

Health Affairs Committee Meeting - Public Session

University of Missouri System

Atkins Seminar Room, NextGen Precision Health Building, University of Missouri - Columbia

2025-01-30 13:00 - 15:30 CST

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II. Health Affairs Committee Meeting - Executive Session (1:50 PM, time is

approximate)

The Health Affairs Committee will hold an executive session of the January 30, 2025 meeting, pursuant to 610.021(1), 610.021(3), 610.021(12), 610.021(13) and 610.021(14) RSMo, for consideration of certain confidential or privileged communications with university counsel, contract, personnel items and records protected by law, as authorized by law and upon approval by resolution of the Health Affairs Committee.

Health Affairs Committee

January 30, 2025

Richard J. Barohn, MD

Executive Vice Chancellor for Health Affairs

Hugh E. and Sarah D. Stephenson Dean of the MU School of Medicine



UMKC

MISSOURI
S&T

UMSL

University of Missouri System

OPEN-HEALTH AFF-INFO 1-1

Agenda

- **MU School of Medicine Update**
- **NextGen Update**
- **MU Health Care Update**
- **Strategic Planning Update**
- **MU Health Care Financial Update**
- **School of Medicine Financial Update**
- **Closed Session**

MU SCHOOL OF MEDICINE UPDATE

Three Deans' Lecture Series



SAVE THE DATE

| February 12, 2025



Dr. J. Bryan Sexton
Associate Professor
Director, Duke Center for the Advancement
of Well-being Science, Duke University Health System

**Bite-Sized Well-Being During Uncertain Times:
Evidence, Practice and Resources to Share**

February 12, noon - 1 p.m. | Stotler Lounge, Memorial Student Union



University of Missouri

School of Medicine | Sinclair School of Nursing
College of Health Sciences

Physician and Health Professional Wellness Program



- New program accepting some clients from the Missouri Physicians Health Program (MPHP)
- Under the direction of the Office of Well-Being
- Offers in-person and virtual support for health care professionals in Missouri for concerns related to:
 - Mental health
 - Substance use disorder
 - Burnout
 - Other issues



Center for Child Well-Being Outreach



- Mission: To establish itself as the preeminent leader in advancing the social and emotional development and overall well-being of Missouri's children
- Eight programs to serve children, parents, caregivers, providers, educators and more, to support the development and wellbeing of Missouri's children
- \$14.8 million in active funding



Laine Young-Walker, MD, chair, Department of Psychiatry is the principal investigator overseeing the Center for Child Well-Being, located at 3928 S. Providence Road in Columbia

Veterans Law Clinic “Show Me Collaboration”



- MU medical and law school students review medical records and assist veterans in applying for disability benefits and appeals
- Partnership provides invaluable benefits to veterans at no cost
- More than \$16 million secured in benefits for veterans



*Brent Filbert, Director
Veterans Clinic School of Law*



Outcomes 1997-2024:

64% practice in Missouri

49% in rural Missouri

43% practice primary care



RURAL SCHOLARS
PROGRAM



NEXTGEN PRECISION HEALTH UPDATE



MU is the first active clinical study site in the world for a new gene therapy for Charcot-Marie-Tooth (CMT) disease, hereditary peripheral neuropathy

- First patient began treatment in November
- Led by Drs. Dave Arnold and Ryan Castoro with the NextGen neuroscience team
- Industry-sponsored: NMD Pharma
- 4 sites internationally and 3 in the U.S.



Dr. Ryan Castoro



Dr. Dave Arnold

NextGen PATHWAYS Symposium Goes to KC



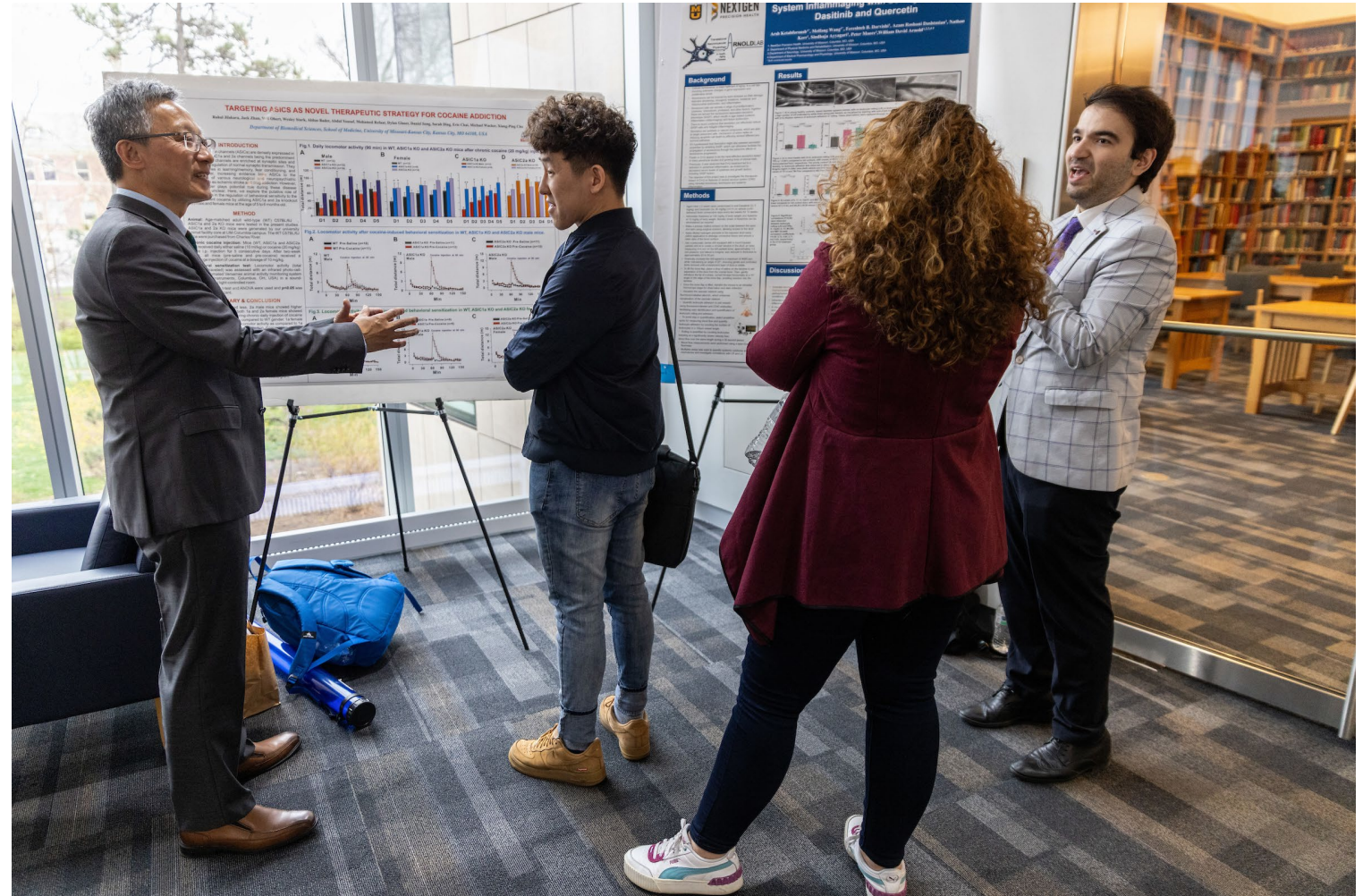
Pathways 2025

March 13-14

UMKC Student Union

Goals:

- Foster collaborations
- Jumpstart new projects
- Celebrate research

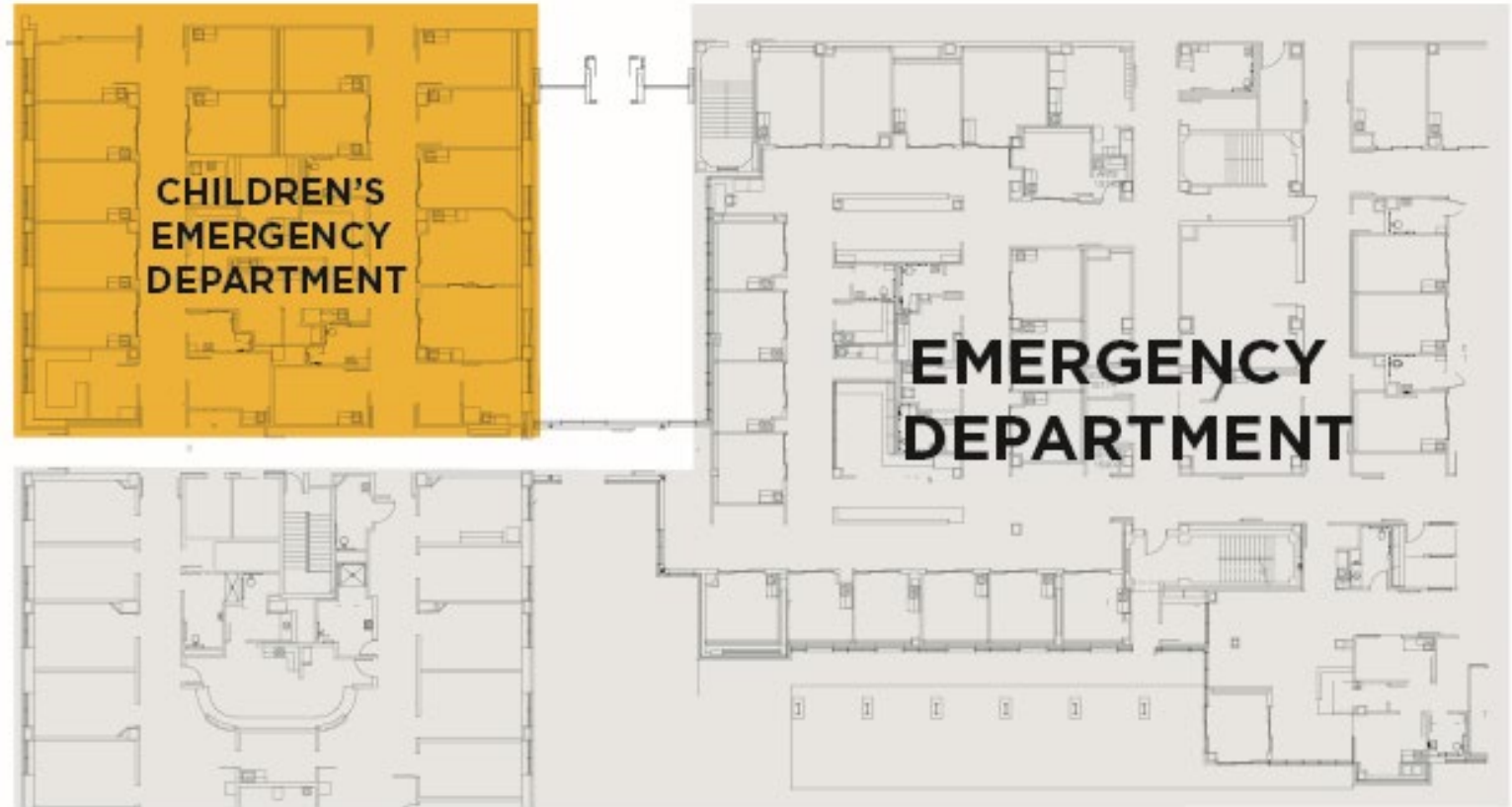


MU HEALTH CARE UPDATE

Children's Emergency Department Expansion



- Completely new unit, separate from adult Emergency Department (ED) at University Hospital
- Separate parking and waiting areas
- Seven additional beds (16 total)
- Larger rooms feature nature themes and are designed with kids in mind



Integration Success at CRMC



Since January 1, 2024:

- Capital Region Medical Center census has increased by more than **60%**
- Number of beds available has increased **20%**

Joint Commission Accreditation

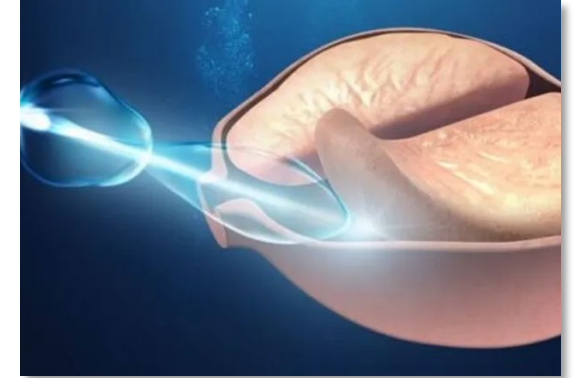
- Primary Heart Attack Center
- Primary Stroke Center





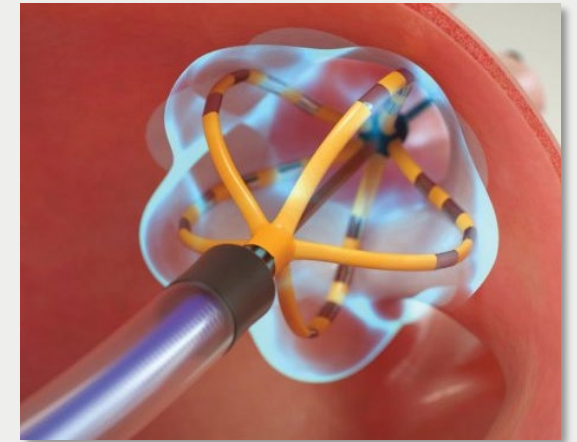
Holmium Laser Enucleation of the Prostate (HoLEP)

- Minimally invasive surgery for men with an enlarged prostate who have not had success with other treatments.
- Lasers remove excess tissue blocking urine flow through the prostate.
- HoLEP provides a lasting solution and offers faster recovery compared to traditional prostate surgeries.



Pulsed Field Ablation to treat atrial fibrillation


- Catheter device that uses electrical fields to target heart tissue areas that cause irregular heart rhythm.
- Shorter procedure length, reduced risk of damage to surrounding anatomy and better outcomes than thermal ablations.




FY24 By the Numbers: Access to Care





 **+7.5%↑**
1,183,441
clinic visits (all sites)

 **-4.7%↓**
114,017
ER + trauma visits

 **+14.2%↑**
116,096
urgent care visits

 **+2.7%↑**
32,757
patient discharges

 **+4.2%↑**
33,552
MAJOR
surgical operations

 **+5.9%↑**
754 BEDS
*116 intensive care
638 acute care*



+1.9%↑
3,201
BIRTHS

MU HEALTH CARE'S 2024 YEAR IN REVIEW

**Placeholder for video to be
shown during meeting**

MU HEALTH STRATEGIC PLANNING UPDATE

January 30, 2025

Shelley Naydyhor

Chief Strategy Officer, MU Health Care

Update on Strategic Planning Work

MU HEALTH STRATEGIC FRAMEWORK | FY26-FY30



QUALITY



ENGAGEMENT



SERVICE



STEWARDSHIP



GROWTH

Planning Process Next Steps

Education Program Planning

Session: February

Key Participants:

- Health Affairs Committee Members
- Student Leaders from M1-M4 Classes
- Residency Program Leaders
- Faculty Affairs Council
- Undergraduate Medical Education Leaders
- Graduate Medical Education Leaders
- Graduate Education Leaders
- Residency and Fellowship Program Directors

Research Enterprise Planning

Session: March

Key Participants:

- Health Affairs Committee Members
- Research Council
- Faculty Affairs Council
- NextGen Precision Health
- MU Research Reactor
- Research Program Faculty and Teams
- General and Basic Science Research Leaders
- Compliance

School of Medicine Department Planning

Sessions: March & April

Key Participants:

- Health Affairs Committee Members
- Staff
- Faculty Affairs Council
- Department Chairs, Vice Chairs & Division Leaders
- Department Administrators

The School of Medicine and MU Health Care integrated plan and subsequent plans will continue to be developed through Spring 2025 with a planned communication and launch Spring/Summer 2025.

MU HEALTH CARE FINANCIAL UPDATE

January 30, 2025

Greg Damron

Chief Financial Officer, MU Health Care

FYTD 25 (December) Financials - Columbia

In Millions	FY25 Actual Jul-Dec	FY25 Budget Jul-Dec	Var		FY24 Jul-Dec	FY24 Actual Full Year
Gross Revenue	\$3,065.6	\$2,771.1	\$294.5		\$2,506.1	\$5,227.9
<i>Collection Rate</i>	<i>24.4%</i>	<i>25.6%</i>			<i>25.1%</i>	<i>24.7%</i>
NET REVENUE	\$825.6	\$808.9	\$16.8		\$741.1	\$1,507.7
Salaries & Benefits	\$335.4	\$341.2	\$5.8		\$313.0	\$640.1
Supplies (less Hospital Drugs)	\$167.0	\$167.8	\$0.8		\$153.2	\$315.3
Hospital Drugs	\$62.9	\$60.8	(\$2.1)		\$55.7	\$108.0
Other Expenses	\$215.5	\$214.5	(\$1.0)		\$208.1	\$421.6
TOTAL EXPENSE	\$780.8	\$784.4	\$3.6		\$730.0	\$1,484.9
Operating Gain/(Loss)	\$44.8	\$24.5	\$20.3		\$11.1	\$22.8

Note: Beginning FY25, interest expense is being reported as operating expense, which impacts total expense and operating gain/(loss) reported in prior periods.

FYTD 25 (December) Financials – Jeff City

In Millions	FY25 Actual Jul-Dec	FY25 Budget Jul-Dec	Var		FY24 Jul-Dec	FY24 Actual Full Year
Gross Revenue	\$553.5	\$511.7	\$41.8		\$417.9	\$983.4
<i>Collection Rate</i>	23.6%	22.7%			28.2%	26.1%
NET REVENUE	\$136.4	\$123.6	\$12.7		\$123.4	\$266.4
Salaries & Benefits	\$47.5	\$44.7	(\$2.8)		\$64.2	\$139.3
Supplies (less Hospital Drugs)	\$17.2	\$15.8	(\$1.4)		\$16.9	\$33.5
Hospital Drugs	\$14.3	\$13.2	(\$1.1)		\$18.8	\$33.4
Other Expenses	\$54.6	\$47.1	(\$7.5)		\$35.9	\$67.9
TOTAL EXPENSE	\$133.7	\$120.8	(\$12.9)		\$135.8	\$274.0
Operating Gain/(Loss)	\$2.6	\$2.8	(\$0.2)		(\$12.5)	(\$7.7)

Note: Beginning FY25, interest expense is being reported as operating expense, which impacts total expense and operating gain/(loss) reported in prior periods.

FYTD 25 (December) Financials - Consolidated

In Millions	FY25 Actual Jul-Dec	FY25 Budget Jul-Dec	Var		FY24 Jul-Dec	FY24 Actual Full Year
Gross Revenue	\$3,619.1	\$3,282.8	\$336.3		\$2,924.1	\$6,211.3
<i>Collection Rate</i>	24.3%	25.1%			26.0%	24.9%
NET REVENUE	\$962.0	\$932.5	\$29.5		\$864.4	\$1,774.1
Salaries & Benefits	\$382.9	\$385.9	\$3.0		\$377.2	\$779.4
Supplies (less Hospital Drugs)	\$184.2	\$183.6	(\$0.6)		\$170.1	\$348.7
Hospital Drugs	\$77.2	\$74.1	(\$3.2)		\$74.4	\$141.4
Other Expenses	\$270.2	\$261.6	(\$8.6)		\$244.0	\$489.5
TOTAL EXPENSE	\$914.5	\$905.2	(\$9.3)		\$865.8	\$1,759.0
Operating Gain/(Loss)	\$47.4	\$27.3	\$20.1		(\$1.3)	\$15.1
Financial Metrics:						
<i>Operating Margin</i>	4.9%	2.9%			-0.2%	0.9%
<i>EBIDA Margin</i>	11.5%	9.8%			6.7%	7.7%
<i>Days Cash on Hand</i>	125	120			127	120
<i>Cash to Total Debt</i>	103.1%	100.0%			95.4%	92.8%
<i>Debt Service Ratio</i>	3.6	3.0			1.9	4.3

Note: Beginning FY25, interest expense is being reported as operating expense, which impacts total expense and operating gain/(loss) reported in prior periods.

SCHOOL OF MEDICINE FINANCIAL UPDATE

January 30, 2025

Kevin Holland

Executive Director of Finance, MU School of Medicine

FYTD25 Financials - SOM



In Thousands	FY25 Actual Jul-Dec	FY25 Budget Jul-Dec	Var		FY24 Actual Jul-Dec	FY25 Budget Full Year
Net Clinical Revenue	\$ 188,768	\$ 186,045	\$ 2,723		\$ 145,720	\$ 389,797
Sponsored Research	31,668	29,060	2,608		29,301	57,396
Gifts and Endowments	4,117	3,416	701		3,733	6,814
Tuition, Fees and State Support	23,115	22,939	176		22,966	47,483
MUHC (CARTS)	73,735	61,726	12,010		49,124	123,942
Other Income	11,816	11,881	(65)		13,417	20,193
Total Revenue	\$ 333,220	\$ 315,068	\$ 18,152		\$ 264,261	\$ 645,625
Salaries & Benefits	\$ 278,833	\$ 262,993	\$ (15,840)		\$ 223,385	\$ 534,327
Other Expenses	59,282	59,584	303		51,214	118,781
Total Expenses	\$ 338,115	\$ 322,577	\$ (15,538)		\$ 274,599	\$ 653,107
Operating Gain/(Loss)	\$ (4,895)	\$ (7,509)	\$ 2,615		\$ (10,339)	\$ (7,483)

Includes Department of Community Practice (DOCP, Jefferson City)

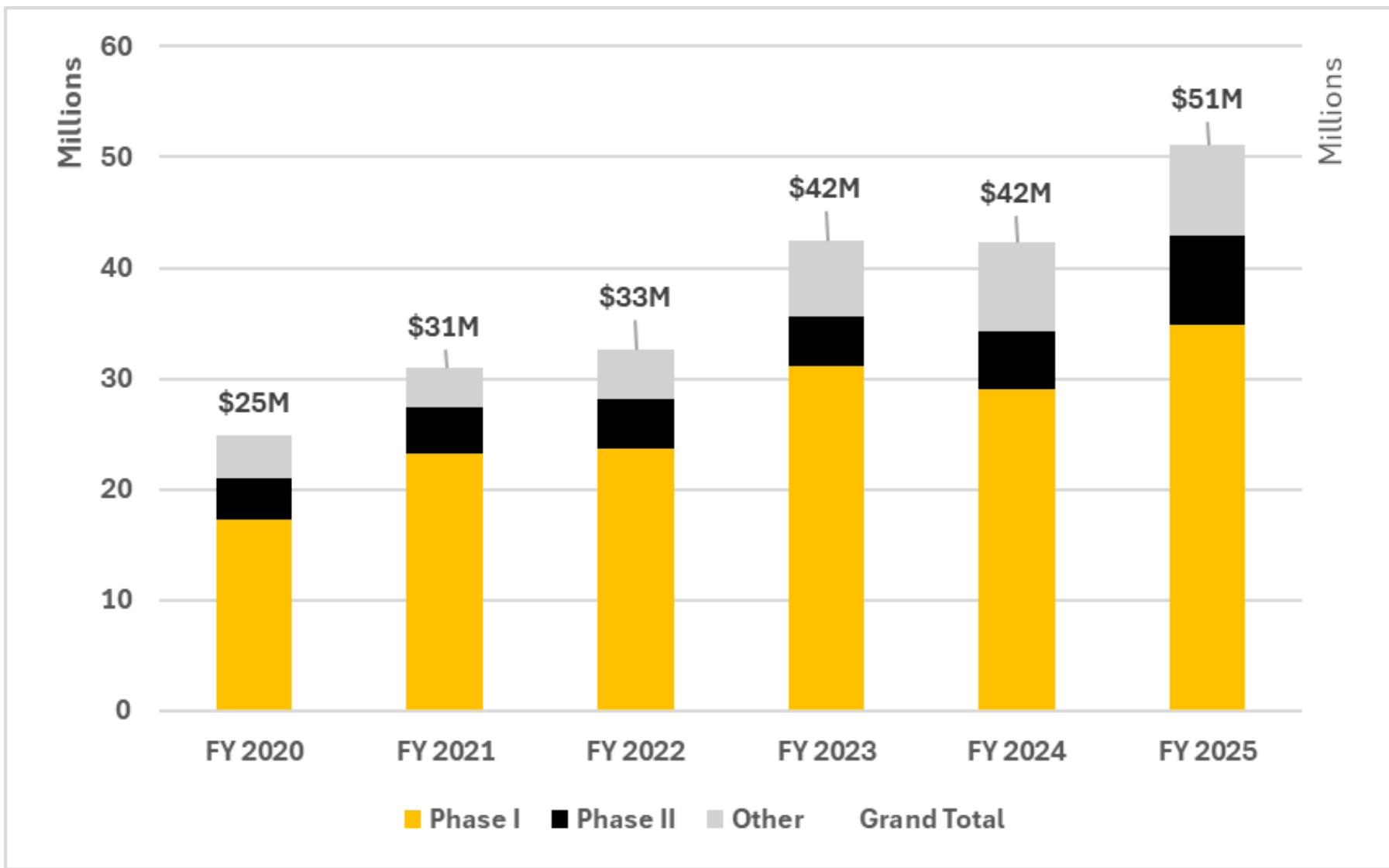
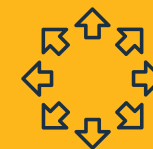
FY25 Budget Variances

- Revenue variance due to increase in MUHC funding of \$12M, or 19%, stemming from additional support for DOCP).
- Compensation variance is reported at +6%, or \$15.8M over budget. This is driven from LOCUMS (+\$6M); Incentives (+\$4.9M) from increased collections & Productivity; and salaries & benefits (+\$4.9M).

YoY Variances

- Revenue growth due in large part to DOCP, making up \$35M of the \$68M revenue variance. SOM has also experienced a large increase in clinical collections, up \$19.4M, or 13.3%, without DOCP.
- Compensation variance also primarily due to DOCP which takes up \$31M of the \$55M variance.

FYTD25 (Dec) – SOM Research Expenditures



No. 1

Recommended Action - Minutes, November 14, 2024 Health Affairs Committee Meeting

It was moved by _____ and seconded by _____, that the minutes of the November 14, 2024 Health Affairs Committee meeting, held in conjunction with the November 20, 2024 Board of Curators meeting, be approved as presented.

Roll call vote of Committee:	YES	NO
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Mr. Ashworth

Mr. Burger

Mr. Devers

Curator Fry

Curator Holloway

Curator Layman

Curator Williams

The motion _____.

Recommended Action – Resolution for Executive Session of the Board of Curators Health Affairs Committee Meeting, January 30, 2025

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 January 30, 2025 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(12), RSMo**, relating to matters identified in that provision, which include sealed bids and related documents and sealed proposals and related documents or documents related to a negotiated contract; 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
Mr. Burger
Mr. Devers
Curator Fry
Curator Holloway
Curator Layman
Curator Williams

The motion _____.