



University of Iowa Health Care

Presentation to

The Board of Regents, State of Iowa

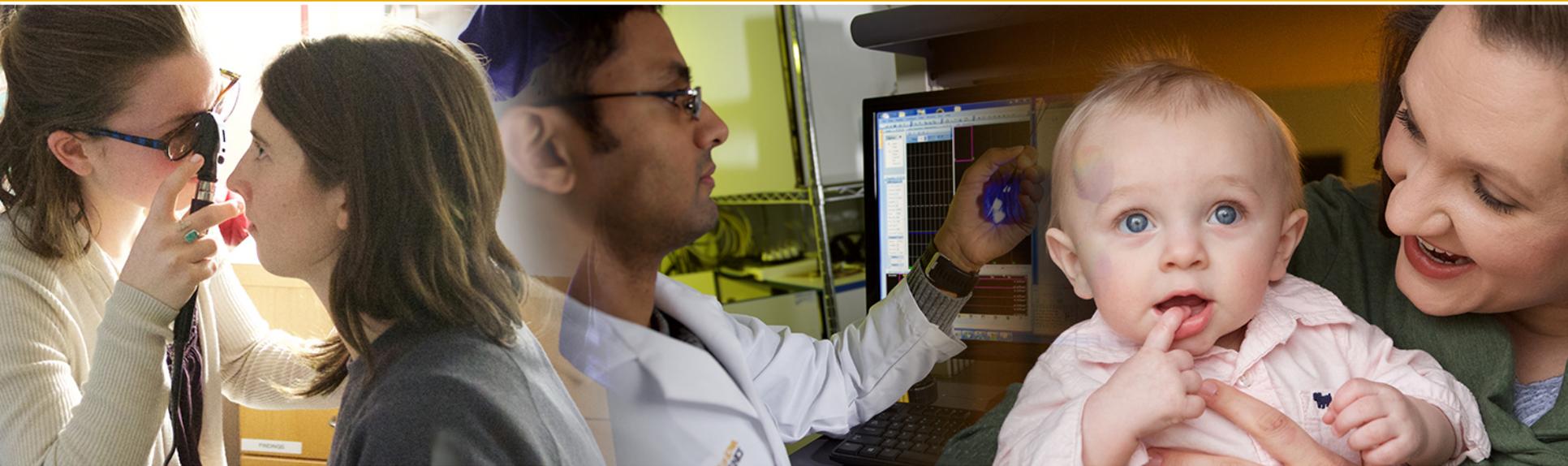
December 2017

Agenda

Today's Presentation

Opening Remarks

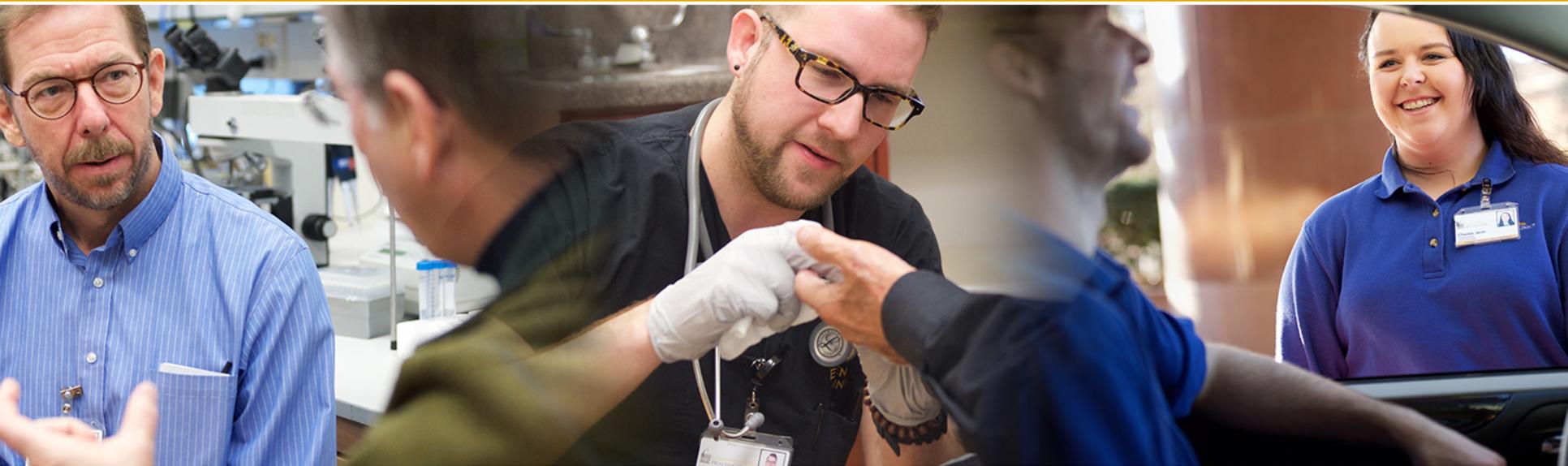
Operating and Financial Performance



OPENING REMARKS

J. Brooks Jackson, MD, MBA

Vice President for Medical Affairs and Dean, Carver College of Medicine



OPERATING AND FINANCIAL PERFORMANCE

Kenneth P. Kates

Associate Vice President and Chief Executive Officer, UI Hospitals and Clinics

Doug True

Interim Associate Vice President for Finance and Chief Financial Officer

Volume Indicators

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year *	Variance to Budget	Variance to Budget %	Variance to Prior Year	Variance to Prior Year %
Discharges	8,887	8,775	8,462	112	1.3% ○	425	5.0% ●
Patient Days	57,568	57,585	56,115	(17)	0.0% ○	1,453	2.6% ●
Average Daily Census	625.74	625.92	609.95	(0.18)	0.0% ○	15.79	2.6% ●
Total Surgeries	8,043	8,792	7,821	(749)	-8.5% ●	222	2.8% ●
- Inpatient	3,911	4,124	3,735	(213)	-5.2% ●	176	4.7% ●
- Outpatient	4,132	4,668	4,086	(536)	-11.5% ●	46	1.1% ○
ED Visits	15,410	15,697	15,502	(287)	-1.8% ○	(92)	-0.6% ○
Total Clinic Visits	237,791	237,205	224,814	586	0.2% ○	12,977	5.8% ●

 Greater than 2.5% Favorable
  Neutral
  Greater than 2.5% Unfavorable

* from ongoing operations

Discharges by Type

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget	%	Variance to Prior Year	Variance to Prior Year	%
Adult Medical	2,842	2,452	2,385	390	15.9%	●	457	19.2%	●
Adult Surgical	4,406	4,697	4,576	(291)	-6.2%	●	(170)	-3.7%	●
Adult Psych	327	291	281	36	12.4%	●	46	16.4%	●
<i>Subtotal – Adult</i>	<i>7,575</i>	<i>7,440</i>	<i>7,242</i>	<i>135</i>	<i>1.8%</i>	○	<i>333</i>	<i>4.6%</i>	●
Pediatric Medical & Surgical	914	978	895	(64)	-6.5%	●	19	2.1%	○
Pediatric Critical Care	262	206	179	56	27.2%	●	83	46.4%	●
Pediatric Psych	136	151	146	(15)	-9.9%	●	(10)	-6.8%	●
<i>Subtotal – Pediatrics</i>	<i>1,312</i>	<i>1,335</i>	<i>1,220</i>	<i>(23)</i>	<i>-1.7%</i>	○	<i>92</i>	<i>7.5%</i>	●
TOTAL	8,887	8,775	8,462	112	1.3%	○	425	5.0%	●

 Greater than 2.5% Favorable
  Neutral
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Discharge Days by Type

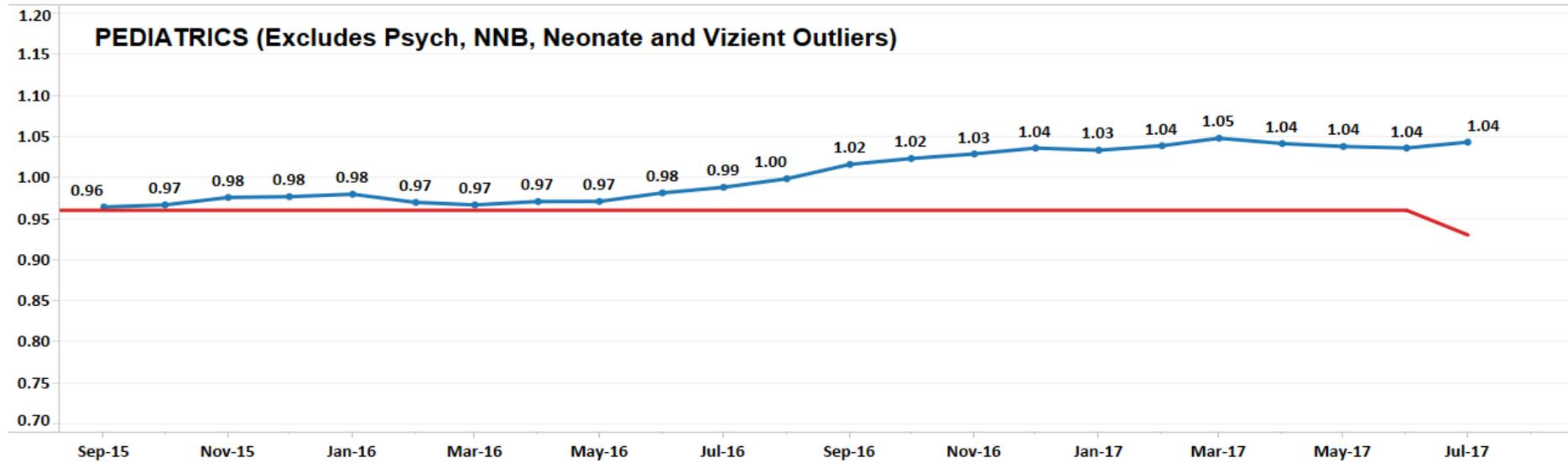
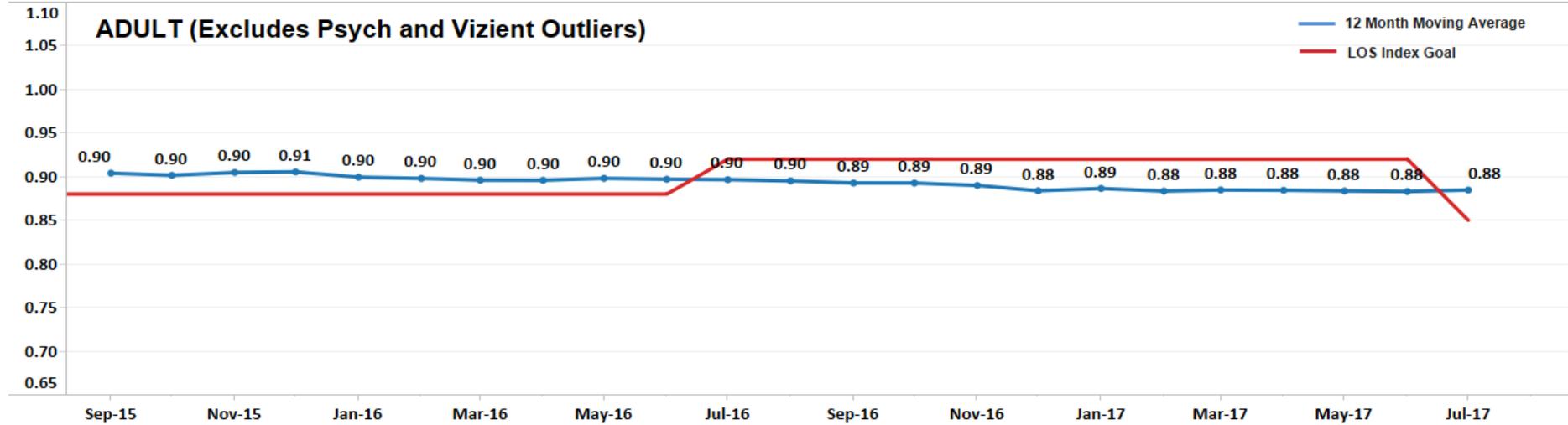
Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget %	Variance to Prior Year	Variance to Prior Year %
Adult Medical	15,666	13,947	13,687	1,719	12.3%	1,979	14.5%
Adult Surgical	24,199	25,260	24,896	(1,061)	-4.2%	(697)	-2.8%
Adult Psych	5,435	4,642	4,524	793	17.1%	911	20.1%
<i>Subtotal – Adult</i>	<i>45,300</i>	<i>43,849</i>	<i>43,107</i>	<i>1,451</i>	<i>3.3%</i>	<i>2,193</i>	<i>5.1%</i>
Pediatric Medical and Surgical	4,781	6,375	5,924	(1,594)	-25.0%	(1,143)	-19.3%
Pediatric Critical Care	6,762	6,264	6,000	498	8.0%	762	12.7%
Pediatric Psych	1,117	1,113	1,085	4	0.4%	32	2.9%
<i>Subtotal – Pediatrics</i>	<i>12,660</i>	<i>13,752</i>	<i>13,009</i>	<i>(1,092)</i>	<i>-7.9%</i>	<i>(349)</i>	<i>-2.7%</i>
TOTAL	57,960	57,601	56,116	359	0.6%	1,844	3.3%

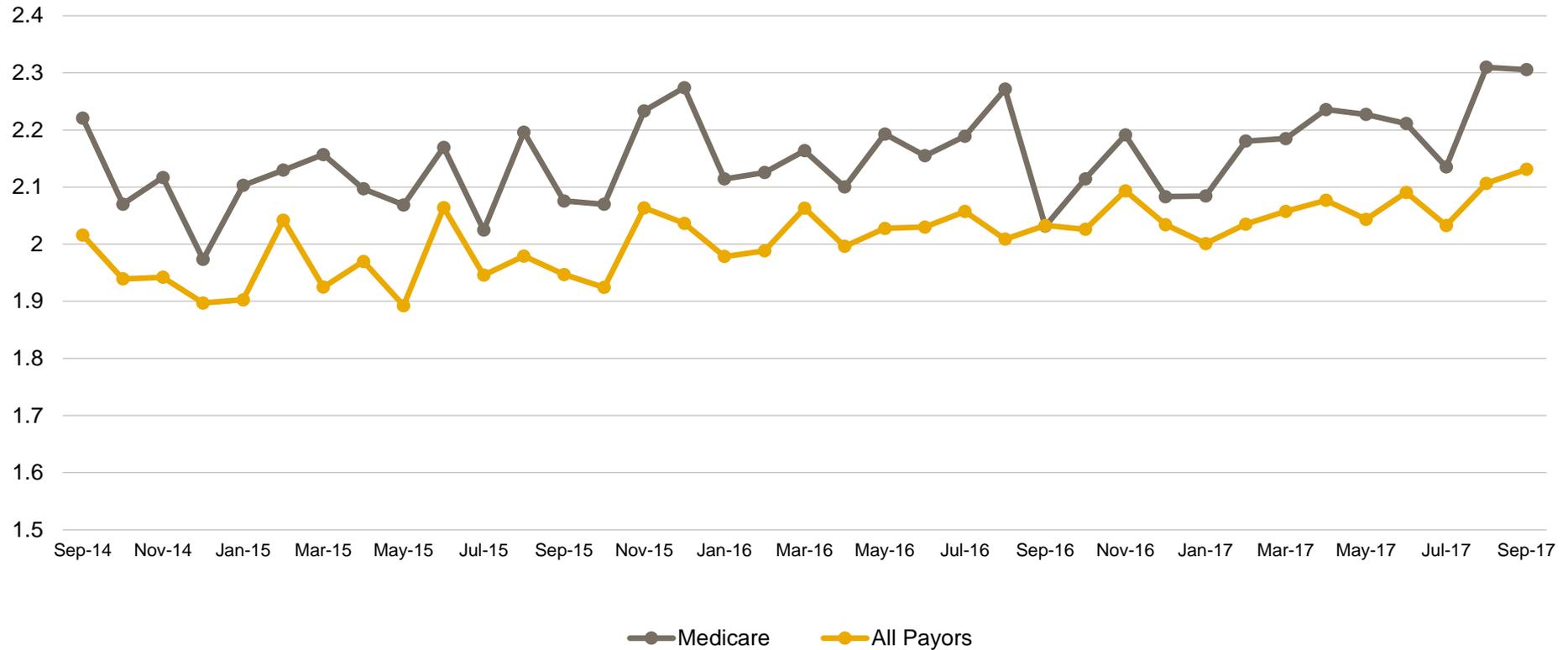
 Greater than 2.5% Favorable
  Neutral
  Greater than 2.5% Unfavorable

Length of Stay

July 2017, 12 Month Moving Average



Case Mix Index



Total Surgeries – by Clinical Department

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget %	Variance to Prior Year	Variance to Prior Year %
Cardiothoracic	318	293	289	25	8.5% ●	29	10.0% ●
Dentistry	250	312	242	(62)	-19.9% ●	8	3.3% ●
Dermatology	6	19	12	(13)	-68.4% ●	(6)	-50.0% ●
General Surgery	1,876	1,984	1,689	(108)	-5.4% ●	187	11.1% ●
Gynecology	493	435	456	58	13.3% ●	37	8.1% ●
Internal Medicine	4	1	2	3	300.0% ●	2	100.0% ●
Neurosurgery	841	877	854	(36)	-4.1% ●	(13)	-1.5% ○
Ophthalmology	958	996	953	(38)	-3.8% ●	5	0.5% ○
Orthopedics	1,881	1,819	1,708	62	3.4% ●	173	10.1% ●
Otolaryngology	664	1,150	842	(486)	-42.3% ●	(178)	-21.1% ●
Pediatrics	0	1	5	(1)	-100.0% ●	(5)	-100.0% ●
Radiology – Interventional	30	28	32	2	7.1% ●	(2)	-6.3% ●
Urology w/ Procedure Ste.	722	877	737	(155)	-17.7% ●	(15)	-2.0% ○
Total	8,043	8,792	7,821	(749)	-8.5% ●	222	2.8% ●
Solid Organ Transplants	96	83	92	13	15.7% ●	4	4.3% ●

● Greater than 2.5% Favorable
 ○ Neutral
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Inpatient Surgeries – by Clinical Department

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget	%	Variance to Prior Year	Variance to Prior Year	%
Cardiothoracic	302	281	279	21	7.5%	●	23	8.2%	●
Dentistry	99	89	104	10	11.2%	●	(5)	-4.8%	●
General Surgery	1,222	1,306	1,098	(84)	-6.4%	●	124	11.3%	●
Gynecology	213	196	210	17	8.7%	●	3	1.4%	○
Neurosurgery	696	737	697	(41)	-5.6%	●	(1)	-0.1%	○
Ophthalmology	67	71	44	(4)	-5.6%	●	23	52.3%	●
Orthopedics	972	911	852	61	6.7%	●	120	14.1%	●
Otolaryngology	125	260	206	(135)	-51.9%	●	(81)	-39.3%	●
Radiology – Interventional	28	26	29	2	7.7%	●	(1)	-3.4%	●
Urology <i>w/ Procedure Ste.</i>	187	247	216	(60)	-24.3%	●	(29)	-13.4%	●
Total	3,911	4,124	3,735	(213)	-5.2%	●	176	4.7%	●
Solid Organ Transplants	96	83	92	13	15.7%	●	4	4.3%	●

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Outpatient Surgeries – by Clinical Department

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget %	Variance to Prior Year	Variance to Prior Year %
Cardiothoracic	16	12	10	4	33.3% ●	6	60.0% ●
Dentistry	151	223	138	(72)	-32.3% ●	13	9.4% ●
Dermatology	6	19	12	(13)	-68.4% ●	(6)	-50.0% ●
General Surgery	654	678	591	(24)	-3.5% ●	63	10.7% ●
Gynecology	280	239	246	41	17.2% ●	34	13.8% ●
Internal Medicine	4	1	2	3	300.0% ●	2	100.0% ●
Neurosurgery	145	140	157	5	3.6% ●	(12)	-7.6% ●
Ophthalmology	891	925	909	(34)	-3.7% ●	(18)	-2.0% ○
Orthopedics	909	908	856	1	0.1% ○	53	6.2% ●
Otolaryngology	539	890	636	(351)	-39.4% ●	(97)	-15.3% ●
Pediatrics	0	1	5	(1)	-100.0% ●	(5)	-100.0% ●
Radiology – Interventional	2	2	3	0	0.0% ○	(1)	-33.3% ●
Urology w/ Procedure Ste.	535	630	521	(95)	-15.1% ●	14	2.7% ●
Total	4,132	4,668	4,086	(536)	-11.5% ●	46	1.1% ○

 Greater than 2.5% Favorable
  Neutral
  Greater than 2.5% Unfavorable

Emergency Department

Fiscal Year to Date September 2017

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	Variance to Budget %	Variance to Prior Year	Variance to Prior Year %
ED Visits	15,410	15,697	15,502	(287)	-1.8% ○	(92)	-0.6% ○
ED Admits	5,376	5,268	4,937	108	2.1% ○	439	8.9% ●
ED Conversion Factor	34.9%	33.6%	31.8%		3.9% ●		9.8% ●
ED Admits / Total Admits	60.3%	60.1%	58.5%		0.3% ○		3.1% ●

● Greater than 2.5% Favorable
 ○ Neutral
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Total Clinic Visits by Location

Fiscal Year to Date September 2017

Operating Review (YTD)	FY18 ACTUAL				FY17 ACTUAL*				Variance to Prior Year	%	
	On-Site	IRL	Other Off-Site	Total	On-Site	IRL	Other Off-Site	Total			
FAMILY MEDICINE	7,698	4,360	27,114	39,172	10,437	2,574	29,155	42,166	(2,994)	-7.1%	●
GENERAL INTERNAL MEDICINE		7,285		7,285		6,615		6,615	670	10.1%	●
PEDIATRICS		5,303	7,202	12,505		5,361	2,606	7,967	4,538	57.0%	●
<i>SUBTOTAL: PRIMARY CARE</i>	<i>7,698</i>	<i>16,948</i>	<i>34,316</i>	<i>58,962</i>	<i>10,437</i>	<i>14,550</i>	<i>31,761</i>	<i>56,748</i>	<i>2,214</i>	<i>3.9%</i>	●
ANESTHESIA	1,878	88		1,966	1,709	74		1,783	183	10.3%	●
CTR DISABILITIES & DEVELOPMENT	2,651			2,651	2,679			2,679	(28)	-1.0%	○
CTR FOR DIGESTIVE DISEASES	6,230	1,468		7,698	5,298	1,389		6,687	1,011	15.1%	●
CLINICAL CANCER CENTER	14,266	652	1,485	16,403	13,766	590		14,356	2,047	14.3%	●
DERMATOLOGY	6,135	2,243	1,549	9,927	5,945	2,350	505	8,800	1,127	12.8%	●
GENERAL SURGERY	5,960		467	6,427	5,750		439	6,189	238	3.8%	●
HOSPITAL DENTISTRY	4,621			4,621	4,479			4,479	142	3.2%	●
INTERNAL MEDICINE	7,951	2,437		10,388	7,809	2,011		9,820	568	5.8%	●
NEUROLOGY	3,927			3,927	4,252			4,252	(325)	-7.6%	●
NEUROSURGERY	3,526			3,526	3,519			3,519	7	0.2%	○
OBSTETRICS/GYNECOLOGY	15,099	5,564	2,114	22,777	15,236	5,527		20,763	2,014	9.7%	●
OPHTHALMOLOGY	16,691	2,574		19,265	16,220	2,641	214	19,075	190	1.0%	○
ORTHOPEDECS	19,412	1,310	117	20,839	18,449	332	11	18,792	2,047	10.9%	●
OTOLARYNGOLOGY	4,792	1,852		6,644	4,891	1,812		6,703	(59)	-0.9%	○
PEDIATRICS	14,931	1,274		16,205	16,310	670		16,980	(775)	-4.6%	●
PSYCHIATRY	10,974	8		10,982	10,194	13		10,207	775	7.6%	●
UROLOGY	2,021	3,867		5,888	2,047	3,343		5,390	498	9.2%	●
UI HEART CTR	5,059	3,636		8,695	4,588	3,004		7,592	1,103	14.5%	●
<i>SUBTOTAL: SPECIALTY CARE</i>	<i>146,124</i>	<i>26,973</i>	<i>5,732</i>	<i>178,829</i>	<i>143,141</i>	<i>23,756</i>	<i>1,169</i>	<i>168,066</i>	<i>10,763</i>	<i>6.4%</i>	●
TOTAL	153,822	43,921	40,048	237,791	153,578	38,306	32,930	224,814	12,977	5.8%	●

● Greater than 2.5% Favorable

○ Neutral

● Greater than 2.5% Unfavorable

* from ongoing operations

Pediatric Clinic Visits by Location

Fiscal Year to Date September 2017

Operating Review (YTD)	FY18 ACTUAL				FY17 ACTUAL*				Variance to Prior Year	%	
	On-Site	IRL	Other Off-Site	Total	On-Site	IRL	Other Off-Site	Total			
FAMILY MEDICINE	895	215	5,611	6,721	1,110	85	5,729	6,924	(203)	-2.9%	●
GENERAL INTERNAL MEDICINE		24		24		6		6	18	300.0%	●
PEDIATRICS		5,132	7,202	12,334		5,222	2,606	7,828	4,506	57.6%	●
<i>SUBTOTAL: PRIMARY CARE</i>	<i>895</i>	<i>5,371</i>	<i>12,813</i>	<i>19,079</i>	<i>1,110</i>	<i>5,313</i>	<i>8,335</i>	<i>14,758</i>	<i>4,321</i>	<i>29.3%</i>	●
ANESTHESIA	190			190	218			218	(28)	-12.8%	●
CTR DISABILITIES & DEVELOPMENT	2,651			2,651	2,679			2,679	(28)	-1.0%	○
CTR FOR DIGESTIVE DISEASES	4	1		5	3			3	2	66.7%	●
CLINICAL CANCER CENTER	15			15	33			33	(18)	-54.5%	●
DERMATOLOGY	474	569		1,043	405	493		898	145	16.1%	●
GENERAL SURGERY	416			416	425			425	(9)	-2.1%	○
HOSPITAL DENTISTRY	545			545	581			581	(36)	-6.2%	●
INTERNAL MEDICINE	15	100		115	48	37		85	30	35.3%	●
NEUROLOGY	143			143	136			136	7	5.1%	●
NEUROSURGERY	614			614	562			562	52	9.3%	●
OBSTETRICS/GYNECOLOGY	235	24		259	213	39		252	7	2.8%	●
OPHTHALMOLOGY	2,813	186		2,999	2,954	159		3,113	(114)	-3.7%	●
ORTHOPEDICS	3,721	51		3,772	3,329	6		3,335	437	13.1%	●
OTOLARYNGOLOGY	821	1,060		1,881	948	1,140		2,088	(207)	-9.9%	●
PEDIATRICS	12,883	1,064		13,947	14,275	571		14,846	(899)	-6.1%	●
PSYCHIATRY	3,153			3,153	2,623			2,623	530	20.2%	●
UROLOGY	44	702		746	53	679		732	14	1.9%	○
UI HEART CTR	7	39		46	3	16		19	27	142.1%	●
<i>SUBTOTAL: SPECIALTY CARE</i>	<i>28,744</i>	<i>3,796</i>		<i>32,540</i>	<i>29,488</i>	<i>3,140</i>		<i>32,628</i>	<i>(88)</i>	<i>-0.3%</i>	○
TOTAL	29,639	9,167	12,813	51,619	30,598	8,453	8,335	47,386	4,233	8.9%	●

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

* from ongoing operations

Adult Clinic Visits by Location

Fiscal Year to Date September 2017

Operating Review (YTD)	FY18 ACTUAL				FY17 ACTUAL*				Variance to Prior Year	%	
	On-Site	IRL	Other Off-Site	Total	On-Site	IRL	Other Off-Site	Total			
FAMILY MEDICINE	6,803	4,145	21,503	32,451	9,327	2,489	23,426	35,242	(2,791)	-7.9%	●
GENERAL INTERNAL MEDICINE		7,261		7,261		6,609		6,609	652	9.9%	●
PEDIATRICS		171		171		139		139	32	23.0%	●
<i>SUBTOTAL: PRIMARY CARE</i>	<i>6,803</i>	<i>11,577</i>	<i>21,503</i>	<i>39,883</i>	<i>9,327</i>	<i>9,237</i>	<i>23,426</i>	<i>41,990</i>	<i>(2,107)</i>	<i>-5.0%</i>	●
ANESTHESIA	1,688	88		1,776	1,491	74		1,565	211	13.5%	●
CTR FOR DIGESTIVE DISEASES	6,226	1,467		7,693	5,295	1,389		6,684	1,009	15.1%	●
CLINICAL CANCER CENTER	14,251	652	1,485	16,388	13,733	590		14,323	2,065	14.4%	●
DERMATOLOGY	5,661	1,674	1,549	8,884	5,540	1,857	505	7,902	982	12.4%	●
GENERAL SURGERY	5,544		467	6,011	5,325		439	5,764	247	4.3%	●
HOSPITAL DENTISTRY	4,076			4,076	3,898			3,898	178	4.6%	●
INTERNAL MEDICINE	7,936	2,337		10,273	7,761	1,974		9,735	538	5.5%	●
NEUROLOGY	3,784			3,784	4,116			4,116	(332)	-8.1%	●
NEUROSURGERY	2,912			2,912	2,957			2,957	(45)	-1.5%	○
OBSTETRICS/GYNECOLOGY	14,864	5,540	2,114	22,518	15,023	5,488		20,511	2,007	9.8%	●
OPHTHALMOLOGY	13,878	2,388		16,266	13,266	2,482	214	15,962	304	1.9%	○
ORTHOPEDICS	15,691	1,259	117	17,067	15,120	326	11	15,457	1,610	10.4%	●
OTOLARYNGOLOGY	3,971	792		4,763	3,943	672		4,615	148	3.2%	●
PEDIATRICS	2,048	210		2,258	2,035	99		2,134	124	5.8%	●
PSYCHIATRY	7,821	8		7,829	7,571	13		7,584	245	3.2%	●
UROLOGY	1,977	3,165		5,142	1,994	2,664		4,658	484	10.4%	●
UI HEART CTR	5,052	3,597		8,649	4,585	2,988		7,573	1,076	14.2%	●
<i>SUBTOTAL: SPECIALTY CARE</i>	<i>117,380</i>	<i>23,177</i>	<i>5,732</i>	<i>146,289</i>	<i>113,653</i>	<i>20,616</i>	<i>1,169</i>	<i>135,438</i>	<i>10,851</i>	<i>8.0%</i>	●
TOTAL	124,183	34,754	27,235	186,172	122,980	29,853	24,595	177,428	8,744	4.9%	●

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○ Neutral

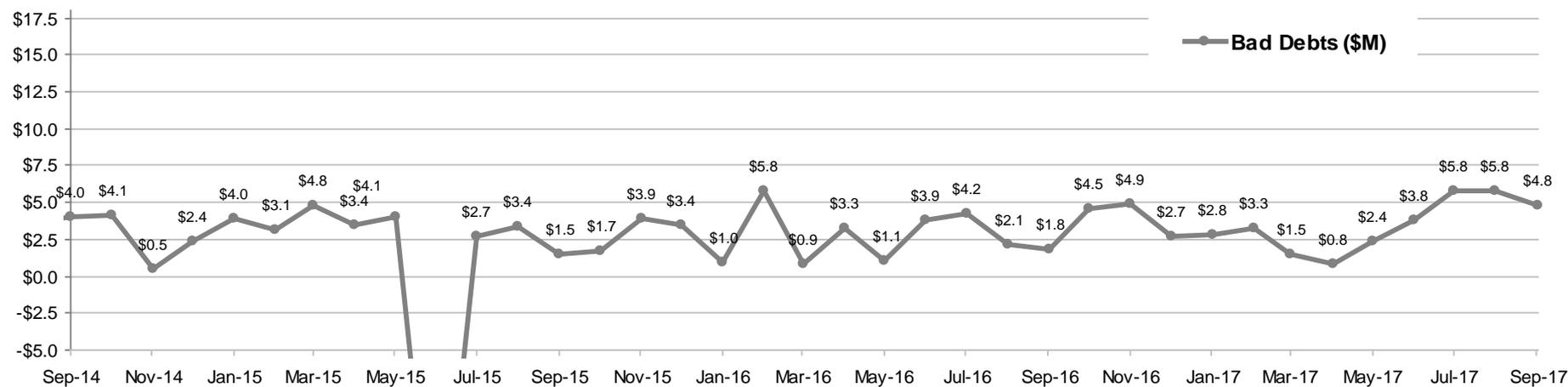
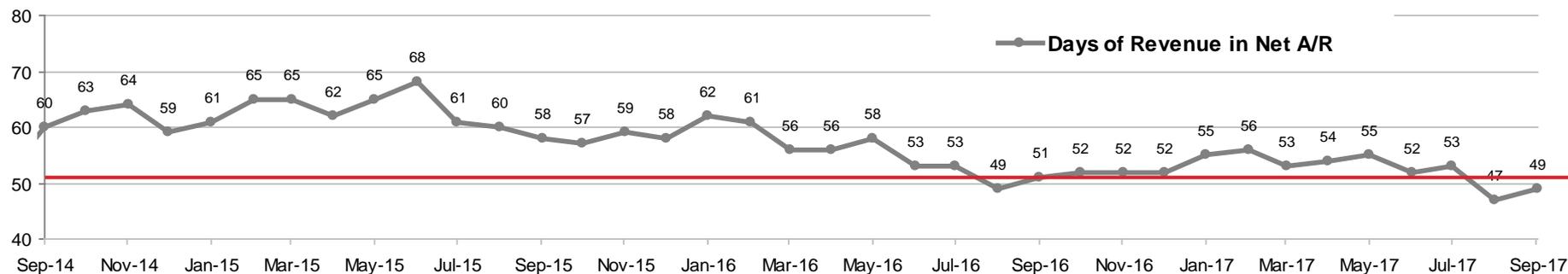
● Greater than 2.5% Unfavorable

* from ongoing operations

Comparative Accounts Receivable

At September 30, 2017

	June 30, 2016	June 30, 2017 (preliminary)	September 30, 2017
Net Accounts Receivable	\$210,723,995	\$210,781,374	\$212,237,295
Net Days in AR	53	52	49



Comparative Financial Results

Fiscal Year to Date September 2017, 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	\$382,387	\$390,624	\$360,052	(\$8,237)	-2.1%	\$22,335	6.2%
Other Operating Revenue	12,555	12,560	12,382	(5)	0.0%	173	1.4%
Total Revenue	\$394,942	\$403,184	\$372,434	(\$8,242)	-2.0%	\$22,508	6.0%
EXPENSES							
Salaries and Wages	\$194,910	\$198,437	\$178,988	(\$3,527)	-1.8%	\$15,922	8.9%
General Expenses	179,066	174,648	159,760	4,418	2.5%	19,306	12.1%
Operating Expense before Capital	\$373,976	\$373,085	\$338,748	\$891	0.2%	\$35,228	10.4%
Cash Flow Operating Margin	\$20,966	\$30,099	\$33,686	(\$9,133)	-30.3%	(\$12,720)	-37.8%
Capital- Depreciation and Amortization	24,028	24,502	20,194	(474)	-1.9%	3,834	19.0%
Total Operating Expense	\$398,004	\$397,587	\$358,942	\$417	0.1%	\$39,062	10.9%
Operating Income	(\$3,062)	\$5,597	\$13,492	(\$8,659)	-154.7%	(\$16,554)	-122.7%
Operating Margin %	-0.8%	1.4%	3.6%	-2.2%	-2.2%	-4.4%	-4.4%
Gain (Loss) on Investments	2,463	3,021	4,046	(558)	-18.5%	(1,583)	-39.1%
Other Non-Operating	(3,057)	(3,388)	(1,222)	331	9.8%	(1,835)	-150.2%
Net Income	(3,656)	\$5,230	\$16,316	(\$8,886)	-169.9%	(\$19,972)	-122.4%
Net Margin %	-0.9%	1.3%	4.3%	-2.2%	-2.2%	-5.2%	-5.2%

* 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.

Thank You

University of Iowa Health Care

