

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE HEALTH AFFAIRS COMMITTEE

February 28, 2013
Chattanooga, Tennessee

The Health Affairs Committee of The University of Tennessee Board of Trustees met at 9:30 a.m. EST on Thursday, February 28, 2013, on the campus of The University of Tennessee at Chattanooga.

I. CALL TO ORDER

Charles C. Anderson, Chair, called the meeting to order.

II. ROLL CALL

Steve J. Schwab, Chancellor of UTHSC, called the roll, and the following members of the Health Affairs Committee were present:

Charles C. Anderson, Jr.
Joseph A. DiPietro
D. Crawford Gallimore
David E. Millhorn
James L. Murphy, III
Don C. Stansberry, Jr.

Trustee Hagler was unable to attend due to a work conflict. Chancellor Schwab announced the presence of a quorum of the Committee. Other Trustees and members of the administrative staff were also present.

III. MINUTES OF LAST MEETING

Chair Anderson asked for any corrections to the minutes of the January 28, 2013 meeting of the Committee. A Trustee moved for approval of the minutes as presented in the meeting materials. The motion was seconded and it carried unanimously.

IV. UT METHODIST PHYSICIANS, LLC (UTMP) – FOURTH AMENDMENT TO 2009 ADDENDUM A TO THE AMENDED AND RESTATED MASTER AFFILIATION AGREEMENT WITH METHODIST HEALTHCARE-METHODIST HOSPITALS

Chancellor Steve Schwab introduced Mr. Tony Ferrara, Vice Chancellor of Finance and Operations, and Dr. Kennard Brown, Executive Vice Chancellor and Chief Operations Officer at UTHSC, to present the Fourth Amendment to the affiliation agreement between the University and Methodist Healthcare concerning UT Methodist Physicians, LLC (UTMP).

Mr. Ferrara explained that UTMP will be jointly governed by UT and Methodist Healthcare. He then highlighted the specialties within the physician practice and explained the responsibility of the physician service line directors for inpatient and outpatient services. Methodist will provide an annual program investment payment to the College of Medicine, in addition to potential incentive payments based on financial performance.

Mr. Ferrara described the restructuring of the Methodist board of directors to include three UT representatives and the possible inclusion of up to three UT faculty physicians. He explained that at least one UT director will serve on certain committees. Methodist Hospital will also add to its leadership a UT physician leader to serve as Executive Vice President for Medical Affairs, which Executive Dean David Stern currently holds. Mr. Ferrara also presented provisions concerning co-branding, clinical research coordination, and terms of termination.

Trustee Gallimore moved that the Chancellor of the UT Health Science Center and the Chief Financial Officer of the University be authorized to execute the Fourth Amendment to the 2009 Addendum A to the Amended and Restated Master Affiliation Agreement with Methodist Healthcare-Methodist Hospitals (Exhibit 1) after approval by the Chair of the Health Affairs Committee upon the recommendation of the General Counsel, the Chief Financial Officer and the President. The motion was seconded by Trustee Stansberry and unanimously approved.


V. OTHER BUSINESS

There was no other business to come before the Committee.

VI. ADJOURNMENT

There being no further business to come before the Health Affairs Committee, the meeting was adjourned.

Respectfully Submitted,



Steve J. Schwab, MD
Chancellor, UT Health Science Center



Charles M. Peccolo
Treasurer and Chief Financial Officer