

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

September 7, 2011

PRESENT: David Walsh (Chair), Michael Weiden (Vice Chair), Roger Axtell, Jeffrey Bartell, Michael Falbo, Richard Fetherston, Dean Robert Golden, Rep. Howard Marklein, Dean Katharyn May, Sen. Luther Olsen, Pablo Sanchez, Dr. Humberto Vidaillet (on telephone), Chancellor David Ward and Dr. George Wilding

EXCUSED: Tom Basting and Mike Huebsch

LIAISONS: Donna Katen-Bahensky and Dr. Nathan Rudin

STAFF: Kristi Amelong, Jan Bultema, Mike Buhl, Jim Dechene, Suzanne Droste, Tim Gaillard, Dr. Chris Green, Rachel Hartjes, Beth Houlahan, Scott Houtakker, Lisa Maroney, Robert Miller, Renee Rizzo, Jay Robaidek, Sue Sanford-Ring, Ron Sliwinski, Dan Weissburg and Beth Zaher

**1. Call to Order**

Mr. Walsh, Chair, opened the meeting of the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority at 1:35 p.m. A quorum was present.

Mr. Walsh introduced and welcomed four new members of the Board. Jeffrey Bartell and Micheal Falbo are new Regents appointees. Richard Fetherston is a Governor appointee. David Ward has returned to being the Chancellor of UW and thus returned to this Board.

Mr. Walsh introduced Dr. Nathan Rudin who is the Interim President of the Medical Staff. Dr. Christopher Green has assumed the position of Interim Senior Vice President for Medical Affairs.

**2. Approval of Minutes of July 13, 2011 and August 24, 2011, Authority Board Meetings**

Mr. Weiden moved approval of the minutes of the July 13 and August 24, 2011 meetings. Mr. Axtell seconded the motion and it passed unanimously.

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

Dr. Nathan Rudin presented the Medical Board recommendations concerning medical staff memberships and clinical privileges. Mr. Axtell moved that the recommendations be approved. Mr. Weiden seconded the motion and it passed unanimously.

**4. Amendment to Bylaws of the Board of Directors**

Jim Dechene, Senior Vice President and General Counsel, presented proposed amendments to the Bylaws of the Board of Directors. Mr. Weiden moved approval of the amendments [Attachment 1]. Rep. Marklein seconded the motion and it passed unanimously.

**5. Board Committees and Membership - Approval of Members of Executive Committee**

Sen. Olsen moved approval of Roger Axtell, Tom Basting, and Dr. George Wilding as members of the Executive Committee. Dean May seconded the motion and it passed unanimously.

**6. Approval Additional Members to the Board of Wisconsin Therapies, Inc.**

Mike Buhl, Senior Vice President and Chief Financial Officer, presented a proposed resolution to add Beth Houlahan and Renee Rizzo as members of the Board of Directors of Wisconsin Therapies, Inc (WTI). After questions regarding the role of WTI were answered, Mr. Weiden moved approval of the motion [Attachment 2]. Sen. Olsen seconded the motion and it passed unanimously.

**7. Board Committee Report**

Mr. Buhl reported on the Audit Committee meeting from that morning. The Audit Committee reviewed the preliminary result of UWHC's external audit by KPMG. The external audit went well and Mr. Buhl expects little to change from the information already presented to Board members once the audit is made final. The Audit Committee received confidential reports on internal audit and compliance.

The Finance Committee report was addressed in the next agenda item.

**8. CFO Report**

Mike Buhl reported on patient activity and financial results for the previous fiscal year and the July 2011 results. Mr. Buhl focused on the earnings from Fiscal Year 2011, including the hospital's favorable margin. A question was raised about the over performing of non-operating income versus the amount budgeted. Mr. Buhl explained this is an issue annually and a number of those items are beyond the control of UWHC because they depend on outside organizations for their budgeting estimates. Mr. Buhl concluded his presentation by discussing July 2011 results. Mr. Buhl noted both Adult and Pediatric Clinic visits were down versus last year and budget and adult admissions were also down. He explained he expects August results to improve because a number of physician positions unexpectedly remained open in July.

Net gain from operations for July was \$6.2 million. Net income for July, including non-operating income was \$7.2 million. Net gain from operations for FY2011 was \$64.5 million. Net income, including non-operating income, was \$93.5 million.

**9. CEO Report**

Donna Katen-Bahensky, President and Chief Executive Officer, reported on recent CEO activities, leadership updates as well as faculty recruitment updates. She also reported on the American Hospital Association's Patient and Family Centered Care Seminar that is being held in Madison in November.

**10. 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 matters 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.

Dean May moved that the Board enter closed session. Mr. Bartell 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, Jeffrey Bartell, Michael Falbo, Richard Fetherston, Dean Robert Golden, Rep. Howard Marklein, Dean Katharyn May, Sen. Luther Olsen, Pablo Sanchez, Dr. Humberto Vidaillet (on telephone), Chancellor David Ward, and Dr. George Wilding.

No action was taken in the closed session.

The meeting adjourned.

Respectfully Submitted,

James C. Dechene, Secretary

**AMENDMENT TO  
THE BYLAWS OF THE BOARD OF DIRECTORS OF THE  
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY**

*Approved September 7, 2011*

**A NEW SUBSECTION 2.5 (m) IS ADDED TO PERMIT EMAIL APPROVALS**

(m) Email approvals. Any action which may be approved by the Board or any committee thereof may be approved by an email vote at the discretion of the chairperson of the Board or applicable committee. Notice shall be given of email vote in a manner permitted by the public meetings law. Members shall be given at least two business days to respond. If a quorum of the board or committee members respond by the time set for the vote, the action shall be approved if approved by a majority of the timely respondents, unless one timely respondent requests that the matter be considered at the next convened meeting of the Board.

**AMEND SECTION 4.7 TO CHANGE THE COMPOSITION OF THE PIRMS COMMITTEE AND PERMIT BOARD MEMBERS WHO ATTEND THE MEETING TO VOTE:**

**Section 4.7. Performance Improvement, Risk Management, and Safety (PIRMS) Committee**

(a) Designation and Membership. The PIRMS Committee shall consist of at least three members of the Board of Directors appointed by the Chair of the Board, the Senior Vice President for Medical Affairs, Senior Vice President and Chief Nursing Officer, and one two members of the UWHC Medical Staff appointed by the Chair of the Board, and one community member appointed by the Chair of the Board. Other Vice Presidents and Senior Vice President and Chief Nursing Officer, the Senior Vice Presidents appointed by the CEO shall be ex-officio members without vote. In addition, each member of the Board of Directors is encouraged to attend at least one PIRMS Committee meeting each year and, when in attendance, shall be a member of the committee with vote.

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

*Approved September 7, 2011*

The Board of Directors of the University of Wisconsin Hospitals and Clinics Authority approves the following persons as additional directors of Wisconsin Therapies, Inc.:

Beth Houlahan, Senior Vice President/Chief Nursing Officer  
Renee Rizzo, Vice President/Finance & Controller