

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Cardiology Procedures Unit Replacement Project

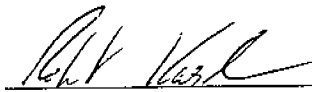
Background and Summary:

The demand for cardiac services has steadily increased over the past five years. Cardiovascular ambulatory care visits, admissions, operating room procedures and non-invasive testing have increased 30% since FY 1997. Due to limited capacity, the "invasive" testing areas (cardiac catheterization and electrophysiology) have increased by only 3% over the same time period. The two catheterization laboratories presently located in University Hospital on level B1 currently exceed 90% utilization.

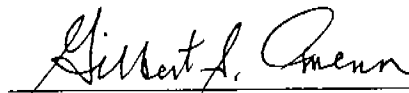
In an Action Request being presented to the Board of Regents this month the Hospitals and Health Centers (HHC) will seek approval of a Cardiology Procedures Unit Replacement and Expansion project. A separate and smaller project, costing \$750,000 with funding provided from HHC capital funds, will replace existing fully depreciated catheterization equipment that has been experiencing increasing maintenance requirements.

State law mandates application for a Certificate of Need to complete the replacement process for a catheterization laboratory. The Hospital Executive Board, at their October 3, 2001 meeting, approved submission of an application to the Michigan Department of Consumer and Industry Services (MDCIS) for the State-mandated Certificate of Need.

Respectfully submitted,



Robert Kasdin
Executive Vice President
and Chief Financial Officer



Gilbert S. Omenn
Executive Vice President
for Medical Affairs

October 2001