

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS**

**Meeting of the Health System Board  
for the University of Virginia  
Health System**

**March 3, 2022**

## HEALTH SYSTEM BOARD

Thursday, March 3, 2022

8:00 a.m. – 12:00 p.m.

Original Ballroom, Boar's Head Resort

### Committee Members:

L.D. Britt, M.D., Chair  
Babur B. Lateef, M.D., Vice Chair  
Robert M. Blue  
Whittington W. Clement

James B. Murray Jr.  
James V. Reyes  
A. Bobby Chhabra, M.D., Faculty  
Consulting Member

### Public Members:

Kenneth B. Botsford, M.D.  
William G. Crutchfield Jr.

Victoria D. Harker  
Thomas A. Scully

### Ex Officio Members:

James E. Ryan  
Ian B. Baucom  
Pamela F. Cipriano  
Jennifer Wagner Davis

Wendy M. Horton  
K. Craig Kent, M.D.  
Scott A. Syverud, M.D.  
Melina R. Kibbe, M.D.

## AGENDA

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## **VI. CLOSED SESSION**

- Discussion of proprietary, business-related information about the operations of the Medical Center, the School of Medicine, and the School of Nursing, where disclosure at this time would adversely affect the competitive position of the Medical Center, the School of Medicine, or the School of Nursing, specifically:
  - Strategic personnel recruitment and retention, financial, investment, facility needs, market considerations, growth initiatives, partnerships, and other resource considerations and efforts in light of market and regulatory changes for the Health System and expected impact for FY 2022, including proprietary information related to COVID-19; all of which further the strategic initiatives of the Medical Center, the School of Medicine, and the School of Nursing and include employee performance and other proprietary metrics;
  - Confidential information and data related to the adequacy and quality of professional services, competency, and qualifications for professional staff privileges, and patient safety in clinical care, to improve patient care for the Medical Center;
  - Consultation with legal counsel regarding compliance with relevant federal and state legal requirements and legislative and accreditation standards, all of which will involve proprietary business information and evaluation of the performance of specific personnel.
  - The relevant exemptions to the Virginia Freedom of Information Act authorizing the discussion and consultation described above are provided for in Sections 2.2-3711(A)(1), (6), (8), and (22) of the Code of Virginia. The meeting of the Health System Board is further privileged under Section 8.01-581.17 of the Code of Virginia.

## **VII. HEALTH SYSTEM FINANCE REPORTS FROM THE FINANCE WORKING GROUP AND DISCUSSION**

- Health System Consolidated Financials FY2022 Finance Report 12  
(Mr. Blue and Mr. Douglas E. Lischke)

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** IA. Opening Remarks from the Chair

**ACTION REQUIRED:** None

**BACKGROUND:** The Committee Chair, Dr. Britt, will welcome guests and provide opening remarks.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** I.B. Opening Remarks from the Executive Vice President for Health Affairs

**ACTION REQUIRED:** None

**BACKGROUND:** On February 1, 2020, Dr. Kent became the Executive Vice President for Health Affairs. Dr. Kent has held several leadership positions, including chief of the combined Division of Vascular Surgery at Columbia and Cornell, chair of the Department of Surgery at the University of Wisconsin, and most recently, Dean of the College of Medicine at The Ohio State University. His background includes substantial experience in growing clinical, research, and educational programs as well as health system management. He is a member of the National Academy of Medicine.

**DISCUSSION:** The Executive Vice President for Health Affairs will provide opening remarks.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** I.C. Vision for the School of Medicine

**ACTION REQUIRED:** None

**BACKGROUND:** Melina R. Kibbe, M.D., became Dean of the School of Medicine on September 15, 2021. A member of the National Academy of Medicine, Dr. Kibbe is the editor of the *Journal of the American Medical Association (JAMA) Surgery*, a respected clinician, funded investigator, and highly recognized educator. Before coming to UVA, she was Chair of the Department of Surgery at the University of North Carolina.

**DISCUSSION:** Dean Kibbe will outline her vision for the School of Medicine.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** II. Medical Center Report

**ACTION REQUIRED:** None

**BACKGROUND:** Wendy Horton became Medical Center CEO in November 2020. She came from The Ohio State University Wexner Medical Center, where she served as Chief Administrative Officer. Prior to Ohio State, Wendy served in several different leadership roles at University of Wisconsin Health, including Vice President of Operations.

**DISCUSSION:**

**Quality and Safety**

Performance against the goals established on the clinical operations scorecard has continued to be challenging due to the impacts of COVID and the labor market. An approach that focuses on bedside support coupled with individual accountability and follow-up has been implemented.

Efforts to reduce central line associated blood stream infections (CLABSIs) are a prime example. The CLABSI reduction program provides support for real-time audit and feedback of compliance to best practice guidelines, in addition to the inclusion of an electronic visual management tool, which allows unit leaders to see real-time adherence to delivery of best-practice care. Healthcare providers in need of assistance are able to request resources to ensure the delivery of the safest possible care.

**Patient Experience**

Inpatient experience as defined by the overall hospital rating of 9s and 10s for second-quarter FYTD2022 is 77.0 (79<sup>th</sup> percentile), above FY2021 76.2 (71<sup>st</sup> percentile), and slightly below the target of 77.8.

Strong performance is seen around Communication with Doctors, Medications, and Care Transitions in Oncology, Women’s, and Behavioral Health. Various purposeful rounding efforts are showing promising results.

Outpatient clinic patient experience as defined by the overall question “likelihood of recommending your practice to others” for the second-quarter FYTD2022 reflects a score of 95.5 (74<sup>th</sup> percentile). Scores are below goal (96.7) and below FY2021 (96.3).

Emergency Department patient experience for second-quarter FYTD2022 is 77.3 (37<sup>th</sup> percentile), below FY2021 (81.1), and below target (84.6). December results noted a significant increase and the highest score of the fiscal year (80.2). One interesting takeaway is our year-to-date score has dropped 3.8 points compared to last year, but the percentile rank has increased by three percentile points. This tells us there has been a decline in patient perceptions of care across the industry.

### **Human Resources**

Improving team member engagement is an ongoing priority. Recognition events were modified again to accommodate COVID-19 regulations; focus has turned to personalized, spot recognition opportunities until large gatherings can be safely accommodated. Meals were provided for those who worked during the holidays. Talent Management is partnering with the Be Safe team to support their efforts in re-education in utilizing the Be Safe infrastructure. Nursing retention efforts remain a top priority. Lastly, the FY2022 performance management cycle is underway with recommended frequent check-in conversations.

### **Leadership Search**

The Medical Center recently launched a national search for a new Chief Operating Officer. A search committee comprised of the following leaders has been appointed to lead the search:

- Dr. Reid Adams, Chief Medical Officer and Chair Department of Surgery
- Kathy Baker, Chief Nursing Officer
- Veronica Brill, Associate Chief Nursing Officer
- Dr. Tracey Hoke, Chief of Quality and Performance Improvement
- Michael Marquardt, Chief Financial Officer
- Dr. Peggy McNaull, Chair Department of Anesthesiology
- Dr. Christopher Moskaluk, Chair Department of Pathology
- Dr. Art Saavedra, UPG President and Chair Department of Dermatology
- Dr. Mark Shaffrey, Chair Department of Neurosurgery
- Jeremy Sibiski, Chief Operating Officer UVA School of Medicine
- Abdi Somo, Chief Administrative Officer

### **Transitional Care Hospital**

UVA's Transitional Care Hospital (TCH) continues to operate with high efficiency and produce quality outcomes better than targets. The mortality rate for the year to date is 9.6% compared to the case mix index weighted national benchmark data of 12.01%. The ventilator weaning rate is 88%, which is much better than the CMI weighted national average performance benchmark of 57.83%. Acquired C. Difficile rate is currently in the top decile of national LTACH performance. Case Mix Index for admitted patients is at an all-time high, indicating that the hospital has treated the most complex and resource-intensive patients in its existence. Staffing of clinical nursing roles is below the desired level



to open beds sufficient to meet demand and to meet the budgeted volume projections. Management has responded by flexing down expenses.

### **Recent Designations and Re-certifications**

The Joint Commission completed a successful survey and reaccreditation of the Medical Center and its provider-based clinics.

The United Network for Organ Sharing/Organ Procurement and Transplantation Network completed a successful survey of the Transplant Program.

COLA, Inc. (previously known as the Commission on Office Laboratory Accreditation) completed successful surveys of the UVA Cancer Center Pantops, the UVA Cancer Center Augusta, and the Breast Care Center.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

<b><u>BOARD MEETING:</u></b>	March 3, 2022
<b><u>COMMITTEE:</u></b>	Health System Board
<b><u>AGENDA ITEM:</u></b>	III. School of Medicine Report
<b><u>ACTION REQUIRED:</u></b>	None

**BACKGROUND:** Melina R. Kibbe, M.D., became Dean of the School of Medicine on September 15, 2021. A member of the National Academy of Medicine, Dr. Kibbe is the editor of the *Journal of the American Medical Association (JAMA) Surgery*, a respected clinician, funded investigator, and highly recognized educator. Before coming to UVA, she was Chair of the Department of Surgery at the University of North Carolina.

**DISCUSSION:**

**People**

- Dean Kibbe recently announced the hiring of Mark Weathers as the new Chief of Staff. He is the current Chief of Staff at West Point. Mr. Weathers started on February 28.
- The contract for the consultant engagement for the Gender Equity Compensation Assessment Update has been finalized. The School will now embark on the process of conducting the analysis with the consultant in partnership with the University.
- A kick-off meeting for the School-wide Faculty Compensation Plan was recently held with the Dean, Chief Operating Officer, and Associate Dean of Finance and Administration to map out the process and work plan.
- Faculty attrition for the first half of FY2022 remains low. To date, 52 of 1260 (4.1%) faculty have departed (voluntary, involuntary, and retirement): 16 from research departments and 36 from clinical departments.
- The Senior Associate Dean for Faculty Affairs is working to develop a School of Medicine specific Leadership Development Course for mid-career faculty.
- The Senior Associate Dean for Faculty Affairs will conduct a review of the SOM Promotion & Tenure processes.

**Departments**

- The goals for each of the 29 departments and six centers have been finalized and entered into our Business Intelligence portal. Departments will be assessed for successful completion of each goal on a quarterly basis, with the expectation of 100% completion by June 30, 2022.
- Progress continues for the searches for the new Chairs of OB/GYN, Surgery, Microbiology, Plastic Surgery, Biochemistry, and Biomedical Engineering.

### **Clinical**

- Jeremy Sibiski has assumed oversight of the process to approve all faculty position requests, assessing all proformas for faculty hires. Many of the clinical departments are in a growth phase. The school currently has 106 clinical faculty openings and 12 research faculty openings posted in Workday.

### **Research**

- As the School of Medicine enters a research growth phase, active management of research space will be critical. The Interim Senior Associate Dean for Research is working on collecting accurate space data for this purpose.

### **Education**

- The Senior Associate Dean for Education kicked off the preparations for the LCME Accreditation Visit, which will occur March 20-22, 2023.
- The first cohort of medical students at our INOVA regional campus has completed clerkship rotations and started the elective phase of the curriculum. With the arrival of the second cohort in January, there will be 72 students doing clinical training at the regional campus.

### **Diversity, Equity, and Inclusion**

- The School recently announced that Dr. Tracy Downs will serve as the inaugural Senior Associate Dean for Diversity, Equity, and Inclusion (DEI) in addition to his role as Chief Diversity and Community Engagement Officer for UVA Health. In this new capacity, there will be a complete alignment of all DEI initiatives between the Medical Center and the School.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** IV. School of Nursing Report

**ACTION REQUIRED:** None

**BACKGROUND:** Pamela Cipriano, Ph.D., was appointed as Dean and the Sadie Heath Cabaniss Professor at the School of Nursing in August 2019. A two-term president of the American Nurses Association (2014-2018), representing the interests of the nation's four million registered nurses, she was formerly the Chief Nursing Officer at UVA Health who led the Medical Center to its first Magnet designation in 2006. Dean Cipriano is currently the first Vice President of the International Council of Nurses, an advocate for strengthening nursing's influence on healthcare policy, and a leader in the effort to advance the roles and visibility of nurses.

**DISCUSSION:**

**Academics**

The School exceeded its enrollment goal for its new Accelerated Two-Year BSN program, one of two new transfer options for students interested in nursing from both within and outside of UVA. A diverse cohort of 25 students—1/3 of whom are first-generation, 36% of whom are non-white, many who speak multiple languages, and who already work in healthcare—were chosen from 81 applicants and begin their studies this spring.

Applications for the traditional BSN class have been extremely strong: 1,826 students applied for 75 spots. This follows 2021's record-setting 51% increase over 2020.

**Research and Faculty Recognition**

Woodard Clinical Professor of Nursing Richard Westphal and Brodie Professor of Medicine Peggy Plews-Ogan, co-directors of UVA Health's Wisdom & Wellbeing program, earned a three-year, \$2.4M Health Resources and Services Administration grant, part of President Biden's American Rescue Plan Funds focused on the reduction of burnout among healthcare workers. Westphal and Plews-Ogan will use the grant to train more than 10,000 healthcare, community health workers, and health professional students throughout Central Virginia and establish a peer support training collaborative with the Dr. Lorna Breen Heroes' Foundation.

Jann Balmer, clinical professor of nursing, was awarded the Alliance for Continuing Education in the Health Professions' 2022 Miller-Wentz Lifetime Achievement Award for contributions to the Alliance and the field.

*Self-Care For New and Student Nurses* (Sigma: 2021), written by Dorrie Fontaine, dean emerita, Natalie May, assistant professor, as well as more than two dozen other School of Nursing faculty, staff, and alumni, was named one of the *American Journal of Nursing's* Best Books of the Year 2021.

Assistant professor Tracy Kelly, with GW surgeon Neelu Tummala—both members of the Virginia Clinicians for Climate Action—penned an op-ed titled “Governor should reconsider policy decisions that will hurt the environment,” published in the *Virginia Mercury* Jan. 19.

Dean Pam Cipriano penned an op-ed titled “Climate Courage,” published in *American Nurse* on Jan. 11.

### **Student Honors**

The findings of Ph.D. graduate and ER nurse Jane Muir’s dissertation study, *Exploring the Direct and Indirect Costs of Nurse Burnout for a Health Care Organization*, highlighted by [UVA Today](#)—compelled her publication of a widely-circulated op-ed in STAT News Jan. 13 titled [“The solution to the wave of nurse resignations? Cold, hard cash.”](#) Muir’s work concludes that hospitals that invest in robust burnout reduction programs (including hazard pay, bonuses, salary increases, well-being initiatives, and robust opportunities for advancement and leadership) actually save money and retain nurses.

DNP student Habibah Williams [earned](#) a national collaboration award from the American Association of Colleges of Nursing for her novel weight bias reduction program for healthcare staff called “We Matter.”

CNS student and VCU Health surgical trauma nurse Chris Lecznar was elected to the American Association of Critical-Care Nurses’ Clinical Advisory Work Group for a three-year term. The group responds to members’ practice questions and provides Best Practice Alerts to its constituency.

### **Philanthropy and Alumni Affairs**

LTC Suzanne Cobleigh (MSN `19, DNP `20)—officer in charge of U.S. Army medical teams deployed by FEMA and the Department of Defense to assist COVID-overwhelmed hospitals since summer 2021—[spoke to President Biden and DOD Secretary Lloyd Austin](#) about her work, the changing nature of COVID, on-the-ground challenges, and the cohesion of her military and civilian teams in Arkansas and Michigan.

The School produced its first-ever [annual report](#) at the end of 2021, which was distributed with our fall/winter magazine *Virginia Nursing Legacy*, to 12,500 alumni, parents, students, and major donors, as well as leaders at the top 250 schools of nursing around the U.S. and select members of the media.

**UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY**

**BOARD MEETING:** March 3, 2022

**COMMITTEE:** Health System Board

**AGENDA ITEM:** VIII. FY2022 Finance Report

**ACTION REQUIRED:** None

**BACKGROUND:** UVA Health prepares a comprehensive financial package at least monthly and reviews it with the Executive Vice President for Health Affairs and other executive leaders of the University before submitting the report to the Health System Board.

Douglas E. Lischke serves as UVA Health's Chief Financial Officer. Prior to coming to UVAH, he was the Associate Vice President for Financial Services and Controller for Wake Forest Baptist Medical Center. He is an active Certified Public Accountant and a Certified Healthcare Finance Professional with over 25 years of financial management experience.

**FINANCE REPORT**

Overall, despite the pandemic, UVA Health's operating income is favorable to budget for the six months ended December 31, 2021.

	<b>Operating Income</b>			<b>Operating Margin</b>		
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Pr Year</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Pr Year</u></b>
Medical Center	47.7	41.6	24.6	4.5%	4.1%	2.7%
Community Health	(2.6)	(5.1)		-1.1%	-2.4%	
UPG - SOM Clinical	17.3	(6.1)	(1.2)	6.3%	-2.3%	-0.5%
SOM Academic	8.8	0.5	(2.7)	3.3%	0.2%	-1.2%
SON Academic	1.1	(0.1)	3.5	6.8%	-0.6%	26.8%
Health Sciences Library	(0.3)	(0.7)	(0.4)	-8.8%	-25.1%	-13.6%
Health System Support/Transfers	(20.7)	(20.5)	(20.8)			
<b>UVA Health</b>	<b>51.3</b>	<b>9.6</b>	<b>3.0</b>	<b>2.9%</b>	<b>0.6%</b>	<b>0.2%</b>

**UVA Medical Center**

Through the second quarter of FY2022, the operating income was \$47.7M, resulting in a 4.5% operating margin and yielding a \$6.1M favorable budget variance. Favorable net revenue was driven by high inpatient acuity, strong ambulatory volumes, and growth in

outpatient pharmacy business. The all payer case mix was 2.38 and exceeded budget by 5.3%. The operating margin is supported by imaging, dialysis, the transitional care hospital, home health and the management of shared services expenses. Fiscal year to date, December 31, 2021, the Medical Center generated \$98.6M in cash from operations (EBITDA) after transfers and cash reserves totaled 234 days, which was bolstered by Federal Loan funds of \$113.3M as well as strong investment returns. Excluding this \$113.3M, which must be repaid, cash reserves totaled 208 days. Total expenses adjusted for volume and acuity were 2.5% unfavorable to budget, driven by inflation and labor challenges.

Total paid employees, including contracted employees, were 273 under budget. Contract labor is composed primarily of nurse travelers and individuals employed by the School of Medicine and contracted to the Medical Center. The Medical Center utilized 342 nurse travelers.

	<b><u>FY2022</u></b>	<b><u>2022 Budget</u></b>
Employee FTEs	8,276	8,919
Contract Labor FTEs	484	113
Salary, Wage and Benefit Cost / FTE	\$93,797	\$90,174
Total FTEs	8,760	9,032

### **UVA Community Health**

Through the second quarter of FY2022, the operating loss for all business units was \$2.6M, resulting in a -1.1% operating margin and yielding a \$2.5M favorable budget variance. Outpatient volumes were strong, with emergency room volumes 17% favorable to budget and adjusted discharges 7% ahead of budget. Discharges were lower than budget by 7%. Salaries were unfavorable to budget as national staffing shortages necessitated additional compensation for difficult to recruit positions and high-cost agency staffing.

### **Transitional Care Hospital**

Through the second quarter of FY2022, the operating loss for the TCH was \$1.9M, yielding a favorable budget variance of \$0.7M. Staffing challenges related to COVID-19 issues caused a reduction in capacity and negatively impacted admissions and discharges. TCH admitted 79 patients, and 63% of those were from the Medical Center. The all payer case mix was 1.34, which exceeded budget by 40% and favorably impacted revenue.



### **UVA Physicians Group**

Through the second quarter of FY2022, the Physicians Group (UPG) produced an operating surplus of \$17.3M, which was \$23.4M favorable to budget and \$18.5M favorable to the prior year. Favorable results were driven by higher than planned patient volumes, \$2.8M combined from the CARES Act and the American Rescue Plan, and cost savings from social distancing and remote work. These results include \$18.1M in support towards the Academic Mission.

### **UVA School of Medicine**

Through the second quarter of FY2022, the School of Medicine generated an \$8.8M surplus yielding an \$8.3M favorable variance to budget. This is primarily related to favorable gift revenues and utilization of state funds. The surplus from recurring operations was \$21.2M, offset by strategic investments of \$12.4M, which is funded by the Dean's reserves.

### **UVA School of Nursing**

The School of Nursing had a favorable overall variance for the six months ended December 31, 2021. Non-personnel expenditures were lower as professional development and activities related to recruitment will occur later in the fiscal year. Salary expenditures are slightly above budget due to the heavy instructional volume in Fall '21, but this should equalize during the spring semester along with some positive variance from unfilled faculty and staff vacancies.

University of Virginia Medical Center  
Income Statement  
(Dollars in Millions)

Description	Most Recent Three Fiscal Years			Budget/Target
	Dec-19	Dec-20	Dec-21	Dec-21
Net patient revenue	\$876.8	\$891.4	\$1,258.8	\$1,186.0
Other revenue	<u>27.1</u>	<u>32.6</u>	<u>39.2</u>	<u>35.8</u>
Total operating revenue	<u>\$904.0</u>	<u>\$924.0</u>	<u>\$1,298.0</u>	<u>\$1,221.8</u>
Operating expenses	817.3	829.0	1,164.3	1,089.4
Depreciation	52.8	61.7	76.2	78.1
Interest expense	<u>9.3</u>	<u>8.7</u>	<u>12.4</u>	<u>17.8</u>
Total operating expenses	<u>\$879.3</u>	<u>\$899.4</u>	<u>\$1,252.9</u>	<u>\$1,185.3</u>
Operating income (loss)	<u>\$24.7</u>	<u>\$24.6</u>	<u>\$45.1</u>	<u>\$36.5</u>
Non-operating income (loss)	\$1.8	\$231.2	\$58.6	\$25.8
Net income (loss)	<u>\$26.5</u>	<u>\$255.8</u>	<u>\$103.7</u>	<u>\$62.2</u>
Principal payment	\$10.3	\$10.9	\$10.8	\$10.8

University of Virginia Medical Center  
Balance Sheet  
(Dollars in Millions)

Description	Most Recent Three Fiscal Years		
	Dec-19	Dec-20	Dec-21
<b>Assets</b>			
Operating cash and investments	\$27.6	\$290.2	\$257.9
Patient accounts receivables	257.5	235.8	353.0
Property, plant and equipment	1,304.5	1,365.4	1,634.0
Depreciation reserve and other investments	459.1	500.5	526.3
Endowment Funds	701.0	797.6	977.2
Other assets	272.8	299.5	442.1
<b>Total Assets</b>	<u>\$3,022.6</u>	<u>\$3,489.0</u>	<u>\$4,190.7</u>
<b>Liabilities</b>			
Current portion long-term debt	\$15.9	\$15.7	\$19.9
Accounts payable & other liab	135.3	114.4	204.4
Long-term debt	758.4	740.8	896.7
Accrued leave and other LT liab	366.3	587.8	584.1
<b>Total Liabilities</b>	<u>\$1,275.9</u>	<u>\$1,458.7</u>	<u>\$1,705.1</u>
<b>Fund Balance</b>	<u>\$1,746.7</u>	<u>\$2,030.3</u>	<u>\$2,485.5</u>
<b>Total Liabilities &amp; Fund Balance</b>	<u>\$3,022.6</u>	<u>\$3,489.0</u>	<u>\$4,190.7</u>

University of Virginia Medical Center  
Financial Ratios

Description	Most Recent Three Fiscal Years			Budget/Target
	Dec-19	Dec-20	Dec-21	Dec-21
Operating margin (%)	2.7%	2.7%	3.5%	3.0%
Current ratio (x)	1.9	4.0	2.7	2.0
Days cash on hand (days)	206	291	234	190
Gross accounts receivable (days)	51.5	50.2	46.5	50.0
Annual debt service coverage (x)	4.5	16.7	8.3	3.6
Debt-to-capitalization (%)	32.2%	28.5%	28.3%	34.0%
Capital expense (%)	7.1%	7.8%	7.1%	8.1%

University of Virginia Medical Center  
Operating Statistics

Description	Most Recent Three Fiscal Years			Budget/Target
	Dec-19	Dec-20	Dec-21	
Acute Discharges	14,113	13,181	13,082	14,372
Patient days	96,960	96,873	97,829	102,608
Observation Billed Encounters - MC only	2,652	2,794	3,047	2,669
All Payor CMI Adj Avg Length of Stay - MC only	3.04	3.08	3.10	3.01
OP Billed Encounters	416,067	412,556	457,102	404,661
ER Billed Encounters	22,913	17,778	20,838	17,987
All Payor CMI - MC Only	2.16	2.31	2.38	2.26
FTE's (including contract labor)	8,965	8,683	8,760	9,032

Operating Statistics exclude UVA Community Health



University of Virginia Medical Center

**SUMMARY OF OPERATING STATISTICS AND FINANCIAL PERFORMANCE MEASURES**

Fiscal Year to Date December 31, 2021 with Comparative Figures for Prior Fiscal Year

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**Assumptions - Operating Statistical Measures**

**Discharges and Case Mix Assumptions**

Discharges include all admissions except normal newborns

TCH cases are those discharged from the TCH, excluding any Medicare interrupted stays

Observations are for billed encounters only

Case Mix Index for All Acute Inpatients is All Payor Case Mix Index from Stat Report

**Other Institutional Measures Assumptions**

Patient Days, ALOS and ADC figures include all patients except normal newborns

Surgical Cases are the number of patients/cases, regardless of the number of procedures performed on that patient

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**Assumptions - Operating Financial Measures**

**Revenues and Expenses Assumptions:**

Medicaid out of state is included in Medicaid

Medicaid HMOs are included in Medicaid

Physician portion of DSH is included in Other

Non-recurring revenue is included

**Other Institutional Measures Assumptions**

Collection % of Gross Billings includes appropriations

Days of Revenue in Receivables (Gross) is the BOV definition

Cost per CMI Adjusted Discharge uses All Payor CMI to adjust