

University of Missouri Health Care

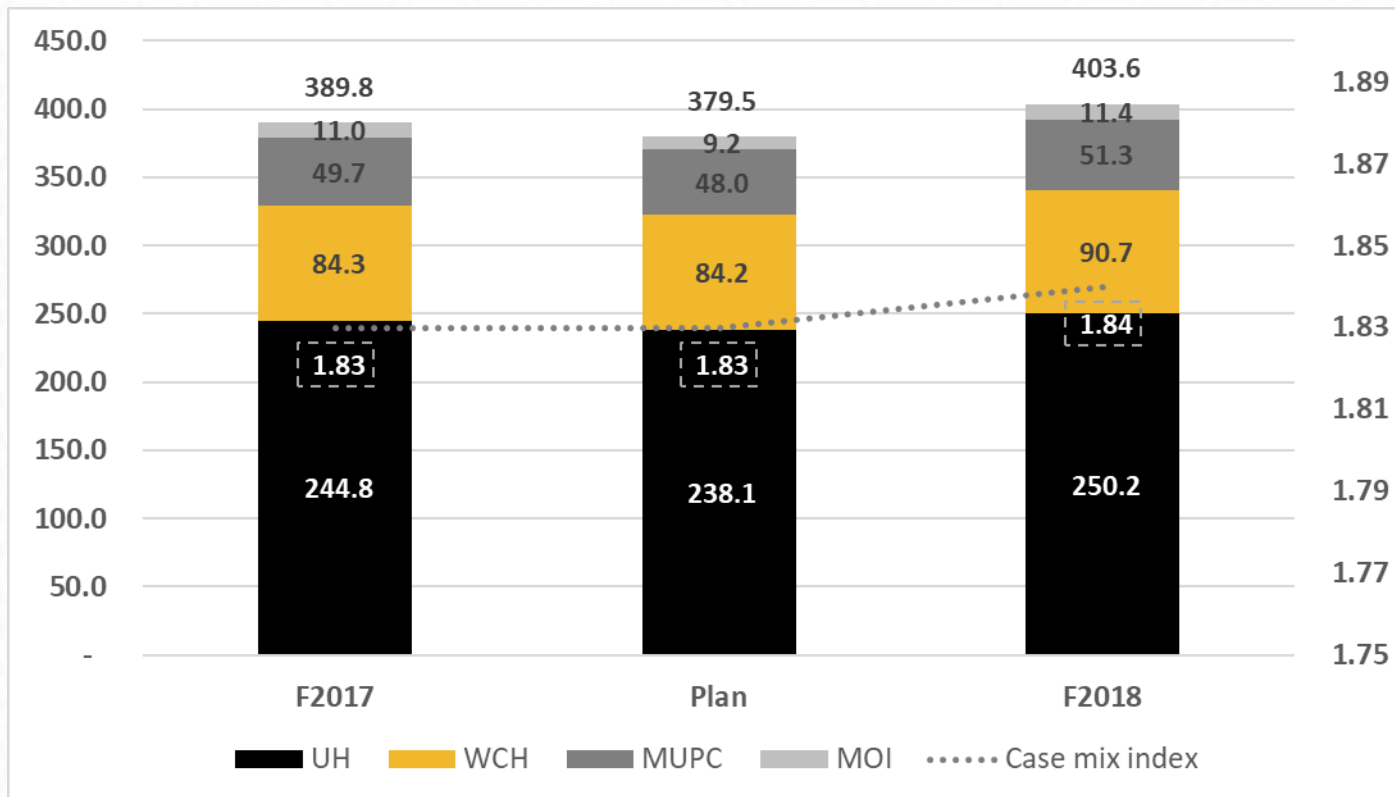
Financial Results

Fiscal Year Ended

June 30, 2018

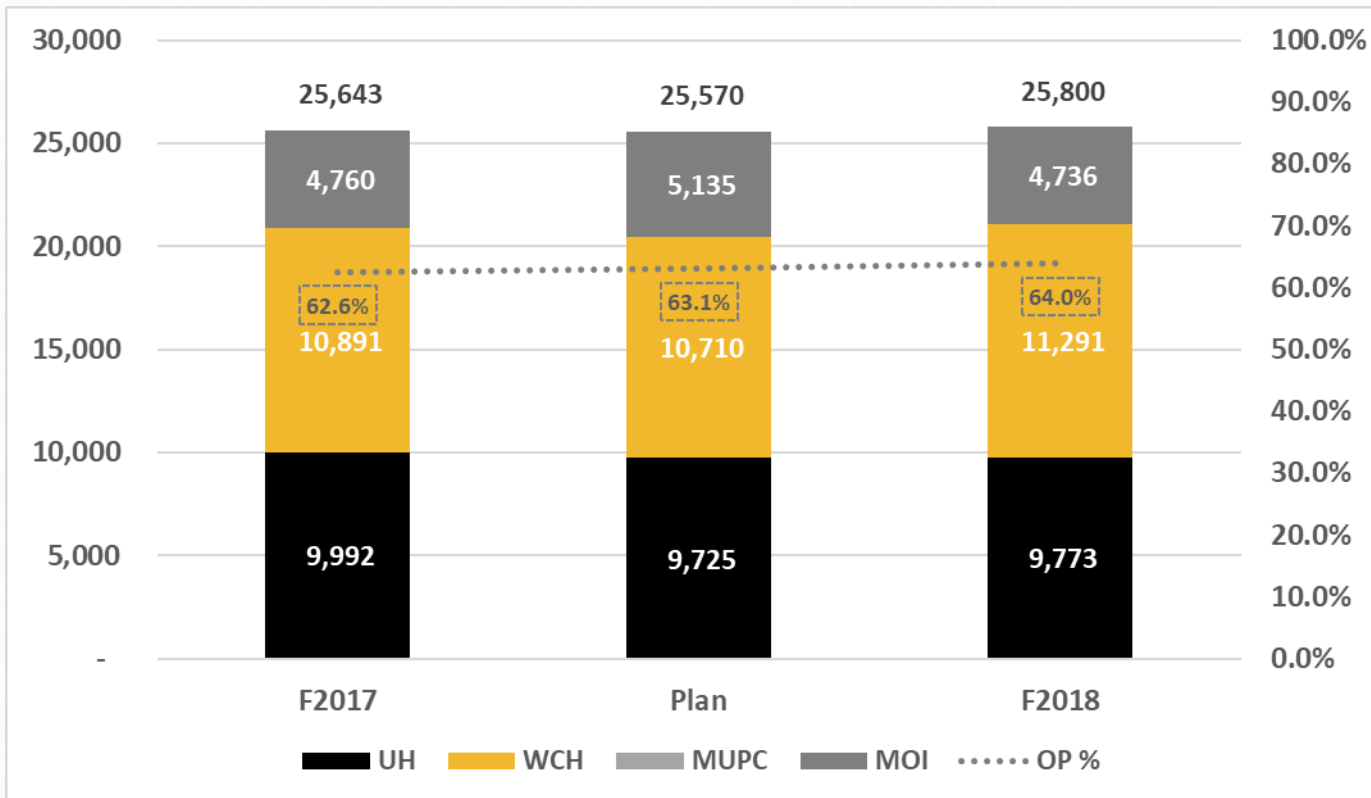
Patient utilization – average daily census

- Average Daily Census was 6.4% higher than plan reflecting a higher census at all hospitals
- Patient acuity as measured by case-mix-index was higher than plan reflecting an increase in acuity at the Orthopaedic Institute



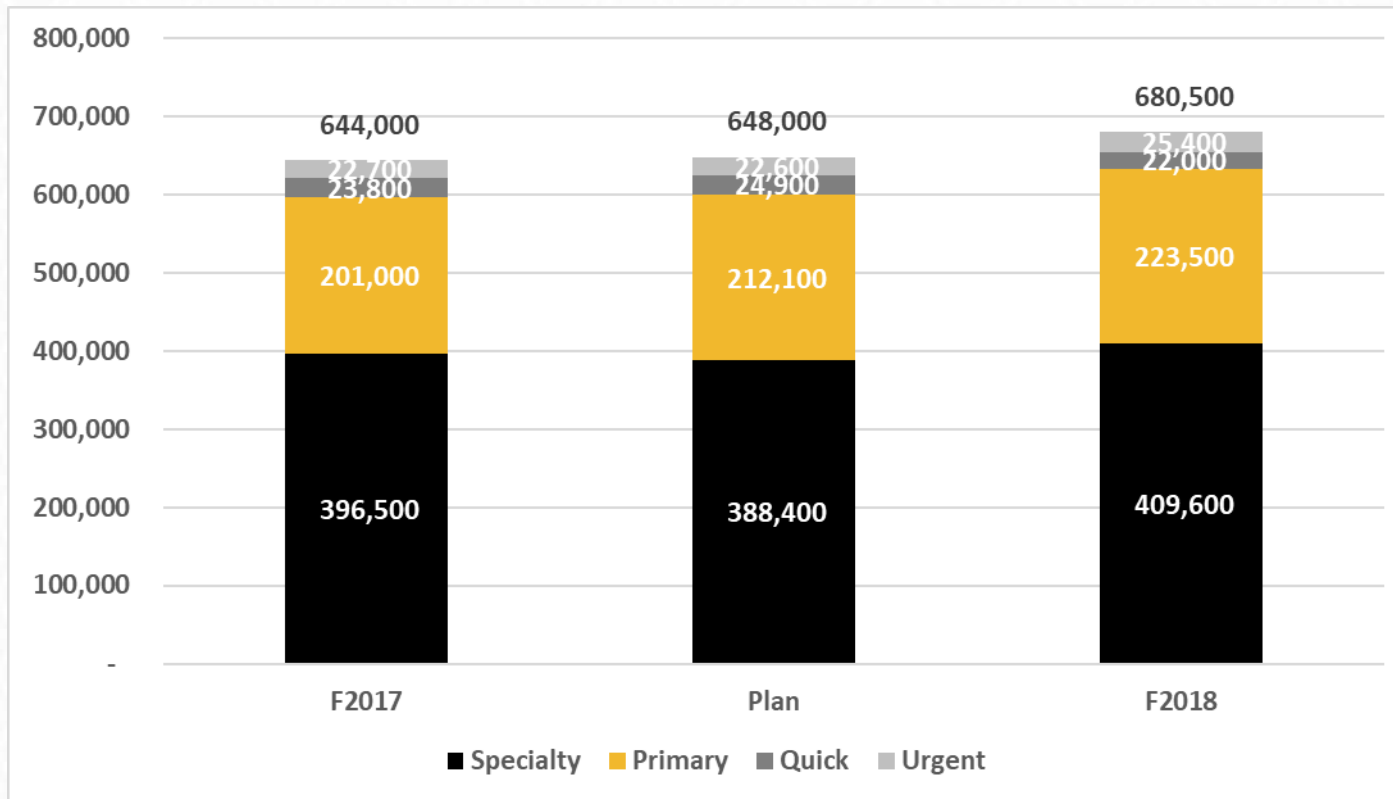
Patient utilization – surgeries

- Total surgeries were 1.0% higher than plan mostly reflecting higher volume at Women’s & Children’s
- Outpatient surgeries were 2.3% higher than plan and inpatient surgeries (1.6%) lower than plan



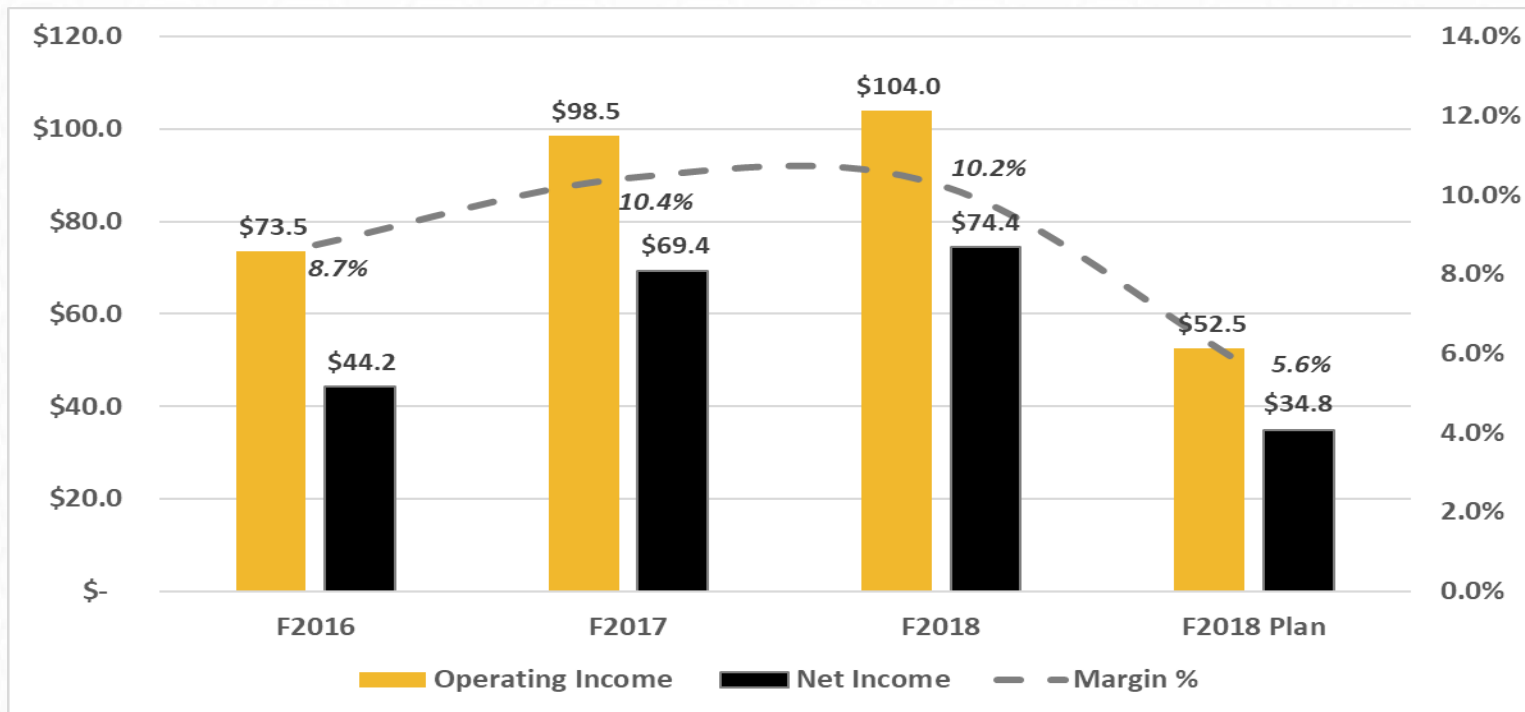
Patient utilization – clinic visits

- Clinic visits were 5.0%, or 32,500 visits, higher than plan reflecting higher primary and specialty care visits



Financial results

- Total operating revenue surpassed \$1 billion; a 7.4% increase over F2017
- Operating income exceeded \$100 million
- Consistently strong financial performance is necessary to
 - ✓ fund the clinical, educational and research missions, and
 - ✓ reinvest in care delivery capabilities and prepare for the future



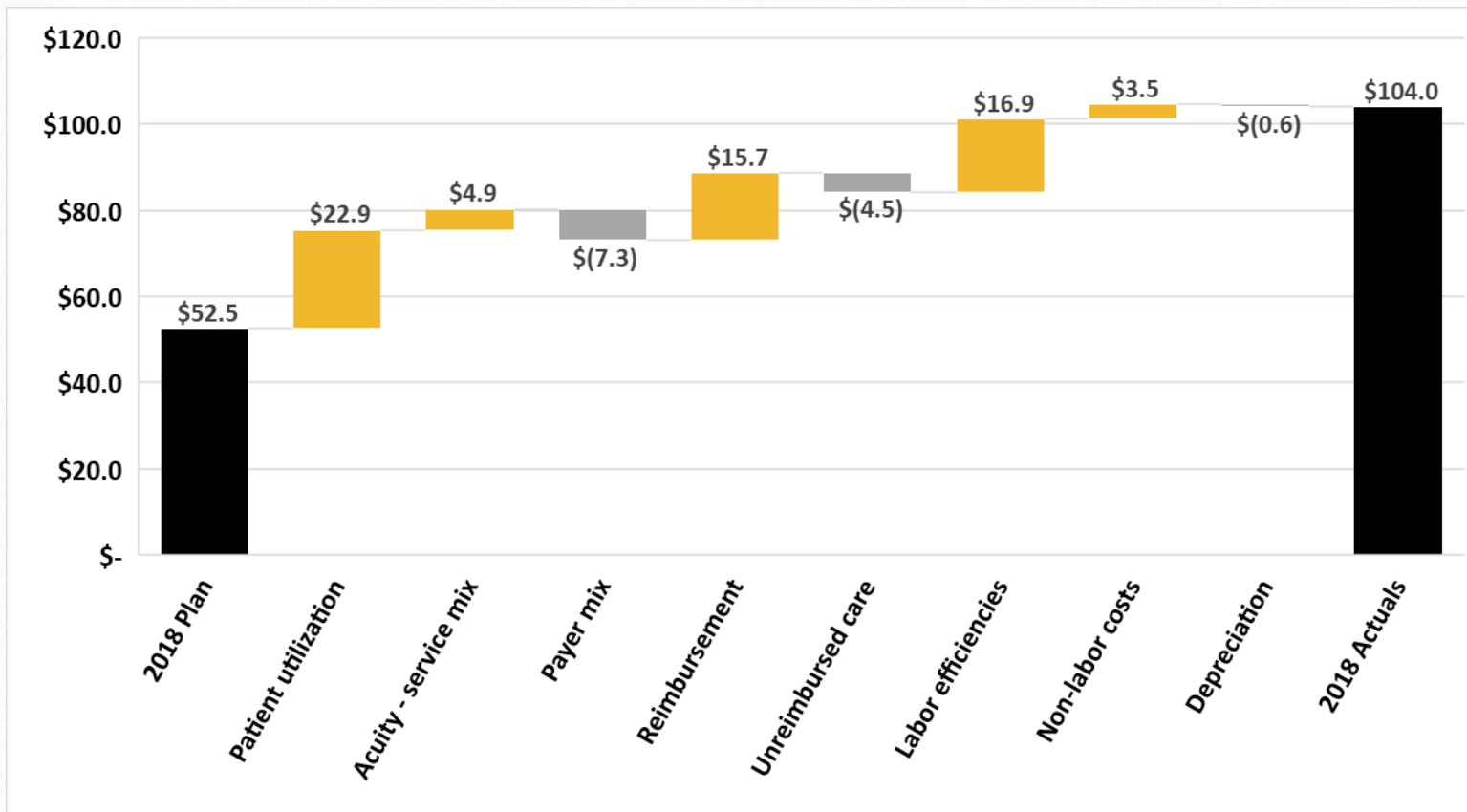
Mizzou investments

Strong financial performance enabled the following F2018 contributions to our Mizzou partners:

Mizzou investments	\$
Academic mission support	\$18 million
New School of Nursing facility	\$5 million
Transitional Precision Medicine Center	\$500 thousand
School of Health Professionals	\$500 thousand
Athletics – cross country pavilion	\$250 thousand

Variations to financial plan

- Operating income was \$51.5M favorable to plan driven by higher patient utilization, better than expected reimbursements, and cost efficiencies



Financial results and ratios

- Financial ratios compare favorably to Moody's A-rated benchmarks

Actual	Plan	Consolidated Financial Results	Prior Year	Moody's A Rated
(\$000'S)				
\$1,014,613	\$938,952	Total Operating Revenue	\$944,690	
910,654	886,446	Operating Expenses*	846,175	
103,959	52,506	Operating Income	98,515	
(29,565)	(17,739)	Non-operating Expenses, Net	(29,094)	
\$74,394	\$34,767	Change in Net Assets	\$69,421	
*Includes University purchased clinical services annual budget of \$44 million.				
Financial Ratios and Benchmarks				
10.2%	5.6%	Margin Percent	10.4%	3.2%
6.2%	2.9%	Annualized Return on Total Assets	6.4%	4.6%
170.9%	169.6%	Cash to Total Debt	153.3%	121.5%
27.6%	28.6%	Debt to Capitalization	30.7%	33.9%
5.1	3.6	Maximum Annual Debt Service Coverage	5.0	5.0
211.1	217.8	Days Cash on Hand	208.1	215.5
51.3	51.0	Net Days Revenue in AR	54.4	48.1

