

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Neonatal Intensive Care Unit Expansion

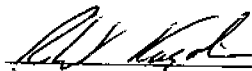
Background and Summary:

The current Neonatal Intensive Care Unit (NICU) has been operating at or near its thirty-seven bed capacity since opening in 1990. Activity comes from infants born within our system, as well as transfers from other hospitals.

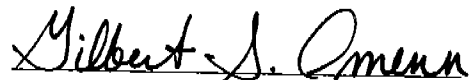
By applying current NICU activity to the State of Michigan Department of Community Health Certificate of Need Review Standards, an increase of seven beds in the NICU can be justified. However, due to current space constraints, we are requesting only three additional beds. The plan is to uncap two "headboards" built in 1990 but not licensed at that time, and add one additional bed in the current triage area. A new triage area is being constructed as part of a previously approved project to add two incremental Labor/Delivery/Recovery/Postpartum (LDRP) rooms.

A Certificate of Need is required because we are asking to designate three University of Michigan Hospital System licensed beds to the NICU bed complement. Since we are a statewide referral resource and lack adequate space, our Certificate of Need will be submitted based on the 80 square feet per bed standard. The Hospital Executive Board, at their September 5, 2001 meeting, approved the expansion of the NICU by three beds and the submission of the application for a Certificate of Need with the Michigan Department of Consumer and Industry Services (MDCIS).

Respectfully submitted,



Robert Kasdin
Executive Vice President
and Chief Financial Officer



Gilbert S. Omenn
Executive Vice President
for Medical Affairs

September 2001