



University of Iowa Health Care

*Presentation to
The Board of Regents, State of Iowa
December 5, 2012*

Agenda

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



Opening Remarks

Jean Robillard, MD
Vice President for Medical Affairs



Operating and Financial Performance Update

Ken Kates, Associate Vice President and Chief Executive Officer
UI Hospitals & Clinics

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

Volume Indicators

Fiscal Year to Date October 2012

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Discharges	10,458	10,421	10,235	37	0.4% ○	223	2.2% ○
Patient Days	66,117	64,220	64,972	1,897	3.0% ●	1,145	1.8% ○
Length of Stay	6.31	6.28	6.24	0.03	0.5% ○	0.08	1.2% ○
Average Daily Census	537.54	522.12	528.22	15.42	3.0% ●	9.31	1.8% ○
Surgeries – Inpatient	3,912	4,077	3,809	(165)	-4.0% ●	103	2.7% ●
Surgeries – Outpatient	5,730	5,665	5,318	65	1.1% ○	412	7.7% ●
ED Visits	20,995	21,995	20,667	(1,040)	-4.7% ●	288	1.4% ○
Outpatient Clinic Visits	299,143	310,217	286,467	(11,074)	-3.6% ●	12,388	4.3% ●

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

Fiscal Year to Date October 2012

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	3,578	3,605	3,552	(27)	-0.8% ○	26	0.7% ○
Adult Surgical	4,758	4,703	4,613	55	1.2% ○	145	3.1% ●
Adult Psych	508	536	527	(28)	-5.2% ●	(19)	-3.6% ●
<i>Subtotal – Adult</i>	<i>8,844</i>	<i>8,844</i>	<i>8,692</i>	<i>0</i>	<i>0.0%</i> ○	<i>152</i>	<i>1.7%</i> ○
Pediatric Medical & Surgical	1,127	1,131	1,106	(4)	-0.4% ○	21	1.9% ○
Pediatric Critical Care	292	260	255	32	12.1% ●	37	14.5% ●
Pediatric Psych	195	185	182	10	5.4% ●	13	7.1% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>1,614</i>	<i>1,577</i>	<i>1,543</i>	<i>37</i>	<i>2.4%</i> ○	<i>71</i>	<i>4.6%</i> ●
Newborn	498	467	506	31	6.7% ●	(8)	-1.6% ○
TOTAL w/o Newborn	10,458	10,421	10,235	37	0.4% ○	223	2.2% ○

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

Discharge Days by Type

Fiscal Year to Date October 2012

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	19,707	20,443	19,956	(736)	-3.6% ●	(249)	-1.2% ○
Adult Surgical	23,663	24,632	24,022	(969)	-3.9% ●	(359)	-1.5% ○
Adult Psych	6,740	6,031	5,885	709	11.8% ●	855	14.5% ●
<i>Subtotal – Adult</i>	<i>50,110</i>	<i>51,107</i>	<i>49,863</i>	<i>(997)</i>	<i>-2.0%</i> ○	<i>247</i>	<i>0.5%</i> ○
Pediatric Medical & Surgical	6,491	6,410	6,230	81	1.3% ○	261	4.2% ●
Pediatric Critical Care	7,747	6,324	6,184	1,423	22.5% ●	1,563	25.3% ●
Pediatric Psych	1,688	1,621	1,576	67	4.1% ●	112	7.1% ●
<i>Subtotal – Pediatrics w/o newborn</i>	<i>15,926</i>	<i>14,355</i>	<i>13,990</i>	<i>1,571</i>	<i>10.9%</i> ●	<i>1,936</i>	<i>13.8%</i> ●
Newborn	1,076	1,122	1,128	(46)	-4.1% ●	(52)	-4.6% ●
TOTAL w/o Newborn	66,036	65,462	63,853	574	0.9% ○	2,183	3.4% ●

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Average Length of Stay by Type

Fiscal Year to Date October 2012

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Adult Medical	5.51	5.67	5.62	(0.16)	-2.9% ●	(0.11)	-2.0% ○
Adult Surgical	4.97	5.24	5.21	(0.26)	-5.0% ●	(0.23)	-4.5% ●
Adult Psych	13.27	11.26	11.17	2.01	17.9% ●	2.10	18.8% ●
Subtotal – Adult	5.67	5.78	5.74	(0.11)	-1.9% ○	(0.07)	-1.2% ○
Pediatric Medical & Surgical	5.76	5.67	5.63	0.09	1.6% ○	0.13	2.2% ○
Pediatric Critical Care	26.53	24.29	24.25	2.24	9.2% ●	2.28	9.4% ●
Pediatric Psych	8.66	8.76	8.66	(0.10)	-1.2% ○	0	0.0% ○
Subtotal – Pediatrics w/o newborn	9.87	9.11	9.07	0.76	8.4% ●	0.80	8.8% ●
Newborn	2.16	2.40	2.23	(0.24)	-10.1% ●	(0.07)	-3.1% ●
TOTAL w/o Newborn	6.31	6.28	6.24	0.03	0.5% ○	0.08	1.2% ○

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

Outpatient Surgeries – by Clinical Department

October 2012



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	20	25	19	(5)	-19.9% ●	1	5.3% ●
Dentistry	224	224	229	-	0.0% ○	(5)	-2.2% ○
Dermatology	13	12	16	1	6.2% ●	(3)	-18.8% ●
General Surgery	931	899	851	32	3.6% ●	80	9.4% ●
Gynecology	268	301	292	(33)	-11.0% ●	(24)	-8.2% ●
Internal Medicine	3	4	5	(1)	-28.4% ●	(2)	-40.0% ●
Neurosurgery	200	153	136	47	30.5% ●	64	47.1% ●
Ophthalmology	1,311	1,276	1,162	35	2.7% ●	149	12.8% ●
Orthopedics	1,293	1,343	1,286	(50)	-3.7% ●	7	0.5% ○
Otolaryngology	804	832	789	(28)	-3.4% ●	15	1.9% ○
Pediatrics	2	0	0	2	●		●
Radiology – Interventional	17	15	10	2	13.0% ●	7	70.0% ●
Urology w/ Procedure Ste.	644	580	523	64	11.0% ●	121	23.1% ●
Total	5,730	5,665	5,318	65	1.1% ○	412	7.7% ●

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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Inpatient Surgeries – by Clinical Department

October 2012



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Cardiothoracic	329	411	391	(82)	-19.9% ●	(62)	-15.9% ●
Dentistry	52	54	59	(2)	-3.7% ●	(7)	-11.9% ●
General Surgery	1,101	1,177	1,131	(76)	-6.5% ●	(30)	-2.7% ●
Gynecology	253	263	240	(10)	-3.9% ●	13	5.4% ●
Neurosurgery	609	588	559	21	3.7% ●	50	8.9% ●
Ophthalmology	54	54	42	-	0.0% ○	12	28.6% ●
Orthopedics	968	924	846	44	4.8% ●	122	14.4% ●
Otolaryngology	229	279	250	(50)	-18.0% ●	(21)	-8.4% ●
Radiology – Interventional	39	47	43	(8)	-16.2% ●	(4)	-9.3% ●
Urology w/ Procedure Ste.	278	281	248	(3)	-0.9% ○	30	12.1% ●
Total	3,912	4,077	3,809	(165)	-4.0% ●	103	2.7% ●
Solid Organ Transplants	121	119	106	2	1.7% ○	15	14.2% ●

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

Emergency Department

October 2012

Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
ED Visits	20,955	21,995	20,667	(1,040)	-4.7% 	288	1.4% 
ED Admits	5,941	5,762	5,414	179	3.1% 	527	9.7% 
ED Conversion Factor	28.4%	26.2%	26.2%		8.2% 		8.2% 
ED Admits / Total Admits	57.0%	56.1%	53.5%		1.6% 		6.5% 

		
Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Clinic Visits by Clinical Department

Fiscal Year to Date October 2012



Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget		Variance to Prior Year	% Variance to Prior Year	
Anesthesia	4,290	5,126	4,673	(836)	-16.3%	●	(383)	-8.2%	●
CDD	3,051	3,095	2,823	(44)	-1.4%	○	228	8.1%	●
Clinical Research	3,050	3,446	3,338	(396)	-11.5%	●	(288)	-8.6%	●
Dermatology	8,307	8,642	8,503	(335)	-3.9%	●	(196)	-2.3%	○
Emergency Department	20,955	21,995	20,667	(1,040)	-4.7%	●	288	1.4%	○
General Surgery	9,573	9,677	8,479	(104)	-1.1%	○	1,094	12.9%	●
Heart and Vascular	12,430	14,190	13,044	(1,760)	-12.4%	●	(614)	-4.7%	●
Hospital Dentistry	5,230	5,333	5,260	(103)	-1.9%	○	(30)	-0.6%	○
Internal Medicine	36,649	41,367	37,544	(4,718)	-11.4%	●	(895)	-2.4%	○
Neurology	6,477	6,491	5,837	(14)	-0.2%	○	640	11.0%	●
Neurosurgery	3,881	3,460	3,126	421	12.2%	●	755	24.2%	●
Obstetrics/Gynecology	26,935	29,398	26,140	(2,463)	-8.4%	●	795	3.0%	●
Ophthalmology	24,014	26,091	23,107	(2,077)	-8.0%	●	907	3.9%	●
Orthopedics	22,612	23,298	20,950	(686)	-2.9%	●	1,662	7.9%	●
Otolaryngology	10,210	10,991	9,821	(781)	-7.1%	●	389	4.0%	●
Pediatrics	16,900	17,274	15,180	(374)	-2.2%	○	1,720	11.3%	●
Primary Care	83,735	80,886	79,095	2,849	3.5%	●	4,640	5.9%	●
Psychiatry	14,546	15,233	13,533	(687)	-4.5%	●	1,013	7.5%	●
Urology	6,679	5,939	5,712	740	12.5%	●	967	16.9%	●
Other	574	280	326	294	105.2%	●	248	76.1%	●
Total	320,098	332,212	307,134	(12,114)	-3.6%	●	12,964	4.2%	●



Greater than 2.5% Favorable



Neutral



Greater than 2.5% Unfavorable

Outpatient Activity Detail

Fiscal Year to Date October 2012

Primary Care Clinics

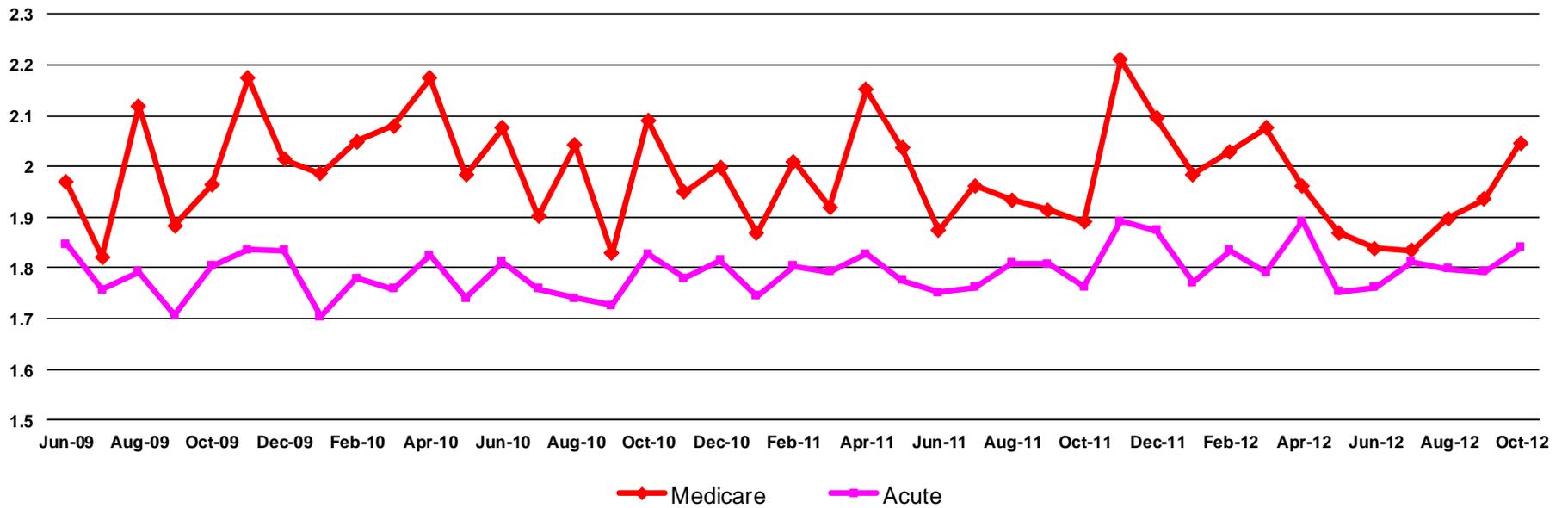
Operating Review (YTD)	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
Employee Health Clinic	8,344	7,944	6,143	400	5.0% ●	2,201	35.8% ●
Family Care Center	27,564	28,953	29,791	(1,389)	-4.8% ●	(2,227)	-7.5% ●
Offsite Clinics	27,415	23,653	26,323	3,762	15.9% ●	1,092	4.1% ●
Quick Care Clinics	11,746	11,642	9,515	104	0.9% ○	2,231	23.4% ●
Primary Care Clinic North	8,666	8,694	7,323	(28)	-0.3% ○	1,343	18.3% ●
TOTAL	83,735	80,886	79,095	2,849	3.5% ●	4,640	5.9% ●

Clinical Cancer Center

Infusions	14,971	16,143	13,744	(1,172)	-7.3% ●	1,227	8.9% ●
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Greater than 2.5% Favorable	Neutral	Greater than 2.5% Unfavorable

Case Mix Index



UIHC Comparative Financial Results

Fiscal Year to Date October 2012



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	\$361,327	\$368,956	\$344,302	(\$7,629)	-2.1%	\$17,024	4.9%
Other Operating Revenue	16,773	17,380	15,910	(607)	-3.5%	863	5.4%
Total Revenue	\$378,100	\$386,336	\$360,212	(\$8,236)	-2.1%	\$17,888	5.0%

EXPENSES:

Salaries and Wages	\$187,993	\$193,221	\$180,630	(\$5,228)	-2.7%	\$7,363	4.1%
General Expenses	154,524	155,251	144,262	(727)	-0.5%	10,263	7.1%
Operating Expense before Capital	\$342,517	\$348,472	\$324,892	(\$5,955)	-1.7%	\$17,626	5.4%
Cash Flow Operating Margin	\$35,583	\$37,864	\$35,321	(\$2,281)	-6.0%	\$262	0.7%
Capital- Depreciation and Amortization	23,382	24,508	22,581	(1,126)	-4.6%	801	3.5%
Total Operating Expense	\$365,899	\$372,980	\$347,472	(\$7,081)	-1.9%	\$18,427	5.3%

Operating Income	\$12,201	\$13,356	\$12,740	(\$1,155)	-8.7%	(\$540)	-4.2%
Operating Margin %	3.2%	3.5%	3.5%		-0.2%		-0.2%
Gain on Investments	6,223	6,251	5,368	(28)	-0.5%	855	15.9%
Other Non-Operating	(804)	(3,266)	1,504	2,462	75.4%	(2,309)	-153.5%
Net Income	\$17,619	\$16,341	\$19,612	\$1,278	7.8%	(\$1,993)	-10.2%
Net Margin %	4.6%	4.2%	5.3%		0.4%		-0.7%

UIHC Comparative Financial Results

October 2012



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	\$92,701	\$95,896	\$86,479	(\$3,195)	-3.3%	\$6,222	7.2%
Other Operating Revenue	4,172	4,345	4,137	(174)	-4.0%	35	0.8%
Total Revenue	\$96,872	\$100,241	\$90,616	(\$3,369)	-3.4%	\$6,256	6.9%

EXPENSES:

Salaries and Wages	\$46,563	\$49,686	\$45,310	(\$3,123)	-6.3%	\$1,253	2.8%
General Expenses	40,001	39,503	33,672	498	1.3%	6,329	18.8%
Operating Expense before Capital	\$86,564	\$89,189	\$78,983	(\$2,625)	-2.9%	\$7,581	9.6%
Cash Flow Operating Margin	\$10,308	\$11,052	\$11,633	(\$744)	-6.7%	(\$1,325)	-11.4%
Capital- Depreciation and Amortization	6,624	6,127	5,636	497	8.1%	989	17.5%
Total Operating Expense	\$93,188	\$95,316	\$84,619	(\$2,128)	-2.2%	\$8,570	10.1%

Operating Income	\$3,684	\$4,925	\$5,997	(\$1,241)	-25.2%	(\$2,313)	-38.6%
Operating Margin %	3.8%	4.9%	6.6%		-1.1%		-2.8%
Gain on Investments	(823)	1,563	16,444	(2,385)	-152.6%	(17,268)	105.0%
Other Non-Operating	(977)	(816)	1,792	(161)	19.7%	(2,771)	-154.6%
Net Income	\$1,884	\$5,671	\$24,234	(\$3,787)	-66.8%	(\$22,350)	-92.2%
Net Margin %	2.0%	5.6%	22.3%		-3.6%		-20.3%

Comparative Accounts Receivable at October 31, 2012



	June 30, 2011	June 30, 2012	October 31, 2012
Net Accounts Receivable	\$136,477,870	\$152,847,415	\$146,043,314
Net Days in AR	49	52	49

