



Special Committee on Academic Health

October 2023

October 12, 2023

8:00 a.m.

West Committee Room, McNamara Alumni Center

CAH - OCT 2023

1. 2023-24 Special Committee Work Plan

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2. Academic Affiliation Agreement with CentraCare – Action

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BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Health

October 12, 2023

AGENDA ITEM: 2023-24 Special Committee Work Plan

Review **Review + Action** **Action** **Discussion**

This is a report required by Board policy.

PRESENTERS: Regent Penny Wheeler
Jakub Tolar, Dean of the Medical School and Vice President for Clinical Affairs

PURPOSE & KEY POINTS

The purpose of this item is to review and discuss the 2023-24 special committee work plan.

BACKGROUND INFORMATION

The Special Committee on Academic Health was established in July 2023 by Board Chair Mayeron. The special committee’s charge is as follows:

The Special Committee on Academic Health will oversee the University’s academic medical enterprise and clinical partnerships. The special committee will build the Board’s understanding and capacity in this area and make recommendations to the Board related to the [MPact Health Care Innovation proposal](#) and clinical partnership arrangements. The committee will advise the administration on academic medical strategy and help propel health sciences toward a clinical partnership plan that will champion medical education, improve clinical care, and more fully serve the people of Minnesota.

**Special Committee on Academic Health
2023-24 Work Plan**

Date	Topics
2023	
September 7-8	<ul style="list-style-type: none"> • Review of Special Committee Charge and Priorities for the Year • Overview of the University’s Health Sciences • Update on Governor’s Task Force on Academic Health at the University of Minnesota • Academic Affiliation Agreement with CentraCare – Review
October 12-13	<ul style="list-style-type: none"> • 2023-24 Committee Work Plan • Academic Affiliation Agreement with CentraCare – Action The special committee will act on the proposed Academic Affiliation Agreement with CentraCare. • Update on the Governor’s Task Force on Academic Health at the University of Minnesota This item will give an update on the Governor’s Task Force to Ensure Nation-Leading Health Professions Education. • Overview of M Health Fairview This item will provide an overview of the current M Health Fairview structure. The conversation will focus on how the current structure was formed and outline how it currently operates. The item will provide the special committee with background knowledge for future discussions on this topic.
Fall 2023	<ul style="list-style-type: none"> • The University’s Health Sciences This special meeting will focus on each of the University’s six health sciences schools: the School of Dentistry, the Medical School, the School of Nursing, the College of Pharmacy, the School of Public Health, and the College of Veterinary Medicine. The deans from each school will provide a synopsis of their programs and illustrate the connections between the schools.
December 7-8	<ul style="list-style-type: none"> • The University and M Physicians The special committee will engage in a discussion focused on the relationship between the University and the University of Minnesota Physicians (M Physicians). The item will highlight how M Physicians interacts with the University and within M Health Fairview. • Input to the Governor’s Task Force on Academic Health at the University of Minnesota This item will outline the topics being discussed by the Governor’s Task Force to Ensure Nation-Leading Health Professions Education. The conversation will explore those topics and give the special committee an opportunity to provide feedback to the University’s task force representatives. • M Health Fairview Update The item will provide an update on the M Health Fairview relationship.

2024	
February 8-9	<ul style="list-style-type: none"> <p>• Governor’s Task Force on Academic Health at the University of Minnesota Final Report and Next Steps The special committee will discuss the final report of the Governor’s Task Force to Ensure Nation-Leading Health Professions Education. The item will outline the University’s approach to the report’s findings and recommendations, and how those interact with the MPact Health Care Innovation proposal.</p> <p>• University Health Sciences Across the State The special committee will learn about the various ways the University’s health sciences impact people across Minnesota. The item will highlight work across the system with specific focus on programs housed on the Duluth and Rochester campuses, along with other programs focused on rural health and medical staff shortages.</p>
May 9-10	<ul style="list-style-type: none"> <p>• National Trends and Models for Academic Medical Centers This item will focus on current national trends and models at academic medical centers. The special committee will discuss the elements from these different models that might be helpful to consider for the University.</p> <p>• Minnesota Clinical Care Market Overview The special committee will receive an overview of the clinical care market within Minnesota. The item will give context on where the University fits within that market, and the opportunities and challenges that presents.</p>
June 13-14	<ul style="list-style-type: none"> <p>• Outcomes of the 2024 Legislative Session on the University’s Health Sciences The special committee will assess the outcomes of the 2024 legislative session and how they impact the University’s academic medical enterprise and clinical partnerships. The item will discuss how those outcomes influence implementation of the MPact Health Care Innovation proposal.</p> <p>• M Health Fairview Update The item will provide an update on the M Health Fairview relationship.</p>



BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Health

October 12, 2023

AGENDA ITEM: Academic Affiliation Agreement with CentraCare

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Jakub Tolar, Dean of the Medical School and Vice President for Clinical Affairs
Ken Holmen, President and CEO, CentraCare

PURPOSE & KEY POINTS

The purpose of this item is for the committee to act on the proposed academic affiliation between the University of Minnesota Medical School and CentraCare. The affiliation will create a regional campus of the Medical School based at CentraCare to improve access to high-quality care in rural Minnesota. The affiliation will also create CentraCare-sponsored residencies, and a co-led research institute to focus on rural health challenges.

Following the special committee’s review in September 2023, Section 10.2.5 of the affiliation agreement was amended to make the agreement contingent upon approval of a final financial plan. To develop the financial pro forma, both parties engaged Kaufman Hall to assess the financial needs and funds flow opportunities for the partnership. The plan based off that information is included in the docket for the special committee’s information. The final financial plan will be presented to the Board’s Finance & Operations Committee for review at the December 2023 meeting and anticipated action at the February 2024 meeting. Other changes to the affiliation agreement since review include clarifying language about accrediting bodies requested by Executive Vice President and Provost Croson.

BACKGROUND INFORMATION

After a non-binding Statement of Interest was approved by the Board in February 2023, both organizations began building out the specific steps necessary for faculty and the Liaison Committee on Medical Education (LCME) approval of a regional campus for the Medical School, the approvals for new residency slots, and work to gain community and philanthropic support for the affiliation. CentraCare and the University received legislative funding to support this initiative in 2023—\$5 million for the facility and \$10 million for programmatic support.

CentraCare has also conducted a third-party assessment of their philanthropic opportunities, and pending Board approval of this affiliation, together with the University of Minnesota Foundation,

plan to begin a \$50 million campaign to support this effort which is aimed at making rural lives healthier.

The Definitive Agreement will bring together the core capabilities of the Medical School and CentraCare to advance:

- a regional campus of the Medical School based at CentraCare (proposed 24 students per year);
- expanded residency programming in rural physician-shortage areas (for example in mental health, pediatrics, and general surgery);
- a new footprint in clinical research focused on rural health; and
- exploration of new collaborations between CentraCare and University of Minnesota Physicians.

The Medical School and CentraCare have existing relationships with a family medicine residency, clinical care in Orthopedics, and a new rural training track grant.

CentraCare is one of the largest health systems in Minnesota. It includes 8 hospitals (including St. Cloud Hospital) and 30 clinic locations, home care, urgent care, outpatient surgery centers, pharmacy, and senior services across a large geographic area in central Minnesota.

INTERIM PRESIDENT'S RECOMMENDATION

The Interim President recommends approval of the Academic Affiliation Agreement with CentraCare.

MASTER RURAL HEALTH ACADEMIC AFFILIATION AGREEMENT

This Master Rural Health Academic Affiliation Agreement (“Agreement”) is made and entered into by and between the Regents of the University of Minnesota (the “University”) and CentraCare Health (“CentraCare”) as of _____, 2023. The University and CentraCare may each be referred to herein individually as a “Party” and collectively the “Parties.”

RECITALS

A. The University of Minnesota Medical School (“UMMS”), being one of the largest medical schools in the country and a leader in medical education and research, currently has two campuses, one based in the Twin Cities and one based in Duluth, Minnesota. As the land grant institution in the state of Minnesota, the University is committed to serving the needs and interests of rural Minnesota, and by this Agreement desires to add an additional medical school campus and otherwise enhance the availability of its health-related education and research missions in rural Minnesota.

B. CentraCare Health System is a full spectrum health care system with roots going back to 1886 when St. Cloud Hospital was built to serve the health care needs of people living in Central Minnesota. In 1995, CentraCare was formed, which today includes nine hospitals in St. Cloud, Benson, Long Prairie, Melrose, Monticello, Paynesville, Redwood Falls, Sauk Centre and Willmar and more than 30 clinics.

C. The Parties desire to bring together their strengths and capabilities to expand medical education, and improve access to clinical and medical research and high-quality healthcare in rural Minnesota, with a specific focus on St Cloud and other parts of the west and southwest central Minnesota area, by collaboratively developing, overseeing, and operating a comprehensive rural health program that seamlessly combines the core capabilities of CentraCare and UMMS to advance rural healthcare focused academic, research, and clinical activities (the “Affiliation”).

D. This Agreement is intended to govern the Parties’ relationship for the Affiliation, generally. The Parties expect that their relationship around a rural health collaboration will evolve and grow over time, and the particulars of each arrangement for the relationship may be set forth in one or more additional agreements (“Related Agreement”), with each particular Related Agreement being entered into consistent with this Agreement and applicable policies and procedures of each Party.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties hereby agree as follows:

ARTICLE 1

UMMS ST. CLOUD REGIONAL MEDICAL CAMPUS; COMMITMENT OF SUPPORT

- 1.1 **University Program Expansion.** The University, through UMMS, in collaboration with CentraCare, and in reliance on the commitments being made by CentraCare in this Agreement and in Related Agreements, is committed to:
 - 1.1.1 Establishing a regional medical school campus in St. Cloud, Minnesota (the “UMMS St. Cloud Regional Medical Campus”) for undergraduate medical education delivered to post-baccalaureate medical students (“UME”);
 - 1.1.2 Upon agreement with CentraCare, expanding the number of graduate medical education residency and fellowship programs sponsored by the University and connected to CentraCare hospitals (current and future medical residencies and fellowships referred to in this Agreement as the “CentraCare Based Residencies and Fellowships”), as well as other health-sciences school training opportunities; and
 - 1.1.3 Advancing medical research with the purpose of bettering the health of rural residents, through a jointly-directed Rural Health Research Institute or otherwise, and expanding patient access to clinical trials throughout CentraCare.
- 1.2 **Facilities.** CentraCare will repurpose existing facilities and/or will construct new facilities on a regional campus in St. Cloud, Minnesota, with the purpose of creating a facility with sufficient space to house, at no cost to UMMS, substantially all applicable planned Affiliation activities. UMMS will have appropriate input (via the Oversight Committee described herein or as otherwise agreed to) into such repurposing and/or construction activities to ensure alignment with UMMS’s needs as tenant. Details of space use for the UMMS St. Cloud Regional Medical Campus by UMMS shall be set out in a separate Space Use Agreement between CentraCare and the University. Without limiting the requirements set forth in such Related Agreement, CentraCare shall ensure that it provides UMMS with the type and quality of space that is consistent with a campus that represents a top-decile medical school, as reasonably determined by the Oversight Committee. A Facilities Subcommittee of the Oversight Committee will be established to provide ongoing oversight over UMMS St. Cloud Regional Medical Campus facilities matters.
- 1.3 **Financial Commitments.** During the term of this Agreement and any Unwind Period described in Section 10.3 of this Agreement, the Parties agree to 1) be fiscally responsible, 2) provide financial transparency, 3) have shared accountability for financial performance; provided that nothing in these foregoing principles shall modify the obligations of CentraCare to the University under this Agreement.

UMMS will operate the UMMS St. Cloud Regional Medical Campus with commensurate funding and operating expenses as compared to the UMMS Twin Cities and Duluth Campuses as normalized for differences in enrollment where appropriate in the reasonable discretion of UMMS. UMMS agrees to provide monthly financials, quarterly financial projections for the fiscal year, an annual budget, and a five-year financial projection. CentraCare will provide in kind, as reimbursement to the University, or as direct payment, all funding and other resources necessary to cover all deficiencies due to the University's cost of operation of the UMMS St. Cloud Regional Medical Campus.

CentraCare and UMMS will agree upon an initial budget to fund the UMMS St. Cloud Regional Medical Campus. CentraCare will provide the same level of funding as the original budget plus any increase in non-discretionary expenses outside the control of UMMS. Examples are, but not limited to, inflation, increased labor or supply costs, University-mandated salary increase, University-mandated fringe benefit increase, University-mandated increase of budget model costs (corporate allocations) and increases in approved software to support curriculum. Any material changes to budget outside of increases in non-discretionary expenses requires approval by CentraCare CEO and UMMS Dean of the Medical School at the recommendation of the Oversight Committee. Such approval will not be unreasonably withheld. Details of financial support for undergraduate medical education from CentraCare to UMMS, including development of an annual budget, will be set forth in a separate UME Support Agreement to be signed by the Parties, which shall be a Related Agreement under this Agreement.

In the interest of advancing the research mission of UMMS and increasing research with the purpose of improving the health of rural residents, the Parties agree to 1) leverage the research support infrastructure of UMMS, 2) develop the research infrastructure at CentraCare in a manner that does not conflict with either party's research priorities, and 3) consider the creation of a joint-directed Rural Health Research Institute as part of the Parties desire to advance medical research in rural Minnesota. For the purposes of shared financial support, unfunded research support costs of the Rural Health Research Institute will be pooled and supported equally by both parties. Rural Health Research Institute funding will be limited to an annual budget recommended by the Oversight Committee and approved by the CentraCare CEO and the UMMS Dean of the Medical School. Additional funding above and beyond the approved budget requires joint approval of both parties upon recommendation from the Oversight Committee. Details of financial support for research from CentraCare to UMMS, including development of an annual budget, will be set forth in a separate Research Support Agreement to be signed by the Parties, which shall be a Related Agreement under this Agreement.

In the interest of supporting the medical resident and fellowship training programs contemplated by the Affiliation, the parties agree to 1) provide a positive learning environment for the development of appropriate skills and professionalism in residents and fellows, 2) ensure that residents and fellows have access to sufficient resources, 3) cooperate in the planning, formation and evaluation of all resident and fellow clinical education assignments and sites, and 4) commit to programmatic growth as agreed upon by both parties. CentraCare will provide financial support to UMMS for the

administration of Residency and Fellowship rotations at CentraCare at an amount consistent with the financial support methodologies of the Metro Minnesota Council on Graduate Medical Education (MMCGME). Details of financial support for graduate medical education from CentraCare to UMMS, including development of an annual budget, will be set forth in a separate GME Support Agreement to be signed by the Parties, which shall be a Related Agreement under this Agreement.

Notwithstanding anything to the contrary, CentraCare's obligation to provide the level of funding described in this Section 1.3 shall not be reduced or modified by any Related Agreement.

A Finance Subcommittee of the Oversight Committee will be established to provide ongoing oversight and strategy for financial matters related to the Affiliation.

Consistent with the commitments in this Section 1.3, the Parties will develop a financial plan for the Affiliation for approval by each respective Party (the "Financial Plan").

- 1.4 **Student Transition Support.** The Parties will coordinate activities, as permitted and as appropriate, to encourage learners to explore a transition from medical school to CentraCare Based Residencies and Fellowships, and from CentraCare Based Residencies and Fellowships to practicing in rural Minnesota.
- 1.5 **Academic Leadership.** The Parties will collaborate to appoint an academic leader who will report to the UMMS Dean, to oversee and coordinate undergraduate medical education for the UMMS St. Cloud Regional Medical Campus. The academic leader will have a UMMS faculty appointment and will have a title such as Regional Campus Dean or other title consistent with other UMMS campuses. Other academic leaders may include a Regional Campus Assistant Dean for UME who will report to the Senior Associate Dean for UME.
- 1.6 **University Faculty Body.** University faculty at the UMMS St. Cloud Regional Medical Campus will be organized into organizational units as determined by UMMS, such as departments, based on the assessment of the UMMS Dean or his/her designee in consultation with the Regional Dean.
- 1.7 **University/UMMS.** UMMS is a part of the University. For purposes of this Agreement, the terms University and UMMS will be considered interchangeable when describing or relating to rights, authorities and responsibilities under this Agreement, regardless of which term is used to express a right, authority or responsibility.

ARTICLE 2 AFFILIATION OVERSIGHT COMMITTEE

- 2.1 **Establishment.** The Parties desire to establish an oversight committee (the "Oversight Committee") for the Affiliation. The Oversight Committee will be advisory in nature.

Nothing in this Agreement shall modify or alter a Party's authority to make decisions for such Party regarding the subject of this Affiliation, a Party's responsibilities for satisfying accreditation standards, or the application of policies and procedures of any Party.

- 2.2 **Composition.** Unless otherwise agreed in writing by the Parties, the Oversight Committee will consist of eight (8) persons who will provide advice, subject matter expertise, and additional support for the Affiliation. Each Party will appoint four (4) persons to the Oversight Committee. Each member of the Oversight Committee will have the right to a "vote" on matters. The Oversight Committee will use a co-Chairs leadership model, with each of the Parties appointing one (1) co-Chair.
- 2.3 **Advisory Activities.** The Oversight Committee will confer on matters related to the Affiliation and affecting both Parties, with the goal of reaching consensus on matters relating to the Affiliation and making recommendations regarding those matters to the CentraCare CEO and UMMS Dean. To facilitate this consensus approach, a matter being reviewed by the Oversight Committee will be considered to be supported by the Oversight Committee if at least a supermajority (majority + 1) of a quorum votes in favor of the matter. Seven (7) members of the Oversight Committee present at a meeting (which may be in person or held by Zoom or other virtual meeting platform) make a quorum. In the event the Oversight Committee is unable to reach a consensus on a matter, such matter will be escalated to the CentraCare CEO and the UMMS Dean for their mutual consideration and possible resolution.
- 2.4 **Function.** The Parties mutually desire to maximize the use of the Oversight Committee for matters concerning the Affiliation's development, oversight, and operation, understanding that each Party retains authority over matters necessary for accreditation, governance and other business and operational matters that would not be appropriate to delegate to, or for which a Party may not have authority to delegate to, the Oversight Committee. The Oversight Committee's authority related to the Affiliation may include, but not be limited to, each of the following:
- 2.4.1 **Administrative.**
- a. Creating strategic plans for the Affiliation for presentation to the CentraCare CEO and UMMS Dean, and upon approval of the CentraCare CEO and UMMS Dean, or other authorized representatives, facilitating the execution of such strategic plans.
 - b. Ensuring alignment of the Affiliation with CentraCare and UMMS strategies and key initiatives.
 - c. Developing annual and long-range financial and capital plans for presentation to the CentraCare CEO and UMMS Dean for consideration.
 - d. Prioritizing deployment of academic mission support funds specific to the Affiliation for consideration by the CentraCare CEO and UMMS Dean.

- e. Overseeing the funds flow model and CARTS (clinical, administrative, research, teaching, strategic) with an overarching purpose to fund and incentivize aligned missions and goals of the organizations, including the annual budget, for the Affiliation.
- f. Defining areas of focus for philanthropic fundraising and funding targets, and overseeing CentraCare and UMMS joint fundraising initiatives. The Oversight Committee will recommend fundraising priorities to the CentraCare CEO and the UMMS Dean. The Oversight Committee will monitor progress towards these priorities and work with CentraCare Health Foundation and University of Minnesota Foundation to achieve fundraising goals.

2.4.2 Teaching: Medical and non-physician education.

- a. Collaborating with UMMS educational leadership to ensure educational programs fulfill the Affiliation's rural health education vision and with accreditation requirements. Notwithstanding anything to the contrary herein and consistent with all accreditation and regulatory requirements, UMMS retains full control over the educational programs for the UMMS St. Cloud Regional Medical Campus.
- b. Recommending members to serve on the UMMS Admissions Committee.
- c. In consultation with the UMMS Vice Dean for Education, recommending strategic growth plans for the UMMS St. Cloud Regional Medical Campus in alignment with community needs.
- d. Promoting team-based education for non-physicians, such as nursing, medical technicians, and other care providers.

2.4.3 Teaching: Residency and Fellowship program.

- a. Recommending residency and fellowship programs and their sizes as related to the Affiliation, and funding models.
- b. Ensuring training tracks are consistent with the Affiliation's training vision.
- c. Identifying and creating collaborations with UMMS-managed residency and fellowship programs.

2.4.4 Research.

- a. Developing the Affiliation's rural health specific research mission.
- b. Identifying rural health related areas of focus and working with UMMS Vice Dean for Research to target grant and philanthropic funding.
- c. Collaborating with CentraCare leadership to execute research initiatives within clinical operations.
- d. Oversee any jointly-developed and directed Rural Research Institute that advances the research mission of UMMS, expands research by CentraCare

clinicians, and translates research into clinical therapies, procedures, and protocols.

2.4.5 Clinical services.

- a. Identifying potential collaborations between the CentraCare and UMMS practice plan (UMP) to ensure patients receive the optimal care, including care close to home whenever possible.
- b. Setting expectations for, and monitoring achievement of, quality outcomes, trainee experience and patient experience for areas of clinical collaborations within the scope of the Affiliation.

2.5 **Subcommittees.** To assist its work, the Oversight Committee may appoint subcommittees, such as a Facilities Subcommittee, a Finance Subcommittee, a Research Subcommittee, and any other subcommittee that the Operating Committee determines would be helpful for the Affiliation.

2.6 **Reserved Powers.** By way of example only, and not as an exhaustive list, the following powers are reserved to CentraCare (or CentraCare affiliates) and the University, individually. In exercising its powers, a Party will consider the recommendations of the Operating Committee, but is not bound by such recommendation:

- 2.5.1 Approval of its operating and capital budgets, including for Affiliation activities; provided that a Party must honor its financial obligations hereunder.
- 2.5.2 Approval of material changes in the Affiliation's scope, purpose, or activities.
- 2.5.3 Dissolution of the Affiliation.
- 2.5.4 Approval of contracts to be entered into by CentraCare or UMMS, respectively, related to Affiliation activities.
- 2.5.6 Approval of any matters required by accreditors or other third parties.

2.7 **Transparency.** Each Party commits to transparency and to providing the Oversight Committee and the other Party the requisite data and information, as may be reasonably requested, that is required to make informed decisions regarding the Affiliation. Such information includes, but is not limited to, appropriate financial, operational, clinical, and other data and information. The Parties agree to enter into appropriate non-disclosure agreements prior to exchanging such information; provided that such agreements must provide that obligations of non-disclosure do not apply when a disclosure is required by law.

ARTICLE 3
UNDERGRADUATE MEDICAL EDUCATION

- 3.1 **UMMS Campus; Accreditation.** The UMMS St. Cloud Regional Medical Campus will be a regional medical campus of UMMS and part of the University. While collaborating with CentraCare as described herein, the University will retain authority and responsibility over all traditional matters of academic administration, which includes the establishment of standards and requirements for student admission, development of the curriculum, standards for faculty appointment and advancement, and requirements for student matriculation, advancement, financial aid, conduct, grading and graduation. CentraCare agrees to cooperate with the University, and to make changes to this Agreement and otherwise take reasonable action, to ensure the operations of the UMMS St. Cloud Regional Medical Campus, initially and continually satisfies all University and UMMS requirements for accreditation, including but not limited to requirements of the Liaison Committee on Medical Education (“LCME”) and requirements of the Higher Learning Commission (“HLC”). During the term of this Agreement, CentraCare will identify a representative, who shall at all times be acceptable to the University, to serve on the UMMS Medical School Education Committee (“MSEC”).
- 3.2 **Commencement of Instruction; Class Size.** The Parties agree to work collaboratively toward the commencement of undergraduate medical education (“UME”) instruction at the UMMS St. Cloud Regional Medical Campus by August 2025. The Parties estimate a total UME enrollment for the UMMS St. Cloud Regional Medical Campus of 96 students at maturity (targeted in 2028). The Parties, through the Oversight Committee, shall create a strategic plan to determine UME class sizes for the UMMS St. Cloud Regional Medical Campus, based on the availability of faculty and preceptors and other relevant factors, including but not limited to, additional resources from CentraCare or other sources to support an increase in administrative and curricular functions. Increases or decreases in UME class sizes must adhere to LCME and other accreditation requirements, and if such increases or decreases are more than ten percent (10%), approval of both Parties shall be required prior to implementation.
- 3.3 **Tuition and Fees.** Tuition and fees for medical education and other clinical and professional degree programs of the University, including at the UMMS St. Cloud Regional Medical Campus, shall be set by the University and shall be retained by the University. Tuition and fees received by the University from or on behalf of medical students at the UMMS St. Cloud Regional Medical Campus shall be fairly allocated by the University as revenue for the UMMS St. Cloud Regional Medical Campus.
- 3.4 **UMMS Responsibilities and Authorities.**
- 3.4.1 UMMS will have authority over the standards for selection of students, curriculum, grading and student evaluation, and other core components of the

academic program.

- 3.4.2 UMMS will be responsible for the appointment and, in consultation with CentraCare, the assignment of faculty to the UMMS St. Cloud Regional Medical Campus UME program, and accountability for such roles will rest with the UMMS Dean. UMMS will make available faculty development training to such individuals.
- 3.4.3 UMMS will have overall responsibility for developing and supervising the design, delivery, quality and curriculum of the medical education program and for ensuring its effective implementation.
- 3.4.4 UMMS will provide CentraCare with educational objectives and evaluation forms for each clinical education assignment.
- 3.4.5 UMMS will manage student registration, scholarship fund administration, and tuition collection. CentraCare, in collaboration with UMMS, will administer scholarship funds from CentraCare philanthropic sources in alignment with mutually agreed to principles and process.

3.5 **CentraCare Responsibilities and Authorities.**

- 3.5.1 CentraCare and CentraCare affiliates will have and maintain the same level of authority and autonomy as expressed in their governing documents throughout this Agreement.
- 3.5.2 CentraCare will identify physicians affiliated with CentraCare who would be eligible pursuant to UMMS policies to serve as UMMS faculty for the UMMS St. Cloud Regional Medical Campus, as well as other needed instructors, in the numbers, for the courses, and with the credentials necessary for the educational needs of UME students at the UMMS St. Cloud Regional Medical Campus. Unless otherwise determined on an individual basis from time to time by the University:
 - (a) Faculty for the teaching of basic science courses will be provided by UMMS or will be fulfilled by professors from local colleges under the direction of UMMS departments;
 - (b) Faculty for medical school clinical training will be provided by CentraCare, with augmentation by UMMS providers over time upon agreement of the University.

- 3.5.3 CentraCare will be responsible for providing access to its hospitals, facilities and technology for training experiences necessary for medical students at the UMMS St. Cloud Regional Medical Campus or other CentraCare facilities or agree to utilize UMMS's other campuses or affiliates if such access were to be in development, or if temporarily or permanently unavailable. The Parties will be, throughout the term of this Agreement, parties to an agreement of institutional and program affiliation, in the form acceptable to the University. Currently, the Parties are parties to that certain Master Agreement of Institutional and Program Affiliation (the "Master AIPA") dated January 1, 2021. If necessary, the Parties agree to amend the Master AIPA to ensure students at the UMMS St. Cloud Regional Medical Campus are covered under the Master AIPA, with any amendments to the Master AIPA that may be necessary to ensure there is no conflict with this Agreement. In the event of any conflicts between the terms of the Master AIPA and this Agreement, this Agreement shall govern.
- 3.5.4 CentraCare shall use commercially reasonable efforts to increase the number of teaching opportunities to ensure that clerkships and electives are available for UMMS medical students.

3.6 **Joint Responsibilities.**

- 3.6.1 The Parties will have responsibility, and will work out effective means, to ensure a positive learning environment for the development of appropriate skills and professionalism in students.
- 3.6.2 The Parties will ensure that students have access to sufficient resources (facilities, support services, access to medical library or online resources) for an effective learning environment, in accordance with applicable accreditation standards.
- 3.6.3 The Parties will cooperate in the planning, coordination and evaluation of all student clinical education assignments and sites, including determining the number of students to be assigned to particular hospital facilities and ambulatory care sites for clinical educational experiences.
- 3.6.4 Neither Party shall discriminate against any student on the basis of a protected class under state or federal law.
- 3.6.5 The Parties shall work together to ensure the UMMS St. Cloud Regional Medical Campus will comply with all LCME and HLC requirements. While the University has ultimate responsibility for compliance with LCME and HLC requirements, CentraCare agrees that it will take all necessary action within its power to assist the University in achieving and maintaining LCME and HLC compliance, both

during the application process for the UMMS St. Cloud Regional Medical Campus and continuously during the term of this Agreement.

ARTICLE 4
MEDICAL RESIDENCY AND FELLOWSHIP TRAINING

- 4.1 **CentraCare Based Residencies and Fellowships.** CentraCare agrees to grow the number of medical residencies and fellowships connected to CentraCare and sponsored by the University. The Parties will work collaboratively to identify opportunities for growth. The CentraCare Based Residencies and Fellowships have an initial target of 55 residents at maturity (targeted in 2028) including, but not limited to, family medicine (legacy and additional slots), family medicine – rural track, pediatrics, mental health, and surgery residents. This expansion of residency/fellowship slots will be dependent on added ongoing funding to sustain such slots. Clinical training for CentraCare Based Residencies and Fellowships will occur at CentraCare facilities and, as needed, other hospitals or medical facilities already affiliated with UMMS in Minnesota.
- 4.2 **Accreditation.** CentraCare agrees to cooperate with the University, and to make changes to this Agreement and otherwise take necessary action, to ensure the CentraCare Based Residencies and Fellowships initially and continually satisfy all requirements for accreditation, including but not limited to requirements of the Accreditation Council for Graduate Medical Education (“ACGME”) and HLC requirements.
- 4.3 **AIPA.** The Parties will enter into one or more Agreements for Institutional and Program Affiliation, or a Master Agreement, covering all CentraCare Based Residencies and Fellowships, with the University and CentraCare’s rights and responsibilities set forth therein. Such agreement(s) must meet all ACGME requirements, including, where required, having a program letter of agreement. Such agreement(s) will set forth CentraCare financial obligations to the UMMS for the University’s sponsorship of the CentraCare Based Residencies and Fellowships.
- 4.4 **UMMS Responsibilities and Authorities.** Without limiting rights and responsibilities of UMMS under the agreement(s) referenced in Section 4.3:
- 4.4.1 UMMS will act as the sponsoring institution and shall have authority over all components of the academic program for CentraCare Based Residencies and Fellowships.
- 4.4.2 UMMS will maintain ACGME institutional accreditation.
- 4.4.3 The UMMS Designated Institutional Official (DIO), will collaborate with the Graduate Medical Education Committee (GMEC), and will have authority and responsibility for the oversight and administration of all ACGME-accredited and

non-ACGME accredited programs and ensure compliance with the ACGME Institutional, Common, Specialty-/subspecialty-specific Program, and Recognition Requirements.

4.5 **CentraCare Responsibilities and Authorities.** Without limiting rights and responsibilities of CentraCare under the agreement(s) referenced in Section 4.3:

- 4.5.1 CentraCare will provide preceptors for CentraCare Based Residencies and Fellowships, as augmented by UMMS providers as agreed to by the University.
- 4.5.2 CentraCare will provide non-faculty administrative support staff for CentraCare Based Residencies and Fellowships.
- 4.5.3 CentraCare will seek to maximize the level of direct GME payments (GME), indirect medical education payments (IME), and medical education and research costs (MERC) funding in support of the residency and fellowship programs and contribute proportionally to the costs of reporting requirements for GME and MERC reporting.
- 4.5.4 CentraCare will work to ensure residents have access to facilities and other clinical resources necessary for their training or cooperate with other facilities already affiliated with UMMS to ensure the same resources as necessary.
- 4.5.5 A CentraCare representative will be provided an opportunity to serve on the Graduate Medical Education Committee (GMEC).

4.6 **Joint Responsibilities.**

- 4.6.1 The Parties will have responsibility, and will work out effective means, to ensure a positive learning environment for the development of appropriate skills and professionalism in residents.
- 4.6.2 The Parties will ensure that residents and fellows have access to sufficient resources (facilities, support services, access to medical library or online resources) for an effective learning environment, in accordance with applicable accreditation standards.
- 4.6.3 The Parties will cooperate in the planning, coordination and evaluation of all resident and fellow clinical education assignments and sites, including determining the number of residents and fellows to be assigned to particular hospital facilities and ambulatory care sites for clinical educational experiences.

- 4.6.4 Neither Party shall discriminate against any resident or fellow on the basis of a protected class under state or federal law.
- 4.6.5 The Parties shall work together to ensure the CentraCare Based Residencies and Fellowships will comply with all ACGME requirements. While the University has ultimate responsibility for compliance with ACGME requirements, CentraCare agrees that it will take all necessary action within its power to assist the University in achieving and maintaining ACGME compliance during the term of this Agreement.

ARTICLE 5 CLINICAL AND MEDICAL RESEARCH

- 5.1 **NIH Funding.** The Parties will collaborate to leverage the University research infrastructure to advance access to clinical trials and expand rural health focused research through the Affiliation. All National Institutes of Health and other external funding applications for such research will be submitted through the University and attributed to UMMS for all purposes, including Blue Ridge Institute for Medical Research purposes.
- 5.2 **Expansion of Research.** Goals of the Affiliation for clinical and medical research are to expand access to University clinical trials to patients within CentraCare, to create research opportunities for CentraCare physicians, to provide research opportunities for students and residents, and to create rural community engagement around clinical and medical research.
- 5.3 **Research Agreements.** The Parties will enter into separate agreements as appropriate for specific research initiatives for the Affiliation.
- 5.4 **Research Subcommittee.** A Research Subcommittee of the Oversight Committee will be established to provide ongoing oversight and strategy for Affiliation research matters.

ARTICLE 6 CLINICAL CARE

The Parties recognize that clinical services provided to CentraCare patients are through arrangements between CentraCare and UMMS's faculty practice plan, University of Minnesota Physicians, which is separate from the University and UMMS and outside the scope of this Agreement. The Parties recognize that faculty providing clinical services also engage in the University's academic mission (teaching and research) and CentraCare will use good faith efforts to ensure that faculty hired for the UMMS St. Cloud Regional Medical Campus are granted necessary privileges at CentraCare hospitals in an efficient and timely manner to support the academic activities of such faculty as they intersect with their clinical services.

ARTICLE 7 SOURCES OF SUPPORT

- 7.1 **Income/Expenses**. Direct and indirect income and expenses (including capital expenditures) will benefit and will be borne by the Party earning or incurring the same, without allocation or other sharing with the other Party except as mutually agreed to and specified in this Agreement or a Related Agreement. Nothing in this Article changes CentraCare's obligations to fund all deficiencies of the Affiliation as set forth in Section 1.3.
- 7.2 **Outside Funding**. It is anticipated by the Parties that Affiliation activities will result in net negative cash flow (i.e., a deficiency). The Parties will pursue outside funding sources to minimize such losses, including the following. Whether pursued independently or jointly, each Party will keep the Oversight Committee and the other Party informed regarding such activities.
- 7.2.1 The Parties will jointly approach the State of Minnesota to pursue state funding opportunities.
- 7.2.2 The Parties may independently or jointly pursue grant funding opportunities.
- 7.2.3 Each Party will utilize its respective philanthropic fundraising infrastructure to raise funds for Affiliation activities. While philanthropic fundraising activities will primarily be undertaken by each of the Party's independently, the Parties will evaluate the potential to jointly pursue appropriate fundraising initiatives. Any agreements regarding fundraising, including naming rights arising out of a Party's fundraising activities, will be set forth in a separate written agreement between the Parties or their authorized fundraising organizations.
- 7.3 **Debt Financing**. Any debt issued to finance Affiliation activities will be a liability of the Party issuing the debt without obligation of the other Party.

ARTICLE 8 BRANDING

- 8.1 **No Use of Other Party Name or Logo**. Neither Party shall use the name or logo of the other Party, or otherwise hold itself out in a manner that attaches its name to the other Party's operations, without the prior, written consent of the other Party.
- 8.2 **Branding Agreement**. The Parties will enter into a separate Branding Agreement, which shall be a Related Agreement, regarding branding for the Affiliation and Affiliation activities, including the UMMS St. Cloud Regional Medical Campus.

ARTICLE 9 GOVERNING BODIES

- 9.1 **Independent Governing Bodies.** The Parties recognize that they each are, and will continue to be, governed by separate governing bodies (the University by the Board of Regents and CentraCare by the CentraCare Board of Directors), and that nothing in this Agreement modifies the rights and responsibilities of those governing bodies.
- 9.2 **University Authority.** Nothing in this Agreement is intended to or shall be interpreted to alter or reduce the ultimate authorities of the Board of Regents, University executive leadership, or faculty bodies over traditional matters of academic governance, such as, but not limited to standards for admission and evaluation of students or trainees, curriculum, compliance with accreditation requirements, standards for appointment, advancement and conduct of faculty, scientific integrity and the conduct of research, technology transfer and commercialization of research arising from faculty/student/trainee efforts, and faculty code and faculty rights.
- 9.3 **CentraCare Authority.** Nothing in this Agreement is intended to or shall be interpreted to alter or reduce the ultimate authorities of the CentraCare Board of Directors or its affiliated subsidiaries and their governing bodies, its executive leadership over traditional matters of health system governance, such as, but not limited to finance, information technology, human resources, audit, compliance, risk assumption and related health care operations of CentraCare.
- 9.4 **Retention of Authorities.** Each Party retains sole and ultimate authority over its assets, facilities, finances, operations, personnel, governance and mission.

ARTICLE 10 TERM AND TERMINATION

- 10.1 **Term.** The initial term of this Agreement shall commence on the date that this Agreement is fully executed by the Parties and, except for earlier termination pursuant to Section 10.2, shall continue through June 30, 2038 (the “Initial Term”). Unless terminated pursuant to Section 10.2, following the Initial Term, this Agreement shall automatically renew for additional terms (each a “Renewal Term”) of five (5) years each.
- 10.2 **Termination.** This Agreement may be terminated as follows; provided that, except for a termination described in subsection 10.2.5 for which there will not be an Unwind Period, a termination shall be subject to the Unwind Period set forth in Section 10.3:
- 10.2.1 By a mutual written agreement executed by the Parties.

- 10.2.2 Upon at least thirty six (36) months' prior written notice from one Party to the other Party that the Party is electing not to renew the Agreement following the end of the then current Initial Term or Renewal Term, as applicable.
- 10.2.3 By the non-breaching Party in the event of a Major Breach by a Party which remains uncured and is not resolved via the dispute resolution process described in Article 11. Major Breach shall mean a failure or deficiency of performance or breach of obligations by a Party that is not duly cured and that causes (a) harm to a Party exceeding \$100,000; (b) material, ongoing harm to the Party's reputation; or (c) material, ongoing harm to a Party's operations or performance.
- 10.2.4 At the election of the Party not involved in a Change of Control, in the event of a Change of Control of another Party. For these purposes, "Change of Control" shall mean a change in the person or entity that has effective ownership or control of such other Party, and shall include, but not be limited to (a) merger or consolidation of a Party with or into another corporation or entity; (b) sale or other disposition of all or substantially all the assets of such Party (in one transaction or a series of transactions); (c) the transfer or grant of any membership interest in that Party to a third party; (d) addition of new or additional members to the Party; (e) action to liquidate or dissolve the Party; (f) substantial change in the composition of the Party's governing Board or the person(s) having the authority to appoint voting members of the Party's governing Board (except through ordinary turnover of individuals as provided in the Bylaws); or (g) any other transaction resulting in one or more persons or entities obtaining material voting, approval, veto or other governance rights over the actions or activities of such Party, or a material financial interest in such Party (except consideration for tax-exempt or taxable financing or other customary financing activities conducted in the ordinary course of business and consistent with the Party's past practice), whether or not such person is designated as a "member," or is considered a "member" under applicable law.
- 10.2.5 By either party upon at least thirty (30) days' written notice to the other Party, if the Financial Plan described in Section 1.3 of this Agreement is not approved by the terminating Party through its governing body, or if approval is delegated to an authorized official, through an authorized official, by April 1, 2024, unless such date is extended by a writing signed by both Parties.
- 10.3 **Unwind Period.** The Parties agree to cooperate to ensure that a termination of this Agreement is the least disruptive as reasonably possible to students at the UMMS St. Cloud Regional Medical Campus and to residents in CentraCare Based Residencies and Fellowships. If the Agreement is terminated under Section 10.2 of this Agreement, the Parties shall unwind the Affiliation over time, in a manner that allows all medical students enrolled in or admitted at the UMMS St. Cloud Regional Medical Campus to graduate pursuant to the standard matriculation period and for all CentraCare Based Residencies and Fellowships to complete their residency program (the "Unwind

Period”). During the Unwind Period, the Parties shall continue to operate under the terms of this Agreement and the Related Agreements until the expiration of the Unwind Period, unless otherwise agreed by the Parties. Unless the University plans to continue operations of a UMMS St. Cloud Regional Medical Campus following the Unwind Period, no additional medical students will be enrolled to the UMMS St. Cloud Regional Medical Campus. In addition, the Parties will determine whether to continue, modify or terminate the CentraCare Based Residencies and Fellowships following the Unwind Period. During the Unwind Period, the Parties shall collaborate to reduce the operational impact and clinical disruption of services to the Parties of the unwinding of this Agreement and Related Agreements. Notwithstanding anything to the contrary herein, the University shall have the sole right to continue operations of a UMMS St. Cloud Regional Medical Campus following the Unwind Period; provided that if the University wishes to use facilities and resources of CentraCare in the University’s continued operation of the UMMS St. Cloud Regional Medical Campus, new agreements will need to be negotiated between the Parties for the University’s post-Affiliation use of CentraCare facilities and resources.

10.4 **Effect of Termination on Related Agreements; Termination Not Exclusive Remedy.**

At the end of the Unwind Period set forth in Section 10.3, unless otherwise agreed in writing by the Parties, all Related Agreements that do not cover ongoing relationships between the Parties shall also terminate. The right of a Party to terminate this Agreement or any Related Agreement shall be in addition to any other rights or remedies of such Party, including seeking damages or specific performance, under this Agreement or a Related Agreement.

**ARTICLE 11
DISPUTE RESOLUTION**

11.1 **Scope of Obligation.** In the event of any dispute between the Parties arising from or relating to this Agreement or any of the Related Agreements (a “Dispute”), a Party shall pursue the dispute resolution process set forth below.

11.2 **Definition of Dispute** The Parties agree that Disputes are divided into two categories: Payment Disputes and Other Disputes.

11.2.1 A “Payment Dispute” is any disagreement between Parties as to the amount or timing or method of calculating payments due from one Party to another under this Agreement or a Related Agreement.

11.2.2 An “Other Dispute” is any dispute that is not a Payment Dispute and is (a) any material disagreement regarding a Party’s obligations under this Agreement or a Related Agreement, (b) any asserted claim that a Party has breached or not performed to any material extent as required by this Agreement or a Related

Agreement, (c) an asserted claim that there has been a material, long-term failure to implement an important provision of this Agreement or a Related Agreement, or (d) a good faith claim that any material term of this Agreement or a Related Agreement has become materially unlawful.

11.3 **Progression of Disputes.** The process for addressing/resolving those Disputes is as follows:

11.3.1 **Informal Resolution.** The Parties desire to avoid Disputes or if a Dispute arises to resolve such Dispute in a collegial manner. The Parties will first attempt to resolve a matter that may become or has become a Dispute between the CentraCare CEO and the UMMS Dean. If the matter cannot be resolved at the CentraCare CEO/UMMS Dean level, the Parties will submit the matter to the CentraCare Board Chair and the University President for possible resolution.

11.3.2 **Special Master For Payment Disputes.**

- a. If the process of informal discussions and escalations as contemplated under Section 11.3.1 is unsuccessful in solving a Payment Dispute, a Party may submit the Payment Dispute to a Special Master, by written notice to the other Party. The Parties shall select the Special Master unanimously. The Special Master shall be a person with expertise with academic health care and integrated delivery systems, and shall be or become knowledgeable about the Parties' relationships under this Agreement. If the Parties are unable to agree upon the selection of a Special Master within ten (10) business days after notice of escalation from a Party, then each of them shall select an individual with appropriate expertise and these individuals will select the Special Master (without instruction as to individuals from the Parties).
- b. Each Party shall submit a written summary of the Payment Dispute, and the general nature of the payment solution sought, and provide it to the Special Master as soon as he/she is selected. The Special Master shall have the authority to require Parties to produce and share among themselves and with him/her relevant non-privileged documents. The Special Master shall meet with the Parties as soon as feasible, and as often as needed, but ideally the first meeting should take place no more than ten (10) business days after the Special Master is selected. The Special Master shall seek to decide the matter within thirty (30) days after submission, or as soon thereafter as the Special Master deems feasible. The Special Master shall undertake to mediate and resolve in a mutually acceptable way those Payment Disputes that prove amenable to such resolution, but he/she shall have the authority to accept one or another Party's payment proposals, or to devise a new payment solution, and to determine the matter whether or not the payment solution is acceptable in whole or in part to one or another party or to no Party. The Special Master shall endeavor to the maximum extent possible to adhere to and implement the terms of this Agreement and the Related Agreements. The Special Master shall not reform this Agreement or the Related Agreements. The Special

Master shall issue a written decision on the payment dispute, which shall be reviewed with the parties in draft form, and upon which they will be permitted to comment, within whatever reasonable time period the Special Master determines. The Special Master decision may initiate payment remedies that would be a binding and legal order of payment as well as any additional collateral remedies required to ensure the Parties can be saved from the same or similar disputes in the future.

- c. After considering the Parties' comments, the Special Master shall issue and send the Parties a final decision on the Payment Dispute, and which the Parties hereby agree to implement promptly and in good faith, subject only to Section 11.3.4 below.
- d. The costs of the Special Master shall be borne equally by the Parties. The Special Master costs shall not include any staff, counsel, accounting or other costs of the Parties themselves, but only the costs of the Special Master services.

11.3.3 Mediation Process for Other Disputes.

- a. If the process of informal discussions and escalations as contemplated under Section 11.3.1 is unsuccessful in solving an Other Dispute, the Parties shall submit such Other Dispute to a mediator for non-binding mediation. The mediator shall be an individual with mediation training and experience, and shall either be (i) a member of the health care consulting department of an independent, certified accounting firm of recognized national standing, (ii) a member of the health law department of a national law firm of recognized national standing in health care, or (iii) a member of a nationally recognized health care consulting firm. The Parties shall select the mediator, who shall be the sole mediator of the dispute. The cost of mediation will be borne equally by the Parties. If the Parties cannot agree upon a mediator, each will select a mediator, and the two selected mediator shall select the Mediator to handle the mediation under the Section.
- b. The mediation will be conducted and concluded within 30 days after the Parties' receipt of written notice of mediation, unless such 30 day period is extended by the mutual written agreement of the Parties involved. The Mediator shall have the authority to require Parties to produce and share among themselves and with him/her relevant non-privileged documents. The Mediator shall meet with the Parties as soon as feasible, and as often as needed, but ideally the first meeting should take place no more than ten (10) business days after the Mediator is selected.
- c. The Mediator shall endeavor to the maximum extent possible to adhere to and implement the terms of this Agreement and the Related Agreements.
- d. The costs of the Mediator shall be borne equally by the Parties. The Mediator costs shall not include any staff, counsel, accounting or other costs of the Parties themselves, but only the costs of the Mediator's services.

- 11.3.4 **Resort to Court Action**. Any Party may commence an action in a court of competent jurisdiction to appeal or modify the Special Master decision or if the Parties are unsuccessful in mediation, but the Parties agree that with respect to a Special Master decision, neither of them will do so unless a Party in good faith concludes that the decision was materially in error and would impose material costs, risks, loss of functionality or harm to reputation to such Party contrary to the terms of this Agreement or a Related Agreement. It is the Parties' intent and agreement that in any court action that is an appeal related to a Special Master decision: (a) the court shall give substantial deference to the Special Master's expertise and findings and conclusions as to factual matters; and (b) the court shall reverse, supplant, modify or supplement the terms of the Special Master decision only if the court concludes that it was (i) manifestly in error as to material facts, (ii) unlawful, or (iii) manifestly unjust, given the intent and terms of this Agreement or the Related Agreements.
- 11.3.5 **Equitable Remedies Preserved**. Any Party may for good cause seek injunctive or other equitable relief in a court of competent jurisdiction, in accordance with principles of law and equity, to prevent or cure imminent harm, and any such relief as may be granted shall be subject to appeal on through courts having jurisdiction thereof.

ARTICLE 12 LEGAL PROVISIONS

- 12.1 **Authority and No Conflict**. Each Party hereto represents and warrants to the others that (a) it has all due corporate authority to enter into and perform this Agreement (including the Related Agreements) and such has been approved by all necessary corporate action; (b) the entering into and due performance by it of this Agreement (including the Related Agreements) does not violate its Articles or Bylaws, or any law or regulation to which it is subject, or any contract or legally binding agreement or obligation of such Party; (c) the entering into and due performance of this Agreement (including the Related Agreements) does not require the approval of any governmental entity or third party, which has not been obtained; and (d) the person who executes this Agreement on its behalf is duly authorized to do so.
- 12.2 **Independent Contractors**. The Parties hereto are at all times acting as independent contractors to one another. Nothing herein (or in any Related Agreement) shall be construed to make or render a Party or any of its officers, directors, employees or agents, the employee or agent or joint venture of any other Party, for any purpose whatsoever, including without limitation rights to compensation or employee benefits of such other Party. In addition, unless this Agreement (or the applicable Related Agreement) specifically so provides, nothing herein shall be deemed to grant a Party (or its officers, directors, employees or agents) the right to incur contractual obligations, or to act on behalf of, or to incur any legal obligation for another Party.
- 12.3 **Access to Books and Records**. In accordance with 42 U.S.C. Section 1395X(v)(1)(I) and 42 C.F.R. Sections 420.300-420.304, each Party agrees that it shall retain, and for four (4)

years after services are furnished, allow the Comptroller General of the United States, the U.S. Department of Health and Human Services and their duly authorized representatives to have access to such books, documents and records of the Party as are necessary to verify the cost of services provided to the other Party pursuant to this Agreement and the Parties agree that if any of the work provided under this Agreement and related contracts for any twelve (12) month period is performed by a subcontractor at a cost or with a value of Ten Thousand Dollars (\$10,000) or more, the subcontracting party shall require that any such subcontractor sign a statement or agreement similar to this reconciliation clause whereby the subcontractor agrees to make its books and records available for such four (4) year time period. In the event of a request for access, the requested Party agrees to notify the other Parties immediately and to consult with the other Parties regarding what response will be made to the request.

- 12.4 **Legal Responsibility.** Each Party shall be responsible to the full extent of applicable law for (a) its representations, warranties and covenants therein or (b) any breach or violation or default or failure of performance of such Agreement by it or its officers, directors, employees, agents or representatives, or other persons for whose conduct it is responsible under law in the applicable circumstances.
- 12.5 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Facsimile or other electronically scanned and transmitted signatures, including by email attachment, shall be deemed originals for all purposes of this Agreement.
- 12.6 **Further Assurances and Cooperation.** Each Party hereto shall execute, acknowledge and deliver any and all other consents, approvals, assurances, documents and instruments as reasonably requested by another Party hereto and shall take any and all other actions as reasonably requested by such Party as do not enlarge the obligations of any Party but are necessary to comply with applicable law, accreditations or otherwise effectuate fully the terms of the Related Agreements.
- 12.7 **Choice of Law.** This Agreement and each Related Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to conflict of laws principles.
- 12.8 **Benefit/Assignment.** This Agreement shall inure to the benefit of and be binding upon only the Parties and their successors and permitted assigns. No other person or Party (including without limitation any faculty member, employee or vendor) shall be entitled to assert a claim thereunder as third party beneficiary or otherwise. No Party may assign this Agreement without the prior written consent of the other Party (which may be granted, denied or conditioned in its sole discretion), and any such purported assignment that is not consented to shall be void. In the event of a Change of Control of a Party (as defined in Section 10.2.4) the other Party may terminate as of the effective date of the Change of Control, provided that the Unwind Period shall apply.
- 12.9 **Exchange of Information.** The Parties agree to exchange any information as may be appropriately and lawfully requested by another Party and required for compliance with

any applicable federal, state or local statute or regulations related to this Agreement. The Parties will exchange such information within a reasonable period after a request for such information is made.

- 12.10 **Survival**. The covenants and provisions contained in Section 10.4, Article 11, and this Article 12 shall survive the termination of this Agreement.
- 12.11 **Waiver of Breach**. No waiver by a Party of any provision of this Agreement (including any representation, warranty, covenant or agreement), or of any default or breach, whether such waiver is intentional or not, shall be valid unless the same shall be in writing and signed by an authorized representative of the party making such waiver. The failure of a Party promptly to enforce this Agreement or any Related Agreement in the event of breach by another Party, or the waiver by any Party of a breach or violation, shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or any other provision thereof.
- 12.12 **Notice**. Any notice, demand, or communication required, permitted, or desired to be given hereunder must be in writing and shall be deemed effectively given to another Party on the earliest of the date (a) of delivery when personally delivered, (b) when delivered by e-mail or facsimile and either confirmation of delivery or a copy of such e-mail or facsimile sent for delivery on the first business day following transmission by nationally recognized overnight courier service for next day delivery, (c) three (3) business days after such notice is sent by registered U.S. mail, return receipt requested, and (d) one (1) business day after delivery of such notice into the custody and control of a nationally recognized overnight courier service for next day delivery; in each case to the appropriate address below:

If to University at:

Attn: UMMS Dean of the Medical School
420 Delaware Street SE
Minneapolis MN 55454
Email:
Facsimile:

If to CentraCare at:

Attn: CEO
1406 6th Avenue North
St. Cloud MN 56303
Email:
Facsimile:

or to such other address or addresses, and to the attention of such other person(s) or officer(s), as a Party may designate in writing.

- 12.13 **Severability**. If either (a) a court of competent jurisdiction holds that any material provision or requirement of this Agreement or any Related Agreement violates any applicable legal requirement; or (b) a government entity with jurisdiction definitively

advises the Parties that a feature or provision of this Agreement violates a law over which such government entity has jurisdiction, then each such provision, feature or requirement shall be fully severable and: (1) this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; (2) the remaining provisions hereof that reasonably can be given effect apart from the invalidated provision shall remain in full force and effect and shall not be affected by the severable provision; and (3) the Parties shall in good faith negotiate and substitute a provision as similar to such severable provision as may be possible and still be legal, valid and enforceable.

- 12.14 **Divisions and Headings.** The divisions of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions thereof.
- 12.15 **Entire Agreement/Amendment.** This Agreement and any Related Agreements constitute the entire agreement among the Parties regarding the matters addressed therein. As among the Parties, no oral statements or prior written material relating to the subject matter of this Agreement and not specifically incorporated or referenced therein shall be of any force and effect. This Agreement may be amended only by a written document stated explicitly to be such an amendment and signed by authorized representatives of both Parties.
- 12.16 **Interpretation.** Unless the context of this Agreement otherwise clearly requires: (a) references to the plural include the singular, and references to the singular include the plural, (b) references to any gender include the other genders, (c) the words “include,” “includes” and “including” do not limit the preceding terms or words and shall be deemed to be followed by the words “without limitation,” (d) the term “or” means “and/or,” (e) the terms “hereof,” “herein,” “hereunder,” “hereto” and similar terms refer to this Agreement as a whole and not to any particular provision thereof, and (f) the terms “day” and “days” mean and refer to calendar day(s).
- 12.17 **Force Majeure.** A Party shall not be deemed in breach or default of its obligations under this Agreement or a Related Agreement to the extent, but only to the extent, that its performance or compliance is rendered impossible or infeasible due to events (such as labor strikes, storms, interruption of utilities, civil disturbance or acts of God) that are truly beyond its control given diligent and reasonable effort; provided that (a) during the period of such Force Majeure, it shall nevertheless continue to perform to the extent that is feasible, and (b) it shall return to full performance as soon as reasonably feasible after the subsiding of such Force Majeure.
- 12.18 **Compliance with Law and Accreditation.** In all functions subject to this Agreement (or any Related Agreements), each Party shall comply with applicable law and accreditation requirements. The Parties shall consult and cooperate with one another to a reasonable extent in order to achieve and ensure compliance with law and accreditation requirements with respect to their shared activities subject to this Agreement. This duty shall not, however, make any Party responsible or liable for the compliance obligations of another party, or reduce the obligations of compliance that a Party has for its own conduct under applicable law or governmental or accreditation requirements.

- 12.19 **Responsibility for Payment of Taxes.** The Parties will not treat the other Party’s officers, agents or employees as an employee for any reason, including but not limited to the Federal Unemployment Tax Act, the Social Security Act, the Workers Compensation Act, and any federal or state income tax laws or regulations mandating the withholding of income taxes at the source of compensation payment. Each Party will be solely responsible for payment of all applicable federal and state income taxes with respect to their officers, agents and employees.
- 12.20 **Fees and Expenses.** Each Party is and will be solely responsible for all of its own fees, costs and other expenses in connection with the negotiation and preparation of this Agreement and Related Agreements.

SO AGREED:

Regents of the University of Minnesota

By: _____
Title: Interim President
Date: _____

By: _____
Title: Dean, Medical School and
Vice President of Clinical Affairs
Date: _____

By: _____
Title: Executive Vice President and Provost
Date: _____

CentraCare Health

By: _____
Title: President and Chief Executive Officer
Date: _____

Rural Health Academic Affiliation Financial Pro-Forma

To ensure the financial viability of the program, both organizations agree to 1) be fiscally responsible, 2) provide financial transparency, and 3) have shared accountability for financial performance.

Medical School: Specific to the CentraCare Regional Campus St. Cloud, UMMS will operate the campus with commensurate funding and operating expenses as compared to the UMMS Twin Cities and Duluth Campuses as normalized for differences in enrollment where appropriate. CentraCare will provide funding and other resources necessary to cover all funding deficiencies of the campus.

The CentraCare Regional Campus St. Cloud is projected to have an annual funding deficit of approximately \$1.5 million when fully operational. The financial pro-forma is as follows:

(000's)	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Enrollment	-	24	48	72	96	96	96
Tuition	\$ -	\$ 689	\$ 1,842	\$ 3,038	\$ 4,281	\$ 4,409	\$ 4,541
Student Fees	-	6	12	18	25	26	27
Total Revenue	-	695	1,854	3,056	4,306	4,435	4,568
Salaries, wages & benefits	736	1,627	2,483	3,052	3,372	3,472	3,574
Physician precepting time	97	200	309	424	655	675	695
Supplies and general	2	7	19	31	43	44	46
Other general and administrative	5	21	56	92	129	133	137
Building and leases	113	450	464	477	492	506	522
Other expenses	42	167	445	733	1,033	1,064	1,096
Total operating expenses	994	2,471	3,775	4,809	5,724	5,895	6,070
Funding surplus/(deficit)	\$ (994)	\$ (1,776)	\$ (1,921)	\$ (1,753)	\$ (1,418)	\$ (1,460)	\$ (1,502)

Philanthropy: The CentraCare Foundation and the University of Minnesota Foundation are working on a joint campaign with a fundraising goal of \$50M. Any philanthropy received by the Medical school will likely be given for scholarships and/or student support. It might offset some of the start-up costs in the early years and new initiatives in later years. Any of the efforts in fundraising will help lessen the funding shortage supplied by CentraCare.

Legislative Funding - The MN state legislature has given us \$10M for the Medical School CentraCare Regional Campus in St. Cloud. The funds are to be used for the residency program, the Rural Health Research Institute, and tuition and scholarship support to the students. The funding has to be used by FY26 and for the CentraCare Regional Campus St. Cloud only, so we are approaching the legislature to see if we can use some of the funding to create scholarship endowments, which will continue to support students long after the FY26 deadline and provide a recurring source of support to students. We are also asking the legislature if we can repurpose some of the funds to help with the Medical School startup costs, such as LCME accreditation, promotional materials, student recruitment and faculty training. If we are allowed to repurpose the funds, the revenue in FY25 and FY26 would increase and help offset the deficit.

Funds Flow

We expect there will be some changes to the budget provided above, but both parties will be involved in the budgeting process and discussion.

At the outset, the budget for the Medical School CentraCare Regional Campus in St. Cloud, based on the current budgets for the Twin Cities and Duluth campuses, will be finalized and approved by both parties. CentraCare has agreed to provide the funding and other resources necessary to cover the funding deficiencies of the campus. Each year thereafter, the budget will be reviewed and approved by the Oversight Committee. CentraCare has agreed to pay for all University adjustments to the budget that are beyond the control of the Medical School, including but not limited to: salary increases, fringe increases, and budget model cost increases.

Given CentraCare's responsibility for any budget shortfall, any new initiatives or changes will be agreed upon by both parties before they are added to the budget.

Residency Program: The University of Minnesota will continue to serve as the academic sponsor for the residency programs at CentraCare, and CentraCare will be financially responsible for the costs of the Residency Program including the costs of expansion of existing University residency programs to CentraCare rural sites in psychiatry, surgery, obstetrics, and pediatrics.

Rural Health Institute: In the interest of advancing the research mission of UMMS and increasing research with the purpose of improving the health of rural residents, the organizations agree to 1) leverage the research support infrastructure at UMMS, 2) develop the research infrastructure at CentraCare in a manner that does not conflict with either party's research priorities, and 3) consider the creation of a joint-directed Rural Health Research Institute as part of the Parties desire to advance medical research in rural Minnesota. For the purposes of shared financial support, unfunded research support costs of the Rural Health Research Institute will be pooled and supported equally by both parties.

Facilities: CentraCare will repurpose an existing facility adjacent to its ambulatory facility in St. Cloud. The renovation of the facility is expected to cost approximately \$18 million. CentraCare will seek legislative and philanthropic funding and will provide funds for any remaining deficit. In 2023, \$5 million was received from legislative funding for the medical education center. There is a legislative ask of \$12.9M in 2024.



MEDICAL SCHOOL

UNIVERSITY OF MINNESOTA

Driven to DiscoverSM

CentraCare Regional Campus

St. Cloud

Rural Health Academic Affiliation Financial Review

October 12, 2023



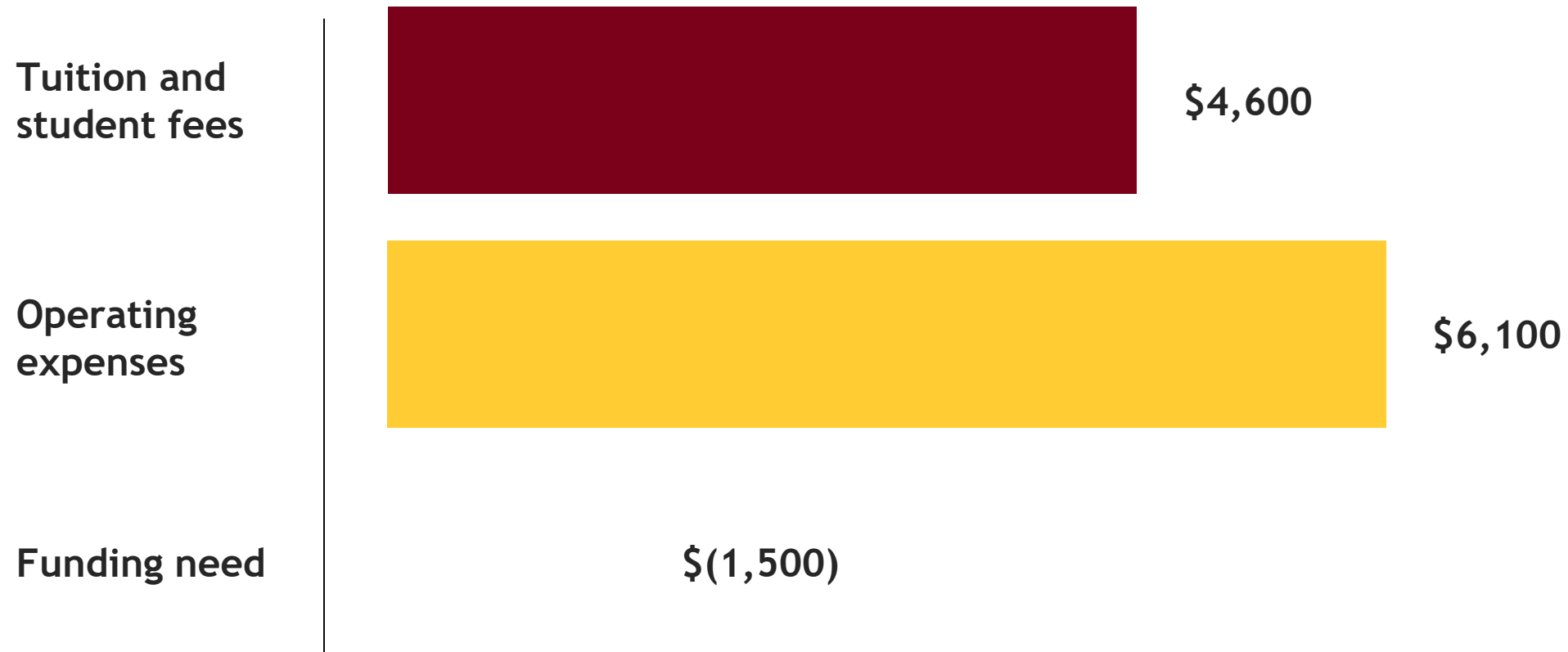
MEDICAL SCHOOL | UNIVERSITY OF MINNESOTA

Is This a Financially Sustainable Plan

- Strong collaborative commitment by both entities to make this work
- Important for CentraCare to realize its strategic goals
- CentraCare is a very financially sound health system
- The financial projections are conservative
- There is a joint Philanthropic Plan to acquire donations to cover all budgeted deficits
- UM Medical School has operationalized this model in two other locations: Twin Cities and Duluth



Financial Projections



Financial Projections

- Engaged with Kaufman Hall
- Conservative Projections
 - Only tuition income
 - No philanthropy
 - No reallocation of the \$10M legislative funding
- \$1.5M loss annually once fully operational
- Centracare has committed to covering all budgeted deficits



Financial Projections

- Faculty
 - 5.25 academic full time equivalents (aFTE) years one and two
 - 6.75 academic full time equivalents years three and four
 - Anticipate that most will be adjuncts
 - Primarily based in St. Cloud except for special skill sets
 - If performing clinical work, will most likely not be UMP employed
- Staff
 - 10.20 FTE



CentraCare Financial Position

- Positive net operating income in FY22 and FY23 when its peers have seen substantial negative results
- Net income grew by approximately \$110M YOY
- \$1.6BN in net assets
- Long-term debt is \$537M
- Days cash on hand is 238 days



Philanthropic Plan

- The CentraCare Foundation and the University of Minnesota Foundation are working on a joint campaign with a fundraising goal of \$50M.
- \$10M of goal will be earmarked for scholarships and/or student support.
- It might offset some of the start-up costs in the early years and new initiatives in later years.
- Any of the efforts in fundraising will help lessen the funding shortage supplied by CentraCare.



CentraCare

Mike Blair, CFO CentraCare:

“In the event we did not receive sufficient philanthropic funding, which is unlikely, we are committed to the vision and will meet our obligation. Just as we are confident that UMMS will meet its obligations to operate the campus in a financially prudent and transparent manner. This mutual commitment is how we both ensure the financial viability of the affiliation.”





BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Health

October 12, 2023

AGENDA ITEM: Overview of M Health Fairview

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Jakub Tolar, Dean of the Medical School and Vice President for Clinical Affairs

PURPOSE & KEY POINTS

The purpose of this item is for the special committee to engage with a high-level overview of M Health Fairview. The presentation will review the current structure as well as the successes and challenges of it. The presentation is intended to provide a foundation for a discussion of next steps for the University's clinical mission, ensuring it is aligned with the state's interests.

The Joint Clinical Enterprise, branded M Health Fairview, was a major step forward in the University's and University of Minnesota Physicians' (UMP) relationship with Fairview Health Services. It provides, for the first time, academic support at the level of the University's peers, academic physician leadership over care delivery across the system through service lines, and several system leadership roles for faculty, including a Chief Academic Officer and a Chief Quality Officer. The CEO of UMP also serves on the Operations Management Team.

Both the Definitive Agreement (and associated contracts) and the underlying Affiliation Agreement expire at the end of 2026.

BACKGROUND INFORMATION

The University and UMP signed a definitive agreement in 2018 with Fairview Health Services, creating the Joint Clinical Enterprise—branded as M Health Fairview.

In 1997, the University began a 30-year affiliation with Fairview Health Services, which included transferring ownership of the University of Minnesota Medica Center.

M Health Fairview

Jakub Tolar, MD, PhD
Medical School Dean

Board of Regents
October 12, 2023

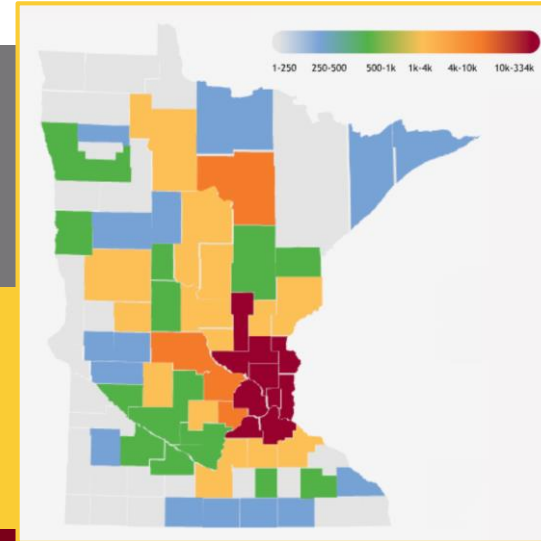


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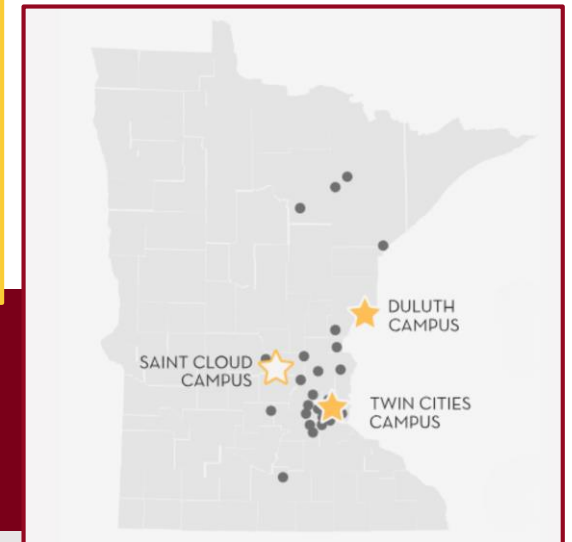
Our Care in the Community

1.2M Patient Visits in 2022

Where Our Patients Live



Where We See Our Patients (40+ Locations)



7/10 Service Lines Grew in # of Patients Served



**UNIVERSITY OF MINNESOTA
PHYSICIANS (UMP)**

SPECIALITY PHYSICIAN PARTNERSHIPS INCLUDE:

- TRIA
- VA
- HCMC
- CentraCare
- Essentia
- North Memorial
- Health Partners/Park Nicollet
- Children's Minnesota
- Gillette
- JV-Minnesota Endoscopy Center

UMP OWNED & MANAGED CLINICS

- Bierman Athletic Clinic
- Broadway Family Medicine Clinic
- St. Louis Park Clinic
 - MINCEP Epilepsy Care Program
 - Navigate Program
 - Memory Loss Program
 - Interventional Psychiatry Program
 - Behavioral Health Clinic for Families
- Specialty Optometry Clinic
- Mill City Clinic
- Hilger Face Center
- Radiation Therapy Clinic
- Center for Clinical Imaging Research
- Nurse Practitioner Clinic
- Pediatric Dental Clinic

UMP SUPPORTED CLINICS

- Phillips Neighborhood Clinic
- Community-University Health Care Center (CUHCC)

M PHYSICIANS CONSULTING SERVICES



**M HEALTH FAIRVIEW
(MHFV) JOINT CARE
DELIVERY SYSTEM**

SERVICE LINES

- Cancer Care
- Surgical Specialties
- Medicine Specialties
- Musculoskeletal
- Neuroscience and Neurosurgery
- Solid Organ Transplant
- Heart and Vascular
- Mental Health and Addiction
- Women and Children's
- Primary Care

AMBULATORY

- Clinics and Surgery Center - Minneapolis
- Clinics and Surgery Center - Maple Grove
- Specialty Clinics
- ASC
- Primary Care Clinics:
 - Smiley's
 - Phalen
 - PHS/CSH
 - East Metro Peds
 - DBP

ACUTE

- UMMC
- UMMCH
- Ridges
- Southdale
- Lakes
- Northland
- St. John's
- Woodwinds
- Grand Itasca
- Range

SHARED CLINICAL SERVICES

- Transportation
- Clear Script
- Lab/Pathology
- Imaging
- Rehab
- Ambulatory Pharmacy
- Acute Pharmacy
- Center for Bleeding and Clotting Disorders
- DME/Orthotics



FAIRVIEW

- Ebenezer
- Fairview Ventures
- Community Health and Wellness Hub



M Physicians

Board of Regents Policy: Private Practice Plan - UMMS Twin cities

The private practice of medicine shall be conducted so as to contribute significantly to achieving the mission of the Medical School in teaching, research, and clinical care.



See more than 1M patients every year



M HEALTH FAIRVIEW SERVICE LINES



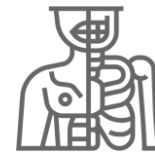
**Primary
Care**



**Womens
&
Childrens**



**Cancer
Care**



**Musculo-
skeletal**



**Neuro-
science**



**Solid Organ
Transplant**



**Heart &
Vascular**



**Mental
Health &
Addiction**



**Surgical
Specialties**



**Medical
Specialities**



MEDICAL SCHOOL | UN

M Health Fairview Partnership Results

- Clinical Trials and Enrollees:
 - Patients enrolled in 2018 = 21,920
 - Patients enrolled in 2022 = 40,531
- Impact of Academic Support
 - Investment in faculty recruitments, new centers, research infrastructure
 - 55% increase in NIH funding
- Leaders in the System/Service Lines
 - Service Lines led by dyads including an academic Physician Chief aligned with the department



Benefits of the Joint Clinical Enterprise

- Improved care delivery and patient outcomes
- Improved quality and safety metrics
- Market differentiation and growth
- Physician recruitment
- Reputation & brand development
- Direct reinvestment in the system
- Innovation to reduce costs
- New investments in cardiology, oncology, neuroscience, pediatrics



Flagship Assets



EAST BANK HOSPITAL
(included Variety Children's Hospital)

University transferred ownership of building to Fairview in 1997

University retained ownership of land



WEST BANK HOSPITAL
(formerly known as Riverside Medical Center)

Building and land owned by Fairview

As part of the 1997 East Bank Hospital transfer, Fairview agreed to operate both East Bank Hospital and West Bank Hospital as the flagship facilities for the University's academic health mission (research, training and clinical services)



MASONIC CHILDREN'S HOSPITAL
(formerly known as Amplatz Children's Hospital)

In 2011, the pediatric services then located at the East Bank Hospital were relocated to the new hospital facility constructed adjacent to the West Bank Hospital

Building and land are owned by Fairview

Significant fundraising by the University of Minnesota Foundation supported the new hospital

East Bank Hospital, West Bank Hospital and Masonic Children's Hospital are all operated under a single hospital license.



CLINICS AND SURGERY CENTER (CSC)

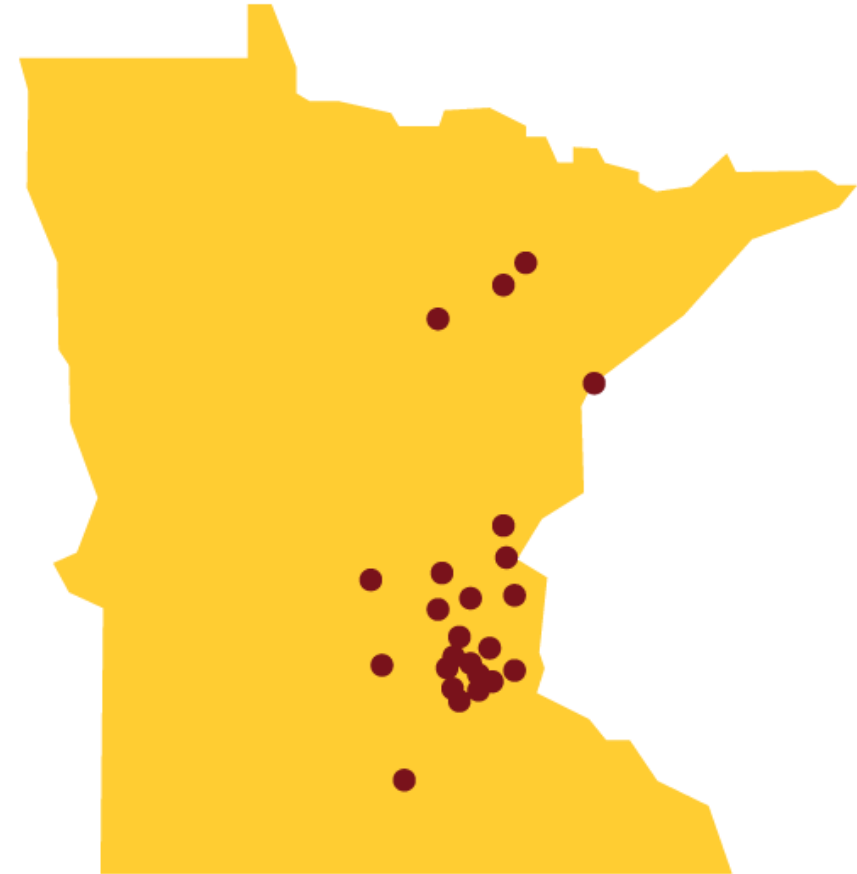
Building and land owned by University

Opened in 2016

University leases space in the building to the CSC joint venture owned 50/50 by UMP and to Fairview for hospital-based services



M Health Fairview Next Steps





BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Health

October 12, 2023

AGENDA ITEM: Update on the Governor's Task Force on Academic Health at the University of Minnesota

Review Review + Action Action Discussion

This is a report required by Board policy.

PRESENTERS: Jakub Tolar, Dean of the Medical School and Vice President for Clinical Affairs
Myron Frans, Senior Vice President

PURPOSE & KEY POINTS

The purpose of this item is to provide an update on the Governor's Task Force on Academic Health at the University of Minnesota (Task Force).

The Task Force will be chaired by former Minnesota Department of Health Commissioner Jan Malcolm and will be supported by the Minnesota Department of Health, the Governor's Office, and Minnesota Management and Budget. Regent Penny Wheeler, Vice President Tolar, and Dean Connie Delaney of the School of Nursing have all been appointed as members of the Task Force. Other members of the Task Force include:

- David Herman – Duluth
Member with expertise in delivering primary care or care in rural areas.
- Meghan Walsh – West Saint Paul
Member with expertise in delivering primary care or care in rural areas.
- Pahoua Hoffman – Minneapolis
Member with expertise in health disparities and health equity, particularly as they relate to health professions education and access to health care.
- Julia Joseph-Di Caprio – Saint Paul
Member with expertise in health disparities and health equity, particularly as they relate to health professions education and access to health care.
- Brenda Hillbrich – Saint Paul
Member with expertise in health professions education and health care workforce issues.
- Connie Delaney – Edina
Member with expertise in health professions education and health care workforce issues.

- Barbara Joers – South Saint Paul
Member with expertise in hospital or health system finances, state/federal health care reimbursement issues, health care spending, or health economics.
- Vance Opperman – Minneapolis
Member with expertise in hospital or health system finances, state/federal health care reimbursement issues, health care spending, or health economics.
- Carol Backstrom – Duluth
Member representing the Minnesota Department of Health.
- Dennis Olson – Hugo
Member representing the Minnesota Office of Higher Education.
- Melissa Wiklund – Bloomington
Member representing the Minnesota Senate.
- Tina Liebling – Rochester
Member representing the Minnesota House of Representatives.
- Special Advisors
Mark Dayton – Minnesota Governor (2011-2018)
Tim Pawlenty – Minnesota Governor (2003-2010)

The first meeting of the Task Force on October 5, 2023 will focus on the purpose and charge of the Task Force.

BACKGROUND INFORMATION

The Special Committee on Academic Health reviewed the Executive Order creating the Task Force at the September 7, 2023 meeting.

The Task Force is charged with developing recommendations to support world-class academic health professions education, research, and care delivery by our health sciences schools and programs, in preparation for the 2024 legislative session. This will include a review of models in other states for the funding of academic health, as well as governance and oversight of any publicly funded health professional training programs.

During the 2023 legislative session, the legislature passed HF 402, which puts into statute that the clinical facilities on this campus are a charitable asset and protects these three hospitals from out-of-state or for-profit ownership unless approved by the Attorney General.