John J. Denardo
CEO, UIC Healthcare System

Prepared for Presentation to the
Board of Trustees
May 20, 2010
# FINANCIAL PERFORMANCE THROUGH 3/31/10

<table>
<thead>
<tr>
<th></th>
<th>ACT 3/10</th>
<th>BUD 3/10</th>
<th>ACT 3/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Daily Census</td>
<td>317</td>
<td>340</td>
<td>342</td>
</tr>
<tr>
<td>Total Surgical Procedures</td>
<td>9,718</td>
<td>10,176</td>
<td>10,246</td>
</tr>
<tr>
<td>Clinic Visits</td>
<td>331,611</td>
<td>325,891</td>
<td>331,183</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$496,551</td>
<td>$482,259</td>
<td>$470,870</td>
</tr>
<tr>
<td>Expenses –Salaries &amp; Benefits</td>
<td>$269,745</td>
<td>$278,048</td>
<td>$271,994</td>
</tr>
<tr>
<td>--Supplies &amp; Services</td>
<td>147,465</td>
<td>149,415</td>
<td>146,843</td>
</tr>
<tr>
<td>--Bad Debts</td>
<td>24,061</td>
<td>22,130</td>
<td>22,536</td>
</tr>
<tr>
<td>--Admin Services</td>
<td>10,065</td>
<td>10,065</td>
<td>9,619</td>
</tr>
<tr>
<td>--Depreciation</td>
<td>17,342</td>
<td>17,356</td>
<td>16,976</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$468,678</td>
<td>$477,014</td>
<td>$467,968</td>
</tr>
<tr>
<td>Income from Operations</td>
<td>$27,873</td>
<td>$5,245</td>
<td>$2,902</td>
</tr>
<tr>
<td>Non-Operating Revenue</td>
<td>($2,874)</td>
<td>($1,233)</td>
<td>($4,619)</td>
</tr>
<tr>
<td>Net Income</td>
<td>$24,999</td>
<td>$4,012</td>
<td>($1,717)</td>
</tr>
</tbody>
</table>

University of Illinois Medical Center
Changing medicine. For good.
## FINANCIAL FORECAST
### PROJECTED FY 2010—BUDGETED FY 2011

<table>
<thead>
<tr>
<th></th>
<th>PROJ FY 2010</th>
<th>BUD FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVERAGE DAILY CENSUS</td>
<td>317</td>
<td>320</td>
</tr>
<tr>
<td>TOTAL SURGICAL PROCEDURES</td>
<td>12,957</td>
<td>13,000</td>
</tr>
<tr>
<td>CLINIC VISITS</td>
<td>445,240</td>
<td>452,340</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$662,000</strong></td>
<td><strong>$645,000</strong></td>
</tr>
<tr>
<td>EXPENSES—SALARIES &amp; BENEFITS</td>
<td>$359,660</td>
<td>$365,958</td>
</tr>
<tr>
<td>---SUPPLIES &amp; SERVICES</td>
<td>196,620</td>
<td>200,622</td>
</tr>
<tr>
<td>---BAD DEBTS</td>
<td>32,500</td>
<td>35,000</td>
</tr>
<tr>
<td>---ADMINISTRATIVE SERVICES</td>
<td>13,420</td>
<td>13,420</td>
</tr>
<tr>
<td>---DEPRECIATION</td>
<td>23,123</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$625,323</strong></td>
<td><strong>$640,000</strong></td>
</tr>
<tr>
<td>INCOME FROM OPERATIONS</td>
<td>$ 36,677</td>
<td>$ 5,000</td>
</tr>
<tr>
<td>NON-OPERATING INCOME</td>
<td>($ 3,832)</td>
<td>$ 0</td>
</tr>
<tr>
<td><strong>PROJECTED NET INCOME</strong></td>
<td><strong>$32,845</strong></td>
<td><strong>$ 5,000</strong></td>
</tr>
</tbody>
</table>
Hospital Committee Summary
Board of Trustees
May 20, 2010

Joseph A. Flaherty, MD
Dean, College of Medicine
GROUP PRACTICE PLAN

Revenue, Expense, and Net Income FY 2006 - FY 2010 (Projected)

($50,000,000)

FY 2006

FY 2007

FY2008

FY 2009

*FY2010 (proj)

Chicago Revenue

Revenue

Expense

Profit/Loss

($50,000,000)
GROUP PRACTICE PLAN

Cash Reserves FY 2006 - FY 2010 (Projected)
Of the 300 million people living in the U.S. about 60 million (20%) of our population live in rural areas. Only 9% of physicians practice in rural settings.
Rural Medical Education

How Are We Doing?

Achievements After 16 Cycles

- Applicants from 95% of Illinois’ rural counties
- 248 students (Classes of 1993-2013)
- Matriculants from over 80% of Illinois’ rural counties
- 188 graduates (139 in practice, 49 in residency training)
- 60 students in medical school
- 81% of graduates attend primary care residencies
- 75% of graduates in Illinois practicing in towns less than 20,000 people
Office of TeleHealth

Health Care of the Future

Critical Access Hospitals

High Risk Obstetrics & Newborns

Stroke Center

Home Care Network

Robotic Surgery

Transplant & Liver Centers

Telemedicine

Translational Research
Office of TeleHealth

TeleHealth 2010 and Beyond

• **Research & Education**
  – Integration of Telehealth training and exposure to student in the health sciences
  – Simulation Center build out for virtualized telehealth training and education
  – Continuing Education: Rural Physicians in U.S. & other countries (e.g. Iraq)

• **Clinical service lines in development**
  – Campus Care Student Telehealth Services
  – IDOC project for HIV and Hepatitis
  – FQHC’s
  – Huntington's Disease program (Rockford & RUSH)
  – Maternity telehealth in Afghanistan (proposed)
  – Home care collaboration with Advocate

• **Future of Home Care**
  – Market expected to exceed $8 Billion by 2012
  – Cisco acquired Tandberg for $3.4 Billion and investing $10 Billion to build telehealth powerhouse
  – General Electric
    • Partnership with Intel Corp $250 Million over 5 years
    • Intel Health Guide, QuietCare
Office of TeleHealth

Technology Demo

Fady Charbel, M.D.
Professor & Head
Department of Neurological Surgery

Intouch Health RP-7i Robot