

The MetroHealth System

Cuyahoga County Council

Budget Meeting

November 7, 2013

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MetroHealth Mission and Vision



Operating Budget Constructs

- Full year of MetroHealth Care Plus program
- Approval of MetroHealth as an Accountable Care Organization by CMS as of January 2014
- Creation of new Office of Patient Experience, and enhancing commitment to Offices of Diversity and Strategic Planning
- Continued network development for better access
- Operational and service transformation focused on quality outcomes and patient satisfaction
- New payor reimbursement strategies
- Modest volume growth in existing inpatient programs

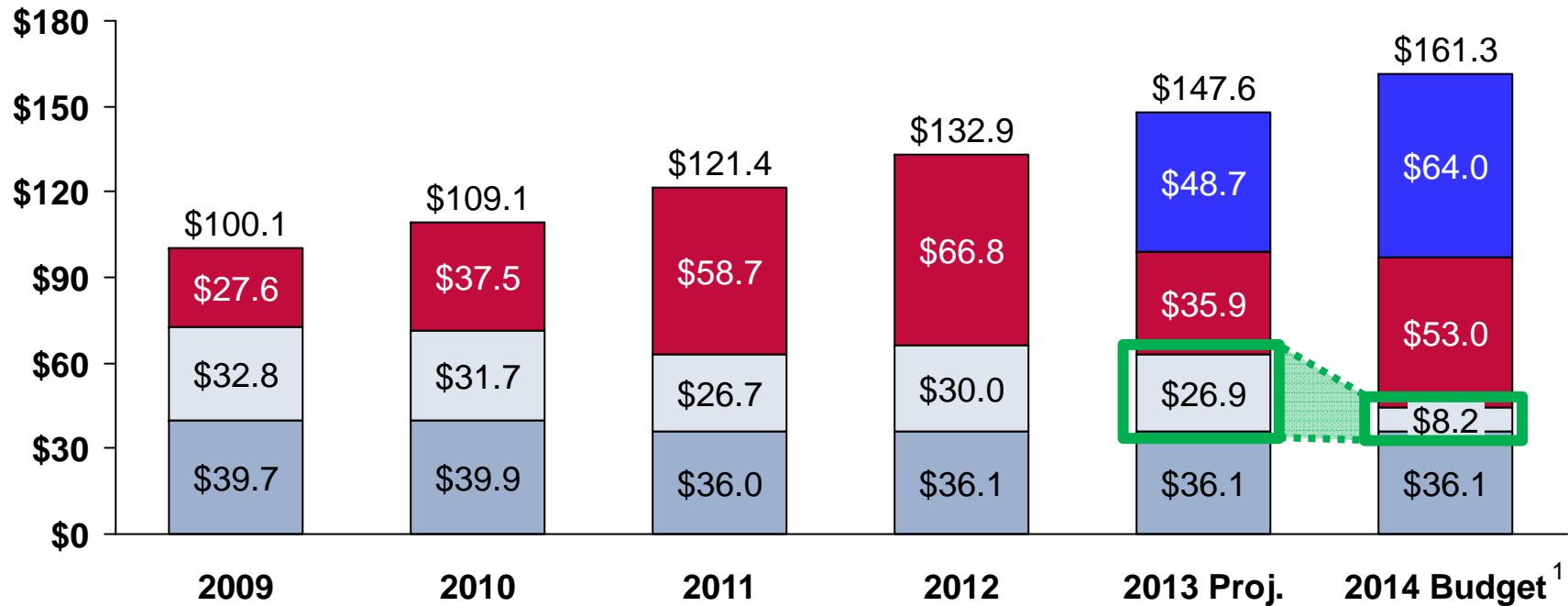
2014 Operating Budget

(in \$000s)

	2012	2013	Change 2012 - 2013	2014	Change 2013 - 2014	
	Actual	Projected	%	Budget	\$	%
Net Patient Revenue	\$683,264	\$729,242	6.7%	\$784,425	\$55,183	7.6%
Other Revenue	99,670	100,737	1.1%	114,571	13,834	13.7%
Total Revenue	782,934	829,979	6.0%	898,996	69,017	8.3%
Salaries & Fringe Benefits	523,454	545,268	4.2%	585,838	40,570	7.4%
Department Expenses	164,902	188,724	14.4%	203,730	15,006	8.0%
General Expenses	84,272	84,827	0.7%	90,930	6,103	7.2%
Total Expenses	772,628	818,819	6.0%	880,498	61,679	7.5%
Operating Income/(Loss)	\$10,306	\$11,160	8.3%	\$18,498	\$7,338	65.7%
Discharges	28,001	28,118	0.4%	28,344	226	0.8%
Observations	9,119	9,769	7.1%	10,198	429	4.4%
O/P Visits	876,873	950,082	8.3%	1,005,185	55,103	5.8%
Emergency Dept Visits	102,963	105,954	2.9%	105,466	(488)	0.5%
Total	979,836	1,056,036	7.8%	1,110,651	54,615	5.2%
I/P Surgeries	5,812	5,746	(1.1%)	5,840	94	1.6%
O/P Surgeries - Main	6,677	7,158	7.2%	7,314	156	2.2%
O/P Surgeries - W 150th	4,261	4,647	9.1%	4,798	151	3.2%
Total	16,750	17,551	4.8%	17,952	401	2.3%
Deliveries	2,876	2,943	2.3%	2,897	(46)	1.6%

Funding of Uncompensated Care at Cost

(in \$000s)

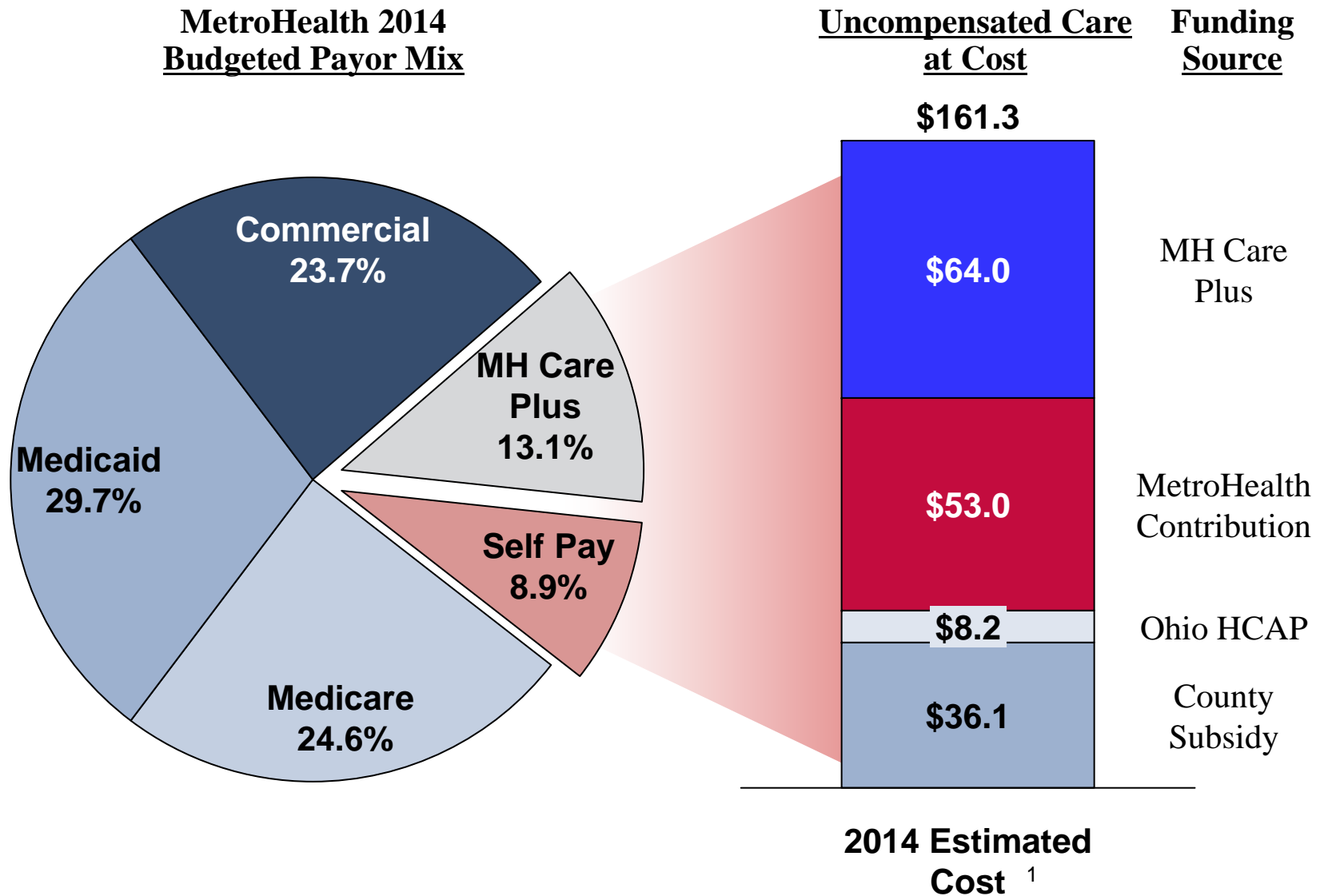


■ MH Care Plus Impact
 ■ MetroHealth Contribution
 ■ Ohio HCAP
 ■ County Subsidy

NOTE: 2013 & 2014 values include impact from MH Care Plus, and corresponding 2013 & 2014 HCAP reductions

2014 Payor Mix & Uncompensated Care at Cost

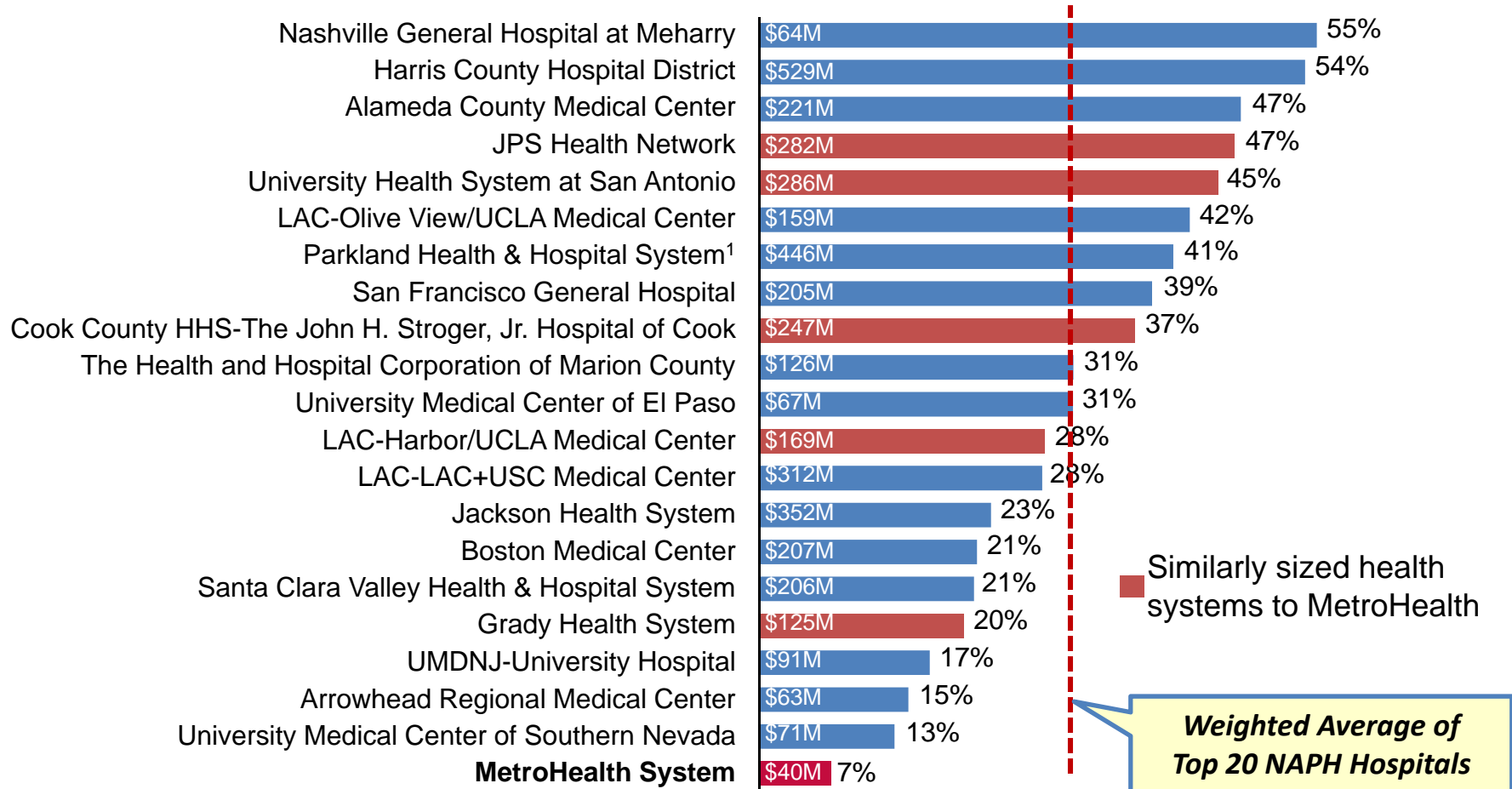
(in \$millions)



MetroHealth County Subsidy

2010 State/Local Support as % of Net Patient Revenue (State/Local Funding \$\$)

For top 20 NAPH Member Hospitals Receiving Gov't Subsidiary and MH



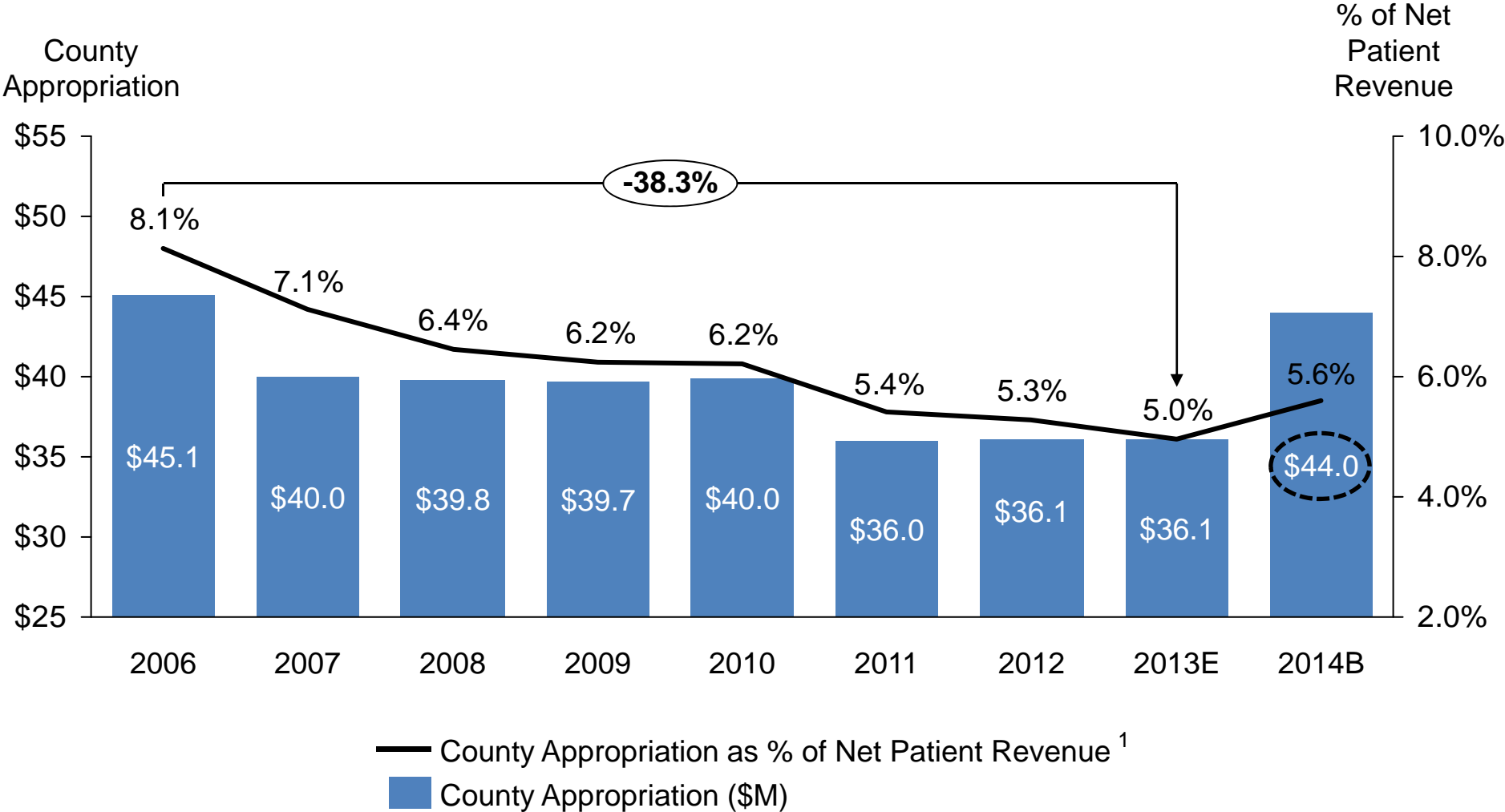
¹ Parkland Health System's State/Local Payments are raised through an ad valorem tax

Source: America's Safety Net Hospitals and Health Systems, 2010: Data from the Annual NAPH Hospital Characteristics Survey

Includes only hospital revenues; professional revenues omitted

MetroHealth County Subsidy 9 Year Trend

MHS County Subsidy Trend 2006 – 2014 (Budget)



¹ Calculation based on system-wide revenues (professional + technical)

Invest \$44M in MetroHealth and Cuyahoga County



Appendix

Our Six Pillars and Goals

Dedicated Employees and Volunteers

Our MetroHealth family is our greatest asset and most valuable resource. MetroHealth encourages communication, creativity and compassion, and fosters excellence and personal growth.

Measure: Employee Engagement Top Box Score
2013 Goal Baseline: 85% Stretch: 92%

Patient Experience and Engagement

We engage patients, families and caregivers as partners in their health and health care. Our patient-centric, compassionate service promotes healing and wellness in all aspects of the patient experience.

Measure: Patient Satisfaction - HCAHPS Top Box Score
2013 Goal Baseline: 15th Percentile Stretch: 45th Percentile

Clinical Excellence

We consistently deliver safe, high-quality, integrated care to all – regardless of their ability to pay. We continuously improve the quality of care through innovation and the adoption of evidence-based clinical practices.

Measure: Hospital-Acquired Infection Rate (ICU)
2013 Goal Baseline: 2.76% Stretch: 2.35%

Measure: Top Performance on Every Quality Measure
2013 Goal Baseline: 73% Stretch: 100%

Our Six Pillars and Goals

Operational and Financial Effectiveness

Our integrated systems and practices allow the delivery of outstanding, evidence-based care in the most effective and efficient manner through stewardship of existing resources and sources of future financing.

Measure: Net Operating Income
2013 Goal Baseline: **\$10m** Stretch: **\$15m**

Measure: Total Revenue
2013 Goal Baseline: **\$759m** Stretch: **\$817m**

Measure: Ambulatory Network Visits
2013 Goal Baseline: **410k** Stretch: **475k**

Community Impact

Our excellent clinical care, community advocacy, partnership and innovative programs, lead to improvement in community health and well-being.

Measure: Accountable Care Organization
2013 Goal Achieve ACO Certification by CMS

Education and Research

We contribute to improving health and health care through outstanding teaching, learning and discovery.

Measure:

- 1) PCORI Study for Heart Failure
- 2) Optimize Value for High-Risk Pediatric Population
- 3) Chronic Disease Management of Adult Outpatients

2013 Goal Baseline: **Submit 3 Project Applications**
 Stretch: **Attain 1 Grant**

Caring for the Community Programs

Foster Care Program with DCFS

School-Based Health Care with CMSD

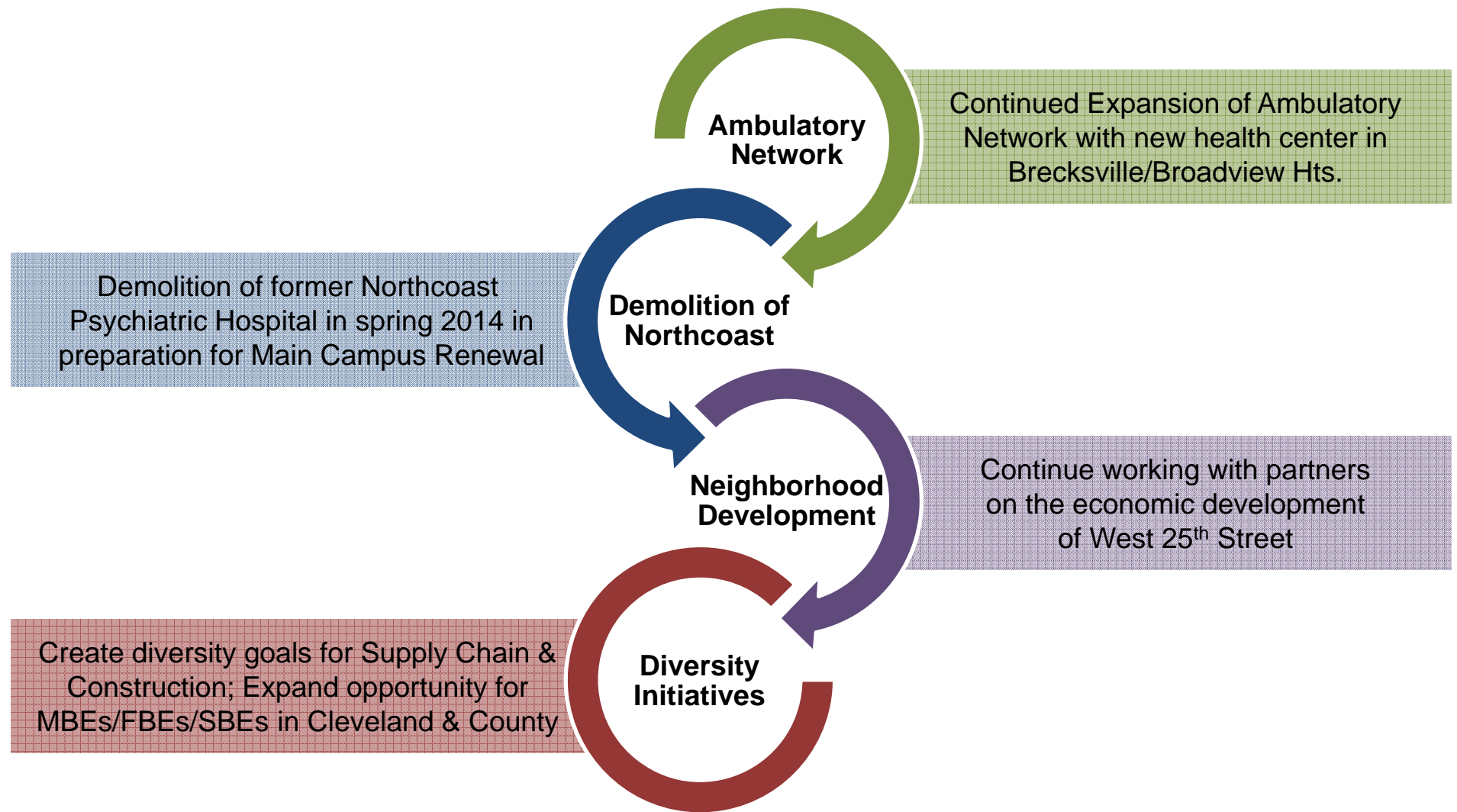
72-Hr Crisis Stabilization Unit with ODMH and ADAMHS

Pediatric Wellness Center

Improved Patient Experience

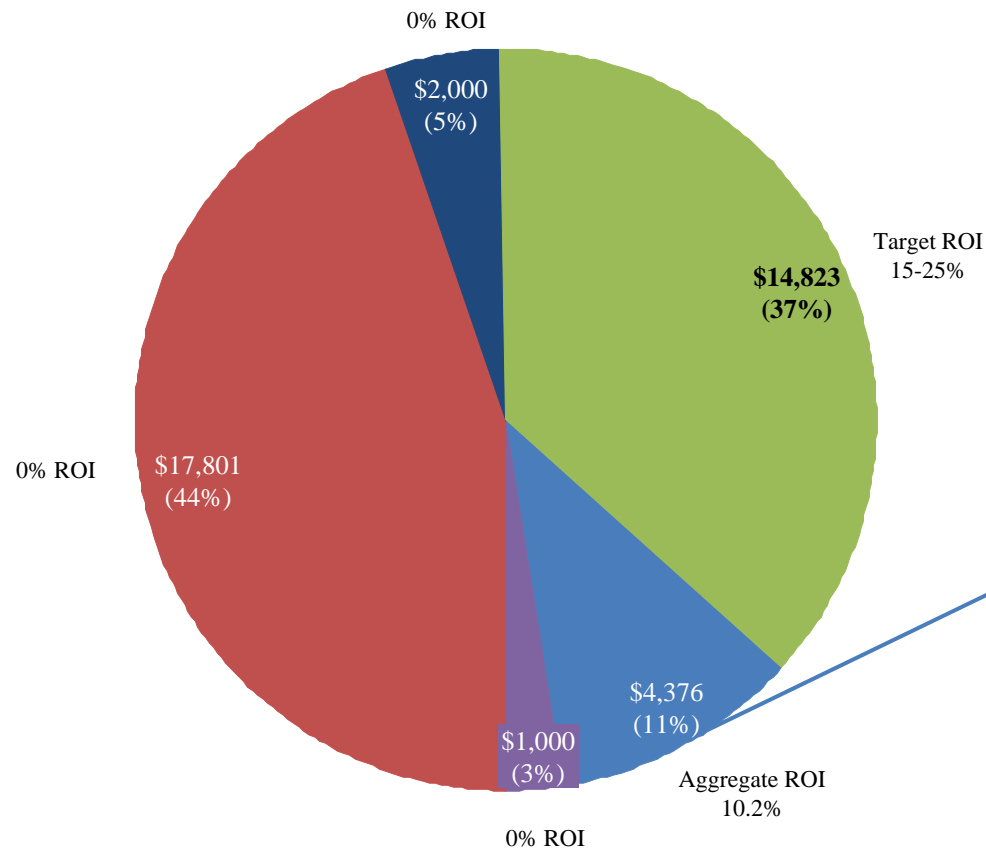
Expansion of BREAST/ Amigas Programs

Economic Development Efforts



2014 Capital Budget

(in \$000s)



Types of Projects

- Mail Order Pharmacy
- Network Service Offerings
- Network Pharmacies
- Administrative Efficiencies

Aggregate ROI for Strategic and ROI Generator projects is ~17.8%