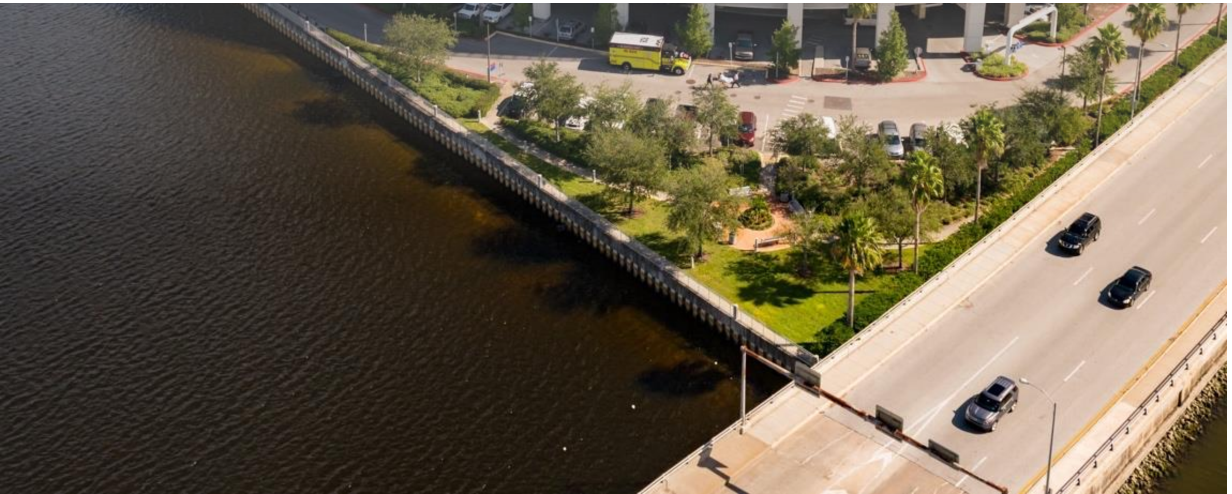
STRATEGY & SERVICE LINE DEVELOPMENT

November 2018



Tampa General Hospital

HEALTH ASSESSMENT:
GETTING FROM HERE TO THERE

CONDUCT A COMPREHENSIVE ORGANIZATIONAL HEALTH ASSESSMENT

Tampa General Hospital (TGH) seeks to **objectively assess its overall organizational health and its position in the marketplace** to inform the most appropriate course of action going forward.

This assessment is particularly relevant and appropriate considering **continued shifts in the dynamics of TGH's highly competitive marketplace** and the **continued shift to value-based delivery and reimbursement paradigm**.

CRITICAL FACTORS FOR SUCCESS

MEASURING SUCCESS & SUSTAINABILITY

TGH *operates in a highly attractive market…*

- Growing and relatively affluent/aging population
- Consistently increasing inpatient volume
- Growing outpatient volume

And has some *significant assets*

- Outstanding reputation and viewed as key community resource
- Solid financial performance to date
- Differentiated positioning in select high-acuity services

… but TGH *has experienced consistent erosion* of key performance metrics over the past three years

- Declining operating margin
- Decreasing PSA and SSA market share
- Diminishing position in high-acuity volume capture

MEASURING SUCCESS & SUSTAINABILITY CONT'D

In order to maintain its differentiated position and counteract competitive forces in the market, TGH must develop (and effectively execute) a strategy that *focuses on leveraging and developing its assets and capabilities.* Key focal areas should include:

- Expanding care continuum capabilities presence
- Optimizing physician network assets
- Enhancing quality and patient satisfaction
- Focusing on operational improvement efforts

Development and implementation of such a strategy will secure TGH's position as a highly valued, independent, thriving community resource.

However, time is of the essence.

MEASURING SUCCESS & SUSTAINABILITY CONT'D

Critical Success Factor	TGH's Position	Score
1. Financial Position	• Solid current financial performance metrics, but trending downward • Organization at risk of ratings downgrade as ratings sensitivities are linked to growth initiatives	
2. Market Presence	• Highly concentrated provider market with multi-hospital competitors • TGH is very dependent upon PSA for volume (70% of IP volume originates from PSA), but captures just 20% of PSA's total inpatient volume • TGH has very strong market presence in select IP service lines (e.g., trauma, burn, transplant)	
3. Patient Access/ Preference	• Extremely attractive PSA population (growing and aging) • Outmigration from the market continues to increase, especially for high-acuity services • TGH patient satisfaction is relatively undifferentiated from key competitors	
4. Clinical Portfolio	• Clinical differentiation from competitors in high-acuity services (especially transplant and burn) • Care continuum capabilities (ASCs, OP clinics, etc.) are growing, but still lag competitors	
5. Physician Platform	• Challenging physician platform to align (large portion independent and large portion USF) • Younger medical staff with low risk of major deficits due to looming retirements • Employed physician productivity is very low and does not leverage advanced practice providers	
6. Clinical Performance	• High cost position relative to market competitors partly due to necessary infrastructure • Low to median quality performance metrics relative to AMC peers • LOS issues persist and likely due to serving primary and quaternary cases at a single flagship site, which is limiting capacity and resulting in excess costs	
7. Competitive Position	• Market share is declining or stagnant in PSA and SSA • PSA and SSA market share is ~20% and ~3% and has declined consistently over past two years – high-acuity market share is higher than all discharge market share, but has declined • Strong competitors (BayCare, Florida Hospital, and Lakeland Regional) consistently erode share	
8. Clinical Integration	• TGH's CIN is being disbanded and clinical integration efforts beyond this do not exist in the organization; others in marketplace are making strides	
	= 0 points = 1 points = 2 points = 3 points = 4 points **Total Score**	

IMPORTANCE OF A CLEAR VISION STATEMENT AND MISSION

VISION

Do you have a clear vision statement and mission that describes your organization and its goals?

MISSION

WE HEAL

We provide **comprehensive care**, especially to those with the most complex health care needs.

WE TEACH

As the **region's leading academic medical center**, we attract the best medical talent, for learning, for teaching, for research.

WE INNOVATE

We **are innovators** in the areas of **medical advancements and care coordination**.

WE ARE TGH!

VISION / POSITIONING STATEMENT

VISION

Tampa General Hospital is committed to the development of an **industry-recognized system of care** that **spans the life cycle**, offering **unparalleled health care** to patients **locally and globally**.

POSITIONING STATEMENT

Tampa General's **award-winning offerings** are built with health care's **most respected physicians**, who are **teaching tomorrow's doctors** using the most **innovative technology** available, **developing strategic partnerships** that advance the delivery of care.

BUILDING THE PLAN:
"WHAT DOES REAL INNOVATION LOOK LIKE?"

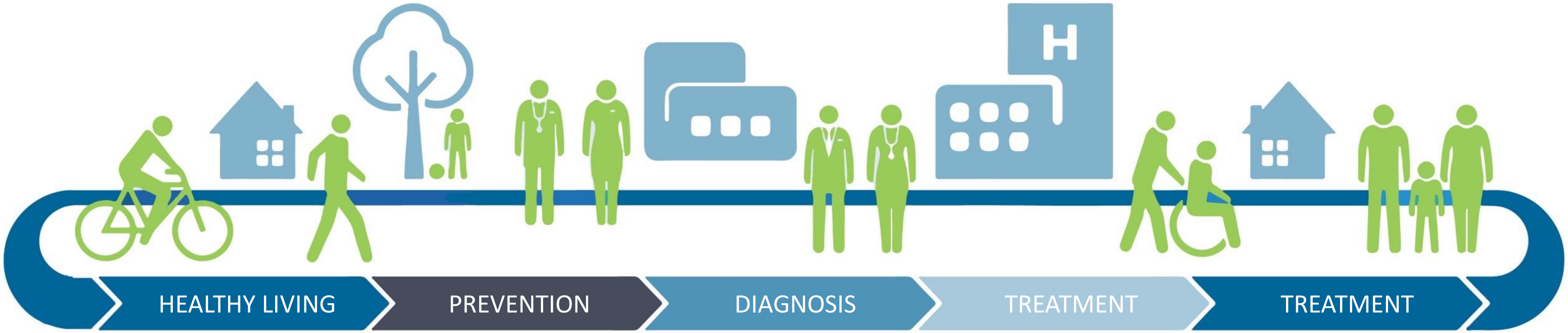
BUILDING THE PLAN: “WHAT DOES REAL INNOVATION LOOK LIKE?”

INNOVATION DOESN’T HAPPEN OVER NIGHT.

**It’s incremental
and a result of
the things we do and the
changes we implement every day.**

PATIENT JOURNEY

World-Class Quality + Low Cost + Expanded Footprint = Consumer Value/Long-Term Viability



Consumers increasingly engaged in their health

Shift to **value-based health care** will reduce waste, increase access and improve outcomes

Care shifting to **lower-cost settings** and homes

Connectivity and digital shifting value from devices to **software and services**

The consumerization of health care:

Industrialization of care

Enabling providers to deliver lower-cost care and better outcomes

Personalization of care

Driving convergence of professional health care and consumer health

SITES OF CARE HIGHLIGHT GROWTH OPPORTUNITIES ACROSS THE CONTINUUM

FIVE-YEAR FORECAST, ADULTS U.S. MARKET AND TGH TOTAL SERVICE AREA, 2019-2023

Acuity

Virtual

NATIONAL	TGH
In 2023, 9.2% of all E&M visits will be delivered in a virtual care setting.	In 2023, 11.4% of all E&M visits will be delivered in a virtual care setting.

PATIENT PROFLE
John Smith

ED

NATIONAL	TGH
+1.0%	+0.9%

Inpatient

NATIONAL	TGH
-2.2%	6.0%*

Hospital OP/ASC

NATIONAL	TGH
+7.6%	+9.7%

SNF

NATIONAL	TGH
+17.1%	+21.7%

Home

NATIONAL	TGH
+14.4%	+21.0%

Office/Clinic

NATIONAL	TGH
+4.3%	+11.5%

Urgent/Retail Care

NATIONAL	TGH
+6.5%	+6.6%

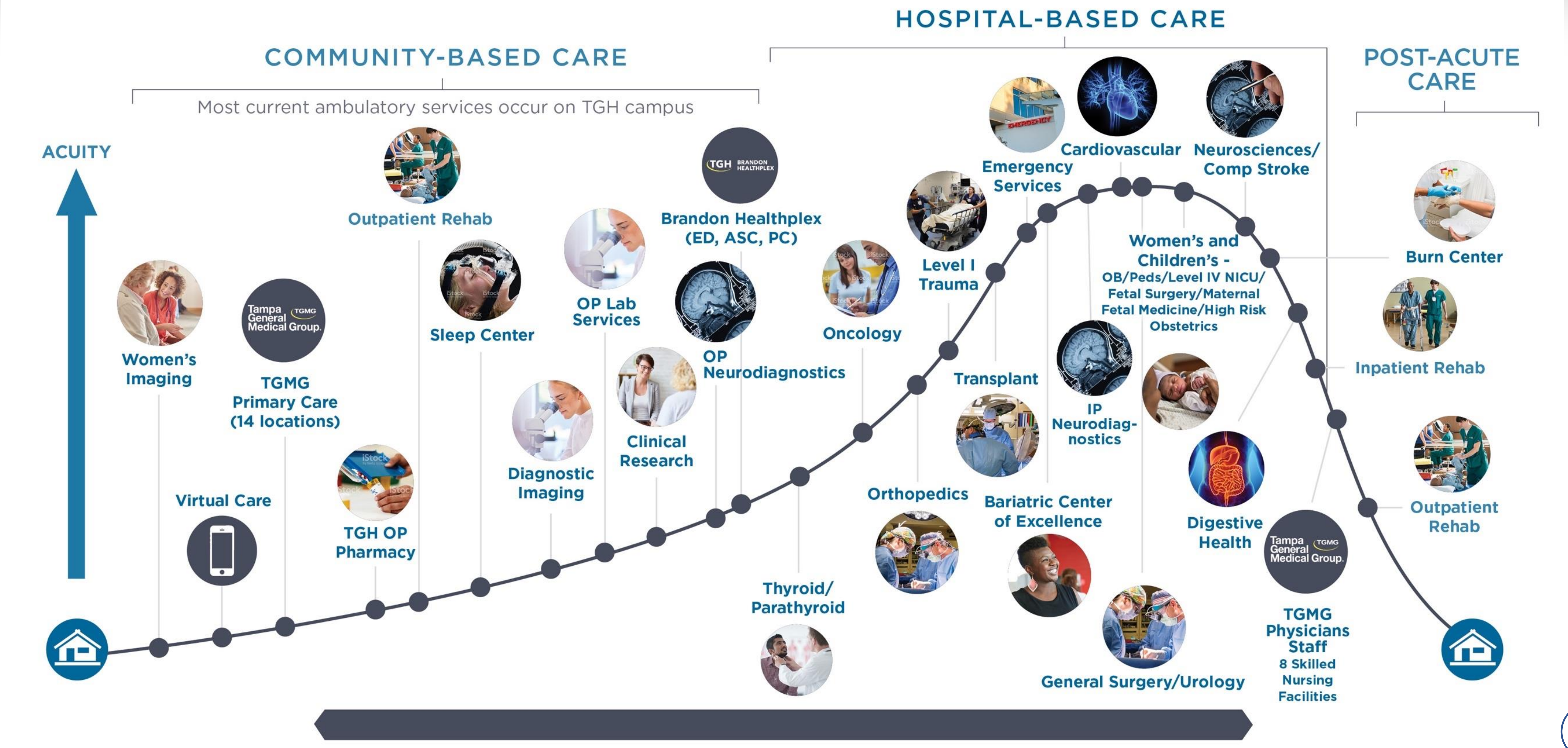
Other

NATIONAL	TGH
+5.1%	+11.5%

Note: Data reflects TGH Total Service Area. The analysis excludes 0–17 age group. Other includes nonhospital locations such as OP rehab facilities, psychiatric centers, hospice centers, federally qualified health centers and assisted living facilities. ASC = ambulatory surgery center; E&M = evaluation and management; SNF = skilled nursing facility. Sources: Impact of Change® (National: v16.0, Local Market: v15.0); OptumInsight 2014; CMS; Sg2 Analysis, 2017.

* This # is based on Navigant projection.

2018 TGH SYSTEM OF CARE



STRATEGIC & OPERATING IMPERATIVES

Embrace & Enhance Quality, Patient Satisfaction & Value

Become the Best Place to Work Through Talent Management & Team Member Development & Engagement

Achieve & Sustain Operational Excellence

Drive Market Strategy & Growth Through Expansion of Care Continuum Capabilities

Become Consumer-Focused & Retail Ready

Gain Acceptance & Optimize Physician Alignment Strategies

Air transport services provided by Metro Aviation, Inc.

A DEEPER DIVE INTO
SERVICE LINE DEVELOPMENT

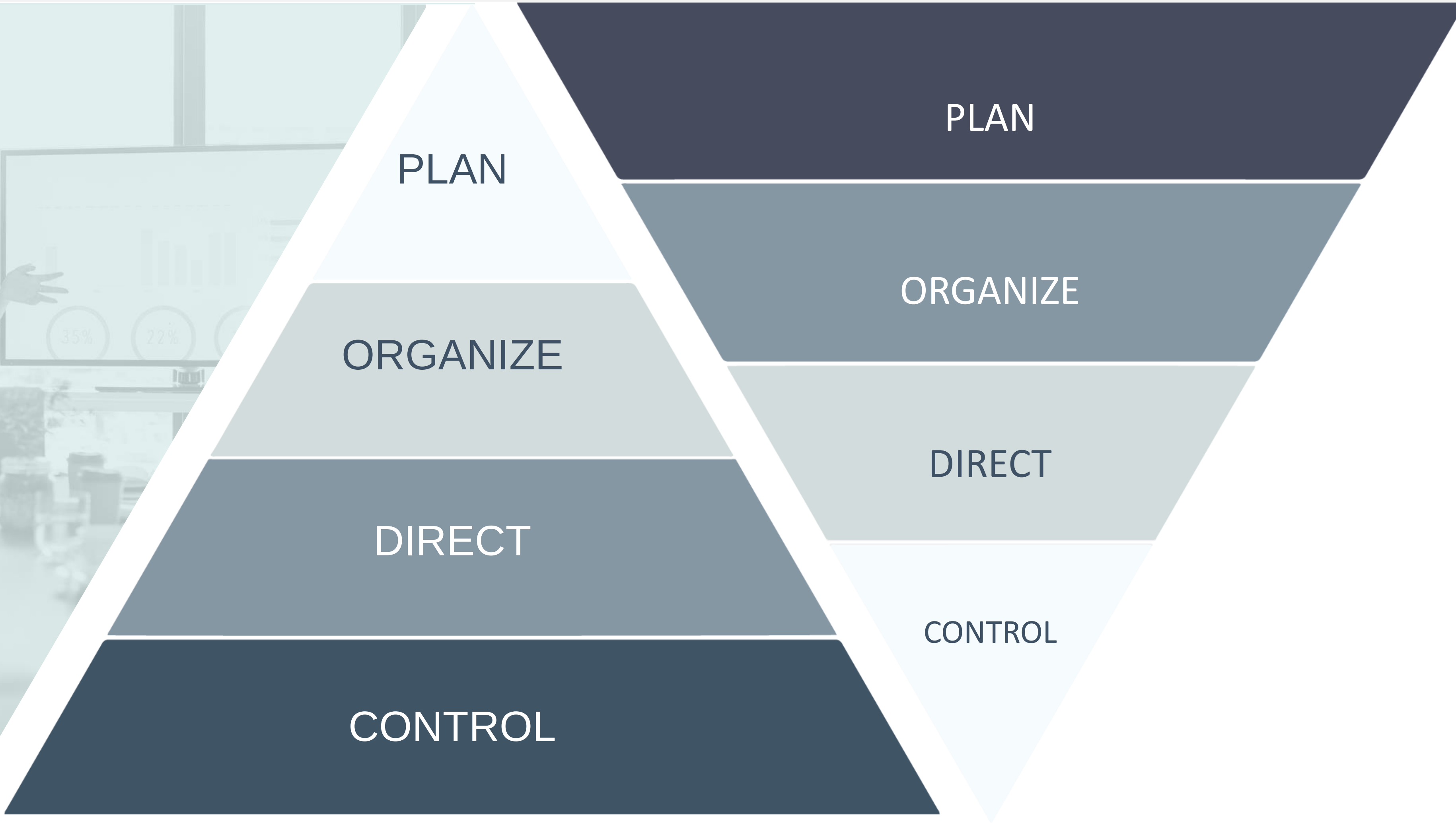
What’s a service line, institute, or clinical program?

Many hospitals are organized around **service lines**. A service line is a way of organizing clinical programs or subspecialty services around a specific patient population. Service lines are used to organize care to better serve the patient and provide seamless care along the full care continuum. Examples of service lines include Orthopedics & Spine, Oncology, Neurosciences and Transplant Services. A number of hospital support services run across service lines, including finance, marketing, facilities, environmental and dietary services, quality and patient satisfaction, human resources, ED, therapy, medical and surgical teams, lab, etc.

Structure and Purpose

Prioritization of TGH's service lines was based on a number of factors, such as opportunity for growth and differentiation, breadth of services, potential for improvement in operations, efficiency and patient experience, service demand, etc. In time, additional service lines may be explored and implemented.

CHANGING THE WAY WE DO OUR WORK



FUNCTIONAL SERVICE LINE ORGANIZATIONAL CHART

CANCER CARE
- USF Health — Clinical Medical Director
- Administrator
- Ronetta Lambert, RN, Director of Nursing
- Dr. Abe Schwarzberg, Clinical Medical Director Consultant
- Allie Gropp, RN, Administrative Consultant

CARDIOLOGY AND VASCULAR SERVICES
- USF Health — Samuel Wickline, MD, Clinical Medical Director
- Administrator
- Sara Thrower, RN, Director of Nursing

COMMUNITY HEALTH AND WELLNESS
- Kim Christine, Administrator

NEURO-SCIENCES AND SPINE
- USF Health — Harry Van Loveren, MD, Neurosurgery Clinical Medical Director
- USF Health — Clifton Gooch, MD, Neurology Clinical Medical Director
- Steven Chew, Administrator
- Wendi Goodson-Celerin, RN, VP of Nursing

ORTHOPEDIC AND SPINE
- Private Practice Physicians / USF Health — Roy Sanders, MD, Clinical Medical Director
- Steven Chew, Administrator
- Wendi Goodson-Celerin, RN, VP of Nursing

RADIOLOGY/ IMAGING
- Private Practice Physicians — Bruce Zwiebel, MD, Interventional Radiology Clinical Medical Director
- USF Health — Krishna Nallamshetty, MD, Diagnostic Radiology Clinical Medical Director
- Denise Vanderwerf, Administrator

TRANSPLANT
- Tampa General Medical Group — Victor Bowers, MD, Clinical Medical Director
- Kimberly Rallis, Vice President of Operations
- Lori Desmond, Director of Nursing

THYROID AND PARATHYROID
- Private Practice Physicians — James Norman, MD, Parathyroid Clinical Medical Director
- Private Practice Physicians — Gary Clayman, MD, Thyroid Clinical Medical Director
- Brian Bailey, Administrator
- Jodi Arrocena, RN, Nurse Manager

WOMEN'S AND CHILDREN'S
- USF Health — Judette Louis, MD, MPH, Obstetrics Clinical Medical Director
- USF Health — Patty Emmanuel, MD, Pediatric Clinical Medical Director
- Pam Sanders, RN, Vice President/ Associate CNO

FUTURE SERVICES
- Private Practice Physicians — Raviender Bukkapatnam, MD, Clinical Medical Director
- USF Health — Mark Moseley, MD
- Other service lines to be considered: Geriatrics, Men's Health, Women's Health, ENT, Pulmonology, etc.

CLINICAL MEDICAL DIRECTOR'S ROLES AND RESPONSIBILITIES
- Quality oversight
- Design clinical care pathways
- Adherence to evidence-based practice
- Outcomes review
- Physician peer review
- Cost control and utilization management
- Physician alignment
- Creating multidisciplinary collaboration

ADMINISTRATOR'S ROLES AND RESPONSIBILITIES
- Growth and business development
- Financial performance
- Operational effectiveness
- Quality and service
- Physician alignment

* Administrator for Neuro & Ortho is a combined role; VP of Nursing for Neuro & Ortho is a combined role
** Reports to Chief Medical Officer
*** Serves as both Administrator and Nursing Executive

NURSING EXECUTIVE ROLES & RESPONSIBILITIES
- Oversight of clinical operations
- Patient outcomes
- Patient satisfaction
- Financial metrics
- Environment of care
- Team engagement

USF Health: 8 Medical Directors
Tampa General Medical Group: 1 Medical Director
Private Practice Physicians: 5 Medical Directors

FINANCE, HUMAN RESOURCES, INFORMATION TECHNOLOGY, MARKETING, BUSINESS DEVELOPMENT, PROCESS IMPROVEMENT, QUALITY AND SERVICE, RESEARCH, FOUNDATION, FACILITIES, LEGAL AND COMPLIANCE, PLANNING AND PROJECT MANAGEMENT

Pharmacy Service Line will be evaluated and added.

MEASURING THE IMPACT:
IS YOUR PLAN WORKING?

MEASURING THE IMPACT:
BEDSIDE QUALITY: SICU/TRAUMA ICU

CAUTI – Catheter Associated Urinary Tract Infection

ZERO HARM

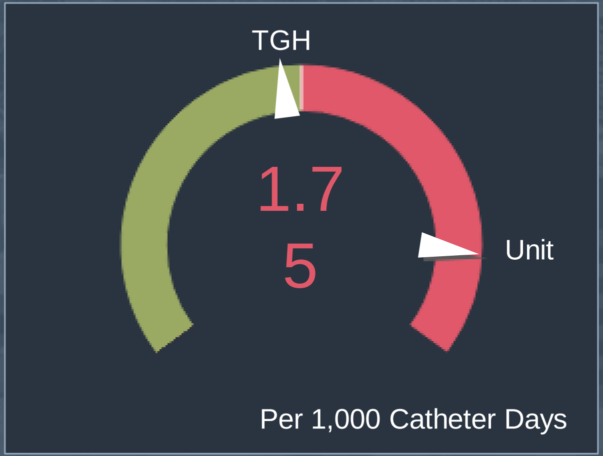
TGH Tampa General Hospital

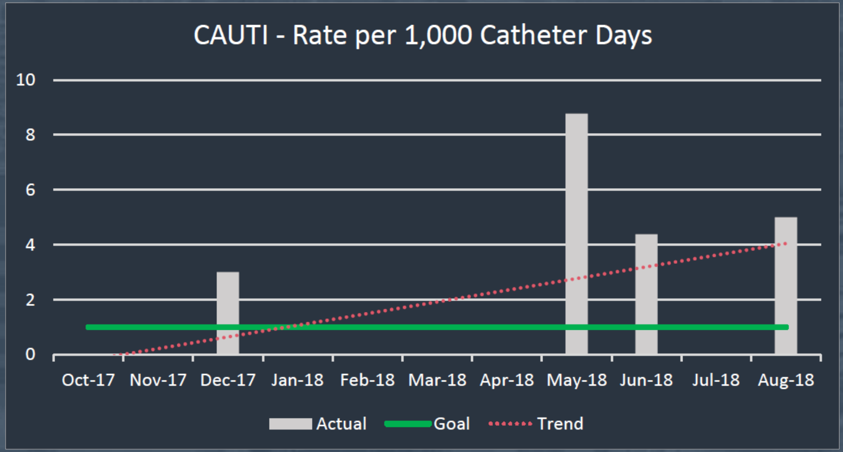
Days Since Last CAUTI

45

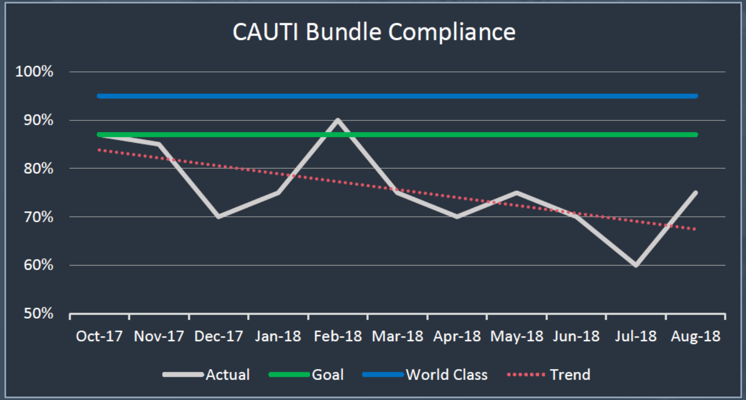
Previous Days Duration

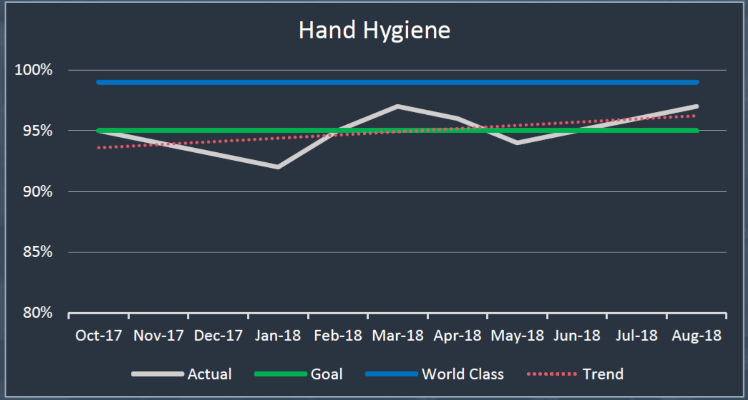
62

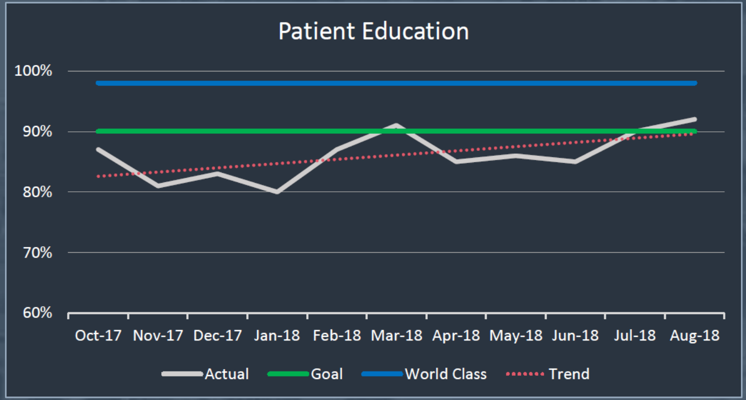




Process Measures







MEASURING THE IMPACT:
EMBRACE & ENHANCE QUALITY, PATIENT SATISFACTION & VALUE

Strategic and Operating Imperatives	Leader	Overall Goal	Description	Baseline	2018 Vizient Q&A Scorecard Ranking (Oct 1, 2018)	FY19: FY19 Goal*	FY19: FY19 Current Results	FY19: FY19 Improvement Trend	FY20 Goals*	FY21 Goals*	FY22 Goals*	FY23 Goals*	Stretch Goal	Desired Direction of Improvement
Embrace and Enhance Quality, Patient Satisfaction and Value	Houston	**Top 20% Vizient Quality & Accountability Scorecard**	Overall Ranking among Academic Medical Centers (lower is better)	81st	71st	55th	71st	↑	45th	35th	28th	18th	Top 10	↘
		Overall Vizient Star Rating	5 stars awarded to top 10 percentile	2 stars	3 stars	3 stars	3 stars	↑	3 stars	3 stars	4 stars	4 stars	5 stars	↗
		Mortality Domain	Risk-adjusted **mortality**	79th	89th	70th	89th	↓	60th	50th	30th	20th	Top 10	↘
		Efficiency Domain	Length of Stay, Direct Cost	86th	68th	75th	68th	↑	60th	50th	30th	20th	Top 10	↘
		Safety Domain	Hospital-Acquired Infection (HAI), Patient Safety Indicators (PSI)	41st	10th	35th	10th	↑	30th	25th	20th	20th	Top 10	↘
		Effectiveness Domain	Readmissions, excess days in acute care; ED Core measures	91st	86th	80th	86th	↓	75th	50th	30th	20th	Top 10	↘
		Equity Domain	Care **Equity** regardless of gender, race, or socioeconomic status in ED core measures	94th	1st	45th	1st	↑	35th	25th	20th	20th	Top 10	↘
		Leapfrog Safety Grade	Composite of Quality Outcome and Process Measures; Includes Leapfrog Survey. Updated Spring and Fall	D	C	D	C	↑	C	B	B	A		↗
		Patient Experience	**Overall Rating Questions on HCAHPS Survey**	**Baseline**	**VTD 2018 HCAHPS Percentile/ Ranking****	**FY19 Goals***	**FY19 Current Results**	**FY19 Improvement Trend**	**FY20 Goals***	**FY21 Goals***	**FY22 Goals***	**FY23 Goals***	**Stretch Goal**	**Desired Direction of Improvement**
		HCAHPS Overall Rating of Care	Overall Rating: Response of 9-10 on question compared to Press Ganey "all hospital" database	65th	77th	73rd	77th	↑	75th	80th	85th	90th	95th	↗
		HCAHPS Likelihood of Recommending	Likelihood of Recommending: Response of "Definitely Yes" compared to Press Ganey "all hospital" database	78th	83rd	78th	83rd	↑	80th	83rd	86th	90th	95th	↗
		Vizient Patient Experience Domain	**Vizient Patient Experience Composite:** 10 HCAHPS Metrics, including overall rating	63rd	43rd	50th	43rd	↑	45th	30th	30th	20th	10th	↘

LEGEND:

Does not meet FY19 Goal	Threshold FY19 Goal	Meets FY19 Goal	Exceeds FY19 Goal

* Yearly Goals per strategic plan

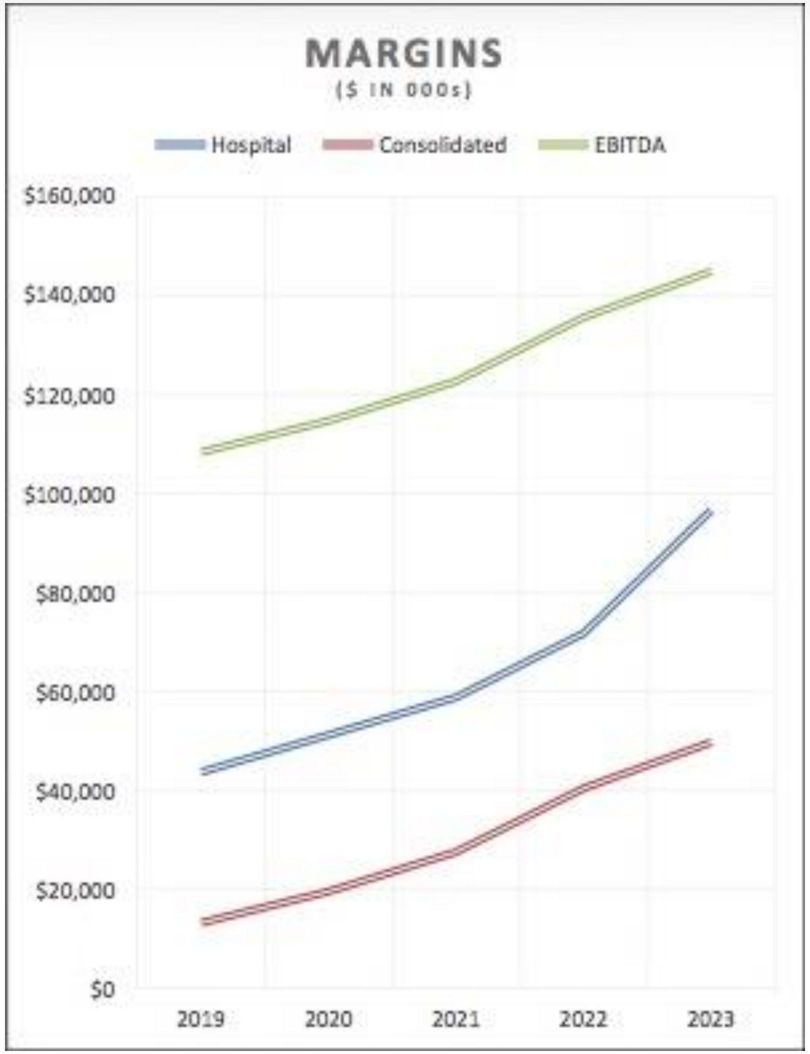
** FY 2018 Press Ganey final performance will be obtained October 22, 2018

Vizient Ranks Hospitals Based on Performance in the 6 Domains listed above; Tampa General Hospital is compared among 99 Comprehensive Academic Medical Centers in the database

Special Note: *While we are exceeding some of our FY19 goals currently, sustainability through hard-wired, reliable processes needs to be achieved to maintain this performance.*

MEASURING THE IMPACT:
TEAM & PHYSICIAN SATISFACTION

MEASURING THE IMPACT: FINANCIAL PERFORMANCE



	2019	2020	2021	2022	2023
Prior Year Gain from Operations	$14,503	$13,243	$19,585	$27,529	$40,480
Baseline Operations	(14,503)				
Quality & Satisfaction	-	-	-	-	-
Talent Management	(1,938)	(33)	(34)	(35)	(39)
Operational Excellence	8,341	9,558	5,973	11,392	8,628
Market Growth	2,563	(3,721)	964	844	(39)
Consumer-Focus	-	-	-	-	-
Physician Alignment	4,277	538	1,041	750	726
Forecasted Gain from Operations	$13,243	$19,585	$27,529	$40,480	$49,760
Non-Operating Items, net	16,092	16,092	16,092	16,092	16,092
Gain	$29,335	$35,677	$43,621	$56,572	$65,852
Operating Margins:					
Consolidated	1.0%	1.4%	1.9%	2.9%	3.5%
Hospital	3.2%	3.7%	4.3%	5.1%	5.8%
Moody's A Rated*	1.5%				
EBIDTA	7.8%	8.1%	8.6%	9.7%	10.3%
Moody's A Rated*	7.7%				

** 2017 Medians*

KEY TAKEAWAYS

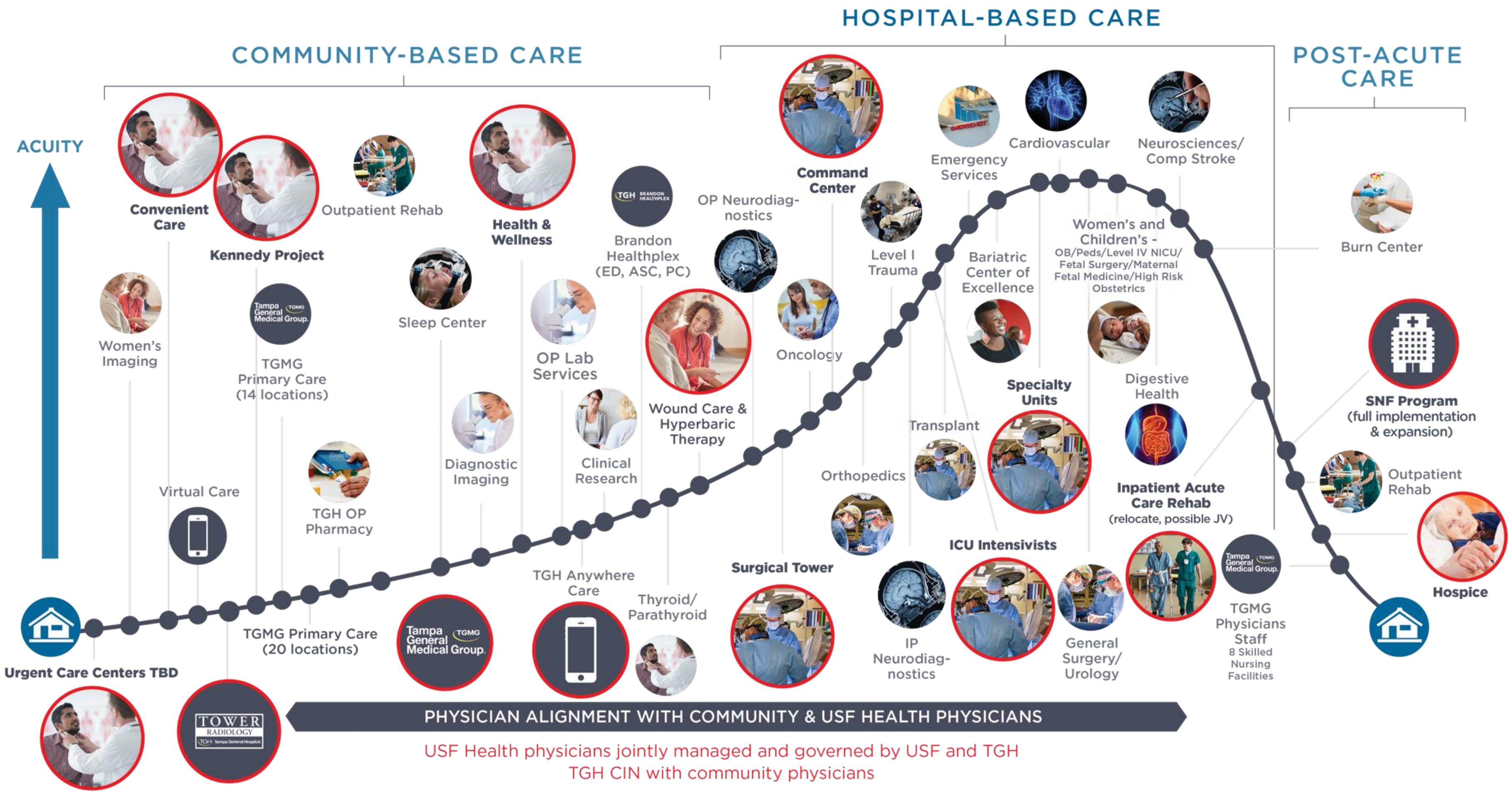
KEY TAKEAWAYS

Understand who you are so you know where you can go.

Seize opportunities to drive growth.

Plan. Align. Execute. Measure.

WORLD-CLASS QUALITY + LOW COST + EXPANDED FOOTPRINT = CONSUMER VALUE/LONG-TERM VIABILITY



TGH Tampa General Hospital

Connect with John Couris:

ChangeWithCouris.com