Creating Our Financial Future

Peter Geier  | Chief Executive Officer, OSU Health System
| Chief Operating Officer, OSU Wexner Medical Center

Like the heads of any good household, leaders of Ohio State’s Wexner Medical Center want to ensure that we will have the resources to meet our needs for the near and distant future.

In addition to annual budgets, which many staff members have a hand in, the OSU Health System also prepares a five-year “rolling financial forecast.” Planning ahead lets us spread the cost of big-ticket items over several years. This is similar to the way you’d spread out the cost of a new family car rather than trying to pay for it in one year.

Our forecasts are estimates based on experience as well as knowledge and analysis of what is happening in many areas, including the economy and the business of health care.

Forecasts are a good business practice. Our Health System performance supports the University’s external credit rating that affects the rate at which we can borrow money. Ohio State’s credit rating is strong, which means we can borrow money at a more favorable interest rate.

Our recent forecasts have been on target — or better. Like a household, if we do better than expected, we can use the non-budgeted money for something else that benefits our family.

Current forecasting for the near future is a bit more complicated than in the past, largely because of two new factors, one predictable, the other less so: the opening of our new Medical Center expansion and the impact of government policies including health care reform.

Medical Center Expansion

Certainly the additional beds and the demand for services at the facility (home to the James Cancer Hospital, Critical Care Center and new Emergency Department) will bring in additional revenue in the coming years. In the long run, growth expands services which, in turn, increase revenues.

Yet, there may be times in the near future when the rise in revenues from the new facility doesn’t quite equal the increased costs being incurred. You may think in terms of “start-up costs” before a return is earned. Before any patient comes through the door, we must purchase beds and equipment, and we must hire and train staff. These costs precede reimbursements from services provided.

Federal Changes

Many uncertainties remain about how federal changes, especially 2014 Affordable Care Act regulations, will impact reimbursement. We are currently dealing with mandated cuts from Congress known as “sequestration.” We are also seeing some money diverted from low-income care to Medicare expansion. This could lessen the amount we typically receive for some programs.

Under the Affordable Care Act, many businesses may opt to join insurance exchanges. Many of these insurance exchanges will reimburse at the same level as Medicaid/Medicare, which will also result in less revenue than previously paid to providers such as Ohio State. On the positive side, reimbursement for our Charity Care patients will benefit from Medicaid expansion, when, and if, enacted.

Create the Future Now

Under the umbrella of “Create the Future Now,” we have begun numerous positive, pro-active initiatives to reach our financial goals amid these changes. You have probably done similar things at home recently — examining and prioritizing your spending to eliminate waste so that you have the money to spend on what is most important to you and your family.

Each of our initiatives is an important step in slowing the rate of growth of our expenses by making smarter use of our resources while also improving care.

One example, led by Andrew Thomas, MD, MBA, involves facilitating the timely movement of patients through our system. Patients are happier with increased efficiency and our bottom line is healthier because beds are available for new patients when they need them.

Several other new and ongoing initiatives have been highlighted recently in Insight including:

• Emergency Department Care Zones that make better use of our clinical resources
• The IDEA Studio in Healthcare and Design to increase research funding and commercialization
• Pharmacy privileging for better clinical care and resource use
• Patient-centric scheduling in Radiology to improve service and better use of human and technological resources
• The shifting of underutilized beds to areas of greater demand
• The home visit program that helps lower readmission rates
• Telemedicine programs in stroke, burn and psychiatric care that make the best use of our academic medical center expertise

These Create the Future Now initiatives will help us better serve our patients while, at the same time, supporting our financial future. When possible, we have opted to delay hiring for some open positions so that we can maintain our current employees and create a buffer for the future. It is possible that we could experience higher reimbursement than expected, if upper payment limits are approved. Any changes that result in exceeding our bottom line would result in additional dollars to support Medical Center areas of greatest need.
Ohio State will help lead a new statewide collaborative research program aimed exclusively at determining the causes of premature birth. The effort is backed by a $10 million, five-year investment by the March of Dimes.

Research partners include:
- The Ohio State University Wexner Medical Center and Nationwide Children's Hospital
- University of Cincinnati College of Medicine and Cincinnati Children's Hospital Medical Center
- Case Western Reserve University and University Hospitals MacDonald Women’s Hospital and Rainbow Babies & Children's Hospital and MetroHealth System, Cleveland

“As a high-risk obstetrician for 40 years, I have seen first-hand the need and the benefits of creating such an important research collaborative,” says Steven G. Gabbe, MD, chief executive officer of Ohio State’s Wexner Medical Center.

“Our Ohio universities have some of the top maternal-fetal specialists in the nation, with impressiveaccomplishments in the study of preterm birth. By collaborating, we will discover innovative ways to reduce preterm births, thereby improving the lives of babies across our nation. This Ohio research team will develop ways to give every mother the ability to have a healthy, full-term baby,” Gabbe adds.

To create the research collaborative, investigators from many disciplines will share information and create hypotheses to identify the many underlying causes of preterm birth, and they will translate new knowledge into new approaches to the prevention of premature birth.

Initially, the Ohio Collaborative will focus on five investigatory aims:
- Evolution of human pregnancy
- Genetics of unique human populations
- Molecular developmental biology of pregnancy
- Progesterone signaling in pregnancy maintenance and preterm birth
- Sociobiology of racial disparities in preterm birth

Preterm birth is the most common, costly and serious newborn health problem in the United States. It affects nearly a half million babies annually. Each year, one of eight babies in Ohio (more than 15,000 infants) is born preterm. Preterm birth is the leading cause of newborn death, and babies who survive an early birth often face the risk of lifelong health challenges, such as vision and breathing problems, cerebral palsy or learning disabilities. Even babies born just a few weeks early have higher rates of hospitalization and illness than full-term infants.

The Ohio State University Wexner Medical Center is repeatedly rated one of “America’s Best Hospitals” in the country by U.S. News & World Report, which also ranks our Gynecology/Women’s Health program in the top 25 in the country. We’re the only nationally ranked program in central Ohio. Learn more about Ohio State Obstetrics and Gynecology at medicalcenter.osu.edu/obgyn/.

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Supplements can pose risk for men

A recent study cautions men about taking herbal supplements to improve sexual function. Some of the same ingredients found in the prescription drug Viagra are often found in these herbal supplements, only in much higher amounts. The Food and Drug Administration has also warned consumers that many supplements contain unlabelled pharmaceutical ingredients.

Despite warnings, the use of these supplements is relatively common, says Gregory Lowe, MD, of Urology, who is a men’s sexual-health specialist at Ohio State. “Almost one patient a day says they’ve tried one of these over-the-counter products. Commonly, I hear patients say, ‘it worked one time and it didn’t work other times,’ and that fits in well with the lack of quality control in some of these supplements,” Lowe adds.

Patients should be aware that supplements may also interact with prescriptions drugs they might be taking. “Any patient considering any type of sexual performance-enhancing drug, needs to consult with their physician first,” says Lowe. “Patients take a serious risk by not consulting with a physician first, and the side effects can often be severe.”

Ohio State’s Department of Urology offers many specialty services for men, including sexual dysfunction evaluation and treatment. To contact the men’s sexual health experts at Ohio State, call 293-8155.
Improving People’s Lives – for 50 Years

For a half century, the staff of Ohio State’s Dodd Hall have been helping people with physical disabilities improve their lives. The 60-bed facility, home to Ohio State’s Department of Physical Medicine and Rehabilitation, enjoys a long history of national recognition for its pioneering research, excellent patient care and leadership.

For the majority of its 50 years, Dodd Hall was led by Ernie Johnson, MD, who created the Department in the early 1960s. The facility is considered one of the foremost authorities in the world and the top in the nation on electromyography (EMG), a diagnostic tool that measures electrical impulses in muscle.

During his career, Johnson instructed nearly 300 physical therapy residents, instilling in them the patient-first philosophy that characterized his career. In fact, he encouraged young physicians to learn to do a wheelchair “wheelie” so they could understand their patients’ plight.

Today, Dodd Hall staff continue to focus on the restoration of health and function for people with a wide range of neurologic and orthopaedic conditions such as amputation, brain injury, Parkinson’s disease and other movement disorders, spinal cord injury and stroke.

As researchers and educators, staff advance scientific understanding and practices related to physical medicine and rehabilitation and also train healthcare providers in multiple specialty areas.

Did you know?

• Ohio State is recognized by CARF (Commission on Accreditation of Rehabilitation Facilities) as meeting the highest standards in quality, safety and outcome measures.

• Ohio State’s outpatient Specialty Amputee Program is one of only two CARF-accredited outpatient amputee programs in the nation.

• For 19 consecutive years, Ohio State’s rehabilitation program has been ranked among the best in the country by U.S. News & World Report.

• Ohio State has the only rehabilitation program in central Ohio certified for both traumatic brain injury and stroke.

• Ohio State is one of seven centers nationwide that are part of the NeuroRecovery Network, which uses activity-based therapies for spinal cord injury rehabilitation.

Worth Repeating

Accomplishments and advancements from Ohio State's Wexner Medical Center to share with family and friends:

Terndrup to lead Emergency Medicine

Thomas Terndrup, MD, FACEP, has been appointed chair of the Department of Emergency Medicine, effective July 1. Terndrup comes to Ohio State from Pennsylvania State University where he served as University Distinguished Professor, chair of Emergency Medicine and associate dean for Clinical Research for nearly eight years. With more than 30 years of clinical, educational and research experience in emergency medical care, Terndrup has worked in various settings. He directed the Pediatric Emergency Department at the State University of New York (SUNY) at Syracuse. He also founded the Department of Emergency Medicine and the Center for Emerging Infections and Emergency Preparedness at the University of Alabama at Birmingham.

Pollock to head Surgical Oncology

Raphael E. Pollock, MD, PhD, an internationally renowned cancer surgeon, researcher and educator, has been recruited to Ohio State as professor and director of the Division of Surgical Oncology. He also will serve as head of the Division of Surgery. Pollock’s surgical practice and laboratory research focus on soft tissue sarcoma. He is principal investigator for an $11.5 million Specialized Programs of Research Excellence (SPORE) grant from the National Cancer Institute – the largest award ever for the study of sarcoma.

Moms2B Supports Healthy Births

Moms2B, a program that aims to empower pregnant women in high-risk neighborhoods to deliver full-term healthy babies, has earned a $30,000 Engagement Impact Grant from the Office of Outreach and Engagement. The program, led by Pat Gabbe, MD, Pediatrics, provides weekly group sessions focused on education, nutrition, and clinical and social support that continues through the baby’s first year of life.

Jones named Professor of the Year

Kenneth Jones, PhD, has been chosen by the College of Medicine graduating class as Professor of the Year. Currently an assistant professor emeritus in the Division of Anatomy, Jones began his Ohio State career more than 35 years ago. He has taught medical and dental students and also played an integral role in developing the Biomedical Science major at Ohio State. He is an accomplished author and researcher and has received multiple honors during his time at the College of Medicine.

2013 Faculty Awards presented

Ohio State’s College of Medicine presented its Distinguished Professor Award to:

• Lauren Bakaletz, PhD, Pediatrics and Otolaryngology, who developed a vaccine to minimize ear infections that is currently in clinical trial

• Ron Glauser, PhD, Molecular Virology, Immunology and Medical Genetics and director of the Institute for Behavioral Medicine Research, a pioneering researcher who has advanced the understanding of the impact of stress on the immune system

• David Schuller, MD, vice president for Medical Center Expansion and Outreach, whose distinguished career is marked by his dual commitment to The Ohio State University and the fight against cancer

The College presented its Innovation Excellence Award to:

• Mark Moseley, MD, Emergency Medicine, assistant chief operating officer for OSU Health System and the vice chair for Clinical Affairs, for his efforts to provide cost-effective access to quality health care through the After Hours Clinic at Martha Morehouse

• Greg Wiet, MD, Otolaryngology Research, who is an innovator in surgical simulation, specifically the virtual temporal bone surgical simulator

Participate in Pelotonia 13

If you would like to participate in Pelotonia 13 as a rider, virtual rider or volunteer, visit pelotonia.org/register. Sign up for this year’s tour, which will be held Aug. 9-11. Riders may choose from among routes of varying distances, with the longest extending from Columbus to Gambier, Ohio. There are also second-day return routes available. All funds raised through this event go directly to cancer research at Ohio State’s Comprehensive Cancer Center – James Cancer Hospital and Solove Research Institute.

Sports Medicine/D1 location open

OSU Sports Medicine opened a new location at D1 Sports Training Columbus, 8080 N. High St. The D1 Columbus location is a sports training and performance facility that delivers athletic-based scholastic and adult training programs and coaching in a motivating environment. As the official sports medicine partner of D1 Columbus, Ohio State Sports Medicine offers the largest team and the most comprehensive interdisciplinary approach to the prevention and treatment of injuries in athletes and active individuals.

Learn more good news about Ohio State’s Wexner Medical Center so that you can share our advancements and accomplishments with friends and family in person or through social media by visiting the News and Media Room at medicalcenter.osu.edu.
Researchers have discovered a new mechanism by which the human papilloma virus (HPV) causes head and neck cancer – and they have designed a drug to block that mechanism. Though further research is needed, the new agent might offer a safer treatment for these tumors when combined with a tapered dose of standard chemotherapy.

HPV-positive head and neck cancer has become three times more common since the 1970s, and it could reach epidemic levels in the future, say researchers at Ohio State's Comprehensive Cancer Center –James Cancer Hospital and Solove Research Institute who led the study.

“We believe these findings will help meet the real need for more effective and safer therapy for a growing number of HPV-positive head and neck cancer patients,” says principal investigator Quintin Pan, PhD, of Otolaryngology. The study was published in the journal Oncogene.

The research, which mainly used head and neck cancer cells, shows that a protein produced by HPV blocks a protein made by the host cell. That cell protein regulates a gene which controls cell division and also protects the body against cancer by causing cells to die before they become malignant.

Pan notes that the standard of care for HPV-positive head and neck cancer uses high-dose cis-platinum, a chemotherapy drug that causes serious side effects that are difficult for patients to tolerate. The drug's toxicity raises the need for safer therapy. Although further testing is necessary, combining a prospective new drug developed by the study team with a low dose of cis-platinum might one day provide an alternative.

Funding from the NIH/National Cancer Institute (grant CA135096), the NIH/National Institute for General Medical Sciences (grant GM073943), the Mary E. and John W. Alford Cancer Research Endowment Fund, and a Michelle Theado Memorial Grant from the Joan Bisesi Fund for Head and Neck Oncology Research supported this research.

Other researchers involved in this study are: X. Xie, L. Piao, A. Smith, T. Su, M. Zhang and T.N. Teknos of Ohio State; and B.N. Bullock and P.S. Arora of New York University.

**Combating head and neck cancer**

Darrell E. Ward | The Ohio State University Wexner Medical Center

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[medicalcenter.osu.edu/go/fastcare](http://medicalcenter.osu.edu/go/fastcare)