



University of Iowa Health Care

***Presentation to
The Board of Regents, State of Iowa
June 4-5, 2014***

- Opening Remarks (Robillard)
- Operating and Financial Performance (Kates, Fisher)
- FUTURE in Biomedicine Program (Schwinn, Dr. Madeline Shea)



Opening Remarks

Jean Robillard, MD
Vice President for Medical Affairs



Operating and Financial Performance Update

Ken Kates, Chief Executive Officer
UI Hospitals & Clinics

Ken Fisher, Associate Vice President for Finance
and Chief Financial Officer

Volume Indicators

Fiscal Year to Date April 2014





















Operating Review (YTD)	Actual	Budget	Prior Year *	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	25,648	26,026	25,347	(378)	-1.5% ○	301	1.2% ○
Patient Days	163,361	161,488	160,407	1,873	1.2% ○	2,954	1.8% ○
Length of Stay	6.38	6.20	6.32	0.18	2.9% ●	0.06	0.9% ○
Average Daily Census	537.37	531.21	527.66	6.16	1.2% ○	9.72	1.8% ○
Total Surgeries	24,189	24,402	23,699	(213)	-0.9% ○	490	2.1% ○
- Inpatient	9,552	9,740	9,449	(188)	-1.9% ○	103	1.1% ○
- Outpatient	14,637	14,662	14,250	(25)	-0.2% ○	387	2.7% ●
ED Visits	47,294	51,947	50,374	(4,653)	-9.0% ●	(3,080)	-6.1% ●
Total Clinic Visits	675,406	676,862	644,071	(1,456)	-0.2% ○	31,335	4.9% ●




* from ongoing operations

● Greater than 2.5% Favorable	○ Neutral	● Greater than 2.5% Unfavorable
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Discharges by Type





















Fiscal Year to Date April 2014




Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	7,821	8,513	8,334	(692)	-8.1% 	(513)	-6.2% 
Adult Surgical	12,843	12,435	12,069	408	3.3% 	774	6.4% 
Adult Psych	1,171	1,187	1,165	(16)	-1.4% 	6	0.5% 
<i>Subtotal – Adult</i>	<i>21,835</i>	<i>22,135</i>	<i>21,568</i>	<i>(300)</i>	<i>-1.4%</i> 	<i>267</i>	<i>1.2%</i> 
Pediatric Medical & Surgical	2,670	2,726	2,640	(56)	-2.1% 	30	1.1% 
Pediatric Critical Care	681	684	670	(3)	-0.4% 	11	1.6% 
Pediatric Psych	462	481	469	(19)	-3.9% 	(7)	-1.5% 
<i>Subtotal – Pediatrics w/o newborn</i>	<i>3,813</i>	<i>3,891</i>	<i>3,779</i>	<i>(78)</i>	<i>-2.0%</i> 	<i>34</i>	<i>0.9%</i> 
Newborn	1,250	1,217	1,172	33	2.7% 	78	6.7% 
TOTAL w/o Newborn	25,648	26,026	25,347	(378)	-1.5% 	301	1.2% 

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Discharge Days by Type

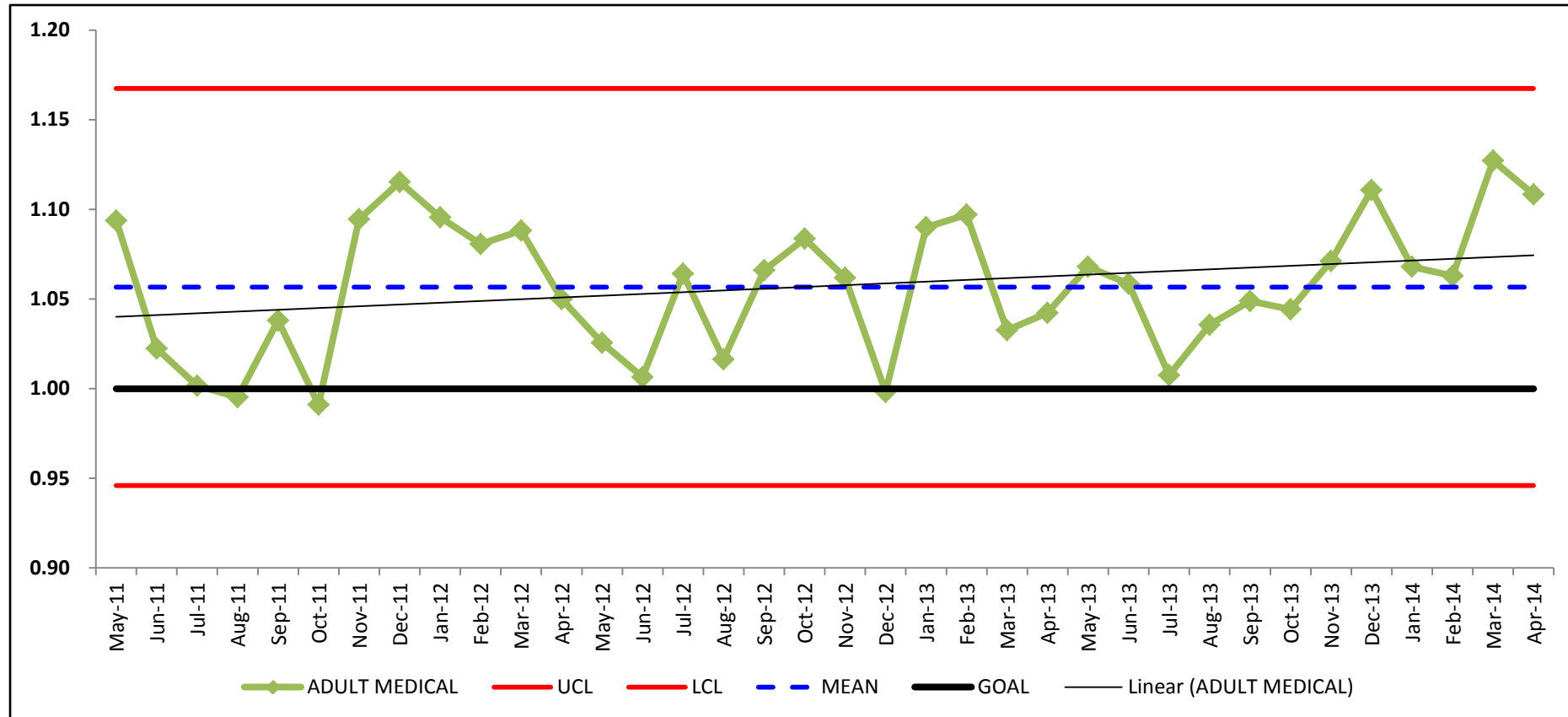
Fiscal Year to Date April 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	42,982	46,899	46,620	(3,917)	-8.4% 	(3,638)	-7.8% 
Adult Surgical	66,265	61,402	60,893	4,863	7.9% 	5,372	8.8% 
Adult Psych	17,257	17,348	17,244	(91)	-0.5% 	13	0.1% 
<i>Subtotal – Adult</i>	<i>126,504</i>	<i>125,649</i>	<i>124,757</i>	<i>855</i>	<i>0.7%</i> 	<i>1,747</i>	<i>1.4%</i> 
Pediatric Medical & Surgical	14,808	14,068	13,963	740	5.3% 	845	6.1% 
Pediatric Critical Care	17,997	17,475	17,351	522	3.0% 	646	3.7% 
Pediatric Psych	4,201	4,039	4,038	162	4.0% 	163	4.0% 
<i>Subtotal – Pediatrics w/o newborn</i>	<i>37,006</i>	<i>35,582</i>	<i>35,352</i>	<i>1,424</i>	<i>4.0%</i> 	<i>1,654</i>	<i>4.7%</i> 
Newborn	2,779	2,673	2,596	106	4.0% 	183	7.1% 
TOTAL w/o Newborn	163,510	161,231	160,109	2,279	1.4% 	3,401	2.1% 

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Length of Stay Index – Adult Medical(*)

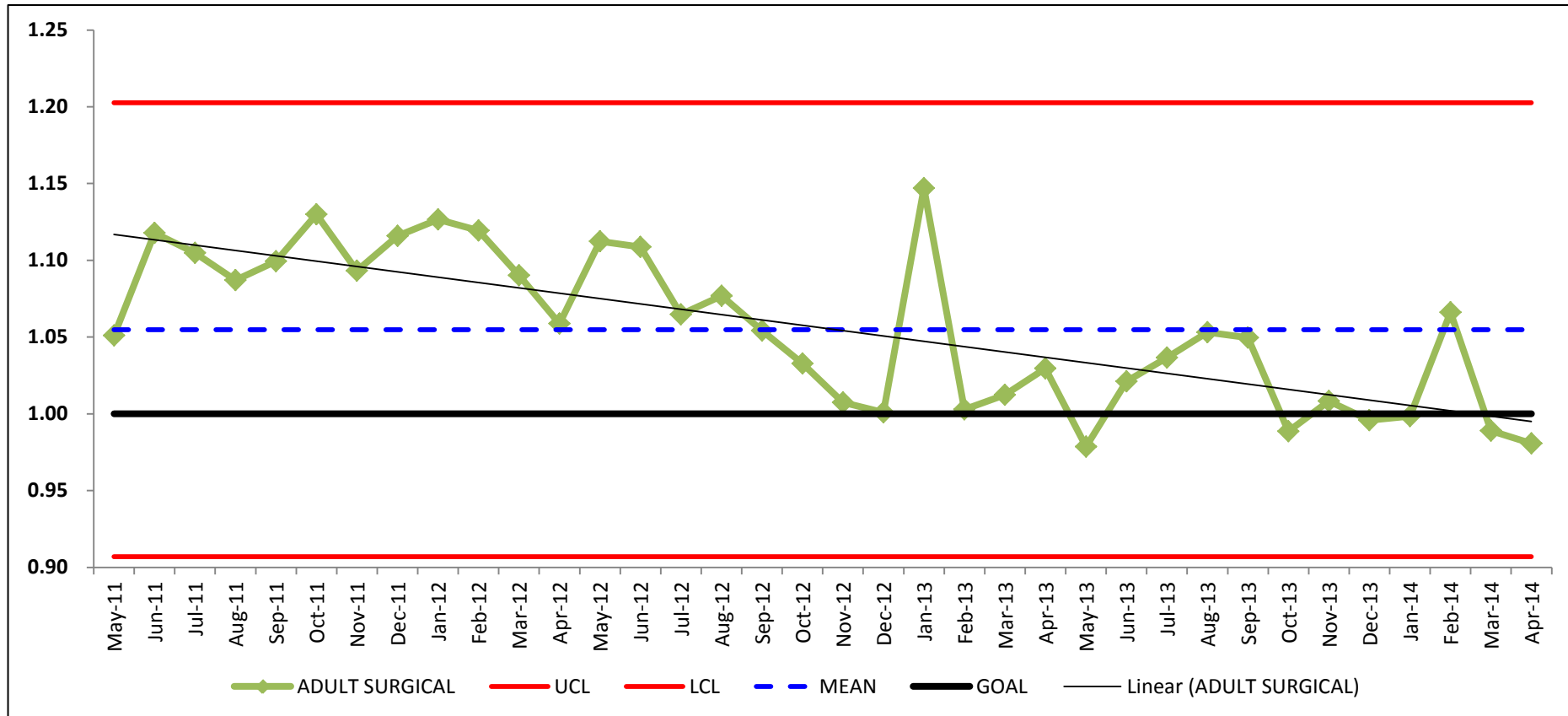
May 2011 through April 2014



(*) excludes outliers

Length of Stay Index – Adult Surgical(*)

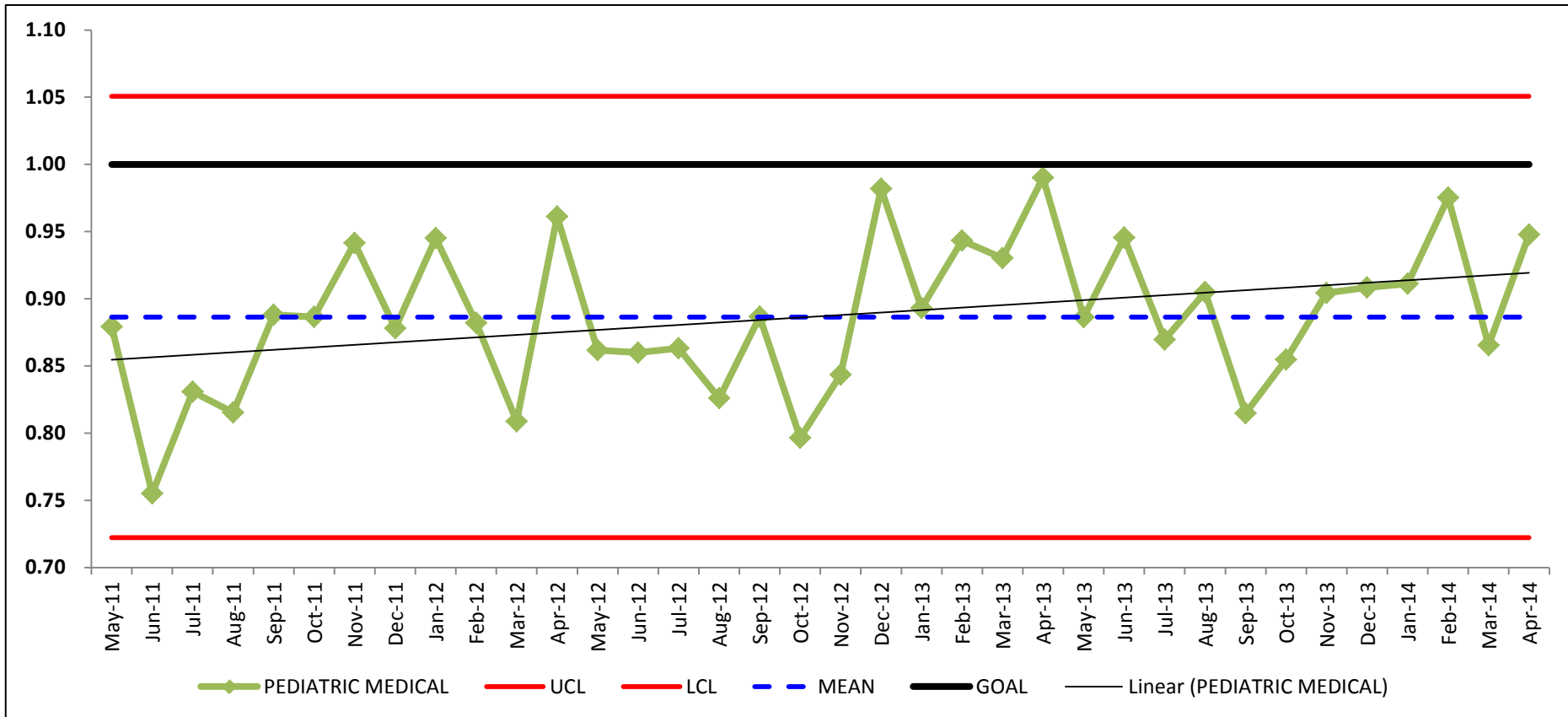
May 2011 through April 2014



(*) excludes outliers

Length of Stay Index – Pediatric Medical^(*)

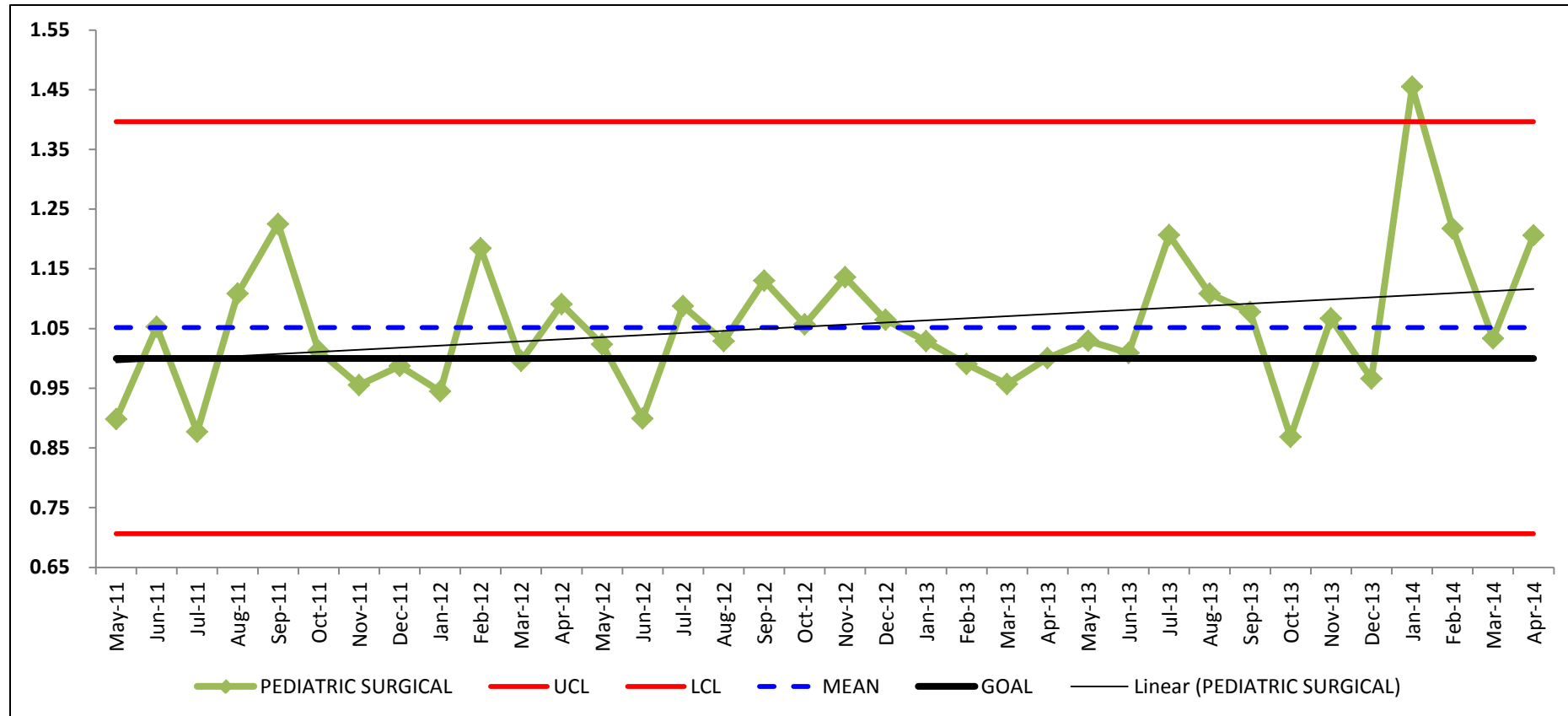
May 2011 through April 2014



(*) excludes outliers

Length of Stay Index – Pediatric Surgical^(*)

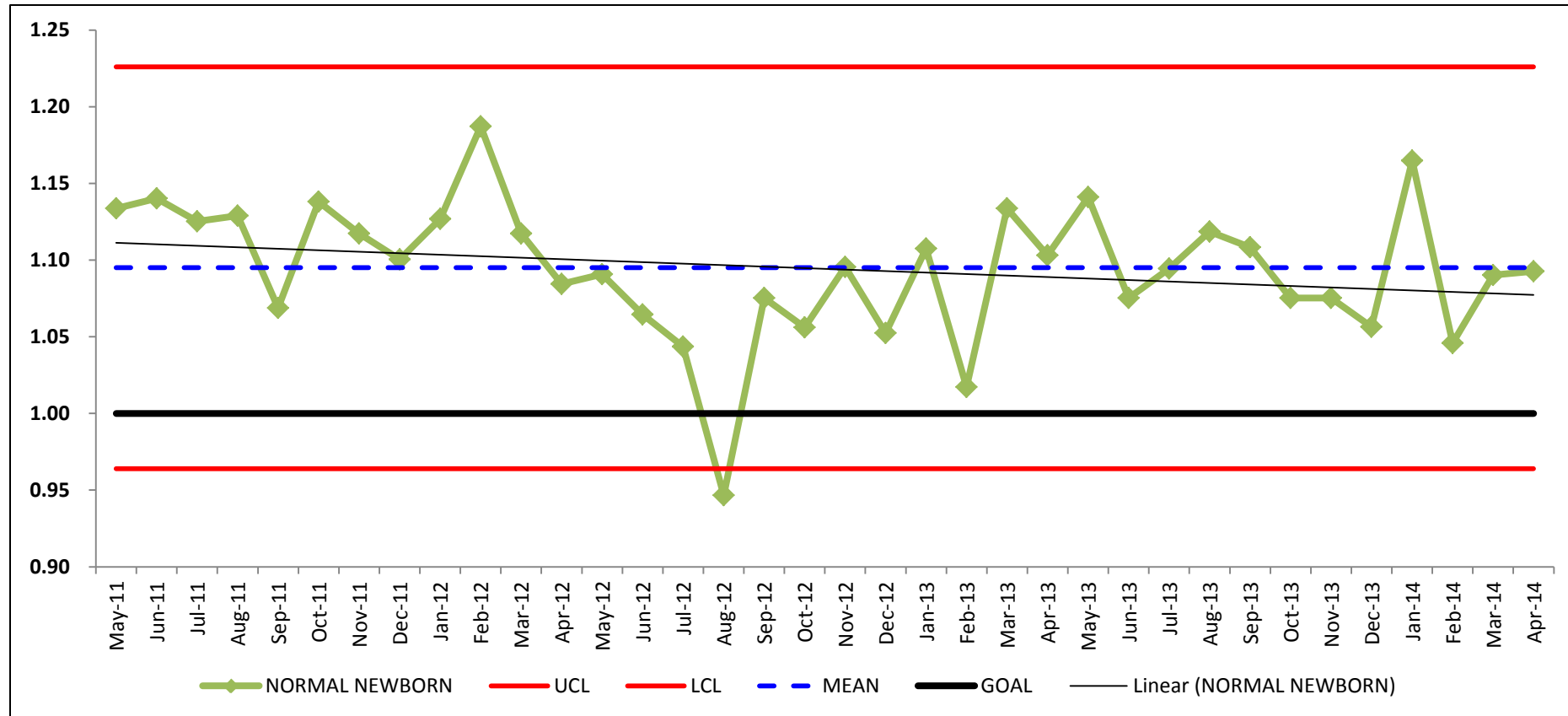
May 2011 through April 2014



(*) excludes outliers

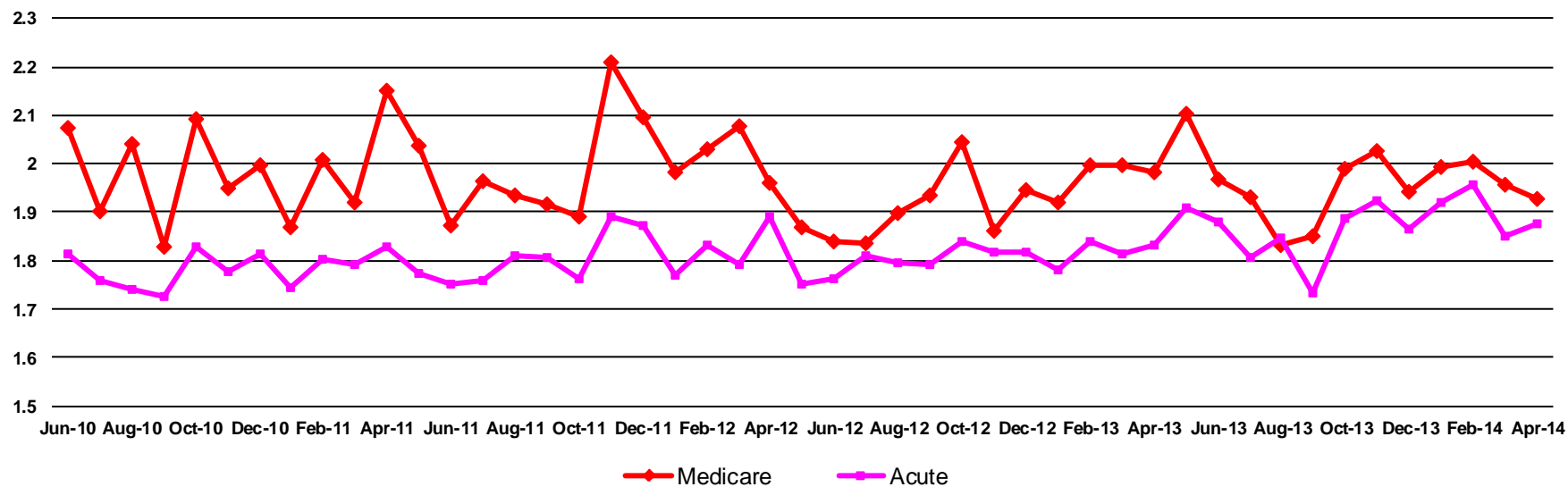
Length of Stay Index – Normal Newborn(*)

May 2011 through April 2014

























(*) excludes outliers

Case Mix Index



Inpatient Surgeries – by Clinical Department

Fiscal Year to Date April 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	827	802	775	25	3.1% 	52	6.7% 
Dentistry	151	135	122	16	12.1% 	29	23.8% 
General Surgery	2,808	2,813	2,731	(5)	-0.2% 	77	2.8% 
Gynecology	529	581	575	(52)	-8.9% 	(46)	-8.0% 
Neurosurgery	1,437	1,548	1,506	(111)	-7.2% 	(69)	-4.6% 
Ophthalmology	101	129	123	(28)	-21.8% 	(22)	-17.9% 
Orthopedics	2,399	2,347	2,258	52	2.2% 	141	6.2% 
Otolaryngology	541	567	548	(26)	-4.6% 	(7)	-1.3% 
Radiology – Interventional	70	88	93	(18)	-20.0% 	(23)	-24.7% 
Urology w/ Procedure Ste.	689	731	718	(42)	-5.7% 	(29)	-4.0% 
Total	9,552	9,740	9,449	(188)	-1.9% 	103	1.1% 

Solid Organ Transplants	237	323	294	(86)	-26.6% 	(57)	-19.4% 
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Greater than
2.5% Favorable



Neutral



Greater than
2.5% Unfavorable

Outpatient Surgeries – by Clinical Department

Fiscal Year to Date April 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget		Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	53	98	90	(45)	-46.1%	●	(37)	-41.1% ●
Dentistry	534	559	539	(25)	-4.5%	●	(5)	-0.9% ○
Dermatology	29	31	32	(2)	-5.1%	●	(3)	-9.4% ●
General Surgery	2,263	2,266	2,193	(3)	-0.1%	○	70	3.2% ●
Gynecology	669	638	628	31	4.9%	●	41	6.5% ●
Internal Medicine	4	8	8	(4)	-50.0%	●	(4)	-50.0% ●
Neurosurgery	603	537	507	66	12.3%	●	96	18.9% ●
Ophthalmology	3,188	3,295	3,187	(107)	-3.2%	●	1	0.0% ○
Orthopedics	3,512	3,319	3,222	193	5.8%	●	290	9.0% ●
Otolaryngology	2,006	2,196	2,115	(170)	-7.8%	●	(109)	-5.2% ●
Pediatrics	1	3	3	(2)	-66.7%	●	(2)	-66.7% ●
Radiology – Interventional	20	31	33	(11)	-36.2%	●	(13)	-39.4% ●
Urology w/ Procedure Ste.	1,755	1,700	1,693	55	3.2%	●	62	3.7% ●
Total	14,637	14,662	14,250	(25)	-0.2%	○	387	2.7% ●

●	○	●
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Emergency Department

Fiscal Year to Date April 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	47,294	51,947	50,374	(4,653)	-9.0% ●	(3,080)	-6.1% ●
ED Admits	14,612	14,739	14,277	(127)	-0.9% ○	335	2.3% ○
ED Conversion Factor	30.9%	28.4%	28.3%		8.9% ●		9.0% ●
ED Admits / Total Admits	57.1%	56.7%	56.4%		0.7% ○		1.2% ○

●	○	●
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Clinic Visits by Specialty

Fiscal Year to Date April 2014

Operating Review (YTD)	Actual	Budget	Variance to Budget	% Variance to Budget	
Burn Clinic	2,516	4,096	(1,580)	-38.6%	●
Center for Disabilities & Development	7,385	7,842	(457)	-5.8%	●
Center for Digestive Disease	16,522	17,405	(883)	-5.1%	●
Clinical Cancer Center	44,814	45,530	(716)	-1.6%	○
Dermatology	18,151	18,911	(760)	-4.0%	●
General Surgery	12,810	14,499	(1,689)	-11.6%	●
Hospital Dentistry	13,451	14,246	(795)	-5.6%	●
Internal Medicine	29,362	30,066	(704)	-2.3%	○
Neurology	11,084	11,678	(594)	-5.1%	●
Neurosurgery	9,334	9,576	(242)	-2.5%	●
Obstetrics/Gynecology	41,397	42,843	(1,446)	-3.4%	●
Ophthalmology	52,752	56,363	(3,611)	-6.4%	●
Orthopedics	60,029	57,846	2,183	3.8%	●
Otolaryngology	16,651	17,241	(590)	-3.4%	●
Pediatrics	44,677	47,114	(2,437)	-5.2%	●
Primary Care (non-IRL)	142,131	134,131	8,000	6.0%	●
Psychiatry	27,439	29,034	(1,595)	-5.5%	●
Urology	11,588	13,366	(1,778)	-13.3%	●
UI Heart Center	13,654	14,972	(1,318)	-8.8%	●
IRL	99,659	90,103	9,556	10.6%	●
Total	675,406	676,862	(1,456)	-0.2%	○



Greater than 2.5% Favorable



























Neutral



Greater than 2.5% Unfavorable

Clinic Visits by Location

Fiscal Year to Date April 2014

Operating Review (YTD)	FY14 Actual				FY13 Actual *				Variance to Prior Year	%
	On-Site	IRL	UICMS & QuickCare	Total	On-Site	IRL	UICMS & QuickCare	Total		
Primary Care	43,400		98,731	142,131	63,287		91,825	155,112	(12,981)	-8.4% 
General Internal Medicine		22,378		22,378		13,814		13,814	8,564	62.0% 
Pediatrics		20,627		20,627		11,991		11,991	8,636	72.0% 
<i>Subtotal - Primary Care</i>	<i>43,400</i>	<i>43,005</i>	<i>98,731</i>	<i>185,136</i>	<i>63,287</i>	<i>25,805</i>	<i>91,825</i>	<i>180,917</i>	<i>4,219</i>	<i>2.3%</i> 
Burn Clinic	2,516			2,516					2,516	
Center for Disabilities & Development	7,385			7,385	7,531			7,531	(146)	-1.9% 
Center for Digestive Disease	16,522	3,253		19,775	17,402	1,420		18,822	953	5.1% 
Clinical Cancer Center	44,814			44,814	43,008			43,008	1,806	4.2% 
Dermatology	18,151	5,319		23,470	18,065	2,088		20,153	3,317	16.5% 
General Surgery	12,810			12,810	12,713			12,713	97	0.8% 
Hospital Dentistry	13,451			13,451	13,190			13,190	261	2.0% 
Internal Medicine	29,362	4,672		34,034	29,672	2,458		32,130	1,904	5.9% 
Neurology	11,084			11,084	11,118			11,118	(34)	-0.3% 
Neurosurgery	9,334			9,334	8,818			8,818	516	5.9% 
Obstetrics/Gynecology	41,397	17,456		58,853	46,007	9,459		55,466	3,387	6.1% 
Ophthalmology	52,752	6,389		59,141	54,919	3,232		58,151	990	1.7% 
Orthopedics	60,029			60,029	55,685			55,685	4,344	7.8% 
Otolaryngology	16,651	5,609		22,260	17,304	2,966		20,270	1,990	9.8% 
Pediatrics	44,677			44,677	42,739			42,739	1,938	4.5% 
Psychiatry	27,439			27,439	27,868			27,868	(429)	-1.5% 
Urology	11,588	4,970		16,558	12,888	2,664		15,552	1,006	6.5% 
UI Heart Center	13,654	8,986		22,640	14,621	5,319		19,940	2,700	13.5% 
<i>Subtotal – Specialty Care</i>	<i>433,616</i>	<i>56,654</i>		<i>490,270</i>	<i>433,548</i>	<i>29,606</i>		<i>463,154</i>	<i>27,116</i>	<i>5.9%</i> 
Total	477,016	99,659	98,731	675,406	496,835	55,411	91,825	644,071	31,335	4.9% 

* from ongoing operations



Greater than 2.5% Favorable

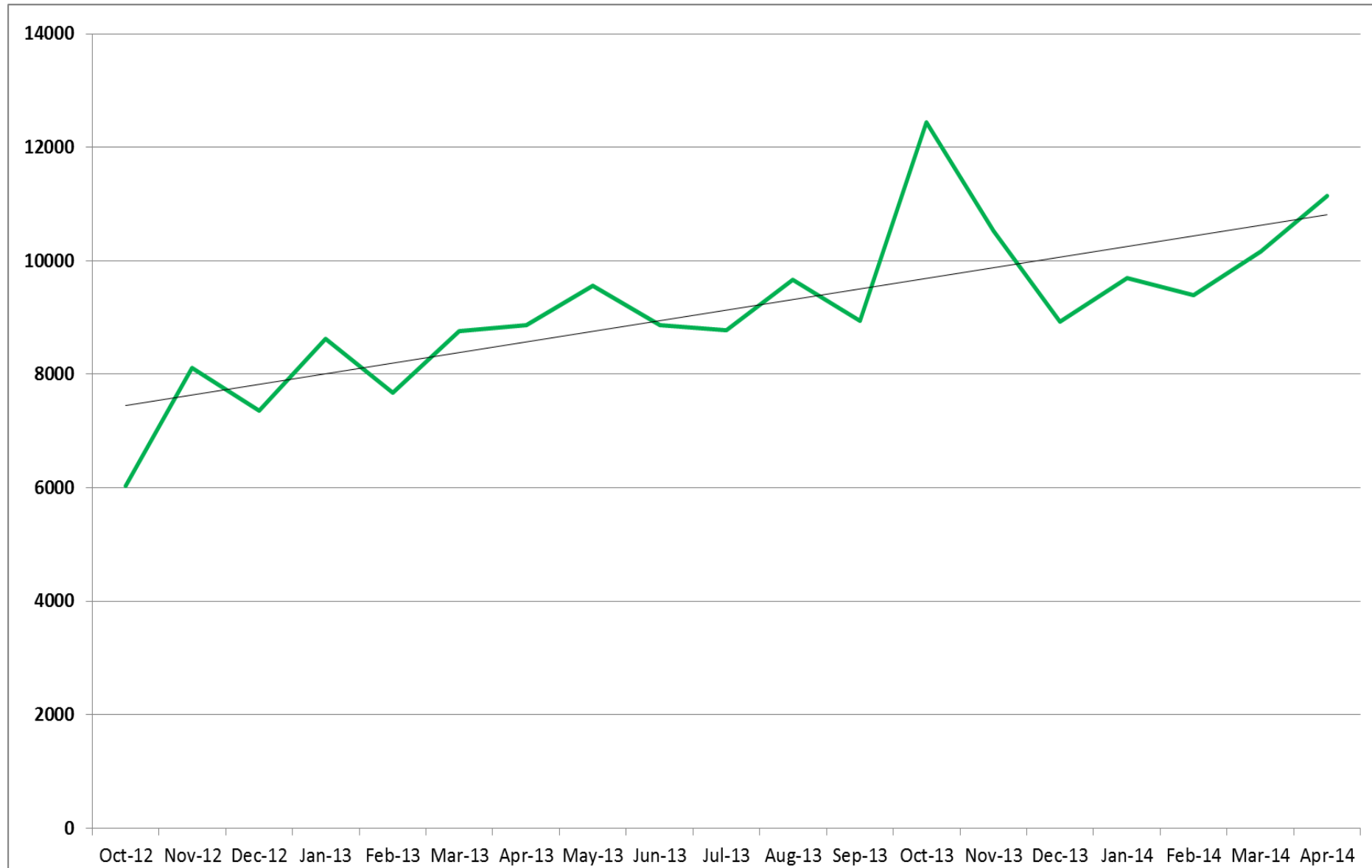


Neutral



Greater than 2.5% Unfavorable

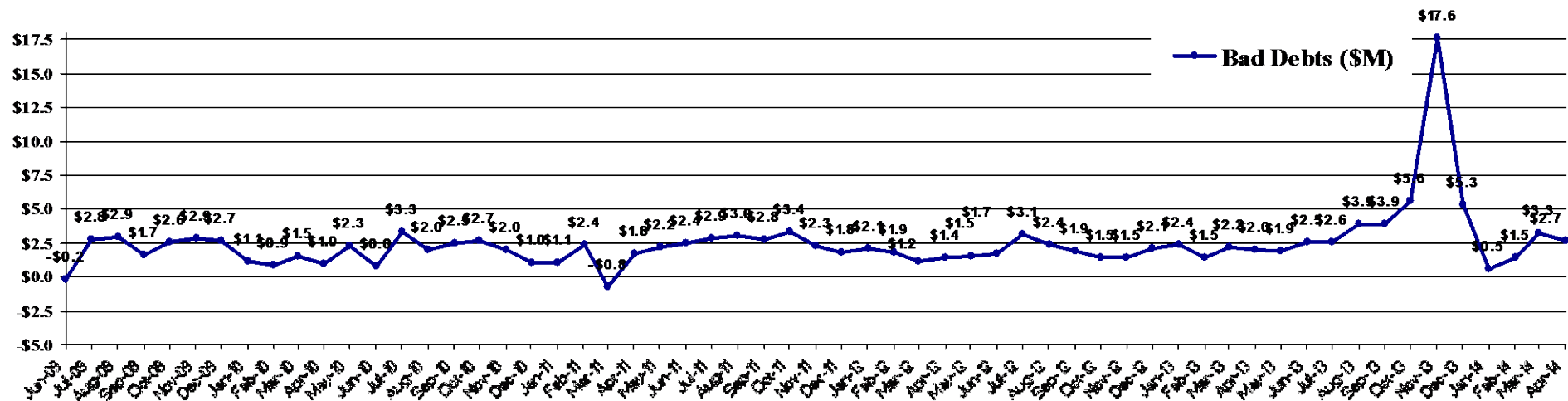
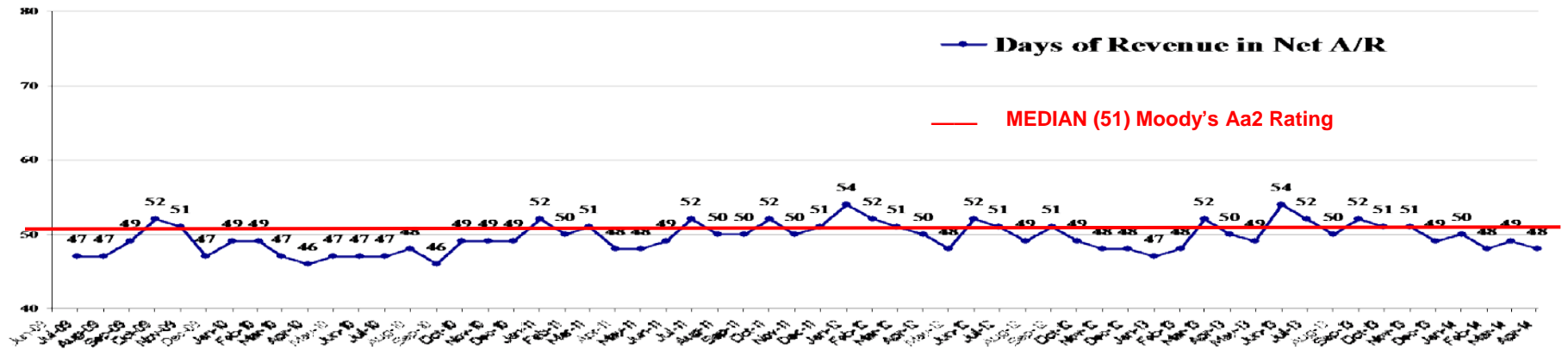
Iowa River Landing Ambulatory Visits



Comparative Accounts Receivable

at April 30, 2014

	June 30, 2012	June 30, 2013	April 30, 2014
Net Accounts Receivable	\$153,061,293	\$161,942,694	\$157,178,654
Net Days in AR	52	54	48



UIHC Comparative Financial Results

April 2014

Dollars in Thousands

NET REVENUES:	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Patient Revenue	\$101,715	\$95,926	\$89,396	\$5,789	6.0%	\$12,319	13.8%
Other Operating Revenue	3,970	4,226	4,899	(256)	-6.1%	(929)	-19.0%
Total Revenue	\$105,685	\$100,152	\$94,295	\$5,533	5.5%	\$11,390	12.1%

EXPENSES:

Salaries and Wages	\$47,396	\$49,766	\$46,948	(\$2,370)	-4.8%	\$448	1.0%
General Expenses	40,690	40,144	39,561	546	1.4%	1,129	2.9%
Operating Expense before Capital	\$88,086	\$89,910	\$86,509	(\$1,824)	-2.0%	\$1,577	1.8%
Cash Flow Operating Margin	\$17,599	\$10,242	\$7,786	\$7,357	71.8%	\$9,813	126.0%
Capital- Depreciation and Amortization	5,923	6,603	6,043	(680)	-10.3%	(120)	-2.0%
Total Operating Expense	\$94,009	\$96,513	\$92,552	(\$2,503)	-2.6%	\$1,458	1.6%

Operating Income	\$11,676	\$3,640	\$1,743	\$8,036	220.8%	\$9,933	569.9%
Operating Margin %	11.0%	3.6%	1.8%		7.4%		9.2%
Gain (Loss) on Investments	2,098	2,157	6,869	(58)	-2.7%	(4,771)	-69.5%
Other Non-Operating	(1,468)	(879)	(1,771)	(589)	-67.0%	302	17.1%
Net Income	\$12,307	\$4,917	\$6,841	\$7,389	150.3%	\$5,466	79.8%
Net Margin %	11.6%	4.8%	6.9%		6.8%		4.7%

* Gain/(Loss) on Investments based on information available at close. Final investment return for this period is reflected in Fiscal Year to Date returns in the subsequent reporting cycle.

UIHC Comparative Financial Results

Fiscal Year to Date April 2014

Dollars in Thousands

NET REVENUES:	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Patient Revenue	\$939,918	\$950,141	\$890,824	(\$10,222)	-1.1%	\$49,095	5.5%
Other Operating Revenue	41,252	42,256	43,394	(1,004)	-2.4%	(2,142)	-4.9%
Total Revenue	\$981,171	\$992,397	\$934,218	(\$11,226)	-1.1%	\$46,953	5.0%

EXPENSES:

Salaries and Wages	\$479,887	\$495,011	\$472,244	(\$15,124)	-3.1%	\$7,642	1.6%
General Expenses	402,256	404,240	377,845	(1,984)	-0.5%	24,412	6.5%
Operating Expense before Capital	\$882,143	\$899,251	\$850,089	(\$17,108)	-1.9%	\$32,054	3.8%
Cash Flow Operating Margin	\$99,028	\$93,146	\$84,129	\$5,882	6.3%	\$14,899	17.7%
Capital- Depreciation and Amortization	61,014	66,026	60,533	(5,012)	-7.6%	481	0.8%
Total Operating Expense	\$943,157	\$965,277	\$910,622	(\$22,120)	-2.3%	\$32,535	3.6%

Operating Income	\$38,014	\$27,120	\$23,596	\$10,894	40.2%	\$14,417	61.1%
Operating Margin %	3.9%	2.7%	2.5%		1.2%		1.4%
Gain on Investments	30,039	21,566	33,061	8,473	39.3%	(3,022)	-9.1%
Other Non-Operating	(10,305)	(8,788)	(5,715)	(1,516)	-17.3%	(4,589)	-80.3%
Net Income	\$57,749	\$39,897	\$50,942	\$17,851	44.7%	\$6,807	13.4%
Net Margin %	5.8%	4.0%	5.3%		1.8%		0.5%

* Gain/(Loss) on Investments based on information available at close. Final investment return for this period is reflected in Fiscal Year to Date returns in the subsequent reporting cycle.



Madeline Shea, PhD

Professor of Biochemistry

BS, Chemistry
California Institute of Technology

PhD
T.C. Jenkins Department of Biophysics,
The Johns Hopkins University

Fellowship & Associate Research Scientist
Department of Biology
The John Hopkins University

- Research in calcium-mediated control of voltage-dependent sodium channels and regulation of calcineurin funded by NIH and the American Heart Association
- Honored internally and externally for her research, teaching, mentoring and service
- Founder and Director of the FUTURE in Biomedicine program - an innovative partnership with the University of Iowa and colleges throughout Iowa to foster biomedical research partnerships



FUTURE in Biomedicine Program

Fostering Undergraduate Talent – Uniting Research & Education

Madeline A. Shea, Ph.D.
Professor of Biochemistry &
Founding Director of F.U.T.U.R.E. in Biomedicine Program
Carver College of Medicine

Children in Iowa have many biomedical career options including

Research Assistant

Physician

Clinical Technician

Laboratory Scientist

Physician Assistant

Physical Therapist



To attract talented undergraduates in Iowa to join these fields

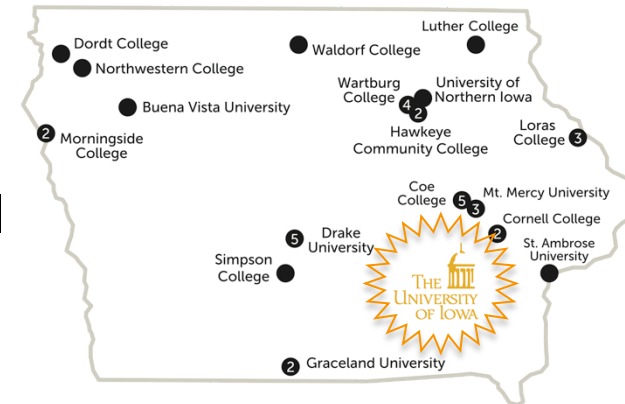
- they need modern scientific training using state-of-the-art instruments
- they need pre-professional internship experiences
- their professors need continuing education, and hands-on exposure to new methods
- their advisors need awareness of UI CCOM training programs and employment options



Developing a Network of Scientist-Educators

Since 2009, the UI CCOM FUTURE in Biomedicine Program has committed to

- **fostering research collaborations** between faculty in the CCOM and those of 2-year and 4-year “primarily undergraduate institutions” (PUI’s) throughout Iowa,
- **improving scientific education statewide** by developing opportunities to share biomedical discoveries and new experimental methods that will be used in Iowa’s college classrooms,
- **sharing unique core research facilities** with a statewide network of scientist-educators
- **mentoring talented undergraduates** to develop the next generation of physicians and biomedical scientists - graduate students, research assistants and faculty.



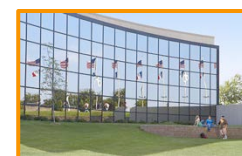
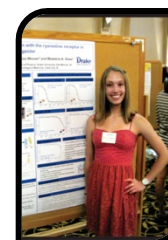
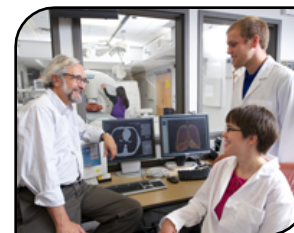
www.medicine.uiowa.edu/future



FUTURE in Biomedicine Summer Program

Faculty Fellows and Students

- Conduct 2-month experimental studies together in a CCOM Host Laboratory
- Work alongside
 - Graduate Students
 - M.D./Ph.D. Trainees
 - Research Assistants
 - Postdoctoral Fellows
 - Senior Scientists, and Faculty
- Meet with Admissions Directors & Offer Careers Panel to UI Trainees
- Learn about UI Academic Programs and Core Instruments, Use UI Library, Attend Introductory Seminars for Undergraduates
- Present Posters & Talks
 - SURC - UI Graduate College Summer Undergraduate Research Conference
 - FUTURE in Biomedicine Symposium
- Go home with new skills, trained assistant, posters, scientific samples, excitement, new partners, foundation for collaborative work, and knowledge of future options.

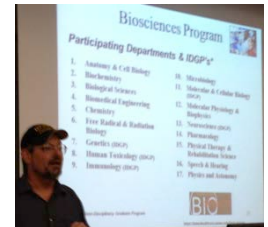


Fostering Undergraduate Talent – Uniting Research and Education in

Biomedicine

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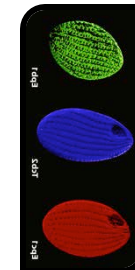
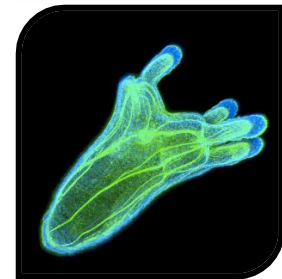
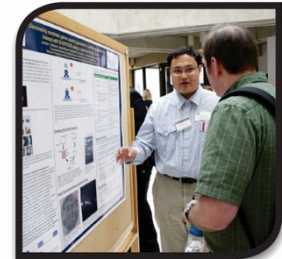
- 17 colleges are home to 26 Faculty Fellows and the students who accompanied them.
- 9 colleges have participated multiple times (see map)
- More than half the Fellows have returned for UI sabbaticals or ongoing summer research projects
- UI Faculty and Postdoctoral Scholars presented talks on their campuses to share new research and learn about pedagogical approaches.
- Admissions directors and staff visited with preprofessional clubs and academic advisors to promote UI training programs
- Research articles, and preliminary results for grant applications
- More and better qualified applicants to
 - our graduate and clinical training programs
 - our pool of research assistants in laboratories



Better Futures for Iowans – Ripple Effect

Fostering Undergraduate Talent – Uniting Research and Education

- **10 Grants to PUI Faculty** to support laboratory-intensive projects involving undergraduate students in “hands-on” inquiry.
- **Students took responsibility** for preparation of samples and analysis of data obtained.
- **All awardees were invited to present a poster** about their work at the FUTURE in Biomedicine Research Symposium.
- **Supported by the UI Office of the Provost** to extend University resources to Iowans and addressed an important goal of the University Strategic Plan—to provide better futures for Iowans.

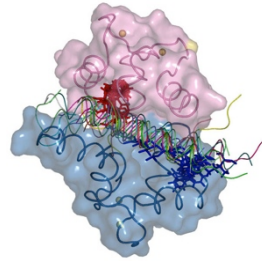


Fostering Undergraduate Talent – Uniting Research and Education in
Biomedicine

- Biomedical Pre-Graduate School Conference
 - 18 UI Ph.D. programs are represented
 - Colleges throughout upper midwest are invited
 - Seminars about Application Process, Mock Interview
 - Meet Graduate Students, Program Directors, Lab Tours
 - Collaborators: UI Biosciences Program & Office of the Provost
- Speakers Bureau for Scientific Seminars
- Use of Research Instruments & Services
- Campus Visits and Tours
- Promote campus events such as Research Week and the Iowa Microscopy Society Conference
- Assist in arranging internships for students from PUIs to work in UI CCOM laboratories



- **Iowans live long with high aspirations**
for active work lives, mobility and community engagement.
- **Iowans need highly qualified healthcare providers**
who will offer the most effective treatments to our citizens.
- **Ongoing scientific research** is needed in clinics and laboratories to provide Iowans with better healthcare at reasonable cost, and to advance the frontiers of knowledge.
- **The scientific enterprise needs talented individuals**
to assist, plan and execute complex experimental studies.
- **FUTURE in Biomedicine catalyzes connections**
among scientist-educators throughout Iowa.
- **Fellows and UI faculty exchange best practices**
in teaching and research to encourage and prepare undergraduates to pursue new dreams



Growing Intercollegiate Intellectual Network

