



4500 San Pablo Road
Jacksonville, Florida 32224
904-953-2000
mayoclinic.org

May 18, 2015

Honorable Rick Scott
Governor of Florida
The Capitol
Tallahassee, Florida 32399

Re: Request for information

Dear Governor Scott,

This is Mayo Clinic in Florida's response to your request for information about Mayo Clinic's performance. I hope the information in this letter is useful to the work of your Hospital and Health Care Financing Commission as you explore ways to improve the value of the health care spending in Florida.

While we respect the need for the Commission to have a broad view of the financial data in the hospital, in the interest of time, we must defer to the Agency for Health Care Administration data that has already been submitted and is publically available under the Florida Uniform Hospital Reporting System. This will ensure easy access, consistency and accuracy. We are including additional information not reflected in the data request to increase the Commission's understanding of Mayo Clinic as an integrated academic medical center with significant outpatient and inpatient practices focused on complex care, as well as our role in medical education and research.

Overview

Mayo Clinic is a not-for-profit academic medical center, incorporated in three states including Florida, Arizona and Minnesota, and an extended network of community hospitals in Minnesota, Wisconsin and Georgia (Mayo Clinic Health System). Our mission is to contribute to health and well-being by providing the best care to every patient through our unique integrated clinical practice, education, and research capabilities.

In Florida our clinical focus is on adult specialty and tertiary care. Our 304 bed hospital has the highest case mix of any adult multi-specialty acute care hospital in the state at 2.2325. We are a leading organ transplant center, with some of the lowest wait times and best outcomes in the nation.



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Mayo is a destination medical center for patients from around the world. Each year we care for approximately 100,000 individual patients. Approximately 50% are from Northeast Florida, with the remainder coming from every county in Florida, every state in the nation and more than 140 countries.

Education

We are an accredited, degree-granting campus of the Mayo Clinic College of Medicine, with five separate schools; the School of Medicine, School of Health Sciences, School of Graduate Medical Education, School of Graduate Education and School of Continuous Professional Development. Our hospital is a statutory teaching hospital, with 322 resident physicians and fellows, and we maintain academic affiliations with more than 20 Florida institutions. Our Florida education budget is approximately \$27 million annually. Mayo received \$1.7 million from the state in 2014 to support Graduate Medical Education.

Research

Mayo's basic science research programs in Florida are focused primarily on cancer biology and neurodegenerative diseases. Mayo is one of only two NCI – designated comprehensive cancer centers to be based in Florida, and is the only one based in multiple states. Mayo is also Florida's only NIH-designated Alzheimer's Disease Research Center and one of two NIH-designated Mo Udall Parkinson's Centers. Mayo also has cross-discipline centers researching Individualized Medicine, Regenerative Medicine and the Science of Healthcare Delivery. In all of our research the focus is on translating discoveries in the lab to quickly make them available to improve patient care. More than half our \$56 million annual Florida research budget is funded by proceeds from the practice; support from the State of Florida is less than \$2.5 million annually.

Finances

All of Mayo Clinic's net operating revenue is reinvested in the practice to support our research and education activities, grow patient care programs and invest in new technology, facilities and equipment. The following table reflects Mayo's margin for the combined Florida practice, both Clinic and hospital:

	2012	2013	2014
Total Margin	\$36,592,767.21	\$53,051,146.26	\$55,384,239.48
Margin %	2.1%	2.8%	2.9%

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Request for clarification

There are several areas where we are unclear as to how best to respond and would appreciate clarification:

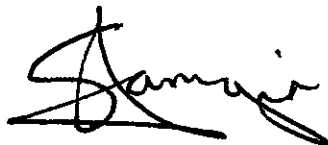
Line 36: "Foundation Contributions." We are unclear what information is being requested.

Line 40: "Operating margin for next patient served." We are unclear what information is being requested.

Line 64: "Volunteer hours." We are unclear what information is being requested. Is this the number of hours our employees volunteer in the community, or the number of hours donated by volunteers to support Mayo Clinic?

We look forward to working with the Commissioners to provide any additional information that will help them better understand both Mayo Clinic's mission and performance. We hope that their deliberations will produce recommendations on how to best achieve value for Floridian taxpayers and higher quality care for all of its citizens.

Sincerely,

A handwritten signature in black ink, appearing to read "Gianrico". The signature is stylized with a large initial 'G' and a long horizontal stroke at the end.

Gianrico Farrugia, M.D.
CEO, Mayo Clinic in Florida
Vice President, Mayo Clinic

Attachments: Hospital Data Request spreadsheet



Hospital Review



Hospital Profile

Hospital Name: Mayo Clinic Florida **License Number:** 4493
Address: 4500 San Pablo Road, Jacksonville, Florida 32224
Ownership Type: Proprietary Not-for-Profit Local Government Owned
Prepared by: Layne Smith, pursuant to Executive Order 15-99

Hospital Website: mayoclinic.org
Charge Master Website: N/A
Initial Licensure Date: AHCA
Number of Hospital Facilities: 1
Total Licensed Beds:

<i>Acute Care</i>	304	<i>Child Substance Abuse</i>	0
<i>Adult Psychiatric</i>	0	<i>Comprehensive Medical Rehabilitation</i>	0
<i>Adult Substance Abuse</i>	0	<i>Neonatal Intensive Care - Level II</i>	0
<i>Child Psychiatric</i>	0	<i>Neonatal Intensive Care - Level III</i>	0

	2006	2007	2008	2009	2010	2011	2012	2013
Financial Data:								
Total Margin	AHCA FHURS C-2 line 25							
Total Margin Percent	AHCA FHURS C-2 line 25, line 3 and line 14							
Total Deductions from Gross Revenue								
<i>Total Deductions for Bad Debt</i>	AHCA FHURS C-3a line 1 column 6							
<i>Total Deductions for Charity Care</i>	AHCA FHURS C-3a line 3 and 4 column 6							
<i>Total Deductions for Medicare</i>	AHCA FHURS C-3a line 5 column 6 and line 10, column 6 (Medicare Advantage)							
<i>Total Deductions for Medicaid</i>	AHCA FHURS C-3a line 6 column 6 and line 11, column 6 (Medicaid HMO)							
<i>Total Deductions for Commercial Insurance</i>	AHCA FHURS C-3a line 12, 13 & 14 column 6							
Local Tax Revenue	AHCA FHURS C-4 line 32							
Taxes	AHCA FHURS C-6 line 34, line 34a, C-2 line 18, X-1 line 2							
Licensing Fees	AHCA FHURS C-6 line 34							
Intergovernmental Transfers	AHCA Intergovernmental Transfers Letters of Agreement							
Total Low Income Pool (LIP) Funding Received	AHCA FMMIS data							
Foundation Contributions	Need clarification							

Marketing/Advertising Expenses	AHCA FHURS C-6 line 21, "hospital administration" or IRS 990, Part IX line 12 (NFPs)							
Average cost per patient per day	AHCA FHURS report (Note: AHCA uses "per adjusted patient day")							
Average cost per patient per admission	AHCA FHURS report (Note: AHCA uses "per adjusted admission")							
Operating margin for next patient served	Need clarification							
Number of patients referred to collections	Researching additional years						31,650	21,342
Number of lawsuits from patients referred to collections	Researching additional years						20	26
Medicaid Managed Care Contracts:								
Number of plans contracted with for inpatient and outpatient services	0	0	0	0	0	0	0	0
Number of enrollees in the plans	AHCA Florida Statewide Medicaid Enrollment Report							
Number of speciality plans	AHCA Florida Statewide Medicaid Enrollment Report							
Average volume-weighted inpatient rate for standard plans (as % of Medicaid fee)	N/A							
Average volume-weighted inpatient rate for speciality plans (as % of Medicaid fee)	N/A							
Average volume-weighted outpatient rate standard plans (as % of Medicaid fee)	N/A							
Average volume-weighted outpatient rate speciality plans (as % of Medicaid fee)	N/A							
Employees								
Number of Full Time Employees	AHCA FHURS C-6, line 41 column 4							
Total Personnel Expense	AHCA FHURS C-6, line 41 column 1 and X-1 line 12							
<i>Executive and Management Salaries</i>	AHCA FHURS C-6 line 21, column 1							
<i>Administrative Salaries/Expense</i>	AHCA FHURS C-6 line 21, column 1							
<i>Governmental Affairs/Lobbyist salaries (including legal counsel)</i>	AHCA FHURS C-6 line 21, column 1							
<i>Other salaries and benefits expense</i>	AHCA FHURS C-6 line 41 column 1 minus line 21 column 1							
Part Time/Seasonal Employees								
<i>Governmental Affairs/Lobbyist salaries (including legal counsel)</i>	AHCA FHURS C-6 line 21, column 1							
Highest salary	IRS 990 for NFP							
Executive Compensation Packages (total expense)	IRS 990 for NFP							
Number of Volunteer Hours	need clarification							
	2006	2007	2008	2009	2010	2011	2012	2013
Hospital Services								
Total Number of In-Patient Admissions	AHCA data as required by FAC 59E-7							
Ten Most Common In-Patient Conditions and Procedures								
<i>Ten Leading Discharge Diagnoses and Prices</i>								
	1	AHCA data as required by FAC 59E-7						
	2	AHCA data as required by FAC 59E-7						
	3	AHCA data as required by FAC 59E-7						
	4	AHCA data as required by FAC 59E-7						
	5	AHCA data as required by FAC 59E-7						
	6	AHCA data as required by FAC 59E-7						
	7	AHCA data as required by FAC 59E-7						

	8	AHCA data as required by FAC 59E-7										
	9	AHCA data as required by FAC 59E-7										
	10	AHCA data as required by FAC 59E-7										
<i>Ten Leading Primary Procedures and Prices</i>												
	1	AHCA data as required by FAC 59E-7										
	2	AHCA data as required by FAC 59E-7										
	3	AHCA data as required by FAC 59E-7										
	4	AHCA data as required by FAC 59E-7										
	5	AHCA data as required by FAC 59E-7										
	6	AHCA data as required by FAC 59E-7										
	7	AHCA data as required by FAC 59E-7										
	8	AHCA data as required by FAC 59E-7										
	9	AHCA data as required by FAC 59E-7										
	10	AHCA data as required by FAC 59E-7										
			2006	2007	2008	2009	2010	2011	2012	2013		
Total Number of Out-Patient Visits			AHCA data as required by FAC 59B-9									
<i>Ten Most Common Out-Patient Conditions and Procedures</i>												
<i>Ten Leading Discharge Diagnoses and Prices</i>												
	1	AHCA data as required by FAC 59B-9										
	2	AHCA data as required by FAC 59B-9										
	3	AHCA data as required by FAC 59B-9										
	4	AHCA data as required by FAC 59B-9										
	5	AHCA data as required by FAC 59B-9										
	6	AHCA data as required by FAC 59B-9										
	7	AHCA data as required by FAC 59B-9										
	8	AHCA data as required by FAC 59B-9										
	9	AHCA data as required by FAC 59B-9										
	10	AHCA data as required by FAC 59B-9										
<i>Ten Leading Primary (Out-Patient) Procedures and Prices</i>												
	1	AHCA data as required by FAC 59B-9										
	2	AHCA data as required by FAC 59B-9										
	3	AHCA data as required by FAC 59B-9										
	4	AHCA data as required by FAC 59B-9										
	5	AHCA data as required by FAC 59B-9										
	6	AHCA data as required by FAC 59B-9										
	7	AHCA data as required by FAC 59B-9										
	8	AHCA data as required by FAC 59B-9										
	9	AHCA data as required by FAC 59B-9										
	10	AHCA data as required by FAC 59B-9										
			2006	2007	2008	2009	2010	2011	2012	2013		
Total Number of Emergency Department Visits			AHCA data as required by FAC 59B-9									
<i>Ten Leading Diagnoses on Admission and Prices</i>												
	1	AHCA data as required by FAC 59B-9										
	2	AHCA data as required by FAC 59B-9										
	3	AHCA data as required by FAC 59B-9										

	4	AHCA data as required by FAC 59B-9								
	5	AHCA data as required by FAC 59B-9								
	6	AHCA data as required by FAC 59B-9								
	7	AHCA data as required by FAC 59B-9								
	8	AHCA data as required by FAC 59B-9								
	9	AHCA data as required by FAC 59B-9								
	10	AHCA data as required by FAC 59B-9								
<i>Ten Leading Primary Procedures and Prices</i>										
	1	AHCA data as required by FAC 59B-9								
	2	AHCA data as required by FAC 59B-9								
	3	AHCA data as required by FAC 59B-9								
	4	AHCA data as required by FAC 59B-9								
	5	AHCA data as required by FAC 59B-9								
	6	AHCA data as required by FAC 59B-9								
	7	AHCA data as required by FAC 59B-9								
	8	AHCA data as required by FAC 59B-9								
	9	AHCA data as required by FAC 59B-9								
	10	AHCA data as required by FAC 59B-9								
			2006	2007	2008	2009	2010	2011	2012	2013
Total Number of Observation Visits			1450	2523	2432	2347	2216	2456	2440	2391
Rate of In-Patient Readmissions		AHCA FloridaHealthFinder website								
Rate of In-Patient Complications		AHCA FloridaHealthFinder website								
Rate of Adverse Incidents (AHRQ Mortality Rating and Infection Reporting)		AHCA FloridaHealthFinder website								
Hospital Consumer Assessment of Healthcare Providers and Systems Survey (HCAHPS) Star Ratings										
<i>Communication with Nurses</i>			N/A HCAHPS Star Ratings only became available in April 2015							
<i>Communication with Doctors</i>										
<i>Responsiveness of Hospital Staff</i>										
<i>Pain Management</i>										
<i>Communication about Medicines</i>										
<i>Discharge Information</i>										
<i>Care Transition</i>										
<i>Cleanliness of Hospital Environment</i>										
<i>Quietness of Hospital Environment</i>										
<i>Overall Hospital Rating</i>										
<i>Recommend the Hospital</i>										
<i>Summary Star Rating</i>										
Casemix		AHCA Florida HealthFinder website								