

Annual Public Meeting

Corewell Health West
(formerly Spectrum Health West Michigan)

Agenda

Welcome

Darryl Elmouchi, M.D.
President, Corewell Health West

Report on Community
Commitments

Martin R. Jennings
Chair, Finance Advisory Committee

Review of Calendar Year 2023
Corewell Health West Budget

Hardik Dalal
SVP, Finance, Corewell Health West

Question and Answer

MISSION | Improve health, instill humanity and inspire hope

VISION | A future where health is simple, affordable, equitable and exceptional

VALUES | **C**ompassion • **C**ollaboration • **C**larity • **C**uriosity • **C**ourage



Corewell Health Grand Rapids and Medical Group 2023 Budget

	Projected 2022	Budget 2023
	(in millions)	
Total Operating Revenue	\$ 3,080	\$ 3,165
Federal and State Funding	23	-
Total non-operating income (expense)	(2)	-
Total Revenue	3,101	3,165
Total Operating Expense	2,998	3,064
Total Margin	\$ 103	\$ 101
Total margin % before Federal and State funding	2.6%	3.2%
Total margin %	3.3%	3.2%

2023 Budget Highlights – Corewell Health Grand Rapids

- Gross price increase of 3%
- Inpatient and outpatient volumes increase by 1.0% in Grand Rapids
- Medical Group provider access initiatives
- Physician services wRVUs increase 8.0% (new providers and improved access)
- Shift of 0.5% from commercial payers into Medicare
- Adult average length of stay improvement
- Medical supply inflation of 3.4%
- Supply chain and clinical service line value analysis savings
- Revenue cycle improvements and payer contracting initiatives

Strong & Stable Ratings



Aa3 Moody's

AA S&P

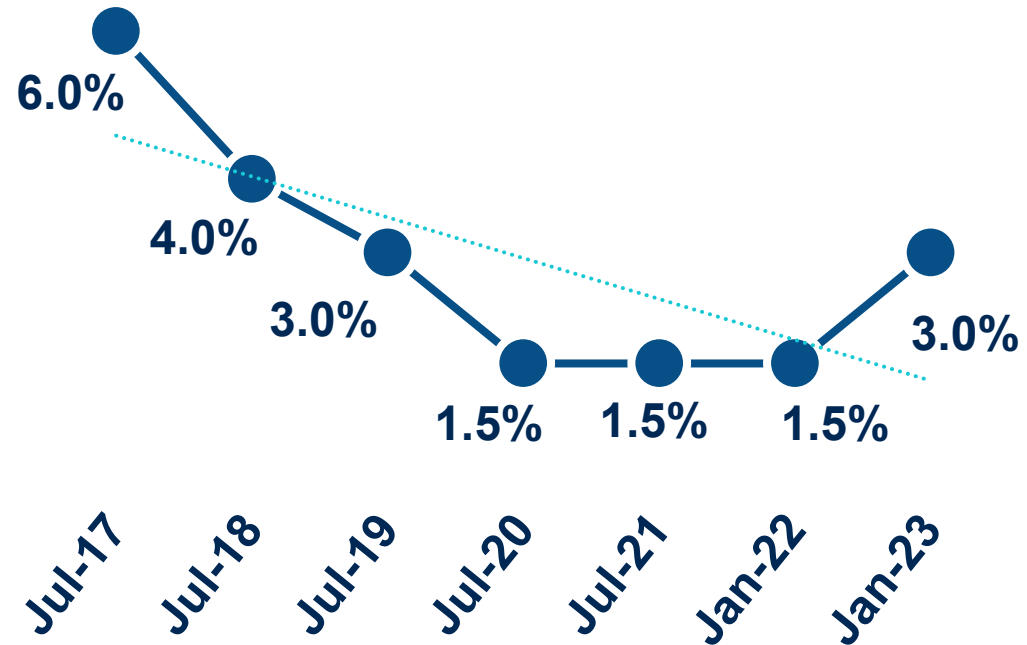
A AMBest

We believe this budget will support our targeted ratings.

Key Takeaways

- Price increase of 3.0% effective in January which is well below current CPI and supports affordability by reducing cost in the 2023 budget
- Total margin is benchmarked with Moody's Aa3 and S&P's AA rated organizations
- \$6 million commitment is included in the 2023 budget

Gross Price Increase by Year



Questions?

