Agenda

• Opening Comments
• Heart Care at UI Health Care
  • Faculty Presentation: Dr. Phillip Horwitz
• Medical Training Expansion
• North Liberty Campus Update
• Financial Performance and Chargemaster Update
Opening Comments

Denise Jamieson, MD, MPH
Vice President for Medical Affairs
and Tyrone D. Artz Dean, Carver College of Medicine
Heart Care at UI Health Care
Providing Life-Long Cardiac Services for Iowans

Denise Jamieson, MD, MPH
Vice President for Medical Affairs
and Tyrone D. Artz Dean, Carver College of Medicine
Providing Complex Cardiac Care at Any Life Stage

Pediatric Cardiology and Cardiac Surgery

Adult Congenital Heart Disease

Adult Cardiology and Cardiac Surgery
# Congenital Heart Defects

Congenital heart defects, or diseases, are problems with the heart’s structure that are present at birth. **Approximately 1 in 100 children is born with a cardiac condition or defect.**

## Causes
- Unknown cause
- Genetic syndrome
- Single gene
- Environmental exposure

## Types
<table>
<thead>
<tr>
<th>Structural defects:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Septum and ventricular defects</td>
</tr>
<tr>
<td>Valve defects</td>
</tr>
<tr>
<td>Arterial defects</td>
</tr>
</tbody>
</table>

Related conditions may include:
- Electrical issues (arrhythmias)
- Pulmonary hypertension

## Diagnosis
- In utero
- Upon birth
- As a child
- As an adult
## Supporting Congenital Cardiac Care Patients

<table>
<thead>
<tr>
<th>Pre-Birth and Pediatric Congenital Cardiac Care</th>
<th>Lifelong Congenital Cardiac Care</th>
<th>Adult Congenital Cardiac Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Fetal diagnosis and monitoring in utero</td>
<td>• Cardiac diagnostics and monitoring</td>
<td>Iowa’s only accredited center for adult congenital heart disease</td>
</tr>
<tr>
<td>• Neonatal hemodynamics</td>
<td>• Cardiac procedures</td>
<td>• Care management transition and support from pediatric to adult specialties</td>
</tr>
<tr>
<td>• Genetic evaluation</td>
<td>• Surgical interventions</td>
<td>• Genetic evaluation</td>
</tr>
<tr>
<td>• Lifelong congenital cardiac care</td>
<td>• Disease-specific follow-up</td>
<td>• Pregnancy counseling and fetal monitoring</td>
</tr>
<tr>
<td></td>
<td>• Medication management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Exercise and nutrition</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Assessment for non-cardiac interventions</td>
<td></td>
</tr>
</tbody>
</table>
Adult Cardiology and Cardiac Surgery

Adult (Non-Congenital) Heart Disease

- Cardiac conditions not present at birth
- Cardiac conditions may develop from:
  - Natural aging
  - Genetic factors
  - Lifestyle choices
  - Illness or medical condition
  - Exercise-induced cardiac issues (athletic heart syndrome)

Caring for Our Adult Cardiology Patients

- Cardiac, vascular, and thoracic surgery
- Heart and lung transplant
- Cardiac procedures and devices
- Cardiology/Surgery hybrid procedures
- Cardiac imaging and monitoring
- Medication management
- Exercise, nutrition and preventive cardiology
Serving Iowans with Complex Cardiac Needs

Cardiology and Cardiothoracic Surgery
Inpatient Discharges CY2019-2023
Serving Varied Cardiac Needs for Iowans

Inpatient Discharges by Age
CY 2019-2023

- 70+ years: 41%
- 50 - 69 years: 38%
- 18 - 49 years: 12%
- 1 - 17 years: 3%
- < 1 year: 6%

Calendar Year 2023

- Clinic Visits: 50,201
- Surgeries (including heart transplants): 1,201
- Procedures: 1,689
## Unique Services at an Academic Medical Center

### Complex Care Through Collaboration
- Fetal Heart Program
- Cardiac Neurodevelopment Follow-Up Program
- Pulmonary hypertension
- Advanced lipid monitoring
- Cardiac and cardiothoracic anesthesiology
- Cardio-oncology
- Cardio-obstetrics
- Cardiovascular genetics

### Research for the Future of Cardiac Care
Cardiovascular Research Center:
- Over 150 faculty members
- $15 million/year in grant funding

### Interdisciplinary Training for the Next Generation
Cardiac-focused fellowship programs:
- Department of Internal Medicine (5)
- Stead Family Department of Pediatrics (3)
- Department of Cardiothoracic Surgery (1)
- Department of Anesthesia (1)
- Department of Radiology (1)
- Department of Surgery (1)

*Includes non-accredited fellowship programs*
Cardiac Electrophysiology

An estimated **12.1M people** in the U.S. will be diagnosed with atrial fibrillation by 2030

9% of people ages 65 and older in the U.S. have atrial fibrillation

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**Center of Excellence for Atrial Fibrillation**

- Comprehensive care for the most common cardiac arrhythmia
- Multispecialty team for chronic atrial fibrillation

**Cardiac Device Management**

- Expert device and lead management for pacemakers and defibrillators
- Device management of central sleep apnea

**Dysautonomia Clinic**

- Testing and treatments for nervous imbalance to the heart

**Management of Complex Arrhythmias**

- Novel treatment options (including novel radiation) for patients who have failed routine therapies

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Structural Heart Program

Since 2011, UI Health Care has performed more than 1,700 TAVR procedures, with a success rate of 95%.
Minimally-Invasive Cardiac Surgery

Mohammad Bashir, MBBS
Lead Surgeon
Minimally-Invasive Cardiac Surgery

- Less invasive techniques and smaller incisions can treat select cardiac issues
- Minimally invasive surgery can provide:
  - Same durability as open-heart surgery
  - Faster patient recovery
Actively following 54 patients from 21 Iowa counties and 2 counties in Illinois.
Heart and Lung Transplant

University of Iowa Health Care is the only health system in Iowa to offer heart/lung transplantation.

30 heart transplants performed at UI Health Care*

77 lung transplants performed at UI Health Care*

Nationally:
• 150 Adult Heart Transplant Centers
• 75 Adult Lung Transplant Centers

*over past 3 fiscal years (FY21, FY22, FY23)
Extracorporeal Membrane Oxygenation (ECMO) Program

- Life-sustaining technology that performs function of heart and lungs in critically ill patients
- Allows heart and lungs to rest and heal
- Often used as a "bridge" therapy to recovery, a heart or lung transplant, or a ventricular assist device
- Supported patients with severely damaged lungs due to COVID-19

Extracorporeal Life Support Organization (ELSO) Center of Excellence

UI Health Care is one of 50 programs worldwide with this platinum-level designation.
Celebrating a Milestone in AFib Care

UI Health Care has performed more than 500 Left Atrial Appendage Closure procedures to treat atrial fibrillation (AFib)

- AFib creates risk for blood clots and stroke
- Minimally invasive implantation of device using a catheter
- Patients with this device are 80% less likely to have a stroke
- Life-long alternative to blood thinners, with same success rate
- Potential future applications beyond atrial fibrillation patients
Medical Training Expansion

Fiscal Year 2025

Denise Jamieson, MD, MPH
Vice President for Medical Affairs
and Tyrone D. Artz Dean, Carver College of Medicine
## FY25 New and Expanded Training Programs

<table>
<thead>
<tr>
<th>Name of Program</th>
<th>New or Expanded</th>
<th>Residency or Fellowship</th>
<th>Current Program Learners and Program Length</th>
<th>Future Program Learners and Program Length</th>
<th>Net New Learners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dentistry</td>
<td>Expanded</td>
<td>Residency</td>
<td>4 learners per year 1 years</td>
<td>5 learners per year 1 year</td>
<td>1</td>
</tr>
<tr>
<td>Dermatology</td>
<td>Expanded</td>
<td>Residency</td>
<td>5 learners per year 3 years</td>
<td>6 learners per year 3 years</td>
<td>3</td>
</tr>
<tr>
<td>Internal Medicine: Palliative Medicine</td>
<td>Expanded</td>
<td>Fellowship</td>
<td>2 learners per year 1 years</td>
<td>3 learners per year 1 year</td>
<td>1</td>
</tr>
<tr>
<td>Neurology: Epilepsy</td>
<td>New</td>
<td>Fellowship</td>
<td>N/A</td>
<td>1 learner per year 1 year</td>
<td>1</td>
</tr>
<tr>
<td>Pediatrics: Pediatric Medical Genetics and Genomics</td>
<td>New</td>
<td>Residency</td>
<td>N/A</td>
<td>1 learner per year 4 years</td>
<td>4</td>
</tr>
<tr>
<td>Psychiatry: Child Psychiatry</td>
<td>Expanded</td>
<td>Residency</td>
<td>3 learners per year 2 years</td>
<td>5 learners per year 2 years</td>
<td>4</td>
</tr>
<tr>
<td>Surgery: Acute Care Surgery</td>
<td>New</td>
<td>Fellowship</td>
<td>N/A</td>
<td>1 learner per year 1 year</td>
<td>1</td>
</tr>
<tr>
<td><strong>Net New Learners</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>
Providing Complex and Specialty Care to Iowans

Iowa’s Only Academic Medical Center

- Providing complex care for complex patients
- Specialized facilities, advanced equipment, and integrated provider teams
- Research from bench to bedside
- Education and training

University Campus Needs More Capacity

- >90% Occupancy of adult inpatient beds
- >90% Utilization of adult operating rooms
- >90% Utilization of outpatient imaging

Meeting Iowans’ Needs for Complex Care

- Increasing access for more Iowans to receive health care in Iowa
- Increasing access to accept transfers of complex patients from hospitals across Iowa
Extending our Complex Care Platform to the North Liberty Campus

- Creating access through our existing hospital license
- North Liberty Campus will be a place for complex care
- Evolving to serve our community in more accessible ways

Specialized Facilities  +  Advanced Equipment  +  Integrated Provider Teams
Fulfilling Our Tripartite Mission in North Liberty

Emergency Department
Operating Rooms and Inpatient Rooms
Outpatient Clinic and Rehabilitation
Ancillary Services
Research and Education
North Liberty Campus: Expanding Care Options

Accessible North Liberty campus focused on:

- Increasing access to emergency care
- Orthopedics & Sports Medicine
- Rehabilitation Services

Future capacity to support additional services at North Liberty campus

Creates access for complex services on the University Campus in the future
Financial Performance and Chargemaster Update

Mark Henrichs, MHA, CPA
Associate Vice President for Finance and Chief Financial Officer, UI Health Care
Volume and Financial Highlights

March FY24

Key Volumes
- Discharges: + 5.8% vs budget | + 5.2% vs prior year
- Patient Days: − 2.1% vs budget | + 0.8% vs prior year
- Surgeries: + 0.8% vs budget | + 3.6% vs prior year
- Clinic Visits: − 0.9% vs budget | + 6.3% vs prior year

Acuity
- Case Mix Index: 2.39

Length of Stay Index
- Adult: 0.96
- Pediatrics: 1.00

Gross Patient Revenue
- 1.2% above budget year-to-date
  - Inpatient: −0.3% vs budget
  - Outpatient: +2.4% vs budget

Accounts Receivable
- Days in Net AR – 45.1 days

Salary Expenses
- 2.3% below budget

Non-Salary Expenses
- 3.4% above budget

Operating Margin
- Actual 12.5% vs goal of 9.9%
- Actual 1.9% vs goal of 0.0% (Without Directed Payment)

*not inclusive of Downtown Campus financials
## Comparative Financial Results

**FISCAL YEAR TO DATE: April 2024**

*not inclusive of Downtown Campus financials*

<table>
<thead>
<tr>
<th>Operating Revenues</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>Net Patient Revenue</td>
<td>2,116.5</td>
<td>2,054.6</td>
<td>1,947.9</td>
<td>61.9</td>
<td>3.0%</td>
<td>168.6</td>
<td>8.7%</td>
</tr>
<tr>
<td>Directed Payment Revenue</td>
<td>261.8</td>
<td>232.6</td>
<td>270.1</td>
<td>29.3</td>
<td>12.6%</td>
<td>(8.3)</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>56.0</td>
<td>52.2</td>
<td>48.5</td>
<td>3.8</td>
<td>7.4%</td>
<td>7.5</td>
<td>15.5%</td>
</tr>
<tr>
<td><strong>Net Operating Revenue</strong></td>
<td><strong>2,434.4</strong></td>
<td><strong>2,339.3</strong></td>
<td><strong>2,266.5</strong></td>
<td><strong>95.0</strong></td>
<td><strong>4.1%</strong></td>
<td><strong>167.8</strong></td>
<td><strong>7.4%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>910.2</td>
<td>927.0</td>
<td>847.8</td>
<td>(16.8)</td>
<td>-1.8%</td>
<td>62.4</td>
<td>7.4%</td>
</tr>
<tr>
<td>General Expenses</td>
<td>1,104.8</td>
<td>1,066.2</td>
<td>1,007.3</td>
<td>38.6</td>
<td>3.6%</td>
<td>97.5</td>
<td>9.7%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>115.9</td>
<td>114.1</td>
<td>111.3</td>
<td>1.8</td>
<td>1.6%</td>
<td>4.6</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>2,130.9</strong></td>
<td><strong>2,107.3</strong></td>
<td><strong>1,966.3</strong></td>
<td><strong>23.6</strong></td>
<td><strong>1.1%</strong></td>
<td><strong>164.6</strong></td>
<td><strong>8.4%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Income</th>
<th></th>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Margin %</td>
<td>12.5%</td>
<td>9.9%</td>
<td>13.2%</td>
<td>71.5</td>
<td>30.8%</td>
<td>3.3</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

| Operating Income w/o Dir Pmts    | 41.6     | (0.6)   | 30.0       | 42.2               | 74.3%                | 11.6                   | 38.6%                    |
| Operating Margin % w/o Dir Pmts | 1.9%     | 0.0%    | 1.5%       | 1.9%               | 0.4%                 |                        |                          |

| Gain (Loss) on Investments       | 84.9     | 39.5    | 50.8       | 45.4               | 114.9%               | 34.1                   | 67.1%                    |
| Other Non-Operating Gain (Loss)  | (21.6)   | (21.5)  | (19.2)     | (0.0)              | (0.1)%               | (2.3)                  | (12.2%)                  |

| Net Income                       | 366.7    | 249.9   | 331.7      | 116.8              | 46.7%                | 35.0                   | 10.5%                    |
| Net Margin                       | 14.7%    | 10.6%   | 14.4%      | 4.1%               | 0.2%                 |                        |                          |

*not inclusive of Downtown Campus financials*
### Key Metrics

#### Financial Operations

<table>
<thead>
<tr>
<th></th>
<th>FY24 Apr YTD</th>
<th>FY24 Mar YTD</th>
<th>Moody’s Medians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Margin</td>
<td>11.8%</td>
<td>11.6%</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

#### Financial – Liquidity

<table>
<thead>
<tr>
<th></th>
<th>FY24 Apr YTD</th>
<th>FY24 Mar YTD</th>
<th>Moody’s Medians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days Cash on Hand</td>
<td>289</td>
<td>297</td>
<td>261</td>
</tr>
</tbody>
</table>

#### Financial – Leverage

<table>
<thead>
<tr>
<th></th>
<th>FY24 Apr YTD</th>
<th>FY24 Mar YTD</th>
<th>Moody’s Medians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt to Capitalization</td>
<td>17.3%</td>
<td>17.5%</td>
<td>23.0%</td>
</tr>
</tbody>
</table>

*Operating margin without Directed Payment*

- FY24 Apr YTD = 1.0%
- FY24 Mar YTD = 0.7%

*not inclusive of Downtown Campus financials*
Chargemaster Price Increase

University of Iowa Health Care is proposing a 6.0% rate increase for FY25, which reflects adjustments for factors such as healthcare inflation.

Benchmarking

UI Health Care charges are below the 50th percentile of academic medical centers.

Self-Pay Impact

UI Health Care 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 (FPL) (adjusted for family size). This program starts at 350% of the FPL.
Thank you

uihc.org