AGENDA
East Carolina University Board of Trustees
Health Sciences Committee
Tuesday, July 25, 2006
Allied Health Lobby, LAHN Building

I. Approval of Minutes (May 4, 2006 and May 31, 2006) Action

II. Health Sciences Division – Dr Michael Lewis Discussion
   A. ECG Consultants Update
   B. East Carolina Heart Institutes Update
   C. MFPP Information
   D. Oral Health Update
   E. Other Business

III. Health Sciences Divisional Updates Information
   A. Brody School of Medicine
   B. School of Allied Health Sciences

IV. PCMH/UHS – Mr. David McRae/Mr. Steve Lawler Discussion
Health Sciences Committee  
ECU Board of Trustees  
May 4, 2006

Members Present:
Robert Hill, Chair  
Robert Greczyn  
David Brody  
Joel Butler  
Mike Lewis  
Mike Kelly  
Terri Workman  
Dave McRae  
Gary Vanderpool  
Lisa Sutton  
Steve Ballard  
Bruce Austin  
Robert Lucas  
David Redwine  
Steve Showfety  
Greg Chadwick  
Cynda Johnson  
Steve Thomas  
Greg Hassler

Recorder: Ellen Finch

Mr. Hill called the meeting to order at 2:20 p.m. and reminded the members that the meeting location on Friday was the Murphy Center, not Mendenhall.

Approval of Minutes:
Mr. Butler made the motion for approval of the February 24, 2006 minutes as distributed. The motion was seconded by Mr. Brody, and approved unanimously by the members.

Updates:
Mr. Hill noted that he was very impressed with the progress being made by the ECU and UHS Joint Liaison Committee. He extended congratulations on the US News & World Report rankings received by the Brody School of Medicine (6th in primary care; 7th in rural medicine, and 9th in family medicine). According to Mr. Hill, implementation of recommendations generated by the ECG report has begun. The incorporation of the practice plan will allow for greater financial flexibility. Costs of indigent care are being examined as well as issues which will benefit the institution (medical office building and provider based clinics). Indigent care has been identified as a state priority at ECU. Mr. Hill noted that the proposed dental school at ECU has been approved unanimously by the UNC Board of Governors. It will be a joint project with ECU and UNC Chapel Hill. Some of the same professors will be shared by the two institutions and there will be 10 provider based clinics in underserved areas of North Carolina (east and west).

Mr. Hill commended ECU and UHS on the collaborative progress made for the groundbreaking of the East Carolina Heart Institute. He noted that the members have been asked to use Heart Institute as an abbreviated title.

Dr. Lewis thanked Mr. Hill for his updates. He noted that Dr. Chadwick has done a phenomenal job in working with President Bowles and Alan Mabe’s office on the joint
proposal of the dental school. Both institutions have agreed to support the efforts of each institution. Dr. Lewis mentioned several key points for consideration: UNC Board of Governors has approved the joint proposal; $7 million has been budgeted by the UNC Board of Governors; agreement to accept 50 pre doctoral students per year. Dr. Lewis also noted that the UNC Board of Governors has requested that the process be expedited. He extended thanks to Ms. Workman for her phenomenal job on coordinating the permission to plan. This process typically takes about a year, but with the cooperation and help of the Provost’s Office, the Faculty Senate, and the Graduate Council, the permission to plan was approved. It is anticipated that the permission to establish the curriculum will be completed by early fall. Even though approval of the dental school has been placed on the fast track, Dr. Lewis assured the group that no step in the process would be skipped. He mentioned that the North Carolina Dental Society was scheduled to meet in two weeks and that the meeting could prove interesting for the proposed dental school.

According to Dr. Chadwick, both institutions have agreed to support and work together on the joint proposal. Discussion among the members continued regarding the proposed dental school. Mr. Greczyn reminded the members that he was pleased with the proposal, but that there was an extreme amount of conjecture on the remaining issues.

Dr. Lewis indicated that the data on the Medical Faculty Practice Plan was included in the material for the meeting. He noted that there is still a deficit, but it is headed in the right direction. A new business plan is being generated. Dr. Johnson noted that she had worked with the faculty during the last 2 ½ years to improve the Practice Plan. The remaining deficit speaks to the area of indigent care. She stated that she was very proud of the BSOM faculty and the work that they have done on improving the Practice Plan. Dr. Johnson indicated that she would appreciate any help which can be done to receive additional indigent care funds.

Dr. Lewis reported that additional reports related to Health Sciences were included in the board materials. Dr. Thomas noted that the School of Allied Health Sciences was scheduled to move into the new building over the Memorial Day holidays.

**PCMH/UHS Update**

Mr. McRae expressed pleasure at being at the meeting. He noted that the Joint Liaison Committee meeting was excellent and that good progress was being made. He stressed the need to keep the JLC meetings to continue the resolution of issues. According to Mr. McRae, Mr. Seitz has been helping with issues related to feeding of students, walkways, safe environment, etc. He urged the teams from both organizations to maintain the concept of one organization.

There being no further business, the meeting adjourned at 2:50 pm.
Mr. Kelly and Mr. Hill called the joint committee meeting to order and asked Dr. Lewis to expand on the topic of management flexibility for property acquisitions through delegated authority. Dr. Lewis stated that management flexibility would allow the university to obtain space for clinical activities in a more timely manner. It appears that an opportunity may exist under the existing law and policy to pursue this flexibility. He noted that Dr. Johnson has established a working group to examine the issue. Both he and Mr. Seitz felt it would be appropriate to discuss this issue at a joint meeting.

Dr. Johnson stated that the delegated authority flexibility policy would allow the university to be more nimble in its pursuit of property acquisition. She noted that in 1998 the University of North Carolina at Chapel Hill invoked the same policy. The current process that ECU follows has multiple steps. It can take 18 months from the day you determine the need for rental property until completion of the rental transaction. She suggested that the UNC Chapel Hill model be evaluated and adapted to fit our needs and she is hopeful that a proposal can be brought forward at the July Board meeting. She assured everyone that the procedures would be detailed and available for full review and discussion. Mr. Seitz reported that using the Chapel Hill approach should bring positive results for ECU since Chapel Hill has successfully set a precedent. There will be no additional legislation necessary. He noted that there will be significant reduction in the time needed to approve leases and purchases if done at the campus level. Procedures for a campus level approval process are being developed. Mr. Seitz indicated that initial discussions with representatives of the State
Property Office were positive. A property office will be established at the Brody School of Medicine. A campus property committee will be created to examine the different proposals and the financial issues involved.

According to Mr. Seitz, the proposal will be reviewed by the Medical Faculty Practice Plan Board and the Executive Council before it is presented to the Board of Trustees for its consideration. Coordination will also occur with the General Administration and respective state offices.

Mr. Butler inquired as to the “down” side of this process. Mr. Seitz responded that as long as our policies and procedures are developed according to the established state guidelines, there should not be any “down” side. Mr. Redwine asked about the institutional oversight. Mr. Seitz stated that the need for institutional oversight is understood by everyone involved. It will be clearly covered in the proposed policy and procedures which the Board will review and approve. Dr. Johnson noted that there will be various levels of approval depending upon the amount of monies involved. Mr. Seitz reiterated that the Board will be an integral part of the approval process and will receive written reports of all property acquisitions. Mr. Showfety stated that the documentation normally received by the board members should be sufficient to make a value judgment and would be scrutinized by all along the way. He commented that this was a wonderful idea and should allow the university to make business decisions on a more timely basis. Mr. Brody suggested that part of the due diligence should be to conduct a market study of local rental rates to be used as a benchmark. Mr. Greczyn noted that a significant number of our board members have extensive experience in this area.

Mr. Showfety asked if the Board should provide formal approval of the concept. Mr. Kelly indicated not at this time. There may be need for some interim review before the next board meeting. Mr. Greczyn noted that there was not enough known about the concept and would like to examine the full proposal. Mr. Redwine agreed and stated that he would rather reserve judgment until the full proposal has been reviewed. Mr. Showfety stated that the joint committee agreed to entertain the concept but would delay any approval until the full proposal could be reviewed and the Board was assured that all the proper checks and balances were in place. Mr. Butler indicated that he wanted to make sure that the Board did not slow the process. Mr. Seitz noted that once approval is obtained from the Board that the proposal would still have to be approved by General Administration, the Board of Governors, and all the necessary state agencies. Mr. Showfety asked that the minutes show that future actions are needed on the proposal. Mr. Kelly assured the group that the institutional oversight issue is understood. It was agreed that Mr. Seitz and/or Dr. Johnson will bring committee members together as needed. The group agreed that the discussion on this proposal was good and work should continue.

There being no further business, the meeting adjourned at 3:25 pm.
MINUTES
Health Sciences Committee
May 31, 2006

The Health Sciences Committee of the East Carolina University Board of Trustees, met via telephone conference call at 4 p.m. Participating by telephone were committee members Robbie Hill, David Brody, Bob Greczyn, Joel Butler, David Redwine, Bruce Austin, and Board Chair Steve Showfety. Also present were Chancellor Steve Ballard, Provost James LeRoy Smith, Dean Cynda Johnson, Kitty Wetherington, Greg Hassler and John Durham.

Consistent with North Carolina statute, the committee moved into closed session without dissent or abstention.

The committee discussed a personnel matter during the closed session and adjourned at 5:10 p.m.

Respectfully submitted,

[Signature]

John Durham
Assistant Secretary to the Board

APPROVED:

[Signature]

Robbie Hill
Chair, Health Sciences Committee
**MFPP Key Performance Indicators**  
**Fiscal Year-to-Date May 2005 to May 2006**

- Patient Visits per Business Day: **Up 3.8%**
- # Credentialed Faculty: **Up 12.5%**
- wRVUs (Work Relative Value Units): **Up 5.9%**
- Charges: **Up 17.6%**
- Collections: **Up 12.3%**
- Total Revenues: **Up 10.4%**
- Total Expenses: **Up 9.8%**

*1.5 Fewer Business Days in FY 2006 due to ECU closing for Hurricane Ophelia*
# ECU Physicians MFPP

## Fiscal Year-to-Date Results

For the Period July 1, 2005 through May 31, 2006

(Results Reported in Millions)

<table>
<thead>
<tr>
<th></th>
<th>Jul '05 - May '06 (Actual)</th>
<th>Jul '04 - May '05 (Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenues</strong></td>
<td>107.75</td>
<td>97.56</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>87.57</td>
<td>79.07</td>
</tr>
<tr>
<td>Operating/non operating expenses</td>
<td>22.82</td>
<td>21.52</td>
</tr>
<tr>
<td>Capital</td>
<td>1.96</td>
<td>1.81</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>112.35</td>
<td>102.40</td>
</tr>
<tr>
<td><strong>Net Results from Operations + / (-)</strong></td>
<td>(4.60)</td>
<td>(4.84)</td>
</tr>
<tr>
<td><strong>Net Transfers In / (Out)</strong> 2</td>
<td>(1.42)</td>
<td>(2.04)</td>
</tr>
<tr>
<td><strong>Net Results Operations &amp; Transfers + / (-)</strong></td>
<td>(6.02)</td>
<td>(6.88)</td>
</tr>
</tbody>
</table>

1. Contract Income, Capital Expenses, and Campus Auxiliary Transfers reported on accrual basis

2. Net Transfers Out represent transfers made to cover University Auxiliary assessment and Banner implementation
Following are the pass rates for the 2005-06 academic year for all seven degree granting departments in the School of Allied Health Sciences. Graduating students in three departments achieved a 100% first-time pass rate on their respective national certification examinations. They include the Department of Clinical Laboratory Science, the Department of Health Services and Information Management (Health Information Management students), and the Department of Occupational Therapy. Graduate students in the Department of Physician Assistant Studies achieved a first-time national certification pass rate of 93% which is above the national average, and rehabilitation counseling graduate students in the Department of Rehabilitation Studies achieved a first time national certification pass rate of 95% which is significantly higher than the national average. Graduates from the Department of Physical Therapy achieved a 91% pass rate on their national certification examination, and graduates from the Department of Communication Sciences and Disorders obtained a 97% passing rate on their national certification examination.

SAHS moved into its new facility over the Memorial Day Holidays (May 25-29) and was ready to teach classes on Tuesday May 30, 2006. Although the Allied Health portion of the building is still in the final stages of construction, our speech and hearing clinic is fully operational and our research labs (the last programs to be moved) are becoming operational.

The Department of Physical Therapy obtained a $100,000 equipment grant from the Kate B. Reynolds Foundation to further equip their “falls in the elderly” and “gait” lab.