UVA Transitional Care Hospital (TCH):

- L.D. Britt, MD, chaired the meeting. He welcomed the new Board of Visitors Members to the MCOB, Tammy Murphy and James Reyes, and he thanked Dr. Steve Long and Dr. Ed Miller for their service. Dr. Britt commented that a wrong site surgery occurs 39 times a week in America, and the Health System’s focus on Be Safe is on target.

- Dr. Rick Shannon introduced David Wilkes, MD, as the 16th Dean of the School of Medicine. He successfully built the biomedical enterprise at Indiana. Dr. Wilkes commented that his initial focus will be on the research enterprise, and he introduced Kathy Peck, his COO.

- Michelle Hereford provided the operations and finance report for the TCH, including the FY15 unaudited year end results. The TCH ended the year with a positive operating margin.

- Ms. Hereford also provided an overview of the five years that the TCH has been in operation, explaining the role and importance of the TCH to the Health System, and provided an update on the collaborative with Hospice for an inpatient unit. She explained some of the legislative and other changes impacting the long term acute care industry.
• Robert Powers, MD, President of the TCH Clinical Staff, provided the TCH Clinical Staff and Quality reports in Executive Session.

• The MCOB approved the Amended and Restated Bylaws of the Clinical Staff of the TCH and the credentialing actions for the TCH in public session.

UVA Medical Center:

• L.D. Britt, MD, chaired the meeting.

• Richard Shannon, MD, opened his remarks by noting we are testing a new format for the meetings in order to encourage discussion and debate by the MCOB as well as guidance from the MCOB. He stated that the meeting topics today can be characterized as a look to the future, both the opportunities and challenges.

• Larry Fitzgerald reported on the FY15 unaudited year end financials for the Medical Center. The consolidated income statement includes all Health System entities, including Culpeper Hospital, but Mr. Fitzgerald provided financial data both including and excluding Culpeper for comparison. Adjusted discharges were above prior year and budget. Revenues exceeded budget for the year and expenses were well controlled. The CMI (case mix index or severity of the patient) for the Medical Center was up (2.14). The operating margin for the year was 5.1%. Dr. Shannon commented that UVA Health System is one of 30 institutions in the country that can replace aortic valves without surgery. While technology costs of the procedure are more, the benefit to the patient is greater. He also noted that the MCOB at the November meeting asked the Medical Center to expand nursing services and to increase nursing pay. Both of those efforts were
accomplished, which helped with growth in the care of complex patients.

- CEO Pamela Sutton-Wallace discussed employee (team member) engagement, sharing the Health System results from the recent Gallup engagement survey. She noted that the engagement scores increased from 2014 to 2015 within all components of the Health System. In addition Ms. Sutton-Wallace shared the priority areas for improvement within the Medical Center, including action steps.

- Ms. Karen Rendleman provided an update on Health System Development efforts, including FY15 year end results. The Health System exceeded its fundraising goals for the year. She also shared information regarding the restricted versus unrestricted funding. The FY16 goals include raising $55 million in new commitments and strategically expanding biomedical research fundraising, among other goals.

- In Executive Session the MCOB received updates on (i) quality and patient safety initiatives, (ii) strategic Health System priorities and imperatives, including the long range financial plan, the Cancer Center of Excellence, strategic partnerships and initiatives, and growth needs including parking and ambulatory considerations, and (iii) the Medical Center Clinical Staff.

- In public session the MCOB approved the Amended and Restated Bylaws of the Clinical Staff of the Medical Center and the credentialing actions for the Medical Center.