



The University of Illinois Hospital Financial Performance

Jeff Rooney
Visiting Chief Financial Officer

Reported to the Board of Trustees
September 11, 2014

STATEMENT OF OPERATIONS & VOLUME METRICS – JUNE 2014

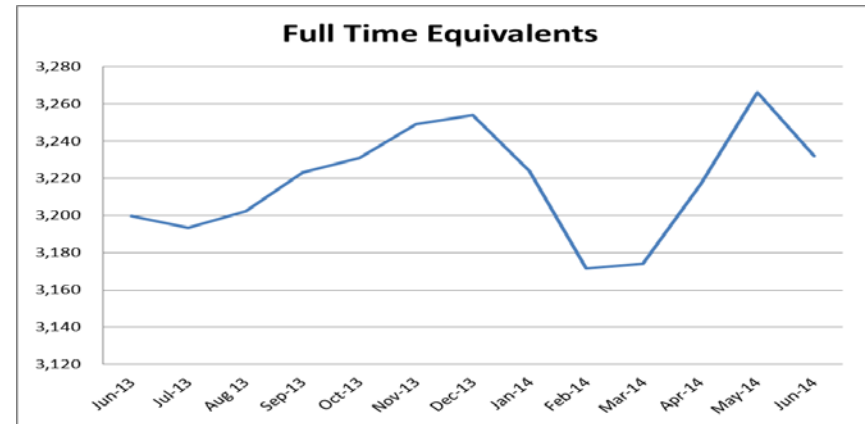
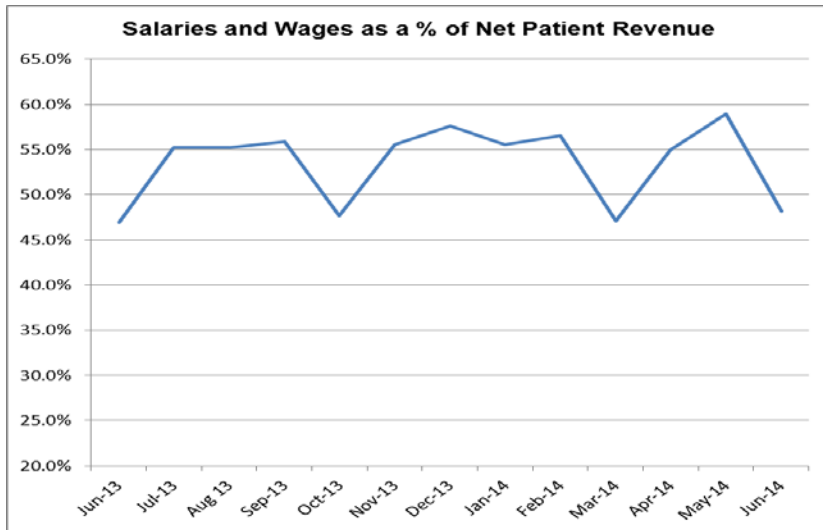
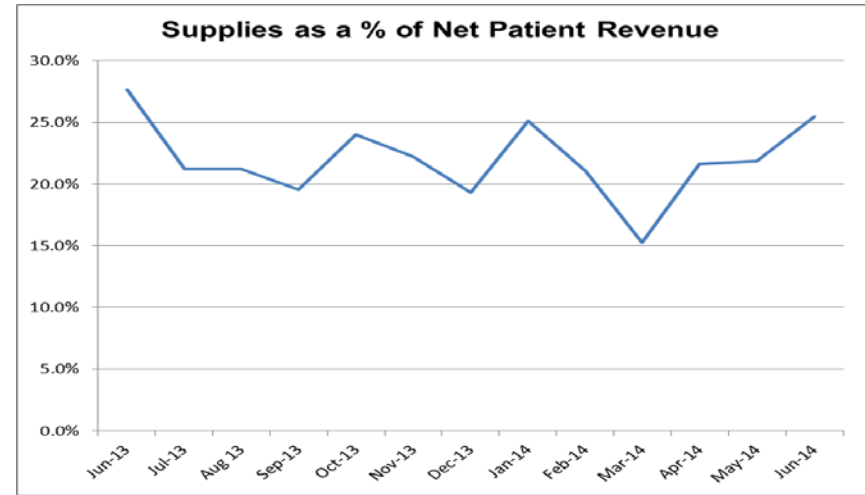
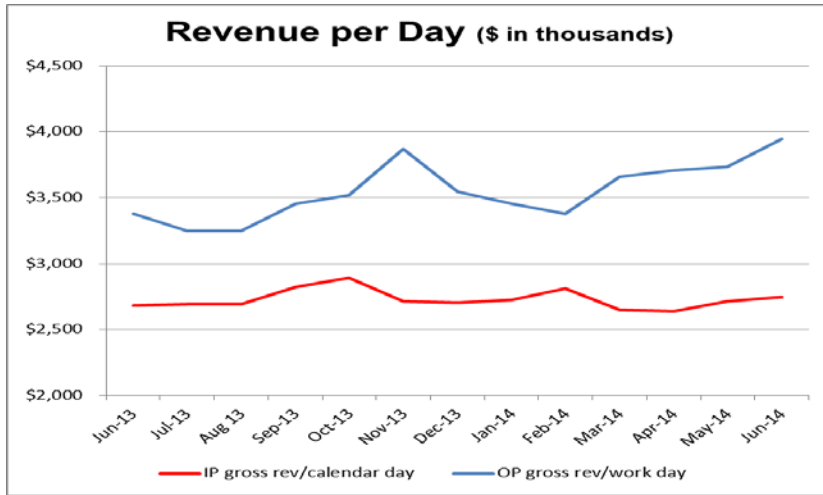
(\$ IN THOUSANDS)

Month					Year-to-Date					
Actual	Budget	Variance		Prior Year		Actual	Budget	Variance		Prior Year
		\$	%					\$	%	
\$ 43,925	\$ 46,827	(2,902)	-6.2%	\$ 48,993	Net Patient Revenue	\$ 549,382	\$ 567,891	(18,509)	-3.3%	\$ 559,155
23,257	21,559	1,698	7.9%	64,980	Other Revenue	260,447	258,898	1,549	0.6%	255,551
67,182	68,386	(1,204)	-1.8%	\$ 113,973	Total Revenue	809,829	826,789	(16,960)	-2.1%	814,706
21,158	25,194	4,036	16.0%	22,885	Salaries & Wages	295,496	303,669	8,173	2.7%	286,503
17,753	17,780	27	0.2%	60,153	Employee Benefits	213,335	213,398	63	0.0%	212,445
25,196	21,029	(4,167)	-19.8%	27,750	Department Expenses	248,880	254,640	5,760	2.3%	246,712
(9)	3,656	3,665	100.2%	1,131	General Expenses	40,208	43,874	3,666	8.4%	41,773
64,098	67,659	3,561	5.3%	111,919	Total Expenses	797,919	815,581	17,662	2.2%	787,433
\$ 3,084	\$ 727	2,357	324.2%	\$ 2,054	Operating Income/(Loss)	\$ 11,910	\$ 11,208	702	6.3%	\$ 27,273
\$ 5,394	(100)	5,494	5494.0%	1,262	Net Non-operating Income/(Loss)	\$ 951	\$ (1,208)	2,159	178.7%	\$ 1,489
\$ 8,478	\$ 627	7,851	1252.2%	\$ 3,316	Net Income/(Loss)	\$ 12,861	\$ 10,000	2,861	28.6%	\$ 28,762
1,571	1,598	(27)	-1.7%	1,573	Discharges	19,228	19,230	(2)	0.0%	19,306
5.92	5.91	0.01	0.2%	5.91	Length of Stay	6.00	5.96	0.04	0.7%	5.96
9,301	9,442	(141)	-1.5%	9,299	Patient Days	115,405	114,610	795	0.7%	115,056
310	315	(5)	-1.6%	310	Average Daily Census	316	314	2	0.6%	315
411	334	77	23.1%	366	Observations	4,059	4,078	(19)	-0.5%	3,843
37,312	40,907	(3,595)	-8.8%	35,372	Clinic Visits	450,006	473,881	(23,875)	-5.0%	446,626
3,631	3,421	210	6.1%	3,613	ED Visits	42,832	42,496	336	0.8%	43,001
580	567	13	2.3%	546	IP Surgeries	6,546	6,538	8	0.1%	6,609
723	636	87	13.7%	608	OP Surgeries	7,840	7,005	835	11.9%	7,266
1,303	1,203	100	8.3%	1,154	Total Surgeries	14,386	13,543	843	6.2%	13,875
211	188	23	12.2%	192	Deliveries	2,418	2,310	108	4.7%	2,417

KEY PERFORMANCE INDICATORS – JUNE 2014

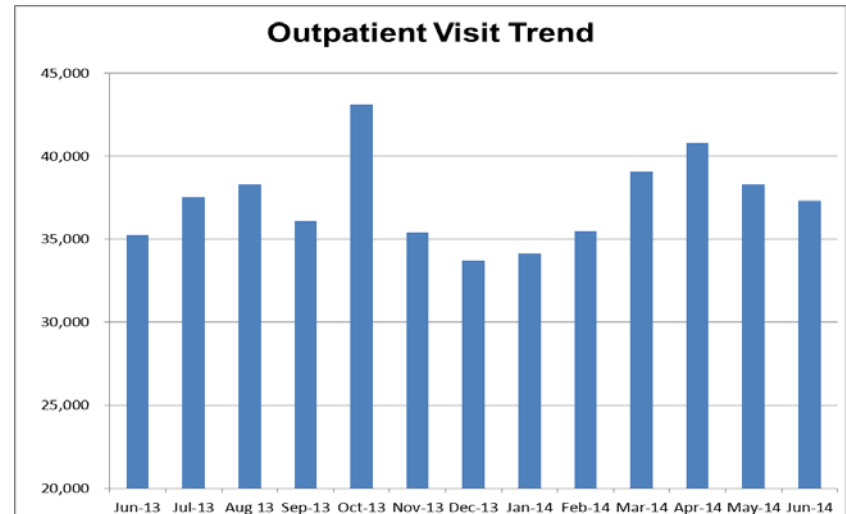
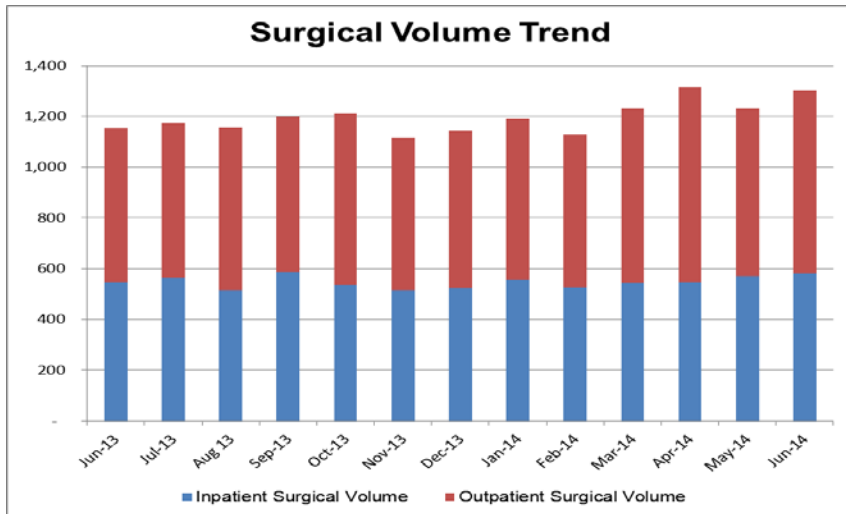
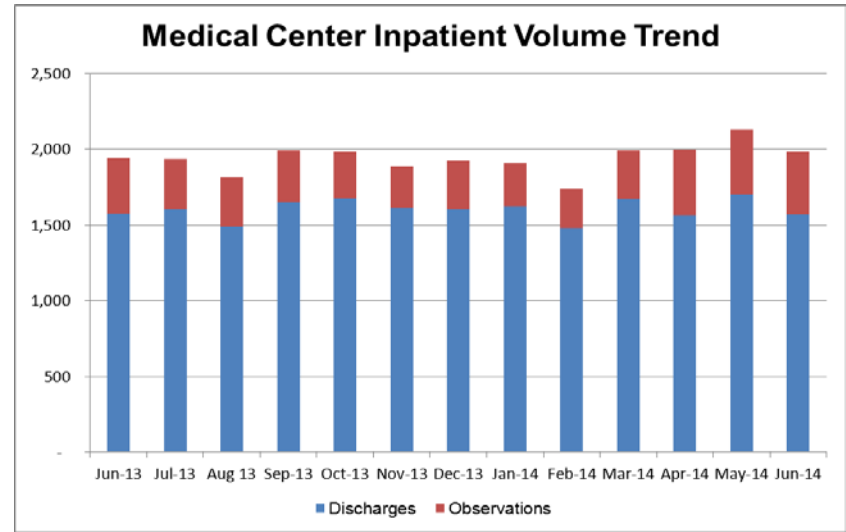
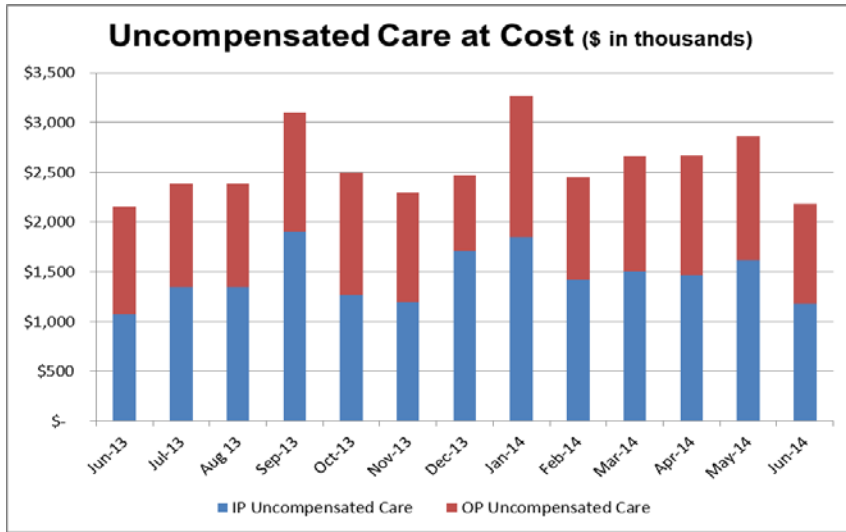
	Month				Year-to-Date			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
Operating income / (loss) (\$ in thousands)	\$ 3,084	\$ 727	\$ 2,357	\$ 2,054	\$ 11,910	\$ 11,208	\$ 702	\$ 27,273
Operating margin	4.6%	1.1%	3.5%	4.2%	1.5%	1.4%	0.1%	3.4%
IP gross revenue/calendar day (\$ in thousands)	\$ 2,745	\$ 2,808	\$ (63)	\$ 2,681	\$ 2,733	\$ 2,800	\$ (67)	\$ 2,689
OP gross revenue/work day (\$ in thousands)	\$ 3,945	\$ 3,363	\$ 583	\$ 3,380	\$ 3,560	\$ 3,389	\$ 171	\$ 3,239
Work days	21	21		20	252	252		251
Net Patient Revenue as % of Gross	26.6%	30.2%	-3.7%	33.1%	29.0%	30.3%	-1.3%	31.2%
Supplies as a % of Net Patient Revenue	25.5%	20.1%	-5.4%	25.9%	21.1%	19.9%	-1.2%	21.2%
Labor as a % of Net Patient Revenue	48.2%	53.8%	5.6%	44.2%	53.8%	53.5%	-0.3%	51.2%
FTEs	3,232.5	3,445.9	213.4	3,199.8	3,215.9	3,429.4	213.5	3,226.2
Case Mix								
Medicare (including Psychiatry and Rehab)	1.65	1.67	-0.02	1.56	1.67	1.67	0.00	1.67
Cash (\$ in thousands)					\$ 162,789			\$ 137,045

KEY PERFORMANCE INDICATORS – ROLLING 13 MONTH TREND



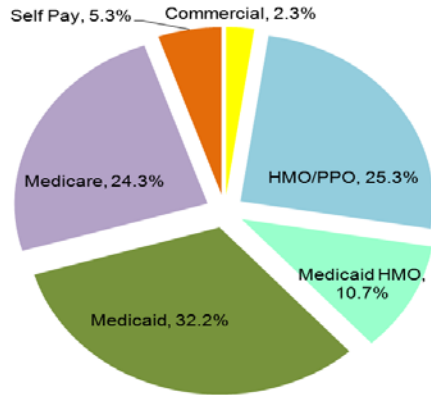
Full Time Equivalents include regular hours, overtime and extra-help. Resident and agency hours are excluded.

VOLUME METRICS – ROLLING 13 MONTH TREND

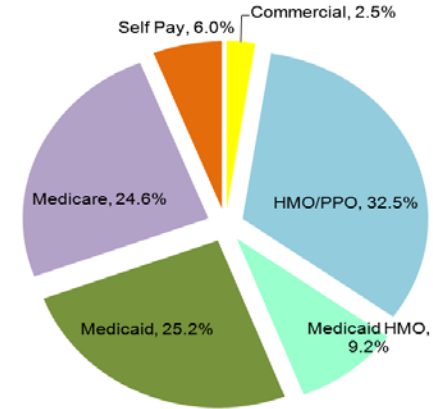


PAYOR MIX – JUNE 2014 YTD

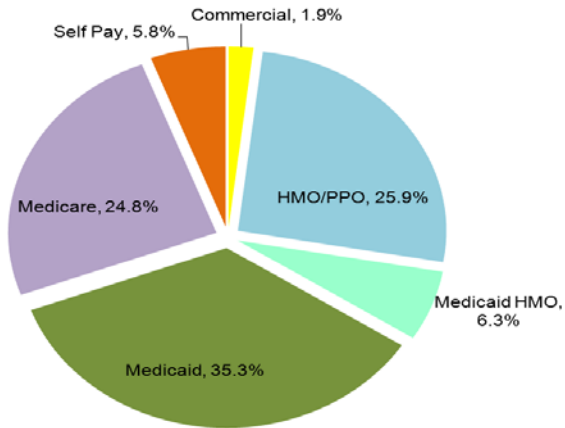
Inpatient Discharges



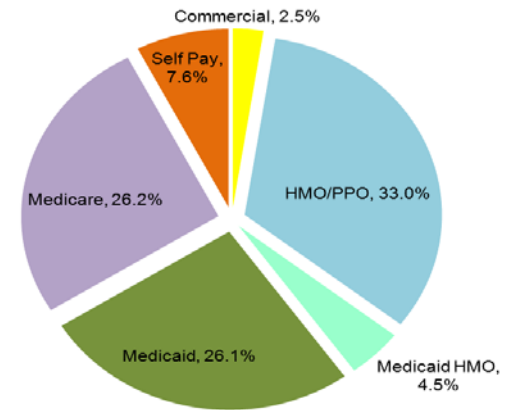
Outpatient Revenues



FY 13 Full Year Inpatient Discharges



FY 13 Full Year Outpatient Revenues



STATEMENT OF OPERATIONS – JUNE 2014

(\$ IN THOUSANDS)

Month					Year-to-Date					
Actual	Budget	Variance		Prior Year		Actual	Budget	Variance		Prior Year
		\$	%					\$	%	
\$ 43,925	\$ 46,827	(2,902)	-6.2%	\$ 48,993	Net Patient Revenue	\$ 549,382	\$ 567,891	(18,509)	-3.3%	\$ 559,155
259	218	41	18.8%	237	Premium Revenue	2,907	2,622	285	10.9%	2,771
18,400	18,400	0	0.0%	18,400	Payments on Behalf	220,806	220,806	0	0.0%	220,806
4,598	2,940	1,658	56.4%	2,470	Other Revenue	36,734	35,469	1,265	3.6%	31,974
67,182	68,385	(1,203)	-1.8%	70,100	TOTAL REVENUE	809,829	826,788	(16,959)	-2.1%	814,706
21,158	25,194	4,036	16.0%	21,672	Salaries & Wages	295,496	303,669	8,173	2.7%	286,503
17,753	17,780	27	0.2%	17,735	Employee Benefits	213,335	213,398	63	0.0%	212,445
38,911	42,974	4,063	9.5%	39,407	Total Personnel Costs	508,831	517,067	8,236	1.6%	498,948
5,748	4,912	(836)	-17.0%	6,830	Medical/Expendable Supplies	62,560	59,056	(3,504)	-5.9%	64,618
5,447	4,491	(956)	-21.3%	5,842	Cost of Drugs	53,287	54,038	751	1.4%	53,648
1,270	2,115	845	40.0%	2,281	General Services	26,657	25,417	(1,240)	-4.9%	25,158
6,732	3,886	(2,846)	-73.2%	5,070	Professional Services	46,776	47,650	874	1.8%	38,814
1,171	1,818	647	35.6%	2,790	Repairs and Maintenance	17,645	21,237	3,592	16.9%	19,196
4,828	3,805	(1,023)	-26.9%	4,695	Other Expenses	41,955	47,241	5,286	11.2%	45,278
1,722	1,863	141	7.6%	1,883	Admin Services	22,210	22,351	141	0.6%	22,795
(1,731)	1,794	3,525	196.5%	(752)	Depreciation	17,998	21,523	3,525	16.4%	18,978
64,098	67,658	3,560	5.3%	68,046	OPERATING EXPENSE	797,919	815,580	17,661	2.2%	787,433
\$ 3,084	\$ 727	2,357	324.2%	2,054	OPERATING INCOME	\$ 11,910	\$ 11,208	702	6.3%	\$ 27,273

REVENUE DETAIL – JUNE 2014

(\$ IN THOUSANDS)

Month					Year-to-Date					
Actual	Budget	Variance		Prior Year		Actual	Budget	Variance		Prior Year
		\$	%					\$	%	
\$ 82,357	\$ 84,241	\$ (1,884)	-2.2%	\$ 80,436	Inpatient Revenue	\$ 997,629	\$ 1,022,159	\$ (24,530)	-2.4%	\$ 981,594
82,855	70,621	12,234	17.3%	67,599	Outpatient Revenue	897,161	854,151	43,010	5.0%	813,057
165,212	154,862	10,350	6.7%	148,035	Total Gross Revenue	1,894,790	1,876,310	18,480	1.0%	1,794,651
46,685	48,961	2,276	4.6%	38,626	Inpt Contractual	580,970	592,149	11,179	1.9%	556,575
64,375	50,688	(13,687)	-27.0%	52,122	Outpt Contractual	647,492	613,053	(34,439)	-5.6%	573,199
3,468	3,510	42	1.2%	3,176	Inpt Uncompensated Care (at charge rate)	52,361	44,500	(7,861)	-17.7%	46,166
2,988	2,894	(94)	-3.2%	3,172	Outpt Uncomp. Care (at charge rate)	39,452	35,717	(3,735)	-10.5%	37,859
117,516	106,053	(11,463)	-10.8%	97,096	Total Deductions	1,320,275	1,285,419	(34,856)	-2.7%	1,213,799
70.6%	68.3%			65.6%	Deductions as %	69.8%	68.5%			69.1%
32,204	31,770	434	1.4%	38,634	Net Inpt Services	364,298	385,510	(21,212)	-5.5%	378,853
15,492	17,039	(1,547)	-9.1%	12,305	Net Outpt Services	210,217	205,381	4,836	2.4%	201,999
(3,771)	(1,982)	(1,789)	-90.3%	(1,946)	Physician Transfers	(25,133)	(23,000)	(2,133)	-9.3%	(21,697)
43,925	46,827	(2,902)	-6.2%	48,993	Net Patient Revenue	549,382	567,891	(18,509)	-3.3%	559,155
259	218	41	18.8%	237	Premium Revenue	2,907	2,622	285	10.9%	2,771
18,400	18,400	-	0.0%	18,400	Payments on Behalf	220,806	220,806	-	0.0%	220,806
-	280	(280)	-100.0%	-	Meaningful Use	5,656	4,214	1,442	34.2%	-
1,208	605	603	99.7%	441	External Contracts (IDOC Telemed)	7,520	7,258	262	3.6%	6,666
887	619	268	43.3%	511	Berwyn Therapeutic Infusion	7,078	7,325	(247)	-3.4%	7,101
668	603	65	10.8%	657	Lab Outreach	7,902	7,538	364	4.8%	7,624
1,835	833	1,002	120.3%	861	Other Revenue	8,578	9,134	(556)	-6.1%	10,583
\$ 67,182	\$ 68,385	(1,203)	-1.8%	\$ 70,100	TOTAL REVENUE	\$ 809,829	\$ 826,788	(16,959)	-2.1%	\$ 814,706

STATISTICS AND VOLUMES – JUNE 2014

Month Ended June 30, 2014				
Actual	Budget	Var.%	Prior Yr.	Var%
1,448	1,471	-1.6%	1,437	0.8%
31	26	19.2%	28	10.7%
92	101	-8.9%	108	-14.8%
1,571	1,598	-1.7%	1,573	-0.1%
411	334	23.1%	366	12.3%
310	315	-1.6%	310	0.0%
325	329	-1.2%	333	-2.4%
5.42	5.41	3.0%	5.39	0.7%
12.16	13.88	-12.4%	15.82	-23.1%
11.65	11.18	4.2%	10.32	12.9%
5.92	5.91	0.2%	5.91	0.1%
7,852	7,952	-1.3%	7,741	1.4%
377	361	4.4%	443	-14.9%
1,072	1,129	-5.0%	1,115	-3.9%
9,301	9,442	-1.5%	9,299	0.0%
1.65	1.67	-1.2%	1.56	5.8%

Medical Center Discharges

Twelve Months Ended June 30, 2014				
Actual	Budget	Var.%	Prior Yr.	Var%
17,801	17,696	0.6%	17,767	0.2%
394	316	24.7%	316	24.7%
1,033	1,218	-15.2%	1,223	-15.5%
19,228	19,230	0.0%	19,306	-0.4%
4,059	4,078	-0.5%	3,477	16.7%
316	314	0.6%	315	0.3%
329	328	0.3%	330	-0.3%

Average Length of Stay

Acute	5.47	5.45	0.3%	5.45	0.3%
Rehab	12.26	13.88	-11.6%	13.92	-11.9%
Psychiatry	12.79	11.25	13.7%	11.25	13.7%
Medical Center ALOS	6.00	5.96	0.7%	5.96	0.7%

Patient Days

Acute	97,360	96,523	0.9%	96,899	0.5%
Rehab	4,832	4,385	10.2%	4,400	9.8%
Psychiatry	13,213	13,702	-3.6%	13,757	-4.0%
Medical Center Pt Days	115,405	114,610	0.7%	115,056	0.3%

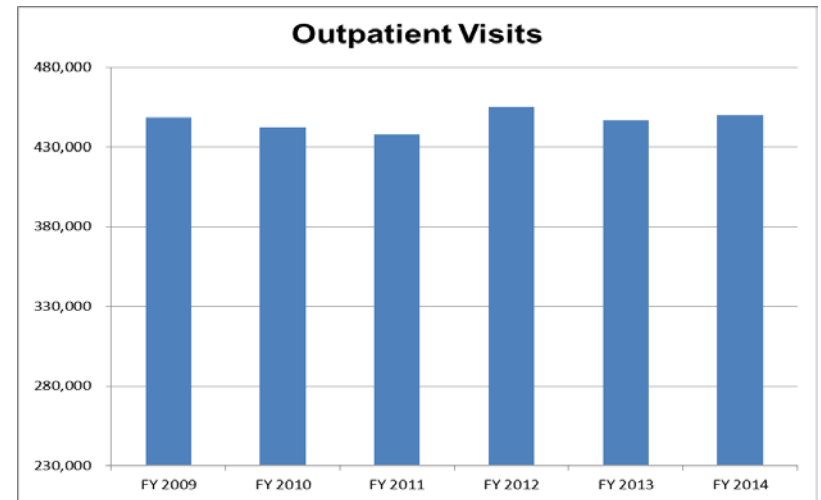
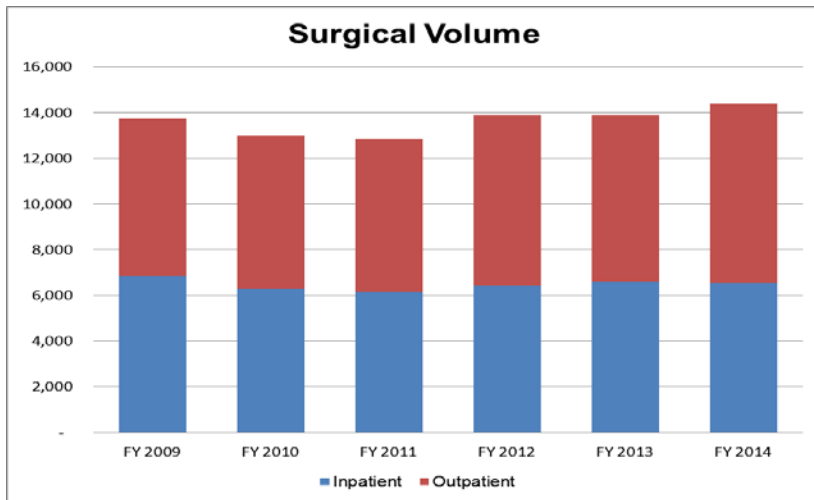
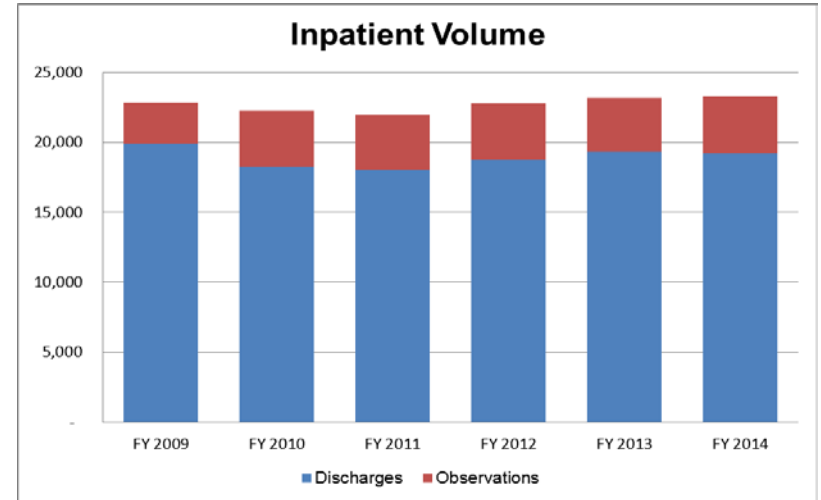
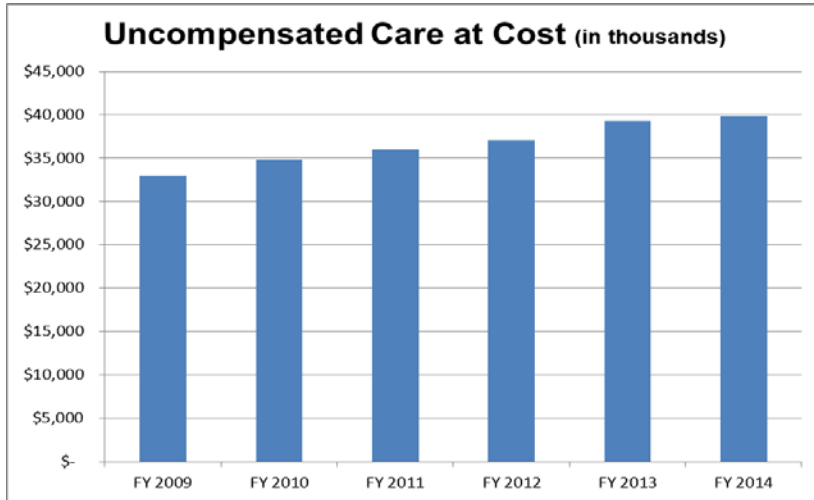
Case Mix Index

5.8% Medicare (including Psychiatry and Rehab)	1.67	1.67	0.0%	1.67	0.0%
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STATISTICS AND VOLUMES – JUNE 2014

Month Ended June 30, 2014					Twelve Months Ended June 30, 2014					
Actual	Budget	Var.%	Prior Yr.	Var%		Actual	Budget	Var.%	Prior Yr.	Var%
37,312	40,907	-8.8%	35,256	5.8%	Visit Volumes	450,006	473,881	-5.0%	446,626	0.8%
					Emergency Visits					
3,631	3,421	6.1%	3,613	0.5%	Emergency Room	42,832	42,496	0.8%	43,001	-0.4%
976	934	4.5%	961	1.6%	Emergency Admissions	11,330	11,413	-0.7%	11,656	-2.8%
60.7%	60.5%	0.3%	57.6%	5.3%	ER Admissions to Total	64.8%	64.6%	0.2%	66.0%	-1.8%
					Surgical Volumes					
580	567	2.3%	546	6.2%	Inpatient	6,546	6,538	0.1%	6,609	-1.0%
723	636	13.7%	608	18.9%	Outpatient	7,840	7,005	11.9%	7,266	7.9%
1,303	1,203	8.3%	1,154	12.9%	Total Cases	14,386	13,543	6.2%	13,875	3.7%
213	188	13.3%	192	10.9%	Deliveries	2,420	2,310	4.8%	2,417	0.1%
3,226.0	3,445.9	-6.4%	3,183.5	1.3%	Total FTEs	3,229.4	3,427.9	-5.8%	3,181.6	1.5%

VOLUME METRICS – ANNUAL TREND





DASHBOARD

Avijit Ghosh, Chief Executive Officer, UI Hospital

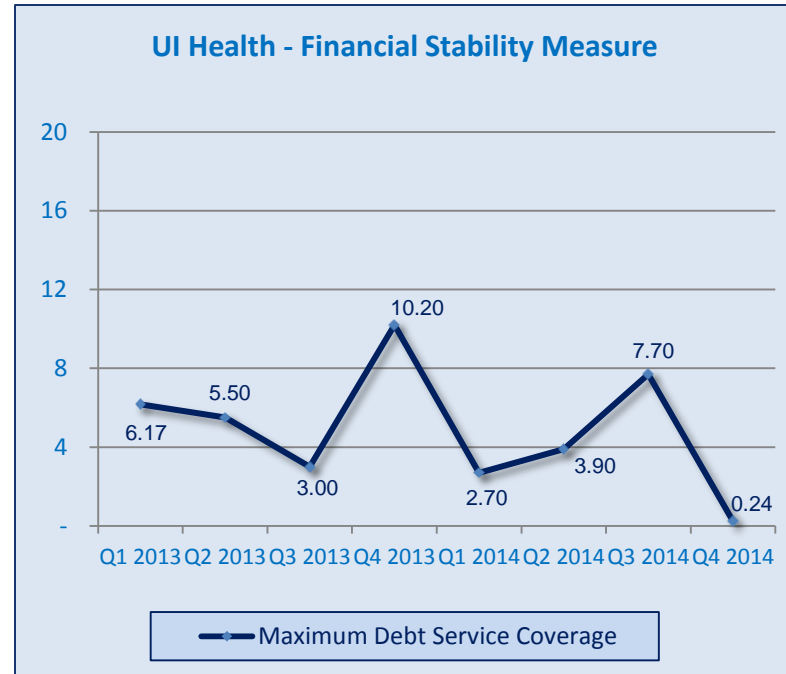
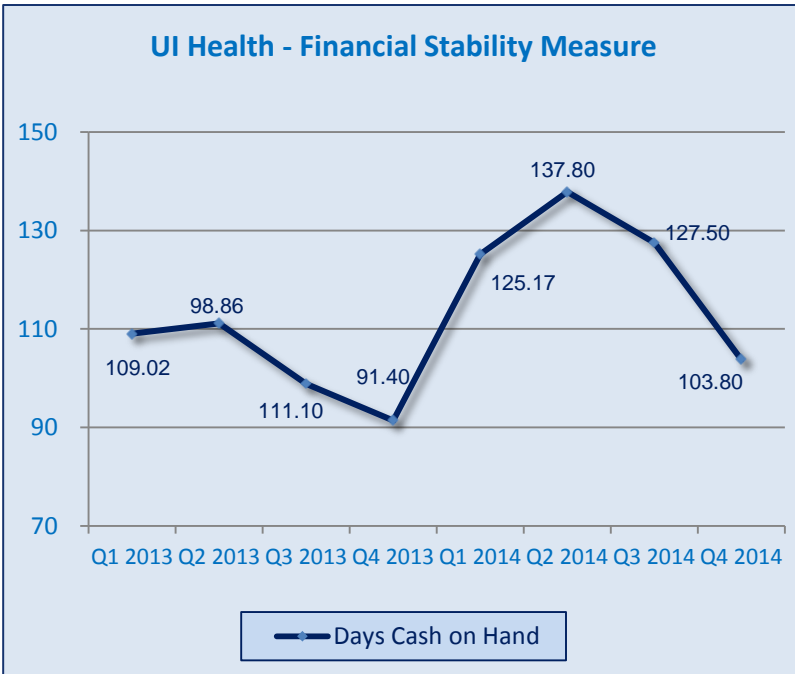
Bud Pygon, Chief Medical Officer, UI Hospital

Jodi Joyce, Associate Vice President for Quality & Patient Safety, OVPHA



UI Health Mission Perspective: Financial Health

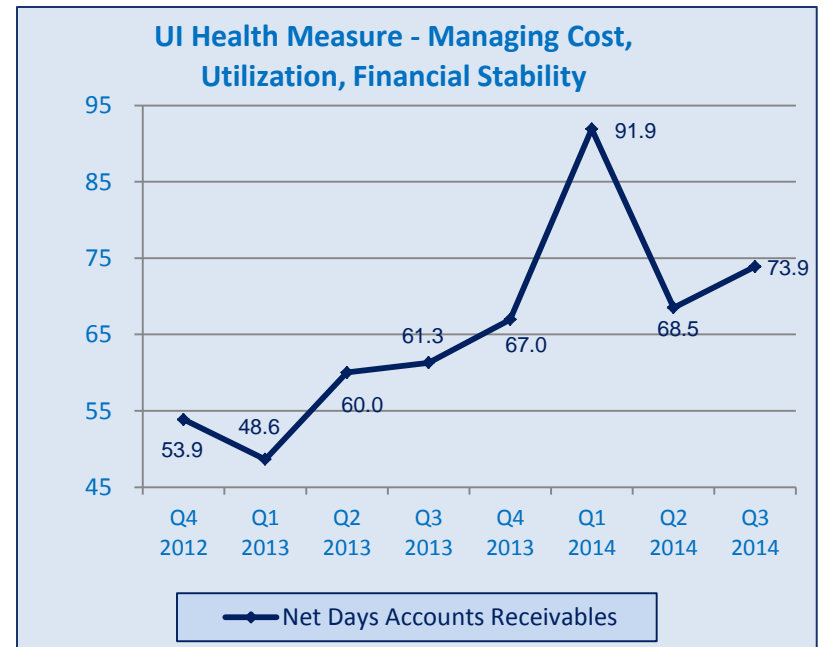
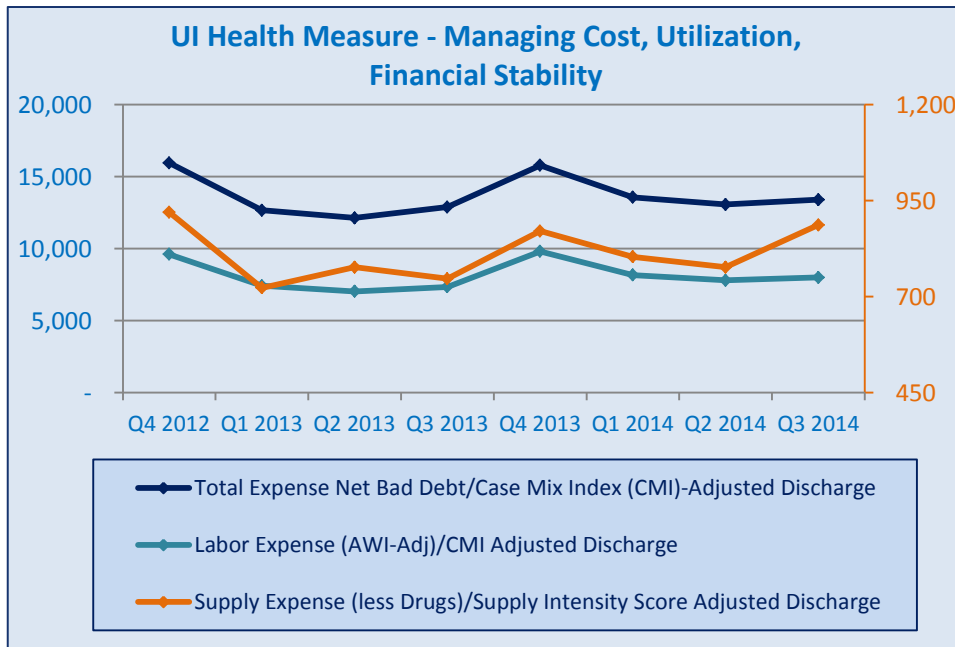
UI Health Metrics	FY14 Q4 Actual	FY14 Q4 Target	FY13 Q4 Actual
Days Cash on Hand	103.80	102.10	91.40
Maximum Debt Service Coverage	0.24	4.10	10.20





UI Health Mission Perspective: Financial Health

UHC Metrics (FY14 Q3, January - March, 2014)	N (Sample Size)	UIH 8 Quarter Average	UIH Latest Quarter Available	Compared Among All UHC	
				UHC Median Score	Current UIH Rank
Total Expense Net Bad Debt/Case Mix Index (CMI) -Adjusted Discharge	N/A	13,689	13,402	10,029	61/66
Labor Expense (Area Wage Index - Adjusted)/CMI Adjusted Discharge	N/A	8,153	8,007	4,476	outlier
Supply Expense (less Drugs)/Supply Intensity Score Adjusted Discharge	N/A	813	887	862	35/65
Net Days Accounts Receivables	N/A	65.6	73.9	51.6	outlier

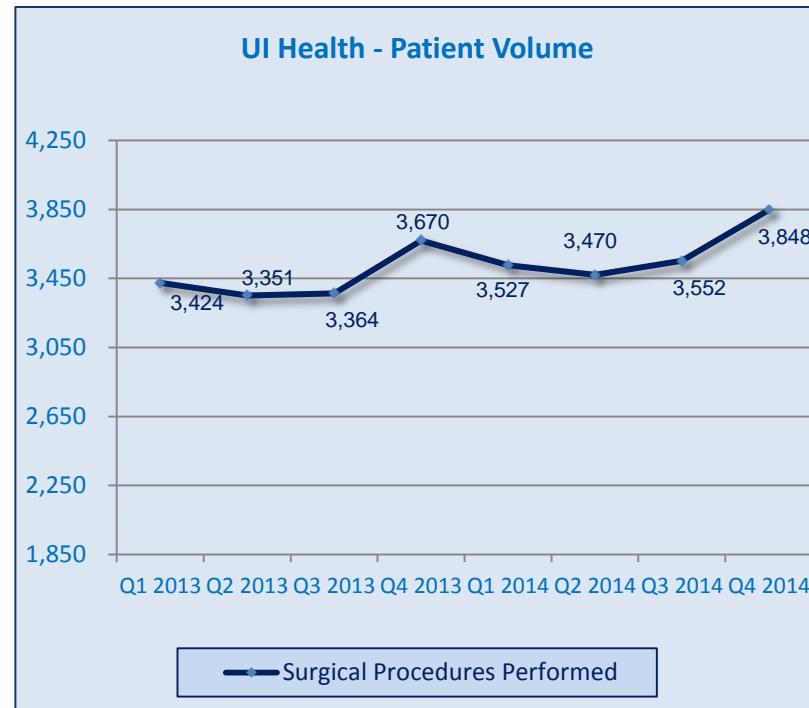
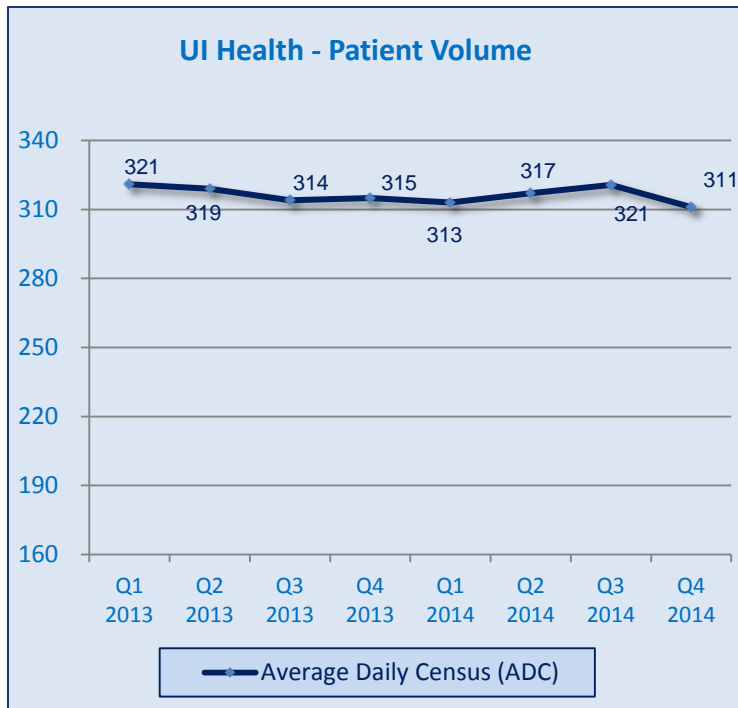


Lower scores indicate better performance for all measures on this slide



UI Health Mission Perspective: Internal Process & Technology

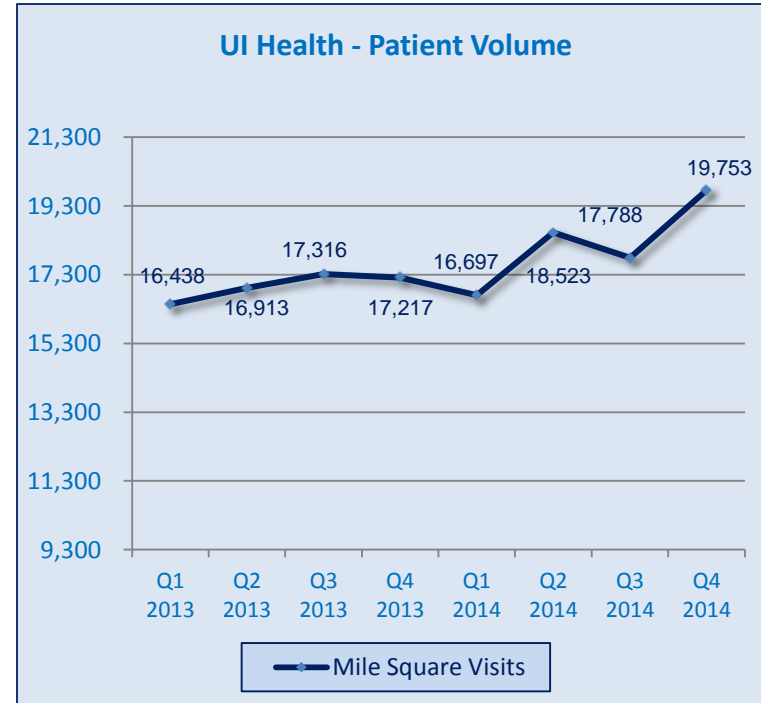
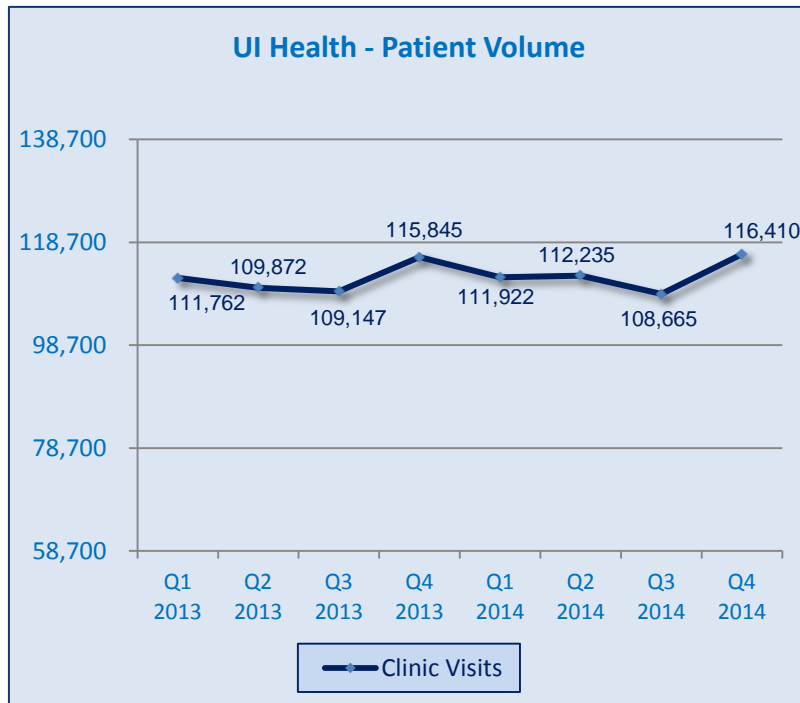
UI Health Metrics	FY14 Q4 Actual	FY14 Q4 Target	FY13 Q4 Actual
Average Daily Census (ADC)	311	315	315
Surgical Procedures Performed	3,848	3,585	3,670
Total Unique Patients	137,302	131,977	130,027





UI Health Mission Perspective: Internal Process & Technology

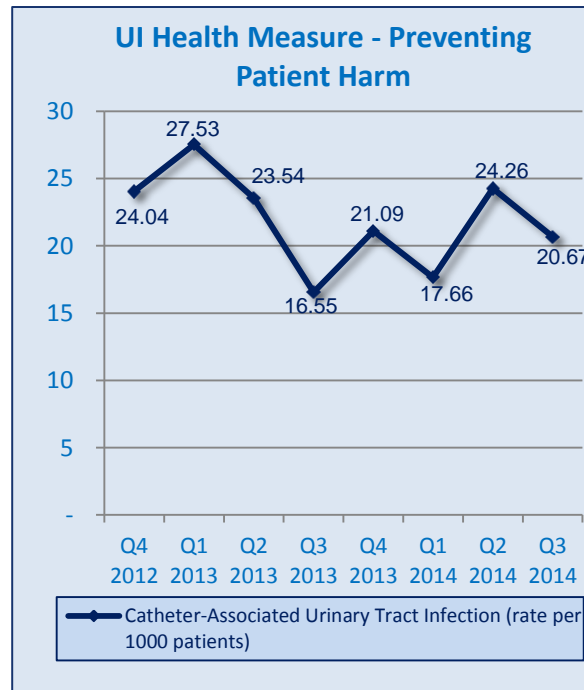
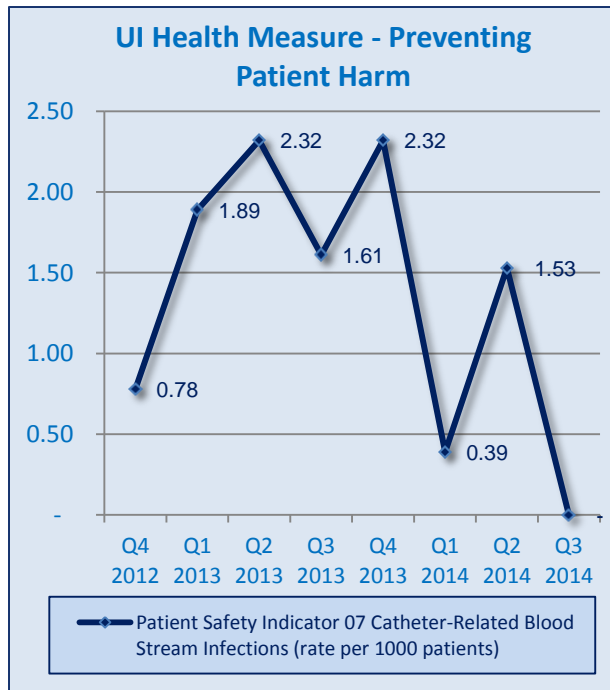
UI Health Metrics	FY14 Q4 Actual	FY14 Q4 Target	FY13 Q4 Actual
Clinic Visits	116,410	118,405	115,845
Mile Square Visits	18,495	24,519	17,217





UI Health Mission Perspective: Quality & Outcomes

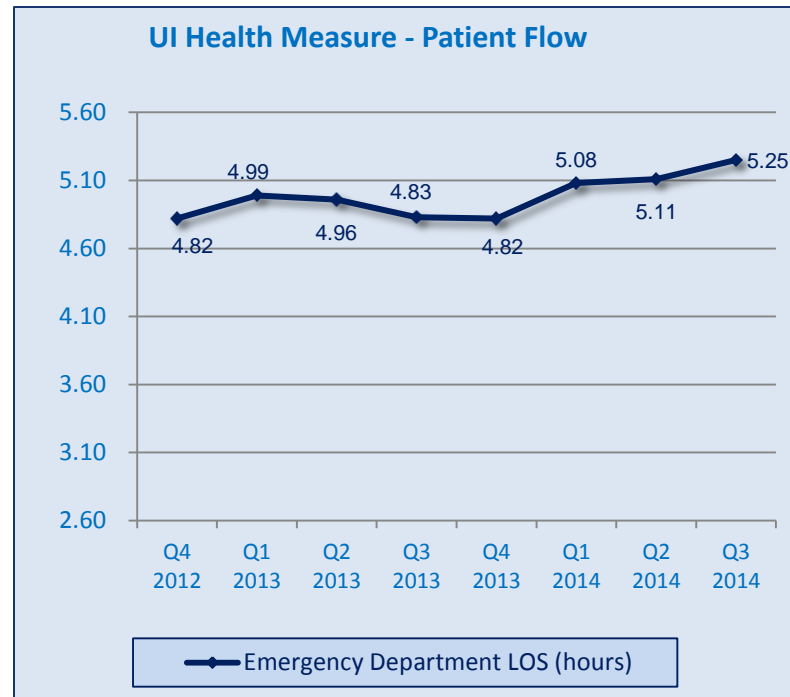
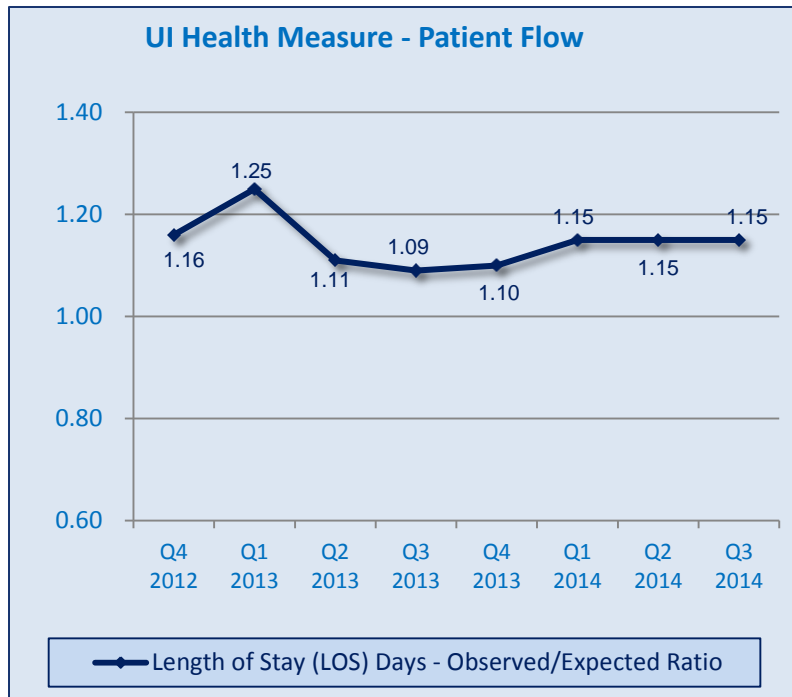
UHC Metrics (FY14 Q3, January - March, 2014)	N (Sample Size)	UIH 8 Quarter Average	UIH Latest Quarter Available	Compared Among All UHC	
				UHC Median Score	Current UIH Rank
Patient Safety Indicator 07 Catheter-Related Blood Stream Infections (rate per 1000 patients)	-	1.36	0.00	0.40	1/122
Catheter-Associated Urinary Tract Infection (rate per 1000 patients)	88	21.92	20.67	16.59	90/122
30-Day All Cause Readmission Rate	370	17.2%	16.1%	13.1%	115/122





UI Health Mission Perspective: Quality & Outcomes

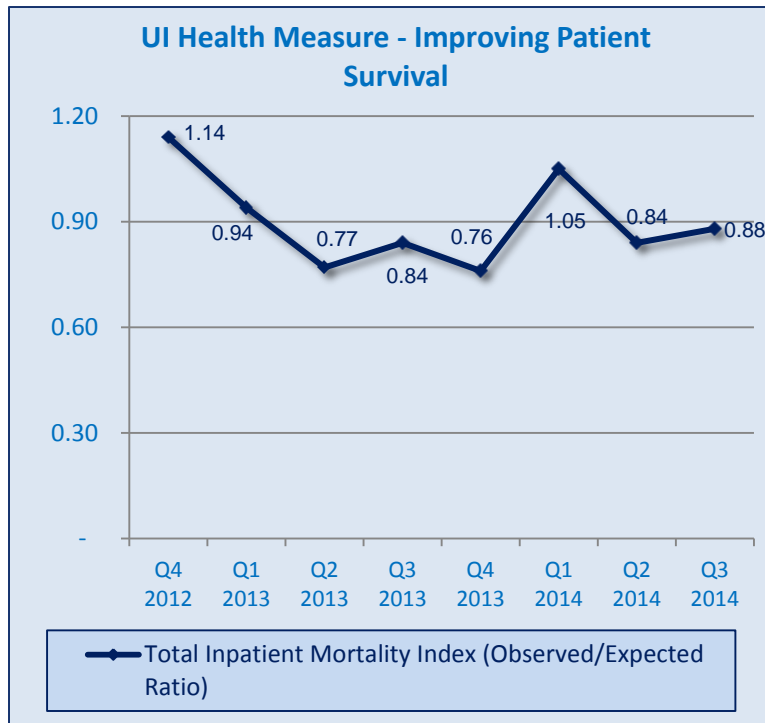
UHC Metrics (FY14 Q3, January - March, 2014)	N (Sample Size)	UIH 8 Quarter Average	UIH Latest Quarter Available	Compared Among All UHC	
				UHC Median Score	Current UIH Rank
Length of Stay (LOS) Days - Observed/Expected Ratio	4,865	1.15	1.15	1.04	104/122
Emergency Department LOS (hours)	N/A	4.98	5.25	4.95	31/50



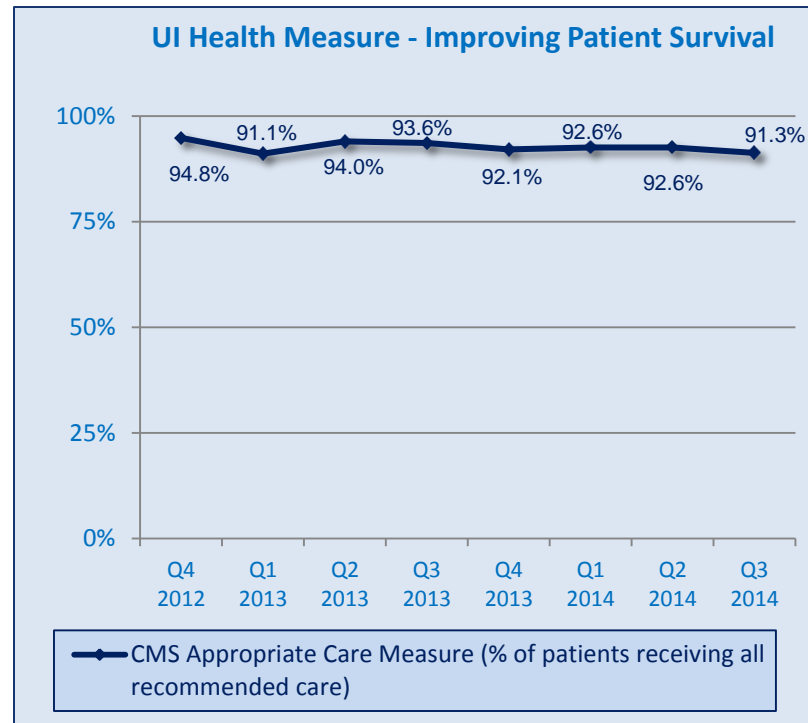


UI Health Mission Perspective: Quality & Outcomes

UHC Metrics (FY14 Q3, January - March, 2014)	N (Sample Size)	UIH 8 Quarter Average	UIH Latest Quarter Available	Compared Among All UHC	
				UHC Median Score	Current UIH Rank
Total Inpatient Mortality Index (Observed/Expected Ratio)	63	0.90	0.88	0.90	57/122
CMS Appropriate Care Measure (% of patients receiving all recommended care)*	N/A	92.8%	91.3%	91.5%	101/190



Lower score indicates better performance

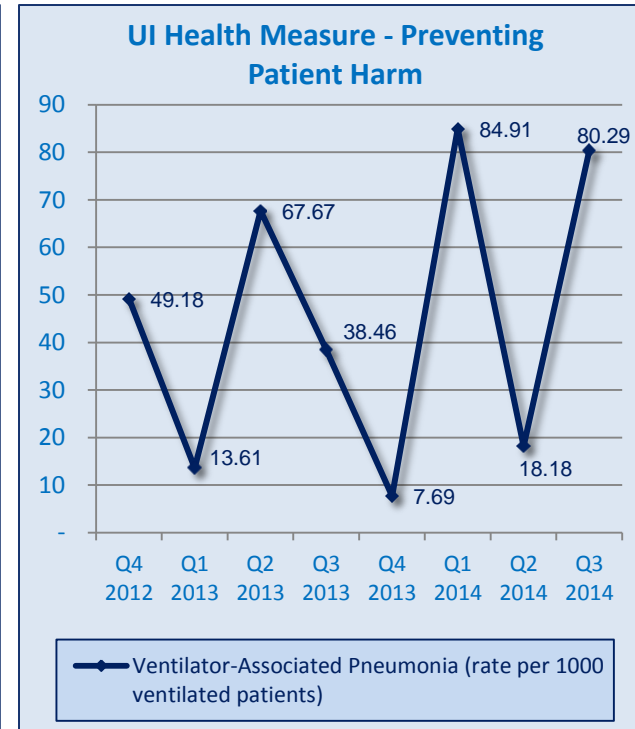
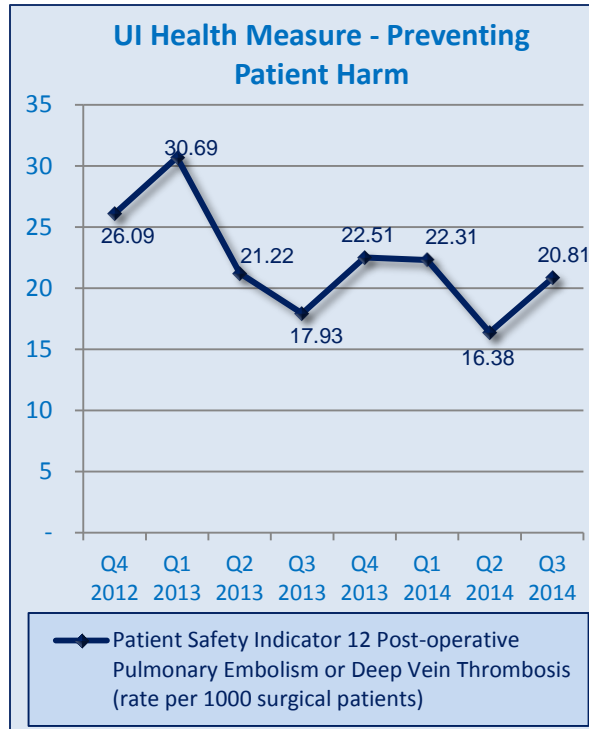
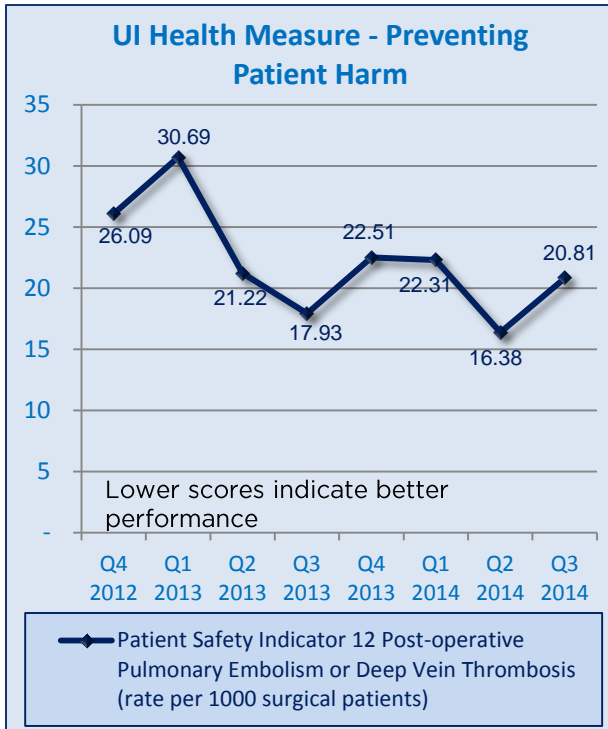


Higher score indicates better performance



UI Health Mission Perspective: Quality & Outcomes

UHC Metrics (FY14 Q3, January - March, 2014)	N (Sample Size)	UIH 8 Quarter Average	UIH Latest Quarter Available	Compared Among All UHC	
				UHC Median Score	Current UIH Rank
Patient Safety Indicator 12 Post-operative Pulmonary Embolism or Deep Vein Thrombosis (rate per 1000 surgical patients)	21	22.24	20.81	8.15	122/122
Surgical Site Infection (rate per 1000 surgical patients)	16	9.45	7.68	9.97	29/122
Ventilator-Associated Pneumonia (rate per 1000 ventilated patients)	11	45.00	80.29	23.44	117/121





APPENDIX

UI Health Internal Measures	Definition/Notes	Source
Average Daily Census	Total number of patient days divided by the number of days	UI Health Finance – Business Review Monthly (BRM) Report
Clinic Visits	Outpatient clinic visits on UI Health campus	UI Health Finance – Business Review Monthly (BRM) Report
Mile Square Visits	Visits at Mile Square	UI Health Finance
Surgical Procedures Performed	IP and OP surgical procedures	UI Health Finance – Business Review Monthly (BRM) Report
Total Unique Patients	Reflects the number of unique patients seen at the hospital and on-campus outpatient clinic centers. This figure is not annualized but reflects the most current quarter.	UI Health Business Planning and Analytical Support - Trendstar
Days Cash on Hand	Measures the number of days that the organization could continue to pay its average daily cash obligations with no new cash resources becoming available	UI Health Finance – Business Review Monthly (BRM) Report
Maximum Debt Service Coverage	The maximum amount of principal and interest due by a revenue bond issuer on its outstanding bonds in any future fiscal year	UI Health Finance – Business Review Monthly (BRM) Report

University HealthSystem Consortium (UHC) Measures

- UI Health measures its performance by benchmarking against peer group of academic medical centers (AMC) across the nation. The benchmarking is facilitated by UHC membership.
- The goal for all UHC measures is to drive the numbers down – lower scores indicate better performance. The only exception is the measure “CMS Appropriate Care Measure” – higher measure indicates better performance.
- UHC releases benchmark reports approximately 4-5 months after the patient activity. Therefore, the latest UHC reports are approximately 4-5 months behind.