



University of Iowa Health Care

***Presentation to
The Board of Regents, State of Iowa
December 3, 2014***

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



Opening Remarks

Jean Robillard, MD
Vice President for Medical Affairs



Operating and Financial Performance Update

Ken Kates, Chief Executive Officer
UI Hospitals & Clinics

Ken Fisher, Associate Vice President for Finance
and Chief Financial Officer

Volume Indicators

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year *	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	10,928	10,722	10,563	206	1.9% ○	365	3.5% ●
Patient Days	67,481	66,754	66,372	727	1.1% ○	1,109	1.7% ○
Length of Stay	6.16	6.22	6.27	(0.06)	-0.9% ○	(0.11)	-1.8% ○
Average Daily Census	548.62	542.72	539.61	5.90	1.1% ○	9.01	1.7% ○
Total Surgeries	10,002	10,292	10,053	(290)	-2.8% ●	(51)	-0.5% ○
- Inpatient	4,067	4,071	3,986	(4)	-0.1% ○	81	2.0% ○
- Outpatient	5,935	6,221	6,067	(286)	-4.6% ●	(132)	-2.2% ○
ED Visits	19,480	19,031	21,099	449	2.4% ○	(1,619)	-7.7% ●
Total Clinic Visits	281,726	284,452	280,842	(2,726)	-1.0% ○	884	0.3% ○

* from ongoing operations

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

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	3,246	3,313	3,279	(67)	-2.0% ○	(33)	-1.0% ○
Adult Surgical	5,485	5,377	5,276	108	2.0% ○	209	4.0% ●
Adult Psych	478	490	487	(12)	-2.4% ○	(9)	-1.9% ○
<i>Subtotal – Adult</i>	<i>9,209</i>	<i>9,180</i>	<i>9,042</i>	<i>29</i>	<i>0.3% ○</i>	<i>167</i>	<i>1.9% ○</i>
Pediatric Medical & Surgical	1,216	1,094	1,077	122	11.2% ●	139	12.9% ●
Pediatric Critical Care	284	262	260	22	8.4% ●	24	9.2% ●
Pediatric Psych	219	186	184	33	17.7% ●	35	19.0% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>1,719</i>	<i>1,542</i>	<i>1,521</i>	<i>177</i>	<i>11.5% ●</i>	<i>198</i>	<i>13.0% ●</i>
Newborn	540	533	505	7	1.3% ○	35	6.9% ●
TOTAL w/o Newborn	10,928	10,722	10,563	206	1.9% ○	365	3.5% ●

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

Discharge Days by Type

Fiscal Year to Date October 2014




Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	17,377	17,481	17,361	(104)	-0.6% ○	16	0.1% ○
Adult Surgical	27,978	27,450	27,292	528	1.9% ○	686	2.5% ●
Adult Psych	6,972	6,936	6,910	36	0.5% ○	62	0.9% ○
<i>Subtotal – Adult</i>	<i>52,327</i>	<i>51,867</i>	<i>51,563</i>	<i>460</i>	<i>0.9% ○</i>	<i>764</i>	<i>1.5% ○</i>
Pediatric Medical & Surgical	5,576	6,027	6,005	(451)	-7.5% ●	(429)	-7.1% ●
Pediatric Critical Care	7,637	7,032	6,990	605	8.6% ●	647	9.3% ●
Pediatric Psych	1,787	1,712	1,702	75	4.4% ●	85	5.0% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>15,000</i>	<i>14,771</i>	<i>14,697</i>	<i>229</i>	<i>1.6% ○</i>	<i>303</i>	<i>2.1% ○</i>
Newborn	1,199	1,149	1,115	50	4.4% ●	84	7.5% ●
TOTAL w/o Newborn	67,327	66,638	66,260	689	1.0% ○	1,067	1.6% ○

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

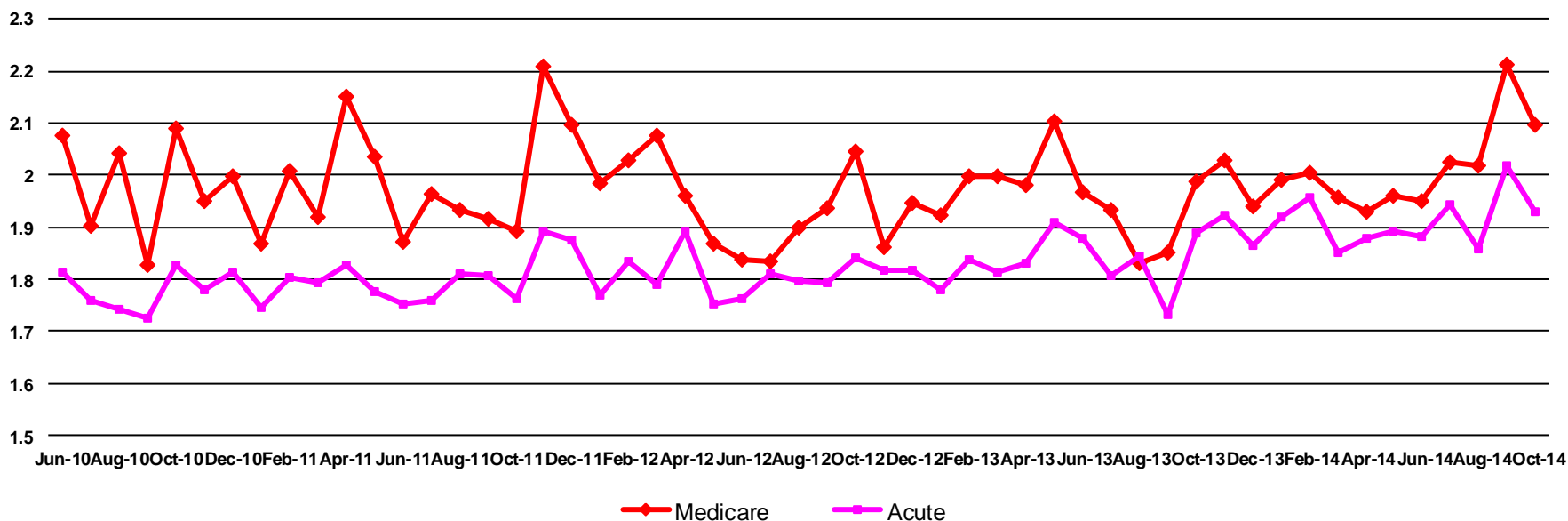
Average Length of Stay by Type

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.35	5.28	5.29	0.07	1.5% ○	0.06	1.1% ○
Adult Surgical	5.10	5.11	5.17	(0.01)	-0.1% ○	(0.07)	-1.4% ○
Adult Psych	14.59	14.16	14.19	0.43	3.0% ●	0.40	2.8% ●
Subtotal – Adult	5.68	5.65	5.70	0.03	0.6% ○	(0.02)	-0.4% ○
Pediatric Medical & Surgical	4.59	5.51	5.58	(0.92)	-16.8% ●	(0.99)	-17.8% ●
Pediatric Critical Care	26.89	26.84	26.88	0.05	0.2% ○	0.01	0.0% ○
Pediatric Psych	8.16	9.20	9.25	(1.04)	-11.4% ●	(1.09)	-11.8% ●
Subtotal – Pediatrics w/o newborn	8.73	9.58	9.66	(0.85)	-8.9% ●	(0.93)	-9.7% ●
Newborn	2.22	2.16	2.21	0.06	3.0% ●	0.01	0.6% ○
TOTAL w/o Newborn	6.16	6.22	6.27	(0.06)	-0.9% ○	(0.11)	-1.8% ○

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Case Mix Index



— Medicare — Acute

Inpatient Surgeries – by Clinical Department

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	353	355	362	(2)	-0.6% ○	(9)	-2.5% ○
Dentistry	75	66	67	9	14.4% ●	8	11.9% ●
General Surgery	1,103	1,181	1,152	(78)	-6.6% ●	(49)	-4.3% ●
Gynecology	284	231	213	53	23.1% ●	71	33.3% ●
Neurosurgery	625	609	595	16	2.6% ●	30	5.0% ●
Ophthalmology	45	43	41	2	5.2% ●	4	9.8% ●
Orthopedics	1,031	1,028	1,040	3	0.3% ○	(9)	-0.9% ○
Otolaryngology	250	231	201	19	8.3% ●	49	24.4% ●
Radiology – Interventional	25	31	27	(6)	-19.9% ●	(2)	-7.4% ●
Urology w/ Procedure Ste.	276	297	288	(21)	-7.2% ●	(12)	-4.2% ●
Total	4,067	4,071	3,986	(4)	-0.1% ○	81	2.0% ○

Solid Organ Transplants	99	121	97	(22)	-18.2% ●	2	2.1% ○
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Greater than
2.5% Favorable



Neutral



Greater than
2.5% Unfavorable

Outpatient Surgeries – by Clinical Department

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	18	24	30	(6)	-24.9% ●	(12)	-40.0% ●
Dentistry	220	231	224	(11)	-4.7% ●	(4)	-1.8% ○
Dermatology	7	13	15	(6)	-44.3% ●	(8)	-53.3% ●
General Surgery	899	967	938	(68)	-7.1% ●	(39)	-4.2% ●
Gynecology	271	280	274	(9)	-3.3% ●	(3)	-1.1% ○
Internal Medicine	2	2	2	0	0.0% ○	0	0.0% ○
Neurosurgery	310	253	230	57	22.7% ●	80	34.8% ●
Ophthalmology	1,272	1,332	1,408	(60)	-4.5% ●	(136)	-9.7% ●
Orthopedics	1,409	1,472	1,362	(63)	-4.3% ●	47	3.5% ●
Otolaryngology	830	857	856	(27)	-3.2% ●	(26)	-3.0% ●
Pediatrics	1	1	0	0	0.0% ○	1	100.0% ●
Radiology – Interventional	15	8	10	7	85.0% ●	5	50.0% ●
Urology w/ Procedure Ste.	681	782	718	(101)	-12.9% ●	(37)	-5.2% ●
Total	5,935	6,221	6,067	(286)	-4.6% ●	(132)	-2.2% ○

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

Emergency Department

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	19,480	19,031	21,099	449	2.4% ○	(1,619)	-7.7% ●
ED Admits	5,721	5,735	6,356	(14)	-0.2% ○	(635)	-10.0% ●
ED Conversion Factor	29.4%	30.1%	30.1%		-2.5% ●		-2.5% ●
ED Admits / Total Admits	52.4%	53.4%	59.9%		-1.9% ○		-12.6% ●

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

Clinic Visits by Specialty

Fiscal Year to Date October 2014

Operating Review (YTD)	Actual	Budget	Variance to Budget	Variance to Budget	%
Burn Clinic	1,135	1,156	(21)	-1.8%	○
Center for Disabilities & Development	3,147	3,334	(197)	-5.9%	●
Center for Digestive Disease	5,895	6,732	(837)	-12.4%	●
Clinical Cancer Center	16,454	18,671	(2,217)	-11.9%	●
Dermatology	7,905	8,194	(289)	-3.5%	●
General Surgery	5,588	6,083	(495)	-8.1%	●
Hospital Dentistry	5,259	5,744	(485)	-8.4%	●
Internal Medicine	9,996	11,019	(1,023)	-9.3%	●
Neurology	4,911	4,275	636	14.9%	●
Neurosurgery	3,973	3,131	842	26.9%	●
Obstetrics/Gynecology	16,521	17,535	(958)	-5.5%	●
Ophthalmology	22,055	23,261	(1,206)	-5.2%	●
Orthopedics	25,217	25,903	(686)	-2.6%	●
Otolaryngology	7,085	6,714	371	5.5%	●
Pediatrics	19,505	19,771	(266)	-1.3%	○
Family Medicine	59,310	56,821	2,489	4.4%	●
Psychiatry	11,436	12,053	(617)	-5.1%	●
Urology	4,952	5,341	(389)	-7.3%	●
UI Heart Center	5,752	6,241	(489)	-7.8%	●
IRL	45,630	42,463	3,167	7.5%	●
Total	281,726	284,452	(2,726)	-1.0%	○



Greater than 2.5% Favorable



























Neutral




Greater than 2.5% Unfavorable

Clinic Visits by Location

Fiscal Year to Date October 2014

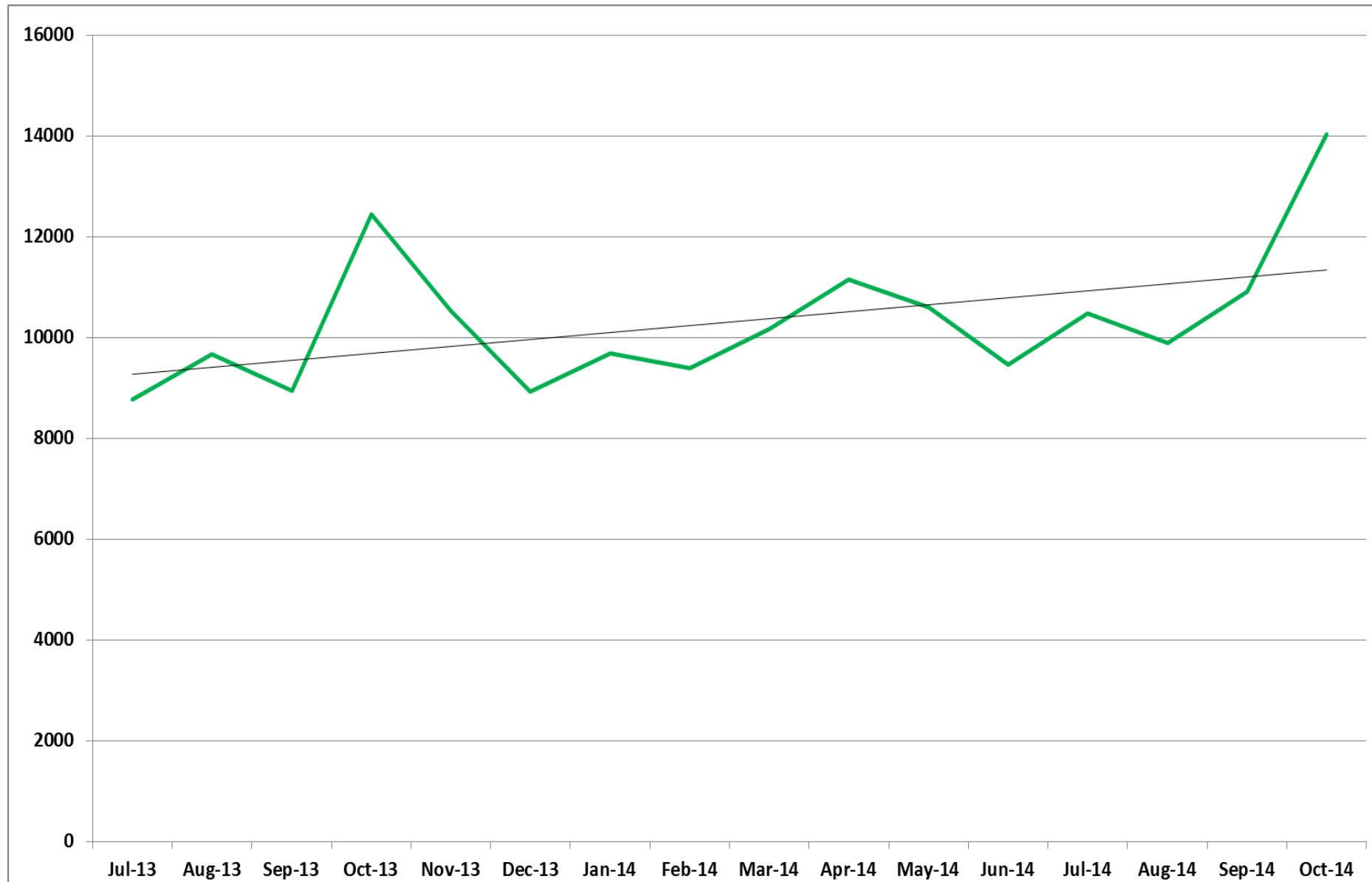
Operating Review (YTD)	FY15 Actual				FY14 Actual *				Variance to Prior Year	%
	On-Site	IRL	UICMS & QuickCare	Total	On-Site	IRL	UICMS & QuickCare	Total		
Family Medicine	17,466		41,844	59,310	19,529		39,404	58,933	377	0.6% 
General Internal Medicine		9,984		9,984		9,757		9,757	227	2.3% 
Pediatrics		9,565		9,565		8,534		8,534	1,031	12.1% 
<i>Subtotal - Primary Care</i>	<i>17,466</i>	<i>19,549</i>	<i>41,844</i>	<i>78,859</i>	<i>19,529</i>	<i>18,291</i>	<i>39,404</i>	<i>77,224</i>	<i>1,635</i>	<i>2.1%</i> 
Burn Clinic	1,135			1,135	1,068			1,068	67	6.3% 
Center for Disabilities & Development	3,147			3,147	3,151			3,151	(4)	-0.1% 
Center for Digestive Disease	5,895	1,250		7,145	7,011	1,294		8,305	(1,160)	-14.0% 
Clinical Cancer Center	16,454			16,454	19,162			19,162	(2,708)	-8.5% 
Dermatology	7,905	2,688		10,593	7,224	1,795		9,019	1,574	17.4% 
General Surgery	5,588			5,588	5,581			5,581	7	0.1% 
Hospital Dentistry	5,259			5,259	5,910			5,910	(651)	-11.0% 
Internal Medicine	9,996	2,689		12,685	12,385	1,538		13,923	(1,238)	-8.9% 
Neurology	4,911			4,911	4,415			4,415	496	11.2% 
Neurosurgery	3,973			3,973	4,045			4,045	(72)	-1.8% 
Obstetrics/Gynecology	16,521	7,972		24,493	16,951	6,501		23,452	1,041	4.4% 
Ophthalmology	22,055	3,654		25,709	23,005	2,348		25,353	356	1.4% 
Orthopedics	25,217	121		25,338	25,364			25,364	(26)	-0.1% 
Otolaryngology	7,085	1,577		8,662	7,063	2,269		9,332	(670)	-7.2% 
Pediatrics	19,505			19,505	18,114			18,114	1,391	7.7% 
Psychiatry	11,436			11,436	11,235			11,235	201	1.8% 
Urology	4,952	2,003		6,955	4,863	1,988		6,851	104	1.5% 
UI Heart Center	5,752	4,127		9,879	5,547	3,791		9,338	541	5.8% 
<i>Subtotal – Specialty Care</i>	<i>176,786</i>	<i>26,081</i>		<i>202,867</i>	<i>182,094</i>	<i>21,524</i>		<i>203,618</i>	<i>(751)</i>	<i>-0.4%</i> 
Total	194,252	45,630	41,844	281,726	201,623	39,815	39,404	280,842	884	0.3% 

* from ongoing operations
 Greater than 2.5% Favorable

 Neutral

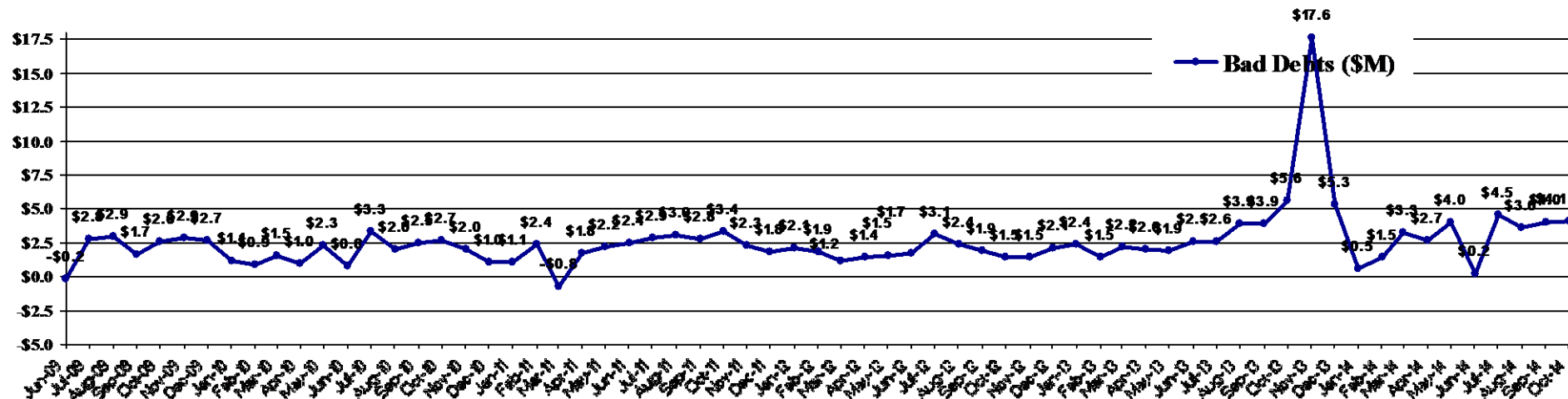
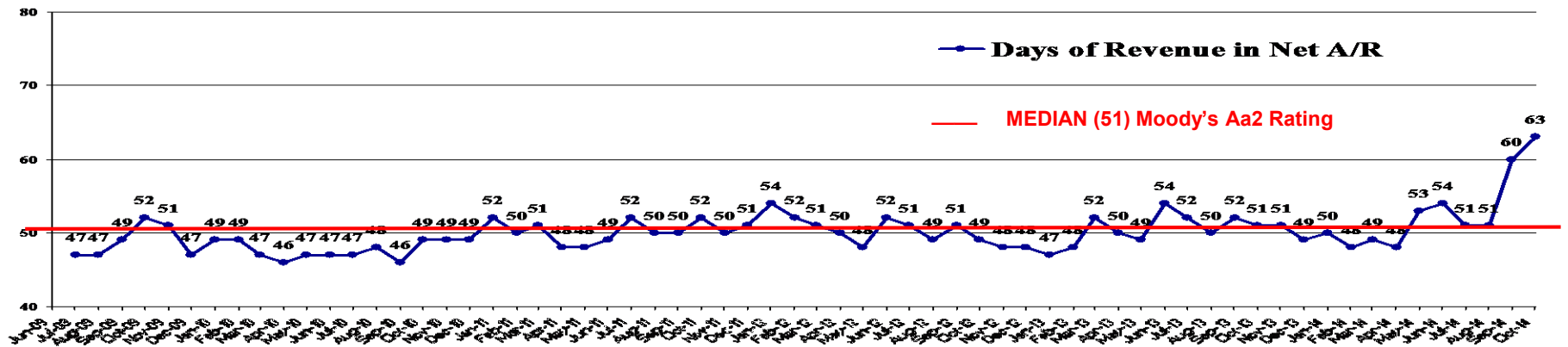
 Greater than 2.5% Unfavorable

Iowa River Landing Ambulatory Visits



Comparative Accounts Receivable at October 31, 2014

	June 30, 2013	June 30, 2014 (preliminary)	October 31, 2014
Net Accounts Receivable	\$161,942,694	\$176,695,824	\$221,454,969
Net Days in AR	54	54	63



UIHC Comparative Financial Results

Fiscal Year to Date October 2014

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	\$413,073	\$400,937	\$379,664	\$12,136	3.0%	\$33,409	8.8%
Other Operating Revenue	18,382	17,535	16,528	847	4.8%	1,854	11.2%
Total Revenue	\$431,455	\$418,472	\$396,192	\$12,983	3.1%	\$35,263	8.9%

EXPENSES:

Salaries and Wages	\$198,290	\$203,143	\$192,445	(\$4,854)	-2.4%	\$5,844	3.0%
General Expenses	179,872	177,137	164,884	2,735	1.5%	14,989	9.1%
Operating Expense before Capital	\$378,162	\$380,281	\$357,329	(\$2,119)	-0.6%	\$20,833	5.8%
Cash Flow Operating Margin	\$53,293	\$38,192	\$38,863	\$15,102	39.5%	\$14,430	37.1%
Capital- Depreciation and Amortization	24,867	26,879	24,505	(2,012)	-7.5%	361	1.5%
Total Operating Expense	\$403,029	\$407,159	\$381,834	(\$4,131)	-1.0%	\$21,194	5.6%

Operating Income	\$28,426	\$11,313	\$14,357	\$17,114	151.3%	\$14,068	98.0%
Operating Margin %	6.6%	2.7%	3.6%		3.9%		3.0%
Gain on Investments	(5,353)	8,428	14,144	(13,781)	-163.5%	(19,497)	-137.8%
Other Non-Operating	(3,275)	(2,959)	(2,987)	(316)	-10.7%	(288)	-9.6%
Net Income	\$19,798	\$16,782	\$25,514	\$3,017	18.0%	(\$5,716)	-22.4%
Net Margin %	4.7%	4.0%	6.3%		0.7%		-1.6%

* 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.