



University of Iowa Health Care

***Presentation to
The Board of Regents, State of Iowa
September 11, 2013***

- Opening Remarks (Jean Robillard)
- Operational and Financial Performance (Ken Kates & Ken Fisher)
- Carver College of Medicine Update (Debra Schwinn)
- Diabetes Research and Care at the University of Iowa in the 21st Century and Beyond (Dale Abel)



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

Fiscal Year to Date June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	30,431	31,320	30,675	(889)	-2.8% ●	(244)	-0.8% ○
Patient Days	193,117	191,455	195,262	1,662	0.9% ○	(2,145)	-1.1% ○
Length of Stay	6.34	6.17	6.37	0.17	2.7% ●	(0.03)	-0.4% ○
Average Daily Census	529.09	524.53	533.50	4.55	0.9% ○	(4.42)	-0.8% ○
Total Surgeries	28,663	28,930	27,876	(267)	-0.9% ○	787	2.8% ●
- Inpatient	11,362	11,938	11,464	(576)	-4.8% ●	(102)	-0.9% ○
- Outpatient	17,301	16,992	16,412	309	1.8% ○	889	5.4% ●
ED Visits	60,785	63,629	59,724	(2,844)	-4.5% ●	1,061	1.8% ○
Total Clinic Visits	796,402	780,908	777,570	15,494	2.0% ○	18,832	2.4% ○

 Greater than 2.5% Favorable
  Neutral
  Greater than 2.5% Unfavorable

Discharges by Type

Fiscal Year to Date June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	9,951	10,802	10,620	(851)	-7.9% ●	(669)	-6.3% ●
Adult Surgical	14,619	14,206	13,878	413	2.9% ●	741	5.3% ●
Adult Psych	1,390	1,492	1,468	(102)	-6.8% ●	(78)	-5.3% ●
<i>Subtotal – Adult</i>	<i>25,960</i>	<i>26,500</i>	<i>25,966</i>	<i>(540)</i>	<i>-2.0%</i> ○	<i>(6)</i>	<i>-0.0%</i> ○
Pediatric Medical & Surgical	3,102	3,420	3,329	(318)	-9.3% ●	(227)	-6.8% ●
Pediatric Critical Care	802	786	774	16	2.0% ○	28	3.6% ●
Pediatric Psych	567	615	606	(48)	-7.8% ●	(39)	-6.4% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>4,471</i>	<i>4,820</i>	<i>4,709</i>	<i>(349)</i>	<i>-7.2%</i> ●	<i>(238)</i>	<i>-5.1%</i> ●
Newborn	1,425	1,352	1,472	73	5.4% ●	(47)	-3.2% ●
TOTAL w/o Newborn	30,431	31,320	30,675	(889)	-2.8% ●	(244)	-0.8% ○

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

Discharge Days by Type

Fiscal Year to Date June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	55,464	60,002	60,248	(4,538)	-7.6% ●	(4,784)	-7.9% ●
Adult Surgical	74,032	71,510	72,728	2,522	3.5% ●	1,304	1.8% ○
Adult Psych	20,778	20,332	20,530	442	2.2% ○	248	1.2% ○
<i>Subtotal – Adult</i>	<i>150,274</i>	<i>151,844</i>	<i>153,506</i>	<i>(1,570)</i>	<i>-1.0% ○</i>	<i>(3,232)</i>	<i>-2.1% ○</i>
Pediatric Medical & Surgical	16,981	17,575	17,539	(594)	-3.4% ●	(558)	-3.2% ●
Pediatric Critical Care	20,803	19,317	19,553	1,486	7.7% ●	1,250	6.4% ●
Pediatric Psych	4,865	4,631	4,650	234	5.1% ●	215	4.6% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>42,649</i>	<i>41,523</i>	<i>41,742</i>	<i>1,126</i>	<i>2.7% ●</i>	<i>907</i>	<i>2.2% ○</i>
Newborn	3,166	3,248	3,238	(82)	-2.5% ●	(72)	-2.2% ○
TOTAL w/o Newborn	192,923	193,367	195,248	(444)	-0.2% ○	(2,325)	-1.2% ○

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

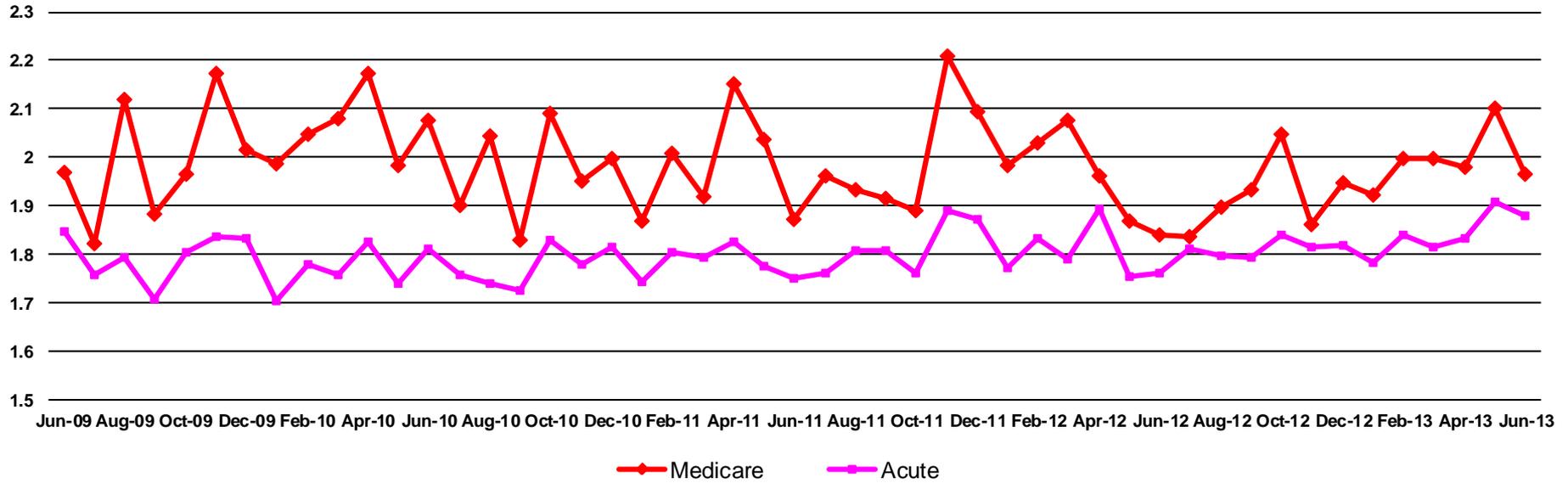
Average Length of Stay by Type

Fiscal Year to Date June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.57	5.55	5.67	0.02	0.4% ○	(0.10)	-1.8% ○
Adult Surgical	5.06	5.03	5.24	0.03	0.6% ○	(0.18)	-3.4% ●
Adult Psych	14.95	13.63	13.99	1.32	9.7% ●	0.96	6.9% ●
Subtotal – Adult	5.79	5.73	5.91	0.06	1.1% ○	(0.12)	-2.0% ●
Pediatric Medical & Surgical	5.47	5.14	5.27	0.33	6.4% ●	0.20	3.8% ●
Pediatric Critical Care	25.94	24.59	25.26	1.35	5.5% ●	0.68	2.7% ●
Pediatric Psych	8.58	7.53	7.67	1.05	13.9% ●	0.91	11.9% ●
Subtotal – Pediatrics w/o newborn	9.54	8.61	8.86	0.93	10.8% ●	0.68	7.7% ●
Newborn	2.22	2.40	2.20	(0.18)	-7.5% ●	(0.02)	-0.9% ○
TOTAL w/o Newborn	6.34	6.17	6.37	0.17	2.7% ●	(0.03)	-0.5% ○

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

Case Mix Index



Inpatient Surgeries – by Clinical Department

June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	935	1,200	1,156	(265)	-22.1% ●	(221)	-19.1% ●
Dentistry	157	158	152	(1)	-0.5% ○	5	3.3% ●
General Surgery	3,279	3,442	3,315	(163)	-4.7% ●	(36)	-1.1% ○
Gynecology	677	771	742	(94)	-12.2% ●	(65)	-8.8% ●
Neurosurgery	1,804	1,717	1,654	87	5.1% ●	150	9.1% ●
Ophthalmology	150	161	153	(11)	-6.7% ●	(3)	-2.0% ○
Orthopedics	2,733	2,720	2,610	13	0.5% ○	123	4.7% ●
Otolaryngology	661	816	786	(155)	-19.0% ●	(125)	-15.9% ●
Radiology – Interventional	102	136	131	(34)	-25.0% ●	(29)	-22.1% ●
Urology w/ Procedure Ste.	864	815	764	49	6.0% ●	100	13.1% ●
Total	11,362	11,936	11,464	(576)	-4.8% ●	(102)	-0.9% ○
Solid Organ Transplants	347	337	273	10	3.0% ●	74	27.1% ●

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

Outpatient Surgeries – by Clinical Department

June 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	116	74	73	42	55.7% ●	43	58.9% ●
Dentistry	660	668	655	(8)	-1.3% ○	5	0.8% ○
Dermatology	36	36	35	0	0.0% ○	1	2.9% ●
General Surgery	2,674	2,678	2,615	(4)	-0.2% ○	59	2.3% ○
Gynecology	752	896	872	(144)	-16.1% ●	(120)	-13.8% ●
Internal Medicine	10	12	12	(2)	-19.5% ●	(2)	-16.7% ●
Neurosurgery	634	457	448	177	38.7% ●	186	41.5% ●
Ophthalmology	3,883	3,790	3,667	93	2.5% ○	216	5.9% ●
Orthopedics	3,913	3,993	3,873	(80)	-2.0% ○	40	1.0% ○
Otolaryngology	2,565	2,477	2,410	88	3.6% ●	155	6.4% ●
Pediatrics	4	0	0	4	●	4	●
Radiology – Interventional	37	45	44	(8)	-17.6% ●	(7)	-15.9% ●
Urology w/ Procedure Ste.	2,017	1,865	1,708	152	8.2% ●	309	18.1% ●
Total	17,301	16,992	16,412	309	1.8% ○	889	5.4% ●

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

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	60,785	63,629	59,724	(2,844)	-4.5% 	1,061	1.8% 
ED Admits	17,184	17,545	16,485	(361)	-2.1% 	699	4.2% 
ED Conversion Factor	28.3%	27.6%	27.6%		2.5% 		2.4% 
ED Admits / Total Admits	56.6%	56.6%	54.0%		0.0% 		4.9% 

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Clinic Visits by Specialty

Fiscal Year to Date June 2013

Operating Review (YTD)	Actual	Budget	Variance to Budget	% Variance to Budget
Anesthesia	4,664	4,610	54	1.2% ○
Center for Disabilities & Development	9,170	9,000	170	1.9% ○
Center for Digestive Disease	20,979	22,140	(1,161)	-5.2% ●
Clinical Cancer Center	52,083	56,744	(4,661)	-8.2% ●
Dermatology	21,490	19,829	1,661	8.4% ●
General Surgery	17,724	17,198	526	3.1% ●
Hospital Dentistry	16,207	16,145	62	0.4% ○
Internal Medicine	35,797	33,514	2,283	6.8% ●
Neurology	13,630	12,607	1,203	8.1% ●
Neurosurgery	10,620	10,400	220	2.1% ○
Obstetrics/Gynecology	54,269	49,887	4,382	8.8% ●
Ophthalmology	65,784	57,990	7,794	13.4% ●
Orthopedics	68,059	71,495	(3,436)	-4.8% ●
Otolaryngology	27,269	21,232	6,037	28.4% ●
Pediatrics	51,423	46,939	4,484	9.6% ●
Primary Care (non-IRL)	187,532	186,731	801	0.4% ○
Psychiatry	33,250	29,569	3,681	12.4% ●
Urology	15,199	12,287	2,912	23.7% ●
UI Heart Center	17,407	15,802	1,605	10.2% ●
IRL	73,846	86,789	(12,943)	-14.9% ●
Total	796,402	780,908	15,494	2.0% ○



Greater than 2.5% Favorable



Neutral



Greater than 2.5% Unfavorable

Clinic Visits by Location

Fiscal Year to Date June 2013

Operating Review (YTD)	FY13 Actual				FY12 Actual			Variance to Prior Year	%	
	On-Site	IRL	UICMS & QuickCare	Total	On-Site	UICMS & QuickCare	Total			
Primary Care	73,251		114,281	187,532	109,419	111,372	220,791	(33,259)	-15.1%	●
General Internal Medicine		18,115		18,115				18,115		●
Pediatrics		15,502		15,502				15,502		●
<i>Subtotal - Primary Care</i>	<i>73,251</i>	<i>33,617</i>	<i>114,281</i>	<i>221,149</i>	<i>109,419</i>	<i>111,372</i>	<i>220,791</i>	<i>358</i>	<i>0.2%</i>	○
Anesthesia	4,664			4,664	4,425		4,425	239	5.4%	●
Center for Disabilities & Development	9,170			9,170	8,688		8,688	482	5.6%	●
Center for Digestive Disease	20,979	1,958		22,937	25,042		25,042	(2,105)	-8.4%	●
Clinical Cancer Center	52,083			52,083	51,607		51,607	476	0.9%	○
Dermatology	21,490	2,922		24,412	26,367		26,367	(1,955)	-7.4%	●
General Surgery	17,724			17,724	17,386		17,386	338	1.9%	○
Hospital Dentistry	16,207			16,207	15,716		15,716	491	3.1%	●
Internal Medicine	35,797	3,189		38,986	35,408		35,408	3,578	10.1%	●
Neurology	13,630			13,630	12,362		12,362	1,268	10.3%	●
Neurosurgery	10,620			10,620	9,273		9,273	1,347	14.5%	●
Obstetrics/Gynecology	54,269	12,849		67,118	65,444		65,444	1,674	2.6%	●
Ophthalmology	65,784	4,409		70,193	70,431		70,431	-238	-0.3%	○
Orthopedics	68,059			68,059	66,768		66,768	1,291	1.9%	○
Otolaryngology	27,269	4,015		31,284	30,186		30,186	1,098	3.6%	●
Pediatrics	51,423			51,423	48,765		48,765	2,658	5.5%	●
Psychiatry	33,250			33,250	31,139		31,139	2,111	6.8%	●
Urology	15,199	3,665		18,864	16,949		16,949	1,915	11.3%	●
UI Heart Center	17,407	7,222		24,629	20,823		20,823	3,806	18.3%	●
<i>Subtotal – Specialty Care</i>	<i>535,024</i>	<i>40,229</i>		<i>575,253</i>	<i>556,779</i>		<i>556,779</i>	<i>18,474</i>	<i>3.3%</i>	●
Total	608,275	73,846	114,281	796,402	666,198	111,372	777,570	18,832	2.4%	○



Greater than 2.5% Favorable



Neutral



Greater than 2.5% Unfavorable

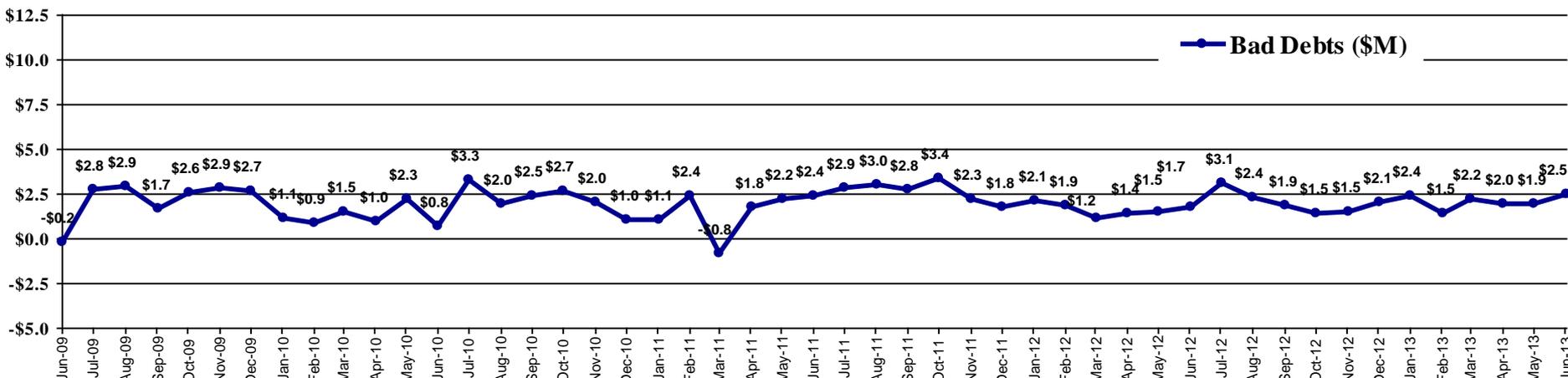
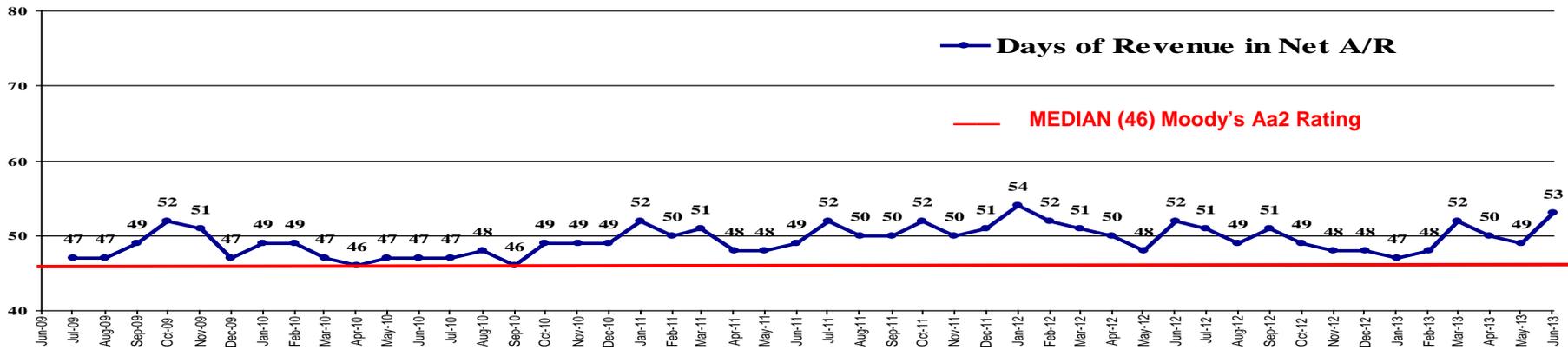
Comparative Accounts Receivable

at June 31, 2013



June 30, 2013

	June 30, 2011	June 30, 2012	(preliminary)
Net Accounts Receivable	\$136,477,870	\$153,061,293	\$158,964,897
Net Days in AR	49	52	53



UIHC Comparative Financial Results

June 2013 (preliminary)

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	\$88,257	\$94,173	\$89,768	(\$5,916)	-6.3%	(\$1,512)	-1.7%
Other Operating Revenue	5,157	4,345	5,434	813	18.7%	(277)	-5.1%
Total Revenue	\$93,414	\$98,517	\$95,203	(\$5,104)	-5.2%	(\$1,789)	-1.9%

EXPENSES:

Salaries and Wages	\$45,033	\$49,112	\$45,321	(\$4,079)	-8.3%	(\$288)	-0.6%
General Expenses	30,966	37,698	37,113	(6,732)	-17.9%	(6,147)	-16.6%
Operating Expense before Capital	\$76,000	\$86,811	\$82,434	(\$10,811)	-12.5%	(\$6,435)	-7.8%
Cash Flow Operating Margin	\$17,414	\$11,707	\$12,768	\$5,708	48.8%	\$4,646	36.4%
Capital- Depreciation and Amortization	6,178	6,127	5,832	51	0.8%	346	5.9%
Total Operating Expense	\$82,178	\$92,938	\$88,267	(\$10,760)	-11.6%	(\$6,089)	-6.9%

Operating Income	\$11,236	\$5,579	\$6,936	\$5,657	101.4%	\$4,300	62.0%
Operating Margin %	12.0%	5.7%	7.3%		6.3%		4.7%
Gain (Loss) on Investments	(6,736)	1,563	1,545	(8,299)	-531.1%	(8,282)	-535.9%
Other Non-Operating	(1,334)	(816)	1,636	(518)	-63.5%	(2,972)	-181.6%
Net Income	\$3,166	\$6,326	\$10,117	(\$3,160)	-50.0%	(\$6,952)	-68.7%
Net Margin %	3.7%	6.4%	10.3%		-2.7%		-6.6%

* Gain/(Loss) on Investments based on information available at close. Final investment return for this period will be reflected in subsequent to the final close.

UIHC Comparative Financial Results

Fiscal Year to Date June 2013 (preliminary)

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	\$1,072,323	\$1,093,481	\$1,041,179	(\$21,158)	-1.9%	\$31,144	3.0%
Other Operating Revenue	52,936	52,137	57,056	799	1.5%	(4,120)	-7.2%
Total Revenue	\$1,125,259	\$1,145,618	\$1,098,235	(\$20,359)	-1.8%	\$27,024	2.5%

EXPENSES:

Salaries and Wages	\$564,007	\$580,083	\$548,318	(\$16,076)	-2.8%	\$15,689	2.9%
General Expenses	449,370	457,642	433,554	(8,273)	-1.8%	15,816	3.6%
Operating Expense before Capital	\$1,013,377	\$1,037,725	\$981,872	(\$24,348)	-2.3%	\$31,505	3.2%
Cash Flow Operating Margin	\$111,882	\$107,893	\$116,363	\$3,989	3.7%	(\$4,481)	-3.9%
Capital- Depreciation and Amortization	72,671	73,525	69,724	(854)	-1.2%	2,947	4.2%
Total Operating Expense	\$1,086,048	\$1,111,250	\$1,051,596	(\$25,202)	-2.3%	\$34,452	3.3%

Operating Income	\$39,211	\$34,368	\$46,638	\$4,843	14.1%	(\$7,428)	-15.9%
Operating Margin %	3.5%	3.0%	4.2%		0.5%		-0.7%
Gain on Investments	24,620	18,752	24,243	5,869	31.3%	377	1.6%
Other Non-Operating	(10,892)	(9,797)	(3,665)	(1,095)	-11.2%	(7,227)	-197.2%
Net Income	\$52,940	\$43,323	\$67,217	\$9,617	22.2%	(\$14,277)	-21.2%
Net Margin %	4.6%	3.8%	6.0%		0.8%		-1.4%

* Gain/(Loss) on Investments based on information available at close. Final investment return for this period will be reflected in subsequent to the final close.

Volume Indicators

Fiscal Year to Date July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	2,542	2,509	2,446	33	1.3% ○	96	3.9% ●
Patient Days	16,469	16,359	16,346	110	0.7% ○	123	0.8% ○
Length of Stay	6.37	6.45	6.80	(0.08)	-1.3% ○	(0.44)	-6.4% ●
Average Daily Census	531.25	527.70	527.29	3.55	0.7% ○	3.96	0.8% ○
Total Surgeries	2,536	2,426	2,380	110	4.5% ●	156	6.6% ●
- Inpatient	992	1,019	1,000	(27)	-2.7% ●	(8)	-0.8% ○
- Outpatient	1,544	1,406	1,380	138	9.8% ●	164	11.9% ●
ED Visits	5,361	5,406	4,964	(45)	-0.8% ○	397	8.0% ●
Total Clinic Visits	67,638	63,398	62,311	4,240	6.7% ●	5,327	8.5% ●

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

Fiscal Year to Date July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	789	890	869	(101)	-11.4% ●	-80	-9.2% ●
Adult Surgical	1,288	1,093	1,065	195	17.8% ●	223	20.9% ●
Adult Psych	104	132	129	(28)	-21.2% ●	(25)	-19.4% ●
<i>Subtotal – Adult</i>	<i>2,181</i>	<i>2,115</i>	<i>2,063</i>	<i>66</i>	<i>3.1% ●</i>	<i>118</i>	<i>5.7% ●</i>
Pediatric Medical & Surgical	243	274	266	(31)	-11.3% ●	(23)	-8.6% ●
Pediatric Critical Care	68	74	72	(6)	-8.1% ●	(4)	-5.6% ●
Pediatric Psych	50	46	45	4	8.7% ●	5	11.1% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>361</i>	<i>394</i>	<i>383</i>	<i>(33)</i>	<i>-8.4% ●</i>	<i>(22)</i>	<i>-5.7% ●</i>
Newborn	137	116	118	21	18.1% ●	19	16.1% ●
TOTAL w/o Newborn	2,542	2,509	2,446	33	1.3% ○	96	3.9% ●

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

Discharge Days by Type

Fiscal Year to Date July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	3,984	4,558	4,692	(574)	-12.6% 	(708)	-15.1% 
Adult Surgical	6,382	5,305	5,456	1,077	20.3% 	926	16.8% 
Adult Psych	1,823	1,778	1,830	45	2.5% 	(7)	-0.4% 
<i>Subtotal – Adult</i>	<i>12,189</i>	<i>11,641</i>	<i>11,978</i>	<i>548</i>	<i>4.7%</i> 	<i>211</i>	<i>1.8%</i> 
Pediatric Medical & Surgical	1,516	1,811	1,862	(295)	-16.3% 	(346)	-18.6% 
Pediatric Critical Care	1,952	2,229	2,294	(277)	-12.4% 	(342)	-14.9% 
Pediatric Psych	526	496	510	30	6.1% 	16	3.1% 
<i>Subtotal – Pediatrics w/o newborn</i>	<i>3,994</i>	<i>4,536</i>	<i>4,666</i>	<i>(542)</i>	<i>-11.9%</i> 	<i>(672)</i>	<i>-14.4%</i> 
Newborn	309	255	247	54	21.2% 	62	25.1% 
TOTAL w/o Newborn	16,183	16,177	16,644	6	-0.0% 	(461)	-2.8% 

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

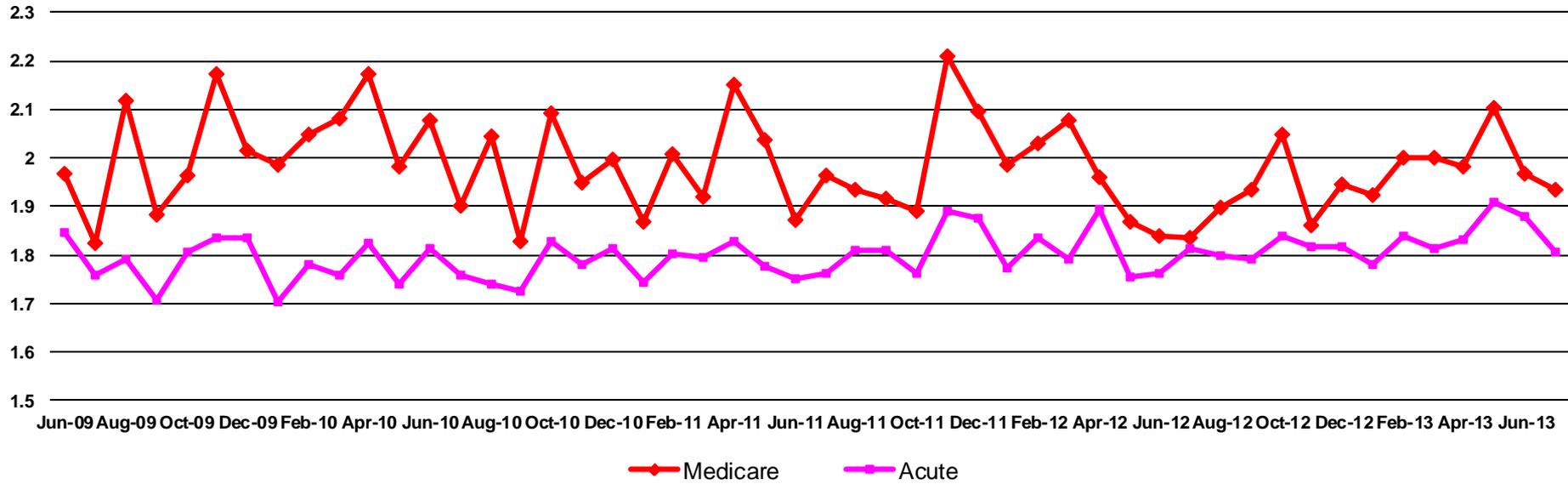
Average Length of Stay by Type

Fiscal Year to Date July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.05	5.12	5.40	(0.07)	-1.4% ○	(0.35)	-6.5% ●
Adult Surgical	4.95	4.85	5.12	0.10	2.1% ○	(0.17)	-3.3% ●
Adult Psych	17.53	13.49	14.19	4.04	29.9% ●	3.34	23.5% ●
Subtotal – Adult	5.59	5.51	5.81	0.08	1.5% ○	(0.22)	-3.8% ●
Pediatric Medical & Surgical	6.24	6.61	7.00	(0.37)	-5.6% ●	(0.76)	-10.9% ●
Pediatric Critical Care	28.71	30.06	31.86	(1.35)	-4.5% ●	-3.15	-9.9% ●
Pediatric Psych	10.52	10.69	11.33	(0.17)	-1.6% ○	(0.81)	-7.2% ●
Subtotal – Pediatrics w/o newborn	11.06	11.50	12.18	(0.44)	-3.8% ●	(1.12)	-9.2% ●
Newborn	2.26	2.20	2.09	0.06	2.7% ●	0.17	8.1% ●
TOTAL w/o Newborn	6.37	6.45	6.80	(0.08)	-1.2% ○	(0.43)	-6.3% ●

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

Case Mix Index



Inpatient Surgeries – by Clinical Department

July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	93	84	90	9	10.8% 	3	3.3% 
Dentistry	17	14	19	3	20.6% 	(2)	-10.5% 
General Surgery	296	294	298	2	-0.5% 	(2)	-0.7% 
Gynecology	49	61	57	(12)	-19.4% 	(8)	-14.0% 
Neurosurgery	147	162	133	(15)	-9.2% 	14	10.5% 
Ophthalmology	18	14	25	4	28.3% 	(7)	-28.0% 
Orthopedics	238	247	264	(9)	-3.8% 	(26)	-9.8% 
Otolaryngology	47	60	44	(13)	-21.1% 	3	6.8% 
Radiology – Interventional	9	9	10	0	0.0% 	(1)	-10.0% 
Urology w/ Procedure Ste.	78	74	60	4	5.0% 	18	30.0% 
Total	992	1,019	1,000	(27)	-2.7% 	(8)	-0.8% 
Solid Organ Transplants	26	31	33	(5)	-16.1% 	(7)	-21.2% 

 Greater than 2.5% Favorable
  Neutral
  Greater than 2.5% Unfavorable

Outpatient Surgeries – by Clinical Department

July 2013

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	9	9	6	0	0.0% ○	3	50.0% ●
Dentistry	53	53	52	0	0.0% ○	1	1.9% ○
Dermatology	5	3	0	2	66.7% ●	5	0.0% ●
General Surgery	261	216	225	45	20.6% ●	36	16.0% ●
Gynecology	64	61	79	3	4.3% ●	(15)	-19.0% ●
Internal Medicine	1	1	0	0	0.0% ○	1	0.0% ●
Neurosurgery	53	51	28	2	4.3% ●	25	89.3% ●
Ophthalmology	381	322	329	59	18.2% ●	52	15.8% ●
Orthopedics	345	323	336	22	6.8% ●	9	2.7% ●
Otolaryngology	187	210	176	(23)	-10.8% ●	11	6.3% ●
Pediatrics	0	0	0	0	0.0% ○	0	0.0% ○
Radiology – Interventional	4	3	4	1	33.3% ●	0	0.0% ○
Urology w/ Procedure Ste.	181	153	145	28	17.9% ●	36	24.8% ●
Total	1,544	1,406	1,380	138	9.8% ●	164	11.9% ●

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

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	5,361	5,406	4,964	(45)	-0.8% ○	397	8.0% ●
ED Admits	1,580	1,621	1,489	(41)	-2.6% ●	91	6.1% ●
ED Conversion Factor	29.5%	30.0%	30.0%		-1.7% ○		-1.7% ○
ED Admits / Total Admits	61.0%	61.6%	60.3%		-1.0% ○		-1.1% ○

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

Clinic Visits by Specialty

Fiscal Year to Date July 2013

Operating Review (YTD)	Actual	Budget	Variance to Budget	% Variance to Budget	
Center for Disabilities & Development	757	731	26	3.6%	●
Center for Digestive Disease	1,781	1,563	218	13.9%	●
Clinical Cancer Center	4,791	4,553	238	5.2%	●
Dermatology	1,582	1,613	(31)	-1.9%	○
General Surgery	1,723	1,445	278	19.2%	●
Hospital Dentistry	1,480	1,381	99	7.2%	●
Internal Medicine	3,040	2,772	268	9.7%	●
Neurology	890	1,024	(134)	-13.1%	●
Neurosurgery	1,013	840	173	20.6%	●
Obstetrics/Gynecology	4,452	3,967	485	12.2%	●
Ophthalmology	5,946	5,469	477	8.7%	●
Orthopedics	5,821	5,438	383	7.0%	●
Otolaryngology	2,235	1,606	629	39.2%	●
Pediatrics	4,635	4,617	18	0.4%	○
Primary Care (non-IRL)	13,311	11,730	1,581	13.5%	●
Psychiatry	2,845	2,649	196	7.4%	●
Urology	1,258	1,226	32	2.6%	●
UI Heart Center	1,304	1,378	(74)	-5.4%	●
IRL	8,774	9,396	(622)	-6.6%	●
Total	67,638	63,398	4,240	6.7%	●



Greater than 2.5% Favorable

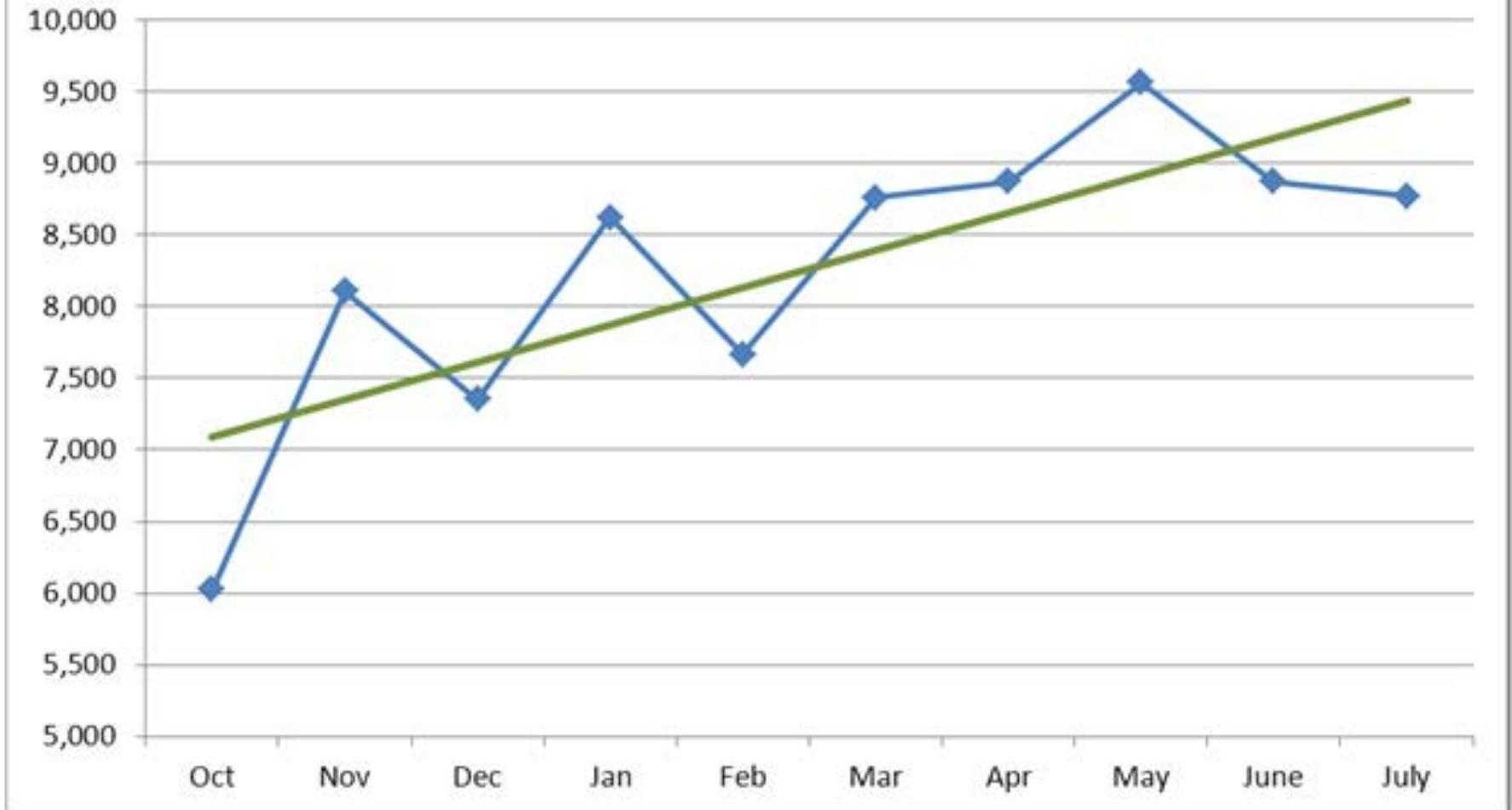


Neutral



Greater than 2.5% Unfavorable

Iowa River Landing Ambulatory Visits



Clinic Visits by Location

Fiscal Year to Date July 2013

Operating Review (YTD)	FY14 Actual				FY13 Actual			Variance to Prior Year	%	
	On-Site	IRL	UICMS & QuickCare	Total	On-Site	UICMS & QuickCare	Total			
Primary Care	4,518		8,793	13,311	8,188	8,595	16,783	(3,472)	-20.7%	●
General Internal Medicine		2,153		2,153				2,153		●
Pediatrics		1,655		1,655				1,655		●
<i>Subtotal - Primary Care</i>	<i>4,518</i>	<i>3,808</i>	<i>8,793</i>	<i>17,119</i>	<i>8,188</i>	<i>8,595</i>	<i>16,783</i>	<i>336</i>	<i>2.0%</i>	○
Center for Disabilities & Development	757			757	737		737	20	2.7%	●
Center for Digestive Disease	1,781	212		1,993	1,796		1,796	197	10.8%	●
Clinical Cancer Center	4,791			4,791	4,470		4,470	321	7.2%	●
Dermatology	1,582	450		2,032	1,872		1,872	160	8.6%	●
General Surgery	1,723			1,723	1,584		1,584	139	8.8%	●
Hospital Dentistry	1,480			1,480	1,133		1,133	347	30.6%	●
Internal Medicine	3,040	199		3,239	2,964		2,964	275	9.3%	●
Neurology	890			890	775		775	115	14.8%	●
Neurosurgery	1,013			1,013	826		826	187	22.6%	●
Obstetrics/Gynecology	4,452	1,622		6,074	5,483		5,483	591	10.8%	●
Ophthalmology	5,946	654		6,600	6,039		6,039	561	9.3%	●
Orthopedics	5,821			5,821	5,579		5,579	242	4.3%	●
Otolaryngology	2,235	497		2,732	2,183		2,183	549	25.2%	●
Pediatrics	4,635			4,635	4,176		4,176	459	11.0%	●
Psychiatry	2,845			2,845	2,533		2,533	312	12.3%	●
Urology	1,258	457		1,715	1,413		1,413	302	21.4%	●
UI Heart Center	1,304	875		2,179	1,634		1,634	545	33.4%	●
<i>Subtotal - Specialty Care</i>	<i>45,553</i>	<i>4,966</i>		<i>50,519</i>	<i>45,528</i>		<i>45,528</i>	<i>4,991</i>	<i>11.0%</i>	●
Total	50,071	8,774	8,793	67,638	53,716	8,595	62,311	5,327	8.6%	●



Greater than 2.5% Favorable



Neutral

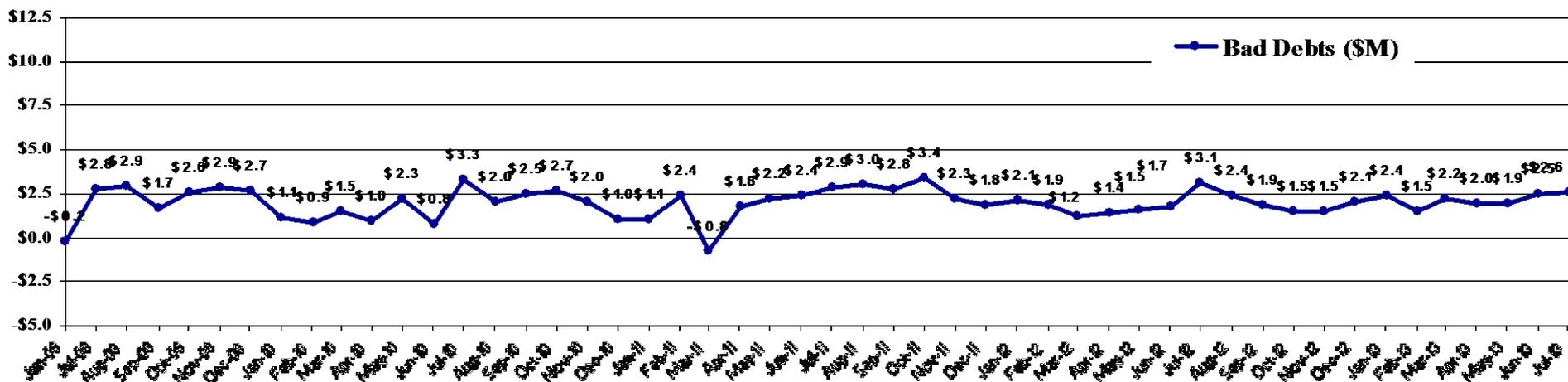
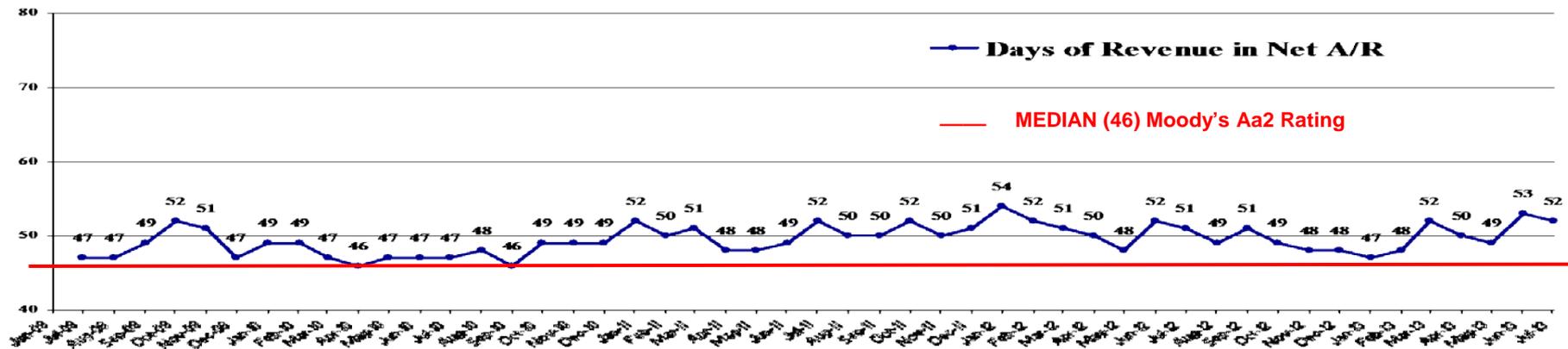


Greater than 2.5% Unfavorable

Comparative Accounts Receivable

at June 31, 2013

	June 30, 2012	June 30, 2013 (preliminary)	July 31, 2013
Net Accounts Receivable	\$153,061,293	\$159,890,259	\$159,752,050
Net Days in AR	52	53	52



UIHC Comparative Financial Results

July 2013

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	\$93,197	\$94,981	\$88,910	(\$1,784)	-1.9%	\$4,287	4.8%
Other Operating Revenue	4,199	4,225	3,935	(26)	-0.6%	264	6.7%
Total Revenue	\$97,395	\$99,206	\$92,845	(\$1,811)	-1.8%	\$4,551	4.9%

EXPENSES:

Salaries and Wages	\$49,516	\$49,423	\$47,403	\$93	0.2%	\$2,113	4.5%
General Expenses	39,738	41,302	37,044	(1,564)	-3.8%	2,694	7.3%
Operating Expense before Capital	\$89,254	\$90,726	\$84,447	(\$1,471)	-1.6%	\$4,807	5.7%
Cash Flow Operating Margin	\$8,141	\$8,481	\$8,398	(\$339)	-4.0%	(\$256)	-3.1%
Capital- Depreciation and Amortization	6,032	6,603	5,629	(571)	-8.6%	403	7.2%
Total Operating Expense	\$95,286	\$97,328	\$90,076	(\$2,042)	-2.1%	\$5,210	5.8%

Operating Income	\$2,110	\$1,878	\$2,769	\$231	12.3%	(\$660)	-23.8%
Operating Margin %	2.2%	1.9%	3.0%		0.3%		-0.8%
Gain (Loss) on Investments	7,298	2,157	1,866	5,141	238.4%	5,432	291.1%
Other Non-Operating	(119)	(879)	1,421	760	86.5%	(1,540)	-108.4%
Net Income	\$9,289	\$3,156	\$6,056	\$6,133	194.3%	\$3,232	53.4%
Net Margin %	8.9%	3.1%	6.3%		5.8%		2.6%

* Gain/(Loss) on Investments based on information available at close. Final investment return for this period is reflected in Fiscal Year to Date returns in the subsequent reporting cycle.



Carver College of Medicine Update

Debra A. Schwinn, MD
Dean, Carver College of Medicine
Professor of Anesthesiology, Pharmacology & Biochemistry



Diabetes Research and Care at the University of Iowa in the 21st Century and Beyond

E. Dale Abel, M.D., D.Phil.

Director, Fraternal Order of Eagles Diabetes Research Center

John B. Stokes III Chair in Diabetes Research

Professor of Internal Medicine and Biochemistry

Chief, Division of Endocrinology and Metabolism, Dept. of Internal Medicine

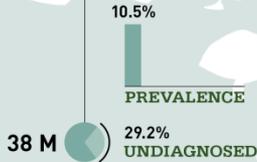
- **Fraternal Order of Eagles Diabetes Research Center**
 - Current Status
 - Specific Plans for Developing a World Class Center of Research Excellence
- **Commitment of the University of Iowa Health Care to Clinical Excellence in Diabetes Care**
 - Interdisciplinary Program in Diabetes at Iowa River Landing

- More than 371 million people have diabetes
- The number of people with diabetes is increasing in every country
- Half of people with diabetes are undiagnosed
- 4.8 million people die each year as a consequence of diabetes
- More than \$471 billion was spent on healthcare for diabetes worldwide in 2012

Diabetes – The Global Epidemic

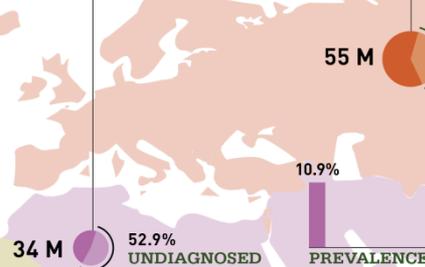
NORTH AMERICA AND CARIBBEAN

- More healthcare dollars were spent on diabetes in this region than any other
- 1 in 10 adults in this region has diabetes



MIDDLE EAST AND NORTH AFRICA

- 1 in 9 adults in this region has diabetes
- More than half of people with diabetes in this region don't know they have it



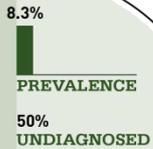
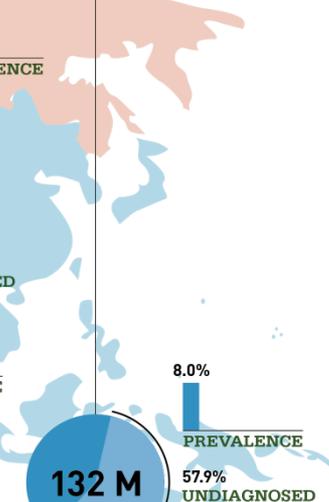
EUROPE

- 1 out of every 3 dollars spent on diabetes healthcare was spent in this region
- 21.2 million people in this region have diabetes and don't know it



WESTERN PACIFIC

- 1 in 3 adults with diabetes lives in this region
- 6 of the top 10 countries for diabetes prevalence are Pacific Islands



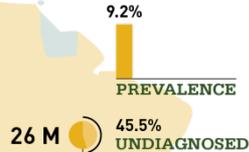
WORLD

371 M

people living with diabetes

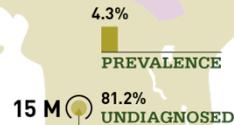
SOUTH AND CENTRAL AMERICA

- Only 5% of all healthcare dollars for diabetes were spent in this region
- 1 in 11 adults in this region has diabetes



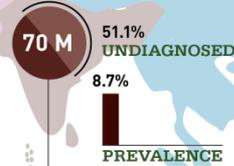
AFRICA

- Over the next 20 years, the number of people with diabetes in the region will almost double
- This region has the highest mortality rate due to diabetes



SOUTH-EAST ASIA

- 1 in 5 of all undiagnosed cases of diabetes is in this region
- 1 in 4 deaths due to diabetes occurred in this region

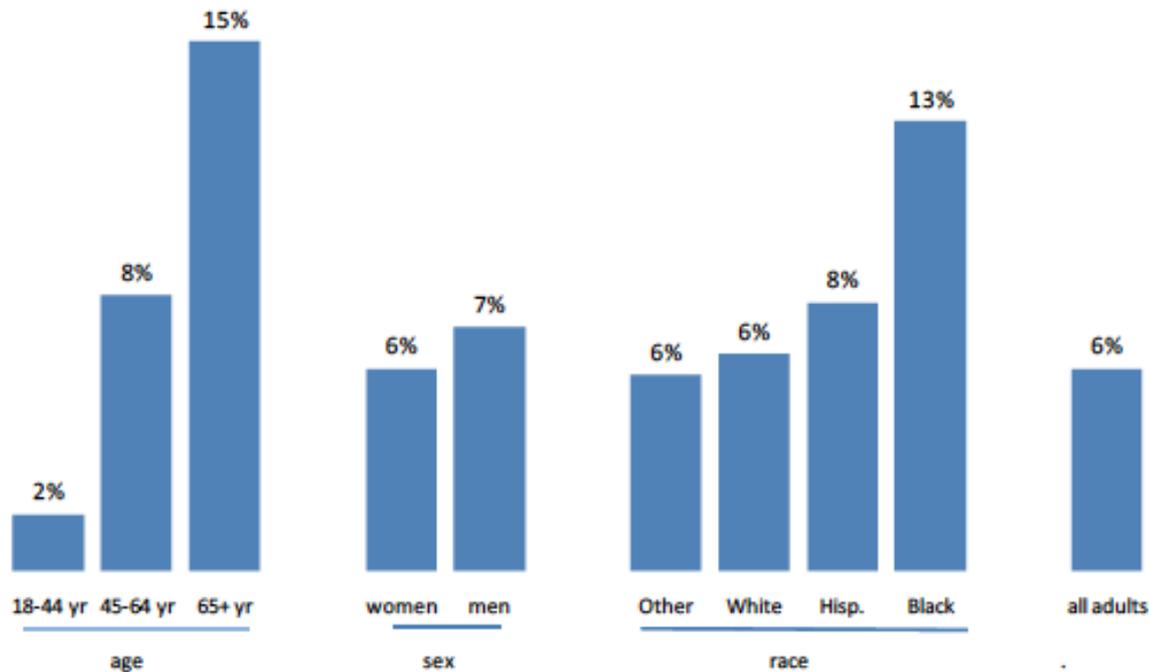


*all estimates are presented as comparative rates

- 950,000 individuals with Pre-Diabetes or Diabetes
- 174,000 – with diagnosed Diabetes
- 120,000 – with undiagnosed Diabetes
- 670,000 – with Pre-Diabetes
- 15,000 -18,000 are diagnosed with Diabetes each year

Diabetes Disproportionately Affects the Elderly and Minority Populations

Diagnosed diabetes prevalence, by age, race, sex, Iowa 2006-08



Estimated three year average annual prevalence rate of diabetes per 100 adults age 18 and older (percent of adults who self-report ever having been diagnosed with diabetes, exclusive of gestational diabetes), by age, by sex, race/ethnicity (sex and race rates are age-adjusted), Iowa, 2006-08.

Source: Iowa BRFSS, IA Dept. of Public Health

- Direct Health Care Costs in Iowa - \$1.2 Billion (2007)
- \$4,000/patient
- Average Medical Expenditure 2.3X Non-Diabetics
- These costs arise from direct care + Complications:
 - Cardiovascular Disease (Coronary Artery Disease, Stroke, Heart Failure)
 - Renal Disease
 - Blindness
 - Neuropathy
 - Amputations

Progress Report and Vision for the Future



- Awarded 8 pilot and feasibility grants to researchers at the University of Iowa Investigating a wide range of cutting edge topics
- Received 28 Applications for the next round of funding
- Directly contributed to the recruitment of four outstanding young investigators who have trained in the best laboratories in the USA
- Collaborated with the Obesity Initiative to recruit an additional 5 new faculty members performing cutting edge research at the interface of diabetes and obesity
- Collaborated with the obesity initiative to sponsor a University-Wide conference series that draws campus-wide participation and has catalyzed new collaborations. Currently meets 2 x per month, plans to increase to weekly next year
- Appointed the first Faculty Scholar
- Director named and appointed

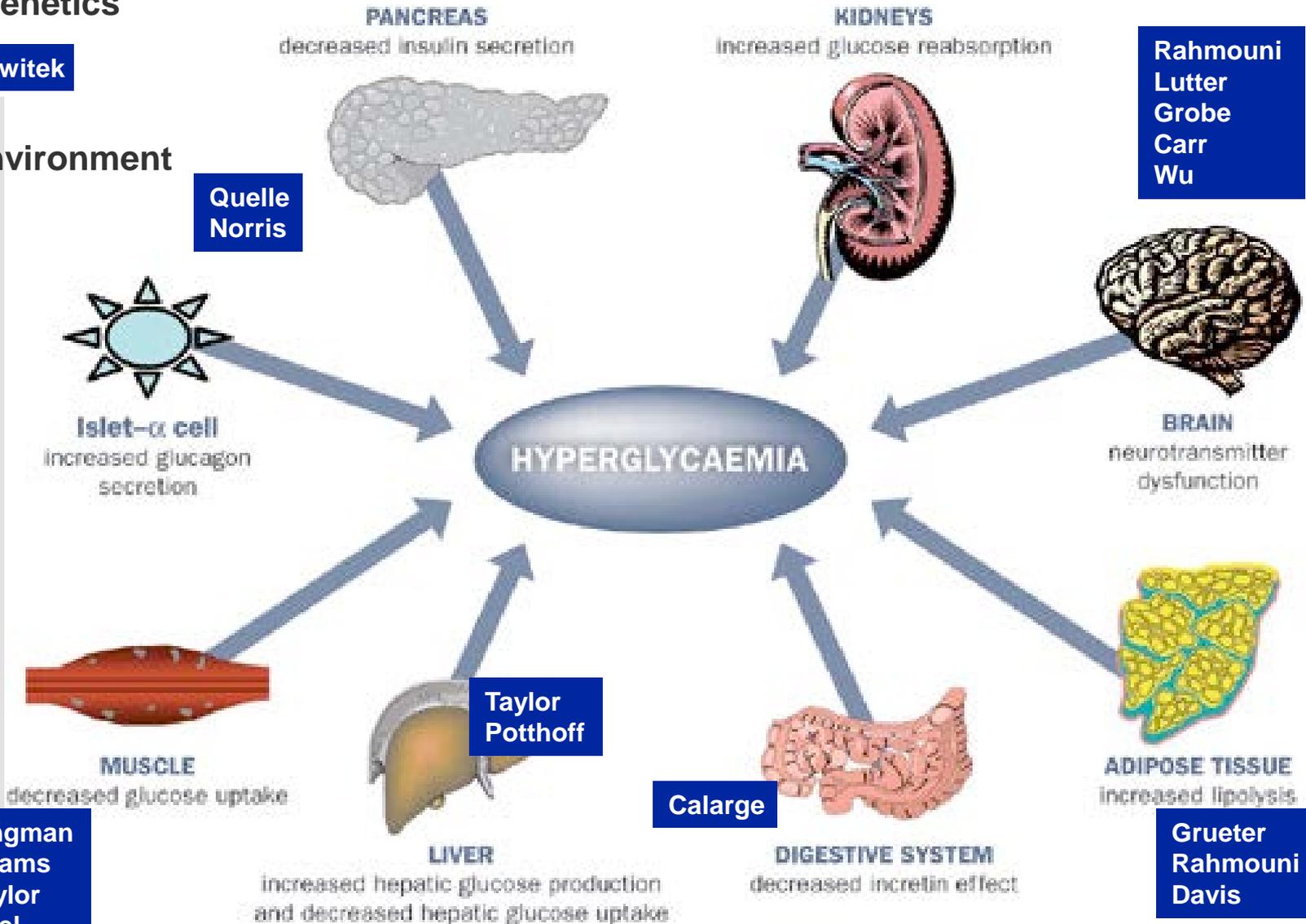
Many Organs in the Body are Involved in Diabetes – Current contributions of FOEDRC Members/Grantees

Genetics

Kwitek

Environment

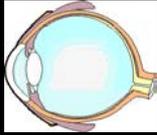
**Quelle
Norris**



**Zingman
Adams
Taylor
Abel**

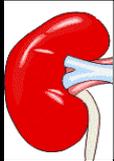
Diabetic Complications Affect Many Parts of the Body and The FOE Diabetes Center at the University of Iowa is Already Making Important Breakthroughs

Leading cause of blindness in working age adults



Diabetic Retinopathy

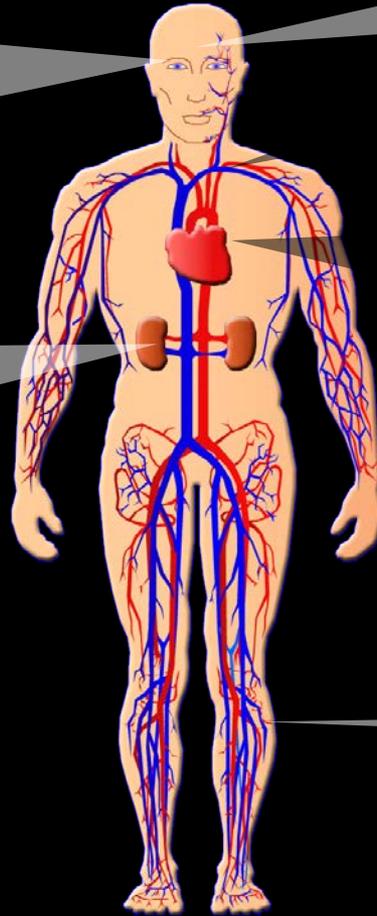
New screening technology



Diabetic Nephropathy

Leading cause of end-stage renal disease

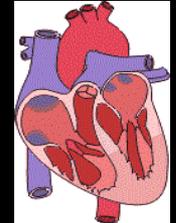
Cancer
Norian



Stroke

2- to 4- fold increase in cardiovascular events and stroke

Pierce
Abel
Anderson
Sigmund



Cardiovascular Disease



Diabetic Neuropathy

Leading cause of non-traumatic lower extremity amputations

Usachev

- Recruit the brightest and best talent in the world to the University of Iowa to unlock the remaining secrets that stand in the way of curing and preventing diabetes
- Create a dynamic environment in the FOE Diabetes Research Center that will lead to the next generation of treatments for diabetes and its complications
- Provide training for the future generation of scientists and physicians who will usher in a new era in managing patients who are afflicted with diabetes
- Leverage the research excellence in the FOEDRC to attract large federal grants and contracts and additional philanthropy

- **Beta Cell Biology**
- **Complications** – Strong Tie in with strengths in Cardiovascular Disease and Ophthalmology
- **Diabetes Pathophysiology** – Strengthen base of recent programmatic recruits
- **Obesity (Basic, Translational and Prevention)** – Major Risk Factor for Type 2 DM Obvious Synergy with Obesity Cluster Initiative
- **Systems Biology** – Synergizing with institutional strengths in bioinformatics
- **Translational and Outcomes** – Leveraging Clinical Expansion for Research

Changing the Face of Clinical Diabetes Care in Iowa

- Interdisciplinary Diabetes Program at Iowa River Landing



- 30 Board Certified Endocrinologists in Iowa (1/3 of these are in Des Moines)
- 1 for every 10,000 diabetics
- If a practitioner sees 50 diabetics per week he/she could only care for 2,500/yr. assuming 1 visit per year or **830** diabetics if seen 3 x year
- Current Specialist Physician workforce can manage only 8.3% of diabetics in the state
- The Endocrine Division at UI saw **454 New** Diabetes Patient visits and 2170 returns in FY12. Estimating 800 patients = (0.3% of all diabetes in the state)

***Novel and innovative solutions are therefore needed
to manage this largely underserved population***

**This represents an unprecedented
opportunity for the University of Iowa and
the University of Iowa Health Alliance**

- There is no strong regional program in diabetes care
- The statewide ACO/Alliance provides an unprecedented opportunity to develop comprehensive, cost effective and innovative diabetes care programs
- Iowa River Landing can serve as a prototype and a model for such a program that can be deployed statewide and nationally

CHALLENGE

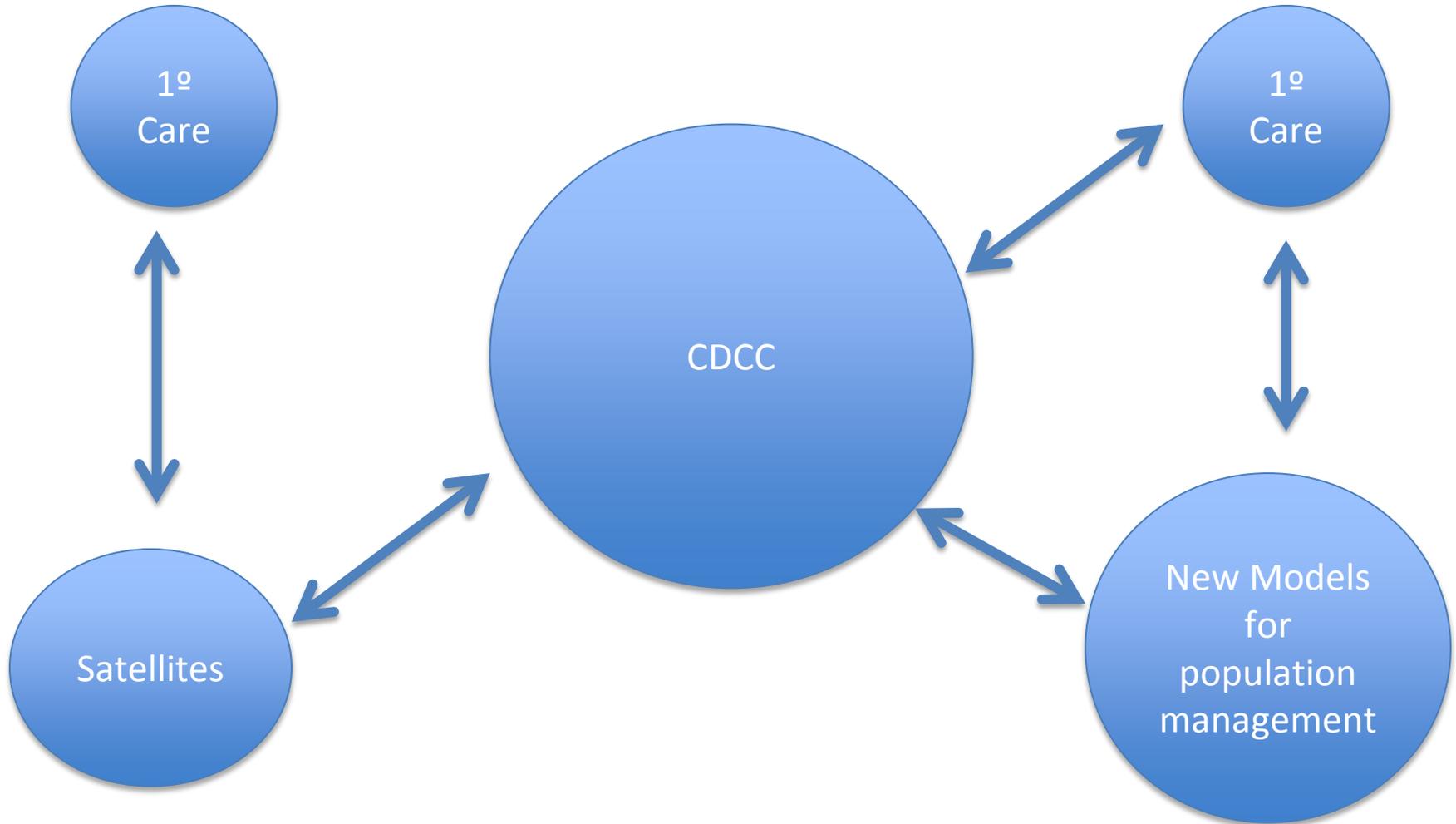
IMPROVE DIABETES CARE IN IOWA

- **IMPROVE EVALUATION**
- **IMPROVE TREATMENT**

MISSION

Provide convenient, seamless, one-stop, total, quality care for patients with diabetes throughout their lifetime.

- Deliver effective high quality and comprehensive diabetes care, in a setting that is accessible and with convenient access to parking and onsite referrals if necessary
- Deliver/discover comprehensive risk reduction regimens that will prevent diabetic complications and promote well-being
- Provide effective treatment for existing complications
- Use the Electronic Medical Record (EMR) as a tool to drive quality improvement across the system
- Rapidly translate innovative research into clinical practice for the benefit of our patients with diabetes
- Provide continuing medical education for physicians and allied health care professionals



Composition of each Diabetes Care Team (Scalable)

- Physician
- 2-3 Midlevel Providers
- 2-3 CDEs (one of whom ideally is a pharmacist)
- Onsite Screening
 - Retinal Camera
 - PVD

At full capacity 60-100 total visits per day depending on case mix of new/return visits

Seamless and onsite referral to:

- Podiatry
- Nephrology
- Ophthalmology
- Neurology
- Cardiovascular services and Diagnostics

Model can be replicated in multiple sites or expanded in larger sites (i.e., multiple diabetes care teams)

Iowa River Landing has the infrastructure to be a prototype

- **Routine Patients with Type 2 Diabetes or Uncomplicated T1DM**
- Refer if HbA1C >8
- 4 visits per year (Standard) more depending on acuity or complexity
- Patient may see physician/midlevel once or twice and other 2 visits are with CDE
- Return to Primary Care when HbA1C < 7.5 for 2 consecutive visits with detailed care plan
- Annual review: Electronic or Telehealth for stable patients in primary care – Performed by trained nursing level individual
- Develop novel communication tools e.g. text messaging, web-based communication, smartphones/tablets etc. to push communication to patients to enhance compliance. Ultimately performed by trained non-clinical staff.

- Targeting prevention strategies to pre-diabetics (life coaching: diet and exercise – partnering with cardiac rehab)
- Group Education Classes
- Telemedicine consultations with primary care
- Utilizing Health Coaches, Care Managers
- Engaging patients in decision support using innovative technologies to communicate glucose, blood pressure, etc., to allied staff to identify or triage high risk patients and to increase individual patient's insights into their condition
- EMR as a communication tool to monitor progress, glycemic control and compliance, and as a tool for outcomes research

- Reversal of outmigration from Iowa for comprehensive diabetes care
- Closer integration with established clinical programs such as Heart and Vascular Center should significantly increase volume
- With the benefit of an integrated EMR, patient cohort could be tapped for clinical research, clinical trials, outcomes and effectiveness trials, which could attract extramural funding to the institution/program
- Translational research opportunities will benefit and synergize with fundamental research programs in the FOE Diabetes Research Center

- The Comprehensive Diabetes Care Center can take a lead in developing standards for care of diabetes populations in the 21st century
- Powerful venue for developing training programs for multiple classes/levels of providers
- Generate educational materials and programs to expand diabetes care to community settings
- Become a clinical laboratory for evaluating the quality and cost effectiveness of innovative diabetes care/prevention models by using metrics that are data driven
- Dissemination of best practices, outcomes and quality metrics

- Increased participation in High Value Healthcare Collaborative
- Being at the forefront in the national conversations on quality and effectiveness as it relates to diabetes management

THANK YOU