Health Affairs Committee
EVC Report
Richard J. Barohn, MD
Executive Vice Chancellor for Health Affairs
April 13, 2021
• COVID-19 Update (Barohn)
• MUHC Strategic Plan (Barohn)
• Finance Report (Davis)
• Compliance Report (May)
• Dean’s Report (Zweig)
• CEO Report (Curtright)
• Quality & Safety Report (Pendleton)
COVID-19 Updates

• The state of Missouri designated us as one of three vaccination sites in the region to provide high-volume community vaccinations
  • 30,000+ vaccine doses

• We have made operational changes to our testing, (eliminated drive thru testing) and expanded our vaccination clinic at Faurot Field

• Fewer Covid-19 patients in the hospital

• We don’t expect another wave as large as the last, but we review data daily and continue with our COVID incident command structure.
  • Resumption of full COVID operational capabilities can be initiated and fully implemented within 24-48 hours
Phase 3 - Began April 9

The vaccine is now available for all adults in Missouri.
MISSION
To save and improve lives – through exemplary education, research, and patient care.

VISION
We will be the premier and transformational academic health system for Missouri.

VALUES
Inclusion, Diversity & Equity • Respect • Service
Discovery • Responsibility • Excellence
• Retreat taking place **May 18, 2021**

• Goal is to continue to develop tactics to operationalize the plan

• We will keep you updated of our progress in future meetings
NextGen Precision Health – Grand Opening Oct. 19

$220.8 Million

More information about the virtual event coming soon from the grand opening planning committee.
Our Top Challenges

1. Regarding the combined mission, the top challenge is finding the correct academic-business balance
2. Regarding NextGen Precision Health initiative, the top challenge is continued and increased funding for academic hires for success of the initiative through SOM/ MUHC
3. Communication surrounding NextGen and obtaining buy-in from multiple stakeholders
4. COVID-19 resurgence
Health Affairs Committee
Financial Report

Kay Davis
Chief Financial Officer
April 13, 2021

Health Care
Financial Results – February Year to Date

F2019: Operating Income $54.2 billion, Net Income $32.6 billion, Operating Margin % (Incl Int Exp) 6.6%
F2020: Operating Income $52.0 billion, Net Income $27.3 billion, Operating Margin % (Incl Int Exp) 6.0%
F2021: Operating Income $63.7 billion, Net Income $69.5 billion, Operating Margin % (Incl Int Exp) 7.1%
Volumes – March At A Glance

Discharges

Surgeries

Clinic Visits

Preliminary as of 04/02/2021
Patient Utilization – Average Daily Census

F2020:
- UH: 281.4
- WCH: 1.86
- MUPC: 433.5
- MOI: 15.6
- Case mix index: 87.7

F2021 Forecast:
- UH: 281.0
- WCH: 1.84
- MUPC: 411.7
- MOI: 20.8
- Case mix index: 67.3

F2021:
- UH: 279.2
- WCH: 2.01
- MUPC: 404.6
- MOI: 17.3
- Case mix index: 67.6
Patient Utilization – Surgeries

<table>
<thead>
<tr>
<th></th>
<th>F2020</th>
<th>F2021 Forecast</th>
<th>F2021</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>7,180</td>
<td>8,506</td>
<td>8,128</td>
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<tr>
<td>UH</td>
<td>4,586</td>
<td>3,493</td>
<td>3,340</td>
</tr>
<tr>
<td>WCH</td>
<td>2,811</td>
<td>5,477</td>
<td>5,479</td>
</tr>
<tr>
<td>MCOS</td>
<td>3,324</td>
<td>62.4%</td>
<td>62.9%</td>
</tr>
<tr>
<td>OP %</td>
<td>64.6%</td>
<td></td>
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</tr>
</tbody>
</table>
Patient Utilization – Clinic Visits

FY20 Actual: 496,971
- Specialty: 297,367
- Primary: 163,531
- Quick: 20,194
- Urgent: 15,879

FY21 Forecast: 491,436
- Specialty: 287,649
- Primary: 176,963
- Quick: 18,228
- Urgent: 8,596

FY21 Actual: 482,575
- Specialty: 286,878
- Primary: 171,507
- Quick: 7,114
- Urgent: 7,114
<table>
<thead>
<tr>
<th>Actual</th>
<th>Forecast</th>
<th>Financial Ratios and Benchmarks</th>
<th>Prior Year</th>
<th>FY21 Annual Forecast</th>
<th>Moody's A Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1%</td>
<td>7.1%</td>
<td>Operating Margin (including Int Exp)</td>
<td>6.0%</td>
<td>6.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>7.3%</td>
<td>3.9%</td>
<td>Annualized Return on Total Assets</td>
<td>4.3%</td>
<td>3.9%</td>
<td>4.4%</td>
</tr>
<tr>
<td>178.7%</td>
<td>142.6%</td>
<td>Cash to Total Debt</td>
<td>191.9%</td>
<td>113.3%</td>
<td>137.9%</td>
</tr>
<tr>
<td>24.7%</td>
<td>30.0%</td>
<td>Debt to Capitalization</td>
<td>23.9%</td>
<td>34.8%</td>
<td>30.9%</td>
</tr>
<tr>
<td>6.5</td>
<td>4.8</td>
<td>Maximum Annual Debt Service Coverage</td>
<td>3.9</td>
<td>4.8</td>
<td>4.7</td>
</tr>
<tr>
<td>203.5</td>
<td>193.9</td>
<td>Days Cash on Hand</td>
<td>196.0</td>
<td>200.2</td>
<td>215.1</td>
</tr>
<tr>
<td>51.5</td>
<td>49.4</td>
<td>Net Days Revenue in AR</td>
<td>50.1</td>
<td>49.8</td>
<td>46.2</td>
</tr>
</tbody>
</table>
Expense per Adjusted Discharge

- Comparative database of 137 teaching hospitals
- 5 straight quarters trending to the most efficient quartile, while comparators were trending up
- 2Q blip due to COVID, but returning to prior performance

Source: AAMC-COTH Quarterly Survey of Hospital Operations & Financial Performance
Stewardship & Efficiency

• During the last two fiscal years, MUHC has delivered over $25M in Stewardship & Efficiency initiatives
• In FY22, we are implementing strategies to reduce $21.5M

- Management Practices $ 2.0M
- Information Technology 0.6M
- Revenue Growth 2.0M
- Supply Chain 9.4M
- Workforce Redesign 4.0M
- Care Redesign 3.5M
Revenue Cycle Activation Summary

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>Activation Preparation</td>
<td>Appointment Conversions</td>
<td>Command Center Support</td>
</tr>
</tbody>
</table>

- **March 20**: Go-Live
- **March 20**: We are Here

1. Resolve high priority issues
2. Transition to stabilization

**OPEN – HEALTH AFF – INFO 2-10**
Health Affairs Committee Compliance Report

Jennifer May, JD
Chief Compliance Officer
April 13, 2021
Corporate Integrity Agreement Update

Reporting Period 4
Covered dates July 1, 2019 – June 30, 2020
Received close-out letter from the OIG Monitor on February 18, 2021

Reporting Period 5
Covers dates July 1, 2020 through June 30, 2021
Final year of the five-year agreement, term ends June 30, 2021
  • Certain audit and default clauses set to expire on or about January 29, 2022
  • Validation Review option shall expire on or about October 1, 2022

Current Activities
  • Training modules in process to compete by April 30, 2021
  • Facility list and payor mix information submitted on March 31, 2021
  • Final annual report will be submitted no later than October 1, 2021
Health Affairs Committee
Dean’s Report

Steven Zweig, MD
Dean of MU School of Medicine
April 13, 2021
RISE UP: Background

- Create a high-performing governance and operations structure to achieve strategic research priorities.

- Accelerate speed and fidelity of research hires.

- Support NextGen column-based hiring process that cuts across departments and schools to build new or add to existing research strengths with “cluster” hiring plans.

- Promote recruitment of senior clinical and/or research administrators with strong leadership skills.

- Advance process in collaboration with key campus research leaders (Provost, EVC, VCR, NextGen leaders, other deans, etc.)
RISE UP: Process & Status

Rise Up Committee
• 10 representatives from across the University (MUHC, SOM, Provost’s office, Office of Research and Economic Development) review all requests to open research positions and approve all research related offers

Requests and Proposals
• Column leaders present the ‘why’ behind a new area of research, along with requests to open single or clusters of PhDs or physician scientists
• Proposals include rationale, focus of research, collaborations with other departments, ROI, recruitment approach and financial proformas

Commitment & Recruitment
• The school of Medicine has committed to hire new research positions over the next 5 years. It is expected that up to 40 new research focused positions will be hired over the next 5 years.
• A primary recruitment focus is to target faculty who have a history of NIH funding, and/or have existing funding that is transferrable
• 24 positions approved in last 90 days; recruitment underway
RISE UP: Strategic Research Investments

Strategic Faculty Positions Approved to Date Total

- Oncology Clusters: TBD
- Imaging Cluster: 7 Faculty
- Neurological Sciences Clusters: 8 Faculty
- Population Health: 3 Faculty
- Cardiovascular Clusters: 5 Faculty
- Reproductive Biology Cluster: 1 Faculty
FY22 Strategic Research Goal: $67M

Shared Credit Expenditures Growth

FY18 $39.4M
FY19 $42.9M
FY20 $53.4M
FY21 Projected $61.5M
FY22 Projected $67M

FY21 Awards Up 24% Over Last Year!
## Research Growth

### School of Medicine AAU Expenditures
(in millions of dollars)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21*</th>
<th>Goal by 2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAU Phase 1</td>
<td>28.8</td>
<td>37.5</td>
<td>44.1</td>
<td>70M</td>
</tr>
<tr>
<td>AAU Phase 2</td>
<td>6.9</td>
<td>9.1</td>
<td>9.1</td>
<td>20M</td>
</tr>
<tr>
<td>Other</td>
<td>7.2</td>
<td>6.8</td>
<td>8.3</td>
<td>10M</td>
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<tr>
<td>Total expenditures</td>
<td>$43.0</td>
<td>$53.4</td>
<td>$61.5</td>
<td>100M</td>
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</tbody>
</table>

*projected for year
Match Day 2021

- 125 students participated
- 97% match rate
- 37% staying in Missouri

**Specialties**

- Family Medicine 13
- Internal Medicine 7
- Emergency Medicine 10
- Ob/Gyn 10
- Pediatrics 9
- Orthopaedic Surgery 8
- Psychiatry 8
- Anesthesiology 7
- Radiology 6
- Surgery 6
MU Health Care’s Clinical Priorities

• **Building renewal** is necessary for replacement of health care facilities due to age, technology, and anticipated growth

• **Financial gains are strong** for a consolidated campus – operations, capital, and debt capacity

• MU Health *unwavering commitment to Women’s & Children's services*

• **UH/MOI campus expanded by 80+** over next 12-18 months

• Will result in continued strong **support for research at Mizzou and NextGen**

• **Clinical scale and expansion** in mid-Missouri and beyond
Children’s Hospital Rendering

- Three phases
- Summer 2024 opening
- NextGen Precision Health, University Hospital integration
- 323K total square feet
- 98K square feet shelled
Clinical Campus Integration Updates

Phase 1 Consolidation
- Inpatient hospital services
- Children’s Procedure Suite
- Cancer and Blood Disorder
- Pediatric Surgeries
- Emergency Department
- Pediatric Clinics

Adding 87 inpatient beds
- Emergency Department admin space
- Clinical Engineering admin space
- Psychiatric admin space
- Timeline: Fall 2021
Our Collective Effort

40+ project teams
300+ people
OUR MISSION
TO SAVE AND IMPROVE LIVES.
The End Result

If we wish to be sure of improvement...

1. We must teach **RESPECT** by example
2. We must know & analyze our **RESULTS**
3. We must be **TRANSPARENT** so **LEARNING** can occur
4. We must promote based on skills & **IMPROVEMENT**

Ernest Codman, MD, the father of quality improvement
University of Missouri Health System saves lives with Cerner sepsis IT

Moving from manual assessment to automation has reduced code blues, saved lives and increased provider satisfaction.

By Bill Siwicki | February 02, 2021 | 12:17 PM

- Identifying patients
- Rapid intervention
- Coordination
- Iterative learning
HEART ATTACK CARE & TEAM

- Arun Kumar, MD
- Keri Simon
- Brian Bostick, MD
- Melissa Dowler

- Access to care
- Coordinating care
- Compassionate end-of-life care
- Iterative learning
HIP & KNEE REPLACEMENT & TEAM

• Jim Keeney, MD
• Bob Schaal
• Danielle Dunlop

• Pre-surgery patient engagement
• Early mobility
• Standardized care plans
• Iterative learning
STROKE CARE & TEAM

- Brandi French, MD
- Erin Stapleton
- Donna Pond
- Calvin Posley
- Debra Deeken

Door to Drug Time Windows

- Timely intervention
- Standardized care plans
- Regional outreach
- Iterative learning

Benchmark Goal: <60 min for > 75% & <45 min for >50%
Hospitalizations decreased from 79 in 2019 to 34 in 2020
....AND MANY MORE
**Foundational Adult Quality**

<table>
<thead>
<tr>
<th>Survival</th>
<th>Readmissions</th>
<th>Safety Composite</th>
<th>Infection Composite</th>
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</thead>
<tbody>
<tr>
<td>Jul' 20 - Dec' 20</td>
<td>Jul' 20 - Nov' 20</td>
<td>RTM as of Dec' 20</td>
<td>Jan' 21</td>
</tr>
<tr>
<td>0.6</td>
<td>10.0%</td>
<td>0.62</td>
<td>0.17</td>
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FYTD through Dec. 2020 (Mortality), Nov. 2020 (Readmissions), RTM through Dec. 2020 (PSI-90), Jan. 2021 (HAIs); Trends represent monthly results since October 2016.
# Foundational Pediatric Quality

## Survival

<table>
<thead>
<tr>
<th>Jul' 20 - Dec' 20</th>
<th>PR: 24</th>
<th>Rank: 20 of 84</th>
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<tbody>
<tr>
<td>0.8</td>
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## Readmissions

<table>
<thead>
<tr>
<th>Jul' 20 - Nov' 20</th>
<th>PR: 25</th>
<th>Rank: 21 of 84</th>
</tr>
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<tbody>
<tr>
<td>4.6%</td>
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## Length of Stay

<table>
<thead>
<tr>
<th>Jul' 20 - Dec' 20</th>
<th>PR: 1</th>
<th>Rank: 1 of 84</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.79</td>
<td></td>
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</table>

## Safety Indicators

<table>
<thead>
<tr>
<th>Jul' 20 - Nov' 20</th>
<th>PR: n/a</th>
<th>Rank: n/a</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Events FYTD</td>
<td></td>
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</table>

*FYTD through Dec. 2020 (Mortality), Nov. 2020 (Readmissions), RTM through Dec. 2020 (PSI-90), Jan. 2021 (HAIs); Trends represent monthly results since October 2016.*
Covid-Related Care: The MUHC Team-of-Teams

**COVID Tests**
- >145,000

**Vaccines**
- 34,000

**Hospital Care**
- 1,200 Inpatients

**Survival**
- O/E : 0.51

**Length-of-Stay**
- O/E : 0.89
Together we.
Save & Improve Lives

OPEN – HEALTH AFF – INFO 6-12
Questions?
No. 1

Recommended Action - Minutes, January 28, 2021 Health Affairs Committee Meeting

It was moved by _______________ and seconded by _______________, that the minutes of the January 28, 2021 Health Affairs Committee meeting, held in conjunction with the February 4, 2021 Board of Curators Meeting, be approved as presented.

Roll call vote of Committee: YES NO

Mr. Ashworth
Curator Graham
Mr. Phillips
Curator Steelman
Curator Wenneker
Curator Williams

The motion _______________.
Minutes of Committee Meeting
Thursday, January 28, 2021

A public meeting of the Health Affairs Committee was convened at 1:00 P.M., on Thursday, January 28, 2021, via Zoom video and at remote locations via conference telephone, pursuant to public notice given of said meeting. Curator David L. Steelman, Chair of the Health Affairs Committee presided over the meeting.

Committee Members Present
Mr. Ronald G. Ashworth
The Honorable Maurice B. Graham
Mr. John R. Phillips
The Honorable David L. Steelman
The Honorable Robin R. Wenneker

The Honorable Michael A. Williams was absent for the meeting.

Also Present
The Honorable Greg E. Hoberock
The Honorable Phil H. Snowden
Dr. Mun Y. Choi, President, University of Missouri
Mr. Stephen J. Owens, General Counsel
Ms. Cindy Harmon, Secretary of the Board of Curators
Mr. Remington Williams, Student Representative to the Board of Curators
Mr. Vic Arnold, Associate Dean for Finance and Practice Plan Management, MU School of Medicine
Dr. Richard Barohn, Executive Vice Chancellor for Health Affairs
April 22, 2021

Dr. Ted Choma, Chair of University Physicians
Mr. Jonathan Curtright, Chief Executive Officer, MU Health Care
Ms. Kay Davis, Chief of Financial Planning, MU Health Care
Ms. Kamrhan Farwell, Chief Marketing and Communications Officer
Mr. Robert Hess, Counsel, University of Missouri System
Ms. Christine Holt, Chief of Staff, UM System
Ms. Jennifer May, Compliance Officer, MU Health Care
Ms. Pam Mulholland, Chief Administrative and Operations Officer, MU School of Medicine
Mr. Ryan D. Rapp, Vice President for Finance and Chief Financial Officer
Dr. Stevan Whitt, Senior Associate Dean for Clinical Affairs, MU Health Care
Dr. Steve Zweig, Dean, MU School of Medicine
Media representatives

Executive Vice Chancellor Report – presented by Dr. Barohn (slides on file for this information item)

A report was presented that included:
- A NextGen construction update and plans for the first wave of researchers to occupy space.
- COVID – 19 vaccinations administration and arrival testing plan for students

School of Medicine Report – presented by Dr. Zweig (slides on file for this information item)

A report was presented that included:
- RISE-UP (Research Investment Strategic Enhancement – University Partnership)
- High performing research
- Cluster hiring in key areas
- Overview of School of Medicine finances for second quarter FY21

MU Health Care Report – presented by Jonathan Curtright (slides on file for this information item)

A report was presented that included:
- MU Health Data Security Task Force
- Clinical integration timeline and updates
- Improving access through clinical care facilities
- Operating income – fiscal year to date
Chief Quality Officer Report – presented by Dr. Pendleton (slides on file for this information item)

A report was presented that included operating metrics for quality and safety.

Quarterly Financial Report, MU Health (written report only)

No discussion for this information item. Written report on file.

Quarterly Compliance Report, MU Health (written report only)

No discussion for this information item. Written report on file.

Minutes Approval

It was moved by Curator Graham and seconded by Curator Wenneker that the minutes of the November 12, 2020 Health Affairs Committee meeting, held in conjunction with the November 19, 2020 Board of Curators Meeting, be approved as presented.

Roll call vote of the Committee:

Mr. Ashworth voted yes.
Curator Graham voted yes.
Mr. Phillips voted yes.
Curator Steelman voted yes.
Curator Wenneker voted yes.
Curator Williams was absent.

The motion carried.

There being no further business to come before the Health Affairs Committee, the meeting recessed at 2:20 P.M. on Thursday, January 28, 2021.

Respectfully submitted,

Cindy S. Harmon
Secretary of the Board of Curators
University of Missouri System
Recommended Action – Resolution for Executive Session of the Board of Curators Health Affairs Committee Meeting, April 13, 2021

It was moved by _________ and seconded by __________, that there shall be an executive session with a closed record and closed vote of the Board of Curators Health Affairs Committee meeting April 13, 2021 for consideration of:

- **Section 610.021(1), RSMo**, relating to matters identified in that provision, which include legal actions, causes of action or litigation, and confidential or privileged communications with counsel; and

- **Section 610.021(3), RSMo**, relating to matters identified in that provision, which include hiring, firing, disciplining, or promoting of particular employees; and

- **Section 610.021 (13), RSMo**, relating to matters identified in that provision, which include individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment; and

- **Section 610.021(14), RSMo**, relating to matters identified in that provision, which include records which are protected from disclosure by law.

Roll call vote of the Committee: YES NO

Mr. Ashworth
Curator Graham
Mr. Phillips
Curator Wenneker
Curator Williams
Curator Steelman

The motion ________________.