

February 8, 2007

MEMORANDUM

TO: The Medical Center Operating Board:

E. Darracott Vaughan, Jr., M.D., Chair
Thomas F. Farrell, II, Rector Vincent J. Mastracco, Jr.
W. Heywood Fralin Lewis F. Payne
Sam D. Graham, Jr., M.D. Randl L. Shure
Randy J. Koporc Edward J. Stemmler, M.D.
Jane Haycock Woods

Ex Officio Advisory Members:

Arthur Garson, Jr., M.D. R. Edward Howell
John B. Hanks, M.D. Leonard W. Sandridge

and

The Remaining Members of the Board of Visitors:

Daniel R. Abramson Glynn D. Key
A. Macdonald Caputo Don R. Pippin
Alan A. Diamonstein Gordon F. Rainey, Jr.
Susan Y. Dorsey Warren M. Thompson
Georgia Willis Fauber John O. Wynne
G. Slaughter Fitz-Hugh, Jr. Anne Elizabeth Mullen

FROM: Alexander G. Gilliam, Jr.

RE: Minutes of the Meeting of the Medical Center Operating
Board on February 8, 2007

The Medical Center Operating Board of the Board of Visitors of the University of Virginia met, in Open Session, at 8:30 a.m., Thursday, February 8, 2007, in the Board Room at the Medical Center; E. Darracott Vaughan, Jr., M.D., Chair, presided. W. Heywood Fralin, Sam D. Graham, Jr., M.D., Randy J. Koporc, Lewis F. Payne, Ms. Jane Haycock Woods, and Thomas F. Farrell, II, Rector, were present.

Vincent J. Mastracco, Jr. participated by telephone.

Also present were Arthur Garson, Jr., M.D., John B. Hanks, M.D., R. Edward Howell, and Leonard W. Sandridge - all *ex-officio* Members.

Present as well were Alexander G. Gilliam, Jr., Ms. Evelyn R. Fleming, Robert S. Gibson, M.D., Ms. Margaret M. Van Bree, Ms. Pamela F. Cipriano, Ms. Karen Rendleman, Larry L. Fitzgerald, Ralph W. Traylor, and Ms. Jeanne Flippo Bailes.

The Chair noted that Dr. Stemmler is recuperating from surgery and thus could not attend the meeting. He also reminded Members of the dates of the MCOB meetings for the remainder of 2007: May 8th, September 7th, and December 6th.

The Chair then asked Mr. Howell, Vice President and Chief Executive Officer of the Medical Center, to present the Agenda.

VICE PRESIDENT'S REPORT

Mr. Howell told the Board that the first half of the current fiscal year has been "very solid," both operationally and financially.

The first stage in the construction of the Emily Couric Clinical Cancer Center, he reminded the Board, is the building of a new parking garage to replace the West Garage which must be torn down to make room for the Cancer Center. Site preparation for the new garage has begun, and Mr. Howell presented Members with commemorative vials of dirt from the site. The formal groundbreaking for the construction of the Cancer Center itself will take place in May, 2008.

In March, Mr. Howell said, the new 20-bed "Short Stay" unit of the Hospital will open, and he invited Members to tour the new facility after the meeting. The Short Stay unit has been designed to care for patients whose hospital stay will be less than 24 hours.

Mr. Howell drew Members' attention to an article, previously distributed, from *Good Housekeeping Magazine* which is complimentary of the Heart Center.

DEAN'S REPORT

Dr. Garson, Vice President and Dean of the School of Medicine, then made his customary report. He called it "Attacking Disease, Improving Health, Distinguishing the University," and it was focused on diabetes, which he termed a "21st Century Health Crisis." He described the problem, outlined some recent research and discoveries in connection with the disease, and suggested an interdisciplinary approach to it at the University.

The Rector applauded Dr. Garson's presentation and asked that he repeat it at the Board of Visitors meeting on February 9th.

FINANCE AND OPERATIONS

Mr. Fitzgerald, Chief Financial Officer of the Medical Center, and Ms. Van Bree, Chief Operations Officer, made their customary reports.

Mr. Fitzgerald told the Board that the operating margin of the Medical Center, at the end of the first six months of the fiscal year, stood at 4.8%, below the budgeted goal of 5.1% for the first half of the fiscal year. Total operating revenue and total operating expenses were below budget.

Inpatient admissions were 1.3% below budget, though they were 1.6% above the figure for the same period last year. Admissions in family medicine, gynecology, neurosurgery, orthopedics and pediatrics showed increases over last year. At the end of December, which is to say at the end of the first half of the fiscal year, the Medical Center had 577 staffed beds in operation.

Patient days were 1.9% below budget, and the average length of stay was 5.74 days, compared to the budgeted 5.8 days. The case mix index for all acute inpatients was 1.84, which was above budget and above the figure for the same period last year. Mr. Fitzgerald explained that a lower than expected length of stay combined with a higher than expected case mix index indicates that the Medical Center continues to manage length of stay effectively.

Net patient service revenue was 1% below budget but 6.7% above last year; total operating expenses were 0.4% below budget and 6.6% above last year. Salaries and wages were below budget but above prior year expenses. Medical supplies were above both budget and last year, as were purchased services; the latter was mainly because of the continued use of agency contracted labor.

Mr. Fitzgerald also reported that indigent care charges totaling \$74million for the first six months of the fiscal year have been written off; recoveries during this period came to \$24.1million. Bad debt charges totaling \$20.6million in the same period have been written off; \$8.6million was recovered in the same period through suits, collection agencies, and Virginia refund set-off.

Ms. Van Bree described briefly the Medical Center Compensation Program and characterized it as "performance based/market driven." She emphasized nursing pay increases which took effect last month.

DEVELOPMENT

Mr. Howell referred Members to the quarterly report from Health System Development, distributed before the meeting. He said Ms. Rendleman, Director of Health System Development, would be prepared to answer any questions.

Through the end of November, the Health System Campaign total stood at \$282,008,735, or 56.4% of the Campaign goal, with 36.5% of the Campaign period elapsed.

COMPLIANCE REPORT

Mr. Traylor, Health System Compliance Officer, reported on increased Medicaid enforcement, a result of the Deficit Reduction Act which became effective on January 1st. There will be more audits involving Medicaid patients, he said, and he outlined ways in which staff are being trained in response to this.

CLINICAL STAFF REPORT

Dr. Hanks, Professor of Surgery and President of the Clinical Staff, gave his customary report.

On January 5th and 6th, he said, the Clinical Staff held its third annual Clinical Retreat. The topic was "Quality in Patient Care," and the keynote address was given by Dr. Brent C. James, Executive Director of the Institute for Health Care Delivery Research from the Intermountain Health Care group in Salt Lake City. He noted that Dr. Stemmler from the MCOB attended the Retreat.

Dr. Hanks told the Board that he and Dr. Gibson are in the third year of their three year terms as President and President-elect of the Clinical Staff. The Bylaws permit them to stand for election to second three-year terms and he said they intend to run. The elections will be held in the spring.

Continuing his report, Dr. Hanks said capacity remains an important issue with the Clinical Staff. The Staff fully supports the "short stay" concept, and he remarked that additional hospital beds "can't arrive too soon." The dramatic expansion of the Operating Room from 19 operating rooms in 2002 to the possibility of a total of 26 by the end of the year, and the designation of "discretionary rooms" within this total, puts the Medical Center in a very favorable position in comparison with other academic medical centers.

EXECUTIVE SESSION

After the following motions, the Board went into Executive Session at 10:00 a.m.:

That the Medical Center Operating Board go into Closed Session to discuss proprietary business-related information pertaining to operations of the Medical Center in connection with strategic financial, market, and non-personnel resource considerations and efforts regarding the Medical Center, including potential investment of public funds for participation in a long term care facility and an outpatient dialysis facility which impact the long-range strategic goals of the Medical Center; and to consider confidential information and data related to the adequacy and quality of professional services, patient safety in clinical care, and patient grievances for the purpose of improving patient safety in clinical care; and, in consultation with legal counsel, to discuss the Medical Center's compliance with relevant federal reimbursement regulations, licensure and accreditation standards which will also involve proprietary business information of the Medical Center; as well as evaluation of the performance of specific Medical Center personnel where disclosure at this time would adversely affect the competitive position of the Medical Center. The foregoing motion is authorized by Sections 2.2-3711 (A) (1), (6), (7) and (23) of the Code of Virginia. The Closed Session of the Medical Center Operating Board is further privileged under Section 8.01-581.17 of the Code of Virginia.

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That the Medical Center Operating Board go into Closed Session to consider proposed personnel actions regarding the appointment, reappointment, resignation, assignment, performance and credentialing of specific medical staff members and health care professionals competitive position of the Medical Center. The foregoing motion is authorized by Section 2.2-3711 (A) (1), of the Code of Virginia. The Closed Seeting of the Medical Center Operating Board is further privileged under Section 8.01-581.17 of the Code of Virginia.

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CREDENTIALING AND RECREDENTIALING

The Board recessed its Executive Session at 10:15 a.m. and, in Open Session, adopted the following resolutions reflecting credentialing and recredentialing actions considered in Executive Session:

CREDENTIALING AND RE-CREDENTIALING ACTIONS

NEW APPOINTMENTS TO THE CLINICAL STAFF

RESOLVED that the recommendations of the Clinical Staff Executive Committee for appointment to the Clinical Staff of the University of Virginia Medical Center and the granting of specific privileges to the following practitioners are approved:

Bateman, Bruce G., M.D., Obstetrician and Gynecologist in the Department of Obstetrics and Gynecology; Attending Staff Status; Period of Appointment: January 5, 2007, through November 24, 2007; Privileged in Obstetrics and Gynecology.

Brown, Marilyn A., M.D., Pediatrician in the Department of Pediatrics; Attending Staff Status; Period of Appointment: December 4, 2006, through December 3, 2007; Privileged in Pediatrics.

Chang, Jamison W., M.D., Physician in the Department of Internal Medicine; Attending Staff Status; Period of Appointment: January 2, 2007, through January 1, 2008; Privileged in Internal Medicine.

Gordon, Demetria Y., M.D., Obstetrician and Gynecologist in the Department of Obstetrics and Gynecology; Attending Staff Status; Period of Appointment: December 1, 2006, through June 30, 2007; Privileged in Obstetrics and Gynecology.

Moore, Preska M., M.D., Psychiatrist in the Department of Psychiatry and Neurobehavioral Medicine; Attending Staff Status; Period of Appointment: December 1, 2006, through October 31, 2007; Privileged in Psychiatry and Neurobehavioral Medicine.

Purow, Benjamin W., M.D., Neurologist in the Department of Neurology; Attending Staff Status; Period of Appointment: November 17, 2006, through October 31, 2007; Privileged in Neurology.

Strieter, Robert M., M.D., Physician in Chief in the Department of Internal Medicine; Attending Staff Status; Period of Appointment: January 5, 2007, through January 4, 2008; Privileged in Internal Medicine.

Yi, Se-Ung John, M.D., Radiologist in the Department of Radiology; Instructor Staff Status; Period of Appointment: December 22, 2006, through June 30, 2007; Privileged in Radiology.

REAPPOINTMENTS TO THE CLINICAL STAFF

RESOLVED that the recommendations of the Clinical Staff Executive Committee for reappointment to the Clinical Staff of the University of Virginia Medical Center and the granting of specific privileges to the following practitioners are approved:

Bassignani, Matthew J., M.D., Radiologist in the Department of Radiology; Attending Staff Status; Period of Reappointment: April 25, 2007, through April 24, 2009; Privileged in Radiology.

Brenin, David, M.D., Surgeon in the Department of Surgery; Attending Staff Status; Period of Reappointment: May 20, 2007, through May 19, 2009; Privileged in Surgery.

Chastain, Dania, Ph.D., Psychologist in the Department of Anesthesiology; Attending Staff Status; Period of Reappointment: May 3, 2007, through May 2, 2009; Privileged in Anesthesiology.

Elward, Kurtis, M.D., Physician in the Department of Family Medicine; Attending Staff Status; Period of Reappointment: March 1, 2007, through February 29, 2008; Privileged in Family Medicine.

Fletcher, Page M., M.D., Psychiatrist in the Department of Psychiatry and Neurobehavioral Medicine; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2009; Privileged in Psychiatry and Neurobehavioral Medicine.

Galazka, Sim S., M.D., Physician in Chief in the Department of Family Medicine; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2009; Privileged in Family Medicine.

Hurwitz, Shepard R., M.D., Orthopedic Surgeon in the Department of Orthopedic Surgery; Attending Staff Status; Period of Reappointment: May 1, 2007 through April 30, 2009; Privileged in Orthopedic Surgery.

Hutcheson, Grace A., M.D., Physician in the Department of Internal Medicine; Attending Staff Status; Period of Reappointment: April 25, 2007 through April 24, 2009; Privileged in Internal Medicine.

Kelly, Heather C., M.D., Anesthesiologist in the Department of Anesthesiology; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2008; Privileged in Anesthesiology.

Kerrigan, Deirdre C., M.D., Physiatrist in Chief in the Department of Physical Medicine and Rehabilitation; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2009; Privileged in Physical Medicine and Rehabilitation.

Kersh, Charles R., M.D., Radiation Oncologist in the Department of Radiation Oncology; Attending Staff Status; Period of Reappointment: May 17, 2007, through February 28, 2009; Privileged in Radiation Oncology.

Moxley, Michael D., M.D., Obstetrician and Gynecologist in the Department of Obstetrics and Gynecology; Attending Staff Status; Period of Reappointment: April 15, 2007, through April 14, 2009; Privileged in Obstetrics and Gynecology.

Phillips, Frank H., M.D., Anesthesiologist in the Department of Anesthesiology; Attending Staff Status; Period of Reappointment: May 2, 2007, through May 1, 2008; Privileged in Anesthesiology.

Powers, Robert D., M.D., Physician in Emergency Medicine; Attending Staff Status; Period of Reappointment: April 1, 2007, through July 14, 2008; Privileged in Emergency Medicine.

Read, Paul W., M.D., Radiation Oncologist in the Department of Radiation Oncology; Attending Staff Status; Period of Reappointment: March 1, 2007, through February 28, 2009; Privileged in Radiation Oncologist.

Sanfey, Hilary A., M.D., Surgeon in the Department of Surgery; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2009; Privileged in Surgery.

Singletary, Eunice M., M.D., Physician in Emergency Medicine; Attending Staff Status; Period of Reappointment: April 1, 2007, through March 31, 2009; Privileged in Emergency Medicine.

Taft, William C., M.D., Neurologist in the Department of Neurology; Attending Staff Status; Period of Reappointment: May 1, 2007, through April 30, 2009; Privileged in Neurology.

White, James L., M.D., Anesthesiologist in the Department of Anesthesiology; Attending Staff Status; Period of Reappointment: January 25, 2007, through January 24, 2009; Privileged in Anesthesiology.

Williamson, Brian R.J., M.D., Radiologist in the Department of Radiology; Attending Staff Status; Period of Reappointment: April 15, 2007, through June 30, 2008; Privileged in Radiology.

Wong, Emily J.C., M.D., Pediatrician in the Department of Pediatrics; Attending Staff Status; Period of Reappointment: March 1, 2007, through February 28, 2009; Privileged in Pediatrics.

STATUS CHANGES TO CLINICAL STAFF

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the status changes in clinical privileges to the following practitioners are approved:

Kramer, Andreas H., M.D., Neurologist in the Department of Neurology; Instructor Staff Status; Date of Reappointment Changed to June 19, 2006 through June 18, 2007; Privileged in Neurology.

Marzani-Nissen, Gabrielle R., M.D., Physician in the Department of Internal Medicine; Attending Staff Status; Date of Reappointment in Secondary Department Changed to April 1, 2007 through March 31, 2009; Privileged in Internal Medicine.

Roche, James K., M.D., Physician in the Department of Internal Medicine; Attending Staff Status; Date of Reappointment in Secondary Department Changed to July 1, 2006 through November 24, 2007; Privileged in Internal Medicine.

RESIGNATIONS FROM THE CLINICAL STAFF

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the resignation and expiration of clinical privileges to the following practitioners are approved:

Gerber, Boris K., M.D., Physician in the Department of Internal Medicine; Consulting Staff Status; Effective date of Resignation: September 30, 2006.

Han, Joseph, M.D., Otolaryngologist in the Department of Otolaryngology; Attending Staff Status; Effective date of Resignation: December 31, 2006.

Kaplan, Erwin M., D.P.M., Podiatrist in the Department of Internal Medicine; Attending Staff Status; Effective date of Resignation: November 30, 2006.

Meakem, Timothy D., M.D., Anesthesiologist in the Department of Anesthesiology; Attending Staff Status; Effective date of Resignation: December 31, 2006.

Saba, Adnan, M.D., Physician in Regional Primary Care; Visiting Staff Status; Effective date of Resignation: November 1, 2006.

PRIVILEGES FOR NEW ALLIED HEALTH PROFESSIONALS

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the granting of privileges to the following Allied Health Professionals are approved:

Bailey, Pamela K., R.N., N.P., Pediatric Nurse Practitioner in the Department of Pediatrics; Period of Privileging: December 1, 2006, through September 17, 2007; Privileged as a Pediatric Nurse Practitioner.

Branham, Norma, R.N., N.P., Geriatric Nurse Practitioner in the Orange Nursing Home; Period of Privileging: January 15, 2006, through January 14, 2007; Privileged as a Geriatric Nurse Practitioner.

DeStefano, Melissa A., P.A., Physician Assistant in the Department of Neurology; Period of Privileging: December 14, 2006, through November 12, 2007; Privileged as a Physician Assistant.

Easter, Catherine R., R.N., N.P., Family Nurse Practitioner in the Department of Emergency Medicine; Period of Privileging: November 12, 2006, through November 11, 2007; Privileged as a Family Nurse Practitioner.

Grove, Lori J., Ph.D., Audiologist in the Department of Otolaryngology; Period of Privileging: November 20, 2006, through August 2, 2007; Privileged as an Audiologist.

MacCleery, Gavin J., P.A., Physician Assistant in the Department of Orthopedic Surgery; Period of Privileging: November 9, 2006 through October 29, 2007; Privileged as Physician Assistant.

RENEWAL OF PRIVILEGES FOR ALLIED HEALTH PROFESSIONALS

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the renewal of privileges to the following Allied Health Professionals are approved:

Ailawadi, Aarti, P.A., Physician Assistant in the Cancer Center; Period of Privileging: March 29, 2007 through March 28, 2008; Privileged as a Physician Assistant.

Allman, Marietta, R.N., N.P., Certified Nurse Anesthetist in Operating Room; Period of Privileging: April 12, 2007, through April 11, 2009; Privileged as a Certified Nurse Anesthetist.

Aretakis, Dyan A., R.N., N.P., Family Nurse Practitioner in the Teen Health Center; Period of Privileging: March 1, 2007, through February 28, 2009; Privileged as a Family Nurse Practitioner.

Chamberlain, Rebecca S., R.N., N.P., Pediatric Nurse Practitioner in TCV Surgery; Period of Privileging: March 20, 2007, through March 19, 2008; Privileged as a Pediatric Nurse Practitioner.

Cluett, Susan B., R.N., N.P., Family Nurse Practitioner in the Pediatric Fitness Program; Period of Privileging: March 3, 2007 through March 2, 2008; Privileged as a Family Nurse Practitioner.

Cocke, Arika B., R.N., N.P., Pediatric Nurse Practitioner Pediatric Neurology; Period of Privileging: April 21, 2007, through April 20, 2009; Privileged as a Pediatric Nurse Practitioner.

Drewry, Kimberly S., R.N., N.P., Family Nurse Practitioner in the Cancer Center and Surgical Services; Period of Privileging: May 1, 2007, through April 30, 2009; Privileged as a Family Nurse Practitioner.

Golden, Wendy, Ph.D., Cytogenetist in the Department of Pathology; Period of Privileging: April 1, 2006, through March 31, 2008; Privileged in Cytogenetics and Molecular Cytogenetics.

Hedelt, Anne C., R.N., N.P., Family Nurse Practitioner in the Diabetes/Cardiovascular Clinic; Period of Privileging: April 1, 2007, through March 31, 2009; Privileged as a Family Nurse Practitioner.

Hellerman, Sandra P., R.N., N.P., Pediatric Nurse Practitioner in KCRC - Pediatrics; Period of Privileging: March 1, 2007, through February 28, 2009; Privileged as a Pediatric Nurse Practitioner.

Holmes, Jill, R.N., N.P., Family Nurse Practitioner in the Cancer Center; Period of Privileging: March 2, 2007, through March 1, 2009; Privileged as a Family Nurse Practitioner.

Schweichert, Patricia A., R.N., N.P., Family Nurse Practitioner in Interventional Neuroradiology; Period of Privileging: April 1, 2007, through March 31, 2009; Privileged as a Family Nurse Practitioner.

Taylor, Rose C., R.N., N.P., Adult Nurse Practitioner in the Emergency Medicine Department; Period of Privileging: April 25, 2007, through April 24, 2009; Privileged as an Adult Nurse Practitioner.

Weil, Dean C., R.N., N.P., Certified Nurse Anesthetist in the Operating Room; Period of Privileging: March 12, 2007, through March 11, 2009; Privileged as a Certified Nurse Anesthetist.

STATUS CHANGE FOR ALLIED HEALTH PROFESSIONAL

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the status change in privileges to the following Allied Health Professional are approved:

Compton, Rebekah D., R.N., N.P., Family Nurse Practitioner in the Department of Family Medicine; Date of Privileges Changed to September 19, 2006 - through November 26, 2007; Privileged as a Family Nurse Practitioner.

RESIGNATIONS OF ALLIED HEALTH PROFESSIONALS

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the resignation and expiration of privileges to the following Allied Health Professionals are approved:

Cash, Vicky L., R.N., N.P., Family Nurse Practitioner in the Breast Care Center; Effective Date of Resignation: August 18, 2006.

Hespenheide, Elizabeth E., R.N., N.P., Acute Care Nurse Practitioner in GI/Hepatology; Effective Date of Resignation: January 19, 2007.

Johnson, Sheri L., P.A., Physician Assistant in TCV Surgery; Effective Date of Resignation: January 26, 2007.

Lianez, Roberto, R.N., N.P., Adult Nurse Practitioner in the Emergency Department; Effective Date of Resignation: October 1, 2006.

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EXECUTIVE SESSION RESUMED

After a short break, the Board resumed meeting in Executive Session at 10:25 a.m.

The Board resumed its meeting in Open Session at 11:30 a.m. after adopting the following resolution certifying that its deliberations in Executive Session had been conducted in accordance with the exemptions permitted by the Virginia Freedom of Information Act:

That we vote on and record our certification that, to the best of each Board member's knowledge, only public business matters lawfully exempted from open meeting requirements and which were identified in the motion(s) authorizing the closed session, were heard, discussed or considered in closed session.

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On further motion, the Board adjourned.

AGG:lah

These minutes have been posted to the University of Virginia's Board of Visitors website.

<http://www.virginia.edu/bov/mcobminutes.html>