REPORT FROM THE NOVEMBER 12, 2015 MEETINGS
OF THE MEDICAL CENTER OPERATING BOARD
FOR
THE UNIVERSITY OF VIRGINIA TRANSITIONAL CARE HOSPITAL
AND
THE UNIVERSITY OF VIRGINIA MEDICAL CENTER

UVA Transitional Care Hospital (TCH):

- L.D. Britt, MD, chaired the meeting.
- Michelle Hereford provided the operations and finance report for the TCH, including FY 16 first quarter financials. The annual compliance report was provided in writing.
- Robert Powers, MD, President of the TCH Clinical Staff, provided the TCH Clinical Staff and Quality reports in Executive Session.
- The MCOB approved 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 noting that this body is really the Health System Operating Board and the meeting discussion will focus on how we remain relevant in the 21st century. He reviewed with the Board a diagram for the Health System Clinical Enterprise that aligns the five strategic areas of focus (lead by example, virtuous cycle, partner of choice, drive innovation and top tier academic medical center) with the Health System aspirational goals and the Medical Center quadrants of healing, engaging, building and serving. The six aspirational goals are: be the safest place to receive care, have the healthiest work environment, generate biomedical research that betters the human condition, provide the highest level of clinical care, train the workforce of the future to work in teams, and ensure value driven and efficient stewardship of resources. All MCOB presentations will tie to one or more of these strategies.
- Larry Fitzgerald reported on the FY16 first quarter consolidated financials for the Health System (strategic initiative: virtuous cycle). He provided an overview of the organizational structure of the Health System. The consolidated income statement includes all Health System entities. Mr. Fitzgerald shared the operating and non-operating activity. Academic revenues exceeded budget, while clinical revenues were below budget for this period, with operating expenses being less than budgeted. Medical Center admissions were below budget, while observation patients and outpatient volume were both greater than budget. The Health System operating margin for the first quarter was 4%. CEO Pamela Sutton-Wallace provided some insight as to why some of the inpatient activity was less than expected, including some unplanned physician absences. Both she and Mr. Fitzgerald shared some efforts we are pursuing to address these issues.
• Tracey Hoke, MD, provided an update on the US News and World Report Best Hospitals methodology and rankings, as well as the fall 2015 Leapfrog rating (strategic initiative: lead by example). She reminded the MCOB that the rankings are in arrears and are based on 2011-2013 data, not current efforts. Improvements the Health System has made in the last two years are not yet reflected.

• David Wilkes, MD, Dean of the School of Medicine, provided a report on recent hires in the School, including Larry Lum with expertise in cellular therapeutics and cancer chemotherapy (strategic initiative: drive innovation). Dean Wilkes indicated that the School of Medicine will be focusing on certain specific areas of research, with a planned announcement of the strategy in January. In furtherance of this effort, the School is focusing its recruitment efforts to enhance NIH funding opportunities.

• The annual compliance report (strategic initiative: top tier academic medical center) and the quarterly development report (strategic initiative: virtuous cycle) were provided in writing.

• In Executive Session the MCOB received updates on (i) quality and patient safety initiatives, (ii) strategic Health System priorities and imperatives, including strategic investments, research strategies, strategic partnerships and initiatives, including employee engagement efforts, (iii) proprietary Medical Center performance metrics, and (iv) the Medical Center Clinical Staff (these discussions fall within all five strategic areas).

• In public session the MCOB authorized the Medical Center to form a joint operating company with Novant Health, Inc. and contribute the Medical Center’s interest in Culpeper Memorial Hospital and also approved the credentialing actions for the Medical Center.