

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: UM Health-Sparrow Lansing Ambulatory Surgery Center

Action Requested: Approval to Proceed with Project

Background:

UM Health-Sparrow Lansing's main hospital operating rooms are near capacity, with outpatient and inpatient cases being performed in our 22 operating rooms. Due to our capacity constraints, surgeons have limited block time available at the main hospital. Furthermore, MRI volume at the main hospital is high which increases wait times for our patients.

UM Health-Sparrow Lansing is seeking approval to develop a free-standing surgical facility, opening with four operating rooms initially and potentially expanding to two additional operating rooms as volume dictates. This project is partly a replacement for the St. Lawrence facility, where we currently have an outpatient surgery department, which would allow lower acuity cases to be moved from the main hospital operating rooms and position for future growth. The MRI planned for this new facility will have cardiac capabilities and a fast-growing diagnostic scan, both of which will increase timely access for our patients.

The estimated cost of the project is \$60,000,000. Funding will be provided from UM Health-Sparrow resources. The construction cash flow may be provided, all or in part, by bond or note proceeds secured by a pledge of General Revenues and authorized by the Board of Regents. This proposal has been reviewed and recommended for approval by the U-M Health Corporation Board and the UM Health Board.

We recommend that the Board of Regents approve the U-M Health-Sparrow Lansing Ambulatory Surgery Center as described and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



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