065.00	Gambro $ 16,005.00	Materials
		The line makes it difficult to arm the air detector, the heparin lines do not work properly, and the drip chamber clots easily.		
		National Medical Care $ 15,035.00	Gambro $ 16,005.00	Materials
		The line has no injection port, and micro bubbles adhere to the inner wall of the tubing.		
8.	Reusable Resuscitation	Owens & Minor $ 14,952.00	Armstrong $ 15,300.00	Materials
		The bags offered are not compatible with the stock of spare parts currently on hand in the Hospital and the value of the spare parts exceeds the savings that could be realized.		
9.	Bag, Infectious Waste	Brissman-Kennedy $ 8,587.20	Viking International $ 23,308.80	Materials
		Bag was too thin and tore easily.		
10.	Transparent Dressing, 2 x 3	Smith & Nephew (#5624) $ 16,200.00	J & J $ 17,863.20	Materials
		Package was difficult to open aseptically for use in the O.R. and Anesthesia.		

	Transparent Dressing (cont'd)	Smith & Nephew (#4682) $ 16,200.00	J & J $ 17,863.20	Materials
		Dressing is difficult to apply and the edges curl up.		
		3M $ 16,912.80	J & J $ 17,863.20	Materials
		Application of dressing is complicated and time consuming.		
		Colonial Hospital Supply $ 14,400.00	J & J $ 17,863.20	Materials
		Dressing is thin and flimsy, it does not adhere well, and the directions for application are poor.		
11.	Transparent Dressing, 4 x 5	Smith & Nephew $ 25,200.00	J & J $ 28,008.60	Materials
		There are no directions for application, the edges of the dressing curl up and the dressing does not adhere well.		
		3M $ 26,517.60	J & J $ 28,008.00	Materials
		Application of dressing is complicated and time consuming.		
		Colonial $ 25,596.00	J & J $ 28,008.00	Materials
		Dressing is thin and flimsy, it does not adhere well, and the directions for application are poor.		
12.	Microscope	Leeds Precision Instruments $ 12,048.00	Zeiss $ 12,750.75	Labs
		Microscope has a smaller field of vision, the light source is hotter and fades the fluorescence faster, and the ctives are not as flat field corrected which leads to slower slide scanning.		

13. Centrifuge, Table-Top

DuPont	B. Braun	Labs
$ 10,320.00	$ 13,221.00	

Deceleration time is too long and RPM'S are inadequate when using swing out rotor.

Gibbco	B. Braun	Labs
$ 3,800.00	$ 13,221.00	

Cannot accommodate the number of tubes required, has poor visual display, requires brushes and you cannot see when the centrifuge has stopped.

Jouan, Inc.	B. Braun	Labs
$ 8,296.00	$ 13,221.00	

Deceleration time is too long and RPM's are inadequate when using swing out rotor.

14. Micro Centrifuge

DuPont	B. Braun	Labs
$ 8,055.00	$ 9,975.00	

The centrifuge has an unacceptable noise level and it does not accommodate 3 ml. tubes.

Gibbco	B. Braun	Labs
$ 5,980.00	$ 9,975.00	

The centrifuge has an unacceptable noise level, it does not accommodate 3 ml. tubes and it has inadequate speed control.

Fisher	B. Braun	Labs
$ 2,697.70	$ 9,975.00	

Centrifuge has inadequate speed control, limited capacity, and does not accommodate 3 ml. tubes.

Curtin Matheson	B. Braun	Labs
$ 6,975.00	$ 9,975.00	

The centrifuge has an unacceptable noise level.

III. SOLE SOURCE–$5,000 and Over

	VENDOR	CONTRACT/ P.O. #	VALUE	DEPT.	PRODUCT
	Candella Laser	90–658	$19,900.00	Amb. Care	Dye Change Kits
	American Biosystems	H112223	$6,000.00	Cardio–Resp.	Bronchial Therapy Device Rental
	Bio Instruments	H111032	$14,270.00	Cardio–Resp.	Cardiopulmonary Bypass Support System
*	D & B Software	H112244	$143,900.00	I.S.D.	Purchasing System Software
	Gen–Probe	H112944	$15,000.00	Labs	Luminometer
	Vitex	90–611	$38,970.00	Labs	Test Kits
	Ventrex	H110724	$5,040.00	Labs	Insulin Kits
	Becton Dickinson	90–25	$10,000.00	Labs	Simultrac Assay Kits
	Knowledge Data	H112945	$25,890.00	Labs	Tandem Software
	Whittaker	H110741	$25,350.00	Labs	Monkey Kidney Cells
	R.M. Cotton	H112669	$6,774.40	M & O	Heat Exchanger
	WCCO Radio	H109475	$15,737.35	Marketing	Advertising
	Dictaphone	H111049	$17,360.00	Med. Rec.	Light Pens
	CPI	H100891	$9,500.00	O.R.	Cardioverter Defibrillator System
	Karl Storz	H112087	$11,514.00	O.R.	Laser Bronchoscope
	3M	H100886	$6,130.00	O.R.	Carpal Tunnel Release System
	Scientific Spinal	90–680	OPEN	O.R.	Spinal Implants
	Midas Rex	90–637	OPEN	O.R.	Dissecting Tools
	Vena Tech	H420714	$9,540.00	Radiology	Jugular & Femoral System
	Vena Tech	H419816	$9,640.00	Radiology	Jugular & Femoral System
	Creative Socio–Medics	H112211	$8,435.00	Social Work	Software System
	TOTAL		$398,950.75		

* Over $50,000

IV. VENDOR APPEALS

1. VENDOR NAME/DOLLAR AMOUNT: 3M/$17,115.00
   NATURE OF PURCHASE: Stapler and Cartridges
   INTENDED VENDOR/DOLLAR AMOUNT: U.S. Surgical/$24,075.89

   REASON FOR APPEAL:

   Vendor is taking exception to the results of the evaluation performed which found that the instrument was less maneuverable because of its weight distribution and that it requires a larger incision.

   STATUS: Award is being held pending a response from the O.R.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

ADMINISTRATIVE REPORT ON PURCHASING ACTIVITY

PERIOD OF JANUARY – MARCH 1991

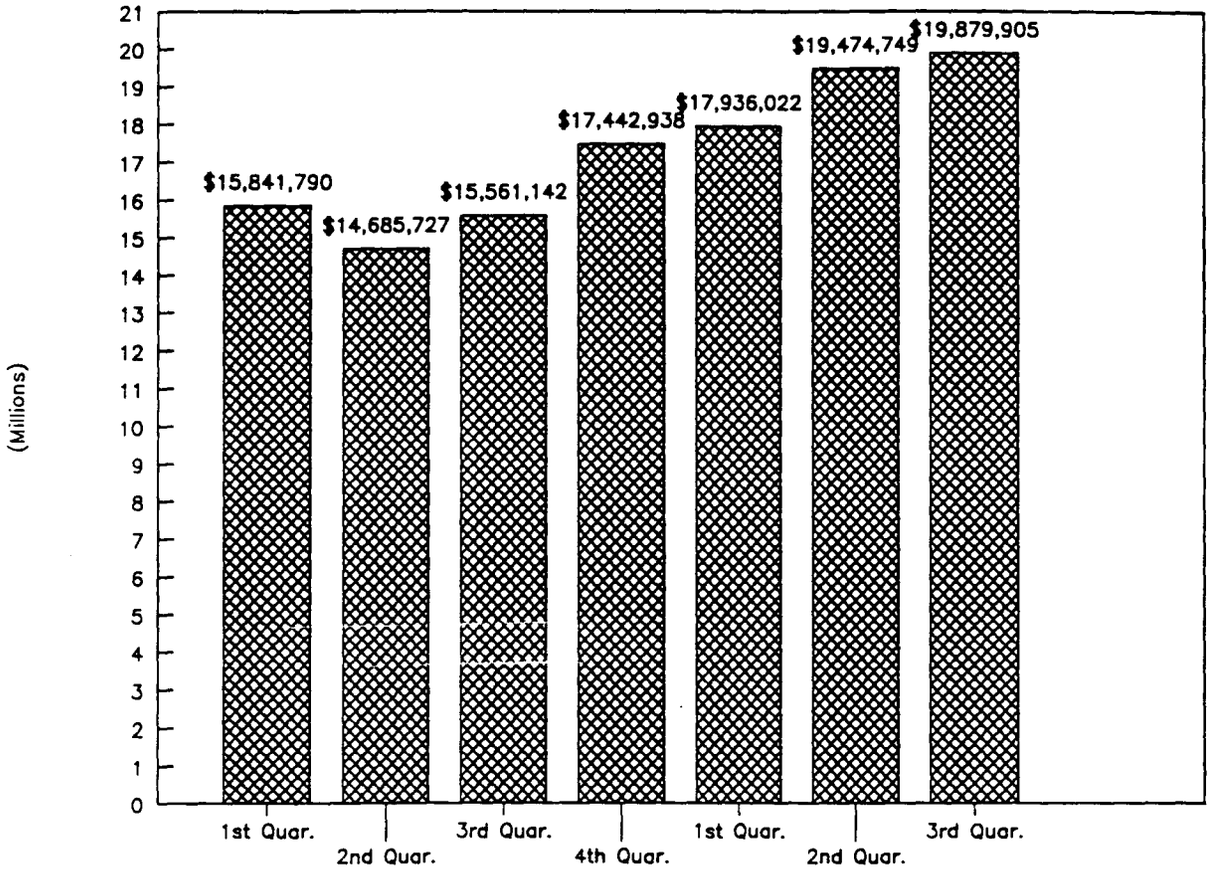
I. PURCHASE ORDER ACTIVITY

II. AWARDS TO OTHER THAN APPARENT LOW BIDDER

III. SOLE SOURCE ACTIVITY

IV. VENDOR APPEALS

PURCHASE ORDER ACTIVITY



THIRD QUARTER, FISCAL YEAR 1990–91, ACTIVITY:

	NUMBER	VALUE
PURCHASE ORDERS	8574	$18,911,247.72
OTHER PAYMENTS	553	$537,580.46
CONFIRMING ORDERS	393	$431,076.96
TOTAL THIS QUARTER	9,520	$19,879,905.14

II. PURCHASE AWARDS TO OTHER THAN LOW BIDDER ($10,000 OR MORE)

	ITEM	UNSUCCESSFUL VENDOR/AMOUNT	SUCCESSFUL VENDOR/AMOUNT	DEPARTMENT
1.	Mediastinal Drains	Medix $ 7,705.92 Owens & Minor $ 8,389.96	Medical Central $ 11,970.70	Materials
		Tubing is not sufficiently pliable to conform to the steinum and the drain will not lay flat.		
2.	Oxygenators	Medtronic $120,700.00	Bard $138,450.00	Materials
		The venous reservoir volume is not adquate for liver transplant rapid infusion, and the oxygenator does not have an integral blood sampling system.		
		Cobe $131,350.00	Bard $138,450.00	Materials
		The venous reservoir volume is not adquate for liver transplant rapid infusion, and the heat exchanger fins trap air.		
3.	Water Pitcher & Foam Sleeve	Medix $ 11,120.82	Baxter $ 11,363.44	Materials
		The pitcher does not have a front hinge making it difficult to open without touching the spout.		
		Owens & Minor $ 11,059.39	Baxter $ 11,363.44	Materials
		The pitcher does not have a front hinge making it difficult to open without touching the spout, and the lid and spout cover fall off easily.		

4.	Tissue Expander	CVI Corp. $ 8,525.00	McGhan Medical $ 11,730.00	O.R.
		The expanders are not textured to give a more tissue-like appearance and the valve is difficult to locate and access.		
5.	Endotracheal Tubes	Medix $ 14,324.00	Baxter $ 14,419.02	Materials
		Tip has sharper edges making insertion more traumatic to the tissue and the cuff is stiffer making it less desirable for patient comfort. Also, markings are not as distinctive as specified product.		

III. SOLE SOURCE–$5,000 and Over

	VENDOR	CONTRACT/ P.O. #	VALUE	DEPT.	PRODUCT
*	Curative Technologies	H110879	OPEN	Amb. Care	Wound Healing Product
	Alliance Medical	H110814	$23,640.00	Cardio.	Equipment Rental
	Motorola	91-217	$37,600.00	Comm.	Pagers
	Haemonetics	H114722	$7,500.00	Labs	Sterile Connection Device
	Coulter Source	H114720	$11,455.25	Labs	Cell Counter
	Western Star	H100054	$15,000.00	Labs	Interface with Red Cross
*	Medical Graphics	H114085	$65,000.00	Labs	Pulmonary Function Test Lab
	Medical Graphics	H114085	$39,500.00	Labs	Cardiac Exercise Test System
	Sci-Med Life Systems	91-90	OPEN	Labs	Specialty Catheters
	U.S. West	H114554	$43,453.20	Marketing	Advertising
	Microtek Medical	H426263	$5,000.50	O.R.	Burs
	Pilling Instruments	H428450	$6,632.00	O.R.	T-Bar Sets
	Acromed	91-87	OPEN	O.R.	Orthopedic Implants
	Zimmer Page	H426264	$9,666.60	O.R.	Burs
	Alcon	91-306	OPEN	O.R.	Intraocular Lenses
	DuPont	H114578	$5,500.00	Radiology	EVP Persantine Injection Kits
	Target Therapeutics	H428664	$5,295.00	Radiology	Vascular Access Kits
	Schneider	H426724	$9,500.00	Radiology	Wallstents
	Medical Advances	H114964	$12,500.00	Radiology	Specialty Coil
	TOTAL		$297,242.55		

* Over $50,000

IV. VENDOR APPEALS

No activity this quarter.

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
JOINT MEETING OF THE BOARD OF GOVERNORS FINANCE AND
PLANNING AND DEVELOPMENT COMMITTEES
February 27, 1991

MINUTES

ATTENDANCE:

	Finance Committee	Planning and Development
Present:	Robert Dickler	William Jacott, M.D.
	Michael Dougherty	Nellie Johnson
	Clifford Fearing	Trudy Ohnsorg
	Leo Furcht, M.D.	Theodore Thompson, M.D.
	Margaret Matalamaki	Greg Hart
	Jerry Meilahn	
	Vic Vikmanis	
Not Present:	Edward Ciriacy, M.D.	Leonard Bienias
	David Lentz	Clint Hewitt
	Roger Paschke	Peter Lynch, M.D.
		Robert Nickoloff
Staff:	Greg Hart	
	Teri Holberg	
	Nels Larson	
	Helen Pitt	

CALL TO ORDER:

The joint Finance and Planning and Development Committee was called to order by Mr. Jerry Meilahn on February 27, 1991 at 10:40 A.M.

APPROVAL OF THE MINUTES:

The Board of Governors Finance Committee seconded and passed a motion to approve the minutes of the December 19, 1990 meeting as written.

JULY 1, 1990 THROUGH JANUARY 31, 1991 FINANCIALS:

Mr. Fearing reported to the Finance Committee the month of January inpatient admissions totaled 1,617, which was 125 above budget; average length of stay was 8.5 days; patient days totaled 12,604, which were 772 days above budget. The January average daily census was 407, which was above the budgeted level of 382. Clinic visits for the month of January were reported to be 10.6% over budget.

The Hospital's year-to-date Statement of Operations showed revenues over expenses by $9,500,666 a favorable variance of $8,949,164. Mr. Fearing stated ancillary revenue was 5.1% above budget and operating expenditures through January were reported to be 1.1% above budget.

Lastly, Mr. Fearing reported as of January 31 the balance of accounts receivable totaled $97,079,310 and represented 98.1 days of revenue outstanding.

SPECIAL CAPITAL PROJECT:

Neuroangiography System Replacement

Mr. Greg Hart reported the members of the Board of Governors were reached by phone and approved the proposal to purchase a new biplane radiographic, fluoroscopic, digital neuroangiographic system at an estimated cost of $1,900,000.

HEART CATH EXPANSION PROJECT:

Mr. Hart reported to the Committees, for information, that final bids had been received for the heart cath expansion project in December, 1990. Mr. Hart stated the bids came in significantly lower than was originally anticipated.

As a result of the favorable bids it was decided to evaluate an expanded project, replacing (earlier than anticipated) one of the current machines in the Heart Cath Lab, in addition to adding the fourth room. The reconfigured plan, purchasing two new machines, expanding room 4, and replacing room 3 would cost $3,100,000. The total cost of the original plan, expanding room 4, upgrading imaging room 3, and replacing room 3 would be $4,610,000. The net reduction in the long-range capital plan would be $1,510,000 with the reconfigured plan.

The Committees decided the newly configured project was within project budgets already approved the Board of Governors, and additional action by the Board was not necessary. The heart cath expansion project will proceed with the reconfigured plan.

MAJOR CAPITAL EXPENDITURES:

Bone Marrow Transplantation Expansion Project

Mr. Robert Dickler reported to the Committees the expansion of the Bone Marrow Transplantation Unit by nine beds at a cost of $217,250. Mr. Dickler stated nine standard patient care beds on 4B, which are adjacent to the BMT Unit, will be upgraded environmentally to accommodate severely immunocompromised BMT patients. The modifications include 1) upgrading the hourly air exchanges, 2) room finishes, and 3) installing equipment for ongoing monitoring and study of the room environment.

This project was presented to the Committees for information only.

SECOND QUARTER, 1990-91 BAD DEBTS:

Mr. Fearing reported the bad debts for the second quarter totaled $429,419.31 represented by 1,294 accounts. Recoveries amounted to $1,611.42, leaving a net charge-off of $427,807.89. This amount represented a 0.49% of gross charges and compared to a budgeted level of 0.90%.

The Finance Committee seconded and passed a motion to endorse the Second Quarter 1990-91 Bade Debt report as submitted.

1990 INTERNAL YEAR END REPORT:

Mr. Fearing presented to the Finance Committee, for information, the 1990 Internal Year End Report.

LITHOTRIPSY PROJECT:

Mr. Hart updated the Committees on the lithotripsy program at the University Hospital.

Mr. Hart stated in late 1989 the Hospital began leasing a second lithotripter, manufactured by Siemens, with two objectives in mind: to assess the application of ESWL to gallstones (in addition to kidney stones), and to assess the ability of "anesthesia free" lithotripsy. The range applicability and success rates for gallstone treatment has been found to be limited. The "anesthesia fee" capability with the Siemens machine has brought about good results.

Mr. Hart reported several of the Hospital's referral sources have expressed interest in purchasing mobile lithotripsy services from UMHC, which has led to discussions to assess whether the next phase of the lithotripsy program should involve mobile capability. Mr. Hart reported the Hospital is working with the Department of Urology to assess the market, machine choice, financing, pricing, and organization form for a mobile lithotripsy program. The Hospital is also discussing with the Department of Urology joint financing and ownership. If it is decided a joint venture is the preferred organization form, the creation of the venture as a separate entity would require the approval of the Board of Regents, in addition to the Board of Governors.

Mr. Hart stated it is anticipated a proposal for both capital expenditure and the creation of the joint venture will be brought before the Board of Governors in April.

RED WING:

Mr. Fearing reported negotiations with Interstate Medical Center are continuing. At this time IMC has shown great interest in the proposal of UMHC purchasing the entire practice, including the real estate. A written counter proposal, in response to the Hospital's counter proposal, is expected from IMC

in the near future. Mr. Fearing will continue to keep the Committee informed of the progress.

UNION ORGANIZING EFFORTS:

Mr. Hart reported to the Committees the results of the University clerical unit election. It was reported that of the approximate 3000 clerical people, of which 300 are Hospital employees, approximately 1150 voted for AFSCME, 800 voted for no union representation, and 250 voted for the Teamsters. Mr. Hart stated contract negotiations with AFSCME are anticipated to begin some time in April.

Blue Cross Blue Shield (BCBS):

Mr. Fearing reported that the national BCBS orgnization has selected UMHC in addition to other institutions for BCBS National Transplant Center of Excellence. UMHC qualified for bone marrow transplantation, adult heart, and pediatric and adult liver. Negotiations will take place over the next several months regarding contracts and protocols.

IMMUNOTOXINS:

Mr. Fearing reported to the Committee negotiations continue with the physician in the licensing agreement for the biological product (B43-PAP), which is intended to help increase the success rate of bone marrow transplant patients. It is anticipated this will be brought before the Board for approval in the near future.

There being no further discussion, the February 27, 1991 meeting was adjourned at 12:05 P.M.

Respectfully submitted,

Teri Holberg

Teri Holberg
Recording Secretary

UNIVERSITY OF MINNESOTA

The University of Minnesota Hospital and Clinic

Harvard Street at East River Parkway
Minneapolis, MN 55455

April 24, 1991

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Report of Operations for the Period **July 1, 1990 through March 31, 1991**

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

INPATIENT CENSUS: For the month of March, inpatient admissions totaled 1,497 which was 49 above budgeted admissions of 1,448. Our overall average length of stay for the month was 7.7 days. Patient days for March totaled 12,347 and were 593 days above budget. The most significant areas in which admissions were more than budget were in Medicine, Neurosurgery, and Ophthalmology. These increases were offset by declines in Gynecology and Pediatrics.

To recap our year-to-date inpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Admissions	13,845	13,041	13,697	656	5.0
Patient Days	111,639	104,287	109,998	5,711	5.5
Avg Length of Stay	8.0	8.0	8.0	0.0	0.0
Avg Daily Census	407.4	380.6	401.5	20.9	5.5
Percent Occupancy	70.2	65.7	69.7	4.0	6.1

OUTPATIENT CENSUS: Clinic visits for the month of March totaled 22,053 which was 140, or 0.6%, less than budgeted visits of 22,193. Visits were significantly below budget in Child Psych, Orthopedics, OB/GYN, Ophthalmology, and Surgery. These declines were offset by increases in Adult Psych, Emergency Room, and Family Practice visits. Community University Health Care Center (CUHCC) visits for the month of March totaled 4,665 which was 221, or 5.0%, above budgeted visits of 4,444, while Home Health visits of 1,060 for the month were 107, or 11.2%, above budgeted visits of 953.

To recap our year-to-date outpatient census:

	1989-90 Actual	1990-91 Budget	1990-91 Actual	Variance	% Var
Clinic Visits	199,337	193,831	205,068	11,237	5.8
CUHCC Visits	39,857	39,570	37,857	(1,713)	(4.3)
HHA Visits	8,519	8,425	8,070	(355)	(4.2)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by $10,437,677 a favorable variance of $10,368,473. Patient care charges through March totaled $263,226,053, which was 4.7% over budget. Routine revenue was 4.2% above budget and reflects our favorable inpatient census variance.

Ancillary revenue was $8,904,941 above budget (5.0%) and primarily reflected the favorable variance in both inpatient and outpatient census. Inpatient ancillary revenue averaged $9,733 per admission compared to the budgeted average of $9,810 per admission. Outpatient revenue per clinic visit averaged $264 compared to the budgeted average of $262.

Operating expenditures through March totaled $220,895,512 and were $2,649,136 (1.2%) above budgeted levels of $218,246,376. The overall unfavorable variance is primarily due to increased insurance costs and the increased demand for patient services, which is reflected in higher personnel costs and patient care supplies (blood and medical supplies and services).

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of March 31, 1991, totaled $93,743,337 and represented 93.9 days of revenue outstanding. The overall decrease in our patient receivables in March of 5.7 days occurred primarily in Medicare, Minnesota Medical Assistance, and Special Transplant Contracts. This was partially offset by an increase in Commercial Insurance.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for March. 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, 1990 TO MARCH 31, 1991

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$251,292,104	$263,226,053	$11,933,949	4.7%
Deductions from Charges	60,373,488	61,561,588	1,188,100	2.0%
Other Operating Revenue	19,594,562	20,504,187	909,625	4.6%
Total Operating Revenue	210,513,178	222,168,652	11,655,474	5.5%
Total Expenditures	218,246,376	220,895,512	2,649,136	1.2%
Net Operating Revenue	(7,733,198)	1,273,140	9,006,338	116.5%
Non-Operating Revenue and Expenses	7,802,402	9,164,537	1,362,135	17.5%
Revenue Over/Under Expense	$69,204	$10,437,677	$10,368,473	

	1990-91 Budgeted	1990-91 Actual	Variance Over/-Under Budget	Variance %
Admissions	13,041	13,697	656	5.0%
Patient Days	104,287	109,998	5,711	5.5%
Average Daily Census	380.6	401.5	20.9	5.5%
Average Length of Stay	8.0	8.0	0.0	0.0%
Percentage Occupancy	65.7	69.7	4.0	6.1%
Outpatient Clinic Visits	193,831	205,068	11,237	5.8%

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 17, 1991

TO: UMHC Board of Governors

FROM: Clifford P. Fearing
Senior Associate Director, UMHC

SUBJECT: Bad Debts - Third Quarter
Fiscal Year 1990-91

The total amount recommended for bad debt for Hospital and Clinic accounts receivable during the third quarter of 1990-91 is $227,567.22 represented by 1,242 accounts. Bad debt recoveries during the period amounted to $3,321.43 (57 accounts) leaving a net charge-off of $224,245.79.

The net bad debts of $224,245.79 for the quarter were 0.26% of gross charges. This compares to a budgeted level of bad debts of 0.90% ($737,181).

A statistical summary is attached along with a detailed description of losses over $2,000.00 and recoveries over $200 for each month of the third quarter.

Total fiscal year bad debts have amounted to $1,141,007.10 represented by 4,015 accounts. Recoveries during the fiscal year amounted to $66,817.91 (134 accounts), leaving a net charge-off of $1,074,189.19.

The net bad debts of $1,074,189.19 for the fiscal year were 0.41% of gross charges. This compares to a budgeted level of bad debts of 0.90% ($2,261,671).

Along with the quarter attachments, we have also included a fiscal year statistical summary and a breakdown of bad debts by residence and admitting clinical services.

CPF:slw

Attachments

UMHC Patient Accounting

Bad Debt Statistics: January through March, 1991
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Bad Debt (701) Write-Offs	$766.85	20	$11,213.82	28	$4,129.26	3	$25,517.56	5	$25,455.86	2	$67,083.35	58
Bad Debt (702) Charity Care	$776.44	17	$11,610.02	27	$1,641.32	1	$10,738.90	3			$24,766.68	48
Total	$1,543.29	37	$22,823.84	55	$5,770.58	4	$36,256.46	8	$25,455.86	2	$91,850.03	106
Recoveries	($200.72)	3	($138.26)	1							($338.98)	4
Net Total	$1,342.57	37	$22,685.58	55	$5,770.58	4	$36,256.46	8	$25,455.86	2 *	$91,511.05	106 *
Outpatient												
Bad Debt (701) Write-Offs	$22,635.40	709	$54,756.02	222	$10,972.95	8	$7,009.40	2			$95,373.77	941
Bad Debt (702) Write-Offs	$4,492.91	113	$20,638.52	73	$10,218.90	7	$4,993.09	2			$40,343.42	195
Total	$27,128.31	822	$75,394.54	295	$21,191.85	15	$12,002.49	4	$0.00	0	$135,717.19	1136
Recoveries	($877.75)	46	($2,104.70)	7							($2,982.45)	53
Net Total	$26,250.56	822	$73,289.84	295	$21,191.85	15	$12,002.49	4	$0.00	0 *	$132,734.74	1136 *
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$23,402.25	729	$65,969.84	250	$15,102.21	11	$32,526.96	7	$25,455.86	2	$162,457.12	999
Bad Debt (702) Charity Care	$5,269.35	130	$32,248.54	100	$11,860.22	8	$15,731.99	5	$0.00	0	$65,110.10	243
Total	$28,671.60	859	$98,218.38	350	$26,962.43	19	$48,258.95	12	$25,455.86	2	$227,567.22	1242
Recoveries	($1,078.47)	49	($2,242.96)	8	$0.00	0	$0.00	0	$0.00	0	($3,321.43)	57
Total Net Bad Debt	$27,593.13	859	$95,975.42	350	$26,962.43	19	$48,258.95	12	$25,455.86	2 *	$224,245.79	1242 *
Dollars Budgeted											$737,181.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: January through March, 1991
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Medicare Bad Debt (710)	$121.00	2	$4,458.05	9							$4,579.05	11
Recoveries			($1,049.56)	2							($1,049.56)	2
Net Total	$121.00	2	$3,408.49	9	$0.00	0	$0.00	0	$0.00	0 *	$3,529.49	11 *
Outpatient												
Medicare Bad Debt (710)	$1,032.68	32	$2,231.29	10							$3,263.97	42
Recoveries	($75.42)	5									($75.42)	5
Net Total	$957.26	32	$2,231.29	10	$0.00	0	$0.00	0	$0.00	0 *	$3,188.55	42 *
Total IP and OP Bad Debt												
Medicare Bad Debt (710)	$1,153.68	34	$6,689.34	19	$0.00	0	$0.00	0	$0.00	0	$7,843.02	53
Recoveries	($75.42)	5	($1,049.56)	2	$0.00	0	$0.00	0	$0.00	0	($1,124.98)	7
Total Net Bad Debt	$1,078.26	34	$5,639.78	19	$0.00	0	$0.00	0	$0.00	0 *	$6,718.04	53 *

* Net total of accounts does not include recoveries

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UMHC Patient Accounting

Bad Debt Statistics: January through March, 1991
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Bad Debt (701) Write-Offs	$16,109.93	51	$50,973.42	7	$67,083.35	58
Bad Debt (702) Charity Care	$14,027.78	45	$10,738.90	3	$24,766.68	48
Total	$30,137.71	96	$61,712.32	10	$91,850.03	106
Recoveries	($338.98)	4	$0.00	0	($338.98)	4
Net Total	$29,798.73	96 *	$61,712.32	10 *	$91,511.05	106 *
Outpatient						
Bad Debt (701) Write-Offs	$88,364.37	939	$7,009.40	2	$95,373.77	941
Bad Debt (702) Write-Offs	$35,350.33	193	$4,993.09	2	$40,343.42	195
Total	$123,714.70	1132	$12,002.49	4	$135,717.19	1136
Recoveries	($2,982.45)	53	$0.00	0	($2,982.45)	53
Net Total	$120,732.25	1132 *	$12,002.49	4 *	$132,734.74	1136 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$104,474.30	990	$57,982.82	9	$162,457.12	999
Bad Debt (702) Charity Care	$49,378.11	238	$15,731.99	5	$65,110.10	243
Total	$153,852.41	1228	$73,714.81	14	$227,567.22	1242
Recoveries	($3,321.43)	57	$0.00	0	($3,321.43)	57
Total Net Bad Debt	$150,530.98	1228 *	$73,714.81	14 *	$224,245.79	1242 *
Dollars Budgeted					$737,181.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: January through March, 1991
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Medicare Bad Debt (710)	$4,579.05	11	$0.00	0	$4,579.05	11
Recoveries	($1,049.56)	2	$0.00	0	($1,049.56)	2
Net Total	$3,529.49	11 *	$0.00	0 *	$3,529.49	11 *
Outpatient						
Medicare Bad Debt (710)	$3,263.97	42	$0.00	0	$3,263.97	42
Recoveries	($75.42)	5	$0.00	0	($75.42)	5
Net Total	$3,188.55	42 *	$0.00	0 *	$3,188.55	42 *
Total IP and OP Bad Debt						
Medicare Bad Debt (710)	$7,843.02	53	$0.00	0	$7,843.02	53
Recoveries	($1,124.98)	7	$0.00	0	($1,124.98)	7
Total Net Bad Debt	$6,718.04	53 *	$0.00	0 *	$6,718.04	53 *

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through March 1991
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Bad Debt (701) Write-Offs	$2,327.91	69	$48,392.20	110	$23,245.48	16	$75,685.12	21	$282,400.61	14	$432,051.32	230
Bad Debt (702) Charity Care	$1,777.75	39	$31,153.98	76	$10,649.14	8	$37,647.52	9	$51,697.22	4	$132,925.61	136
Total	$4,105.66	108	$79,546.18	186	$33,894.62	24	$113,332.64	30	$334,097.83	18	$564,976.93	366
Recoveries	($230.72)	5	($138.26)	1			($3,620.83)	1	($10,084.79)	1	($14,074.60)	8
Net Total	$3,874.94	108 *	$79,407.92	186 *	$33,894.62	24 *	$109,711.81	30 *	$324,013.04	18 *	$550,902.33	366 *
Outpatient												
Bad Debt (701) Write-Offs	$70,690.66	2136	$240,705.40	944	$23,560.32	16	$64,728.37	14	$44,757.38	3	$444,442.13	3113
Bad Debt (702) Write-Offs	$11,799.88	293	$66,350.04	221	$21,418.65	15	$21,064.81	6	$10,954.66	1	$131,588.04	536
Total	$82,490.54	2429	$307,055.44	1165	$44,978.97	31	$85,793.18	20	$55,712.04	4	$576,030.17	3649
Recoveries	($1,942.77)	102	($5,807.89)	21	($1,166.00)	1	($2,490.13)	1	($41,336.52)	1	($52,743.31)	126
Net Total	$80,547.77	2429 *	$301,247.55	1165 *	$43,812.97	31 *	$83,303.05	20 *	$14,375.52	4 *	$523,286.86	3649 *
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$73,018.57	2205	$289,097.60	1054	$46,805.80	32	$140,413.49	35	$327,157.99	17	$876,493.45	3343
Bad Debt (702) Charity Care	$13,577.63	332	$97,504.02	297	$32,067.79	23	$58,712.33	15	$62,651.88	5	$264,513.65	672
Total	$86,596.20	2537	$386,601.62	1351	$78,873.59	55	$199,125.82	50	$389,809.87	22	$1,141,007.10	4015
Recoveries	($2,173.49)	107	($5,946.15)	22	($1,166.00)	1	($6,110.96)	2	($51,421.31)	2	($66,817.91)	134
Total Net Bad Debt	$84,422.71	2537 *	$380,655.47	1351 *	$77,707.59	55 *	$193,014.86	50 *	$338,388.56	22 *	$1,074,189.19	4015 *
Dollars Budgeted											$2,261,671.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through March 1991
In five ranges of account size

	Less Than $100	# of Accounts	$100 - $999	# of Accounts	$1000 - $1999	# of Accounts	$2000 - $9,999	# of Accounts	$10,000 +	# of Accounts	Total Amount	Total # of Accounts
Inpatient												
Medicare Bad Debt (710)	$359.38	6	$17,967.68	37	$1,115.60	1					$19,442.66	44
Recoveries			($1,049.56)	2							($1,049.56)	2
Net Total	$359.38	6 *	$16,918.12	37 *	$1,115.60	1 *	$0.00	0 *	$0.00	0 *	$18,393.10	44 *
Outpatient												
Medicare Bad Debt (710)	$4,033.63	144	$9,296.44	37							$13,330.07	181
Recoveries	($75.42)	5									($75.42)	5
Net Total	$3,958.21	144 *	$9,296.44	37 *	$0.00	0 *	$0.00	0 *	$0.00	0 *	$13,254.65	181 *
Total IP and OP Bad Debt												
Medicare Bad Debt (710)	$4,393.01	150	$27,264.12	74	$1,115.60	1	$0.00	0	$0.00	0	$32,772.73	225
Recoveries	($75.42)	5	($1,049.56)	2	$0.00	0	$0.00	0	$0.00	0	($1,124.98)	7
Total Net Bad Debt	$4,317.59	150 *	$26,214.56	74 *	$1,115.60	1 *	$0.00	0 *	$0.00	0 *	$31,647.75	225 *

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through March 1991
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Bad Debt (701) Write-Offs	$73,965.59	195	$358,085.73	35	$432,051.32	230
Bad Debt (702) Charity Care	$43,580.87	123	$89,344.74	13	$132,925.61	136
Total	$117,546.46	318	$447,430.47	48	$564,976.93	366
Recoveries	($368.98)	6	($13,705.62)	2	($14,074.60)	8
Net Total	$117,177.48	318 *	$433,724.85	48 *	$550,902.33	366 *
Outpatient						
Bad Debt (701) Write-Offs	$334,956.38	3096	$109,485.75	17	$444,442.13	3113
Bad Debt (702) Write-Offs	$99,568.57	529	$32,019.47	7	$131,588.04	536
Total	$434,524.95	3625	$141,505.22	24	$576,030.17	3649
Recoveries	($8,916.66)	124	($43,826.65)	2	($52,743.31)	126
Net Total	$425,608.29	3625 *	$97,678.57	24 *	$523,286.86	3649 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$408,921.97	3291	$467,571.48	52	$876,493.45	3343
Bad Debt (702) Charity Care	$143,149.44	652	$121,364.21	20	$264,513.65	672
Total	$552,071.41	3943	$588,935.69	72	$1,141,007.10	4015
Recoveries	($9,285.64)	130	($57,532.27)	4	($66,817.91)	134
Total Net Bad Debt	$542,785.77	3943 *	$531,403.42	72 *	$1,074,189.19	4015 *
Dollars Budgeted					$2,261,671.00	

* Net total of accounts does not include recoveries.

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UMHC Patient Accounting

Bad Debt Statistics: July 1990 through March 1991
In two ranges of account size

	Under $2000	# of Accounts	Over $2000	# of Accounts	Total Amount	Total # of Accounts
Inpatient						
Medicare Bad Debt (710)	$19,442.66	44	$0.00	0	$19,442.66	44
Recoveries	($1,049.56)	2	$0.00	0	($1,049.56)	2
Net Total	$18,393.10	44 *	$0.00	0 *	$18,393.10	44 *
Outpatient						
Medicare Bad Debt (710)	$13,330.07	181	$0.00	0	$13,330.07	181
Recoveries	($75.42)	5	$0.00	0	($75.42)	5
Net Total	$13,254.65	181 *	$0.00	0 *	$13,254.65	181 *
Total IP and OP Bad Debt						
Medicare Bad Debt (710)	$32,772.73	225	$0.00	0	$32,772.73	225
Recoveries	($1,124.98)	7	$0.00	0	($1,124.98)	7
Total Net Bad Debt	$31,647.75	225 *	$0.00	0 *	$31,647.75	225 *

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UMHC Patient Accounting

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1991
By State

State	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Alabama			0.00	0
Alaska	23.70	1	308.93	3
Arizona	857.64	4	1,707.71	12
Arkansas			172.99	1
California	593.48	10	4,836.99	32
Colorado	2,844.96	1	3,414.76	5
Connecticut	530.98	2	829.94	3
Delaware			0.00	0
Dist. of Colombia			0.00	0
Florida	927.15	3	6,015.55	11
Georgia	142.16	1	142.16	1
Hawaii			0.00	0
Idaho			0.00	0
Illinois	1,280.71	12	14,926.75	38
Indiana	118.87	1	820.45	5
Iowa	1,955.13	10	5,307.66	18
Kansas	257.86	3	443.34	8
Kentucky	591.30	12	591.30	12
Louisiana			28.29	2
Maine	73.00	1	73.00	1
Maryland			19,322.83	1
Massachusetts	241.21	3	1,231.57	7
Michigan	389.52	2	3,939.11	17
Minnesota	174,331.14	1,085	776,661.50	3,626
Mississippi			0.00	0
Missouri	888.56	3	1,916.58	12
Montana	575.00	1	4,389.53	5
Nebraska	495.49	1	705.53	3
Nevada			0.00	0
New Hampshire			0.00	0
New Jersey	9.40	1	422.17	3
New Mexico	1,789.94	2	1,839.94	3
New York	1,163.59	15	5,048.72	32
North Carolina	250.50	2	250.50	2
North Dakota	362.13	8	27,804.60	45
Ohio			3,005.21	10
Oklahoma			8.75	1
Oregon	458.43	1	97,076.92	40
Pennsylvania	34.10	1	176.41	6
Puerto Rico	97.00	1	97.00	1
Rhode Island			100.00	1
South Carolina	194.35	2	203.41	3

UMHC Patient Accounting

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1991
By State

State	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
South Dakota	4,916.35	20	31,443.09	75
Tennessee	198.00	2	405.78	4
Texas	2,111.75	13	16,699.61	20
Utah			0.00	0
Vermont			0.00	0
Virginia			22.00	1
Washington	42.44	1	2,200.76	8
West Virginia			0.00	0
Wisconsin	28,323.75	64	46,522.57	137
Wyoming			127.03	3
Out-of-Country			546.99	5
Total	227,069.59	1,289	1,081,787.93	4,223
Medicare Bad Debt*	(7,843.02)	(53)	(32,772.73)	(225)
Legal Settlements	6,395.63	3	58,266.76	9
Bad Debt Agcy Und $50			0.00	0
Bad Debt - Med NC Chgs	1,945.02	3	33,725.14	8
Grand Total	227,567.22	1,242	1,141,007.10	4,015
Recoveries	(3,321.43)	57	(66,817.91)	134
Net Total	224,245.79	1,242	1,074,189.19	4,015

* NOTE: Medicare Bad Debts are included in the State Breakdown but are no longer included as a Bad Debt.

UMHC Patient Accounting

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1991
By Service

Admitting Service	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Anesthesiology			0.00	0
Clinical Research-Adult			202.06	2
-Child			0.00	0
Dentistry			463.09	2
Oral Surgery			0.00	0
Dermatology			140.32	1
Family Practice	1,641.32	1	1,868.82	2
-NB			0.00	0
-OB			133.70	1
-Pediatric			0.00	0
GYN	960.77	1	4,610.04	3
GYN-Oncology	1,055.02	5	37,085.87	23
Medicine-Blue	703.92	2	6,726.65	13
Gold			0.00	0
Green	50.00	1	14,085.44	11
Masonic (Onc)	4,025.70	14	10,903.99	26
Orange	5,432.53	6	9,182.33	16
Purple	27.00	1	89.70	2
Red	1,164.14	4	3,736.21	7
Rose A	1,679.09	5	21,387.15	13
Rose B			0.00	0
White A	209.40	3	26,065.11	17
White B	1,062.45	3	39,201.69	16
White C	368.50	2	508.50	3
Yellow			2,916.08	5
Neurology	436.96	1	10,307.61	10
Neuro-epilepsy			0.00	0
Neurosurgery	1,954.87	6	20,249.92	18
Newborn-General			1,819.27	4
Nuclear Medicine			0.00	0
Obstetrics-General	3,048.72	3	17,330.91	8
-Midwife			0.00	0
Ophthalmology	580.78	2	4,556.01	11
Orthopaedic Surgery	563.63	3	4,179.05	15
Otolaryngology	3,562.40	2	7,887.45	8
Pediatrics-General	1,585.17	7	26,727.66	30
BMT			0.00	0
Cardiology			0.00	0
Dentistry			0.00	0
Dermatology			0.00	0
Gastro-Intestinal	431.30	1	431.30	1
GYN			0.00	0
Hem/Oncology			0.00	0
Immunology			0.00	0

UMHC Patient Accounting

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1991
By Service

Admitting Service	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Infect Disease			0.00	0
Neonatology			0.00	0
Neurology			370.18	2
Neurosurgery			0.00	0
Opthalmology			82.40	1
Orthopaedics			275.96	1
Otolaryngology			0.00	0
Pulmonary			324.20	1
Renal	458.43	1	458.43	1
Surgery Cardiovascular			0.00	0
Surgery Green			32,508.94	3
Surgery Purple			0.00	0
Surgery Red			0.00	0
Surg. Transplant	13.42	1	701.03	3
Urology	344.07	1	1,689.60	5
Physical Med. & Rehab.			0.00	0
Psychiatry-Adult	19,243.31	11	67,066.97	28
-Child	5,350.54	2	6,144.01	4
Radiology			0.00	0
Surgery-Blue	20,921.88	11	155,765.84	33
Cardiovascular	13,525.90	3	15,887.64	8
Purple	837.06	3	6,451.41	10
Red	338.83	2	4,637.18	16
White	3,728.82	5	5,557.73	11
Therapeutic Radiology			0.00	0
Urology	1,123.15	4	13,460.06	14
Unknown			242.08	1
Outpatient	130,640.51	1,172	497,368.34	3,813
Total	227,069.59	1,289	1,081,787.93	4,223
Medicare Bad Debt*	(7,843.02)	(53)	(32,772.73)	(225)
Legal Settlements	6,395.63	3	58,266.76	9
Bad Debt Agcy Und $50			0.00	0
Bad Debt - Med NC Chgs	1,945.02	3	33,725.14	8
Grand Total	227,567.22	1,242	1,141,007.10	4,015
Recoveries	(3,321.43)	57	(66,817.91)	134
Net Total	224,245.79	1,242	1,074,189.19	4,015

* NOTE: Medicare Bad Debts are included in the Service Breakdown but are no longer included as a Bad Debt.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
CAPITAL EXPENDITURES
7-1-90 THRU 12-31-90

	ANNUAL BUDGET AND ROLLFORWARD			SEASONALIZED BUDGET			ACTUAL EXPENDITURES		
RECURRING EQUIP & REMOD	BUDGET	ROLLFORWARD FROM 6-30-90	TOTAL	6-MONTH BUDGET	6-MONTH ROLLFORWARD	TOTAL	90-91 ACTUAL	89-90 ROLLFORWARD	TOTAL
EQUIPMENT PURCHASES									
90-91 BUDGET	$5,669,600		$5,669,600	$1,200,000		$1,200,000	$443,051	$0	$443,051
ROLLFORWARD		$6,224,875	$6,224,875		$3,000,000	$3,000,000	$0	$2,160,434	$2,160,434
	$5,669,600	$6,224,875	$11,894,475	$1,200,000	$3,000,000	$4,200,000	$443,051	$2,160,434	$2,603,485
REMODELING PROJECTS	$1,330,400		$1,330,400	$750,000		$750,000	$124,358	$349,964	$474,322
	$7,000,000	$6,224,875	$13,224,875	$1,950,000	$3,000,000	$4,950,000	$567,409	$2,510,398	$3,077,807
PRINCIPLE PAYMENTS									
LAB CHEMICAL ANALIZERS	$116,158					$56,801			$53,559
CT SCANNER	$207,000					$101,700			$101,700
COMPUTER EQUIP	$174,891					$85,900			$85,900
MRI 2	$429,579					$212,427			$210,808
	$927,628					$456,828			$451,967
TOTAL:	$7,927,628					$5,406,828			$3,529,774

BOND PAYMENTS: $2,345,000 (PAYMENTS DUE FEB. 1, 1991)

CAPITAL PROJECTS:	UMHC FUNDS FROM RESERVES	ADDITIONAL FUNDS FROM OTHER SOURCES	TOTAL AUTHORIZED BUDGET	1st QUARTER EXPEND. 1990-91	2nd QUARTER EXPEND. 1990-91	Y-T-D 1990-1991	CURRENT & PRIOR YEAR EXPENDITURES
(1) ARCHITECT FEES C-3					$171,179	$171,179	$470,688
DERMATOLOGY	$679,069	$233,889	$912,958		$2,180	$2,180	$869,912
CUHCC	$2,200,000	$150,000	$2,350,000	$58,887	$284,700	$343,587	$741,592
MAYO 4 SURG	$1,029,350		$1,029,350			$0	$1,036,487
MASONIC HOSP	$835,000	$800,000	$1,635,000		$29,299	$29,299	$1,630,789
COMPUTER UPGRADE	$850,000		$850,000		$348,969	$348,969	$348,969
C.T. SCANNER	$1,217,000		$1,217,000		$968,000	$968,000	$968,000
CARDIOVASCULAR RAD.	$863,000		$863,000		$689,939	$689,939	$689,939
TOTAL	$7,673,419	$1,183,889	$8,857,308	$58,887	$2,494,266	$2,553,153	$6,756,376

1.) THE ARCHITECT C-3 COSTS ARE BUDGETED FOR IN THE $37.62 MILLION RENOVATION PROJECT.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
CAPITAL EXPENDITURES
7-1-90 THRU 03-31-91

	ANNUAL BUDGET AND ROLLFORWARD			SEASONALIZED BUDGET			ACTUAL EXPENDITURES		
RECURRING EQUIP & REMOD	BUDGET	ROLLFORWARD FROM 6-30-90	TOTAL	9-MONTH BUDGET	9-MONTH ROLLFORWARD	TOTAL	90-91 ACTUAL	89-90 ROLLFORWARD	TOTAL
EQUIPMENT PURCHASES									
90-91 BUDGET	$5,669,600		$5,669,600	$2,200,000		$2,200,000	$1,580,253	$0	$1,580,253
ROLLFORWARD		$6,224,875	$6,224,875		$4,200,000	$4,200,000	$0	$2,242,132	$2,242,132
	$5,669,600	$6,224,875	$11,894,475	$2,200,000	$4,200,000	$6,400,000	$1,580,253	$2,242,132	$3,822,385
REMODELING PROJECTS	$1,330,400		$1,330,400	$1,000,000		$1,000,000	$136,278	$549,796	$686,074
	$7,000,000	$6,224,875	$13,224,875	$3,200,000	$4,200,000	$7,400,000	$1,716,531	$2,791,928	$4,508,459
PRINCIPLE PAYMENTS									
LAB CHEMICAL ANALIZERS	$116,158					$86,153			$82,102
CT SCANNER	$207,000					$153,800			$153,900
COMPUTER EQUIP	$174,891					$130,001			$144,876
MRI 2	$429,579					$321,717			$319,179
	$927,628					$691,671			$700,057
TOTAL:	$7,927,628					$8,091,671			$5,208,516
BOND PAYMENTS:	$2,345,000	(PAYMENTS MADE FEB. 1, 1991)							

CAPITAL PROJECTS:	UMHC FUNDS FROM RESERVES	ADDITIONAL FUNDS FROM OTHER SOURCES	TOTAL AUTHORIZED BUDGET	1st QUARTER EXPEND. 1990-91	2nd QUARTER EXPEND. 1990-91	3rd QUARTER EXPEND. 1990-91	Y-T-D 1990-1991	CURRENT & PRIOR YEAR EXPENDITURES
(1) ARCHITECT FEES PH II					$171,179	$169,618	$340,797	$640,306
DERMATOLOGY	$679,069	$233,889	$912,958		$2,180		$2,180	$869,912
CUHCC	$2,200,000	$150,000	$2,350,000	$58,887	$284,700	$829,812	$1,173,399	$1,571,404
MAYO 4 SURG	$1,029,350		$1,029,350			$6,892	$6,892	$1,043,379
MASONIC HOSP	$835,000	$800,000	$1,635,000		$29,299	$38,778	$68,077	$1,669,567
COMPUTER UPGRADE	$850,000		$850,000		$348,969	$80,816	$429,785	$429,785
C.T. SCANNER	$1,217,000		$1,217,000		$968,000	$242,000	$1,210,000	$1,210,000
CARDIOVASCULAR RAD.	$863,000		$863,000		$689,939		$689,939	$689,939
LABS COMPUTER SYST. EXP.	$306,000		$306,000			$253,950	$253,950	$253,950
HEART CATH ROOM	$3,100,000		$3,100,000			$13,109	$13,109	$13,109
TOTAL	$11,079,419	$1,183,889	$12,263,308	$58,887	$2,494,266	$1,634,975	$4,188,128	$8,391,351

1.) THE ARCHITECT PHASE II COSTS ARE BUDGETED FOR IN THE $37.62 MILLION RENOVATION PROJ

RESPONSE RATE = 82%

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS

SELF-EVALUATION SURVEY

1990
FINDINGS
ASSESSMENT OF STRUCTURE AND COMPOSITION

1.	Does the Board of Governors consist of a workable number of members to function efficiently and effectively?	14 Yes	0 No	
2.	Is there currently an appropriate mix of professional talents and skills among Board members?	11 Yes	2 No	1 Abstain
3.	Is the Committee structure appropriate for the management of issues?	14 Yes	0 No	

Please describe any changes that you would like to see made to the structure or composition of the Board of Governors or to the Committees.

- Not necessary to have an in-depth presentation four times on some issues.
- Less frequent meetings may improve attendance.

ASSESSMENT OF PROCESS

4.	Was your orientation to the Board of Governors thorough and useful?	10 Yes	0 No	4 Abstain

5.	Are Board meetings scheduled at appropriate intervals?	13 Yes	0 No	1 Abstain
6.	Are monthly agendas organized in a way that allow priority issues to be discussed at appropriate times?	13 Yes	0 No	1 Abstain
7.	Are the Board of Governors business meetings conducted efficiently?	14 Yes	0 No	
8.	Is the background material included in the agenda packets clear, concise and relevant?	13 Yes	0 No	1 Abstain
9.	Is an appropriate level of information being transmitted from the Committees to the Board?	13 Yes	0 No	1 Abstain
10.	Is the level of information about current issues provided at the Board meetings adequate?	11 Yes	2 No	1 Abstain
11.	Are "enrichment" presentations made at Board meetings useful? (i.e., Dr. Furcht on Lab Medicine and Pathology Department)	13 Yes	1 No	
12.	Is the annual Board of Governors Retreat a useful opportunity for reviewing issues in depth?	12 Yes	1 No	1 Abstain
13.	Are administrative staff members responsive in answering questions and providing necessary information outside of scheduled business meetings?	13 Yes	0 No	1 Abstain
14.	Do you receive an adequate amount of information on continuing education opportunities offered by external groups?	9 Yes	2 No	3 Abstain
15.	Are your day to day requests made of the Board office being met?	13 Yes	0 No	1 Abstain

Please describe any changes that you would like to see made in the way that the Board of Governors functions.

- Additional reference materials about healthcare issues and more encouragement to participate in educational programs.
- Less frequent meetings and more items on a consent agenda.

ASSESSMENT OF PERFORMANCE

16. Are the members of the Board generally familiar with the Minnesota marketplace and the environmental factors affecting the Hospital and Clinic?

6	5	3	0
Almost Always	Often	Sometimes	Rarely

17. Does the Board and Hospital employ an adequate planning process in charting the direction of the Hospital and Clinic that anticipates or responds to environmental factors?

4	7	2	1
Almost Always	Often	Sometimes	Rarely

18. Does the Board effectively monitor the Hospital's financial position?

12	2	0	0
Almost Always	Often	Sometimes	Rarely

19. Does the Board make informed decisions on medical staff appointments, reappointments and clinical privileges that result in fulfillment of its responsibility for ensuring a properly functioning medical staff?

6	3	1	2	2
Almost Always	Often	Sometimes	Rarely	Abstain

20. Are quality assurance mechanisms used by the Board in a way that allows it to evaluate the quality of care provided at the Hospital and Clinic?

6	3	4	0	1
Almost Always	Often	Sometimes	Rarely	Abstain

21. Does the Board effectively monitor Hospital personnel policies and compensation plans?

2	4	6	1	1
Almost Always	Often	Sometimes	Rarely	Don't Know

22. Does the Board effectively monitor Hospital purchasing policies and practices?

8	4	2	0
Almost Always	Often	Sometimes	Rarely

23. Does the Board strike an appropriate balance in dealing with governance decisions verses management decisions?

9	4	0	0	1
Almost Always	Often	Sometimes	Rarely	Don't Know

24. Does the Board play an effective role in evaluating the Hospital Director?

3	3	2	1	5
Almost Always	Often	Sometimes	Rarel	Abstain/Don't Know

25. Do Board members handle matters of apparent or potential conflict of interest appropriately?

7	1	2	1	3
Almost Always	Often	Sometimes	Rarely	Abstain

26. Do Board members generally initiate formal and informal opportunities for communicating with constituencies and members of the community?

1	2	7	2	2
Almost Always	Often	Sometimes	Rarely	Abstain

27. Does the Board make informed decisions about the development and upkeep of Hospital facilities?

6	7	0	1
Almost Always	Often	Sometimes	Rarely

28. Does the Board make informed decisions about the Hospital's long term capital expenditure plan?

9	3	1	1	2
Almost Always	Often	Sometimes	Rarely	Abstain

Specific suggestions as to how the Board of Governors can improve its performance would be helpful:

- Specific suggestions for improving the Board performance were to encourage asking of tough questions and to follow direction set at the fall retreat.
- Board members would also like to have additional information regarding their role in granting medical staff appointments.

INFORMATION SYSTEMS PLAN
UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

FOCUSED ON FACILITATING ACHIEVEMENT OF FIVE INSTITUTIONAL GOALS:

I. HIGH PRODUCTIVITY

II. HIGH QUALITY CARE DELIVERED ON A TIMELY BASIS AT THE LOWEST POSSIBLE COST

III. CASELOAD LARGE ENOUGH TO ENABLE HOSPITAL TO FULFILL ITS MISSION

IV. ADEQUATELY FINANCED HOSPITAL

V. EFFECTIVELY MANAGED HOSPITAL

INFORMATION SYSTEMS PLAN
UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

DEVELOPMENT PROCESS:

1. WROTE INFORMATION RELATED OBJECTIVES FOR EACH OF THE FIVE INSTITUTIONAL GOALS

2. IDENTIFIED 170 BUSINESS PROCESSES THROUGH WHICH SERVICES ARE DELIVERED AND RESOURCES ACQUIRED AND MANAGED

3. IDENTIFIED 73 BUSINESS PROCESSES FOR WHICH INFO. SYSTEM SUPPORT WAS NOT MEETING OBJECTIVES

4. FORMULATED PROJECTS TO ADDRESS DEFICIENCIES

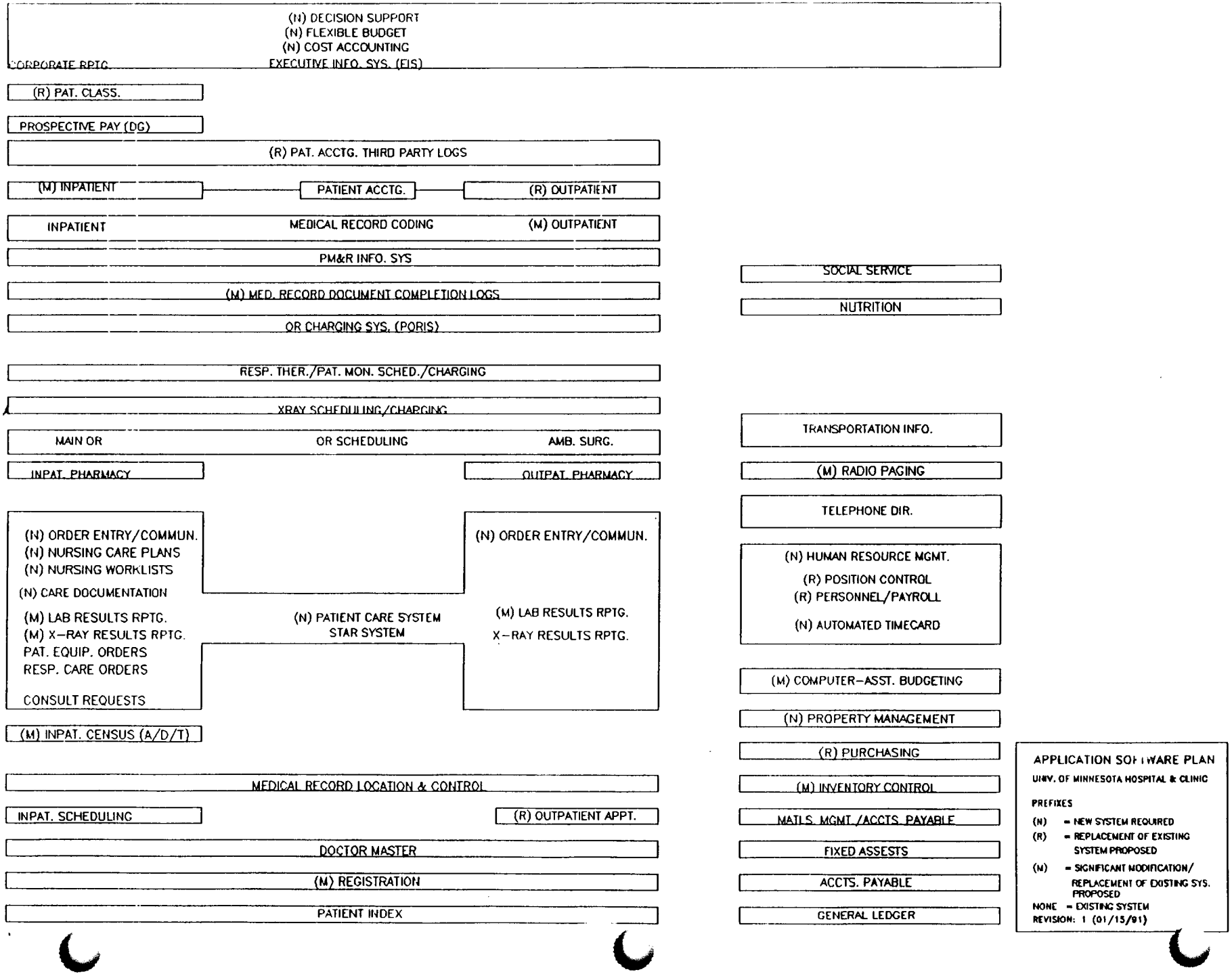
5. ASSIGNED PROJECTS TO ONE OF THREE PRIORITY CATEGORIES:
   A. TO BE ADDRESSED SHORT TERM (YEARS 1-3)
   B. TO BE ADDRESSED MIDTERM (YEARS 4-6)
   C. TO BE ADDRESSED LONG TERM (YEARS 7 AND BEYOND)

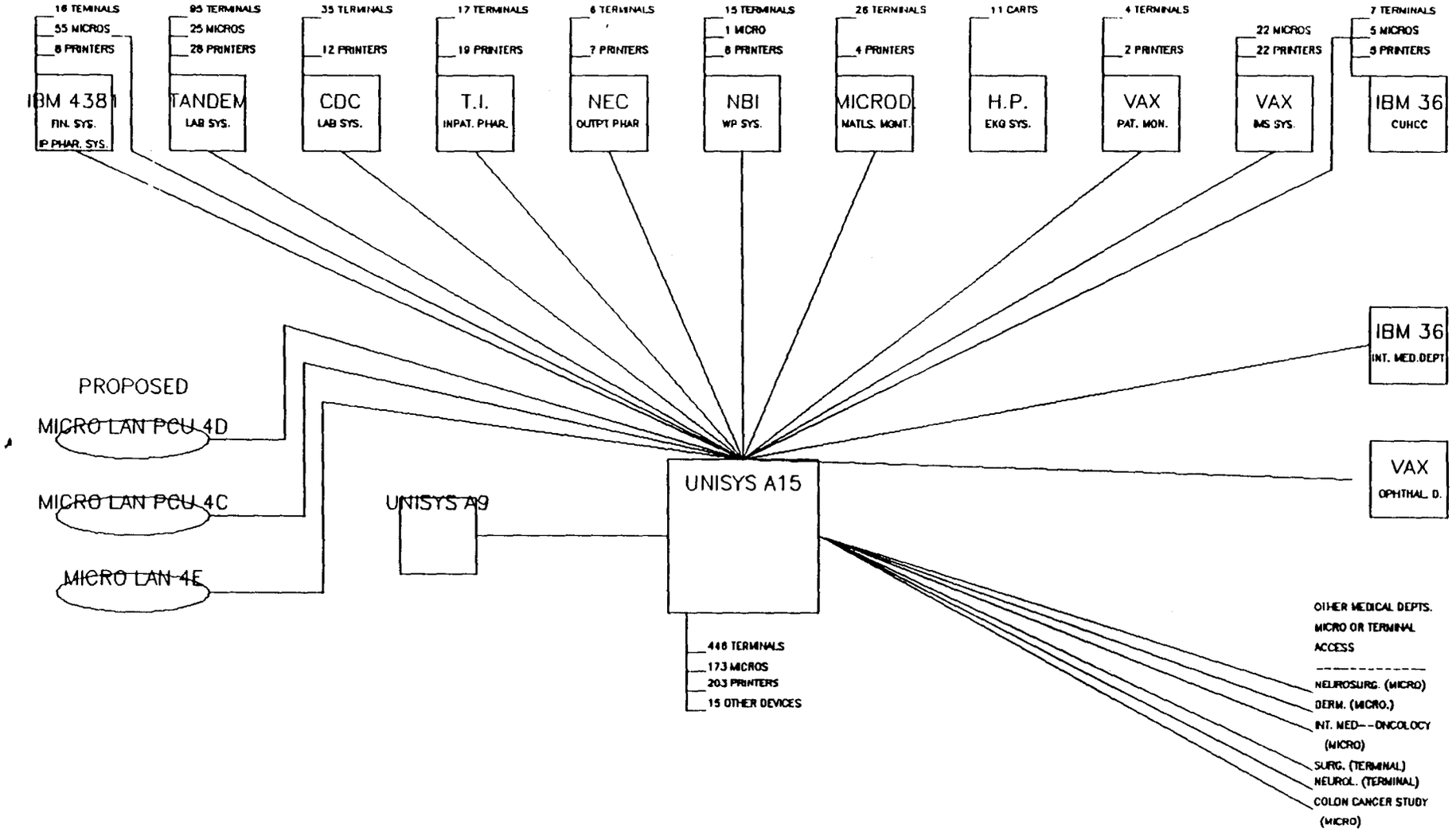
6. PROJECTED HARDWARE, SOFTWARE, AND NETWORK REQUIREMENTS

INFORMATION SYSTEMS LONG RANGE PLAN
FORMAT: 1
REVISION: 2 2/25/91

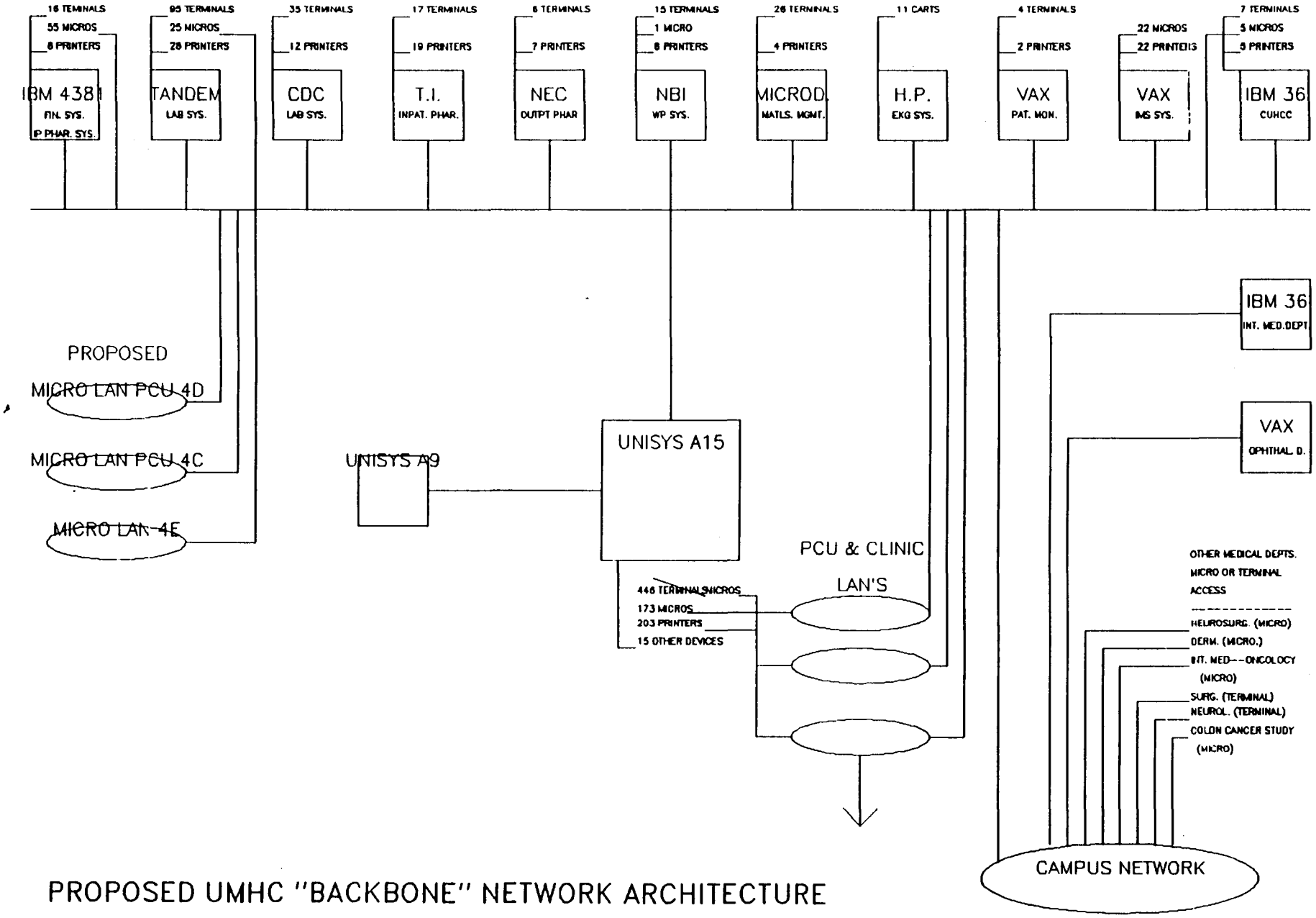
SYSTEM	FY89	FY90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	TOTALS
PATIENT CARE DELIVERY PROJECTS											
Inpatient Patient Care Documentation											
Phase I. ICU											
Ia. 4D			xxxxxxxxxxx								
Ib. 4C, 4E				xxxxxxxxxxx							
II. High Intensity PCU's 3C, 4A, 4B, 5C, 6C					xxxxxxxxxxxxxxxxxxxxxxxx						
III. Other PCU's							xxxxxxxxxxxxxxxxxxxxxxxx				
Order Entry/Communication				xxxxxxxxxxxxxxxxxxxxxxxxxxx							
Ambulatory Patient Care Documentation						----------					
Surgical Procedure Documentation						----------					
X-ray Image Transmission											
Phase I. Pilot Project						----------					
II. Extension							----------				
Electronic Medical Record											
Phase I. Design					----------						
II. Construction & Testing						----------					
III.Implementation									----------		

SYSTEM	FY89	FY90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	TOTALS
FINANCIAL AND MANAGEMENT PROJECTS											
Ambulatory Systems Upgrade											
Registration, Scheduling, Patient Acctg.			xxxxxxxxxxxxxxxxxxxxxxxx								
Inpatient Systems Upgrade											
Registration, Patient Acctg.			xxxxxxxxxxxxxxxxxxxxxxxx								
Nursing Resource Mgmt.		xxxxxxxxxxxx									
Decision Support											
Phase I. Budget Module Upgrade				xxxxxxxxxxxxxxxx							
Phase II. Analysis & Forecasting						xxxxxxxxxxxxxxxxxxx					
Materials Managment Upgrade											
Phase I. Purchasing			xxxxxxxxxxx								
Phase II. Inventory Sys. Replacement				xxxxxxxxxxx							
Human Resource Mgmt. Replacement						xxxxxxxxxxxxxxxxxxxxxx					
CAPITAL EXPENSE PROJECTIONS FROM RESERVE FUNDS											
Processors	$0	$0	$250,000	$280,000	$0	$500,000	$500,000	$0	$6,000,000	$2,000,000	$9,530,000
Peripherals	$0	$0	$400,000	$375,000	$525,000	$110,000	$450,000	$450,000	$450,000	$450,000	$3,210,000
Environmental Software	$0	$0	$147,900	$797,000	$0	$0	$0	$0	$1,500,000	$300,000	$2,744,900
Data Communications Network	$0	$0	$720,000	$198,000	$0	$310,000	$0	$0	$0	$0	$1,228,000
Microcomputer Workstations	$0	$0	$0	$665,000	$1,479,150	$1,478,985	$555,990	$565,825	$250,000	$250,000	$5,244,950
SUBTOTAL	$0	$0	$1,517,900	$2,315,000	$2,004,150	$2,398,985	$1,505,990	$1,015,825	$8,200,000	$3,000,000	$21,957,850
CAPITAL EXPENSE PROJECTIONS FROM OPERATING FUNDS											
Application Software		$97,000	$954,850	$622,000	$508,000	$1,035,000	$524,000	$336,000	$250,000	$0	$4,326,850
Equipment			$270,500	$381,000	$110,000	$305,000	$255,000	$260,000	$80,000	$75,000	$1,736,500
SUBTOTAL		$97,000	$1,225,350	$1,003,000	$618,000	$1,340,000	$779,000	$596,000	$330,000	$75,000	$6,063,350
GRAND TOTALS	$0	$97,000	$2,743,250	$3,318,000	$2,622,150	$3,738,985	$2,284,990	$1,611,825	$8,530,000	$3,075,000	$28,021,200


(N) DECISION SUPPORT
(N) FLEXIBLE BUDGET
(N) COST ACCOUNTING
EXECUTIVE INFO. SYS. (EIS)
CORPORATE RPTG.
(R) PAT. CLASS.
PROSPECTIVE PAY (DG)
(R) PAT. ACCTG. THIRD PARTY LOGS
(M) INPATIENT
PATIENT ACCTG.
(R) OUTPATIENT
INPATIENT
MEDICAL RECORD CODING
(M) OUTPATIENT
PM&R INFO. SYS
(M) MED. RECORD DOCUMENT COMPLETION LOGS
OR CHARGING SYS. (PORIS)
RESP. THER./PAT. MON. SCHED./CHARGING
XRAY SCHEDULING/CHARGING
MAIN OR
OR SCHEDULING
AMB. SURG.
INPAT. PHARMACY
OUTPAT. PHARMACY
(N) ORDER ENTRY/COMMUN.
(N) NURSING CARE PLANS
(N) NURSING WORKLISTS
(N) CARE DOCUMENTATION
(M) LAB RESULTS RPTG.
(M) X-RAY RESULTS RPTG.
PAT. EQUIP. ORDERS
RESP. CARE ORDERS
CONSULT REQUESTS
(N) PATIENT CARE SYSTEM
STAR SYSTEM
(N) ORDER ENTRY/COMMUN.
(M) LAB RESULTS RPTG.
X-RAY RESULTS RPTG.
(M) INPAT. CENSUS (A/D/T)
MEDICAL RECORD LOCATION & CONTROL
INPAT. SCHEDULING
(R) OUTPATIENT APPT.
DOCTOR MASTER
(M) REGISTRATION
PATIENT INDEX
SOCIAL SERVICE
NUTRITION
TRANSPORTATION INFO.
(M) RADIO PAGING
TELEPHONE DIR.
(N) HUMAN RESOURCE MGMT.
(R) POSITION CONTROL
(R) PERSONNEL/PAYROLL
(N) AUTOMATED TIMECARD
(M) COMPUTER-ASST. BUDGETING
(N) PROPERTY MANAGEMENT
(R) PURCHASING
(M) INVENTORY CONTROL
MATLS. MGMT./ACCTS. PAYABLE
FIXED ASSESTS
ACCTS. PAYABLE
GENERAL LEDGER
APPLICATION SOFTWARE PLAN
UNIV. OF MINNESOTA HOSPITAL & CLINIC
PREFIXES
(N) = NEW SYSTEM REQUIRED
(R) = REPLACEMENT OF EXISTING SYSTEM PROPOSED
(M) = SIGNIFICANT MODIFICATION/ REPLACEMENT OF EXISTING SYS. PROPOSED
NONE = EXISTING SYSTEM
REVISION: 1 (01/15/91)



CURRENT UMHC NETWORK ARCHITECTURE



PROPOSED UMHC "BACKBONE" NETWORK ARCHITECTURE

INFORMATIONS SYSTEMS PLAN
UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

10 YR. CAPITAL EXPENSE PROJECTIONS

FROM RESERVE FUNDS	
PROCESSOR	$9,530,000
PERIPHERALS	3,210,000
ENVIRONMENTAL SOFTWARE	2,744,900
DATA COMMUNICATIONS NETWORK	1,228,000
MICROCOMPUTER WORKSTATIONS	5,244,950
SUBTOTAL	$21,957,850
FROM OPERATING FUNDS	
APPLICATION SOFTWARE	$4,326,850
EQUIPMENT	1,736,500
SUBTOTAL	$6,063,350
GRAND TOTAL	$28,021,200

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 17, 1991

TO: Board of Governors

FROM: Robert Dickler
General Director

SUBJECT: 1991-92 Operating Budget for The University of Minnesota Hospital and Clinic

Enclosed for your review are the operating budget schedules for the 1991-92 fiscal year. These budget projections are the results of a budget process which has involved all levels of management preparing a projection of activity, costs, reserve, revenue deductions and capital needs required to operate The University of Minnesota Hospital and Clinic in fiscal year 1991-92.

The capital budget which we have incorporated in these financial projections is consistent with our long range capital plan. These financial projections include $8,011,000 in annual equipment replacement and minor renovation costs, and $3,555,000 in principal payments. In addition, we are dedicating $8,995,000 of interest income on reserves for the capital plan. The capital budget will be presented to the Planning and Development Committee at their June, 1991 meeting.

The projected financial statements have been compiled using a rate increase of five (5.0) percent. At our April, 1991 meeting, we intend to present the remaining assumptions we have used in developing the budget and provide you with the impact this budget will have on Hospital and Clinic operations in 1991-92.

We will seek your preliminary approval of a five (5.0) percent rate increase for rate reporting submission at the April Board Meeting, and will seek your final approval of rate increases and the operating budgets at the May, 1991 meeting.

The enclosed narrative and schedules outline our 1991-92 budget based on current assumptions. We look forward to our discussion with you on the budget.

RD/sw

Enclosure

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BUDGET LETTER
1991-92 BUDGET

The 1991-92 Budget has been developed with the following set of assumptions:

1990-91 Budget Base

In projecting the 1991-92 fiscal year budget elements, the current experience in each category was used as the starting point to determine expected 1991-92 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 1991-92 budget were projected:

* **Demand Analysis:**

  For the 1990-91 fiscal year we had developed a budget of 17,350 admissions and 137,800 patient days. Using our actual experience through February, 1991, we are projecting 18,285 admissions and 147,587 patient days. The increase in admission levels occurred in more than three quarters of the clinical service areas, with the most significant increases occurring in Medicine, Neurosurgery, and Ophthalmology. Areas that experienced decreases in admissions included Gynecology and Urology. The 7.1% increase in patient days also reflects our increase in the overall average length of stay from 8.0 days to 8.1.

  The 1991-92 census projections reflect an overall stable level of demand but with a slight increase in demand for specific services, such as Medicine, Neurology, Neurosurgery, and Otolaryngology. These increases reflect changes in clinical staff or programs. They are slightly offset by expected declines in Orthopedics, Adult Psych, and Urology. Inpatient census for 1991-92 has been budgeted at 18,335 admissions and 147,862 patient days.

  Schedules I, II, and III summarize the demand forecasts for 1990-91 and 1991-92.

* **Ancillary Service Utilization**

  The 1991-92 budget for ancillary service revenue reflects the projected stable level of inpatient admissions with slight changes anticipated for both program expansions and reductions. While we anticipate continued expansion of programs and services such as Bone Marrow Transplants and Heart Catheterization, we have also budgeted for an offsetting decrease in revenue because of the termination of our direct relationship with the Comprehensive Home Alimentation Program (CHAMP). In addition, expected growth in the Chemical Dependency and Diabetes programs in the outpatient clinics is partially offset by anticipated declines in Adult Psychiatry and Eating Disorders programs.

* **Deductions from Charges**

  Schedule IV is a summary of the expected deductions from revenue for fiscal years 1990-91 and 1991-92. The fiscal 1991-92 projection is based on current experience as well as pending legislative and regulatory changes relating to the Medicare and Medicaid Programs.

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

  Assumptions affecting UMHC payments include the following:

  1) A 2.0% payment rate increase (4.8% market basket less 2.8%) on the DRG rate, effective October, 1991.

  2) A reduction in the indirect medical education factor from 7.7% to 4.4%, effective October 1, 1991.

  3) Capital costs reduction remains at 15% through June 30, 1992.

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

- **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, 1991. We are assuming no increase in payment rates for GAMC patients. In addition, we are projecting a decrease in inpatient GAMC reimbursement (approximately $280,000) as a result of proposed legislative changes regarding retroactive eligibility regulations.

- **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% January 1, 1992) fall behind our required overall rate increase of 5.0%.

* **Other Operating Revenue**

Schedule V is a summary of projected appropriations and other operating revenues from sources other than patient care. The increase in other operating revenue projected for the 1990-91 fiscal year is expected in almost all categories of revenue. Higher than anticipated census levels account for much of the increase. In addition, the income from bond proceeds is significantly higher than budgeted since we did not spend down the principal balance for the Renewal Project Phase II. We expect to see some increases in other operating revenues in the budget year due to our increased census. However, we are budgeting for a reduction in our state appropriation revenues.

* **Expenditure Summary**

Schedule VI is a comparative summary of expenditures projected for 1990-91 and budgeted for 1991-92. The expenditure levels have been determined using February, 1991, year-to-date actual experience as a basis for projection.

Salaries:

Although no pay plans for employees have been finalized, we have incorporated some salary and wage increases that appear consistent with those in the community for hospital-dominated classes.

Other Expenses:

Inflationary increases for supplies and expenses are expected to average almost 7.2% in the budget year. In addition to the anticipated inflationary increases, we are including increases for expansion and development of new and existing programs.

* **Non-Operating Revenue**

Schedule VIII is a summary of expected non-patient revenues for fiscal years 1990-91 and 1991-92. The increase in non-operating revenue projected for the 1990-91 fiscal year is due to an increase in both interest income on reserves and interest income on trustee held assets over the original 1990-91 budget levels. Although we earned a lower than expected rate of interest on our reserves, our principal balance on those reserves were higher due to a significant slowdown in the rate of capital expenditures. The increase in earnings on the investments held by the trustee is due to our experiencing a higher than anticipated yield on those investments. In the budget year 1991-92 we are expecting an overall decrease of $670,000. Although we're assuming an increase in investment income from our potential equity in the Red Wing Clinic, we're budgeting reductions in the interest earned on our reserves and investments held by the trustee. In addition, we expect no dividend to be distributed by RUMINCO LTD. in the budget year 1991-92.

Fiscal Year 1991-92 Price and Revenue Increases

The price increase proposed for 1991-92 is 5.0% and results in an increase in patient charges of approximately $17,884,000. It brings total patient charges to $375,569,000. The Comparative Statement of Operations and Operating Cash Flow on Schedule IX summarizes our projected position for the 1991-92 fiscal year.

Capital Expenditures

Capital expenditures that will be provided from operating cash flows in 1991-92 for recurring equipment replacement and minor remodeling will be $8,011,000. In addition, $3,555,000 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 $37,726,500 from Hospital reserves. Within this total is $13,299,800 related to the Renewal Project Phase II, $3,305,800 for the completion of other projects that have received Board of Governors approval (Neuroradiology upgrade and Neuroangiography), $14,820,900 for equipment/renovation projects that have yet to be brought to the Board for approval (MRI I replacement, computer upgrade, Linear Accelerator replacement, Heart Cath expansion, Mobile Cath Lab, Sports Medicine, and the Cancer Center), and $6,300,000 for the potential acquisition of the physician clinic in Red Wing.

Schedules X, XI, and XII summarize the Board-Designated Fund Activity for the current year 1990-91 and the budget year 1991-92. The specified activity includes the capital expenditures mentioned above, and transfers of income and other funds. As the schedules indicate, the balance at July 1, 1991, is projected to be $83,665,000; we are projecting a balance of $56,226,000 at June 30, 1992.

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
COMPARATIVE DEMAND ANALYSIS
INPATIENT ADMISSIONS

SCHEDULE I

	1990/91 PLANNED ADMITS	1990/91 PROJECTED ADMITS	1991/92 BUDGET ADMITS
Anesthesiology	4	0	0
Clinical Research	333	400	401
Dentistry	21	55	55
Dermatology	23	14	14
Family Practice	25	24	24
Gynecology	1,445	1,432	1,436
Medicine	4,091	4,441	4,487
Newborn	343	361	362
Neurology	294	316	326
Neurosurgery	850	950	978
Obstetrics	523	560	561
Ophthalmology	335	467	468
Orthopedics	1,050	1,127	1,103
Otolaryngology	333	387	408
Pediatrics	3,210	3,224	3,231
PM&R	189	211	212
Psychiatry – Adult	739	811	787
Psychiatry – Child	60	62	62
Radiology	22	25	25
Surgery	2,843	2,880	2,891
Urology	617	538	504
Total Hospital	17,350	18,285	18,335

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
COMPARATIVE DEMAND ANALYSIS
PATIENT DAYS

SCHEDULE II

	1990/91 PLANNED DAYS	1990/91 PROJECTED DAYS	1991/92 BUDGET DAYS
Anesthesiology	15	0	0
Clinical Research	1,231	1,444	1,447
Dentistry	60	101	101
Dermatology	208	55	55
Family Practice	96	96	96
Gynecology	8,258	6,874	6,893
Medicine	29,593	32,273	32,502
Newborn	922	919	921
Neurology	1,981	2,337	2,410
Neurosurgery	5,884	5,891	6,064
Obstetrics	1,873	1,709	1,712
Ophthalmology	1,092	1,286	1,289
Orthopedics	5,743	6,691	6,548
Otolaryngology	1,381	1,786	1,883
Pediatrics	31,732	35,630	35,724
PM&R	1,901	3,891	3,909
Psychiatry – Adult	13,514	11,244	10,911
Psychiatry – Child	2,280	1,418	1,418
Radiology	25	35	35
Surgery	27,737	31,312	31,513
Urology	2,274	2,595	2,431
Total Hospital	137,800	147,587	147,862

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
COMPARATIVE DEMAND ANALYSIS
CLINIC VISITS

SCHEDULE III

	1990/91 PLANNED VISITS	1990/91 PROJECTED VISITS	1991/92 BUDGET VISITS
Clinic Visits	223,197	239,193	244,638
Emergency Room Visits	19,225	20,505	20,559
Radiation Therapy Visits	17,136	18,960	19,010
Ambulatory Surgery Visits	3,442	3,671	3,008
Total	263,000	282,329	287,215
Community University Health Care Center & Health ETC	53,114	50,566	50,719
Home Health	11,222	10,471	10,503

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
DEDUCTIONS FROM CHARGES

SCHEDULE IV

	1990/91 PLANNED BUDGET	1990/91 PROJECTED	1991/92 BUDGET @ 5%
Billing Adjustments [1]	$12,454,000	$11,939,000	$12,532,000
HMO/PPO Discounts [2]	19,890,000	26,450,000	29,547,000
Governmental Contractual Adjust [3]	47,539,000	43,442,000	49,943,000
Charitable Care	600,000	600,000	600,000
Total	$80,483,000	$82,431,000	$92,622,000

[1] Includes Outreach Lab billings and other miscellaneous billing adjustments.

[2] Includes HMO's and BCBSM.

[3] Includes Medicare, Medical Assistance, GAMC, and other government program write-offs.

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
OTHER OPERATING REVENUE SUMMARY

SCHEDULE V

	1990/91 PLANNED BUDGET	1990/91 PROJECTED	1991/92 BUDGET @ 5%
Appropriations & Support	$15,976,000	$15,976,000	$15,806,000
Food Services	1,477,000	1,659,000	1,739,000
Parking Services	838,000	913,000	926,000
Shared Services	179,000	174,000	173,000
Grant Income	1,664,000	1,789,000	1,920,000
Reference Lab Income	2,393,000	2,638,000	2,787,000
Pro Fees -- Net Revenue	1,715,000	1,907,000	2,029,000
Interest Income on Remaining Construction Fund Bond Proceeds	1,625,000	2,259,000	2,220,000
Other	115,000	195,000	147,000
Total	$25,982,000	$27,510,000	$27,747,0

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
EXPENDITURE SUMMARY: 1990/91 PROJECTION VS 1991/92 BUDGET

SCHEDULE VI

	1990/91 PLANNED BUDGET	1990/91 PROJECTED	VARIANCE	PERCENT VARIANCE	1991/92 BUDGET	INCREASE/ DECREASE	PERCENT CHANGE
Salaries	$118,374,000	$120,673,000	$2,299,000	1.9%	$124,664,000	$3,991,000	3.3%
Fringe Benefits	28,671,000	28,068,000	(603,000)	−2.1%	30,179,000	2,111,000	7.5%
Academic Contracts	1,170,000	1,143,000	(27,000)	−2.3%	1,208,000	65,000	5.7%
Resident Contracts	8,092,000	8,916,000	824,000	10.2%	9,756,000	840,000	9.4%
Physician/Contract Compensation	7,842,000	8,660,000	818,000	10.4%	8,921,000	261,000	3.0%
Total Salary, F.B., & Fees	164,149,000	167,460,000	3,311,000	2.0%	174,728,000	7,268,000	4.3%
Laundry & Linen	2,139,000	2,138,000	(1,000)	−0.0%	2,215,000	77,000	3.6%
Raw Food	1,822,000	1,790,000	(32,000)	−1.8%	1,897,000	107,000	6.0%
Drugs	19,914,000	20,995,000	1,081,000	5.4%	25,561,000	4,566,000	21.7%
Blood & Blood Derivatives	10,090,000	11,364,000	1,274,000	12.6%	12,544,000	1,180,000	10.4%
Medical Supplies & Services	26,024,000	27,808,000	1,784,000	6.9%	28,478,000	670,000	2.4%
Utilities	6,148,000	6,154,000	6,000	0.1%	6,395,000	241,000	3.9%
Insurance	771,000	1,789,000	1,018,000	132.0%	1,874,000	85,000	4.8%
Rental	3,052,000	2,758,000	(294,000)	−9.6%	2,682,000	(76,000)	−2.8%
Maintenance & Repair	5,022,000	5,485,000	463,000	9.2%	5,205,000	(280,000)	−5.1%
Net Loss On Disposal Of Assets	48,000	64,000	16,000	33.3%	64,000	0	0.0%
Campus Administration Expense	296,000	296,000	0	0.0%	311,000	15,000	5.1%
Depreciation	19,497,000	18,362,000	(1,135,000)	−5.8%	19,473,000	1,111,000	6.1%
Interest	12,690,000	12,133,000	(557,000)	−4.4%	11,476,000	(657,000)	−5.4%
Provision For Uncollectables	3,015,000	2,965,000	(50,000)	−1.7%	2,982,000	17,000	0.6%
Other	0	0	0		2,385,000	2,385,000	–
General Supplies & Expense	15,641,000	13,587,000	(2,054,000)	−13.1%	15,616,000	2,029,000	14.9%
Total Expenditures	$290,318,000	$295,148,000	$4,830,000	1.7%	$313,886,000	$18,738,000	6.3%

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
EXPLANATION OF VARIANCES AND BUDGET INCREASES
FOR FISCAL YEARS 1990-91 AND 1991-92

SCHEDULE VII

1. **RESIDENT CONTRACTS**
Variance in the current year is due to: (a) higher than expected increase in FTE's supported ($117,000), (b) costs for nine months of FICA contribution ($416,000), and (c) increased stipend levels ($281,000). Increase in the budget year is due to: (a) a full year of FICA payments ($177,000), and (b) inflation ($662,000).

2. **PHYSICIAN/CONTRACT COMPENSATION**
Variance in the current year is due to: (a) increase in physician recruitment support ($353,000), and (b) increase in administrative support ($347,000). The budget year increase is due primarily to the anticipated increases in physician compensation contracts.

3. **DRUGS**
Variance in the current year is due to: (a) not being billed for investigational drugs which have not been approved by the FDA (-$559,000), (b) new drugs being utilized in the current year that were not budgeted for ($807,000), and (c) higher than expected utilization of newer, more expensive drugs ($823,000). The budget year increase is due to: (a) inflation increase of $1,840,000, (b) $1,815,000 for new drugs primarily associated with Oncology and BMT patients, and (c) and expected increase of $600,000 for investigational drugs.

4. **BLOOD & BLOOD DERIVATIVES**
Variance in the current year is due to an increase in the patient population/services that use blood, ie., Wound Healing, Surgery, Medicine Hematology, and Oncology. The budget year increase is primarily due to inflation.

5. **MEDICAL SUPPLIES & SERVICES**
The unfavorable variance in the current year is due to: (a) higher utilization of implants ($804,000), (b) increased use of outside laboratory services ($355,000), (c) higher utilization of medical supplies due to greater census levels ($919,000), and (d) less than anticipated rate increases on transplant acquisition fees (-$410,000). The increase in the budget year is due to: (a) inflation of $1,647,000, (b) a reduction due to CHAMP becoming independent of UMHC (-$623,000), and (c) a decrease in expenses for lab services (-$335,000).

6. **UTILITIES**
The budgeted increase is primarily due to anticipated rate increases.

7. **INSURANCE**
The unfavorable variance in the current year is due to: (a) a one-time recognition of the estimated cost of purchasing tail coverage liability insurance ($537,000) and (b) an increase in the liability premium ($493,000). The actual premium has only increased 8.3% from $2,251,000 in 1990 to $2,438,000 in 1991. However, in 1990, the University reduced the paid premium by $1,100,000 University-wide to effectively reduce RUMINCO's retained earnings by that same amount. This reduction in retained earnings combined with the approximately $4,000,000 dividend distribution made by RUMINCO in the years 1990 and 1991 have reduced RUMINCO's retained earnings to a position where further reductions are not warranted. Therefore, the calendar year 1991 premium will remain at $2,438,000;

UMHC's share thereof is $1,638,000. The increase in the budget year reflects the increase in the 1991 calendar year premium, and assumes a 7% inflationary increase for the calendar year 1992 premium. It is offset by the reduction in the budget year that results from the one-time only expense for tail coverage.

8. **RENTAL**
The favorable variance in the current year is due to: (a) no rent expense being incurred because of relocating departments impacted by the Renewal Project Phase II ($120,000), and (b) decrease in use of specialty beds ($216,000). The decrease in the budget year is because we no longer expect to have rental payments on a CT scanner.

9. **MAINTENANCE & REPAIRS**
The unfavorable variance in the current year is primarily due to the increased remodeling costs occurring in Unit J ($400,000). The decrease in the budget year reflects: (a) the one-time Unit J remodeling costs from 1990-91 (-$400,000), (b) lower equipment repair costs (-$135,000), and (c) inflation increases ($255,000).

10. **DEPRECIATION**
Variance in the current year is due to the delayed receipt of equipment, (Neuroradiology,computer upgrades, Heart Cath, linear accelerator). The budget year increase is due to depreciation on: (a) new acquisitions ($706,000) and (b) one full year of depreciation on equipment received late in the current year ($492,000).

11. **INTEREST**
The variance in the current year is due to a favorable rate on the variable rate bonds. The decrease in the budget year is due to: (a) the interest rate continuing to be favorable, and (b) principal payments being made throughout the year.

12. **OTHER**
This expense in the budget year reflects our contingency for potential program and pay plan costs ($2,385,000).

13. **GENERAL SUPPLIES & EXPENSES**
The favorable variance in the current year is due to: (a) no relocation expenses being incurred for departments impacted by the Renewal Project Phase II ($1,600,000), (b) lower advertising costs than expected ($77,000), (c) lower utilizations of patient transportation services ($225,000), (d) lower office supply cost ($177,000), and (e) lower custodial supply costs ($114,000). The increase in the budget year is due to: (a) inflation increases ($790,000), and (b) estimated costs for development of new programs, including Oncology, Sports Medicine, and Hear Cath Lab ($1,355,000).

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
NON-OPERATING REVENUE SUMMARY

SCHEDULE VIII

	1990/91 PLANNED BUDGET	1990/91 PROJECTED	1991/92 BUDGET @ 5%
Interest Income On Reserves	$7,686,000	$9,488,000	$8,956,000
Investment Income Held By Trustee	1,400,000	2,103,000	1,869,000
Other Investment Income	171,000	28,000	779,000
Dividend Distribution	655,000	655,000	0
Total	$9,912,000	$12,274,000	$11,604,000

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC
FOR FISCAL YEARS 1990/91 AND 1991/92
SUMMARY STATEMENT OF OPERATIONS AND OPERATING CASH FLOW

SCHEDULE IX

	1990/91 PLANNED BUDGET	1990/91 PROJECTED	1991/92 BUDGET @ 5%
Gross Patient Charges	$335,005,000	$353,800,000	$375,569,000
Deductions from Charges	80,483,000	82,431,000	92,622,000
Other Operating Revenue	25,982,000	27,510,000	27,747,000
Total Operating Revenue	$280,504,000	$298,879,000	$310,694,000
Total Expenditures	290,318,000	295,148,000	313,886,000
Net Revenue from Operations	($9,814,000)	$3,731,000	($3,192,000)
Total Non–Operating Revenue	9,912,000	12,274,000	11,604,000
Revenue Over/–Under Expenses	$98,000	$16,005,000	$8,412,000
Add Non–Cash Outlays:			
Depreciation	19,497,000	18,362,000	19,473,000
University Support	196,000	196,000	211,000
Net Increase to Working Capital	1,957,000	1,814,000	3,632,000
Total Funds Provided	$21,748,000	$36,377,000	$31,728,000
Funds Applied:			
Increase in Accounts Receivable	1,692,000	8,079,000	2,673,000
Capital Expenditures:			
Principal Payments on Debt and Equipment	3,563,000	3,349,000	3,555,000
Recurring Equipment and Renovation	8,445,000	7,500,000	8,011,000
Interest Income Committed to Capital Plan	6,800,000	6,800,000	8,956,000
Operations Cash Funding for Capital Plan	300,000	300,000	0
Total Funds Applied	20,800,000	26,028,000	23,195,000
Total Cash Available from Operations	$948,000	$10,349,000	$8,533,000

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
7-01-90 through 2-28-91

Schedule X

	Unassigned	Assigned	Total
Beginning Balance at 7-01-90	$74,717,300	$ 8,546,000	$83,263,300
Investment Income on Reserves	6,389,600	-0-	6,389,600
Investment Income from Bond Proceeds	1,284,400	-0-	1,284,400
Funding for Plant Projects			
Autopsy - 1st Floor	< 365,000>	365,000	-0-
Neuroangiography	< 991,000>	991,000	-0-
OB Remodeling	< 20,000>	20,000	-0-
Temporary Psychology	< 100,000>	100,000	-0-
Rehab Satellites	< 240,000>	240,000	-0-
Heart Cath/CV Radiology	< 3,100,000>	3,100,000	-0-
BMT/ICU	< 220,000>	220,000	-0-
Urology Remodeling	< 100,000>	100,000	-0-
Computer Upgrade	192,400	< 192,400>	-0-
Architect & Engineer	< 400,000>	400,000	-0-
Phase II Renovation	<35,665,000>	35,665,000	-0-
Gift for CUHCC Building	200,000	-0-	200,000
Expenditures:			
CUHCC	-0-	< 858,700>	< 858,700>
Peripheral Angiograph	-0-	< 689,800>	< 689,800>
Computer Upgrade	-0-	< 249,000>	< 249,000>
CT Scanner	-0-	< 968,000>	< 968,000>
Masonic 3 + 5	-0-	< 23,300>	< 23,300>
Plant Funds	-0-	< 9,100>	< 9,100>
Phase II Renovation	-0-	< 44,300>	< 44,300>
Equipment Rollforward Reserve:			
Transfer to Operations of Unexpended 1988-89 Reserves	-0-	< 2,261,700>	< 2,261,700>
Transfer from Operations for Unexpended 1989-90 Capital Budget	-0-	6,224,900	6,224,900
Expenditures against 1989-90 Reserve	-0-	< 2,875,600>	< 2,875,600>
Ending Balance at 2-28-91	$41,582,700	$47,800,000	$89,382,700*

*In addition to the 2-28-91 balance for Board Designated Funds, there is cash and investments of $13,000,000 for Debt Service Reserves, and $16,000,000 for Working Capital Reserves.

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
3-01-91 through 6-30-91

Schedule XI

	Unassigned	Assigned	Total
Beginning Balance at 3-01-91	$41,582,700	$47,800,000	$89,382,700
Investment Income on Reserves	3,105,000	-0-	3,105,000
Investment Income from Bond Proceeds	664,500	-0-	664,500
Funding for Plant Projects			
Computer Upgrade	< 575,600>	575,600	-0-
Linear Accelerator	< 400,000>	400,000	-0-
BMT/ICU	< 80,000>	80,000	-0-
Expenditures:			
CUHCC	-0-	< 1,139,200>	< 1,139,200>
Masonic 3 + 5	-0-	< 75,100>	< 75,100>
CT Scanner	-0-	< 249,000>	< 249,000>
Peripheral Angiograph	-0-	< 173,200>	< 173,200>
Computer Upgrade	-0-	< 804,700>	< 804,700>
Neuroangiography	-0-	< 1,471,000>	< 1,471,000>
Heart Cath/CV Radiology	-0-	< 223,200>	< 223,200>
BMT/ICU	-0-	< 300,000>	< 300,000>
Linear Accelerator	-0-	< 400,000>	< 400,000>
Phase II Renovation	-0-	< 1,996,500>	< 1,996,500>
Projected Equipment Rollforward Purchases	-0-	< 2,655,300>	< 2,655,300>
Ending Balance at 6-30-91	$44,296,600	$39,368,400	$83,665,000*

*In addition to the 6-30-91 projected balance for Board Designated Funds, there is cash and investments of $13,000,000 for Debt Service Reserves, and $16,000,000 for Working Capital Reserves.

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
7-01-91 through 6-30-92

Schedule XII

	Unassigned	Assigned	Total
Beginning Balance at 7-01-91	$44,296,600	$39,368,400	$83,665,000
Investment Income from Reserves	8,956,000	-0-	8,956,000
Investment Income from Bond Proceeds	2,025,300	-0-	2,025,300
Funding for Plant Projects			
MRI - 1992	< 1,500,000>	1,500,000	-0-
Computer Upgrade	< 3,753,400>	3,753,400	-0-
Heart Cath/CV Radiology II	< 3,800,000>	3,800,000	-0-
BMT/ICU	< 400,000>	400,000	-0-
Linear Accelerator	< 1,767,500>	1,767,500	-0-
Cancer Center	< 100,000>	100,000	-0-
Mobile Cath Lab	< 1,500,000>	1,500,000	-0-
Sports Medicine	< 2,000,000>	2,000,000	-0-
Red Wing Clinic	< 6,300,000>	6,300,000	-0-
Expenditures:			
MRI - 1992	-0-	< 1,500,000>	< 1,500,000>
Neuroangiography Systems	-0-	< 429,000>	< 429,000>
Computer Upgrade	-0-	< 3,753,400>	< 3,753,400>
Heart Cath/CV Radiology I	-0-	< 2,876,800>	< 2,876,800>
Heart Cath/CV Radiology II	-0-	< 3,800,000>	< 3,800,000>
BMT/ICU	-0-	< 400,000>	< 400,000>
Linear Accelerator	-0-	< 1,767,500>	< 1,767,500>
Phase II Renovation	-0-	<13,299,800>	<13,299,800>
Cancer Center	-0-	< 100,000>	< 100,000>
Mobile Cath Lab	-0-	< 1,500,000>	< 1,500,000>
Sports Medicine	-0-	< 2,000,000>	< 2,000,000>
Red Wing Clinic	-0-	< 6,300,000>	< 6,300,000>
Equipment Rollforward Reserve -			
Transfer of Unexpended 1989-90 Reserves	694,000	< 694,000>	-0-
Transfer for Unexpended 1990-91 Capital Budget	< 4,250,000>	4,250,000	-0-
Expenditure Against 1990-91 Reserve	-0-	< 4,250,000>	< 4,250,000>
Ending Balance at 6-30-92	$30,601,000	$22,068,800	$52,669,800*

*In addition to the 6-30-92 projected balance for Board Designated Funds, there is cash and investments of $13,000,000 for Debt Service Reserves, and $16,000,000 for Working Capital Reserves.

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 18, 1991

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Long Range Capital Plan (Attached Schedule of Annual Capital Requirements)

So you can put the 1991 capital expenditures into perspective as to their relationship to our long range capital plan, we are providing you with the most recent annual capital requirements for the years 1989-1999.

CPF:th

Attachment

ANNUAL CAPITAL REQUIREMENTS
Ver 16-Apr-91
File: B:\CAP\APRIL1

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Total
APPROVED PROJECTS												
Surgical Pathology	813,623	222,864	7,750	0	0	0	0	0	0	0	0	1,044,237
Dermatology Clinic	655,064	151,774	2,180	0	0	0	0	0	0	0	0	809,018
MRI - II	2,737,725	888,903	0	0	0	0	0	0	0	0	0	3,626,628
CUNCC	346,000	52,006	1,951,994	0	0	0	0	0	0	0	0	2,350,000
Masonic III	533,277	1,068,213	75,100	0	0	0	0	0	0	0	0	1,676,590
Other Miscellaneous Capital	115,234	33,963	0	0	0	0	0	0	0	0	0	149,197
Approved Projects Subtotal	5,200,923	2,417,723	2,037,024	0	0	0	0	0	0	0	0	9,655,670
ANTICIPATED PROJECTS												
Lithotripter II	0	0	0	0	0	0	0	0	0	0	0	0
Replace CT Scanners	0	0	1,210,000	0	0	1,206,000	0	0	0	0	0	2,416,000
Replace Linear Accel	0	0	400,000	1,768,000	1,583,000	520,000	1,583,000	0	0	0	0	5,854,000
Replace MRI-I	0	0	0	1,500,000	1,500,000	0	0	0	0	0	0	3,000,000
Computer Upgrade	0	324,000	1,054,000	3,753,000	1,877,000	2,498,000	1,506,000	1,016,000	7,200,000	3,000,000	2,500,000	24,728,000
Neuroradiology Upgrade	0	0	1,900,000	0	0	0	0	0	0	0	0	1,900,000
Anticipated New Technology/Program Development	0	0	0	3,600,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	14,100,000
Heart Cath/CV Radiology	0	0	3,800,000	3,800,000	0	0	0	0	0	0	0	7,600,000
BMT/ICU Reconfiguration	0	0	300,000	400,000	0	0	0	0	0	0	0	700,000
Practice Acquisition	0	0	0	6,300,000	811,000	811,000	811,000	811,000	811,000	811,000	811,000	11,977,000
Anticipated Projects Subtotal	0	324,000	8,664,000	21,121,000	7,271,000	6,535,000	5,400,000	3,327,000	9,511,000	5,311,000	4,811,000	72,275,000
ANNUAL EQUIPMENT AND REMODELING PROJECTS												
Original Budgets	8,000,000	8,300,000	8,550,000	8,900,000	9,150,000	9,450,000	10,550,000	11,050,000	11,850,000	12,800,000	0	98,600,000
Actual/Anticipated Expenditures	4,231,883	3,221,708	7,500,000	8,011,000	8,200,000	8,800,000	9,400,000	10,000,000	10,600,000	11,200,000	11,800,000	92,964,591
Net Equipment Rollforward	2,397,525	2,692,203	6,224,875	0	0	0	0	0	0	0	0	11,314,603
Annual Equip and Remod Subtotal	6,629,408	5,913,911	13,724,875	8,011,000	8,200,000	8,800,000	9,400,000	10,000,000	10,600,000	11,200,000	11,800,000	104,279,194
ANNUAL PRINCIPAL & LEASE PAYMENTS												
Fixed Rate Bond Prircipal Payments	2,815,000	2,215,000	2,345,000	2,490,000	2,650,000	2,830,000	3,015,000	3,230,000	3,455,000	3,705,000	3,975,000	32,725,000
VRDB Principal Payments	0	0	0	0	0	0	0	1,681,000	1,681,000	1,681,000	1,681,000	6,724,000
Existing Capital Lease Payments	1,011,783	828,785	927,628	989,222	813,089	787,675	763,713	253,781	0	0	0	6,375,676
Annual Principal Payments Subtotal	3,826,783	3,043,785	3,272,628	3,479,222	3,463,089	3,617,675	3,778,713	5,164,781	5,136,000	5,386,000	5,656,000	45,824,676
Subtotal	15,657,114	11,699,419	27,698,527	32,611,222	18,934,089	18,952,675	18,578,713	18,491,781	25,247,000	21,897,000	22,267,000	232,034,540
Renewal Project Phase II	0	299,509	3,206,087	13,299,846	15,241,662	5,872,405	0	0	0	0	0	37,919,509
Annual Capital Requirement Total	15,657,114	11,998,928	30,904,614	45,911,068	34,175,751	24,825,080	18,578,713	18,491,781	25,247,000	21,897,000	22,267,000	269,954,049