MEMORANDUM

TO: The Transitional Care Hospital Board:

Vincent J. Mastracco Jr., Chair
Helen E. Dragas, Rector
W. Heywood Fralin
Andrew K. Hodson, M.D.
Patrick D. Hogan
William P. Kanto Jr., M.D.
Constance R. Kincheloe

Mark J. Kington
Randolph J. Koporc
Stephen P. Long, M.D.
Edward D. Miller, M.D.
Charles W. Moorman
Jonathan B. Overdevest
The Hon. Lewis F. Payne
E. Darracott Vaughan Jr., M.D.

Ex Officio Advisory Members:
Teresa A. Sullivan
Steven T. DeKosky, M.D.
Dorrie K. Fontaine

Robert S. Gibson, M.D.
R. Edward Howell
John D. Simon

Michael Strine

and

The Remaining Members of the Board of Visitors:
A. Macdonald Caputo
Hunter E. Craig
The Honorable Alan A. Diamonstein
Allison Cryor DiNardo
Marvin W. Gilliam Jr.

Robert D. Hardie
Glynn D. Key
Randal J. Kirk
George Keith Martin
John L. Nau III

Timothy B. Robertson

FROM: Susan G. Harris

RE: Minutes of the Meeting of the Transitional Care Hospital Board on May 21, 2012

The Transitional Care Hospital Board met, in Open Session, at 11:35 a.m., Monday, May 21, 2012, in the Great Hall in Garrett Hall; Vincent J. Mastracco Jr., Chair, presided.

Ms. Teresa A. Sullivan, Steven T. DeKosky, M.D., Ms. Dorrie K. Fontaine, Robert S. Gibson, M.D., R. Edward Howell, John D. Simon, and Michael Strine, all ex officio Members, also were present.


Also present were Ms. Hillary A. Hurd, Student Member-Elect, and Ms. Michelle Moratti and Mr. Chris Regan from the Chartis Group.

Mr. A. Macdonald Caputo participated by telephone.

Fiscal Year 2013 Operating and Capital Budgets

Mr. Howell introduced Ms. Michelle D. Hereford, Director of the Transitional Care Hospital, to report on the budget development process. Ms. Hereford said that the budget process begins with senior management developing basic budget assumptions, which are communicated to the managers of each operating unit. Each unit provides a cumulative operating and capital budget containing service demand forecasts, required full-time equivalent (FTE) personnel, and non-labor expenses.

Ms. Hereford reviewed the budget and assumptions for 2012-2013:

1) Market conditions - Discharges are budgeted to grow more than 97%, facilitated by increased employee recruitment and additional referrals from outside facilities;

2) Revenues - Growth in revenues will result from the impact of increasing volume and negotiated contracts with rate increases;

3) Rate changes - The Transitional Care Hospital Medicare base rate for FY 13 is $37,929 per case. With a Medicare case mix index (CMI) of 1.40, this will result in a total Medicare reimbursement rate of $53,100 per case;
4) Expenses – Expenses from operations are projected to increase by 34% from the fiscal year 2012 projection; and

5) Staffing – The number of FTE’s are planned to increase by 42, to 124 FTE’s;

Ms. Hereford said the operating plan will require continuously examining budget assumptions, monitoring the budget versus actual performance monthly, and making changes to operations where appropriate. She will look for cost efficiencies and operational streamlining. She said the capital plan uses funds derived from operating cash flows, funded depreciation reserves, philanthropy, and interest income. She recommended $1,600,000 be authorized for capital requirements needed for expansion.

On motion, the following resolution was approved:

APPROVAL OF THE 2012-2013 OPERATING AND CAPITAL BUDGETS FOR THE UNIVERSITY OF VIRGINIA TRANSITIONAL CARE HOSPITAL

RESOLVED, the 2012-2013 Operating and Capital Budgets for the University of Virginia Transitional Care Hospital, presented as a component of the Medical Center Operating Budget, are approved, as recommended by the President, Chief Operating Officer, and the Medical Center Operating Board.

Finance and Operations Report

Ms. Hereford reported briefly on the Transitional Care Hospital’s operations and finances fiscal year to date through March 31, 2012. She referred the Board to the financial dashboard and said the average daily census is 15 compared to a budget number of 21. The current census is 22. Admissions are under budget at 146 compared to 162 in the budget. University referrals represent 72% of the admissions.

Ms. Hereford briefly reported on operations. She said they have had a high census of 24 in their short time in business. She said they were launching a nurse recruitment campaign that is targeted to bring in 13 nurses in 13 weeks, by June 30. There have been 37 total new hires since January. Opportunities for the future include conducting an employee engagement survey, which is planned for June 2012, bringing in medical residents, creating an on-site pharmacy, including TCH in a nursing clinical rotation, and marketing the facility to outside referral sources.
The following motions were approved, and the Transitional Care Hospital Board commenced in Executive Session at 11:40 a.m.:

That the Medical Center Operating Board go into Executive Session to discuss proprietary, business-related information pertaining to the Transitional Care Hospital, specifically 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, all for the purpose of improving patient care and consultation with legal counsel regarding compliance with relevant federal reimbursement regulations, licensure, and accreditation standards where disclosure at this time would adversely affect the competitive position of the Transitional Care Hospital. The foregoing motion is authorized by Sections 2.2-3711 (A) (1), (7) and (22) of the Code of Virginia. The Executive 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 Executive Session to consider proposed personnel actions related to the Transitional Care Hospital regarding the appointment, reappointment, resignation, assignment, performance and credentialing of specific clinical staff members and allied health care professionals. The foregoing motion is authorized by Section 2.2-3711 (A) (1), of the Code of Virginia. The Executive 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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At 11:45 a.m., the Transitional Care Hospital Board left Executive Session and adopted the following resolution certifying that its discussions 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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Approval of Credentialing and Recredentialing Actions

The Transitional Care Hospital Board approved the following Credentialing and Recredentialing actions:
CREDENTIALING ACTIONS FOR THE UNIVERSITY OF VIRGINIA TRANSITIONAL CARE HOSPITAL

1. 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 Transitional Care Hospital and the granting of specific privileges to the following practitioners are approved:

Arnold, Christopher J., M.D., Physician in the Department of Medicine; Consulting Staff Status; Period of Appointment: May 4, 2012, through May 5, 2013; Privileged in Medicine.

Haley, E. Clarke, M.D., Neurologist in the Department of Neurology; Consulting Staff Status; Period of Appointment: May 11, 2012, through May 10, 2013; Privileged in Neurology.

Janardhanan, Rajesh, M.D., Physician in the Department of Medicine; Consulting Staff Status; Period of Appointment: May 11, 2012, through May 5, 2013; Privileged in Medicine.

Kruspi, Tracey, M.D., Urologist in the Department of Urology; Consulting Staff Status; Period of Reappointment: April 4, 2012, through April 3, 2013; Privileged in Urology.

Ramirez-Montel, Denia, M.D., Neurologist in the Department of Neurology; Consulting Staff Status; Period of Reappointment: April 12, 2012, through April 11, 2013; Privileged in Neurology.

Shah, Binit B., M.D., Neurologist in the Department of Neurology; Consulting Staff Status; Period of Reappointment: April 16, 2012, through April 15, 2013; Privileged in Neurology.

Upchurch, Gilbert R., M.D., Surgeon in the Department of Surgery; Consulting Staff Status; Period of Reappointment: April 25, 2012, through April 24, 2013; Privileged in Urology.

2. 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 Transitional Care Hospital and the granting of specific privileges to the following practitioners are approved:

Barr, Michelle S., M.D., Radiologist in the Department of Radiology; Consulting Staff Status; Period of Reappointment: June 25, 2012, through June 24, 2014; Privileged in Radiology.

Bryant, Mary G., M.D., Physiatrist in the Department of Physical Medicine and Rehabilitation; Consulting Staff Status;
Period of Reappointment: July 1, 2012, through July 31, 2013; Privileged in Physical Medicine and Rehabilitation.

**Brayman, Kenneth L., M.D.,** Surgeon in the Department of Surgery; Consulting Staff Status; Period of Reappointment: July 1, 2012, through August 31, 2013; Privileged in Surgery.

**Chhabra, A. Bobby B., M.D.,** Orthopedic Surgeon in the Department of Orthopedic Surgery; Consulting Staff Status; Period of Reappointment: July 1, 2012, through August 24, 2013; Privileged in Orthopedic Surgery.

**Dillingham, Rebecca A., M.D.,** Physician in the Department of Medicine; Consulting Staff Status; Period of Reappointment: June 1, 2012, through May 31, 2014; Privileged in Medicine.

**Gypson, Ward G., M.D.,** Physiatrist in the Department of Physical Medicine and Rehabilitation; Consulting Staff Status; Period of Reappointment: July 1, 2012, through July 31, 2013; Privileged in Physical Medicine and Rehabilitation.

**Henry, Thomas D., M.D.,** Radiologist in the Department of Radiology; Consulting Staff Status; Period of Reappointment: June 1, 2012, through May 31, 2013; Privileged in Radiology.

**Heymann, Peter W., M.D.,** Pediatrician in the Department of Pediatrics; Consulting Staff Status; Period of Reappointment: June 1, 2012, through May 31, 2014; Privileged in Pediatrics.

**Lambert, Drew L., M.D.,** Radiologist in the Department of Radiology; Consulting Staff Status; Period of Reappointment: May 19, 2012, through May 18, 2014; Privileged in Radiology.

**Rubendall, David S., M.D.,** Physiatrist in the Department of Physical Medicine and Rehabilitation; Consulting Staff Status; Period of Reappointment: July 1, 2012, through November 30, 2013; Privileged in Physical Medicine and Rehabilitation.

**Wilder, Robert P., M.D.,** Physiatrist in Chief in the Department of Physical Medicine and Rehabilitation; Consulting Staff Status; Period of Reappointment: July 1, 2012, through November 15, 2013; Privileged in Physical Medicine.

3. **STATUS CHANGES FOR CLINICAL STAFF**

RESOLVED that the recommendations of the Clinical Staff Executive Committee for the status change in privileges to the following Clinical Staff Member are approved:
Caldwell, Stephen H., M.D., Physician in the Department of Medicine; Date of Appointment Changed to March 16, 2012 through February 28, 2014; Privileged in Medicine.

Herndon, Claude David A., M.D., Urologist in the Department of Urology; Date of Appointment Changed to April 20, 2012 through March 10, 2014; Privileged in Urology.

Indihar, Maria V., M.D., Physician in the Department of Medicine; Date of Appointment Changed to August 1, 2012 through April 14, 2014; Privileged in Medicine.

Mann, James A., M.D., Physician in the Department of Medicine; Date of Appointment Changed to November 30, 2011 through October 31, 2013; Privileged in Medicine.

Pollak, Amy W., M.D., Physician in the Department of Medicine; Date of Appointment Changed to July 1, 2012 through April 14, 2014; Privileged in Medicine.

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On motion, the meeting was adjourned at 11:45 a.m.

SGH:lah
These minutes have been posted to the University of Virginia’s Board of Visitors website.
http://www.virginia.edu/bov/mcobminutes.html