UNIVERSITY OF IOWA HOSPITALS AND CLINICS TRUSTEES

**Action Requested:** The Board of Regents, as Trustees of the University of Iowa Hospitals and Clinics (UIHC), is requested to:

Receive an informational UIHC report.

**Executive Summary:**

The Board of Regents, as Trustees of the University of Iowa Hospitals and Clinics will be provided presentations on the following topics (a separate booklet has been provided with the Board meeting materials):

- Financial Update
- Activity and Volume Review
- Planning for the Future of UIHC
Planning for the Future of University of Iowa Health Care
Today’s Presentation

- Who we are, what we do 3
- Integrated strategic planning process 29
- Ambulatory care 32
- Inpatient care 39
  - Challenges 40
  - Facility needs 50
  - Future direction 55
- Next steps 58
- Financial update 59
Who we are, what we do
Discovery. Delivery. Dissemination.

University of Iowa Health Care advances health through collaborative discoveries, delivery of exemplary health services and dissemination of innovations in education and science.
University of Iowa Health Care
Strategic Values

1. Value for Iowans
2. Patient-centered excellence
3. Bold leadership
4. Learning & communication
5. Great people (faculty, staff, students and partners)
6. Continuous improvement, quality and safety
7. Accountability, openness & transparency
8. Agility
9. Fostering innovation
10. Focus on the future
11. Data-driven & results-oriented
12. Robust information systems
University of Iowa Health Care

Discovery: Collaborative, innovative research

Advancing knowledge through collaborative, innovative biomedical research

- University of Iowa received 86% of the NIH funding provided to all organizations in Iowa
  - UI Health Care accounts for 83% ($138M)
- One of only 24 academic health centers receiving a Clinical Translational Science Award
### National Institutes of Health Funding

<table>
<thead>
<tr>
<th>Organization</th>
<th>Dollars Awarded</th>
</tr>
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<tbody>
<tr>
<td>University of Iowa</td>
<td>$166,119,755</td>
</tr>
<tr>
<td>Iowa State University</td>
<td>$20,830,483</td>
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<tr>
<td>Palmer Chiropractic University</td>
<td>$1,391,222</td>
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<tr>
<td>Kirkwood Community College</td>
<td>$1,146,341</td>
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<tr>
<td>Iowa Oncology Research Association</td>
<td>$805,000</td>
</tr>
<tr>
<td>Maharishi University of Management</td>
<td>$492,385</td>
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<tr>
<td>Metabolic Technologies, Inc.</td>
<td>$363,674</td>
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<tr>
<td>Cedar Rapids Oncology Project</td>
<td>$356,879</td>
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<tr>
<td>University of Northern Iowa</td>
<td>$337,500</td>
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<tr>
<td>Patient Education Institute, Inc.</td>
<td>$297,843</td>
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<tr>
<td>Bioforce Nanosciences, Inc.</td>
<td>$199,999</td>
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<tr>
<td>Luther College</td>
<td>$186,701</td>
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<tr>
<td>Des Moines Univ. Osteopathic Medical Ctr</td>
<td>$180,295</td>
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<tr>
<td>Medical Imaging Applications, LLC</td>
<td>$100,000</td>
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<tr>
<td>Cyntelix, Inc</td>
<td>$96,728</td>
</tr>
<tr>
<td>Iowa State Dept. of Human Services</td>
<td>$70,651</td>
</tr>
<tr>
<td>Human Factor International</td>
<td>$49,500</td>
</tr>
</tbody>
</table>
University of Iowa Health Care
Discovery: Collaborative, innovative research

Clinical & Translational Science Award

Gary Hunninghake, M.D.

Iowa Institute for Biomedical Imaging

Geoff McLennan, M.D.  Milan Sonka, Ph.D.

Vaccine & Treatment Evaluation Unit

Patricia Winokur, M.D.
University of Iowa Institute for Biomedical Discovery

A world-class setting in which scientists from across the University will collaborate to explore high-risk/high-yield scientific questions in the life sciences with the goal of advancing treatments for a wide array of human diseases.
UI Health Care prepares hundreds of scientists and health care professionals
  - 576 medical students
  - 45 physician assistant students
  - 87 physical therapy students
  - Over 700 resident and fellow physicians training in specialties and subspecialties
  - More than 5,000 undergraduate students from outside the Carver College of Medicine attend basic science courses
  - 210 graduate students

* These numbers represent total enrollment
**IOWA PHYSICIANS**

with Medical Education / Training in UI Medical Education System

<table>
<thead>
<tr>
<th></th>
<th>No.</th>
<th>% of Total</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physicians w/ UI Med. Ed. Exp.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>− Medical School (only)</td>
<td>676</td>
<td>13.4%</td>
<td>13.4%</td>
</tr>
<tr>
<td>− Medical School/ Residency</td>
<td>823</td>
<td>16.2%</td>
<td>29.6%</td>
</tr>
<tr>
<td>− Medical School, Residency and Fellowship</td>
<td>110</td>
<td>2.2%</td>
<td>31.8%</td>
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<tr>
<td>− Medical School and Fellowship</td>
<td>35</td>
<td>0.7%</td>
<td>32.5%</td>
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<tr>
<td>− Residency (only)</td>
<td>689</td>
<td>13.6%</td>
<td>46.1%</td>
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<td>− Residency/ Fellowship</td>
<td>119</td>
<td>2.3%</td>
<td>48.4%</td>
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<tr>
<td>− Fellowship (only)</td>
<td>110</td>
<td>2.2%</td>
<td>50.6%</td>
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<tr>
<td><strong>Subtotals</strong></td>
<td>2,562</td>
<td>50.6%</td>
<td></td>
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<tr>
<td><strong>No UI Med. Ed. Exp.</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Iowa Physician Population</td>
<td>5,064</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Office of Statewide Clinical Education Programs, UI Carver College of Medicine, December 2006

K:/graphics/pwt/IA Workforce2006/iaworkforce119.PPT
Training Health Science Students
FY 2006-07

UNIVERSITY OF IOWA
HOSPITALS AND CLINICS
PROGRAMS
Graduate Medical Education Programs
Graduate Dental Education Programs
Cardiovascular Interventional Program
Cardiovascular Perfusion
Diagnostic Cardiac Sonography Program
Diagnostic Medical Sonography Program
Dietetic Interns
Health Management and Policy Interns, Residents and Fellows
Emergency Medical Services Learning Resources Center
Magnetic Resonance Imaging Program
Nuclear Medicine Technology Certificate Students
Orthoptic Training Students
Pastoral Services Residents
Pharmacy Residents
Radiation Therapy Technology Students
Radiologic Technology Students

COMMUNITY COLLEGE AND OTHER COLLEGE PROGRAMS
Respiratory Therapy Students
Health Information Management Interns
Nursing Students
ElectroneurodiagnosticTechnology Students
Activities Therapy Interns
Occupational Therapy Interns
Physical Therapy Students

UNIVERSITY OF IOWA
HEALTH SCIENCE COLLEGE PROGRAMS
Medical Undergraduates
Dentistry Undergraduate and Graduate Students
Nursing Undergraduate, Graduate, Nurse Practitioner and Nurse Anesthetist Students
Pharmacy Residents and PHARM D Students
Speech Pathology & Audiology Students
Physical Therapy Students
Health Management and Policy Students
Physician Assistant Students
Clinical Laboratory Science Students
Nuclear Medicine Technology Students
Computed Tomography Program
Public Health Students

OTHER UNIVERSITY OF IOWA COLLEGE PROGRAMS
College of Education
Education Service Interns
Liberal Arts
Activities Therapy Students
Social Work Students
Residency & Fellowship Trainees by Specialty 2007-2008

720 RESIDENT AND FELLOW DOCTORS* IN TRAINING

509 RESIDENT DOCTORS

- INTERNAL MEDICINE 79
- EMERGENCY MEDICINE 22
- MEDICINE/PSYCHIATRY 3
- FAMILY PRACTICE/PSYCHIATRY 6
- ANESTHESIA 51
- FAMILY MEDICINE 19
- DERMATOLOGY 15
- ORTHOPAEDICS 29
- PEDIATRICS 39
- RADIOLOGY 36
- RADIATION ONCOLOGY 5
- SURGERY 26
- UROLOGY 16
- PSYCHIATRY 36
- OBSTETRICS AND GYNECOLOGY 16
- FAMILY DENTISTRY 5
- NEUROLOGY 19
- ORAL SURGERY 10
- OPHTHALMOLOGY 15
- OTOLARYNGOLOGY 25
- PATHOLOGY 20
- NEUROSURGERY 13
- OCCUPATIONAL MEDICINE 4

211 FELLOW DOCTORS

- MEDICAL SUBSPECIALTIES 131
- PATHOLOGY 40
- RADIATION ONCOLOGY 5
- ANESTHESIOLOGY SUBSPECIALTIES 40

*Count as of July 1, 2007
Location of Statewide Educational Activities

Source: Office of Statewide Clinical Education Programs, UI Carver College of Medicine, October 2006
University of Iowa Health Care
Delivery: Exemplary health services

- Offering a broad spectrum of clinical services including rare and highly specialized services
  - We provide specialized physicians that are not available elsewhere or with limited availability in the state (i.e. pediatric specialists)
  - We receive the emergent transfers of the most severe patients.
    - Evidenced by case-mix of 2.0976 for transfers vs. 1.6246 for non-transfers
  - We perform the difficult and complex procedures referred by others
  - We are the safety net hospital if and when disaster strikes
University of Iowa Health Care
Delivery: Exemplary health services

- U.S. News and World Reports top programs
  - Otolaryngology #2
  - Ophthalmology #6
  - Orthopedics #16
  - Neurology and Neurosurgery #18
  - Urology #22
  - Kidney Disease #26
  - Gynecology #32
  - Digestive Disorders #40
- 269 of “Best Doctors in America”
  - 87% increase since 2002
  - Over half of Iowa’s “Best Doctors”
- 37 medical specialties
Aggregate Patients Served by County
FY2007

718,585 visits
176,316 patients

AGGREGATE PATIENTS SERVED

1-500 AGGREGATE VISITS
(29 COUNTIES)

501-1,000 AGGREGATE VISITS
(21 COUNTIES)

1,001-2,500 AGGREGATE VISITS
(13 COUNTIES)

2,501-5,000 AGGREGATE VISITS
(15 COUNTIES)

5,001-OVER AGGREGATE VISITS
(21 COUNTIES)

HOME OF THE U.I.H.C.

REFERRAL SOURCE

IOWA COUNTIES
STATE INSTITUTIONS
OUT OF STATE
TOTAL

ADMISSIONS
26,605
303
2,308
29,216

CLINIC VISITS
639,641
4,650
45,078
689,369

TOTAL
666,246
4,953
47,386
718,585

IOWA COUNTIES

STATE INSTITUTIONS

OUT OF STATE

TOTAL
Regional Child Health Specialty Clinics* ..........4,399
BIRTH TO 5-YEARS*(1) ............................................1,810
Regional Genetic Consultation Service ..............867

UI CMS and Homecare** ..................................151,712
Regional Specialty Consultation Clinics* ..........31,300

(1)BIRTH TO 5-YEARS IS A SERVICE OF CHILD HEALTH SPECIALTY CLINICS.

(*NUMBER IN ICON INDICATES DIFFERENT CLINIC TYPES LOCATED AT SITE)
(**TOTAL VISIT COUNT INCLUDES COMMUNITIES SERVED OUTSIDE OF IOWA)
Economic Impact on the State

- In 2006, University of Iowa Health Care had a total economic impact of $3.4 billion on the State of Iowa

- More than 13,800 full-time jobs
  - Spending and contracting supports over 11,000 additional jobs statewide

- Generated $125 million in government revenue for the State of Iowa

- Brought in more than $179 million in total research funding
### University of Iowa Health Care

**Key Statistics FY2007**

#### Patient Care
- Inpatient Beds: 680
- Staff (Full-time): 9,230
- Physicians & Dentists: 872
- Residents & Fellows: 699
- Volunteers: 1,325
- Acute Patient Admissions: 27,829
- Acute Patient Days: 182,411
- Ambulatory Patient Visits: 689,369

#### Academic and Research
- Medical Students: 576
- Research Funding: $179 Million

#### Space and Revenue
- Gross Square Footage: 4.9 Million
  - UIHC: 3.5 Million
  - CCOM: 1.4 Million
- Net Revenue: $1.3 Billion
  - UIHC: $815 Million
  - CCOM: $305 Million
  - UIP: $180 Million
University of Iowa Children’s Hospital
Key Statistics FY 2007

- 186 beds
  - NICU beds (69 beds)
  - PICU beds (16 beds)
- Over 200 Physicians & 400 Nurses
- 31 Pediatric Specialties
- 4,000 Admissions
- 1,749 births
- 150,000 outpatient visits
- Over $25 million awarded last year for pediatric research
- Regional Genetics Consultation Services screens every newborn in Iowa for 29 inherited disorders
- Iowa’s ONLY:
  - Comprehensive Cardiac Service
  - Bone Marrow Transplant
  - Pediatric Urologists
  - Pediatric Rheumatologists
  - Pediatric Geneticists

Admissions by Type
Length of Stay by Type
Total Patient Days
Total Acute Patient Days
Total Critical Care Days

![Graph showing the total critical care days from 1998 to 2008. The graph compares adult, pediatric, and total critical care days, with a linear trend line indicating an increase over the years.]
Total Patient Days – Neonatal ICUs
Integrated Strategic Planning Process
Integrated Strategic Planning Process

- Journey—not a destination
- We’re charting a course for the future of UI Health Care
- We have an urgent need to proceed with main campus planning
  - Planning for new Critical Care tower
  - Planning for new Children’s Hospital
  - Renewing and reusing existing facilities
  - Plan for vehicular access and parking to accommodate patients and their families, faculty and staff
- We’re continuing with ambulatory care planning
Integrated Strategic Planning Process

- Flexible and robust new, integrated strategic planning process designed to help shape the future of UI Health Care
  - Process includes external analysis of the changing market and internal analysis to identify improvement opportunities.
  - Forecasting tools (use of external data sources as well as financial forecasting tools)
    - Review and monitoring by Strategic Planning committee
- Creates framework for effective decision-making and monitoring
- Provides for regular, timely review and approval of initiatives by University and Board of Regents
- Guided by the key Strategic Values
Ambulatory Care
Overview of Ambulatory Care Project

● TRG Healthcare engagement
  – Purpose: to develop strategies to respond to increasing demand for ambulatory clinical services

● Process
  – Interviewed faculty, staff and leadership (including Vice President of Medical Affairs, the CEO of UIHC, the CFO of UIHC, Chairs of Departments, Facilities and Capital management staff, UI-CMS and outreach leadership, and faculty members)
  – Established planning group to drive this process.
    • Facilitated meetings of this group over a 4-month period
  – Came with set of recommendations
Goals for Ambulatory Care Project

- Create improved access (geographic and convenience) to UIHC services while reducing congestion within the campus.
- Move significant programs and administrative functions off campus to accelerate the availability of capacity to expand inpatient
- Generate growth to support educational/research mission, including the development and expansion of clinical trials and research capabilities
- Provide an efficient, economic environment to deliver healthcare
- Create new operating model for patient care
- Create a model environment for ambulatory care training
Ambulatory Care Strategies

**Short Term Strategy**

*Decompress Existing Campus*

- Build one or more facilities close to main campus for the following purposes:
  - Reduce congestion on the main campus
  - Create new space on the main campus
  - Create additional or improved access points throughout the community for UIHC health care services, to include primary care
- Will tie to long term facilities growth plan for main campus
- Will include relocation of business functions currently located within Hospital

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**Long Term Strategy**

*Patient-centeredness*

- Create multi-building ambulatory care campus
- Provide multi-specialty care with focus on preventative as well as chronic diseases
- May include services such as wellness, pharmacy, day care, restaurants, banking
- May include administrative functions such as Information Systems, Call Center, Business Office
Benefits of Ambulatory Care Strategies

- Creates new access points for all patient populations
- By moving some services to ambulatory care campus, creates capacity to expand inpatient
- Provides opportunity to enhance patient experience by offering additional services in convenient locations
- Provides opportunity to create improved, patient-centered ambulatory care delivery model
- Allows us to care for more patients, meeting demand
As we analyzed our ambulatory care services, we were continuing to monitor our increasing inpatient admissions and occupancy rate.

It was determined that planning for bed capacity and patient flow for our inpatient care services is an immediate priority.

These ambulatory care strategies will continue to be evaluated in conjunction with main campus facility planning.
Three convenient locations in Johnson County
- Old Capitol Town Center
- North Liberty
- Southeast Iowa City

Services
- Minor illness and injuries
  - Head, ear and eye conditions
  - Stomach and urinary conditions
  - Skin conditions
  - Minor burns or musculoskeletal injuries
- Physicals
- On-site blood and urine tests
- Immunizations and injections
Inpatient Care
Major Challenges for UI Health Care

- Significant growth since 2005
  - Actual number of patient days has gone up by 20,000 over last 2 years, which is 55 more patients/day or 9% increase in occupancy

- Increasing demand for care by complex patients

- Aging facilities and built for one type of patient care

- Limited number of high-acuity beds
  - Number of cases going to the ICU has increased 27% between 2005 and 2007

- Need for private rooms

- Inadequate size of our operating rooms

- Significant growth in ETC and transfers from other hospitals
  - Number of admissions through ETC has increased 31% between 2005 and 2007
  - Number of ETC patients that need ICU bed has increased by 57% between 2005 and 2007
Major Challenges for UI Health Care (cont’d)

- Current occupancy rate of >88% (target occupancy is 75%)
- Number of ICU beds needed will increase with growing transplant and burn programs
- Congested health campus
- Demand will exceed supply for caregivers (nursing shortage)
- Need for increased focus on quality, safety and patient satisfaction
- Need for more patient-centered delivery system with increased efficiency and improved outcomes
Children are different

Children are unique individuals with their own specialized needs.

They need different health care that focuses on their unique needs, involves their parents from start to finish and is provided in places designed to be kid-sized and child friendly.
Challenges for a Children’s Hospital

Children’s hospitals treat 98 percent of all children needing heart or lung transplants, 93 percent of children requiring cardiac surgery and 86 percent of all children with malignant neoplasm.

While children’s hospitals represent less than 5 percent of all hospitals, they account for more than 40 percent of inpatient days and 50 percent of costs for all children hospitalized in the United States—$10 billion worth of care every year.
Challenges for a Children’s Hospital

Research at children’s hospitals has led to landmark discoveries from imaginative surgical techniques and innovative cancer therapies to methods to prevent common childhood diseases.
Children’s teaching hospitals train 35 percent of all pediatricians and nearly 50 percent of pediatric subspecialists.
Additional Challenges for Children’s Hospital

- To meet the unique needs of children and families – create the sizing, shape, color, organization and “feel” that lessen the anxiety and stress for children and their families during hospitalization.

- To provide all inpatient and specialty services for children in patient-centralized area.

- To optimally provide for the different physical and emotional needs of children.

- To meet the expected standard for academic medical center children’s hospitals which aid in the recruitment of first class “pediatric trained” clinicians, house staff, researchers and nurses.
Total discharges will grow from 27,500 in 2007 to 33,800 in 2017 for a gain of 23.1% (KSA projections)

- Adult discharges will increase from 22,800 to 28,500 (+25.1%)

- Pediatric discharges will increase from 4,700 to 5,300 (+13.2%)

Projections based on population growth, increased utilization due to aging population, increase in chronic disease and projected growth in strategic areas.
Other factors to consider

- Recruitment of physicians with additional expertise
- Programs and services added to meet demand and support changing knowledge
- As access in ambulatory care is improved, more patients will be seen resulting in more inpatient admissions
- Changes are occurring in the community hospitals resulting in more transfers.
- Emerging illnesses will require high intensity services
Medicare Case Mix Analysis
FY 1987 - 2007

UIHC MEDICARE CASE MIX

<table>
<thead>
<tr>
<th>Year</th>
<th>Case Mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>1.48</td>
</tr>
<tr>
<td>1997</td>
<td>1.69</td>
</tr>
<tr>
<td>2007</td>
<td>2.01</td>
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## Existing Conditions – Comparison of UIHC to Operational and Functional Benchmarks

<table>
<thead>
<tr>
<th>Existing at UIHC</th>
<th>Contemporary Standards for large tertiary AMCs</th>
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<tbody>
<tr>
<td>• Majority of patient rooms are semi-private</td>
<td>• Large, all-private patient rooms</td>
</tr>
<tr>
<td>• Private rooms average 184 NSF</td>
<td>• Benchmark of 280 NSF to meet AIA standard*</td>
</tr>
<tr>
<td>• Operating rooms are not uniformly sized; many are small; fragmented flow.</td>
<td>• Large, efficiently configured surgical suite; operating rooms minimum 600 NSF; clear &amp; coherent flow</td>
</tr>
<tr>
<td>Current range &lt; 400 NSF to 527 NSF</td>
<td></td>
</tr>
<tr>
<td>• Dispersed surgery, angiography, catheterization lab, endoscopy; multiple anesthesia sites</td>
<td>• Interventional platform with co-located procedural and related support</td>
</tr>
<tr>
<td>• No coherent ambulatory “vision”; ambulatory services still in multiple locations</td>
<td>• Ambulatory services, integrated, accessible, often in single center</td>
</tr>
<tr>
<td>• Access from parking not always direct; difficult way finding</td>
<td>• Proximate parking, easy way finding</td>
</tr>
<tr>
<td>• No consistent strategy for faculty officing</td>
<td>• Dedicated physician office locations, not co-mingled in clinical areas</td>
</tr>
<tr>
<td>• On-stage, (public) and off-stage (service) functions intermingled</td>
<td>• On-stage, off-stage functions separate</td>
</tr>
<tr>
<td>• Few amenities, especially in inpatient areas</td>
<td>• Strong patient &amp; family amenities</td>
</tr>
<tr>
<td>• Privacy lacking in waiting, reception, prep/recovery areas</td>
<td>• HIPAA sensitive privacy in the patient areas</td>
</tr>
</tbody>
</table>

* Also applies to community hospitals
Benefits Of Single/Private Rooms Versus Double Patient Rooms

- Substantially improves patient privacy
- Helps ensure confidentiality of patient information
- Reduces hospital-acquired infections
- Aids in avoiding medication and transfusion errors
- Provides easier access to patients in emergent situations
- Reduces patient falls
- Single-bed patient rooms are quieter
- Reduces need for patient transfers
- Provides greater opportunities for family-centered care
- Improves patient satisfaction with care
University of Iowa Health Care
Size and Age of Facilities

4.9 MILLION GROSS SQUARE FEET

MAP 1947 JAN 2008
University of Iowa Hospital and Clinics
Size and Age of Facilities

University of Iowa Hospitals and Clinics - 3.5 Million Gross Square Feet

BT - 186,153 GSF (1976)
GH - 675,275 GSF (1928)
CDD - 100,546 GSF (1954)

RCP - 466,219 GSF (1977)
JCP - 597,046 GSF (1982)

PFP - 662,594 GSF (1995)

BARBARA H. COLLATION - 675,275 GSF (1977)
PAPPANOH - 535,494 GSF (1990)
POMERANZ FAMILY PAVILION - 662,594 GSF (1995)
## Site Assessment

<table>
<thead>
<tr>
<th>Existing at UIHC</th>
<th>“State of the Art” (for large tertiary AMC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>● 100 acres for UI Health Sciences, not all developable; ~37 acres UIHC</td>
<td>● 120+ acres campus size for comprehensive AMC, including research labs</td>
</tr>
<tr>
<td>● Potential (but not immediate) opportunity to acquire adjacent parcels</td>
<td></td>
</tr>
<tr>
<td>● Hospital expansion constrained by multiple factors: building, ramps, roads,</td>
<td>● Clear, unhindered zones for development</td>
</tr>
<tr>
<td>roads, utilities, IT</td>
<td></td>
</tr>
<tr>
<td>● Poor street alignment &amp; traffic separation</td>
<td>● Easy vehicular access, clear circulation &amp; separation of traffic types (patient, service, ambulance)</td>
</tr>
<tr>
<td>● Congested external access routes</td>
<td></td>
</tr>
<tr>
<td>● Limited visibility of front door</td>
<td>● High visibility</td>
</tr>
<tr>
<td>● Limited visibility from primary south and east roadways (Melrose, Grand)</td>
<td></td>
</tr>
<tr>
<td>● Parking adequate, but <strong>not convenient</strong> for ambulatory care (esp. Pomerantz)</td>
<td>● Adequate parking <strong>proximate</strong> to key entrances (main, amb., ED)</td>
</tr>
<tr>
<td>and stacking space is tight</td>
<td></td>
</tr>
<tr>
<td>● Strong “spine” in pavilions; extends to Pomerantz; less clarity in General</td>
<td>● Development along a clear circulation axis; may be 1 bldg, interconnected bldg or freestanding</td>
</tr>
<tr>
<td>and Boyd</td>
<td></td>
</tr>
</tbody>
</table>
Main Campus Facility Planning

- Service-driven facility
- All-private patient rooms
- A comprehensive Children’s Hospital
- Critical Care tower
- Renovation of existing facilities
- A compelling yet flexible future vision
### Representative Capital Construction Projects In Planning or Under Development at Major Teaching Hospitals

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Project Scope</th>
<th>Cost</th>
<th>Schedule/Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emory University</td>
<td>700-bed replacement hospital, outpatient clinic, medical office building, medical research facility</td>
<td>$2.2 B</td>
<td>Phased construction over 10–year period</td>
</tr>
<tr>
<td>Texas Children's Hospital</td>
<td>141-bed maternity center; 400,000 GSF, neurological institute; and, 96-bed satellite children's hospital</td>
<td>$1.5 B</td>
<td>Completion in 2011</td>
</tr>
<tr>
<td>U. of California San Francisco, CA</td>
<td>183-bed children's hospital, 36-bed women's hospital, 70-bed cancer hospital, related ambulatory care clinics, central utility plant, and site infrastructure</td>
<td>$1.3 B</td>
<td>Completion in 2012</td>
</tr>
<tr>
<td>Stanford Hospital Palo Alto, CA</td>
<td>158-bed addition to Stanford Hospital, 104-bed addition to Lucile Salter Packard Children’s Hospital, major renovation</td>
<td>$1.1 B</td>
<td>Completion in 2015</td>
</tr>
<tr>
<td>University Hospitals Cleveland, OH</td>
<td>200-bed cancer hospital, new NICU, outpatient facilities, major ED expansion, technological enhancements</td>
<td>$1 B</td>
<td>Completion in 2011</td>
</tr>
<tr>
<td>Rush University Chicago, IL</td>
<td>Replacement hospital including 10-story inpatient tower, interventional platform for surgery, imaging and special procedures, orthopaedic clinic building, emergency services facility, major renovation of existing buildings, new power plant and parking facilities</td>
<td>$810 M</td>
<td>Completion in 2012</td>
</tr>
<tr>
<td>Ohio State University Columbus, OH</td>
<td>10-story cancer hospital tower, two-story addition to heart hospital, digestive health center, expansion of imaging and outpatient facilities, faculty office building, chiller plant, and two parking garages</td>
<td>$780 M</td>
<td>Phased construction through 2020</td>
</tr>
<tr>
<td>Children’s Memorial Chicago, IL</td>
<td>275-bed (all private rooms) replacement hospital. 1.1 Million GSF</td>
<td>$750 M</td>
<td>Open in 2012</td>
</tr>
<tr>
<td>U. of Michigan Ann Arbor, MI</td>
<td>1 Million GSF replacement children’s and women’s hospital and new cardiovascular center</td>
<td>$725 M</td>
<td>Open in 2011</td>
</tr>
<tr>
<td>U. of Pittsburgh Pittsburgh, PA</td>
<td>235-bed children’s hospital, 480,000 GSF ambulatory care center, 300,000 GSF biotechnology center, major renovation of existing buildings</td>
<td>$575 M</td>
<td>Completion in 2008</td>
</tr>
<tr>
<td>U. of Chicago Chicago, IL</td>
<td>New pavilion, additional beds, ORs</td>
<td>$500 M</td>
<td>Early conceptual planning</td>
</tr>
<tr>
<td>U. of Connecticut Farmington, CT</td>
<td>352-bed replacement hospital (546,000 GSF), including 128 expansion beds, operating suite, emergency department, radiology, lobby/entry, and renovated cardiology/cancer centers, clinical lab, and cafeteria</td>
<td>$495 M</td>
<td>Seeking State bonding support</td>
</tr>
<tr>
<td>Yale-New Haven New Haven, CT</td>
<td>112 bed cancer hospital, outpatient treatment rooms, expanded ORs, infusion suites, diagnostic imaging, specialized women’s center, and radiation therapy</td>
<td>$467 M</td>
<td>Open in 2009</td>
</tr>
<tr>
<td>U. of Miami Coral Gables, FL</td>
<td>144-bed teaching hospital to replace two existing university specialty hospitals</td>
<td>$459 M</td>
<td>Completion in 2010</td>
</tr>
<tr>
<td>Shands Healthcare Gainesville, FL</td>
<td>200-bed addition to cancer hospital</td>
<td>$250-$300 M</td>
<td>Start Construction in 2006</td>
</tr>
</tbody>
</table>

Campus Opportunity Zones

1. Center For Disabilities & Development – 6 acres
2. Field House – 5 acres
3. General Hospital/Boyd Tower – 5 acres
4. Hospital Parking Ramp 2 – 3 acres
5. College of Pharmacy – 3 acres
6. Dormitories – 8 acres
7. Speech & Hearing and Hospital Parking Ramp 1 – 4.7 acres
The Journey

- We’re charting a course for the future of UI Health Care
- We have an urgent need to proceed with main campus planning
  - Planning for new Critical Care tower
  - Planning for new Children’s Hospital
  - Renewing and reusing existing facilities
  - Plan for vehicular access and parking to accommodate patients and their families, faculty and staff
- We’re continuing with ambulatory care planning
Financial Update
# UIHC Comparative Financial Results
## Fiscal Year to Date December 2007

## NET REVENUES:

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>Variance to Budget %</th>
<th>Variance to Prior Year</th>
<th>Variance to Prior Year %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Revenue</td>
<td>$405,213</td>
<td>$404,305</td>
<td>$367,396</td>
<td>$908</td>
<td>0.2%</td>
<td>$37,817</td>
<td>10.3%</td>
</tr>
<tr>
<td>Appropriations</td>
<td>7,024</td>
<td>7,024</td>
<td>6,703</td>
<td>0</td>
<td>0.0%</td>
<td>321</td>
<td>4.8%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>21,488</td>
<td>21,121</td>
<td>19,290</td>
<td>367</td>
<td>1.7%</td>
<td>2,198</td>
<td>11.4%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$433,725</td>
<td>$432,450</td>
<td>$393,389</td>
<td>$1,275</td>
<td>0.3%</td>
<td>$40,336</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

## EXPENSES:

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>Variance to Budget %</th>
<th>Variance to Prior Year</th>
<th>Variance to Prior Year %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>220,956</td>
<td>$225,394</td>
<td>$198,735</td>
<td>($4,438)</td>
<td>-2.0%</td>
<td>$22,221</td>
<td>11.2%</td>
</tr>
<tr>
<td>General Expenses</td>
<td>162,355</td>
<td>159,307</td>
<td>143,903</td>
<td>3,048</td>
<td>1.9%</td>
<td>18,452</td>
<td>12.8%</td>
</tr>
<tr>
<td>Operating Expense before Capital</td>
<td>383,311</td>
<td>384,701</td>
<td>342,638</td>
<td>(1,390)</td>
<td>-0.4%</td>
<td>40,673</td>
<td>11.9%</td>
</tr>
<tr>
<td>Cash Flow Operating Margin</td>
<td>50,414</td>
<td>47,749</td>
<td>50,751</td>
<td>2,665</td>
<td>5.6%</td>
<td>(337)</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Capital- Depreciation and Amortization</td>
<td>34,033</td>
<td>32,060</td>
<td>27,844</td>
<td>1,973</td>
<td>6.2%</td>
<td>6,189</td>
<td>22.2%</td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td>$417,344</td>
<td>$416,761</td>
<td>$370,482</td>
<td>$583</td>
<td>0.1%</td>
<td>$46,862</td>
<td>12.7%</td>
</tr>
</tbody>
</table>

## OPERATING RESULTS:

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>Variance to Budget %</th>
<th>Variance to Prior Year</th>
<th>Variance to Prior Year %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$16,381</td>
<td>$15,689</td>
<td>$22,907</td>
<td>$692</td>
<td>4.4%</td>
<td>($6,526)</td>
<td>-28.5%</td>
</tr>
<tr>
<td>Operating Margin %</td>
<td>3.8%</td>
<td>3.6%</td>
<td>5.8%</td>
<td>0.2%</td>
<td>5.6%</td>
<td>-2.0%</td>
<td>-34.5%</td>
</tr>
<tr>
<td>Gain (Loss) on Investments</td>
<td>10,873</td>
<td>10,311</td>
<td>11,069</td>
<td>562</td>
<td>5.4%</td>
<td>(196)</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Non-Recurring Items</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0.0%</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Net Income</td>
<td>27,254</td>
<td>26,000</td>
<td>33,976</td>
<td>1,254</td>
<td>4.8%</td>
<td>(6,722)</td>
<td>-19.8%</td>
</tr>
<tr>
<td>Net Margin %</td>
<td>6.1%</td>
<td>5.9%</td>
<td>8.4%</td>
<td>0.2%</td>
<td>3.4%</td>
<td>-2.3%</td>
<td>-27.4%</td>
</tr>
</tbody>
</table>

**NOTE:** all dollar amounts are in thousands
UI Health Care Consolidated Financial Statement  
July 2007 through December 2007

### Operating Revenue

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Patient Revenues</td>
<td>$869,419,962</td>
<td>$287,313,581</td>
<td>-</td>
<td>$1,156,733,543</td>
<td>-</td>
<td>-</td>
<td>$1,156,733,543</td>
</tr>
<tr>
<td>Total Allowances/Adjustments</td>
<td>(464,206,999)</td>
<td>(202,385,044)</td>
<td>-</td>
<td>(666,592,043)</td>
<td>(156,742)</td>
<td>-</td>
<td>(666,748,784)</td>
</tr>
<tr>
<td>Net Patient Revenue</td>
<td>$405,212,963</td>
<td>$84,928,537</td>
<td>-</td>
<td>$490,141,501</td>
<td>-</td>
<td>-</td>
<td>$489,984,759</td>
</tr>
<tr>
<td>State Appropriation/General Education Fund</td>
<td>$3,580,810</td>
<td>-</td>
<td>-</td>
<td>$3,580,810</td>
<td>31,976,074</td>
<td>-</td>
<td>35,556,884</td>
</tr>
<tr>
<td>Gift</td>
<td>905,567</td>
<td>-</td>
<td>-</td>
<td>905,567</td>
<td>3,756,119</td>
<td>-</td>
<td>4,661,686</td>
</tr>
<tr>
<td>Grants</td>
<td>2,537,712</td>
<td>-</td>
<td>-</td>
<td>2,537,712</td>
<td>79,263,567</td>
<td>-</td>
<td>81,801,279</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>$21,487,726</td>
<td>$23,594,005</td>
<td>(29,017,202)</td>
<td>$16,064,529</td>
<td>(4,205,487)</td>
<td>-</td>
<td>11,858,942</td>
</tr>
</tbody>
</table>

### Operating Expenses: Salary, Benefits, and Contract Labor

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>$220,956,343</td>
<td>$77,849,429</td>
<td>-</td>
<td>$298,805,771</td>
<td>95,775,688</td>
<td>-</td>
<td>394,581,460</td>
</tr>
<tr>
<td>Supplies and Drugs</td>
<td>82,577,568</td>
<td>2,648,740</td>
<td>(3,829)</td>
<td>85,222,479</td>
<td>17,353,971</td>
<td>-</td>
<td>102,576,449</td>
</tr>
<tr>
<td>Services</td>
<td>34,087,921</td>
<td>3,497</td>
<td>(19,387,365)</td>
<td>14,704,052</td>
<td>2,486,998</td>
<td>-</td>
<td>17,191,050</td>
</tr>
<tr>
<td>Capital Expenses</td>
<td>25,537,956</td>
<td>452,286</td>
<td>(1,081,925)</td>
<td>24,908,318</td>
<td>1,130,632</td>
<td>-</td>
<td>26,038,950</td>
</tr>
<tr>
<td>Insurance</td>
<td>428,608</td>
<td>1,116,755</td>
<td>(389,986)</td>
<td>724,773</td>
<td>1,155,377</td>
<td>-</td>
<td>1,280,150</td>
</tr>
<tr>
<td>Licenses, Fees and Other Expenses</td>
<td>13,787,279</td>
<td>23,586,570</td>
<td>(17,750,490)</td>
<td>19,623,359</td>
<td>28,356,201</td>
<td>5,351,524</td>
<td>53,331,084</td>
</tr>
<tr>
<td>Administrative Services - UI</td>
<td>5,934,619</td>
<td>1,659,948</td>
<td>(350,604)</td>
<td>7,243,963</td>
<td>43,272</td>
<td>-</td>
<td>7,287,235</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$383,310,294</td>
<td>$107,317,224</td>
<td>(38,574,213)</td>
<td>$452,053,306</td>
<td>$144,756,776</td>
<td>$351,524</td>
<td>$602,161,605</td>
</tr>
</tbody>
</table>

### Cash Flow Operating Margin

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Operating Margin</td>
<td>$50,414,484</td>
<td>1,205,319</td>
<td>9,557,011</td>
<td>61,176,813</td>
<td>(9,230,506)</td>
<td>(9,557,011)</td>
<td>42,389,296</td>
</tr>
</tbody>
</table>

### Capital Costs (Deprec, Amort, & Int Exp)

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Costs</td>
<td>$34,033,611</td>
<td>-</td>
<td>-</td>
<td>$34,033,611</td>
<td>666,439</td>
<td>-</td>
<td>34,700,051</td>
</tr>
</tbody>
</table>

### Operating Income (Loss)

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$16,380,872</td>
<td>1,205,319</td>
<td>9,557,011</td>
<td>27,143,202</td>
<td>(9,896,946)</td>
<td>(9,557,011)</td>
<td>7,689,245</td>
</tr>
</tbody>
</table>

### Gain (Loss) on Investments

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain (Loss) on Investments</td>
<td>$10,873,253</td>
<td>-</td>
<td>-</td>
<td>$10,873,253</td>
<td>1,791,296</td>
<td>-</td>
<td>12,664,549</td>
</tr>
</tbody>
</table>

### Net Income (Loss)

<table>
<thead>
<tr>
<th></th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CLINICAL TOTAL (w/ eliminations)</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (Loss)</td>
<td>$27,254,125</td>
<td>1,205,319</td>
<td>9,557,011</td>
<td>38,016,455</td>
<td>(8,105,650)</td>
<td>(9,557,011)</td>
<td>20,353,794</td>
</tr>
<tr>
<td>Net Income Margin %</td>
<td>6.28%</td>
<td>1.11%</td>
<td>7.25%</td>
<td>-5.90%</td>
<td>3.10%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## UI Health Care Balance Sheet

*As of December 31, 2007*

### AS S E T S

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>UIHC</th>
<th>UIP</th>
<th>Eliminations</th>
<th>CCOM</th>
<th>Eliminations</th>
<th>TOTAL (w/ eliminations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cash &amp; Short-Term Investments</td>
<td>$75,269,272</td>
<td>$15,282,479</td>
<td></td>
<td>$90,551,751</td>
<td>$98,837,757</td>
<td>$189,389,508</td>
</tr>
<tr>
<td>Net Patient Receivables</td>
<td>141,098,203</td>
<td>17,307,821</td>
<td></td>
<td>158,406,025</td>
<td>(1,084,374)</td>
<td>157,321,651</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>37,937,825</td>
<td>863,910</td>
<td></td>
<td>38,801,735</td>
<td>1,028,314</td>
<td>39,830,049</td>
</tr>
<tr>
<td>Due from Related Parties - UIHC, UIP, CCOM, and University</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$254,305,300</td>
<td>$51,066,808</td>
<td>($17,612,597)</td>
<td>$287,759,511</td>
<td>$101,865,727</td>
<td>($3,084,030)</td>
</tr>
</tbody>
</table>

### Designated Assets

| Investments in United States Government and Other Securities | $428,785,271 | | $428,785,271 | $23,843,522 | $452,628,792 |

### Long - Term Assets

| Net Plant and Equipment | $496,075,497 | | $496,075,497 | $28,341,255 | $524,416,751 |
| Other Long Term Assets | | | $1,024,682 | $1,024,682 | $1,024,682 |
| Total UNRESTRICTED ASSETS | $1,180,190,750 | $51,066,808 | ($17,612,597) | $1,213,644,961 | $154,050,503 | ($3,084,030) | $1,364,611,434 |

### LIABILITIES AND FUND BALANCE

| Current Liabilities | 2,864,018 | 198,427 | 4,063,436 | 36,416,975 |
| Accounts Payable | 32,155,112 | 84,216,475 | 119,791,178 |
| Accrued Payroll Expenses and Interest Payable & Other Current Liability | 71,517,661 | 84,216,475 | 165,734,136 |
| Due to Related Parties - UIHC, UIP, CCOM, and University | 25,266,311 | 35,574,704 | 60,841,015 |
| Total Current Liabilities | $137,803,102 | $128,972,441 | $266,775,543 |

| Long Term Liabilities | $76,904,796 | $20,118,730 | $97,023,525 |
| Long-Term Debt, excluding current installments | $76,904,796 | $20,118,730 | $97,023,525 |
| Fund Balance | $971,482,853 | $1,009,652,419 | $1,103,946,053 |
| TOTAL UNRESTRICTED LIABILITIES AND FUND BALANCE | $1,180,190,750 | $1,213,644,961 | $1,364,611,434 |
Comparative Accounts Receivable
At December 31, 2007

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Accounts Receivable</td>
<td>$95,976,921</td>
<td>$101,254,328</td>
<td>$115,054,571</td>
</tr>
<tr>
<td>Net Days in AR</td>
<td>51</td>
<td>49</td>
<td>53</td>
</tr>
</tbody>
</table>
# Volume Indicators

**July 2007 through December 31, 2007**

<table>
<thead>
<tr>
<th>Operating Review (YTD)</th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>Variance to Prior Year</th>
<th>Variance to Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admissions</td>
<td>14,636</td>
<td>13,740</td>
<td>13,711</td>
<td>896</td>
<td>6.5% ○</td>
<td>925</td>
</tr>
<tr>
<td>Patient Days</td>
<td>96,467</td>
<td>88,648</td>
<td>91,156</td>
<td>7,819</td>
<td>8.8% ○</td>
<td>5,311</td>
</tr>
<tr>
<td>Length of Stay</td>
<td>6.59</td>
<td>6.45</td>
<td>6.65</td>
<td>0.14</td>
<td>2.2% ○</td>
<td>(0.06)</td>
</tr>
<tr>
<td>Average Daily Census</td>
<td>524.28</td>
<td>481.78</td>
<td>495.41</td>
<td>42.49</td>
<td>8.8% ○</td>
<td>28.86</td>
</tr>
<tr>
<td>Surgeries – Inpatient</td>
<td>5,622</td>
<td>5,849</td>
<td>5,398</td>
<td>(227)</td>
<td>-3.9% ○</td>
<td>224</td>
</tr>
<tr>
<td>Surgeries – Outpatient</td>
<td>5,619</td>
<td>5,813</td>
<td>5,363</td>
<td>(194)</td>
<td>-3.3% ○</td>
<td>256</td>
</tr>
<tr>
<td>Emergency Treatment Center Visits</td>
<td>21,668</td>
<td>19,299</td>
<td>19,050</td>
<td>2,369</td>
<td>12.3% ○</td>
<td>2,618</td>
</tr>
<tr>
<td>Outpatient Clinic Visits</td>
<td>349,318</td>
<td>346,938</td>
<td>338,692</td>
<td>2,380</td>
<td>0.7% ○</td>
<td>10,626</td>
</tr>
</tbody>
</table>

|                |          |         |            |                     |                        |                        |
| Case Mix       | 1.7783   | 1.7994  | 1.7598     | (0.0211)            | -1.2%                  | 0.0205                 | 1.2%                   |
| Medicare Case Mix | 1.8969 | 1.9801  | 1.9430     | (0.0832)            | -4.2%                  | (0.0461)               | -2.4%                  |

- Greater than 2.5% Favorable
- Neutral
- Greater than 2.5% Unfavorable
Admissions by Type  
July 2007 through December 31, 2007

<table>
<thead>
<tr>
<th>Operating Review (YTD)</th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>% Variance to Budget</th>
<th>Variance to Prior Year</th>
<th>% Variance to Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Med/Surg</td>
<td>11,210</td>
<td>10,497</td>
<td>10,389</td>
<td>713</td>
<td>6.8%</td>
<td>820</td>
<td>7.9%</td>
</tr>
<tr>
<td>Psych</td>
<td>1,154</td>
<td>1,085</td>
<td>1,131</td>
<td>69</td>
<td>6.3%</td>
<td>23</td>
<td>2.0%</td>
</tr>
<tr>
<td>Pediatrics w/o Newborn</td>
<td>1,325</td>
<td>1,206</td>
<td>1,223</td>
<td>119</td>
<td>9.8%</td>
<td>102</td>
<td>8.3%</td>
</tr>
<tr>
<td>Newborn</td>
<td>700</td>
<td>685</td>
<td>690</td>
<td>15</td>
<td>2.2%</td>
<td>10</td>
<td>1.4%</td>
</tr>
<tr>
<td>OB</td>
<td>947</td>
<td>951</td>
<td>968</td>
<td>(4)</td>
<td>-0.4%</td>
<td>(21)</td>
<td>-2.2%</td>
</tr>
<tr>
<td>TOTAL w/o Newborn</td>
<td>14,636</td>
<td>13,740</td>
<td>13,711</td>
<td>896</td>
<td>6.5%</td>
<td>925</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

- **Greater than 2.5% Favorable**
- **Neutral**
- **Greater than 2.5% Unfavorable**
### Average Length of Stay by Type

**Year to date through December 31, 2007**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>% Variance to Budget</th>
<th>Variance to Prior Year</th>
<th>% Variance to Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Review (YTD)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Med/Surg</td>
<td>5.68</td>
<td>5.55</td>
<td>5.71</td>
<td>0.13</td>
<td>2.3% ○</td>
<td>(0.03)</td>
<td>-0.5% ○</td>
</tr>
<tr>
<td>Psych</td>
<td>9.88</td>
<td>10.20</td>
<td>9.79</td>
<td>(0.32)</td>
<td>-3.1% ○</td>
<td>0.09</td>
<td>0.9% ○</td>
</tr>
<tr>
<td>Pediatrics w/o Newborn</td>
<td>13.55</td>
<td>13.14</td>
<td>13.96</td>
<td>0.41</td>
<td>3.1% ○</td>
<td>(0.41)</td>
<td>-2.9% ●</td>
</tr>
<tr>
<td>Newborn</td>
<td>2.12</td>
<td>2.25</td>
<td>2.24</td>
<td>(0.13)</td>
<td>-5.8% ○</td>
<td>(0.12)</td>
<td>-5.4% ●</td>
</tr>
<tr>
<td>OB</td>
<td>3.66</td>
<td>3.63</td>
<td>3.83</td>
<td>0.03</td>
<td>0.8% ○</td>
<td>(0.17)</td>
<td>-4.4% ●</td>
</tr>
<tr>
<td><strong>TOTAL w/o Newborn</strong></td>
<td>6.59</td>
<td>6.45</td>
<td>6.65</td>
<td>0.14</td>
<td>2.2% ○</td>
<td>(0.06)</td>
<td>-0.9% ○</td>
</tr>
</tbody>
</table>

- **Green Circle**: Greater than 2.5% Favorable
- **Neutral Circle**: Neutral
- **Red Circle**: Greater than 2.5% Unfavorable
## Operating Review (YTD)

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Prior Year</th>
<th>Variance to Budget</th>
<th>% Variance to Budget</th>
<th>Variance to Prior Year</th>
<th>% Variance to Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETC Visits</td>
<td>21,668</td>
<td>19,299</td>
<td>19,050</td>
<td>2,369</td>
<td>12.3%</td>
<td>2,618</td>
<td>13.7%</td>
</tr>
<tr>
<td>ETC Admits</td>
<td>5,927</td>
<td>5,610</td>
<td>5,500</td>
<td>317</td>
<td>5.7%</td>
<td>427</td>
<td>7.8%</td>
</tr>
<tr>
<td>Conversion Factor</td>
<td>27.4%</td>
<td>29.1%</td>
<td>28.9%</td>
<td>-5.9%</td>
<td>-5.9%</td>
<td>-5.3%</td>
<td></td>
</tr>
<tr>
<td>ETC Admits / Total Admits</td>
<td>40.5%</td>
<td>40.8%</td>
<td>40.1%</td>
<td>-0.8%</td>
<td>-0.8%</td>
<td>1.0%</td>
<td></td>
</tr>
</tbody>
</table>

- Greater than 2.5% Favorable
- Neutral
- Greater than 2.5% Unfavorable