



CEO News & Views

Bruce Schroffel

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UCH and the Financial Crisis

“We’d be foolish not to be concerned. We are fiscally conservative and, as I’ve noted many times, I am a worry wart.”

Given the unprecedented panic and events of the past week, it is evident the world’s economy has more than a case of the sniffles. As storied financial institutions fall, stock indexes gyrate, and sleepless politicians come up with the next fail-safe plan, dire predictions and even fear begin to take hold of even the most sober-minded observers. At bare minimum, it’s hard for most of us to resist compulsively checking our 403b retirement plans, mortgages, house values and, not least, the hospital’s financial temperature.

So I hasten to report that the hospital remains fiscally healthy, even robustly healthy. Through August we were ahead of our budget forecasts and, although the final numbers are not in yet, we expect we stayed ahead in September. Patient volume has remained at the high levels established the day we finished moving to the Anschutz campus.

But we’d be foolish not to be concerned. We are fiscally conservative and, as I’ve noted many times, I am a worry wart. We are watching our numbers for advance indications of both challenges and opportunities, as we do even in good economic times.

How a slowdown could affect us

There are many ways an economic slowdown could affect us. The income we get from the hospital’s investments may well disappear for this year. The interest we have to pay people who buy our bonds is higher than we’d like, meaning our expenses in that area will be higher than we thought. It could, CFO Anthony DeFu-

rio estimates, cost us as much as \$3 million.

More broadly, our community’s challenges undoubtedly will affect us. No one knows how much or what kind of long-term impact this financial firestorm will have, but if and when unemployment rises in our state we can probably count on seeing more uninsured patients at our door. Health insurance companies, which rely heavily on investments for their profits, may well try to cut their costs by trying to cut the amounts they reimburse providers. Hospital construction, which typically is funded by selling bonds and the generosity of philanthropists, may low nationally. At this point, I am hopeful the economic slowdown may not affect the schedules or scope of our much-needed second inpatient tower and the expensive advance of our information technology systems. All that, of course, is unknowable, but continuously under our microscope.

And, as citizens, our own people are vulnerable. I was both heartened and concerned by how often I heard the October 3 payout of ShareLink bonuses went to employees’ mortgage or to debt relief. Our personal retirement savings, moreover, will be hurt, if they haven’t been already. The nation’s – the world’s – current economic woes are bound to affect our individual wallets in other ways, too. As an organization, that means we will need to pull together even more tightly to help not only our patients but each other through this time of economic uncertainty.

Please remember that, should you need it,

individual financial counseling is available through the Employee Assistance Program and from Fidelity and TIAA-CREF, which manage your UCH retirement and other funds. For information, go to the Human Resources web site through iAmaze.

The very definition of employee engagement

It is no secret that at this and just about every other academic hospital in the world, there has been tension between clinicians and the clinical lab. Clinicians want results faster. Lab professionals want more accurate specimen preparation. At most academic hospitals, unfortunately, settling the tension has been as elusive as achieving peace in the Middle East.

But here at UCH some lab professionals, clinicians, medical technologists and others were tired of it. On their own initiative, they formed a “Lab Specimen Task Force” to explore and iron out solutions. Although many of the changes were not easy and required people to alter their routines, the solutions are in fact making a difference.

Even if they weren’t, I’d still applaud the initiative and caring of these people, who include **Leslie Stephens-Wallman, Julie Cantlon, Aubrey Robinson, Mason Madrid, Ana Pacheco, Rob Welch, Allen Wentworth and many others.** Their efforts are an obvious benefit to patients. But they are also indicative of why this is a special place to work.

Sincerely,


Bruce Schroffel,
President and CEO

