

9/26/83

RESOLUTION OF THE HOSPITAL AND HEALTH SERVICES
COMMITTEE OF THE BOARD OF REGENTS ON THE SUBJECT
OF GOVERNANCE AND THE MARYLAND INSTITUTE
FOR EMERGENCY MEDICAL SERVICES SYSTEMS

WHEREAS, the Hospital and Health Services Committee of the Board of Regents of the University of Maryland having previously considered the matter of whether the Maryland Institute for Emergency Medical Services Systems (MIEMSS) should be included in the University of Maryland Medical System (UMMS) as it is to be created by the proposed legislation on governance of UMMS; and

WHEREAS, at the request of the Director of MIEMSS having heard testimony respecting the inclusion of MIEMSS in UMMS, from the Chancellor (UMAB), the Dean of the School of Medicine, the President of the Medical Staff, the Director and the Assistant Director of MIEMSS and the Chairman of the Department of Surgery; and

WHEREAS, the valid reasons for a change of governance of the Hospital apply to MIEMSS; and

WHEREAS, patient care activities of UMMS and MIEMSS must be organized under one system to provide the highest quality of patient care with maximum efficiency and must be coordinated with the University's responsibilities for teaching and education, while at the same time preserving the unique qualities of MIEMSS as a national trauma center and a State-wide resource for treatment of trauma patients.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. That, the clinical component of MIEMSS should be included in and managed by the Board of Directors of the Corporation to be established as part of the governance change for UMMS.

2. That, the MIEMSS clinical component will be a unit of UMMS effective July 1, 1984. As of that date, UMMS, rather than the UMAB campus, will have the responsibility for the budgetary affairs of the MIEMSS clinical component. As

of that date, the Chancellor will direct that the Director of MIEMSS or his designee will report to the Chief Executive Officer of UMMS in regard to all matters related to the MIEMSS clinical component. This change in reporting structure will occur whether or not the recommended governance change occurs.

3. That, after the responsibility for the MIEMSS clinical component has been transferred to UMMS, the Director of MIEMSS will continue to be directly responsible to the Chancellor of UMAB for the educational and field operations components of MIEMSS as provided by §13-110 of the Educational Article, Annotated Code of Maryland.

4. That, the Committee should support all efforts to continue the current State subsidy to the MIEMSS clinical component either as a contractual payment or an appropriation depending upon whether or not there is a change of governance. It is recommended that the Board of Regents support the legislative action necessary to obtain such funds in either form.

5. That, it is recommended that there be no change in the University's position concerning financing for the MIEMSS' capital project. If and when there is a governance change, the matter of whether there should be a lease or transfer of assets involved will be addressed.

6. That, the decision and recommendations of the Committee, if accepted by the Board of Regents, should be incorporated in proposed legislation respecting governance changes for UMMS.

7. That, the Committee directs the Chancellor and the Chief Executive Officer of UMMS to take all necessary actions to preserve and maintain MIEMSS as an Institute.

8. That the Chancellor is directed to report to the Hospital and Health Services Committee of the Board of Regents at its next regularly scheduled meeting in respect to the status of any protocols in existence and the implementation of such protocols related to appointments to the Medical School faculty of physicians nominated by MIEMSS.

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BALTIMORE, MONDAY, OCTOBER 3, 1983

JAMES I. HOUCK, Managing Editor • REG MURPHY, Publisher • J.R.L. SPERUNC, Editorial Page Editor

A New University Hospital

Baltimore's second major medical center, University Hospital, is on the verge of completing a major transition. If the General Assembly approves, it will switch next year from public to private (non-government) status and gain the flexibility to stand on its own without state subsidies.

That the hospital is ready for the shift is clear: In the past fiscal year, with a budget exceeding \$150 million, it came up with a \$4 million surplus, without state aid. This compares with seven years ago, when the state's subsidy was \$20 million — one-quarter of its total budget — and it still ran a \$7 million deficit.

University Hospital is bigger, and better managed, than ever before. But if it is to survive, it must be free of useless bureaucratic obstacles that have hamstrung it in the past. It also needs enormous amounts of capital for urgent renovations and equipment replacement, amounts so vast the state cannot afford them. A bank loan of \$20 million is an immediate possibility as a downpayment on repairs needed if University is to flourish as a top-flight medical center.

A crucial hurdle already has been surmounted in the unanimous decision by the University of Maryland's board of regents to back the spin-off. While the university and the hospital still would have extremely close ties, control of the medical center would be outside the school's jurisdiction. It is much to the university's credit that it strongly

backs a plan that would reduce its jurisdiction.

There are still disagreements. Officials of the shock-trauma unit are agitating among legislators in an effort to stay outside hospital control. There are problems with employee groups, though most of these have been overcome. Governor Hughes has not decided if he will budget money next year to settle the state's accounts with the hospital before the spin-off. Neighborhood associations are concerned the move could mean less health care for West Baltimoreans.

That last factor is important. University wants heavy involvement in research and specialized medical treatment. It also wants to continue its role as a health-care provider for its neighborhood, but at a reasonable cost for itself and its patients. Chancellor T. Albert Farmer and neighborhood groups are discussing this issue now. Unless Dr. Farmer comes up with a formal plan that satisfies the community, the spin-off plan is in trouble: Delegate Larry Young, who represents the area, chairs the House committee handling health-care bills.

If Baltimore is to develop a westside medical center to complement the world-famous Hopkins complex on the eastside, University Hospital must be allowed to take the logical next step of breaking away from state control. It is never easy to let go of a member of the family, but if the governor and legislators want University Hospital to reach full maturity, they must give it its freedom.