



University of Iowa Health Care

Presentation to

The Board of Regents, State of Iowa

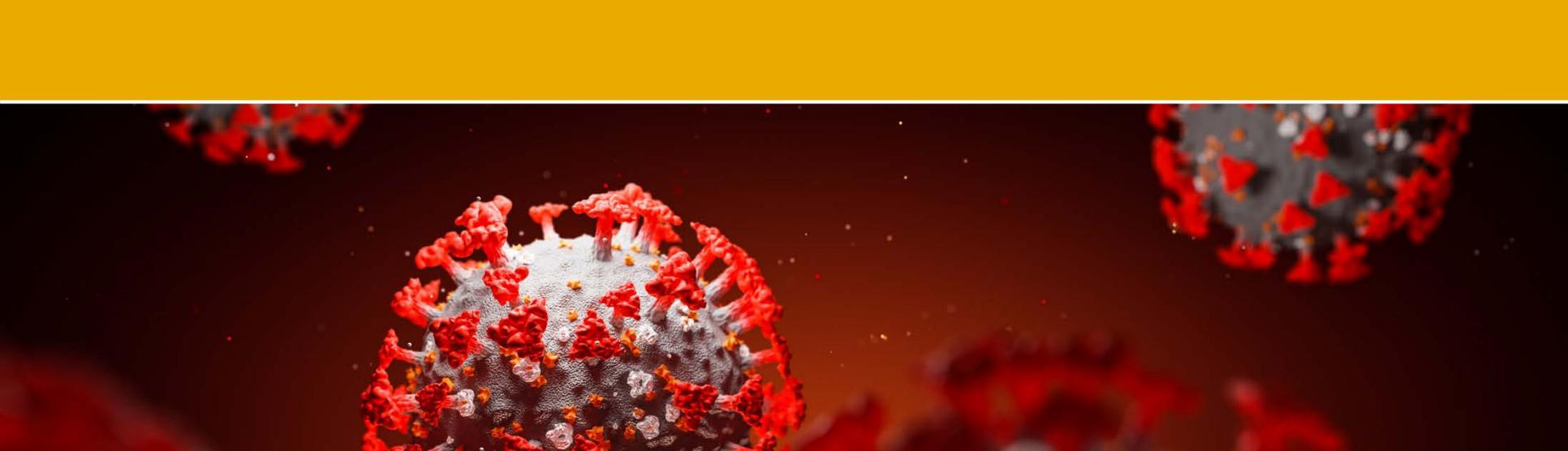
April 1, 2020

Agenda

Today's Presentation

2019 Novel Coronavirus (COVID-19) Update

Chargemaster Price Increase



2019 Novel Coronavirus (COVID-19) Update

Brooks Jackson, MD, MBA
Vice President for Medical Affairs
& Tyrone D. Artz Dean, Carver College of Medicine

Suresh Gunasekaran, MBA
Associate Vice President, UI Health Care and CEO, UI Hospitals & Clinics



Chargemaster Price Increase

Suresh Gunasekaran, MBA

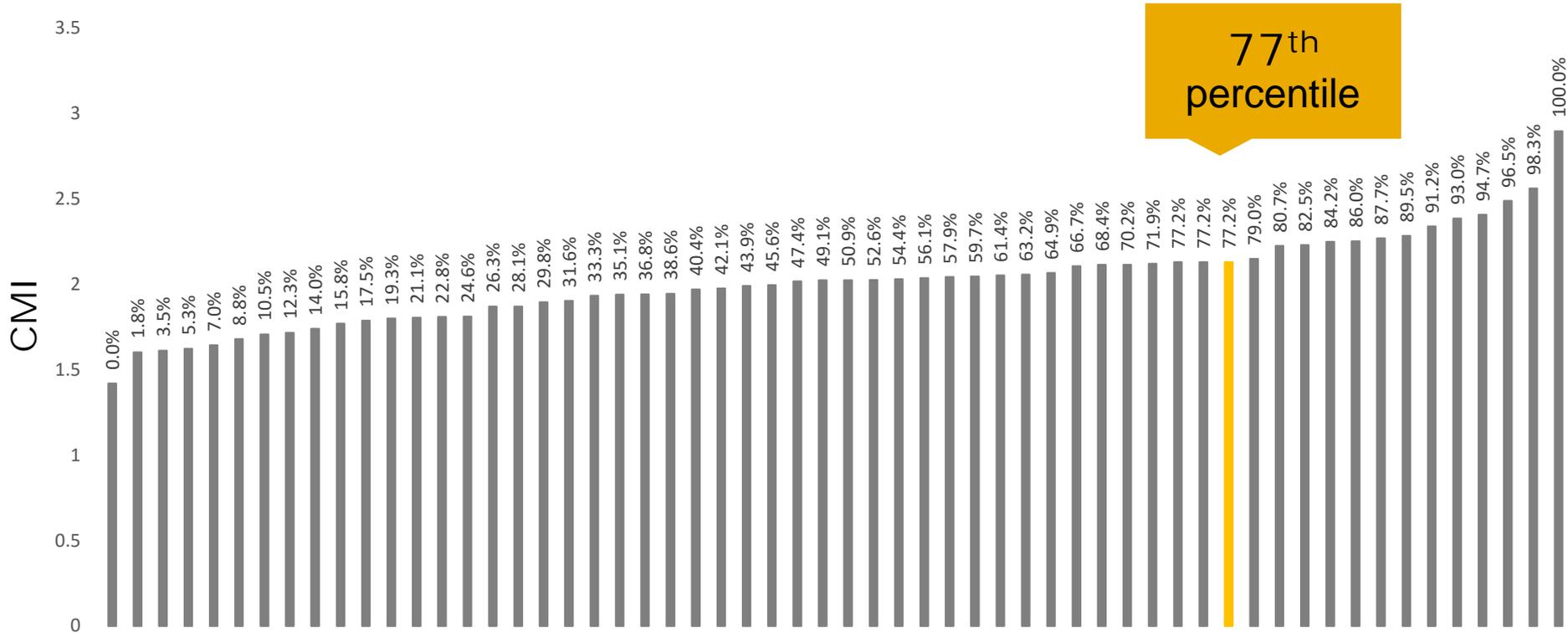
Associate Vice President, UI Health Care and CEO, UI Hospitals & Clinics

Bradley Haws, MBA

Associate Vice President for Finance and Chief Financial Officer, UI Health Care

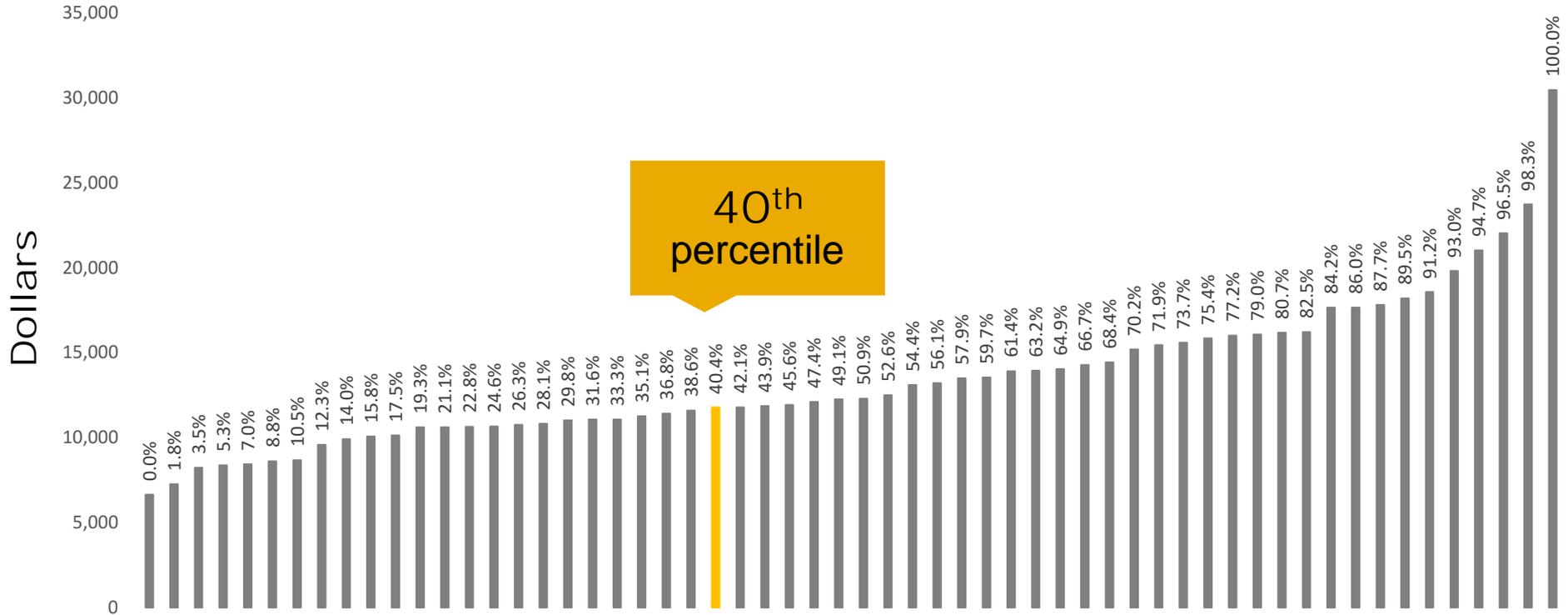
Hospital Case Mix Index

Action OI Data – CY2019 Quarter 3



Net Operating Revenue per CMI Weighted Discharge

Action OI Data – CY2019 Quarter 3



Chargemaster Price Increase

UI Health Care Operating Budget FY2021

- The University of Iowa Hospitals and Clinics is proposing a 6.0% rate increase for FY21.
- UIHC charges have an impact on certain prospective contractual rates set by payers. They also directly impact current reimbursement for percent of charge, carve-out and outlier payment terms. The estimated impact of a 6% price increase is a 0.6% yield or \$11.0M.

Chargemaster Price Increase

UI Health Care Operating Budget FY2021

- **Benchmarking**

UIHC charges are low compared to peer institutions.

— Over the past three years of Vizient comparison data, UIHC acuity adjusted charges have ranged between the 27th percentile to 41st percentile of all Midwest Academic Centers.

- **Self-Pay Impact**

UIHC has a charity care program that shields the medically indigent from being impacted by increases in charges. The program discounts charges for services using a sliding scale based upon the Federal Poverty Limit (adjusted for family size). This program provides assistance to incomes at or below 350% of the FPL.

Chargemaster Price Increase

UI Health Care Operating Budget FY2021

Support requested from the Board of Regents for a 6% rate increase at the University of Iowa Hospital and Clinics effective July 1, 2020.

Thank You

