Riverside University Health System

Hospital Updates and
Approval of Capital Project List
September 21, 2015

For More Than 100 Years

Riverside University Health System has been the foundation of healthcare, community wellness and medical education in Riverside County.

Health Reform is Driving
CONSOLIDATION

Los Angeles Times
BUSINESS
This article is related to: Hospitals and Clinics, Affordable Care Act (Obamacare)

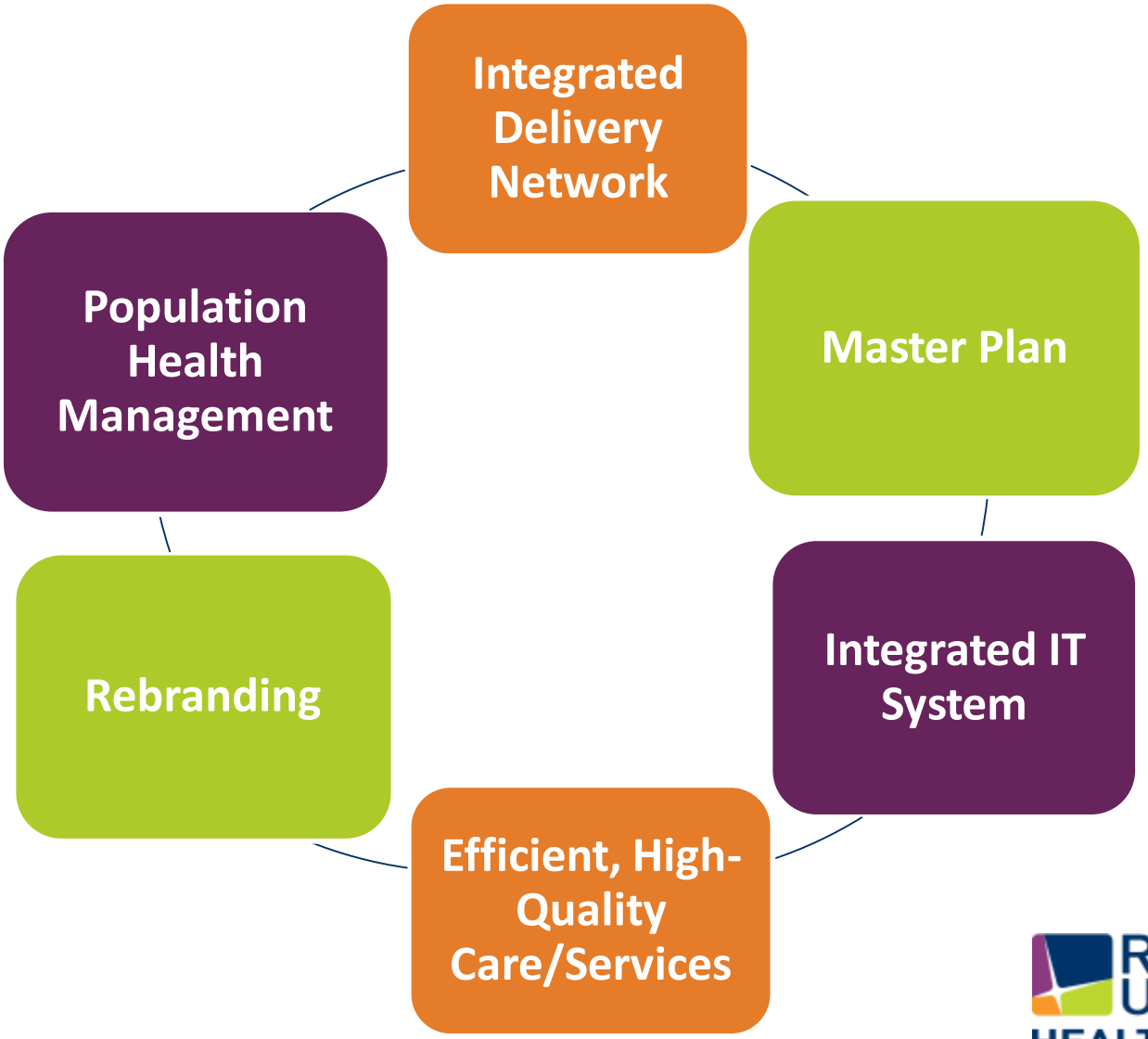
Cedars-Sinai buys Marina Del Rey Hospital amid consolidation wave

The Affordable Care Act, which ushered in the biggest expansion of health coverage in nearly half a century, has triggered much of this merger activity.

Both hospitals and health insurers want to grow in size to better take advantage of rising revenues from the healthcare law and growing enrollment of Medicare and Medicaid patients.

Hospitals often see consolidation as a way to spread certain fixed costs over a larger patient base and cope with reductions in federal reimbursements under Obamacare. Hospitals also want to maintain enough negotiating leverage with health insurers and avoid getting cut out of narrower health plan networks.

Strategic Initiatives



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Integration – Collaboration

- Riverside University Health System
  - Behavioral Health
  - Care Clinics
  - Medical Center
  - Public Health

Operations and Finance Report
Fiscal Year Ended June 30, 2015

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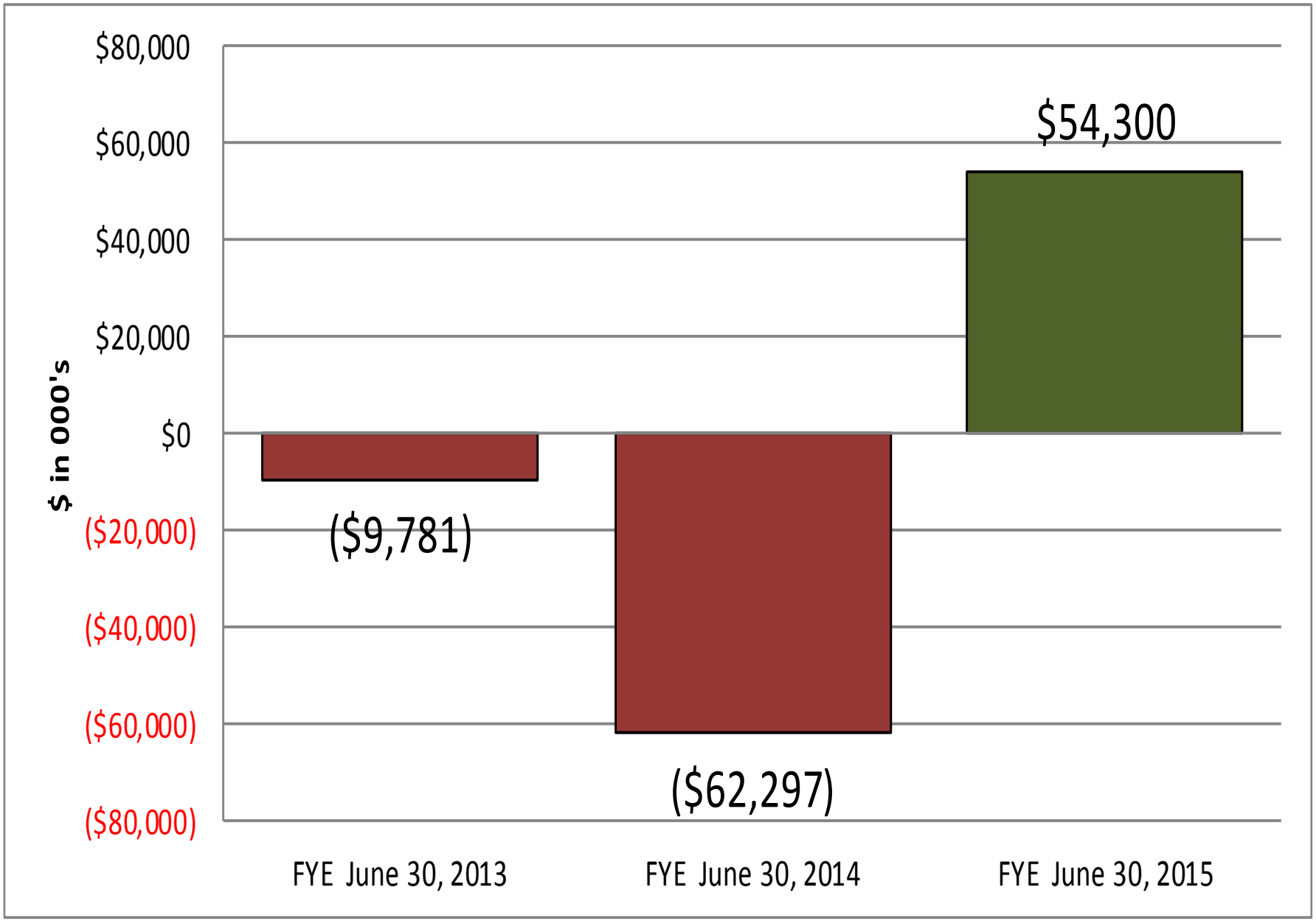
OPERATING TREND



Financial Outline

A. Much of the improvement was the result of significantly better operating performance resulting from:
   1) Seasoned executive team
   2) Disciplined management culture
   3) The Affordable Care Act (ACA) impact resulting in lower free care and 100% of cost for the newly eligible population
   4) The collection of receivables in excess of determined values at June 30 , 2014 as a result of working with the managed care plans and payers

B. Our FY 2015 average daily census was 293

C. Surgical volumes stayed constant in 2015

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FY 16 CHALLENGES/OPPORTUNITIES

- Difficult operating climate as approximately 65% Medi-cal and Managed Medi-cal
- Waiver and DSRIP revenue unknown (represented nearly $100 million in FY 2015)
- Salary and benefit increase program $31M
- Capital replacement- underinvested facilities and need to replace end of life equipment and outdated IT systems
- ICD-10 impact
- Implementation of EPIC electronic medical record
- Consolidating market and need to select key partners
- Healthcare inflation and higher drug costs stemming from shortages
- Realize ALL payer incentive based revenue
- Patient volume –need commercial and managed care growth
- Hospital Based Clinic integration and efficiency
- Value Analysis –Supply Chain opportunities

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Quality Highlights

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Quality Matrix and Key Designation

- American College of Surgeons verified Level II Trauma Center
- The Joint Commission Certified Stroke Center
  - American Heart Association “Gold Plus Quality Achievement”
- “Surviving Sepsis” Society of Critical Care Medicine
  - Decreased severe sepsis mortality from 30% to 8%
- Baby Friendly Designation
  - Increased breast feeding from 20% to over 90%

2015 GET WITH THE GUIDELINES. STROKE
TARGET: STROKE HONOR ROLL
GOLD PLUS
American Heart Association | American Stroke Association.

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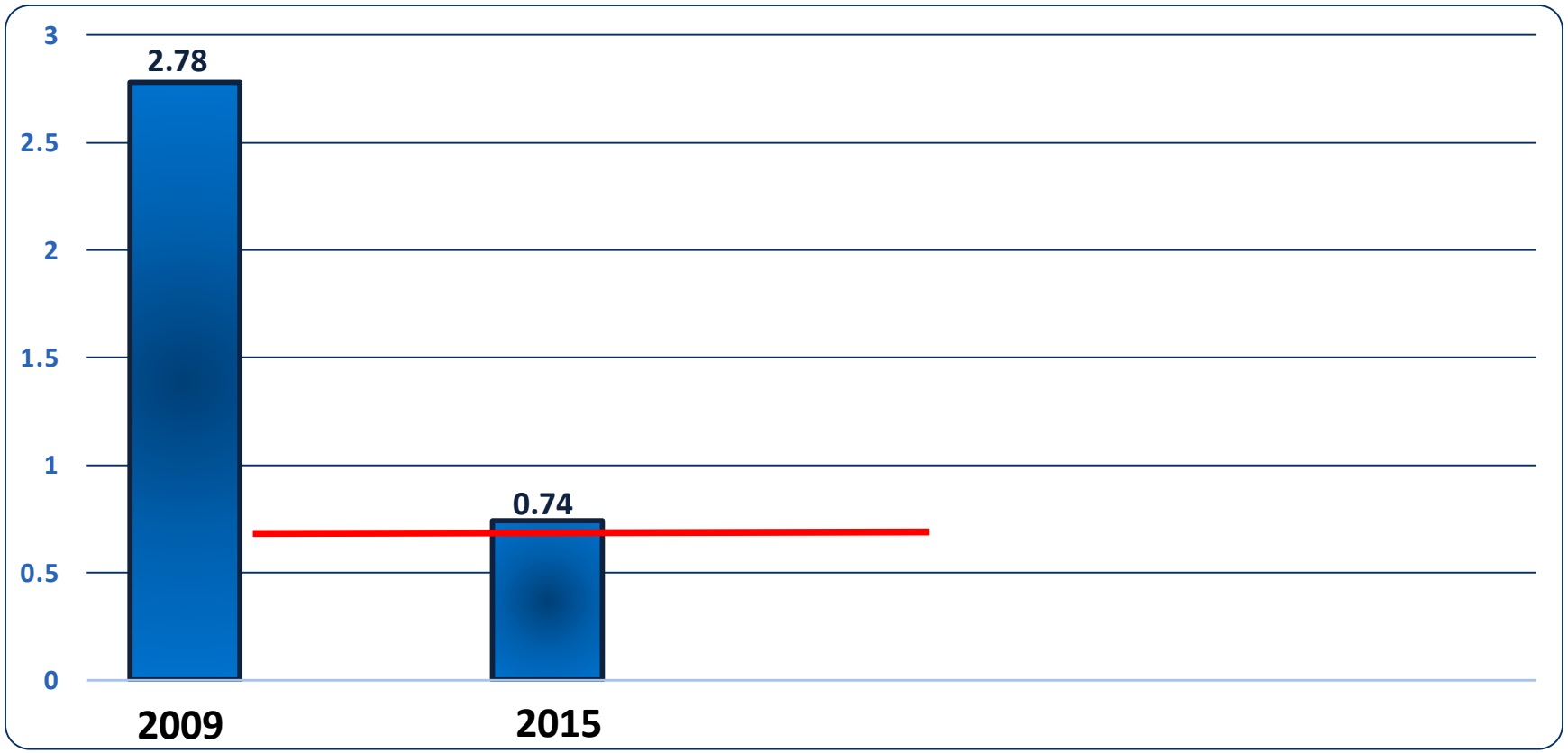
Standardize Infection Rate
Surgical Site Infections



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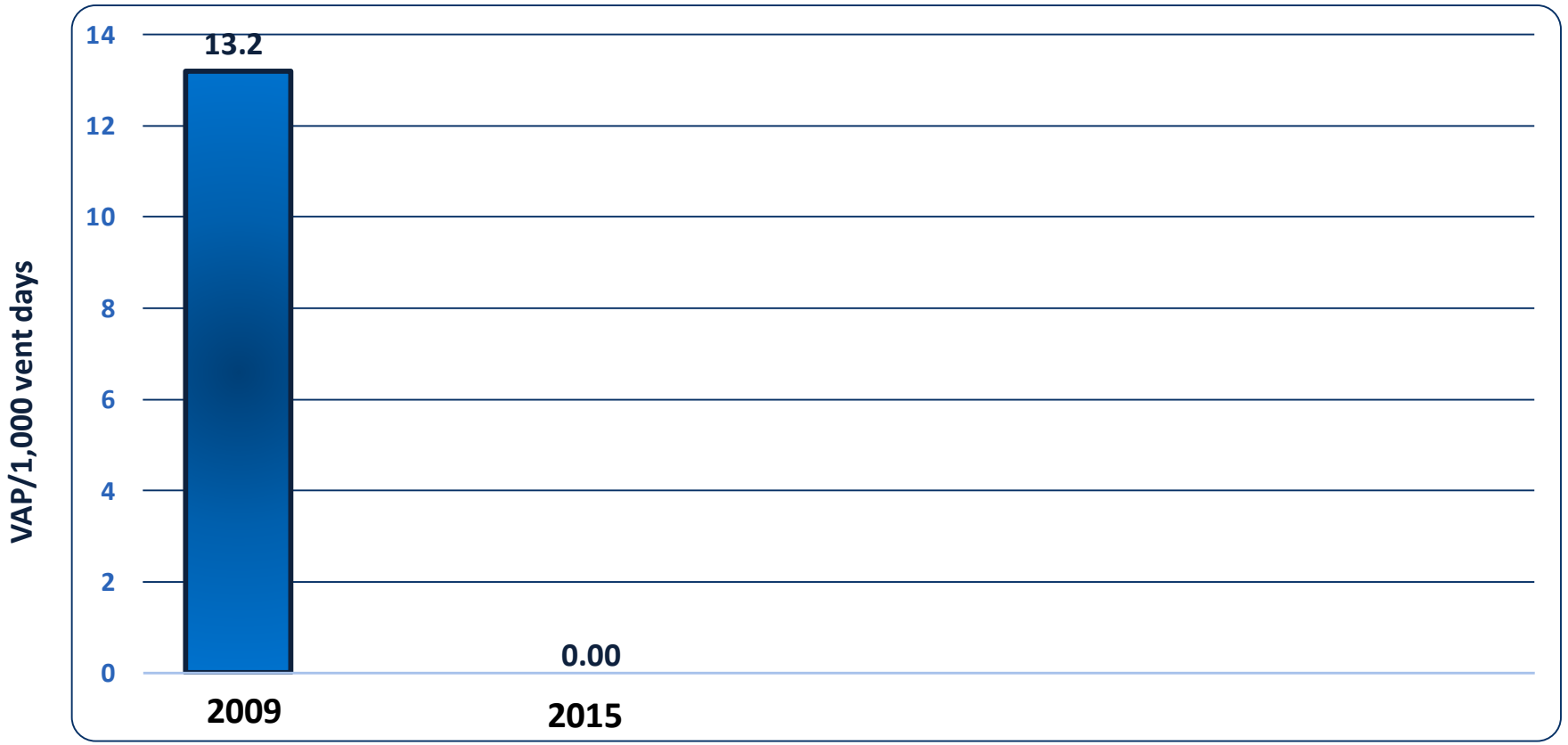
Ventilator Associated Pneumonia NICU



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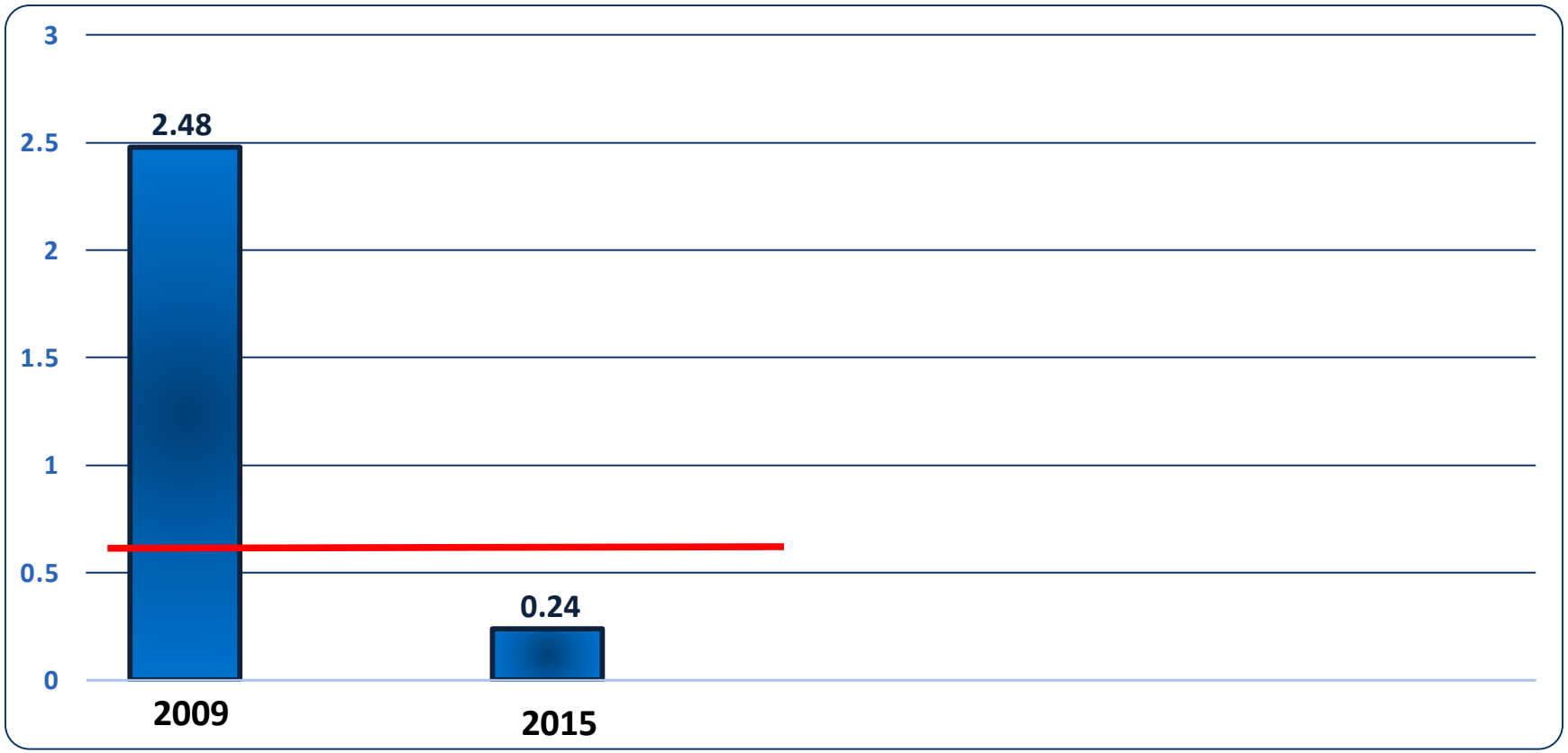
Standardize Infection Rate Central Lines Bloodstream Infections



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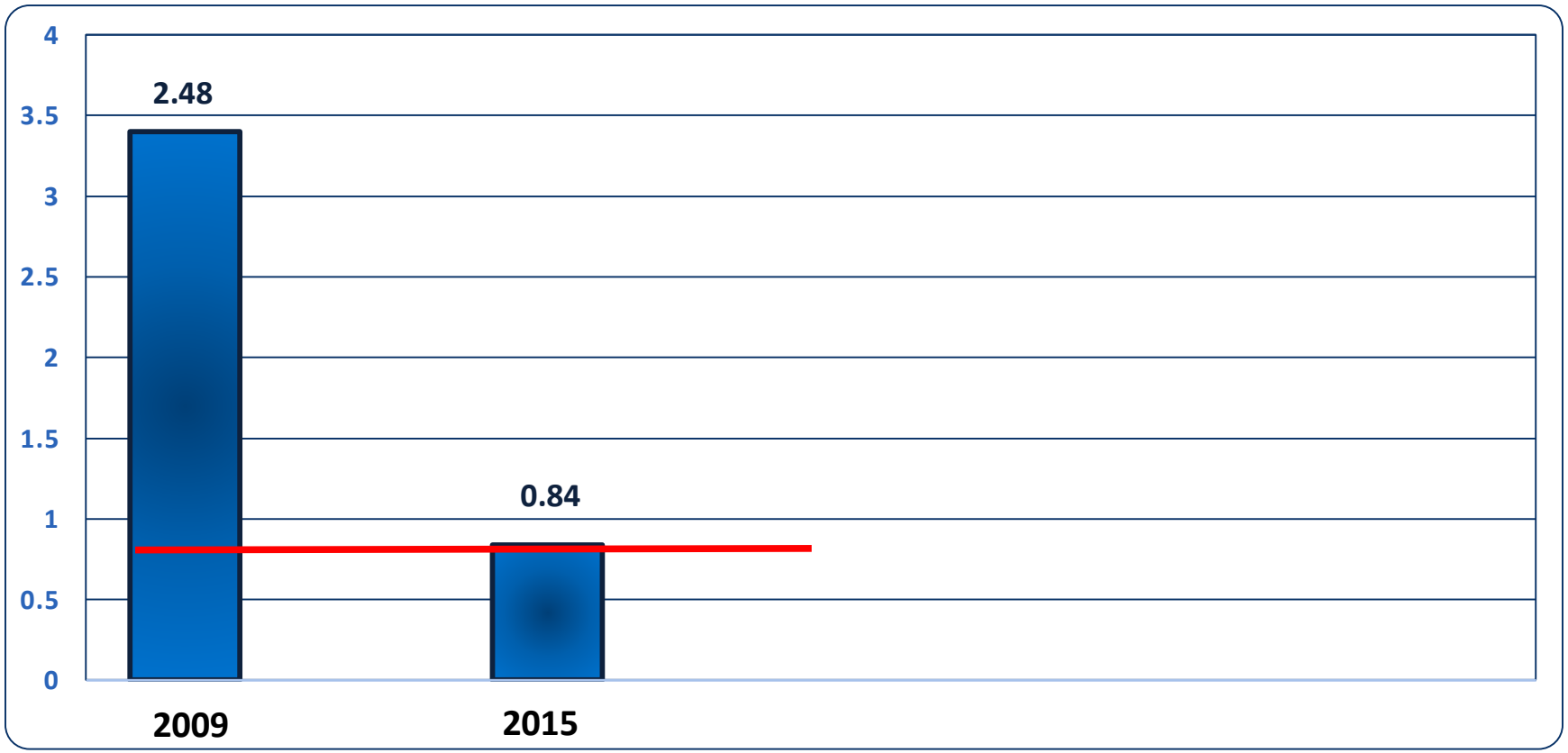
Standardize Infection Rate
Catheter Urinary Infections



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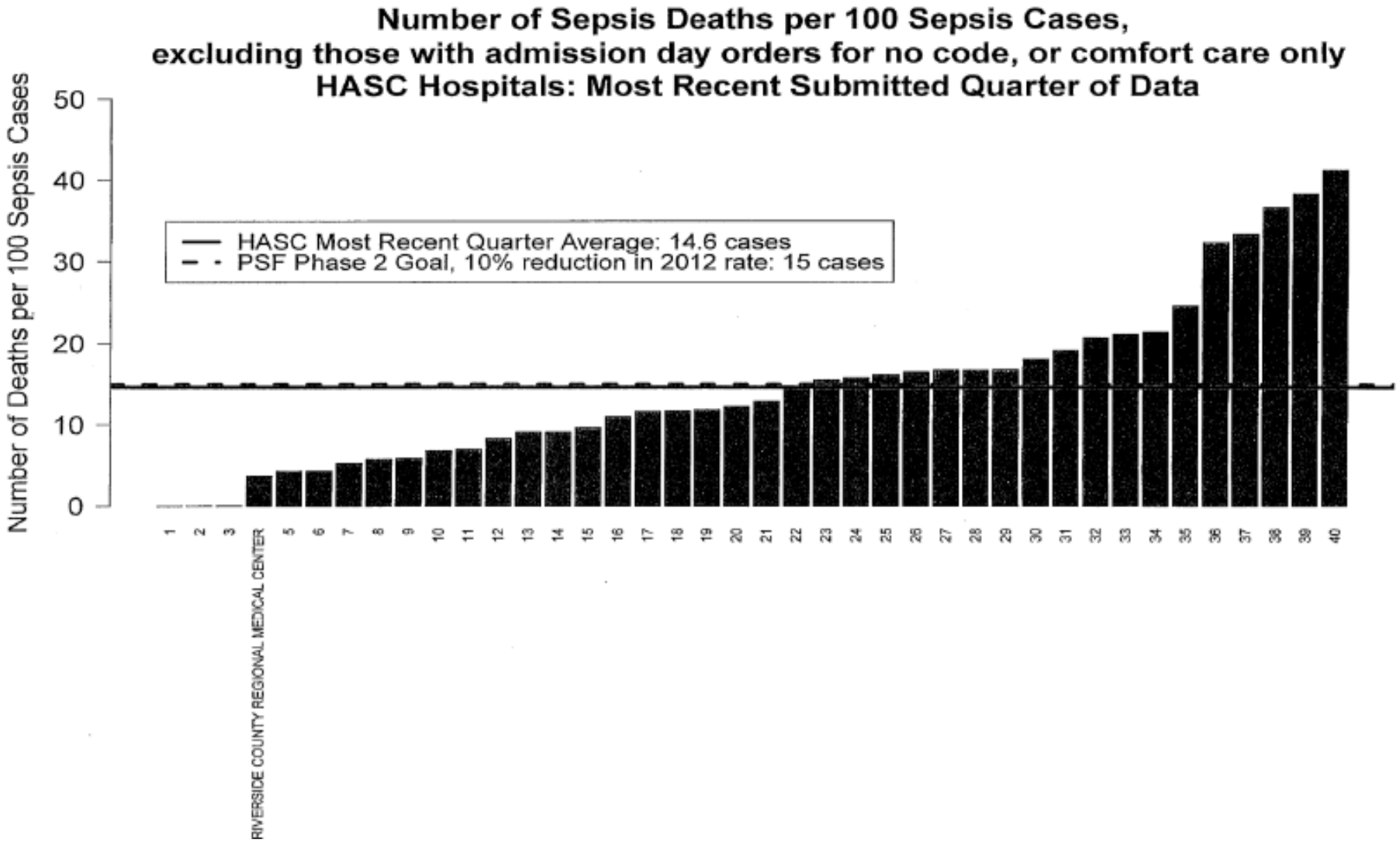
Sepsis Mortality



Riverside University Health System Medical Center

The Major Teaching Hospital In Riverside County

- More than 500 Medical Students get training at RUHS every year from Loma Linda University Medical Center, University California Riverside, Western University.
- 200 Nursing Students from Riverside Community College, Loma Linda University, Cal Baptist University, Western University and Mount San Jacinto College.
- 15 Physician assistants from Riverside Community College.

Physician Residency Programs

At any time 170-200 residents are receiving training at RUHS

In partnership with University California Riverside

- General Surgery
- Internal Medicine
- Family Medicine
- Psychiatry
- Pediatrics

In partnership with Western University

- Orthopedics
- Anesthesia
- Neurosurgery

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Physician Residency Programs

In partnership with Loma Linda University

- Pediatrics
- Emergency Medicine
- Surgery
  - Plastics
  - Urology
  - ENT
- Internal Medicine
  - Neurology
  - Rheumatology
  - Gastroenterology

Clinical Transformation Project
EPIC

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Adoption Sessions

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TimeLine

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Capital Equipment

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Da Vinci Robot

Cardiac Cath Lab

MRI/CT Scan

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Portable Digital X Ray/Ultrasound

Mammography/Dexascan

Submittal to Board of Supervisors

County of Riverside

Approve List of Capital Items

Project Description			Est. Cost
FY 16 Capital Budget			
Life and Safety	C-Arm, Portable digital X-ray, ultrasound		1.00
Life and Safety	Anesthesia Machines		0.60
Life and Safety	Operating Room Lights		0.30
Life and Safety	Monitors (ICU, NICU, Vigileo)		2.20
Life and Safety	Code Blue - Nurse Call System		3.00
Life and Safety	Pharmacy Information Technology		1.20
Life and Safety	Pharmacy Airflow HEPA		2.00
Life and Safety	Alaris Epidural Pumps		0.20
Life and Safety	Trauma Equipment (Rapid Infusers)		0.20
Life and Safety	Physical Plant Projects		2.50
Life and Safety	General Hospital Equipment		1.50
	Subtotal		14.70
Strategic	Cardiac Cath Lab		4.00
Strategic	Mamography Dexascan		0.46
Strategic	New Signage		1.00
Strategic	Divinci Robot		2.50
	Subtotal		7.96
Regulatory	IT Security and Infrastructure Updates		2.50
			25.16
Excludes EPIC Install			
			Remaining Project Amount
Project Description			
FY 15 and Prior Capital Budget			
Life and Safety	MRI/CT		3.20
Strategic	Cogeneration		1.20
Regulatory	Emergency Department Remodel		10.00
Strategic	Nurse Education Building		
			14.40

Next Steps

- Develop and formalize our network
- Mature our internal integration
- Develop comprehensive Population Health strategic plan in conjunction with all departments involved
- Continue to invest in capital needs of the hospital
- Aggressive marketing campaign
- Enhance philanthropy efforts
- Enhance physician recruitment efforts

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New Consumer-Facing Website

Why RUHS

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Thank you!