



University of Iowa Health Care

*Presentation to
The Board of Regents, State of Iowa
December 8, 2011*

Agenda

- Opening Remarks (Robillard)
- Operational and Financial Performance (Kates, Fisher)



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

October 2011

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	10,235	10,247	10,240	(12)	-0.1% ○	(5)	0.0% ○
Patient Days	64,972	65,296	67,580	(324)	-0.5 ○	(2,608)	-3.9% ●
Length of Stay	6.24	6.43	6.46	(0.19)	-3.0% ●	(0.22)	-3.5% ●
Average Daily Census	528.22	530.86	549.43	(2.64)	-0.5% ○	(21.21)	-3.9% ●
Surgeries – Inpatient	3,811	3,936	3,878	(125)	-3.2% ●	(67)	-1.7% ○
Surgeries – Outpatient	5,313	5,121	5,170	192	3.7% ●	143	2.8% ●
ED Visits	20,667	19,990	19,510	677	3.4% ●	1,157	5.9% ●
Outpatient Clinic Visits	271,296	286,248	264,959	(14,952)	-5.2% ●	6,337	2.4% ○

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

October 2011



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	3,552	3,492	3,501	60	1.7% ○	51	1.5% ○
Adult Surgical	4,613	4,698	4,669	(85)	-1.8% ○	(56)	-1.2% ○
Adult Psych	527	517	520	10	2.0% ○	7	1.3% ○
<i>Subtotal – Adult</i>	<i>8,692</i>	<i>8,706</i>	<i>8,690</i>	<i>(14)</i>	<i>-0.2% ○</i>	<i>2</i>	<i>0.0% ○</i>
Pediatric Medical & Surgical	1,106	1,098	1,104	8	0.8% ○	2	0.2% ○
Pediatric Critical Care	255	261	264	(6)	-2.4% ○	(9)	-3.4% ●
Pediatric Psych	182	181	182	1	0.7% ○	0	0.0% ○
<i>Subtotal – Pediatrics w/o newborn</i>	<i>1,543</i>	<i>1,540</i>	<i>1,550</i>	<i>3</i>	<i>0.2% ○</i>	<i>(7)</i>	<i>-0.5% ○</i>
Newborn	506	517	484	(11)	-2.2% ○	22	4.5% ●
TOTAL w/o Newborn	10,235	10,246	10,240	(11)	-0.1% ○	(5)	0.0% ○

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Discharge Days by Type

October 2011

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	19,956	20,440	20,538	(484)	-2.4% ○	(582)	-2.8% ●
Adult Surgical	24,022	24,133	24,183	(111)	-0.5% ○	(161)	-0.7% ○
Adult Psych	5,885	6,232	6,274	(347)	-5.6% ●	(389)	-6.2% ●
<i>Subtotal – Adult</i>	<i>49,863</i>	<i>50,805</i>	<i>50,995</i>	<i>(942)</i>	<i>-1.9% ○</i>	<i>(1,132)</i>	<i>-2.2% ○</i>
Pediatric Medical & Surgical	6,230	6,234	6,301	(4)	-0.1% ○	(71)	-1.1% ○
Pediatric Critical Care	6,184	7,516	7,551	(1,332)	-17.7% ●	(1,367)	-18.1% ●
Pediatric Psych	1,576	1,320	1,326	256	19.4% ●	250	18.9% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>13,990</i>	<i>15,070</i>	<i>15,178</i>	<i>(1,080)</i>	<i>-7.2% ●</i>	<i>(1,188)</i>	<i>-7.8% ●</i>
Newborn	1,128	1,234	1,066	(106)	-8.6% ●	62	5.8% ●
TOTAL w/o Newborn	63,853	65,875	66,173	(2,022)	-3.1% ●	(2,320)	-3.5% ●

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Average Length of Stay by Type

October 2011

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.62	5.85	5.87	(0.24)	-4.0% ●	(0.25)	-4.2% ●
Adult Surgical	5.21	5.14	5.18	0.07	1.4% ○	0.03	0.5% ○
Adult Psych	11.17	12.06	12.07	(0.89)	-7.4% ●	(0.90)	-7.4% ●
Subtotal – Adult	5.74	5.84	5.87	(0.10)	-1.7% ○	(0.13)	-2.2% ○
Pediatric Medical & Surgical	5.63	5.68	5.71	(0.05)	-0.8% ○	(0.07)	-1.3% ○
Pediatric Critical Care	24.25	28.76	28.60	(4.51)	-15.7% ●	(4.35)	-15.2% ●
Pediatric Psych	8.66	7.30	7.29	1.36	18.6% ●	1.37	18.9% ●
Subtotal – Pediatrics w/o newborn	9.07	9.79	9.79	(0.72)	-7.2% ●	(0.73)	-7.4% ●
Newborn	2.23	2.39	2.20	(0.16)	-6.5% ●	0.03	1.2% ○
TOTAL w/o Newborn	6.24	6.43	6.46	(0.19)	-3.0% ●	(0.22)	-3.5% ●

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Outpatient Surgeries – by Clinical Department

October 2011



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	19	23	27	(4)	-16.2% ●	(8)	-29.6% ●
Dentistry	229	193	186	36	18.6% ●	43	23.1% ●
Dermatology	16	14	16	2	12.6% ●	-	0.0% ○
General Surgery	850	846	857	4	0.4% ○	(7)	-0.8% ○
Gynecology	292	259	266	33	12.7% ●	26	9.8% ●
Internal Medicine	5	1	1	4	397.6% ●	4	400.0% ●
Neurosurgery	136	155	181	(19)	-12.1% ●	(45)	-24.9% ●
Ophthalmology	1,162	1,094	1,120	68	6.3% ●	42	3.8% ●
Orthopedics	1,286	1,265	1,247	21	1.6% ○	39	3.1% ●
Otolaryngology	789	808	776	(19)	-2.3% ○	13	1.7% ○
Radiology – Interventional	10	11	7	(1)	-4.8% ●	3	42.9% ●
Urology w/ Procedure Ste.	519	453	486	66	14.6% ●	33	6.8% ●
Total	5,313	5,121	5,170	192	3.7% ●	143	2.8% ○

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Inpatient Surgeries – by Clinical Department

October 2011



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	391	389	385	2	0.5% ○	6	1.6% ○
Dentistry	59	43	48	16	36.5% ●	11	22.9% ●
General Surgery	1,131	1,119	1,076	12	1.1% ○	55	5.1% ●
Gynecology	240	269	259	(29)	-10.9% ●	(19)	-7.3% ●
Neurosurgery	559	577	571	(18)	-3.1% ●	(12)	-2.1% ○
Ophthalmology	42	52	54	(10)	-19.1% ●	(12)	-22.2% ●
Orthopedics	846	943	994	(97)	-10.3% ●	(148)	-14.9% ●
Otolaryngology	250	261	247	(11)	-4.4% ●	3	1.2% ○
Radiology – Interventional	43	39	33	4	11.3% ●	10	30.3% ●
Urology w/ Procedure Ste.	250	243	211	7	2.7% ●	39	18.5% ●
Total	3,811	3,936	3,878	(125)	-3.2% ●	(67)	-1.7% ○
Solid Organ Transplants	106	109	114	(3)	-2.8% ●	(8)	-7.0% ●

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Emergency Department

October 2011



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	20,667	19,990	19,510	677	3.4% ●	1,157	5.9% ●
ED Admits	5,414	5,216	5,033	198	3.8% ●	381	7.6% ●
ED Conversion Factor	26.2%	26.1%	25.8%		0.4% ○		1.5% ○
ED Admits / Total Admits	53.5%	51.3%	49.2%		4.4% ●		8.7% ●

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

Clinic Visits by Clinical Department

October 2011

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget		Variance to Prior Year	% Variance to Prior Year	
Anesthesia	4,673	5,392	5,344	(719)	-13.3%	●	(671)	-12.6%	●
CDD	2,823	2,789	2,836	34	1.2%	○	(13)	-0.5%	○
Clinical Research	3,338	3,760	4,213	(422)	-11.2%	●	(875)	-20.8%	●
Dermatology	8,503	10,913	8,443	(2,410)	-22.1%	●	60	0.7%	○
Emergency Department	20,667	19,990	19,510	677	3.4%	●	1,157	5.9%	●
General Surgery	8,479	8,498	8,131	(19)	-0.2%	○	348	4.3%	●
Heart and Vascular	13,044	13,334	12,660	(290)	-2.2%	○	384	3.0%	●
Hospital Dentistry	5,260	4,525	4,390	735	16.2%	●	870	19.8%	●
Internal Medicine	37,544	38,003	35,032	(459)	-1.2%	○	2,512	7.2%	●
Neurology	5,837	6,039	5,718	(202)	-3.4%	●	119	2.1%	○
Neurosurgery	3,126	3,219	3,217	(93)	-2.9%	●	(91)	-2.8%	●
Obstetrics/Gynecology	26,140	27,062	25,121	(922)	-3.4%	●	1,019	4.1%	●
Ophthalmology	23,107	25,730	22,696	(2,623)	-10.2%	●	411	1.8%	○
Orthopedics	20,950	21,410	20,500	(460)	-2.1%	○	450	2.2%	○
Otolaryngology	9,821	10,063	9,232	(242)	-2.4%	○	589	6.4%	●
Pediatrics	15,180	15,691	15,005	(511)	-3.3%	●	175	1.2%	○
Primary Care	79,103	80,230	79,119	(1,127)	-1.4%	○	(16)	0.0%	○
Psychiatry	13,533	15,083	14,138	(1,550)	-10.3%	●	(605)	-4.3%	●
Urology	5,712	5,426	5,209	286	5.3%	●	503	9.7%	●
Other	341	201	205	140	69.8%	●	136	66.3%	●
Total	307,142	317,357	300,719	(10,215)	-3.2%	●	6,423	2.1%	○

● Greater than 2.5% Favorable

○ Neutral

● Greater than 2.5% Unfavorable

Outpatient Activity Detail

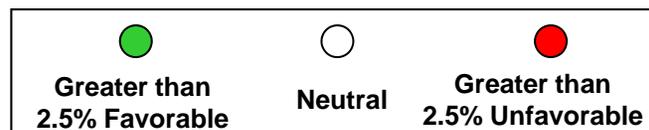
October 2011

Primary Care Clinics

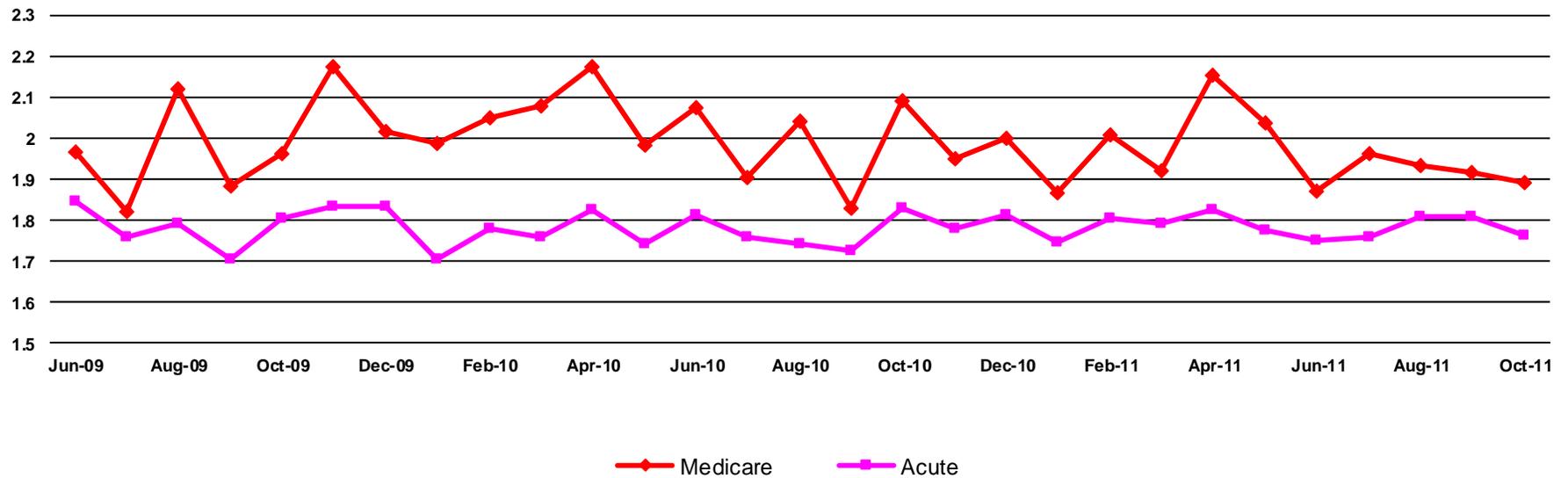
Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Employee Health Clinic	6,143	6,005	5,950	138	2.3% ○	193	3.2% ●
Family Care Center	29,791	35,356	29,911	(5,565)	-15.7% ●	(120)	-0.4% ○
Offsite Clinics	26,331	21,826	28,360	4,505	20.6% ●	(2,029)	-7.2% ●
Quick Care Clinics	9,515	9,283	7,400	232	2.5% ○	2,115	28.6% ●
Primary Care Clinic North	7,323	7,760	7,498	(437)	-5.6% ●	(175)	-2.3% ○
TOTAL	79,103	80,230	79,119	(1,127)	-1.4% ○	(16)	0.0% ○

Clinical Cancer Center

Infusions	13,744	14,130	12,088	(386)	-2.7% ●	1,656	13.7% ●
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Case Mix Index



UIHC Comparative Financial Results

Fiscal Year to Date October 2011



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	\$344,302	\$355,232	\$331,648	(\$10,930)	-3.1%	\$12,655	3.8%
Other Operating Revenue	15,910	16,012	15,151	(102)	-0.6%	759	5.0%
Total Revenue	\$360,212	\$371,244	\$346,799	(\$11,032)	-3.0%	\$13,414	3.9%

EXPENSES:

Salaries and Wages	\$180,630	\$188,828	\$161,328	(\$8,197)	-4.3%	\$19,302	12.0%
General Expenses	144,262	142,700	136,337	1,562	1.1%	7,924	5.8%
Operating Expense before Capital	\$324,892	331,527	\$297,665	(\$6,635)	-2.0%	\$27,227	9.1%
Cash Flow Operating Margin	\$35,321	\$39,717	\$49,133	(\$4,396)	-11.1%	(\$13,812)	-28.1%
Capital- Depreciation and Amortization	22,581	22,496	22,819	85	0.4%	(238)	-1.0%
Total Operating Expense	\$347,472	\$354,023	\$320,484	(\$6,551)	-1.9%	\$26,988	8.4%

Operating Income	\$12,740	\$17,221	\$26,315	(\$4,481)	-26.0%	(\$13,576)	-51.6%
Operating Margin %	3.5%	4.6%	7.6%		-1.1%		-4.0%
Gain on Investments	5,368	7,323	18,848	(1,955)	-26.7%	(13,480)	-71.5%
Other Non-Operating	1,504	(1,750)	(1,437)	3,254	-186.0%	2,942	-204.7%
Net Income	\$19,612	\$22,794	\$43,725	(\$3,182)	-14.0%	(\$24,113)	-55.1%
Net Margin %	5.3%	6.0%	12.0%		-0.7%		-6.7%

UIHC Comparative Financial Results

October 2011



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	\$86,479	\$91,386	\$87,072	(\$4,907)	-5.4%	(\$593)	-0.7%
Other Operating Revenue	4,137	4,003	3,875	134	3.4%	262	6.8%
Total Revenue	\$90,616	\$95,389	\$90,947	(\$4,773)	-5.0%	(\$331)	-0.4%

EXPENSES:

Salaries and Wages	\$45,310	\$47,818	\$40,876	(\$2,507)	-5.2%	\$4,434	10.8%
General Expenses	33,672	35,700	33,182	(2,028)	-5.7%	490	1.5%
Operating Expense before Capital	\$78,983	\$83,518	\$74,058	(\$4,535)	-5.4%	\$4,924	6.6%
Cash Flow Operating Margin	\$11,633	\$11,871	\$16,889	(\$238)	-2.0%	(\$5,255)	-31.1%
Capital- Depreciation and Amortization	5,636	5,624	5,696	12	0.2%	(60)	-1.1%
Total Operating Expense	\$84,619	\$89,142	\$79,754	(\$4,523)	-5.1%	\$4,865	6.1%

Operating Income	\$5,997	\$6,247	\$11,193	(\$250)	-4.0%	(\$5,196)	-46.4%
Operating Margin %	6.6%	6.5%	12.3%		0.1%		-5.7%
Gain on Investments	16,444	1,831	5,321	14,613	798.2%	11,123	209.0%
Other Non-Operating	1,792	(437)	(403)	2,230	-509.7%	2,195	-544.7%
Net Income	\$24,234	\$7,640	\$16,112	\$16,593	217.2%	\$8,122	50.4%
Net Margin %	22.3%	7.9%	16.8%		14.4%		5.5%

Comparative Accounts Receivable at October 31, 2011



	June 30, 2010	June 30, 2011	October 31, 2011
Net Accounts Receivable	\$117,737,680	\$136,477,870	\$150,979,797
Net Days in AR	47	49	52

