Health Affairs Committee Meeting - Public Session
University of Missouri System
Dr Priscilla Koepelin Classroom, Room S344, MU School of Nursing
Feb 2, 2023 1:00 PM - 1:50 PM CST

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I. HEALTH AFFAIRS COMMITTEE PUBLIC SESSION - CALL TO ORDER (1:00 PM)

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II. Health Affairs Committee Meeting - Executive Session (time is approximate)

The Health Affairs Committee will hold an executive session of the February 2, 2023
meeting, pursuant to Section 610.021(1), 610.021(2), 610.021(3), 610.021(13), 610.021(14)
and 610.021(20) RSMo, for consideration of certain confidential or privileged communications
with university counsel, property, personnel, records protected by law and computer systems,
all as authorized by law and upon approval by resolution of the Health Affairs Committee.

III. Recess
Health Affairs Committee

Feb. 2, 2023

Richard J. Barohn, MD
Executive Vice Chancellor for Health Affairs / Hugh E. and Sarah D. Stephenson Dean of the MU School of Medicine
Agenda

- **EVCHA/Dean Update:** Dr. Richard J. Barohn
- **MU Health Care Financial Update:** Dustin Thomas
- **Sinclair School of Nursing Update:** Dr. Lori Popejoy
- **Closed Session**
Executive Vice Chancellor/Dean Update
Leadership Updates

• Dr. R. Scott Rector succeeding Dr. Bill Fay as Interim Senior Associate Dean for Research
  – Dr. Rector also serves as Director of the Roy Blunt NextGen Precision Health building

• Active searches underway for:
  – Senior Associate Dean for Research
  – Vice Dean for Clinical and Faculty Affairs
  – MU Health Care Chief Executive Officer
  – MU Health Care Chief Quality Officer
Medical Science Building (MSB) Renovation

• **Scale:**
  – Renovating appx. 112,690 square feet (including appx. 57,000 sq ft of research lab space) of the seven-story, 258,000 sq ft MSB
  – Scope includes space on floors 2, 4, 5 and 6

• **Goal:**
  – Create modern, modular laboratory areas and collaborative environments
  – Increase number of principal investigators in the building from 45 to 58 after renovation

• **Budget:**
  – $51 million

• **Timeline:**
  – Anticipated completion by winter 2025/2026
NextGen – Building Out the Fourth Floor

• Scale:
  – Build-out will add approximately 18,200 square feet of research laboratory space, including wet lab and office space
  – Fourth floor will accommodate 15 investigators, bringing the total number of investigators in the building to approximately 60 wet lab researchers

• Goal:
  – Create future home of NextGen neuroscience and reproductive biology researchers

• Budget:
  – $16.5 million

• Timeline:
  – Anticipated completion by summer 2024

Image provided for reference, not final rendering
MU Health Care – Our New Children’s Hospital

Children’s Hospital – Southeast View

Children’s Hospital – Northeast View

View of the tie-in gap between University Hospital and Children’s Hospital
Connecting the Facility to University Hospital

• Construction work underway to connect Children’s Hospital to the east side of the Patient Care Tower at University Hospital

• Mitigating noise disruptions for patients and employees
  – Ear plugs for patients
  – White noise machines and list of relaxation apps
  – Noise-cancelling earmuffs
  – Nurse call remote attachment with jack for headphones

STEP 1
INFECTION CONTROL BARRIER

STEP 2
TEMPORARY WALL

STEP 3
EXTERIOR REMOVAL AND CONNECTION

Projected Schedule:
*Level 8: Jun 6 – Aug 6
*Level 7: Apr 26 – Jul 27
*Level 6: Mar 28 – Apr 16
*Level 5: Mar 12 – May 2
*Level 4: Feb 26 – Mar 20
*Level 3: Feb 12 – Aug 1
*Level 2: Jan 26 – Feb 1
*Level 1: Jan 10 – Jun 10
*Level 0: Dec 24 – Dec 24

Projected Timeline:
• Floor 6: Nov 1 – Dec 1
• Floor 5: Dec 2 – Jan 1
• Floor 4: Jan 2 – Feb 1
• Floor 3: Feb 2 – Mar 1
• Floor 2: Mar 2 – Apr 1
• Floor 1: Apr 2 – May 1
• Floor 0: May 2 – Jun 1

Projected Schedule:
• Floor 6: Nov 1 – Dec 1
• Floor 5: Dec 2 – Jan 1
• Floor 4: Jan 2 – Feb 1
• Floor 3: Feb 2 – Mar 1
• Floor 2: Mar 2 – Apr 1
• Floor 1: Apr 2 – May 1
• Floor 0: May 2 – Jun 1

Translated and adapted from original university document for clarity and coherence.
Celebrating a Major Milestone

- January 18 topping out ceremony celebrated completion of the Children’s Hospital structure

- Opportunities for staff to sign a beam to commemorate the milestone (pictured, top)

- Alayna, Mark and Max Williams shared their inspiring story (pictured, bottom)

- Children’s Hospital is on budget — $232 million — and on time for summer 2024 grand opening
Integration/Renovation Dominos

• Lottes, Pershing Hall renovation budgets approved by Curators June 23, 2022
  – OB-GYN Department offices relocating to Pershing Hall summer 2024 — $10.86 million budget
  – Child Health Department relocating to Lottes Library summer 2024 — $8.5 million budget

• Identifying temporary space for five medical school departments during renovations
Thompson Center Update

• Ribbon cutting on January 12 for newly renovated space in the current Thompson Center to open a therapy clinic and double space to see patients/families (pictured)

• New building plans for the new Thompson Center will be presented to the Board of Curators for approval on February 9

• New facility will be a state-of-the-art facility that brings together research, education/training and clinical care
MU Health Care Financial Update
February 2, 2023

Dustin Thomas
Chief Financial Officer
2nd Quarter of FY23 (Oct-Dec)

- Better Quarter for MUHC in working our way back to FY21 financial performance
  - Demonstrated ability to move bottom line from $4M/month into $5M-$6M/month range
  - Avoided surgical volume/vacation conflict issues seen in July
  - Overcame a snow day of cancelled clinic visits in Dec
  - Team focus on collections produces strong results

<table>
<thead>
<tr>
<th>Discharges (excluding NNB)</th>
<th>Clinic Visits</th>
<th>Net Days in AR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>December FYTD</strong></td>
<td><strong>December FYTD</strong></td>
<td><strong>December FYTD</strong></td>
</tr>
<tr>
<td><strong>13,894</strong></td>
<td><strong>414,955</strong></td>
<td><strong>51.7</strong></td>
</tr>
<tr>
<td><strong>FY22</strong>: 0.9% ↑</td>
<td><strong>FY22</strong>: 3.5% ↑</td>
<td><strong>FY22</strong>: 59.5</td>
</tr>
<tr>
<td><strong>BY23</strong>: 0.1% ↑</td>
<td><strong>BY23</strong>: 0.4% ↑</td>
<td><strong>BY23</strong>: 50.0</td>
</tr>
</tbody>
</table>

NNB: Normal Newborn

1 Day of Cash = $3.4M
**Year over Year MUHC Financials**

<table>
<thead>
<tr>
<th>In Millions</th>
<th>Jul-Sep FY23</th>
<th>Oct-Dec FY23</th>
<th>Jul-Dec FY23</th>
<th>FY23 Projected</th>
<th>FY22 Full Year</th>
<th>FY21 Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Care Revenue</td>
<td>$268.0</td>
<td>$298.2</td>
<td>$566.2</td>
<td>$1,121.3</td>
<td>$1,089.0</td>
<td>$1,040.1</td>
</tr>
<tr>
<td>Pharmacy/Other Revenue</td>
<td>$46.9</td>
<td>$59.8</td>
<td>$106.7</td>
<td>$188.8</td>
<td>$194.3</td>
<td>$157.2</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$314.9</td>
<td>$358.0</td>
<td>$672.9</td>
<td>$1,310.1</td>
<td>$1,283.2</td>
<td>$1,197.3</td>
</tr>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$139.0</td>
<td>$147.1</td>
<td>$286.1</td>
<td>$567.2</td>
<td>$527.1</td>
<td>$460.0</td>
</tr>
<tr>
<td>Supplies</td>
<td>$86.2</td>
<td>$93.8</td>
<td>$180.0</td>
<td>$335.4</td>
<td>$346.8</td>
<td>$294.7</td>
</tr>
<tr>
<td>Other Expenses*</td>
<td>$93.8</td>
<td>$100.0</td>
<td>$193.8</td>
<td>$362.7</td>
<td>$380.5</td>
<td>$352.1</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSE</strong></td>
<td>$319.0</td>
<td>$340.9</td>
<td>$659.9</td>
<td>$1,265.3</td>
<td>$1,254.4</td>
<td>$1,106.8</td>
</tr>
<tr>
<td>Operating Gain/(Loss)</td>
<td>($4.1)</td>
<td>$17.1</td>
<td>$13.0</td>
<td>$44.9</td>
<td>$28.8</td>
<td>$90.6</td>
</tr>
</tbody>
</table>

**Carrying Q2 Results into Q3 & Q4 nets MUHC @ ~$45M Operating Margin**

* FRA (Medicaid Tax), Purchased Services, Legal/Compliance, Depreciation, Amortization, etc.

- “Triple-demic” drove December agency staffing to all-time high: 329 FTE/ @ $115/hr. $6.6M of Agency.
  - Revenues up in tandem.

- Previous high was May 2022 with $6.5M/ 250 FTE/ @ $149/hr.

- **Kaufman Hall preliminary 2022:**
  - Not-For-Profit Industry Margins down from 2% pre-pandemic to -0.2% in 2022
  - More than half of hospitals at negative margin

- Working with Kaufman Hall on Public Academic Medical Center peer group for fuller 2022 comparison at next meeting
Five Year Financial Planning Process

- Five year financial process concluding with UM System Finance Team
  - Demonstrates a return of margin and cash dependent on Growth, Revenue Enhancement, Operating Efficiency & Capital Expense Management
  - Outer years are aggressive and will be reviewed as part of annual update of 5-year plan. FY23/24 targets are achievable and exceedable
  - Will require tight collaboration with School of Medicine – Clinical Chairs & Faculty leaders will be engaged as part of FY24 budget process

<table>
<thead>
<tr>
<th>MOODY'S</th>
<th>&quot;Aa&quot;</th>
<th>&quot;A&quot;</th>
<th>&quot;Baa&quot;</th>
<th>&quot;Below Baa&quot;</th>
<th>MUHC Goal</th>
<th>ACTUAL</th>
<th>PROJECTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21</td>
<td>$22,522</td>
<td>$22,860</td>
<td>$22,780</td>
<td>$23,562</td>
<td>$23,728</td>
<td>$23,993</td>
<td>$24,263</td>
</tr>
<tr>
<td>FY22</td>
<td>$20,818</td>
<td>$22,347</td>
<td>$22,000</td>
<td>$22,236</td>
<td>$21,976</td>
<td>$22,137</td>
<td>$22,308</td>
</tr>
<tr>
<td>FTE/Adjusted Occupied Bed</td>
<td>6.9</td>
<td>6.2</td>
<td>6.6</td>
<td>6.5</td>
<td>6.4</td>
<td>6.3</td>
<td>6.3</td>
</tr>
<tr>
<td>Operating Income - $M</td>
<td>90.6</td>
<td>28.8</td>
<td>44.9</td>
<td>81.2</td>
<td>112.4</td>
<td>124.5</td>
<td>136.3</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>4.1%</td>
<td>3.1%</td>
<td>2.2%</td>
<td>1.6%</td>
<td>7.0%</td>
<td>6.7%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Days Cash on Hand *</td>
<td>341.3</td>
<td>268.4</td>
<td>206.5</td>
<td>218.7</td>
<td>200.0</td>
<td>187.5</td>
<td>169.2</td>
</tr>
<tr>
<td>Cash to Total Debt</td>
<td>240.4%</td>
<td>177.9%</td>
<td>125.8%</td>
<td>102.0%</td>
<td>150.0%</td>
<td>176.2%</td>
<td>162.3%</td>
</tr>
<tr>
<td>Maximum Annual Debt Service</td>
<td>8.2</td>
<td>5.5</td>
<td>3.9</td>
<td>3.5</td>
<td>4.5</td>
<td>7.0</td>
<td>2.5</td>
</tr>
<tr>
<td>Capital Spending - $M</td>
<td>$73.9</td>
<td>$88.2</td>
<td>$190.5</td>
<td>$126.6</td>
<td>$64.3</td>
<td>$60.4</td>
<td>$63.7</td>
</tr>
</tbody>
</table>

* Calculated at $3.4M per day
Lori L. Popejoy, PhD, RN, FAAN
Interim Dean and Associate Professor

Health Affairs Committee
February 2, 2023
Mission
To improve the health of all people, especially Missourians, through discovery, teaching, practice and scholarship.

Vision
To be Missouri’s premier transformational academic institution for nursing and health education, scholarship, practice, research and innovation.
Programs

Undergraduate
- Bachelor of Science in Nursing – BSN
- Accelerated BSN
- RN-BSN

Graduate
- Master of Science in Nursing – MS(N)
- Master of Science in Care Management – MSCM
- Doctor of Nursing Practice – DNP
- Doctor of Philosophy in Nursing – PhD

Minor
- Nursing Education
- Health System Innovations

Certificates
- Participatory Health Research – PHR
- Care Management – MSCM

Advanced Practice Certificates
- Family Nurse Practitioner – FNP
- Adult Gerontology Clinical Nurse Specialist – AG CNS
- Pediatric Clinical Nurse Specialist – PCNS
- Psychiatric Mental Health Nurse Practitioner (Across the Lifespan) – PMHNP
Undergraduate Student Applications
Traditional and Accelerated

Applications vs Accepted
(includes fall & spring semesters)

% OPEN-HEALTH AFF-INFO 3-5
## Licensure and Certification

### Graduate Certificate – 2021

<table>
<thead>
<tr>
<th>Specialty Area</th>
<th>Certification Organization</th>
<th>Overall Pass Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family NP</td>
<td>AANP</td>
<td>100%</td>
</tr>
<tr>
<td>Pediatric NP</td>
<td>PNCB</td>
<td>100%</td>
</tr>
<tr>
<td>Family NP</td>
<td>ANCC</td>
<td>100%</td>
</tr>
<tr>
<td>PMHNP</td>
<td>ANCC</td>
<td>80%</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>AACN</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Undergraduate NCLEX

### Pass Rates - First Time Testers

| Month 10/15/17 | 11/15/17 | 12/15/17 | 01/16/18 | 02/16/18 | 03/16/18 | 04/16/18 | 05/16/18 | 06/16/18 | 07/16/18 | 08/16/18 | 09/16/18 | 10/16/18 | 11/16/18 | 12/16/18 | 01/17/18 | 02/17/18 | 03/17/18 | 04/17/18 | 05/17/18 | 06/17/18 | 07/17/18 | 08/17/18 | 09/17/18 | 10/17/18 | 11/17/18 | 12/17/18 | 01/18/18 | 02/18/18 | 03/18/18 | 04/18/18 | 05/18/18 | 06/18/18 | 07/18/18 | 08/18/18 | 09/18/18 | 10/18/18 | 11/18/18 | 12/18/18 | 01/19/18 | 02/19/18 | 03/19/18 | 04/19/18 | 05/19/18 | 06/19/18 | 07/19/18 | 08/19/18 | 09/19/18 | 10/19/18 | 11/19/18 | 12/19/18 | 01/20/19 | 02/20/19 | 03/20/19 | 04/20/19 | 05/20/19 | 06/20/19 | 07/20/19 | 08/20/19 | 09/20/19 | 10/20/19 | 11/20/19 | 12/20/19 | 01/21/19 | 02/21/19 | 03/21/19 | 04/21/19 | 05/21/19 | 06/21/19 | 07/21/19 | 08/21/19 | 09/21/19 | 10/21/19 | 11/21/19 | 12/21/19 | 01/22/20 | 02/22/20 | 03/22/20 | 04/22/20 | 05/22/20 | 06/22/20 | 07/22/20 | 08/22/20 | 09/22/20 | 10/22/20 | 11/22/20 | 12/22/20 |
|----------------|----------------------------|------------------|
| MUSSON         | National                   | Pass Rates       |
## Graduates

### Placement Rate

% Employed within 12 months of graduation

<table>
<thead>
<tr>
<th>Year</th>
<th>BSN</th>
<th>DNP</th>
<th>PhD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>2017</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>2018</td>
<td>100%</td>
<td>95%</td>
<td>100%</td>
</tr>
<tr>
<td>2019</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>2020</td>
<td>98%</td>
<td>94%</td>
<td>100%</td>
</tr>
<tr>
<td>2021</td>
<td>96%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
WHERE OUR GRADUATES PRACTICE

- Hospitals and emergency rooms
- Health care clinics
- Primary care clinics
- Nursing homes
- Home health agencies and hospices
- Correctional facilities
- Child protective services
- Mental health facilities
- Public health departments
- Schools
- Military
- Shelters
APRN Clinical Practice

- MOU with University Physicians finalized
- First collections in December 2022
- Establishing MOU to allow for practice inside MUHC clinics
- Potential collaborations
  - SOM/MUHC
  - Private practice
  - Community Health Center of Central Missouri
- Developing business proposal with MUHC establishing an SSON APRN rural clinic
- Collaborating with MU Extension to establish a rural clinic in NW region
Nursing Legislation 2023

APRN Legislation
- HB 271 – Representative Alex Riley – Regulatory Reduction – Full Practice Authority
- SB 79 Senator-Elect Nick Schroer – Regulatory Reduction – Full Practice Authority

Nursing Legislation
- Increase faculty numbers for Missouri nursing schools
Lack of rural health care access

Health care professionals working together will increase Missourians’ access to care.
Research

Millions

Sponsored Expenditures by Category

AAU Phase 1 & 2
Other Sponsored Activities

Sinclair School of Nursing
University of Missouri

OPEN-HEALTH AFF-INFO 3-12
Research

Proposals Submitted by Category

- Federal Proposals
- Other Proposals

FY20:
- $3,000,000 (Federal) + $6,000,000 (Other) = $9,000,000

FY21:
- $3,000,000 (Federal) + $6,000,000 (Other) = $9,000,000

FY22:
- $6,000,000 (Federal) + $12,000,000 (Other) = $18,000,000

Millions

OPEN-HEALTH AFF-INFO 3-13

Sinclair School of Nursing
University of Missouri
Philanthropy
The Donor Experience

Increase social media and communications
Increase touchpoints with alumni/donors
Working to increase gifts

765 million potential reaches CY 2022
50,000+ written communication CY 2022
$1,285,425 FYTD 2022-2023

OPEN-HEALTH AFF-INFO 3-14
Sinclair School of Nursing
University of Missouri
Looking Ahead

- Partner with campus on student recruitment and retention initiatives
- Recruitment and retention of faculty during the national faculty shortage
- Leveraging the power of nursing schools within the UM System to meet historical challenges of shortage and demand
- Strategic investments in the research mission
- Partnerships with SOM and MU Extension to increase care access for rural and underserved communities
- Inclusion, diversity, and equity – building a nursing workforce to meet the demands of diverse communities
No. 1

Recommended Action - Minutes, November 10, 2022 Health Affairs Committee Meeting

It was moved by _______________ and seconded by _______________, that the minutes of the November 10, 2022 Health Affairs Committee meeting, held in conjunction with the November 17, 2022 Board of Curators meeting, be approved as presented.

Roll call vote of Committee: YES NO

Mr. Ashworth
Curator Brncic
Mr. Devers
Curator Holloway
Curator Layman
Curator Wenneker
Dr. Whitaker

The motion ________________.
Recommended Action – Resolution for Executive Session of the Board of Curators Health Affairs Committee Meeting, February 2, 2023

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 February 2, 2023 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(2), RSMo**, relating to matters identified in that provision, which include leasing, purchase, or sale of real estate; 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; and

- **Section 610.021(20), RSMo**, relating to matters identified in that provision, which include records that identify the configuration of components or the operation of a computer, computer system, computer network, or telecommunication network, and would allow unauthorized access to or unlawful disruption of a computer system.

Roll call vote of the Committee: YES NO

Mr. Ashworth
Curator Brncic
Mr. Devers
Curator Holloway
Curator Layman
Curator Wenneker
Dr. Whitaker

The motion ________________.