

UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY
Minutes of Board of Directors Meeting

February 3, 2010

PRESENT: David Walsh (Chair), Michael Weiden (Vice Chair), Roger Axtell, Tom Basting, Carol Booth, Richard Choudoir, Judith Crain, Dean Robert Golden, Sen. Jon Erpenbach, Dean Katharyn May, Dian Palmer, Pablo Sanchez, Dan Schooff, Michael Spector, Dr. Humberto Vidaillet (on telephone), and Dr. George Wilding

EXCUSED: Chancellor Carolyn Martin and Rep. Cory Mason

LIAISONS: Donna Katen-Bahensky and Dr. Michael Bentz

STAFF: Kristi Amelong, Mike Buhl, Jan Bultema, Jim Dechene, Dr. Carl Getto, Ron Gilmore, Mark Hamilton, Scott Houtakker, Dr. Mark Kirschbaum, Lisa Maroney, Dr. Maureen McCausland, Robert Miller, Mary O'Connell, Jeff Poltawsky, Renee Rizzo, Mike Sauk, Kari Schrage, Ron Sliwinski, Dan Weissburg, Terry Wilkerson, and Kelly Wilson

1. Call to Order

Mr. David Walsh, Chair, opened the meeting of the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority at 1:05 p.m. A quorum was present.

Mr. Walsh introduced Thomas Basting who is a new member of the Board appointed by the Governor. Mr. Basting is a retired lawyer who was the 2007 President of the State Bar. He now provides business mediation services. He has been a member of the UWHC Finance Committee since May 2005.

2. Approval of Minutes of December 1-2, 2009 and January 15, 2010, Authority Board Meetings

Mr. Axtell moved approval of the minutes of the December 1-2, 2009 and January 15, 2010 meetings. Dr. Wilding seconded the motion and it passed unanimously.

3. Review and Approval of Medical Staff Membership and Clinical Privileges

Dr. Bentz, President of the Medical Staff, presented the Medical Board recommendations concerning medical staff memberships and clinical privileges. Dr. Wilding moved that the recommendations be approved. Dr. Golden seconded the motion and it passed unanimously.

4. Recess for Meeting of the Governing Body of UWHC Board

The Board recessed to conduct a meeting of the Governing Body of University of Wisconsin Hospitals and Clinics Board. At the conclusion of that meeting, the Board of Directors reconvened.

5. Board Committee Report

Dean Katharyn May, PhD, RN, reported on the Performance Improvement Risk Management and Safety (PIRMS) Committee meeting. The Committee is now reviewing some reports that include data from the University of Wisconsin Medical Foundation. The Committee reviewed various indicators and is satisfied that there is appropriate focus on the matters that require attention. Plans for future reports to the Board were reviewed.

6. CFO Report

Mike Buhl, Senior Vice President and Chief Financial Officer, reported on the summary of operating results for December 2009 and the first six months of FY2010. A positive margin is being maintained due to increases in activity and operating expenses being held just below plan. Adult and pediatric inpatient activity is favorable to plan for the month and year-to-date with pediatric clinic visits above plan for the month, adult clinic visits slightly below plan. Surgical procedures are 7.5 % above plan for the month, with strong performance at American Family Children's Hospital. Transplants, emergency department visits and cardiovascular procedures for December were all slightly below plan, with radiological procedures well above plan.

Net gain from operations for December was \$3 million. Net income including non-operating income was \$3 million. Year-to-date through December net gain from operations was \$28.4 million and net income including non-operating income was \$33.9 million.

7. CEO Report

Retirement of Jane Barnett. Donna Katen-Bahensky, President and CEO reported on the retirement of Jane Barnett from University Health Care Inc. (UHC), and UWHC and the appointment of James Dechene, Senior Vice President and General Counsel, to serve as Interim President and Acting Chief Executive Officer of UHC.

Onsite Surveys and Accreditations. UWHC had a series of successful onsite surveys including The Joint Commission Point of Service Lab Survey, College of American Pathologists (CAP) Lab Survey and AABB Transfusion Services Survey. After completing a recent survey, UWHC received three-year accreditation of its Inpatient Rehabilitation programs from the Commission on Accreditation of Rehabilitation Facilities (CARF).

Responses to Emergencies. The Board was given an update on the response to the recent snow emergency in December, the pause in active H1N1 response activities due to the decline in active cases, and shared how UW Health is responding to the earthquake in Haiti including an organizational donation of \$15,000 to the Red Cross.

Recognitions. Recent national recognitions included:

- HIMSS Analytics Stage 7 Award winner for highest level of electronic health record adoption
- University HealthSystem Consortium's (UHC) 2010 Supply Chain Performance Excellence Collaborative Award
- eHealth Awards for Internet and Public Web sites from the eHealth Care Leadership Awards, Greystone.net and Staywell
- Unity Health Insurance ranked as a Top 50 Health Plan by US News & World Report
- 2009 Thomson Reuters, 100 Top Hospitals: Cardiovascular Benchmarks Award
- 2009 Top 10 Research Advances from American Heart Association (UWSMPH research)
- 2010 PBMI Rx Benefit Innovation Award to Unity Health Insurance and the Wisconsin Pharmacy Quality Collaborative

2010 UW Health Physician Leadership Awards. The leadership of UW Medical Foundation, UW School of Medicine and Public Health and UW Hospital and Clinics selected four winners of the 2010 UW Health Physician Leadership Awards. The awards and recipients are:

- Clinical Practice Excellence Award Winner
Carol Diamond, MD, Associate Professor, Department of Pediatrics, Division of Hematology/Oncology, Medical Director, Pediatric Specialties
- Clinical Practice Excellence Award Winner
Ellen Hartenbach, MD, Vice Chair of Education and Faculty Development, Department of Obstetrics and Gynecology
- Clinical Educator Excellence Award Winner
Beth Potter, MD, Associate Professor, Department of Family Medicine
- Rising Star Clinical Excellence Award
Nasia Safdar, MD, Assistant Professor, Department of Medicine, Medical Director, UWHC Infection Control

Staff Recognitions. Recent staff recognitions include Mark A. Hamilton, Vice President of Ambulatory Operations being named to the Council of Regents, American College of Healthcare Executives (ACHE); Mike Sauk, Vice President and Chief Information Officer being named to the Audit Committee, UW Credit Union Board of Directors; and Shiva Bidar-Sielaff, Director of Community Partnerships and Interpreter Services, being named one of the 2010 City-County Rev. Dr. Martin Luther King Humanitarian Award winners.

Our.uwhealth.org. An update was provided on donations received through <http://our.uwhealth.org> and its other functions. It is a new Web site featuring an online community designed to spark learning, sharing, involvement and support for UW Hospital and Clinics, including American Family Children's Hospital, and the UW Carbone Cancer Center.

Holiday Donation. Family Service was given a holiday donation on behalf of the UWHC staff. The activities of Family Service were reviewed.

8. Closed Session

There being no other matters for the open session, Mr. Walsh proposed to take the meeting into closed session as previously announced. Mr. Walsh announced that the purpose for the closed session was for the discussion of financial and other matters, including budgetary and strategic planning matters and approval of investments which for competitive reasons require a closed session, as provided in section 19.85(1)(e), Wis. Stat.; and to consider employment and performance evaluation data of public employees, as provided in section 19.85(1)(c), Wis. Stat.; and for review of the services of health care providers, pursuant to section 146.38, Wis. Stat. Dr. Wilding moved that the Board enter closed session. Mr. Axtell seconded the motion. The motion passed with a unanimous roll call vote. The following members voted for the motion: David Walsh (Chair), Michael Weiden (Vice Chair), Roger Axtell, Tom Basting, Judith Crain, Dean Robert Golden, Sen. Jon Erpenbach, Dean Katharyn May, Dian Palmer, Pablo Sanchez, Dan Schooff, Michael Spector, Dr. Humberto Vidaillet (on telephone), and Dr. George Wilding. Ms. Booth and Mr. Choudoir are non-voting members.

Ms. Palmer moved to approve a proposed confidential investment on the conditions proposed by management. Mr. Spector seconded the motion and it was approved unanimously.

In accordance with the recommendation of the Finance Committee, Dean Golden moved approval of the confidential long range financial plan. Mr. Sanchez seconded the motion and it was approved unanimously.

No other action was taken in the closed session.

The meeting adjourned.

Respectfully Submitted,

James C. Dechene, Secretary