## THE UNIVERSITY OF MICHIGAN REGENTS COMMUNICATION

## ITEM FOR INFORMATION

Received by the Regents June 21, 2007

SUBJECT:

Transfer of Michigan Visiting Nurses from Michigan Health Corporation (MHC) to the University of Michigan Hospitals And Health Centers (UMHHC)

## BACKGROUND:

In the latter part of calendar 2006, the MHC Management Committee requested an evaluation of Michigan Visiting Nurse Corporation (MVNC) to determine the optimal organizational structure and operating plan to maximize MVNC's contribution to the University of Michigan Health System for the future (next 5+ years). A Task Force was established to complete an analysis and due diligence process.

Specific areas the Task Force addressed included a legal, regulatory, tax, and compliance review of the optimal location for MVNC within the Health System; the potential impact on programs and operations; human resource issues; financial implications; and internal and external communications. No barriers were identified in transferring Michigan Visiting Nurse functions to the Hospitals and Health Centers. Favorable contributions to the Health System goals and objectives will occur with the move of MVNC to UMHHC. This move will allow the Visiting Nurse (Medicare-certified home health agency) and Visiting Care (private duty home health agency) home care services in MHC that comprise MVNC to join the HomeMed (home infusion provider and licensed pharmacy), MedEQUIP (provider of home medical equipment and/or medical supplies), and Wheelchair Seating (provider of high tech and customized wheelchairs) home care service units that already reside in UMHHC. These five programs that provide home care services to Health System patients will then be aligned in one administrative area. This will foster collaboration to improve the coordination of care for patients requiring home care and will, in turn, enhance patient services by improving the quality of care and patient safety. In addition, staff satisfaction is expected to increase with a more coordinated approach, financial gains will be achieved and more community services can be offered.

The Michigan Visiting Nurse Corporation Board of Directors, Michigan Health Corporation Board of Directors and Hospitals and Health Centers Executive Board each approved the transfer of Michigan Visiting Nurses from MHC to UMHCC effective July 1, 2007. Plans for implementation of the transfer include integration of the five home care programs into one administrative unit in the UMHCC. Community input into the services and programs will be secured through an advisory group.

Respectfully Submitted,

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Executive Vice President for Medical Affairs