

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

February 17, 2006

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Cancer and Geriatrics Centers Building
Cancer Center Infusion Expansion

Action

Requested: Approval to Proceed with Project

Background:

Consistent with national trends, cancer services at the University of Michigan Health System continue to grow. Over the last five years, UMHHC has experienced an average annual growth rate of 6% in clinic visits and a 15% growth rate in infusion treatments that exceeds original projections and capacity within the system. To meet an expected increase in clinical trials as well as the management of highly complex cancer outpatients, additional clinical capacity is required. UMHHC has proposed a strategy of expanding cancer services within the system through a series of relocations and renovations.

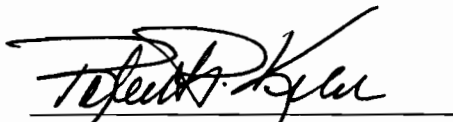
Earlier projects approved by the Regents renovated the Canton Health Center to accommodate nine infusion chairs, expanded laboratory services, and added a computed tomography scanner; and relocated the Geriatrics Clinic from the Cancer and Geriatrics Centers Building to the East Ann Arbor Health Center. We now seek approval for the expansion of cancer infusion services at CGC in the vacated space. This additional space will increase infusion and other clinical support areas that are required to support a destination cancer center.


A 2,250 gross square foot renovation is planned for level B1 of the Cancer and Geriatrics Centers Building that will create ten additional infusion treatment areas. 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.

The estimated cost of the project, including moveable equipment and furnishings, is \$1,160,000. 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 Ann Arbor Architects Collaborative will design the project. A phased construction schedule is planned in order to minimize disruption to patient care with construction to be completed in Winter 2007.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers Cancer and Geriatrics Centers Building Cancer Center Infusion Expansion project as described, authorize commissioning of the architectural firm of Ann Arbor Architects Collaborative 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


Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

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