

Update

June 23, 2014



UConn
HEALTH CENTER

Connecticut's Only Public Academic Health Center

3 Schools:

School of Medicine
School of Dental Medicine
Graduate School of
Biomedical Sciences

Patient Care

John Dempsey Hospital
University Dentists
University Medical
Group



Residency Training
(Graduate Medical
Education)

**Biomedical Sciences
and Research**

A Worthy Investment

Critical source of the State's health care professionals

- 35% of School of Medicine graduates practice in the State (FY 12)
- 51% of School of Dental Medicine graduates practice in the State
- Connecticut residents comprise 89% of the School of Medicine class entering in 2013

Economic driver for the region and state

- Catalyst for new biomedical and biotech jobs, e.g. Stem cell, genomics and personalized medicine
- Generates nearly \$1 billion in Gross State Product
- State-of-the-art incubator space for small startup businesses
- Robust clinical enterprise

Major Employer:

- 5,700 employees from West Hartford, Bristol Farmington, New Britain, Avon, Hartford, Newington, Southington, Plainville, Berlin, Burlington, Manchester, Waterbury, Windsor, Simsbury, Unionville, Wethersfield, Bloomfield, Glastonbury, Est. Hartford, Canton, Meriden, Middletown, Cheshire, Enfield, Wolcott, South Windsor, New Haven, Torrington, Norwich, Woodstock, Bridgeport and points in between.

Who we are and what we want to be

- **A regionally and national prominent provider in a few well chosen areas of distinction.** We will leverage our research to provide patients opportunities and experiences not available in community hospital settings. We will focus our resources to make these great.
- **A respected and caring provider of patient-centered tertiary care.** We will provide high quality care to every patient in core specialty areas, with great patient access and customer service.
- **Health beyond healthcare.** We will build our primary care network. We will provide comprehensive care and preventive services to the communities we serve, including the poor and disadvantaged.

UConn Health 2020: Goals

Goal 1: Discover and Innovate

Goal 2: Prepare Students for Lifelong Success

Goal 3: Deliver World-Class Health Care

Goal 4: Enhance Wellness and Health Equity

Goal 5: Become a “Best Place to Work”

Goal 6: Ensure Financial Integrity and Strength

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School of Medicine

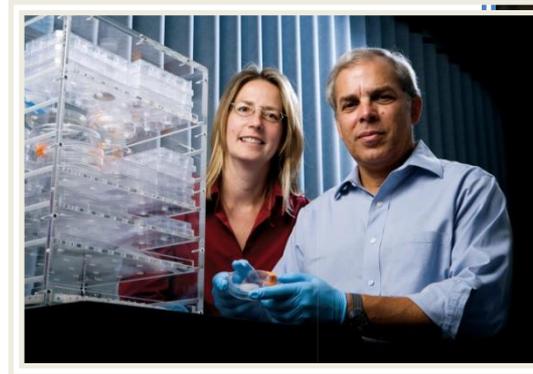
366 Students



Key Strengths		
Basic Research	Clinical & Translational Research & Care	Education
Cell analysis & modeling	Musculoskeletal disease	Shared medical & dental curriculum in yrs. 1-2
Stem cells	Aging	Early clinical exposure
Genomics	Stroke	Team-based learning
Immunology	Cancer	Minority enrollment
	Cardiac disease	GME leadership
	Addiction	Community partnerships

School of Dental Medicine

169 Students



Key Strengths		
Basic Research	Clinical & Translational Research & Care	Education
Regenerative medicine	Major provider of care to underserved in CT	Shared medical & dental curriculum in yrs. 1-2
Inflammation	Oral health as primary care	Team-based learning
Skeletal biology	Health disparities	Community outreach
	Oral cancer	Outstanding National Boards performance
	Biomaterials	
	Implantology	

The Graduate School

168 PhD Students

158 Masters Students



Programs

Biomedical Science (PhD)	Public Health (PhD, MPH)	Clinical & Translational Research (MS-CTR)	Dental Science (MDentSc)	Combined Degree Programs
Cell Analysis & Modeling	Social & Behavioral Health	Cancer	Masters Degree	MD: MD/ PhD, MD/ MPH, MD/MS-CTR, MD/MBA
Genetics & Developmental Biology	Occupational & Environmental Health	Microbial Pathogenesis		DMD: DMD/PhD, DMD/MPH, DMD/MS-CTR
Cell Biology		Neuroscience		PhD: PhD/MBA
Immunology		Vascular Biology		
Molecular Biology & Biochemistry				
Neuroscience				
Skeletal, Craniofacial and Oral Biology				

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Clinical Services/Patient Care

KEY SERVICE STATISTICS (FY13)

- 8,487 inpatient discharges
- 614,923 outpatient encounters
- 90,179 dental clinic visits at UCHC sponsored sites

All UCHC clinical care venues serve as sites for teaching and learning and are essential for attracting talented faculty who teach, do research and provide patient care

- **John Dempsey Hospital (JDH):** an acute care university teaching hospital licensed for 234 beds.
- **UConn Medical Group (UMG):** the region's largest multi-specialty faculty clinical group practice
- **University Dentists and UConn Dental Clinics:** Connecticut's single largest provider of dental care for the under and uninsured

Opened in 1975, JDH is the only public acute care hospital in Connecticut and the 2nd smallest academic health center hospital in the U.S.; originally planned as 400 beds, JDH was built at 200 beds. The 2nd tower was never built.

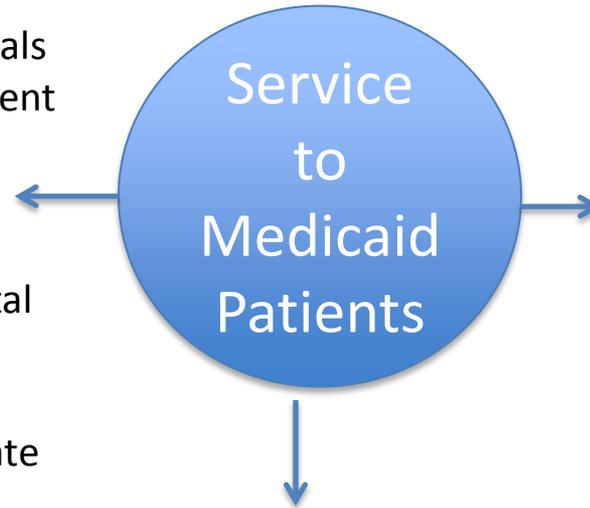
Licensed at 234 beds, of which 184 are currently staffed (50 medical/surgical beds will come on-line upon completion of new hospital tower), 65 are very specialized (Correctional, Psychiatry, Maternity), 119 are medical/surgical (flexible) beds, and home to 40 NICU beds licensed by Connecticut Children's Medical Center.

Face same challenges as the state's other 29 acute care hospitals: Medicaid/Medicare cutbacks, uncompensated care, declining reimbursement rates, nursing and other health care professional shortages and an intensely competitive marketplace. Face unique challenges of high cost personnel pool and large fixed cost structure.

An Essential Healthcare Provider to Connecticut's Underserved Citizens

JDH

- Ranks among the top 5 hospitals in the state in Medicaid inpatient days as a percentage of total inpatient days at 25.6% of 40,758 inpatient days
- Disproportionate share hospital serves (a large number of Medicaid and uninsured individuals)—1 of only 5 in state



UCONN Medical Group

- 19.2% of visits were Medicaid patients (17.6% in FY12)

UCONN DENTAL CLINICS

- Single largest provider of dental services to Medicaid recipients and the under- and uninsured
- 68.5% of patient visits to the UCHC dental clinics are Medicaid clients (Farmington, Burgdorf and Connecticut Children's Medical Center in Hartford, and CONNcept in West Hartford)
- Services are provided in 21 community sites across the state (Hartford, New Britain, East Hartford, Manchester, Waterbury, Norwich, New Haven, Derby, Willimantic, Putnam, Bridgeport, and Torrington) (47,842 Total visits)

An Essential Healthcare Provider to Connecticut's Underserved Citizens

Clinical Service Collaboration:

- Department of Correction: Provide medical and dental care to 17,882 inmates in DOC custody
- Departments of Public Health, Mental Health & Addiction Services, Veteran Affairs, and Developmental Services
- Telehealth demonstration projects with community health centers

Statewide Resource:

- Operate the Connecticut Poison Control Center (per State Statute)

A Resource to the Community and the State

Community Service: UConn physicians, dentists, residents, medical and dental students provide thousands of hours of free healthcare to Connecticut's most medically vulnerable citizens, for example:

- Migrant Farm Worker Clinic
- South Park Inn Medical Clinic (Hartford)
- South Marshall Street Homeless Clinic (Hartford)
- YMCA Adolescent Girls Medical Clinic (Hartford)
- Camp Courant Dental Screening Program
- Covenant House (Willimantic)

Building and Developing the Healthcare Provider Pipeline: Initiatives to grow the number of under-represented minorities enrolled in healthcare education and increase the number of healthcare professionals practicing in urban settings and other areas across the state:

- AETNA Health Professions Partnership Initiative
- Area Health Education Center program (AHEC), located in Farmington with four regional centers located in Bridgeport, Hartford, Norwich and Waterbury
- Urban Service Track

Quality: The Joint Commission Award Top Performer on Key Quality Measures

- Joint Commission is an independent, not-for-profit organization that accredits and certifies more than 20,000 health care organizations and programs in the United States
- Reflects outstanding work in the treatment of patients with heart attack, heart failure, pneumonia, and surgical care
- Ratings based on data reported to The Joint Commission in 2012
- Only Program in greater Hartford to receive commendation!

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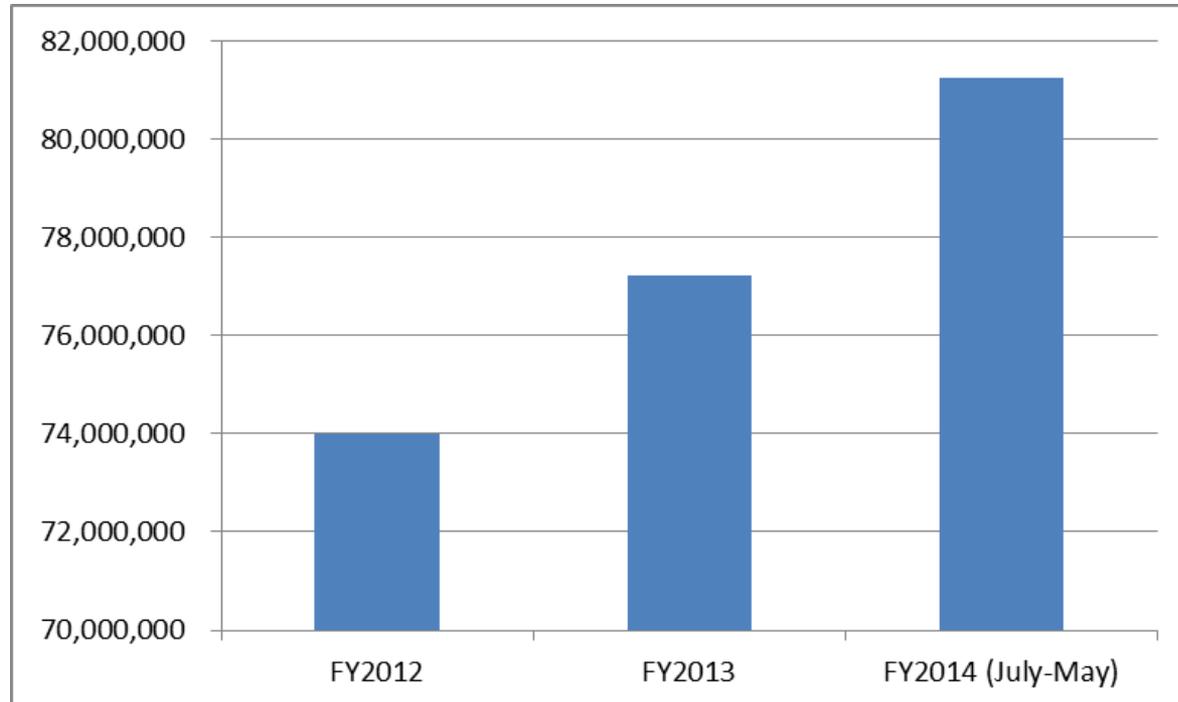


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Research: Total Research Awards

Health Center Funding Increased Despite Decreased Federal Funding



Note: This graph includes the full grant amount in the year the grant is awarded (even if the award is a multi-year award). (Awards exclude gifts.)

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Partner and Resource to Other Hospitals

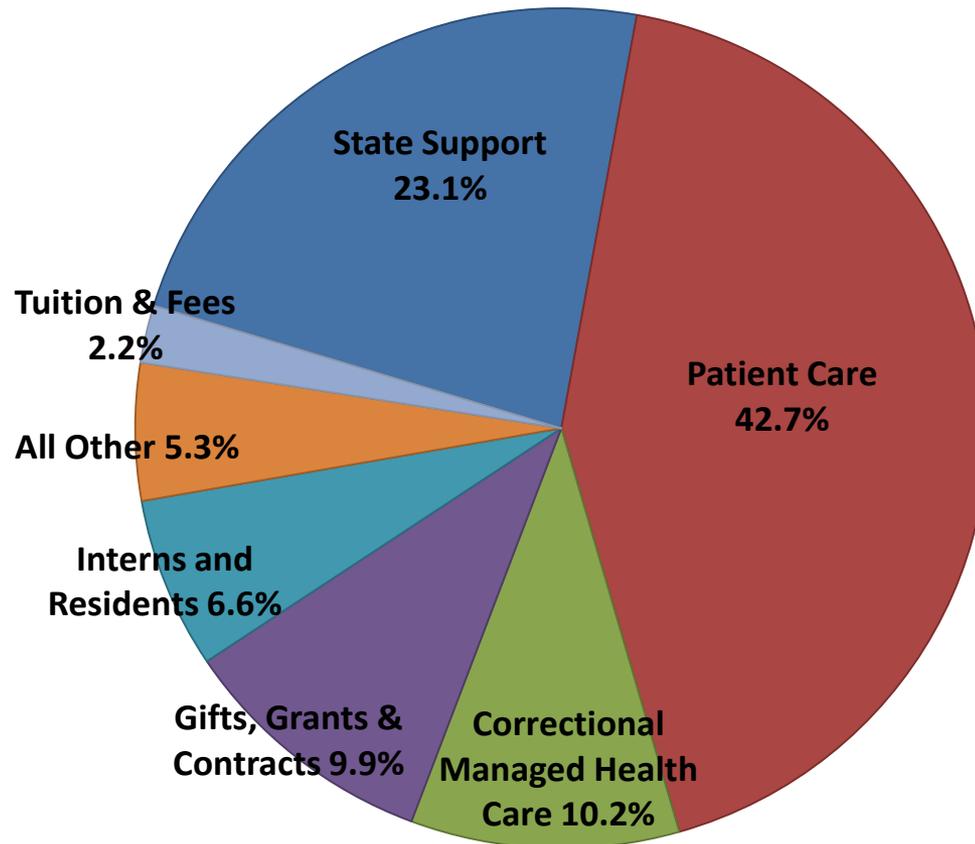
- 745 residents (645 medical and 100 dental) who train and provide patient care in local hospital, dozens of community settings in more than 20 communities across the state
- 54 UConn Medical Internship/Residency Programs contribute to the quality of healthcare service in the participating hospitals and also drive additional Medicare reimbursement revenues:

Hospitals FY 12	Graduate Medical Education & Indirect Medical Education Reimbursement
CT Children's	\$2.9M
Hartford Hospital	\$40.7M
Hospital of Central Connecticut	\$6.8M
UCONN Health Center- John Dempsey Hospital	\$21.3M
St. Francis Hospital	\$26.3M
TOTAL	\$98.0M

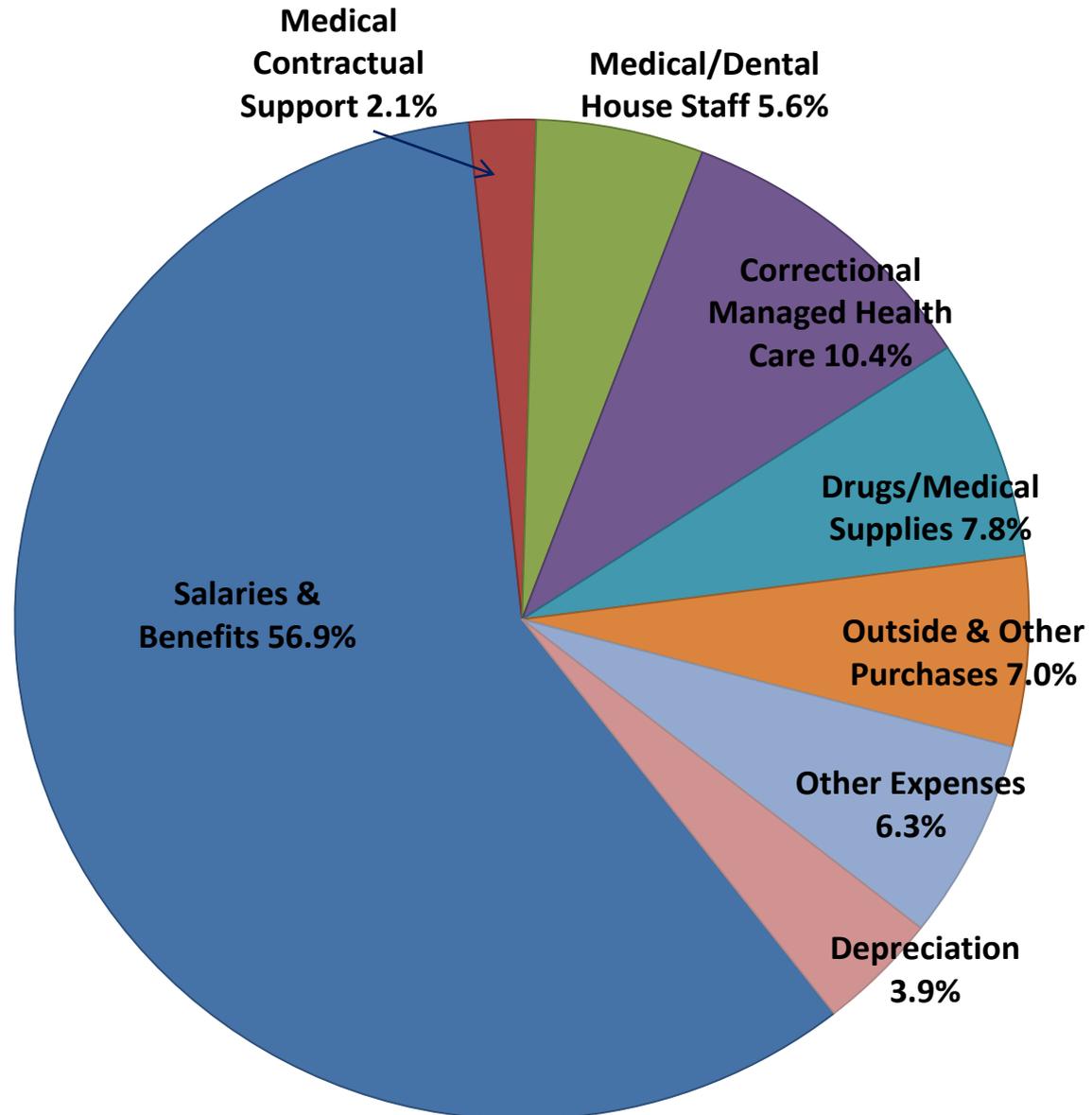
UConn residents provide care in Hartford, Bridgeport, New Britain, Middletown, East Hartford, Manchester, Waterbury, Norwich, New Haven, Derby, Willimantic, Putnam, Torrington, Farmington, West Hartford, Meriden, Suffield, Cheshire and Newington

FY14 Revenue Budget: \$880.4M

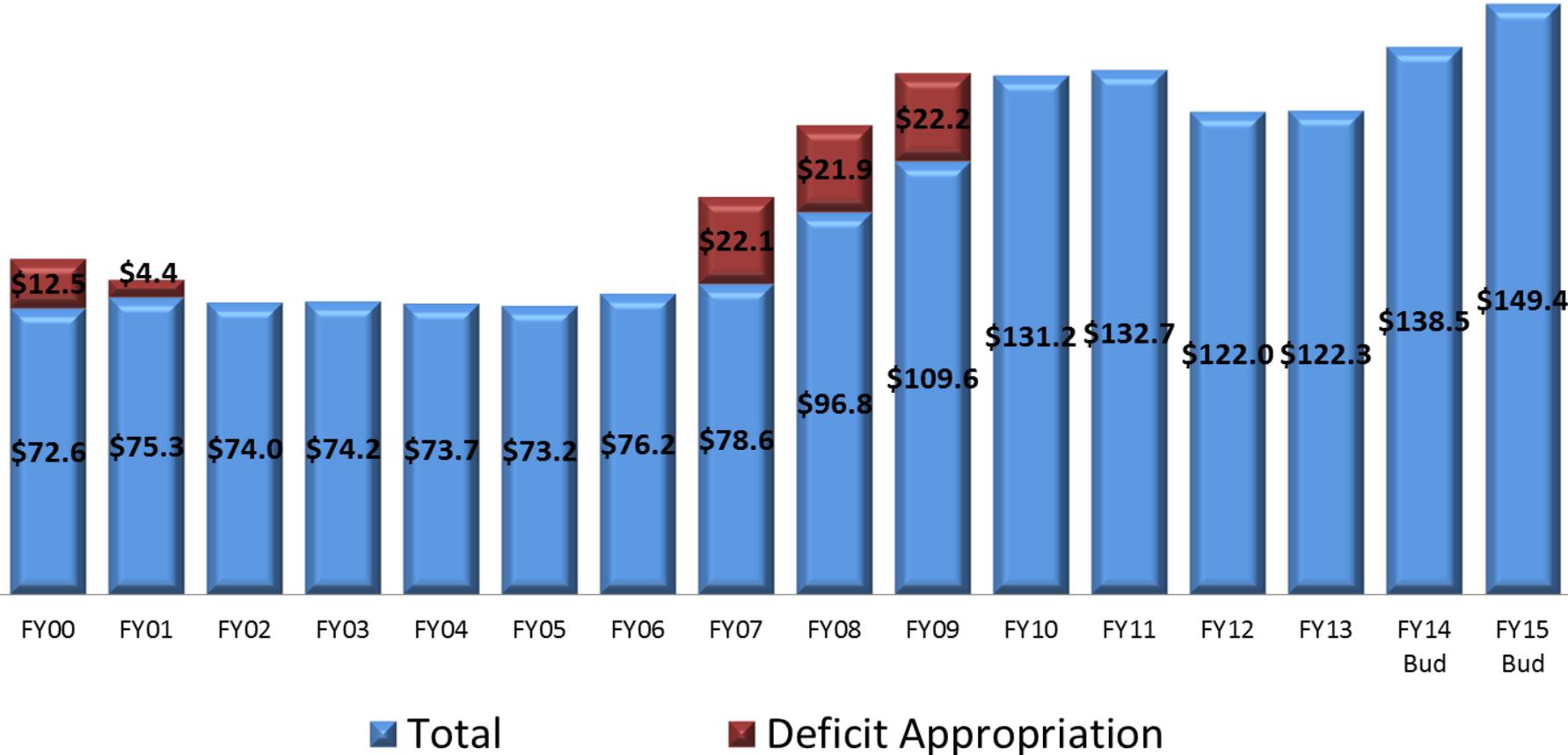
- 23.1% of the Health Center budget is State supported
- 76.9% comes from other revenues (clinical, research, tuition, philanthropy)



FY14 Expenditure Budget: \$891.4M



State Appropriation (\$M): FY2000 to FY2015*



Accounting for inflation, funding is essentially flat.

*Graph not adjusted to account for \$20M transferred from the UCHC Medical Malpractice Trust

Bioscience Connecticut

Facilities and Infrastructure



- On-Track, On-Budget
- Construction Industry Benefits

Programs and People



- Essential to success of BSC
- Sustainable economic benefits

Bioscience Connecticut: PA 11-75

Goal: To help jumpstart Connecticut's economy by creating jobs now and by generating long-term economic growth, and to increase access to quality health care. Both goals can be achieved by making Connecticut a leader in bioscience.

Objectives: Provide new strategic investment and recast existing commitments to:

- Create 3,000 construction and related jobs annually through 2018.*
- Generate \$4.6 billion increase in personal income and generate 16,400 jobs by 2037.
- Double federal and industry research grants to drive discovery, innovation and commercialization.
- Increase access to high quality health care.
- Graduate and retain more physicians and dentists to meet forecasted workforce shortage and meet increased demand for health care services resulting from health care reform and an aging population.

This legislative initiative is aimed at job creation for Connecticut and better health care for all citizens of the state.

** According to estimates from a 2011 study by the Connecticut Center for Economic Analysis.*

New Hospital Tower

- 169 private rooms
- New and expanded Emergency Department
- Expected completion: late 2015



Research Space Renovation

- Renovation of 238,000 sq. ft. of existing UCHC research facilities
- Two Projects – 6 phases (Completion in 2017)
- 28,000 sq. ft. incubator lab addition to Cell & Genome Sciences Building (CGSB) to foster new business start-ups



Education Construction

- Allows for growth in Schools
- Addition and Renovations to Academic building
- Planning and construction 2015-2018

Outpatient Care Center

- State-of-the-art, multispecialty outpatient center on lower campus
- Adjacent to new parking garage and existing MARB
- Construction: 2013-2014



Jackson Laboratory for Genomic Medicine



- Internationally renowned research leader
- New building on lower Health Center campus dedicated to personalized medicine
- Collaborating with universities and hospitals in the region
- Construction started in 2013

Facilities and Infrastructure

➤ Construction Jobs

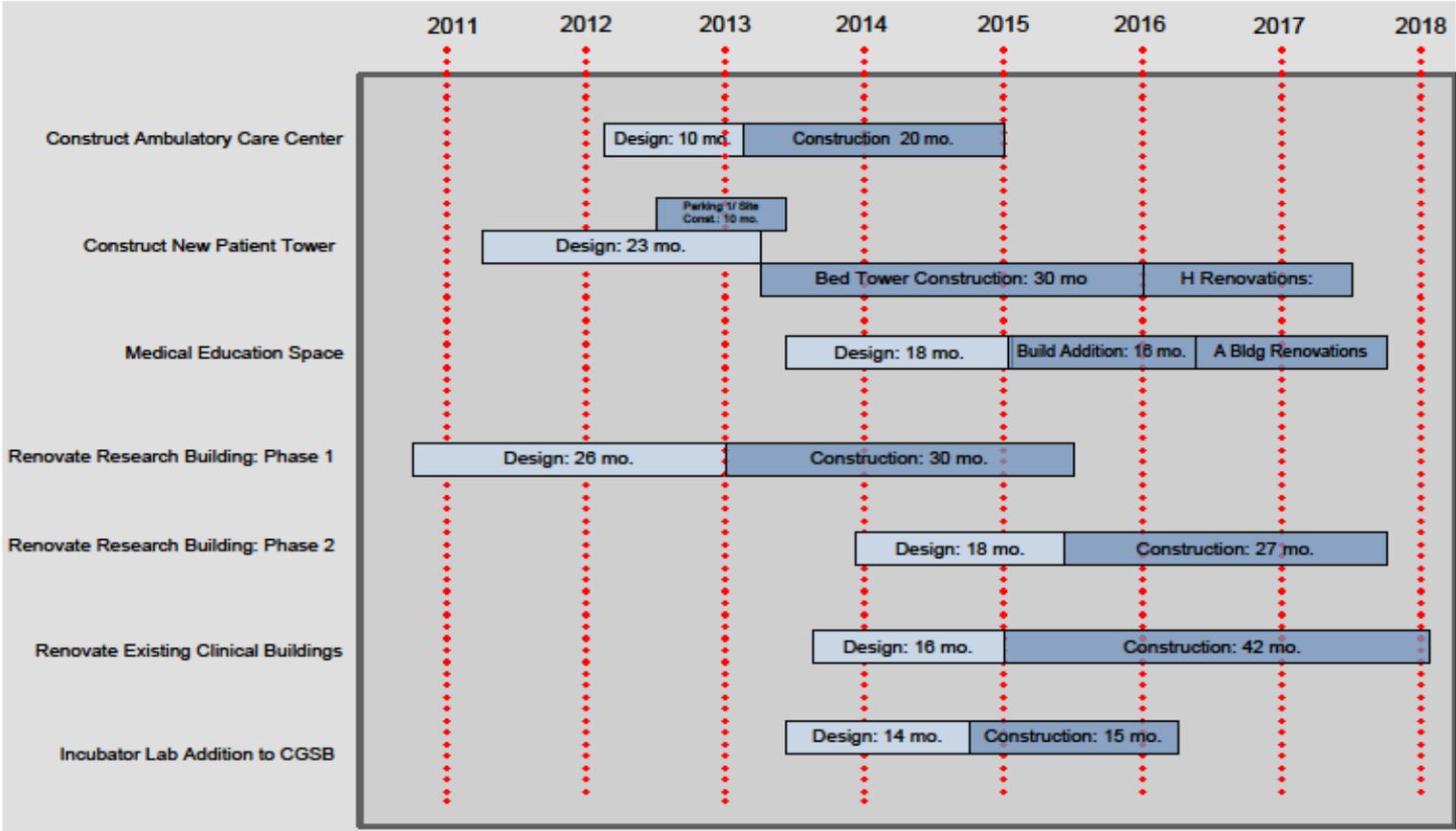
- 712,378 hours worked on the project through April 2014
- 2,251 workers oriented
- 114 of 134 (85%) construction contracts awarded to CT companies

➤ Small/Minority Participation:

HOSPITAL CONSTRUCTION	REQUIREMENT	CURRENT
Small Businesses	25%	37%
Minority/Women's/ Disadvantaged Businesses	6.25%	23%

Facilities and Infrastructure Timeline

1/14/13



People Drive Programmatic Progress

	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
School of Medicine Expansion	340 students	+ 5 ✓	+ 13 ✓	+ 13	+ 25	+ 20	+ 12	+ 12	440 students
School of Dental Medicine Expansion	160 students				+ 12	+ 12	+ 12	+ 12	208 students
Clinical Scientist Faculty Recruitment		+ 10 ✓	+ 15 ✓	+ 15 ✓					40 new faculty
Basic Scientist Recruitment (joint w/Jackson Labs)		+ 3 ✓	+ 4	+ 3					10 new faculty

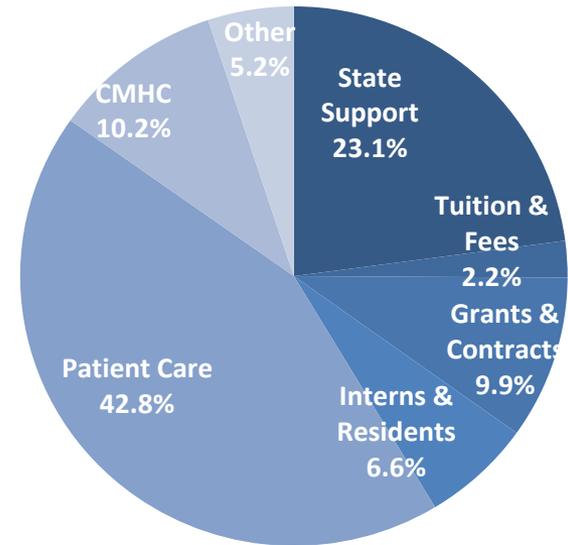
Other Financial Realities

- \$69M to be raised out of operations and philanthropy
- \$15M annual lease payment on new Ambulatory Care Center
- \$11M unanticipated, unfunded costs (e.g., traffic/road improvements, water supply redundancy, etc.)
- Major information technology upgrade
- Continued non-competitive overhead

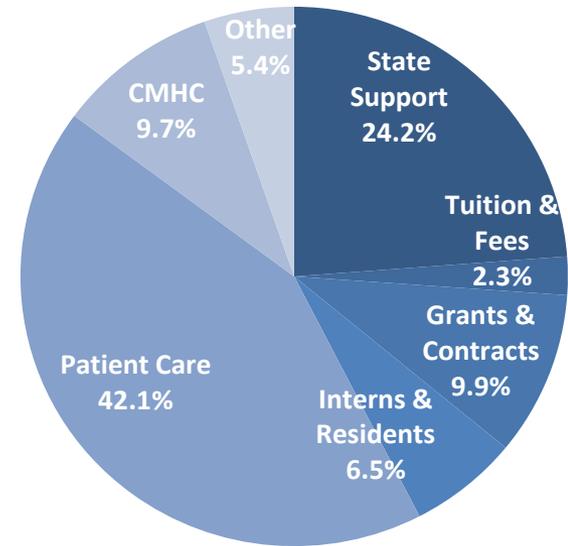
Appendix

Revenues

**FY14
Budget**



**FY14
Forecast**

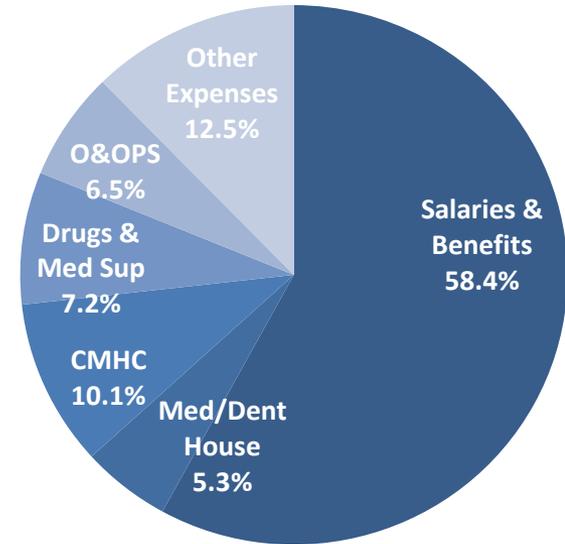


Revenues (\$M)	FY14 Budget	FY14 Forecast
State Support	\$204.7	\$210.6
Tuition & Fees	19.5	20.0
Grants & Contracts	87.3	86.1
Interns & Residents	58.0	56.6
Patient Care	379.0	367.0
CMHC	90.3	84.2
Other	46.1	47.0
Total	\$884.9	\$871.5

Expenses

Expenses (\$M)	FY14 Budget	FY14 Forecast
Salaries, Wages & Benefits	\$523.6	\$520.7
Med/Dent House	47.6	47.7
CMHC	90.3	84.2
Drugs & Med Sup	64.6	69.5
O&OPS	58.2	53.7
Other Expenses	111.6	111.4
Total	\$859.9	\$887.2

FY14 Budget



FY14 Forecast

