COMMITTEE ON HEALTH SERVICES
November 15, 2012

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. ADOPTION OF POLICY ON STUDENT HEALTH AND COUNSELING CENTERS

The Committee recommends that:

A. The Policy on Student Health and Counseling Centers, as shown in Attachment 1, be adopted.

B. The Committee on Health Services be provided a Report on Student Health and Counseling Centers no less frequently than once a year.

C. The Senior Vice President, Health Sciences and Services be authorized to develop policies and procedures, in consultation with the Chair of the Committee on Health Services, to implement the above policy.

2. ESTABLISHMENT OF A LIMITED LIABILITY CORPORATION WITH DAMERON HOSPITAL, STOCKTON, AND UC DAVIS MEDICAL CENTER, DAVIS CAMPUS

The Committee recommends that:

A. The University forming and participating in a Limited Liability Company (LLC) with Dameron Hospital Association be approved under the following terms:

1. The LLC shall be a two-member nonprofit entity.

2. The University shall have a 25 to 30 percent interest in the LLC.

3. The University shall have a right to appoint 50 percent of the LLC’s Board of Managers and shall serve as Chair of the Board of Managers. In the event of a deadlock among the Board, the Chair will cast the deciding vote.

4. The University may contribute up to $10 million in cash to the LLC, as well as the University’s brand, trade name, programs, and expertise. Any further capitalization contribution, loan, or loan guarantee by the University must be approved by the Regents. The University will have...
no further obligation to contribute capital to the LLC or to fund working capital or pay for debts or other liabilities of the LLC.

5. Dameron Hospital Association shall contribute hospital assets worth approximately $97.5 million to the LLC.

6. The LLC’s formational documents shall provide that both members of the LLC must consent to a sale, exchange, or disposition of all of the LLC’s assets; a sale, merger, or consolidation of the LLC; a dissolution of the LLC; receipt of financing other than non-recourse; and any requirement that the members contribute additional capital.

7. The LLC’s formational documents shall provide that the first $10 million of net cash generated by a sale of assets in the event the LLC is dissolved will be paid to The Regents.

8. Any distributions to the members shall be in proportion to the members’ ownership.

B. The President or his designee be authorized to withdraw from the transaction prior to closing if Dameron’s Hospital business, assets, or liabilities are not acceptable to the University.

C. The President or his designee be authorized, following consultation with the General Counsel, to execute any documents reasonably required for the University to form and participate in the LLC.

D. The University shall have access to all legal and financial records maintained by the LLC. UC Davis shall provide the President or his designee an annual report of the LLC’s performance.
The Regents are committed to delivering high quality health and counseling services to the students of the University of California in a coordinated, consistent and integrated fashion, including through the University of California Student Health Insurance Plan (UC SHIP), and adopt the following in furtherance of that goal:

1. Each Student Health and Counseling Center (“Center”) shall have a governing body, ultimately reporting to and acting under the direction of the Chancellor, which body shall include no fewer than three members, at least one of whom shall be a licensed physician, at least one member who has a health care administrative background and, for counseling centers, at least one member who is a licensed psychologist. Exceptions for members other than the licensed physician may be approved by the Senior Vice President, Health Sciences and Services.

2. Each Center shall have a written set of bylaws or comparable documents which shall be reasonably consistent for all Centers.

3. The credentials of each health care practitioner employed at each Center shall be verified by the University before such practitioner begins working at the University and at an interval of no more than every three years thereafter. Verification shall be performed on the University’s behalf by a single credentialing verification organization selected by the Senior Vice President, Health Sciences and Services in consultation with the Chair of the Committee on Health Services.

4. All Centers shall employ one electronic medical records health information system shared across all locations and managed in compliance with University policy. The application shall have a unified administration, common templates, nationally standardized coding systems as specified in the Health Insurance Portability and Accountability Act and implementing regulations (HIPAA), and standard billing practices for patient services, and shall be selected by the Senior Vice President, Health Sciences and Services in consultation with the Chair of the Committee on Health Services.

5. The Senior Vice President, Health Sciences and Services, in consultation with the Chair of the Committee on Health Services, shall direct an external organization to conduct an annual audit and/or risk review of the services provided at the Centers, the results of which shall be reported to the Committee on Health Services. The Senior Vice President, Health Sciences and Services shall also meet on a regular basis, but no less than biannually, with the Center Directors.