UNIVERSITY OF VIRGINIA
BOARD OF VISITORS
MEETING OF THE
MEDICAL CENTER
OPERATING BOARD
FOR THE UNIVERSITY OF
VIRGINIA MEDICAL CENTER
JUNE 11, 2015
AGENDA

I. OPENING COMMENTS FROM THE CO-CHAIR

II. REPORT FROM THE EXECUTIVE VICE PRESIDENT FOR HEALTH AFFAIRS (Dr. Shannon)

III. MEDICAL CENTER FINANCE REPORT (Dr. Shannon to introduce Mr. Larry L. Fitzgerald; Mr. Fitzgerald to report)
   A. Fiscal Year 2015 Report
   B. Action Item: Fiscal Year 2016 Operating and Capital Budgets

IV. SCHEMATIC DESIGN REPORT AND ENDORSEMENT FOR MEDICAL CENTER FACILITIES PROJECTS (University Hospital Emergency Department, Perioperative and Interventional Services, Bed Tower) (Dr. Shannon to introduce Mr. David J. Neuman; Mr. Neuman to report)

V. REPORT FROM THE CHIEF EXECUTIVE OFFICER OF THE MEDICAL CENTER (Dr. Shannon to introduce Ms. Pamela M. Sutton-Wallace; Ms. Sutton-Wallace to report)
X. EXECUTIVE SESSION

- Discussion of proprietary, business-related information pertaining to the operations of the Medical Center, where disclosure at this time would adversely affect the competitive position of the Medical Center, specifically:
  - Strategic personnel, financial and quasi endowment, market and resource considerations and efforts, including: potential joint ventures or affiliations; other marketing and clinical growth efforts; review of performance measures and metrics;
  - Confidential information and data related to the adequacy and quality of professional services, competency, and qualifications for professional staff privileges, and patient safety in clinical care, for the purpose of improving patient care;
  - Consultation with legal counsel regarding compliance with relevant federal and state legal requirements, licensure, legislative, and accreditation standards; all of which will involve proprietary business information and evaluation of the performance of specific personnel.

The relevant exemptions to the Virginia Freedom of Information Act authorizing the discussion and consultation described above are provided for in Section 2.2-3711(A)(1), (6), (7), (8) and (22) of the Code of Virginia. The meeting of the Medical Center Operating Board is further privileged under Section 8.01-581.17 of the Code of Virginia.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: June 11, 2015

COMMITTEE: Medical Center Operating Board

AGENDA ITEM: II. Report from the Executive Vice President for Health Affairs

ACTION REQUIRED: None

BACKGROUND: Richard P. Shannon, M.D., is the Executive Vice President for Health Affairs for the University of Virginia. Before joining the University, he served as the Frank Wister Thomas Professor of Medicine at the University of Pennsylvania Perelman School of Medicine, and as chairman of the Department of Medicine of the University of Pennsylvania Health System. An internist and cardiologist, Dr. Shannon is widely recognized for his work on patient safety.

DISCUSSION: The Executive Vice President for Health Affairs will inform the Medical Center Operating Board (MCOB) of recent events that do not require formal action.
BACKGROUND: The Medical Center prepares a periodic financial report and reviews it with University leadership before submitting the report to the MCOB. The narrative below includes UVA Culpeper Hospital for the period of October 2014 – March 2015, as the University of Virginia Medical Center became the sole member of UVA Culpeper Hospital as of October 1, 2014.

Larry L. Fitzgerald is the Health System’s Chief Financial and Business Development Officer. He has held similar positions with the University of Pittsburgh Medical Center and American Medical International. He has extensive experience with health care mergers and acquisitions, the Medicare and Medicaid programs, and strategic planning.

DISCUSSION: After nine months of operations in Fiscal Year 2015, the operating margin for all business units was 4.4%, which was above the budget of 3.9%. In the first nine months of Fiscal Year 2015, our volume has been slightly below budget, revenue well above budget as a result of the continued high acuity of our inpatients, and expenses when adjusted for volume and the acuity of our inpatients in line with budget. The operating margin for the overall clinical enterprise is supported by strong results from our dialysis, imaging, and infusion centers which averaged an operating margin of 25%.

For Fiscal Year 2015, inpatient admissions were 2.1% below budget and 6.5% above the prior year. The variance from prior year can be explained by the addition of UVA Culpeper Hospital on October 1, 2014. Culpeper admits approximately 270 patients per month. On a same store basis, admissions were 1.1% below the prior year. For the U.Va. Medical Center only, case mix adjusted average length of stay was 2.93 days, which was above the budget of 2.73 days and above the prior year of 2.89 days. Outpatient clinic visits for the Medical Center were 1.8% below budget in total, but 5.0% above the prior year.

Total operating revenue was $1.075 billion for Fiscal Year 2015 through March, which was 4.1% above budget and 14.4% higher
than the prior year. Total operating expenses were 3.5% above the budget and 15.6% above Fiscal Year 2014 expenses. Total expenses per adjusted discharge and adjusted for patient acuity were $11,048 compared to a budget of $10,968.

Total paid employees, including contracted employees, were nine above budget.

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>2015 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee FTEs</td>
<td>6,813</td>
<td>7,587</td>
<td>7,611</td>
</tr>
<tr>
<td>Salary, Wage and</td>
<td>$77,923</td>
<td>$79,999</td>
<td>$79,497</td>
</tr>
<tr>
<td>Benefit Cost per FTE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Labor FTEs</td>
<td>169</td>
<td>217</td>
<td>184</td>
</tr>
<tr>
<td>Total FTEs</td>
<td>6,982</td>
<td>7,804</td>
<td>7,795</td>
</tr>
</tbody>
</table>

At the end of March, cash reserves totaled 198 days, which was above our benchmark of 190. We are projecting that we will finish Fiscal Year 2015 with operating income about 8% above budget.

We continue to negotiate agreements to create the Joint Operating Company with Novant Health to own and operate three hospitals in Northern Virginia. Our plan is to close the transaction as of October 1, 2015.

A Health System project to redesign the flow of funds among the various entities is progressing. The approved guiding principles are as follows:

- Is transparent, understandable, predictable, market-based, and fair
- Drives accountability
- Supports enterprise level objectives and financial sustainability
- Reinforces excellence in academic mission
- Preserves flexibility to adapt to changing needs
<table>
<thead>
<tr>
<th>Description</th>
<th>Most Recent Three Fiscal Years</th>
<th>Budget/Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mar-13</td>
<td>Mar-14</td>
</tr>
<tr>
<td>Net patient revenue</td>
<td>$853.4</td>
<td>$905.7</td>
</tr>
<tr>
<td>Other revenue</td>
<td>35.4</td>
<td>33.9</td>
</tr>
<tr>
<td>Total operating revenue</td>
<td>$888.8</td>
<td>$939.6</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>772.3</td>
<td>817.1</td>
</tr>
<tr>
<td>Depreciation</td>
<td>59.1</td>
<td>60.7</td>
</tr>
<tr>
<td>Interest expense</td>
<td>10.8</td>
<td>11.1</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>$842.2</td>
<td>$888.9</td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>$46.6</td>
<td>$50.7</td>
</tr>
<tr>
<td>Non-operating income (loss)</td>
<td>$36.0</td>
<td>$38.6</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>$82.6</td>
<td>$89.3</td>
</tr>
<tr>
<td>Principal payment</td>
<td>$21.1</td>
<td>$11.4</td>
</tr>
</tbody>
</table>
### University of Virginia Medical Center
#### Balance Sheet
(Dollars in Millions)

<table>
<thead>
<tr>
<th>Description</th>
<th>Mar-13</th>
<th>Mar-14</th>
<th>Mar-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash and investments</td>
<td>$118.1</td>
<td>$232.2</td>
<td>$221.7</td>
</tr>
<tr>
<td>Patient accounts receivables</td>
<td>117.5</td>
<td>142.9</td>
<td>176.0</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>764.0</td>
<td>802.2</td>
<td>854.7</td>
</tr>
<tr>
<td>Depreciation reserve and other investments</td>
<td>224.4</td>
<td>178.2</td>
<td>197.0</td>
</tr>
<tr>
<td>Endowment Funds</td>
<td>456.5</td>
<td>502.0</td>
<td>534.2</td>
</tr>
<tr>
<td>Other assets</td>
<td>226.3</td>
<td>248.0</td>
<td>278.0</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$1,906.8</td>
<td>$2,105.5</td>
<td>$2,261.6</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion long-term debt</td>
<td>$13.6</td>
<td>$7.8</td>
<td>$6.5</td>
</tr>
<tr>
<td>Accounts payable &amp; other liab</td>
<td>73.2</td>
<td>107.4</td>
<td>128.0</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>417.6</td>
<td>435.5</td>
<td>465.8</td>
</tr>
<tr>
<td>Accrued leave and other LT liab</td>
<td>117.0</td>
<td>168.8</td>
<td>169.3</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$621.4</td>
<td>$719.5</td>
<td>$769.6</td>
</tr>
<tr>
<td><strong>Fund Balance</strong></td>
<td>$1,285.4</td>
<td>$1,386.0</td>
<td>$1,492.0</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Fund Balance</strong></td>
<td>$1,906.8</td>
<td>$2,105.5</td>
<td>$2,261.6</td>
</tr>
</tbody>
</table>
### University of Virginia Medical Center

#### Financial Ratios

<table>
<thead>
<tr>
<th>Description</th>
<th>Most Recent Three Fiscal Years</th>
<th>Budget/Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating margin (%)</td>
<td>5.2% 5.4% 4.4% 3.9%</td>
<td></td>
</tr>
<tr>
<td>Total margin (%)</td>
<td>8.9% 9.1% 5.4% 6.4%</td>
<td></td>
</tr>
<tr>
<td>Current ratio (x)</td>
<td>2.7 3.3 3.0 2.4</td>
<td></td>
</tr>
<tr>
<td>Days cash on hand (days)</td>
<td>170.1 224.5 198.3 190.0</td>
<td></td>
</tr>
<tr>
<td>Gross accounts receivable (days)</td>
<td>46.7 49.1 46.1 45.0</td>
<td></td>
</tr>
<tr>
<td>Annual debt service coverage (x)</td>
<td>4.8 7.2 5.2 5.2</td>
<td></td>
</tr>
<tr>
<td>Debt-to-capitalization (%)</td>
<td>33.5% 33.0% 32.7% 31.8%</td>
<td></td>
</tr>
<tr>
<td>Capital expense (%)</td>
<td>8.3% 8.1% 8.2% 8.4%</td>
<td></td>
</tr>
</tbody>
</table>

#### Operating Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Most Recent Three Fiscal Years</th>
<th>Budget/Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute Admissions</td>
<td>21,709 21,323 22,705 23,191</td>
<td></td>
</tr>
<tr>
<td>Patient days</td>
<td>127,137 128,408 139,231 130,219</td>
<td></td>
</tr>
<tr>
<td>Observation Patients - MC</td>
<td>2,681 2,837 3,874 4,207</td>
<td></td>
</tr>
<tr>
<td>Average length of stay - MC</td>
<td>5.68 5.74 5.99 5.40</td>
<td></td>
</tr>
<tr>
<td>Clinic visits - MC</td>
<td>567,397 594,111 624,022 635,712</td>
<td></td>
</tr>
<tr>
<td>ER visits - MC</td>
<td>45,920 43,638 45,161 44,782</td>
<td></td>
</tr>
<tr>
<td>Medicare case mix index - MC</td>
<td>2.04 2.09 2.16 2.10</td>
<td></td>
</tr>
<tr>
<td>FTE's (including contract labor)</td>
<td>6,883 6,982 7,804 7,795</td>
<td></td>
</tr>
</tbody>
</table>
University of Virginia Medical Center
SUMMARY OF OPERATING STATISTICS AND FINANCIAL PERFORMANCE MEASURES
Fiscal Year to Date with Comparative Figures for Prior Year to Date - March FY2015

OPERATING STATISTICAL MEASURES - March 2015

ADMISSIONS and CASE MIX - Year to Date

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>% Variance</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADMISSIONS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult</td>
<td>17,838</td>
<td>18,321</td>
<td>(2.6%)</td>
<td>18,062</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>2,126</td>
<td>2,134</td>
<td>(0.4%)</td>
<td>2,123</td>
</tr>
<tr>
<td>Psychiatric</td>
<td>882</td>
<td>911</td>
<td>(3.2%)</td>
<td>898</td>
</tr>
<tr>
<td>Transitional Care</td>
<td>253</td>
<td>314</td>
<td>(19.4%)</td>
<td>240</td>
</tr>
<tr>
<td>Culpeper</td>
<td>1,606</td>
<td>1,511</td>
<td>6.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal Acute</strong></td>
<td>22,705</td>
<td>23,191</td>
<td>(2.1%)</td>
<td>21,323</td>
</tr>
<tr>
<td>Observation</td>
<td>3,874</td>
<td>4,207</td>
<td>(7.9%)</td>
<td>2,837</td>
</tr>
<tr>
<td><strong>Total Admissions</strong></td>
<td>26,579</td>
<td>27,398</td>
<td>(3.0%)</td>
<td>24,160</td>
</tr>
<tr>
<td><strong>Adjusted Admissions</strong></td>
<td>46,667</td>
<td>46,872</td>
<td>(0.0%)</td>
<td>41,385</td>
</tr>
</tbody>
</table>

**CASE MIX INDEX:**

- All Acute Inpatients - MC: 2.04 1.98 3.0% 1.98
- Medicare Inpatients - MC: 2.16 2.10 2.9% 2.09

**OUTPATIENTS:**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>% Variance</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observation</td>
<td>3,874</td>
<td>4,207</td>
<td>(7.9%)</td>
<td>2,837</td>
</tr>
<tr>
<td><strong>Total Visits</strong></td>
<td>45,161</td>
<td>44,782</td>
<td>(0.8%)</td>
<td>43,638</td>
</tr>
<tr>
<td>Emergency Room Visits - CRH</td>
<td>15,198</td>
<td>14,318</td>
<td>6.1%</td>
<td>0</td>
</tr>
</tbody>
</table>

**SURGICAL CASES:**

- Main Operating Room (IP and OP): 13,008 12,767 1.9% 13,188
- UVA Outpatient Surgery Center: 8,438 8,805 (4.2%) 7,441
- Culpeper Surgery Center: 1,641 1,664 (1.4%) -
- Total: 23,087 23,236 (0.6%) 20,629

OPERATING FINANCIAL MEASURES - March 2015

**REVENUES and EXPENSES - Year to Date**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>% Variance</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Patient Service Revenue</td>
<td>1,042,472</td>
<td>995,244</td>
<td>4.7%</td>
<td>905,734</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>32,063</td>
<td>36,961</td>
<td>(13.2%)</td>
<td>33,904</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,074,535</td>
<td>$1,032,195</td>
<td>4.1%</td>
<td>$939,638</td>
</tr>
</tbody>
</table>

**EXPENSES:**

- Salaries, Wages & Contract Labor: 468,687 $ 463,804 (1.1%) 408,192
- Supplies: 242,544 $ 217,603 (11.5%) 209,016
- Depreciation: 69,374 $ 69,030 (0.5%) 60,676
- Interest Expense: 15,255 $ 14,159 (7.7%) 11,091
- **Total** $1,072,292 $992,408 (5.7%) $ 888,987

- Operating Income: 47,243 $ 39,787 (18.7%) 50,651
- Operating Margin%: 4.4% 3.9% 5.4%
- Non-Operating Revenue: 11,817 $ 28,351 (58.3%) $38,616
- **Total Net Income**: $59,060 $ 68,138 (13.3%) $ 89,267

**NET REVENUE BY PAYOR:**

- Medicare: $311,950 $ 328,086 (4.9%) $ 281,547
- Medicaid: 214,158 $ 193,461 (10.7%) 193,179
- Commercial Insurance: 175,375 $ 163,283 (7.4%) 143,693
- Total Paying Patient Revenue: $1,042,472 $ 995,244 (4.7%) $ 905,734

- Other: 58,967 $ 37,514 (57.2%) 42,893

**OTHER:**

- Collection % of Gross Billings: 30.43% 29.08% 4.6% 30.90%
- Days of Revenue in Receivables (Gross): 46.1 45.0 (2.4%) 49.1
- Cost per CMI Adjusted Admission: $11,048 $ 10,968 (0.7%) $ 10,872
- Total F.T.E.'s Per CMI Adjusted Admission: 23.00 23.61 (2.6%) 23.40
Assumptions - Operating Statistical Measures

Admissions and Case Mix Assumptions
Admissions include all admissions except normal newborns
Pediatric cases are those discharged from 7 West, 7 Central, 7 North, NICU and PICU
Psychiatric cases are those discharged from 5 East
TCH cases are those discharged from the TCH, excluding any Medicare interrupted stays
All other cases are reported as Adult
Short Stay Admissions include both short stay and post procedure patients
Case Mix Index for All Acute Inpatients is All Payor Case Mix Index from Stat Report

Other Institutional Measures Assumptions
Patient Days, ALOS and ADC figures include all patients except normal newborns
Surgical Cases are the number of patients/cases, regardless of the number of procedures performed on that patient

Assumptions - Operating Financial Measures

Revenues and Expenses Assumptions:
Medicaid out of state is included in Medicaid
Medicaid HMOs are included in Medicaid
Physician portion of DSH is included in Other
Non-recurring revenue is included

Other Institutional Measures Assumptions
Collection % of Gross Billings includes appropriations
Days of Revenue in Receivables (Gross) is the BOV definition
Cost per CMI Adjusted Discharge uses All Payor CMI to adjust
BACKGROUND: The Medical Center’s operating and capital budgets are consolidated with the University’s overall budget. At its June meeting, the Board of Visitors acts on the proposed budget based on a recommendation from the MCOB.

DISCUSSION: The Medical Center’s 2015-2016 fiscal plan has been developed considering the challenges of providing patient care, teaching, and research services in an increasingly changing health care industry. The full impact of the Affordable Care Act will not be realized for a number of years; however, many of its provisions have already been effectuated. The result will be decreased reimbursements from government payors and an industry-wide erosion of pricing power with private payors. Nationally and locally hospital admissions continue to decline, shifting to growth in demand for outpatient services. At the same time, there is continued upward pressure on the costs associated with providing quality patient care - due to increases in medical supply, pharmaceutical, and medical device expenses - and the shortage of health care workers presents further financial and operational challenges. These pressures require proactive fiscal planning now to ensure meeting the mission of the Health System in the future.

To meet these challenges, the Medical Center utilized a priority based budget process in which resources were allocated to meet operational goals in support of the overarching Health System strategic goal to become the safest health system to provide and receive care with zero harm to providers and patients. The Medical Center budget development process was operationally focused and highly participatory. Leadership from Patient Care Services, Clinical Ancillary Services, and other administrative support areas as well as our Associate Chief Medical Officers and other physician leaders had significant input in developing the Fiscal Year 2016 budget. The budget process began with the development of basic planning assumptions, such as discharges and outpatient visits, length of stay, and productivity standards which drive the number of employees and utilization of variable expenses, such as supplies and pharmaceuticals.
BUDGET AND OPERATING ASSUMPTIONS

Market conditions: For Fiscal Year 2016, discharges are budgeted to grow 1.6% from Fiscal Year 2015 projected levels. Although statewide admissions are trending downward, our budgeted projection is driven by targeted growth efforts across our Centers of Excellence and Transplant Service, and is further substantiated by the opening of new inpatient beds in an effort to recapture volume currently diverted to other facilities due to current capacity constraints.

Outpatient services are expected to grow by 3.5% in total which includes Emergency Department visits and clinic visits at our Outreach locations. The Medical Center is expected to capture additional market share in high case mix index (CMI) services by continuing support for Centers of Excellence program development and through emerging regional partnership opportunities. The following table includes historical and projected patient volumes:

<table>
<thead>
<tr>
<th>Actual</th>
<th>Projected</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discharges Medical Center</td>
<td>28,160</td>
<td>27,851</td>
</tr>
<tr>
<td>Discharges Transitional Care</td>
<td>316</td>
<td>358</td>
</tr>
<tr>
<td>Discharges Culpeper</td>
<td>n/a</td>
<td>2,322</td>
</tr>
<tr>
<td>Adjusted Discharges</td>
<td>55,699</td>
<td>63,273</td>
</tr>
<tr>
<td>Average length of stay MC</td>
<td>5.75</td>
<td>5.92</td>
</tr>
<tr>
<td>ALOS Transitional Care Hosp</td>
<td>29.80</td>
<td>31.08</td>
</tr>
<tr>
<td>ALOS Culpeper</td>
<td>n/a</td>
<td>3.79</td>
</tr>
<tr>
<td>Patient days at MC</td>
<td>162,846</td>
<td>164,878</td>
</tr>
<tr>
<td>Clinic &amp; ER visits at MC</td>
<td>853,971</td>
<td>887,649</td>
</tr>
</tbody>
</table>

Revenues: The Medical Center has seen significant growth (13.6%) in adjusted discharges over the last year; however, a disproportionate share of the growth has been Medicaid and Medicare. One of the Medical Center’s largest challenges is the unwillingness of government payors to increase their payments commensurate with the increases in medical delivery costs. Growth in revenues into Fiscal Year 2016 will result from the impact of increasing volume and negotiated contracts that include rate increases.

Medical Center surgical volumes are expected to grow in the main operating rooms (ORs) as a result of continued targeted efforts to grow high CMI cases. Growth in outpatient surgery in the Battle Building is a result of a full year of having 12 ORs in operation combined with an increase in the number of procedures now available in the ambulatory setting.
Rate changes: Through an assessment of strategic pricing, the Medical Center proposes an aggregate rate increase of 5.0%, which is commensurate with rate increases that will generally be implemented in the hospital industry.

With regard to compensation, the pay-for-performance pool has been established at $9.4 million, which includes the impact on benefit costs and is based on a 3.0% salary adjustment with an October implementation date. Other salary adjustments, such as market and compensation design adjustments, total $5.4 million including the impact on benefit costs.

Expenses: Expenses from operations are projected to increase by $129.0 million from the Fiscal Year 2015 projection. Expenses per CMI weighted adjusted discharges are projected to increase, going from $11,090 to $11,358 (excluding the Transitional Care Hospital, UVA Culpeper Hospital and UVA HOPE Cancer Care).

Previous increases in capital investment will result in additional depreciation expense of $12.9 million for Fiscal Year 2016. Additionally, interest cost on capital investments is increasing by $1.7 million for Fiscal Year 2016. The Medical Center’s 2015-2016 fiscal plan accounts for these additional expenses while preserving its goal of providing high quality and cost effective health care, education, and research services.

Staffing: The Medical Center’s Fiscal Year 2016 budget has been benchmarked with comparable academic medical centers. Full-time equivalents (FTEs) are planned at 8,287, an increase of 421 FTEs from staffing at the current Fiscal Year budget of 7,866 FTEs. The budget includes increased staffing related patient care of 275 for bed expansion and raising RNs to the 50th percentile. Staffing UVA Culpeper Hospital for a full fiscal year adds 159 FTEs. The remaining net reduction of 13 FTEs from the Fiscal Year 2015 budget is attributed to various areas, including reductions from Fiscal Year 2015 budget levels for Dialysis Satellites and UVA HOPE Cancer Care.

Operating Plan: The rapidly changing health care environment will require continuous examination of budget assumptions. Management will monitor budget versus actual performance on a monthly basis and, where appropriate, make changes to operations. Also, management will continue to identify and implement process improvement strategies that will allow for operational streamlining and cost efficiencies.

The major strategic initiatives that impact next year’s fiscal plan include:
• Opening of new inpatient beds to create capacity to recapture lost volume and improve overall throughput.
• Bolstering of the Be Safe infrastructure to further enhance safety and quality improvement efforts.
• Developing the relationship with Novant Health to create a Northern Virginia regional health system.
• Developing the Community Hospitals and Post-Acute Division.
• Implementing EPIC Revenue Cycle, centralized scheduling, and Kronos timekeeper.
• Better integration of planning and development efforts between the Medical Center, School of Medicine, and University Physicians Group.
• The continuation of our efforts to engage our employees and enhance patient satisfaction.
• Continued planning around capital projects that have large-scale impact on operations, such as the renovation of the Fontaine Clinics and old ambulatory surgery center, new data center, expanded Emergency Department and hospital bed tower, and Education Resource Center.
• Maintaining market driven and performance compensation enhancements for employees.
• Continued funding of the Strategic Investment Pool to advance the tri-mission of clinical care, education, and research.
• Continued development of Population Health in response to a changing environment that emphasizes value, quality, and patient engagement.

The major risk factors that impact our ability to accomplish the fiscal plan include:

• Decisions related to healthcare reform including State participation in Medicaid expansion.
• Maintaining and growing a superior workforce in an environment where workforce shortages are projected.
• Medicare payments at risk due to value based purchasing, electronic health record meaningful use, and hospital readmissions.
• Further cuts in GME, IME, and Facility Fees beyond sequestration.
• Marketplace changes creating a highly competitive environment.
• Ability to contain costs and gain efficiencies given an increasingly high acuity patient population.
• Failure of Outreach Clinics, Centers of Excellence, and other service line development plans to achieve volume, quality, or patient satisfaction goals.
• Inability to adjust cost structure to accommodate shifts in utilization from being primarily inpatient/procedure oriented to more outpatient/health prevention oriented.
• Changes in market dynamics from emerging Accountable Care Organizations and Clinically Integrated Networks.

ACTION REQUIRED: Approval by the Medical Center Operating Board, the Finance Committee, and by the Board of Visitors

2015-2016 OPERATING AND CAPITAL BUDGETS AND ANNUAL RENOVATION AND INFRASTRUCTURE PLAN FOR THE UNIVERSITY OF VIRGINIA MEDICAL CENTER

RESOLVED, the 2015-2016 Operating and Capital Budgets and the Annual Renovation and Infrastructure Plan for the University of Virginia Medical Center are approved, as recommended by the President, the Chief Operating Officer, and the Medical Center Operating Board.
BACKGROUND: The proposed project and design are consistent with the recently approved strategic plan for the Health System to expand University Hospital to the east. The Medical Center is proceeding with expansion and renovation of the Emergency Department, expansion of perioperative and interventional services, and construction of a new six-story tower that includes the build out of three stories and core and shell for the remaining floors. The completion of this project would enable the Emergency Department (ED) to meet annual growth projections for the foreseeable future, meet the expectations of our patients for privacy and a better patient experience, and eliminate boarding of patients in the ED. This project will help the interventional program address areas of high congestion, accommodate future demand, and consolidate many of interventional services to one floor allowing for more multidisciplinary work. In addition, the pre-operative and recovery area will be expanded to accommodate additional space for patients and create greater operational efficiencies. The new six-story tower with three floors fitted out would allow the Medical Center to convert the majority of its semi-private rooms to a single patient rooms. The combination of private rooms with a strategy to shift acuity to the tertiary/quaternary end of the spectrum will better position the Medical Center to mitigate Medicaid expansion risk.

PREVIOUS BOARD ACTION: This project received project approval from the Board of Visitors in April 2013. In June 2014, the Board approved the architect selection and the concept, site, and design guidelines.

DISCUSSION: The design team, led by Perkins + Will of Washington, D.C., in collaboration with the Office of the Architect for the University, along with representatives of the Medical Center and Facilities Management, has developed a schematic design. Dr. Shannon will introduce Mr. David J. Neuman who will review the design with the committee.
ACTION REQUIRED: Endorsement by the Medical Center Operating Board and recommendation to the Building and Grounds Committee

ENDORSEMENT OF SCHEMATIC DESIGN FOR UNIVERSITY HOSPITAL EMERGENCY DEPARTMENT, PERIOPERATIVE AND INTERVENTIONAL SERVICES, AND BED TOWER

RESOLVED, the Medical Center Operating Board endorses and recommends to the Building and Grounds Committee for further development and approval the schematic design dated June 2015, and prepared by Perkins + Will of Washington, D.C. for the University Hospital Emergency Department, Perioperative and Interventional Services, and Bed Tower.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING:       June 11, 2015

COMMITTEE:       Medical Center Operating Board

AGENDA ITEM:       V. Report from the Chief Executive Officer of the Medical Center

ACTION REQUIRED:   None

BACKGROUND: Pamela Sutton-Wallace is the Chief Executive Officer of the University of Virginia Medical Center. Before assuming this position on July 1, 2014, she served as Senior Vice President for Hospital Operations of Duke University Hospital where she was responsible for several key operational areas, including Perioperative, Emergency/Trauma, Diagnostic, Medical-Surgical Critical Care, and Facility and Support Services. Ms. Sutton-Wallace joined Duke in 1997 as an administrative fellow and held several management positions during her 17-year tenure at the Duke University Health System.

DISCUSSION: The Chief Executive Officer of the Medical Center will inform the MCOB of recent events that do not require formal action.
Robert H. (Bo) Cofield has served as the Medical Center’s Associate Vice President for Hospital and Clinics Operations since February 2010. In this position, he is responsible for the effective daily operations of the Medical Center’s inpatient and outpatient clinical services. Before coming to the University of Virginia, he served for 10 years in a variety of leadership roles at the University of Alabama at Birmingham Health System.

**DISCUSSION:**

**Clinical Operations**

**Ambulatory Operations**

The Joint Commission conducted a re-certification visit for our Advanced Chronic Obstructive Pulmonary Disease (COPD) program in April. Every two years, the Joint Commission conducts an onsite survey of the Pulmonary Clinic and Medical Center to assure we meet specific standards and continued quality performance measures. The surveyor was very complimentary of our program and noted no findings or opportunities for improvement.

On April 20, the Medical Center opened a new primary and specialty care clinic in the Pantops area of Charlottesville. The new clinic, which includes integrative medicine, offers a holistic approach to health aimed at treating the whole person, not just the disease or condition.

Our four Family Medicine clinics earned Level 3 certification — the highest level — from the National Committee for Quality Assurance (NCQA) as Patient Centered Medical Homes (PCMH). The PCMH is a way of organizing primary care that emphasizes care coordination and communication to transform primary care into "what
patients want it to be." NCQA PCMH recognition is the most widely-used way to transform primary care practices into medical homes.

Patient Care Services

Neuroscience

U.Va. Health System has been recertified as a provider of the highest level of epilepsy care. According to the National Association of Epilepsy Centers, U.Va.'s F.E. Dreifuss Comprehensive Epilepsy Program has been deemed to have the "professional expertise and facilities to provide the highest-level medical and surgical evaluation and treatment for patients with complex epilepsy."

U.Va. meets and exceeds the NAEC guidelines, with a team that includes 11 adult and pediatric epileptologists, neuropsychologists, neurosurgeons, nurses, technicians, social workers, nutritionists, and educational counselors. U.Va. also offers several specialty clinics for patients with epilepsy, including one of the few clinics solely devoted to the care of adolescents and a clinic focused on treatment using the ketogenic diet.

A major clinical trial at the University Of Virginia School Of Medicine and more than 80 other institutions has found that a wearable device that emits low-level electrical fields can slow the progression of glioblastoma, the deadliest form of brain cancer, and extend patients' lifespans. Dr. David Schiff of the U.Va. Department of Neurology, said the results of the trial have come as a "real shocker to the field," noting that glioblastoma is notoriously difficult to treat. "This is a tumor type that it's been very hard to make real progress against. From the 1960s to the present, we haven't improved the average survival by more than a few months - less than a handful of months. So anybody who's been in the field for a while has seen a lot of bright ideas fail," he said. "But this trial in newly diagnosed disease is a different kettle of fish. Because this trial clearly shows an improvement both in time until the tumor starts growing, but more importantly in overall survival. And if you can make a difference in overall survival, you're really doing something." It is important to note that the device, manufactured by Novocure, has not been approved for the treatment of newly diagnosed glioblastomas, and is not yet available as a treatment. It is, however, approved by the Food and Drug Administration for the treatment of recurrent glioblastomas.
Transplant

U.Va. continues to play an active role in the newest organ allocation methodology: Paired Donor Exchange. Recently, U.Va. participated in the longest multi-hospital donor exchange. The story was featured on ABC's "Nightline" where 34 patients across 26 centers were transplanted all due to a single, altruistic living kidney donor.

The Transplant Center recently launched EPIC's Phoenix, which is the care module for Transplant patients. Simultaneously we launched an optical character recognition software package to expedite the processing of external labs so they will post correctly in the EPIC enterprise system. In the first three months of 2015, the Transplant Center processed over 21,000 labs in the new system.

Cardiovascular

Under the leadership of Drs. Scott Lim and Rohit Malhotra, our cardiac interventionists launched a commercial WATCHMAN program on April 23rd. WATCHMAN is a device which is permanently implanted into the left atrial appendage, and is intended to prevent stroke in patients with atrial fibrillation who do not tolerate conventional anticoagulation therapy. We anticipate that approximately 50 patients will be treated at U.Va. with a WATCHMAN device during the upcoming 12-month period.

Emergency Management

The Crisis Assessment Center has been in operation for six months after our region received grant funding to staff the Emergency Department with a Region Ten mental health provider and a University Police Department officer from 4:00 p.m. through midnight for all patients under an emergency custody order. These resources are available to help with voluntary behavioral health emergencies if there are not any emergency custody orders in progress. The result is a safer environment for patients, guests and team members, as well as faster processing times for patients in crisis. On average, there are 50 interventions per month.

Children's and Women's Services

The U.Va. Children's Hospital continues to establish new clinics in the Battle Building and opened a six-bed intermediate medical unit on 7 North on April 3. We are focusing on improving the patient experience by retooling patient and family-centered rounding, utilizing the AIDET (Acknowledge, Introduce, Duration, Explanation, Thank You) framework for communicating with patients
and families, and initiating a patient experience committee. Program growth continues to focus on transplant, heart, pediatric neurology, and pediatric cancer.

Women's Services is completing the final steps for designation by Baby-Friendly USA. Our midwifery program is progressing to the final recruitment stages. Uteam Pregnancy Perks just launched a program for team members who choose to deliver at U.Va..

Clinical Ancillary Services

Medical Laboratories

The microbiology lab implemented new polymerase chain reaction testing that detects and identifies 22 microbial pathogens that cause gastrointestinal diarrhea within four hours of specimen receipt in the laboratory. Formerly, the detection of many of these pathogens took anywhere from 24-48 hours or longer.

Pharmacy Services

The Health Resources and Services Administration (HRSA) Office of Pharmacy Affairs (OPA) completed its first review of the 340B Drug Pricing Program. HRSA's 340B Program audit of U.Va.'s policies, procedures, and sample prescriptions did not identify any findings regarding eligibility, diversion, or duplicate discounts. The audit identified one area for improvement which was not a specific violation of 340B Program and does not require a corrective action plan.

The American Society of Health System Pharmacists (ASHP) awarded U.Va. Medical Center a grant to fund an additional Pharmacy Resident.

Pyxis Anesthesia Systems (PAS) continue to be deployed throughout the Medical Center. PAS are designed to generate accountability and safety in the distribution and labelling of medications in procedural and operative areas.

Radiology and Medical Imaging

The MRI relocation project is the first step in the hospital expansion project. The first MRI unit has been removed from the Medical Center. In the meantime, we have installed a mobile MRI unit on the existing pad located just outside of the MRI pavilion near the current Emergency Department. This unit is being used only for outpatient imaging. When construction is completed along Lane Road, the mobile unit will be relocated to the new site and
dedicated to outpatient imaging until the Education Resource Center building is complete in 2017.

Our new mobile mammography van arrived in early May. We hosted a community event in partnership with Belk on Saturday, May 23.

Therapy Services

The Faculty and Employee Assistance Program (FEAP) expanded its services to help U.Va. team members who are or have been victims of sexual trauma and assault. A new FEAP consultant has specialized training in counseling victims of sexual trauma and assault.

Patient Experience Office

Inpatient leaders have renewed focus on key behaviors in order to impact the patient experience: daily leader rounding, hourly nurse rounding, bedside shift change reporting, quiet time hours, and communication white boards.

The Children’s Hospital launched a training program to improve communication between caregivers, patients, and families. Physicians, nurses, and support staff in the pilot unit all received training in the AIDET (Acknowledge, Introduce, Duration, Explain, and Thank) communication model. This is designed to provide needed information to patients and families, therefore, decreasing anxiety, improving adherence to care plans, improving clinical outcomes, and improving the patient and family experience.

Real-time feedback pilots using iPads continue at University Medical Associates (UMA) clinic and the Emergency Department. Pilots at our Pulmonary clinics and the Transitional Care Hospital launched this quarter with two additional clinics in the survey design phase. These surveys are highly customized to meet the respective departmental operational needs. The Emergency Department presented their process and results at the Society for Academic Emergency Medicine conference in May.

The Patient, Family & Community Advisory Forum met in March 2015. The Forum members received an update on the new Emergency Department expansion and inpatient tower. They then walked through mock-ups of two inpatient room designs and provided feedback. They also expressed their view on pricing models for the new valet parking service. The Team Member as Patient Advisory Forum met in February 2015. These team members, who receive their care at the Health System, meet quarterly to provide feedback to administration on issues that are unique to team members.
Community Outreach

Pathway to a Health Career Collaborative

As an update to our March description of the program to identify underemployed and/or unemployed youth and equip them for an upwardly mobile career path in healthcare, we are happy to report that six candidates graduated in late April and sat for their State Certification in May. Once certified, they will apply for employment as a Patient Care Assistant with the Medical Center. We will continue to provide progress reports on this community focused approach to filling open positions from those who live within the shadow of our Medical Center.

National Volunteer Week

Sixteen local charities were asked to participate in our first Volunteer Opportunity Expo for employees in April, providing connections to non-profits seeking assistance in moving their mission forward in Central Virginia. Each of the charities asked to return and was successful in finding new volunteers from our workforce.

American Cancer Society (ACS)

Spring has become synonymous with the ACS Relay for Life throughout the country, and this year, for the first time, our Health System is being recognized as the ACS Community Partner at each of the 19 events in Central Virginia and the Shenandoah Valley. Events will feature an opening speaker opportunity for a Cancer Center physician presenting on clinical care as well as current research being conducted at U.Va.

Environment of Care

Art Committee

The University of Virginia Health System Arts Committee presented “Shenandoah Skies”, an exhibition of watercolor paintings by Chee Kludt Ricketts in the University Hospital lobby from January 9 to March 6 and “Returning to Nature”, oil paintings by Tom Tartaglino, on display from March 6 to May 1.

Auxiliary

The U.Va. Hospital Auxiliary held a Book Fair in March with all proceeds benefiting the Auxiliary’s mission to serve the U.Va. Health System, its patients, and their families. In late March
they held their annual Daffodil Day sale, with all proceeds funding the gift of a daffodil to each inpatient at U.Va. Hospital.

Environmental Services

Environmental Services managers, in collaboration with Infection Control and Prevention staff, have begun using new three-emitter ultra violet equipment to treat patient care areas in an effort to reduce rates of healthcare-acquired infections (HAIs).

Nutrition Services

Wendy Phillips, Clinical Nutrition Manager at the Health System and President of the Virginia Academy of Nutrition, was featured as one of “10 Incredible Dietitians” by Today’s Dietitian magazine in March. Dana Cullen was honored by the Virginia Academy of Nutrition and Dietetics on April 13 as Virginia’s Recognized Young Dietitian of the Year. Dana is the inpatient neurology nutritionist and assistant program director for the dietetic internship program, which was founded in 1975 by Regina Gottlieb. Alex Cook, who will graduate from the dietetic internship program in July, was awarded the Regina Gottlieb Scholarship by the U.Va. Hospital Auxiliary on April 15.

Patient and Guest Services

In April, the Health System began the UtoCar program, an on-demand shuttle service providing employees with a safe ride after hours from their work site to their cars in select U.Va. parking areas.

Sustainability

The Health System Sustainability Workgroup continues to sponsor a monthly reusable office supply exchange (ROSE) to encourage recycling of gently or never used office supplies and small office equipment. Monthly sustainability events are held along with the ROSE exchange. These events have included World Water Day exhibits in March, with the Coordinator of Water Resources for the City of Charlottesville as a special guest. In April, Earth Week was celebrated with special exhibits at the Health System and the U.Va. Earth Week Expo at Newcomb Hall. Reba Camp, Sustainability Workgroup Chair and Administrator, Environment of Care, presented “Sustainability – Good for Business, Good for the Environment” at the 26th Annual Environment Virginia Symposium at Virginia Military Institute in Lexington. The presentation highlighted the Health System’s focus on stewardship and sustainability.
Volunteer Services

The Woodberry Forest Junior Volunteers program, a partnership between the U.Va. Medical Center and Woodberry Forest School, is a pilot program for Woodberry Forest students to work during the academic year as Creativity Zone volunteers in the pediatric outpatient areas. The students will help make pediatric clinic visits a positive experience by engaging children in the waiting areas in activities such as arts and crafts, reading, and storytelling.

The Ryan White Clinic Peer Coach Volunteer program is a program where ten peer coaches support women and young adults in HIV care, providing education, emotional support, mentorship, and identification of community services to support management of their care.

Youth Inspire, a contracted independent organization consisting of 30 U.Va. pre-health students, will be organizing weekly workshops focusing on arts and crafts, drawing, writing, meditation, laughter yoga, and other mindfulness practices, to be held in the Battle Building.

Information & Technology Services

Planning for the EPIC Phase 2 project will be completed this May. Recruiting for the project team is underway with a target of having the team on board and trained by September. Detailed design and validation work will begin in September, with a planned implementation date of July 2017.

The Medical Center’s telephone system replacement project is 50% complete. This project is part of the overall University telephone replacement project and will provide a complete digital telephone system throughout the Medical Center. The project is to be completed by the end of 2015.

Human Resources

Talent Acquisition

The “Step it Up” experienced Registered Nurse and Pharmacist campaign ended on April 9. During the six-month campaign, U.Va. Medical Center hired 160 experienced RNs, 84 of whom qualified for the program, along with 10 campaign-eligible Clinical Pharmacists. Fifteen team members received the enhanced “Step it Up” referral bonus. Both RN and Pharmacist hiring targets of 75 and four, respectively, were exceeded.
The 2015 RN Clinician I recruitment season has resulted in 229 accepted job offers to date. Forty percent of U.Va.'s combined BSN and CNL graduating classes have been hired by the Medical Center.

Overall, the Medical Center has hired 1,333 new team members in fiscal year 2015 through March, putting us on pace to hire over 1,700 new team members this fiscal year.

Recognition and Rewards

Uteam Members of the Month

The Uteam Members of the Month program recognizes team members each month for their outstanding service to the Medical Center. Nominations are based on the following criteria:

- Demonstrates a caring manner and a strong customer focus
- Works well with others
- Makes the department a better place to work
- Serves as a role model for others
- Demonstrates a commitment to patient safety/patient-centered care

Recent Uteam Members of the Month are:

- September - Lillian Shoffstall-Tyler, Ophthalmology Tech, Ophthalmology Clinic
- October - Elizabeth Cook, Sign Language Interpreter, Language Assistance Services
- November - Edward Sidebottom, Health Unit Coordinator, Coronary Care Unit
- December - Eunice Jones, Administrative Assistant, 5 Central
- January - Rich Boitnot, RN, Staffing Resource Office
- February - Kate Lichti, Chaplaincy Resident
- March - Robert Hite, Application System Analyst/Programmer, Electronic Medical Records
- April - Carlos Nocks, Catering Associate, Food and Nutrition Services

Uteam Meetings

Uteam hosted Town Hall meetings throughout January and February. More than 1,100 team members attended to hear directly from senior leadership about the state of the Health System.
Bigger + Better Uteam

In January, Uteam launched a Bigger + Better Uteam. With an enhanced website and online store Uteam now encompasses:

- Urewards – a program focused on recognizing contributions through a number of rewards and awards, including peer to peer recognition;
- ThankU – events focused on celebrating our accomplishments and industry;
- Ulife – providing support for our team members with Wellness, Perks & Discounts, Family Support, and Community Involvement and Giving.

For the first time, the University Physicians Group has elected to participate in Uteam.

Uteam Spring Giving

In February, Uteam hosted a hot chocolate cart in the cafeteria raising money for the U.Va. Heart & Vascular program. Team members could enjoy a delicious cup of gourmet hot chocolate for a donation to the U.Va. Heart and Vascular program. This month-long event raised $1,348.58.

Organizational Development

The Uteam Leadership Academy is conducting a new series of classes for directors and administrators entitled “Influential Leadership – Leading in a Be Safe Environment”. This series focuses on learning how to motivate and enable vital behaviors which propel the Medical Center towards becoming the safest place to work and receive care. Topics include coaching to improve performance and development, influencing others, leadership standard work, and promoting personal responsibility. This series incorporates a high level of individual coaching with each participant.

Compensation/HRIS

The division is finalizing the creation, testing, and roll-out of an electronic Personnel Action Form which will be housed within our PeopleSoft Manager Self-Service platform. This new digitized form will be user-friendly and should help to streamline the process for submitting personnel changes for our managers. The testing of the form was very well received.
We are in the process of implementing Workforce Analytics, a tool that uses our Human Resources data to generate meaningful analysis in a visual format to measure key workforce metrics, such as turnover. This also enables end users to create reports and analytics to answer key questions about their workforce.

Quality and Performance Improvement

The Medical Center’s unannounced, triennial Joint Commission accreditation survey occurred March 2\textsuperscript{nd} through March 6\textsuperscript{th}. The weeklong survey served to validate compliance with the Center for Medicare and Medicaid Services (CMS) Conditions of Participation (CoP) required for reimbursement under the federal Medicare program. The Medical Center remains accredited.

Two Hope clinic laboratory facilities, Augusta and Farmville, were inspected on March 3 and March 5 respectively, by COLA, a laboratory accrediting agency. Both facilities were found to be in full compliance with regulatory standards.

The Medical Center’s Joint Commission certified disease specific care program for Chronic Obstructive Pulmonary Disease (COPD) was surveyed on April 3\textsuperscript{rd}. The program was found to be in full compliance with the certification requirements.

Recognition and Awards

The American Cancer Society honored Leslie Blackhall, MD, MTS, the founder of the Palliative Care Clinic at U.Va. Cancer Center, with a national award for improving cancer patients’ quality of life. Blackhall is one of seven winners of the 2015 American Cancer Society Lane W. Adams Quality of Life Award. The American Cancer Society said it recognizes individuals like Blackhall who provide what Adams, a longtime American Cancer Society executive vice president, described as the “warm hand of service.”

Becker’s Hospital Review named U.Va. Medical Center to its 2014 list of “100 hospitals with great women’s health programs.” Hospitals named to the list “offer outstanding health services geared toward women, such as gynecology, obstetrics, women-focused heart care and women-focused cancer care, among other women’s health needs,” according to the national healthcare publication.

Orthopedics This Week has named U.Va. Health System orthopedic surgeon David B. Weiss, M.D., among 19 of the best orthopedic trauma surgeons in North America. The healthcare publication compiled its list based on a phone survey of thought leaders in orthopedic trauma. “In addition to being a skilled surgical technician, Dr. Weiss is highly dedicated to education in
orthopedic trauma,” said one survey respondent. “He has consolidated orthopedic trauma care in Central Virginia with his leadership skills, surgical acumen, teaching abilities, and bedside manner.”

U.Va. Cancer Center is now one of six cancer centers in a national cancer research network that aims to develop more personalized treatments for cancer. U.Va. is one of four new members of the Oncology Research Information Exchange Network (ORIEN). The addition of the new ORIEN members is expected to exponentially increase the number of patients consenting to donate their tissue and clinical data – including corresponding genomic data – for research to understand cancer at the molecular level, with the goal of developing more targeted cancer treatments.

For meeting national quality and patient safety standards, U.Va. Cancer Center has been awarded a three-year accreditation in radiation oncology by the American College of Radiology (ACR). U.Va. earned accreditation by meeting ACR’s specific practice guidelines and technical standards following a peer-review evaluation – including a site visit – by board-certified radiation oncologists and medical physicists who are experts in the field. Patient care, patient safety, personnel qualifications, equipment, quality control procedures, and quality assurance programs are assessed as part of the review.

Supply Chain

Supply Chain Operations continues a redesign effort using lean methodology. The operating model has been in place for two months on 6 West, and has delivered an estimated $10 per patient day in utilization savings, mainly due to elimination of waste in the supply chain. The effort is focused on bringing supplies closer to the patient care venue, using a Kanban system of replenishment, and eliminating multiple pathways to obtain the same product. An added benefit is a reduction of time wasted looking for, and obtaining, needed supplies. This reduction is estimated at 30%. The next two units to be brought live on the model are 6 Central and 6 East. Supply Chain Operations is working closely with Owens & Minor to achieve an operable, and cost efficient model of resupply to the hospital, as current physical space available to the Medical Center falls significantly short of what is required to manage this model in house.

Working with Patient Care and physicians, Surgical Supply Services continues its effort to standardize supply utilization by eliminating practice variation. This effort has generated $1.75M in utilization and product choice savings to date.
In an effort led by U.Va. faculty physicians, Value Management, has concluded two significant contracting efforts in Endovascular Aneurysm Repair (EVAR) and Structural Heart Defect Repair. Savings is anticipated at 5%.

Procurement will be taking Linen Services and Environmental Services out to bid in the first quarter of Fiscal Year 2016.
UNIVERSITY OF VIRGINIA
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: June 11, 2015

COMMITTEE: Medical Center Operating Board

AGENDA ITEM: VII. Graduate Medical Education Annual Report

ACTION REQUIRED: None

BACKGROUND: At the University of Virginia Medical Center, Graduate Medical Education encompasses a wide range of post-graduate training in health care fields. Although most of this training occurs in programs, which further the knowledge and expertise of physicians, we also provide residency and fellowship training in dentistry, pharmacy, chaplaincy, radiation physics, clinical laboratory medicine, clinical psychology, and physical therapy. Graduate Medical Education at the U.Va. Medical Center remains highly regarded and matching into our programs is very competitive. We believe that it is part of our mission to train professionals who will serve as the key components of the healthcare workforce in the twenty-first century. It is our duty to educate them to provide safe, high quality patient care, and to encourage them to carry these skills and values with them beyond their residencies and fellowships.

At U.Va., oversight of our GME programs is performed by the Designated Institutional Official (DIO) and Associate Dean of GME in conjunction with the institution’s Graduate Medical Education Committee (GMEC), an advisory committee to the Clinical Staff Executive Committee.

The GMEC meets monthly to review and approve all aspects of Graduate Medical Education and is comprised of the DIO (Chair), representative physician program directors, the Chief Patient Safety and Chief Quality Officers, GME administrators, and peer-selected residents. Additional voting members include the co-chairs of the Medical Student Advocacy Committee, a non-physician program director, and the chairs of its subcommittees which include Education, Policy, Stipends and Benefits, and CLER (Clinical Learning Environment Review). The GMEC also provides an annual report to the Clinical Staff Executive Committee. The GMEC audits every program each year with an Annual Program Review. Programs that are found to be underperforming undergo a Special Review.

For the 2014-2015 academic year, the Medical Center has sponsored 762 residents and fellows in 105 active specialty and sub-specialty training programs. All programs are currently in
good standing. These include 71 programs accredited by the Accreditation Council for Graduate Medical Education (ACGME), the American Board of Obstetrics and Gynecology, or the United Board of Neurologic Specialties; 28 additional fellowships (non-accredited or accredited by other than the ACGME); one ADA-accredited Dentistry program; and six paramedical programs in Chaplaincy, Clinical Laboratory Medicine, Clinical Psychology, Pharmacy, Radiation Physics and a newly approved residency in Physical Therapy.

Susan E. Kirk, M.D. has been the DIO and chair of the GMEC at U.Va. since April 2006. She also holds a joint appointment as an Associate Professor in Medicine and Obstetrics and Gynecology. She is a graduate of Douglass College and Rutgers Medical School. She completed her internship and residency, and was chief resident in Internal Medicine, at the University of North Carolina Chapel Hill. At the University of Virginia she completed a fellowship, and is currently board certified in the subspecialty of Endocrinology and Metabolism. Her area of clinical expertise is in diabetes and pregnancy. She is co-director of the High Risk Obstetrical Diabetes Clinic. Dr. Kirk was appointed to a six-year term with the Institutional Review Committee of the Accreditation Council for Graduate Medical Education (ACGME) in July 2013.

DISCUSSION:

GME Trainee Statistics

The training year for residents and fellows generally runs July to June, although several programs are slightly off-cycle. Medical, dental, and clinical psychology residents are appointed annually and reappointed through the Credentials Committee. Statistics for Fiscal Year 2015 are as follows:

**Departing GME Trainees:**

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<tr>
<td>Completed training program*</td>
<td>227</td>
</tr>
<tr>
<td>Not reappointed for academic reasons</td>
<td>2</td>
</tr>
<tr>
<td>Resigned for personal or academic reasons</td>
<td>1</td>
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<tr>
<td>Terminated from program</td>
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* Of the 227 residents completing training, 16 were appointed to faculty positions within the School of Medicine.

**New Appointments**

245

**Reappointments**

527
A recent review of practice locations for graduates of U.Va.'s training programs from 1995 to 2005 showed that approximately one third (32%) remained within the Commonwealth long-term (up to 17 years) after completing their training.

Accreditation Status

Physician Training Program Accreditation

Accreditation of individual GME programs and the institution is provided largely by the ACGME. In July 2014, the institution and all of its ACGME accredited programs completed their transition to the Next Accreditation System (NAS) and the following provides a summary of accreditation actions:

1. The institution remains fully accredited. Its first self-study will be conducted in 2018. We also underwent our first CLER (Clinical Learning Environment Review) in December 2014. The three-day visit by two ACGME visitors involved interviews with the Senior Leadership team (CEO, DIO, CMO, CNO, COO and Housestaff Council Co-president), the Chief Quality and Patient Safety Officers and their teams, and nearly 180 program directors, key faculty members, residents and fellows. The site visitors also interviewed staff in the working environment (nurses, pharmacists and others) to verify information that they learned during the interviews. No comparative data were provided for the first CLER visit, which was unlinked to any accreditation action. However the site visitors acknowledged the impact that our Be Safe practices have had on our culture of safety. We expect our next CLER visit in 2016.

2. All residency and fellowship programs are now reviewed yearly by the ACGME through a peer review process carried out by twenty-six specialty-specific committees, known as Residency Review Committees (RRCs). The RRCs focus on the following elements:
   - Resident performance, including board pass rate
   - Faculty development and scholarly activity
   - Documented program improvement
   - Adherence to requirements such as duty hours
   - Achievement of competency milestones

   Sixty-six of our programs received a Letter of Notification from their RRC in 2014 or 2015. All received notification of Continued Accreditation and the following additional decisions:
- 61 programs (89%) received no citations and were commended for being in substantial compliance with requirements
- 2 programs (3%) resolved all previous citations and were commended for being in substantial compliance with requirements
- 3 programs (4%) received one or more new citations or had concerning trends identified
- 3 existing or new programs (4%) were not reviewed in either 2014 or 2015

3. Critical Care Medicine (Anesthesiology) voluntarily withdrew its accreditation after a Special Review by the GMEC and a determination that the program was not meeting ACGME requirements. The program may reapply for accreditation after evaluation by the GMEC shows that its deficits have been corrected.

4. Both the ACGME and GMEC rely on the annual anonymous surveys of all trainees and key faculty by the ACGME to gauge the health of training programs, as well as identify any areas where corrective action might be needed. Overall, U.Va. compares favorably to other institutions nationally in both resident and faculty surveys. Any concerning trends that were identified in individual program surveys have been included for discussion in either the Annual Program or Special Reviews.

Non-Physician Training Program Accreditation

1. The Clinical Laboratory Medicine Program received a 5-year accreditation cycle from the Commission of Accreditation in Clinic Chemistry (ComACC) in May 2015.

2. The PGY2 Solid Organ Transplant Pharmacy Residency was accredited by the American Society of Health System Pharmacists, bringing the total number of accredited Pharmacy residency programs to eight.

3. The Radiation Physics Program received a 5-year reaccreditation the Commission on the Accreditation of Medical Physics Education Programs (CAMPEP).

National Match

Twenty-seven programs, offering 154 positions, participated in the 2015 Match. Three positions in the Preliminary Surgery - Undesignated program were unfilled at the time of the initial match, but these were successfully filled in the first round of the Supplemental Online Application Program (SOAP). Of special note,
17 programs obtained one or two of their top 20 ranked applicants. Additionally, 20% of the matched applicants were graduates of the University of Virginia and additional 7% were from Commonwealth of Virginia medical schools. On a broader scope, our residency programs were very attractive to medical schools around the country, matching students from 30 states and the District of Columbia.

Finance

The total direct budget for Graduate Medical Education programs for Fiscal Year 2015 was $52,711,806. Funds to support this program came from Medicare, Medicaid, and other government agencies (such as the NIH or branches of the military) industry sources, as well as the Medical Center.

In addition to continuing to fund innovative programs to support education, such as the Master Educators Award, the Graduate Medical Education Innovative Grant Program, and the GME Certificate Program, the Medical Center increased salaries and benefits for all graduate medical trainees in July 2014 in order to remain competitive with Graduate Medical Education programs nationally.

University of Virginia GME Trainee Stipends
Effective July 1, 2014 - June 30, 2015

<table>
<thead>
<tr>
<th>Program</th>
<th>Level</th>
<th>UVA Annual Salary</th>
<th>50th Percentile All Regions*</th>
<th>Weighted Mean South Region*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical/Dental</td>
<td>PGY 1</td>
<td>$51,250</td>
<td>$51,250</td>
<td>$49,475</td>
</tr>
<tr>
<td></td>
<td>PGY 2</td>
<td>$52,500</td>
<td>$52,949</td>
<td>$51,139</td>
</tr>
<tr>
<td></td>
<td>PGY 3</td>
<td>$54,750</td>
<td>$54,029</td>
<td>$52,917</td>
</tr>
<tr>
<td></td>
<td>PGY 4</td>
<td>$58,500</td>
<td>$57,201</td>
<td>$55,071</td>
</tr>
<tr>
<td></td>
<td>PGY 5</td>
<td>$59,100</td>
<td>$59,542</td>
<td>$57,327</td>
</tr>
<tr>
<td></td>
<td>PGY 6</td>
<td>$61,000</td>
<td>$61,755</td>
<td>$59,725</td>
</tr>
<tr>
<td></td>
<td>PGY 7</td>
<td>$63,000</td>
<td>$63,809</td>
<td>$62,108</td>
</tr>
<tr>
<td></td>
<td>PGY 8</td>
<td>$65,750</td>
<td>$67,167</td>
<td>$64,583</td>
</tr>
<tr>
<td>Profession</td>
<td>PGY 1</td>
<td>PGY 2</td>
<td>PGY 3</td>
<td>PGY 4</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------</td>
<td>-------------</td>
<td>-------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Chaplain</td>
<td>$31,500</td>
<td>$32,500</td>
<td>$33,500</td>
<td>$34,500</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>$46,600</td>
<td>$49,250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinical Psychology</td>
<td>$35,100</td>
<td>$37,000</td>
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<td></td>
</tr>
</tbody>
</table>

*2014 AAMC Survey on Stipends, Benefits and Funding

Graduate Medical Education Activities

Resident and Fellow Engagement in Quality and Patient Safety

Trainees are encouraged to develop their own individual learning portfolios, and to include such items as self-initiated Practice Based Learning and Improvement projects or chart reviews, thereby documenting their own engagement in Quality and Patient Safety issues. In addition, the Housestaff Council, with broad membership from many of the core residencies and subspecialty fellowships, participates in these areas. The Housestaff Council ensures representation of trainees on key Medical Center and School of Medicine Committees, including both the standing committees of Quality and Patient Safety and the Clinical Staff Executive Committee where Quality and Patient Safety issues are discussed monthly. There is GME Trainee representation on important, additional committees including MUSIC, EPIC, and MD/RN Relationships. All residents received some degree of Be Safe awareness training either at orientation or through their departments’ educational programs.

Innovation in Graduate Medical Education

The GME Innovative Grant Program continues to recognize projects designed by School of Medicine faculty who attempt to improve resident education. Many outstanding proposals were receive in 2014 and the following were approved for funding:

1. GME Innovation Grant: Use of 3-D Printed Skull-Base Model as a Teaching Mechanism for Sinonasal Anatomy and Nasal Endoscopy
2. Preparing residents for the practice of population-based Psychiatry (Drs. Amy Alson and Natalie May)

3. GME Colligan Grant: Reducing readmissions of decompensated cirrhosis patients (Drs. Dennis Kumral, Zachary Henry, and Stephen Caldwell)

Trainee Accomplishments

1. Neurology resident Dr. Kathryn Nevel was appointed to the ACGME Neurology Review Committee, giving her a hand in the oversight of program accreditation and Neurology accreditation standards

2. Plastic Surgery resident Dr. Daniel Murariu was selected to present a TEDx talk in San Francisco on his experiences as a clinician pertaining to the theme “Redefining Normal.”

3. Thoracic Surgery residents Drs. Kenan Yount and Damien LaPar received awards from the Society of Thoracic Surgeons for Best Research Papers presented at national meetings.

4. Radiology resident Amanda Beer received an All-University Teaching award for her outstanding achievements in teaching medical students.

GME Master Educators

The 2014 U.Va. GME Master Educator Award winners were Kristen Atkins, M.D., Pathology and Donna Broshek, Ph.D., Clinical Psychology. Among a historically robust group of qualified applicants, Drs. Atkins and Broshek both embodied the impressive commitment to teaching GME trainees in multiple environments with demonstrated passion and success.

Funding and Workforce Issues in GME

Federal and Commonwealth funding of Graduate Medical Education have received considerable attention over the past several years, as the projected physician workforce shortage, limitations of federal funding of GME positions, and the impact on GME by changes brought about by the ACA have been debated. At the time of this report, no clear direction has emerged regarding the number of GME positions or their funding.

At U.Va., we remain over our CMS cap by 125 (DME) or 135 (IME) positions. The Medical Center pays for positions over its caps
through its operating margin. Moreover, any expansion in the number of programs or positions has been borne in large part by the Clinical Departments.

Although the landscape of healthcare providers is changing, with the entry of more advanced practice providers into both teaching hospitals and other clinical care environments, a physician shortage is still predicted. However, the Association of American Medical Colleges (AAMC) recently revised its workforce projections to predict that a higher need for specialty physicians will be required to meet the needs of our again population. The full report can be accessed at: https://www.aamc.org/download/426242/data/ihsreportdownload.pdf

U.Va. is especially well prepared to train both primary care and subspecialty physicians, with many outstanding and nationally recognized training programs in both areas. However, in anticipation of potential changes to GME funding, both by the Federal and Commonwealth governments, we developed a tool for comprehensively analyzing our GME programs, both for the quality of their educational programs as well as their ability to meet future workforce needs. In the event that reduction of reallocation of GME positions becomes necessary, we are well positioned to make those changes as thoughtfully and with as little disruption to the clinical care needs of the Health System as possible.
BOARD MEETING:       June 11, 2015

COMMITTEE:       Medical Center Operating Board

AGENDA ITEM:       VIII. Medical Center Capital Projects

ACTION REQUIRED:   None

BACKGROUND:  The Medical Center is constantly improving and renovating its facilities. We provide a status report of these capital projects at each MCOB meeting.

DISCUSSION:  The current Medical Center capital projects report is set forth in the following table:
# The University of Virginia Medical Center
## Capital Projects Report
### June 2015

<table>
<thead>
<tr>
<th>Scope</th>
<th>Budget</th>
<th>Funding Source</th>
<th>BOV Approval Date</th>
<th>Projected Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Planning</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>University Hospital 7th &amp; 8th Floor Master Planning</strong></td>
<td></td>
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</tr>
<tr>
<td>A contract was awarded to HKS in January 2014 for design services for the 7th and 8th floors. The project goals are to upgrade and expand capacity for Women and Children’s in-patient programs. The project is currently in design. Construction expected to begin in Fall 2015.</td>
<td>$20 M</td>
<td>Operating</td>
<td>Sept. 2013</td>
<td>2017</td>
</tr>
<tr>
<td><strong>University Hospital Emergency Depart/Interventional Program/Bed Tower Expansion</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A contract was awarded to Perkins and Will Architects in September 2014 for planning and design services for expansion of the Hospital eastward onto the former helipad and MRI Pavilion sites. The Hospital Expansion will include a new Emergency Department, expansion of interventional services, patient support and an inpatient bed tower. The project is currently in design development which is expected to be completed in Fall 2015, at which time construction document preparation will begin. Construction start date is anticipated in the first quarter 2016.</td>
<td>$394 M</td>
<td>Bonds &amp; Other</td>
<td>April 2013</td>
<td>2020</td>
</tr>
</tbody>
</table>
## 2. Under Construction

<table>
<thead>
<tr>
<th>Education Resource Center</th>
<th>Budget</th>
<th>Funding Source</th>
<th>BOV Approval Date</th>
<th>Projected Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>A contract to CO Architects was awarded in December 2012 for planning services for the Education Resource Center (ERC) to be located between the Emily Couric Clinical Cancer Center and the Lee Street Parking Garage. The ERC will house Ambulatory Imaging, an Outpatient Pharmacy, GME support and teaching functions, meeting space and a shell floor. Groundbreaking occurred on December 12, 2014. Current construction activities are focused on shoring and excavation.</td>
<td>$29.4 M</td>
<td>Bonds &amp; Other</td>
<td>Sept. 2013</td>
<td>2016</td>
</tr>
</tbody>
</table>
SIGNIFICANT GIFTS
December 1, 2014 – March 30, 2015

A Medical School alumnus and former house staff physician documented the value of his estate at $6 million, which he has designated in its entirety as an unrestricted gift to the School of Medicine.

A U.Va. alumnus has committed a $4,525,000 bequest to the University, which includes $4 million in funding for an endowed diabetes research fund, as well as a $25,000 gift to the Emily Couric Clinical Cancer Center.

A School of Nursing alumna documented a $1.3 million bequest to benefit the Mary Sue Childs Endowed Scholarship in the School of Nursing, which will support both graduate and undergraduate nursing students.

A School of Nursing alumna has documented an unrestricted bequest for $1 million. The gift will fund a Bachelor of Science in Nursing (BSN) scholarship and a faculty support fund. In the event that her estate exceeds $2 million, the entire gift will be used to fund a professorship.

A grateful patient committed $750,000 to endow the Melton and Muriel Haney Conference on Compassionate Care at the End of Life. This gift includes an earlier $250,000 commitment to endow the annual costs of the conference. The additional $500,000 will endow a more comprehensive program series. The donor is also providing outright support for the first two years of the conference.
Altria Group, Inc. made its final payment of $500,000 on its original $4.5 million pledge to support the Virginia Center for Translational and Regulatory Sciences (VCTRS) program.

The Seraph Foundation awarded UVA’s Heart and Vascular Center with a $425,000 commitment in support of the Atrial Fibrillation Mapping System, CardioInsight ECVUE system.

The School of Medicine has received one-half of a $297,641 distribution from a charitable remainder unitrust established by a School of Medicine alumnus in 1994.

The Ivy Foundation made a new gift of $250,000 to support the Ivy Foundation Innovation Grants Program, which funds translational research projects.

A friend of the School of Medicine pledged $250,000 over two years to fund the Barton Lectureship in Plastic Surgery.

A School of Medicine alumnus and his wife, a School of Nursing alumna, have established scholarships through their estate planning to benefit the School of Medicine at $250,000 and the School of Nursing at $100,000.

Friends of the Health System pledged $100,000 in honor of Dr. Howard Goodkin in support of Pediatric Neurology concussion research and education.

A Medical School alumnus added $100,000 to each of four charitable remainder unitrusts, which are designated for the School of Medicine Dean’s Discretionary Fund.

A U.Va. Health Foundation trustee and her husband committed $100,000 to the Compassionate Care Initiative’s Nurses Audio Project, which is a collaboration with National Public Radio and involves a series of podcasts about the need for nursing resiliency.

Friends of the Health System made an additional $100,000 contribution to their charitable remainder unitrust, which will ultimately support the work of Dr. Christiana Brenin in Hematology/Oncology.

A Health Foundation trustee committed $100,000 to support Dr. Todd Bauer’s pancreatic cancer research.

Friends of the Health System pledged $100,000 to support U.Va.’s Child Health Research Center.
U.Va.'s Department of Orthopaedics committed $100,000 to a named lecture in Telehealth, which is being created as a surprise to honor a faculty member in the School of Medicine.

Friends of the Health System have also committed $100,000 to the same named lecture in Telehealth, mentioned above.

Other gifts and pledges received include:

- A $99,549 distribution of funds from the Children’s Miracle Network, including contributions from Food Lion, Giant/Martin's, and Rite Aid, among other partners;
- A $60,000 commitment in support of Dr. Craig Slingluff’s work in Human Immune Therapies;
- A $50,000 commitment in support of Nephrology research;
- A $50,000 commitment to support cancer care at U.Va. Culpeper Hospital; and
- A $50,000 commitment in support of the School of Medicine Class of 1965 Fund.

OTHER DEVELOPMENT INITIATIVES

U.Va. Children’s Hospital annual gala, The Main Event, was held at Keswick Hall on February 6. More than 400 community supporters attended, helping to raise $325,000 for the new Child Health Research Center at U.Va. Children’s Hospital. Since 2008, the Main Event has raised more than $1.4 million for U.Va. Children’s Hospital.

More than 120 School of Medicine alumni, house staff, students, and faculty attended the U.Va. Medical Alumni Association’s 49th Annual Meeting in Williamsburg on February 20-21, during which U.Va. Health Foundation trustee and former Medical School Foundation President Dr. Christopher Casscells, was presented with the 2014 Outstanding Medical Alumnus Award.

The U.Va. Club of Charlottesville hosted the Fifth Annual Cavaliers Against Cancer Poker Tournament on February 22 to benefit the Rebecca Clary Harris, MD Memorial Fellowship in Dr. Craig Slingluff’s lab. The event raised $25,000 for the fellowship.

The Health System Development Office hosted “A Day of Discovery” on March 20 for members of its Compass Rose Society, which includes donors who have given $250,000 or more over their lifetime to the Health System. The event featured faculty presentations on Traumatic Brain Injury and Concussion, Personalized Medicine, and Compassionate Care and Mindfulness.
U.Va. Cancer Center, in partnership with WVPT Public Television, the Paramount Theater, and the American Cancer Society, hosted a special premiere of the Ken Burns' documentary *Cancer: The Emperor of All Maladies*, on March 30. The event included a "Science Fair" featuring U.Va. researchers before the movie, and a host committee, spearheaded by the Cancer Center Board, provided a special reception for donors and community leaders. Approximately 200 guests attended the reception and more than 700 attended the screening.

An additional event, "Defeating the Emperor: Cancer Education Series", was held on April 9 featuring U.Va. researchers. This event was hosted by the Patients & Friends Committee and was moderated by Larry Sabato. More than 135 people attended the evening. A recording of the series will be aired on WVPT in late June and will be available to other east coast PBS affiliates.

CAMPAIGN PROGRESS THROUGH March 31, 2015

<table>
<thead>
<tr>
<th>FY 15 to date progress (7/1/14 through 3/31/15)</th>
<th>FY 15 Annual Goal</th>
<th>FY 15 Progress to Date</th>
<th>Compare FY 14 (through 3/31/14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New gifts</td>
<td>$38,000,000</td>
<td>$29,273,818</td>
<td>$19,528,500</td>
</tr>
<tr>
<td>New pledges</td>
<td>$6,000,000</td>
<td>3,532,128</td>
<td>$2,180,921</td>
</tr>
<tr>
<td>Total New Commitments (excludes pledge payments on previously booked pledges)</td>
<td>$44,000,000</td>
<td>$32,805,947</td>
<td>$21,709,421</td>
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<tr>
<td>New expectancies</td>
<td>$8,500,000</td>
<td>$9,025,000</td>
<td>$9,202,000</td>
</tr>
<tr>
<td>Total new gifts, pledges, and expectancies</td>
<td>$52,500,000</td>
<td>$41,830,947</td>
<td>$30,911,421</td>
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</table>