UWMF Board of Directors

February 22, 2023, 4:00 - 6:00 PM

https://uwhealth.webex.com/uwhealth/j.php?MTID=maf6b2b0b64f3f6373d8bba6c0fd92532

Meeting Number: 2624 287 3714 // Password: 022223


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UWMF Board of Directors - February 22, 2023 - Public Meeting Notice

Agenda

4:00 PM

I. Call to Order
Dr. Alan Kaplan

4:00 PM

II. Welcome and Introduction of New Member - Mr. Pablo Sanchez
Dr. Alan Kaplan

Attachment - Biography - Mr. Pablo Sanchez

3

4:04 PM

III. Consent Agenda
Dr. Alan Kaplan

Attachment - UWMF Committee Membership Change

5

4:05 PM

IV. UWMF Compensation Development Committee 2022 Annual Report and 2023 Work Plan
Dr. Cristopher Meyer

Presentation - UWMF Compensation Development Committee 2022 Annual Report and 2023 Work Plan

7

4:15 PM

V. UW Health Business Integrity
Mr. Troy Lepien

Presentation - UW Health Business Integrity

21

Attachment - UW Health Code of Conduct

39

Attachment - UW Health Administrative Policy 1.66 Conflicts of Interest for Employees and Affiliate Directors

49

4:35 PM

VI. UW Health Financial Report
Ms. Jodi Vitello

Presentation - UW Health Financial Results - January 31, 2023

58

4:43 PM

VII. Closed Session
(Materials Available To Members Only)
Motion to enter into closed session pursuant to Wisconsin Statutes section 19.85(1)(e), for the discussion of the following confidential strategic matters, which for competitive reasons require a closed session: review and approval of closed session meeting minutes; discussion of UW Health Strategy including market overview, trend radar and SWOT rankings and workforce planning; UW Health Workforce review and update and UW Health CEO perspective on organization-wide system strategy.

6:00 PM

VIII. Adjourn
Mr. Pablo Sanchez - Biography

Pablo Sanchez joined Park Bank in 2000 and has been working in the banking industry for more than 26 years. While his years of experience include business banking, small business lending, and consumer banking, Pablo’s real expertise and passion lie in working with nonprofit organizations. His nonprofit clients appreciate the time he takes to get to know their organization and what they stand for. He uses his knowledge and experience to recommend a unique package that will ensure the organization can focus on their mission instead of their banking relationship. Pablo is also a member of Park Bank’s Diversity and Inclusion Committee, a board member of the Overture Center Foundation, Madison Chamber of Commerce, and serves on the Governor’s Financial Literacy Council.

Pablo Sanchez is married to Kathryn Bishop-Sanchez a Full Professor in the Spanish and Portuguese Department at UW-Madison. Together they have two children: Giselle age 21 and Tiago age 17. Pablo enjoys spending time with his family traveling, camping, kayaking, and playing golf. He also enjoys coaching baseball in the community.
Date:   February 22, 2023

To:   UWMF Board of Directors

From:   UW Health Corporate Governance

Re:   UWMF Committee Nominations Approval

Due to the resignation of a UWSMPH Clinical Department Administrator (DA) representative on the UWMF Compensation Development Committee, the DA’s have nominated Ms. Nicole Jennings to replace Ms. Kim Beld for the remainder of Ms. Beld’s term.

**UWMF Compensation Development Committee**

Ms. Nicole Jennings 03/01/23 – 12/31/24  UWSMPH DA Rep  UWSMPH Clinical DAs Nominate
CDC Overview

Initial point of review of department compensation plans and other matters relating to physician compensation

- Review plans to ensure compliance with Compensation Principles & Procedures Policy
- Recommends compensation plan changes
- Develops, recommends and monitors compensation issues in accordance with the UWMF Compensation Principles & Procedures Policy and IRS code and regulations

Additional topics are brought to the Committee as informational or advisory
## Faculty Member

<table>
<thead>
<tr>
<th>Faculty Member</th>
<th>Department</th>
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<tbody>
<tr>
<td>Dr. Daniel Bennett</td>
<td>Dermatology</td>
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<tr>
<td>Dr. Michael Bentz</td>
<td>Surgery</td>
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<tr>
<td>Dr. Mahua Dey</td>
<td>Neurosurgery</td>
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<tr>
<td>Dr. Paul DiMusto</td>
<td>Surgery</td>
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<td>Dr. Dobie Giles</td>
<td>Ob/Gyn</td>
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<td>Dr. Paul John Hayner</td>
<td>Internal Medicine</td>
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<td>Dr. Jennifer Lochner</td>
<td>Family Medicine</td>
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<td>Dr. Aparna Mahajan</td>
<td>Pathology</td>
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<tr>
<td>Dr. Cristopher Meyer</td>
<td>Radiology</td>
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<th>Faculty Member</th>
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<tbody>
<tr>
<td>Dr. Maha Mohamed</td>
<td>Medicine</td>
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<tr>
<td>Dr. Sarah Nehls</td>
<td>Ophthalmology</td>
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<tr>
<td>Dr. J. Carter Ralphe</td>
<td>Pediatrics</td>
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<tr>
<td>Dr. Deborah Rusy</td>
<td>Anesthesiology</td>
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<tr>
<td>Dr. Adnan Said</td>
<td>Medicine</td>
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<tr>
<td>Dr. Michael Tuite</td>
<td>Radiology</td>
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<tr>
<td>Dr. Jennifer Weiss</td>
<td>Medicine</td>
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<td>Dr. Daniel Williams</td>
<td>Urology</td>
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## UWSMPH DA Rep

<table>
<thead>
<tr>
<th>UWSMPH DA Rep</th>
<th>Department</th>
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<tbody>
<tr>
<td>Kim Beld</td>
<td>Orthopedics &amp; Rehab Med</td>
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<tr>
<td>Will Katz</td>
<td>Anesthesiology</td>
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<tr>
<td>Pratik Prajapati</td>
<td>Psychiatry</td>
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## Public Board Director

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<th>Public Board Director</th>
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<tr>
<td>Ron Anderson</td>
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<td>Deb Archer</td>
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## Ex-Officio Members

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<tr>
<th>Ex-Officio Members</th>
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<tr>
<td>Kelsie Doty</td>
<td>UWMF Chief Admin Officer</td>
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<tr>
<td>Dr. Jamie Hess</td>
<td>UWMF President</td>
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Committee Activity

- New department compensation plans reviewed:
  - Department of Dermatology
  - Reviewed following guidelines:
    - Recruitment Bonus and Salary Advance
  - Provided responses for questions related to Compensation Plan Guidelines
CDC – Provider Benchmark Workgroup

- Co-led by Dr. Jamie Hess and Kelsie Doty
- The workgroup completed:
  - Evaluation of existing benchmark data sources
  - Sponsored development of a benchmark data mart; anticipated availability in 2023
- Anticipated to be a permanent workgroup
  - Annual benchmark data update to CDC
  - Detailed review and report to CDC when/if alternative benchmarks are proposed by department compensation plans
CDC – RVU Workgroup

• Led by Dr. Mike Bentz
• For services with no CMS assigned RVUs for codes
• Previous work product:
  • Revised UWH gap-filling process for services billed as global (no modifier), professional only (modifier 26) or technical only (modifier TC).
  • Improve process to gap-fill RVUs of services billed with “unlisted code”
• RVU Workgroup did not formally meet in 2022
• No new topics required comment
CDC – Value Quality Based Compensation Workgroup

- Co-led by Dr. Dan Bennett and Kelsie Doty
- The workgroup is charged with
  - Recommending to the CDC appropriate compensation plan value/quality-based incentive best practices and metrics.
  - Reviewing any requested exceptions and evaluate for reason/purpose, relevance, and impact.
  - Monitoring best practices throughout healthcare for potential modifications as the market evolves over time.
- Statement of Deliverables completed 2022
- Presented to CDC, COC and CRC
New Compensation Plan Adoption Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Dermatology</th>
<th>3 Departments</th>
<th>5 Departments</th>
<th>8 Departments, Primary Care, Urgent Care</th>
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<tr>
<td>1/1/2022</td>
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<td>6/30/2024</td>
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Each compensation plan requires:
1. Faculty vote approval
2. CDC review and endorsement
3. Governance review and endorsement:
   • UWMF Board
   • UWHCA Board
   • SMPH Dean
   • UWMF Compensation Review Committee (CRC)
2023 Proposed Work Plan

- Review new compensation plans
- 16 of 17 departments remain “in process” of incorporating CPG Guidelines into compensation plans
- Based on department forecast, only 8 departments will be ready to present compensation plans in 2023.
- Estimate remaining 10 reviews in 2024. To expedite:
  - Content experts from PPA and CDC currently available to departments to expedite process
  - Update “best practice” documents as they become available based on approved plans
  - Board Effects vote in lieu of in person presentations may be required in 2024 based on anticipated volume
2023 Proposed Work Plan

• Continue revision of the cyclical compensation plan review process for 2025:
  • Review and modify faculty survey
  • Modify the cyclical review process to incorporate CPG Principals
  • Topics of ongoing CDC interest: Quality metrics in physician compensation, Diversity/Equity/Inclusion
Questions
Appendix
Value Quality-Based Statement of Deliverables

1. Make a case for change that will be shared with the CDC and then with all departments

“Remarkable Healthcare” is inextricably dependent on high-value, high-quality care and is supported by foundational competencies in: 1) Quality and Safety, 2) Information Management and Analytics, 3) Financial Performance, and 4) Staff and Physician well-being.

The healthcare finance environment is rapidly evolving to shift financial risk from payers to institutions, thus shifting institutional financial incentives from volume to value. “Value” incorporates assessment of both cost and quality, and “quality” may incorporate individual and population-based outcomes. Therefore, physician compensation plans must incorporate incentives for efficient, high-value, and equitable care in support of UW Health’s financial success as well as in support of our commitment to individual and population health goals.

Our ability to grow and maintain a strategic advantage with the public and payers depends on the development of mechanisms to reward high value, high quality care. Despite a lack of external innovative compensation models, UWMF and UW Health are poised to lead given our reputation, large primary care base, and the success of Quartz and our Accountable Care Organization. Well-designed physician compensation models will be important elements in the success of our academic center as the health care marketplace evolves.

Well implemented Value/Quality-Based incentives will benefit UW Health, our patients, and our community in many ways, including:

- Lowering cost to patients with better clinical outcomes and improved patient satisfaction
- Enhancing existing contracting and success with new 3rd party payers, Quartz, and our ACO
- Improving regional Population Health outcomes, including improving equity metrics
- Providing equitable and timely access to care
2. **Identify UW Health goals for department/division alignment**  
Alignment of department and organizational goals will facilitate access, equity, reputation, financial performance and help to create consistency throughout clinical operations. Departments will be expected to align some or all their goals with organizational goals, but in no instance may a department goal be contradictory to the organization goal.

Organizational Goals include but are not necessarily limited to:
- Reduce inequities in health care access and outcomes within our community and UW Health
- Create and utilize mechanisms to collect and report meaningful clinical quality data
- Implement best practices to provide innovative, high-quality, and cost-effective care
- Improve patient, clinician and staff experience
- Improve coordination of care across UW Health

3. **Propose an achievable starting point for departments.** Starting points may vary from department-to-department or within departments depending on UW Health objectives and support for metric reporting.

Departments are expected to create or amend compensation plans (XYZ model) as directed by the UWMF Compensation Development Committee. New or amended compensation plans must explicitly address the included incentives for high quality, high value care. Compensation based on quality/value can be included in the Y quantitative or Z qualitative variable components of new compensation plans; novel approaches to quality/value-based compensation incentives are encouraged.

Departments will be responsible for aligning physician compensation with organizational and department/division value and quality goals. Criteria are:
- Measurable, meaningful, understandable, and equitable  
- Goals must result in improvement in clinical process, reduced waste, improved patient or population outcomes and/or improved clinician fulfillment  
- At least one goal must address organizational goals, and departments may be asked to incorporate specific organizational metrics (ACO, MIPS, WCHQ, etc) when they are of strategic importance.
UW Health Business Integrity

UWMF Board of Directors
February 22, 2023
Business Integrity - Board of Directors Education

• Case Study
• Duties of Board of Directors
• UW Health Conflict of Interest Policy
• UW Health Code of Conduct
• Seven Elements of an Effective Compliance Program
• OIG Guidance
  • Corporate Responsibility and Corporate Compliance – A Resource for Health Care Boards of Directors
  • Practical Guidance for Health Care Governing Boards on Compliance Oversight
Leadership & Management

Trustees called to resign from California hospital's board over conflicts of interest

Kelly Gooch - Thursday, August 25th, 2022

Community Health Defends Quality of Care at CRMC After Bee Articles

Published 5 months ago on September 1, 2022
By David Taub, Senior Reporter

Fresno hospital leaders prioritized personal interests over patients. They should resign

BY THE FRESNO BEE EDITORIAL BOARD
UPDATED AUGUST 29, 2022 1:33 PM
Business Integrity - Board of Directors Education

- Community Regional Medical Center - Fresno, CA
  - 685 Bed Regional Hospital & Trauma Center
  - Hosts UCSF Fresno Medical Education Program
  - Region’s Only Level 1 Trauma & Comprehensive Burn Center
  - 663 inpatients a day
  - 3,600 cardiovascular procedures a year
  - 12 Member Board of Directors
Business Integrity - Board of Directors Education

• Conflict of Interest?
  • Current Chair (Assemi) was recruited by Trustee (Dunn)
  • One year later, BOD expanded Clovis location - approximately $1 Billion
  • After expansion, Dunn and Assemi founded & opened For-Profit Pharmacy & Osteopathic Medical School 1 mile away from Clovis
  • Dunn’s term ends and continues to attend BOD meetings & reviews contracts as guest
  • Medical Center paid Medical School over $1 Million in contracts
  • Regulatory upgrades were not made to downtown Medical Center
Business Integrity - Board of Directors Education

- **Outcome**
  - Newspaper Investigation
  - Divided Community
  - No Charges
  - Assemi continues as Chair
Business Integrity - Board of Directors Education

- Duties of the Board of Directors
  - Fiduciary Duties
  - Commitment to Transparency
Business Integrity - Board of Directors Education

- Fiduciary Relationship: People or entities are given a power of any type, subject to a duty to exercise that power in the best interests of another
- Duty of Care
- Duty of Loyalty
Business Integrity - Board of Directors Education

• **Duty of Care**: Obligation of Corporate Directors to Exercise the Proper Amount of Care in Their Decision-Making Process in the Best Interest of UW Health

• **Decision Making Function**: The application of duty of care principles to a specific decision or a particular board action; and

• **The Oversight Function**: The application of duty of care principles with respect to the general activity of the board in overseeing the day-to-day business operations of the corporation i.e., the exercise of reasonable care to assure that corporate executives carry out their management responsibilities and comply with the law
Business Integrity - Board of Directors Education

• **Oversight Function** (i.e., Caremark Case, Delaware Stone vs. Ritter):
  
  • A Board must act in good faith in the exercise of its oversight responsibility for its organization, including making inquiries to ensure:
    
    (1) a corporate information and reporting system exists and
    
    (2) the reporting system is adequate to assure the Board that appropriate information relating to compliance with applicable laws will come to its attention timely and as a matter of course

• Opinion in Caremark case and now in Delaware Cases regarding compliance programs, “directors must make a good faith effort to implement an oversight system and then monitor it” themselves...”
Business Integrity - Board of Directors Education

• Duty of Loyalty: A UWHCA Director must discharge his or her obligation to the organization in a manner designed to benefit UWHCA and its mission, and not the interest of the Director or any other individual or entity

• Avoid Conflicts of Interest
  • As required by Wisconsin statute, UWHCA’s Board of Directors has members with duality of interests (i.e., to the UW, SMPH, and/or other constituencies
  • Remain focused on the mission and interests of UWHCA and properly reports the potential conflict, duality of interest should not ordinarily bar their participation in UWHCA’s corporate decision-making
  • The key reason for establishing such interlocking directorships is to create a mechanism for the entities to participate in, and be informed of, the decisions of each other

• Maintain confidentiality of information provided to UWHCA Directors
Business Integrity - UW Health Policy 1.66

• Definitions

• Conflict of Interest: A situation:
  • Where the outside interests or activities of the Director interfere or compete with UW Health’s interests or reduce the likelihood that such person’s influence can be exercised impartially in the best interests of UW Health.
  • Where the stake of the Director in a transaction or arrangement is such that it reduces the likelihood that such person’s influence can be exercised impartially in the best interests of UW Health.
  • Where a Director has divided loyalties.
  • Where an Excess Benefit Transaction would occur.
Business Integrity - UW Health Policy 1.66

• Definitions (Continued)

• **Covered Person**: A Director, with decision-making authority on behalf of UW Health

• **Covered Interest**: Related Party who has ownership/investment interest, compensation (including gifts and favors), legal commitment (including board appointment) in an entity that has or is negotiating a transaction or arrangement with UW Health with a five-year lookback period

• **Related Party**: Any Director or Relative (includes spouse, domestic partner, siblings, children, etc.), serves as a director, trustee, officer, employee, volunteer, owns greater than 35% in an entity/trust, or has a partnership/professional ownership interest in excess of 5%

• **Excess Benefit Transaction**: Transaction in which an economic benefit is provided by UW Health, directly or indirectly, to or for the use of a disqualified person and the value of the economic benefit provided by UW Health exceeds the value of the consideration (including the performance of services) received by UW Health
Business Integrity - UW Health Policy 1.66

• Procedures, Statements & Disclosures

• Disclosure of Outside Activities: A Covered Person must disclose in writing to the Chair the existence of any actual, potential, or perceived Conflict of Interest

• Determining Whether a Conflict of Interest Exists: The Chairperson will determine if a Conflict of Interest exist and appropriate next steps. If necessary, the Business Integrity Office will assist in this determination

• Annual Disclosure & Certificate: Each Director shall file with the Business Integrity Office annual statement of conflicts of interest, a statement of certifying receipt, understanding, and agreement to comply with the COI Policy and Code of Conduct
Business Integrity - Code of Conduct

• UW Health Code of Conduct:
  • Patient Rights & Responsibilities
  • Business Ethics & Legal/Regulatory Compliance
    • Coding, Billing, and False Claims Act
    • Research
  • Confidentiality
    • Patient Information
  • Conflicts of Interest
    • Gifts
  • Professional Conduct
  • Resource Management
  • Workplace Responsibility
• Reviewed & Signed Annually
Business Integrity – Compliance Program Elements

• Seven Elements of Effective Compliance Program:
  • Implementing written policies, procedures and standards of conduct
  • Designating a compliance officer and compliance committee
  • Conducting effective training and education
  • Developing effective lines of communication
  • Conducting internal monitoring and auditing – Fraud, Waste, & Abuse
  • Enforcing standards through well-publicized disciplinary guidelines
  • Responding promptly to detected offenses and undertaking corrective action

• Websites
  • https://uconnect.wisc.edu/depts/uwhealth/business-integrity/
  • https://www.uwhealth.org/about-us/business-integrity-program
Business Integrity – OIG Guidance

• Questions for Directors – Compliance Program
  • Structural Questions
    • Key Employees – Compliance Officer
    • Reporting Structure to Governance – Compliance & Audit Committees
    • Frequency of Compliance Reporting Management and Governance
  • Operational Questions
    • Policies and Procedures Including Code of Conduct
    • Compliance Infrastructure and Resources
    • Measures to Prevent Violation Including Education & Auditing and Monitoring
    • Measures to Respond to Violations Including Corrective Action and Implementation of a Hotline
Business Integrity Board of Directors Education

Questions?
UW HEALTH CODE OF CONDUCT
# Table of Contents

A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER ....................................................... 2

I. PURPOSE - PRINCIPLES AND STANDARDS ..................................................................... 3

II. OUR DUTY TO REPORT & COOPERATE WITH INVESTIGATIONS .............................. 3

III. SEVEN PRINCIPLES OF CONDUCT .................................................................................... 4

IV. PRINCIPLE OF PATIENT’S RIGHTS AND RESPONSIBILITIES ............................ 4

V. PRINCIPLE OF BUSINESS ETHICS & LEGAL/REGULATORY COMPLIANCE ...... 4
   A. Accounting/Financial Reporting: ........................................................................... 4
   B. Anti-Kickback/Bribes: .......................................................................................... 4
   C. Antitrust: .............................................................................................................. 5
   D. Coding, Billing & False Claims Act: .................................................................... 5
   E. Contracts: .............................................................................................................. 5
   F. Marketing: ............................................................................................................. 5
   G. Non-For Profit Status: ........................................................................................... 5
   H. Research: ............................................................................................................... 5

VI. PRINCIPLE OF CONFIDENTIALITY ................................................................................... 6
   A. Patient Information ................................................................................................ 6
   B. Proprietary Information ......................................................................................... 6
   C. Personnel Actions and Decisions .......................................................................... 6
   D. Media Relations ..................................................................................................... 6

VII. PRINCIPLE OF CONFLICT OF INTERESTS ................................................................ 6
   A. Gifts ....................................................................................................................... 7
   B. Outside Activities and Employment ..................................................................... 7
   C. Political Activities ................................................................................................. 7

VIII. PRINCIPLE OF PROFESSIONAL CONDUCT ............................................................. 7

IX. PRINCIPLE OF RESOURCE MANAGEMENT ............................................................ 7

X. PRINCIPLE OF THE WORKPLACE ................................................................................ 8
   A. Workplace Health & Safety ................................................................................. 8
   B. Workplace Discrimination: ................................................................................ 8
   C. Workplace Harassment: ..................................................................................... 8
   D. Workplace Violence ............................................................................................ 8
   E. Screening of Excluded Individuals ...................................................................... 8

CODE OF CONDUCT ACKNOWLEDGEMENT FORM ........................................................... 9
A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Friends & Colleagues:

UW Health has a long history as a leader in providing quality healthcare and service to its patients. As part of our vision to deliver remarkable care to our patients, UW Health is committed to maintaining a working environment that assures our medical staff, employees, and agents can perform their daily tasks with high ethical standards, honesty, integrity, and in compliance with applicable laws and regulations. We can continue this tradition and our commitment to remarkable care only through the efforts of our highly-skilled caregivers and dedicated support staff.

While the patient remains the focal point for all UW Health services, healthcare has evolved into a complex and highly regulated industry. In order to assist employees in maneuvering their way through this sometimes confusing environment, UW Health has adopted a formal Compliance Program (Program) to ensure compliance with all applicable state and federal laws and regulations. The day to day operations of the Program are administered by the Chief Compliance Officer and the Business Integrity Department staff. An important component of the Program is the Code of Conduct (Code), which sets a cultural compass of how to conduct ourselves every day as we go about our work. The Code provides the basic principles which all UW Health and its subsidiaries, directors, officers, medical staff, employees and agents must follow.

The Code of Conduct is a vital part of how we achieve our mission and vision. It provides guidance to ensure that our work is accomplished in an ethical and legal manner. It emphasizes our common culture of integrity and our responsibility to operate with the highest principles of ethical business standards as we care for our patients. All employees are responsible for ensuring that their behavior and activity is consistent with the Code of Conduct.

As we continue to be innovative and responsive to the needs of our patients, each of us must be fully knowledgeable of and adhere to the Code of Conduct. If we are successful in this endeavor, we will preserve and promote organization-wide integrity and achieve our vision of providing remarkable care to our patients.

Sincerely,

Alan Kaplan, MD
CEO UW Health
I. PURPOSE - PRINCIPLES AND STANDARDS

UW Health has a tradition of ethical standards in the provision of health care services as well as in the management of its business affairs. The Code of Conduct supplements the mission, vision and values of UW Health and applies to all who provide services under the auspices of UW Health and its affiliates.

Our Code of Conduct, which has been adopted by the highest level of leadership, provides guidance to all working for and with us in carrying out daily activities within appropriate ethical and legal standards. The Code of Conduct provides ideals (or Principles) and policies (or Standards) to which UW Health medical staff, employees, agents, joint ventures, wholly owned subsidiaries, and affiliates are expected to adhere. The purpose of the Code of Conduct is to articulate the ethical framework within which the organization operates and communicate expectations of the Principles and Standards. UW Health expects each medical staff, employee, and agent to abide by the Principles and Standards set forth herein and to conduct the business and affairs of UW Health in a manner consistent with the Code of Conduct. Failure to abide by the Principles and Standards or the guidelines for behavior which the Code of Conduct represents shall lead to appropriate employment action.

UW Health’s Code of Conduct has been adopted to maintain corporate compliance and enhance its ability to achieve its vision of providing remarkable healthcare.

II. OUR DUTY TO REPORT & COOPERATE WITH INVESTIGATIONS

The Code of Conduct is to be used as a guide if you are confronted with situations that raise questions about ethical conduct. If you believe a law, policy or our Code of Conduct is not being followed, you must report it to your supervisor and/or the Business Integrity Department. If you do not feel comfortable talking to your supervisor about the issue, voice your concern to the next supervisory level up or again report it to the Business Integrity Department.

- The Business Integrity Department can be contacted at: UW Health Administrative Office Building
  7974 UW Health Court, Middleton, Wisconsin, 53562.

UW Health System Contacts:
- Telephone: (888) 225-8282 (toll-free) or (608) 821-4130
- Online: https://uconnect.wisc.edu/depts/uwhealth/business-integrity/reporting-compliance-issues/

UW Health Northern Illinois
- Telephone: (800) 442-5675 (toll free)
- Online: www.swedishamerican.ethicspoint.com

UW Health is committed to providing an environment that allows reporting in good faith without fear of retaliation. Anyone making such a report is assured that it will be treated as confidential and will be shared with others only on a need-to-know basis. The findings of a compliance investigation are confidential to protect all involved in the investigation process. No adverse action will be taken against someone for making a report in good faith. UW Health has a policy that protects against retaliation or retribution for reporting a compliance concern in good faith or cooperating with a compliance investigation with good intentions. Although we have this policy it is important to understand that no policy can protect you from applicable consequences if you have broken the law or violated our policies. In addition, if someone purposely falsifies or misrepresents a report or makes false statements during an investigation, that person will not be protected under the non-retaliation policy. False accusation or statements made in a report or during an investigation may result in appropriate employment action.
III. SEVEN PRINCIPLES OF CONDUCT

The UW Heath Code of Conduct can be categorized into Seven Principles of Conduct:

- Patient Rights & Responsibilities
- Business Ethics & Legal/Regulatory Compliance
- Confidentiality
- Conflicts of Interest
- Professional Conduct
- Resource Management
- Workplace Responsibility

Each of these principles is explained in greater detail below.

IV. PRINCIPLE OF PATIENT’S RIGHTS AND RESPONSIBILITIES

UW Health is committed to treating patients and their families with dignity and respect. We drafted the UW Health Patient Rights and Responsibilities to establish our expectation for our medical staff, employees, agents and patients. This guideline includes the patient’s right to:

- Treatment without discrimination
- Respect, confidentiality and personal dignity
- Information you can understand
- Participation in decisions about your care
- Care that supports you and your family
- Access to your billing and medical records
- A method to file a complaint

UW Health medical staff, employees, and agents are held to these standards and should refer to this document for additional detail and guidance if needed.

V. PRINCIPLE OF BUSINESS ETHICS & LEGAL/REGULATORY COMPLIANCE

UW Health is committed to the highest standards of business ethics and integrity, and requires honesty when representing UW Health. UW Health is committed to ensuring that its activities are completed in a manner that complies with applicable federal and state laws regulations, guidelines and policies.

A. Accounting/Financial Reporting:
UW Health maintains a high standard of accuracy and completeness in the documentation and reporting of all financial records and insures that these records are completed within generally accepted accounting principles and established corporate policy. This serves as the basis for managing the business and is important to meeting the obligations to patient, suppliers, and others that we do business. It is against UW Health policy, and possibly illegal, for any person to knowingly cause UW Health’s financial records to inaccurately describe the true nature of a business transaction. We cooperate fully with internal and external auditors and any regulatory agencies that examine our financial records.

B. Anti-Kickback/Bribes:
UW Health prohibits its medical staff, employees, and agents from offering, paying, asking for, or accepting any money or other benefits in exchange for patient referrals, purchases, leases, or orders. All contracts and other referral sources are to follow all applicable laws.
C. Antitrust:
   UW Health competes fairly and complies with Anti-Trust Laws. Our medical staff, employees, and agents do not engage in activities or negotiate agreements that restrain or obstruct competition or illegally share proprietary information with competitors. The illegal obtainment or use of proprietary information from competitors is also strictly prohibited.

D. Coding, Billing & False Claims Act:
   Coding is the way UW Health identifies and classifies health information, such as diseases and services, which are documented in the patient medical record. Billing is the way we submit charges for the services we have provided. UW Health takes great care to ensure that billings to the government, third-party payers and patients are accurate and conform to all applicable federal and state laws and regulations. We are committed to timely, complete and accurate coding and billing. We bill only for services that we provide and believe to be medically necessary.

   The Federal False Claims Acts and the Federal Deficit Reduction Act protect government programs such as Medicare, Medicaid and Tricare from fraud, waste and abuse. It is a violation of the Federal False Claims Act to knowingly submit a false claim for payment of government funds. UW Health prohibits its medical staff, employees or agents from knowingly presenting, or causing to be presented, claims for payment or approval, which are false, fictitious or fraudulent. Medical staff, employees, and agents can be prosecuted for filing inaccurate claims for reimbursement, and can be subject to civil fines, criminal penalties or both.

   UW Health expects employees to report known or suspected activity of this type to the Business Integrity Office. Employees who lawfully and in good faith report known or suspected activity of this type are protected from retaliation to the furthest extent possible under both federal and state law. UW Health performs routine auditing and monitoring, with internal controls, to prevent and detect fraud, waste, and abuse. We cooperate fully with internal and external auditors and any regulatory agencies that examine our financial records.

E. Contracts:
   UW Health negotiates and enters into fair and equitable contractual arrangements with reputable vendors and individuals that meet the needs of our organizations. We fairly and accurately bid and negotiate outside contracts at an arm’s length and at fair market value. All arrangements must comply with applicable federal and state laws. Prior to executing arrangement for items and services, we verify that all contracted parties are eligible to participate in federal and state-funded healthcare programs.

F. Marketing:
   UW Health utilizes marketing and advertising activities to educate the public, provide information to the community, to increase awareness of our services, and to recruit medical staff and employees. Marketing materials and media announcements are to be presented in a truthful, fully informative and non-deceptive manner.

G. Non-For Profit Status:
   UW Health is a tax-exempt entity because of its charitable mission. UW Health provides community benefits that include healthcare services, medical training, education, research and community outreach activities. UW Health must use its resources in a manner that furthers the public good rather than the private or personal interest of any individual or entity.

H. Research:
   UW Health is committed to following ethical standards in full compliance with federal and state laws and regulations in any research, investigations and clinical trials conducted. UW Health is
committed to integrity in disseminating appropriate, valid scientific results in accordance with applicable regulations and guidelines. It is UW Health’s priority to protect the rights of its subjects. As in all financial accounting and recordkeeping, UW Health’s policy is to submit accurate and complete costs related to research grants.

VI. PRINCIPLE OF CONFIDENTIALITY

Medical Staff, employees, and agents of UW Health are obligated to maintain the confidentiality of patients, personnel, and other proprietary information, as well as with those who enter into business or professional relationships with UW Health. We are trusted with a wide spectrum of confidential information. Sharing of confidential information with other employees or others outside the organization is strictly forbidden, unless the person requesting the information has a legitimate reason to know and has been properly approved by appropriate leadership.

A. Patient Information

UW Health collects information about patients’ medical conditions, histories, medications, and family illnesses in order to provide quality care. We realize the sensitive nature of this information and are committed to protecting patient privacy. We do not access patient information internally use patient information, or disclose patient information outside the organization except as necessary to perform our jobs. We are committed to complying with state and federal privacy laws, and to assisting patients with exercising their patient privacy rights.

B. Proprietary Information

UW Health closely controls the dissemination of proprietary information. Except as specifically authorized by management pursuant to established policy and procedures, medical staff, employees, or agents should not disclose to any outside party any non-public business, whether financial, personnel, commercial or technological information, plans or data acquired during their time with UW Health.

C. Personnel Actions and Decisions

Salary, benefits, and other personal information relating to employees shall be treated as confidential. Personnel files, payroll information, disciplinary matters, and similar information shall be maintained in a manner designed to ensure confidentiality in accordance with applicable laws and regulations. Employees shall prevent the release or sharing of information beyond those persons who may need such information to fulfill their job function.

D. Media Relations

All requests from reporters or the general public for information should be referred to the Media Relations Office. Employees should never release information without the permission of Media Relations.

VII. PRINCIPLE OF CONFLICT OF INTERESTS

A conflict of interest involves any circumstances where your personal activities or interest are advanced at the expense of UW Health. These circumstances may be financial or involve some other type of personal interest that conflicts with your professional responsibilities. UW Health medical staff, employees, and agents avoid any situation in which our participation is or may appear to be, in conflict with the mission, vision, values, and interest of UW Health. We avoid any position or financial interest in any outside organization when such a relationship would improperly influence our professional objectivity or the performance of our duties. Should a conflict of interest arise, we will immediately disclose the situation to our immediate supervisor, the Business Integrity Department or the Legal Department.
A. Gifts

UW Health maintains high ethical standards regarding the offering and acceptance of gifts. Offering or accepting personal gifts may influence our decisions or the decisions of others and may constitute a conflict of interest. UW Health Policy prohibits medical staff, employees and agents from accepting any gifts from industry. UW Health recognizes that patients or other outside parties may wish to present employees with gifts or money. In order to avoid conflicts of interest, gratuities in any dollar amount and gifts of any value may not be accepted. However, if perishable goods are delivered to a unit or employee (e.g. cookies from a family member, fruit basket), it should be handled consistent with guidelines established by the Employee Gift Policy.

B. Outside Activities and Employment

UW Health medical staff, employees, and agents who hold positions of trust and stewardship should refrain from directly or indirectly performing duties, incurring obligations, or engaging in business or professional relationships where there would appear to be a conflict of interest. No outside activity may interfere with job performance.

C. Political Activities

UW Health encourages medical staff, employees, and agents to vote and participate in the political process. However, the use of UW Health property or funds to support a political cause, party or candidate for public office is prohibited. UW Health assets, such as telephones, copiers, and our work time should not be used to support political activity. All medical staff, employees, and agents clearly indicate that the political views they express as individuals are their own and not those of UW Health.

VIII. PRINCIPLE OF PROFESSIONAL CONDUCT

UW Health expects all medical staff, employees, and agents to work in a professional manner. Due to the high expectations of our health care providers UW Health has adopted Guidelines for Professional Conduct of Physician Faculty in the Clinical Setting. Please refer to this document for additional guidelines if necessary.

IX. PRINCIPLE OF RESOURCE MANAGEMENT

UW Health understands the community has entrusted us with assets to be used and protected for our patients’ health. Medical Staff, employees, and agents are expected to safeguard, invest and use these assets to achieve our mission. Proper use of UW Health property and equipment is everyone’s responsibility. Theft, carelessness, and waste have a direct impact on the organization’s success. We report any possible loss or theft to the appropriate supervisor. It is UW Health’s policy to manage and operate its business in the manner which respects our environment and conserves natural resources. We strive to utilize resources appropriately and efficiently, to recycle where possible, and otherwise dispose of all waste in accordance with applicable laws and regulations.

We handle any purchase, transfer or sale of assets in accordance with applicable policies and procedures. We do not use materials, equipment or other assets of UW Health for purposes not directly related to UW Health business. Medical staff, employees, and agents have no expectation of personal privacy in connection with personal or work use of UW Health electronic resources. We do not photocopy or distribute material from books periodicals, computer software or other sources if doing so would violate copyright laws.
X. PRINCIPLE OF THE WORKPLACE

UW Health works to ensure that all medical staff, employees, agents, and others have the best possible work environment. We follow all federal, state, and Equal Employment Opportunity Commission laws and regulations for recruiting and retaining qualified employees.

A. Workplace Health & Safety
   In our continuing commitment to an environment of healing and good health, UW Health is smoke free. The use of illegal drugs and abuse of controlled substances in the workplace is prohibited. As a condition of employment, any involvement in the unlawful use, sale, manufacture, distribution or possession of controlled substances illicit drugs and/or unauthorized use of alcohol in the workplace or working under the influence of such substances is prohibited. UW Health has an extensive safety program for medical staff, employees, and agents to reduce the risk of injury for patients, staff and visitors.

B. Workplace Discrimination:
   UW Health believes that the fair and equitable treatment of employees, patients, and other persons is critical to fulfilling its vision and goals. It is UW Health’s policy to treat patients without regard to race, color, religion, sex, national origin, age, disability, sexual orientation or any other classification prohibited by law. It is also UW Health’s policy to recruit, hire, train, and promote qualified persons in all job titles, and ensure that all other personnel actions are administered without regard to race, color, religion, sex, national origin, disability, sexual orientation or status as a special disabled veteran, Vietnam era veteran, or other covered veteran.

C. Workplace Harassment:
   UW is committed to maintaining an environment that is free of unlawful harassment and intimidation. Harassment includes any behavior or conduct that is based on a protected characteristics and that unreasonably interferes with an individual’s work performance or creates an intimidating, hostile or offensive work environment.

D. Workplace Violence
   UW Health has zero tolerance for threats or acts of violence in the workplace. Workplace violence includes physical assaults or action or statements that give UW Health reasonable cause to believe that the safety for our patients, visitors, medical staff, employees, or agents may be at risk. Medical staff, employees, or agents who engage in workplace violence shall be subject to disciplinary action up to and including removal from UW Health facilities, termination and/or referral to appropriate law enforcement agencies.

E. Screening of Excluded Individuals
   UW Health will not knowingly employ or contract with individuals or entities that have been listed as debarred, excluded or otherwise ineligible for participation in Federal health care programs. As a condition of employment or eligibility to provide services, medical staff, employees, or agents are required to notify clinical leadership or Human Resources immediately if they are currently or know they will be in the future listed as a person excluded from participation in Federal health care programs.
CODE OF CONDUCT ACKNOWLEDGEMENT FORM

I acknowledge that:

- I have received the UW Health Code of Conduct and understand that it is my responsibility to read and comply with the legal and ethical practices contained in the Code of Conduct.
- I have responsibility to report potential compliance issues to a supervisor, contact the Business Integrity Office, or call the UW Health Reporting Line.
- I am aware that violations of the Code of Conduct and UW Health Policy and procedures may result in appropriate employment action.

Printed Name:____________________________________
Signature:_______________________________________
Date:______________________
Title or Position:_________________________________
Employee ID #:_________________________
Phone Number: _________________________
Department:____________________________
Direct Supervisor’s Name:______________________
Attachment

UW Health Administrative Policy 1.66
Conflicts of Interest for Employees and Affiliate Directors
Administrative (Non-Clinical) Policy

This administrative policy applies to the operations, and employees of the University of Wisconsin Hospitals and Clinics Authority (“UWHCA”), University of Wisconsin Medical Foundation (“UWMF”), and to the operations, Affiliate Directors, and employees of those subsidiaries and affiliates of UWHCA and UWMF that have adopted this administrative policy (each an “Adopting Affiliate”). UWHCA, UWMF, and the Adopting Affiliates are referred to in this administrative policy as “UW Health”. Except as expressly provided herein, this policy does not apply to University of Wisconsin School of Medicine and Public Health (“UWSMPH”) employees (“UWSMPH Employees”) despite any such individual’s simultaneous employment by UWMF.

Policy Title: Conflicts of Interest for Employees and Affiliate Directors
Policy Number: 1.66
Effective Date: December 15, 2021
Chapter: Administration
Version: Revision

I. PURPOSE

This Policy (a) provides guidance to Employees with respect to their annual requirement to disclose outside activities; (b) outlines the process for disclosing and addressing Conflicts of Interest; (c) sets forth UW Health’s policy on endorsements and testimonials; and (d) sets forth UW Health’s policy on gifts from industry.

II. DEFINITIONS

A. Affiliate Director: A member of the Board of Directors or a member of a committee or subcommittee of the Board of Directors of any Adopting Affiliate, which may include UWSMPH Employees.

B. Conflict of Interest: A situation:
   1. Where the outside interests or activities (such as Covered Interests) of an Employee or an Affiliate Director interfere or compete with UW Health’s interests or reduce the likelihood that such person’s influence can be exercised impartially in the best interests of UW Health.
   2. Where the stake of an Employee or Affiliate Director in a transaction or arrangement is such that it reduces the likelihood that such person’s influence can be exercised impartially in the best interests of UW Health.
   3. Where an Employee or an Affiliate Director has divided loyalties.
   4. Where an Excess Benefit Transaction would occur.

C. Covered Interest: When any Employee or Affiliate Director has directly, or indirectly through a Related Party:
   1. An ownership or investment interest in any entity with which UW Health has a transaction or arrangement.
   2. A compensation arrangement with any entity or individual with which UW Health has a transaction or arrangement.
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which UW Health is negotiating a transaction or arrangement.

4. A legal commitment or financial interest, including by virtue of a board appointment, employment position, or volunteer arrangement, to act in the interests of another entity or individual.

   Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

D. **Covered Person:** A Key Employee, Affiliate Director, or volunteer with decision-making authority on behalf of UW Health.

E. **Employee:** All employees of UWHCA, UWMF, or an Adopting Affiliate.

F. **Endorsement:** A public declaration of support for a person, product, or service.

G. **Excess Benefit Transaction:** Any transaction in which an economic benefit is provided by a UW Health entity, directly or indirectly, to or for the use of a disqualified person and the value of the economic benefit provided by the applicable UW Health entity exceeds the value of the consideration (including the performance of services) received by the applicable UW Health entity. A “disqualified person” is any person who was in a position to exercise substantial influence over the affairs of the non-profit at any time during a five-year lookback period, ending on the date of the transaction, and includes but is not limited to the UW Health entity’s directors, officers, and Related Parties, as defined herein.

H. **Health Care Related Activities:** The provision of health services and related services (e.g., massage therapy, rehab coaching, nutrition advice, etc.), and any activity related to supplying goods or services to health care facilities.

I. **Industry:** Manufacturers, service providers, and other vendors of pharmaceutical, medical device, medical supply, and medical testing companies, construction companies, professional services vendors, and their employees, representatives, agents and vendors.

J. **Key Employees:** An Employee of UWHCA, UWMF, or any Adopting Affiliate who has the title Vice President or above; any Employee in the procurement services (or similar) department with the responsibility, power, influence, or authority over the purchase of goods, services, equipment, and/or the approval of invoices; any Employee participating on institutional committees selecting pharmaceuticals, medical devices, and other goods and services for UW Health; and, any Employee identified by the UW Health Chief Executive Officer, Chief Operating Officer, or Vice President – Business Integrity and notified by the UW Health Vice President - Business Integrity that he/she is a “Key Employee” for purposes of this administrative policy by virtue of the Employee’s job responsibilities. The Office of Business Integrity will maintain a list of such positions designated in this manner as “Key Employees.”

K. **Outside Activities:** Activities that are not health care services related (e.g. teaching a class during free time/after hours, working a second job in a different industry during free time/after hours, volunteering during free time/after hours).

L. **Related Party:** means any one of the following persons or entities:

   1. Any Employee or Affiliate Director.
   2. Any Relative of any individual described in subsection (1) above.
   3. Any entity or trust of which any individual described in subsection (1) or (2) above serves as a director, trustee, officer, employee, or volunteer.
   4. Any entity or trust in which any individual described in subsection (1) or (2) above has a thirty-five percent (35%) or greater ownership or beneficial interest.
5. Any partnership or professional corporation in which any individual described in subsection (1) or (2) above has a direct or indirect ownership interest in excess of five percent (5%).

6. Any other entity or trust in which any individual described in subsection (1) or (2) above has a material financial interest.

M. Relative: Any one of the following persons:
   1. The spouse or domestic partner of an Employee or Affiliate Director.
   2. The ancestors of an Employee or Affiliate Director.
   3. The siblings or half-siblings, children (whether natural or adopted), grandchildren, and great-grandchildren of an Employee or Affiliate Director.
   4. The spouse or domestic partner of any person described in subsection (C) above

III. POLICY ELEMENTS

UW Health is committed to ensuring that decisions made on behalf of the organization are free of any conflict between the best interests of the organization and the personal interests of Employees or Affiliate Directors. Every Affiliate Director and all Key Employees are required to (a) disclose any actual or potential conflicts of interest, and (b) refrain from participating in decision-making in any matter in which they have a conflict of interest. To ensure that potential conflicts of interest are reported; that persons with a conflict of interest recuse themselves from participating in any decision which poses a conflict of interest; and that UW Health and those tax-exempt Adopting Affiliates within UW Health are in compliance with all requirements of the Internal Revenue Service (IRS) regarding conflicts of interest within tax-exempt organizations, UW Health will follow the principles and procedures set forth below. In addition, this policy establishes the expectations for Key Employees or Employee acceptance of gifts from Industry.

These requirements are in addition to, and are intended to complement, the conflict of interest principles and requirements set forth in the UW Health Code of Conduct, Annual Employee Recognition and Other Gifts Policy, and UWMF Policy on Interactions with Industry. All Key Employees and Affiliate Directors that fail to comply with this policy will be referred to the appropriate Chairperson, CEO, Senior Vice President, or Vice President for appropriate action as specified by organizational policy, and state regulations.

IV. PROCEDURES

A. Annual Reporting
   1. All Key Employees and Affiliate Directors will annually report any compensable activities in which they are engaged outside of their UW Health roles. All Key Employees and Affiliate Directors will affirm annually their understanding of and compliance with the UW Health Code of Conduct and Conflicts of Interest for Employees Policy and will report annually the relevant financial information requested by the UW Health Office of Business Integrity on the then current Annual Conflict of Interest Questionnaire. For illustrative purposes, relevant financial information includes, at a minimum, but is not limited to, ownership or compensation arrangements with suppliers of goods or services to UW Health, or with any competitor of UW Health, on the part of the Key Employee or Affiliate Director and/or his or her Related Party, as defined above. The annual reporting period shall be from July 1 through June 30 and the report shall cover the immediate past fiscal year.
2. All submitted information will be reviewed by the Office of Business Integrity and, as appropriate, the Office of Corporate Counsel. If necessary, this information may be presented to leadership for further review and determination if a conflict exists.

3. The Office of Business Integrity will generate a list of organizations and share it with Procurement and Finance for use in avoiding any contracting or financing conflicts.

B. Disclosure of Conflict in Decision-Making

1. A Covered Person must disclose the existence of any actual, potential, or perceived Conflict of Interest as soon as the Covered Person identifies that there may be a Conflict of Interest and before UW Health enters into the proposed transaction or arrangement that gives rise to the Conflict of Interest.

2. Disclosure shall be made to the Chairperson of the body tasked with making the decision in question, or to the responsible Vice President if the matter is not before a decision-making body. Disclosures should be made in writing by the Covered Person. If the disclosure is not written by the Covered Person themselves, then the nature of the conflict should be confirmed by them in a writing. In instances where an individual is not aware of a possible conflict until discussion of the matter giving rise to the actual, potential, or perceived Conflict of Interest begins, the individual shall verbally disclose the existence of the actual, potential, or perceived Conflict of Interest immediately to the Chairperson of the decision-making body or the responsible Vice President, as applicable, and recuse himself or herself from further discussion of the matter, and the disclosure should be documented in a manner described above as soon as possible following the identification of the conflict. A Covered Person disclosing an actual, potential, or perceived Conflict of Interest shall be given the opportunity to disclose all material facts relating to the matter, including the circumstances giving rise to the Conflict of Interest.

3. After disclosure of the actual, potential, or perceived Conflict of Interest, the decision-making body, or the responsible Vice President if the matter is not before a decision-making body shall determine whether a Conflict of Interest exists in accordance with the following procedures:

   The Covered Person shall disclose all material facts relating to the potential Conflict of Interest to the decision-making body or responsible Vice President, as applicable.

   a. If the matter giving rise to the potential Conflict of Interest is before a decision-making body, then after any discussion between the decision-making body and the Covered Person, the Covered Person shall leave the meeting, while determination of a Conflict of Interest is discussed and voted upon.

   b. If the matter giving rise to the potential Conflict of Interest is not before a decision-making body, the responsible Vice President shall make the determination of the existence of a Conflict of Interest.

4. If a Conflict of Interest is determined to exist:

   a. If applicable, the Covered Person may make a presentation at the meeting of the decision-making body, if appropriate, but after the presentation, the Covered Person shall leave the meeting during the discussion of and if applicable, the vote on, the matter involving the Conflict of Interest.

   b. The Covered Person shall not request or accept any confidential information regarding the matter that is the subject of the Conflict of Interest.

   c. The Covered Person shall not attempt to intervene with or improperly influence the deliberations or voting on the matter giving rise to the Conflict of Interest.
d. If applicable, the Chairperson of the decision-making body or Vice President shall, if appropriate, appoint a disinterested person or committee to investigate market information and alternatives to the proposed transaction or arrangement, including obtaining comparability data when determining pricing and/or compensation.
e. After exercising due diligence, including, if appropriate, investigating whether UW Health can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest, the decision-making body, or responsible Vice President, as applicable, shall determine whether the transaction or arrangement is: (1) in the UW Health’s best interests; (2) for its own benefit; and (3) fair and reasonable.

5. In conformity with the above determinations, the decision-making body or Vice President, as applicable, shall make its decision on the matter that is the subject of the Conflict of Interest and shall, if applicable, prescribe appropriate remediation.

C. Disclosure of Outside Activities

1. Affiliate Directors. In the event that an Affiliate Director who is not a UW Health Employee plans to engage in a compensable outside activity that could create a Conflict of Interest not already reported through the annual disclosure, the individual shall submit information on the proposed activity to the Chairperson of the governing body for a determination of whether the activity conflicts with the Affiliate Director’s obligations to the governing body. The Affiliate Director should gain the approval of the Chairperson or recuse themselves from the governing body before engaging in such activity should there be a potential Conflict of Interest. If the Chairperson is unsure as to whether the activity is a Conflict of Interest or should be approved, or be approved subject to conditions, the Chairperson shall refer the request with all relevant information, to the Office of Business Integrity for review. The Business Integrity Office will work with the Chairperson to determine appropriate next steps. The Chairperson shall forward any approval, together with all relevant information, to the Office of Business Integrity within five business days of approval.

2. Key Employees. In the event that a Key Employee wishes to engage in a compensable outside activity not already reported, either through the annual disclosure or pursuant to UWMF Policy on Interactions with Industry, the individual shall submit information on the proposed activity to his or her appropriate Vice President and obtain approval before engaging in such activity. No activity that would conflict with the individual’s duties to UW Health may be approved, nor may an activity be approved if it involves any use of UW Health resources. Supervisors may approve an outside activity subject to specific conditions defined by the supervisor. The supervisor shall forward any approval, together with all relevant information, to the Office of Business Integrity within five business days of approval.

3. Employees: Employees wishing to engage in any Health Care Related Activity and Employees wishing to engage in any activity related to supplying goods or services to health care facilities, should submit a request for approval of the activity to their supervisor, who will work with their Vice President to determine if the activity is permissible. If the supervisor and Vice President are unsure as to whether the activity should be approved, or be approved subject to conditions, the request shall be forwarded with all relevant information, to the Office of Business Integrity for review. The Business Integrity Office will work with the Vice President to determine appropriate next steps. All approved activities with all relevant information should be forwarded to the Business Integrity Office within five business days of approval. Outside Activities do not need to be reported for approval. All Employees who wish to engage in a Health Care Related Activity outside of their UW Health position...
description must comply with all applicable policies, rules, and requirements, including but not limited to the UWMF Policy on Interactions with Industry; the UWMF Bylaws requirement related to the commitment of Professional Income to UWMF; and any limits on concurrent employment (“moonlighting”) established by UW Health for APPs and other clinical providers.

D. Endorsement or Testimonial of Industry, Products or Services.
   1. **Endorsements and Testimonials Prohibited:** As a nonprofit organization UW Health does not provide Endorsements or testimonials for or about any of the following:
      a. Specific products or services by brand name or trademarked drugs, medicinal foods, vitamins, supplements, or botanical medicines.
      b. Specific providers of products or services by name (e.g. laboratories or producers or distribution of pharmaceuticals, medical products, therapeutics, healthcare equipment, software systems).
      c. Participation in activities or events if the purpose is to publicize, endorse, provide testimony, act as a reference or market a company’s products or services. This includes being listed on the reference list.
   2. **Permissible Activities:** As a nonprofit organization UW Health may participate in the following:
      a. Statements of support for activities on which it has agreed to collaborate, such as sponsoring or co-sponsoring educational activities or projects, healthcare planning activities, research activities, publications, and other such activities that come within the scope of its nonprofit mission and goals.
      b. May be listed as a client or customer without endorsement or testimonial. As noted above this does not include reference list.
      c. Statements of support may also be provided for non-collaborative projects that are of significant public benefit. Such statements of support will be supplied only where UW Health has both adequately researched the collaborative activity and retains the right to withdraw support in the case that the activity violates agreed-upon boundaries or fails to reach acceptable standards of effectiveness and/or integrity.
      d. Verbal conversation regarding UW Health experiences with products or services. These conversations will be one on one with the other organization and will only relay the experiences of UW Health and would not be considered recommendations, testimonial or endorsements.

E. Gifts from Industry to Employees.
   1. Gifts and business courtesies cannot be offered or accepted to improperly influence decision-making regarding UW Health. UW Health Code of Conduct requires that decisions made by Providers, Employees, and agents are to be objective, unbiased decisions that are in the best interests of UW Health and that the person making the decision be free of inappropriate conflicts of interest.
   2. No gifts are allowed from Industry. This includes tangible property such as pens, sticky notes, squishy balls, etc. as well as intangible experiences such as travel, tickets to entertainment, golf outings, etc.
   3. In general, when offered gifts from Industry, Employees, should decline the gift and explain our gift policy.
   4. When gifts are received without the opportunity to decline (e.g. a fruit basket is delivered to an office or department), if the gift is of de minimis value, it should be donated to a charity or, in the case of perishable goods, shared with all Employees in the department/ area. In addition, the Industry vendor should be contacted and told not to send future gifts.
5. When gifts are received without immediate opportunity to decline that do not fall under de minimis value, the gift should be returned with an explanation of our policy, or reimbursement should be sent to the Industry vendor for the value of the gift.

6. If accepting an invitation to an event/meeting from Industry that has business value to the organization, the invitation can be accepted if the Employee pays for the cost of the event. The cost may be an allowable business expense; however, approval from the Employee’s supervisor is required for reimbursement. NOTE: An exception is invitations to charity events for UW Health. Employees are allowed to accept such invitations and do not need to reimburse the vendor for the cost of the ticket.

7. Employees may accept food and beverage while involved in business-related activities with Industry if the food and beverage is not of substantial value (moderately priced for the location and in no event more than One Hundred Dollars ($100)) and the Employee receives their supervisor’s approval to accept the gift. Food and beverage should not be accepted from any one Industry entity more than three times in a calendar year and are prohibited from being received from any Industry entity during a contract year or bid process. During the times that an Employee cannot accept the lunch/dinner, they may pay for their own food/beverage and submit for reimbursement. The cost may be an allowable business expense; however, approval from the Employee’s supervisor is required for reimbursement. These permissible lunches and dinners do not include pharmaceutical or device representative meals, which are prohibited and could be perceived as potentially influencing clinical decisions.

8. Employees are allowed to attend conferences/meetings that are free of charge to the general public. They can also accept food and beverages during the event.

9. Employees are allowed to accept reduced fees or expenses for conference/meeting attendance when it is a result of providing services to the conference/meeting e.g. planning committee participation, advisory board participation, presenting at sessions, or other activities that are of service to the conference/meeting. If an honorarium is paid to the Employee, it should be donated to UW Health.

10. Employees are allowed to accept reduced fees or expenses for conference/meeting attendance at Alliance or other association events where UW Health is a shareholder of the association.

11. For good cause shown, exceptions to this policy may be granted on a limited basis by the UW Health VP of Business Integrity and applicable UW Health Senior Vice President. Documentation shall be kept for all exceptions granted for a minimum of three (3) years.

V. FORMS

Annual Conflict of Interest Questionnaire and Statement of Understanding and Agreement Regarding Conflict of Interest Standards and Requirements for Affiliate Board of Directors and Key Employees

VI. REFERENCES

UW Health Administrative Policy 1.64 - Annual Employee Appreciation and Other Gifts
UW Health Code of Conduct
UWMF Policy on Interactions with Industry
VII. COORDINATION

Sr. Management Sponsor: VP, Business Integrity
Author: VP, Business Integrity
Reviewer: Office of Corporate Counsel

Approval Committee: UW Health Administrative Policy and Procedure Committee

SIGNED BY

Elizabeth Bolt
UW Health Chief Operating Officer
|                         | UWH-Madison/ACO/Isthmus | UWHNI /RDI | Total *  
|-------------------------|--------------------------|------------|----------
| Actual                  | 1.9%                     | 0.4%       | 1.4%     
| Budget                  | 0.7%                     | 0.2%       | 0.6%     
| Prior Year              | -13.7%                   | -0.6%      | -11.3%   

*Note: Data represents operating margin percentages for the specified months.
### Summary of Enterprise-wide Month of January 31, 2023 Operating Results

#### Operating Revenues and Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual Jan- FY23</th>
<th>Plan Jan- FY23</th>
<th>Variance vs. Plan</th>
<th>Var. %</th>
<th>Actual Jan- FY22 vs. PY</th>
<th>Variance vs. PY</th>
<th>Var. %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL OPERATING REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES, NET</strong></td>
<td>376,475,394</td>
<td>355,136,885</td>
<td>21,338,509</td>
<td>6%</td>
<td>308,824,418</td>
<td>67,650,976</td>
<td>22%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SALARIES AND BENEFITS</strong></td>
<td>211,082,644</td>
<td>199,236,890</td>
<td>11,845,754</td>
<td>6%</td>
<td>198,323,987</td>
<td>12,758,657</td>
<td>6%</td>
</tr>
<tr>
<td>PURCHASED SERVICES AND AGENCY COSTS</td>
<td>30,003,843</td>
<td>27,406,649</td>
<td>2,597,194</td>
<td>9%</td>
<td>26,169,144</td>
<td>3,834,699</td>
<td>15%</td>
</tr>
<tr>
<td>MEDICAL MATERIALS AND SUPPLIES</td>
<td>26,249,164</td>
<td>25,687,485</td>
<td>561,679</td>
<td>2%</td>
<td>21,936,651</td>
<td>4,314,513</td>
<td>20%</td>
</tr>
<tr>
<td>PHARMACEUTICALS</td>
<td>60,340,557</td>
<td>53,286,096</td>
<td>7,054,461</td>
<td>13%</td>
<td>52,475,903</td>
<td>7,864,654</td>
<td>15%</td>
</tr>
<tr>
<td>FACILITIES AND EQUIPMENT</td>
<td>13,958,251</td>
<td>14,961,081</td>
<td>(1,002,830)</td>
<td>-7%</td>
<td>15,093,530</td>
<td>(1,135,279)</td>
<td>-8%</td>
</tr>
<tr>
<td>DEPRECIATION AND AMORTIZATION</td>
<td>13,414,348</td>
<td>14,058,693</td>
<td>(644,345)</td>
<td>-5%</td>
<td>10,983,317</td>
<td>2,431,032</td>
<td>22%</td>
</tr>
<tr>
<td>INTEREST EXPENSE</td>
<td>3,890,152</td>
<td>3,747,251</td>
<td>142,901</td>
<td>4%</td>
<td>3,387,459</td>
<td>502,693</td>
<td>15%</td>
</tr>
<tr>
<td>PUBLIC AID ASSESSMENT</td>
<td>5,544,037</td>
<td>5,542,700</td>
<td>1,337</td>
<td>0%</td>
<td>5,362,799</td>
<td>181,238</td>
<td>3%</td>
</tr>
<tr>
<td>OTHER EXPENSES</td>
<td>542,613</td>
<td>2,892,771</td>
<td>(2,350,158)</td>
<td>-81%</td>
<td>3,873,661</td>
<td>(3,331,048)</td>
<td>-86%</td>
</tr>
<tr>
<td>NONOPERATING EXPENSES - ACADEMIC SUPPORT</td>
<td>6,045,303</td>
<td>6,088,397</td>
<td>(43,094)</td>
<td>-1%</td>
<td>5,978,751</td>
<td>66,552</td>
<td>1%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>371,070,912</td>
<td>352,908,013</td>
<td>18,162,899</td>
<td>5%</td>
<td>343,583,202</td>
<td>27,487,710</td>
<td>8%</td>
</tr>
<tr>
<td><strong>INCOME FROM OPERATIONS</strong></td>
<td>5,404,482</td>
<td>2,228,872</td>
<td>3,175,610</td>
<td>142%</td>
<td>(34,758,784)</td>
<td>40,163,266</td>
<td>-116%</td>
</tr>
<tr>
<td><strong>NON-OPERATING REVENUE/EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET INCREASE/DECREASE IN FAIR VALUE OF INVESTMENTS</td>
<td>74,674,841</td>
<td>175</td>
<td>74,674,666</td>
<td>42671238%</td>
<td>(64,716,566)</td>
<td>139,391,407</td>
<td>-215%</td>
</tr>
<tr>
<td>INVESTMENT INCOME</td>
<td>4,429,615</td>
<td>4,168,540</td>
<td>261,075</td>
<td>6%</td>
<td>5,978,402</td>
<td>(1,548,787)</td>
<td>-26%</td>
</tr>
<tr>
<td>EQUITY INTEREST IN INCOME/LOSS OF JOINT VENTURES</td>
<td>560,346</td>
<td>1,708,267</td>
<td>(1,147,921)</td>
<td>-67%</td>
<td>3,083,881</td>
<td>(2,523,535)</td>
<td>-82%</td>
</tr>
<tr>
<td>NET INC/DEC IN FAIR VALUE OF DERIVATIVE INSTRUMENT</td>
<td>(186,768)</td>
<td>0</td>
<td>(186,768)</td>
<td>0%</td>
<td>391,883</td>
<td>(578,651)</td>
<td>-148%</td>
</tr>
<tr>
<td>OTHER, NET</td>
<td>891,317</td>
<td>872,050</td>
<td>19,267</td>
<td>2%</td>
<td>(744,133)</td>
<td>1,635,450</td>
<td>-220%</td>
</tr>
<tr>
<td><strong>TOTAL OTHER NON-OPERATING REVENUES (EXPENSES), NET</strong></td>
<td>80,369,351</td>
<td>6,749,032</td>
<td>73,620,319</td>
<td>1091%</td>
<td>(56,006,533)</td>
<td>136,375,884</td>
<td>-243%</td>
</tr>
<tr>
<td><strong>REVENUES OVER EXPENSES BEFORE CAPITAL GRANTS, GIFTS &amp; DONATIONS</strong></td>
<td>85,773,833</td>
<td>8,977,904</td>
<td>76,795,929</td>
<td>855%</td>
<td>(90,765,317)</td>
<td>176,539,150</td>
<td>-195%</td>
</tr>
</tbody>
</table>

**Notes:**
- Favorable Variance
- Unfavorable Variance
<table>
<thead>
<tr>
<th></th>
<th>Actual Jan- FY23</th>
<th>Plan Jan- FY23</th>
<th>Variance vs. Plan</th>
<th>Var. %</th>
<th>Actual Jan- FY22</th>
<th>Variance vs. PY</th>
<th>Var. %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL OPERATING REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES, NET</strong></td>
<td>2,518,916,360</td>
<td>2,470,832,699</td>
<td>48,083,661</td>
<td>2%</td>
<td>2,289,336,680</td>
<td>229,579,680</td>
<td>10%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SALARIES AND BENEFITS</strong></td>
<td>1,396,086,414</td>
<td>1,383,836,673</td>
<td>12,249,741</td>
<td>1%</td>
<td>1,276,633,138</td>
<td>119,453,276</td>
<td>9%</td>
</tr>
<tr>
<td><strong>PURCHASED SERVICES AND AGENCY COSTS</strong></td>
<td>199,401,168</td>
<td>194,264,108</td>
<td>5,137,060</td>
<td>3%</td>
<td>167,135,183</td>
<td>31,882,985</td>
<td>19%</td>
</tr>
<tr>
<td><strong>MEDICAL MATERIALS AND SUPPLIES</strong></td>
<td>181,693,367</td>
<td>179,686,293</td>
<td>2,007,074</td>
<td>1%</td>
<td>171,892,471</td>
<td>9,800,896</td>
<td>6%</td>
</tr>
<tr>
<td><strong>PHARMACEUTICALS</strong></td>
<td>410,828,567</td>
<td>374,257,418</td>
<td>36,571,149</td>
<td>10%</td>
<td>372,489,480</td>
<td>38,339,087</td>
<td>10%</td>
</tr>
<tr>
<td><strong>FACILITIES AND EQUIPMENT</strong></td>
<td>91,427,537</td>
<td>107,232,837</td>
<td>(15,805,300)</td>
<td>-15%</td>
<td>99,860,355</td>
<td>(8,432,818)</td>
<td>-8%</td>
</tr>
<tr>
<td><strong>DEPRECIATION AND AMORTIZATION</strong></td>
<td>93,659,347</td>
<td>96,515,283</td>
<td>(2,855,936)</td>
<td>-3%</td>
<td>77,715,571</td>
<td>15,943,777</td>
<td>21%</td>
</tr>
<tr>
<td><strong>INTEREST EXPENSE</strong></td>
<td>27,507,727</td>
<td>26,276,484</td>
<td>1,231,243</td>
<td>5%</td>
<td>21,782,363</td>
<td>5,725,364</td>
<td>26%</td>
</tr>
<tr>
<td><strong>PUBLIC AID ASSESSMENT</strong></td>
<td>37,978,106</td>
<td>38,198,900</td>
<td>(220,794)</td>
<td>-1%</td>
<td>36,438,959</td>
<td>1,539,147</td>
<td>4%</td>
</tr>
<tr>
<td><strong>OTHER EXPENSES</strong></td>
<td>11,295,304</td>
<td>12,326,519</td>
<td>(1,031,215)</td>
<td>-8%</td>
<td>18,089,371</td>
<td>(6,794,067)</td>
<td>-38%</td>
</tr>
<tr>
<td><strong>NONOPERATING EXPENSES - ACADEMIC SUPPORT</strong></td>
<td>42,120,197</td>
<td>42,618,782</td>
<td>(498,585)</td>
<td>-1%</td>
<td>41,876,940</td>
<td>243,257</td>
<td>1%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>2,491,997,734</td>
<td>2,455,213,297</td>
<td>36,784,437</td>
<td>1%</td>
<td>2,284,491,831</td>
<td>207,505,903</td>
<td>9%</td>
</tr>
<tr>
<td><strong>INCOME FROM OPERATIONS</strong></td>
<td>26,918,626</td>
<td>15,619,402</td>
<td>11,299,224</td>
<td>72%</td>
<td>4,844,849</td>
<td>22,073,777</td>
<td>456%</td>
</tr>
<tr>
<td><strong>NON-OPERATING REVENUE/EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET INCREASE/DECREASE IN FAIR VALUE OF INVESTMENTS</strong></td>
<td>85,487,336</td>
<td>1,225</td>
<td>85,486,111</td>
<td>6978458%</td>
<td>(54,697,772)</td>
<td>140,185,108</td>
<td>-256%</td>
</tr>
<tr>
<td><strong>INVESTMENT INCOME</strong></td>
<td>19,563,242</td>
<td>28,604,780</td>
<td>(9,041,538)</td>
<td>-32%</td>
<td>53,040,469</td>
<td>(33,477,227)</td>
<td>-63%</td>
</tr>
<tr>
<td><strong>EQUITY INTEREST IN INCOME/LOSS OF JOINT VENTURES</strong></td>
<td>(4,944,250)</td>
<td>11,957,869</td>
<td>(16,902,119)</td>
<td>-141%</td>
<td>17,698,689</td>
<td>(22,642,939)</td>
<td>-128%</td>
</tr>
<tr>
<td><strong>NET INC/DEC IN FAIR VALUE OF DERIVATIVE INSTRUMENT</strong></td>
<td>758,482</td>
<td>0</td>
<td>758,482</td>
<td>0%</td>
<td>1,019,406</td>
<td>(260,924)</td>
<td>-26%</td>
</tr>
<tr>
<td><strong>OTHER, NET</strong></td>
<td>7,760,563</td>
<td>7,353,251</td>
<td>407,312</td>
<td>6%</td>
<td>18,664,598</td>
<td>(10,904,035)</td>
<td>-58%</td>
</tr>
<tr>
<td><strong>TOTAL OTHER NON-OPERATING REVENUES (EXPENSES), NET</strong></td>
<td>106,625,373</td>
<td>47,917,215</td>
<td>58,708,248</td>
<td>127%</td>
<td>35,725,390</td>
<td>72,899,983</td>
<td>204%</td>
</tr>
<tr>
<td><strong>REVENUES OVER EXPENSES BEFORE CAPITAL GRANTS, GIFTS &amp; DONATIONS</strong></td>
<td>135,543,999</td>
<td>63,536,527</td>
<td>72,007,472</td>
<td>113%</td>
<td>40,570,239</td>
<td>94,973,760</td>
<td>234%</td>
</tr>
</tbody>
</table>
### Enterprise-wide January 31, 2023 Performance Ratios

**Healthcare System Industry Comparisons**

<table>
<thead>
<tr>
<th></th>
<th>Favorable Direction</th>
<th>FY 23</th>
<th>S&amp;P &quot;AA-&quot; Rated (1)</th>
<th>Moodys &quot;Aa3&quot; Rated (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Margin*</td>
<td>↑</td>
<td>1.1%</td>
<td>2.8%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total Margin</td>
<td>↑</td>
<td>5.2%</td>
<td>6.8%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Days Cash on Hand*</td>
<td>↑</td>
<td>235</td>
<td>292</td>
<td>323</td>
</tr>
<tr>
<td>Days in Accounts Receivable **</td>
<td>↓</td>
<td>46</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Long Term Debt to Capitalization</td>
<td>↓</td>
<td>26.5%</td>
<td>25.0%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>↑</td>
<td>5.9%</td>
<td>8.2%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Cash-to-Debt</td>
<td>↑</td>
<td>221.4%</td>
<td>263.6%</td>
<td>281.4%</td>
</tr>
</tbody>
</table>

* excludes provision for bad debt and retiree health insurance, includes academic support
** average for 12 months

(1) S&P's 2021 financial ratios based on 36 obligators rated "AA-" by S&P. Based on 2021 audited financials.
(2) Moody's 2021 financial ratios based on 29 "Aa3" rated hospitals. Based on 2021 audited financials.
Key Takeaways for January 2023

-Volumes across the JOA are strong compared to prior months. Surgeries for the month were .9% favorable to budget. ED visits across the system remain extremely high to budget YTD, but were unfavorable by 4.2% in January.

-Net revenues came in $21.3M favorable to budget. This is consistent with strong volumes we saw for the month, Quartz risk coming in favorable to budget, we re-evaluated some contractual allowance reserves, we saw strong retail pharmacy revenues and we had a more favorable payor mix for the month.

-Expense were unfavorable to budget by $18.1M. There were several factors contributing to this for January. The main contributing factors were:
  Salaries & Fringe were $11.8M unfavorable. Some of this relates to additional true-ups of leave and holiday balances.
  Pharmaceuticals were $7.1M unfavorable to budget

-On the non-operating side, we saw favorable results compared to budget, with an unrealized gain on investments of $74.7M.