

M I N U T E S

Special Committee on the
University of Kansas Medical Center

June 29-30, 1976

June 29, 1976

Members Present

Representative Denny D. Burgess, Chairman
Senator Edward F. Reilly, Vice Chairman
Senator Albert D. Campbell
Representative Bill Morris
Representative George Wingert

Staff Present

Marlin Rein, Legislative Research Department
Norman Furse, Revisor of Statutes Office

The Special Committee on the University of Kansas Medical Center convened at 10:00 a.m., Tuesday, June 29, 1976, with Representative Denny D. Burgess presiding. University officials present included Chancellor Archie Dykes and Dr. Robert Kugel, Executive Vice Chancellor of the University of Kansas Medical Center.

The entire agenda for the first day was committed to a walking tour of the institution. The Committee was accompanied by Chancellor Dykes and Dr. Kugel throughout the tour together with other members of the university staff.

The morning tour was limited to a visit through the basic sciences areas including Orr-Major Hall, Wahl Hall, and the School of Nursing facilities in Hinch Hall. Stops were made for short presentations in the departments of biochemistry and physiology.

In the discussion with Dean Geitgey of the School of Nursing, it was reported that a proposal would be coming to the 1977 Legislature for a new nursing education building. The proposed cost of the project would be in excess of \$4,000,000 with approximately 25 percent to be funded from state funds and the remaining 75 percent from federal funds. Dean Geitgey indicated that the need for the new facility results not only from the inadequate space presently allocated to the School of Nursing for its current level of programming, but the increasing demand for graduate nursing opportunities and the effect it will have on future enrollment. Dean Geitgey also spoke of the efforts made by the School of Nursing to provide on-site continuing education opportunities to practicing nurses throughout the state. Board of Nursing rules and regulations requiring a master's degree or enrollment in a master's degree program as a condition for accreditation of nursing training programs has been one factor which has contributed heavily to the demand for further graduate programs. She also spoke briefly of the nurse practitioner program and its importance in meeting the primary health care needs of the citizens of the state. In response to a question as to the difference between the nurse practitioner program and the nurse clinician program offered by the College of Health Related Professions at Wichita State University, Dean Geitgey indicated she viewed the programs as being similar.

Following lunch, the Committee continued its tour through selected hospital areas and support activities. Areas visited included the departments of rehabilitative medicine; clinical laboratories; radiation oncology; emergency services; pharmacy; medical records; out-patient facilities; diagnostic radiology; cardiovascular; library; selected nursing units; surgery; and the orthotic-prosthetic service.

June 30, 1976

The Committee met in the conference room of the department of family practice with Chairman Burgess presiding. Members present included Senators Reilly and Campbell and Representative Morris.

Staff Report

Staff presented a short overview of the medical education programs, financing of the budget, distribution of funds between the institution and private practice corporations, and the funding of physicians' salaries. (See Attachment I.)

Chancellor Dykes then visited with the Committee to reaffirm the university administration's position that the number one goal of the University Medical Center was to provide programs geared to meet the health care needs of Kansas. He spoke of changes which had occurred in recent months which he feels will contribute to improving control over Medical Center operations. Chancellor Dykes specifically spoke of the recent administrative reorganization which placed greater control upon expenditures and budget authority through centralization of financial responsibilities with the University Director of Business and Fiscal Affairs. Chancellor Dykes expressed concern that the university needed assistance and guidance in re-examination of current relationships and agreements with the private physician corporations. He also expressed concern over the level of funding provided in recent years for the acquisition of equipment. Sophisticated treatment equipment costs are rapidly rising and institutional budget restraints have resulted in impairing the orderly acquisition of equipment. Equipment issues are also a problem in the relationship of the institution to the private practice corporations. The responsibility of each in providing equipment is unclear and has led to uncertainties when equipment items are to be purchased as to whose responsibility it is to finance the purchases. Chancellor Dykes cited as an illustration of the problem the present discussions with a candidate to chair the radiation oncology department. Chancellor Dykes shared a letter from the individual with whom the university has been in contact in which the prospect outlined his requirements both in terms of personnel and equipment support.

Chancellor Dykes also spoke briefly of his concern for the radiation therapy center which was financed by the 1976 Legislature. The appropriation provided \$2.0 million in State General Funds to be used together with \$1.5 million in other funds to finance construction of this new radiation therapy unit. The present concern is that the institution had hoped the \$1.5 million could be obtained principally from federal sources which sources Chancellor Dykes indicated have now become unavailable. The uncertainty as to the financing of the project has placed the entire project in jeopardy.

Integrated Family Practice Residency Program

Brief presentations were made concerning the development of the integrated family practice residency program authorized by the 1976 Legislature. Chancellor Dykes, Dr. Kugel, and Dr. Cramer Reed all made brief presentations as to the present status of the program. A copy of the prepared presentation is attached to the minutes as Attachment II.

Outreach Training Programs

Dr. David Waxman made a brief presentation on the status of outreach training programs and plans for further extension of outreach training efforts. (See Attachment III.) In response to a question concerning the expanded preceptorship program for students graduating from medical school but awaiting entrance into a residency program, Dr. Waxman indicated that one student has applied for such program but he could not elaborate as to the duration of the preceptorship or the location.

Impact of the New Clinical Facilities

Dr. Kermit Krantz provided a slide presentation on the new clinical facility and the planned use of space throughout the new facility. In addition, Dr. Krantz spoke of the planning that has taken place with regard to the reallocation of space within the existing hospital facilities. Attachment IV to the minutes is a brief chronological history of the development of the clinical facility which was distributed to the Committee.

Relationships Between the Hospital and Physician Corporations

Chancellor Dykes presented a brief report (Attachment V) on the status of the distribution of income costs between the Medical Center and corporations under current agreements. The hospital currently has agreements with each of the 14 individual professional corporations for the delivery of medical and health care services. The Committee requested that a copy of the agreement be furnished each member of the Committee.

Under the current arrangement, the corporation's professional charges for services are billed and collected by the university. A percentage (seven percent) of the professional charges are paid to the Medical Center as reimbursement for costs of space, facilities, and personnel provided by the university. An additional 11 percent of the charges are paid to the Kansas University Endowment Association and credited to the professional development funds for each of the clinical departments to be used for the general development and educational research needs of these departments. Of the 11 percent, one-eleventh is allocated for education research needs university-wide and two-elevenths have been earmarked for equipping of the new clinical facility. Several of the clinical departments receive their income as commissions paid by the Medical Center. Departments involved are pathology, radiology, radiation therapy, anesthesiology, and physical medicine. Commission rates are approved by the Board of Regents and are outlined in the staff report referred to as Attachment I to these minutes.

Chancellor Dykes indicated that he felt it would be desirable if the university had only one private practice corporation. At the present time there is only one private practice corporation at the Wichita Medical Branch although two of the most active clinical services are not in the corporation. Chancellor Dykes cited the State of Iowa as an example of a medical center in which only one corporation is in existence.

Representative Morris expressed concern about the use corporations could make of their funds which were credited to corporate accounts. Chancellor Dykes indicated that guidelines had been furnished to each of the corporations covering the expenditure of corporation funds. The corporations have voluntarily agreed to abide within the guidelines. A copy of those guidelines was requested to be furnished to the members of the Committee. Proper use of corporate funds is also involved in the question of equipment acquisition. Each time a piece of equipment is purchased, determination is made as to the amount a corporation should pay, if any, for such equipment. While new equipment may increase the amount of professional fees a corporation earns, it is also vital to meet the responsibilities of the Medical Center to provide quality medical care. The members of the Committee directed the staff to obtain information with regard to the procedures employed by medical centers in adjacent states relative to the professional practice corporations. It was suggested that one alternative to the existing arrangement would be to credit all fees to the hospital and have the hospital pay the full salary cost of the physicians and all departmental operating costs. Disadvantages of this approach would be the elimination of any incentive for the physicians to treat patients and secondly, third party vendors may reject bills submitted for payment of physicians' fees on the basis that the physicians are already being paid by the state. Other medical schools which have followed the practice of providing a greater share of their physicians' salaries from state funds have already incurred such billing difficulties.

The discussion included a review of the financing of physicians' salaries between the corporate funds and the hospital. It is the policy of the institution to pay at least a portion of each physician's salary from hospital funds, generally not less than \$1,800 per year. The actual amount of salary paid an individual physician from state funds could range as high as \$40,000 with the determination as to the total salary to be paid a physician made by the Executive Vice Chancellor of the University of Kansas Medical Center. Committee staff noted that its calculations indicated that on a university-wide basis the state contribution for clinical faculty salary support would average approximately \$12,200 per faculty member.

Senator Reilly asked that the university furnish members of the Committee with a comparative rate structure with other hospitals in the Kansas City area, not only for basic room charges but for other services including professional fees charged by the hospital.

Equipment Acquisition

Chancellor Dykes presented a prepared report identifying the equipment needs of the institution (Attachment VI). Again the issue of the relationship of the institution to the private practice corporations with regard to equipment was again raised. Chancellor Dykes cited as an example the request from the department of radiology for a body scanner costing \$750,000. The department would anticipate generating substantial sums of income from such equipment and there is a need for the university to have such sophisticated capability. The question arises as to who should purchase it and pay the operating support costs. Determination of the answer to that question will, in turn, have an effect on the manner in which the income generated by such equipment should be divided between the hospital and the private practice corporation. Chancellor Dykes again stressed the fact that the current condition of equipment at the institution is the product of budget restraints of recent years. Each time the institution must cut back on costs, the first area to be reduced is equipment acquisition. The Chancellor indicated that there is a need for the budget to address the requirements of the institution for an orderly equipment acquisition program.

Capitation Grants

A brief report (Attachment VII) was presented on the status of the capitation grant funding of the University of Kansas School of Medicine. The 1976 Legislature appropriated in excess of \$500,000 for Fiscal Year 1977 to offset known deficits in financing resulting from the reduction in federal capitation grants. In addition, a \$600,000 reserve appropriation was provided to be used to offset any additional reductions which might occur. The latest data available to the University of Kansas School of Medicine would indicate the additional loss of FY 1977 income would be somewhere between \$600,000 and \$850,000.

Committee Discussion

Senator Reilly requested that the university furnish copies of the joint accreditation report on the hospital to all members of the Committee. Some discussion also was held with regard to a possible visit to the State of Iowa inasmuch as Iowa has only one corporation; the state has been one of the forerunners in the development of integrated family practice training programs; and the state has made considerable effort developing a statewide plan for the delivery of medical care. No action was taken.

The next Committee meeting is scheduled for July 27-28 and would again be held in Kansas City. The Committee planned to tour facilities at Research Hospital, Menorah Hospital, and the Kansas Osteopathic Hospital during the two-day visit. Such tour would include a general review of the facilities and programs at those institutions and the special services provided at each. The Committee further directed the staff to look further into the matter of the private practice corporations and the division of income in an attempt to assess whether the current agreements with regard to the distribution of income adequately reflect the level of support provided by the hospital to the private practice corporations.

Prepared by Marlin L. Rein

Approved by the Committee on:

July 27, 1976
(Date)

Henry W. Burgen
(Chairman)

SUGGESTED TOUR
SPECIAL LEGISLATIVE INTERIM COMMITTEE
ON THE
UNIVERSITY OF KANSAS MEDICAL CENTER
June 29, 1976

10:30 - 12:00 - Tour Basic Sciences Area - Dr. Kugel, Dr. Brown

Orr-Major Hall
Wahl Hall
Hinch Hall - School of Nursing

12:00 - 1:00 - Lunch - University Room

1:00 - 4:00 - Continuation of Tour - Dr. Kugel, Mr. Miller, Mr. Jones

Walk Through Ground Floor Level - West to East

*Rehabilitation Medicine - John B. Redford, M.D.
*Clinical Laboratories - Pierre W. Keitges, M.D.
*Radiation Oncology - Richard A. Morrison, M.D.
Emergency Services
Pharmacy
Medical Records
Outpatient Facilities
(Take elevator to 5th floor - walk through clinics down to 1st floor)

Walk Through 1st Floor Level - East to West

EKG
Cardiovascular
*Nuclear Medicine - Ralph G. Robinson, M.D.
*Diagnostic Radiology - Arch W. Templeton, M.D.
Mid-America Cancer Center
Library
Business Offices
(Take "A" Building elevator to 4th floor)

Walk Through 4th Floor Level - West to East

Inpatient Nursing Units - 4L, 4B
(Take "B" Bldg. elevator to 6th floor - Burn Center)
(Return to 4th floor and continue tour)
Department of Medicine :
Inpatient Nursing Units - 4D
Renal Dialysis - 4E
(Take elevator to 5th floor "D" Bldg.)

Surgical Suite (view from corridor)
(Take elevator to 2nd floor)
OB/GYN Nursing Unit - 2D, 2E
Newborn Nursery
(Take elevator to ground floor) - walk south
Central Service
Central Stores and Receiving Area
Respiratory Therapy

I.V. Admixture Preparation Area

*Orthotic-Prosthetic Service - Mr. Wallace Whitney

Psychiatry - G Bldg. (2G)

Student Union Bldg.

*Family Practice Building - Jack D. Walker, M.D.

Herbert C. Miller Bldg.

Mental Retardation Center

Children's Rehabilitation Unit

*Indicates stops for brief presentation

Attach

INTEGRATED FAMILY PRACTICE RESIDENCY PROGRAM

A. General Concept and Related Legislation

The 1976 Kansas Legislature passed S.B. 1034 providing stipend support for 12 additional residents in Family Practice beginning June 1977. Such additional residents would initiate an Integrated Family Practice Residency Program. The intent of the legislation is to increase the number of Family Practice resident positions in order to educate more doctors for Kansas and provide them with residency experiences in the smaller communities and rural areas of the state.

An Integrated Family Practice Residency Program is one in which residents spend the first year of training in an established, approved program (Wichita or Kansas City) and then spend the remaining two years associated with a smaller community hospital(s).

B. Program Responsibilities

Those tasks needing completion to establish such a program are very detailed, and several are extremely sensitive.

The most important aspects are as follows:

1. Identification of community family physicians willing to teach.

The core of teaching responsibilities rests with practicing family physicians. The program and its responsibilities must be explained to them, and a commitment must be obtained. Such a commitment will likely result in a reduction of the practicing physician's direct patient care responsibilities and, accordingly, a voluntary reduction of personal income. It is essential, however, that these practicing physicians be identified to serve on the faculty for this program.

2. Identification of a location for a Model Family Practice Center.

The major teaching activities occur in an ambulatory care office, referred to as a "Model Family Practice Center." A location for such a Center that will serve patients must be identified and agreed upon. Additionally, a facility must be provided.

3. Identification of participating teaching specialists.

To train family physicians, specialists in all other areas who are willing to teach are essential.

4. Budgetary commitment.

One mark of a quality program is the financial commitment identified with that program. The stipend provided the resident physician is but one consideration of the total program budget. It is projected that the first year budget for this program only for the 8 residents who will spend their first training year in Wichita and then move to one of two smaller communities for the second and third years, is \$818,070. The total budget, including costs for the remaining 4 residents training in Kansas City who would go to a third community, is of the order of \$1,227,000. A significant financial commitment will have to be made if the program is to succeed.

5. Community commitment.

It is necessary to have the support of a community, especially hospital administration and members of the local medical society, if the effort to train family physicians in the smaller cities and towns of Kansas is to achieve its goal.

6. The accreditation procedure.

No medical student is likely to enter a residency program unless it is fully accredited. Necessary information to complete application forms for accreditation include the names of individuals responsible for the program, names of people who will be teaching, the floor plan of the Model Family Practice Center, and the financial commitment for the program, among other items.

C. Status Report

As specified in S.B. 1034, the first programs are to be initiated in Hutchinson and Salina. There have been informal meetings with physicians in Salina, with similar meetings planned for Hutchinson and Topeka. It is hoped that a program can be developed simultaneously in all three communities in order to accommodate all 12 resident positions.

Attach III

OUTREACH TRAINING PROGRAMS
AND
PLANS FOR FURTHER EXTENSION OF OUTREACH TRAINING EFFORTS

1. Continuing Education

The Division of Continuing Education of the College of Health Sciences has for many years sponsored through the School of Medicine a program which sends out teams of faculty members to hold courses for Kansas physicians in selected sites during winter and spring months. Recently the School of Nursing has undertaken a similar program that will provide continuing education opportunities for practicing nurses in Kansas. Faculty members participating in these circuit course programs are also available for consultation regarding health problems while they are traveling about the state. Additionally, inward WATS lines are available so that physicians over the state may receive telephone consultation with specialists at the Medical Center.

2. Preceptorship Program

The preceptorship program is a four-week clinical rotation required as part of the medical curriculum for students in clinical training at both Kansas City and at the Wichita Branch of the School of Medicine. Currently more than 100 physicians in Kansas are listed as preceptors in this program and the preceptorship must be fulfilled outside metropolitan Kansas City or Wichita. There has been consistent support to increase the preceptorship time to two or three months. An expanded preceptorship program has been funded by the Kansas Legislature. The length of experience would range from a minimum of three months to a maximum of nine months. Students must have completed all requirements for graduation prior to serving a preceptorship.

3. Residencies

An important program involves the rotation of medical residents to community hospitals removed from the Kansas City Medical Center. Such residencies have been doubled in the last year, and some 70 residents spent more than 130 man-months in Kingman, Norton, Belleville, Minneola, Phillipsburg, Howard, Garden City, Halstead, Hays and Topeka.

4. Emergency Medical Training

Another program which operates both off and on campus is the Emergency Medical Training Program. This program has responsibility for the approval of all local Emergency Medical Training Programs in the State of Kansas. Training of Emergency Medical Technicians is accomplished in Kansas through local instructors/coordinators who are trained under the Emergency Medical Training Program.

5. Library Materials

The Clendening Medical Library on the Kansas City campus offers state-wide medical library services for health professionals. Under this program, health professionals in Kansas can call the library and receive copies of requested material free of charge or for minimal cost.

6. Off-campus Graduate Program in Nursing

The University of Kansas School of Nursing is the only school which offers graduate training in Nursing. Since a recent Legislative enactment requires all instructors of nursing in Kansas to have a master's degree in nursing or be enrolled in a program leading toward such a degree by 1977, the University of Kansas has an important obligation to provide graduate courses in off-campus locations.

7. Locum Tenens

The University of Kansas has recently established, with the support of the Kansas Medical Society, a locum tenens program. Under this program, medical residents provide temporary support for physicians who need time off or for communities which have a special need for additional medical assistance.

8. Kansas Health Day

A rural health recruiting program has been developed to acquaint our communities with recruitment techniques and provide opportunity for community representatives to discuss with medical students and residents opportunities for practice in their communities. Kansas Health Day will be on September 10 in Kansas City and September 16 in Wichita.

CHRONOLOGICAL HISTORY OF PLANNING FOR EXPANDED MEDICAL EDUCATION PROGRAMS
AND FACILITIES AT THE UNIVERSITY OF KANSAS MEDICAL CENTER

- 1964 Appointment of a consultant firm by the name of Hare and Hare to conduct a brief study of land use and public traffic flow.
- Principal Recommendation: Initiate an aggressive land acquisition program to acquire land east of the present medical center for future expansion requirements (Two block area from 39th Ave. on the north, State Line Road on the east, Olathe Blvd. on the south; Eaton Street on the west).
- 1967-69 Appointment of a consultant firm by the name of Gorseline and Associates to accomplish the following:
- A. Develop a Preliminary Long-Range Plan which reviewed current program functional relationships and proposed a plan for improved relationships and circulation with identified future facilities and use of land. (Long-Range Site Plan).
- 1967-70 Appointment of a consultant firm by the name of Lackey and Associates who further refined the Long-Range Site Plan and proposed a modular design of future facilities.
- 1970-72 The consultant firm of E. Todd Wheeler developed the planning documents designated as Volume 1 through 4 which prescribed the expansion of medical programs including increased enrollment and expanded faculty. Based on these expanded programs, preliminary plans for expansion of facilities were also developed.
- April 1972 A Central Administrative Planning Committee was established at the Medical Center which included representatives from the Board of Regents staff and the Division of Architectural Services. This committee has continued to function to date as the official planning body at the Medical Center.
- April 1972 A financial feasibility study by Ernst and Ernst was authorized. This study was to evaluate the feasibility of a proposed sale of revenue bonds to finance the expansion of facilities. The proposed sale was for \$64,000,000.
- April 1972 The State Architect appointed Marshall and Brown of Kansas/Sidorowicz as Associate Architects to prepare preliminary architectural drawings and estimates of costs for the expansion of facilities for a maximum fee of \$500,000.00. (The facilities included both the Basic Science and Clinical Facilities).
- July 1972 The Board of Regents approved the concept and scope of the expansion of educational programs and facilities at the Medical Center. Also, approval was given for appointment of bond counsel to develop plans for sale of revenue bonds.
- May 1973 The Division of Architectural Services appointed Marshall and Brown/Sidorowicz, PA to develop final architectural drawings and specifications for construction

of the Basic Science Building and the Clinical Facility.

August 1973 The initial contract to begin construction of the Clinical Facility was issued.

January 1974 Contracts to construct the Basic Science Building were issued.

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Attch I

DISTRIBUTION OF INCOME AND COSTS
BETWEEN MEDICAL CENTER AND CORPORATIONS

Since 1948, the University of Kansas Medical Center has been served by clinical faculty under a "geographic full-time system." Under this system, a physician confines his clinical activities to the Medical Center, receives a faculty appointment, assumes responsibility for teaching students, makes his patients available for instructional purposes and supports himself in large part from professional fees.

During the 1950's the physicians operated their clinical practice as individual practitioners or in partnerships organized along subspecialty lines within clinical departments.

During the early 1960's many of the individual practices and partnerships formed unincorporated professional associations encompassing the entire department. With this arrangement, professional fee income from all members of a given department was pooled.

In 1965, the State of Kansas passed "the professional corporations law of Kansas." Since the passage of this law, the associations have incorporated. In 1975, a formal contractual agreement was developed between the University of Kansas and fourteen individual professional corporations for the delivery of medical and health care services.

Under the agreement, the University grants the corporation the right to occupy certain space and facilities owned by the University as "shall be reasonably adequate" for the conduct of the corporation's activities. Maintenance and utility costs of such space and facilities are the obligation of the University. In addition, the University grants the Corporations the right to use equipment of the University and to furnish the Corporations such support services as "is reasonably necessary" for the Corporation to provide professional medical and health care services to the patient population at the Medical Center. These support services include reasonable supplies, as well as reasonable administrative, technical, secretarial, library, maintenance and janitorial services. The University is required to bear the cost of acquiring, maintaining and replacing such equipment and supplies and of furnishing such services. Personnel of the University performing such services are employees of the University for all purposes.

The Corporations' professional charges for its medical and health care services are billed and collected by the University. A percentage (7%) of the professional charges is paid to the Medical Center for space, utilities, and personnel provided by the University. An additional percentage (11%) of professional fees collected is paid to the Kansas University Endowment Association to be used as follows: (1) one-eleventh for education and research at the Medical Center, (2) two-elevenths for equipping and renovating facilities at the Medical Center related to or necessary for the general development of and for the education and research needs of the department, (3) eight-elevenths for the general development and the educational and research needs of the department. Expenditures from these funds are subject to review and approval by the Chancellor.

Five of the major clinical departments receive most of their professional income from commissions paid by the Medical Center for services billed and collected by the Medical Center. The departments involved are Pathology (including clinical laboratories), Radiology, Radiation Therapy, Anesthesiology, and Physical Medicine. Commission rates are approved by the Board of Regents. These departments are not required to pay the Medical Center 7% of their professional fees for support facilities since this factor is considered in establishing the Commission rate.

The proper distribution of equipment costs between the corporations and the University is a matter of judgment. Each time a piece of equipment is purchased a determination must be made as to the amount the corporation should pay. While the new equipment may increase the amount of professional fees the corporation earns, it may also be vital to meeting the tertiary care responsibilities of the Medical Center.

During the summer a special panel--which includes Mr. Jim Bibb, Director of the Division of Budget; Mr. Marlin Rein, chief legislative fiscal analyst; and Mr. Phil Arnold, budget officer for the Board of Regents--will be identifying and studying policy issues related to the occupancy of the new hospital. The role of the panel will include helping to determine the part private practice corporations are to play in funding the new operation. As an example we have a request from the Department of Radiology for a body scanner costing about \$750,000. Some of the questions that arise in connection with this purchase are: who should purchase it? who should pay for operating it? how will the departmental income be affected?

The division of costs should be equitable, and efforts are being made to determine what is equitable.

Professional Practice Corporations
(Clinical Departments)
Expenditures FY 1975

Summary of Expenditures
from Independent Audit
Reports

	Anesthes- iology	Surgery	Rehab. Med.	Radiation Therapy	Radi- ology	Psychi- atry	Pedia- trics	Path- ology	Ophthal- mology	Neurology	Medicine	OB/ GYN	Family Practice	ENT
Salaries & Payroll Taxes	\$ 546,459	\$965,511	\$22,471	\$67,268	\$611,800	\$258,197	\$76,766	\$346,086	\$256,474	\$77,066	\$343,360	\$489,147	\$17,236	\$122,305
Pension Payments and Profit Sharing	82,960	189,338	1,000	9,111	45,835	23,798	13,584	48,515	62,934	14,354	34,214	67,355		39,012
Insurance	32,589	107,306	1,945	3,901	17,720	38,087	20,249	12,250	11,000	10,083	120,658	63,370	7,070	9,863
Other Operating Expenses	287,850	685,030	8,086	11,355	180,797	130,308	62,849	16,691	81,240	99,426	118,222	161,103	29,323	25,423
Transfers to KUEA	787,741	583,338	8,092	66,724	646,495	126,923	233,786	458,967	95,143	149,680	633,295	123,131	75,282	69,789
Payment for Rental		151,474	1,067			40,317	27,668		8,363	7,621	82,883	82,034		18,565
Totals	\$1,737,599	\$2,681,997	\$41,661	\$158,359	\$1,502,647	\$617,630	\$434,902	\$882,509	\$504,154	\$358,230	\$1,332,632	\$986,140	\$128,911	\$284,957

UNIVERSITY OF KANSAS MEDICAL CENTER
ANALYSIS OF COMMISSION PAYMENTS
TO HOSPITAL BASED PHYSICIAN CORPORATIONS FY 1975

	Commis- sion Rate	Total Income	Income Applicable For Commis- sion	Income Not Applicable for Commission Hosp. Income	Less Income For Bad Debts	Net Income For Calculation	Commissions Paid	FY 75 Year End Adjustments	Net Commission Paid
Diagnostic Service									
Clinical Laboratories	18%	\$ 3,349,679.47	\$3,036,428.97	\$ 313,250.50	\$210,656.30	\$2,825,772.67	\$ 508,639.09	\$ 125.81	\$ 508,764.90
Physical Medicine	50%	115,290.00	105,310.00	9,980.00	7,323.36	97,986.64	48,993.27	2.37	48,995.64
Pulmonary Function	20%	84,604.50	77,059.50	7,545.00	5,358.79	71,700.71	14,340.12	22.12	14,362.24
Otorhinolaryngology	75%	5,460.00	5,020.00	440.00	349.10	4,670.90	3,503.17		3,503.17
Radiology	50%	3,300,411.05	2,898,991.58	401,419.47	201,598.77	2,697,392.81	1,348,696.39	736.28	1,349,432.67
Radiation Therapy	70%	252,119.00	231,817.00	20,302.00	16,120.80	215,696.20	150,988.03	353.96	151,341.99
Anesthesiology	90%	2,336,268.60	2,079,261.85	257,006.75	144,593.96	1,934,667.89	1,741,201.10	79.96	1,741,281.06
R.K.G.	30%	452,437.00	410,080.00	42,357.00	28,517.37	381,562.63	114,468.79	17.01	114,485.80
E.E.G.	50%	88,985.00	79,065.00	9,920.00	5,505.22	73,559.78	36,779.22	18.91	36,798.13
Pathology	75%	479,666.50	412,103.50	67,563.00	28,658.09	383,445.41	287,621.54	380.66	288,002.20
Total		\$10,464,921.12	\$9,335,137.40	\$1,129,783.72	\$648,681.76	\$8,686,455.64	\$4,255,230.72	\$1,737.08	\$4,256,967.80

UNIVERSITY OF KANSAS MEDICAL CENTER
 PHYSICIANS ACCOUNTING ANALYSIS
 OF CORPORATE ACTIVITY FOR FY 1975

ENT

	<u>FY 1975</u>
Gross Charges	353,089.50
Less: Discounts	30,868.92
Allowances	4,601.40
Net Charges	<u>317,619.18</u>
Gross Receipts	276,719.65
Less: Refunds	6,742.46
Returned Checks	1,073.00
Collection Fees	1,391.09
Net Cash Collected	<u>267,513.10</u>
7% Rental & Service Charge	18,725.92
1/11% Med. Ctr. Development Fund	2,675.13
2/11% Development Equipment Fund	5,350.26
8/11% Development Fund	21,401.04
11% Total Contribution to Development Funds	<u>29,426.43</u>

MEDICAL ASSOCIATION CHARTERED

	<u>FY 1975</u>
Gross Charges	1,712,241.07
Less: Discounts	150,639.48
Allowances	55,409.20
Net Charges	<u>1,506,192.39</u>
Gross Deposits	1,175,637.59
Less: Refunds	11,950.89
Returned Checks	1,207.40
Collection Fees	3,012.27
Neurology Deposits	-
Net Cash Collected	<u>1,159,467.03</u>
7% Rental & Service Charge	79,220.70
1/11% Med. Ctr. Development Fund	11,317.24
2/11% Departmental Equipment Fund	22,634.48
8/11% Development Fund	90,537.92
11% Total Contribution to Development Funds	<u>124,489.64</u>

OB/GYN

	<u>FY 1975</u>
Gross Charges	
Less: Discounts	
Allowances	
Net Charges	
Gross Receipts	
Less: Refunds	
Returned Checks	
Collection Fees	
Net Receipts Collected	<u>1,132,633.76</u>
7% Rental & Service Charge	79,284.37
1/11% Med. Ctr. Development Fund	11,326.34
2/11% Departmental Equipment Fund	22,652.68
8/11% Development Fund	90,610.72
11% Total Contribution to Development Funds	<u>124,589.73</u>

OPHTHALMOLOGY

	<u>FY 1975</u>
Gross Charges	229,277.04
Less: Discounts	43,211.01
Allowances	11,207.91
Net Charges	<u>174,858.12</u>
Gross Receipts	142,465.25
Less: Refunds	7,047.44
Returned Checks	484.00
Collection Fees	547.28
Net Receipts Collected	<u>134,386.53</u>
7% Rental & Service Charge	9,407.06
1/11% Med. Ctr. Development Fund	1,343.87
2/11% Departmental Equipment Fund	2,687.74
8/11% Development Fund	10,750.91
11% Total Contribution to Development Funds	<u>14,782.52</u>

PHYSICIANS ACCOUNTING ANALYSIS
OF CORPORATE ACTIVITY FOR FY 1975 (continued)

NEUROLOGY

	FY 1975
Gross Charges	163,836.05
Less: Discounts	11,862.95
Allowances	5,034.95
Net Charges	<u>146,938.15</u>
Gross Receipts	80,712.99
Less: Refunds	935.42
Returned Checks	50.00
Collection Fees	38.00
Plus: Amt. Transferred from Med.	(28,878.63)
Net Receipts Collected	<u>108,568.20</u>
7% Rental & Service Charge	7,599.77
1/11% Med. Ctr. Development Fund	1,085.68
2/11% Departmental Equipment Fund	2,171.36
8/11% Development Fund	8,685.44
11% Total Contribution to Development Funds	<u>11,942.48</u>

SURGERY

	FY 1975
Gross Charges	3,035,828.54
Less: Discounts	572,655.77
Allowances	69,655.85
Net Charges	<u>2,393,516.92</u>
Gross Receipts	2,217,702.49
Less: Refunds	64,086.07
Returned Checks	634.95
Collection Fees	3,764.61
Adjustments	641.08
Net Cash Collected	<u>2,148,575.78</u>
7% Rental & Service Charge	150,400.30
1/11% Med. Ctr. Development Fund	21,485.76
2/11% Departmental Equipment Fund	42,971.52
8/11% Development Fund	171,886.08
11% Total Contribution to Development Funds	<u>236,343.36</u>

PEDIATRICS

	FY 1975
Gross Charges	770,643.35
Less: Discounts	237,242.78
Allowances	190.71
Net Charges	<u>533,209.86</u>
Gross Receipts	408,983.26
Less: Refunds	3,106.16
Returned Checks	251.00
Collection Fees	3,874.73
Net Cash Collected	<u>401,751.37</u>
7% Rental & Service Charge	28,122.58
1/11% Med. Ctr. Development Fund	4,017.51
2/11% Departmental Equipment Fund	8,035.02
8/11% Development Fund	32,140.08
11% Total Contribution to Development Funds	<u>44,192.61</u>

FUNDING SOURCES
FOR
EQUIPMENT ACQUISITION

The University of Kansas College of Health Sciences and Hospital annually purchases several hundred thousand dollars of new or replacement equipment in support of its various activities. The complexity of health care and the pursuit of excellence in medical education require the University to have the most up to date facilities for education and service in order to meet its obligations to the citizens of the State.

The sources of funds for purchase of equipment are relatively few. These are listed below.

1. Hospital Revenue. The majority of equipment requests emanate from the responsibilities of the University to provide health care to the citizens of the state through the hospital. Since the medical sciences are among the most complex disciplines, the equipment necessary to support diagnosis and treatment is usually sophisticated and expensive. The State of Kansas is fortunate in that nearly all of the equipment purchased for use in the hospital is paid from hospital revenue. However, increased demand for services has resulted in expanded equipment needs, but the hospital revenue expenditure limit has not enabled the University to use the increased revenue from services for additional equipment purchases.

Attached are patient care related equipment requests for FY'77 and '78 which have been developed to improve the current operations of the hospital. It is expected that hospital revenue could provide the funds for nearly all of the FY'77 requests, with the exception of the Whole Body Scanner. If the equipment were to be purchased, it would greatly relieve the potential backlog of equipment necessary to occupy the new Clinical Facility.

2. Professional Practice Corporations. Occasionally, the professional practice corporations purchase for their departments equipment which is used in the diagnosis and/or treatment of patients in the hospital, or in research projects. Typically these kinds of purchases are rare, and are designed to meet specific needs of the individual departments. In addition, the College of Health Sciences and Hospital now requires each of the professional practice corporations to provide 2% of the net receipts of the corporation to the hospital for purchase of equipment.

3. General Revenue Funds. Nearly all the equipment necessary for the basic sciences component of the Schools of Medicine, Nursing, and Allied Health program is purchased from General Revenue funds. These purchases are relatively modest when compared to those for the hospital operation and are usually made from the regular Other Operating Expenses portion of the educational budget.

4. Grants and Contracts. The University has been quite fortunate in attracting a significant number of research grants or contracts from various agencies and governmental bodies. Frequently these grants and contracts include an amount for purchase of equipment to complete the activities incorporated in the grant or contract proposal. Upon termination of the grant or contract, the equipment usually becomes the property of the College of Health Sciences and Hospital. Although significant in providing necessary support for research activities, the annual dollar amount for equipment purchases is relatively small, and the amount varies from year to year.

5. Endowment Funds. Occasionally the University is the recipient of private gifts to support special projects at the University. These gifts are usually specific in terms of the program which they will support, and the funds are not generally available for purchase of equipment. Notable exceptions are the Renal Dialysis Unit, and the Burn Center, both of which have been largely furnished and equipped through outside funds. At present, an effort is being made by the Lions Organization in the State of Kansas to assist in remodeling and equipping a new eye clinic scheduled to coincide with the occupancy of the new clinical facility.

FISCAL YEAR 1977

HOSPITAL EQUIPMENT REQUISITIONS

1.	<u>Cardiovascular</u>	
	Image Intensifier	\$ 48,000
	Image Intensifier, table,	
	TV system and angiography equipment	<u>260,000</u>
		\$308,000
2.	<u>Clinical Diagnostic Laboratories</u>	
	Enteric Analyzer	\$ 2,250
	Chromatograph System	3,575
	Freezer (-85° C) and Access	4,720
	Quadruple Viewing System (Microstar)	4,622
	Quadruple Viewing System	2,086
	Refrigerator	338
	Binoc. Microscope	1,288
	Refrigerator (Chemistry)	2,200
	Tissue Culture Roller	287
	Incubator	1,050
	Centrifuge & Access	630
	Glucose Analyzer	2,460
	Blood Gas/ ph Analyzer	17,900
	Freezer (very low temp)	2,995
	Microscope (Microstar)	<u>1,318</u>
		\$ 47,719
3.	<u>Surgical Pathology</u>	
	Coleman ph Meter	195
	Vacuum Infiltrator	158
	Filing Cabinet, Tissue	171
	Cytospin-Centrifuge	<u>1,075</u>
		\$ 1,599
4.	<u>Biomedical Engineering</u>	
	Electrical Testing Equipment	2,400
5.	<u>Food Service</u>	
	Tilting & Braising Pan	3,100
	Dishwasher	28,000
	Floor Polishing Machine	700
	Refrigerators (4)	<u>3,600</u>
		\$ 35,400
6.	<u>Medical Records</u>	
	Filing Cabinets (2)	200
	Office Furniture	<u>4,000</u>
		\$ 4,200

7.	<u>Radiation Therapy</u>	
	Electric Typewriter	\$ 500
	Dosimeter System	2,800
		<u>\$ 3,300</u>
8.	<u>Patient Care Units</u>	
	Flotation Pads (30)	3,700
	Aspirators (6)	1,200
	Refrigerators (medication)	2,400
	Wheel Chairs (12)	3,000
	Hypo-Hyperthermia-Units	1,800
		<u>\$ 12,100</u>
9.	<u>Surgical Operating Rooms</u>	
	Telescope and Biopsy Unit	1,800
	Electrosurgical Unit (ENT)	2,000
	Calculator	150
	Scleral Transluminator	1,300
	Low Pressure Cylinder, Change over	1,030
	Electrosurgical Unit	2,300
	Coagulator	1,125
	Electrosectilis-Unit	2,750
	RPM Driver and Punch	2,400
	Tape Recorder System	1,050
	Bronchofiberscope	4,000
	Fiberoptic headlight	1,100
	Stone Disintegrator	4,000
	Solid Waste Compactor	3,400
	Suction Units (3)	1,500
	Craniotome	2,500
	Cataract-straight Probe	1,350
	Panendoscope and Coloscope	11,000
	Pneumotome Coutery & Camera	2,200
		<u>\$ 46,955</u>
10.	<u>Surgical ICU (5E)</u>	
	Monitor Oscilloscope & Access	12,000
	Micron-transducers (6)	1,200
	Oscilloscope (3) and Access	20,000
		<u>\$ 33,200</u>
11.	<u>Pharmacy</u>	
	Laminar Flow Station	1,500
12.	<u>Physical Medicine</u>	
	Electrical Stimulation Unit	600
	Ultrasound Unit	500
	Hydrotherme and vibrator	1,600
		<u>\$ 2,700</u>
13.	<u>Pulmonary Function Laboratory</u>	
	Co-Oximeter	4,000
	CO ² Analyzer	1,500
	Calibration Aid	900
	X-Y-T Recorder	2,400
		<u>\$ 8,800</u>

14. <u>Respiratory Therapy</u>	
Respirometer (5)	\$ 1,700
Air Compressor System	1,700
Air-Oxygen Mixer (5)	2,200
Ventilator Monitor (2)	900
Lunier Apparatus	600
	<hr/>
	\$ 6,100
15. <u>Physiological Monitoring-Instrumentation</u>	
Telemetry Transmitter	550
Arterial-venous Amplifiers (10)	7,000
Intra-Aortic Balloon Pump	20,000
Saturn Pressure Control Boxes	660
In-Vivo Oximeter	4,500
Dual Channel Recorder	2,100
Fiber Optics Recorder	9,000
Apnea-Respiration Module (2)	2,800
Operating Room Monitoring System	10,000
Spacelab Recorder Systems (4)	30,000
Spacelab Display Terminals, Recorders & Transmitters	28,000
Spacelab Monitors & Recorders	31,000
Spacelab Display Terminals & Recorders	33,000
Spacelab Display Terminals & Recorders	11,000
Spacelab Display Terminals & Recorders	33,000
Honeywell Oscilloscopes	33,000
Doplette (3)	900
	<hr/>
	\$256,510
16. <u>Maternity Delivery Rooms</u>	
1 Obstetrical-Surgical Table	4,000
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Grand Total -	\$774,483

OTHER SPECIAL EQUIPMENT REQUIREMENTS

DIAGNOSTIC RADIOLOGY

1 Whole Body Scanner \$ 500,000

RADIATION ONCOLOGY

1 Saggitaire Linear Accelerator \$1,250,000

1 Treatment Simulator 160,000

1 Linear Accelerator 18 Me V 680,000

1 X-Ray Therapy Unit 250 KVP 60,000

1 Isodose Plotter 50,000

1 Computor PDP 11/45 150,000

1 Processor Unit 11,000

1 Linear Accelerator 6 Me V 250,000

1 Treatment Calculation Unit 30,000

Sub-total - \$2,641,000

GRAND TOTAL - \$3,141,000

FISCAL YEAR 1978
HOSPITAL EQUIPMENT REQUIREMENTS

1. <u>Emergency Service</u>		
1 Physiological Monitor		\$ 16,350
1 Defibrillator		7,000
1 Orthopedic Table		2,600
2 Wheel Chairs (Replacement)		400
		<u>\$ 23,750</u>
2. <u>Pharmacy Service</u>		
Unit Dose Modular		2,500
Shelving Units (4)		
Unit Dose Medication		3,000
Carts with Cassettes (5)		
Modular Island		4,700
Shelving Units (10)		
Secretarial Desk and Chair (2 each)		700
Column Chromatography Set (Sephadex)		1,200
Bactec Detector for Sterility Testing		4,000
Ointment Mill		280
Top Loading Manufacturing Balance		520
Laboratory Glassware		4,200
	Sub-Total -	<u>21,100</u>
3. <u>Outpatient Services</u>		
<u>MEDICINE</u>		
<u>GENERAL</u>		
6 Coronet Examining Tables		2,400
6 Welch-Allyn Wall mounted Otoscopes		852
6 Baumanometer Model 33 Wall Mounted Units		330
2 Continental Standing Scales (Kilo)		180
<u>G.I.</u>		
1 Olympus Colonoscope, Model TCF-2L		5,700
1 CLX roll around Maximal Light source		5,500
1 ACMI Coloscope, 165 cm, operating 2 channel, Model F9A		5,500
1 Needlescope (peritoneoscopy)		1,575
2 Binocular & dissecting microscopes		1,000
1 Beaulieu Movie Camera		800
<u>CHEST</u>		
2 Wright Peak Flowmeters, Model 00-250		500
<u>MED II</u>		
1 Micrograph EKG Machine		1,200
<u>ALLERGY</u>		
6 Nasal Speculum, Storz #N2102		120
3 Head Mirros & Bands, Storz		66
1 10-12 cu. ft. Refrigerator, freezer		275

RENAL

1 Spencer microscope 500

ENDOCRINOLOGY

1 Exophthalmometer, Bausch & Lomb 120
Total Medicine \$26,618

GYNECOLOGY & OBSTETRICS

7 Coronet Examining Tables 2,800
7 Welch-Allyn Wall mounted Otoscope/Ophthalmoscopes 994
7 Baunometer Model 33 Wall Mounted Units 385
2 Kidde Tubal Insufflater 350
3 Doptone 1,650
1 VC-V Berkely Vacuum Curette Unit 765
6 Allen Fetascopes 150
2 Alligator Biopsy Forceps 300
10 Uterine Packing Forceps 155
24 Graves Speculums 180
24 Sponge (Ring) Forceps 240
14 Novak Multi-tooth Curettes 175
5 Novak Single-tooth Curettes 58
24 Tenaculums 456
20 Uterine Sounds 180
Total GYN/OB - \$ 8,838

PEDIATRICS

8 Welch-Allyn Ophthalmoscope heads 448
1 Exophthalmometer, Bausch & Lomb 120
15 Royal WS-836 Side Chairs 634
1 Portable Fan 40
Total Pediatrics - 1,242

OPHTHALMOLOGY

3 Giant Ophthalmoscopes 3,000
Misc. Refraction accessories 400
Total Ophthalmology - \$ 3,400

E.N.T.

Misc. Instruments 1,000
2 Zeiss Otological Oscopes 10,000
Total E.N.T. - \$11,000

NEUROLOGY

1 Snellen Eye Chart 70
2 IBM Dictation machine units 860
Total Neurology \$ 930

FAMILY PRACTICE

1 EKG Machine 7,000
1 Stryker Cast cutter 135
1 Birtcher wall mounted Hyfercater 180
1 Wright Peak Flow Meter 250
1 Ultrasonic Bardach, office type Model UT-42 585
1 Hydrocollator unit-master Model 5S-2 360
1 Autoclave, small (Omniclave) 650
1 Farrington-Dymo Imprinter 175
Total Family Practice - \$ 9,335

SURGERY

GENERAL

1 Chart Cart 185

4 Wheel Chairs w/elevating leg rests	\$ 1,000
1 Farrington-Dymo Imprinter	175

UROLOGY

1 Binocular Microscope	625
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ORTHOPEDIC

1 Chair Scales, Continental Model 440	245
1 Infant Scales	135
1 Full Length Mirror	100
1 Wolf Spine Illuminator	135
4 X-Ray View Boxes	200
2 Stryker Cast Saws	270

Total Surgery -	<u>\$ 3,070</u>
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Grand Total Department	\$64,433
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MEDICAL RECORDS DEPARTMENT

5 Label Readers	4,500
2 Embossers	45,000
4 Chairs	300
4 CRT Tables	500
4 Micro fiche Viewers	1,200
1 Calculator	400
1 Paper Shredder	485
1 Dictation Equipment	32,500
7 Book Racks	105
6 Desks (Double Pedestal)	1,470
6 Typing Extensions	396
30 Secretarial Chairs	2,250
10 Typewriters	6,050
6 Filing Cabinets (5 Drawer)	1,020
1 Supply Cabinet	85
7 Metal Carts	1,015
6 Filing Cabinets (2 Drawer)	480

Total -	<u>\$97,756</u>
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SURGICAL PATHOLOGY

Microscope	1,500
Microscope	1,000
Sledge Microtone and knives	4,000
Microtones	4,000
Deep Freeze	4,000
Micro Tessar	4,000
Singer Caramate Projector	325
Memory Typewriter	5,184
Dictating Equipment	1,600
Textbooks	2,000

Sub-total -	<u>\$27,609</u>
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NURSING SERVICES DEPARTMENT

1 Acme Kardex File Cabinet	550
1 Electronic Calculator with Printout	600
2 IBM Selectric Typewriters	1,200
1 Fluid Duplicator Machine	450
1 Telephone Answering & Recording System	250

2 5 Drawer File Cabinets	300
2 Single Pedestal Desks	350
2 Desk Chairs	240
1 16 mm Movie Projector	875

\$ 4,815

CENTRAL STERILE SUPPLY SERVICES

24 Exchange Supply Carts	6,000
2 Heat Sealers (paper to plastic)	550
1 Heat Sealer (plastic to plastic)	400
1 Acme Kardex File	550
1 Electronic Adding Machine w/tope	300
2 5 Drawer File Cabinet	300
1 IBM Selectric Typewriters	1,200
1 Ultrasonic Washer	550
6 Secretary Chairs	450
6 Stools w/backs	420
2 Personnel Carriers	800

Sub-total -

\$ 11,520

HOSPITAL PATIENT CARE UNITS

20 IVAC Pumps 3/stand	20,000
25 Aquamatic K-Pad Control Units w/Pads	3,750
15 sets Overhead Traction w/Trapeze	2,250
2 Thermia Machine 3/Blankets	6,000
12 Heater Fans	900
1 Circoelectric Bed	2,400
15 Commode Chairs	2,100
10 Gastric Suction Units	2,800
10 Footboards	600
20 Flotation Pads	3,000
12 Portable Aspirators	1,680
10 Patient Scales (metric)	1,000
10 Sphygmomanometers (wall mounted)	650
16 Secretary Chairs	1,200
6 Utility Carts S.S. 3 shelves	600
8 Wheelchairs (adult adj. leg rests)	1,440
10 Wheelchairs (adult non-adj. leg rests)	1,500
6 Portable Aspirator on Stand	1,200
6 Recliner Lounge Chairs	1,500
1 Chart Rack (for 30 charts-2E)	300
1 Infusion Pump (5LICU)	500
1 Doppler Blood Pressure Apparatus (4LN)	300
1 Apnea Monitor (5LICU)	650
6 Examining & Treatment Lights	600
8 Folding Tables	400
50 Intravenous Standards on Casters	4,000
18 Sphygmomanometers (standby model)	1,800
14 Stretcher Carts w/Siderails and Backrests	9,100
12 Wheelchairs (adult, high back, reclining adj. leg rests)	3,360
2 Bed Scales for High-Low Beds (5E & 3F)	8,000
3 Infant Warmers (2FDR)	7,800
1 Autoclave - for instruments (2FDR)	5,000
1 Obstetrical & Operating Table	4,000
30 Cribs w/adj. Springs 30" x 50" w/safety top & mattress	13,500

15 Youth Beds - varihite w/Siderails & mattresses	7,500
15 Bedside Stands for above	1,500
20 Bassinettes S.S. w/Sliding Shelf and enclosed cabinet	8,000
6 Examination Tables	2,640
34 Electric Beds w/Overhead Tables and Bedside Cabinets	32,640
Sub-total -	<u>\$166,160</u>

ANESTHESIA SERVICES

2 Anesthesia Machines	9,800
1 Ohio Ventilators, w/reg bellows	2,000
1 Ohio Pediatric bellows	500
6 Ektronix, 408 ECG Monitor	12,600
3 Stentor Recorder	2,700
9 Hemokinetitherm Bloodwarmers	3,600
5 Telethermometers SZ-TK	1,000
8 Resuscitation Kits	720
1 Sanders Venturi, W/regulators	100
Sub-total -	<u>\$ 33,020</u>

2 O ₂ Analyzers	1,000
4 Peripheral Nerve Stimulators	760
50 Small Adult Masks	700
10 Med. Adult Masks	140
15 Newborn, Infant, Child, (5 ea.)	210
10 Laryngoscope Handles	250
10 " Blades	430
8 Blood Pressure Cuffs, & manometers	680
7 Cincinatti Sub-Zero (Hypothermia Units)	24,500
10 Esophageal 'scopes, w/temp.	300
10 " " , Pediatric	250
10 N.R.P.R.'s	120
2 Wright Respirometers	1,100
8 Kidde Tourniquets	7,200
6 Doppler Headphones	300
2 Flowmeter Rplcmnt Sets	220
10 Laryngoscope Repair Kits	100
2 Gas Evac' Valves	260
30 ECG replacement Leads	180
2 Aquasonic Gel	52
3 Mk. 3 Vaporizer Fillers	24
5 Doppler Transducers	260
Total -	<u>\$72,056</u>

RESPIRATORY THERAPY Services

2 Mechanical Ventilator	12,000
4 PR Respirator	2,800
3 AP-5 Respirator	1,500
20 Resuscitation Bag	1,500
40 Humidifier (Cascade)	3,000
50 Immersion Heater	3,850
2 Ultrasonic Nebulizer	900
20 Oxygen "E" Size Regulator	1,100
15 "E" Size Cylinder Cart	600
15 "H" Size Oxygen Regulator	750
2 Percussor	400
Sub-total -	<u>\$28,400</u>

PHYSICAL THERAPY SERVICES

1 Shortwave Diathermy	\$ 6,250
Desk return for typewriter	200
Rolling file	50
Adding Machine	150
Cardioscope	950
Oxygen Analyzer/Spirometer	2,700
Sub-total -	<u>\$ 10,300</u>

OCCUPATIONAL THERAPY SERVICE

1 New Floor Loom and Warping Frame	600
1 Table Hockey	100
1 Ping Pong Table	100
1 Oliver Machine with Attachments	3,800
1 Piano	1,500
Sub-total -	<u>\$ 6,100</u>

PERSONNEL HEALTH SERVICE

2 File Cabinets	400
1 Typewriter	500
1 Secretarial Desk	165
1 Secretarial Posture Chair	50
Sub-total -	<u>\$ 1,115</u>

ORTHOTICS AND PROSTHETICS SERVICE

1 Troutman Carver and attachments #2100	975
1 #31K15 Singer Sewing Machine	950
1 #16-188 Singer Sewing Machine	1,075
Sub-total -	<u>\$ 3,000</u>

SOCIAL SERVICES DEPARTMENT

1 Dictaphone	492
1 Transcriber	492
Sub-total -	<u>\$ 984</u>

CLINICAL DIAGNOSTIC LABORATORIES

Hematology

1 Auto super-speed refrigerated centrifuge	5,210
1 Thromob-C System & Centrifuge	3,395
1 Quad Viewing Microstar	4,177
1 Convert to qual Microscope	1,932
1 Dual Viewing Microscope	2,383
1 Freezer	4,115
1 Binocular Microscope	1,288
Sub-total -	<u>\$ 22,500</u>

Virology

1 Incu bator	1,050
1 Tissue culture roller drum	287
1 Coldspot Refrigerator	338
Sub-total -	<u>\$ 1,675</u>

Blood Bank

1 Freezer & Accessories	\$ 4,720
1 Microstar Microscope	1,318
1 IBM Blood Cell Processor	17,000
1 Auto. Refrig. Centrifuge	4,430
1 Compact Refrig.	369
1 Microstar Microscope	1,318
1 Sorvall cell washer	3,046
1 Leukophoresis pump, etc.	3,905
1 Blood Processor (platelet process.)	16,400
Sub-total -	<u>\$ 52,506</u>

Chemistry

1 Refrigerator	2,200
1 Electrophoresis system & Densitometer	6,850
1 Glucose Analyzer <u>automated</u>	13,000
1 Blood Gas Analyzer	17,900
1 Osmometer	2,000
1 Rockwell Computer	2,000
1 Calcium Titrator	1,550
1 Refrigerated Centrifuge	4,851
1 Wang Calculator	10,000
1 Ion Specific Electrodes	225
1 Amylase Lipase Titrator	1,925
1 Chloride-Co2 Analyzer	6,400
1 Micro 6/60 Microsample analyzer	44,000
1 Atomic Absorption Analyzer	15,000
Sub-total -	<u>\$127,901</u>

Immunology

1 Fluorescent Microscope (Vertical Illuminator Ploew)	9,500
1 Laser Nephelometer, Hyland	5,400
Sub-total -	<u>\$ 15,238</u>

Clinical Lab. Total - \$219,820

DIETARY SERVICES

1 Vescher Steamer	4,000
2 Portable Freezers	2,600
2 Coffee Makers	2,400
1 Wet Vacuum	600
1 Scrubbing Machine	2,000
1 Roll-In Refrigerator	4,000
2 Ice Making Machines	6,000
Sub-total -	<u>\$ 19,600</u>

HOSPITAL BUSINESS OFFICE

3 Typewriters	1,500
2 File Cabinets	320
3 Adding Machines	450
1 Embossing Machine	6,000
Sub-total -	<u>\$ 8,270</u>

DIAGNOSTIC RADIOLOGY

1 Gamma Camera	106,000
1 Diagnostic X-Ray Unit	155,000
2 Mobile Radiographic Units	30,000
Sub-total -	<u>\$291,000</u>

SURGICAL OPERATING ROOMS

2 Surgical Tables	12,000
2 Electrosurgical Units	4,000
1 Bronchofiberscope	4,000
2 Suction Units	1,000
1 Monitoring Oscilloscope	<u>12,000</u>
Sub-total -	\$33,000

PHYSIOLOGICAL MONITORING SERVICES

1 Oximeter	4,500
1 Monitoring and Recording System	22,000
2 Apnea Respiration Units	<u>3,000</u>
Sub-total -	\$29,500

FY 78 GRAND TOTAL -

\$1,173,308

Attch III

CAPITATION GRANTS MADE TO THE
UNIVERSITY OF KANSAS SCHOOL OF MEDICINE

The Comprehensive Health Manpower Training Act of 1971 (Public Law 92-157) provided for funds to be distributed to medical schools in support of basic educational programs for undergraduate medical education. The grant to a medical school is based on a formula which includes number of students, increases in enrollment and qualifications under special programs. The actual amount which a medical school receives depends on the appropriation by Congress and the granting formula. For the past two years, Congress has not agreed on a new Health Manpower Training Act, and the program has been administered under a continuing resolution.

The table below shows the amount of the capitation grant for each of the years from FY '73 through FY '76. The table also indicates the percentage of the grant which is used to support personnel. It is apparent that essentially all of the federal funds have gone into salaries.

Capitation Grants

1972-73	\$1,143,635	86% personnel
1973-74	1,174,772	98% personnel
1974-75	1,533,244	99% personnel
1975-76	1,250,982	97% personnel

On the basis of the FY '75 grant of \$1,533,244, it was projected that the grant for FY '76 would be \$1,800,000. The shortfall from this and other sources created the \$595,000 deficit from which the academic budget at this institution has suffered in the current fiscal year. This shortfall was made up by increasing medical student tuition (\$125,000), a special legislative appropriation (\$370,000), and internal reductions in expenditures (\$100,000).

In addition to the capitation grant, the School of Medicine has received another for \$200,000 per year for each of the past 5 years. This Grant terminates on June 30, 1976.

Application has been made for continuation of the capitation grant for FY '77, but no notice of award has yet been received. Information from the Association of American Medical Colleges office and from sources in the federal government suggest that the grant for FY '77 to the University of Kansas School of Medicine will be somewhere between \$600,000 and \$850,000.