

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
March 17, 2011

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
University Hospital
Medical Procedure Unit Expansion

Action

Requested: Approval to Proceed with Project

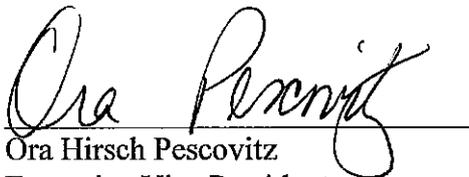
Background:

The medical procedure unit (MPU) at University Hospital has a ratio of 2.3 prep/recovery bays per procedure room, well below the industry standard of 4 to 1, hindering patient throughput. This project will expand the MPU space by approximately 4,000 gross square feet into the exterior courtyard on level 2 adjacent to the MPU, and renovate 2,200 gross square feet of existing space. The expansion will create additional prep/recovery bays, procedure rooms, and storage space, and expand the patient and family reception and waiting room. The project will also include networking upgrades that will accommodate newer technology for endoscopic procedures. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project. A Certificate of Need will be required from the State of Michigan Department of Community Health for this project.

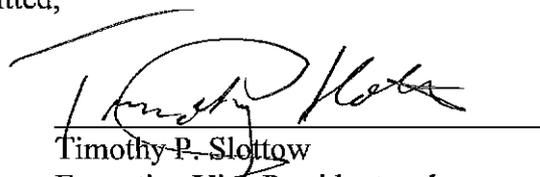
The estimated cost of the project is \$6,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of Niagara Murano will design the project. A phased construction schedule is planned in order to minimize disruption to surrounding areas and patient care, with construction scheduled to be completed in the spring of 2012.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers University Hospital Medical Procedure Unit Expansion project as described, authorize commissioning the architectural firm of Niagara Murano for its design, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Ora Hirsch Pescovitz
Executive Vice President
for Medical Affairs



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

March 2011