

DOM Town Hall June 24, 2020

Update on DOM finances and UCH FY21 support agreement

DOM Finances

- FY20: anticipated \$3.5M clinical deficit (decreases 2nd academic incentive savings of \$800K)
 - \$1.75M (50%) divisions with losses from reserves
 - \$0.5M (14%) divisions with profits
 - \$1.25M (36%) DOM quasi endowment
- FY21: anticipate \$2.9M clinical deficit but this is only an estimate
 - \$1.5M DOM quasi endowment
 - \$1.4M from Divisions (loan / salary reduction)
 - Payer mix - ↑ 1% Medicaid results in ↓ \$1M revenue
 - SOM will likely have small decreases in support

Primary goal is support faculty, trainees, staff, and academic programs

- Any furloughs will require approval by DOM

UCHA FY21 Support Agreement

- Based on DOM FY20 support (\$45M) and FY20 wRVUs (July – February annualized)
 - \$5.8M administrative/fixed support
 - \$39.1M other support
- Key elements of the support agreement
 - Fixed/Administrative support: no changes in FY20
 - Variable support: 90% of FY20 budget with ability to increase by 10% based on quality metric (% of new patients seen within 2 weeks)
 - Division can increase/decrease support based on wRVUS above/below 100% of FY20 wRVUs on a \$/wRVU basis (floor 75% and ceiling 125%)
 - 100% FY20 budget for transplant, recruitment, and hematology and oncology divisions
 - Virtual visits: \$26/visit for all virtual visits except government payers in UCH HOPD clinics
 - Primary care agreement will be negotiated separately