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# University of Iowa Health Care

**PRESENTATION TO THE IOWA BOARD OF REGENTS**

June 11-13, 2024

# Agenda

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- Opening Comments
- Heart Care at UI Health Care
  - Faculty Presentation: Dr. Phillip Horwitz
- Medical Training Expansion
- North Liberty Campus Update
- Financial Performance and Chargemaster Update

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# Opening Comments

**Denise Jamieson, MD, MPH**

Vice President for Medical Affairs  
and Tyrone D. Artz Dean, Carver College of Medicine

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# Heart Care at UI Health Care

**Providing Life-Long Cardiac Services for Iowans**

**Denise Jamieson, MD, MPH**

Vice President for Medical Affairs  
and Tyrone D. Artz Dean, Carver College of Medicine

# Providing Complex Cardiac Care at Any Life Stage

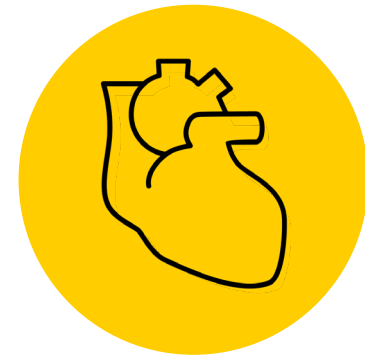
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**Pediatric Cardiology  
and Cardiac Surgery**



**Adult Congenital  
Heart Disease**



**Adult Cardiology  
and Cardiac Surgery**

# Congenital Heart Defects

Congenital heart defects, or diseases, are problems with the heart's structure that are present at birth. **Approximately 1 in 100 children is born with a cardiac condition or defect.**

## Causes

- Unknown cause
- Genetic syndrome
- Single gene
- Environmental exposure

## Types

Structural defects:

- Septum and ventricular defects
- Valve defects
- Arterial defects

Related conditions may include:

- Electrical issues (arrhythmias)
- Pulmonary hypertension

## Diagnosis

- In utero
- Upon birth
- As a child
- As an adult

# Supporting Congenital Cardiac Care Patients

## Pre-Birth and Pediatric Congenital Cardiac Care

- Fetal diagnosis and monitoring in utero
- Neonatal hemodynamics
- Genetic evaluation
- Lifelong congenital cardiac care

## Lifelong Congenital Cardiac Care

- Cardiac diagnostics and monitoring
- Cardiac procedures
- Surgical interventions
- Disease-specific follow-up
- Medication management
- Exercise and nutrition
- Assessment for non-cardiac interventions

## Adult Congenital Cardiac Care

Iowa's only accredited center for adult congenital heart disease

- Care management transition and support from pediatric to adult specialties
- Genetic evaluation
- Pregnancy counseling and fetal monitoring

# Adult Cardiology and Cardiac Surgery

## Adult (Non-Congenital) Heart Disease

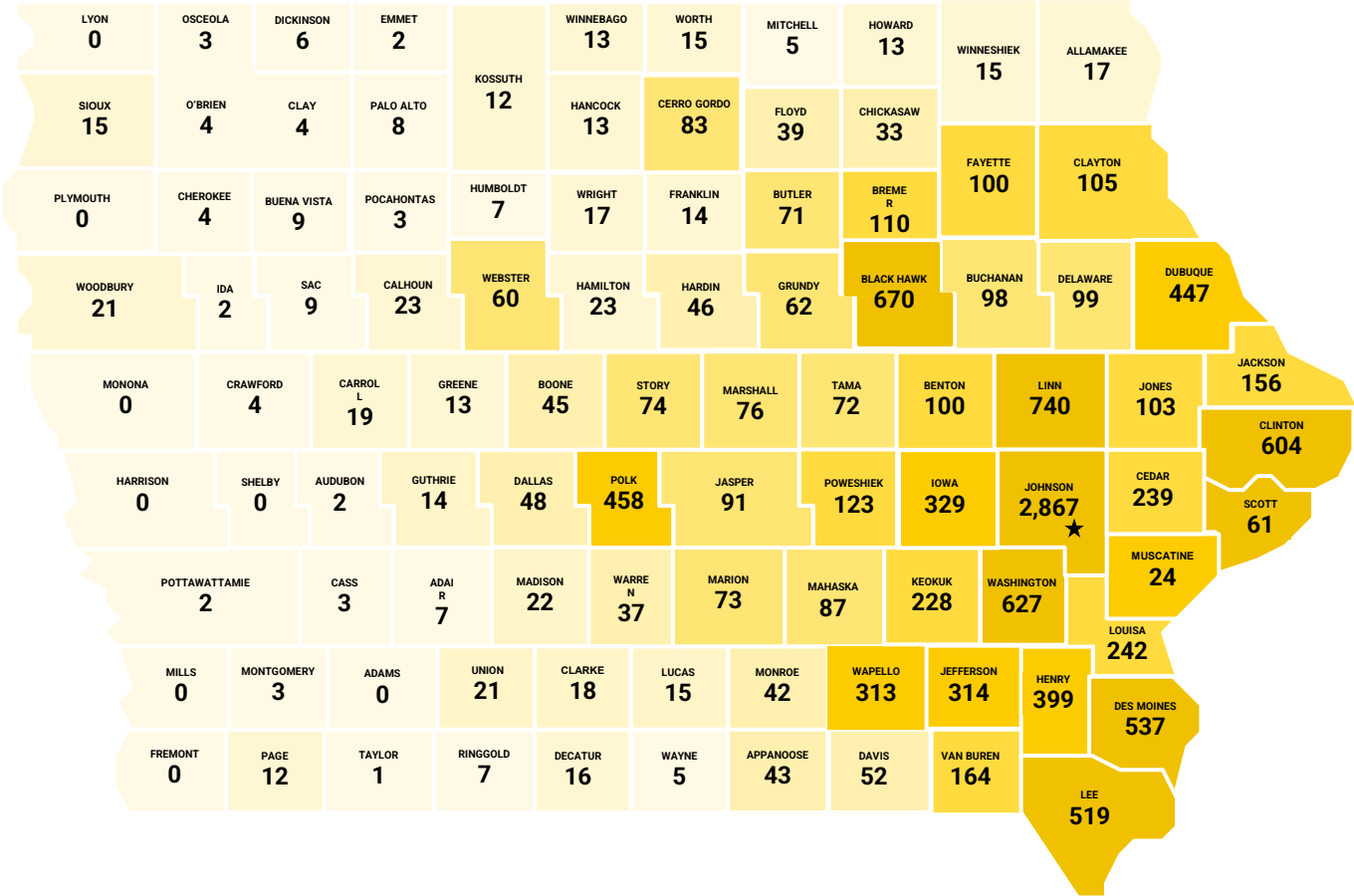
- Cardiac conditions not present at birth
- Cardiac conditions may develop from:
  - Natural aging
  - Genetic factors
  - Lifestyle choices
  - Illness or medical condition
  - Exercise-induced cardiac issues (athletic heart syndrome)

## Caring for Our Adult Cardiology Patients

- Cardiac, vascular, and thoracic surgery
- Heart and lung transplant
- Cardiac procedures and devices
- Cardiology/Surgery hybrid procedures
- Cardiac imaging and monitoring
- Medication management
- Exercise, nutrition and preventive cardiology



# Serving Iowans with Complex Cardiac Needs

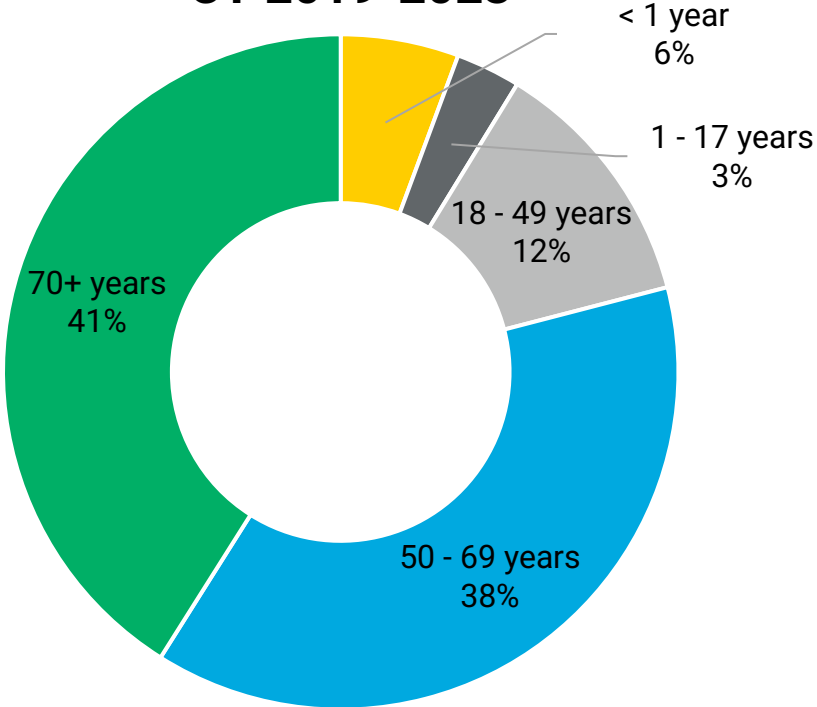


Cardiology and Cardiothoracic Surgery  
Inpatient Discharges CY2019-2023

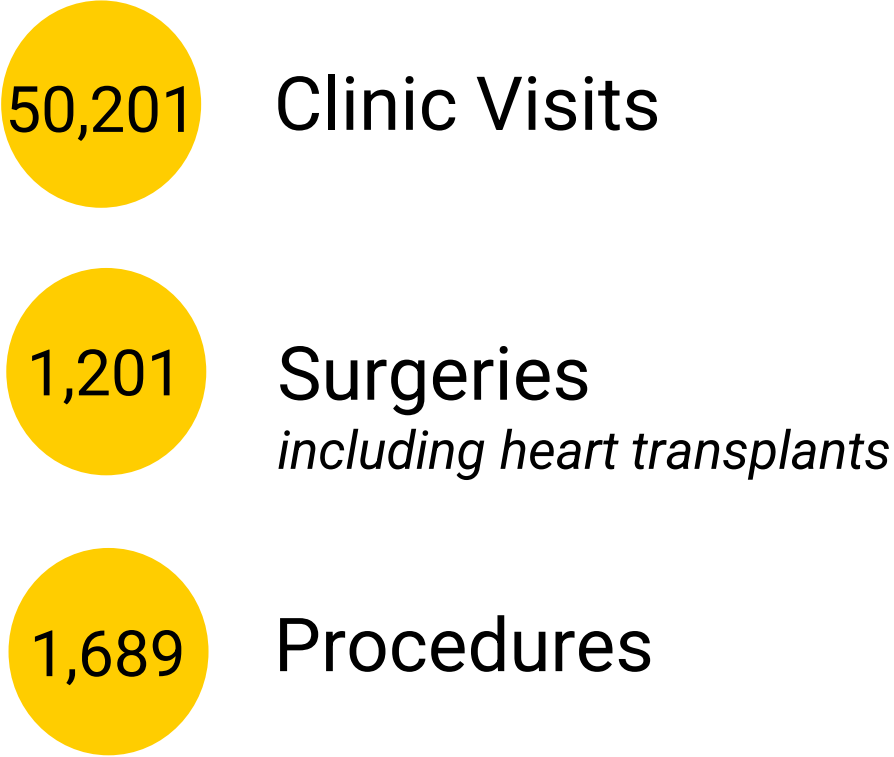


# Serving Varied Cardiac Needs for Iowans

**Inpatient Discharges by Age  
CY 2019-2023**



## Calendar Year 2023



# Unique Services at an Academic Medical Center

## Complex Care Through Collaboration

- Fetal Heart Program
- Cardiac Neurodevelopment Follow-Up Program
- Pulmonary hypertension
- Advanced lipid monitoring
- Cardiac and cardiothoracic anesthesiology
- Cardio-oncology
- Cardio-obstetrics
- Cardiovascular genetics

## Research for the Future of Cardiac Care

Cardiovascular Research Center:

- Over 150 faculty members
- \$15 million/year in grant funding

## Interdisciplinary Training for the Next Generation

Cardiac-focused fellowship programs:

- Department of Internal Medicine (5)
- Stead Family Department of Pediatrics (3)
- Department of Cardiothoracic Surgery (1)
- Department of Anesthesia (1)
- Department of Radiology (1)
- Department of Surgery (1)

*\* Includes non-accredited fellowship programs*



# **Faculty Presentation: UI Heart and Vascular Center**

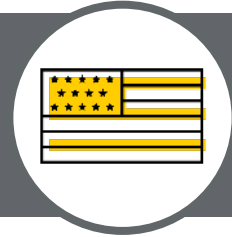
Presentation to The Iowa Board of Regents | June 2024

**Phillip Horwitz, MD**

Clinical Professor, Department of Internal Medicine

Executive Director, UI Heart and Vascular Center

# Cardiac Electrophysiology



An estimated **12.1M people** in the U.S. will be diagnosed with atrial fibrillation by 2030



**9% of people ages 65 and older** in the U.S. have atrial fibrillation

## Center of Excellence for Atrial Fibrillation

- Comprehensive care for the most common cardiac arrhythmia
- Multispecialty team for chronic atrial fibrillation

## Cardiac Device Management

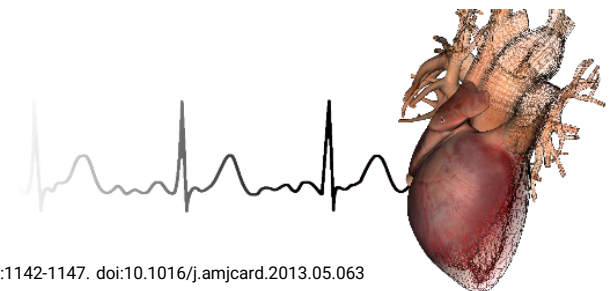
- Expert device and lead management for pacemakers and defibrillators
- Device management of central sleep apnea

## Dysautonomia Clinic

- Testing and treatments for nervous imbalance to the heart

## Management of Complex Arrhythmias

- Novel treatment options (including novel radiation) for patients who have failed routine therapies



Source: Colilla S, Crow A, Petkun W, Singer DE, Simon T, Liu X. Estimates of current and future incidence and prevalence of atrial fibrillation in the U.S. adult population. Am J Cardiol. 2013;112(8):1142-1147. doi:10.1016/j.amjcard.2013.05.063

# Structural Heart Program

LEADING THE REGION IN THE

MOST ADVANCED TECHNIQUES



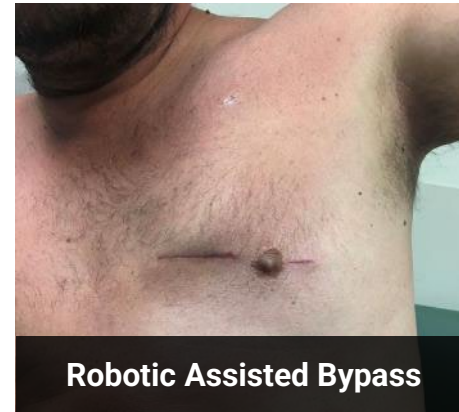
95%

Since 2011, UI Health Care has performed more than 1,700 TAVR procedures, with a **success rate of 95%**

# Minimally-Invasive Cardiac Surgery



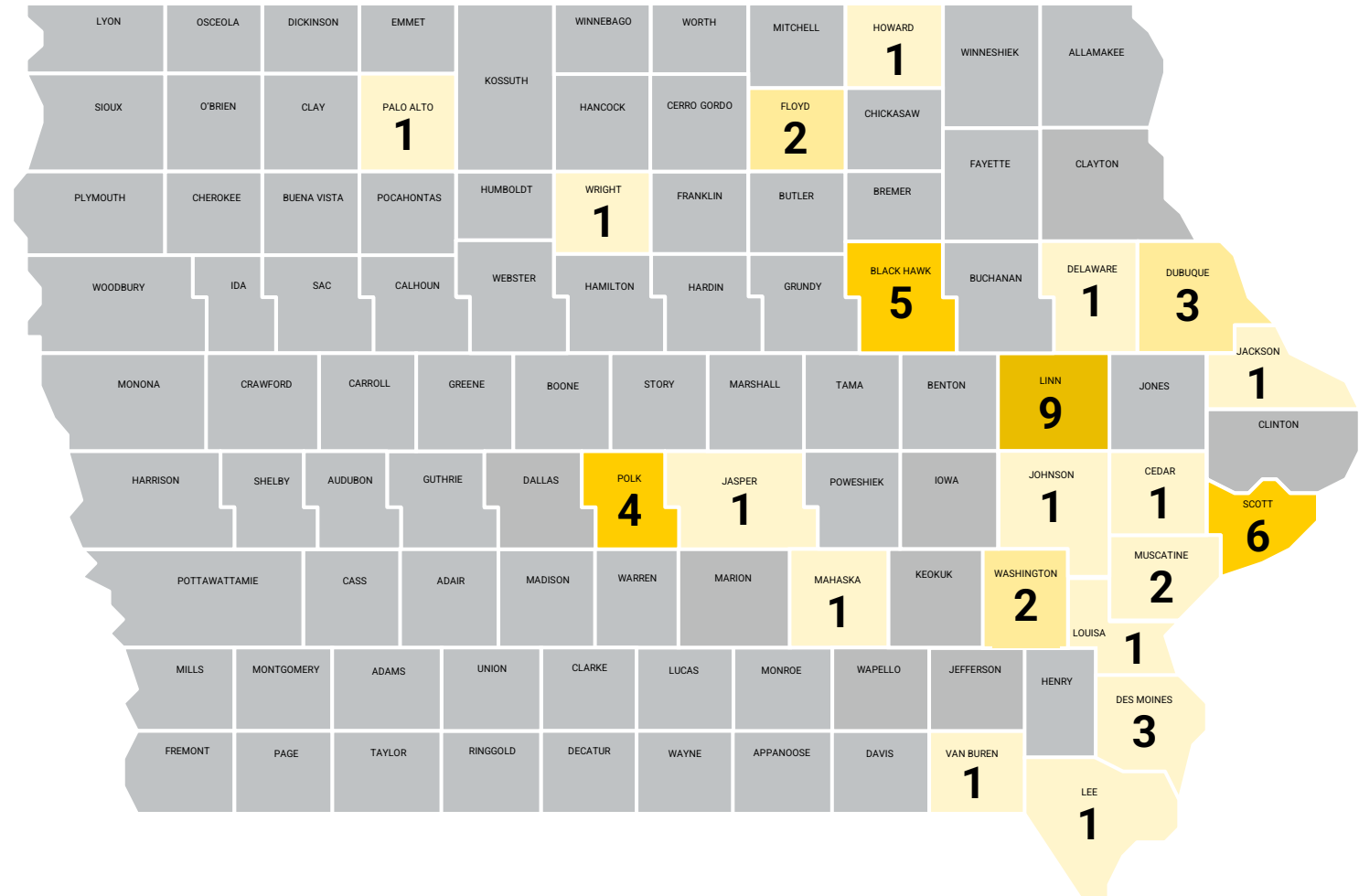
- Less invasive techniques and smaller incisions can treat select cardiac issues
- Minimally invasive surgery can provide:
  - Same durability as open-heart surgery
  - Faster patient recovery



# Ventricular Assist Device Program

NATIONALLY RECOGNIZED

JOINT COMMISSION ACCREDITED



Actively following 54 patients from 21 Iowa counties and 2 counties in Illinois.



# Heart and Lung Transplant

University of Iowa Health Care is the only health system in Iowa to offer heart/lung transplantation.



**30** heart transplants  
performed at UI Health Care\*



**77** lung transplants  
performed at UI Health Care\*

## Nationally:

- 150 Adult Heart Transplant Centers
- 75 Adult Lung Transplant Centers

\*over past 3 fiscal years (FY21, FY22, FY23)



# Extracorporeal Membrane Oxygenation (ECMO) Program



- Life-sustaining technology that performs function of heart and lungs in critically ill patients
- Allows heart and lungs to rest and heal
- Often used as a “bridge” therapy to recovery, a heart or lung transplant, or a ventricular assist device
- Supported patients with severely damaged lungs due to COVID-19



## Extracorporeal Life Support Organization (ELSO) Center of Excellence

UI Health Care is one of 50 programs worldwide with this platinum-level designation.



# Celebrating a Milestone in AFib Care

UI Health Care has performed more than **500 Left Atrial Appendage Closure procedures** to treat atrial fibrillation (AFib)

- AFib creates risk for blood clots and stroke
- Minimally invasive implantation of device using a catheter
- Patients with this device are 80% less likely to have a stroke
- Life-long alternative to blood thinners, with same success rate
- Potential future applications beyond atrial fibrillation patients



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# Medical Training Expansion

**Fiscal Year 2025**

**Denise Jamieson, MD, MPH**

Vice President for Medical Affairs  
and Tyrone D. Artz Dean, Carver College of Medicine

# FY25 New and Expanded Training Programs

Name of Program	New or Expanded	Residency or Fellowship	Current Program Learners and Program Length	Future Program Learners and Program Length	Net New Learners
Dentistry	Expanded	Residency	4 learners per year 1 years	5 learners per year 1 year	1
Dermatology	Expanded	Residency	5 learners per year 3 years	6 learners per year 3 years	3
Internal Medicine: Palliative Medicine	Expanded	Fellowship	2 learners per year 1 years	3 learners per year 1 year	1
Neurology: Epilepsy	New	Fellowship	N/A	1 learner per year 1 year	1
Pediatrics: Pediatric Medical Genetics and Genomics	New	Residency	N/A	1 learner per year 4 years	4
Psychiatry: Child Psychiatry	Expanded	Residency	3 learners per year 2 years	5 learners per year 2 years	4
Surgery: Acute Care Surgery	New	Fellowship	N/A	1 learner per year 1 year	1
<b>Net New Learners</b>					<b>15</b>

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# North Liberty Campus Update

**Bradley Haws, MBA**

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

# Providing Complex and Specialty Care to Iowans

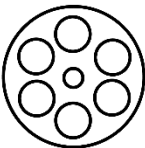
## Iowa's Only Academic Medical Center

- Providing complex care for complex patients
- Specialized facilities, advanced equipment, and integrated provider teams
- Research from bench to bedside
- Education and training

## University Campus Needs More Capacity



**>90%**  
Occupancy of adult inpatient beds



**>90%**  
Utilization of adult operating rooms



**>90%**  
Utilization of outpatient imaging

## Meeting Iowans' Needs for Complex Care

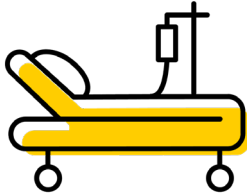
- Increasing access for more Iowans to receive health care in Iowa
- Increasing access to accept transfers of complex patients from hospitals across Iowa

# Extending our Complex Care Platform to the North Liberty Campus

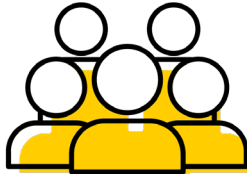
- Creating access through our existing hospital license
- North Liberty Campus will be a place for complex care
- Evolving to serve our community in more accessible ways



Specialized Facilities



Advanced Equipment



Integrated Provider Teams



# Fulfilling Our Tripartite Mission in North Liberty



**Emergency  
Department**



**Operating  
Rooms and  
Inpatient  
Rooms**



**Outpatient  
Clinic and  
Rehabilitation**



**Ancillary  
Services**



**Research and  
Education**

# North Liberty Campus: Expanding Care Options

Accessible North Liberty campus  
focused on:

- Increasing access to emergency care
- Orthopedics & Sports Medicine
- Rehabilitation Services

Future capacity to support additional  
services at North Liberty campus

Creates access for complex services on  
the University Campus in the future



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# Financial Performance and Chargemaster Update

**Mark Henrichs, MHA, CPA**

Associate Vice President for Finance  
and Chief Financial Officer, UI Health Care

# Volume and Financial Highlights

March FY24

THROUGH April 2024

## Key Volumes

- Discharges: + 5.8% vs budget | + 5.2% vs prior year
- Patient Days: - 2.1% vs budget | + 0.8% vs prior year
- Surgeries: + 0.8% vs budget | + 3.6% vs prior year
- Clinic Visits: - 0.9% vs budget | + 6.3% vs prior year

## Acuity

- Case Mix Index: 2.39

## Length of Stay Index

- Adult: 0.96
- Pediatrics: 1.00

## Gross Patient Revenue

- 1.2% above budget year-to-date
  - Inpatient: -0.3% vs budget
  - Outpatient: +2.4% vs budget

## Accounts Receivable

- Days in Net AR - 45.1 days

## Salary Expenses

- 2.3% below budget

## Non-Salary Expenses

- 3.4% above budget

## Operating Margin

- Actual 12.5% vs goal of 9.9%
- Actual 1.9% vs goal of 0.0% (Without Directed Payment)

\*not inclusive of Downtown Campus financials

# Comparative Financial Results

FISCAL YEAR TO DATE: April 2024

	Actual	Budget	Prior Year	Variance to Budget	% Variance to Budget	Variance to Prior Year	% Variance to Prior Year
<b>Operating Revenues</b>							
Net Patient Revenue	2,116.5	2,054.6	1,947.9	61.9	3.0%	168.6	8.7%
Directed Payment Revenue	261.8	232.6	270.1	29.3	12.6%	(8.3)	-3.1%
Other Operating Revenue	56.0	52.2	48.5	3.8	7.4%	7.5	15.5%
<b>Net Operating Revenue</b>	<b>2,434.4</b>	<b>2,339.3</b>	<b>2,266.5</b>	<b>95.0</b>	<b>4.1%</b>	<b>167.8</b>	<b>7.4%</b>
<b>Operating Expenses</b>							
Salaries & Wages	910.2	927.0	847.8	(16.8)	-1.8%	62.4	7.4%
General Expenses	1,104.8	1,066.2	1,007.3	38.6	3.6%	97.5	9.7%
Depreciation & Amortization	115.9	114.1	111.3	1.8	1.6%	4.6	4.2%
<b>Total Operating Expenses</b>	<b>2,130.9</b>	<b>2,107.3</b>	<b>1,966.3</b>	<b>23.6</b>	<b>1.1%</b>	<b>164.6</b>	<b>8.4%</b>
<b>Operating Income</b>	<b>303.4</b>	<b>232.0</b>	<b>300.2</b>	<b>71.5</b>	<b>30.8%</b>	<b>3.3</b>	<b>1.1%</b>
<b>Operating Margin %</b>	<b>12.5%</b>	<b>9.9%</b>	<b>13.2%</b>	<b>2.5%</b>		<b>-0.8%</b>	
<b>Operating Income w/o Dir Pmts</b>	<b>41.6</b>	<b>(0.6)</b>	<b>30.0</b>	<b>42.2</b>	<b>7462.7%</b>	<b>11.6</b>	<b>38.6%</b>
<b>Operating Margin % w/o Dir Pmts</b>	<b>1.9%</b>	<b>0.0%</b>	<b>1.5%</b>	<b>1.9%</b>		<b>0.4%</b>	
Gain (Loss) on Investments	84.9	39.5	50.8	45.4	114.9%	34.1	67.1%
Other Non-Operating Gain (Loss)	(21.6)	(21.5)	(19.2)	(0.0)	-0.1%	(2.3)	-12.2%
<b>Net Income</b>	<b>366.7</b>	<b>249.9</b>	<b>331.7</b>	<b>116.8</b>	<b>46.7%</b>	<b>35.0</b>	<b>10.5%</b>
<b>Net Margin</b>	<b>14.7%</b>	<b>10.6%</b>	<b>14.4%</b>	<b>4.1%</b>		<b>0.2%</b>	

\*not inclusive of Downtown Campus financials

# Key Metrics

	FY24 Apr YTD	FY24 Mar YTD	Moody's Medians
<b>Financial Operations</b>			
Operating Margin	11.8%	11.6%	2.3%
<b>Financial – Liquidity</b>			
Days Cash on Hand	289	297	261
<b>Financial – Leverage</b>			
Debt to Capitalization	17.3%	17.5%	23.0%

*Operating margin without Directed Payment*

- FY24 Apr YTD = 1.0%
- FY24 Mar YTD = 0.7%

\*not inclusive of Downtown Campus financials



# Chargemaster Update

Presentation to the Iowa Board of Regents | June 2024

# Chargemaster Price Increase

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**University of Iowa Health Care is proposing a 6.0% rate increase for FY25, which reflects adjustments for factors such as healthcare inflation.**

## **Benchmarking**

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UI Health Care charges are below the 50<sup>th</sup> percentile of academic medical centers.

## **Self-Pay Impact**

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UI Health Care has a charity care program that shields the medically indigent from being impacted by increases in charges. The program discounts charges for services using a sliding scale based upon the Federal Poverty Limit (FPL) (adjusted for family size). This program starts at 350% of the FPL.



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# Thank you

→ [uihc.org](https://uihc.org)

