

Overview of UCHealth's Southern Colorado Region

Fiscal year 2024 (July 1, 2023 – June 30, 2024)

Lonnie Cramer, President and CEO
UCHealth Southern Colorado Region
November 12, 2024



UCHealth overview

Colorado-owned and operated, nonprofit health system and an independent and separate 501(c)(3) from University of Colorado.



Mission

We improve lives.

In big ways through learning, healing and discovery.

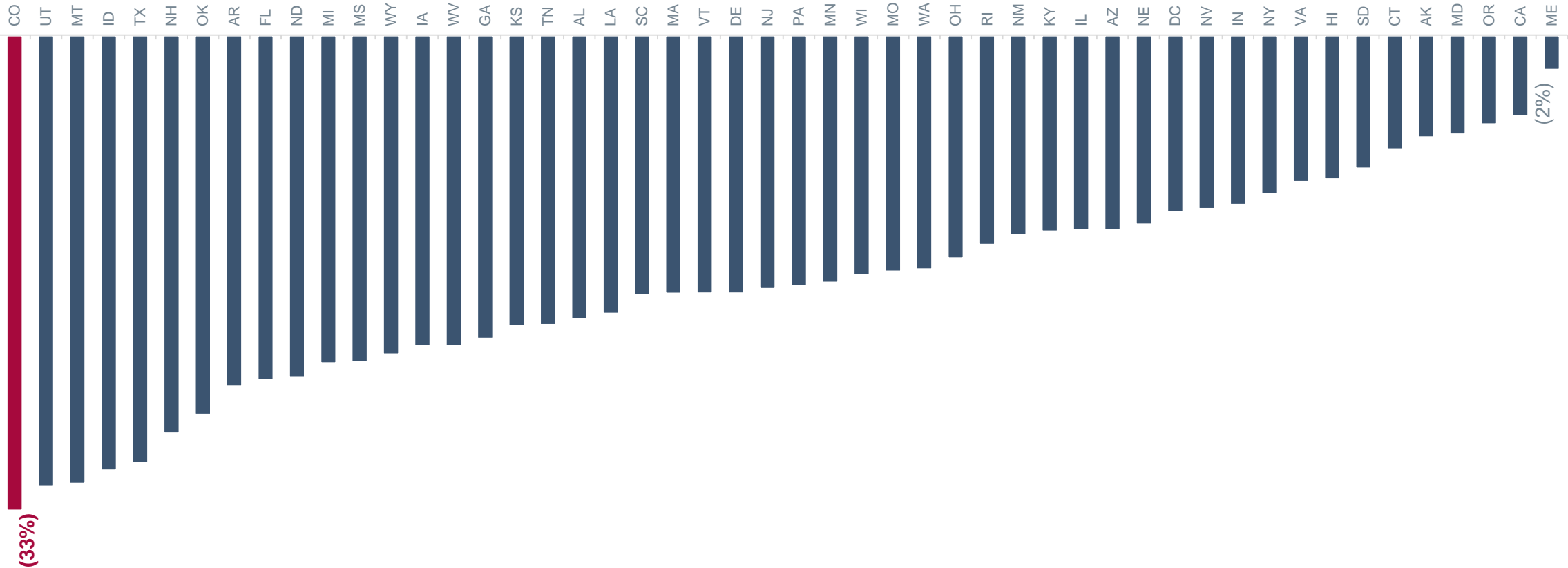
In small, personal ways through human connection.

But in all ways, we improve lives.

There are opportunities to improve hospital finances and better support patients.

Medicaid redetermination

Colorado has experienced the largest percent decline in Medicaid enrollment^{1,2}



¹ [Medicaid Enrollment and Unwinding Tracker](#), Kaiser Family Foundation (as of October 9, 2024); North Carolina not shown with +12%; based on the cumulative change in Medicaid/CHIP enrollment from baseline enrollment in 2023 through June 2024; baseline enrollment is enrollment in the month before a state resumed disenrollments as part of unwinding and the month varies by state

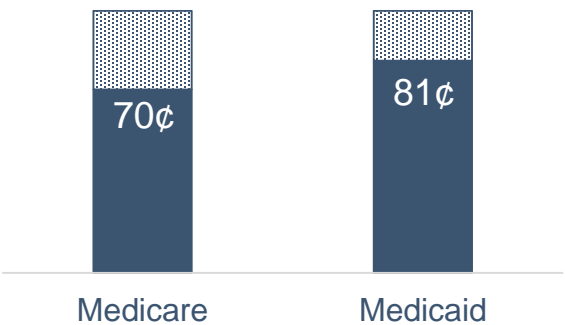
² Colorado Medicaid/CHIP enrollment: Decline of 560,000 enrollees from March 2023 (1.71 million enrollees) to June 2024 (1.15 million enrollees)

Risks and ongoing challenges

Growth in governmentally insured patients that do not cover costs

61% of the care provided by Colorado hospitals is for Medicare and Medicaid patients¹

Colorado hospital costs covered by governmental reimbursement²



Shift in care to lower-acuity settings with lower reimbursements

Annual growth rate by admission type
FY 2016 – FY 2024³

9% - versus - 4%
observation admissions inpatient admissions

"Insurers provide hospitals with **lower reimbursement for outpatient** treatment than inpatient and encourage patients to seek care in outpatient centers."
- *Moody's Investor Services*⁴

Unrelenting legislative activity and regulatory burden

442 health-care related bills have been passed in Colorado since 2019⁵

In 2025, we expect to see the return of major legislation previously discussed

- Limits on hospital facility fees
- Community benefit requirements
- Colorado Option v.2
- Nurse staffing
- 340B

¹ HCPF, Hospital Expenditure Report, percent of gross charges, FY 2022 data (February 2024)
² HCPF, Healthcare Affordability and Sustainability Enterprise Annual Report Addendum, FY 2022 data (February 2024)
³ Budman, FY 2016 IP excludes med surg peds, FY 2016 OBS excludes peds observation, includes med surg, OB, NICU, pscy, rehab, nursery and residential
⁴ Sourced from Becker's Hospital CFO Report, [Hospital cash flow, margins to surge in 2024: Moody's](#) (November 2023)
⁵ Colorado Hospital Association board materials (August 2024)

UCHealth commitment to the community

UCHealth invests in the community through uncompensated care, research, education, partnerships and health programs.

\$1.2B

TOTAL COMMUNITY
BENEFIT

\$357M

VALUE OF TAX EXEMPTION

Largest provider of
Medicaid services in
Colorado

Region's largest
and most
comprehensive
investment in
behavioral
health

Committed to
lowering costs and
increasing access
to affordable,
high-quality care

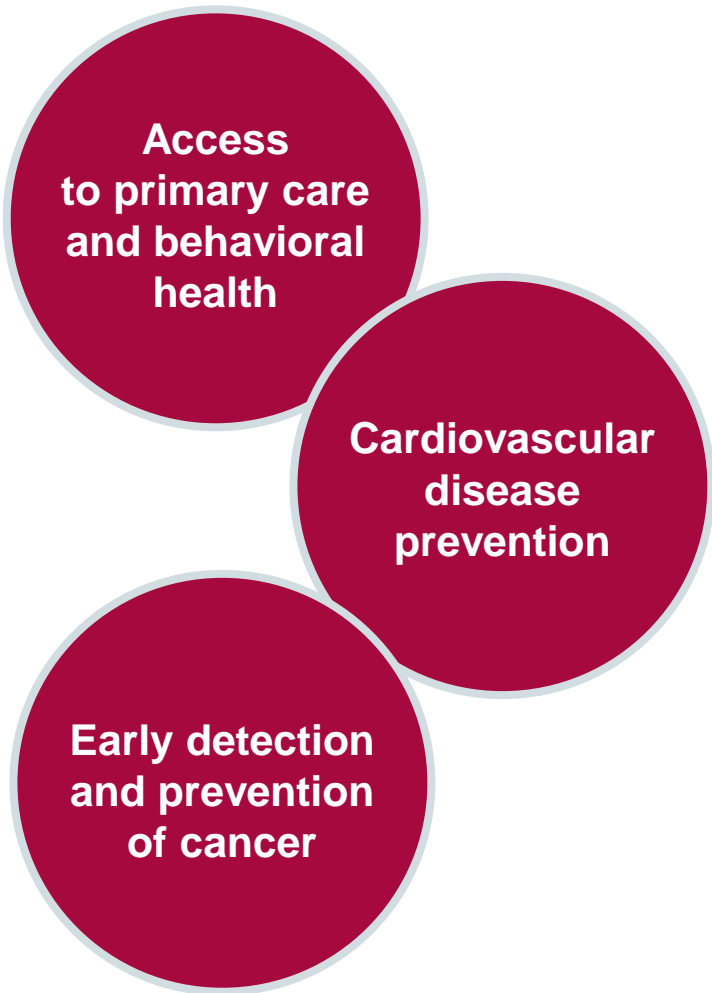
UCHealth investment in Colorado Springs

FY2023 community benefit

\$248M
TOTAL COMMUNITY
BENEFIT

\$116M
UNCOMPENSATED CARE FOR
UNINSURED AND
UNDERINSURED

COMMUNITY HEALTH BENEFIT
PRIORITY AREAS OF FOCUS



Community benefit based on Schedule H reporting and includes Memorial and Grandview
Includes Medicare, Medicaid, financial assistance at cost, cost of other means-tested government programs, and subsidized health services

Colorado Springs Health Foundation

- Established in 2012 when citizens voted to lease Memorial Health System to UCHealth
- Through lease and revenue-sharing payments, UCHealth has supported the Foundation's efforts to grow healthier communities in El Paso and Teller counties
- The Foundation focuses on the most critical health issues, including suicide prevention, trauma healing, equitable access to health care, food, and housing

¹ This figure denotes an approximate contribution through September 30, 2024

² Through October 23, 2024

\$161M

UCHealth's financial contribution
(FY 2012 – FY 2024)¹

\$46.3M

in grants distributed since 2016²

752

grants have been awarded since
foundation's inception²

Our commitment to medical education and training

- **\$385 million** in support for the University of Colorado School of Medicine and its providers statewide in FY 2024, over 10 times more than state funding
- **\$3 million / year** specifically to support School of Medicine programs in Colorado Springs, including the University of Colorado School of Medicine's Colorado Springs Program
- **~\$1 million / year** to support residents and other graduate medical education at UCHealth in Colorado Springs

*UCHealth
funded medical
education in
Colorado
Springs*



~25-30
medical students
per year



~6-10
surgical residents
per year



University of Colorado School of Medicine – Colorado Springs Program

Overview of Colorado Springs hospitals

48,800
admissions and
observation visits¹

5,000
deliveries

26,800
surgeries

2,029,900
outpatient visits²

166,300
urgent care
visits

210,400
emergency
visits



*Memorial
Hospital
North*



*Grandview
Hospital*



*Memorial
Hospital
Central*

¹ Bedded patients

² Includes clinic, urgent care, ancillary, and procedural visits

FY 2024 volume statistics include MHN, MHC, GVH, and UCHealth Medical Group

UCHealth Memorial Hospital ranked #1 in Colorado Springs, #4 in the state by *U.S. News and World Report* three years running

Rated high-performing in 10 procedures / conditions:

- Abdominal aortic aneurysm repair
- Aortic valve surgery
- Chronic obstructive pulmonary disease
- Colon cancer surgery
- Heart attack
- Heart failure
- Lung cancer surgery
- Maternity care
- Pneumonia
- Stroke



DocLine growth

Transfers, direct admits, and consultations

Staffed with registered nurses who are available 24/7 to assist and facilitate all phases of transfer and consultation, including:

- Physician-to-physician contact
- Registration
- Bed assignment
- Facilitation on patient transport
- RN-to-RN reporting



Workforce and well-being

Initiatives to support staffing, recruitment, and retention

10,317
employees¹

12.8%
Colorado Springs
overall employee
turnover²

13.8%
Southern Colorado
region overall
employee turnover²

17.2%
National and state
benchmark
employee turnover
average



¹ Includes Woodland Park and Pueblo employees

² Overall turnover encompasses all positions, to include the southern Colorado region for the UCHealth Medical Group
UCHealth Memorial is the largest civilian employer and largest health system in Southern Colorado

Whole Blood initiative

- Whole blood initiative, a partnership between UCHealth and Colorado Springs Fire Department, was launched in Colorado Springs in May 2024
- Bleeding to death/hemorrhagic shock is the most common reason to die for people aged 45 and under
- Since the program's launch through Oct. 1, 44 units of blood were given to 38 patients suffering severe blood loss. Of those, 32 patients survived.
- Program is possible through philanthropic gifts made to the UCHealth Memorial Hospital Foundation



Expanded access to care

Memorial Hospital Central

- Added 40 beds, opened Winter 2023



Memorial Hospital Central – added 40 beds (80909 zip code)

Expanding access through virtual care

We continue to focus on offering video appointments to provide timely and convenient access to care for all our patients.



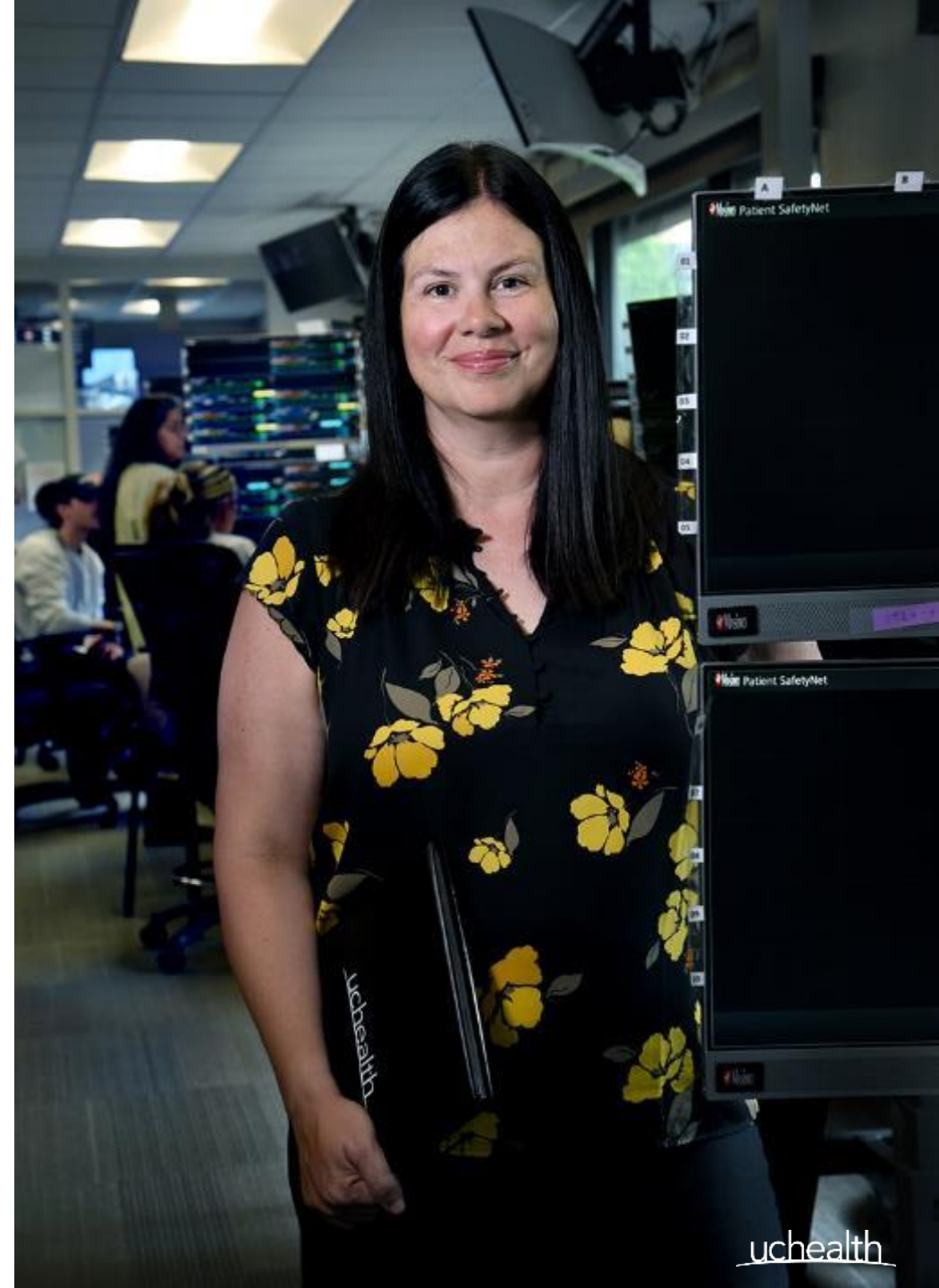
121

unique primary care and specialty care clinics offering video appointments



41k

primary and specialty care video appointments provided in southern Colorado.



Our commitment to behavioral health

Integrated primary and behavioral health care

Comprehensive care in one location.

13

Colorado Springs
integrated clinic locations

10,837

Integrated visits¹ at
Colorado Springs clinics

UCHealth is investing more than \$150M in behavioral health, the largest and most comprehensive investment in the region.

Supporting our veterans and armed forces

Next Chapter program:

- Lead agency in Veteran Suicide Prevention pilot
- Served 1,140+ veterans and families (as of Oct 15)

Training agreements:

- U.S. Air Force: First emergency medicine physician stationed at UCHealth Memorial Hospital Central
- U.S. Army: Expanded to the 627th Hospital Command (deployable field hospital)
- Fort Carson/Evans Army Community Hospital #1 post for provider medical readiness for last two years based on these agreements

Recruitment efforts:

- Department of Defense SkillBridge and Hiring our Heroes Program
- Participating in Ft Carson Healthcare Job Fair (Nov 19)

Military Friendly Employer: 1,100+ veterans and military spouses

Community involvement: Active in Military Affairs Council and Military Spouse Career Coalition events



Forensic Center of Excellence

Services in El Paso and Teller counties

The forensic nurse examiner team:

- Supports MHC, MHN, GVH, PPRH, urgent care clinics and freestanding emergency departments in the area
- Provides direct patient care to children who have experienced sexual abuse at Colorado's first co-located child advocacy center, Safe Passage
- Provided care for more than 3,200 patients in 2023, in 2024 more than 2,700 patients (as of 9.30.2024)
 - 11% increase over 2023
- The FCOE was designated an enterprise zone by the Colorado Economic Development Commission.

¹ Rural/underserved examiner program sites are in Brighton, Burlington, Cortez, Craig, Glenwood Springs, Gunnison, Hugo, Lamar, Montrose, Salida, Springfield, Steamboat Springs, Telluride, Trinidad, and Vail. Technical assistance is provided in Cheyenne Wells, Fort Morgan, Grand Junction, Hugo, Limon, Pueblo, and Rangely.

² As of November 1, 2024

State services

The project team:

- Provides 24/7 telehealth support to 15 sexual assault nurse examiner programs in rural/underserved communities in Colorado¹
- Provides leadership support, project management, and sustainability to those 15 sites
- In 2023, the project team assisted with 78 telehealth exams. To date in 2024²: 90.

Mobile Stroke Treatment Unit (MSTU)

In February 2024, UCHealth launched a second MSTU dedicated full time to Colorado Springs.

UCHealth launched first MSTU in 2016; until this year, that unit split its time between Aurora and Colorado Springs.

47

transports in Colorado Springs in 2023 via shared MSTU

84

transports in Colorado Springs in 2024 via dedicated MSTU¹



¹ Data through September 2024

Southern Colorado providers

Primary Care

- Opening one new primary care location to address the primary care shortage in Fountain, to open January 2025

Physician recruitment

- 97 new providers added in FY24
- Continue to grow workforce and physician support
 - 39 providers recruited to date for FY25
- 1,300 physicians trained each year (200 are funded 100% by UCHHealth)



Thank you to our providers
and employees for their
commitment to our patients.

They make extraordinary
possible, each and every day.



Our Mission

We improve lives.

In big ways, through learning, healing and discovery.

In small personal ways, through human connection.

But in all ways, we improve lives.