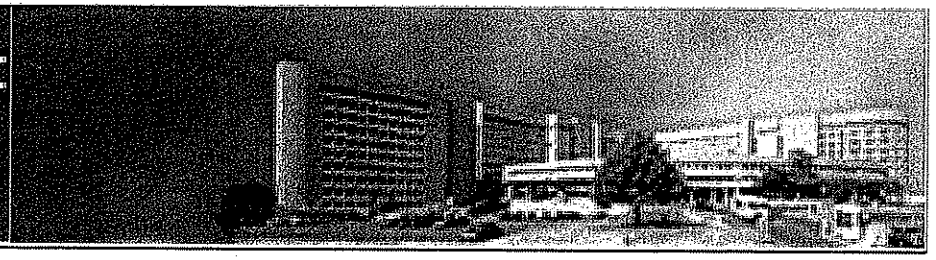
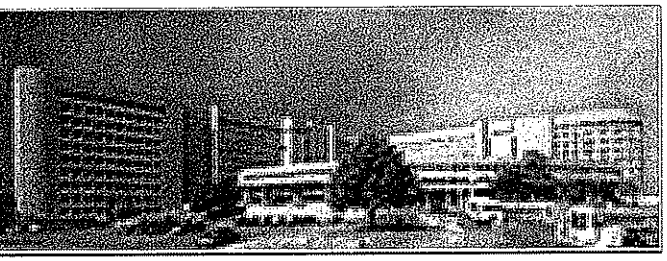
University of Connecticut Health Center

KNOW BETTER CARE



University of Connecticut Health Center

February 2009



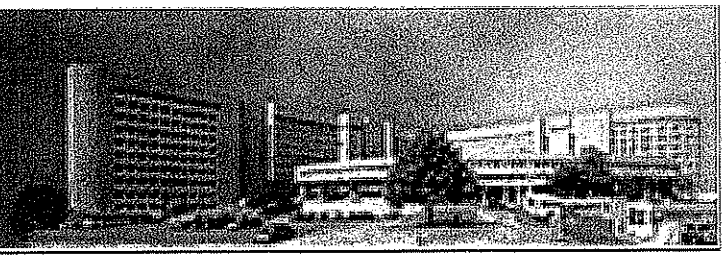
UCHC'S Primary Mission: Education and Research

- **3 Schools:**
  - **Medical School (331 students)**
  - **Dental School (172 students)**
  - **Graduate School in bio-medical sciences (342 students)**

- **Research: More than $90M per year of innovative research is conducted and discoveries are translated into advances in patient care, e.g. cancer vaccines, hormone therapies for Osteoporosis, new materials for Dental Implants, and Stem Cell research**

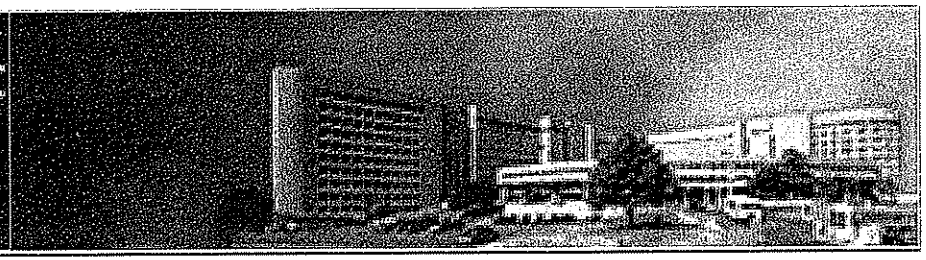
- **Residency Training: For 675 residents (medical and dental) per year who train in local hospitals**

- **John Dempsey Hospital (JDH) and UConn Medical Group (UMG), the multi-specialty faculty practice, are sites for learning and represent key elements in attracting talented faculty who want to teach, do research and provide patient care**



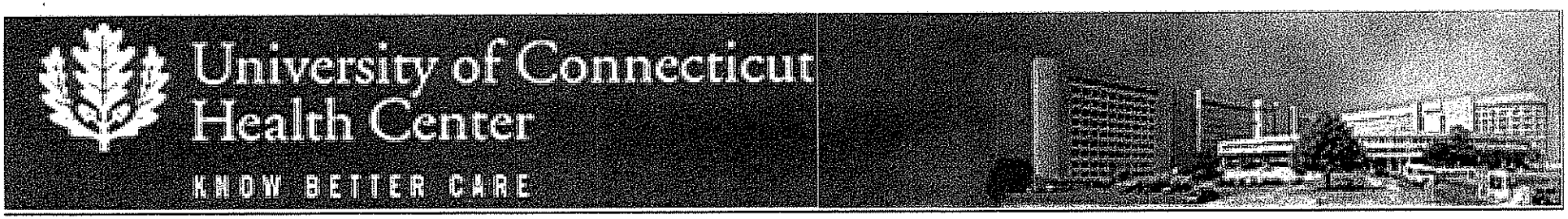
A Worthy Investment

- Approximately 35% of School of Medicine graduates practice in the State, as do 46% of School of Dental Medicine graduates
- Dental School is historically #1 or #2 in the country
- For the entering class of 2008, Connecticut residents comprise 75% of the School of Medicine and 56% of the School of Dental Medicine
- Total minority enrollment in Fall 2008 is 28.1%
- School of Medicine national leader in innovative curriculum
- The Health Center has 5062 employees (77% union, 13% faculty, 3% managerial and 7% residents/graduate assistants/student payroll) and generates $938 million in Gross State Product



UCHC: A Resource to the Community and the State

- **Service to Medicaid Patients**
  - → In FY08, JDH was among the top 5 hospitals in CT in Medicaid inpatient days as a percentage of total inpatient days
  - → Largest single provider of dental services to Medicaid clients and the under- and uninsured
    - 66% of patient visits to the UCHC dental clinic in Farmington are Medicaid clients
    - 71% of all student/intern/resident dental care activity is service to Medicaid clients
- **Clinical Service Collaboration:**
  - → Dept. of Public Health, Dept. of Correction, Dept. of Mental Health & Addiction Services, Dept. of Veteran Affairs (Rocky Hill), Dept. of Developmental Services
- **Community Service:**
  - → South Park Inn Medical Clinic (Hartford)
  - → South Marshall Street Homeless Clinic (Hartford)
  - → Urban Service Track
  - → Connecticut Poison Control Center
  - → YMCA Adolescent Girls Medical Clinic (Hartford)
  - → Camp Courant Dental Screening Program
  - → Migrant Worker Clinic
  - → Covenant House (Willimantic)
- **Economic Driver for the Region and State:**
  - → Catalyst for Biomedical and Biotech jobs, e.g., Stem Cells

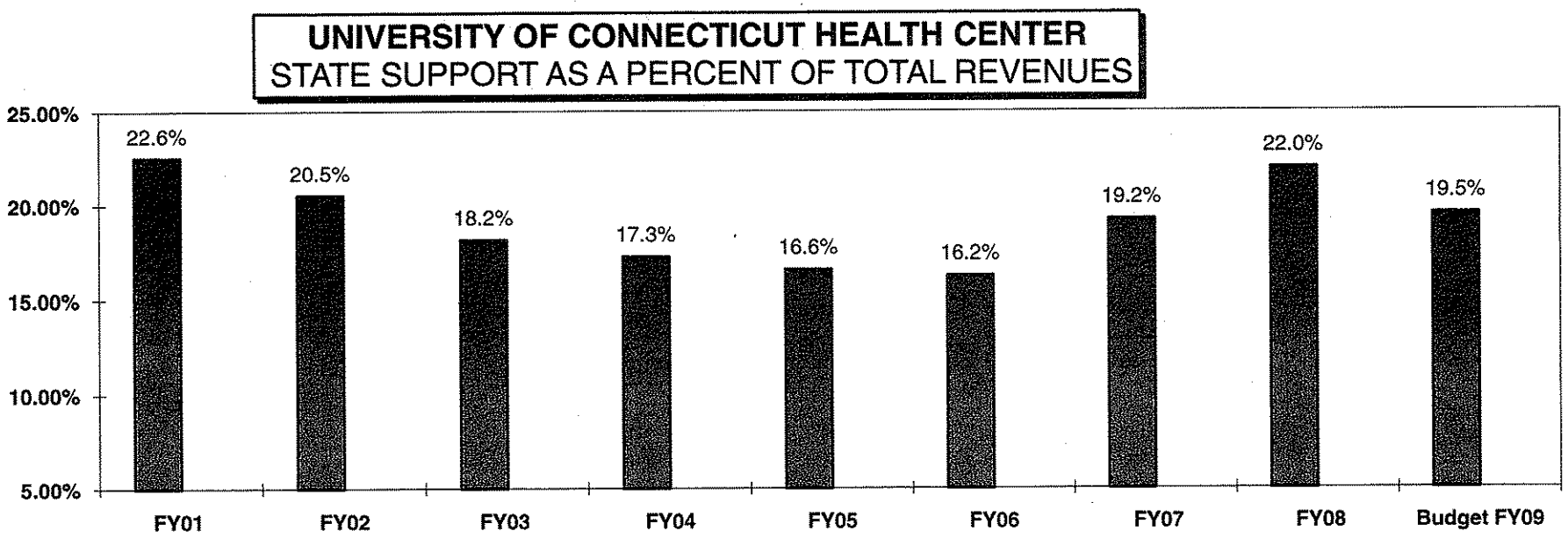


UCHC: Partner & Resource to Other Hospitals

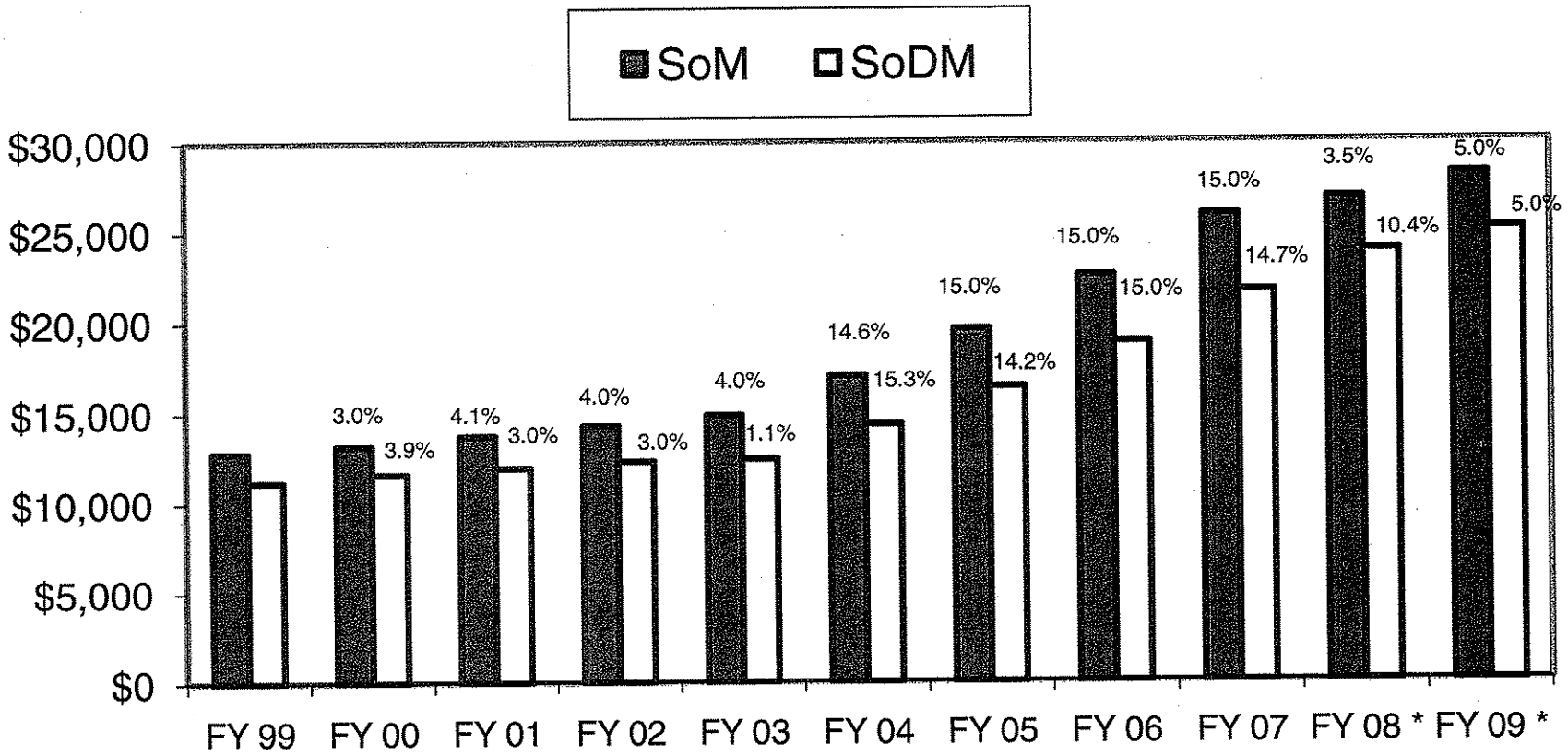
- **Internship/Residency Program**
  - → The internship/residency program contributes to the quality of service in the participating hospitals & also drives additional Medicare reimbursement to their bottom line
- **Trained physicians and staff of Waterbury and St. Mary's for regional cardiac surgery and interventional cardiology program**
- **Trained staff and assisted ECHN in establishing a Level II nursery at Manchester Hospital**
- **Pediatric dentistry program at CCMC**
- **Statewide Neonatal Transport Program and Regional Neonatal Intensive Care Unit / In FY07, UConn's Neonatal Transport Program transported 350 neonates to JDH and 15 other hospitals from 98 Connecticut towns**
- **Provide workforce at St Francis/UConn Burgdorf Clinic (Hartford's north end)**
- **Provide cardiac perfusionist services to St. Mary's and Waterbury Hospitals**
- **Regional dental emergency room service**
- **Training site for nursing, allied health schools**

State Support

- **Traditionally received state general funds support the academic (education and research) enterprise only.**
- **19.5% of the Health Center budget is state supported.**
- **80.5% comes from other revenues (clinical, research, tuition, philanthropy).**



In-state Tuition and Fees

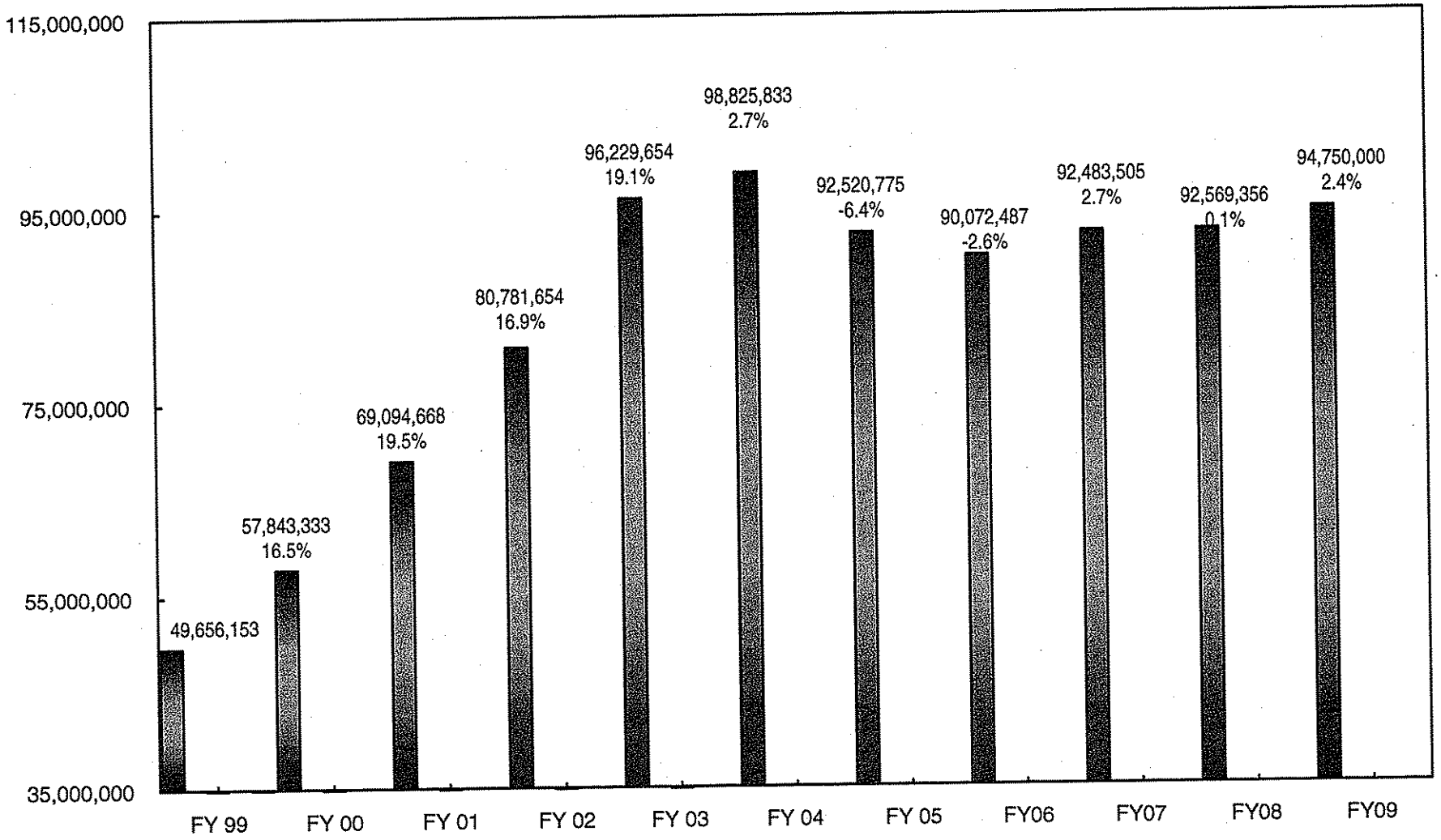


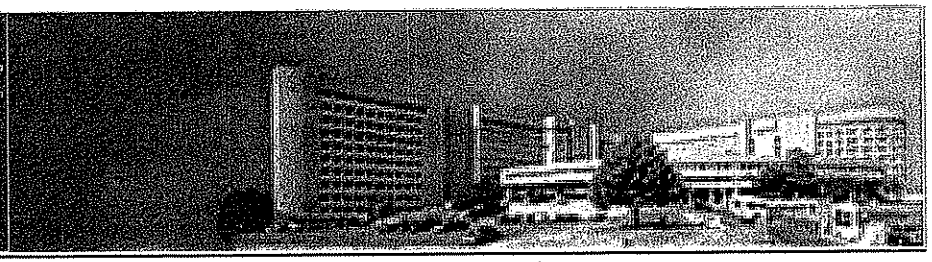
Note: Board of Governors policy requires tuition be set between the 70th - 75th percentiles of U.S. public schools, but with no annual increase higher than 15%.

UNIVERSITY OF CONNECTICUT HEALTH CENTER

RESEARCH AWARDS BY FISCAL YEAR

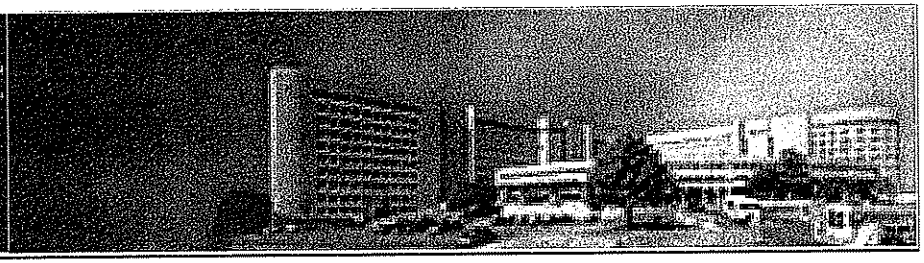
Note: This graph includes the full grant amount (even if multi-year) in the year of the award





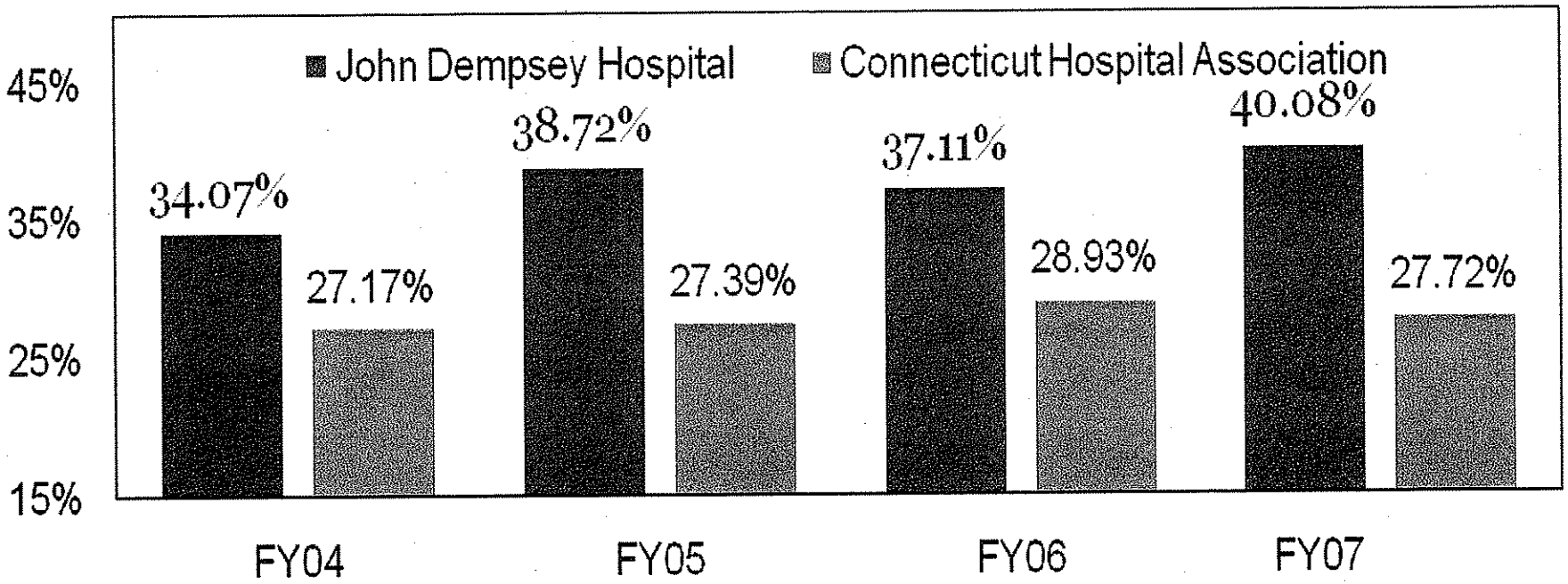
About John Dempsey Hospital (JDH)

- Opened in 1975, JDH is the only public university acute care hospital in Connecticut and the 2nd smallest academic health center hospital in the United States
- Originally planned at 400 beds, the first phase of JDH was built at 200 beds. The second tower was never built
- Has 224 fully staffed and licensed beds, of which 116 are very specialized (Neonatal, Prison, Psychiatry, Maternity), leaving only 108 medical/surgical (flexible) beds
- Traditionally received no state general fund support for operations or capital program
- Faces the same set of challenges as the state's other 29 acute care hospitals: Medicaid/Medicare cutbacks, uncompensated care, low reimbursement rates, nursing and other health care profession shortages and the realities of an intensely competitive marketplace
- 16.6% of JDH inpatient cases are Medicaid recipients. JDH is in the top five hospitals in Connecticut for Medicaid inpatient days as a percentage of total inpatient days. JDH is a disproportionate share hospital for Medicaid and Medicare

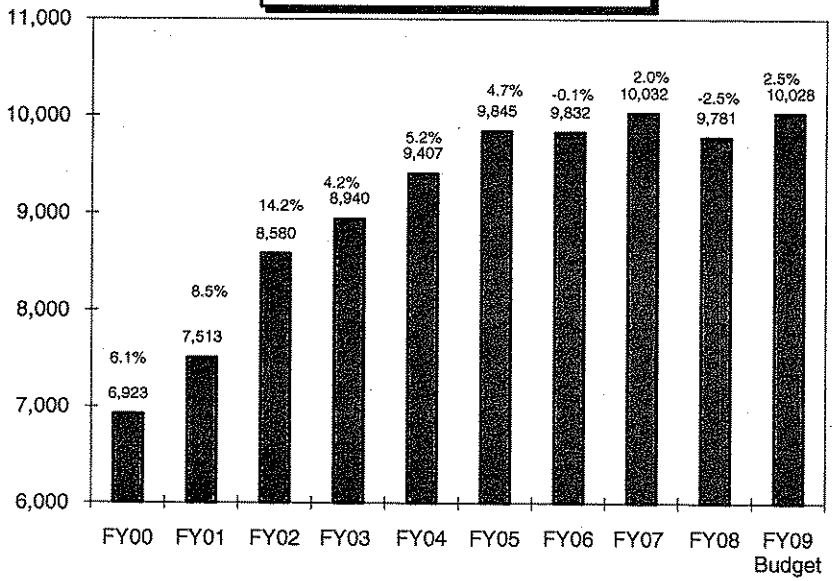


Fringe Benefit Cost
JDH v. CHA Member Hospital Average

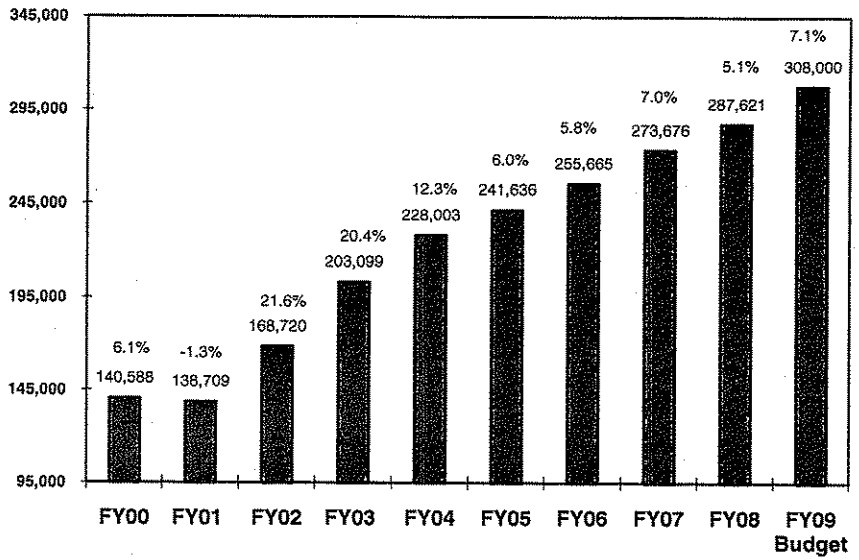
- As a state entity, JDH has fringe rates significantly higher than other hospitals.
- JDH has absorbed the cost of fringe benefits for its employees. For the first time in FY09, $3.6M in the state comptroller's fringe account will help to offset some of that cost.
- The dollar value of that differential was $8.4M in FY 05, $6.7M in FY 06, 10.7M in FY 07, and is estimated at $12.5M in FY 08, $13M in FY 09, $13M in FY 10 and $14M in FY11.



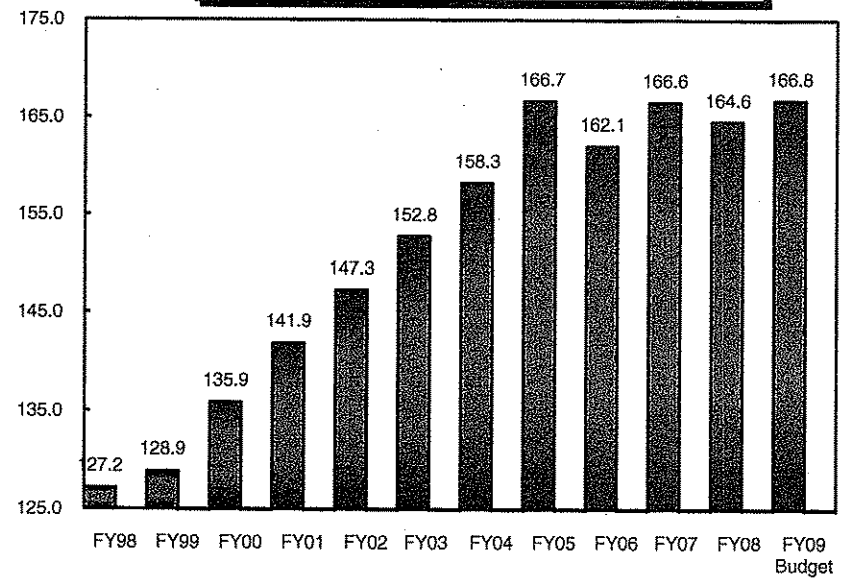
JOHN DEMPSEY HOSPITAL
ADMISSIONS BY FISCAL YEAR



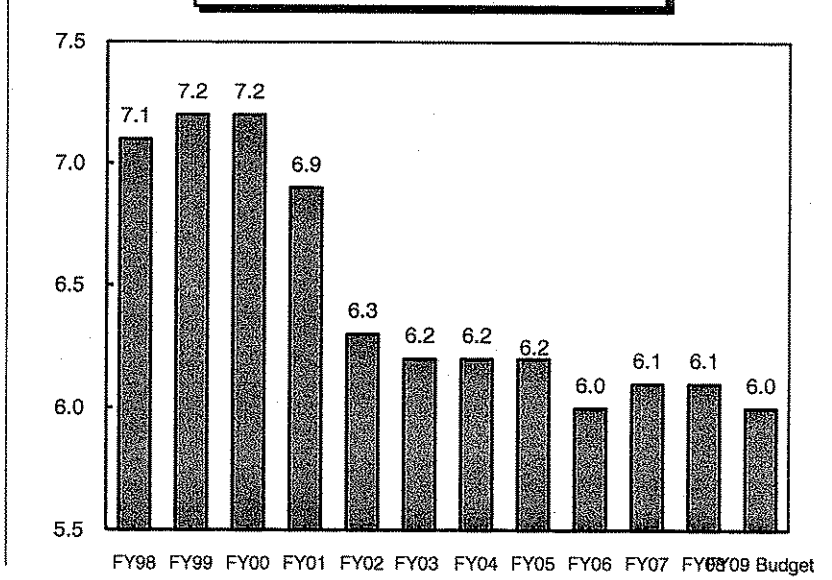
JOHN DEMPSEY HOSPITAL
OUTPATIENT VISITS BY FISCAL YEAR

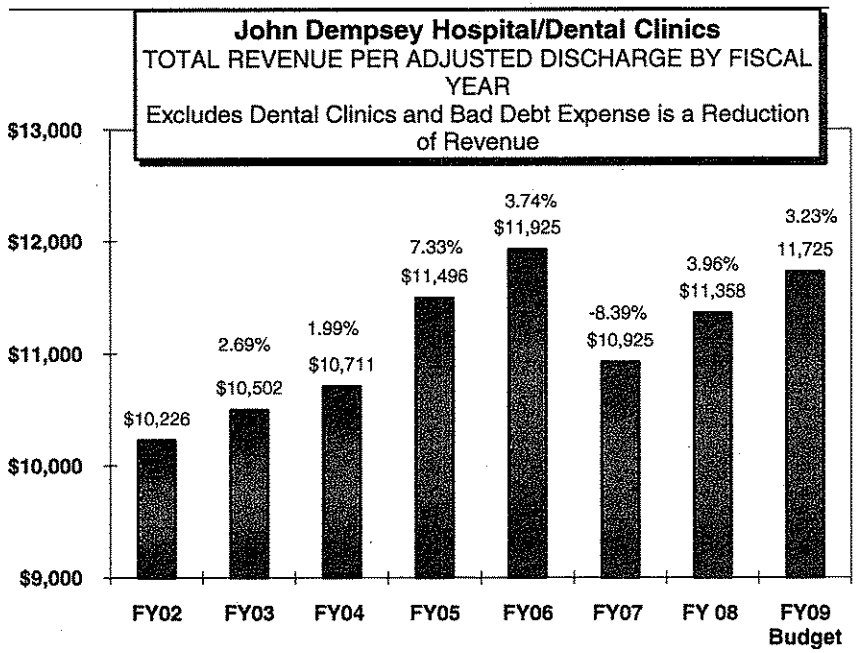


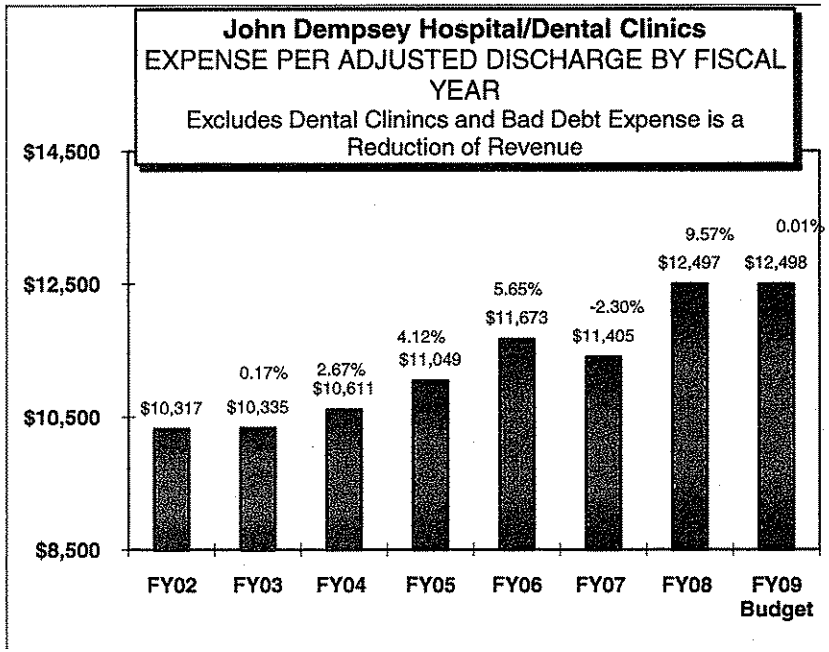
JOHN DEMPSEY HOSPITAL
AVERAGE DAILY CENSUS BY FISCAL YEAR

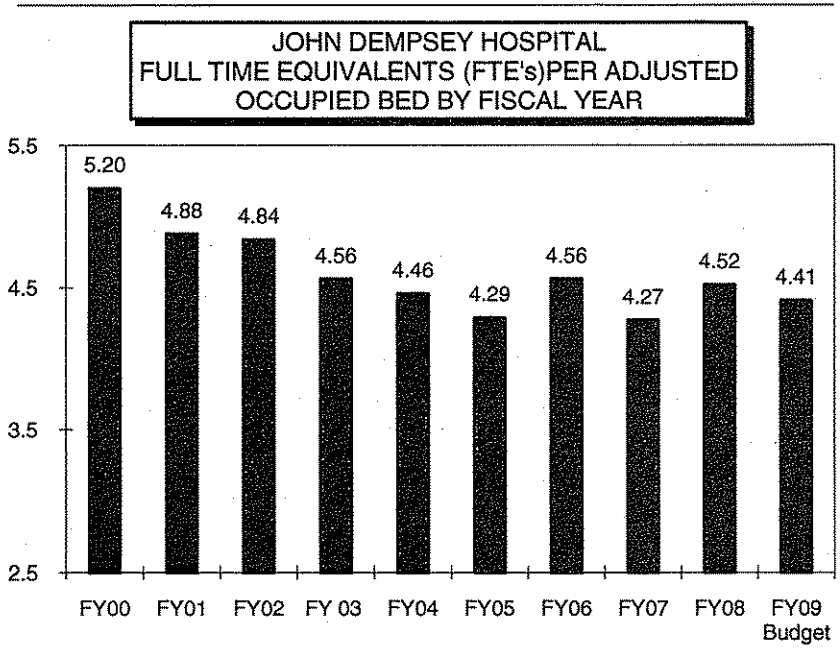


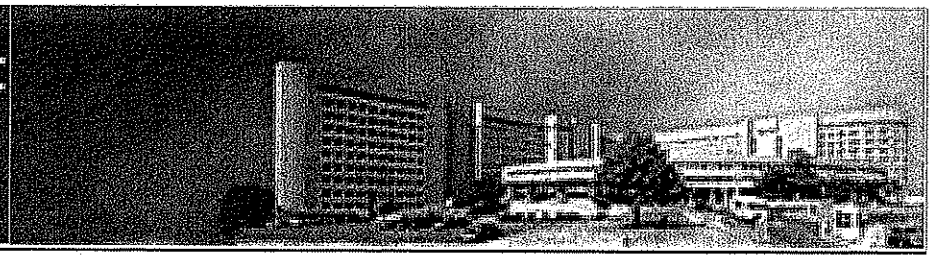
JOHN DEMPSEY HOSPITAL
LENGTH OF STAY BY FISCAL YEAR




John Dempsey Hospital/Dental Clinics
TOTAL REVENUE PER ADJUSTED DISCHARGE BY FISCAL YEAR
Excludes Dental Clinics and Bad Debt Expense is a Reduction of Revenue
$13,000
$12,000
$11,000
$10,000
$9,000
$10,226
2.69%
$10,502
1.99%
$10,711
7.33%
$11,496
3.74%
$11,925
-8.39%
$10,925
3.96%
$11,358
3.23%
11,725
FY02
FY03
FY04
FY05
FY06
FY07
FY 08
FY09 Budget

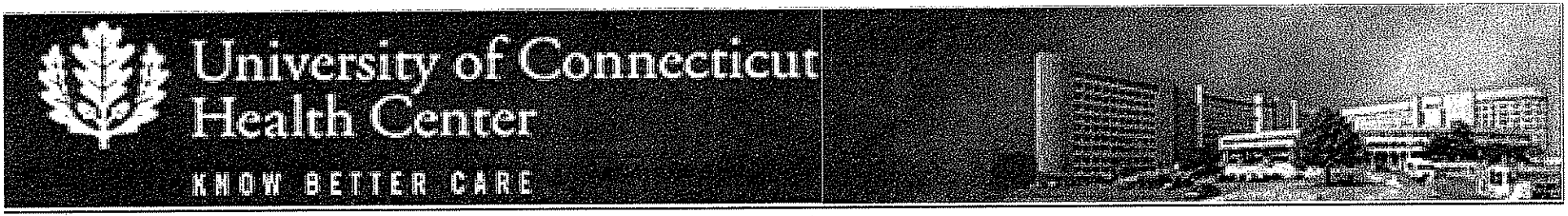

John Dempsey Hospital/Dental Clinics
EXPENSE PER ADJUSTED DISCHARGE BY FISCAL YEAR
Excludes Dental Clinincs and Bad Debt Expense is a Reduction of Revenue
$14,500
$12,500
$10,500
$8,500
$10,317
0.17%
$10,335
2.67%
$10,611
4.12%
$11,049
5.65%
$11,673
-2.30%
$11,405
9.57%
$12,497
0.01%
$12,498
FY02
FY03
FY04
FY05
FY06
FY07
FY08
FY09 Budget


JOHN DEMPSEY HOSPITAL
FULL TIME EQUIVALENTS (FTE's)PER ADJUSTED OCCUPIED BED BY FISCAL YEAR
5.5
4.5
3.5
2.5
5.20
4.88
4.84
4.56
4.46
4.29
4.56
4.27
4.52
4.41
FY00
FY01
FY02
FY 03
FY04
FY05
FY06
FY07
FY08
FY09 Budget



JDH Physical Plant Status

- 30-year-old facility with no major upgrades since it opened
- Undersized and becoming increasingly outdated
  - Inadequate to accommodate today's evolving standards of care and technologies, privacy concerns, and patient/ provider expectations, including operating rooms, inpatient rooms, neonatal intensive care unit, outpatient diagnostic and treatment areas and support spaces
  - Present design precludes efficient staffing ratios (32-bed units) or cost-effective renovation
  - Almost no remaining capacity to accommodate steady increase in admissions, patient days, occupancy rates, as well as emergency room visits, radiology and rehab visits
  - Demand for service will outstrip capacity by 2010



Securing the Future of UCHC and Transforming Health Education, Research and Clinical Care in the Greater Hartford Region

DATE	ACTION
February 2007	UCHC proposes a new hospital
June 2007	General Assembly requires a needs-based analysis of the plan; retains the Connecticut Academy of Science & Engineering (CASE)
March 2008	CASE issues its report to the General Assembly
May 2008	General Assembly requires that UCHC implement CASE plan
June 2008	UCHC issues Solicitation of Interest (SOI)
August 2008	UCHC receives Expressions of Interest (EOI)/affiliation proposals
November 2008	UCHC announces a principal partnership with Hartford Hospital and creation of the Connecticut Health Collaborative
December 2008	UCHC announces plans for a new hospital
January 2009	CASE issues its report to the General Assembly