

**UNIVERSITY OF WISCONSIN HOSPITALS AND
CLINICS AUTHORITY**

Meeting of Board of Directors

H4/811

2:00 P.M. on

Friday, November 13, 2015

AGENDA

1. Call to Order of Board Meeting - 2:00 PM
2. Motion to Enter Into Closed Session for Discussion of Confidential Terms Related to Modification of Rehab Hospital Joint Venture
Motion to enter into closed session pursuant to Section 19.85(1)(e), Wisconsin Statutes, for the discussion of a proposed modification to the joint venture approved by the Board of Directors in June 2013 involving a third party with which confidential discussions are taking place pursuant to a non-disclosure agreement; and pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with legal counsel regarding relevant legal issues pertaining to the proposed modification of the joint venture relationship.
3. Closed Session
4. Return to Open Session/ACTION: Resolution on Madison Rehabilitation Hospital, LLC – Attachment A
5. Adjournment

Attachment A

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY**

APPROVAL OF TRANSACTIONS REGARDING THE REHABILITATION HOSPITAL

November 13, 2015

Whereas, in June 2013, the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority (UWHCA) approved the creation of a Limited Liability Company named Madison Rehabilitation Hospital, LLC, which now does business as UW Health Rehabilitation Hospital ("the Rehab Hospital"), by UWHCA and Centerre Healthcare Corporation, through its subsidiary CRH of Madison, LLC ("CRH"). Centerre was later acquired by Kindred Healthcare ("Kindred").

Whereas, UWHCA currently has a 50.1% ownership interest in the Rehab Hospital, and CRH owns 49.9% of the Rehab Hospital.

Whereas, UWHCA and CRH have been engaged in confidential discussions pursuant to a non-disclosure agreement with a third party for that third party to contribute assets and capital to the Rehab Hospital in exchange for a certain minority percentage Membership Interest, with UWHCA and CRH interests being adjusted downward to account for the contribution of a new member. UWHCA will still retain a slight majority ownership interest, but that interest will now be less than 50%.

Whereas, the UWHCA Executive Committee and Board of Directors discussed the nature and reasoning of the change to the joint venture relationship relating to the Rehab Hospital at its November 11, 2015 meeting, in closed session due to the confidential nature of the current negotiations.

Whereas, the UWHCA Board of Directors would like to take action to approve the revision to the previously approved joint venture as described to them, and to delegate to UWHCA management the authority to take those steps, deploy those resources and authorize execution of those documents necessary to complete the transaction substantially as described to the UWHCA Board of Directors.

NOW THEREFORE, the UWHCA Board of Directors hereby approves the transaction relating to modifying the nature of the Rehab Hospital joint venture and hereby delegates to UWHCA management, specifically the Chief Executive Officer or the President of UW Hospitals, or as delegated by either of those individuals, the authority to take those steps, deploy those resources and authorize execution of those documents necessary to complete the transaction substantially as described to the UWHCA Board of Directors.