

UCF Academic Health, Inc.

Request for Approval of a Public-Private Partnership to Establish a UCFAH-HCA Joint Venture Hospital on the UCF Health Sciences Campus in Lake Nona

Responses to Questions from Board of Governors Raised in Facilities Committee meeting 1/25/17

February 14, 2017

UCF Academic Health (UCFAH) provides the following responses to questions received from the Board of Governors Facilities Committee on January 25, 2017. Questions raised in the BOG Facilities Committee meeting have been numbered and bolded below.

1. Question of Perpetual Lease, and requirement to pay fair market value at end of the lease.

The partnership of UCFAH and HCA is intended to be perpetual and the joint venture hospital will continue to grow and develop for many years to come as the College grows and the population expands.

The land sublease, however has defined terms. It will begin as a 50-year lease with an option to extend for another 49 years. The value of rent for the first 50-year term will be invested to support UCFAH's 20% equity interest in the joint venture LLC. Beginning in year 51, the joint venture will pay FMV rent to UCFAH. At the end of 99 years the lease will terminate. At that time the parties may elect to enter into a new FMV lease; two other alternatives will be available at that time: UCFAH will purchase HCA's interest in the hospital facility and furnishings and equipment at FMV if in a financial position to do so; or find a new partner to acquire HCA's interest.

This FMV purchase arrangement at the end of the lease term addresses two issues.

- A. Alignment of financial interests/incentive for continued growth. It is expected that a successful academic hospital will continue to grow and develop for more than 99 years. We provided examples in our November 14, 2016 responses of hospitals nationally and in Florida that demonstrate this longevity. It will best serve the interests of UCF to continue to expand, add specialties and educational programs, develop research programs, and serve the growing population. This will require continuous updating, renovation and rebuilding with current and innovative patient care facilities and equipment. Requiring that the hospital facility be transferred for free to UCF at the end of the lease would create a serious disincentive to HCA's ongoing investment in growing and expanding the partnership hospital. Unlike many other P3s, this Public Private Partnership is not structured as a financing vehicle. Instead is a much broader, long-term partnership to build, own and operate a hospital together, combining the diverse expertise and resources of a public university medical school and a private hospital company.
- B. Compliance with Federal Anti-kickback laws. Because UCF and its employed physicians are referral sources for the joint venture hospital and for other HCA hospitals, the Federal

Antikickback statute, 42 USC 1320a-7b, and its implementing regulations require that any transactions between UCF or UCFAH and HCA or the joint venture provide fair market value (FMV) for benefits that one receives from the other. Thus all aspects of the joint venture are subject to independent appraisals and valuations and to the use of formulae that ensure calculation of FMV. This includes the land leases and the potential reverter at the end of a land lease. Penalties for violation of the federal Antikickback statute include substantial fines, criminal penalties or exclusion from the Medicare and Medicaid programs. The FMV approach is consistent with Florida Statutes section 1013.171 which provides for land leases by state universities of up to 99 years and requires that the lease include “provisions for the eventual ownership of the completed facilities”.

The longer term lease enables UCFAH to benefit both from having a mature academic hospital developing adjacent to the College of Medicine and from an equity interest that will increase in value over time as the joint venture hospital grows and expands. The provision for a purchase at FMV at the end of the land lease enables UCFAH to comply with both the federal and state requirements.

2. Deed restriction: Is UCF permitted to build a community hospital on 25 acres?

Yes. The “Use Restriction”, Exhibit C to the Special Warranty Deed dated February 14, 2012, restricts the use of the property to “Medical Uses and Educational Uses”, which are broadly defined, and to additional supporting uses. Medical uses, as defined below, permit development of a range of medical facilities by UCF or by third parties in collaboration or affiliation with UCF, “in support or facilitation of any of the tripartite mission of UCF’s College of Medicine for medical education, medical research, and patient care”. Such facilities expressly include, for example, hospitals, clinics, outpatient facilities and/or free-standing emergency facilities:

- (a) "Medical Use(s)" shall mean the use of the Property solely for the following:
 - (i) The construction and operation of a hospital for human patients (the "Hospital"), which Hospital shall serve as an academic hospital for the medical research, education and clinical programs of UCF, including any existing or future medical education, research, or clinical uses by UCF or UCF Affiliates
 - (ii) A medical clinic, free-standing emergency facility, surgery center, or other ambulatory or outpatient facility affiliated with or involving collaboration with UCF

3. Defining Scope of Project for Approval: Problem with a blanket approval or “blank check” allowing UCF to do anything it wants on the land; Identify when UCF/UCFAH would need to return for further approval.

UCF Academic Health requests approval of a Public Private Partnership arrangement with Hospital Corporation of America as follows:

- a. Leasing of UCF’s 25.2 acres adjacent to the UCF College of Medicine to UCFAH, and UCFAH subleasing the land for up to 99 years to the joint venture LLC, Central Florida Health Services, LLC, (“UCFAH-HCA JV”) which is owned 20% by UCFAH and 80% by HCA, with shared governance 50% UCFAH and 50% HCA.

- b. Development by the UCFAH-HCA joint venture of up to a 500-bed hospital including inpatient beds, emergency department, outpatient services and physician practice building and parking.
- c. The Hospital will begin as a 100 bed facility with educational programs for medical students. Over time it will add residencies and research programs as the hospital grows.
- d. Further approvals from the BOG must be sought when the expansion on the university's land will exceed 500 beds or involves facilities not outlined in bullet b above, or if any university entity proposes to incur debt.
- e. UCFAH will provide the BOG with annual reports no later than 90 days following the close of the fiscal year that include metrics on hospital services, education of students, plans for development of residencies, and financial results.

Attached as Attachment 1 is a revised proposed BOG resolution for approval of the UCFAH-HCA Public Private partnership. Attached as Attachment 2 is a diagram showing the layout of the planned facilities. Phase One shows the 100 bed hospital facility and Emergency Department. Phase Two shows vertical expansion for inpatient beds and horizontal expansion for outpatient services and physician practices

4. Community versus Academic Hospital. Concern that pro forma looks like a community hospital. Provide a plan showing the approach for becoming an “academic hospital” that shows number residents and faculty, research plans and growth of facilities. Show financial commitment reflecting an academic hospital.

The UCFAH-HCA Joint Venture Hospital will begin as a 100 bed hospital with important but limited educational programs for medical students, consistent with the hospital's size and capabilities. Over time it will add residencies and research programs as the hospital grows to meet expected demand. As outlined below and in the referenced Attachments, UCFAH and HCA have projected growth in beds, students, residents, clinical faculty and research over the initial 25 years.

Addition of Beds

As shown on Attachments 3 through 6, the UCFAH-HCA hospital anticipates a growth of inpatient beds, adding increments of 50 beds each, beginning in year 10 as follows:

- Year 10 - 150 beds
- Year 15 - 200 beds
- Year 20 - 250 beds
- Year 25 - 300 beds

Education of Medical Students

As detailed on Attachment 3, beginning in its opening year, the UCFAH-HCA hospital will have 36 clerkship rotations for third year medical students (M3) and 110 student rotations for fourth year medical students (M4). These will grow over time to 108 M3 clerkship rotations and 212 M4 student rotations per year.

Addition of Residents and Pro Forma for Graduate Medical Education

Based on analyses of the current Medicare graduate medical education (GME) payment system, the UCFAH-HCA hospital has targeted Year 15 to begin the 5-year process of building towards its cap of

Medicare-funded residency positions. As shown in Attachment 4, the first year of residencies (Hospital Year 15) will begin with 14 residency positions in four disciplines such as Family Medicine, Internal Medicine, Obstetrics and Gynecology, and Emergency Medicine. These will build over the succeeding years to a maximum cap estimated at 107 residency positions. Residency programs or positions will be added during that time in at least Transitional Year, General Surgery, and Anesthesiology.

Attachment 5 is the pro forma prepared by HCA showing the costs and revenues by discipline associated with building these residency programs. This shows an investment of approximately \$4 million of unreimbursed expenses in building the graduate medical education programs.

Clinical Faculty

The medical staff of the UCFAH-HCA hospital will include both UCF-employed clinical faculty and Affiliated and Volunteer clinical faculty who are employed by others or practice in the community. As shown on Attachment 6, in the Opening Year the hospital will have a medical staff of approximately 44 physicians including 11 UCF-employed clinical faculty. Attachment 6 shows the growth of clinical faculty anticipated over the next 25 years.

Definitions of “Teaching Hospital”

In preparing this response, UCFAH and HCA reviewed definitions of “teaching hospital.” See examples below. Most definitions are structured in the context of a specific payment eligibility or program definition. The dictionary reflects a more basic definition.

Regardless of which definition you choose, the UCFAH-HCA hospital will be teaching medical students from Day 1 and will grow to meet the more specialized definitions as residency programs are added beginning in year 15.

Teaching Hospital: A hospital that is affiliated with a medical school and provides means for medical education - *Merriam-Webster*

Teaching Hospital: Teaching hospitals are hospitals that receive payment for Medicare direct graduate medical education (GME), IPPS indirect medical education (IME), or psychiatric hospital IME programs during the last calendar year for which such information is available. (See 42 CFR 403.902) – *Centers for Medicare and Medicaid Services, definition of hospitals receiving Medicare funding for residencies*

Teaching Hospital: sponsor, or significantly participate in, at least four approved, active residency programs. At least two of the approved programs must be in medicine, surgery, obstetrics/gynecology, pediatrics, family practice, or psychiatry; - *Association of American Medical Colleges*

Statutory Teaching Hospital - Any Florida hospital officially affiliated with an accredited Florida medical school which exhibits activity in the area of graduate medical education as reflected by at least seven different graduate medical education accredited by the Accreditation Council for Graduate Medical Education or the Council on Postdoctoral Training of the American Osteopathic Association and the presence of 100 or more full-time equivalent resident physicians. – Florida Statutes section 408.07(45) definition administered by AHCA, establishing eligibility for Disproportionate Share funding.

Research

The College of Medicine has established a general goal of doubling its research over the next five years. The UCFAH-HCA Joint Venture Hospital will be a component of that growth and will drive future research growth.

Access to major health data resource. From Day 1 the new Hospital will be part of HCA's established electronic patient records system, linked with patient data nationally. The new UCF-HCA hospital will be part of a network of hospitals with the largest patient database in existence. UCF faculty in the College of Medicine and in the other colleges of UCF will have access to this national database for research in population health, personalized medicine, health services research, patient outcomes and clinical effectiveness research, and preventive medicine research. This will benefit student, resident and faculty research. Because such research is a national funding priority, this data access will advance opportunities for securing research grants from funders including the Patient Centered Outcomes Research Institute (PCORI), the National Institutes of Health, the US Department of Health and Human Services, the Centers for Disease Control and Prevention, and foundations such as Robert Wood Johnson.

Coordination with existing basic research.

The College of Medicine's existing basic science research units include neurodegenerative disease, cardiovascular disease, infectious and inflammatory disease, and cancer. The basic scientists in these areas will partner with clinicians including hospital-based physicians and surgeons to obtain tissue and data to enhance basic research. As a result of these collaborations we would expect basic research funding to increase by 10% per year.

Clinical trials and areas of clinical research focus.

Clinical faculty in the College of Medicine's rapidly growing UCF Health practice are interested in a variety of clinical trials. With the university hospital, patients will be able to be followed from the outpatient to inpatient setting, and clinical trials will have the continuity of care opportunity. As noted previously, initial areas of clinical research focus will include women's health, cardiovascular, and sports medicine, reflecting some early areas of clinical focus. Areas of research focus will grow and reflect in part the specialty interests of new faculty who will be recruited to practice in the hospital.

Proximity integrates education, research and clinical care.

Proximity of the medical school to the new hospital will also drive research opportunities. The medical school has research labs in its Burnett Biomedical Sciences building which is within walking distance from the site of the new hospital. At UCF College of Medicine all medical students are required to do research. Our university hospital, with access to a powerful database, will give students a rich and varied resource for these research projects. The Harriet Ginsburg digital medical library is in the College's Medical Education Building which is adjacent to the proposed hospital. These resources will prevent the need to build research laboratories and library facilities in the new hospital.

Cost. There are no significant capital or operating costs to the College of Medicine or the hospital associated with providing these research opportunities.

- 5. Medical student clerkships. Obtain written commitment of HCA to provide clerkships for all UCF medical students at no cost if needed.**

The following will be added to the Operating Agreement:

HCA agrees to provide student clerkship rotation placements for UCF College of Medicine students displaced from rotations previously provided by Florida Hospital and Orlando Health and will commit to covering the costs of providing housing for the students up to total of \$160,000 per year for five years, subject to approval by HCA's legal/compliance department.

- 6. The health care industry is changing significantly to more value-based care, more advanced outpatient services, same-day surgery, robotics, declining hospital use rates, with incentives to keep people out of the hospital; is there a problem with sufficient growth of beds to be an academic hospital?**

The services and growth of the UCFAH-HCA Joint Venture hospital will strategically take into account emerging models of care and payment. Conservative growth projections support planned expansion and growth of residencies. Starting at 100 beds enables planned growth that can respond to the changing health care delivery environment. If hospital use rates decline and academic medical centers in the future have a shifting mix of inpatient and outpatient services, the UCFAH-HCA Joint Venture hospital can be an innovative training facility for future physicians, nurses and others who will practice in the changing environment. Additionally, since HCA operates hospitals in a variety of markets nationally, UCF will have access to data enabling research on the clinical effectiveness and patient outcomes of emerging best practices and models of care.

- 7. Concern that HCA will disadvantage joint venture hospital by moving higher paying patients and services into other HCA hospitals.**

HCA is committed to investing \$175 Million and more in the development and growth of this new hospital. Decisions regarding service line development for the hospital will be made by the UCFAH-HCA Joint Venture Board not by HCA alone. As for patient referrals, patients are generally directed to hospitals by their physicians and prefer to obtain care in their own community.

- 8. Does hospital pro forma include funds to support physician recruitment?**

Yes. The original pro forma includes \$2.1 Million to support recruitment of physicians, which increases by 3% each year for the first five years.

- 9. GME Consortium Agreement does not have academic exclusivity. HCA should limit residencies in Central Florida HCA hospitals to UCF.**

HCA originally requested that the GME Consortium Agreement be exclusive, however UCF requested nonexclusivity. This is because UCF prefers to retain flexibility to develop additional residencies and fellowships with other hospital partners. HCA would agree to exclusivity if UCF did so as well.

- 10. Charges for HCA Services. List what services for the Joint Venture hospital are included in management agreement for 1% management fee and provide a list of services that will be provided and charged for separately by HCA and at what rates; are all services reflected in the pro forma?**

The following services are included in the 1% Management Fee:

- Corporate and Division Leadership
- Division Services
- Accounting
- Financial Reporting
- Financial Planning
- Development
- Internal Audit
- Capital Management
- Real Estate Development
- Ethics and Compliance
- Education and Training
- Human Resources
- Compensations
- Employee Benefits
- Treasury
- Legal
- Quality Management
- Insurance/Risk Management
- Tax Department
- Reimbursement
- Communications/Public Relations
- Governmental Affairs
- Investor Relations
- Contracting with Payors

The following services will be charged separately at cost, using the same structure that is provided with hospitals owned 100% by HCA. The pro forma includes the cost of these services.

- Billing and Collections
- Revenue Cycle Management
- Supply Chain
- Group Purchasing
- Workforce Solutions
- Health Information Management
- Credentialing
- IT&S

11. Concern with name “academic hospital”, potential for misleading public to believe have comprehensive range of tertiary services available.

In order to address any potential questions or confusion around use of the term "academic hospital", the proposed hospital will be referred to at this time as the UCFAH – HCA joint venture hospital. UCF and HCA will work collaboratively to develop a name that appropriately defines the hospital, such as the UCF Hospital at Lake Nona.

12. Question on equity distributions. Is issuing distribution a Major Decision under the Operating Agreement or can HCA break the tie in deciding when/whether to issue a distribution?

UCFAH and HCA have agreed to amend the Operating Agreement to

- Define “Excess Cash”, providing a standard formula regarding distribution of Excess Cash, and
- Require as Major Decisions both approval of distributions that are less than the required standard and establishment of a reserve for quarterly distributions.

See text below:

New and revised provisions for the Operating Agreement relating to distributions of “Excess Cash.”

REVISED SECTION 6.1 - DISTRIBUTION OF EXCESS CASH

6.1 Distribution of Excess Cash

Except as may be otherwise provided in Section 15.3, or as may otherwise be prohibited or required by applicable Law, within 45 days following the end of each calendar quarter after the Hospital has commenced its operations, the Manager will cause the Company to distribute its Excess Cash to the Members pro rata in accordance with their respective Sharing Percentages. Additionally, the Manager will make distributions of any such excess cash in accordance with any cash distribution policy that has received Approval of the Governing Board.

NEW SECTIONS 8.4(d)(xviii) and (xix) (MAJOR DECISIONS) - APPROVAL OF DISTRIBUTIONS LESS THAN AS REQUIRED BY SECTION 6.1 AND ESTABLISHMENT OF RESERVE FOR QUARTERLY DISTRIBUTIONS

(xviii) any decision to make quarterly distributions in an amount less than as required by Section 6.1; and

(xix) the determination of the amount of any reserve to be withheld from the Company’s distributions pursuant to Section 6.1.

NEW DEFINED TERM FOR SECTION 1 - “EXCESS CASH”

“Excess Cash” means, as of any given date, the amount equal to the Company’s cash on hand minus the following amounts, as determined by Manager in its reasonable judgment: (a) projected operating expenses of the Company for the 60 days following such date, (b) projected debt service for the following three months (other than debt service taken into account for the determination of the amount of the Company’s cash on hand), (c) a capital reserve in the amount of all capital expenditures authorized by the Company but unmade as of the given date (including capital expenditures authorized in prior years or the current year), and (d) any reserve amount established by the Board pursuant to Section 8.4(d)(xix). For purposes of this definition, “cash on hand” will include positive balances in favor of the Company under HCA’s cash management system, but negative balances under HCA’s cash management system and any amounts due under

working capital lines of credit (whether from HCA or other Persons) shall be deducted to determine “cash on hand.” See proposed changes below to Section 6.1 of the Operating Agreement and new Section 8.4(d)(xviii). These changes would clarify that the Company shall establish a Cash Distribution Policy by a Major Decision and the Manager shall comply with this Policy.

13. Impact of Accounting rules. Under the Operating Agreement, if accounting rules governing consolidation of the joint venture hospital’s financial statements with other HCA hospital financials prohibit shared decision making in any of the Major Decisions, HCA can ultimately require removal of the Major Decision.

Section 8.4 of the Operating Agreement will be amended such that this provision for addressing consolidation of financial statements applies specifically if there is a change to applicable accounting policies or interpretations. Existing language in the Operating Agreement provides for UCFAH and HCA to work together to modify the applicable Major Decision and amend the Agreement to preserve the economic, financial and governance arrangements to the maximum extent possible while allowing HCA to consolidate financial statements.

Following is the revised text of Section 8.4:

*Notwithstanding the foregoing, if the accounting firm that prepares HCA’s audited financial statements determines that, **as a result of changes to applicable accounting policies or the interpretation thereof**, HCA cannot consolidate the Company’s assets and results of operations under HCA’s consolidated financial statements because of the inclusion of one or more of the Company’s Major Decisions, the Members and the Company will amend, modify or eliminate the applicable Major Decision, as necessary, to permit HCA to consolidate the Company’s assets and results of operations under HCA’s consolidated financial statements. Prior to any such amendment, modification or elimination of the Company’s Major Decisions, (x) HCA Sub will notify the other Members and the Governing Board of HCA’s accounting firm’s determination and provide a written copy of such determination to each of them and (y) during the thirty (30) day period following delivery of such determination, the Members will discuss amending, modifying or eliminating the applicable Major Decisions and amending this Agreement accordingly. To the maximum extent possible, any such amendment will preserve the economic, financial and governance arrangements between the Members while allowing HCA to consolidate the Company’s assets and results of operations under HCA’s consolidated financial statements. If the Members are unable to agree on an amendment to this Agreement, the recommendation of HCA’s accounting firm alone will govern the amendment of this Agreement to amend, modify or eliminate the applicable Major Decision.*

14. Valuation of UCF Name. What amount has been assigned in the valuation to UCF’s name?

Name. Valuation of the UCF brand is being completed by an independent national health care valuation company, Health Capital Consultants (HCC) and will be reviewed by another independent valuation company selected by HCA. The value assigned for the UCF brand, when evaluated in the context of this proposed hospital, is \$16.2 million.

Additional valuation. HCC is also valuing the long term lease and other intangibles that will be contributed to the UCFAH-HCA joint venture and will be coordinating its final review with HCA’s

independent valuation company. Based on that work, it appears that the final valuation will support UCFAH's anticipated 20% equity interest.

15. Coverage under HCA's national and major payor agreements. Provide a list of the HCA contracts that the joint venture hospital will be included under as of Day 1.

HCA's Managed Care Agreements (Commercial and Managed Government) provide for including any newly constructed HCA owned or managed hospital, which will apply to the new UCFAH-HCA Joint Venture Hospital as of the time it opens. Plans that will apply to the new hospital include the following and more:

Commercial

Aetna
AvMed
Cigna
Florida Blue
Humana
United

Managed Medicare

Freedom Health/Optimum
Humana
Molina
United
Wellcare

Managed Medicaid

AmeriGroup
Freedom Health/Optimum
Humana
Molina
Prestige
United
Wellcare

UCF ACADEMIC HEALTH, INC

By
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Associate Vice President for Medical Affairs and
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A RESOLUTION APPROVING A PUBLIC-PRIVATE PARTNERSHIP THROUGH WHICH UCF ACADEMIC HEALTH, INC. (UCFAH) WILL ESTABLISH A UCFAH-HCA JOINT VENTURE HOSPITAL ON THE UNIVERSITY OF CENTRAL FLORIDA HEALTH SCIENCES CAMPUS AT LAKE NONA

The duly acting and appointed Board of Governors of the State of Florida at a meeting duly held pursuant to notice and a quorum being present do hereby make the following resolution:

BE IT RESOLVED:

1. **Findings.** The Board of Governors hereby finds as follows:
 - (A) Pursuant to Article IX, Section 7 of the Florida Constitution, the Board of Governors is vested with the power to operate, regulate, control, and manage the State University System of Florida. Pursuant to section 1013.171, Florida Statutes, a university board of trustees may negotiate and enter into agreements to lease land under its jurisdiction to corporations registered with the Secretary of State to do business in the state, for the purpose of erecting facilities necessary and desirable to serve the needs and purposes of the university, as determined by the system-wide strategic plan adopted by the Board of Governors.
 - (B) The Board of Directors of UCF Academic Health, Inc. ("UCFAH"), a direct support organization (DSO) of the University of Central Florida ("UCF" or the "University"), with approval of the UCF Board of Trustees, has requested approval from the Board of Governors for UCFAH to enter into a Public-Private Partnership arrangement with Hospital Corporation of America ("HCA") for development and operation of a UCFAH-HCA Joint Venture Hospital on the UCF Health Sciences Campus at Lake Nona in Orlando, Florida (the "Project").
 - (C) The Project will be carried out through a joint venture entity, Central Florida Health Services, LLC, which is owned 20% by UCFAH and 80% by HCA. UCFAH has 50% governance of the joint venture entity, with UCFAH and HCA each appointing 4 representatives to the Governing Body. The hospital will be located adjacent to the UCF College of Medicine in Lake Nona Medical City on 25.2 acres of land owned by the University (the "Land"). The Land will be leased by the University to UCFAH and subleased by UCFAH to the joint venture entity. If a Free Standing Emergency Department is developed in advance of the hospital, a portion of the Land will be subleased to HCA for such purpose. Development of the hospital is subject to certificate of need approval by the Florida Agency for Health Care Administration, which approval has been preliminarily granted, subject to a pending appeal.

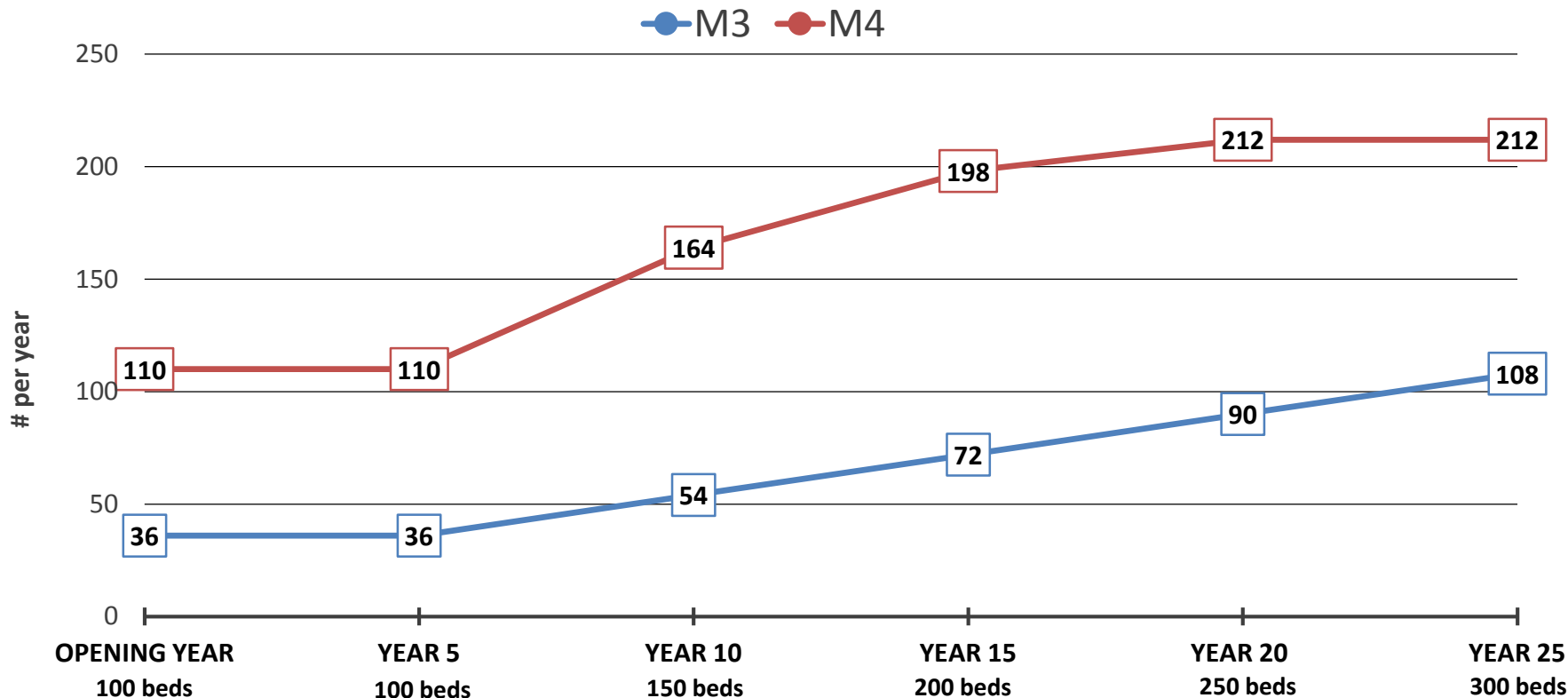
- (D) The Project involves no financing and requires no initial cash contribution, investment or borrowing by UCF, UCFAH or the State. HCA will fully fund in cash all costs for hospital development and start-up operations. UCFAH's equity interest will be based on a long-term lease of the Land and use of the UCF brand and other intangibles.
- (E) Upon consideration of the Project, the Board of Governors declares that the Project is consistent with the mission of the University; has been properly analyzed by staffs of the Board of Governors, the University and the Division of Bond Finance for consistency with the Board of Governors Public-Private Partnership Guidelines; and will serve a public purpose by advancing the educational, research and clinical mission of the UCF College of Medicine and engaging the community with University activities.
- (F) The Project is included for informational purposes in the 2015-2025 master plan of the University pursuant to an amendment adopted by its Board of Trustees on October 24, 2016.
2. **Approval of the Project.** The Project is approved by the Board of Governors as being consistent with the strategic plan of the University and the programs offered by the University and is consistent with the Public-Private Partnership Guidelines. The University and its DSO, UCFAH, are hereby authorized to enter into such leases, sub-leases, operating agreements, and any other contracts as may be required to consummate the Public-Private Partnership. The Approved Project shall consist of up to a 500-bed hospital including inpatient beds, emergency department, outpatient services and physician practice building, and parking. The Hospital will begin as a 100 bed facility with educational programs for medical students. It will add residencies and research programs as the hospital grows. Further approvals from the BOG must be sought when the expansion on the university's Land will exceed 500 beds or involve facilities not listed in this paragraph as part of the Approved Project, or if any university entity proposes to incur debt.
3. **Reporting.** UCFAH will provide the BOG with annual reports no later than 90 days following the close of the fiscal year that include metrics on hospital services, education of students, plans for development of residencies, and financial results.
4. **Repealing Clause.** All resolutions of the Board of Governors or parts thereof in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.
5. **Effective Date.** This resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED by the Board of Governors of the State of Florida at a public meeting duly called and held this _____ day of March, 2017.





UCF Academic Health – HCA Lake Nona Hospital M3 Student Rotations and M4 Student Rotations

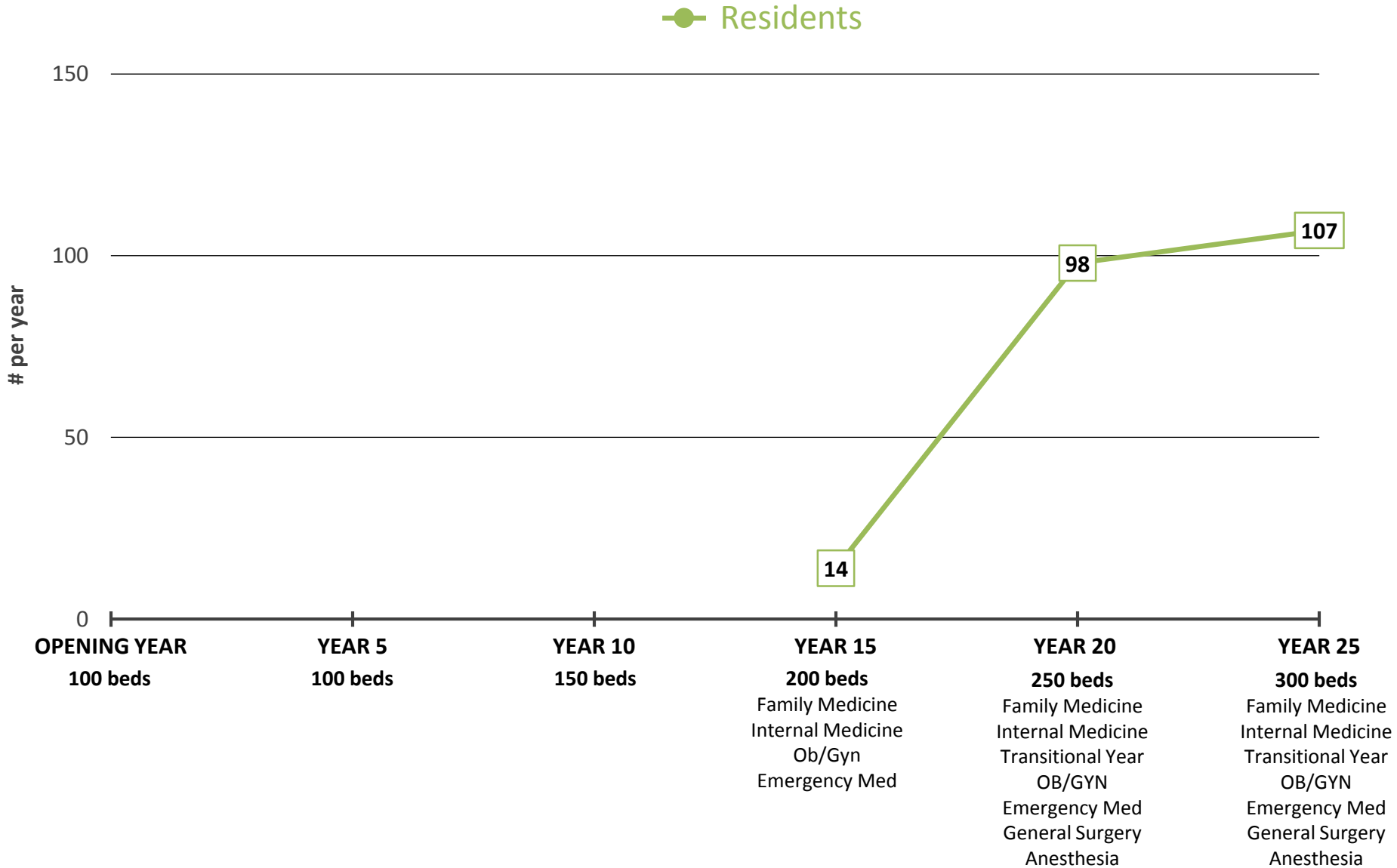


Number of medical students rotating in the M3 or M4 rotation per year

M3 rotations/year: Internal Medicine - 12 Surgery - 12 OB/GYN - 12	M3 rotations/year: Internal Medicine - 12 Surgery - 12 OB/GYN - 12	M3 rotations/year: Internal Medicine - 18 Surgery - 18 OB/GYN - 18	M3 rotations/year: Internal Medicine - 24 Surgery - 24 OB/GYN - 24	M3 rotations/year: Internal Medicine - 30 Surgery - 30 OB/GYN - 30	M3 rotations/year: Internal Medicine - 36 Surgery - 36 OB/GYN - 36
M4 rotations/year: Advanced Internal Med - 33 Radiology - 33 Pathology - 22 Emergency - 22	M4 rotations/year: Advanced Internal Med - 33 Radiology - 33 Pathology - 22 Emergency - 22	M4 rotations/year: Advanced Internal Med - 49 Radiology - 49 Pathology - 33 Emergency - 33	M4 rotations/year: Advanced Internal Med - 66 Radiology - 66 Pathology - 33 Emergency - 33	M4 rotations/year: Advanced Internal Med - 80 Radiology - 66 Pathology - 33 Emergency - 33	M4 rotations/year: Advanced Internal Med - 80 Radiology - 66 Pathology - 33 Emergency - 33

UCF Academic Health – HCA Lake Nona Hospital

Number of Residents where cap-building begins in year 15



UCF Academic Health – HCA Lake Nona Hospital Clinical Faculty

