

**University of Iowa Hospitals and Clinic
Executive Board Committee Memorandum
Board of Regents, State of Iowa**

Subject: Director's Report

Prepared by: Marilee Mitchell

Date Submitted: July 21, 2004

Recommended Action:

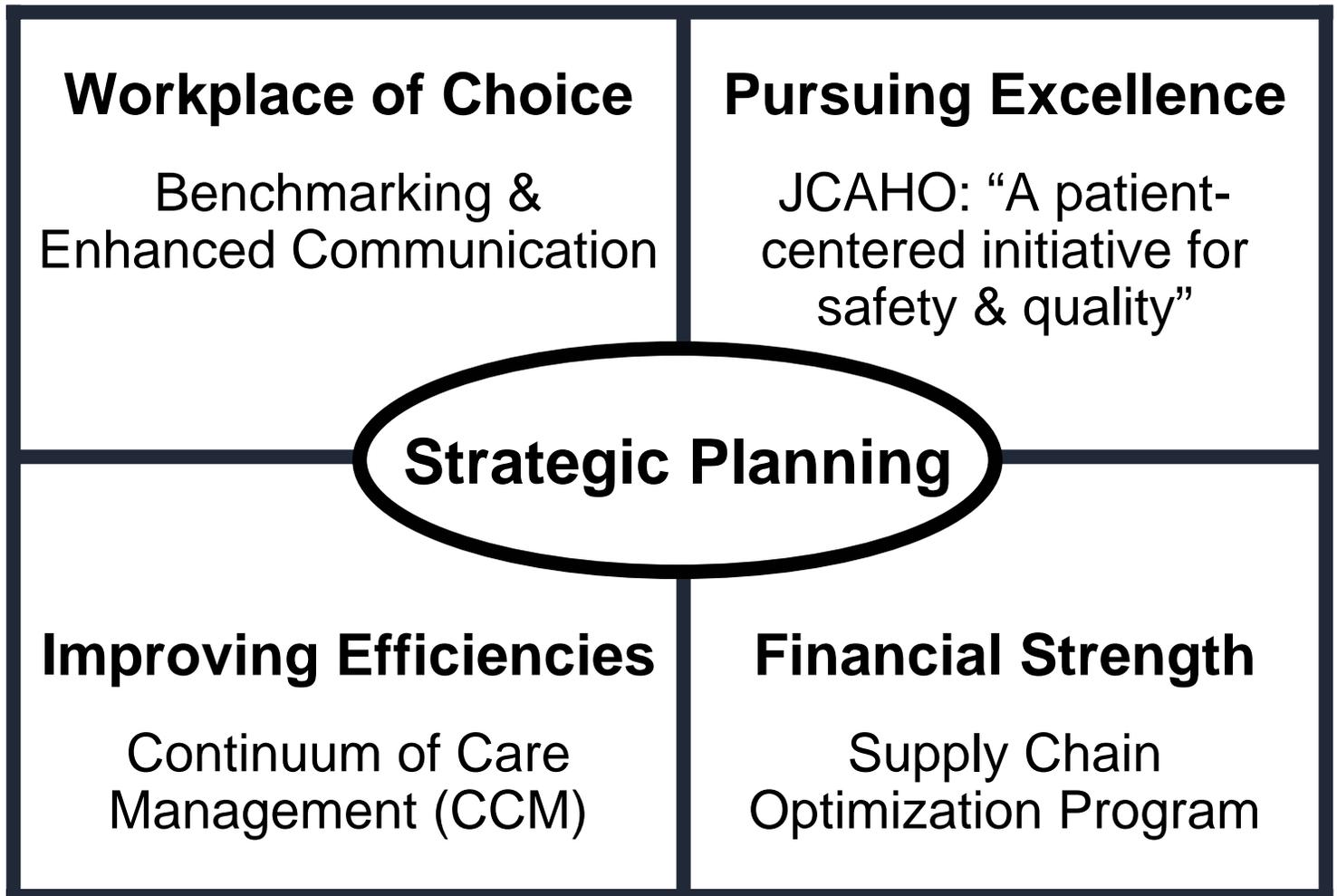
General discussion regarding the UIHC Director's Report.

Executive Summary:

The Hospital Director will provide a brief overview of the following:

- FY 2004 Priority Initiatives
- Key Issues – 4th Quarter FY 2004
- Nursing Recruitment
- Nursing Vacancy Rate
- Revenue Cycle Redesign
- Supply Chain
- Lean Sigma Event
- Institutional Scorecard Indicators

FY2004 Priority Initiatives



Key Issues

Fourth Quarter FY 2004

- Recruitment
- Patient Focus
- Fundraising
- Revenue Cycle
- Expense Containment Activities
- Scorecard Development for FY 2005
- Strategic Planning Focus Groups & Interviews

Nursing Recruitment Advertising Campaign 2004

At the leading edge of your nursing career, choose a hospital on the leading edge of nursing.



The state's only academic medical center, University of Iowa Hospitals and Clinics is an exciting place to be. It's where research leads to the kinds of discoveries that can change the course of medicine. Where evidence-based nursing practice is brought to the bedside.

It's also a place where you can discover how rewarding a job in nursing can be.

Here, we pay nurses respect. Ask for input. Value opinions. Work to create the kind of climate that lets nurses grow in their profession. Plus, we offer an excellent

tuition reimbursement program.

For a job with career growth opportunities, a competitive salary, a terrific benefit package and scheduling options to meet your lifestyle, call Nursing Human Resources at 319-356-2120 or 1-800-777-4692. Or visit us at www.uihealthcare.com/nursing.

The University of Iowa is an Equal Opportunity/Affirmative Action Employer. Women and minorities are encouraged to apply. Applicable background checks will be conducted.



Changing Medicine. Changing Lives.®

If you're looking to change nursing jobs, choose one that could change your life.



At the end of every workday, wouldn't it be nice to feel you really made a contribution—that people respect and appreciate the job you do?

Well, at University of Iowa Hospitals and Clinics, that kind of job satisfaction is our common goal. We want it for each and every person that works here.

Not that there aren't challenges. There are. But they're the kind that shape nursing practice. It's the kind of environment that's stimulating. Where the opportunities for career growth are astounding.

Add in a very competitive salary. A terrific benefit package. Tuition reimbursement. Multiple scheduling options. Plus the chance to take part in career development. And you have a job that changes your life.

For more information, or to apply, call Nursing Human Resources at 319-356-2120 or 1-800-777-4692. Or visit our web site: www.uihealthcare.com/nursing.

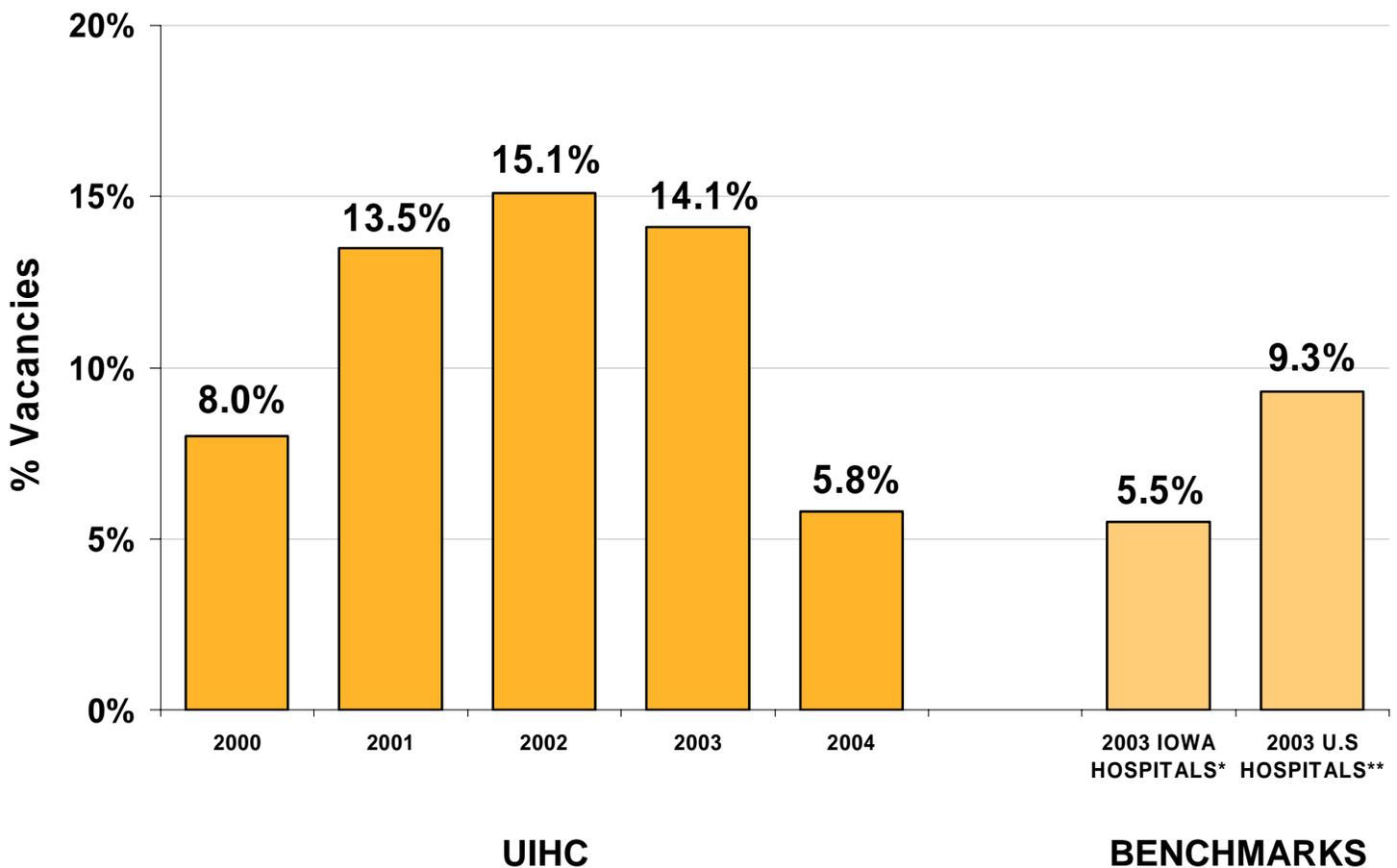
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UIHC Nursing Vacancy Rate

Year End FY 2000 - 2004



*Source: Iowa Hospital Association, 2004.

**Source: Labor Management Institute, "Perspectives on Staffing and Scheduling" July, 2003.

Revenue Cycle Redesign

- Documentation Accuracy/ Coding Improvement with 3M
- Upfront Cash Collections Implemented in Clinical Areas
- Pre-Access Unit for Insurance Verification/ Authorization
- Charge Master Review
- Revenue Integrity Department
- Uncompensated Care Policy
- Addition of Health Benefit Advisors

Supply Chain: Fiscal Year 2004

Achievements: 4th Quarter FY 2004

- New contracts resulted in savings of \$810,000 in Cath/EP Lab
- Preparation of 2 additional operating rooms previously used for inventory storage
- Improved inventory controls to include quarterly counting
- New product evaluation function and special order database

Achievements: Fiscal Year 2004

- One time inventory savings of \$5.27M (compared to target of \$4.5M)
- Ongoing savings of \$4.80M (compared to target of \$4.5M)

Lean Sigma Event June 7-11, 2004



Institutional Scorecard Indicators

Effective July 1, 2004

WORKPLACE OF CHOICE
Employee turnover rate
Employee vacancy rate
RN turnover rate
RN vacancy rate
Employee commitment

PURSUING EXCELLENCE
Overall hospital rating (Press Ganey)
Likelihood to recommend to others
Outpatient appointment within 14 days
Readmission rate within 30 days
Medication safety index
Index for CMS reported care processes
Expected/actual severity and risk of mortality

IMPROVING EFFICIENCIES
Observed/expected LOS ratio
Paid hours per adjusted discharge
Cost per adjusted discharge
Payroll cost per adjusted discharge
Supply cost per adjusted discharge
Medication cost per adjusted discharge

FINANCIAL STRENGTH
Market share (inpatient)
Operating margin
Acute admissions (excludes newborn)
Clinic visits (main campus)
Major surgical procedures
Net days in A/R
Bad debt as a % of gross revenue
Earnings before depreciation, interest, taxes, amortization