

Key Issues

Second Quarter – FY 2004



Magnet Hospital Designation

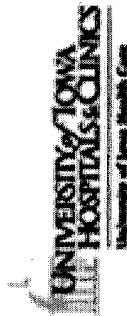
- Good for our patients
- Good for the community
- Good for Iowa

To receive the Magnet Award for nursing excellence is a huge achievement. To be first in Iowa is even more impressive.

Since National Nurses Incentive Commission... Many patients make up an outstanding nursing staff... Our unit just recognized for Nursing Excellence... Designation Magnet Award from the American Nurses Association... Center symbolizes the highest caliber of nursing... It is a tribute to expert nursing practice... evidence nursing research, a supportive professional environment, as well as a level of dedication to patient care and safety that's unsurpassed.



For more information, call 319-384-8442 or 800-777-8442. Or visit iowahospitals.com/nursing



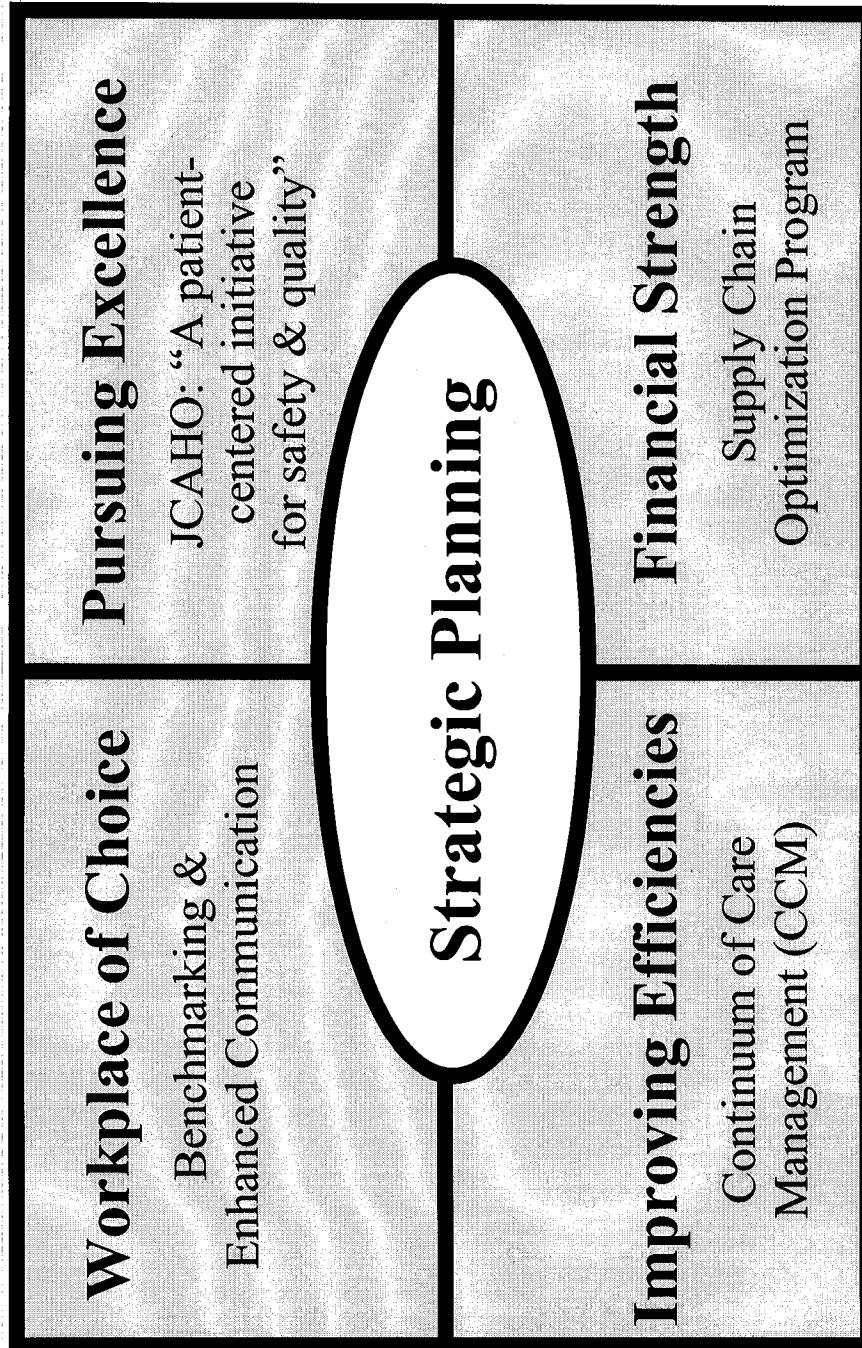
Changing Medicine. Changing Lives

Key Issues

Second Quarter – FY 2004

- Increasing access
- Staff recognition and development
- Recruitment
- Patient-centered focus
- Finances
- Statewide relationships

FY2004 Priority Initiatives



Strategic Planning

Progress on Priority Initiatives: Second Quarter – FY 2004

- External assessment
- Internal & external interviews
- Focus groups of faculty & staff
- Collaborative development of strategies & goals with CCOM & University Leadership
- Guidance & endorsement from our Board of Trustees

Workplace of Choice

Progress on Priority Initiatives: Second Quarter – FY 2004

- **Benchmarking & Enhanced Communication**
 - Identification of “Best Places to Work” and research on practices, success factors & key metrics
 - 2003 State of the UIHC Address
 - Computer kiosks providing staff & patients with internet access
 - Professional Appearance Policy

Pursuing Excellence

Progress on Priority Initiatives: Second Quarter – FY 2004

- JCAHO: "A patient-centered initiative for safety & quality"
 - Special Function Laboratories accreditation survey
 - Monthly updates to Hospital Advisory Committee
 - Continued daily unit rounds by senior hospital leaders
 - JCAHO Staff Education Committee formed
 - JCAHO Action Plan – All actions assigned
 - Patient Safety Priorities
 - Medication Administration Record
 - Infection Control

Improving Efficiencies

Progress on Priority Initiatives: Second Quarter – FY 2004

Continuum of Care Management (CCM)

- Admissions & Bed Placement Center staff training
- Bed Management Dashboard System testing
- Opening of the Admission & Bed Placement Center
- Bed Management Dashboard System go-live

The screenshot displays two overlapping windows from a hospital information system. The top window, titled 'Unit Details - Local Database - eroweb', shows a table of patient status. The bottom window, titled 'Bed Management Dashboard - casynet', shows a grid of beds with status indicators.

BedID	Status	Name	Gender	Estimated Time Out	To	By	By	Service
B10E_25_01	Pending TX Out	HEISEARD, PAUL M	M	12/18/2002 4:04:44 PM				
B10E_35_02	Pending TX Out	WORTTESTAD, C	F	12/11/2002 8:00:09 AM				
B10E_15_01	Pending Discharge	NEWSERVER, H...	M	12/11/2002 6:36:28 PM				6384
B10E_12_01	Pending TX Out	VARISTEST, INF...	F	11/22/2002 10:21:51				
B10E_23_02	Pending Discharge	GALICA, JARED	M	11/21/2002 4:22:41 PM				
B10E_15_02	Pending Discharge	RIVERA, MELISA	F	11/12/2002 4:01:27 PM				
B10E_20_02	Pending TX Out	HITRAINER, PATI	F	11/12/2002 12:46:55				
B10E_20_01	Pending Discharge	PAPA, DURENE	F	11/11/2002 4:37:07 PM	B8_08_01			
B10E_30_01	Pending Discharge	HUSKY, DAKOTA	M	11/11/2002 10:33:15				
B10E_30_01	Pending Discharge	SOMERDUDY, MA...	F	11/02/2002 11:24:43				
B10E_21_02	Pending Discharge	SARRETTI, DECI...	F	11/02/2002 3:36:59 AM				
B10E_35_01	Pend...							

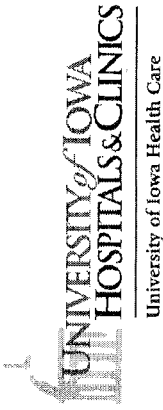
The 'Bed Management Dashboard' window shows a grid of beds with status indicators. The grid is organized by unit (B10E) and room number. The status indicators are represented by small icons: a green square for 'Occupied', a yellow square for 'Unoccupied', and a red square for 'Pending Discharge'. The dashboard also includes a search bar, a 'Print' button, and a 'Show Legend' button.

Financial Strength

Progress on Priority Initiatives: Second Quarter – FY 2004

- Supply Chain Optimization Program
 - Electronic Funds Transfer (EFT)
 - OR inventory reduction
 - “Don’t Wear ‘Em Out” campaign
 - Nine new supply chain teams in ambulatory clinics
 - Volume discounts on FedEx shipping

University of Iowa Hospitals and Clinics Institutional Score Card



Minutes of February 18-19, 2004, Board of Regents, State of Iowa, Meeting

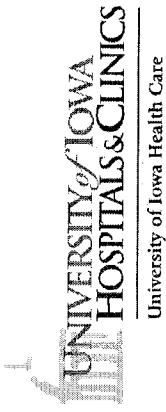
Attachment B

WORKPLACE OF CHOICE				
	Fiscal Year 2002	Fiscal Year 2003	Six Months Ending 12/31/03	Annual Benchmark
On-time completed appraisals	97.9%	98.5%	98.6%	100.0%
Overtime FTEs as a % of Reg FTEs	2.8%	2.7%	2.6%	0.0%
Agency FTEs as % of Reg FTEs	3.2%	2.9%	2.0%	0.0%
Benefits as a % of total salaries	34.5%	32.0%	34.5%	21.5%
Employee vacancy rate	n/a	9.2%	7.4%	8.0%
Employee satisfaction out of 4	3.31	3.33	3.16	3.50
Days to fill vacancies	n/a	78.7	72.9	56.1

* FTE = full time equivalent of 2,080 hours per year

Benchmark Sources: University Hospital Consortium, Ambulatory Care Score Card, JCAHO Standards, UIHC Budget, Moody's Investors Service, Institutional Targets

University of Iowa Hospitals and Clinics Institutional Score Card



PURSUING EXCELLENCE				
	Fiscal Year 2002	Fiscal Year 2003	Six Months Ending 12/31/03	Annual Benchmark
Satisfied with overall care	89.6%	90.2%	90.4%	100.0%
Recommend to others	95.5%	96.3%	96.4%	100.0%
Satisfaction with care coordination	73.5%	72.5%	70.4%	100.0%
Clinic reception wait times < 15 min	72.4%	72.7%	73.5%	80.0%
Appt. schedule < 14 days or desired	75.9%	74.5%	74.4%	80.0%
% completion advance directives	47.5%	69.9%	82.1%	90.0%
% verbal med orders signed < 4 days	75.0%	73.3%	78.9%	90.0%
Avg. ETC OP check-in to check-out time	121	134	150	120

* ETC OP = Emergency Treatment Center Outpatient

Benchmark Sources: University Hospital Consortium, Ambulatory Care Score Card, JCAHO Standards, UIHC Budget, Moody's Investors Service, Institutional Targets

University of Iowa Hospitals and Clinics Institutional Score Card



University of Iowa Health Care

IMPROVING EFFICIENCIES				
	Fiscal Year 2002	Fiscal Year 2003	Six Months Ending 12/31/03	Annual Benchmark
Observed/expected LOS ratio	1.14	1.09	.95 (b)	1.00
% patients discharged by 11:00 a.m.	20.6%	21.5%	23.3%	40.0%
FTES per adjusted occupied bed	6.74	6.87	6.94	6.43
OR hours per OR patient (a)	2.68	2.76	2.82	2.58
Cost per adjusted discharge (c)	\$14,284	\$14,221	\$14,396	\$12,407
Payroll cost per adjusted discharge	\$7,141	\$7,215	\$7,478	\$6,593
Supply cost per adjusted discharge	\$3,237	\$3,175	\$3,014	\$2,749
Total cost per clinic visit	\$382	\$389	\$405	\$387

- (a) Main OR and ASC combined
- (b) Data availability lags one quarter so number reported is for quarter ended 09/30/04
- (c) Restated to reflect presentation change of bad debt expense from an operating expense to a reduction in gross patient revenue

* LOS = Length of Stay

Benchmark Sources: University Hospital Consortium, Ambulatory Care Score Card, JCAHO Standards, UIHC Budget, Moody's Investors Service, Institutional Targets

University of Iowa Hospitals and Clinics Institutional Score Card



FINANCIAL STRENGTH				
	Fiscal Year 2002	Fiscal Year 2003	Six Months Ending 12/31/03	Annual Benchmark
Market share (inpatient)	6.2%	6.4%	(a)	6.2%
Operating margin	2.0%	1.4%	0.3%	3.3%
Acute admissions	24,511	25,264	13,401	24,328
Acute inpatient days	179,992	177,252	89,306	179,336
Clinic visits (main campus)	615,242	655,476	329,212	635,100
Major surgical procedures	19,814	20,269	10,362	20,213
Emergency Treatment Center visits	30,587	30,875	16,366	32,100
Debt service coverage ratio	15.3	14.8	11.7	6.6

(a) Available only annually so data availability will lag

Benchmark Sources: University Hospital Consortium, Ambulatory Care Score Card, JCAHO Standards, UIHC Budget, Moody's Investors Service, Institutional Targets