

Corewell Health West

Annual Public Meeting



November 11, 2025

Agenda

Welcome

Dr. Joshua Kooistra

President, Corewell Health West

Report on Community
Commitments

Martin R. Jennings

Chair, Finance Advisory Committee

Review of Calendar Year 2026
Corewell Health West Budget

Celeste McIntyre

SVP, Corporate Controller

Question and Answer

All

Welcome



Dr. Joshua Kooistra, CHW President



Mission

Improve health, instill humanity and inspire hope.

Vision

A future where health is simple, affordable, equitable and exceptional.

Values

Compassion. Collaboration.
Clarity. Curiosity. Courage.



CORE4: Our vision



Simple

We remove the hassles from health care and coverage, with less bureaucracy. It is our responsibility to make health easy to access, easy to navigate and easy to understand.

Example: A person schedules an appointment quickly online; the care team is ready for them with information from their record and the billing process is easy to understand.



Affordable

We deliver the highest quality at a sensible cost. We are creating value that is meaningful to people through care management, standardization and personalization.

Example: Our standard work ensures that we can deliver exceptional care consistently. By lowering the cost of care, we can eventually pass that savings on to others.



Equitable

We are driven by a responsibility to ensure good health is within everyone's reach. We aspire to be a place where everyone can be their best selves.

Example: We respectfully review any language, religious and cultural preferences at the point of care. This information is stored in the person's medical record, so teams are aware and addressing these preferences in every interaction.



Exceptional

Everything we do reflects our best work. Be the best version of you to provide the best care to those we serve every day.

Example: A nurse spends extra time with a complex patient to address their concerns about an upcoming surgery and connect them to resources to help them understand their Priority Health coverage.

Report on Community Commitments



Martin R. Jennings
Chair, Finance Advisory Committee

Annual Budget Review for Corewell Health West



Celeste McIntyre, SVP, Corporate Controller

NOVEMBER 11, 2025



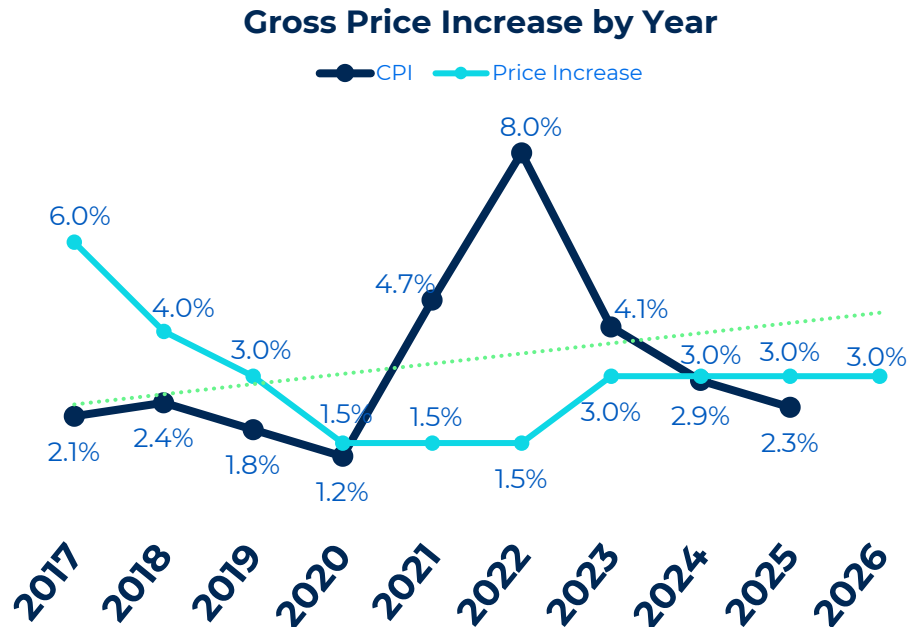
Corewell Health Grand Rapids and Medical Group 2026 Budget

	Projected 2025	Projected 2026
	(in millions)	
Operating revenue	\$ 4,005	\$ 4,197
Operating expenses	3,854	4,029
Operating margin	<u>\$ 151</u>	<u>\$ 168</u>
Operating margin (%)	3.8%	4.0%



Corewell Health Grand Rapids and Medical Group Gross Price Increase

- 3.0% price increase for facility charges and 1.5% for professional activity yields an approximate 0.9% rate realization
- In line with CPI trend
- Significant wage pressure particularly in nursing and other clinical spaces





2026 Budget Highlights – Corewell Health Grand Rapids

Revenue Highlights:

- Inpatient and outpatient volume increases of 0.6% and 2.2%, respectively
- Medical Group provider access initiatives – \$5.0M
- Medical Group wRVUs increase 5.5% due to new providers and enhanced access

Expense Highlights:

- Average length of stay improvement – \$3.0M (adult & pediatrics)
- Supply chain and clinical service line value analysis savings – \$13.3M
- Revenue cycle improvements and payer contracting initiatives - \$9.1M
- Medical supply inflation of 2.6% - 3.0%
- Investment in new provider growth – \$7.1M



Risks and Uncertainties

Revenue Related Risks

- Rate and payment concerns/tactics from payors
- Continued degradation in overall payer mix
- Significant healthcare reforms such as implementing Medicaid work requirements and narrowing coverage eligibility

Expense Related Risks

- Workforce shortages/availability, escalating labor costs
- Global supply chain disruptions and tariffs impacting the availability and cost of medical supplies and equipment

External Factors

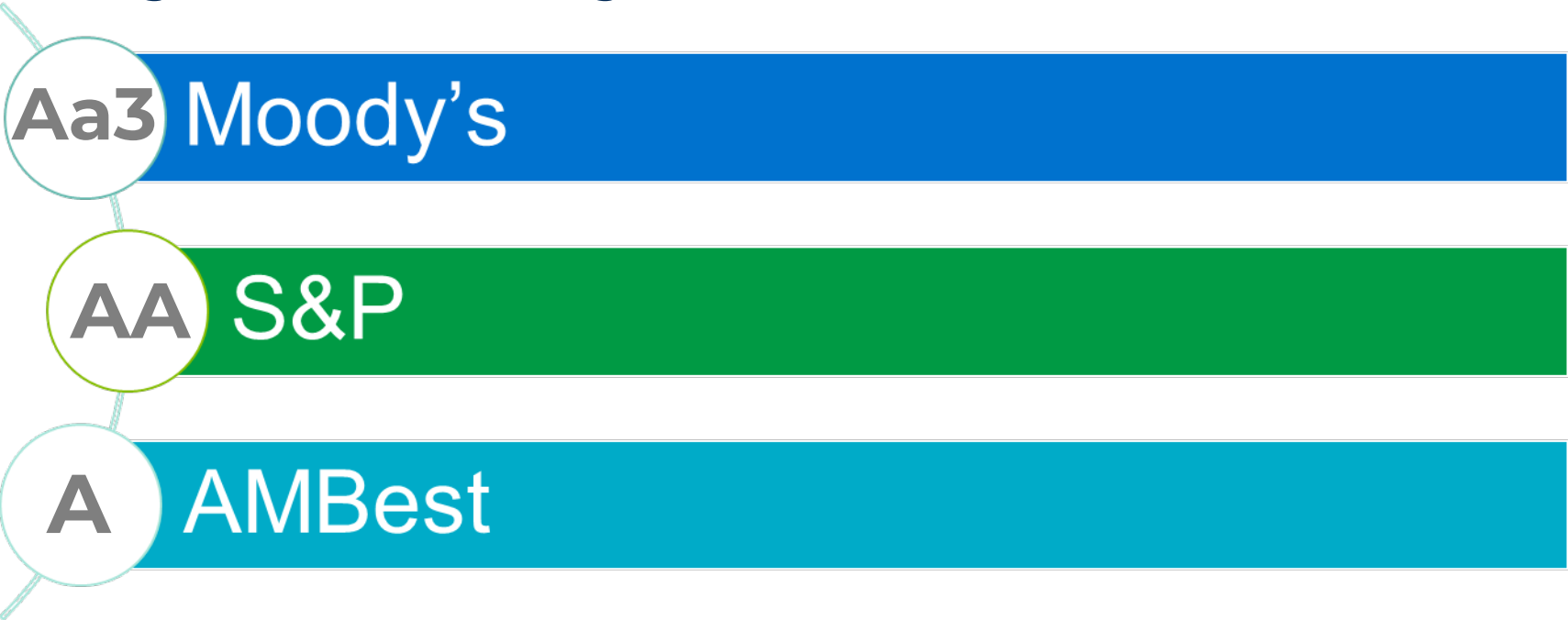
- Lingering economic issues/uncertainty and governmental pressures
- Pressure from payors to lower costs
- Inflationary pressures (i.e., pharmaceutical costs)
- Aging population and more patients seeking care in later stages with increased comorbidities



Celebrations and Successes

- First health system in Michigan to offer Focused Ultrasound outpatient treatment for patients with essential tremor or tremor-dominant Parkinson's disease
- New technology for non-invasive, liver cancer Histotripsy treatment
- Pioneering innovative, all-in-one Atrial Fibrillation treatment
- Expanded Behavioral Health care through non-invasive Transcranial Magnetic Stimulation for medication resistant major depressive disorder
- First bilingual Medical Assistant apprenticeship graduates in partnership with Literacy Center of West Michigan
- Investments in patient care
 - Karl and Patricia Betz Resident Physician Living Center ground-breaking - \$53M
 - Butterworth OR Modernization - \$30M
 - Helen DeVos Children's Hospital 10th Floor Inpatient unit expansion - \$15.3M
- Numerous quality awards and recognition

Strong & Stable Ratings



Aa3 Moody's

AA S&P

A AMBest

We believe this budget will support our targeted ratings.



Key Takeaways

- Total margin is benchmarked with Moody's Aa3 and S&P's AA rated organizations
- \$6 million commitment is included in the 2026 budget
- Price increase of 3.0% effective in January which supports our focus on affordability while recognizing the current economic environment

Questions?

