

2023 Annual Report
Banner – University Medical Group Tucson

Dear Colleagues,

Over the last year, our collective efforts have yielded remarkable achievements, and we are excited to showcase some of the notable highlights with you. Despite the novel challenges presented in 2023, we demonstrated resilience, adaptability, efficiency, and unwavering focus, ensuring that both our patients and team members received and delivered top-tier care. Our expansion in reach, market presence, team size, and community influence reflect our commitment to growth and service. While we take pride in these accomplishments, our quest for new and convenient avenues persists, as we strive to enhance healthcare accessibility and affordability for the communities we proudly serve.

We've recently welcomed aboard 3 chairs and 141 faculty members, bolstering our team significantly. Since 2015, we've inaugurated 27 new care sites, spanning primary care, urgent care, physical therapy, and ambulatory surgery centers. These expansions aim to enhance accessibility for our patients, with plans underway to unveil four additional operating rooms later this year. Notably, our newborn deliveries have increased from 1,785 to 2,574, while admissions climbed from 30,162 to 33,000. Ambulatory visits similarly rose from 694,481 to 763,428.

We've continued to evolve and grow our ambulatory footprint in the community. We expanded our services at our Sierra Vista Cardiology Clinic, which helps us extend our reach and brand awareness for Banner – University Medicine in southern Arizona. Our new Cardiovascular Ambulatory Surgery Center in Tucson supports value-based care and enables B – UMG to perform surgical procedures in an outpatient setting for our cardiology and interventional radiology patients. Our new Sahuarita Primary Care Clinic supports our ambulatory services and helps to grow our primary care and specialty network in the emerging Southwest Tucson region, while supporting South Campus as well.

We've also helped to grow our internal strategic communications, by implementing a collaborative B – UMG Tucson communication plan that is reflective of our tripartite mission and aims to support our ~7,000 team members, 650+ doctors, 2 hospitals, our comprehensive cancer center, and 23 clinics spanning 3 counties. Additionally, we've created an external B – UMG Business Advisory Council which includes 13 prominent business/civic leaders, who serve as Banner – University Medicine advisors and goodwill ambassadors in our community. The purpose for this group is to gain insights about our market and discover new ways to collaborate with businesses in Southern Arizona.

Education is central to our mission, and through our partnership with the College of Medicine Tucson, we celebrated two years of "The Academy." This initiative was launched to provide valuable Continuing Medical Education (CME) opportunities for our physicians and community practitioners alike. So far, we've held five in-person CME events and virtual sessions, with plans to resume additional events this fall.

Although we have furthered our GME efforts and medical student training, in partnership with the College of Medicine Tucson, we know the need to increase the number of health care professionals within our state. To that end, we have maintained strong relationships with Pima JTED, Pima Community College and Kino College to provide opportunities for students to gain experience and apply their skills within our clinical settings as well as provide a pipeline for employment after graduation. With our support, JTED broke ground on an innovative healthcare training facility which will open in the fall of 2024, allowing students to be ready for a healthcare career directly upon graduating.

Last year, more than one hundred Banner – University Medicine/College of Medicine Tucson physicians were named Top Doctors (more than any other hospital combined) and were featured in Tucson Lifestyle Magazine. In addition, we fostered our Patient and Family Advisory Council (PFAC) involving their decision making and input on many hospital-related projects. The PFAC group is comprised of current and former patients and family members who collaborate with our health care teams to improve quality, safety, and care experiences. We also broke ground on the Diamond Children's Play Zone, a \$3M undertaking which was funded by our generous community and will officially open this fall. This space will allow patients to take time away from their rooms to socialize, heal and spend time doing activities they enjoy.

We're making significant strides in enhancing our financial standing across the market, and I want to express my deep appreciation for the tireless efforts of everyone involved. In the first quarter of Fiscal Year 2023, the Tucson Market recorded an operating income of \$499k, marking a milestone achievement after many years. While there's still work to be done to ensure a sustainable operating margin, this achievement is truly remarkable for all of us. It underscores the power of collaboration and focus in achieving our shared objectives. Attaining a sustainable operating margin will enable us to allocate funds towards growth and other priority initiatives, including investments in people and technology. These efforts will further solidify our position as a leading force in the Southwest Arizona market. All the while, we made a significant impact in our local community.



As we look back on our collective accomplishments of the past year, we know our community and team members were the driving force behind all we do. As we head into 2024 with new ideas, further advanced technology, and a laser sharp focus on outstanding care, we are excited to see what's in store for us.