



Health Care

**Implementation Proposal for Revised
MU Health Care Board Structure**

June 11, 2018

BACKGROUND

- At the March and April, 2018, meetings, the Committee and Board discussed making changes to the Board-level governance of the University's health care activities to develop strategic approaches to address current challenges and future opportunities
- At this meeting and the upcoming June 21 Board meeting, we are discussing details of an implementation proposal
- It is anticipated final changes will be adopted at the September Board meeting

PROPOSED CHANGES

Board-level governance of MU Health Care will be consolidated with the Health Affairs Committee composed of University leaders and outside appointees with health care or academic medicine expertise

1

Top-level strategic oversight of MU Health Care operations will be focused in the Health Affairs Committee

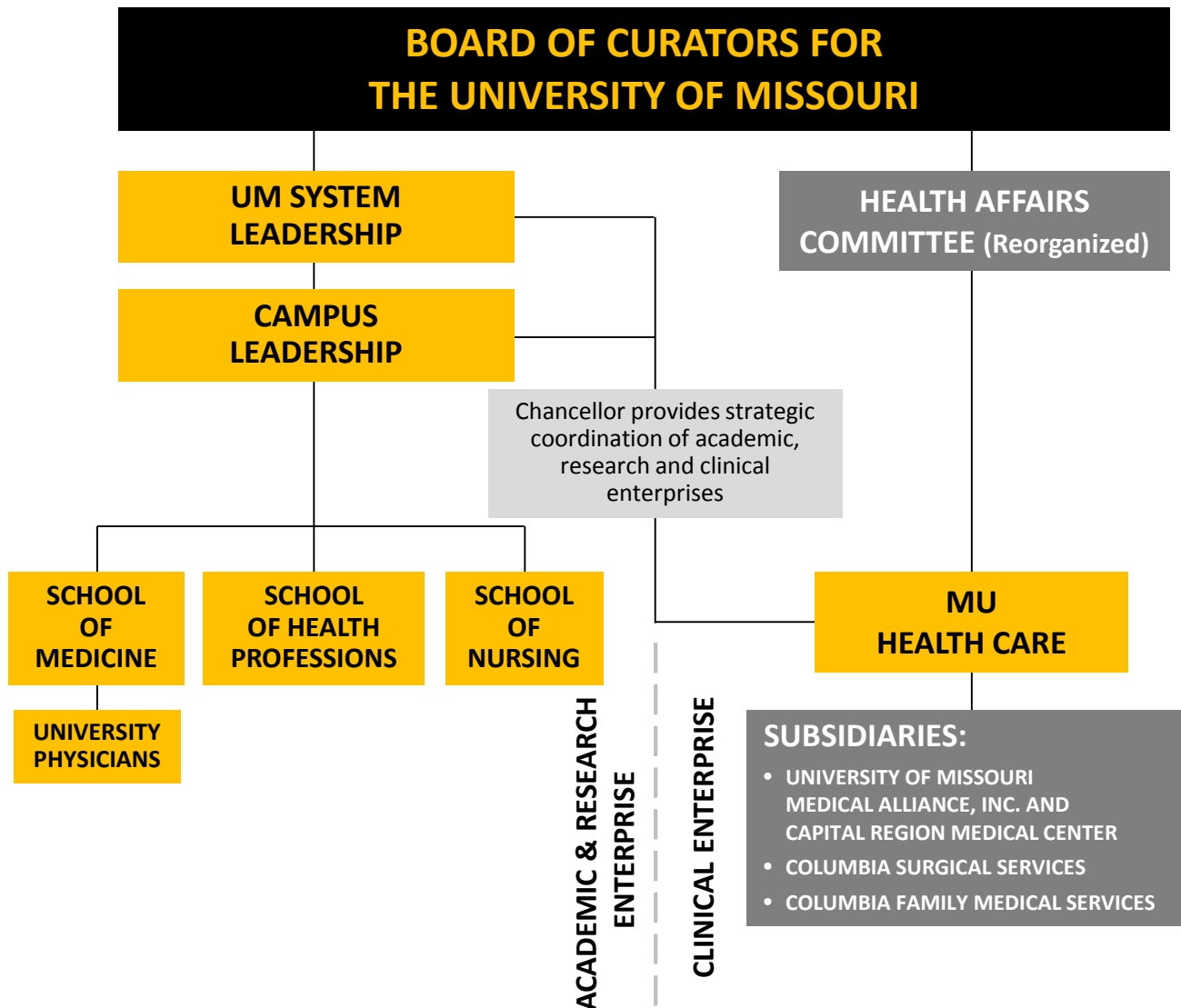
2

Streamline the subsidiary boards to focus on operational issues

3

Strategically align, manage and govern as an integrated academic health system

PROPOSED STRUCTURE



DETAILS OF
REORGANIZATION PROPOSAL

COMMITTEE COMPOSITION

The Health Affairs Committee would be reorganized to consist of nine individuals appointed by the Board of Curators

5

**At-large
members
nominated by
the Committee**

3

University of Missouri

Members:

- Curator
- UM System President
- MU Chancellor

1

**Member
nominated by
Capital Region
Medical Center**

- The President would serve as the Chair of the Committee.
- A consultant would be retained to advise the Committee.

COMMITTEE CHARGE

The Board of Curators would charge the Committee with:

Strategic oversight of MU Health Care and affiliated facilities

Ensuring implementation of strategic plan to achieve excellence in patient care, innovative education and breakthrough research

Additional responsibilities as determined by the Board of Curators

DELEGATED AUTHORITY

The Committee would have delegated authority over:

Strategic Vision:

Assist MU Chancellor in developing mission and vision of MU Health Care and approving its strategic plans

Personnel:

Hiring and terminating MU Health Care CEO

Collaboration:

Consulting with the MU Chancellor and Provost and other campuses on strategic academic, research and clinical initiatives that rely on support from MU Health

Finance:

Approval of annual capital, operating and school support budgets AND significant financial decisions for MU Health Care

RETAINED POWERS

The Board of Curators would retain all powers not delegated to the Committee to include:

- Ultimate governing responsibility including the ability to change any decision at any time as provided in the Collected Rules and Regulations
- Appointing and removing all members of the Committee
- Approval over major financial and strategic decisions for MU Health Care such as:
 - Decisions deemed germane to mission alignment
 - Capital expenditures > \$XX Million
 - Debt issuance, expansions, creation of new entities/ subsidiaries
 - The use of intellectual property
- The Committee would report to the Board of Curators annually and at other times as requested

OTHER HEALTH-RELATED BOARDS

- Consolidate strategic functions of other MU Health Care boards
 - University of Missouri Columbia Medical Alliance, Inc.,
 - Health Care Advisory Board
 - Columbia Surgical Services, Inc.
 - and Columbia Family Medical Services, Inc.
 - with the reorganized Health Affairs Committee.
- Corporate subsidiary boards would be focused on operations rather than strategic planning
- Health Care Advisory Board would be eliminated

BENEFITS OF STRUCTURE

1

**CREATE
EFFICIENCIES**

2

**CONSOLIDATE
TOP LEVEL
STRATEGIC
OVERSIGHT**

3

**INTRODUCE
ADDITIONAL
EXPERTISE**

... to achieve excellence in patient care, innovative education and breakthrough research