Harborview Medical Center Board of Trustees June 4, 2004

Proposed Resolution

Under the management contract between King County, the Board of Trustees and the University of Washington, the University of Washington agrees to provide professional services at Harborview Medical Center. The University of Washington also agrees to manage the Medical Center in a manner, which provides services to address community needs as set out in the mission statement.

In satisfaction of this obligation the University of Washington encourages faculty physicians to practice at Harborview and encourages those physicians to provide care for patients in circumstances in which the physicians will at times receive no compensation or compensation at less than their usual rates. The University of Washington has been very successful in this regard; its faculty gives generously of their time and skills, and, as a result, Harborview Medical Center provides a substantial amount of charity care to its mission population. The University of Washington's practice of having numerous physicians conduct their practices at Harborview Medical Center encourages a broader mix of patients to come to Harborview Medical Center for care and to provide increased net revenue that can then be utilized to provide uncompensated care to the mission population.

Recognizing the critical role attending physicians based at Harborview Medical Center, play in maintaining the safety net for King County and the entire region, the Board of Trustees has a responsibility to insure attending physician coverage to staff and provide clinical care for patients at the medical center.

The University of Washington has notified Harborview Medical Center that in its opinion the availability of faculty physicians to practice at Harborview Medical Center, continuity of patient care, and the extent and level of uncompensated care will be adversely and substantially impacted by the economic conditions created in the near term by the payment of a substantial civil settlement to the federal government..

The Board, in light of these circumstances, expresses its intent to allocate additional funds for faculty support beginning in Fiscal Year 2005 in a range of funding of \$1.5 - \$3.0 million per year. These funds, once approved by the Board, are to be used to support physicians at Harborview Medical Center in providing essential clinical care to meet the important safety net mission of Harborview Medical Center. This support will be over and above the current support that Harborview provides to departments under agreements for faculty support, and will be paid directly to the clinical departments in the School of Medicine for use in supporting faculty salaries of department members at Harborview Medical Center. The additional support is subject to Board of Trustees' approval prior to payment based on the demonstrated need of the departments to support faculty salaries at Harborview Medical Center. Subject to approval of the Board, this support may be renewed each year, based on tracking of the allocation to attending physicians based at Harborview Medical Center and continued demonstrated need of additional support, for up to 5 years.

These payments will be subject to an assessment of Harborview Medical Center's ability to make these additional payments without jeopardizing the financial stability of the medical center or quality of the care it provides, and will be subject to the annual budget approved by the Harborview Board.