



**Board of Trustees
Meeting
Millican Hall, 3rd floor, President's Boardroom
August 5, 2016
8:00 a.m.
800-442-5794, passcode, 463796**

Agenda

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|------|---------------|----------|---|
| I. | Call to Order | | Marcos Marchena
Chairman, Board of Trustees |
| II. | Roll Call | | Rick Schell
Associate Corporate Secretary |
| III. | New Business | | Chairman Marchena |
| | BOT-1 | Approval | Issuance of Invitation to Negotiate by UCF Academic Health, Inc., and Filing of Responsive Letter of Intent by UCF Academic Health Center LLC |
| | | | Deborah German
Chair, UCF Academic Health, Inc. |
| IV. | Adjournment | | Chairman Marchena |

ITEM: BOT-1

**University of Central Florida
BOARD OF TRUSTEES**

SUBJECT: Issuance of Invitation to Negotiate by UCF Academic Health, Inc., and Filing of Responsive Letter of Intent by UCF Academic Health Center, LLC

DATE: August 2, 2016

PROPOSED ACTION

Approve attached resolution authorizing UCF Academic Health, Inc. (UCFAH), to issue an Invitation to Negotiate seeking a partner with whom to develop and operate a teaching hospital at Lake Nona and to file a responsive Letter of Intent with the Agency for Health Care Administration (AHCA.)

BACKGROUND INFORMATION

A critical part of the strategic plan of the UCF College of Medicine is to build a university-affiliated teaching hospital that will enhance its ability to provide world class education, clinical care, and research to the Central Florida community and beyond. To that end, it requests the UCF Board of Trustees to affirm the plan for its direct support organization, UCFAH, to seek a partnership with a hospital system to build and operate a teaching hospital at the Lake Nona Health Sciences campus. Any partnership will enable UCFAH to hold a significant governance interest on the hospital board in order to oversee the clinical teaching and research activities occurring at the hospital. The selected partner will bear most, if not all, of the cost of developing the hospital.

The process of identifying a potential hospital partner will be accomplished through the issuance by UCFAH of an Invitation to Negotiate, seeking proposals from hospitals in the community, the state of Florida, and nationwide. Any potential partner selected by UCFAH will need to be approved by the UCF Board of Trustees prior to execution of a definitive agreement and in order to obtain approval of the project as a public/private partnership.

UCFAH will direct UCF Academic Health Center, LLC, to file a responsive Letter of Intent with AHCA to preserve the opportunity to file a Certificate of Need with a selected partner.

The Summary of Invitation to Negotiate Criteria, Attachment A, outlines factors to be considered by UCFAH in evaluating potential proposals.

The Resolution, Attachment B, authorizes UCFAH to proceed with issuance of an Invitation to Negotiate and filing of a Letter of Intent.

The Timeline, Attachment C, sets the critical dates in the process for obtaining approval for a teaching hospital at Lake Nona.

Supporting documentation:

Attachment A: Summary of Invitation to Negotiate Criteria

Attachment B: Resolution

Attachment C: Timeline

Prepared by: Scott Cole, Vice President and General Counsel

Submitted by: Deborah German, Chair, UCF Academic Health, Inc.

Attachment A

Summary of Invitation to Negotiate Criteria

The following summarizes the primary criteria to be used by the board of UCF Academic Health, Inc., in evaluating proposals submitted in response to the Invitation to Negotiate for a hospital partner. The board may also consider other relevant criteria. The board may elect to conduct discussions or request additional information from one or more responders as circumstances dictate.

1. **Qualifications, experience, capabilities.** Considerations include:
 - experience and qualifications in planning, developing, funding, operating, and managing hospitals
 - demonstrated quality and excellence in delivery of patient care
 - qualifications of key individuals who will be assigned to the project

2. **Commitment to UCF's educational and community mission.** Considerations to include:
 - commitment to and compatibility of the proposal with the UCF College of Medicine's educational mission
 - demonstrated commitment to serving Medicaid and other indigent patients

3. **Structure and governance.** Considerations include:
 - proposed structure for the hospital including the participation in ownership, governance, management, and medical leadership by UCF Academic Health, Inc.
 - approach for limiting financial risk to UCF Academic Health and providing return on investment to UCF Academic Health, Inc.

4. **Financial considerations.** Considerations include:
 - proposed approach for funding the hospital, including proposed investment by UCF Academic Health, Inc.
 - financial strength and stability of responder
 - ability of responder to operate high quality services while ensuring financial sustainability
 - financial information and plan presented

5. **Research and innovation.** Considerations include:
 - approach for and experience in pursuing new and emerging models of care and value-based payment
 - opportunities for research and innovation
 - commitment to clinical, population-based, and other research

Attachment B



RESOLUTION

**OF THE UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES
REGARDING ISSUANCE BY UCF ACADEMIC HEALTH, INC., OF AN
INVITATION TO NEGOTIATE AND FILING OF A RESPONSIVE
LETTER OF INTENT WITH THE AGENCY FOR HEALTH CARE
ADMINISTRATION**

Upon motion duly made and seconded, the following resolution was adopted at a meeting of the Board of Trustees of the University of Central Florida on August 5, 2016:

Whereas, the UCF Board of Trustees established UCF Academic Health, Inc. (UCFAH), as a direct support organization of the University of Central Florida to develop new partnerships and initiatives to serve the education, research, patient care, and community missions of the College of Medicine; and

Whereas, a critical part of the strategic plan of the College of Medicine is to build an academic teaching hospital on the Lake Nona Health Sciences campus, which will greatly enhance the ability of the College to produce the highest quality clinical, teaching, and research activities, benefitting its students and residents and the community; and

Whereas, the board of UCFAH has authorized issuance of an Invitation to Negotiate for the selection of a partner for the development and operation of a UCF academic hospital at Lake Nona; and

Whereas, the board of UCFAH has directed the UCF Academic Health Center, LLC, to file a responsive Letter of Intent with the Agency for Health Care Administration (AHCA) to preserve the opportunity for timely filing of a Certificate of Need with a selected partner for an acute care hospital; and

Whereas, because UCFAH, as a direct support organization, exists exclusively to support the mission of UCF, the board of UCFAH will not issue the Invitation to Negotiate or file the Letter of Intent without approval by the board of trustees; and

Whereas, any partner selected by UCFAH for development and operation of a UCF academic hospital at Lake Nona will require the additional approval of this board.

Be it therefore:

Resolved: That the UCF Board of Trustees endorses the decision of UCF Academic Health, Inc., to proceed with issuance of an Invitation to Negotiate to pursue selection of a partner for the development and operation of a UCF academic teaching hospital at the Lake Nona campus and to file a responsive Letter of Intent with AHCA.

The foregoing resolution was approved by the UCF Board of Trustees at its meeting held on the 5th day of August 2015, at which time a quorum was present.

On behalf of the UCF Board of Trustees:

John C. Hitt
President and Secretary

UCF Academic Health Timeline

