

**UNIVERSITY OF SOUTH FLORIDA
COLLEGE OF MEDICINE AND RELATED USF HEALTH FACILITIES**

USF HEALTH

USF Health is the collaborative enterprise of the University's Morsani College of Medicine, College of Nursing, College of Public Health, Taneja College of Pharmacy, School of Physical Therapy and Rehabilitation Sciences, School of Biomedical Sciences and the USF Physician's Group as well as the healthcare provided by University's physicians and nurses. USF Health was founded by the legislature in 1965 as the USF Medical Center (medicine and nursing). It was renamed the USF Health Sciences Center in 1988 to acknowledge the addition of the College of Public Health. Today, USF Health is both an organizational definition and a successful branding outreach initiative, and most importantly, a commitment by faculty leadership to new models of education and care.

USF Health is dedicated to making life better by improving health in the wider environment, in communities and for individuals. It represents several faculty and leadership initiatives to improve the entire continuum of health, including: (i) joint, inter-professional teaching to build health care teams; (ii) collaborative research in difficult areas like obesity, where the health disciplines must work together and funding is team-based; and (iii) reframing health care as wellness, which positions the University in the forefront of teaching in the ambulatory sector. All of these initiatives dovetail with national trends in funding and the University's growth in attracting grants. For example, because these collaborative initiatives address national priorities, federal earmarks have been critical in launching new research centers such as biodefense, cancer detection, disaster management and many others.

The collaborative, integrated approach to healthcare has allowed USF Health to attract increased state funding for capital construction. Between 2001 and 2008, USF Health received state funding for the largest capital construction project at the University. This project, labeled "USF Healthcare and Education Center", integrated inter-professional education and better ambulatory health care. The state funds were used to build: (i) a new building for the College of Nursing; (ii) the Center for Advanced Clinical Skills Learning as a collaboration between nursing and medicine; (iii) one-third of the Children's Medical Services

studies, children's health, patient safety, health promotion and disease prevention, and infectious diseases and biodefense. The Morsani College of Medicine is internationally known for research focusing on age-related neurodegenerative disorders, particularly Alzheimer's and Parkinson's diseases.

The USF Morsani College of Medicine SELECT program (Scholarly Excellence. Leadership Experiences. Collaborative Training.) prepares students to be physician leaders who can accelerate change in health care. The program recruits and develops students with the intellectual perspective, empathy, creativity and passion to change patient care, the health of communities and the medical profession. The founding principle of SELECT is the concept that students with high emotional intelligence are more likely to develop the skills needed to transform health care and improve the health of communities. One of the most distinctive features of SELECT is the opportunity for medical students to shape their educational experiences at both a highly progressive, student-centered medical school, the USF Morsani College of Medicine in Tampa, FL, and at one of the country's top health networks known for its quality, safety, and lean approach to driving efficiency in healthcare, the Lehigh Valley Health Network in Allentown, PA. The first class was admitted in 2011, and up to 56 students are now admitted annually. Students admitted to SELECT spend their first two years taking classes at the USF Morsani College of Medicine in Tampa, and then go to Lehigh Valley Campus for two years of clinical education.

The Morsani College of Medicine started its new physician assistant (PA) education program in May 2017 with an inaugural class of 30 students. The accredited program spans 24 months and, at full capacity, each class will have 50 students. The PA program builds upon the already strong foundations of the medical, pharmacy, physical therapy and nursing programs to provide the most advanced and focused PA education possible. The USF MCOM MPAS Program will prepare its graduates to deliver high-quality, evidence based, and patient-centered health care. This is accomplished through a robust, systems-based curriculum, delivered over 24 continuous months. The program is characterized by innovative educational strategies, inter-professional education, and research activity.

College of Nursing

The College of Nursing at the University of South Florida is preparing 21st-century nurses to promote health and wellness in our community and around the world. Through research and innovation, educational excellence, partnerships and collaborations, the USF College of Nursing is internationally recognized and ranks among the best nursing programs in the nation.

The University of South Florida College of Nursing opened its doors in 1973 to the charter class of 50 baccalaureate nursing students. By 2018, the College of Nursing has grown to more than 2,800 students at the baccalaureate, master's and doctoral levels (both DNP and PhD). In 2013, with grant support from the HRSA, USF created the V-CARE program. This veterans to bachelor's degree pathway enables medics and corpsmen to apply field experiences for college credit, accelerating the time to graduation. To date, 74 students (four cohorts) have graduated.

The USF College of Nursing has a strong tradition of supporting wellness, research, and education within our community and throughout the state, nation and world. Our nurses today are leaders in translational research, creating nursing science innovations for patients and the community. They are changing the face of health care locally and around the globe and have been a major factor in the college's rise in national prominence. The College of Nursing performs more than 200,000 clinical hours in the community each year and has more than 900 clinical partners.

In 2017, ranked #22 in NIH funding among nursing colleges in the U.S., the USF College of Nursing currently has more than \$3 million in grants and contracts that span topics such as pregnancy and women's health, treating diabetes, cancer care and screening, microbiome, grief therapy, and geriatrics.

College of Public Health

Established in 1984, the College of Public Health is one of only three schools of public health in Florida and one of only 66 accredited schools of public health nationwide. The College of Public Health aims to improve the health of Floridians by educating health professionals throughout the state, through its interdisciplinary translational research, and by enhancing the capacity of public health professionals and systems through training and service. The College of Public Health offers the Bachelors of Science in Public Health ("BSPH"), Bachelors of Science in Health Sciences ("BSHS"), Master of Public Health ("MPH"), Master of Science in Public Health ("MSPH"), Master of Health Administration ("MHA"), Doctorate ("PhD") and Doctorate of Public Health ("DrPH") degrees. In addition,

several dual degrees are granted with other colleges on campus as well as over 20 graduate certificates. The College offers six fully-online MPH degree programs as well as a DrPH program that blends online learning with executive-format on-campus sessions. The student body of over 4,700 full-time and part-time students comes from a broad spectrum of backgrounds, including health care, business, education, and social services. Students and faculty in the college tackle real public health needs, from a county level

Taneja College of Pharmacy

In 2007, the University of South Florida and USF Health recognized the need for a pharmacy program to complete the vision of interprofessional collaboration in the healthcare profession. Under

The Morsani College of Medicine Dean, if that person is not also the USF Health Senior Vice President;

The USF Health Chief Operating Officer;

The Morsani College of Medicine Vice Dean for Clinical Affairs;

Four (4) Chairpersons of Morsani College of Medicine clinical departments who are elected from Procedural, Surgical, Cognitive and Primary Care groupings of the clinical departments;

Up to three (3) additional persons appointed by the USF Health Senior Vice President; and

The Chairperson of the Corporation's Audit Committee.

These members have the ultimate responsibility to for the governance of UMSA and to advise the Senior Vice President/Morsani College of Medicine Dean on issues relative to clinical service missions, operations, and

University Medical Service Association, Inc.

University of South Florida Medical Services Support Corporation

This growth in Managed Care Collections can be attributed to the following primary factors:

Negotiated increases in contracted reimbursement

Contracting with the majority of Managed Care Organizations with a presence in the Tampa Bay area;
and,

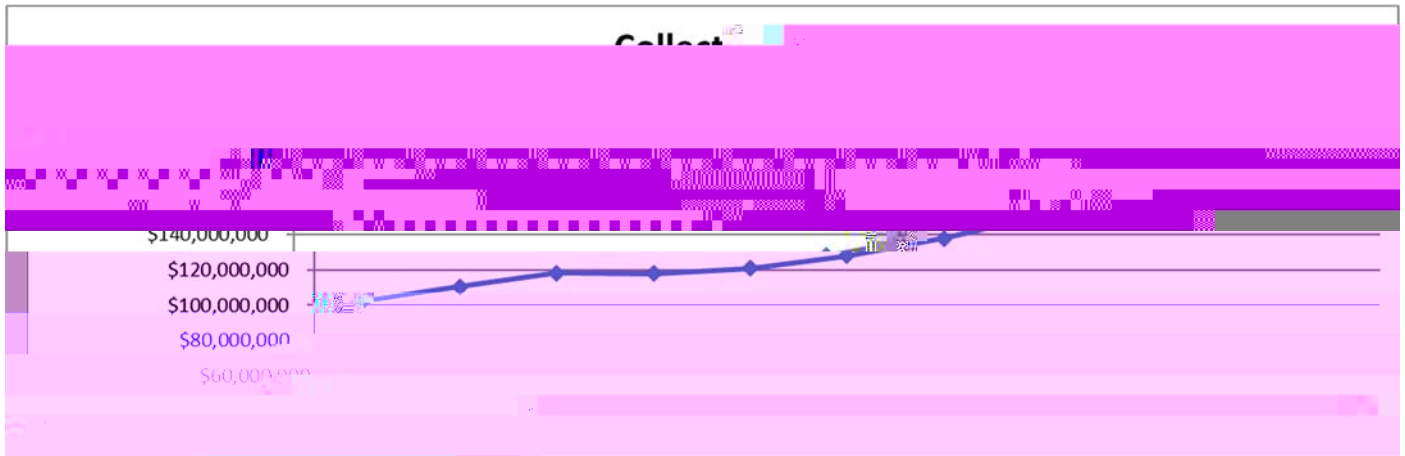
The increase in the overall penetration of managed care in the Tampa Bay area due to employer groups opting to convert their employer-based group health insurance to managed care.

USF Physicians Group and its hospital affiliates are the providers of choice among third party payers, employer groups, and individuals in the greater Tampa Bay area. Most health plans have recognized that USF Physicians Group, along with its hospital affiliates, is a critical component of a viable, marketable network of participating providers. This recognition has worked to the benefit of USFPG. Over the past fiscal year 2018-2019, the Department of Managed Care has successfully negotiated and/or renegotiated the following:

- 1) StayWell's Children's Medical Services Program (Physician) – effective 2/1/19
- 2) Aetna (ASC) – effective 11/1/2018 & Aetn

Total Collections – Ten Year Summary

Total collections have increased over the last ten fiscal years by \$76,768,891, a 75% increase.



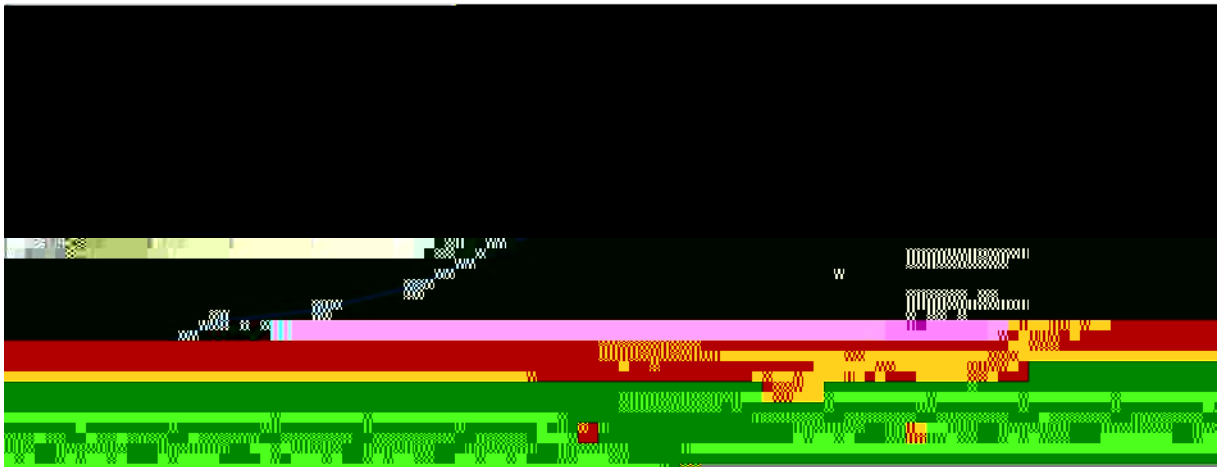
It should be noted that in the healthcare sector, the relationship between a provider's billed charges for services rendered, and the actual payment which is received as payment in full, varies depending upon the methodology upon which the provider bases his or her billed charges, the geographical area of the country, and the average rates of reimbursement in a given market. In 1999, USF Physicians Group opted to move to a practice-wide fee schedule. The methodology is based upon the prevailing Medicare Allowable Rate ("MCA"). Specifically, all evaluation and management procedure codes ("CPT") are billed at twice the prevailing MCA, and all other codes (procedural and non-E&M) are billed at three times the prevailing MCA.

Growth in Contract Revenue

In addition to growth in patient revenue, USF Physicians Group has also significantly increased its contract revenue. USF Physicians Group has contracts with various healthcare facilities to provide medical services, medical directorships, and physician advisory services. The most significant contract is with Tampa General Hospital, and generates approximately forty five million dollars annually. In recent years additional contracts have been executed with HCA and Lakeland Regional Medical Center. Contract revenue growth is illustrated by the graphic below showing, for the last five fiscal years, increases in total contract revenue.

Total Contract Revenue – Ten Year Summary

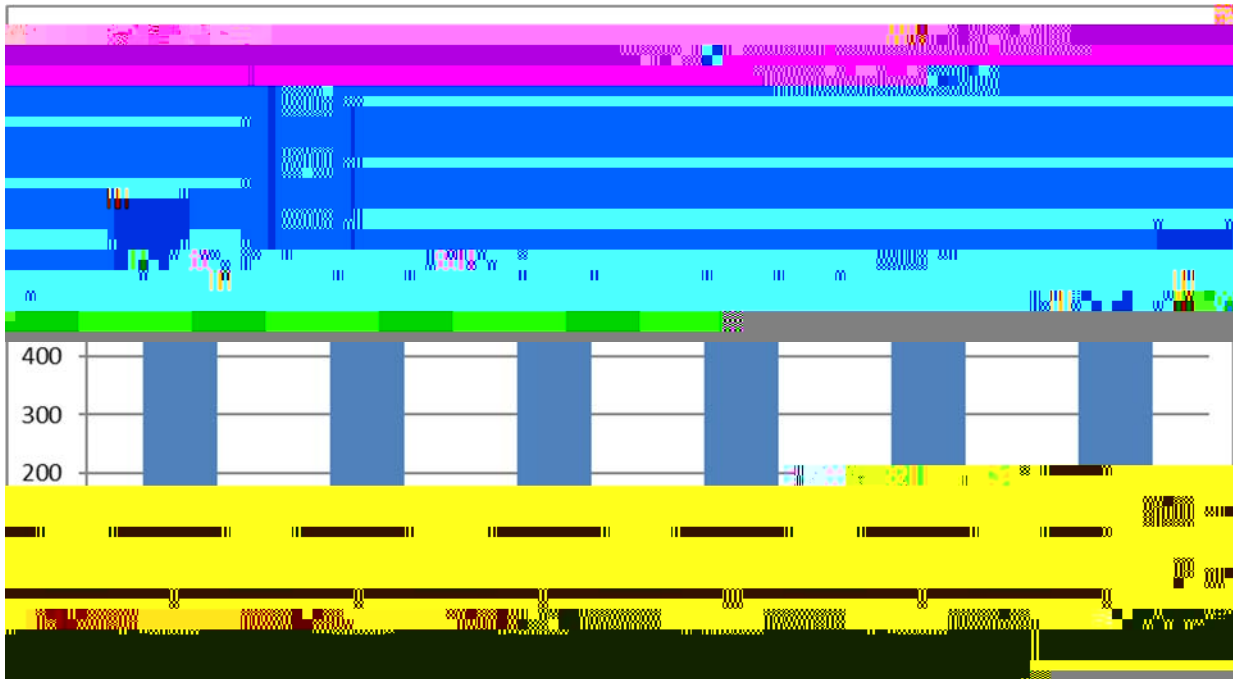
Total contract revenue has increased over the last ten fiscal years by \$48,526,073, a 176% increase.



Faculty Retention/Physician Growth Rate

Academic medical centers typically experience a high degree of faculty turnover on an annual basis. Despite this trend, USF Physicians Group has grown significantly in the number of credentialed physicians over the last five fiscal years. The growth rate for fiscal year ending 2014 through 2019 has been 61%.

USFPG Department	Total Active FY 2019
Dermatology	12
Family Medicine	14
Internal Medicine	175
Neurology	41
Neurosurgery	40
OB/GYN	60
Hill	13
Ophthalmology	16
Orthopaedics and Sports Medicine	6
Otolaryngology	13
Pathology and Cell Biology	3
Pediatrics	167
Physical Therapy	12
Psychiatry	29
Suncoast Gerontology Center	5
Surgery	70
Urology	11
Grand Total	687



Operational Efficiencies

Investments in technology, human resources, and business improvement processes have yielded extremely favorable results in the operational efficiencies of the USF Physicians Group. These improvements are clearly evident

The administrative and insurance costs of the USF SIP and USF HSIC are not supported by legislative appropriations; rather, such costs are supported by:

Assessments to the College's clinical departments which are paid with practice-generated funds;

Assessments to certain affiliated hospitals for coverage of USF residents whose salaries and benefits are funded by the hospitals; and

Income from investment of the USF SIP funds.

The aggregate amount of funding required to maintain the fiscal integrity of the USF-SIP is determined annually with advice from an independent casualty actuary. The analysis is based on historical loss and exposure data supplied by USF:

Industry hospital, physician, and surgeon professional liability experience in Florida; and

Industry and countrywide payment and reporting patterns.

The USF SIP has decided to fund the program at the 90% confidence level. Since 1972, settlements made by USF SIP have been within the funding levels recommended by the actuary and have allowed the program to maintain a surplus in reserves.

Despite the escalation of medical malpractice premiums nationally and in Florida, USF SIP assesses faculty at a rate that is less than 20% of the rate for comparable physicians by specialty as assessed by Doctors Company, a national medical malpractice insurer. This can be attributed not only to "sovereign immunity" but also to aggressive risk management and educational programs for practitioners.

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