University Health Council  
Minutes of meeting held February 24, 2012  

Present: Don Robinson, Maxine Schmidt, Kathy Rhines (KR), Alan Calhoun, Bernie Daly, Liz Brinkerhoff, Marian L. MacDonald (MM), Emily M Notini, Peter Blood (PB), Wilmore Webley (WW), Emily Hajjar, Aviv Celine, Jane Plaza (JP), Barbara Hastings, Deb Warner, Christine Rogers, Tobias Baskin (TB)  

Approval of Minutes  

Tobias Baskin (TB) asked the committee if they had reviewed the minutes of the last meeting noting that there was an email glitch in which a few members may not have received them. The minutes were voted on and approved.  

Future of UHS and Hodgkins Beckley Report  

TB asked Jane Plaza (JP) to summarize the role the clinical laboratory plays in UHS services and the current state of affairs in the laboratory.  

JP stated that the clinical lab is integral to the operations of UHS. The lab assists the doctors in diagnosis and quality care with an important service provided with rapid turnaround time. The lab provides outstanding parasitology and microbiology services that are highly respected. It is considered a “moderately complex” laboratory given the types of tests it performs, for example, providing highly technical services for diagnosing sexually transmitted infections. The lab conducts more than 70,000 tests per year. The most recent laboratory survey/inspection gave the lab a perfect score.  

The lab has a highly trained professional staff of about 12. Currently there are 9 staff of 9 med techs and 2 phlebotomists. Recently, in light of the current review, the Lab Manager – Kevin Rhines - resigned in protest. Other staff members are demoralized and are thinking of leaving.  

In addition to clinical services, the lab has also been involved in research services with the Departments of Kinesiology (i.e., blood metabolites) and Psychology.  

TB asked how charges were set for all of the services the lab provides. JP noted that charges are set by the lab manager and by standard rates.  

Kathy Rhines (KR) added that charges are set by community standards that might vary by region, etc. KR also added that the lab is looked to as experts in certain fields because of the diversity and focus of the community it serves.  

Wilmore Webley (WW) asked for how long has UHS not been charging the student health insurance plan. Bernie Daly (BD) responded that most university health services do not bill the student health plan. As the pressure on finances increased a
little over a decade ago, they began charging for certain services but the lab was not part of that.

TB asked what percentage of students use SHIP. BD thought that about 6,000 are purchasing SHIP and about 2500 of those are GEO. The rest have outside insurance.

Marion Macdonald (MM) asked why lab services were left out of the reimbursement efforts. BD said the primary care services were a higher payback than the lab.

JP noted that certain types of tests, generically termed waive tests, or point-of-care tests (i.e., pregnancy test), do not need a trained technician, but are less sensitive, and are more expensive. The suite of tests has been reviewed as to which should be shipped out to other labs versus performed in house. KR added that certain external tests are very expensive and are rarely used. There is not high enough demand to do in house so it is not cost effective to do it. Typically tests cost less to do in house if there is sufficient demand. TB asked what is the balance of in house tests versus those that are sent out; is it appropriate? JP said yes.

TB asked if someone in the community can have tests done in the lab. BD said no, it has to be ordered through our primary care physicians. TB asked if this could be changed. Could this be a money making scenario? Is it possible? KR answered that the structure of UHS would have to be changed and there would need to be a review of the role of UHS for the university and community. She thought it is worth looking at other revenue streams as long as it is consistent with the mission of the unit. In the past, UHS has been a trend-setter. Bay State Hospital is an example of a unit that survives by looking for alternate revenue streams.

BD discussed the reimbursements of various units. Clinical are can be reimbursed at 130% from most insurers. Lab reimbursement is about 52% of charges.

WW noted a recent doctor’s survey suggesting that doctors feel about 60-70% of tests should be done within 1-2 days in order to provide quality care. Timely results are important.

KR stressed view of the Save UHS Coalition and the importance of survival of the unit to the community that UHS serves. UHS is serving a student community and can give them one-stop shopping which is important for their care. They may not go for tests or return for appointments if they have to go elsewhere and which is important for their health. This is a population with a high no show rate, and the comprehensive services in one location provides a great service. KR thanked the Chancellor for forming a committee to find alternatives to the proposed changes. Coalition is well supported by the community. KR provided the attached Coalition documents for information.

KR acknowledged that all documents on UHS say the same thing that UHS has to maximize 3rd party reimbursement so as not to shift costs to student groups.
Efficiencies and cost saving can be found.

WW asked if the Coalition is taking into account the fact that it is in a failing building. KR said yes, but there are limits to increasing revenues to make things more cost effective and to support the cost of a new building. KR asked why should UHS have to absorb the cost of a new building. The student health fee started in the late 1970's for student health education; everything else has been state funded including the existing building and addition. She noted that the Faculty Senate asked similar questions. WW asked who decided that UHS had to pay for the building. BD replied that it is a campus decision and follows the thinking that Health Service, Housing, and Auxiliary Services are ancillary and must be self-financing (i.e. New Residences have to pay for the debt service). TB said for the new dorms Chancellor Lombardi decided it was important and put in money from campus operating funds to support it. TB thought it is a false notion that UHS is similar to dining services in terms of coverage of costs. For example, the center for health promotion doesn’t bring any money, and Mental Health doesn’t bring in much money. In addition, UHS is administratively in student life and there are lots of other programs in student life that are not self- funding.

WW asked where the paper trail is for the decision for UHS to support the costs of the building. KR stated that they cannot find any document. The Board of Trustees doesn’t know if there is a document. Ellen Story was only able to provide info about the ability to establish trust funds.

BD noted that the mandatory student fee has been going into a trust fund for UHS since the 1970's. Every student pays this. Peter Blood (PB) clarified that SHIP is just for purchase of extra insurance for those students who don’t have other insurance. BD commented that there has not been an increase in the student fee for six years. Hence year after year UHS has to absorb $500,000-$800,000 of increased costs, due to things like negotiated salary increases and so on. KR commented that by maximizing 3rd party reimbursement and other mechanisms she thought these costs could probably be met. Improvements can be made so that UHS should be able to pay for it. However, Doctors need to know how to code for billing. BD mentioned a recent audit of coding where it seems that most of the coding is being done correctly. She will bring a report back to show some of this data. KR stated that the focus should be on how to do things better. The finances are open and being reviewed so that improvements can be made.

TB asked if the Trustees and President were asking about the finances because they were thinking the building might not need to be paid fully by UHS. KR said President Caret asked them to bring him the data. TB noted that we should highlight the fact that UHS does a lot of important non-billable activity.

WW asked for an explanation of the profitability. KR noted that it depends on what you look at. If you look at just the numbers on costs then it is down by about $9 million. If you include the $15 million student fee amount then it is $6 million up.
Peter Blood commented that although the university doesn't believe that a stellar health service will attract more and better students, the whole campus will suffer if it doesn't have appropriate health services. He asked how can this committee play a role in supporting UHS. KR responded that in Coalition meetings there have been questions about the emphasis on the athletics facilities. Could this be used as an advantage such that UHS provides important sports medicine services. The idea of uniting the new UHS building with stadium renovations to form an integrated sports/medicine facility is gaining traction in some quarters.

WW commented that it still doesn't seem possible to build a building for health services out of student fees. It can't be supported. BD noted that there is a long and complicated planning process but that costs have been estimated at $4.3 million dollars per year in debt service. WW said that UHS can't afford it. BD agreed that they can't do it in the long term. TB asked if the student fee could be increased. KR cautioned that mandatory health fee is already $652. Parents are not amenable to increases in the student health fee since the health services are billed to their insurance company (i.e., what do they get for this money?) even though there are lots of less visible things UHS does that need to be supported.

In the interest of time the meeting was adjourned at 1:37 pm. TB thanked KR and JP for their time and comments.
Good afternoon,

Here's where we are with the proposed operational change at UHS.

With 14,000 students in residence, 10,000 students off campus and faculty/staff who use UHS for primary care the proposed changes would have a significant impact on our operation. UHS acts as a bridge for those people who may be in need of services beyond what would be adequate at "home" but not in need of services available at a hospital. The reduction in UHS service hours will significantly increase our ambulance responses to those people who would normally seek treatment at UHS. Individuals with minor traumas, not feeling well with "Flu like symptoms" etc, use the infirmary now. Reducing the hours will mean these individuals may call triage services during UHS non-service hours, be given treatment instructions or directions to obtain a prescription. The reality is that people want to be seen by a health care professional when they don’t feel well. They won’t wait for the UHS doors to open or be satisfied with telephone triage. Reduced UHS operational hours will mean that in non-life threatening cases where the patient would normally go to UHS, the patient will call for our assistance or call home and be told by their parents to call for an ambulance. We will always respond, assess and treat. We will also transport when necessary but the overall increase in call volume will include more instances where we respond to individuals who would be better served an urgent care operation. Those individuals would normally go to UHS for treatment. We are bound by duty and statute to respond to all calls for assistance no matter the severity but the increased volume due to this change will mean more instances where we are delayed or unable to respond to other calls for service.

Historically, most of the medical assistance requests we get from the campus occur on nights and weekends. UHS proposes to close during the periods of our highest activity level on campus; weekday nights and the weekend. In the sixty hours between 6pm Friday and 8am Monday, UHS is scheduled to be open only EIGHT hours. Our highest level of campus activity occurs outside of those eight hours and will be exacerbated by the increased call volume arising from the reduction in service hours.
UNIVERSITY HEALTH SERVICES:
The Simple Facts

The UMass Amherst administration has proposed drastic changes in the delivery and costs of health care for UMass students. These changes would result in huge charges when students require off-campus care, layoffs of many long-term employees, and delays and inconvenience as more services become unavailable on campus.

A coalition of students, physicians, staff, faculty and community members has examined UHS’ finances and has concluded that these changes are unnecessary. With a focus on revenue management and improved business practices, UHS can raise funds for a new building in other ways that do not impede service delivery. The coalition is prepared to present detailed facts, figures and documentation to any group seriously interested in examining other models.

Here are 4 main points to be considered by the campus community, the new committee being charged to review recent decisions, the President’s Office, and the public:

1. **The Lab and Pharmacy, slated for closure, are profit-making enterprises.** Closing them will have a negative impact on UHS’ bottom line. In FY 2010, the Lab’s Revenues minus Expenses was almost $500,000. The Pharmacy’s profit was almost $200,000. Sending these services off campus hurts patient care and is unnecessary. Without a Pharmacy UHS will no longer be able to give students any medications, not even emergency contraception (plan B). Without a lab, important diagnostic information will be in some cases dangerously delayed and a significant increase in cost will be shifted to the most economically vulnerable students in the community.

2. **UHS writes off an unusually large amount of charges.** For example, in FY 2010 they only collected 12.8% of their revenue from insurance payments, far below the industry standard. The largest percentage of revenue - 66.7% - comes from the student basic health fee. Millions of dollars of insurance reimbursements went uncollected. This is unacceptable. Better leadership and revenue management could put a significant dent in this.

3. **UHS is not factoring new revenues into their projections.** UHS has only this year begun charging the Student Health Insurance Plan for the cost of all services provided on campus. In just 16 weeks at the end of 2011, the lab took in an additional $354,223 and all of UHS almost $1,359,000. In a full year, this could amount to over $3 million in new revenue. Unbelievably, UHS has not accessed this easy money until now, and even more unbelievably, is not factoring it into projections for the future.

4. **The co-insurance model is a recipe for poor health care** as it will deter students from seeking needed care. This model has students paying a percentage of their off-campus costs rather than simple deductibles and co-pays. A pregnancy, hospital admission or surgery could easily cost the student $5,000. With a focus on revenue management and improved business practices at UHS, this is completely unnecessary.