THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

MARCH 28, 1990

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THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
MARCH 28, 1990
2:30 P.M.
555 DIEHL HALL

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MINUTES

BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic

February 28, 1990

Call To Order

Mr. George Heenan called the February 28, 1990 meeting of the Board of Governors to order at 2:35 p.m. in 555 Diehl Hall.

Attendance

Present:	Leonard Bienias David Brown, M.D. Robert Dickler Gordon Donhowe Phyllis Ellis George Heenan Robert Latz Margaret Matalamaki Robert Maxwell, M.D. Jerry Meilahn Cherie Perlmutter Bill Thompson, M.D. Jan Withers
Not Present:	Paula Clayton, M.D. Kris Johnson Robert Nickoloff Barbara O'Grady

Approval of Minutes

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

Special Presentation: Ms. Marcia Fluer

Mr. Robert Dickler introduced the Board to Ms. Marcia Fluer, Director of University Relations. Ms. Fluer presented to the Board an overview of the

University Relations Department. She emphasized the need for University experts to be known to and available to local media representatives. Ms. Fluer is also working with University central administrative staff in enhancing their comfort in interfacing with the media.

Chairman's Report

Mr. Heenan introduced Bill Thompson, M.D., Department of Radiology, attending the Board meeting in the absence of Paula Clayton, M.D.

Mr. Heenan referred the Board to the conferences offered Board members and encouraged their attendance.

Planning and Development Committee Report

Mr. Robert Latz called on Mr. Greg Hart to present the Renewal Project update. Mr. Hart described in detail to the Board the three alternative facility approaches to the Renewal Project: Phase II. An estimated ten year summary of capital expenditures was distributed for information. Pros and cons of each facility alternative was reviewed.

The Board of Governors seconded and passed a motion to approve the October - December, 1989 Quarterly Purchasing Report.

Joint Conference Committee Report

Mr. Heenan reported that the Committee had reviewed and endorsed the Credentials Committee Report and Recommendations. The report included a recommendation that the customary provisional appointment be waived for Dr. Robert Heros, the new chairman in the Department of Neurosurgery.

The Board of Governors seconded and passed a motion to approve the Credentials Committee Report and Recommendations as submitted.

Ms. Nancy Janda presented to the Board an update of Joint Commission on Accreditation of Healthcare Organizations. UMHC will likely be surveyed again in the Fall of 1990. Preparatory efforts for that visit are underway. A Brief Overview of the Joint Commission's "Agenda for Change" was included in the Board packet.

Finance Committee Report

Mr. Jerry Meilahn called on Mr. Cliff Fearing to give the financial report. Mr. Fearing reported the Hospitals Statement of Operations for the period July 1, 1989 to January 31, 1990 shows revenues exceeding expenses by $5,393,456, a favorable variance of $4,104,602. Total operating revenue is 4.2% underbudget; operating expenses are 5.0% under budget; non operating revenue is 15.5% over budget.

Mr. Fearing reported inpatient admissions for January, 1990 totaled 1,626, which was 57 above budgeted admissions of 1,569. Overall length of stay for the month was 8.3 days. Outpatient clinic visits for the month of January totaled 22,516 which was 614, or 2.8%, above budgeted visits of 21,902.

Ms. Helen Pitt presented a proposal for a new ICU Information System to the Board of Governors. This patient care computer system was developed for use in the intensive care setting and will be used on the 24 bed surgical intensive care unit. It is hoped that the system will ease and organize documentation requirements, enhance productivity and be of help in organizing information for quality assurance and research studies. The placement of a patient care information system will also allow for an evaluation of bedside computers generally. The Board of Governors seconded and passed a motion approving purchase of an ICU Information System at a $718,000 expenditure level.

Mr. Al Dees presented a proposal to purchase a new CT Scanner to replace a CT Scanner which was originally installed in 1984. With one abstention, the Board of Governors seconded and passed a motion approving the purchase of a new CT Scanner at a $1,217,000 expenditure.

Mr. Dickler presented to the Board a proposal from the Council of Hospital Corporations for a medical waste incineration program. The proposal calls for the formation of a corporation consisting of interested CHC hospitals for the purpose of jointly researching, planning, constructing and operating a Medical Waste Incinerator in or near the Minneapolis/St. Paul metro area. The University Hospital is currently being asked to commit to a dollar level not to exceed $107,416 and a total financial commitment (probably in the form of a loan guarantee) of the Hospital/University of up to $625,000. The Board of Governors seconded and passed a motion endorsing the Medical Waste Incineration project.

Mr. Fearing presented a Hospital admissions policy to the Board. The policy reinforces the importance of establishing a payor source for patients, prior to non-emergent admissions, particularly for patients from outside of the State of Minnesota. The Board of Governors seconded and passed a motion to approve the Hospital Admissions Policy.

Mr. Hart reviewed with the Board a major capital expenditure item totaling $166,000 for a four bed holding area and related equipment in the Heart Cath Lab. The area will enhance the facilities available for both pre and post catherization care.

Mr. Dees reviewed with the Board a major capital expenditure item in the amount of $120,000 for a Frontal Plane Image Chain Upgrade in the Heart Cath Lab. The equipment will improve the fluoroscopic image quality for the coronary angioplasty procedures.

Nominating Committee Report

Ms. Cherie Perlmutter presented a motion to the Board of Governors whereby the Nominating Committee recommends that the term of office for the Chair and Vice Chair of the Board of Governors extend from January 1, 1990 through June 30,

1991. Also change the annual election of the Chair and Vice Chair of the Board of Governors to be held during the month of May or June each year, so that the regular term of office shall become July 1 through June 30. The Nominating Committee further recommends that Mr. Robert Nickoloff be reelected to the position of Chair and Ms. B. Kristine Johnson be reelected to the position of Vice Chair for the January 1, 1990 through June 30, 1991 term. The Board of Governors unanimously seconded and passed the Nominating Committee motion.

Director's Report

Mr. Dickler informed the Board of an upcoming annual audit which would be brought to the Finance Committee in the near future.

Mr. Dickler announced that four candidates for the position of Vice President of Health Sciences were being scheduled for interviews.

Mr. Dickler informed the Board that three items were scheduled to go to the Board of Regents in April which include: Board of Governors Bylaws, CHC Waste Disposal Project and the CUHCC Project.

Adjournment

There being no further business, the February 28, 1990 meeting of the Board of Governors was adjourned at 4:15 p.m.

Respectfully submitted,

Gail A. Strandemo

Gail A. Strandemo
Board of Governors Office

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 23, 1990

TO: Members of the Board of Governors

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

We are pleased to welcome Dr. Leo Twiggs as our enrichment speaker this month. Dr. Twiggs is the Professor of Obstetrics and Gynecology.

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

CURRICULUM VITAE
Leo B. Twiggs, M.D.

Revised March 13, 1990

Personal

Name	Leo Brookhart Twiggs, M.D.
Business Address	University of Minnesota Hospitals Box 395 Mayo Memorial Building 420 Delaware Street Southeast Minneapolis, Minnesota 55455 (612) 626-4338
Home Address	4200 Fremont Avenue South Minneapolis, Minnesota 55409 (612) 824-6937
Social Security No.	
Date of Birth	December 31, 1946
Place of Birth	Benham, Kentucky United States of America
Marital Status	Married (Martha)

Education

High School	Austin High School Austin, Minnesota 1964
College	University of Michigan Ann Arbor, Michigan 1968, B.S.
Medical School	University of Michigan Ann Arbor, Michigan 1972, M.D.
Internship	Los Angeles County University of Southern California Medical Center Department of Obstetrics and Gynecology 1972 - 1973
Residency	Los Angeles County University of Southern California Medical Center Department of Obstetrics and Gynecology 1973 - 1976

Fellowships

Los Angeles County
University of Southern California Medical Center
Clinical Fellow in Gynecologic Oncology
1976 - 1978

Fellow, American Cancer Society

Licensure

Licensed to Practice Medicine in California (G 25909)
Licensed to Practice Medicine in Minnesota (24,415)

Board Certification

National Board of Medical Examiners, #126637
July 3, 1973

American Board Obstetrics and Gynecology, 1979

American Board Obstetrics and Gynecology
with special competence in Gynecologic Oncology, 1981

Professional Background

Academic Appointments

Clinical Instructor
Department of Obstetrics and Gynecology
University of Southern California
1976-1978

Assistant Professor
University of Minnesota Medical School
Department of Obstetrics and Gynecology
Division of Gynecologic Oncology
1978-1983

Gynecologic Oncology Colsultant
Hennepin County Medical Center
Department of Obstetrics and Gynecology
1978-1981

Associate Professor with tenure
University of Minnesota Medical School
Department of Obstetrics and Gynecology
Division of Gynecologic Oncology
1983-1987

Professor
University of Minnesota Medical School
Department of Obstetrics and Gynecology
Division of Gynecologic Oncology
1987-Present

Professor
University of Minnesota Medical School
Department of Therapeutic Radiology
Division of Radiation Oncology
1988-Present

Teaching Responsibilities

University of Minnesota Medical School
Lectures in Cervical Cytology-Phase B, D

University of Minnesota Faculty Member
Multi-Disciplined Cancer Education
Elective: Phase D

Associate Member
Graduate Faculty
University of Minnesota Medical School

Advisor to Martin Jones
Graduate Student U of M
Rural Physicians Associates Program

Administrative Responsibilities

Faculty Member
Academic Grievance Committee
University of Minnesota Hosptal
1980-1982

Candidate Coordinator
Gynecologic Oncology Fellowship
University of Minnesota Hospital
June 1981 - May 1982

Member
Search Committee for OB/GYN Chairman
Hennepin County Medical Center
Minneapolis, Minnesota
1982

Colposcopy Consultant
Brooklyn Center Group Health
Department of Obstetrics and Gynecology
1978-1982

Director
Colposcopy Clinic
University of Minnesota Hospitals
Department of Obstetrics and Gynecology
1978-1983

Departmental Search Committee for Assisant Professor
Department of Obstetrics and Gynecology
University of Minnesota Hospitals
1984

Chairman
Subcommittee on Resident Education
Department of Obstetrics and Gynecology
University of Minnesota Hospitals
1978-1985

Search Committee - OB/GYN Chairman
Hennepin County Medical Center
Minneapolis, Minnesota
1985

Cancer Task Force
University of Minnesota Hospitals
1985

Ad Hoc Committee
Women's Health Center
University of Minnesota Hospitals
1985

Clinical Associates Planning and Marketing Committee
University of Minnesota Hospitals
1985

Co-Director
Upper Midwest Trophoblastic Disease Center
University of Minnesota Hospitals
1981 - Present

Faculty Member
Academic Grievance Committee
University of Minnesota Hospitals
1980-1982

Chairman
Methodist Hospital Gyn/Oncology Conference
Minneapolis, Minnesota
1980 - present

Director
Gynecologic Oncology Fellowship Program
University of Minnesota Hospitals
June 1982 - Present

Director
Division of Gynecologic Oncology
University of Minnesota Hospitals
December 1983 - Present

Tissue and Procedure Review Committee
University of Minnesota Hospitals
1983 - present

Minnesota Section of District VI
A.C.O.G. Membership Committee
1984 - Present

Chairman
Abbott Northwestern Gyn/Oncology Confence
Minneapolis, Minnesota
1984 - present

Governing Body
Home Health Care Committee
1985 - present

Operating Room Committee
University of Minnesota Hospitals
1986-present

Advisory Committee
Masonic Day Hospital
University of Minnesota Hospitals
1987

Search Committee
Operating Room Director
University of Minnesota Hospitals
1987

Credentials Committee
University of Minnesota Hospitals
1987 - present

Quality Assurance Steering Committee
University of Minnesota Hospitals
1987 - present

Medical Staff with courtesy staff privileges
Metropolitan-Mount Sinai Medical Center
Minneapolis, Minnesota
1987 - present

Laser Committee
University of Minnesota Hospitals
1988 - present

Patients First Physician's Advisory Committee
University of Minnesota Hospitals
1988 - present

Professional Education Committee
American Cancer Society
1988 - present

Editorial Board
American College of Obstetricians and Gynecologists
Prologue--Gynecologic Oncology
1988 - present

Intensive/Special Care Unit Advisory Committee
University of Minnesota Hospitals
1988 - present

Co-Chairman
Advisory Committee, Women's Cancer Center
University of Minnesota Hospitals
1988 - present

Executive Committee
Gynecologic Oncology Group
1989 - present

Chairman
UMCA Planning and Marketing Committee
University of Minnesota Hospitals
1989 - present

Education Commission
Prolog Task Force for Gynecologic Surgery and Oncology
1990 - present

Staging and Nomenclature Committee
Society of Gynecologic Oncologists
1989-1992

Grants Awarded

Committee Member
Minnesota Clinical Cancer Education Program - Part II
5R25CA-1952707

Upjohn Grant
Medroxyprogesterone Acetate: A Study In the Treatment of Endometrial Hyperplasia, Protocol No. 80-06

American Cancer Society Grant
Cancer Education Member
2 R25 Ca1952707

American Cancer Society
Institutional Research Grant, 1981
IN 13 T 32

National Cancer Institute
Human Papillomavirus and Malignant Disease, 1984
5R01 CA25462-06

National Cancer Institute Research Grant
Human Papillomavirus and Malignant Disease, 1985
2R01-CA25462-07

American Board of Obstetrics and Gynecology
Institutional Program in Gynecologic Oncology
(3 Fellows every two years)
1989 - 1994

National Institute of Health
Epidemiological Study for Endometrial Cancer
1987 - 1989

National Institute of Health
Prospective Study of Ovarian Carcinoma for Amplified C-Ki-Ras and C-Myc.
1989 - 1994 (submitted)

American Cancer Society
Institutional Application for Clinical Oncology Fellowships
1989 - 1990 (submitted)

Society Memberships

Local

Galens Honarary Medical Society
University of Michigan, 1974

Former Residents in Obstetrics and Gynecology (FROGS)
Los Angeles County
University of Southern California Medical Center, 1975

Minneapolis Council of Obstetricians and Gynecologists, 1978

Minnesota Obstetrical and Gynecological Society, 1979
- Program Chairman 1982-1983
- Program Co-Chairman, 1983-1984
- Board of Governors, 1987 - present
- President, 1989

National

Junior Fellow
American College of Obstetricians and Gynecologists, 1975-1979

Fellow
American College of Obstetricians and Gynecologists
1979 - Present

Society for Gynecologic Urology, 1979

Western Association of Gynecologic Oncology, 1979 - present
- Executive Committee 1983
- President, 1986-1987

American Association of Professors of Gynecology and Obstetrics, 1978

Gynecologic Oncology Group, 1978 - present
Trophoblastic Disease Committee Chairman, 1984
Protocol Committee, 1984 - 1988

International Society of Gynecological Pathologists, 1980 - present
Associate Member
Member, Trophoblastic Nomenclature Committee

International Journal of Gynecological Pathology
Editorial Board, 1984

American Society of Cervical Pathology and Colposcopy
Education Committee, 1980
Nominating Committee, 1984
Program Committee Chairman, 1987
Board Member, 1988
Associate Editor, Colposcopist, 1988

Central Association of Obstetrics and Gynecology, 1980 - present

Society of Gynecologic Oncology, 1982 - present
Program Committee, 1986
Nominating Committee, 1987
Program Committee, 1988

American Society of Clinical Oncology, 1982 - present

Central Travel Club, 1982 - present

American Association For Cancer Education, 1983 - present

Society of Memorial Gynecologic Oncologists, 1988 - present

Continental Gynecologic Society, 1989 - present

Research Activities

1. Urodynamic Testing of Patients Undergoing Pelvic Surgery - Terminated 1981

2. In vivo Stimulation of Pelvic Nerves to Ascertain Innervation of Bladder - Terminated 1981

MINUTES
Joint Conference Committee
Board of Governors
March 14, 1990

CALL TO ORDER:

In Chairman Heenan's absence, Ms. Phyllis Ellis called the March 14, 1990 meeting of the Joint Conference Committee to order at 4:40 P.M. in Room 8-106 in the University Hospital.

Attendance:

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

APPROVAL OF MINUTES:

The minutes of the February 14, 1990 meeting were approved as submitted.

END STAGE RENAL DISEASE PROGRAM

Ms. Bonnie Blake presented several policy changes for the End Stage Renal Disease (ESRD) program for the committee's endorsement. The Minnesota State Department of Health regulates the hemodialysis and peritoneal dialysis programs as if they were one program, therefore, the UMHC programs have been reorganized and now report to one nurse manager.

Medical direction for the hemodialysis programs is provided by four Co-Directors each representing and responsible for a specialty area of practice. The Co-Directors are: Dr. Thomas Hostetter, Director, Adult Hemodialysis, Dr. Michael Mauer, Director, Pediatric Hemodialysis, Dr. Sylvia Azar, Director, Adult Peritoneal Dialysis, and Dr. Thomas Nevins, Director, Pediatric Peritoneal Dialysis.

The committee unanimously endorsed the proposed changes in the ESRD policies.

MEDICAL STAFF-HOSPITAL COUNCIL REPORT: CREDENTIALS COMMITTEE RECOMMENDATIONS

Dr. Robert Maxwell reported that the recommendations of the Credentials Committee were endorsed by the Medical Staff-Hospital Council on March 13. The recommendations include waiving the provisional status of the privileges of James Q. Swift, D.D.S., in the Department of Hospital Dentistry as has been the custom for the Chief of a Clinical Service.

The recommendations, including waiving Dr. Swift's provisional period, were unanimously endorsed by the committee.

CLINICAL CHIEFS APPOINTMENTS

Dr. Maxwell presented the recommendation of Dr. Leo Furcht as the Clinical Chief of Laboratory Medicine and Pathology. There was a question raised regarding whether or not Dr. Furcht is Board Certified in Pathology.

The committee endorsed the recommendation of Dr. Furcht as the Clinical Chief with the provision that his Board Certified in Pathology is verified by hospital administration prior to presenting the recommendation to the Board of Governors.

Dr. William Knobloch was recommended as the Clinical Chief of Ophthalmology. It was noted that although Dr. Knobloch is the interim head of the Department of Ophthalmology the Hospital has no such designation for the Chief of a Clinical Service.

Dr. Knobloch's appointment as Clinical Chief was unanimously endorsed.

COMMITTEE WORK PLAN

In Chairman Heenan's absence, Mr. Greg Hart led the discussion of the committee's work plan. Mr. Hart asked the committee for specific issues and topics they might be interested in considering during 1990. Issues included in the 1989 work plan which the committee did not consider included the role of the clinical chief and medical staff recruitment and retention. The Joint Conference Committee will be receiving reports from a task force, chaired by Dr. William Thompson, which is exploring medical staff recruitment and retention as it relates to the Hospital.

A discussion of current ethical issues such as uncompensated care, anencephalic infants, and withdrawal of life support would be of interest to the committee members. The Hospital's Biomedical Ethics Committee actively explores these and many other issues and could be invited to attend a meeting of the Joint Conference Committee to provide an update on their activities.

The committee would be interested in considering the nature of the Hospital's Quality Assurance function and whether or not we should consider a more proactive program than the current program. Dr. Amos Deinard suggested that the committee may be interested in learning more about a project conducted at the CUHCC clinic by a group of Master's in Business Administration students. The committee is interested in discussing its role within the Hospital's

Quality Assurance program and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) processes.

COUNCIL OF CLINICAL CHIEFS REPORT

Dr. Bruce Work reported that meetings of the Council of Clinical Chiefs have included discussion of the Hospital's Renewal Project: Phase II., the Vice President for Health Sciences search, and the appropriate roles of the Council of Chiefs of Clinical Services and the Council of Clinical Sciences.

OTHER BUSINESS

Mr. Dickler informed the Committee that a local television station may report on a case the University of Minnesota has pending before the Social Security Administration. The report may suggest that the Social Security Administration has made a ruling that the University owes retrospective Social Security Taxes for medical residents. In fact, no ruling has been made in the case at this time.

ADJOURNMENT

There being no further business, the meeting was adjourned at 6:17 P.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

MEMORANDUM

TO: Board of Governors Members

FROM: Bonnie Blake, Director of Critical Care Services BB

DATE: February 22, 1990

Endorsement is requested for approval of the following new and revised policies and the Organizational Summary as required by End Stage Renal Disease (ESRD) federal program guidelines.

1. **Care Plan/Long Term Program Review**

   In response to an ESRD requirement, this new policy/procedure identifies the review frequency of the chronic renal failure patient's care plan and long term program. This policy assures continuity of care for dialysis outpatients who are admitted.

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

   Following the reorganization of Dialysis Services to include adult and pediatric peritoneal dialysis services, this policy was revised to reflect the medical management structure and accountability.

3. **Mobile Pediatric Dialysis**

   This policy was revised to be inclusive of the new Minneapolis Children's Medical Center mobile pediatric dialysis contract. Accountability for dialysis quality water was clarified.

4. **Safety: Dialysis Units**

   Previously safety issues were addressed in several different policies. This policy reflects the JCAHO standard that all programs, policies, and procedures are designed to reduce risk in the clinical aspects of patient care safety.

5. **Patient Selection Criteria**

   Following the reorganization of Dialysis Services to include adult and pediatric peritoneal dialysis, this policy was revised to reflect the patient selection criteria for all services.

bb0216901nm

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 Kidney Dialysis 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 two 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 three 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 disposable resuscitation device is kept the training area. The type of Peritoneal Dialysis used is tailored to patient needs and their home environment.

III. PATIENT POPULATION

The patients that are treated by Kidney Dialysis 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
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 2o 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. Wagner's disease
14. Fabry's disease

The following are Important Aspects of Care:

1. Anticoagulation
2. Blood product administration
3. Fluid volume management
4. Patient/Family education

5. Psychosocial support of family system
6. Initial and ongoing nursing assessment of effects of dialysis treatment
7. Management of access for dialysis
8. Pre and post assessment of treatment
9. Infection control/management
10. Skin integrity
11. Risk management
12. Pain management
13. Nutritional support
14. 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:

1. The provision of dialysis treatment to patients with end-stage renal disease.
2. The provision of dialysis treatment to patients with acute renal failure.
3. The provision of dialysis treatment to transplant patients requiring supportive dialysis following a renal transplant.
4. The provision of other extracorporeal perfusion techniques to patients requiring such (e.g., overdoses, exchange transfusions, etc.).
5. The provision of a learning laboratory for the purposes of educating physicians, nurses and technicians in the care of the patient with renal failure.
6. Provision of training for self-care peritoneal dialysis to any patients with end-stage renal disease.
7. Provision of on-going education and management of those patients on self-care peritoneal dialysis.
8. Provision of education and consultative support services to patient care areas at the University of Minnesota which house peritoneal dialysis.

V. PATIENT CARE DELIVERY SYSTEM

The patient care delivery system used in KD with the Outpatient 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 that plan, implement and evaluate the patients' care plan and long term program.
3. Direct nurse to physician, social worker and dietician 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, 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 KD provide criteria for practice on the unit.

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

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

D. The unit QA Committee participates in department-wide monitors as well as unit specific monitors based upon important aspects of care. The Medical QA Committee is composed of interdisciplinary team members which includes

1) a representative from UMHC Medical QA Dept.
2) Nurse Manager
3) Assistant Nurse Manager
4) Senior Dialysis Technician
5) Dialysis Services Physicians
6) Nursing Director of Critical Care

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

VII. EDUCATION

All staff on KD 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 Instructors and KD 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 Managers, Staff Development Instructor and KD staff mentors. Annual retraining occurs in

1) electrical safety
2) emergency preparedness
3) BCLS
4) infection control

D. Inservice education is appropriate for unit needs and 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. Each staff member is also responsible for continued growth and development in dialysis nursing through self study and attendence at seminars and inservices both within and outside of the hospital.

T. A. [signature]
Med. Dir., Adult Hemodialysis

J. Michael Mc[illegible] MD
Med. Dir., Ped. Hemodialysis

[signature]
Med. Dir., Adult Peritoneal

Thomas Mc[illegible] MD
Med. Dir., Ped. Peritoneal

[signature]
CEO, ESRD

Bonnie Blake
DIR., Critical Care Services

2-22-90
Date

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

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

Chief Executive Officer	Date 3/5/90
Medical Director - Adult Stations	Date 2-23-90
Medical Director - Pediatric Stations	Date 2-22-90
Medical Director - Adult Peritoneal	Date 2-23-90
Medical Director - Pediatric Peritoneal	Date 22 FEB 90
Director, Critical Care	Date 22 Feb 90

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Page 1 of 2
VOL.:	POLICY NUMBER: II.6
EFFECTIVE:	8/89
REVISION:	2/90
REVIEWED:	

SUBJECT:

CARE PLAN/LONG TERM PROGRAM REVIEW

SOURCE:

Dialysis Management Committee

POLICY

To ensure continuity of care for the chronic renal failure (CRF) patient associate with the University of Minnesota Hospital and Clinic (UMHC), the Long Term Program and Care Plan of the CRF patient will be placed in the inpatient chart when the patient is hospitalized. The hospitalized patients will have their Care Plan reviewed monthly and the Long Term Program reassessed. When a patient returns to outpatient status, the Care Plan will be reviewed on an every six months basis. The Long Term Program will be reviewed at least yearly on the CRF outpatient.

PROCEDURE

Responsible Individual	Action
Unit Secretary	1. Monitors computerized admission shee on a daily basis during the week.
	2. Places the Long Term Program and Care Plan of the hospitalized CRF patient in the inpatient chart within 24 hours of admission, if admitted during the week, and within 48 hours if admitted on the weekend.
	3. Informs the Nurse Manager or Assistant Nurse Manager of patient admission.

KDU0219904nm

APPROVED: T.L. Hatt, S. Ayer, T. Nevins, B.M. Mauer, Bonnie Blake

DATE: 2-22-90

TITLE: CEO, Medical Directors, Director of Critical Care

Responsible Individual	Action
Nurse Manager or Assistant Nurse Manager	1. Notifies the interdisciplinary team of the CRF patient's admission. 2. Facilitates the monthly review of the inpatient's Care Plan at patient rounds and reassessment of the Long Term Program at transplant rounds. 3. Schedules Care Plan and Long Term Program review of outpatients as required in patient and transplant rounds.
Interdisciplinary Team Member (physician, social worker, dietician, dialysis nurse, transplant surgeon)	1. Attends patient and transplant rounds 2. Implements decisions after discussion with patient/family. 3. Documents action plan in patient's chart and/or kardex, as appropriate.

KDU0219904nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	General Policies Page 1 of 2
VOL.:	POLICY NUMBER: III.1
EFFECTIVE:	11/87
REVISION:	1/88, 1/90
REVIEWED:	1/89

SUBJECT:

DIALYSIS SERVICES MEDICAL ADVISORY COMMITTEE/MEDICAL DIRECTION

SOURCE:

Dialysis Services Management

POLICY

I.

Medical Direction for Dialysis Services is provided by four Co-Directors each representing and responsible for a specialty area of medical practice.

Designated nephrology faculty are readily available for administrative and consultative decisions when the Primary Medical Director of the Nephrology Services is unavailable.

Director - Adult Hemodialysis - Dr. Thomas Hostetter
Director - Pediatric Hemodialysis - Dr. Michael Mauer
Director - Adult Peritoneal Dialysis - Dr. Sylvia Azar
Director - Pediatric Peritoneal Dialysis - Dr. Thomas Nevins

II. MANAGEMENT COMMITTEE

The Medical Directors and unit nursing leadership staff shall meet as often as necessary but not less than quarterly, to review activity, patient care services, policy, procedures, patient care standards, quality assurance issues, and discuss items that will enhance unit efficiency/quality of care. Minutes of these meetings shall be maintained.

The meetings are open to nursing and house staff members as well as attending physicians and other unit related professionals.

KDU0219903nm

APPROVED: T.C.H. S. Azar M. Mauer T. Nevins B Blake	DATE: 2-22-90
TITLE: CEO MEDICAL DIRECTORS DIR.CRIT CARE	

III. MEDICAL DIRECTORS' ROLE DESCRIPTION

1. The Medical Directors are responsible for the overall direction and management of Dialysis Services.

2. The Medical Directors assure quality patient care on the patient care units.

   The Directors assure that the quality, safety, and appropriateness of patient care services provided within the unit are reviewed and evaluated on a regular basis and that appropriate action is taken based on the findings of the review and evaluation activities.

3. The Medical Directors are responsible for development, approval, implementation, and evaluation of policies and procedures relating to patient care management of the unit.

4. The Medical Directors will arbitrate and act as final authority regard interpretation of policies and procedures governing medical practice on unit.

5. The Medical Directors are responsible for coordinating and implementing hospital and medical staff policies and procedures in the unit.

6. The Medical Directors review and approve, in consultation with nursing staff, clinical research protocols in the unit.

7. The Medical Directors consult with Nursing Leadership, and nursing staff, regarding unit operational matters.

8. The Medical Directors are responsible for providing education to house staff and nursing staff on the unit.

9. In the absence of the Medical Directors, a designee shall be appointed.

10. When necessary, the Medical Directors make decisions in consultation with the Renal Fellow and responsible physician, for the disposition of patients when patient load exceeds optimal operational capacity.

IV.

All policy changes are submitted annually to the program CEO and Board of Governors, University of Minnesota Hospital and Clinic, for approval.

KDU0219903nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Page 1 of 4
VOL.:	POLICY NUMBER: III.1
EFFECTIVE:	8/85
REVISION:	5/87, 1/90
REVIEWED:	1/86, 1/87, 1/88, 1/

SUBJECT:

MOBILE PEDIATRIC DIALYSIS

SOURCE:

Dialysis Leadership Team

POLICY

University of Minnesota Hospital and Clinic has contracted with St. Paul Children' Hospital (SPCH) and Minneapolis Children's Medical Center (MCMC) to provide off-site pediatric dialysis services on an as needed basis. Services shall include hemoperfusion, hemodialysis, and hemodialysis related care. Hemodialysis related care is defined as all activities necessary to the safe and efficacious delivery o dialytic therapy, such as, but not limited to, blood pressure regulation, body weight regulation, blood access maintenance, the monitoring of equipment and vital signs, and adjustments in dialysis medications.

Staffing

A registered nurse, dialysis technician, and pediatric nephrologist from the University of Minnesota Hospital and Clinic will provide dialysis care for each treatment. During normal hours of Kidney Dialysis Unit operation, a nurse and technician will be pulled from that shift to go to St. Paul Children's Hospital and/or Minneapolis Children's Medical Center. During on-call hours, the on-call nurse and technician will respond to requests for services.

Transportation

Employees providing care at off-site facilities will use their own vehicles for transportation. Mileage will be reimbursed between UMHC and the off-site facility and back at the rate of 21" per mile. Reimbursement will be made within two to four weeks.

Parking

A SPCH Courtesy Card has been issued to the Dialysis Unit which allows for free parking in the ramp on Smith Avenue. Maps describing the fastest routes to SPCH and the location of the ramp will be available. MCMC parking stickers will be provided for free parking on a daily basis by Pediatric ICU. Maps will also be provided describing fastest routes and ramp location by MCMC.

APPROVED:	DATE: 2-1-90
TITLE: CEO Medical Directors Director, Critical Care	

Supplies and Equipment

Supplies for treatment will be carried by the nurse and technician responsible for care. There will be two supply cases equipped with all necessary supplies except the following:

- appropriate dialyzer
- appropriate blood lines
- appropriate bath and additives (i.e., CaCl, KCl, Bicarb, PO_4)
- emergency access
- arteriosonde (if appropriate)

An AK10 dialysis machine will be left at the mobile sites while need for dialysis treatments exists.

Forms

The **Hemodialysis Record** will look identical to the University of Minnesota Hospita and Clinic's record except that it will be labeled with SPCH or MCMC logo.

The **Kidney Dialysis Charges/Credits** slip will be completed at the remote si the nurse, and a copy will be left with the remote facility.

Legal Aspects

As agents of the University of Minnesota Hospital and Clinic, the University of Minnesota Hospital and Clinic assumes full responsibility for the performance of all personnel involved in the delivery of remote care.

PROCEDURE

Responsible Individual	Action
Dialysis Nurse and Technician	1. Complete dialysis treatment unless a significant portion (i.e., one hour or greater) of the treatment falls into the next shift or the 16-hour rule intervenes.
	2. Request reimbursement for mileage by completing Mobile Pediatric Hemodialysis Program Mileage Reimbursement Record form, and forward it to Assistant Administrato for Kidney Dialysis. Sign form sent by AA and return to AA when completed.

Responsible Individual	Action
Dialysis Nurse and Technician (continued)	3. Follow UMHC Nursing Department Dress Code when performing off-site dialysis. 4. Bring two of the prescribed dialyze and two sets of blood lines. Check with attending physician regarding access and bath. 5. Take the key to SPCH locked storage area. Key is kept in mobile equipment boxes. 6. Restock supply cases upon return to UMHC. 7. Bring arteriosonde with transducer, cuff, and paste if deemed appropriate. 8. Complete Hemodialysis Run Record, ar leave the original (white) in the patient's chart and bring the carbor (yellow) copy back. 9. Complete Kidney Dialysis Charges/ Credit slip, leaving white sheet at remote facility and bringing yellow and pink copies back. Staple yellow copy to Hemodialysis Record, and sen pink copy to Medicare Supervisor, Patient Accounting, Box 602 Mayo. 10. Adhere to UMHC policies, procedures, and standards of care that govern th remote facility and the ICU.

KD011990nm

Responsible Individual	Action
Pediatric Nephrologist from UMHC	1. Orders appropriate dialyzer, blood lines, bath and access for patient a SPCH. 2. Is present for all off-site mobile dialysis treatments. If physician feels patient is stable, he/she may elect to leave with the nurse's agreement and will be available by long range beeper.
St. Paul Children's Hospital Staff	1. Maintain water treatment equipment. Obtain cultures on a bimonthly basis. 2. Disinfect water treatment equipment on a bimonthly basis.
Minneapolis Children's Medical Center Staff	1. Maintain water treatment equipmen on a bimonthly basis.
University of Minnesota Hospital and Clinic	1. Assumes full responsibility for the performance of all personnel involved in the delivery of remote care.

KD011990nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Miscellaneous 5
VOL.:	POLICY NUMBER:
EFFECTIVE:	2/90
REVISION:	
REVIEWED:	

SUBJECT:

SAFETY: DIALYSIS UNITS

SOURCE:

Dialysis Medical Advisory Committee

POLICY

All written programs, policies, and procedures will be designed to reduce risk in the clinical aspects of patient care and safety. Safety management and monitoring is incorporated into unit quality assurance activities and is reported at the unit Medical Advisory Committee. The following pertinent safety practices are followed

1. Identification Bands

   a. All inpatients will wear an identification band. When specific patient conditions prevent this, the identification band must be attached to the head of the bed.
   b. Allergy bands will be worn by all inpatients with allergies or attached to the head of the bed.
   c. An identification band will be worn by inpatients (or attached to the head of the bed) requiring irradiated blood products as ordered by physicians.
      (1) "Irradiated Blood Products Only" will also be noted on the kardex, MAR, and flow sheet.
      (2) See Hospital Policy 5.1.4A - Irradiated Blood Products.
   d. Dialysis outpatients are not issued arm bands. Verbal confirmation of patient's identity is received prior to the initiation/administration of treatment and drugs.

2. Nurse Call/Emergency Call

   a. A nurse call system is available in each cubicle to facilitate patient communication with staff.
   b. Patients unable to use the call system will be monitored to assure safety.
   c. An emergency call switch is available at the head of each bed in Unit F to be activated in the event of cardiac/respiratory or other bedside emergency. This signal notifies staff in the unit that immediate response is required.

KDU0219901nm

APPROVED:	DATE: 02/25/90
TITLE: CEO Medical Directors Director of Critical Care	

3. Side Rails

   a. Side rails are to be in the raised position at all times when the nurse is away from the immediate bedside.
   b. Side rails will be padded to prevent injury whenever risk is assessed and when seizure precautions are ordered.

4. Use of Restraints

   a. Extremity restraints may be used during dialysis treatment.
   b. Restrained extremities are observed for color and circulation every hour.
   c. Body restraints require a physician's order. Note Patient Care Procedure #100 and Restraint Policies 4.15, 4.16, 4.17.

5. Patient Condition Indicated Safety Practices

   a. The patient's temperature type will be based on the patient assessment.
   b. Chest tube clamps will be kept at the bedside of any patient with in ed chest tubes or large bore cannulas.
   c. Non-skid slippers will be worn by any patient able to be out of bed.

7. Other Pertinent Safety Policies Are In Place

   a. Seizure Precautions for Adults - Procedure No. 10
   b. Electrical Safety
   c. Visualization: Critical Care Patients
   d. Location, Maintenance, Procurement, and Procedure for Breakdown of Essential Equipment and Supplies
   e. Transport of Patients
   f. Nursing Management of Bedside Emergencies
   g. Accident Prevention - Safety Program (7.10)
   h. Employee Responsibility for Safety (7.3)

KDU0219901nm

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION:	Page 1 of 1
VOL.:	POLICY NUMBER:
EFFECTIVE:	3/84
REVISION:	2/90
REVIEWED:	2/86

SUBJECT:

PATIENT SELECTION CRITERIA

SOURCE:

Dialysis Services Leadership
Management Committee

POLICY

I. The philosophy of the Dialysis Services is to accept anyone who is in need of treatment for Acute or Chronic Renal Failure. The interdisciplinary team is made up of social worker, dietician, hemodialysis nurses and/or peritoneal nurses, nephrologist, staff physicians, fellows, and residents. The interdisciplinary team works with each individual patient and family to assess the medical suitability, social and economic factors, psychological and emotional factors, and the rehabilitative potential of the patient.

II. The available treatments for Acute and Chronic Renal Failure are inpatient and outpatient hemodialysis, inpatient peritoneal dialysis, and self care training for home peritoneal dialysis.

III.

A. In accordance with Medicare regulations, no residents of a nursing home can be admitted to or be maintained by the UMHC peritoneal dialysis program. If a patient is admitted to the nursing home after he/she has been dialyzing at home, the team will consult with the patient and/or family to provide other dialysis options and care until such time as the patient is able to return home.

B. Patients unable to be adequately dialyzed at home, or who appear to need acute dialysis will be admitted to the hospital until the medical director has deemed them stable for home care.

KDU022290nm

APPROVED:	DATE: 2-22-90
TITLE: CEO MEDICAL DIRECTORS DIR. CRIT. CARE	

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 16, 1990

TO: Members of the Board of Governors

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

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

The Medical Staff-Hospital Council on March 13 and the Joint Conference Committee on March 14 have endorsed the attached Credentials Committee Report and Recommendations.

I am forwarding these recommendations to you for your review and approval on March 28. If you should have any questions, please feel free to call on me.

REM/cf
Attachment

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 7, 1990

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
James Q. Swift	Attending Staff
Department of Medicine	
Christine H. Wendt	Attending Staff
Department of Ophthalmology	
Emmett F. Carpel	Clinical Staff
Department of Orthopedics	
Gary C. Bessette	Attending Staff
Department of Otolaryngology	**Category**
David B. Hom	Clinical Staff
Department of Radiology	**Category**
Becky L. Carpenter	Attending Staff
Barbara A. Luikens	Attending Staff
Department of Surgery	
Marie Christensen	Clinical Staff

The following physicians 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 Obstetrics and Gynecology	Category
Stephen H. Cruikshank	Clinical Staff

Privileges: Delete--Laser Therapy

Department of Urology	
Pratap K. Reddy	Attending Staff

Privileges: Add--treatment of stones in the urinary tract-Candela laser

The following medical staff are completing their provisional status and are eligible for regular appointments as members of the Medical Staff of The University of Minnesota Hospital and Clinic. The Committee has reviewed recommendations concerning their appointment and hereby recommend approval.

Department of Surgery	Category	Date Eligible
Jeffrey H. Aldridge	Clinical Staff	December 28, 19
R. Morton Bolman, III	Attending Staff	October 26, 1989
Edmund P. Chute	Attending Staff	December 28, 1989
Department of Urology		
Robert O. Berkseth	Clinical Staff	December 28, 1989

The Committee recommends acceptance of the leave of absence from the Medical Staff for the following dentist.

Department of Hospital Dentistry	Category
Michael J. Till	Attending Staff

Dates: September 15, 1989 through September 1, 1990

The Committee recommends acceptance of the resignation of Medical Staff appointment from the following physician.

Department of Physical Medicine and Rehabilitation	Category
Mark Moret	Attending Staff

HB/cf

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 22, 1990

TO: Board of Governors Members

FROM: Robert Maxwell, M.D.
Chief of Staff

Robert Dickler
Hospital Director

SUBJECT: Clinical Chief Appointments

We are recommending the appointment of Leo Furcht, M.D., as Clinical Chief of the Laboratory Medicine and Pathology Service at UMHC, and the appointment of William Knobloch, M.D., as Clinical Chief of the Ophthalmology Service at UMHC.

Curriculum vitae for Dr. Furcht and Dr. Knobloch are attached.

The Medical Staff Bylaws require that Chiefs of Clinical Services be certified by an American Specialty Board, unless this requirement is waived by the Board of Governors. Dr. Furcht is not Board-certified. We recommend that the Board of Governors waive the certification requirement for Dr. Furcht.

This request requires the endorsement of the Joint Conference Committee and approval of the Board of Governors.

Thank you.

/kj

attachments

CURRICULUM VITAE

LEO T. FURCHT, M.D.

PERSONAL DATA

Date of birth:	October 2, 1946
Place of birth:	New York, New York
Home address:	2100 21st Street West Minneapolis, MN 55405
Social Security Number:	
Minn. Medical License #:	023527-3

CURRENT POSITION

Head, Department of Laboratory Medicine and Pathology (3/1/90)

Director, Biomedical Engineering Center

Professor
Allen-Pardee Professor of Cancer Biology
Department of Laboratory Medicine and Pathology,
University of Minnesota Hospitals
University of Minnesota
Minneapolis, Minnesota 55455

EDUCATION

1961-1964	Secondary School: Westbury High School, Westbury, L.I., N.Y.
1964-1968	Undergraduate School: Columbia University, New York, N.Y.
1968-1972	Medical School: State University New York, Upstate Medical Center, Syracuse, N.Y.

ACADEMIC POSITIONS HELD

4/72-6/75	Intern and Resident, Department of Laboratory Medicine and Pathology, University of Minnesota Hospitals
7/74-6/75	Instructor, Department of Laboratory Medicine and Pathology, University of Minnesota Hospitals.
7/75-6/78	Assistant Professor, Department of Laboratory Medicine and Pathology, University of Minnesota Hospitals.
1975-1979	Associate Director Residency Fellowship Training Program
5/77-6/81	Assistant Medical Director, Regional Red Cross Blood Center; St. Paul, Minnesota, Dr. J. McCullough, Director.

7/78-7/82	Associate Professor, Department of Laboratory Medicine and Pathology, University of Minnesota Hospitals.
1979-1984	Director, Residency Fellowship Training Program
1980-1984	Director, Post-Phase B (2nd year) Medical Student Fellowship Program
7/82-present	Professor, Department of Laboratory Medicine and Pathology, University of Minnesota Hospitals.
1982-1987	Endowed Professorship, "Stone Research Professor in Pathology"
1983-present	Director, and responsible for developing a new M.D./Ph.D. program, University of Minnesota, which involves a number of schools within the University – Medical, Graduate, College of Biological Sciences, and the Institute of Technology (Engineering)
1987-present	Endowed Professorship, "Allen-Pardee Professor of Cancer Biology"
1988-present	Director, Medical Fellowship Training Program, Department of Laboratory Medicine and Pathology
1988-present	Director, Biomedical Engineering Center

ADMINISTRATIVE RESPONSIBILITIES

Residency Committee (member, 1975-present)
Associate Director 1975-1979
Director 1979-1984
Pathobiology Graduate Student Program: Departmental Committee 1979-present
Departmental Space Committee
Leukemia Task Force, University of Minnesota; Program Director 1982-1983, Chairman 1987-present
American Cancer Society Local Grant Review Committee 1980-1983
Post Phase B Medical Student Fellowship Committee, Director
Honors Curriculum Committee - Medical School, University of Minnesota 1982-present; lead to development of Student Scientist Training Program 1983
Chairman, University Internal Review Committee for Graduate Programs, Department of Anatomy 1983
M.D./Ph.D. Program Director - Appointed by Deans of Graduate and Medical Schools, 1984-present, Director, Graduate Studies M.D./Ph.D. Program. Developed a new program at the University, five students per year and secured the use of an endowment of greater than $1 million to be used for tuition and stipends; NIH grant awarded 7/1/88-6/30/93
Pathobiology Graduate Program - Acting Director of Graduate Studies, Spring quarter (1985) (Department Head was on quarter leave)
Development Program, Department of Laboratory Medicine and Pathology - Director 1985-present. Responsibilities are for developing corporate interactions to support research activities within the department.
Promotion Committee, Department of Laboratory Medicine and Pathology - 1983-1986; Chairman 1985-1986
Honors Curriculum Committee (Medical School), 1982-present: led to development of Student Scientist Training Program in 1983
Department of Anatomy Internal Review Committee Graduate Programs, Chairman, 1983

Department of Laboratory Medicine & Pathology Residency Program, Director, 1988-present
Neuropatholoy Search Committee, 1984
Frontiers in Cell Biology Seminar Committee, 1983-1985
Pharmacology Department Chairman Search Committee, 1986
Pediatrics Department Chairman Search Committee, 1987
Dietrich Chair Professorship Search Committee, 1986-87
Microchemistry Facilities Committee, 1986-present
University Patent and Technology Transfer Committee 1985-present
University Conflict of Interest and Industrial Relations Committee 1986-present
Planning Committee for new Biomedical Sciences Building, 1988-present
Interim Director, Bioengineering Center, University of Minnesota, 1989-present
Vice President, Health Sciences Search Committee, 1989

SCHOLARSHIPS, HONORS, AND AWARDS

Undergraduate:	Senior Honors, Research Program, Columbia University Honors List, Columbia University
Medical:	AOA National Medical Honor Society, Hoey Scholarship 1971-1972, The Lange Medical Publications Award
Fellowships:	Fellow, Department of Neurology and Department of Medicine S.U.N.Y Upstate Medical Center 6/69-9/69; 6/70-9/70; 6/71-9/71
Post Graduate:	Cecil J. Watson Award for outstanding research, University of Minnesota 1974
Professional:	Recipient Research Career Development Award. NCI/NIH 1980-1985
	Stone Professor of Pathology. Endowed professorship in experimental pathology from the Minnesota Medical Foundation, 1982-1987
	Allen-Pardee Professor of Cancer Biology. Endowed professorship in cancer research from the Minnesota Medical Foundation, 1987-present
	Recipient of National Cancer Institute MERIT Award, 1989, for 10 years of research funding, approximately $2 million

PROFESSIONAL SOCIETIES

American Association for the Advancement of Science
American Association for Cancer Research
American Association of Blood Banks
American Association of Pathologists (and Federation Society)
American and International Society of Biophysics
American Society for Cell Biologists (and International)
American Society of Clinical and Laboratory Scientists
International Society for Differentiation
Minnesota High Technology Council
Society for Neuroscience

GRANTS

Current Support

Endowed Professorship, Eliza U. Pardee Foundation; "Allen-Pardee Professor"

N.I.H. CA21463 - This has been designated a MERIT award and will be funded until 1998.

"Molecular Mechanisms in Metastasis: Role of Fibronectin"
Principal Investigator: Leo T. Furcht
From 12/1/88 to 12/98
Total Direct Costs: ~$2,000,000

N.I.H/N.C.I. CA 29995

"Laminin Peptides/Receptors in Metastatic Cell Function"
Principal Investigator: Leo T. Furcht
From 5/1/89 to 4/30/94
Total Direct Costs: $741,895

N.E.I. EY06625

"Corneal Healing Promotion with Fibronectin Peptides"
Principal Investigator: Leo T. Furcht;
Co-Investigator: Douglas Cameron
From 8/1/86 to 7/30/91; Total Direct Costs: $417,574

N.I.H. NS-24463

"Neuron-Matrix Interactions in Development and Regeneration"
Co-Principal Investigator: Leo T. Furcht
From 7/1/87 to 6/30/90
Total Direct Costs: $373,000

Leukemia Task Force Grant

"Inhibition of Leukemia Spread by Peptides Derived from Cell Adhesion Molecules"
Principal Investigator: Leo T. Furcht
From 12/1/87 to 11/30/89
Total Direct Costs: $31,600

Leukemia Task Force Grant:

"Peptide Inhibition of Lymphomas and Solid Tumor Metastasis"
Principal Investigator: Leo T. Furcht
From 7/1/82 to 6/30/89; Total Direct Costs: $111,700

Leukemia Task Force Grant:

"Role of Laminin and Fibronectin Peptides in Metastasis"
Principal Investigator: Leo T. Furcht
From 7/1/89 to 6/30/90; Total Direct Costs: $29,182

N.I.H. GM08244

Medical Scientist Training Program
Principal Investigator: Leo T. Furcht
From 7/1/88 to 6/30/93
Total Direct Costs: $486,242

Pending Support

N.I.H. Program Project 1PO1 CA52049-01

"Cell Matrix-Molecular Interactions in Metastasis"
Principal Investigator: Leo T. Furcht
From 4/1/90 to 3/31/95
Total Direct Costs: $6,001,040

PATENTS

Monoclonal Antibodies to Unreduced, Nonenzymatically-glycated Proteins

Polypeptides with Fibronectin Activity

Peptides of Type IV Collagen

Polypeptides with Laminin Activity

NATIONAL COMMITTEES

NCI/NIH: Site visitor 1979, 1980, 1981
Ad hoc member CSPAC
Special study section member 1980, 1981

NIGMS: Site Visitor 1980
Special study section member 1980

NHLBI: Site Visitor, Special study section member

NIAMD: Special study section member 1980, 1981

NCI/NIH: Member parent committee ad hoc review group on building programs 1980, 81, 82
Member site visit team on building programs 1980, 81, 82

Ad hoc grant reviewer NSF - 1982-present

NIH Pathology B study section - Ad hoc member 1981, 1982, permanent member 1982-86.

NIH Special Study Section - Small Business Innovative Research Program, 1983, 1984, 1985

NIH Special Study Section - Extracellular Matrix and Pulmonary Disease, 1983

NIH/NCI - Outstanding Investigator Grants reviewer 1985-present

American Society for Cell Biology Educational Committee 1982-1986;
Director - Immunological localization workshop, 1983 annual meeting.
Coordinator - Cryo-Thin Sectioning and Immunolocalization Workshop, 1984 annual meeting.

American Association of Pathologists, Program Committee 1982-1986.

NIH/NIDR - Special External Reviewer of Laboratory of Developmental Biology and Anomalies, 1983 and 1987; developed report for director of the institute

NIH - Member Special Advisory Group on Connective Tissue Disorders, Human Genetic Mutant Cell Repository, 1984.

NIH - Member, Surgery, Anesthesiology & Trauma Ad Hoc Study Section, 1984.

FASEB - Co-founder and Co-director of First Bi-Annual Summer Course on Molecular Aspects of Tumor Metastasis, 1987

NCI/NIH - Co-director of Steering Committee to Advise NCI on Organ Specific Metastasis, 1989.

NCI/NIH - Co-director, Conference on Organ Specific Metastasis, Annapolis, MD, 1989.

FASEB - Co-director, Summer Conference on Metastasis, 1990.

GRADUATE FACULTY APPOINTMENTS

Pathobiology
Laboratory Medicine
Genetics and Cell Biology
Biology

JOURNALS REVIEWED MANUSCRIPTS FOR

Cell
Experimental Cell Research
Experimental Eye Research
Journal of Biological Chemistry
Journal of Cell Biology
Journal of Developmental Biology
Journal of Histochemistry and Cytochemistry
Journal of National Cancer Institute
Laboratory Investigation
Nature
Proceedings of the National Academy of Science
Human Pathology, Editorial Board

RESEARCH SUMMARY

My research efforts deal with basement membrane and extracellular matrix adhesion molecules. I am fortunate to have a research group of about twenty people, ten of whom are postdoctoral fellows or predoctoral students. Because of this we are able to have research ongoing in a number of areas. We take a biochemical, immunochemical, and cell biology approach to a number of biomedical questions. Most recently we have been using peptide sequencing and synthesis. We work most with the cell adhesion molecules fibronectin and laminin which are present in basement membranes, connective tissue and plasma. Our major efforts have been to isolate peptide domains of these molecules using monoclonal antibodies and assess the biological or biochemical functions of peptides. Using fibronectin we have isolated, defined and begun sequencing a number of domains that are involve in the following:

1. Metastatic tumor cell adhesion and migration
2. Chick embryo neurite outgrowth
3. Wound healing
4. Interaction with heparin and heparan sulfate derived from glomarular cultures

We have also shown that there are specific regions of laminin which will

1. Block experimental tumor metastasis
2. Promote neurite outgrowth
3. Promote haptotactic migration and invasion of metastatic tumor cells

In the same general area, we have shown that the non-enzymatic glycation of basement membrane constituents significantly effects their binding activities. It is well known that the basement heparan sulfate is significantly decreased in the diabetic kidney. Many think this decreased heparan sulfate may be at the heart of the abnormal glomerular filtration and perhaps lead to compensatory basement membrane synthesis and thickening. We have performed the first studies showing abnormalities in direct and cooperative binding of proteoglycans to non-enzymatically glycated basement membrane consistuents.

In summary, the three or four areas of emphasis all deal with basement membrane and connective tissue adhesion molecules as they relate to

1. Tumor metastasis
2. Diabetic complications
3. Neurite outgrowth
4. Wound healing

INVITED SEMINARS GIVEN OUTSIDE THE UNIVERSITY OF MINNESOTA

1.	Dept. of Pathology, Columbia University	1976
2.	Sloan-Kettering Memorial Institute	1976
3.	Tufts University Depts. of Radiobiology and Pathology	1977
4.	Michigan State University, Dept. of Pathology	1977
5.	Baylor College of Medicine, Departments of Cell Biology and Pathology (twice)	1978
6.	University of Washington, Seattle, Blood Vessel Group	1978
7.	Minnesota Association of Blood Banks - "Red Cell Membranes"	1978
8.	Conference on Research Opportunities in Pathology in the Veterans Administration - "Cell Transformation Processes"	1979
9.	Whiteshell Nuclear Labs, Atomic Energy Commission, Manitoba	1979
10.	National Cancer Institute, Tumor Biology Section	1979
11.	National Institute Dental Research	1979
12.	University of Wisconsin, Madison, Developmental Biology Program	1979
13.	Current Trends in Blood Banking: Symposium Sponsored by St. Paul Red Cross - "Platelet Antibodies: Role in Transfusion and Disease."	June 1979
14.	Minnesota Association of Blood Banks - "Fibronectin/Cold Insoluble Globulin"	1979
15.	Symposium on Cell Matrix Interactions in Oncodevelopmental Biology, La Jolla Cancer	
16.	Evan's Day Symposium, University of Minnesota	1980
17.	National Institute of Dental Research, NIH	1981
18.	American Association for the Advancement of Science; Symposium or Biology of Cell Matrix Proteins, Invited speaker	January 1982
19.	Gordon Conference on Fibronectin, Invited Speaker	1982
20.	International Academy of Pathology. "Predictors of Metastasis" in symposium on Immunocytochemistry and Pathology	1983

21. Federation American Society for Experimental Biology. Mini-Symposium on Metastasis. "Role of Cell Matrix Proteins in the Migration of Tumor Cells" April 1983

22. American Red Cross Symposium on Tissue Antigens May 1983

23. Gordon Conference on Cell Adhesion, Invited Speaker, Migration of Tumor Cells June 1983

24. NCI/NIH: Chemotaxis and Haptotaxis 1983

25. AAP: Minisymposium on Cancer Metastasis 1983

26. Bat-Sheva Seminar on Tumor Metastasis, Weitzman Inst., Israel 1983

27. French Cell Biology Society 1983 meeting; Invited Speaker. Cell Matrix Symposium. "Role of Laminin and Fibronectin Peptides in Neurite Outgrowth and Schwann Cell Biology" September 1983

28. Max Planc Institute for Biochemistry, Munich, Germany. "Monoclonal Antibody Defined Peptides of Laminin and Fibronectin: Promotion of Metastatic Tumor Cell Migration" September 1983

29. Smith-Kline-French Research Labs. "Definition of Laminin and Fibronectin Peptides Which Promote Tumor Cell Migration" October 1983

30. University of Tennessee, Department of Anatomy. "Peptide Domains of Laminin and Fibronectin: Promotion of Tumor Cell Migration and Neurite Outgrowth" December 1983

31. CIBA Foundation Symposium on Basement Membrane Components and Disease, London. "Laminin and Fibronectin Peptides Defined by Monoclonal Antibodies Promote the Chemotaxis of Metastatic Cells" January 1984

32. Winter Brain Research Conference, Steamboat Springs. "Role of Basement Membrane Components in Neurite Outgrowth and Schwannoma Cell Migration" January 1984

33. Howard University Cancer Center. "Laminin and Fibronectin Peptides Promote Migration of Metastatic Cells and Outgrowth of Neural Processes" March 1984

34. Wayne State University. "Laminin and Fibronectin Peptides in Metastasis andCell Movement" November 1984

35. Gordon Conference on Fibronectin. Invited Speaker. "Role of Celi Adhesion Molecules in Tumor Metastasis and Diabetes Mellitus" 1985

36. Fogarty International Symposium on the Molecular Mechanisms in Tumor Metastasis. Invited Speaker. 1985

37. Genetech. "Role of Laminin Fragments in Inhibiting Tumor Metastasis and Promotion of Neurite Outgrowth" 1985

38. Frontiers in Medical Technologies. Presentation to venture capital and biomedical corporations on Genesis Labs regarding a novel visual, multizoned, immunoassay. 1985

39. Midwest Developmental Biology Program. 1985

40. Have made scientific presentations on novel immunoassay system to approximately 30 companies, including among others: (1984-85)

Abbott Labs	Technicon
Hoffman LaRoche	Polaroid
Marion	Kodak
Smith Kline Beckman	Miles Laboratories
American Hospital Supply	Boehringer Mannheim
Becton Dickenson	

41. Director, major symposium on cell adhesion proteins. Amer. Assoc. Pathologists, FASEB. 1986

42. Yale University School of Medicine, Miles Lecture Series. 1986

43. Director of major symposium on tumor metastasis; (American Society of Clinical Pathologists, College of American Pathologists, and Association of Pathology); Chairman of joint meetings. 1986

44. Molecular Genetics Inc., "Role of Adhesion Peptides in Modulating Tumor Metastasis and Wound Healing" 1986

45. University of Colorado. Reproduction, Endocrinology and Development Meeting.

46. Wayne State University, Department of Pathology 1987

47. University of Chicago Medical School. 1987

48. International Congress on Cancer Metastasis, Bologna, Italy. 1987

49. NIH/AAOS "Injury Repair of the Musculoskeletal Soft Tissues" Workshop, Savannah, GA. 1987

50. Co-Director and Founder, Biannual FASEB Summer Conference on Molecular Aspects of

51. Biotechnology and exchange of biological materials workshop NCI-Italian Cancer Society Scientist Exchange, Portfino, Italy. 1987

52. University of Texas Southwestern Medical School, Department of Pathology 1988

53. University of Wisconsin, Department of Pathology 1988

54. Second World Conference on Diabetes Research, Monte Carlo, Monaco, Invited Speaker. 1988

55. Eighth Sapporo Cancer Seminar, Hokkaido, Japan, Invited Speaker. 1988

56. INSERM Conference on Cell Adhesion, Selliac (Loire Valley), France, Session Chairman Invited Speaker. 1988

57. Gordon Conference on Fibronectin, Oxnard, CA, Invited Speaker. 1989
American Society for Cell Biology, Invited Speaker to Symposium on Basement Membrane.

58. University of Pennsylvania, Department of Pathology. 1989

59. Gordon Research Conference on Cell Adhesion, Invited Speaker and Session Chairman. 1989

60. International Conference on Tumor Metastasis, Houston, TX, Invited Speaker. 1989

61. NCI Study Group Conference, "Organ Specific Metastasis," Co-organizer, Session Chairman and Speaker. Fall 1989

62. Symposium on Non-enzymatic Glycation, FASEB-Am. Physiological Society. 1990

63. Co-director FASEB Summer Conference, "Tumor Metastasis." 1990

64. Joslin Clinic, Harvard Medical School 1990

65. M.D. Anderson, Department of Biochemistry and Molecular Biology 1990

GRADUATE STUDENTS

Dennis Smith:	Ph.D., June, 1982. "Molecular Dissection of peptide domains of fibronectin with monoclonal antibodies."
Sally Palm:	Ph.D., 1984. "Molecular and Cellular analysis of a basement membrane glycoprotein (laminin): Isolation of defined peptide domains with proteases and monoclonal antibodies."
Judy Enenstein:	Ph.D. 1987. "Definition of a New Cell Matrix and Attachment Protein in Human Carcinoma Cells."
Tom Herbst:	Ph.D. 1988. "Modulation of Endothelial Cell Adhesion and Migration by Components of the Extracellular Matrix."
Ranjit Bhagyam:	Began 1983. "Role of Fibronectin in Sperm Adhesion and Fertilization"

POSTDOCTORAL FELLOWS AND RESEARCH ASSOCIATES AND APPOINTMENT DATE

James McCarthy, Ph.D., January, 1981 - 1984

Michael Silver, Ph.D., May, 1981 - 1983

Donene Rowe, Ph.D., October, 1981 - 1982

Michael Basara, M.D., July, 1983 - 1985

Daryl Sas, Ph.D., October, 1983 - 1985

Joseph Tarsio, Ph.D., October, 1983 - 1986

Amy Norden-Skubitz, Ph.D., October, 1984 - 1988

Sally Palm, Ph.D., October, 1984 - 1988

Ruth Entwistle, Ph.D., September, 1985 - 1988

Effie Tsilibary, M.D., Ph.D., August, 1986 - 1987

Aris Charonis, M.D., Ph.D., August, 1986 - 1987

Daniel Mooradian, Ph.D., September, 1987 - Present

WILLIAM HUNTER KNOBLOCH, M.D.

Curriculum Vitae

Address	University of Minnesota Department of Ophthalmology Box 493 Mayo 516 Delaware Street S.E. Minneapolis, Minnesota 55455
Phone	(612) 625-5419
Date of Birth	December 9, 1926 Frankfort, Kentucky
Social Security No.	
Military Service	USNR Submarine Service 1943 - 1946
Current Position	Professor -Interim Chairman and Director, Residency Training Program Department of Ophthalmology University of Minnesota

EDUCATION

Preparatory

1940 - 1943	Seminole and Shawnee Oklahoma High Schools

College

1946 - 1947	Bismarck Junior College Bismarck, North Dakota
1947 - 1948	Oklahoma State University Stillwater, Oklahoma B.S. - 1949

Medical School

1948 - 1952	University of Oklahoma School of Medicine Oklahoma City, Oklahoma M.D. - 1952

Internship

1952 - 1953	Veterans Administration and University Hospital Oklahoma City, Oklahoma

Residency

1960 - 1963	University of Minnesota Department of Ophthalmology Minneapolis, Minnesota

Special Fellowship

1963 - 1964	Retinal Diseases and Surgery Washington University School of Medicine St. Louis, Missouri

PROFESSIONAL EXPERIENCE AND POSITIONS

1953 - 1954	Private Practice Sulphur, Oklahoma
1954 - 1956	Private Practice Bottineau, North Dakota
1956 - 1960	Private Practice Tioga, North Dakota
1964 - 1969	Assistant Professor Department of Ophthalmology University of Minnesota
1969 - 1974	Associate Professor Department of Ophthalmology University of Minnesota
1974 - present	Professor Department of Ophthalmology University of Minnesota
1970 - present	Associate Member Graduate School University of Minnesota
1977 - 1979	Clinic Director Department of Ophthalmology University of Minnesota
1979 - present	Director of Graduate Studies Department of Ophthalmology University of Minnesota
1980 - 1983	Acting Chairman Department of Ophthalmology St. Paul Ramsey Medical Center St. Paul, Minnesota
1981 - 1985	Medical Director Ophthalmic Technicians School St. Paul Ramsey Medical Center St. Paul, Minnesota

HOSPITAL APPOINTMENTS

University of Minnesota Hospitals	Attending
St. Paul Ramsey Medical Center	Attending
Mount Sinai Hospital	Courtesy
Methodist Hospital	Courtesy
Metropolitan Medical Center	Courtesy
Hennepin County Medical Center	Consulting

BOARD CERTIFICATIONS AND LICENSURES

Basic Science Certificate: #14823

Oklahoma State License: 1953, #6410

North Dakota State License: 1954, #282

Minnesota State License: 1959, #015081

HONORS AND HONOR SOCIETIES

1952	Honors Certificate in Medicine
1965	Diplomate American Board of Ophthalmology
1968	Distinguished Teaching Award
1986	American Academy of Ophthalmology Honor Award for educational service and contributions

SOCIETY MEMBERSHIPS

American Academy of Ophthalmology

American Medical Association

American Ophthalmological Society

Association for Research in Vision and Ophthalmology

Hennepin County Medical Society

Joint Commission on Allied Health Personnel in Ophthalmology

Minnesota Academy of Ophthalmology (Past President)

Minnesota State Medical Society

Pan American Association of Ophthalmology

Research to Prevent Blindness

Retina Society

UNIVERSITY OF MINNESOTA COMMITTEES (Past and Present)

Credentials Committee

Medical School Admissions Committee

Out-Patient Committee
Building Committee (Sub-Committee of above)

Professional Reimbursement and Insurance Committee

Tissue Sub-Committee

Utilization Committee

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 22, 1990

TO: Members, Board of Governors

FROM: Robert Dickler
General Director

SUBJECT: Renewal Project II

We discussed three options for continuation of Renewal Project II in detail last month. The summary material for those three options is attached.

As noted last month, we are recommending that we proceed with Renewal Project II using Option C3 as the physical facility approach. The fundamental reason for this recommendation is the long term, life cycle value created by this solution. Option C3 maximizes the funds invested in new facilities, rather than remodeling. New facilities will create the best outcome for our clinical programs. That fact, coupled with the long-term value and adaptability of those facilities for future needs leads us to recommend Option C3.

Today we are requesting Board of Governors endorsement of the plan to proceed with Option C3. This recommendation would not involve any change (from earlier Board approval) in the project budget, sources of financing, or programmatic goals for Renewal Project II.

The Board approved budget for the project is $62,000,000. The current estimated project cost for Option C3 is within this figure, at $61,400,000. We have identified relocation costs that were not part of the original project budget. These relocation costs will be included in UMHC's annual operating budgets and long-range financial plans.

We look forward to answering remaining questions you may have on March 28.

/kj

attachments

RENEWAL PROJECT PHASE II
DESCRIPTION OF OPTIONS

Option A2

This is the original Phase II renovation proposal. Unit J expands by two floors, one for Inpatient Psychiatry and one left unfinished. The Mayo Building (floors 1-7) undergoes a major mechanical system upgrade and is renovated to varying degrees throughout. OB and Cysto/Urology relocate to remodeled Mayo 4. Rehab inpatient and therapies relocate to remodeled Mayo 7 and/or 5. Psychiatry outpatient, Day Hospital and offices are remodeled on Mayo 6. Specified faculty office renovation occurs as planned.

Option A2 Modified

In this option Unit J expansion occurs as in Option A2 to accommodate Psychiatry inpatient. All inpatient beds and high tech activity is excluded from the southeast wing of Mayo Building to facilitate future development of a new facility on this site. These changes cause Rehab to remodel in place (or on Rehab 5) and OB to relocate to a modified Unit J med/surg unit (7D). Cysto renovation on Mayo 4 and Rehab therapies on Mayo 5-7 occur as in A2. Building upgrade and non-clinical remodeling are reduced approximately 30%. Psychiatry outpatient, Day Hospital and offices occur as in A2. Faculty office renovation as planned.

Option C3

In lieu of major Mayo renovation, the southeast wing of Mayo is demolished to allow construction of a nine story building accommodating all clinical programs and shell space as follows:

Floor 9	Shell floor
Floors 6-8	Psychiatry Inpatient/Outpatient/Day Hospital
Floor 5	Shell Floor (High Tech)
Floor 4	OB/Cysto-Urology
Floor 3	Rehab Inpatient/Therapies
Floor 2	Rehab Therapies/Shell
Floor 1	Pharmacy

The Mayo Building upgrade is reduced approximately 40% (from A2) and non-clinical remodeling is reduced by approximately 30% (from A2). Faculty office renovation cccurs as planned.

3/ 8/90

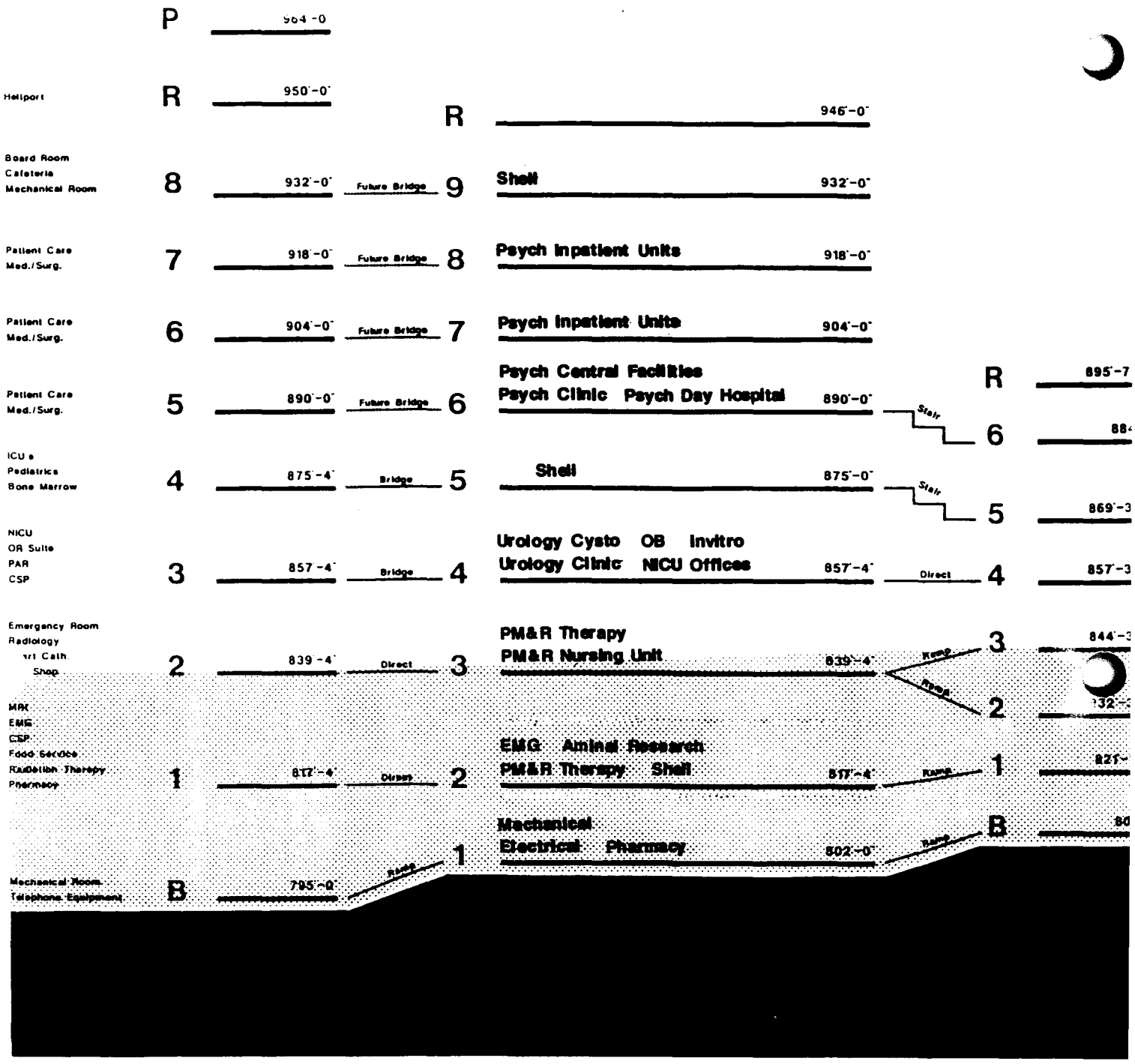
RENEWAL PROJECT PHASE II
MASTER PLANNING OPTIONS

COMPONENT	OPTION A2
PROGRAM LOC/COMPLETE	
OB	MAYO 4/JAN '92
UROLOGY CLINIC/CYSTO	MAYO 4/JAN '92
REHAB NSG	MAYO 5/JAN '93
REHAB THERAPY	MAYO 5-7/JAN '93
PSYCH INPT	UNIT J 10/JULY '92
PSYCH OP/DAY HOSP	MAYO 6/ UNK
ADD'TL MED/SURG UNIT	7D/NOW
DAY HOSP RELOCATE	N/A
FACULTY OFFICE RENOVATION	INCLUDED AT $1.5M
SHELL SPACE AVAIL	32,000 NSF
UNASSIGNED MAYO AVAILABLE	0 NSF
MAYO BLDG UPGRADE SCOPE	$12.3M
MISC. MAYO RENO SCOPE	$ 9.5M
PROJECT COST	$58.2M
SPECIAL RELOCATION ISSUES	-
SPECIAL RELOCATION COST	-
RELOCATION/RENTAL COST	$ 2.5M
TOTAL COST	$60.7M
FUTURE NEEDS	
BONE MARROW EXPANSION	$ 3.3M/ 1/2 UNIT J 9
ICU EXPANSION/REMODEL	$ 2.5M/ UNIT J 4A
HEART CATH EXPANSION	$ 1.9M/ UNIT J 9
CARDIAC CLINIC	$ .7M/ ?
RADIOLOGY EXPANSION	$ 1.2M/ UNIT J 2

3/ 8/90

RENEWAL PROJECT PHASE II
MASTER PLANNING OPTIONS

COMPONENT	OPTION C3
PROGRAM LOC/COMPLETE	
OB	NEW BLDG/ MAR '93
UROLOGY CLINIC/CYSTO	NEW BLDG/ MAR '93
REHAB NSG	NEW BLDG/ MAR '93
REHAB THERAPY	NEW BLDG/ MAR '93
PSYCH INPT	NEW BLDG/ MAR '93
PSYCH OP/DAY HOSP	NEW BLDG/ MAR '93
ADD'TL MED/SURG UNIT	7D/ NOW
DAY HOSP RELOCATE	N/A
FACULTY OFFICE RENOVATION	INCLUDED AT 1.5M
SHELL SPACE AVAIL	36,000 NSF
UNASSIGNED MAYO AVAILABLE	UNCERTAIN
MAYO BLDG UPGRADE SCOPE	$ 7.4M
MISC. MAYO RENO SCOPE	$ 6.7M
PROJECT COST	$61.4M
SPECIAL RELOCATION ISSUES	AUTOPSY, STA.60-61 PHARMACY, DIALYSIS TODD
SPECIAL RELOCATION COST	$ 1.1M
RELOCATION/RENTAL COST	$ 2.7M
TOTAL COST	$65.2M
FUTURE NEEDS	
BONE MARROW EXPANSION	$ 3.3M/ NEW BLDG 5
ICU EXPANSION/REMODEL	$ 2.5M/ UNIT J 4A
HEART CATH EXPANSION	$ 1.9M/ NEW BLDG 2
CARDIAC CLINIC	$ .7M/ MAYO4
RADIOLOGY EXPANSION	$ 1.2M/ UNIT J 2



Unit J

Option C

Mayo
Elliott

Proposed Functional Zoning
Proposed Floor To Floor Elevations • Option X

University of Minnesota
Minneapolis

University Hospital Renewal
Project Phase II

3/ 8/90

RENEWAL PROJECT PHASE II
MASTER PLANNING OPTIONS

COMPONENT	**OPTION A2 MODIFIED**
PROGRAM LOC/COMPLETE	
OB	7-D/DEC. '91
UROLOGY CLINIC/CYSTO	MAYO 4/SEPT '91
REHAB NSG	REHAB 4-5/DEC '91
REHAB THERAPY	MAYO 5-7/JAN '92
PSYCH INPT	UNIT J 10/JULY '92
PSYCH OP/DAY HOSP	MAYO 6/ UNK
ADD'TL MED/SURG UNIT	MAS I/ FEB '91
DAY HOSP RELOCATE	MAYO 3/ MAY'90
FACULTY OFFICE RENOVATION	INCLUDED AT 1.5M
SHELL SPACE AVAIL	32,000 NSF
UNASSIGNED MAYO AVAILABLE	0 NSF
MAYO BLDG UPGRADE SCOPE	$ 8.4M
MISC. MAYO RENO SCOPE	$ 6.7M
PROJECT COST	$51.7M
SPECIAL RELOCATION ISSUES	DAY HOSPITAL
SPECIAL RELOCATION COST	INCL ABOVE
RELOCATION/RENTAL COST	$ 1.1M
TOTAL COST	$52.8M
FUTURE NEEDS	
BONE MARROW EXPANSION	$ 3.3M/ 1/2 UNIT J 9
ICU EXPANSION/REMODEL	$ 2.5M/ UNIT J 4A
HEART CATH EXPANSION	$ 1.9M/ UNIT J 9
CARDIAC CLINIC	$ .7M/ MAYO 4
RADIOLOGY EXPANSION	$ 1.2M/ UNIT J 2

3/ 8/90

RENEWAL PROJECT PHASE II
MASTER PLANNING OPTIONS

COMPONENT	OPTION A2	OPTION A2 MODIFIED	OPTION C3
PROGRAM LOC/COMPLETE			
OB	MAYO 4/JAN '92	7-D/DEC. '91	NEW BLDG/ MAR '93
UROLOGY CLINIC/CYSTO	MAYO 4/JAN '92	MAYO 4/SEPT '91	NEW BLDG/ MAR '93
REHAB NSG	MAYO 5/JAN '93	REHAB 4-5/DEC '91	NEW BLDG/ MAR '93
REHAB THERAPY	MAYO 5-7/JAN '93	MAYO 5-7/JAN '92	NEW BLDG/ MAR '93
PSYCH INPT	UNIT J 10/JULY '92	UNIT J 10/JULY '92	NEW BLDG/ MAR '93
PSYCH OP/DAY HOSP	MAYO 6/ UNK	MAYO 6/ UNK	NEW BLDG/ MAR '93
ADD'TL MED/SURG UNIT	7D/NOW	MAS I/ FEB '91	7D/ NOW
DAY HOSP RELOCATE	N/A	MAYO 3/ MAY'90	N/A
FACULTY OFFICE RENOVATION	INCLUDED AT $1.5M	INCLUDED AT 1.5M	INCLUDED AT 1.5M
SHELL SPACE AVAIL	32,000 NSF	32,000 NSF	36,000 NSF
UNASSIGNED MAYO AVAILABLE	0 NSF	0 NSF	UNCERTAIN
MAYO BLDG UPGRADE SCOPE	$12.3M	$ 8.4M	$ 7.4M
MISC. MAYO RENO SCOPE	$ 9.5M	$ 6.7M	$ 6.7M
PROJECT COST	$58.2M	$51.7M	$61.4M
SPECIAL RELOCATION ISSUES	-	DAY HOSPITAL	AUTOPSY, STA.60-61 PHARMACY, DIALYSIS TODD
SPECIAL RELOCATION COST	-	INCL ABOVE	$ 1.1M
RELOCATION/RENTAL COST	$ 2.5M	$ 1.1M	$ 2.7M
TOTAL COST	$60.7M	$52.8M	$65.2M
FUTURE NEEDS			
BONE MARROW EXPANSION	$ 3.3M/ 1/2 UNIT J 9	$ 3.3M/ 1/2 UNIT J 9	$ 3.3M/ NEW BLDG 5
ICU EXPANSION/REMODEL	$ 2.5M/ UNIT J 4A	$ 2.5M/ UNIT J 4A	$ 2.5M/ UNIT J 4A
HEART CATH EXPANSION	$ 1.9M/ UNIT J 9	$ 1.9M/ UNIT J 9	$ 1.9M/ NEW BLDG 2
CARDIAC CLINIC	$ .7M/ ?	$ .7M/ MAYO 4	$ .7M/ MAYO4
NEUROLOGY EXPANSION	$ 1.2M/ UNIT J 2	$ 1.2M/ UNIT J 2	$ 1.2M/ UNIT J 2

3/8/90

QUALITATIVE COMPARISON

	OPTION A2	A2 MODIFIED	OPTION C3
REHAB INPATIENT IMPROVEMENTS	REMODELED	UPGRADED	NEW
REHAB THERAPIES IMPROVEMENTS	REMODELED	REMODELED	NEW
OB IMPROVEMENTS	REMODELED	UNIT J	NEW
CYSTO/UROLOGY IMPROVEMENTS	REMODELED	REMODELED	NEW
PSYCHIATRY INPATIENT IMPRVMTS	NEW	NEW	NEW
PSYCH OP/DAY HOSP IMPRVMTS	REMODELED	REMODELED	NEW
INPATIENT PROGRAMS COMPLETE	SOONER	SOONER	LATER
PSYCH OP/DAY HOSP COMPLETE	LATER	LATER	SOONER
PSYCH INPT/OP RELATIONSHIP	SEPARATE	SEPARATE	CONTIGUOUS
PROJECT COST	AT BUDGET	SAVE $8-12M	AT BUDGET
RELOCATION COSTS	MODERATE	LOW	HIGH
IMPACT ON DAY HOSPITAL	NONE	MAJOR	NONE
RELOCATION PROBLEMS	MODERATE	MODERATE	MAJOR
CONSTRUCTION DISRUPTION	MAJOR	MAJOR	MAJOR
UNIT J EXPANSION PRESERVED	NO	NO	YES
S.E. MAYO EXPANSION PRESERVED	YES	YES	NO
PROJECT SEGMENTATION ABILITY	GOOD	VERY GOOD	POOR
BMT/ICU EXPANSION	AVAIL 7/92	AVAIL 7/92	AVAIL 3/93
HT CATH EXPAN. (QUAL/TIME)	NEW/SOON	NEW/SOON	NEW/LATE
INVESTMENT IN NEW SPACE	SOME	SOME	MOST
30,000 NSF MAYO AVAILABLE	NO	NO	UNCERTAIN
SHELL SPACE AVAILABLE/TIME	32K, 7/92	32K, 7/92	21-36K, 3/93
BED ALLOCATION COMPLEXITY	NEUTRAL	NEGATIVE	NEUTRAL
REGULATORY CONSIDERATIONS	NEUTRAL	NEUTRAL	NEUTRAL

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review:	March 14, 1990
Finance Committee Review:	
Board of Governors Review:	March 28, 1990

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: EEG Equipment - Evoked Potentials and Brain Mapping

PURCHASE PRICE: $163,000

DESCRIPTION:
This equipment will generally be used for two applications. The first is in the OR, during surgery performed on the brainstem and spinal cord. Nerve stimulation measures are taken before and during surgery. The responses obtained before surgery are compared with those obtained during surgery to test the integrity of the areas being operated upon, thereby alerting the surgeon to potential intra-operative nervous system damage.

The brain mapping component of the system "draws maps" of the distribution of the brain waves over the entire head. This allows for more precise measurement and detection of abnormalities. The brain mapping system can be used in conjunction with the intra-operative applications (above), or be used independently, to measure,for instance, responses to drug therapy for Psychiatry patients.

Both components of the system represent technological advances for University Hospital. The evoked potential application in the OR will provide information with greater speed and precision than our current EEG units can provide. The brain mapping capability is a technology available at only one other Twin Cities hospital at present and thus will provide a competitive advantage for a period of time.

Estimated usage is as follows:

Evoked potential volume	500/year
OR Volume	150/year
Brain Mapping	150/year

Submitted By: Greg Hart
Title: Senior Associate Director

Approved By:
Title: Senior Associate Director

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review:	March 14, 1990
Finance Committee Review:	
Board of Governors Review:	March 28, 1990

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: Materials Management Data Processing System: Phase I, Non-Stock Purchasing and Receiving

PURCHASE PRICE: $180,800

DESCRIPTION:

UMHC installed the original Materials Management Data Processing System in February of 1978. The original system was upgraded in 1982 and again in 1985. While functional, the present system is not compatible with the new payables and general ledger programs. The current system also lacks many requirements necessary for meaningful analysis of routine business.

The present system does not provide for the tracking of purchases by vendor nor does it allow us to tabulate our total purchasing liability at any given moment in time. This work is currently done manually.

The estimated cost of new hardware and software is $180,000. Our analysis of upgrading the existing system revealed that more than $180,000 would be required to produce a less desirable outcome.

The new system will allow all departments at UMHC to purchase non-stock items via a computer terminal. This same information will be electronically transmitted to Accounts Payable and Receiving to allow them immediate access to purchasing information.

Submitted By: Mark Koenig
Title: Assistant Director

Approved By:
Title: Senior Associate Director

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review:	March 22, 1990
Finance Committee Review:	
Board of Governors Review:	March 28, 1990

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT: Stereotactic Radiosurgery

PURCHASE PRICE: $500,000.00

DESCRIPTION:

By definition, stereotactic radiosurgery is a procedure whereby highly focused beams of radiation are precisely shot at intercranial targets. Until recently, the treatment of small intercranial tumors, aneurysms and arterial venous malformations with radiation therapy has been limited. Commercially available linear accelerators alone do not deliver adequate irradiation to certain target areas of the brain, while protecting the healthy tissue.

A team of neurosurgeons, radiologists, radiation therapists and radiation physicists at Shands Hospital, University of Florida, Gainsville collaborated to develop an attachment to a linear accelerator that helps to very accurately focus and strengthen radiation beams. An FDA approved stereotactic radiosurgery attachment is manufactured by Phillips Medical Systems. They are the only manufacturer to obtain FDA approval for their system.

The stereotactic radiosurgery attachment was budgeted for the 1989-90 fiscal year at $500,000. The Phillips bid came in at $500,000 and is recommended for purchase.

Annual procedure volume is estimated at 40, based on Neurosurgery's analysis of current patient populations as well as consultation with the University of Florida, Gainsville. Procedure charge will likely be set at approximately $7,000. If these estimates are realized, the payback will be approximately four years.

Submitted By: Nancy Janda
Title: Associate Director

Approved By:
Title: Senior Associate Director

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 22, 1990

MEMO

TO: Members, Board of Governors

FROM: Greg Hart
Senior Associate Director

RE: Cardiovascular Radiology Equipment Replacement

UMHC acquired the radiology equipment in one of its two Cardiovascular Radiology rooms in 1975. This equipment is physically worn out and no longer provides the quality images or capabilities required for procedures being performed today.

This proposal is being presented for information this month and will be presented for approval in April.

PROPOSAL FOR CARDIOVASCULAR RADIOLOGY EQUIPMENT REPLACEMENT
DIAGNOSTIC RADIOLOGY DEPARTMENT
THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

INTRODUCTION

The Diagnostic Radiology Department has two rooms which are utilized primarily for cardiovascular radiology procedures. The procedures performed include angiograms of extremities, cardiac cines, nephrostograms, and catheter insertions.

The fluoroscopic image and cine film systems in one of the two rooms, J2-468 (D.R. Rm. 22), were purchased in 1975.

PROPOSAL

Purchase new cardiovascular angiographic and cine film systems for Room J2-468.

RATIONALE

A. The volume of cardiovascular radiology procedures continues to warrant tw appropriately equipped rooms in the Diagnostic Radiology Department.

The volume of vascular procedures performed has increased steadily during the past four years:

	NO. PROCEDURES	% CHANGE
1985-86	3417	-
1986-87	3852	12.7%
1987-88	5031	30.6%
1988-89	5791	15.1%

Annualization of the volume for the first six months of the current fiscal year indicates that the total for the year will be similar to 1988-89.

B. Providing timely, high quality images and performing vascular interventional procedures safely requires state-of-the-art equipment.

The image quality achievable with the existing fifteen year old equipment is less than optimal in that resolution or detail visibility is at a minimum. Therefore, it is difficult for radiologists to visualize small vessels.

The current equipment is not well designed for imaging lower extremities. Imaging a patient's entire leg is very difficult and requires placing him/her at the end of the x-ray table in a position which significantly increases the chance for a fall from the table.

The only hardcopy film production capability in this room currently is the cine modality. Coupling the proposed new equipment with the Digital Acquisition System presented to the Board last October will enable production of hard-copy film in other modalities, significantly increase the variety of procedures which can be performed in the room, and improve the ability to meet procedure scheduling demands.

ESTIMATED COST

Peripheral Vascular Angiographic System	$863,000

FINANCING

Replacement of this equipment was included in the capital equipment budget for the current fiscal year. In light of the lengthy projected useful life, it is recommended that the equipment be purchased.

THE UNIVERSITY OF MINNESOTA
HOSPITAL AND CLINIC
BOARD OF GOVERNORS

Planning & Dev. Committee Review: March 22, 1990
Finance Committee Review: _____
Board of Governors Review: March 28, 1990

MAJOR CAPITAL EXPENDITURE REPORT

EQUIPMENT:

Gamma Camera with Image Processing Minicomputer	$390,000
Gamma Camera	$370,000
Nuclear Medicine: Rooms 4 & 5	

PURCHASE PRICE:

DESCRIPTION:

Nuclear Medicine imaging is focused on determining the biochemistry and physiology of organs rather than their anatomy. A small amount of a radioactive tracer is administered to a patient and a gamma camera is utilized to detect and formulate an image of the gamma radiation emitted. Through rapid rotation of the camera and connection to a sophisticated computer, the gamma camera can also be utilized to produce tomographic images. These techniques are used to assess such things as heart function, blood flow to various organs, renal and hepatic function, and bone abnormalities.

The gamma camera located in Room 4 of the Nuclear Medicine Division of the Diagnostic Radiology Department was purchased in 1978. The camera in Ro[illegible] was purchased in 1980. Both have become worn to the point that they are not usable for tomographic imaging. In addition, their spatial and energy resolutions are not up to current standards. Instrumentation on the cameras is no longer state-of-the-art.

The computer controlling the two cameras was also purchased in 1978. Due to the small memory capability, processing speed is very slow. As no software upgrades have been done since 1984, some features required to perform current procedures are not available. Replacement parts and service are becoming difficult to obtain. The tape drive for the machine is no longer functional or repairable. Total system failure would leave the division with insufficient equipment to meet service demands.

Radiology Department management had originally planned to replace one of these cameras during last fiscal year and one during this year. However, because it appeared that a substantially larger discount could be obtained through purchasing two at the same time, replacement of the older camera was delayed until this year.

Submitted By: [signature] Approved By: [signature]

Title: Associate Director Title: Senior Associate Director

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
CAPITAL EXPENDITURES
7-1-89 THRu 12-31-89

	ANNUAL BUDGET AND ROLLFORWARD			SEASONILIZED BUDGET			ACTUAL EXPENDITURES		
RECURRING EQUIP & REMODEL:	BUDGET	ROLL FORWARD FROM 6-30-89	TOTAL	6-MONTH BUDGET	6-MONTH ROLLFORWARD	TOTAL	89-90 ACTUAL	88-89 ROLL FORWARD	TOTAL
EQUIPMENT PURCHASES									
89-90 Budget	$6,699,010		$6,699,010	$1,800,000		$1,800,000	$1,356,983		$1,356,983
Rollforward		$4,418,612	$4,418,612		$2,200,000	$2,200,000		$818,978	$818,978
	$6,699,010	$4,418,612	$11,117,622	$1,800,000	$2,200,000	$4,000,000	$1,356,983	$818,978	$2,175,961
REMODELING PROJECTS	$1,600,990		$1,600,990	$600,000		$600,000	$304,208	$176,042	$480,250
	$8,300,000	$4,418,612	$12,718,612	$2,400,000	$2,200,000	$4,600,000	$1,661,191	$995,020	$2,656,211
PRINCIPLE PAYMENTS									
Lithotripter	$304,670					$152,350			$152,728
CT SCANNER	$192,600					$94,500			$94,500
COMPUTER EQUIP	$8,909					$8,909			$8,909
	$506,179					$255,759			$256,137
TOTAL:	$8,806,179					$4,855,759			$2,912,348
BOND PAYMENTS:	$2,215,000	(DUE FEB. 1,1990)							

CAPITAL PROJECTS:	UMHC FUNDS FROM RESERVES	ADDITIONAL FUNDS FROM OTHER SOURCES	TOTAL AUTHORIZED BUDGET	1st Quarter EXPENDITURES 1989-90	2nd Quarter EXPENDITURES 1989-90	TOTAL 1989-90	Current & Prior Year EXPENDITURES
MRI II	$3,600,000		$3,600,000	$521	$876,983	$877,504	$3,615,229
DERMATOLOGY	$612,410	$223,893	$836,303	$18,135	$22,999	$41,134	$757,092
MAYO 4 SURG	$1,029,350		$1,029,350	$96,796	$49,886	$146,682	$960,305
CUHCC	$2,200,000	$150,000	$2,350,000	$4,895	$1,280	$6,175	$352,175
MASONIC HOSP	$835,000	$800,000	$1,635,000	$314,905	$369,428	$684,333	$1,217,610
COMPUTER UPGRADE	$850,000		$850,000	--	--	--	--
NEURORADIOLOGY UPGRADE	$909,000		$909,000	--	--	--	--
MISC. CAPITAL EXPEND.					$24,398	$24,398	
TOTAL	$10,035,760	$1,173,893	$11,209,653	$435,252	$1,344,974	$1,780,226	$6,902,411

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS FINANCE COMMITTEE
February 28, 1990

MINUTES

ATTENDANCE:

Present:	Carol Campbell Edward Ciriacy, M.D. Robert Dickler Clifford Fearing Elwin Fraley, M.D. Margaret Matalamaki Jerry Meilahn
Not Present:	Barbara O'Grady Vic Vikmanis
Staff:	Al Dees Greg Hart Teri Holberg Nancy Janda Mark Koenig Nels Larson Helen Pitt Wm. Thompson, M.D.

CALL TO ORDER:

The Finance Committee was called to order by Mr. Jerry Meilahn on February 28, 1990 at 12:05 P.M.

APPROVAL OF THE MINUTES:

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

JULY 1, 1989 THROUGH JANUARY 31, 1990 FINANCIALS:

Mr. Nels Larson reported to the Finance Committee for the month of January inpatient admissions totaled 1,626, which was 57 above budget; average length of stay was 8.3 days; patient days totaled 12,503, which were 836 days below budget; and the average daily census was 403. The first three weeks of February were reported to have an average daily census of 398 and admissions were approximately 3% under budget. Clinic visits were reported to be 2.8% over budget.

Mr. Larson stated ancillary revenue was 5.5% under budget and operating expenditures were reported to 5.0% below budget. The Hospital's year-to-date

Statement of Operations showed revenues over expenses by $5,393,456, a favorable variance of $4,104,602. Mr. Larson reported this months statement of operations reflects a dividend distribution of $1,965,000 from RUMINCO LTD. The Hospital will receive an additional RUMINCO dividend distribtuion of $655,000 on December 31, 1990.

Lastly, Mr. Larson stated as of January 31 the balance of accounts receivable totaled $86,131,643 and represented 96.7 days of revenue outstanding.

HOSPITAL ADMISSIONS POLICIES:

Mr. Clifford Fearing submitted to the Committee the Hospital Admissions Policy for endorsement. The Admissions Policy had been presented to the Committee for information at the January 24, 1990 meeting.

The Finance Committee seconded and passed the motion to approve the Hospital Admissions Policy.

CT SCANNER:

Mr. Al Dees presented to the Committee, for endorsement, a proposal to acquire a new CT scanner. Mr. Dees reviewed the proposal, which had been presented to the Committee for information at the January 24, 1990 meeting. The total estimated cost of the CT scanner and installation would be $1,217,000.

The Finance Committee passed a motion to endorse the acquisition of a new CT scanner at a cost of $1,217,000.

MAJOR CAPITAL EXPENDITURES:

Frontal Plan Image Chain Upgrade

Mr. Dees presented to the Committee, for information, a proposal to purchase a Frontal Plan Image Chain Upgrade for Room 2 in the Heart Cath Lab at a cost of $120,000.

Mr. Dees stated the need for the equipment came about because of an increase in the number of coronary angioplasty procedures, and the fact that the current equipment does not provide adequate images for those procedures. The Image Chain Upgrade would upgrade the fluoroscopic x-ray equipment in Room 2 of the Heart Cath Lab. Mr. Dees stated that if this upgrade proves successful, a similar upgrade will be recommended for Room 3 of the Heart Cath Lab.

Heart Cath Remodeling

Mr. Greg Hart presented to the Committee, for information, a proposal to remodel the Heart Cath Lab at a total cost of $166,471, which includes both remodeling and equipment.

The remodeling will create a four bed holding area which will be used for patient reception and preparation, care after catheterization, and reception and post-catheterization monitoring for outpatient cardiac catheterization.

Remodeling is needed because the number of procedures in the Heart Cath Lab has increased from 3500 procedures in 1985 to 9500 procedures in 1989.

ICU INFORMATION SYSTEM:

Ms. Helen Pitt presented to the Committee, for endorsement, a proposal to acquire the EMTECK Critical Care Clinical Information Management System at a cost of $718,000. The proposal had been presented to the Committee for information at the January 24, 1990 meeting.

The Finance Committee passed a motion to endorse the proposal to acquire the EMTECK Critical Care Clinical Information Management System at a cost of $718,000.

CHC WASTE DISPOSAL PROJECT:

Mr. Hart brought before the Committee, for endorsement, a proposal by Council of Hospital Corporations to build and operate a medical waste incinerator. Mr. Hart reviewed the proposal that Mr. Robert Dickler had presented to the Committee for information on January 24, 1990. Mr. Hart stated UMHC's initial cash contribution to this project would be up to $107,416. If the project were brought to fruition, a total financial commitment from the Hospital/University would be up to $625,000.

This proposal will require Regents approval, which will be sought after Board of Governors endorsement.

The Finance Committee passed a motion to endorse Hospital participation in the Council of Hospital Corporations proposed project.

RENEWAL PROJECT UPDATE:

Mr. Hart presented to the Committee a status report on the Renewal Project II. Three options have been developed for Renewal Project II.

Option A2 - The original Phase II renovation proposal. Two floors would be added on to Unit J, one for Inpatient Psychiatry and one for shell space. Floors 1-7 of the Mayo Building would undergo major mechanical system upgrade and renovated to varying degrees. The project cost would be $58,200,000 with relocation/rental cost at $2,500,000 to bring the total cost of this option to $60,700,000. Of the $58,200,000, $12,300,000 would go to upgrading the Mayo Building.

Option A2 Modified - Unit J expansion would occur as in Option A2 to accommodate Psychiatry inpatient. OB would move to the 7th floor of Unit J in 1991, and the inpatient rehab unit would not be not be moved to a new location. Cysto renovation on Mayo 4 and Rehab therapies on Mayo 5-7 occur as in A2. The project cost would be $51,700,000 with relocation/rental cost at $1,120,000 to bring the total cost of this option to $52,800,000. Of the $51,700,000, $7,400,000 would go to upgrading the Mayo Building.

Option C3 - Southwest wing of the Mayo Building would be demolished and a new nine story building would be constructed in that space. The new building would house Pharmacy, Rehab Therapies, Rehab Inpatient, OB, Cysto-Urology, ICU, Psychiatry, and shell space. In this option there would be 40% less Mayo Building upgrade and 30% less non-clinical remodeling than in Option A2. The project cost would be $61,400,000 with relocation/rental cost at $3,800,000 to bring the total cost of this option to $65,200,000. Of the $65,200,000, $7,400,000 would go to upgrading the Mayo Building.

Mr. Hart stated these options have been presented to the various department that will be directly effected, and to the Clinical Chiefs. It was reported Rehab, Psychiatry, Clinical Chiefs, and Management prefer Option C3. OB would prefer A2 and then C3. Urology Clinic/Cysto felt any option would work for them.

Mr. Hart stated if it is decided to proceed with Option C3, Option C3 will be brought before the Committee for endorsement. Endorsement would be needed because the Renewal Project II would be taking a change in facility direction from what was originally approved by the Board of Governors, even though the budget and sources of financing for the project do not change.

Mr. Clifford Fearing reported to the Committee how each option would effect the 10 Year Capital Plan. In 1998 the minimum reserve balance for Option A2 would be $37,300,000, for Option A2 Modified $49,826,000, and for Option C3 $35,000,000.

There being no further discussion, the February 28, 1990 meeting was adjourned at 1:25 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 Road
Minneapolis, Minnesota 55455

March 28, 1990

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Report of Operations for the Period **July 1, 1989 through February 28, 1990**

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

INPATIENT CENSUS: For the month of February, inpatient admissions totaled 1,389, which was 61 below budgeted admissions of 1,450. Our overall average length of stay for the month was 8.0 days. Patient days for February totaled 11,180 and were 1,033 days below budget. The decrease in admission levels from budget was primarily in the areas of Medicine, Ophthalmology, Orthopedics, and Urology. The decreases were partially offset by increases in Gynecology, Otolaryngology, and Pediatrics.

To recap our year-to-date inpatient census:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Admissions	12,498	12,361	12,349	(12)	(0.1)
Patient Days	105,907	104,406	99,480	(4,926)	(4.7)
Avg Length of Stay	8.5	8.4	8.1	(0.3)	(3.6)
Avg Daily Census	435.8	429.6	409.4	(20.2)	(4.7)
Percent Occupancy	74.9	73.3	70.6	(2.7)	(3.7)

OUTPATIENT CENSUS: Clinic visits for the month of February totaled 20,079 which was 1,513, or 7.0%, below budgeted visits of 21,592. Visits were significantly below budget in Dermatology, OB/GYN, Adult Psych, Urology, and Ophthalmology. Areas that reported visits considerably above budgeted levels were Radiation Therapy and Emergency Services. Community University Health Care Center (CUHCC) visits for the month of February totaled 4,217 which was 496, or 13.3%, over budgeted visits of 3,721, while Home Health visits of 926 for the month were 21, or 2.3%, above budgeted visits of 905.

To recap our year-to-date outpatient census:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Clinic Visits	177,364	180,631	176,718	(3,913)	(2.2)
CUHCC Visits	30,333	30,699	34,783	4,084	13.3
HHA Visits	7,970	7,856	7,381	(475)	(6.0)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by $4,967,348, a favorable variance of $3,907,004.

Patient care charges through February totaled $212,448,436, which was 4.8% under budget. Routine revenue was 2.9% under budget and reflects our unfavorable inpatient census variance.

Ancillary revenue was $8,847,071 below budget (5.6%) and primarily reflected the unfavorable variance in clinic visits. Inpatient ancillary revenue averaged $8,758 per admission compared to the budgeted average of $8,922 per admission. Outpatient revenue per clinic visit averaged $239 compared to the budgeted average of $271.

Operating expenditures through February totaled $182,584,873 and were $10,204,226 (5.3%) below budgeted levels of $192,789,099. The overall favorable variance relates primarily to the decreased demand for patient services, and is reflected across most expense categories.

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of February 28, 1990, totaled $85,237,318 and represented 94.8 days of revenue outstanding. The overall decrease in our patient receivables in February of 1.9 days occurred primarily in Medicare, Blue Cross Out-of-State, and Commercial Insurance.

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

UNIVERSITY OF MINNESOTA HOSPITAL & CLINIC

EXECUTIVE SUMMARY OF FINANCIAL ACTIVITY

FOR THE PERIOD JULY 1, 1989 TO FEBRUARY 28, 1990

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$223,164,417	$212,448,436	($10,715,981)	-4.8%
Deductions from Charges	52,324,307	50,832,182	(1,492,125)	-2.9%
Other Operating Revenue	6,533,633	7,029,761	496,128	7.6%
Total Operating Revenue	177,373,743	168,646,015	(8,727,728)	-4.9%
Total Expenditures	192,789,099	182,584,873	(10,204,226)	-5.3%
Net Operating Revenue	(15,415,356)	(13,938,858)	1,476,498	9.6%
Non-Operating Revenue and Expenses	16,475,700	18,906,206	2,430,506	14.8%
Revenue Over/Under Expense	$1,060,344	$4,967,348	$3,907,004	

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Admissions	12,361	12,349	(12)	-0.1%
Patient Days	104,406	99,480	(4,926)	-4.7%
Average Daily Census	429.6	409.4	(20.2)	-4.7%
Average Length of Stay	8.4	8.1	(0.3)	-3.6%
Percentage Occupancy	73.3	70.6	(2.7)	-3.7%
Outpatient Clinic Visits	180,631	176,718	(3,913)	-2.2%

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

March 23, 1990

TO: Members of the Board of Governors

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

A summary of the Board of Governors 1989 Self-Evaluation Survey responses is attached. I will verbally review the findings at the March 28, 1990 Board of Governors meeting.

Thank you for completing the survey. Your feedback is always of interest to us.

Response Rate: 93%

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS

SELF-EVALUATION SURVEY

1989
FINDINGS
ASSESSMENT OF STRUCTURE AND COMPOSITION

1.	Presuming the addition of three public Board members, will the Board of Governors consist of a workable number of members to function efficiently and effectively?	13 Yes	0 No
2.	Is there currently an appropriate mix of professional talents and skills among Board members?	4 Yes	9 No
3.	Is the Committee structure appropriate for the management of issues?	13 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.

- Board of Governors deliberations, generally, would benefit from an enhanced business acumen.
- The addition of a few experienced decision makers who are familiar with the community would enhance Board composition.

ASSESSMENT OF PROCESS

4.	Was your orientation to the Board of Governors thorough and useful?	10 Yes	0 No	3 Abstain

5.	Are Board meetings scheduled at appropriate intervals?	9 Yes	4 No	
6.	Are monthly agendas organized in a way that allow priority issues to be discussed at appropriate times?	13 Yes	0 No	
7.	Are the Board of Governors business meetings conducted efficiently?	13 Yes	0 No	
8.	Is the background material included in the agenda packets clear, concise and relevant?	13 Yes	0 No	
9.	Is an appropriate level of information being transmitted from the Committees to the Board?	13 Yes	0 No	
10.	Is the level of information about current issues provided at the Board meetings adequate?	11 Yes	2 No	
11.	Are "enrichment" presentations made at Board meetings useful? (i.e., Dr. Heros on Neurosurgery Department)	13 Yes	0 No	
12.	Is the annual Board of Governors Retreat a useful opportunity for reviewing issues in depth?	13 Yes	0 No	
13.	Are administrative staff members responsive in answering questions and providing necessary information outside of scheduled business meetings?	12 Yes	0 No	1 Abstain
14.	Do you receive an adequate amount of information on continuing education opportunities offered by external groups?	10 Yes	1 No	2 Abstain
15.	Are your day to day requests made of the Board office being met?	11 Yes	0 No	2 Abstain

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

- Board of Governors business could be managed with less frequent meetings.
- The 1989 retreat was an extremely productive one. A willingness to confront priorities differentiated this retreat from others.

ASSESSMENT OF PERFORMANCE

Composite Score

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

2	10	1	0	**3.15**
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?

3	7	2	1	**2.92**
Almost Always	Often	Sometimes	Rarely	

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

10	2	1	0	**3.69**
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?

7	5	1	0	**3.46**
Almost Always	Often	Sometimes	Rarely	

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?

5	5	2		1	**3.25**
Almost Always	Often	Sometimes	Rarely	Abstain	

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

4	7	2	0	**3.15**
Almost Always	Often	Sometimes	Rarely	

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

7	4	2	0	**3.39**
Almost Always	Often	Sometimes	Rarely	

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

5	7	1	0	**3.31**
Almost Always	Often	Sometimes	Rarely	

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

2	5	2	2	2	**2.64**
Almost Always	Often	Sometimes	Rarely	Abstain	

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

7	2	3	1	0	**3.16**
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	4	6	1	1	**2.42**
Almost Always	Often	Sometimes	Rarely	Abstain	

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

- It is increasingly important for Board of Governors members to address the complex issues that will shape the Hospital's future. Issues cited as being of importance to the institution included the integration of multiple missions in the academic health center, the costs of health care, the health care needs of the patient population and the ethical aspects of health care decision making.

Board of Governors

Renewal Project: Phase II

Motion

March 28, 1990

The Board of Governors endorse the modifications to Renewal Project: Phase II, as recommended, with the requirement that prior to commencement of demolition, the project be reviewed in light of the University Hospital's financial status and projections.

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

BOARD OF GOVERNORS

APRIL 25, 1990

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****** Other Items ******

Announcement: Fourth Annual MHA Trustee Conference - July 13-15, 1990 - Cragun's Conference Center - Brainerd, Minnesota

THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
BOARD OF GOVERNORS
APRIL 25, 1990
2:30 P.M.
555 DIEHL HALL

AGENDA

I.	Approval of the March 28, 1990 Minutes	Approval
II.	Chairman's Report -Mr. Robert Nickoloff	Information
III.	Hospital Director's Report -Mr. Robert Dickler	Information
IV.	Special Presentation: Dr. David Bradford -Professor Department of Orthopaedics	Information
V.	Committee Reports	
	A. Joint Conference Committee	
	-Mr. George Heenan	
	1. Home Health Services Policies & Procedures	Approval
	2. Quality Assurance Program Update	Information
	B. Planning and Development	
	-Ms. B. Kristine Johnson	
	1. Special Project: Cardiovascular Radiology	Approval
	2. Development Office Update	Information
	3. Quarterly Purchasing Report	Approval

C. Finance Committee

-Mr. Jerry Meilahn

1. March 31, 1990 Financial Statements	Information
2. Third Quarter 1989-90 Bad Debts	Endorsement
3. 1990-91 Budget	Information
4. Peat Marwick Management Letter	Information

D. Nominating Committee

-Vice President Cherie Perlmutter — Approval

VI. Other Business

VII. Adjournment

MINUTES

BOARD OF GOVERNORS
The University of Minnesota Hospital and Clinic

March 28, 1990

Call To Order

Mr. Robert Nickoloff called the March 28, 1990 meeting of the Board of Governors to order at 2:40 p.m. in 555 Diehl Hall.

Attendance

Present:	Leonard Bienias David Brown, M.D. Robert Dickler Phyllis Ellis Kris Johnson Margaret Matalamaki Robert Maxwell, M.D. Robert Nickoloff Cherie Perlmutter
Not Present:	Paula Clayton, M.D. Gordon Donhowe George Heenan Robert Latz Jerry Meilahn Barbara O'Grady Jan Withers

Special Presentation: Dr. Leo B. Twiggs

Mr. Dickler introduced the Board to Dr. Leo B. Twiggs, Professor, Department of Obstetrics and Gynecology. Dr. Twiggs presented an overview of the Department of Obstetrics and Gynecology focusing on the Women's Cancer Center.

The Women's Cancer Center provides diagnosis and treatment for gynecologic cancers and collaborates with community health professionals. The Women's Cancer Center is recognized nationally for its outstanding survival rates and range of expertise. Members of the center's highly trained medical team, with more than 100 years of combined experience, provide comprehensive diagnosis

and treatment for all aspects of female reproductive cancers. The staff's extensive experience is coupled with the use of the newest research developments and technological advances.

Chairman's Report

Mr. Nickoloff reported that the Finance Committee did not meet this month.

Mr. Nickoloff announced the Board of Governors Committee on Process had been appointed which includes Mr. George Heenan as Chair, Mr. Leonard Bienias, Mr. Bob Dickler, Ms. Shannon Lorbiecki and Ms. Nancy Janda.

Director's Report

Mr. Dickler indicated to the Board the 1990-91 budget planning was underway.

Mr. Dickler reported that the Board of Regents reviewed the Bylaw changes recommended by the Board of Governors. The Board of Regents questioned whether the Board of Governors tenure might be maintained at a uniform three years. Seven other less substantive recommedations were also made by the Board of Regents. The Board of Governors discussed and endorsed the new modifications, completing their review of the 1990 revisions to the Board of Governors Bylaws.

Mr. Dickler also announced that Ms. Barbara Tebbitt, Senior Associate Director and Director of Nursing Services, will be leaving The University of Minnesota Hospital and Clinic on April 30, 1990.

Finance Committee Report

Mr. Cliff Fearing reported the Hospitals Statement of Operations for the period July 1, 1989 to February 28, 1990 shows revenues exceeding expenses by $4,967,348, a favorable variance of $3,907,004. Patient care charges through February were 4.8% under budget.

Mr. Fearing reported inpatient admissions for February, 1990 totaled 1,450, which was 61 below budgeted admissions of 1,450. Overall length of stay for the month was 8.0 days. Outpatient clinic visits for the month of February totaled 20,079 which was 1,513, or 7.0% below budgeted visits of 21,592.

Planning and Development Committee Report

Mr. Greg Hart presented a proposal to purchase EEG Equipment--Evoked Potentials and Brain Mapping. The purchase price of this equipment is $163,000. This equipment will generally be used for two applications. The first is in the OR, during surgery performed on the brainstem and spinal cord. Nerve stimulation measures are taken before and during surgery. The second is the brain mapping component of the system which "draws maps" of the distribution of the brain waves over the entire head. This allows for more precise measurement and detection of adnormalities.

Mr. Mark Koenig presented a proposal to purchase a Materials Management Data Processing System. The purchase price of this equipment is $180,800. This new system will allow all departments at UMHC to purchase non-stock items via a computer terminal. This same information will be electronically transmitted to Accounts Payable and Receiving to allow them immediate access to purchasing information.

Ms. Nancy Janda presented a proposal to purchase Stereotactic Radiosurgery. The purchase price of this equipment is $500,000. Stereotactic radiosurgery is a procedure whereby highly focused beams of radiation are precisely shot at intercranial targets. Until recently, the treatment of small intercranial tumors, aneurysms and arterial venous malformations with radiation therapy has been limited. Commercially available linear accelerators alone do not deliver adequate irradiation to certain target areas of the brain, while protecting the healthy tissue.

Mr. Al Dees presented a proposal to purchase Cardiovascular Radiology Equipment in the amount of $863,000. The Diagnostic Radiology Department has two rooms which are utilized primarily for cardiovascular radiology procedures. The procedures performed included angiograms of extremities, cardiac cines, nephrostograms, and catheter insertions. Approval will be sought from the Board in April.

Mr. Al Dees presented a proposal to purchase a Gamma Camera with Image Processing Minicomputer in the amount of $390,000 and a Gamma Camera in the amount of $370,000. Nuclear Medicine imaging is focused on determining the biochemistry and physiology of organs rather than their anatomy. A small amount of a radioactive tracer is administered to a patient and a gamma camera is utilized to detect and formulate an image of the gamma radiation emitted. Through rapid rotation of the camera and connection to a sophisticated computer, the gamma camera can also be utilized to produce tomographic images. These techniques are used to assess such things as heart function, blood flow to various organs, renal and hepatic function, and bone abnormalities.

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

Ms. Kris Johnson presented the Planning and Development Committee recommendation to the Board in favor of Option C3 of the Renewal Project. Option C3 maximizes the funds invested in new facilities, rather than remodeling. New facilities will create the best outcome for our clinical programs. The Board of Governors seconded and passed a motion endorsing Option C3 of the Renewal Project. The Board of Regents will be asked to lend final approval to the project.

Self Evaluation Survey

Ms. Janda presented a summary to the Board of the Self Evaluation Survey. Issues cited as being in need of more Board attention included the integration of multiple missions in the academic health center, the costs of health care, the health care needs of the patient population and the ethical aspects of health care decision making. Recommendations on Board of Governors structure and functioning were also made. Current Board members, endorse the addition

of a few membership slots. Board members also concur that business could be managed with less frequent Board meetings.

Appointment of a Committee on Process

Chairman Robert Nickoloff asked that George Heenan chair an ad hoc committee to review Board of Governors mode of operation, including frequency of Board meetings. Leonard Bienias, Robert Dickler and Margaret Matalamaki were asked to serve on the Committee along with Mr. Heenan.

Approval of Minutes

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

Joint Conference Committee Report

Ms. Phyllis Ellis 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.

Dr. Robert Maxwell presented the recommendations of the Credentials Committee which were endorsed by the Medical Staff-Hospital Council on March 13 and the Joint Conference Committee on March 14. The recommendations of the Credentials Committee were unanimously endorsed as presented.

Dr. Maxwell presented the Joint Conference Committee's recommendation to approve the appointment of Dr. Leo T. Furcht as Clinical Chief of the Laboratory Medicine and Pathology Service at UMHC and Dr. William Hunter Knobloch as Clinical Chief of the Ophthalmology Service at UMHC. The Medical Staff Bylaws require that Chiefs of Clinical Services be certified by an American Specialty Board, unless this requirement is waived by the Board of Governors. Dr. Furcht is not Board-certified. The Board of Governors seconded and passed a motion approving the appointment of Drs. Furcht and Knobloch, waiving the certification requirement for Dr. Furcht.

Adjournment

There being no further business, the March 28, 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

CURRICULUM VITAE

David S. Bradford, M.D.

BORN: October 15, 1936
Charlotte, North Carolina

WIFE: Helen Gray MacKay Bradford

CHILDREN: David MacKay Bradford
Jennifer Sutherland Bradford
Tyler Speir Bradford

EDUCATION: 1954-1958 Davidson College
Degree: B.A., Chemistry/Biology

1958-1962 University of Pennsylvania School of Medicine
Degree: M.D.

POSTGRADUATE: 1962-1963
Intern, Surgery, Columbia-Presbyterian Medical Center, New York.

1965-1966
Resident, General Surgery, Columbia-Presbyterian Medical Center, New York.

1966-1968
Resident, Orthopaedic Surgery, New York Orthopaedic Hospital, Columbia-Presbyterian Medical Center, New York.

1968-1969
Junior Annie C. Kane Fellowship in Orthopaedic Surgery, New York Orthopaedic Hospital, Columbia-Presbyterian Medical Center, New York.

1969-1970
Research Trainee, Orthopaedics, NIAMD Training Grant

LICENSE: Minnesota, 19283

California, C029110

North Carolina, 13408

CURRENT STAFF APPOINTMENTS

Professor, Orthopaedic Surgery, University of Minnesota Hospitals, Minneapolis, MN

Chief of Spine Surgery, Orthopaedic Surgery, University of Minnesota Hospitals, Minneapolis, MN

Director, Twin Cities Scoliosis Center, Orthopaedic Surgery, University of Minnesota Hospitals, Minneapolis, MN

Attending Staff, Abbott Northwestern Hospital, Minneapolis, MN

Consulting Staff, Children's Health Center of Minneapolis, Minneapolis, Minnesota

MEMBERSHIPS AND SOCIETIES

American Academy of Orthopaedic Surgeons
American Board of Orthopaedic Surgeons, Board Certified
American Medical Association
American Orthopaedic Association
Association of Bone and Joint surgeons
Hennepin County Medical Society
International Society of Orthopaedic Surgery and Traumatology (SICOT)
International Society for the Study of the Lumbar Spine (ISSLS)
Interurban Club
La Sociedad Columbiana de Cirugia Pediatrica (Honorary)
La Sociedad Venezolana de Cirugia Orthopedic y Traumatology
Mid-America Orthopaedic Association
Minnesota Orthopaedic Society
Minnesota State Medical Society
Orthopaedic Research Society
Phi Beta Kappa
Scoliosis Research Society
Societe' Francaise de Chirurgie Orthopedique et Traumatology
Twin City Orthopaedic Society
Western Trauma Association
Minneapolis Club
Woodhill Country Club
DeBordieu Club

CURRENT COMMITTEES/BOARDS/TRUSTEESHIPS/HONORS

American Board of Orthopaedic Surgery
Board Member (1988-present)

SPINE Journal
Board of Editors (1982-present)

CURRENT COMMITTEES/BOARDS/TRUSTEESHIPS/HONORS (cont)

Minnesota Orthopaedic Society
Board of Directors (1984-present)
President (1988-89)

Societe' Internationale de Chirurgie Orthopedique et de Traumatologie (SICOT)
Board of Directors (1984-present)
Secretary/Treasurer (1987-present)

University of Minnesota Medical School
Tissue and Procedure Review Committee (1982-prsent)

Twin Cities Scoliosis Center Fund Board

PAST COMMITTEES/BOARDS/TRUSTEESHIPS/HONORS

American Orthopaedic Association
Fellowship Exchange Committee (1984-89)

American Academy of Orthopaedic Surgeons
Program Committee (1984-89)
Chairman (1986-87)

Association of Bone and Joint Surgeons
Board of Directors (1981-1989)
President (1986-87)
Treasurer (1982-84)

Federation of Spine Assocations
Program Committee Chairman
President (1986-87)

Spinal Cord Society Board (1985-86)

Western Trauma Association
Board of Directors (1978-82)
Past President (1981)

Scoliosis Research Society
President (1983-84)
Chairman, Program Committee (1977-79)
Research Coordinating Committee (1974-79)
Board of Directors (1980-85)

University of Minnesota Medical School
Promotions Committee (1982-present)

Woodhill Country Club
Board of Directors (1981-87)

PAST COMMITTEES/BOARDS/TRUSTEESHIPS/HONORS (cont)

Orthopaedic Research and Education Foundation
Reviewer, Grant and Fellowship Committee (1980-86)

Clinical Orthopaedics and Related Research
Editorial Board-Associate Editor (1974-79)

Minnesota Medicine
Editorial Board (1975-79)

American Academy of Orthopaedic surgery
Basic Science Committee (1978-82)
Committee on Scoliosis (1978-83)
Program Committee (1985-89)

U of M Hospitals
Medical Staff Hospital Council (1975-76)
Hospital Planning Committee, Unit J (1982-84)
Spinal Cord Injury Center Executive Committee (1978-82)
Policy & Review Council Representative (1977-78)
Promotions Committee

American Orthopaedic Association
Planning and Development Committee (1981-84)

Minneapolis Society of Fine Arts
Board of Directors (1975-84)
Committee on Acquisitions (1975-84)
Chairman, Committee on Acquisitions (1982-84)
Committee on Exhibitions (1975-80)
Committee: College of Art and Design (1975-80)

ABC Traveling Fellow (1974)

Honorary Doctorate: Davidson College (1981)

Volvo Award in Basic Science (1983)
Chymopapain, Chemonucleolysis, and Nucleus Pulposus Regeneration - A Biochemical and Biomechanical Study

Hennepin County Medical Society
Credentials Committee (1985-86)

North American Spine Society
The AcroMed Award for Outstanding Spinal Research - 1989

Scoliosis Research Society
The Russell Hibbs Award - 1989

MINUTES
Joint Conference Committee
Board of Governors
April 11, 1990

CALL TO ORDER:

Chairman Heenan called the April 11, 1990 meeting of the Joint Conference Committee to order at 4:35 P.M. in Room 8-106 in the University Hospital.

Attendance:

Present:	Debbie Day, M.D. Amos Deinard, M.D. Robert Dickler Phyllis Ellis George Heenan Robert Maxwell, M.D. Bruce Work, M.D.
Absent:	Jan Withers
Staff:	Bev Dorsey Nancy Janda Shannon Lorbiecki Carol Miles Ann Russell Barbara Tebbitt
Guests:	Therese Bodine Paul Keller

SPECIAL PRESENTATION: QUALITY ASSURANCE REPORTING SYSTEM

Dr. Amos Deinard introduced Paul Keller and Therese Bodine, Master's in Business Administration students who worked on a fieldwork project to develop a computerized prospective quality assurance system for the CUHCC clinic. The Quality Assurance Reporting System consists of an encounter form for each patient and has the capability to produce either exception or summary reports for a variety of quality assurance indicators.

The Committee thanked Mr. Keller and Ms. Bodine for their presentation.

APPROVAL OF MINUTES:

The minutes of the March 14, 1990 meeting were approved as submitted.

HOME HEALTH CARE SERVICES' POLICIES AND PROCEDURES

Ms. Barbara Tebbitt and Ms. Bev Dorsey presented several proposed policy changes for the Home Health Care Program. New policies and procedures or changes in existing policies are brought to the Board of Governors for approval. Ms. Dorsey reported that the policy changes have resulted either from new therapy modalities or from regulatory changes. The policy changes were unanimously endorsed by the Committee.

Ms. Dorsey reported that activity levels have declined slightly this year due to a lower demand respiratory therapy services. This is attributed to a new treatment for cystic fibrosis which has decreased the need for home therapy for this patient population.

The State Health Department recently visited the program and cited no defiencies.

MEDICAL STAFF-HOSPITAL COUNCIL REPORT

Dr. Robert Maxwell reported that there is not report from the Credentials Committee this month. In response to a letter from Dr. Randy Moore, Chair, Emergency Department Committee, the Medical Staff-Hospital Council discussed the Hospital's Emergency Department Two major issues identified were interactions between the Emergency Room and other clinical departments and the role that our Emergency services will fulfill within the community.

QUALITY ASSURANCE PROGRAM UPDATE

Ms. Carol Miles reported that significant progress has been made by the services in reviewing trends and patterns. There has also been improvement in the thresholds established for clinical indicators by the services. The clinical services recognize the benefit of these improvements in their quality assurance programs.

Ms. Miles indicated that the efforts Dr. Maxwell has made by working with individual departments have been very effective and all services and divisions have made progress in meeting the requirements of the quality assurance program.

COMMITTEE WORK PLAN

Chairman Heenan suggested that members of the Committee submit suggestions for issues and topics they are interested in learning about to Hospital administrative staff so that the work plan may be finalized.

COUNCIL OF CLINICAL CHIEFS REPORT

Dr. Bruce Work reported that meetings of the Council of Clinical Chiefs have focused on the process and outcome of the Vice President for Health Sciences search. The Council of Clinical Chiefs have also discussed Hospital volume levels and financial status.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:35 P.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

SL

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 16, 1990

TO: Members of the Board of Governors

FROM: Barbara Tebbitt
Senior Associate Director
Director of Nursing

RE: Annual review and endorsement of new and revised Home Health Care Services' Policies and Procedures

The Board of Governors officially became directly involved as the trustees of the Home Health Care Services Program in April, 1989. All current UMHC Home Health Care Services' policies and procedures were reviewed and endorsed by the Joint Conference Committee on April 12, 1989, and approved by the Board of Governors at their April 20, 1989 meeting. Your approval is now being requested for new and revised policies and procedures.

Three new or substantially revised policies were developed during the past year to comply with new State and Federal regulations and JCAHO standards. Four additional policies were developed or revised because of new home therapy procedures and to clarify some personnel policies and issues.

The new or substantially revised policies and procedures are listed below and are attached for your review and endorsement.

CHART AUDIT: Revised to meet new Medicare guidelines.
MINNESOTA EMPLOYEE RIGHT TO KNOW ACT (MERTKA): New - per State regulations.
PENTAMIDINE-INHALATION PROTOCOL FOR HOME USE: New.
PRN STAFFING ISSUES: New.
QUALITY ASSURANCE IN HHCS: Revised to meet JCAHO standards.
TIME OFF REQUESTS: New.
VENIPUNCTURE - HOME HEALTH CARE SERVICES NURSES: Two previous venipuncture policies and procedures were combined and expanded upon.

Your endorsement is also requested for minor revisions to several other policies and procedures. A summary of these policies and descriptions of the revisions is provided below for your convenience.

ADMISSIONS, DISCHARGES, AND TRANSFERS:

1. Identifies and expands the information to be documented by the home health nurse in the patient's medical record when discharged from HHCS. Items to be documented include:

    A. Purpose of home visits.
    B. Patient's outcome/status at discharge.
    C. Follow up plan including medical follow up and determination of responsibility for care.

2. A new condition which would require a transfer of care/referral was added: The patient needs community resources in the home. Some additional examples include, but are not limited to:

    A. The patient's medical condition requires a different level of care.
    B. The patient's medical, nursing, and social needs cannot be met by the agency in the patient's place of residence.
    C. The patient or individual assuming primary care is unable to manage at home...

3. Addition: Patients are notified of any financial benefit to the referring agency as mandated by MEDICARE.

MEDICAL EMERGENCIES IN THE HOME:

1. Addition: CPR must be initiated, unless otherwise indicated by the physician's order to DO NOT RESUSITATE/INTUBATE (DNR/DNI).

MEDICAL EXAMINERS: CONTACTING MEDICAL EXAMINERS RE: TERMINALLY ILL PATIENTS EXPECTED TO EXPIRE AT HOME:

1. County ME reqirements for notification were updated. (Every county has a different procedure for notification, which is periodically subject to change.)

PATIENT CARE:

1. Addition: A statement was added to expand on the Initial Plan of Care Requirements.

    A. The Plan of Care must be developed within three working days of initiation of services.
    B. The care plan must include: Referral, Data Base, Flow Sheet, Medicare certification/recertification, renewal orders and verbal orders.

UTILIZATION OF CARE:

1. Addition: Clarification that a patient requiring physical therapy in the home must be seen for a neurological, skeletal or muscular diagnosis for Medicare reimbursement.

2. The title "Community Program Assistant" was changed to the current classification title "Home Health Aide".

3. A statement regarding Respiratory Therapy supervision was expanded to read: "Respiratory Therapy supervision is to be done every 4 weeks on patients who get 5-7 treatments/week. Otherwise a telephone supervision may be alternated with an on site supervision. Every other supervision visit should be a direct supervision."

UMHC Home Health Care Services continues to provide a full range of in-home services to UMHC patients who live within a 30 minute one-way drive from UMHC. A cooperative relationship with the UMHC Department of Pharmaceutical Services also allows us to provide medications, supplies and equipment to those patients who require IV medications at home.

The Home Health Care Services Status Report (1989-90) which includes a statistical summary, major accomplishments for 1989 and goals for 1990 is also attached for your review.

Beverly Dorsey, Associate Director for Ambulatory Care Services and I are looking forward to meeting with you at your April 25, 1990 meeting and, will be happy to answer any of your questions regarding the program and policy changes. If you have questions prior to the meeting please call Beverly Dorsey at 626-3560.

BdofGov.90

HOME HEALTH CARE SERVICES STATUS REPORT
JULY 1, 1989 THROUGH MARCH 31, 1990

I. STATISTICAL ACTIVITY

	TOTAL HOME VISITS	PHN/RN HOME VISITS	RESPIRATORY THERAPY VISITS	HOME HEALTH AIDE VISITS	PHYSICAL THERAPY VISITS	OCCUPATIONAL THERAPY VISITS	SOCIAL WORK VISITS	WEEKEND/ EVENING VISITS	NEW CASES	AVERAGE # PATIENTS SERVED/MONTH	MEDICARE	MEDICAL ASSISTANCE	PRIVATE INSURANCE	PRIVATE PAY
FISCAL YEAR '89-'90 (1ST 9 MONTHS)	8500	3803	3226	1128	340	3	Ø	1727	280	116	33%	28%	38%	1%
FISCAL YEAR '88-'89 (1ST 9 MONTHS)	9104	3423	4660	779	184	5	1	1948	292	133	20%	30%	48%	2%
% OF INCREASE/ DECREASE	↓ 7%	↑11%	↓ 29%*	↑48%	↑85%	-	-	↓11%	↓3%	↓13%	-	-	-	-

FY '89-'90 (1ST 9 MONTHS)
REVENUE: $535,571.00
EXPENSES: $488,400.86

FY '88-'89 (1ST 9 MONTHS)
REVENUE: $493,529.37
EXPENSES: $425,656.64

II. MAJOR ACCOMPLISHMENTS

- A HOME IV THERAPY PROGRAM WAS INITIATED AS A COLLABORATIVE EFFORT BETWEEN THE DEPARTMENTS OF HOME HEALTH CARE SERVICES AND PHARMACEUTICAL SERVICES. A PILOT AND EVALUATION WERE COMPLETED.
- HOME HEALTH CARE SERVICES EXPANDED SERVICE HOURS MONDAY THROUGH THURSDAY TO 8:30PM.
- A FORMAL HOME HEALTH CARE SERVICES MARKETING PLAN WAS IMPLEMENTED AND THE TIME LINE WAS FOLLOWED.
- AN INSERVICE WAS PRESENTED TO OCCUPATIONAL THERAPY (OT) AS A WAY TO INCREASE THEIR AWARENESS OF HOME CARE. OT ALSO PROVIDED HOME HEALTH CARE SERVICES WITH AN INSERVICE TO INCREASE THE PUBLIC HEALTH NURSES' KNOWLEDGE OF WHAT SERVICES THEY HAVE AVAILABLE TO OFFER OUR PATIENTS.
- PHYSICAL THERAPY AND HOME HEALTH AIDE USAGE CONTINUED TO INCREASE.
- IBM PC'S WERE PURCHASED AND THE OFFICE STAFF TAUGHT HOW TO USE THEM.

II. OBJECTIVES FOR FISCAL YEAR 1990-91

- PREPARE FOR AND BE IN COMPLIANCE WITH NEW REGULATIONS AND REQUIREMENTS OF JCAHO, MINNESOTA LICENSURE AND OBRA '89.
- INCORPORATE SOCIAL WORK INTO HOME HEALTH CARE SERVICES AND INCREASE SOCIAL WORK INVOLVEMENT.
- CONTINUE TO EXPLORE NEW METHODS OF HEALTH CARE DELIVERY IN THE HOME.

*DUE TO INCREASED USAGE OF BRONCHIAL DRAINAGE VEST.

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION: Page 1 of 1	
VOL.:	POLICY NUMBER: 4
EFFECTIVE: 4/15/89	
REVISION:	
REVIEWED: 10/89	

SUBJECT:

CHART AUDIT

SOURCE:

Home Health Care Services

POLICY

Chart audits will be done quarterly on 10% of the open HHCS records.

PROCEDURE

Charts will be selected by pulling every 10th chart.

I. Of the charts chosen:

A. 50% will be charts that are currently open.
B. 50% will be recently closed charts within the [illegible] months.
C. 20% will include a discipline other than nursing.

II. If possible, different disciplines will be included in the charts.

III. If not picked through the above process, adjustments will be made to obtain an appropriate sample.

APPROVED: Beverly T. Dickens	DATE:
TITLE: Assoc. Director, Home Health Care Services	4/4/89

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION: Page 1 of 5	
VOL.:	POLICY NUMBER: 42
EFFECTIVE: 1/89	
REVISION:	
REVIEWED: 10/89	

SUBJECT:

MINNESOTA EMPLOYEE RIGHT TO KNOW ACT (MERTKA)

SOURCE:

Home Health Care Services

POLICY

Home Health Care Services will maintain an acceptable program for providing training and information to new, current and reassigned employees who may be exposed to infectious agents (i.e., disinfectants, antiseptics, chemotherapeutics and solvents), and harmful physical agents (i.e., heat, noise, radioactive materials, ionizing and non-ionizing radiation). This program will comply with the 1983 Minnesota Employee Right to Know Act (MERTKA).

PROCEDURE

Employees will be assured of the following items in accordance with MERTKA:

I. Resource Information

A. Infectious Agents

1. A reference book entitled Control of Communicable Diseases in Man, which covers infectious agents to which an employee may be exposed, is available for review in the Ambulatory Care Administration Office (2-246 PWB).
2. Employees who are pregnant or who are trying to become pregnant should report to the Employee Health Service for assistance in determining susceptibility to infectious agents and information and instruction relative to infection control risks and precautions will then be provided.
3. The Diehl Learning Resource Center has the following audiovisual programs available for individual employee viewing:
   a. "Preventing Employees Exposure to Infectious Disease" 1497, S1-CT,

APPROVED: Beverly Dorsey	DATE:
TITLE: Assoc. Director, Home Health Care Services	6/6/89

b. "Biohazard Containment and Control" 1677, VC; and
c. "On the Safe Side" (AIDS Project) 1675, VC, 1985.

B. Hazardous Chemical Substances
1. Informational data sheets (Material Safety Data Sheets-MSDS) covering the hazardous effects and properties of hazardous chemical substances to which employees may be exposed are readily assessible in the Ambulatory Care Administration Office. A complete set of these sheets is also available in Protection Services (6-4005) and the Environmental Health and Safety Department (6-6002).
2. The Diehl Learning Resource Center has the following audio-visual programs available for individual employee viewing:
a. "Chemical Exposure in the Hospital Setting" 1498, VC, and
b. "Laboratory Chemicals and Your Health" Parts I and II, 1725, S1-CT.
3. The employee may consult with the University Department of Environmental Health and Safety (6-6002) to receive additional information regarding hazardous chemical substances.

C. Harmful Physical Agents
The employee may consult with the University's Department of Environmental Health and Safety (6-6002) to receive information regarding potential harmful physical agents and other workplace hazards.

II. Labelling of Hazardous Chemical Substances
A. Hazardous Chemical substances are maintained in their original shipping containers whenever possible. If the substance must be transferred into some other "process container" for use, all appropriate labelling and precautionary information is placed on the container, including substance name and main hazard posed by the substance.

III. Initial Training
A. All new employees who work in Home Health are introduced to the MERTKA law when they join the department. Orientation to infectious agents and hazardous chemi

substances is available to all new employees through self-learning tools in the Diehl Learning Resource Center. Orientation is mandatory for certain eligible employees as required by the law.

B. Documentation of initial training occurs through the Nursing Education Office and/or on form BA 725. Training records are stored and maintained for a minimum of five years in the individual's HHCS personnel files.

IV. Annual Training Updates

A. After initial training, annual training updates will be provided for those employees as specified by the law. In HHCS this will be done on or before July 31st yearly. Those employees who do not require annual training updates are classified as "Technically Qualified Individuals" (TQI), based on educational preparation and experience. An employee remains TQI throughout his/her employment in HHCS. Those employees who are required to have annual training updates are as follows:

MERTKA Category	Technically Qualified Individuals	Employees Needing Annual Training Updates
Infectious Agents	RN with 1 year experience	Home Health Aide, Nursing Assistant, LPN, Sr. Accounts Specialist, Student Secretary, Associate Administrator
Hazardous Chemical Substances	RN LPN with 2 years experience	Home Health Aide, Nursing Assistant, LPN without 2 yrs experience, Sr. Accounts Specialist, Student Secretary, Associate Administrator
Harmful Physical Agents	RN LPN with 2 years experience	N/A

V. The Home Health Care Services Nurse Manager will have the responsibility of assuring compliance and that the trainin documentation is completed. Departmental training will be provided by the Nurse Manager as a particular hazardous ne is identified. Documentation of additional training will added to the BA 725 form.

A. Annual training provided on infectious agents will include:
1. Those infectious agents to which employees are routinely exposed;
2. The chain of infection;
3. Techniques to avoid self-contamination;
4. Hazards to special at-risk groups;
5. Recommended immunization practices; and
6. How to obtain additional information.

B. Annual training provided on hazardous chemical su ces will cover the following information:
1. Identification information including trade ame, chemical name, synonyms, chemical family, chemica abstracts service name, chemical abstracts servic registry number, name and phone number of manufac turer, and hazardous ingredient name;
2. Physical data;
3. Fire and explosion data;
4. Hazardous reactivity;
5. Health hazard information including exposure limi and routes of exposure and effects, and first aid
6. Protection information; and
7. Spill, leak and disposal procedures.

C. Annual training provided on harmful physical agents w cover the following information:
1. Names of agents;
2. Hazardous level of exposure, if known, and the ac and chronic effects of exposure;
3. Proper conditions for use and exposure;
4. Symptoms of the effects;
5. Appropriate emergency treatment.

D. Of special note is that training for infectious ac is required for all eligible HHCS employees, but t

ing for hazardous chemical substances and harmful physical agents is required for all eligible employees only if the employee is routinely exposed. For the most part, this will mean that hazardous chemical substance training will be included, but that harmful physical agent training will not. If a specific harmful physical agent is identified within HHCS, specific training will be provided by the Nurse Manager.

POLICY AND PROCEDURES MANUAL

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

SECTION: Page 1 of 2	
VOL.:	POLICY NUMBER: 55
EFFECTIVE: 4/89	
REVISION:	
REVIEWED: 10/89	

SUBJECT:

PENTAMIDINE - INHALATION PROTOCOL FOR HOME USE

SOURCE:

Home Health Care Services

POLICY

Inhalation Pentamidine will be for use in patients who have had a previous episode of PCP and HIV infected patients who have not had PCP and who have a T4 count of less than 200. The purpose is as a prophylaxis against pneumoncystic carinii pneumonitis. Equipment will include: Respirgaard II Handheld Nebulizer system with oxygen tubing (#68304), oxygen tank, Pentamidine, sterile water, syringes, mask.

PROCEDURE

I. Reconstitute 300mg vial of Pentamidine with 3cc sterile water for injection. Unreconstituted vials should be st[illegible]d in the refrigerator.

II. Rotate Hcom II Nebulizer and Tee from horizontal to vertical position.

III. Ensure that the arrow on each one-way valve (2 of them) on the nebulizer side of the circuit (inspiratory) points toward the mouthpiece and the arrow on the one way valve (1 of them) on the filter side (expiratory) points toward the filter.

IV. Connect one end of the oxygen tubing to the oxygen source and the opposite end to the fitting at the base of the nebulizer.

V. Adjust flow meter to 7 L/min.

VI. Patient should place mouth around mouthpiece and inhale and exhale until the solution is gone.

APPROVED: [signature]	DATE:
TITLE: Assoc. Director, Home Health Care Services	4/25/89

VII. Therapist/PHN should wear masks.

VIII. Latest treatment is 300mg Pentamidine every month.

IX. Side Effects:

A. Bronchospasm may occur. Discontinue treatment and notify the physician.
B. Patients who have a history of mild bronchospasms may use Albuterol inhaler prior to treatment.
C. May need to dilute Pentamidine with increase amounts of sterile water if problems occur.

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EFFECTIVE: 1/90	
REVISION:	
REVIEWED:	

SUBJECT:

PRN STAFFING ISSUES

SOURCE:

Home Health Care Services

I. CPR

A. All PRN RN's must be recertified for CPR every year.

B. This can be done through UMHC Nursing Services or in the community.

C. PRN RN's will be reimbursed by HHCS for CPR time, if RN works at least 1 weekend/month.

D. Evidence of recertification must be presented to the HHCS office upon completion.

II. EDUCATION TIME

A. PRN staff may attend inservices presented by HHCS and UMHC.

B. There will be no reimbursement for this time.

III. CANCELLATION POLICY

A. If the PRN RN is scheduled in advance to work Monday - Friday (during the day) and Home Health cancels the shift, the PRN RN is entitled to 1 hour of pay.

B. If the PRN RN is scheduled Monday - Friday days and reports to work HHCS will pay a minimum of 4 hours, unless the commitment for fewer hours was specified at the time HHCS made the initial request for coverage.

APPROVED: Beverly D Brace	DATE:
TITLE: Assoc. Director, Home Health Care Services	1/31/90

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VOL.:	POLICY NUMBER: 26
EFFECTIVE:	
REVISION:	8/87;10/88;4/89;1/90
REVIEWED:	11/81...10/88;4/89;1/90

SUBJECT:

QUALITY ASSURANCE IN HHCS

SOURCE:

Home Health Care Services

STATEMENT OF PURPOSE

Home Health Care Services of The University of Minnesota Hospital and Clinic is dedicated to the principle of providing the highest possible quality of care with the most effective use of resources. The department's quality assurance activities are designed to enhance patient care and assure appropriate allocation of health care resources through ongoing objective assessment of important aspects of patient care and the correction of identified problems. The purpose of this plan is to define the quality assurance activities of the department.

OBJECTIVES

I. To ensure the consistent delivery of high quality home care.
II. To ensure that admissions are appropriate.
III. To ensure that the location of care and utilization of services are based on identified patient/family needs.
IV. To identify problems or opportunities to improve care.
V. To provide information at the clinical competence of staff and contracted services.

POLICY

Home Health Care Services will follow established ongoing review and evaluation mechanisms to ensure the delivery of quality patient care to patients requiring assistance in taking care of themselves at home. The Home Health Care Services Quality Assurance Program is designed to monitor indicators of potential problems, identify problems, take corrective action, evaluate results, make decisions about future monitoring and follow up on previously identified problems.

APPROVED: Beverly Dobson	DATE:
TITLE: Assoc. Director, Home Health Care Services	1/30/90

AUTHORITY

The department director is responsible for assuring implementation of the process for monitoring and evaluation of the quality and appropriateness of services. In addition, the department's Medical Director, the Advisory Committee and the department's management staff hold a shared responsibility for the review and evaluation of the services provided, and for the development of recommend-ations for changes and improvements as necessary.

DATA SOURCES

Home Health Care Services uses a variety of data sources to identify potential areas for review, evaluation, and problem resolution and to properly monitor the quality and appropriateness of patient care/services provided. These may include but are not limited to:

I. The departments systematic process for monitoring and evaluating the quality and appropriateness of services.
II. Department management and employee concerns.
III. Concerns identified by UMHC physicians.
IV. Concerns identified by other Hospital and Clinic staff.
V. Problems or issues referred from medical staff committees including inappropriate procedures, drug usage issues, medical record issues, blood usage issues, utilization review issues, and infection control issues.
VI. Research or study findings.
VII. Comments from external review organizations.
VIII. Incident reports.
IX. Patient surveys.
X. Patient or family complaints.
XI. Financial reports.
XII. Claims data.
XIII. Malpractice claims.

SCOPE OF SERVICES

Intermittent Services

I. Skilled nursing.
II. Physical therapy.
III. Occupational therapy.
IV. Speech therapy.
V. Respiratory therapy.
VI. Home health aide.

REVIEW AND REPORTING PROCESS

The results of all review and evaluation activities will be summarized quarterly by the Nurse Manager. This summary will be initially reviewed within the department by the Director of Home Health Care Services and the Nurse Manager who will assure appropriate conclusions, recommendations or actions have been initiated. The summaries will then be shared with the Advisory Committee and by forwarded to Quality Assurance Services for review and consideration by the Quality Assurance Steering Committee as appropriate.

CONFIDENTIALITY

All data and information acquired and prepared for Quality Assurance Program activities are strictly confidential and are not considered discoverable or admissable in a court of law (protected under Minnesota State Statue 145.64). These data will be used, disseminated or published only to the extent required to effectively carry out Quality Assurance activities.

No person shall disclose to any individual, organization, or association, any Quality Assurance information that was discussed at any meeting or other review proceeding, except to the extent required to effectively perform those evaluation activities as set forth in Minnesota State Statute 145.61, Subdivision 5. Obviously, information, documents, or records otherwise available from original sources do not become confidential merely because they were utilized in connection with a Quality Assurance activity (See Hospital Policy 15.16: Confidentiality Policy for Quality Assurance Information).

PROCEDURE

I. Patient Satisfaction.

A. Questionnaires are sent to every patient immediately following discharge from Home Health Care Services.
B. For the Respiratory Therapy programs, surveys will be sent out every 6 months.
C. The survey will attempt to elicit information about the services provided and areas where the services need to be improved.

D. Responses are reviewed by the individual PHN, Nurse Manager, and Director of Home Health. Any response of "C" or negative comments will be followed up by the Nurse Manager.
E. The responses are reviewed by the Administrative Staff and Advisory Committee of Home Health Care Services on an annual basis.
F. Patient complaints expressed in another manner are noted, documented and followed up by the Nurse Manager with appropriate action.

II. Review of Clinical Services.

The Nurse Manager is responsible for selecting the indicators to be monitored. The indicators will be focused on high volume, high risk or problem prone activities and include all disciplines provided by Health Care Services. All indicators will be monitored for a minimum of 1 year.

A. Clinical Record Review.

1. Quarterly reviews of medical records are done by the Home Health Care Services Administrative Staff.

a. The review group includes the Medical Director, Hospital Administrator, Director, Nurse Manager and Associate Administrator of Home Health Care Services and the Chair and Vice-Chair of the Home Health Care Service's Advisory Committee.
b. The reviews include evaluation of documentation, overall plan of care and appropriate delivery of services. This review is done on at least 10% of the active caseload, with alternating areas of emphasis. The charts are picked on a random basis (See policy on Chart Audit).
c. Identified problems will receive corrective action by the Nurse Manager.

2. Other source data may be used to gather information regarding Clinical Services. These sources may include interdisciplinary team meetings, staff meetings, supervisory meetings or observation.

B. Staff supervision.

1. The Home Health Care Services Nurse Manager will meet at least monthly with the PHN's and Home Health Aides.
2. The Nurse Manager will also meet with the Home Health Care Services Director and Associate Administrator.

C. On-site visits by the Nurse Manager.

1. The Home Health Care Services Nurse Manager will make joint home visits with new staff members and will make yearly joint home visits with ongoing experienced staff members.

III. Policy Review.

Home Health Care Service's policies will be reviewed annually for accuracy and comprehensiveness. This review will be done by the Nurse Manager, Director and Hospital Administrator. Significant changes/new policies and procedures will be summarized and presented to the Advisory Committee and Board of Governors.

IV. Personnel Performance.

Each new employee will be oriented to Home Health Care Services and its policies and procedures. See II B and C for staff supervision and site joint home visits. Each full time employee will receive an annual performance appraisal. Probationary employees will receive evaluations according to hospital policy.

V. Educational Needs.

Each employee will be given educational experiences to meet deficits in skills. These experiences will be in the form of inservices, practice sessions and/or joint home visits. Staff will identify beneficial areas of inservicing yearly.

VI. Annual Program Evaluation.

An annual report is prepared by the Director and submitted to the Advisory Committee as a mechanism to evaluate Home Health Care Service's total progress.

A. The annual report must include but is not necessarily limited to:

1. Statistical information.
2. Summary of patient care evaluations.
3. Summary of quarterly Clinical Record Review and Quality Assurance Activities.
4. Goals and objectives.

B. Statistical information will be submitted monthly to include:

1. Number of patients receiving each service.
2. Number and types of home visits.
3. Reason for discharge.
4. Sources of referrals.
5. Number of patients not accepted with reasons.

Yearly totals of monthly statistics will be included in the annual report.

VII. Annual Evaluation of Quality Assurance Plan.

The Quality Assurance Plan will be reviewed annually by the Nurse Manager and Director. The evaluation will include the usefulness of information obtained if care ha been improved as a result. Specific indicators will b examined to determine if continuation will be beneficia and if additional indicators should be added for each discipline.

VIII. Incident Reports.

Incident reports will be written up per hospital policy by the staff involved or an appropriate designee. Incident reports may be patient related and/or employee related. The Nurse Manager will review each individually and take appropriate action.

IX. Review and Management Reports which Identify Hospital Referral Sources.

Monthly statistics will be kept to identify areas making referrals to Home Health Care Services in an effort to show referral patterns.

X. Coordination with the Hosptial-wide Quality Assurance Program.

The Home Health Care Services Quality Assurance Program is incorporated into the overall Hospital Quality Assurance Program and is monitored by the Hospital Quality Assurance Steering Committee.

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REVISION:	
REVIEWED:	

SUBJECT:

TIME OFF REQUESTS

SOURCE:

Home Health Care Services

I. All requests must be written and submitted to the Nurse Manager. Requests may be submitted January 1st for April - September and July 15th for October - March. Requests should be submitted no later than 6 weeks before the request. After this time, requests will be considered but not guaranteed.

II. Twelve requests per calendar year for the employee will be granted. A request made for 1 day is counted as a request.

III. Requests do include specific days off, specific days not to have off, specific W/E to be on-call or not to be on-call.

IV. Requests do not include vacations, holidays, LOAs of more than 6 days, scheduled medical and dental appointments or [illegible] leave.

V. In the event that there are more than a workable number of requests for the same days or W/E, requests will be granted at the discreation of the Nurse Manager based on the order of the following:

A. First one who submitted request.

B. The number of previous requests granted (i.e., staff person with fewer requests granted will receive first priority).

C. Seniority, defined as length of service in HHCS.

APPROVED: Beverly Donley	DATE:
TITLE: Assoc. Director, Home Health Care Services	12/1/89

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VOL.:	POLICY NUMBER: 46
EFFECTIVE: 2/76	
REVISION: 10/78;8/87;10/89	
REVIEWED: 6/78...10/87;10/88;10/89	

SUBJECT:

VENIPUNCTURE - HOME HEALTH CARE SERVICES NURSES

SOURCE:

Home Health Care Services

POLICY

Home Health Care Services nurses assume responsibility for drawing blood under the following circumstances:

I. After appropriate training (completion of venipuncture training inservice), nurses are competent to draw blood.

II. Signed medical orders indicate what laboratory tests are required.

III. The following bloods will not be drawn by Home Health Care Services nurses:

A. Arterial blood gases.
B. Blood cultures.

PRODCEDURE

General principles to be followed include:

I. Home Health Care Services nurses may do venipuncture in both the right and left hand, forearm and anticubital areas.

II. Home Health Care Services nurses may decide not to do venipuncture if the patient's veins appear difficult to find or enter.

III. Home Health Care Services nurses should not attempt to enter a vein more than 2 times without success unless the patient gives permission to do so.

APPROVED: Beverly Dorsey	DATE:
TITLE: Assoc. Director, Home Health Care Services	10/12/89

IV. Gloves will be worn for all venipunctures after proper handwashing.

V. A vacutainer or butterfly with a vacutainer leur lock adapter will be used in blood drawing to avoid exposure to blood.

VI. Blood tubes will be labeled and placed in a plastic ziplock bag according to lab procedure. The request slip must accompany blood tubes.

VII. Needles will not be resheathed or broken, but rather disposed of in an appropriate container. (Refer to "Infection Control" policy and procedure.)

VIII. Blood tubes will be transported in the car in the provided styrofoam container.

IX. Only those nurses specially trained to draw blood from shunts may do so.

X. Refer to the policy on documentation of blood drawing and results.

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

DATE: April 19, 1990

TO: Board of Governors

FROM: Carol Miles
Interim Co-Director, Quality Assurance Services

SUBJECT: Clinical Service Quality Monitoring Progress Report

Attached is an updated evaluation of the compliance of the clincial services' quality monitoring programs with the Joint Commission requriements. This report was previously updated on 12/6/89. The numerical rating assigned ranges from 1, indicating substantial compliance to 5, indicating no compliance. (Further explanation of the ratings can be found in Attachment B.) In follow-up to a recommendation made at the February, 1990 Quality Assurance Steering Committee (QASC) meeting, the previous quarters scores are provided in parentheses if the score has changed. If the score has remained the same, no parentheses are provided.

Each service needed to accomplish varying degrees of improvement in the following areas:

1) Further development of meaningful clinical indicators, including thresholds as possible to determine when further evalation of data is necessary.

2) Review of monitoirng reports for trends and patterns on a quarterly basis in addition to the monthly case by case reviews of morbiditiy and mortality.

3) More complete documentation of case reviews and monitoring report discussions in the monthly minutes, especially in relation to conclusions, actions, and follow-up evaluations. Copies of the minutes should be routinely forwarded to Quality Assurance Services within 60 days of the meeting and show evidence of peer review.

Several services have begun to review the trends and patterns identified on the quarterly monitoring report. The services in this group include:

- o Dermatology
- o Masonic Medicine
- o Adult Hematology
- o Adult GI
- o Adult Renal Medicine
- o The Women's Cancer Center,
- o Obstetrics
- o Otolaryngology
- o Pediatric Renal
- o Pediatric Pulmonary
- o Pediatric Hematology-Oncology
- o Adult and Child Psychiatry
- o All of the ICUs
- o Pathology

Several services have also set thresholds for some or all of their indicators. Thresholds establish acceptable rates for each indicator and help identify whether an opportunity to improve the qualitiy of care exists. These include:

- o Dermatology
- o Adult Cardiology
- o Neurosurgery
- o Orthopaedics
- o Otolaryngology
- o Pediatric Pulmonary
- o Medical Labs and Pathology
- o Pediatric Hematoloyg-Oncology
- o Pediatric Renal
- o Adult and Child Psychiatry
- o PM&R
- o The Department of Surgery
- o All of the ICUs

Further efforts will be necessary in the following services:

- o Neurology (improvement of indicators and documentation of discussions)
- o Ophthalmology (expansion of indicators and peer discussion including all divisions within the department)
- o Pediatric Cardiology (timeliness of minutes)
- o Women's Cancer Center (timeliness of minutes)

Quality Assurance Steering Committee (QASC) Follow-Up:

Each of the services that needs to make improvements (ratings of 3 or greater), recently received a letter from the QASC outlining the areas that need improvement. These letters were followed by meetings with Quality Assurance Services staff who provided additional reinforcement and support for the changes necessary to achieve compliance with the JCAHO standards. In addition Dr. Maxwell has personally discussed the need for prompt improvements with some of the services identified.

This report will be updated again in June, 1990. At that time all of the clinical services will have been reviewed in detail by the QASC.

MONITORING AND EVALUATING THE QUALITY AND APPROPRIATENESS OF CARE

ASSESSMENT OF THE CLINICAL DEPARTMENTS' COMPLIANCE

as of 3/27/90

DEPARTMENT	MONITORING					MONTHLY MEETINGS		
	Indicators	Thresholds for Evaluation	Conclusions	Actions	Follow-up	Frequency	Findings from Major Care Aspects Discussed	Minutes with Conclusions and Actions
ANESTHESIOLOGY	1	ND	3 (4)	3 (4)	3 (4)	1	3 (4)	3 (4)
COMMENTS: Thresholds not set. Good case by case reviewed documented. No trends and patterns review.								
DENTISTRY	3	ND	3	3	3	1 (2)	3	3
COMMENTS: Indicators include Ambulatory Surgery procedures with OR time > 3 hours and some postop complications. Indicators from Association of Oral and Maxillofacial Surgeons not yet available. Thresholds not set. Good case by case reivew. No trends and patterns review.								
DERMATOLOGY	1	1 (ND)	2 (3)	2 (3)	2 (3)	2 (3)	2 (3)	2 (3)
COMMENTS: Thresholds set for all indicators. Trends and patterns review started. Missed December, 1990 meeting.								
FAMILY PRACTICE	1	1 (ND)	3 (2)	3 (2)	3 (2)	1	3 (2)	3 (2)
COMMENTS: Threshold set for all indicators. No trends and patterns review.								
LABORATORY MEDICINE AND PATHOLOGY								
Medical Laboratory	1	2	2	2	2	1	2 (3)	2 (3)
COMMENTS: Thresholds set for some indicators. Trends and patterns review well established. Meeting monthly with good documentation.								
Pathology	2	1 (ND)	3	3	3	3 (2)	3 (4)	3 (4)
COMMENTS: Trends and patterns review started. Good case by case review documented. Missed January and February, 1990 meetings.								
MEDICINE								
White (Cardiology)	1	3 (ND)	3	3	3	1 (3)	3	3
COMMENTS: Thresholds set for non-heart cath indicators only. No patterns and trends review. Meeting on a monthly basis.								

ASSESSMENT OF CLINICAL DEPARTMENTS' COMPLIANCE, PAGE 2

DEPARTMENT	MONITORING					MONTHLY MEETINGS		
	Indicators	Thresholds for Evaluation	Conclusions	Actions	Follow-up	Frequency	Findings from Major Care Aspects Discussed	Minutes with Conclusions and Actions
Masonic (Oncology)	2	ND	2	2	2	1	2 (3)	3
COMMENTS: No thresholds set. Trends and patterns review started. Minutes minimally discuss conclusions actions and planned follow up.								
Red (Hematology)	1	ND	2 (3)	2 (3)	2 (3)	1	2 (3)	2 (3)
COMMENTS: No thresholds set. Trends and patterns review started with one indicator. Good case by case review.								
Blue (GI/Endoscopy)	1 (2)	ND	2 (3)	2 (3)	2 (3)	1 (3)	2 (3)	2 (3)
COMMENTS: Several new indicators added. No thresholds set. Trends and patterns review started with one indicator. Good case by case review. Meeting monthly.								
Green (Renal/Dialysis)	1 (2)	ND	2 (4)	2 (4)	2 (4)	1 (4)	2 (4)	2 (4)
COMMENTS: Several new indicators added. No thresholds set. Trends and patterns review started with several indicators. Good case by case review. Meeting monthly.								
Yellow A (Pulmonary)	1 (2)	ND	3 (4)	3 (4)	3 (4)	2 (4)	3 (4)	3(4)
COMMENTS: Indicators selected and reviewed with Chief of Staff. No thresholds set. Good case by case reivew. No trends and patterns review. Unclear whether February meeting held.								
Purple (BMT)	**[See special care units]**							
NEUROLOGY	3	ND	4 (3)	4	4	1	4 (3)	4 (3)
COMMENTS: Exploring new indicators but none added to monitor yet. No thresholds set. Minutes show minimal or no discussions of conclusions, actions, and planned follow-up.								
NEUROSURGERY	1	1 (2)	3	3	3	1	3	3
COMMENTS: Thresholds set for all indicators. No trends and patterns review. Good case by case review. Minutes completed through January, 1990.								
OBSTETRICS/GYNECOLOGY								
Women's Cancer Center	2 (1)	ND	2	2	2	1	2	4 (2)
COMMENTS: No thresholds set. Trends and patterns review st. d for some indicators. No minutes since November, 1990.								

DEPARTMENT	MONITORING					MONTHLY MEETINGS		
	Indicators	Thresholds for Evaluation	Conclusions	Actions	Follow-up	Frequency	Findings from Major Care Aspects Discussed	Minutes with Conclusions and Actions
Obstetrics	1	ND	2 (3)	2 (3)	2 (3)	1 (3)	2 (3)	2 (3)
COMMENTS: No thresholds set. Trends and patterns review started. Meeting monthly.								
OPHTHALMOLOGY	2 (3)	ND	4	4	4	1 (4)	4	4
COMMENTS: Indicators added for Pediatric Neuro-Plastic division. Posterior Segment division indicators will also be added to the monitor in the near future. No thresholds set. No trends and patterns review. Good cases by case review of anterior divisions cases.								
ORTHOPAEDICS	1	2 (ND)	3	3	3	1	3	3
COMMENTS: Proposed thresholds established based on mean plus one standard deviation for 4 consecutive quarters of data. No trends and patterns review. Good case by case review.								
OTOLARYNGOLOGY	1	1 (ND)	2 (3)	2 (3)	2 (3)	1	2 (3)	2 (3)
COMMENTS: Thresholds set. Trends and patterns review of some indiators. Good case by case review.								
PEDIATRICS								
Cardiology	1	ND	4 (3)	4 (3)	4 (3)	1	4 (3)	4 (3)
COMMENTS: No thresholds set. No minutes since September, 1989. Status of case by case review and trends and patterns review impossible to determine without minutes.								
Dialysis/Renal	1 (2)	1 (ND)	2 (3)	2 (3)	2 (3)	2 (4)	2 (3)	2 (3)
COMMENTS: Several indicators added or better defined. Thresholds set. Trends and patterns review started for most indicators. Missed December, 1990 meeting.								
Pulmonary	1 (2)	1 (ND)	2 (3)	2 (3)	2 (3)	1 (3)	2 (3)	2 (3)
COMMENTS: Several indicators added or better defined. Thresholds set. Trends and patterns review started for most indicators. Meeting monthly.								
Hematology/Oncology	1 (2)	2	2 (4)	2 (4)	2 (4)	1	2 (4)	2 (4)
COMMENTS: Added indicator regarding outcome of chemo protocols. Set thresholds for several indicators. Trends and patterns review started on several indicators.								

DEPARTMENT	MONITORING: Indicators	MONITORING: Thresholds for Evaluation	MONITORING: Conclusions	MONITORING: Actions	MONITORING: Follow-up	MONTHLY MEETINGS: Frequency	MONTHLY MEETINGS: Findings from Major Care Aspects Discussed	MONTHLY MEETINGS: Minutes with Conclusions and Actions
PSYCHIATRY								
Adult	1	3 (ND)	2	2	2	2 (1)	2	2
COMMENTS: Thresholds set for several indicators. Trends and patterns review for several indicators started. Missed December, 1990, meeting.								
Child and Adolescent	1	2	2	2	2	1	2	2
COMMENTS: Thresholds set for most indicators. Trends and patterns review for most indicators started.								
RADIOLOGY								
Diagnostic	1	ND	3	3	3	1	3	3
COMMENTS: No thresholds set. No trends and patterns review, although CV Radiology recently completed monitor with trends. Good case by case review.								
Nuclear Medicine	1	1 (ND)	2 (3)	2 (3)	2 (3)	3	3	3
COMMENTS: Thresholds set. Trends and patterns review started. Minutes not in standard format. Unclear from documentation is service meeting monthly to discuss clinical indicators.								
REHABILITATION	2 (1)	3 (2)	1	2	2	3 (1)	2	2 (1)
COMMENTS: Thresholds set for some indicators. Missed February meeting. January meeting attended by only one physician and QAS representative. QASC Comments: Indicators need to be broadened to reflect frequency of achieving admisions goals.								
SPECIAL CARE UNITS Common and ICU specific indicators currently being finalized by Intensive/Special Care Medical Advisory Committee								
Medical ICU	1 (2)	2 (ND)	1 (3)	1 (3)	1 (3)	*	1 (3)	1 (2)
COMMENTS: Thresholds set for several indicators. Good case by case and trends and patterns review. Minutes show actions.								
Surgical ICU	1 (2)	2 (ND)	3	3	3	*	3	2
COMMENTS: Thresholds set for several indicators. Some case by case review and trends and patterns review.								
Newborn ICU	1 (2)	1 (ND)	2	2	2	*	1	1
COMMENTS: Thresholds set. Some case by case review and trends and patterns review. Minutes show actions.								
Pediatric ICU	1 (2)	2 (ND)	2		2	*	1	1
COMMENTS: Thresholds set. Good case by case and trends and patterns review. No actions tak								

DEPARTMENT	MONITORING: Indicators	Thresholds for Evaluation	Conclusions	Actions	Follow-up	MONTHLY MEETINGS: Frequency	Findings from Major Care Aspects Discussed	Minutes with Conclusions and Actions
SPECIAL CARE UNITS (continued)								
Bone Marrow Tx	1 (2)	2 (ND)	3	3	3	2 (1)	2 (3)	2 (3)
COMMENTS: Some thresholds set. Good case by case and trends and patterns and review. No meeting in January, 1990. Some actions in minutes.								
SURGERY								
Transplant	1	2 (ND)	3	3	3	1	3	3
COMMENTS: Proposed thresholds established based on mean plus one standard deviation for 4 consecutive quarters of data. No trends and patterns review. Good case by case review documented.								
Cardiovascular	1	2 (ND)	3	3	3	1	3	3
COMMENTS: Proposed thresholds established based on mean plus one standard deviation for 4 consecutive quarters of data. No trends and patterns review. Good case by case review documented.								
General Surgery	1	2 (ND)	3	3	3	1	3	3
COMMENTS: Proposed thresholds established based on mena plus one standard deviation for 4 consecutive quarters of data. No trends and patterns review. Good case by case review documented.								
THERAPEUTIC RADIOLOGY	1	ND	3	3	3	1	3	3
COMMENTS: No thresholds set. Quarterly trends and patterns recently identified but not yet discussed. Good case by case review documented.								
UROLOGY	1	ND	3	3	3	1	3	3
COMMENTS: No thresholds set. No trends and patterns review. Good case by case review documented.								

*No monthly meeting required for Special Care Units - Bimonthly meetings established.

SCORING (See detailed scoring definitions on attached pages)

1 - Substantial Compliance
2 - Significant Compliance
3 - Partial Compliance
4 - Minimal Compliance
5 - Non-Compliance

ND = Not Documented/Not Done

File: [Sys]<Vince.WP>Compliance

Last Updated: 3/20/90

Attachment B

COLUMN DEFINITIONS
MONITORING AND EVALUATING THE QUALITY AND APPROPRIATENESS OF CARE
ASSESSMENT OF THE CLINICAL DEPARTMENTS COMPLIANCE

Column Heading	Definition
Indicators	A defined, measurable dimension of the quality or appropriateness of an important aspect of care or service. Indicators specify the patient care activities, events, occurrences or outcomes to be monitored and evaluated to determine if patient care conforms to current standards of acceptable practice. Data is collected for each indicator.
Thresholds for Evaluation	A pre-established level or point in data that will trigger intensive evaluation to determine whether an opportunity to improve care exists.
Conclusions	A specific determination of whether the data identifies a problem or opportunity to improve care.
Actions	A summary of the recommendations made or actions to be taken to resolve concerns identified by the indicator. Who or what is expected to change should be identified; who is responsible for implementing action; what action is appropriate and when change is expected to occur.
Follow-Up	A determination of when the indicator will be reviewed again to determine if the concerns/problems were resolved by the recommendations and actions taken.
Frequency of Monthly Meetings	Score 1 There are 11 or 12 monthly meetings each year; preceding months information is reviewed after any lapse. Score 2 There are 10 monthly meetings each year. Score 3 There are 9 monthly meetings each year. Score 4 There are 4 to 8 monthly meetings each year.. Score 5 There are 3 or fewer meetings each year.

Findings from Major Care Aspects Discussed	Score 1	All major aspects of quality assurance findings are presented over the course of one year; the minutes reflect active discussion.
	Score 2	Most major aspects of quality assurance findings are presented in the course of one year; the minutes generally reflect active discussion.
	Score 3	Some major aspects are presented; there is little evidence of active discussion by those in attendance.
	Score 4	Few major aspects are presented; the usual procedure is perfunctory acceptance or approval of reports from committees.
	Score 5	Meeting agendas consist almost entirely of business items with little or no reference to quality assurance issues.
Minutes with Conclusions and Actions	Score 1	The minutes contain a record of conclusions, recommendations, and actions taken after discussions of quality assurance issues. (Patients or practitioners singled out by the monitoring and evaluation process need not be identified.) There are regular reviews of previous recommendations or actions to determine their effectiveness.
	Score 2	Most minutes contain a record of conclusions, recommendations, and actions taken and evidence of follow-up activities.

Score 3	The minutes rarely contain a record of conclusions, recommendations, and actions taken, but the surveyor(s) can determine that actions are taken (eg. a policy has been changed regarding an important aspect of patient care). OR Some minutes contain a record of conclusions, recommendations, and actions taken.
Score 4	The minutes only occasionally contain a record of conclusions, recommendations, and actions taken.
Score 5	The minutes rarely or never contain a record of conclusions, recommendations, and actions taken.

MINUTES
Planning and Development Committee
Board of Governors
April 12, 1990

CALL TO ORDER:

Ms. Johnson called the April 12, 1990 meeting of the Planning and Development Committee to order at 4:12 P.M. in Room 8-106 in the University Hospital.

Attendance:

Present:
Robert Dickler
B. Kristine Johnson
Geoff Kaufmann
Peter Lynch, M.D.
Ted Thompson, M.D.

Absent:
Leonard Bienias
Clint Hewitt
William Jacott, M.D.
Bob Latz

Staff:
Fred Bertschinger
Al Dees
Nancy Janda
Mark Koenig
Shannon Lorbiecki

APPROVAL OF MINUTES

The minutes of the March 14, 1990 meeting were approved as submitted.

MAJOR CAPITAL EXPENDITURE: CARDIOVASCULAR RADIOLOGY EQUIPMENT REPLACEMENT

Mr. Al Dees reported that the Diagnostic Radiology Department has two rooms which are utilized primarily for cardiovascular radiology procedures. Mr. Dees is requesting approval for replacement of equipment of one room to allow for more timely and higher quality images. The peripheral vascular angiographic system is $863,000 and is included in the Fiscal Year 1989/1990 budget.

A motion to endorse purchase of the peripheral vascular angiographic system was unanimously approved.

DEVELOPMENT OFFICE UPDATE

Mr. Fred Bertschinger presented an update on activities of the Development Office. The Hospital has received an irrevocable future gift which is an

annuity trust which will become an endowed gift to support the Transplant Assistance Fund upon the death of the benefactors.

The Hospital has also received a large unitrust which includes designated gifts for continuing education for nurses, support of residents or fellows, cancer care, and the transplant assistance fund.

The Development Office has been involved in the application for a Challenge Grant from the Kresge Foundation which would be applied toward the CUHCC building project the Board of Governors has approved.

QUARTERLY PURCHASING REPORT

Mr. Mark Koenig presented the quarterly purchasing report. The Third Quarter activities totaled $15,561,141.91 which is consistent with previous quarters. This total does not include a standing purchase order issued for architectural services in the amount of $3,390,500.

Mr. Koenig reported that in purchases to other than low bidder the largest item was the peripheral vascular angiography system. Philips was the successful vendor in this case.

There was one vendor appeal during the quarter. A lab freezer was found to be unacceptable because its door gasket was inferior and controls were not tamper-proof.

The quarterly purchasing report was approved as submitted.

UMCA UPDATE

Dr. Peter Lynch reported that Mr. Pat Board has assumed the position of Chief Operating Officer of UMCA. UMCA is now recruiting a quality assurance officer.

UMCA managed care business declined in December, January, and February, although it increased slightly in March.

UMCA is conducting all billing for the Departments of Dermatology and Medicine. With one full month of experience the project appears to be successful. It is anticipated that this billing service will be expanded to additional clinical departments.

PLANNING AND DEVELOPMENT FOLLOW-UP TO BOARD RETREAT

The Program Development and Evaluation and the System/Network Development Task Force will be reporting to the Planning and Development Committee and should be prepared to present interim reports at the May meeting.

Two generic issues discussed at the retreat were assigned to the Planning and Development Committee for follow-up. The first, new policies related to development has been postponed until changes in University policy are

finalized. The second was to consider our internal governance and structure. Little progress has been made in considering our internal structure.

Board Retreat Follow-up will be included as a regular agenda item for the Committee.

OTHER BUSINESS

Mr. Robert Dickler reported that the Hospital is exploring the possibility of remodeling the existing Obstetrical Service's physical facilities as an interim step until the program can move into new facilities upon completion of Renewal Project Phase II. These studies are preliminary and Mr. Dickler will inform the Committee of the results.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:35 P.M.

Respectfully Submitted:

Shannon L. Lorbiecki

Shannon L. Lorbiecki
Administrative Fellow

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 19, 1990

TO: Members, Board of Governors

FROM: Greg Hart
Senior Associate Director

SUBJECT: Cardiovascular Radiology Equipment Replacement

UMHC acquired the radiology equipment in one of its two Cardiovascular Radiology rooms in 1975. This equipment is physically worn out and no longer provides the quality images or capabilities required for procedures being performed today.

This proposal was presented for information in March and is being presented this month for endorsement.

/kj

PROPOSAL FOR CARDIOVASCULAR RADIOLOGY EQUIPMENT REPLACEMENT
DIAGNOSTIC RADIOLOGY DEPARTMENT
THE UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

INTRODUCTION

The Diagnostic Radiology Department has two rooms which are utilized primarily for cardiovascular radiology procedures. The procedures performed include angiograms of extremities, cardiac cines, nephrostograms, and catheter insertions.

The fluoroscopic image and cine film systems in one of the two rooms, J2-468 (D.R. Rm. 22), were purchased in 1975.

PROPOSAL

Purchase new cardiovascular angiographic and cine film systems for Room J2-468.

RATIONALE

A. The volume of cardiovascular radiology procedures continues to warrant t appropriately equipped rooms in the Diagnostic Radiology Department.

The volume of vascular procedures performed has increased steadily during the past four years:

	NO. PROCEDURES	% CHANGE
1985-86	3417	-
1986-87	3852	12.7%
1987-88	5031	30.6%
1988-89	5791	15.1%

Annualization of the volume for the first six months of the current fiscal year indicates that the total for the year will be similar to 1988-89.

B. Providing timely, high quality images and performing vascular interventional procedures safely requires state-of-the-art equipment.

The image quality achievable with the existing fifteen year old equipment is less than optimal in that resolution or detail visibility is at a minimum. Therefore, it is difficult for radiologists to visualize small vessels.

The current equipment is not well designed for imaging lower extremities. Imaging a patient's entire leg is very difficult and requires placing him/her at the end of the x-ray table in a position which significantly increases the chance for a fall from the table.

The only hardcopy film production capability in this room currently is the cine modality. Coupling the proposed new equipment with the Digital Acquisition System presented to the Board last October will enable production of hard-copy film in other modalities, significantly increase the variety of procedures which can be performed in the room, and improve the ability to meet procedure scheduling demands.

ESTIMATED COST

Peripheral Vascular Angiographic System	**$863,000**

FINANCING

Replacement of this equipment was included in the capital equipment budget for the current fiscal year. In light of the lengthy projected useful life, it is recommended that the equipment be purchased.

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

Date: April 19, 1990

To: Members of Board of Governors

From: Fred Bertschinger

Subject: Development Office Quarterly Report

Attached for your information are summary reports of activities and donations received during the second quarter of FY 1990 (October - December).

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

/ng

Contributions Received
UMHC Development Office
FY 1990

	I 7-9/89	II 10-12/89	III 1-3/90	IV 4-6/90	Totals
Patients Fund	$2,078	$1,920			$3,998
Transplant Ass. Fund	3,260	1,330			4,590
Variety Club Pldg	2,010	185,717			187,727
Other Funds	522,747	55,866			578,613
Totals to Funds	$530,095	$244,833			$774,928
				Goal =	$950,000
Irrevocable Future Gifts	0	1 ($100,000)			
Revocable Future Gifts	1	0			

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

Activities and Events
UMHC Development Office
FY 1990

1989

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

1990

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

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

ADMINISTRATIVE REPORT ON PURCHASING ACTIVITY

PERIOD OF JANUARY - MARCH 1990

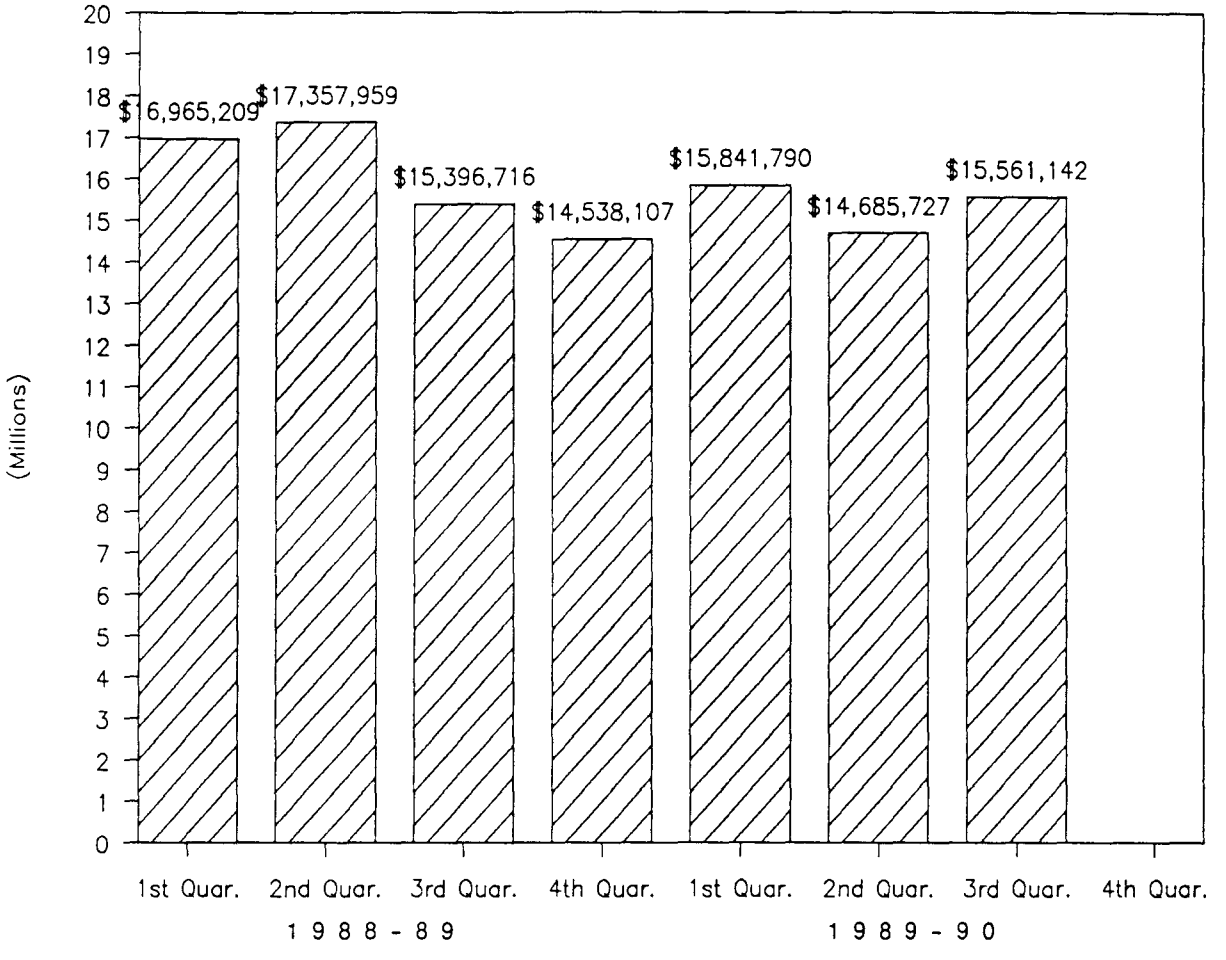
I. PURCHASE ORDER ACTIVITY

II. AWARDS TO OTHER THAN APPARENT LOW BIDDER

III. SOLE SOURCE ACTIVITY

IV. VENDOR APPEALS

PURCHASE ORDER ACTIVITY



THIRD QUARTER, FISCAL YEAR 1989-90, ACTIVITY:

	NUMBER	VALUE
PURCHASE ORDERS	8597	$14,400,447.89
OTHER PAYMENTS*	471	$831,844.97
CONFIRMING ORDERS	376	$328,849.06
TOTAL THIS QUARTER**	9,444	$15,561,141.92

*Service payments & reimbursements now processed without generating a purchase order.

**Total does not include a standing purchase order issued for architechtural services in the amount of $3,390,500.00.

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

	ITEM	UNSUCCESSFUL VENDOR/AMOUNT	SUCCESSFUL VENDOR/AMOUNT	DEPARTMENT
1.	Bipolar & Quadpolar Catheters	Mansfield Scientific $ 24,525.00	USCI $ 26,705.00	Materials/CSP
		Vendor was unwilling to submit samples for evaluation.		
2.	Dry Heparin Syringes	Marquest $ 24,300.00	Radiometer $ 25,650.00	Materials
		Poor line connections caused bubbles to be introduced into the syringe and unacceptable correlations were obtained when paired "T" tests were performed.		
3.	Peripheral Vascular Angiography System	Philips $831,113.00	Philips $834,753.00	Radiology
		Lower priced configuration did not provide sufficient range of motion, necessitating moving a patient during the exam, which is unacceptable.		
4.	Defibrillator/Monitor	ZMI Corp. $ 15,800.00	Physio Control $ 18,160.00	Materials/CSP
		Equipment is too heavy for an individual to carry when running to an arrest; carrying case is too bulky and does not accommodate all necessary cables.		
5.	CAB Pack	Sterile Concepts $ 73,281.60	J & J Medical $ 74,193.00	O.R.
		Drapes have an offensive odor, the reinforcement on the Mayo drape peeled off and the TB syringe does not have a needle.		

6.	Lumbar Puncture Tray	Kendall $ 17,532.00	Baxter $ 19,656.00	Materials
		Product requires too many steps to obtain specimen, needle is too large for pediatric patients, the stylet is difficult to thread and stopcock manipulation may cause needle to become dislodged.		
		Owens & Minor $ 15,708.60	Baxter $ 19,656.00	Materials
		Needle is too large for pediatric patients and tube caps are difficult to screw on.		
7.	Autotransfusion Units	Bentley $ 37,400.00/PDS 200 $ 40,080.00/CATR	Medix/Deknatel $ 59,889.60	Materials
		System is not designed for post-operative autotransfusion without additional costly accessories.		
		Medix/Sherwood $ 43,386.62	Medix/Deknatel $ 59,889.60	Materials
		Unit does not have a negative pressures relief valve and inserting a syringe in the tubing to accomplish this compromises the integrity of the system. Also, the units are too large.		
		Baxter $ 24,192.00	Medix/Deknatel $ 59,889.60	Materials
		Unit is not designed for post-operative autotransfusion without the use of a cell saver.		
		Davol $ 49,104.00	Medix/Deknatel $ 59,889.60	Materials
		This waterless system represents new technology which would require extensive staff inservicing and modification of procedures and outweighs any savings at this time.		

8.	Chest Suction Units	Medix/Argyle $ 40,424.28	Medix/Deknatel $ 50,154.00	Materials

Unit does not have a negative pressures relief valve and inserting a syringe in the tubing to accomplish this compromises the integrity of the system.

III. SOLE SOURCE–$5,000 and Over

VENDOR	CONTRACT/ P.O. #	VALUE	DEPT.	PRODUCT
Alliance Medical	H104643	$46,485.00	Cardio–Resp.	Bear Ventilators
Medical Alliances	H106002	$13,250.00	Cardio–Resp.	Erich Jaeger Equipment
Storage Dimensions	H104670	$7,484.00	Labs	Optical Drive & Disk
Abbott	H099839	$26,208.00	Labs	Reagents
Namic	90–283	$67,200.00	Labs	Custom Manifolds
Cobe	90–296	$7,560.00	Labs	Tubing
Dupont DeNemours	H099879	$41,661.84	Labs	Isostat
Polymedco	H099843	$5,850.00	Labs	DPC Kits
Knowledge Data	H104632	$5,157.00	Labs	Software Modifications
Haemonetics	H104648	$7,500.00	Labs	Sterile Connection Device
USWest	H104578	$41,917.20	Marketing	Advertising
Comfortex	H105523	$9,250.00	M.S.	Mattresses
Acromed	90–267	OPEN	O.R.	Ortho. Implants
Zimmer–Page	90–272	OPEN	O.R.	Ortho. Implants
Depuy	90–269	OPEN	O.R.	Ortho. Implants
Synthes	90–273	OPEN	O.R.	Ortho. Implants
Medsurg	H402332	$15,456.00	O.R.	Argon Laser Goggles
Great Lakes	90–283	OPEN	O.R.	Ortho. Implants
Storz Instruments	H105512	$35,900.00	O.R.	Anterior/Posterior System
Medtronic	90–306	OPEN	O.R.	Neuro Implants
Duncan	90–271	OPEN	O.R.	Ortho. Implants
Hodapp Surgical	90–322	OPEN	O.R.	Neuro Implants
Surgidev	90–327	OPEN	O.R.	Intraocular Lenses
Sims Surgical	90–310	OPEN	O.R.	Sugita Clips
Storz Instruments	H104040	$39,500.00	O.R.	Posterior System
PMT	90–307	OPEN	O.R.	Neuro Implants
Iolab	90–311	OPEN	O.R.	Intraocular Lenses
3M	90–268	OPEN	O.R.	L.A.D. Implants
Olympus	H106025	$8,900.00	O.R.	Angioscope
Cordis	90–309	OPEN	O.R.	Neuro Implants
Acuson	H106013	$99,000.00	Radiology	Ultrasound Upgrade
General Electric	H106701	$109,210.00	Radiology	Imaging System Upgrade
Kontron Electronics	H106703	$77,301.50	Radiology	Imaging System Upgrade
TOTAL		$664,790.54		

IV. VENDOR APPEALS

1. VENDOR NAME/DOLLAR AMOUNT: Key Scientific/$3,490.00
   NATURE OF PURCHASE: Low Temperature Lab Freezer
   INTENDED VENDOR/DOLLAR AMOUNT: Gibbco/$4,477.00

   REASON FOR APPEAL:

   Freezer was originally found unacceptable as it required a higher voltage outlet to run efficiently, which was then discovered to be true of all freezers. At that point the freezer was re-evaluated and found unacceptable because of an inferior door gasket and controls that were not tamper-proof. Vendor continued to object. Subsequent information also revealed that the freezer was not UL approved. Vendor was notified that the matter was considered closed.

   STATUS: Purchase order awarded to Gibbco.

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 25, 1990

TO: Board of Governors

FROM: Clifford P. Fearing

SUBJECT: Report of Operations for the Period **July 1, 1989 through March 31, 1990**

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

INPATIENT CENSUS: For the month of March, inpatient admissions totaled 1,496, which was 143 below budgeted admissions of 1,639. Our overall average length of stay for the month was 7.8 days. Patient days for March totaled 12,159 and were 1,658 days below budget. The decrease in admission levels from budget was seen in almost all areas with the most significant ones being in Medicine, Urology, Surgery, and Orthopedics. Increases in admissions were reported in Gynecology and Pediatrics.

To recap our year-to-date inpatient census:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Admissions	14,105	14,000	13,845	(155)	(1.1)
Patient Days	119,838	118,223	111,639	(6,584)	(5.6)
Avg Length of Stay	8.5	8.4	8.0	(0.4)	(4.8)
Avg Daily Census	437.4	431.4	407.4	(24.0)	(5.6)
Percent Occupancy	75.2	73.6	70.2	(3.4)	(4.6)

OUTPATIENT CENSUS: Clinic visits for the month of March totaled 22,331 which was 1,864, or 7.7%, below budgeted visits of 24,195. Visits were significantly below budget in Adult Psych, OB/GYN, Urology, Dermatology, Dentistry, and Ophthalmology. Areas that reported visits above budgeted levels were Otolaryngology, Psychology, and Masonic Day Hospital. Community University Health Care Center (CUHCC) visits for the month of March totaled 5,074 which was 981, or 24.0%, over budgeted visits of 4,093, while Home Health visits of 1,138 for the month were 136, or 13.6%, above budgeted visits of 1,002.

To recap our year-to-date outpatient census:

	1988-89 Actual	1989-90 Budget	1989-90 Actual	Variance	% Var
Clinic Visits	200,852	204,826	199,330	(5,496)	(2.7)
CUHCC Visits	35,073	34,792	39,857	5,065	14.6
HHA Visits	9,083	8,858	8,519	(339)	(3.8)

FINANCIAL OPERATIONS: The Hospital's Statement of Operations shows revenues over expenses by $4,861,853, a favorable variance of $3,556,742.

Patient care charges through March totaled $240,166,525, which was 5.0% under budget. Routine revenue was 3.3% under budget and reflects our unfavorable inpatient census variance.

Ancillary revenue was $10,243,683 below budget (5.7%) and primarily reflected the unfavorable variance in clinic visits. Inpatient ancillary revenue averaged $8,832 per admission compared to the budgeted average of $8,922 per admission. Outpatient revenue per clinic visit averaged $240 compared to the budgeted average of $271.

Operating expenditures through March totaled $205,982,438 and were $12,057,173 (5.5%) below budgeted levels of $218,039,611. The overall favorable variance relates primarily to the decreased demand for patient services, and is reflected across most expense categories.

ACCOUNTS RECEIVABLE: The balance in patient accounts receivable as of March 31, 1990, totaled $86,920,980 and represented 94.6 days of revenue outstanding. The overall decrease in our patient receivables in March of .2 days occurred primarily in Medicare and Medical Assistance-Michigan.

CONCLUSION: The Hospital's overall operating position is positive and above budgeted levels for year-to-date 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, 1989 TO MARCH 31, 1990

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Patient Care Charges	$252,804,406	$240,166,525	($12,637,881)	-5.0%
Deductions from Charges	59,275,298	58,297,826	(977,472)	-1.6%
Other Operating Revenue	7,372,429	7,906,432	534,003	7.2%
Total Operating Revenue	200,901,537	189,775,131	(11,126,406)	-5.5%
Total Expenditures	218,039,611	205,982,438	(12,057,173)	-5.5%
Net Operating Revenue	(17,138,074)	(16,207,307)	930,767	5.4%
Non-Operating Revenue and Expenses	18,443,185	21,069,160	2,625,975	14.2%
Revenue Over/Under Expense	$1,305,111	$4,861,853	$3,556,742	

	1989-90 Budgeted	1989-90 Actual	Variance Over/-Under Budget	Variance %
Admissions	14,000	13,845	(155)	-1.1%
Patient Days	118,223	111,639	(6,584)	-5.6%
Average Daily Census	431.4	407.4	(24.0)	-5.6%
Average Length of Stay	8.4	8.0	(0.4)	-4.8%
Percentage Occupancy	73.6	70.2	(3.4)	-4.6%
Outpatient Clinic Visits	204,826	199,330	(5,496)	-2.7%

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 18, 1990

TO: UMHC Board of Governors

FROM: Clifford P. Fearing
Senior Associate Director, UMHC

SUBJECT: Bad Debts - Third Quarter
Fiscal Year 1989-90

The total amount recommended for bad debt for Hospital and Clinic accounts receivable during the third quarter of 1989-90 is $541,038.68 represented by 1,777 accounts. Bad debt recoveries during the period amounted to $2,900.36 (50 accounts) leaving a net charge-off of $538,138.32.

The net bad debts of $538,138.32 for the quarter were 0.68% of gross charges. This compares to a budgeted level of bad debts 1.22% ($1,028,811).

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 $1,548,892.50 represented by 4,627 accounts. Recoveries during the fiscal year amounted to $35,848.54 (143 accounts), leaving a net charge-off of $1,513,043.96.

The net bad debts of $1,513,043.96 for the fiscal year were 0.63% of gross charges. This compares to a budgeted level of bad debts of 1.22% ($3,096,233).

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 Hospital Billing Department

Bad Debt Statistics: January 1990 through March 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	$35,508.50	94	$151,995.10	17	$187,503.60	111
Bad Debt (702) Charity Care	$11,438.11	28	$76,407.79	10	$87,845.90	38
Total	$46,946.61	122	$228,402.89	27	$275,349.50	149
Recoveries	($869.60)	6	$0.00	0	($869.60)	6
Net Total	$46,077.01	122 *	$228,402.89	27 *	$274,479.90	149 *
Outpatient						
Bad Debt (701) Write-Offs	$172,080.94	1464	$56,083.30	10	$228,164.24	1474
Bad Debt (702) Write-Offs	$29,891.51	152	$7,633.43	2	$37,524.94	154
Total	$201,972.45	1616	$63,716.73	12	$265,689.18	1628
Recoveries	($2,030.76)	44	$0.00	0	($2,030.76)	44
Net Total	$199,941.69	1616 *	$63,716.73	12 *	$263,658.42	1628 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$207,589.44	1558	$208,078.40	27	$415,667.84	1585
Bad Debt (702) Charity Care	$41,329.62	180	$84,041.22	12	$125,370.84	192
Total	$248,919.06	1738	$292,119.62	39	$541,038.68	1777
Recoveries	($2,900.36)	50	$0.00	0	($2,900.36)	50
Total Net Bad Debt	$246,018.70	1738 *	$292,119.62	39 *	$538,138.32	1777 *
Dollars Budgeted					$1,028,811.00	

* Net total of accounts does not include recoveries.

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UMHC Hospital Billing Department

Bad Debt Statistics: January 1990 through March 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	$1,332.78	35	$22,481.34	50	$11,694.38	9	$64,272.67	15	$87,722.43	2	$187,503.60	111
Bad Debt (702) Charity Care	$240.11	5	$10,186.27	22	$1,011.73	1	$16,994.18	6	$59,413.61	4	$87,845.90	38
Total	$1,572.89	40	$32,667.61	72	$12,706.11	10	$81,266.85	21	$147,136.04	6	$275,349.50	149
Recoveries	($219.60)	5	($650.00)	1							($869.60)	6
Net Total	$1,353.29	40 *	$32,017.61	72 *	$12,706.11	10 *	$81,266.85	21 *	$147,136.04	6 *	$274,479.90	149 *
Outpatient												
Bad Debt (701) Write-Offs	$33,370.44	1051	$113,338.79	396	$25,371.71	17	$36,467.41	9	$19,615.89	1	$228,164.24	1474
Bad Debt (702) Write-Offs	$4,002.42	96	$15,212.75	48	$10,676.34	8	$7,633.43	2	$0.00	0	$37,524.94	154
Total	$37,372.86	1147	$128,551.54	444	$36,048.05	25	$44,100.84	11	$19,615.89	1	$265,689.18	1628
Recoveries	($1,118.98)	40	($911.78)	4							($2,030.76)	44
Net Total	$36,253.88	1147 *	$127,639.76	444 *	$36,048.05	25 *	$44,100.84	11 *	$19,615.89	1 *	$263,658.42	1628 *
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$34,703.22	1086	$135,820.13	446	$37,066.09	26	$100,740.08	24	$107,338.32	3	$415,667.84	1585
Bad Debt (702) Charity Care	$4,242.53	101	$25,399.02	70	$11,688.07	9	$24,627.61	8	$59,413.61	4	$125,370.84	192
Total	$38,945.75	1187	$161,219.15	516	$48,754.16	35	$125,367.69	32	$166,751.93	7	$541,038.68	1777
Recoveries	($1,338.58)	45	($1,561.78)	5	$0.00	0	$0.00	0	$0.00	0	($2,900.36)	50
Total Net Bad Debt	$37,607.17	1187 *	$159,657.37	516 *	$48,754.16	35 *	$125,367.69	32 *	$166,751.93	7 *	$538,138.32	1777 *
Dollars Budgeted											$1,028,811.00	

* Net total of accounts does not include recoveries

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UMHC Hospital Billing Department

Bad Debt Statistics: July 1989 through March 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	$102,883.30	269	$487,907.88	54	$590,791.18	323
Bad Debt (702) Charity Care	$59,595.44	121	$216,357.79	35	$275,953.23	156
Total	$162,478.74	390	$704,265.67	89	$866,744.41	479
Recoveries	($2,826.36)	16	($3,031.46)	1	($5,857.82)	17
Net Total	$159,652.38	390 *	$701,234.21	89 *	$860,886.59	479 *
Outpatient						
Bad Debt (701) Write-Offs	$394,030.76	3522	$131,200.00	26	$525,230.76	3548
Bad Debt (702) Write-Offs	$112,997.54	586	$43,919.79	14	$156,917.33	600
Total	$507,028.30	4108	$175,119.79	40	$682,148.09	4148
Recoveries	($8,610.39)	124	($21,380.33)	2	($29,990.72)	126
Net Total	$498,417.91	4108 *	$153,739.46	40 *	$652,157.37	4148 *
Total IP and OP Bad Debt						
Bad Debt (701) Write-offs	$496,914.06	3791	$619,107.88	80	$1,116,021.94	3871
Bad Debt (702) Charity Care	$172,592.98	707	$260,277.58	49	$432,870.56	756
Total	$669,507.04	4498	$879,385.46	129	$1,548,892.50	4627
Recoveries	($11,436.75)	140	($24,411.79)	3	($35,848.54)	143
Total Net Bad Debt	$658,070.29	4498 *	$854,973.67	129 *	$1,513,043.96	4627 *
Dollars Budgeted					$3,096,233.00	

NOTE: More than $2,000 amount includes legal settlements totaling $33208.29

* Net total of accounts does not include recoveries.

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UMHC Hospital Billing Department

Bad Debt Statistics: July 1989 through March 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	$2,947.21	85	$70,987.93	163	$28,948.16	21	$194,192.34	43	$293,715.54	11	$590,791.18	323
Bad Debt (702) Charity Care	$1,299.29	28	$36,358.42	78	$21,937.73	15	$94,107.80	28	$122,249.99	7	$275,953.23	156
Total	$4,246.50	113	$107,346.35	241	$50,885.89	36	$288,300.14	71	$415,965.53	18	$866,744.41	479
Recoveries	($318.04)	11	($2,508.32)	5	$0.00	0	($3,031.46)	1	$0.00	0	($5,857.82)	17
Net Total	$3,928.46	113 *	$104,838.03	241 *	$50,885.89	36 *	$285,268.68	71 *	$415,965.53	18 *	$860,886.59	479 *
Outpatient												
Bad Debt (701) Write-Offs	$82,408.67	2501	$268,765.66	990	$42,856.43	31	$111,584.11	25	$19,615.89	1	$525,230.76	3548
Bad Debt (702) Write-Offs	$13,287.78	324	$70,797.98	241	$28,911.78	21	$43,919.79	14	$0.00	0	$156,917.33	600
Total	$95,696.45	2825	$339,563.64	1231	$71,768.21	52	$155,503.90	39	$19,615.89	1	$682,148.09	4148
Recoveries	($2,662.17)	106	($3,870.21)	16	($2,078.01)	2	($2,318.79)	1	($19,061.54)	1	($29,990.72)	126
Net Total	$93,034.28	2825 *	$335,693.43	1231 *	$69,690.20	52 *	$153,185.11	39 *	$554.35	1 *	$652,157.37	4148 *
Total IP and OP Bad Debt												
Bad Debt (701) Write-offs	$85,355.88	2586	$339,753.59	1153	$71,804.59	52	$305,776.45	68	$313,331.43	12	$1,116,021.94	3871
Bad Debt (702) Charity Care	$14,587.07	352	$107,156.40	319	$50,849.51	36	$138,027.59	42	$122,249.99	7	$432,870.56	756
Total	$99,942.95	2938	$446,909.99	1472	$122,654.10	88	$443,804.04	110	$435,581.42	19	$1,548,892.50	4627
Recoveries	($2,980.21)	117	($6,378.53)	21	($2,078.01)	2	($5,350.25)	2	($19,061.54)	1	($35,848.54)	143
Total Net Bad Debt	$96,962.74	2938 *	$440,531.46	1472 *	$120,576.09	88 *	$438,453.79	110 *	$416,519.88	19 *	$1,513,043.96	4627 *
Dollars Budgeted											$3,096,233.00	

* Net total of accounts does not include recoveries

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UMHC Hospital Billing Department

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1990
By Service

Admitting Service	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Anesthesiology				
Clinical Research	5,357.87	2	5,529.19	4
Dentistry				
Dermatology				
Family Practice	8,230.98	1	8,230.98	1
OB			13.50	1
NB	326.22	1	326.22	1
GYN	762.71	2	6,870.89	8
GYN-Oncology	1,263.83	6	37,808.78	26
Lab Medicine & Pathology				
Medicine-Blue	1,163.20	3	8,003.22	10
Green	2,984.10	1	16,441.05	11
Masonic (Onc)	161.64	2	16,302.74	19
Purple	715.26	1	64,600.21	4
Red A	11,550.10	11	48,108.27	21
Red B			3,964.15	2
Rose A			5,566.08	3
Rose B			672.70	2
White A	6,539.31	8	16,728.65	23
White B	30,956.27	6	41,191.82	16
Yellow A	1,654.93	3	7,264.56	9
Yellow B			11,309.14	9
Neurology	2,234.43	3	10,065.33	14
Neuro-epilepsy				
Neurosurgery	17,380.20	10	51,875.31	24
New Born-General	4,612.81	5	8,815.56	10
Obstetrics-General	5,180.49	7	39,295.02	15
-Midwife			751.71	1
Opthamology	1,117.41	2	7,680.85	9
Orthopaedic Surgery	5,429.33	10	17,008.97	24
Otolaryngology	3,666.47	2	7,893.65	8
Pediatrics-General	4,370.13	13	57,820.08	48
Dermatology				
Neurology	530.58	1	45,324.21	7
Neurosurgery	2,019.08	1	2,019.08	1
Opthalmology			10,220.30	4

UMHC Hospital Billing Department

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1990

By Service

Admitting Service	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Orthopaedics			360.00	1
Otolaryngology	39.48	1	382.50	2
Surgery Green			6,905.67	5
Surgery Orange				
Surg. Transplant	170.89	2	504.23	3
Urology				
Physical Med. & Rehab.	342.00	1	1,811.96	5
Psychiatry-Child			1,523.88	3
-Adult	28,940.01	10	70,288.00	38
Radiology				
Surgery-Blue	78,578.23	13	94,487.92	30
Orange	14,902.40	5	22,702.04	16
Purple	18,812.97	6	30,369.60	18
Red	596.75	2	21,873.26	9
White	1,675.24	3	11,065.71	13
Therapeutic Radiology				
Urology	5,220.86	9	34,034.48	22
Unknown	11,775.19	6	43,886.87	13
Outpatient	255,121.20	1,686	635,765.53	4,282
Total	534,382.57	1,845	1,533,663.87	4,795
Medicare Bad Debt*	(9,280.12)	(74)	(51,517.52)	(191)
Legal Settlements	8,465.77	3	41,674.06	9
Bad Debt Agcy Und $50	0.00	0	285.91	5
Bad Debt - Med NC Chgs	7,470.46	3	24,786.18	9
Grand Total	541,038.68	1,777	1,548,892.50	4,627
Recoveries	(2,900.36)	50	(35,848.54)	143
Net Total	538,138.32	1,777	1,513,043.96	4,627

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

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UMHC Hospital Billing Department

Bad Debt Statistics: Third Quarter and Year-to-Date, Fiscal Year 1990
By State

State	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Alabama			643.13	1
Alaska	24.50	1	73.46	2
Arizona	959.98	6	2,278.15	12
Arkansas				
California	3,419.01	8	8,598.02	40
Colorado	39.00	2	4,200.55	49
Connecticut			172.50	2
Delaware	25.00	1	25.00	1
Dist. of Colombia			74.00	1
Florida	3,894.48	15	5,487.15	23
Georgia			40.60	3
Hawaii				
Idaho			25.66	1
Illinois	2,928.67	6	11,248.73	58
Indiana	62.90	2	1,732.07	17
Iowa	840.32	7	8,950.46	25
Kansas	72.51	1	229.33	3
Kentucky	259.00	1	2,397.85	2
Louisiana	2,775.93	8	2,795.93	9
Maine				
Maryland				
Massachusetts	661.50	5	686.50	6
Michigan	2,377.86	9	4,000.45	21
Minnesota	393,349.75	1,582	1,119,337.86	4051
Mississippi				
Missouri	919.35	5	10,398.70	10
Montana	4,935.52	5	4,935.52	5
Nebraska	8,648.58	22	8,648.58	22
Nevada			605.13	12
New Hampshire	1,128.30	2	1,128.30	2
New Jersey	102.16	2	577.49	3
New Mexico				
New York	442.16	7	6,434.02	24
North Carolina			340.52	1
North Dakota	8,998.83	19	53,460.04	68
Ohio	2,749.60	6	3,823.76	11

UMHC Hospital Billing Department

Bad Debt Statistics - Third Quarter and Year-to-Date, Fiscal Year 1990
By State

State	Third Quarter Amount	# of Accounts	Y-T-D Total Amount	Total # of Accounts
Oklahoma	51.64	2	7,474.98	6
Oregon	26.00	1	142.30	2
Pennsylvania	71,954.43	4	76,858.39	7
Puerto Rico			68.30	1
Rhode Island			4.50	1
South Carolina				
South Dakota	7,428.62	20	84,600.19	78
Tennessee			54.00	1
Texas	610.00	1	14,633.41	16
Utah	651.03	5	651.03	5
Vermont				
Virginia			23.30	1
Washington	3,261.95	4	3,261.95	4
West Virginia				
Wisconsin	10,271.93	79	67,577.64	180
Wyoming				
Out-of-Country	512.06	7	14,964.42	8
Total	534,382.57	1,845	1,533,663.87	4795
Medicare Bad Debt*	(9,280.12)	(74)	(51,517.52)	-191
Legal Settlements	8,465.77	3	41,674.06	9
Bad Debt Agcy Und $50	0.00	0	285.91	5
Bad Debt - Med NC Chgs	7,470.46	3	24,786.18	9
Grand Total	541,038.68	1,777	1,548,892.50	4627
Recoveries	(2,900.36)	50	(35,848.54)	143
Net Total	538,138.32	1,777	1,513,043.96	4,627

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

UNIVERSITY OF MINNESOTA
TWIN CITIES

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

April 20, 1990

TO: Board of Governors

FROM: Robert Dickler
General Director

SUBJECT: 1990-91 Budget

Enclosed for your consideration are the narrative and schedules outlining our proposed 1990-91 operating budget.

We are providing two rate increase scenarios, one assuming a 7.5% rate increase, and one assuming 9.9% effective July 1, 1990. Due to the uncertainties of Federal and State reimbursement levels, we believe it is prudent to seek your approval for a 9.9% rate increase for next fiscal year so we may submit this to the rate review program for approval. We will only increase our rates over 7.5% if final Federal and State reimbursements are such that the higher rates become necessary. Should that occur, we will come back to you for approval of the additional increase.

Over the last eight weeks, we have seen a significant drop in admission levels which are not incorporated in the 1990-91 Budget assumptions. Should these lower admission levels persist, it will be necessary to revise the 1990-91 Budget.

We look forward to discussing this with you on April 25, 1990. If you have questions in the interim, please contact us at your convenience.

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

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

1989-90 Budget Base

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

* **Demand Analysis:**

  For the 1989-90 fiscal year we had developed a budget of 18,860 admissions and 158,100 patient days. Using our actual experience through March, 1990, we are projecting 18,419 admissions and 147,464 patient days. The decrease in admission levels occurred in more than two thirds of the clinical service areas, with the most significant decreases occurring in Medicine, Urology, and Neurology. Several areas experienced increases in admissions including Pediatrics, Gynecology, and Otolaryngology. The 6.7% decrease in patient days also reflects our decline in the overall average length of stay from 8.3 days to 8.0.

  The 1990-91 census projections reflect an overall stable level of demand but with continued declines in specific services, such as Ophthalmology, Urology, Obstetrics, and Medicine. These declines reflect changes in clinical staff or programs. They are partly offset by expected increases in Neurosurgery, Surgery, and Orthopedics. Inpatient census for 1990-91 has been budgeted at 18,414 admissions and 147,580 patient days.

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

* **Ancillary Service Utilization**

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

* **Deductions from Charges**

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

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

  Assumptions affecting UMHC payments include the following:

  1) A 4.1% payment rate increase (5.6% market basket less 1.5%) on the DRG rate, effective October 1, 1990.

  2) A reduction in the indirect medical education factor from 7.7% to 6.0%, effective October 1, 1990.

  3) Capital costs are reduced from a 15% reduction to a 20% reduction effective October 1, 1990.

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

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

  Payments will continue to be based on the 39 diagnostic categories set up by the State Department of Human Services (DHS). We are assuming a continued distinction in payment rates between AFDC and non-AFDC patients, with a 5.0% increase in those rates effective July 1, 1990. In addition, we are projecting a significant decrease in inpatient reimbursement (approximately $900,000) as a result of anticipated legislative changes currently being discussed in the Health and Human Services Joint Conference Committee.

- **HMO/PPO Discounts**

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

- **Provision for Uncollectables**

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

* **Other Operating Revenue**

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

* **Expenditure Summary**

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

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

	Inflation %
Salaries:	7.3%

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

	Inflation %
Fringe Benefits	4.9%
Academic Contract (Salary only)	5.9%
Resident Contract	5.6%
Physician Compensation	6.1%
Laundry & Linen	5.5%
Raw Food	6.0%
Drugs	7.0%
Blood & Derivatives	9.1%
Medical Supplies	5.9%
Utilities	4.8%
Insurance	3.1%
Rental	3.9%
Maintenance & Repair	4.8%
Campus G & A	5.0%
General Supplies & Expenses	5.8%

* **Non-Operating Revenue**

Schedule VII is a summary of expected appropriations and other non-patient revenues for fiscal years 1989-90 and 1990-91. The increase in non-operating revenue projected for the 1989-90 fiscal year is primarily due to an increase in interest income on reserves over the original 1989-90 budget levels and the receipt of a dividend distribution from RUMINCO LTD, in the amount of $1,965,000. In the budget year 1990-91 we are expecting an overall decrease of $1,877,000. Although we're assuming a net increase in appropriations of 4%, we're budgeting significant reductions in the interest earned on our reserves and the second annual dividend distributed by RUMINCO LTD.

Fiscal Year 1990-91 Price and Revenue Increases

The price increase proposed for 1990-91 is 7.5% and results in an increase in patient charges

of approximately $24,324,000. It brings total patient charges to $348,641,000. The Comparative Statement of Operations and Operating Cash Flow on Schedule VIII summarizes our projected position for the 1990-91 fiscal year assuming the 7.5% rate increase. As indicated on Schedule VIII, if we raise our rates 9.9%, it will result in an increase in patient charges of an additional $8,107,000, and an increase in cash available from operations of $2,682,000.

Based on the assumptions outlined above, implementing a rate increase of 7.5% effective July 1, 1990, will result in a net operating margin of $1,583,000 and cash available from operations of ($1,712,000). In comparison, raising rates by 9.9% gives us a net operating margin of $5,273,000 and generates $970,000 of cash from operations.

Capital Expenditures

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

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

Schedules IX, X, and XI summarize the Board-Designated Fund Activity for the current year 1989-90 and the budget year 1990-91. The specified activity includes the capital expenditures mentioned above, and transfers of income and other funds. As the schedules indicate, the balance at July 1, 1989, was $70,713,000. We are projecting a balance of $90,045,000 at June 30, 1990, and a balance of $76,971,000 by June 30, 1991.

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

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

SCHEDULE I

	1989/90 PLANNED ADMITS	1989/90 PROJECTED ADMITS	1990/91 BUDGET ADMITS
ANESTHESIOLOGY	0	3	2
CLINICAL RESEARCH	439	414	408
DENTISTRY	43	38	47
DERMATOLOGY	70	28	21
FAMILY PRACTICE	34	15	23
GYNECOLOGY	1,267	1,482	1,442
MEDICINE	4,594	4,203	4,171
NEWBORN	357	344	325
NEUROLOGY	401	298	314
NEUROSURGERY	926	954	1,125
OBSTETRICS	614	555	501
OPHTHALMOLOGY	543	453	300
ORTHOPEDICS	1,282	1,149	1,250
OTOLARYNGOLOGY	275	382	410
PEDIATRICS	3,083	3,359	3,298
PM&R	209	186	180
PSYCHIATRY-ADULT	856	821	800
PSYCHIATRY-CHILD	109	69	60
RADIATION THERAPY	4	0	0
RADIOLOGY	10	19	32
SURGERY	2,872	2,967	3,080
UROLOGY	872	680	625
TOTAL HOSPITAL	18,860	18,419	18,414

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

SCHEDULE II

	1989/90 PLANNED DAYS	1989/90 PROJECTED DAYS	1990/91 BUDGET DAYS
ANESTHESIOLOGY	0	10	7
CLINICAL RESEARCH	1,759	1,405	1,378
DENTISTRY	94	101	82
DERMATOLOGY	674	151	131
FAMILY PRACTICE	217	49	64
GYNECOLOGY	7,025	8,497	8,526
MEDICINE	35,366	30,016	28,811
NEWBORN	1,144	996	915
NEUROLOGY	2,978	1,944	2,041
NEUROSURGERY	6,459	6,459	7,213
OBSTETRICS	2,323	2,009	1,941
OPHTHALMOLOGY	1,660	1,266	924
ORTHOPEDICS	7,294	6,497	7,318
OTOLARYNGOLOGY	995	1,740	2,228
PEDIATRICS	33,351	33,093	33,116
PM&R	4,404	3,479	3,622
PSYCHIATRY-ADULT	15,624	14,038	13,710
PSYCHIATRY-CHILD	3,186	2,288	2,160
RADIATION THERAPY	8	0	0
RADIOLOGY	42	22	38
SURGERY	30,191	30,474	31,013
UROLOGY	3,306	2,930	2,342
TOTAL HOSPITAL	158,100	147,464	147,580

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

SCHEDULE III

	1989/90 PLANNED VISITS	1989/90 PROJECTED VISITS	1990/91 BUDGET VISITS
CLINIC VISITS	240,360	225,604	223,808
EMERGENCY ROOM VISITS	17,457	19,114	19,000
RADIATION THERAPY VISITS	16,803	18,823	19,803
AMBULATORY SURGERY VISITS	3,580	3,471	3,483
TOTAL	278,200	267,012	266,094
COMMUNITY UNIVERSITY HEALTH CARE CENTER	46,700	45,448	45,448
HEALTH ETC	0	7,666	7,666
HOME HEALTH	11,800	11,222	11,222

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

SCHEDULE IV

	1989/90 PLANNED BUDGET	1989/90 PROJECTED	1990/91 BUDGET @ 7.5%	1990/91 BUDGET @ 9.9%
BILLING ADJUSTMENTS	$11,479,000	$11,798,000	$12,959,000	$13,260,000
HMO/PPO DISCOUNTS	15,080,000	17,897,000	20,501,000	21,668,000
GOVERNMENT CONTRACTUAL ADJUSTMENTS	48,573,000	42,678,000	50,786,000	53,662,000
CHARITABLE CARE	550,000	600,000	600,000	600,000
PROVISION FOR UNCOLLECTABLES	4,171,000	3,026,000	3,138,000	3,211,000
TOTAL	$79,853,000	$75,999,000	$87,984,000	$92,401,000

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

SCHEDULE V

	1989/90 BUDGET	1989/90 PROJECTED	1990/91 BUDGET
Food Services	$1,627,000	$1,566,000	$1,559,000
Parking Services	714,000	884,000	884,000
Grant Revenue	1,269,000	1,607,000	1,664,000
Reference Lab Income	1,958,000	2,297,000	2,393,000
Pro Fees -- Net Revenue	2,056,000	1,744,000	1,742,000
Interest Income on Remaining Construction Fund Bond Proceeds	2,125,000	2,290,000	1,625,000
Other	117,000	219,000	115,000
TOTAL	$9,866,000	$10,607,000	$9,982,000

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

SCHEDULE VI

	1989/90 PLANNED BUDGET	1989/90 PROJECTION	VARIANCE	PERCENT VARIANCE	1990/91 BUDGET	INCREASE/ DECREASE	PERCENT CHANGE
EXPENDITURES:							
SALARIES	$123,859,000	$116,351,000	($7,508,000)	-6.1%	$121,372,000	$5,021,000	4.3%
FRINGE BENEFITS	27,976,000	27,440,000	(536,000)	-1.9%	29,401,000	1,961,000	7.1%
ACADEMIC CONTRACTS	2,235,000	2,185,000	(50,000)	-2.2%	2,328,000	143,000	6.5%
RESIDENT CONTRACTS	6,242,000	6,345,000	103,000	1.7%	7,203,000	858,000	13.5%
PHYSICIAN COMPENSATION	3,167,000	3,015,000	(152,000)	-4.8%	3,199,000	184,000	6.1%
TOTAL SALARIES,FRINGES & FEES	$163,479,000	$155,336,000	($8,143,000)	-5.0%	$163,503,000	$8,167,000	5.3%
LAUNDRY AND LINEN	2,395,000	2,159,000	(236,000)	-9.9%	2,279,000	120,000	5.6%
RAW FOOD	1,946,000	1,791,000	(155,000)	-8.0%	1,919,000	128,000	7.1%
DRUGS	20,366,000	18,781,000	(1,585,000)	-7.8%	20,906,000	2,125,000	11.3%
BLOOD AND BLOOD DERIVATIVES	11,343,000	8,855,000	(2,488,000)	-21.9%	10,648,000	1,793,000	20.2%
MEDICAL SUPPLIES AND SERVICES	26,628,000	25,760,000	(868,000)	-3.3%	27,325,000	1,565,000	6.1%
UTILITIES	6,256,000	6,055,000	(201,000)	-3.2%	6,148,000	93,000	1.5%
INSURANCE	992,000	748,000	(244,000)	-24.6%	771,000	23,000	3.1%
RENTAL	3,866,000	3,624,000	(242,000)	-6.3%	3,159,000	(465,000)	-12.8%
MAINTENANCE AND REPAIR	5,101,000	4,687,000	(414,000)	-8.1%	5,022,000	335,000	7.1%
NET LOSS ON DISPOSAL OF ASSETS	24,000	84,000	60,000	250.0%	48,000	(36,000)	-42.9%
CAMPUS ADMINISTRATIVE EXPENSES	282,000	282,000	0	0.0%	296,000	14,000	5.0%
DEPRECIATION	18,283,000	17,546,000	(737,000)	-4.0%	19,497,000	1,951,000	11.1%
INTEREST	13,038,000	12,898,000	(140,000)	-1.1%	12,690,000	(208,000)	-1.6%
GENERAL SUPPLIES AND EXPENSES	19,129,000	17,804,000	(1,325,000)	-6.9%	20,565,000	2,761,000	15.5%
TOTAL SUPPLIES AND EXPENSES	$129,649,000	$121,074,000	($8,575,000)	-6.6%	$131,273,000	$10,199,000	8.4%
TOTAL EXPENDITURES	$293,128,000	$276,410,000	($16,718,000)	-5.70%	$294,776,000	$18,366,000	6.6%

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC **SCHEDULE VII**
NON-OPERATING REVENUE SUMMARY
FOR FISCAL YEARS 1989/90 AND 1990/91

	1989/90 BUDGET	1989/90 PROJECTED	1990/91 BUDGET
APPROPRIATIONS & SUPPORT	$15,579,000	$15,491,000	$16,122,000
INTEREST INCOME ON RESERVES	6,906,000	8,341,000	7,193,000
SHARED SERVICES	181,000	179,000	179,000
INVESTMENT INCOME HELD BY TRUSTEE	1,484,000	1,446,000	1,400,000
OTHER INVESTMENT INCOME	130,000	175,000	171,000
DIVIDEND DISTRIBUTION	0	1,965,000	655,000
TOTAL	$24,280,000	$27,597,000	$25,720,000

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC
SUMMARY STATEMENT OF OPERATIONS AND CASH FLOW
FOR FISCAL YEARS 1989/90 AND 1990/91

SCHEDULE VIII

	ANNUAL BUDGET	CURRENT YEAR PROJECTION	1990/91 BUDGET @ 7.5%	1990/91 BUDGET @ 9.9%
Gross Patient Charges	$340,467,000	$318,203,000	$348,641,000	$356,748,000
Deductions from Charges	79,853,000	75,999,000	87,984,000	92,401,000
Other Operating Revenue	9,866,000	10,607,000	9,982,000	9,982,000
Total Operating Revenue	$270,480,000	$252,811,000	$270,639,000	$274,329,000
Expenditures				
Salaries	$123,859,000	$116,351,000	$121,372,000	$121,372,000
Fringe Benefits	27,976,000	27,440,000	29,401,000	29,401,000
Contract Compensation	11,644,000	11,545,000	12,730,000	12,730,000
Medical Supplies, Drugs, Blood	58,337,000	53,396,000	58,879,000	58,879,000
Campus Administration Expense	282,000	282,000	296,000	296,000
Depreciation	18,283,000	17,546,000	19,497,000	19,497,000
General Supplies & Expense	52,747,000	49,850,000	52,601,000	52,601,000
Total Expenditures	$293,128,000	$276,410,000	$294,776,000	$294,776,000
Net Revenue from Operations	($22,648,000)	($23,599,000)	($24,137,000)	($20,447,000)
Total Non-Operating Revenue				
Appropriations	$15,579,000	$15,491,000	$16,122,000	$16,122,000
Interest Income on Reserves	6,906,000	8,341,000	7,193,000	7,193,000
Shared Services	181,000	179,000	179,000	179,000
Investment Income on Trustee Held Assets	1,484,000	1,446,000	1,400,000	1,400,000
Other Investment Income	130,000	175,000	171,000	171,000
Dividend Distribution	0	1,965,000	655,000	655,000
Total Non-Operating Revenues	$24,280,000	$27,597,000	$25,720,000	$25,720,000
Revenue Over/-Under Expenses	$1,632,000	$3,998,000	$1,583,000	$5,273,000
Add Non-Cash Outlays:				
Depreciation	18,283,000	17,546,000	19,497,000	19,497,000
Campus Administration Expense	182,000	182,000	196,000	196,000
Loss on Disposal of Assets	24,000	84,000	48,000	48,000
Increase in Accrued Interest	94,000	35,000	(70,000)	(70,000)
Increase in Accrued Expense	2,310,000	615,000	2,183,000	2,183,000
Decrease in Other Receivables	719,000	113,000	825,000	825,000
Total Funds Provided	23,244,000	22,573,000	24,262,000	27,952,000
Funds Applied				
Increase in Accounts Receivable	3,051,000	(7,953,000)	4,175,000	5,183,000
Increase in Prepaid Expense	82,000	98,000	54,000	54,000
Increase in Inventories	396,000	(491,000)	466,000	466,000
Increase in Investments	130,000	175,000	171,000	171,000
Capital Obligations:				
Principal Payment on Fixed-Rate Bonds	2,215,000	2,215,000	2,345,000	2,345,000
Principal Payment on Equipment	840,000	579,000	1,142,000	1,142,000
Recurring Equipment and Renovation	7,876,000	8,200,000	8,445,000	8,445,000
Parking Ramp Sinking Fund	76,000	76,000	76,000	76,000
Interest Income Committed to Capital Plan	5,550,000	5,550,000	6,800,000	6,800,000
Operations Cash Funding for Capital Plan	2,069,000	2,069,000	2,300,000	2,300,000
Total Funds Applied	22,285,000	10,518,000	25,974,000	26,982,000
Total Cash Available from Operations	$959,000	$12,055,000	($1,712,000)	$970,000

SCHEDULE IX

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
6-30-89 through 2-28-90

	Unassigned	Assigned for Construction & Equipment	Total
Balance at 6-30-89	$63,706,000	$ 7,006,735	$70,712,735
Investment Income on Reserves and Appropriations	5,438,885	-0-	5,438,885
Transfer from Trustee to U of M Bursar's Office	155,930	-0-	155,930
Transfer of Cash to Current Assets for Abandonment Cost Note Payable	-0-	< 1,300,000>	< 1,300,000>
Transfer of Income to Working Capital Reserve	17,796,670	-0-	17,7[illegible]
Transfers for:			
MRI II	< 50,000>	50,000	-0-
Masonic Hospital Remodeling	< 235,000>	235,000	-0-
C.U.H.C.C.	250,000	< 250,000>	-0-
Equipment Rollforward Reserve:			
Net Transfer for 1988-89 Reserve	< 2,954,015>	2,954,015	-0-
Expenditures:			
C.U.H.C.C.	-0-	< 6,175>	< 6,175>
MRI II	-0-	< 877,545>	< 877,545>
Dermatology Clinic	-0-	< 31,500>	< 31,500>
Surgical Pathology	-0-	< 147,050>	< 147,050>
Masonic Hospital	-0-	< 813,880>	< 813,880>
Plant Funds	-0-	< 21,060>	< 21,060>
Balance at 2-28-90	$84,108,470	$ 6,798,540	$90,907,010*

*In addition to the 2-28-90 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.

SCHEDULE X

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
Projected 2-28-90 through 6-30-90

	Unassigned	Assigned	Total
Balance at 2-28-90	$84,108,470	$ 6,798,540	$90,907,010
Investment Income on Reserves	2,487,000	-0-	2,487,000
Transfer of Investment Income to Working Capital Reserve	1,877,410	-0-	1,877,410
Funding for Plant Projects	<3,962,410>	3,962,410	-0-
Projected Expenditures:			
I.C.U.		< 718,000>	< 718,000>
MRI II	2,505,000		2,505,000
C-ARM		< 1,600,000>	< 1,600,000>
Surgical Pathology		< 68,645>	< 68,645>
Masonic Hospital Remodeling		< 269,410>	< 269,410>
Computer Upgrade		< 1,136,000>	< 1,136,000>
Planning & Architecture Fees		< 1,089,000>	< 1,089,000>
Equipment Rollforward Reserve:			
Projected Expenditures against 1988-89 Reserve		< 2,850,300>	< 2,850,300>
Transfer of Unexpended 1988-89 Reserve	800,000	< 800,000>	-0-
Transfer for Unexpended 1989-90 Capital Budget	<2,273,650>	2,273,650	
Projected Balance at 6-30-90	$85,541,820	$ 4,503,245	$90,045,065*

*In addition to the 6-30-90 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.

SCHEDULE XI

University of Minnesota Hospital and Clinic
Board Designated Fund Activity
Projected 7-1-90 through 6-30-91

	Unassigned	Assigned	Total
Projected Balance at 6-30-90	$85,541,820	$ 4,503,245	$90,045,065
Investment Income on Reserves	6,186,120	-0-	6,186,120
Transfer of Investment Income to Working Capital Reserve	7,388,000	-0-	7,388,000
Funding for Plant Projects	<23,465,000>	23,465,000	
Projected Expenditures:			
C.U.H.C.C.		< 1,000,000>	< 1,000,000>
Neuroradiology Upgrade	-0-	< 1,809,000>	< 1,809,000>
Computer Upgrade		< 2,000,000>	< 2,000,000>
Linear Accelerator		< 1,700,000>	< 1,700,000>
Heart Catheterization		< 4,700,000>	< 4,700,000>
Renewal Project II		<13,165,300>	<13,165,300>
Equipment Rollforward Reserve - Expenditure Against 1989-90 Reserve		< 2,273,650>	< 2,273,650>
Projected Balance at 6-30-91	$75,650,940	$ 1,320,295	$76,971,235*

*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
TWIN CITIES

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

April 25, 1990

TO: Board of Governors

FROM: Clifford P. Fearing
Senior Associate Director

SUBJECT: KPMG Peat Marwick Letter of Comments and Recommendations

The enclosed letters of comments and recommendations regarding internal control were provided by KPMG Peat Marwick in conjunction with their audit of the June 30, 1989 financial statements.

The first letter, addressed to the Board of Governors, provides comments and recommendations that would be categorized as "significant" under the Board of Regents Audit Committee Policy for Implementation of Audit Recommendations. Significant, in this context, means that the recommendation is "unique to a particular unit, involves a difficult issue, and may take more than six (6) months to implement."

The second letter, addressed to my attention, provides comments and recommendations that would be categorized as "useful," that is recommendations that are "usually common to many units, involve a basic issue, and normally are easily correctable within six (6) months."

Following each of the KPMG Peat Marwick letters is our response.

KPMG Peat Marwick

Certified Public Accountants

4200 Norwest Center
90 South Seventh Street
Minneapolis, MN 55402

Telephone 612 341 2222

Telecopier 612 341 0202

February 16, 1990

The Board of Governors
University of Minnesota Hospital and Clinic

Dear Board Members:

We are presenting for your consideration our comments and recommendations regarding certain matters that came to our attention during the course of our examination of the financial statements of the University of Minnesota (the Hospital and Clinics) for the year ended June 30, 1989.

At the request of the audit committee of the University of Minnesota we have placed our comments in categories to indicate relative importance. The categories are the same as those used by the University of Minnesota Department of Audits as follows:

Category	Description
Essential	Resolution would help avoid a potentially critical impact involving loss of material assets, reputation, critical financial information, or ability to comply with the most important laws, policies or procedures.
Significant	Resolution would help avoid a potentially significant negative impact on the unit's assets, financial information, or ability to comply with important laws, policies or procedures.
Useful	Resolution would help improve controls and avoid problems in the unit's operations.

We would like to take this opportunity to express our appreciation for the courtesy and assistance extended to us by your personnel during the course of our examination. In addition, we would be most pleased to provide assistance in implementing any of our recommendations.

Very truly yours,

KPMG Peat Marwick

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Independent Auditors' Comments

ESSENTIAL COMMENTS

During the course of our examination there were no matters that came to our attention which we considered to be essential comments.

SIGNIFICANT COMMENTS

COMPUTER DISASTER RECOVERY PLAN

Computer disaster recovery plans are designed to minimize or eliminate lost time in reestablishing data processing service and in processing critical applications after a computer disaster. Currently, no written computer disaster recovery plan has been established. We recommend the Hospital develop a written computer disaster recovery plan. We would be pleased to assist in this process.

USEFUL COMMENTS

Two useful comments and recommendations have been sent to Mr. Clifford P. Fearing in a letter dated February 16, 1990.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Scope of Internal Accounting Control Review

As part of an examination of the financial statements, we perform a study and evaluation of the Hospital's system of internal accounting control to the extent we consider necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which did not extend beyond October 20, 1989, was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Management is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments made by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

A study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, an expression of an opinion on the system of internal accounting control taken as a whole cannot be made.

UMHC Response: KPMG Peat Marwick Letter of Comments and Recommendations.

Computer Disaster Recovery Plan

We concur fully with the recommendation made by KPMG Peat Marwick. We would also like to note that the development of a written computer disaster recovery plan was initiated by our computer services department prior to the issuance of KPMG Peat Marwick's management letter because of our own concerns regarding this issue. Our computer services department began development work on a plan in November, 1989. We have subsequently sent out a Request for Proposal to engage a consultant to assist us. Development of a written plan is under way, and we are progressing as expeditiously as possible.

KPMG Peat Marwick

Certified Public Accountants

4200 Norwest Center
90 South Seventh Street
Minneapolis, MN 55402

Telephone 612 341 2222

Telecopier 612 341 0202

February 6, 1990

Mr. Clifford P. Fearing
Senior Associate Director and
Director of Finance
University of Minnesota Hospital and Clinic

Dear Mr. Fearing:

We are presenting, for your consideration, our comments and recommendations regarding internal accounting control and other operating matters. These came to our attention during the course of our examination of the financial statements of University of Minnesota Hospital and Clinic (Hospital) for the year ended June 30, 1989 which we reported upon as of October 20, 1989.

As a result of our examination we did not identify any condition that we believed to be a material weakness in internal accounting control. This information, however, should be considered in light of Exhibit II which describes the purpose of our study and evaluation of internal accounting controls as part of our examination.

The comments and recommendations presented in Exhibit I are intended to improve the system of internal accounting control or result in other operating efficiencies. It should be noted that this letter, by its nature, primarily contains our comments and recommendations for improving such systems and does not include our observations on the many strong features of the Hospital's financial systems. The factual accuracy of our comments has been discussed with the management personnel responsible for the areas impacted by our comments and recommendations.

We would like to take this opportunity to express our appreciation for the courtesy and assistance extended to us by your personnel during the course of our examination. In addition, we would be most pleased to provide assistance in implementing any of our recommendations.

Very truly yours,

KPMG Peat Marwick

Steven W. Laible, Partner

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Comments and Recommendations

ACCOUNTING FOR NEW FINANCIAL CODES

During 1989 patient accounting personnel established new financial codes for certain third party accounts receivable. The existence of these new financial codes was not promptly reacted upon by the third party accounting personnel, as a result contractual allowances for the new financial codes were not established on a timely basis. We recommend that changes in accounts receivable financial codes be promptly reacted upon by third party accounting personnel, or other departments as applicable, to facilitate timely accounting for such changes.

BILLING AND COLLECTIONS FOR UNIVERSITY OF MINNESOTA CLINICAL ASSOCIATES

The Hospital has an agreement with the physicians of the University of Minnesota Clinical Associates to act as a billing and collecting agent. Under the terms of this agreement, the Hospital is liable to the physicians for the entire balance of the physician's receivable once partial payment has been received by the Hospital. The Hospital remains liable for the entire receivable even if the total balance is not collected. Currently, the Hospital does not recognize the liability to the physicians for the entire balance until it is paid. We recommend that the Hospital review the terms of this agreement to determine if it is appropriate to fully reimburse physicians when the Hospital only receives partial payment. If these circumstances are determined to be appropriate, the liability to the physician should be recognized on an accrual basis.

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC

Scope of Internal Accounting Control Review

As part of an examination of the financial statements, we perform a study and evaluation of the Hospital's system of internal accounting control to the extent we consider necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which did not extend beyond June 30, 1989, was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Management is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments made by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

A study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, an expression of an opinion on the system of internal accounting control taken as a whole cannot be made.

UMHC Response: KPMG Peat Marwick Letter of Comments and Recommendations.

Accounting for New Financial Codes

We concur with the need to communicate the establishment of new financial codes to all appropriate accounting personnel on a timely basis. If fact, prior to the issuance of this letter of recommendations, we had already set up a routing procedure to communicate financial code changes. We believe the procedure currently in place addresses KPMG Peat Marwick's concern. The perceived communication problem did not result in any year-end audit adjustments.

Billing and Collections for University of Minnesota Clinical Associates

The Hospital has a professional fee billing agreement with the University of Minnesota Clinical Associates (UMCA) to act as a billing agent for certain combined billed organ transplant contracts. Under the terms of these agreements, which we have reviewed and believe to be appropriate, the Hospital becomes liable to UMCA for negotiated professional fee reimbursement values when various services have been completed for the transplant recipient. The Hospital makes a contractual payment to UMCA only after the Hospital has been fully paid for the care by the third party payor. The liability to UMCA will be recognized on an accrual basis. For 1988-89 this was $45,000.

4/24/90

UNIVERSITY OF MINNESOTA HOSPITAL AND CLINIC'S STATEMENT ON COUNTY ATTORNEY'S REPORT

We are pleased with the Hennepin County Attorney's decision not to prosecute the University of Minnesota Hospital and Clinic doctors who treated patient Brian Mahoney. We cooperated with the County Attorney's investigation from its inception and submitted extensive materials and the opinions of several experts fully supporting the doctors' actions. We were confident that once the facts were known, there would be no prosecution.

The University has consistently supported the physicians involved in this case. The care provided was exemplary, and was provided in accord with hospital policy and procedures which were in place at the time. We insist that the doctors' actions were absolutely proper medical care consistent with accepted community standards. We will continue to support our physicians as they care for the dying patient and encourage them to provide medications in whatever amounts are necessary to relieve pain and suffering. Hospital policies now also direct the physician to document the intent of all pain medications given to the dying patient.

However, we are exceptionally disappointed that the County Attorney continues to characterize appropriate medical intervention as homicide. We fear that medical personnel, believing that their

care will be called homicide, may withhold appropriate and necessary pain relieving therapy from dying persons. We hope that patients and their loved ones continue to take a strong stand and insist on appropriate and medically correct relief for pain and suffering. Healthcare professionals, too, must let their actions be guided by standards recognized and approved by the medical community, such as those recently adopted by the Hennepin County Medical Society.