
University of Iowa Health Care

PRESENTATION TO THE BOARD OF REGENTS, STATE OF IOWA

November 18, 2020

Agenda

- Opening Remarks
- Operating and Financial Performance
- Faculty Presentation: COVID19 Vaccine and Treatment Trials

Opening Remarks

Presentation to The Board of Regents, State of Iowa | November 2020

Brooks Jackson, MD, MBA

Vice President for Medical Affairs

& Tyrone D. Artz, Dean, Carver College of Medicine

Operating and Financial Performance

Presentation to The Board of Regents, State of Iowa | November 2020

Suresh Gunasekaran, MBA

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

Bradley Haws, MBA

Associate Vice President &
Chief Financial Officer, UI Health Care

Volume and Financial Highlights –FY21

THROUGH SEPT 2020

Operating Margin

- Fiscal Year actual 6.4% vs goal (before COVID risks) of 4.2%

Volume Change

- Year-over-year: Inpatient Discharges -7.8%, Acute Patient Days 2.4%, Surgeries 0.3%, Clinic Visits 17.7%. Traditional visits -6%.

Acuity

- Case Mix Index 2.36

Length of Stay Index

- Adult at .96
- Pediatrics at .96

Revenues

- 5.5% above budget yearto-date
 - Inpatient below budget 6.2%
 - Outpatient above budget 5.0%
 - HHS Cares Funding of \$7M

Payer Mix

- Medicare decreased since June
- FY20 YTD: 38.0%, Sept YTD FY21: 36.6%

Accounts Receivable

- Days in Net AR of 44.4

Salary Expenses

- 1.6% above budget yearto-date
- Unpaid Time/Vacation give back of \$10.6M

Non-Salary Expenses

- 5.7% above budget yearto-date
- Supply and drug costs above budget

Comparative Financial Results

FISCAL YEAR TO DATE: SEPT 2020, 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	\$521,949	\$498,570	\$476,928	\$23,379	4.7%	\$45,021	9.4%
Other Operating Revenue	18,907	12,656	13,159	6,251	49.4%	5,748	43.7%
Total Revenue	\$540,856	\$511,226	\$490,087	\$29,630	5.8%	\$50,769	10.4%
EXPENSES							
Salaries and Wages	\$214,258	\$210,897	\$204,842	\$3,361	1.6%	\$9,416	4.6%
General Expenses	266,073	251,752	225,197	14,321	5.7%	40,876	18.2%
Operating Expense before Capital	\$480,331	\$462,649	\$430,039	\$17,682	3.8%	\$50,292	11.7%
Cash Flow Operating Margin	\$60,525	\$48,577	\$60,048	\$11,948	24.6%	\$477	0.8%
Capital- Depreciation and Amortization	26,056	27,058	25,597	(1,002)	-3.7%	459	1.8%
Total Operating Expense	\$506,387	\$489,707	\$455,636	\$16,680	3.4%	\$50,751	11.1%
Operating Income	\$34,469	\$21,519	\$34,451	\$12,950	60.2%	\$18	0.1%
Operating Margin %	6.4%	4.2%	7.0%		2.2%		-0.6%
Gain (Loss) on Investments	19,956	2,771	2,952	17,185	620.2%	17,004	576.0%
Other Non-Operating	(2,922)	(3,465)	(3,207)	543	15.7%	285	8.9%
Net Income	\$51,503	\$20,825	\$34,196	\$30,678	147.3%	\$17,307	50.6%
Net Margin %	9.2%	4.1%	7.0%		5.1%		2.2%

Key Metrics

	FY21 YTD Through September	Moody's Median
Financial Operations		
Operating Margin	5.8%	4.4%
Financial – Liquidity		
Days Cash on Hand	204	276
Financial – Leverage		
Debt to Capitalization	16.7%	24.4%




Quality Outcomes Update

Operating and Financial Performance

FY20 Non-MBI CLABSI Metric Update



Baseline	1.22/1,000 Line-days	 <p>Cost Savings \$1,087,501</p>
FY20 Goal	≤ 1.0/1,000 Line-days	
Current FY20 (through June 2020)	0.8/1,000 Line-days	

Baseline Time Period: CY2018 Measured Time Period: FY2020
 Agency for Healthcare Research and Quality. (2017). *Estimating the additional hospital inpatient cost and mortality associated with selected hospital-acquired conditions.* <https://www.ahrq.gov/hai/pfp/haccost2017-results.html>

FY20 Surgical Site Infection: Colon and CABG

Colon Estimated Infections Prevented



Baseline	1.7 Surgical Infection Rate	Cost Savings \$115,500
FY20 Goal	≤1.0 Surgical Infection Rate	
Current FY20 (through June 2020)	1.0 Surgical Infection Rate	

Baseline Time Period: Dec 2017 – Nov 2018 | Measured Time Period: FY20 Jul 2019 – June 2020
Surveillance period is 90 days after procedure. SIR 3.8 (timeframe 10/17-9/18)

CABG Estimated Infections Prevented



Baseline	3.8 Surgical Infection Rate	Cost Savings \$368,900
FY20 Goal	≤1.0 Surgical Infection Rate	
Current FY20 (through April 2020)	1.2 Surgical Infection Rate	

Baseline Time Period: Oct 2017 – Sep 2018 | Measured Time Period: FY20 YTD (Jul 2019 – April 2020)
CMS SIR (12/17-11/18)

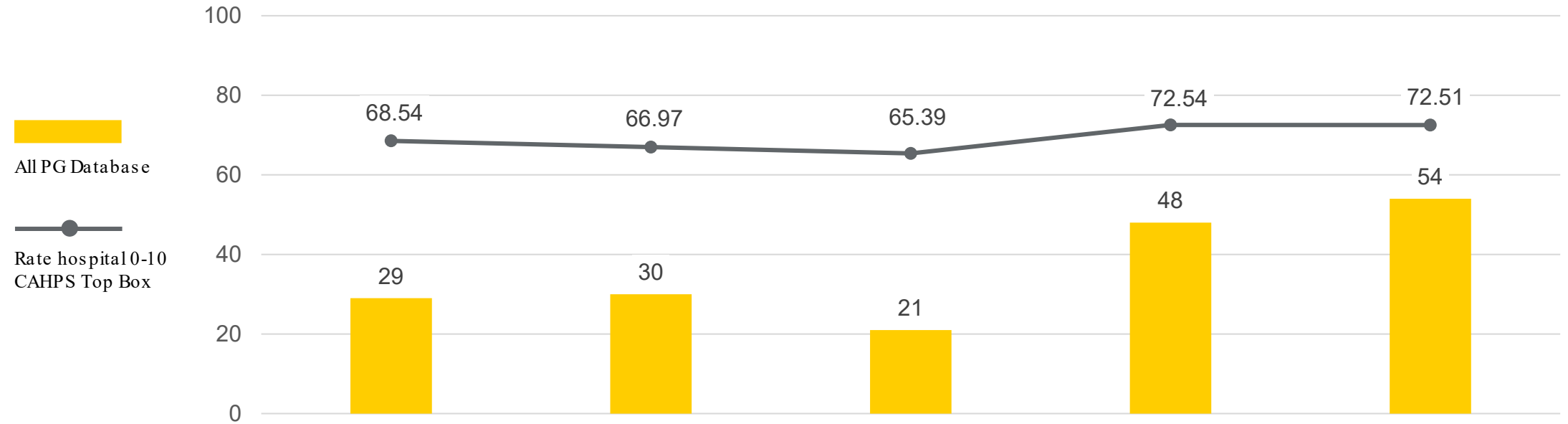


HCAHPS Patient Satisfaction

Operating and Financial Performance

“Rate Hospital 0-10”

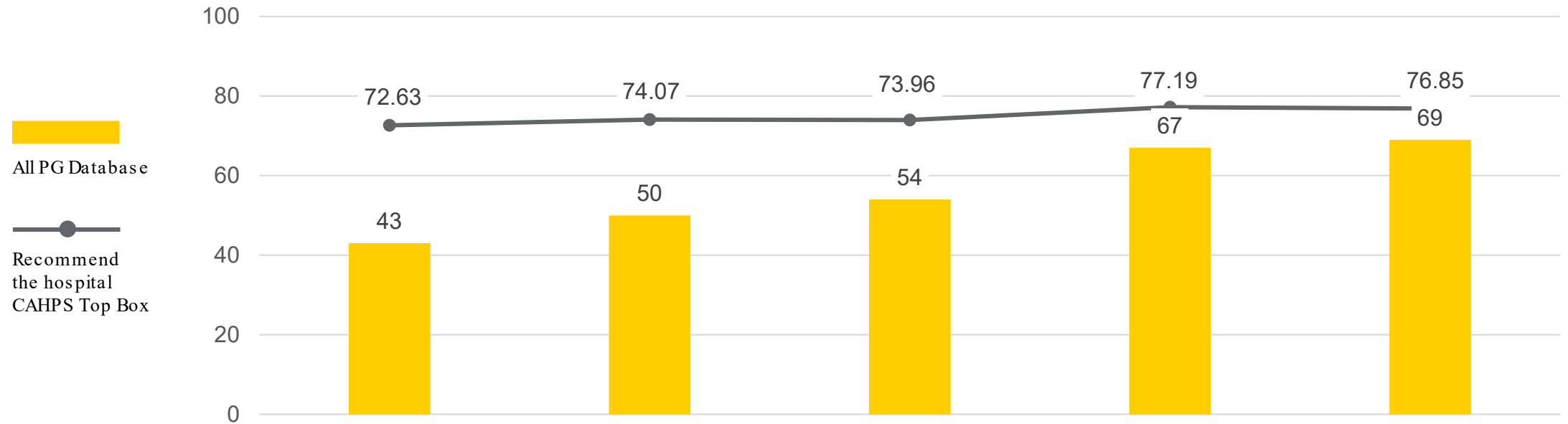
HCAHPS



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=178	n=564	n=601	n=3,281	n=2,750
Peer Group Size	n=2,016	n=2,222	n=2,655	n=2,731	n=2,572

“Recommend the hospital”

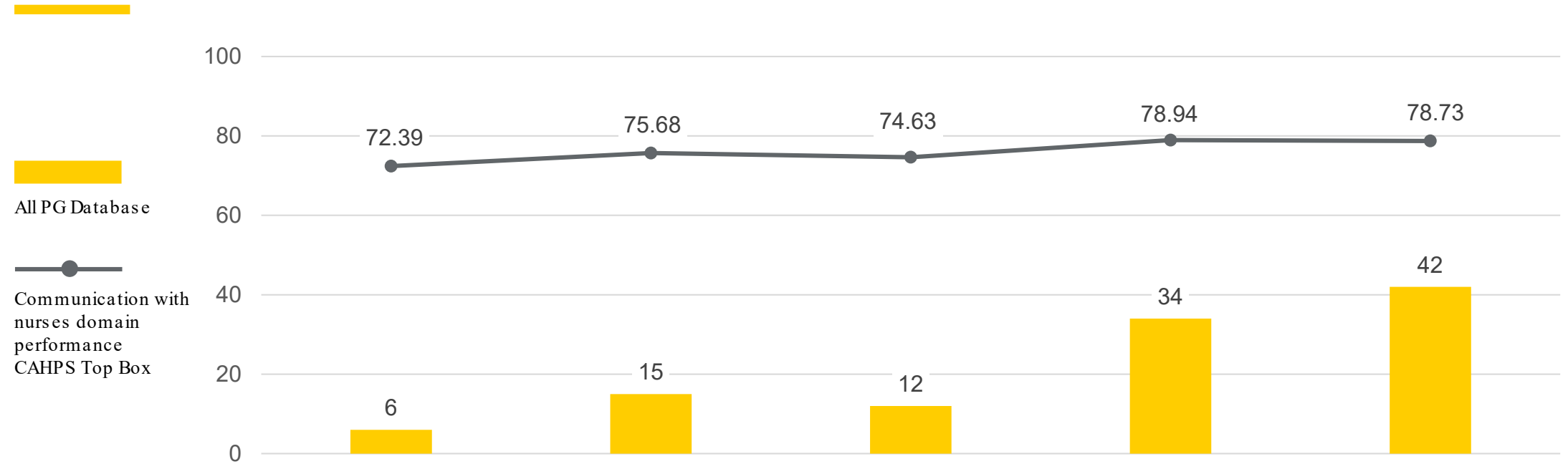
HCAHPS



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=179	n=567	n=599	n=3,257	n=2,747
Peer Group Size	n=2,011	n=2,218	n=2,650	n=2,726	n=2,564

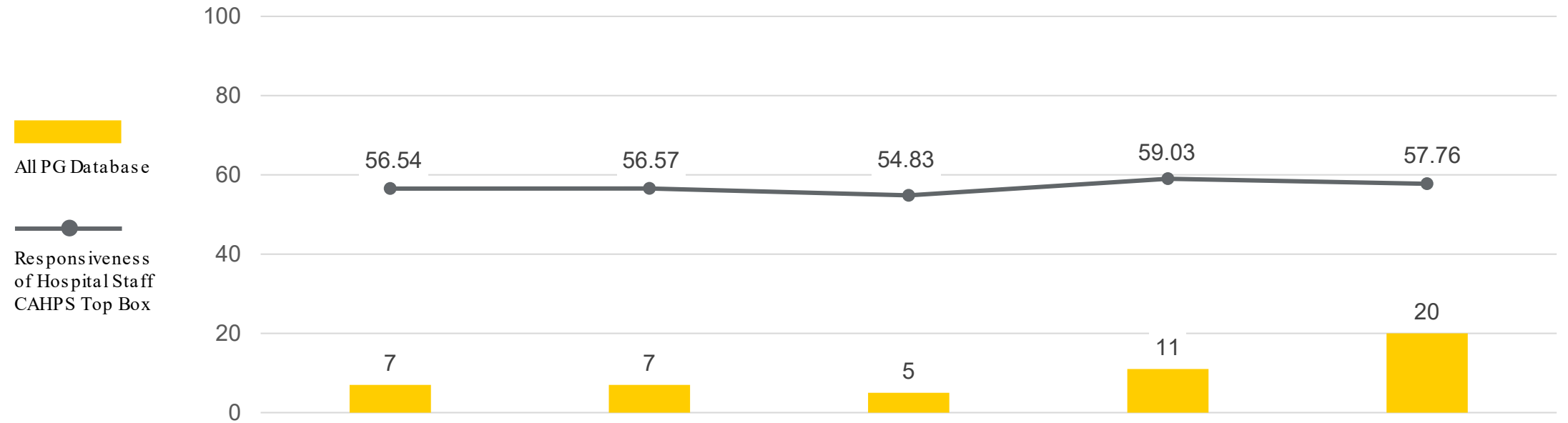
“Communication with nurses” Domain

HCAHPS



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=181	n=568	n=611	n=3,322	n=2,779
Peer Group Size	n=2,018	n=2,226	n=2,671	n=2,745	n=2,587

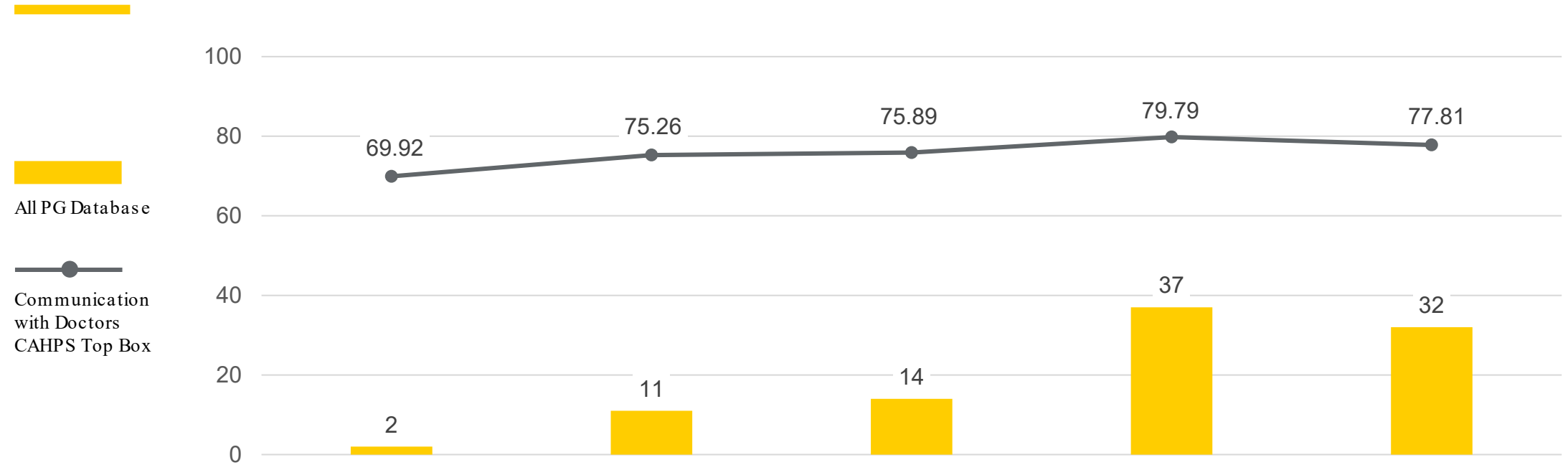
“Responsiveness of Hospital Staff” Domain HCAHPS



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=163	n=523	n=564	n=3,060	n=2,623
Peer Group Size	n=1,993	n=2,203	n=2,619	n=2,684	n=2,541

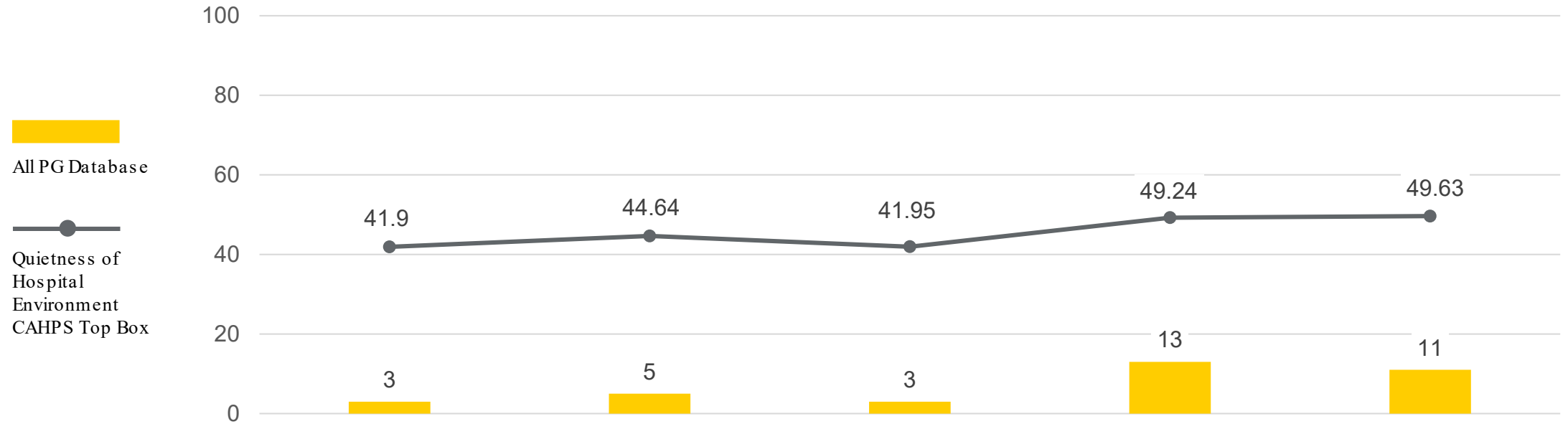
“Communication with Doctors” Domain

HCAHPS



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=181	n=568	n=609	n=3,314	n=2,768
Peer Group Size	n=2,018	n=2,223	n=2,666	n=2,741	n=2,583

“Quietness of Hospital Environment”



Discharge Date	11/1/2015 10/31/2016	11/1/2016 10/31/2017	11/1/2017 10/31/2018	11/1/2018 10/31/2019	11/1/2019 10/31/2020
Benchmark Period	8/1/2016 10/31/2016	8/1/2017 10/31/2017	8/1/2018 10/31/2018	8/1/2019 10/31/2019	7/1/2020 9/30/2020
Sample Size	n=181	n=568	n=609	n=3,314	n=2,768
Peer Group Size	n=2,018	n=2,223	n=2,666	n=2,741	n=2,583



UI Hospitals & Clinics Surge Planning

Operating and Financial Performance

What we are changing through January 3rd



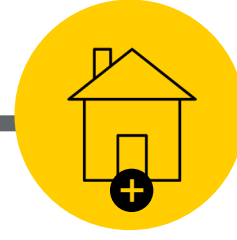
Additional visitor restrictions



Modified work restrictions for asymptomatic clinical staff with negative tests



Expand ILI capacity



Expand work from home for non-clinical frontline staff



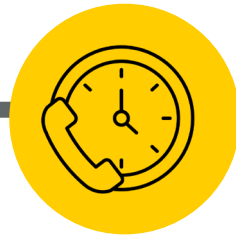
Expand ICU bed capacity—10 additional ICU beds on 4RC



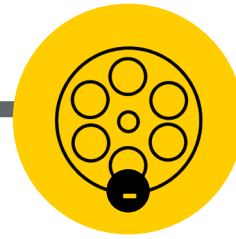
Maintain MSS bed capacity – convert 13 beds on CPRU



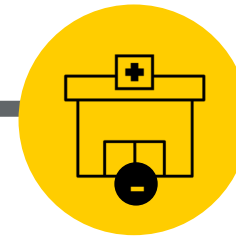
Re-assign staff to support inpatient and ILI areas



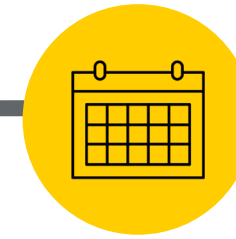
Re-assign staff to assist with call volumes



Modify surgical and procedural schedules



Modify clinic schedules



We need to treat the holiday season differently

Novel Vaccine Platforms for Protection from SARS-CoV-2

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Patricia Winokur, MD

Executive Dean, UI Carver College of Medicine

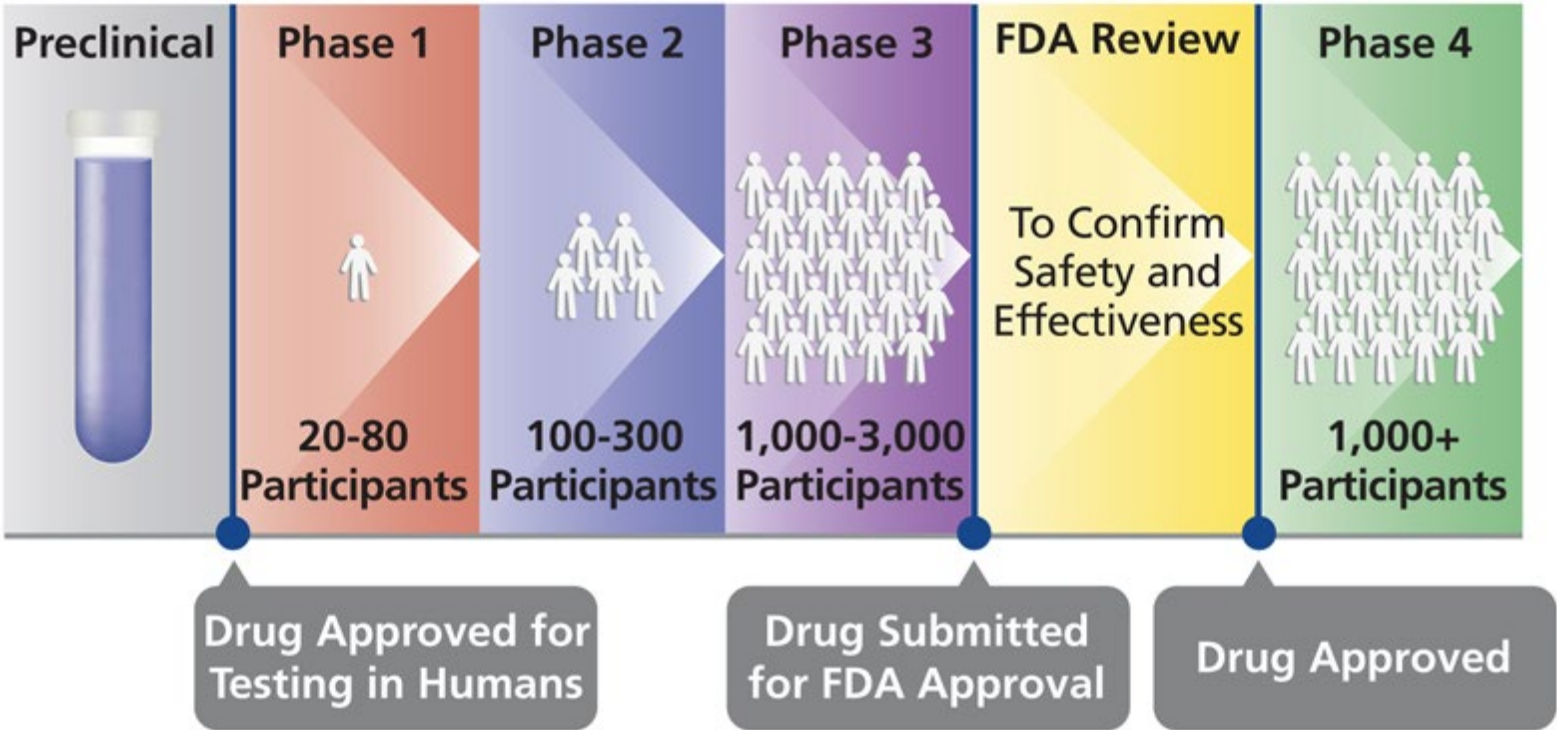
Director, Vaccine Treatment and Evaluation Unit

Director, Institute for Clinical and Translational Science

Professor of Internal Medicine – Infectious Disease

Clinical Trials

Clinical Trials from Test Tube to FDA Approval and Beyond



EUA vs Full FDA Approval

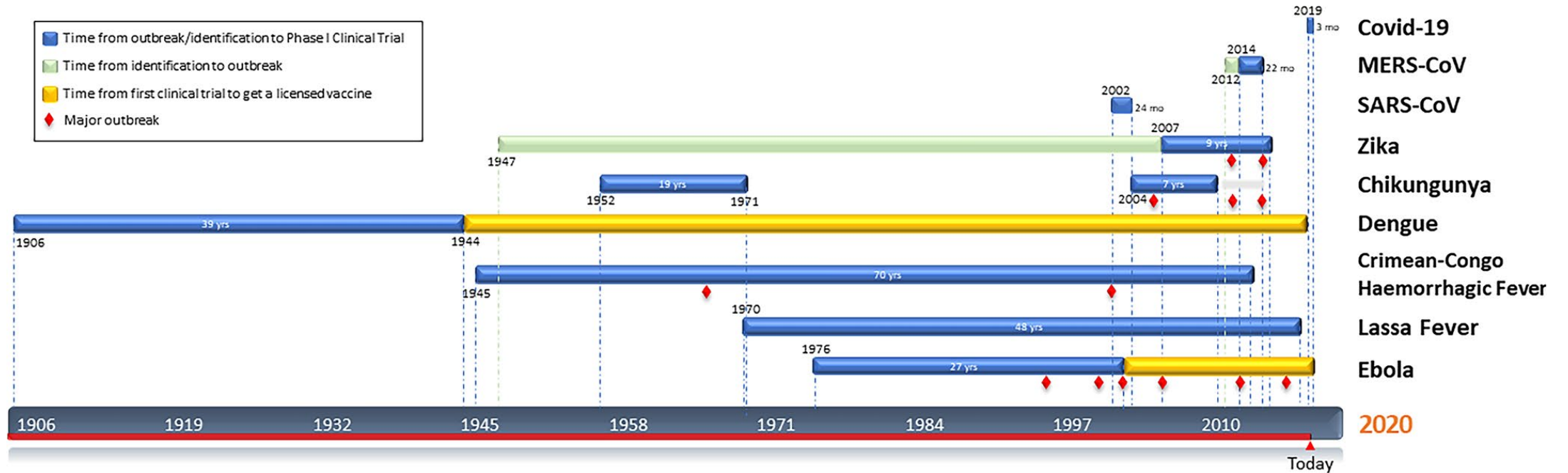
Emergency Use Authorization:

- Allows FDA to approve medical counter measures when the country is experiencing a public health emergency (chemical, biological, radiological or nuclear threats or threat from emerging infectious diseases).
- Practical terms: Makes a product available to the public with the best available evidence. Careful balance of risks vs benefits.
- Requires ongoing safety and efficacy surveillance

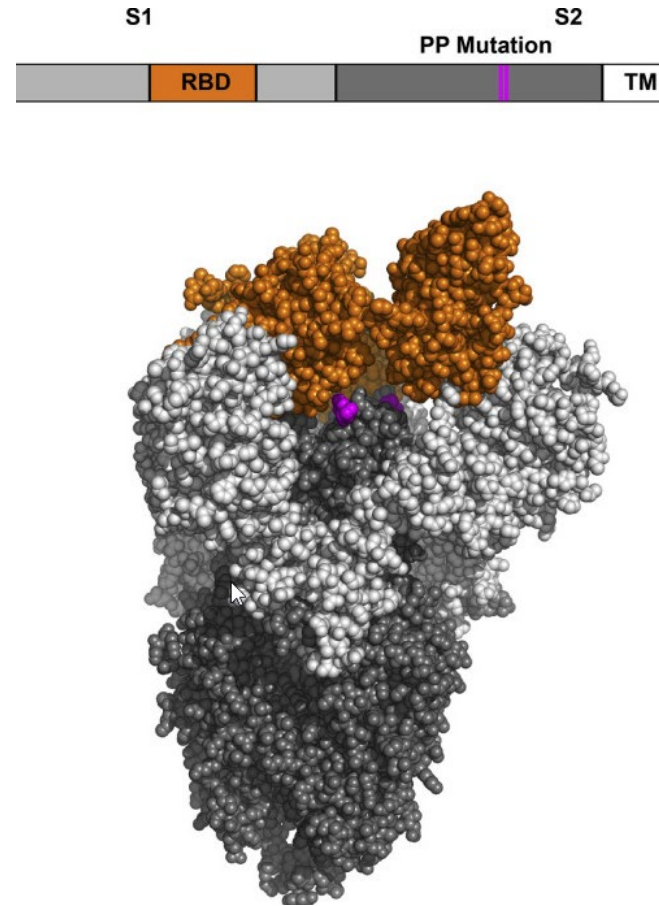
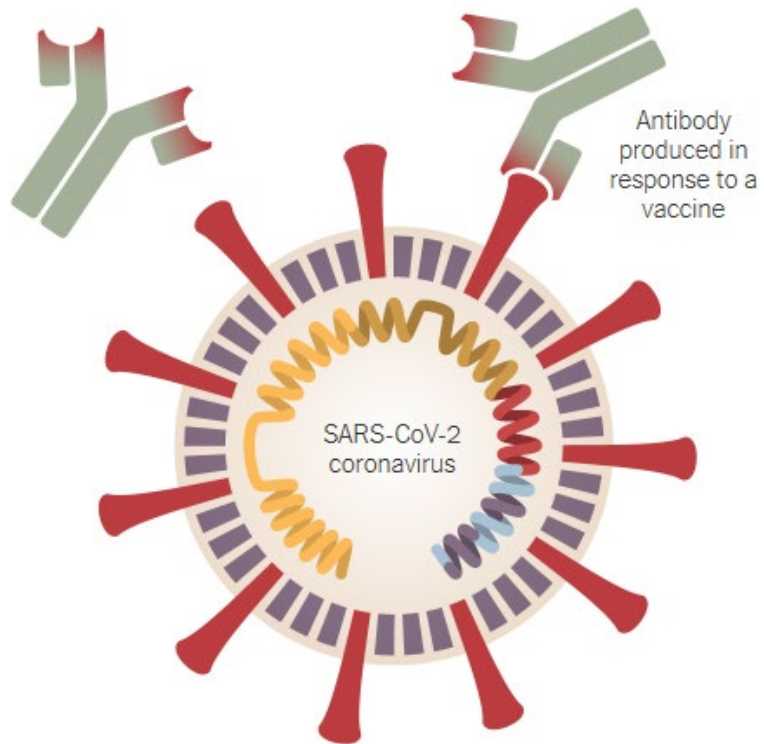
Full FDA Approval:

- Complete assessment of substantial evidence that the product is effective and benefits outweigh the risks.

Operation Warp Speed



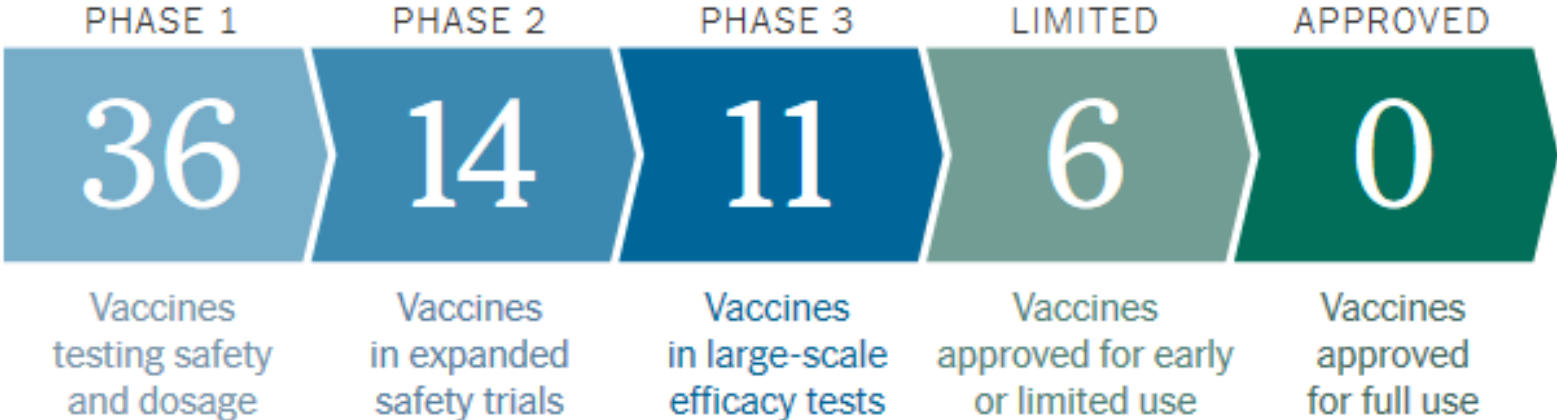
SARS and MERS



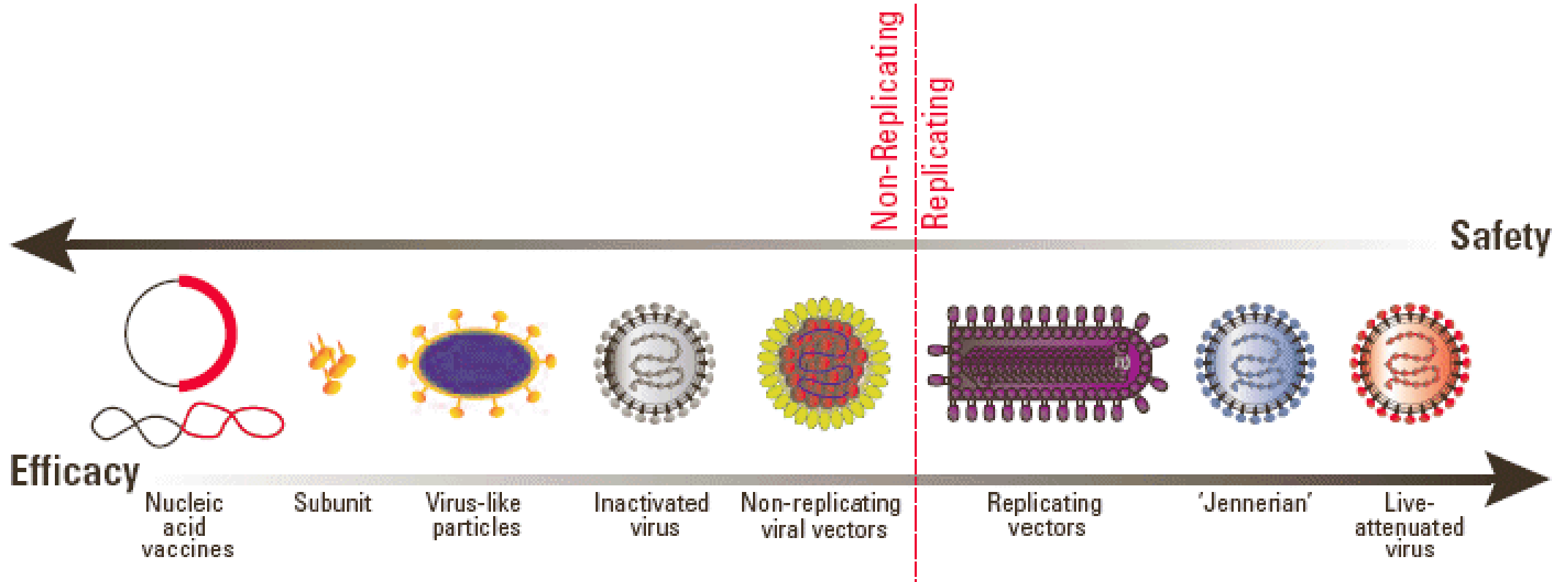
Rapidly Changing Landscape

Coronavirus Vaccine Tracker

By Jonathan Corum, Sui-Lee Wee and Carl Zimmer Updated November 3, 2020



Vaccine Safety Balanced with Efficacy



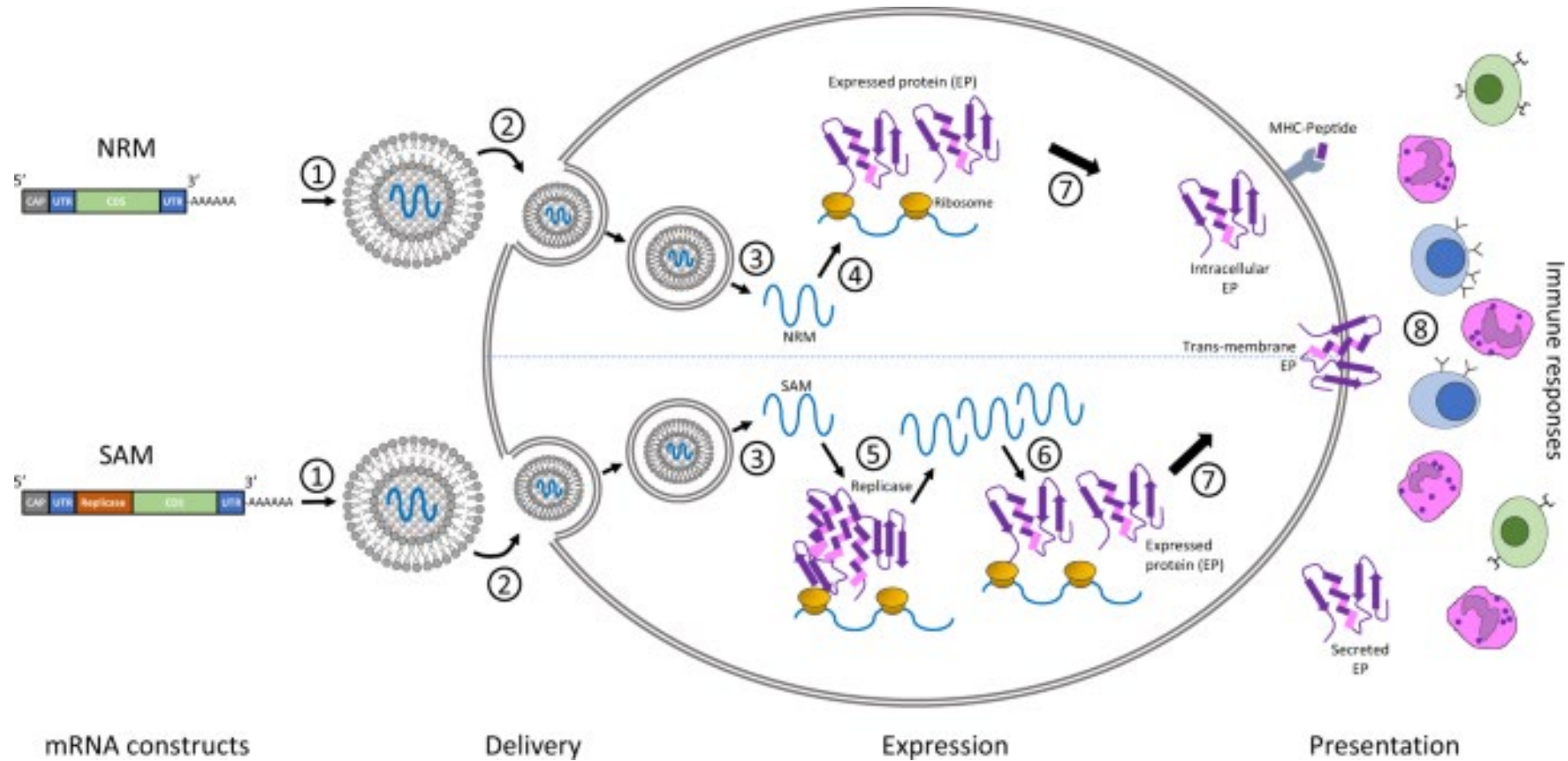
U.S. Leading Vaccine Candidates

- Moderna
- Pfizer-BioNTech

Both are molecular vaccine platforms using mRNA



mRNA Vaccine Biology



FDA Guidance: October 2020

Efficacy

- 50% reduction in COVID19 infection

Safety

- Focus on adverse events like new immune mediated diseases
- Cases of severe COVID 19

Follow Up

- At least half of subjects have reached 2 months after the full vaccination regimen
- Assessment of enough cases of severe COVID 19 to ensure that the vaccine does not enhance the severity of disease

Where are we today?

Pfizer

- Completed Phases 1 and 2
- Completed enrollment of 44,000 subjects:
50% vaccine:50% placebo
 - Started with 18 years & older
 - Added 16-17 year olds
 - Added 12-15 year olds

Early analysis: 90%
Efficacy

Moderna

- Completed Phases 1 and 2
- Completed enrollment of 30,000 subjects:
50% vaccine:50% placebo
 - Ages 18 and older

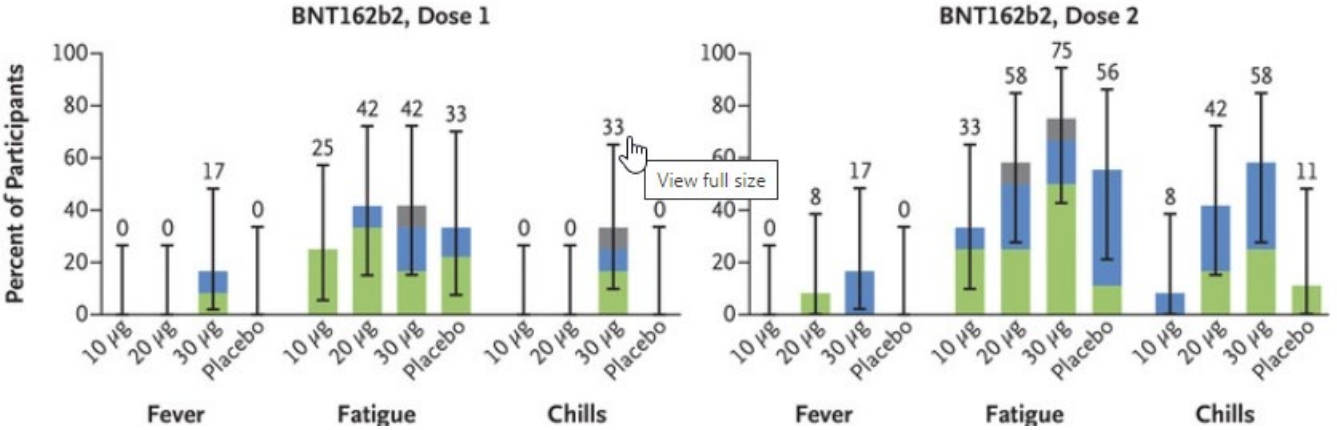
Early analysis: 94.5%
efficacy. Had 11 cases
of severe infections all
in placebo group

Now we wait

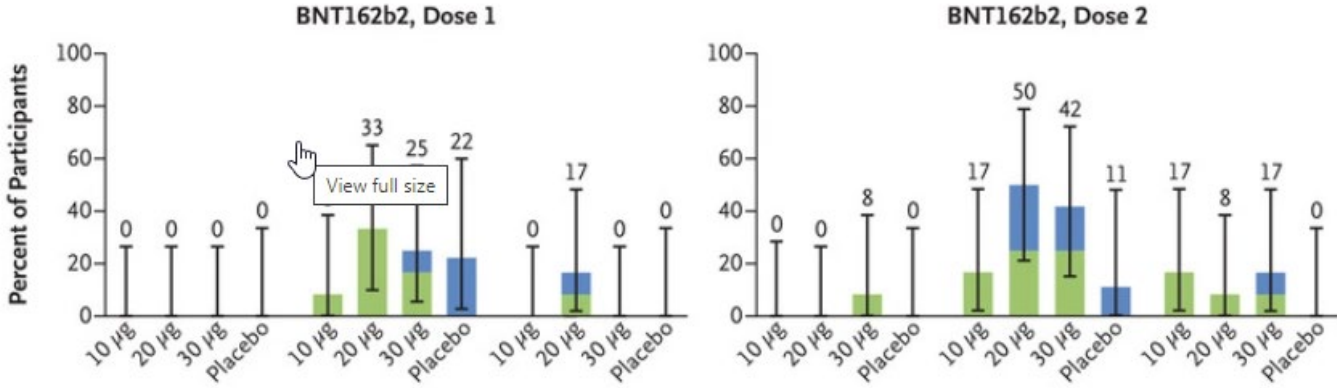
- 2 month safety follow up
- Pfizer will likely go to FDA this week
- Moderna is a few weeks behind

Phase 1: Reactogenicity of Pfizer BNT162b2

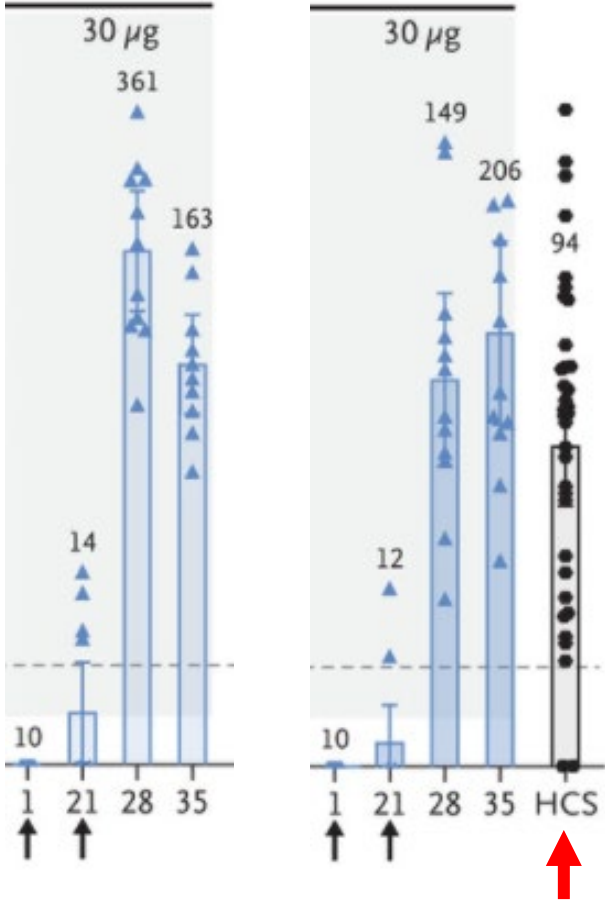
Ages 18-64



Ages 65-85



Immune Responses: Pfizer Phase 1 mRNA

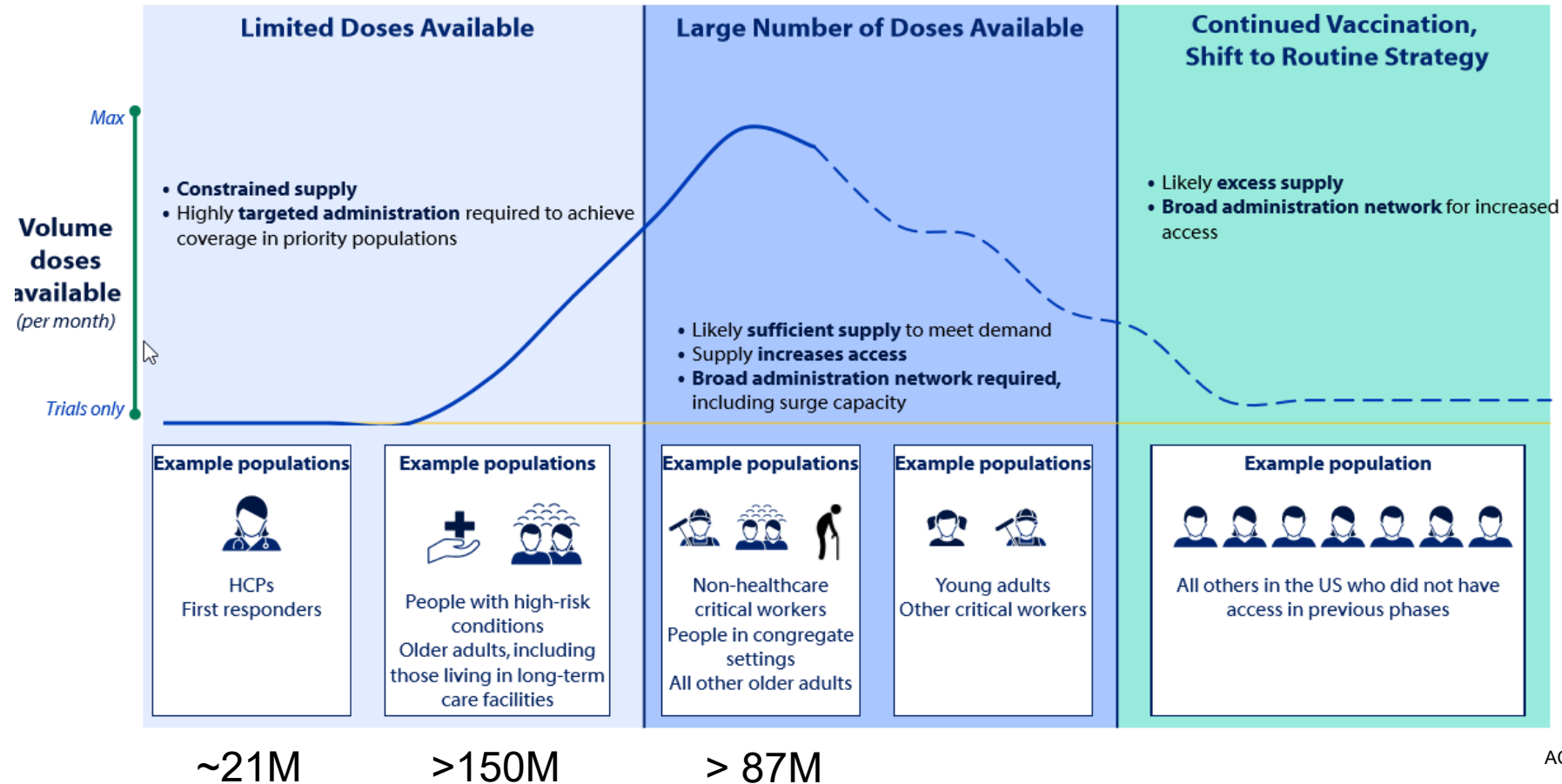


Neutralizing titers typically 3 -4 times higher than those seen after natural infection

Walsh, EE et al
NEJM Oct 14, 2020

Vaccine Prioritization Modeling

Distribution will adjust as volume of vaccine doses increases



ACIP J. Routh Oct 30, 2020

When and How?

- Earliest vaccine availability?
 - December with very limited doses
- Advisory Committee on Immunization Practices will likely decide priority populations
- Coordinated through the Iowa Department of Public Health

More Data is Still Needed

- Long term safety
 - EUA at 2 months post vaccine
 - Continued follow up of study participants
 - Aggressive post marketing safety follow up
- Durability of antibody responses
- Safety of repeat dosing in a year
- Safety in children/pregnant women/special populations

Additional Vaccines in Later Stages of Development

- Janssen: Ad26
- Astra Zeneca: ChimpAd
- Novavax: Protein subunit with adjuvant
- Sanofi: Protein subunit with adjuvant
- Merck: VSV vectored

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Questions or comments?

→ medicine.uiowa.edu/vaccine

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Thank you

→ uihc.org



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