In April 1996, Gov. George Allen signed legislation that established the Medical College of Virginia Hospitals Authority. Effective July 1, 1997, the operations, employees and obligations of MCV Hospitals (formerly a division of VCU) were transferred to the Authority. Three years later, in connection with legislation signed by Gov. James Gilmore, the MCV Hospitals Authority became the Virginia Commonwealth University Health System Authority. The clinical activities of MCV Hospitals, MCV Physicians and the VCU School of Medicine are now coordinated and integrated by and through VCU Health.

The VCU Health System Authority is charged by statute with the missions of operating MCV Hospitals as teaching hospitals for the benefit of the health sciences schools of VCU, providing high quality patient care and providing a site for medical and biomedical research, all of which missions are required to be performed in close affiliation with the Office of the Vice President for Health Sciences. VCU's vice president for health sciences also serves as the CEO of the VCU Health System Authority, and five VCU faculty physicians serve as members of the VCU Health board of directors.