

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Meeting of the Board of Regents as the Trustees of the University of Iowa Hospitals and Clinics

Date: November 5, 2001

Recommended Action: Receive the report on the University of Iowa Hospitals and Clinics (UIHC).

Executive Summary: The Board of Regents, in its role as Trustees of the University of Iowa Hospitals and Clinics, will be provided a quarterly report on the operations of the UIHC. Areas to be covered in this oral report are:

1. Quarterly Update on UIHC Operations, Programs and Finances;
2. Summary—Joint Commission on Accreditation of Healthcare Organizations Surveys of UIHC; and
3. UIHC Leadership Changes.

Background and Analysis:

Operations/
Programs

- Quarterly Update on UIHC Operations, Programs and Finances

The University of Iowa Hospitals and Clinics completed the first quarter of FY2002 with solid performance:

- During the period July 1, 2001 to September 30, 2001, clinic visits increased 2.4%.
- Acute inpatient admissions increased 2.6% compared to the same period during the preceding fiscal year.
- During the first quarter of fiscal year 2002, the average length of inpatient stays decreased 0.3%. Inpatient days increased 2.3%.

- Finances
- Total operating revenue increased 4.2% compared to the FY 2001 period ending September 30, 2000.
 - Expenses, including salaries and wages, increased 6.0%.
 - UIHC recorded an operating margin of 3.1% during the initial three months of FY 2002, compared to 4.6% during the comparable period of FY 2001.

➤ Summary—Joint Commission on Accreditation of Healthcare Organizations Surveys of UIHC

UIHC Accreditation
Renewal

In mid-October, at the invitation of the University of Iowa Hospitals and Clinics, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) conducted an extensive and intensive on-site visitation to document renewal of UIHC's accreditation and eligibility for reimbursement for medical and hospital services to Medicare patients. The survey is also used by other payors. Although results of the survey will not be received for several weeks, preliminary comments from the survey team have been received.

Survey of UIHC
Hospital
Laboratories

In addition to the comprehensive survey, JACHO also surveyed UIHC's special function laboratories in early October, and the College of American Pathologists conducted a similar survey of the hospitals' main laboratories during the week immediately following the JACHO visit.

Leadership
Changes

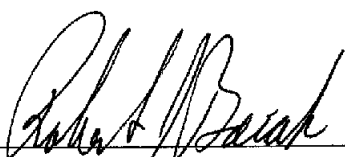
➤ UIHC Leadership Changes

After seven years of service to the University of Iowa, and in various leadership roles within the State of Iowa, R. Edward Howell, UIHC Director and CEO has resigned to accept appointment as a Vice President of the University of Virginia, effective February 25, 2002.

Robert Kelch, M.D., SUI Vice President for Statewide Health Services and Dean of the College of Medicine will broaden his leadership responsibilities to include those formerly performed by Mr. Howell. Mr. Howell and Dr. Kelch will discuss plans for transition leadership of the UIHC.

UIHC Exhibit

Complete material on agenda and exhibits is included in a separate University of Iowa Hospitals and Clinics docket



Robert J. Barak