



# University of Iowa Health Care

*Presentation to  
The Board of Regents, State of Iowa  
September 17, 2009*

# Agenda

- Opening Remarks (Robillard)
- Carver College of Medicine Report (Rothman)
- Operating and Financial Performance (Kates)
- Expense Moderation Update (Kates)



## ***Carver College of Medicine Report***

Paul Rothman, M.D.  
Dean, Carver College of Medicine

*Named Head of Internal Medicine*



- Joined UI faculty in October 2005
- Professor of Internal Medicine, Director of UI Division of Cardiology
- M.D. and Ph.D. (Physiology) from the University of Minnesota
- Fellowships in cardiology and clinical cardiac electrophysiology, at Stanford University
- Clinical interests: cardiac arrhythmia, including devices and techniques that improve and rescue ailing hearts
- Research interests: understanding the biology behind cardiac arrhythmias and using that knowledge to develop new therapies

# ***FUTURE in Biomedicine Program 2009***



Fostering **U**ndergraduate **T**alent – **U**niting **R**esearch and **E**ducation in Biomedicine

## INAUGURAL YEAR



**KARISSA CARLSON** Northwestern College

**RANDY CHRISTENSEN** Coe College

**JODI ENOS-BERLAGE** Luther College

**JERRY HONTS** Drake University

**SHANNON MACKKEY** St. Ambrose University

**DANIEL PRATT** Graceland University

**DAVID SPECKHARD** Loras College

# Overview of Medical Education



- Physicians

- Medical school (4 years)
- Internship/Residency/Fellowship (3-7 years)
- Continuing medical education (lifelong)

- Other Health Care Providers

- Physician assistants and physical therapists (2-5 yrs)
- Nursing, pharmacists, dentists, public health (~2-5 yrs)

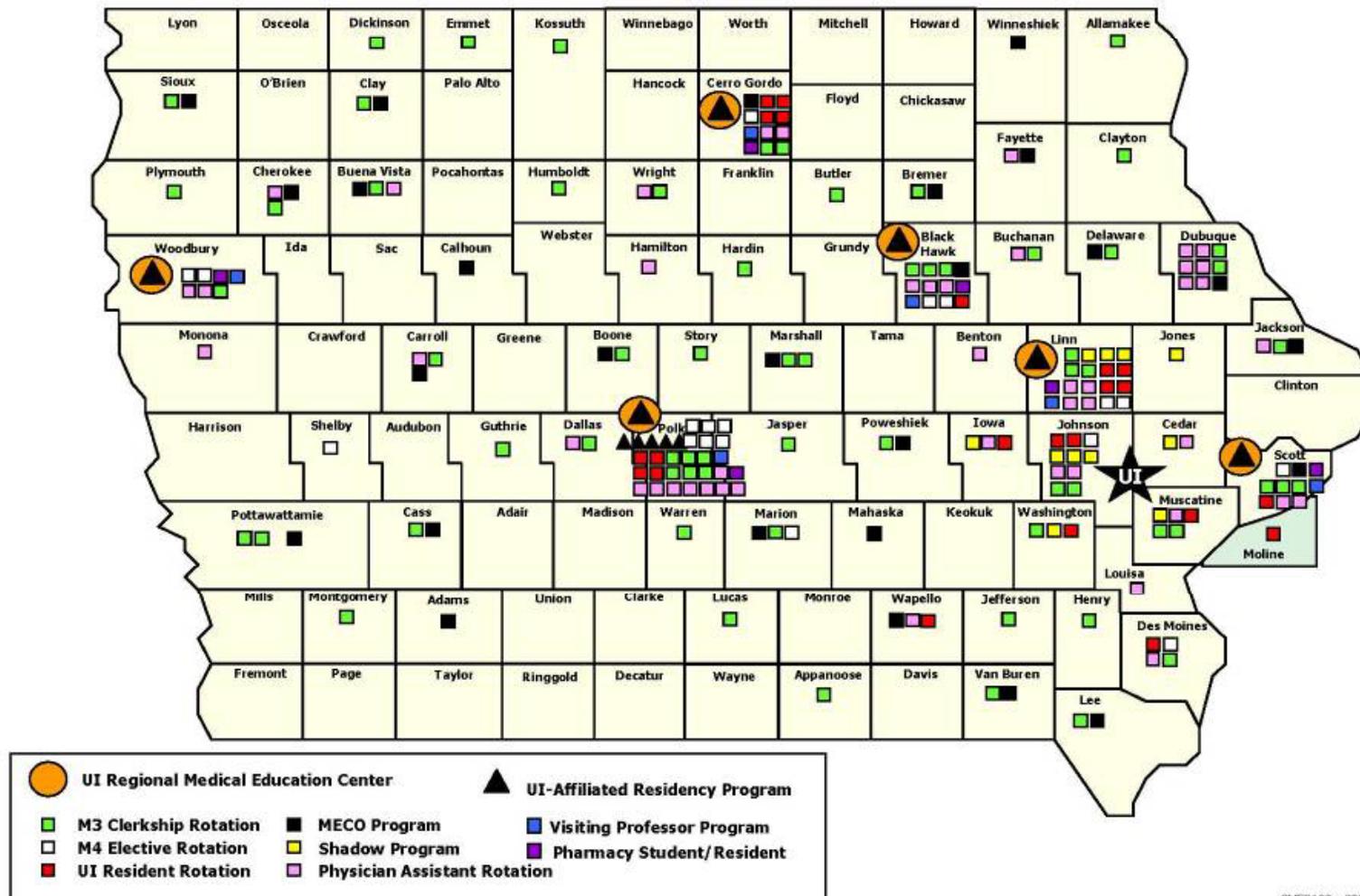
## Funding

- Tuition/State
- Centers for Medicare and Medicaid Services
- UI Hospitals and Clinics
- University of Iowa Physicians
- Students

# STATEWIDE MEDICAL EDUCATION SYSTEM

## Location of Educational Activities

### 2007-2008



Source: Office of Statewide Clinical Education Programs, UI Carver College of Medicine, April 2009

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## THE ANNUAL IOWA MEDICAL GRADUATE DYNAMIC\* Exporting and Importing for Graduate Medical Education

### UI CCOM

### DMU

- Class Size: 148 (70% IA)
- Class Size: 221 (25% IA)

- Graduates: 142
- Graduates: 195

— Leave Iowa for GME: 100 (70% IA)      — Leave Iowa: 165

— Stay in Iowa for GME: 42 (30% IA)      — Stay in Iowa: 30

**Combined**  
= 48 ms/100k pop

**1<sup>st</sup> Year GME Positions Available in Iowa**

**= 197 Total**  
**= 27 GME/100k pop**  
**= 25th in US**

**+130 (Imported Grads) = 197 Positions**

1. Four of every five medical graduates leave IA for GME
2. Twice as many medical school graduates (270) leave Iowa as enter (130) for residency training.
3. Increasing medical school enrollment has limitations as a primary strategy to address work force shortages in Iowa

\*08-09 Academic Year

## ***Post Medical Training (ACGME) Programs in Iowa***



- University of Iowa Health Care (58 core programs)
  - All primary care specialties
  - All subspecialties
  - Advanced fellowship training
- UI Affiliated (8)
  - Family Practice Network
- Iowa Methodist (3)
  - Internal Medicine, Pediatrics, General Surgery
- Des Moines, Mercy (1)
  - Family Practice

***UI Health Care directly involved in 66 of the 70 ACGME programs, spanning training of physicians in both primary and subspecialty care for Iowa.***

## ***Graduate Medical Education at UI***



- GME cap – 409 full time equivalents
- Actual trainee count\* – 633 residents and fellows
- Incremental cost per FTE – \$75-80K/year
- Total cost (2008) – \$46,323,930
- Total UIHC subsidy (2008) – \$17,948,623

\*Accredited programs only

# Continuing Medical Education (CME)



- Carver College of Medicine: Iowa's only national accredited CME provider
- CME credit required for bi-annual licensure
- Audience – all health care providers
- Programs include on site and outreach
  - In 2008 reached providers in 83 of Iowa's 99 counties
- Mini med school
  - Lay public:
    - 27 programs, 8 counties (2000 attendees)
  - Pipeline education for adolescents:
    - 45 programs, 8 counties (3000 kids)

# IOWA PHYSICIANS with Medical Education/Training in UI Medical Education System 2008

		<u>% of Total</u>	<u>Cumulative %</u>	<u>No.</u>	<u>% of Total</u>
• Physicians w/UI Med. Ed. Exp.				<b>2,638</b>	<b>50.3%</b>
– Medical School (only)	<b>668</b>	<b>12.7%</b>	<b>12.7%</b>		
– Medical School/Residency	<b>847</b>	<b>16.2%</b>	<b>28.9%</b>		
– Medical School, Residency and Fellowship	<b>111</b>	<b>2.1%</b>	<b>31.0%</b>		
– Medical School and Fellowship	<b>38</b>	<b>0.7%</b>	<b>31.7%</b>		
– Residency (only)	<b>747</b>	<b>14.2%</b>	<b>45.9%</b>		
– Residency/Fellowship	<b>120</b>	<b>2.3%</b>	<b>48.2%</b>		
– Fellowship (only)	<b>107</b>	<b>2.1%</b>	<b>50.3%</b>		
Subtotals	<b>2638</b>	<b>50.3%</b>			
• No UI Med. Ed. Exp.				<b>2,607</b>	<b>49.7%</b>
Total Iowa Physician Population				<b>5,245</b>	<b>100.0%</b>

- State mandated program, 1973
- Charge
  - Information Systems and Workforce Research
  - Community-Based Medical Education
  - Assist Iowa Communities in recruitment of health care providers
- Trend data that can be used to inform state decision making about workforce initiatives

## ***Iowa Physician Workforce and Advisory Council: Key findings and recommendations\****



- Iowa averages a net gain of 71 physicians each year
  - 336 new physicians enter practice in the state and 265 existing physicians exit practice (162 actually leave the state)
- Despite annual gains, an aging population and physician practice preferences are increasing Iowa's need for physicians
- Growing need in general practice specialties as well as neurology, psychiatry and cardiology

\*Source: Office of Statewide Clinical Education Programs, UI Carver College of Medicine

## ***Iowa Physician Workforce and Advisory Council: Key findings and recommendations\****



- Retain more of the 162 physicians who leave practice in Iowa annually
  - Retaining just half of these physicians would more than double the annual increase in Iowa physician supply
  - 5 specialties account for half of physician departures (Family Medicine, General Internal Medicine, Internal Medicine Subspecialties, Anesthesiology, Radiology)
- Why do physicians leave Iowa?\*

  - ~ 50% begin practice in a contiguous state
  - 2/3 relocate within 5 yrs of entering practice in Iowa
  - 84% cite practice factors as a reason for relocation

\*Source: Office of Statewide Clinical Education Programs, UI Carver College of Medicine

## ***Together “we” are doing even more***



- Development of “retention” tool kit
  - SWAT teams to assist practitioners and employers
- Continued tracking of workforce with particular attention to:
  - Critical demand specialties
  - Impact of practice preference and gender on demand
- Engage policy makers to develop informed workforce strategies
  - Shift loan re-payment disbursement to the recruiting entity to more tightly link the employee and employer
  - Lengthen repayment period to 3-5 years to help embed the practitioner in the community



## ***Operating and Financial Performance***

Ken Kates  
Associate Vice President and CEO, UI Hospitals and Clinics

# Volume Indicators

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	2,497	2,480	2,404	17	0.6% ○	93	3.9% ●
Patient Days	14,699	16,071	15,901	(1,372)	-8.5% ●	(1,202)	-7.6% ●
Length of Stay	5.79	6.56	6.57	(0.77)	-11.7% ●	(0.78)	-11.9% ●
Average Daily Census	474.16	518.42	512.94	(44.26)	-8.5% ●	(38.77)	-7.6% ●
Surgeries – Inpatient	928	1,062	981	(134)	-12.6% ●	(53)	-5.4% ●
Surgeries – Outpatient	1,179	953	1,030	226	23.7% ●	149	14.5% ●
Emergency Treatment Center Visits	4,347	4,151	4,070	196	4.7% ●	277	6.8% ●
Outpatient Clinic Visits	64,178	62,619	61,365	1,559	2.5% ○	2,813	4.6% ●
Case Mix	1.7571	1.8155	1.8721	(0.0584)	-3.2%	(0.1150)	-6.1%
Medicare Case Mix	1.8223	2.0295	1.9019	(0.2072)	-10.2%	(0.0796)	-4.2%

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

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	850	816	795	34	4.2% ●	55	6.9% ●
Adult Surgical	1,117	1,133	1,146	(16)	-1.4% ○	(29)	-2.5% ●
Adult Psych	144	155	131	(11)	-7.1% ●	13	9.9% ●
<i>Subtotal – Adult</i>	<i>2,111</i>	<i>2,104</i>	<i>2,072</i>	<i>7</i>	<i>0.3% ○</i>	<i>39</i>	<i>1.9% ○</i>
Pediatric Medical	270	259	222	11	4.3% ●	48	21.6% ●
Pediatric Surgical	12	14	15	(2)	-14.3% ●	(3)	-20.0% ●
Pediatric Critical Care	69	65	63	4	6.2% ●	6	9.5% ●
Pediatric Psych	35	38	32	(3)	-7.9% ●	3	9.4% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>386</i>	<i>376</i>	<i>332</i>	<i>10</i>	<i>2.7% ●</i>	<i>54</i>	<i>16.3% ●</i>
Newborn	107	109	119	(2)	-1.8% ○	(12)	-10.1% ●
<b>TOTAL w/o Newborn</b>	<b>2,497</b>	<b>2,480</b>	<b>2,404</b>	<b>17</b>	<b>0.7% ○</b>	<b>93</b>	<b>3.9% ●</b>

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

# Discharge Days by Type

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	4,369	4,830	4,546	(461)	-9.5% ●	(177)	-3.9% ●
Adult Surgical	5,545	6,095	6,245	(550)	-9.0% ●	(700)	-11.1% ●
Adult Psych	1,745	1,742	1,847	3	0.2% ○	(102)	-5.5% ●
<i>Subtotal – Adult</i>	<i>11,659</i>	<i>12,667</i>	<i>12,638</i>	<i>(1,008)</i>	<i>-8.0% ●</i>	<i>(979)</i>	<i>-7.6% ●</i>
Pediatric Medical	1,026	1,390	1,244	(364)	-26.2% ●	(218)	-17.5% ●
Pediatric Surgical	46	127	44	(81)	-63.8% ●	2	4.6% ●
Pediatric Critical Care	1,570	1,760	1,507	(190)	-10.8% ●	63	4.2% ●
Pediatric Psych	150	331	365	(181)	-54.7% ●	(215)	-58.9% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>2,792</i>	<i>3,608</i>	<i>3,160</i>	<i>(816)</i>	<i>-22.6% ●</i>	<i>(368)</i>	<i>-11.7% ●</i>
Newborn	257	266	294	(9)	-3.4% ●	(37)	-12.6% ●
<b>TOTAL w/o Newborn</b>	<b>14,451</b>	<b>16,275</b>	<b>15,798</b>	<b>(1,824)</b>	<b>-11.2% ●</b>	<b>(1,347)</b>	<b>-8.5% ●</b>

 Greater than 2.5% Favorable     
  Neutral     
  Greater than 2.5% Unfavorable

# Average Length of Stay by Type

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.14	5.92	5.72	(0.78)	-13.2% ●	(0.58)	-10.1% ●
Adult Surgical	4.96	5.38	5.45	(0.42)	-7.8% ●	(0.49)	-9.0% ●
Adult Psych	12.12	11.24	14.10	0.88	7.8% ●	(1.98)	-14.0% ●
Subtotal – Adult	5.52	6.02	6.10	(0.50)	-8.3% ●	(0.58)	-9.5% ●
Pediatric Medical	3.80	5.36	5.60	(1.56)	-29.1% ●	(1.80)	-32.1% ●
Pediatric Surgical	3.83	9.33	2.93	(5.50)	-59.0% ●	0.90	30.7% ●
Pediatric Critical Care	22.75	27.06	23.92	(4.31)	-15.9% ●	(1.17)	-4.9% ●
Pediatric Psych	4.29	8.64	11.41	(4.35)	-50.4% ●	(7.12)	-62.4% ●
Subtotal – Pediatrics w/o newborn	7.23	9.59	9.52	(2.36)	-24.6% ●	(2.29)	-24.1% ●
Newborn	2.40	2.44	2.47	(0.04)	-1.6% ○	(0.07)	-2.8% ●
<b>TOTAL w/o Newborn</b>	<b>5.79</b>	<b>6.56</b>	<b>6.57</b>	<b>(0.77)</b>	<b>-11.7% ●</b>	<b>(0.78)</b>	<b>-11.9% ●</b>

 Greater than 2.5% Favorable     
  Neutral     
  Greater than 2.5% Unfavorable

# Outpatient Surgeries – by Clinical Department

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	8	5	1	3	76.3% ●	7	700.0% ●
Dentistry	58	37	52	21	57.1% ●	6	11.5% ●
Dermatology	7	3	4	4	100.4% ●	3	75.0% ●
General Surgery	174	125	138	49	39.1% ●	36	26.1% ●
Gynecology	58	49	48	9	17.6% ●	10	20.8% ●
Internal Medicine	1	0	0	1	100.0% ●	1	100.0% ●
Neurosurgery	40	21	26	19	91.1% ●	14	53.8% ●
Ophthalmology	272	249	290	23	9.4% ●	(18)	-6.2% ●
Orthopedics	286	224	221	62	27.7% ●	65	29.4% ●
Otolaryngology	169	142	150	27	19.1% ●	19	12.7% ●
Pediatrics	2	0	0	2	100.0% ●	2	100.0% ●
Radiology – Interventional	5	1	0	4	400.0% ●	5	100.0% ●
Urology w/ Procedure Ste.	99	97	100	2	2.1% ○	(1)	-1.0% ○
<b>Total</b>	<b>1,179</b>	<b>953</b>	<b>1,030</b>	<b>226</b>	<b>23.7% ●</b>	<b>149</b>	<b>14.5% ●</b>

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

# Inpatient Surgeries – by Clinical Department

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	108	105	74	3	2.9% ●	34	45.9% ●
Dentistry	9	15	15	(6)	-40.1% ●	(6)	-40.1% ●
General Surgery	230	266	272	(36)	-13.7% ●	(42)	-15.4% ●
Gynecology	83	81	68	2	2.4% ○	15	22.1% ●
Neurosurgery	137	160	143	(23)	-14.1% ●	(6)	-4.2% ●
Ophthalmology	6	11	17	(5)	-46.4% ●	(11)	-64.7% ●
Orthopedics	205	268	245	(63)	-23.4% ●	(40)	-16.3% ●
Otolaryngology	66	76	66	(10)	-12.7% ●	0	0.00% ○
Pediatrics	0	0	0	0	0.00% ○	0	0.00% ○
Radiology – Interventional	23	7	0	16	249.5% ●	23	100.0% ●
Urology w/ Procedure Ste.	61	73	81	(12)	-16.9% ●	(20)	-24.7% ●
<b>Total</b>	<b>928</b>	<b>1,062</b>	<b>981</b>	<b>(134)</b>	<b>-12.6% ●</b>	<b>(53)</b>	<b>-5.4% ●</b>

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

# Emergency Treatment Center

July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ETC Visits	4,347	4,151	4,070	196	4.7% ●	277	6.8% ●
ETC Admits	1,086	1,072	1,021	14	1.3% ○	65	6.4% ●
Conversion Factor	25.0%	25.8%	25.1%		-3.3% ●		-0.4% ○
ETC Admits / Total Admits	42.8%	43.6%	42.9%		-1.8% ○		-0.3% ○

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

# Clinic Visits by Clinical Department

## July 2009



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Anesthesia	1,433	1,295	1,338	138	10.7% ●	95	7.1% ●
CDD	630	641	649	(11)	-1.7% ○	(19)	-2.9% ●
Clinical Research	886	735	648	151	20.6% ●	238	36.7% ●
Dermatology	2,080	1,890	2,008	190	10.1% ●	72	3.6% ●
ETC	4,347	4,151	4,070	196	4.7% ●	277	6.8% ●
Employee Health Clinic	1,062	1,441	1,516	(379)	-26.3% ●	(454)	-30.0% ●
Family Care Center	7,746	7,583	7,906	163	2.2% ○	(160)	-2.0% ○
General Surgery	2,481	2,344	2,317	137	5.8% ●	164	7.1% ●
Hospital Dentistry	1,091	837	1,883	254	30.4% ●	(792)	-42.1% ●
Internal Medicine	9,884	10,068	8,960	(184)	-1.8% ○	924	10.3% ●
Iowa Care Clinic	1,573	1,087	912	486	44.7% ●	661	72.5% ●
Neurology	1,492	1,482	1,223	10	0.7% ○	269	22.0% ●
Neurosurgery	895	804	834	91	11.3% ●	61	7.3% ●
Obstetrics/Gynecology	6,442	6,322	5,975	120	1.9% ○	467	7.8% ●
Ophthalmology	6,163	6,026	6,180	137	2.3% ○	(17)	-0.3% ○
Orthopedics	4,663	4,753	4,489	(90)	-1.9% ○	174	3.9% ●
Otolaryngology	2,386	2,474	2,434	(88)	-3.6% ●	(48)	-2.0% ○
Pediatrics	3,632	3,423	3,106	209	6.1% ●	526	16.9% ●
Psychiatry	3,622	3,676	3,337	(54)	-1.5% ○	285	8.5% ●
Thoracic – Cardio Surgery	260	237	214	23	9.8% ●	46	21.5% ●
Urology	1,353	1,298	1,296	55	4.2% ●	57	4.4% ●
Other	57	52	70	5	9.6% ●	(13)	-18.6% ●
<b>Total</b>	<b>64,178</b>	<b>62,619</b>	<b>61,365</b>	<b>1,559</b>	<b>2.5% ○</b>	<b>2,813</b>	<b>4.6% ●</b>



Greater than 2.5% Favorable

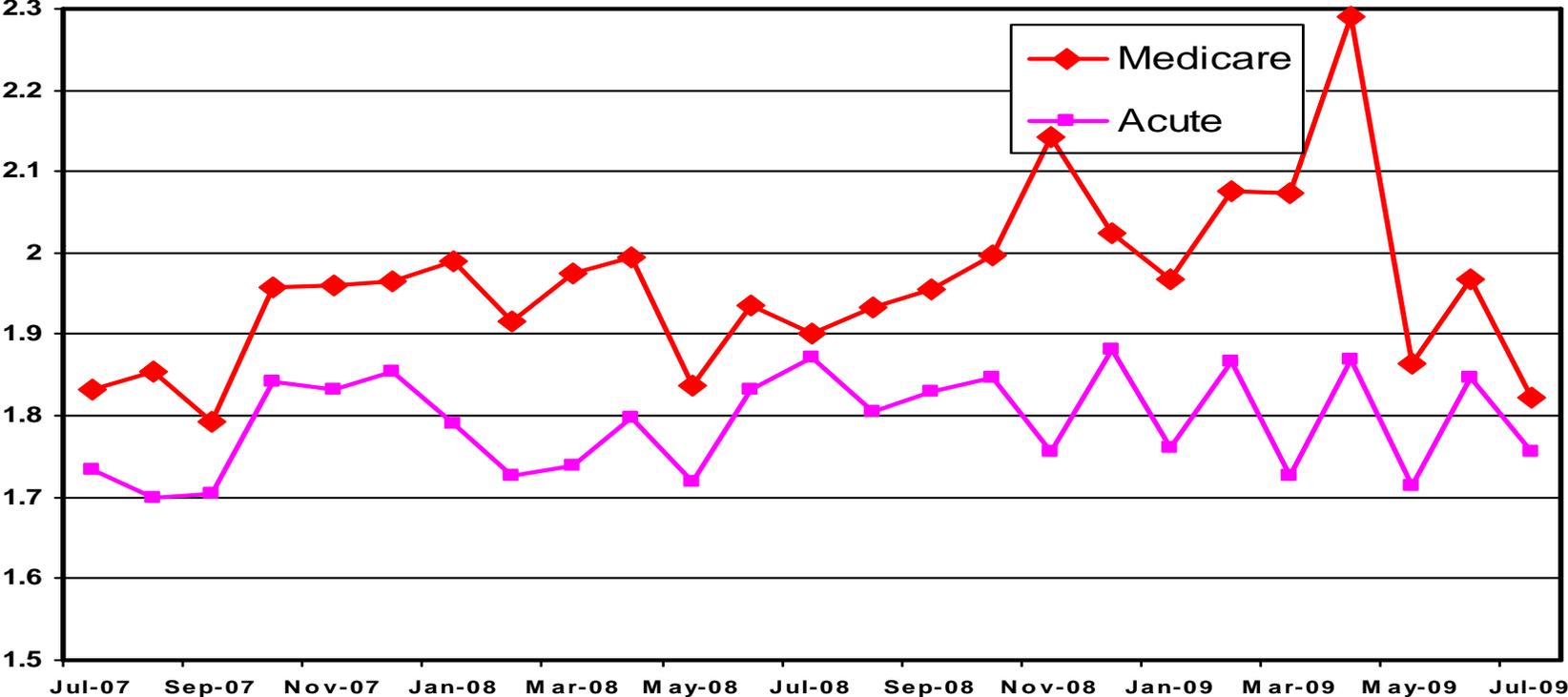


Neutral



Greater than 2.5% Unfavorable

# Case Mix Index



# UIHC Comparative Financial Results

July 2009



<b>NET REVENUES:</b>	<b>Actual</b>	<b>Budget</b>	<b>Prior Year</b>	<b>Variance to Budget</b>	<b>% Variance to Budget</b>	<b>Variance to Prior Year</b>	<b>% Variance to Prior Year</b>
Patient Revenue	\$71,995	\$73,065	\$72,124	(\$1,070)	-1.5%	(\$129)	-0.2%
Appropriations	-	-	585	-	0.0%	(585)	-100.0%
Other Operating Revenue	4,317	3,971	3,909	346	8.7%	408	10.4%
<b>Total Revenue</b>	<b>\$76,312</b>	<b>\$77,036</b>	<b>\$76,618</b>	<b>(\$724)</b>	<b>-0.9%</b>	<b>(\$306)</b>	<b>-0.4%</b>

## EXPENSES:

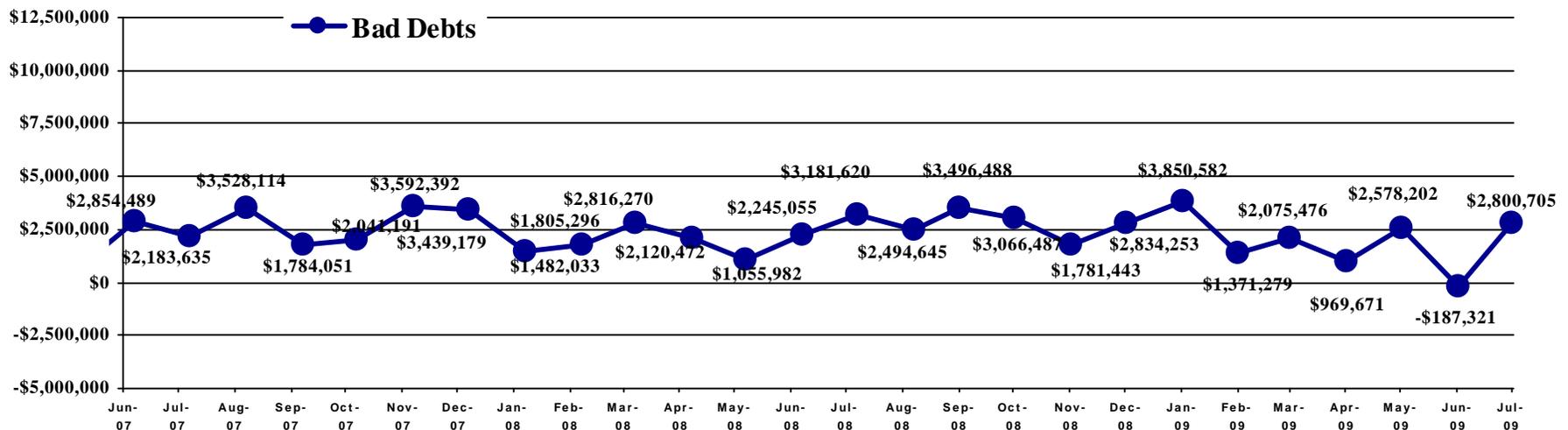
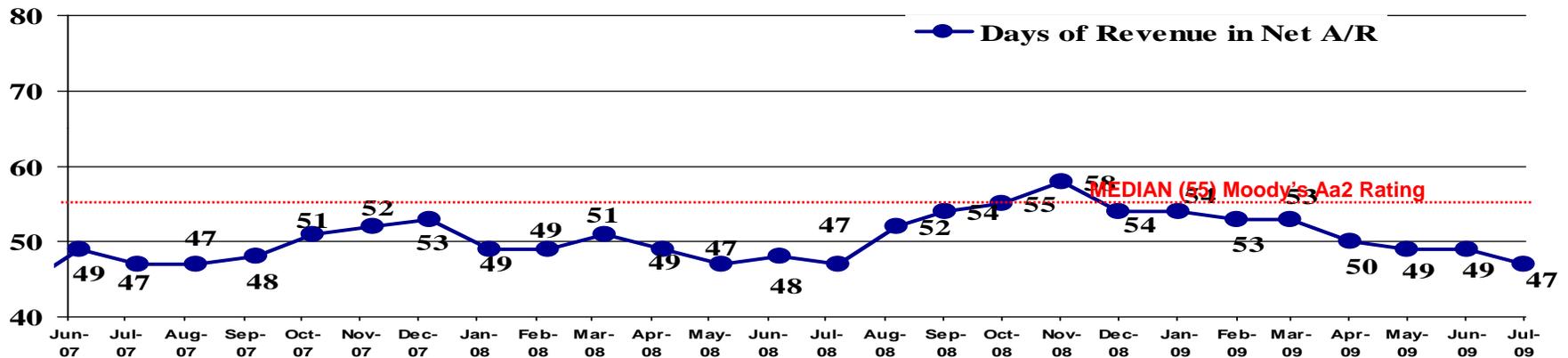
Salaries and Wages	\$39,784	\$39,425	\$40,972	\$359	0.9%	(\$1,188)	-2.9%
General Expenses	30,066	32,034	29,127	(1,968)	-6.1%	939	3.2%
Operating Expense before Capital	\$69,850	\$71,459	\$70,099	(\$1,609)	-2.3%	(\$249)	-0.4%
<b>Cash Flow Operating Margin</b>	<b>\$6,462</b>	<b>\$5,577</b>	<b>\$6,519</b>	<b>\$885</b>	<b>15.9%</b>	<b>(\$57)</b>	<b>-0.9%</b>
Capital- Depreciation and Amortization	6,194	6,364	5,626	(170)	-2.7%	568	10.1%
Total Operating Expense	\$76,044	\$77,823	\$75,725	(\$1,779)	-2.3%	\$319	0.4%

<b>Operating Income</b>	<b>\$268</b>	<b>(\$787)</b>	<b>\$893</b>	<b>\$1,055</b>	<b>-134.1%</b>	<b>(\$625)</b>	<b>-70.0%</b>
<b>Operating Margin %</b>	<b>0.4%</b>	<b>-1.0%</b>	<b>1.2%</b>		<b>1.4%</b>		<b>-0.8%</b>
Gain (Loss) on Investments	6,909	866	670	6,043	697.8%	6,239	931.2%
Other Non-Operating	(328)	(426)	(320)	98	-23.0%	(8)	2.5%
<b>Net Income</b>	<b>\$6,849</b>	<b>(\$347)</b>	<b>\$1,243</b>	<b>\$7,196</b>	<b>-2,074%</b>	<b>\$5,606</b>	<b>451.0%</b>
<b>Net Margin %</b>	<b>8.2%</b>	<b>-0.4%</b>	<b>1.6%</b>		<b>8.6%</b>		<b>6.6%</b>

# Comparative Accounts Receivable at July 31, 2009



	June 30, 2008	June 30, 2009 (preliminary)	July 31, 2009
Net Accounts Receivable	\$111,208,325	\$121,518,305	\$116,355,402
Net Days in AR	48	49	47





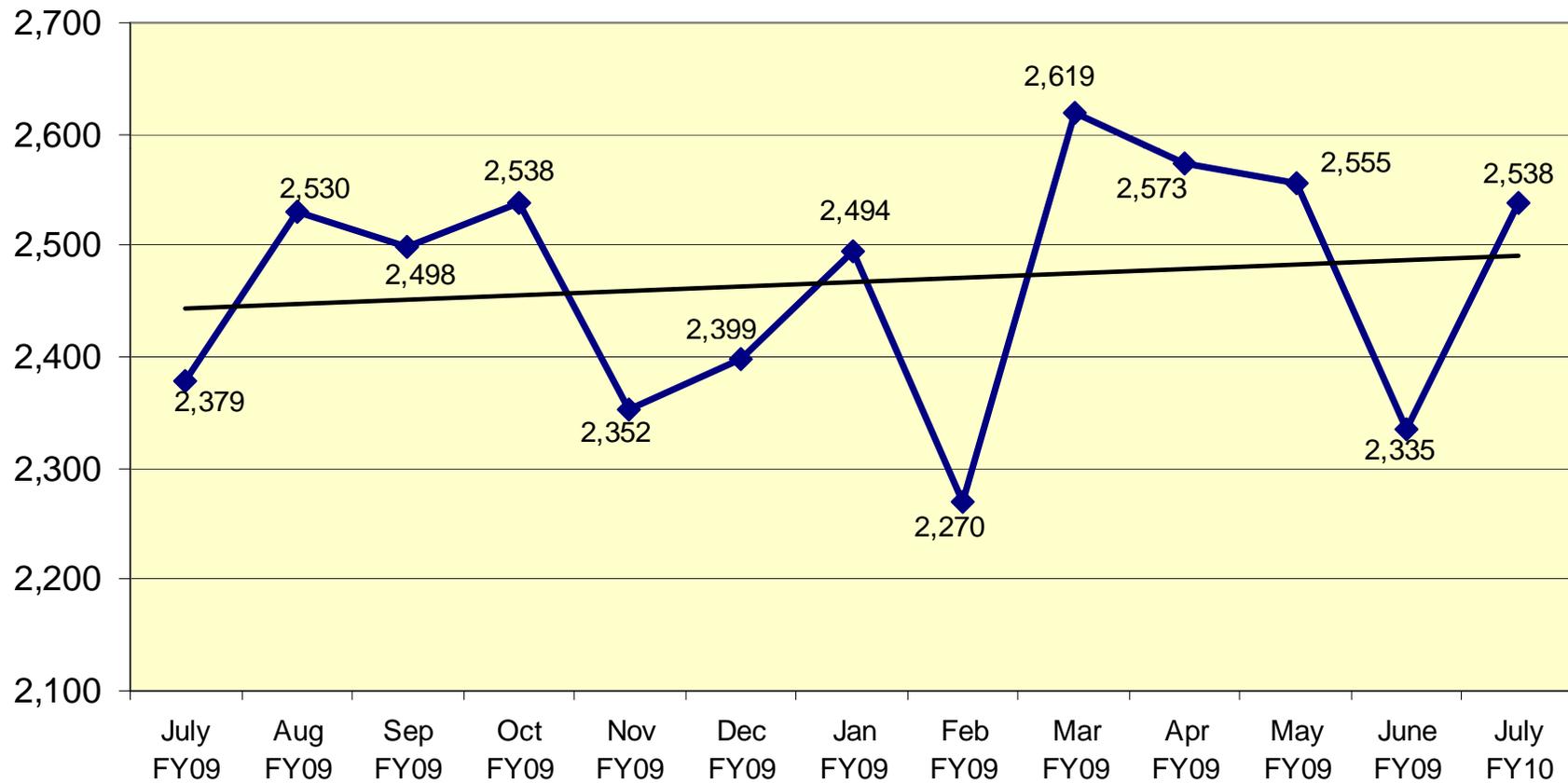
## ***Expense Moderation Update***

Ken Kates  
Associate Vice President and CEO, UI Hospitals and Clinics

# Admissions



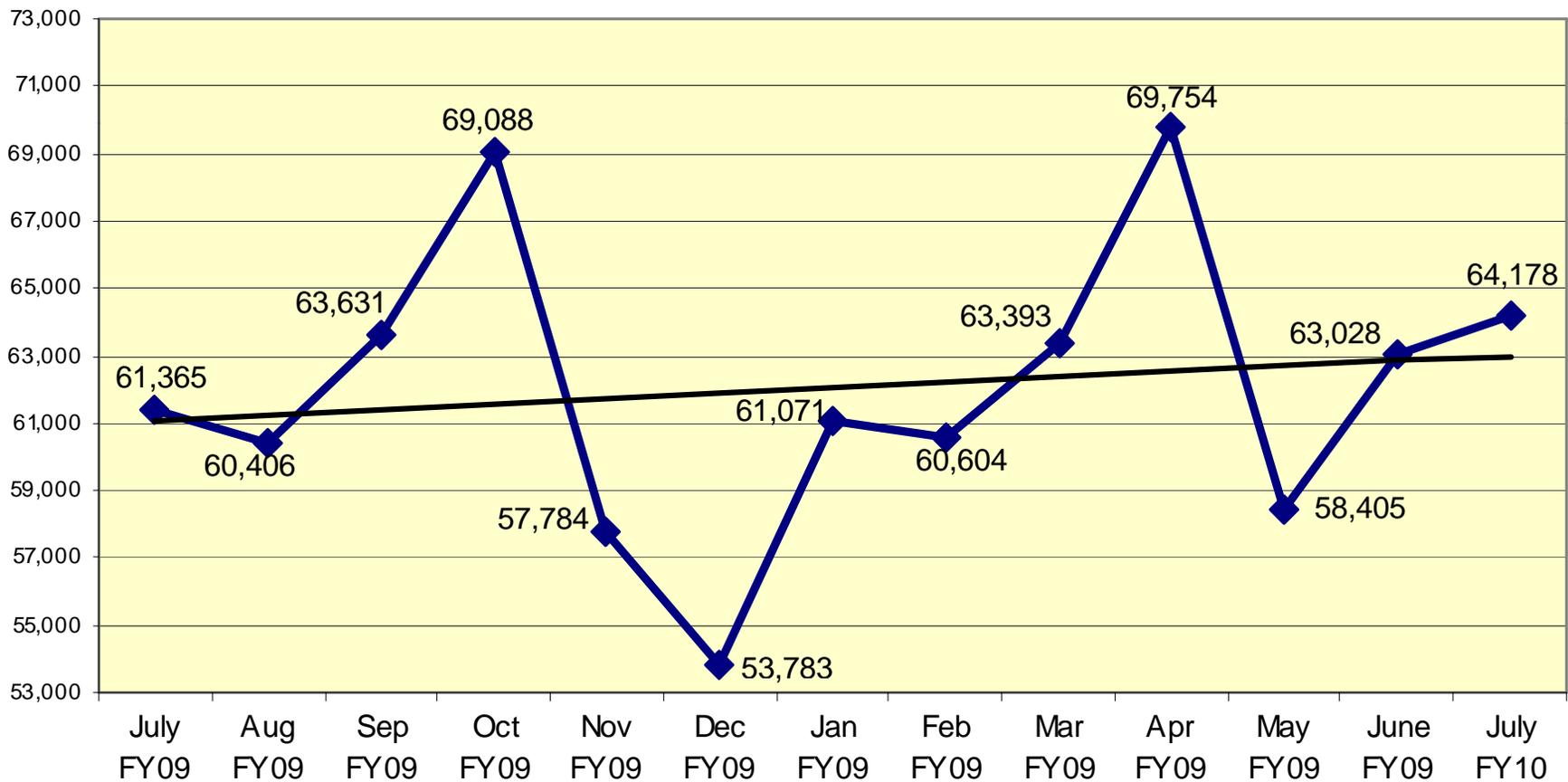
Admissions were up in July (3% above budget). UIHC had 159 (7%) more admissions than July FY09.



# Clinic Visits



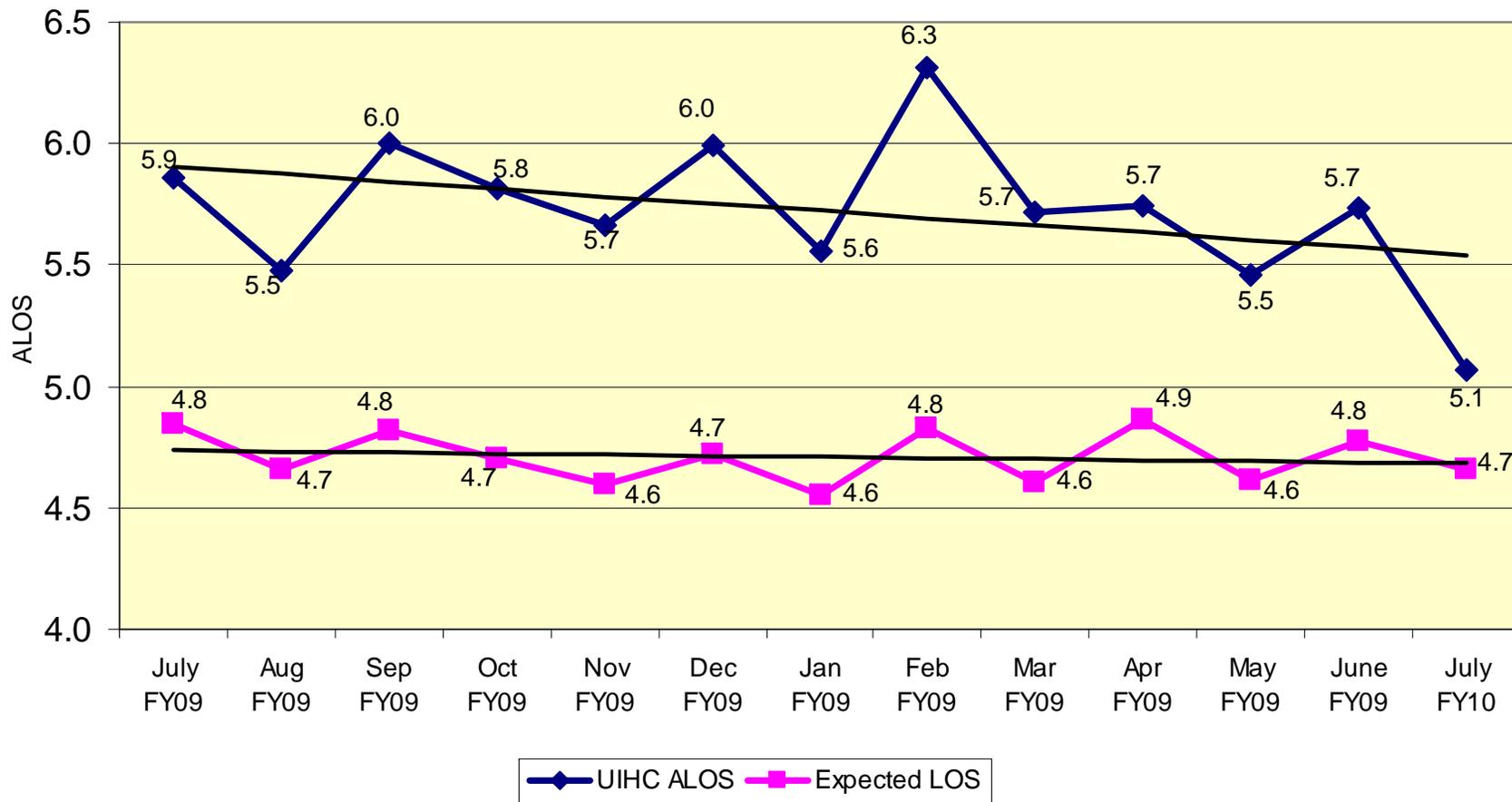
Clinic visits were strong to start the new fiscal year; July was the third busiest month over the past 13 months. There were 2,813 (5%) more visits compared to last July.



# Adult Length of Stay (excluding Psych)

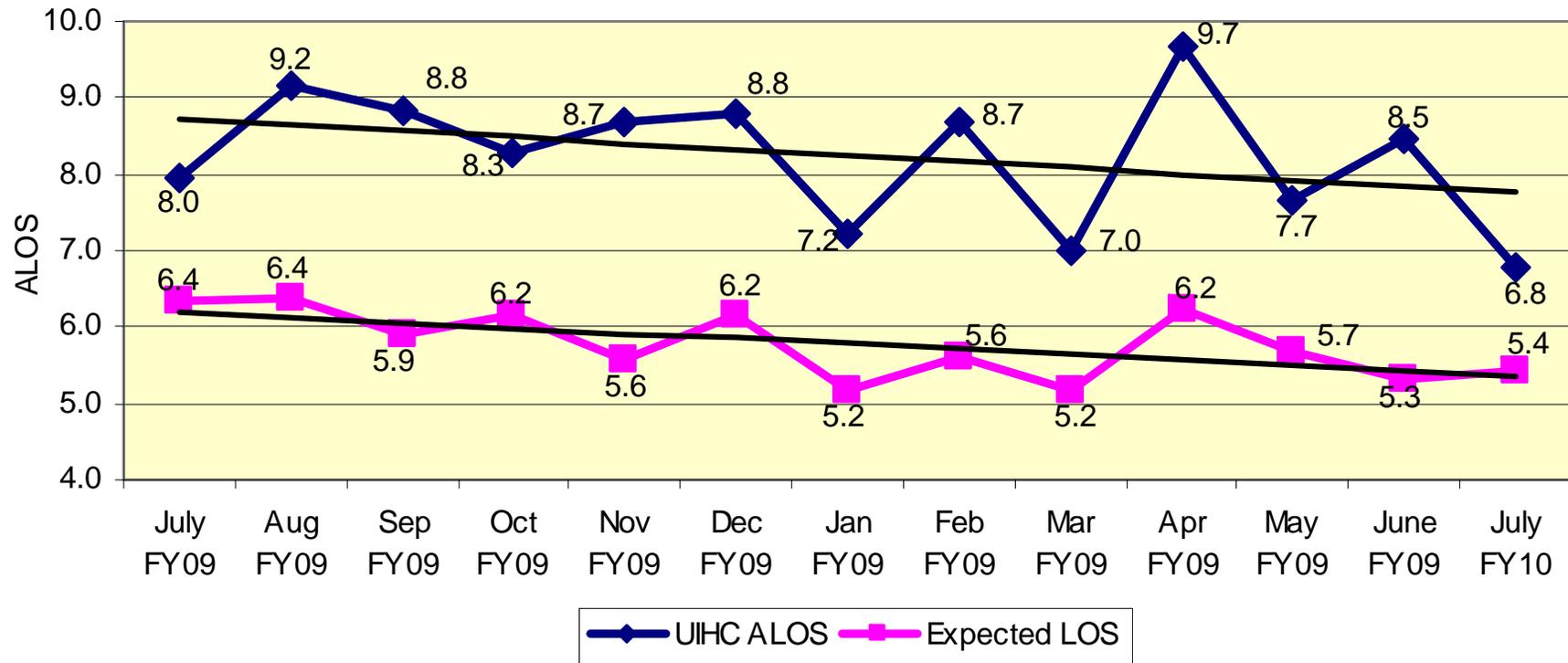


By actively managing length of stay (LOS), we were able to increase capacity in July by 13% without any additional beds or staff. We also closely benchmark the expected LOS and readmission rates as part of this initiative.



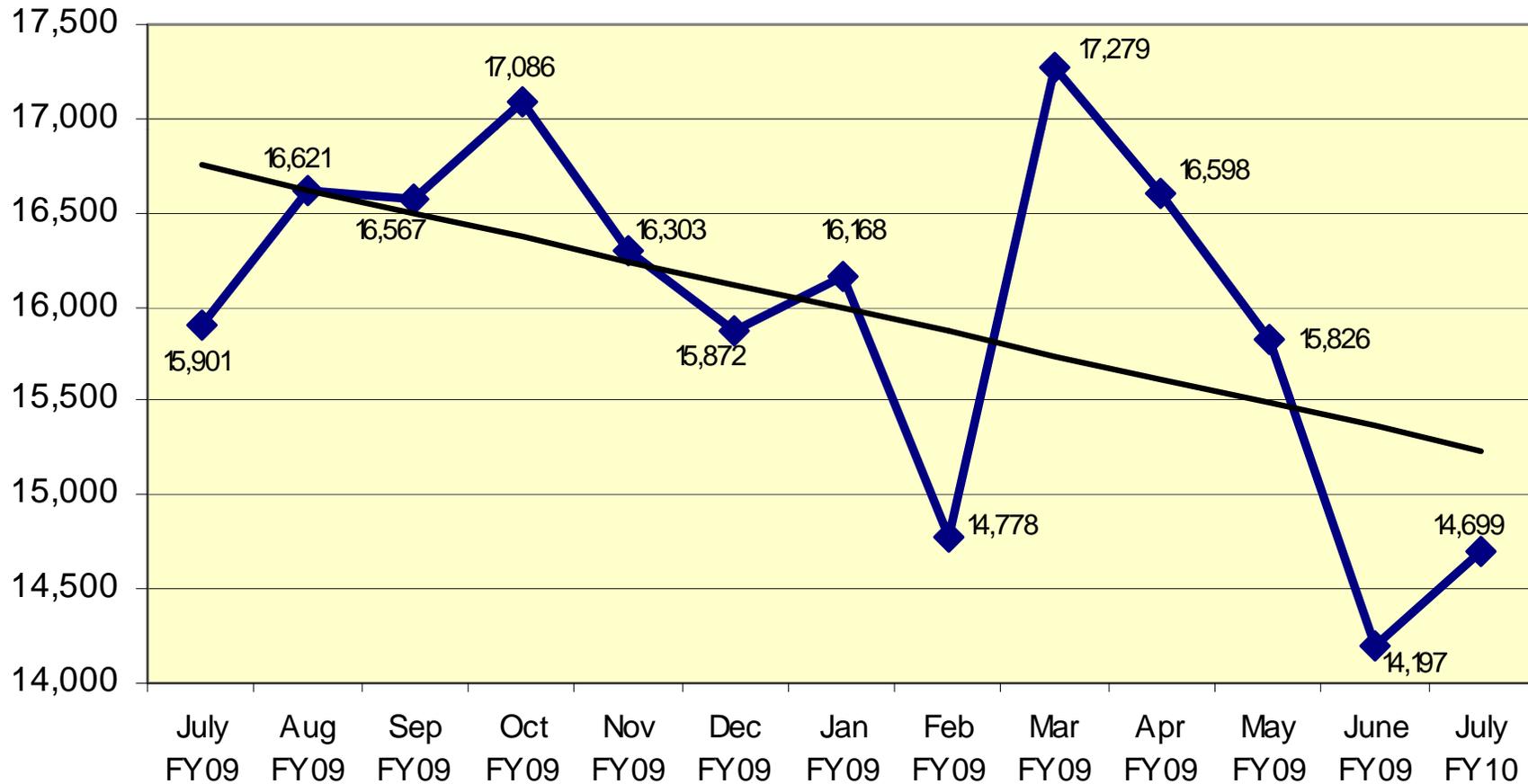
# Pediatric Length of Stay (excluding Psych & normal newborn)

Improvements are also being achieved in managing pediatric length of stay.



# Patient Days

Patient days continue to decline, primarily driven by improvements in length of stay. They were down 1,202 days (-8%) from last July.



# Gross Patient Revenues



Gross patient revenues were at budget in July. They were \$16 million (10%) above last July. Discounting for the 6% rate increase that took effect this July, charges are 4% above last July.



# Net Patient Revenues

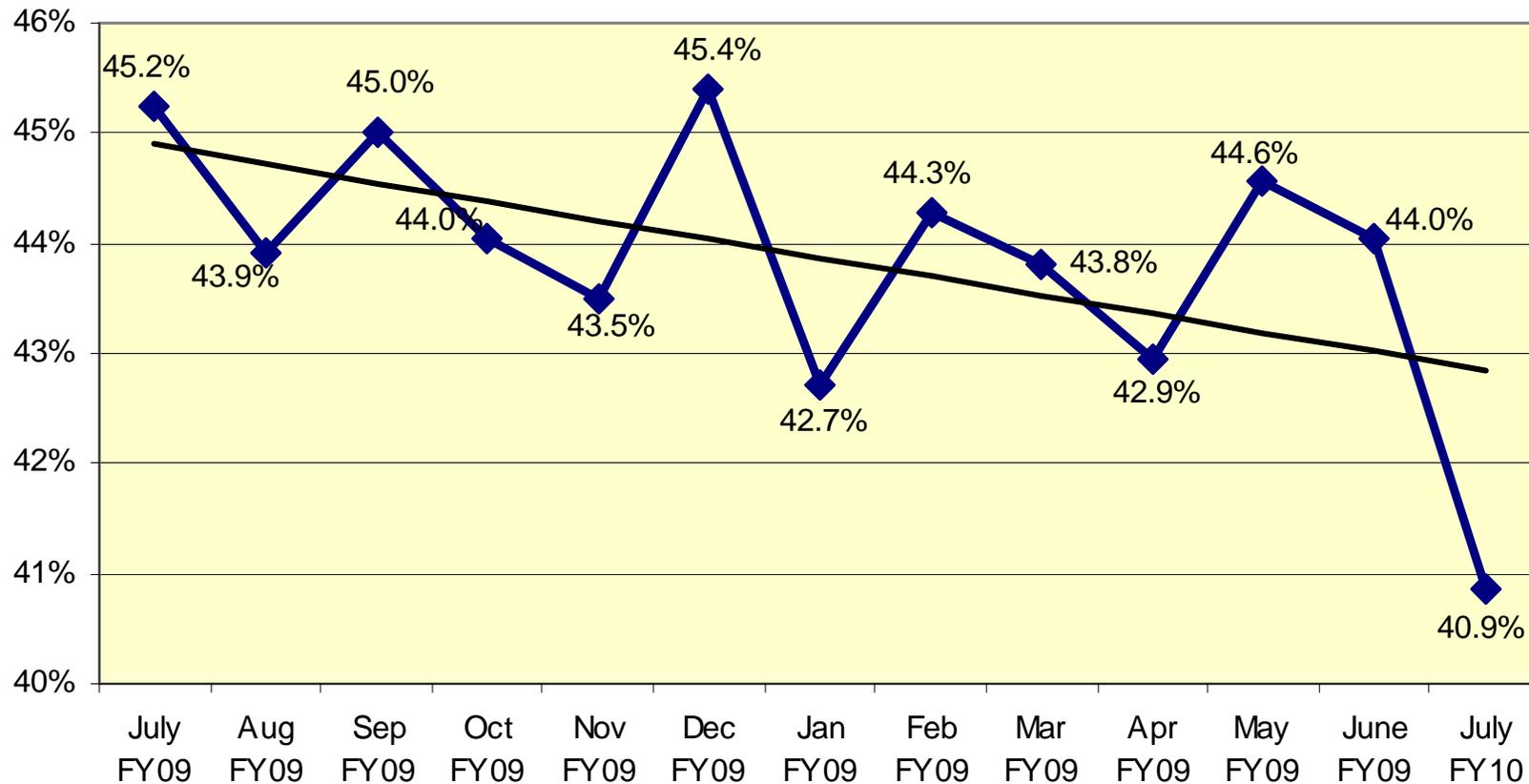


Net revenues held flat compared to last July. They were \$1.1 million (-2%) below budget.



# Net Patient Revenues as % of Gross Charges

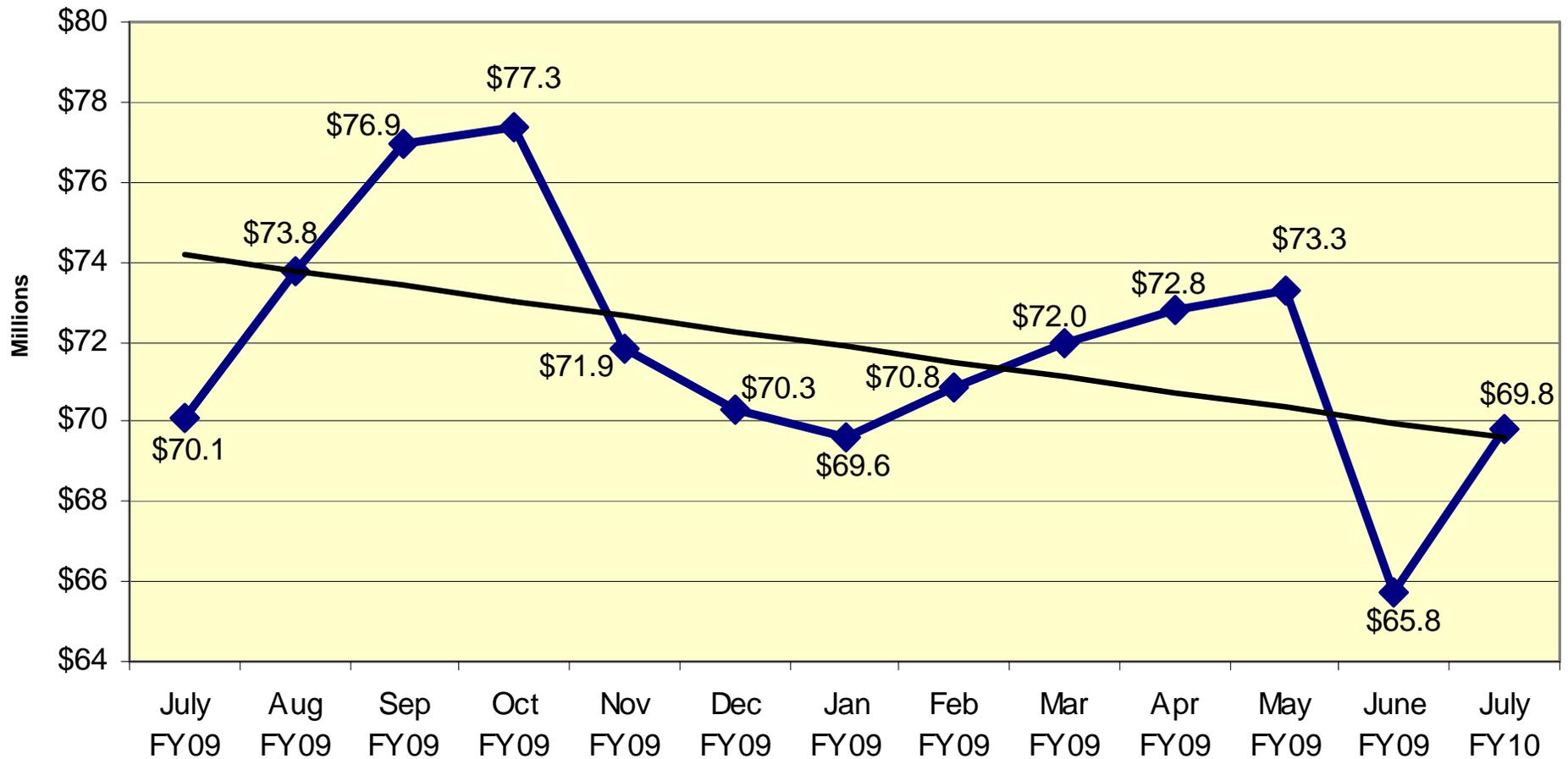
Net revenues as a percent of charges were 4.3% below last July's level and below budget by 0.5%. Every 1% decline in collection rate equals a \$20 million decrease in net patient revenue annually. (Discounting for the 6% rate increase, the collection rate would be 43.5%.)



# Total Operating Expenses



Total operating expenses continued to trend downward. They were 2% below budget, driven by strong performance in non-salary expenses. They were \$300,000 (-0.4%) below last July's expenses.



# Salary and Benefit Expenses

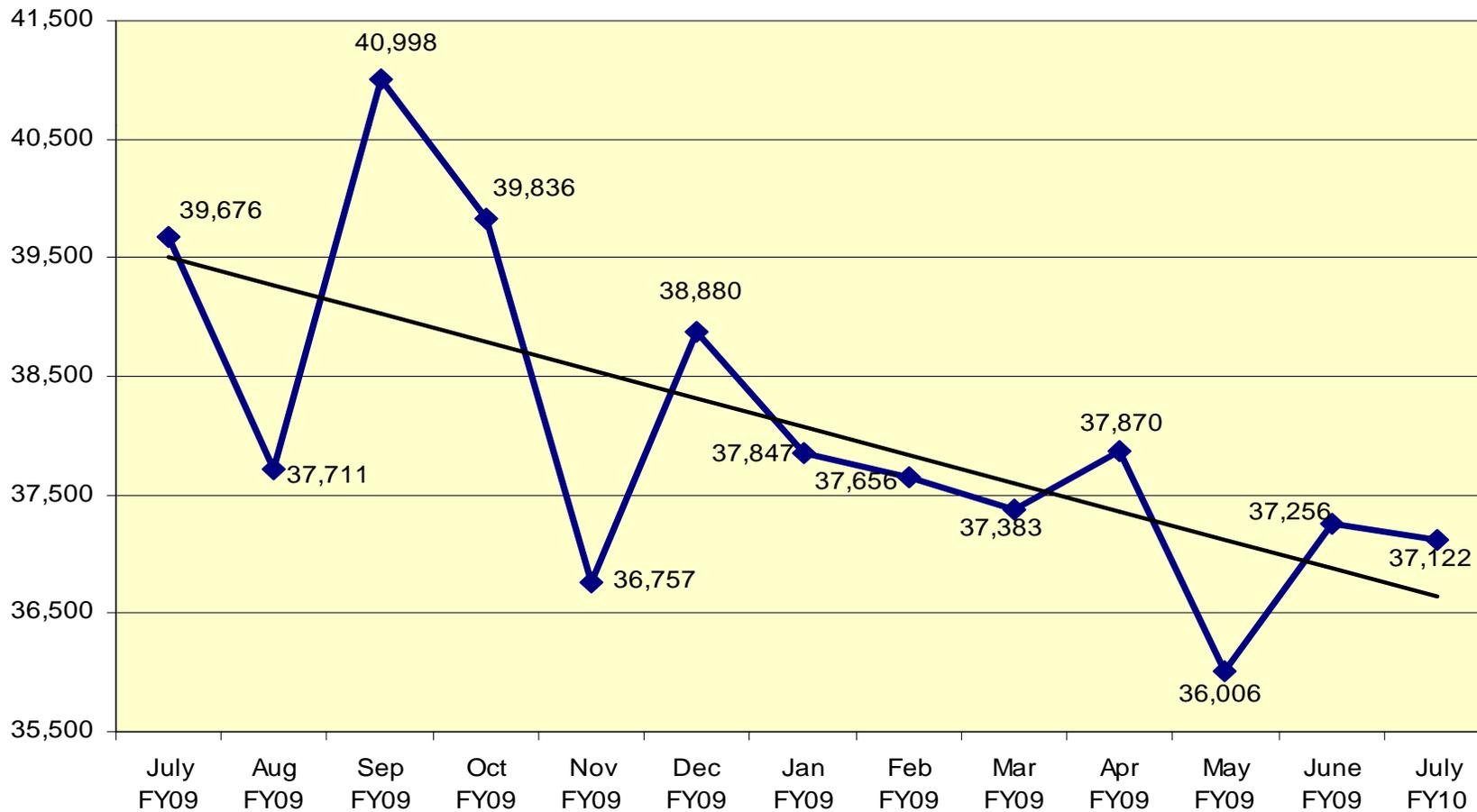


Salary and benefit expenses were slightly over budget in July (\$400,000, or 1%). They were down \$1.2 million (-3%) compared to last July.



# Paid Hours per Calendar Day

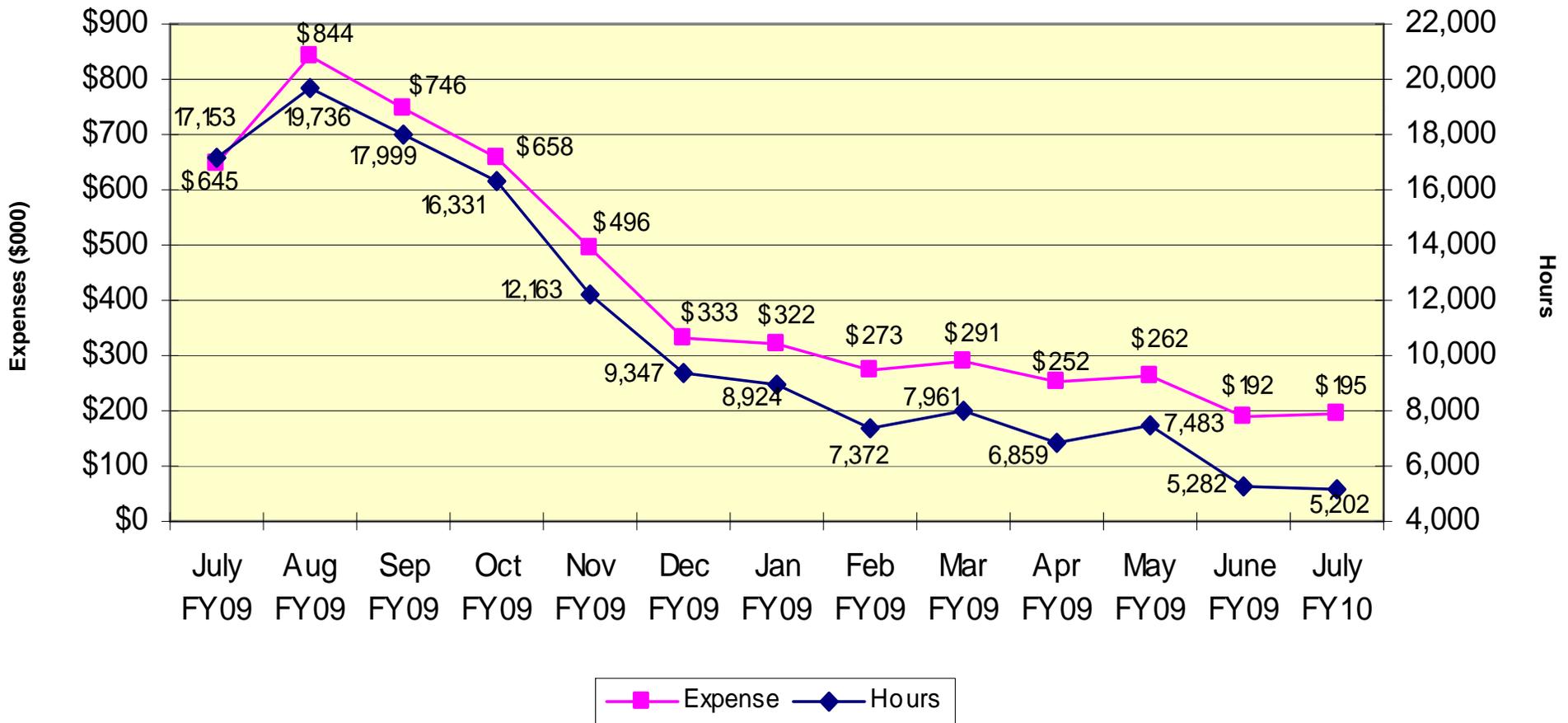
Paid hours per calendar day continue to improve. There were an average of 2,554 fewer hours paid per day (-6%) this July compared to last.



# Overtime Hours and Expenses



UIHC continues to perform well managing overtime hours and expenses. Overtime expenses were down by \$450,000 (-70%) and overtime hours were down by 70% compared to last July.



# Other Operating Expenses



While other operating expenses were up slightly compared to last July (3%), they were \$2 million (-7%) below budget for the month.



## Total Operating Expenses per Case Mix Index- Weighted Adjusted Patient Day



Total operating expenses, adjusted for volume and acuity, continue to be managed well. They were below budget by 1%, slightly up compared to last July (1% increase).

