

Board Meeting
January 21, 2010

ROLL CALL

APPROVE INTERGOVERNMENTAL AGREEMENT FOR TELEMEDICINE
SERVICES TO HEPATITIS C AND HIV/AIDS PATIENTS IN THE CUSTODY
OF THE ILLINOIS DEPARTMENT OF CORRECTIONS STATEWIDE, CHICAGO

Action: Approve Intergovernmental Agreement for Telemedicine Services to Hepatitis C and HIV/AIDS Patients in the Custody of the Illinois Department of Corrections Statewide

Funding: No New Funding Required

The Chancellor at Chicago recommends approval of an intergovernmental agreement between the Illinois Department of Corrections, the Illinois Department of Healthcare and Family Services, and the Board of Trustees of the University of Illinois. This agreement requires Board of Trustees approval under the terms of the Intergovernmental Cooperation Act (5 ILCS 220/5).

The purpose of this agreement is to provide medical services through the use of telemedicine to individuals diagnosed with Hepatitis C and HIV/AIDS who are incarcerated in the Illinois Department of Corrections. The medical services provided consist of direct patient care, documentation of patient encounters through the use of medical records, prescribing pharmaceuticals, and purchase of pharmaceuticals. The University is eligible to purchase discounted pharmaceuticals under the 340B Drug Pricing Program by meeting the eligibility criteria under the disproportionate share hospital provisions of the Veterans Health Care Act of 1992. The cost savings from

participating in the 340D Drug Pricing Program will support the funding of the staffing and equipment needs for the provision of telemedicine as set forth in this agreement.

This program is the first of a series of clinical programs that the University of Illinois College of Medicine and the University of Illinois Medical Center are planning with the Illinois Department of Corrections. The Chancellor or designee for the Chicago campus will represent the University in various planning and implementation activities.

The term of the proposed agreement would extend from the date of execution by the parties and shall remain in effect for three years. The agreement stipulates that an initial sum of \$1,002,983 shall be paid to the University to cover start-up costs related to the purchase of telemedicine equipment, construction expenses, two months of personnel costs and other expenses. After the two month start-up period, patient care begins with an anticipated first year revenue of \$7,844,324. This first year revenue allocates \$5.5 million for pharmaceuticals that the University shall purchase for the treatment of patients under this program. This agreement will be reviewed by the parties at least once per year for the purpose of updating the budget and other terms for the upcoming year.

The Board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Interim President of the University concurs.