THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
         University Hospital
         Computed Tomography and Interventional Radiology Expansion

Action Requested: Approval to Proceed with Project

Background:

The University of Michigan Hospitals and Health Centers Imaging Strategic Plan
provides for specific diagnostic imaging improvements over the next five fiscal years. As part of
phase one of the plan to meet the growing patient demands for diagnosis and treatment, this
project will increase the Hospitals' capacity for critical services. Computed tomography (CT) and
interventional radiology (IR) services on level B1 of University Hospital will be expanded in
space vacated by the relocation of Nuclear Cardiology services to the Cardiovascular Center. A
renovation of approximately 6,600 gross square feet is planned that will accommodate the
addition of two incremental CT scanners and three incremental IR suites, as well as associated
patient preparation and recovery spaces. 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 $21,100,000. 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 Regents. The architectural firm of
Integrated Design Solutions, LLC will design the project. A phased construction schedule is
planned in order to minimize disruption to the surrounding patient services, with construction to
be completed in Fall 2008.

We recommend that the Regents approve the University of Michigan Hospitals
and Health Centers University Hospital Computer Tomography and Interventional Radiology
Expansion project as described, authorize commissioning the architectural firm of Integrated
Design Solutions, LLC for its design, and authorize issuing the project for bids and awarding
construction contracts providing that bids are within the approved budget.

Respectfully submitted,

Robert P. Kelch
Executive Vice President
for Medical Affairs

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