

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

Committee on
Economic
Development
(SC-ED)

(Form Updated: 08/11/2009)

COMMITTEE NOTICES ...

➤ Committee Reports ... CR
**

➤ Executive Sessions ... ES
**

➤ Public Hearings ... PH
**

➤ Record of Comm. Proceedings ... RCP
**

INFORMATION COLLECTED BY COMMITTEE
FOR AND AGAINST PROPOSAL ...

➤ Appointments ... Appt
**

Name:

➤ Clearinghouse Rules ... CRule
**

➤ Hearing Records ... HR (bills and resolutions)
**

(companion bill: _____)

➤ Miscellaneous ... Misc

07hr_SC-ED_Misc_pt02b
(2007 documents)

Marshfield Clinic

Review of Fiscal 2007

February 2008

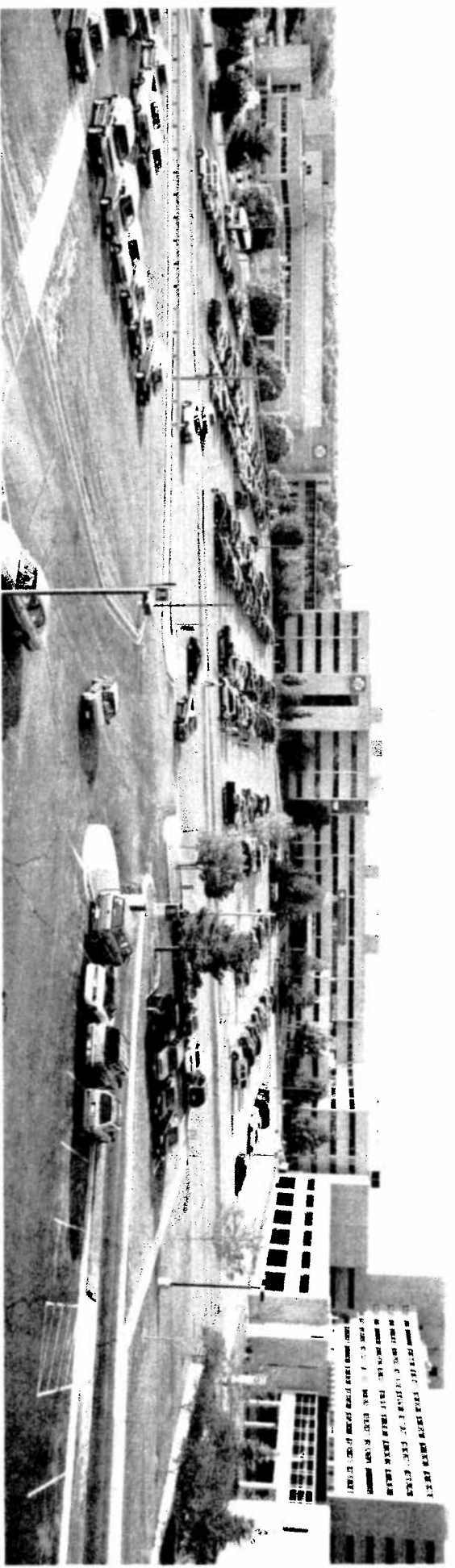
Marshfield Clinic





MARSHFIELD CLINIC

Where the future of medicine lives



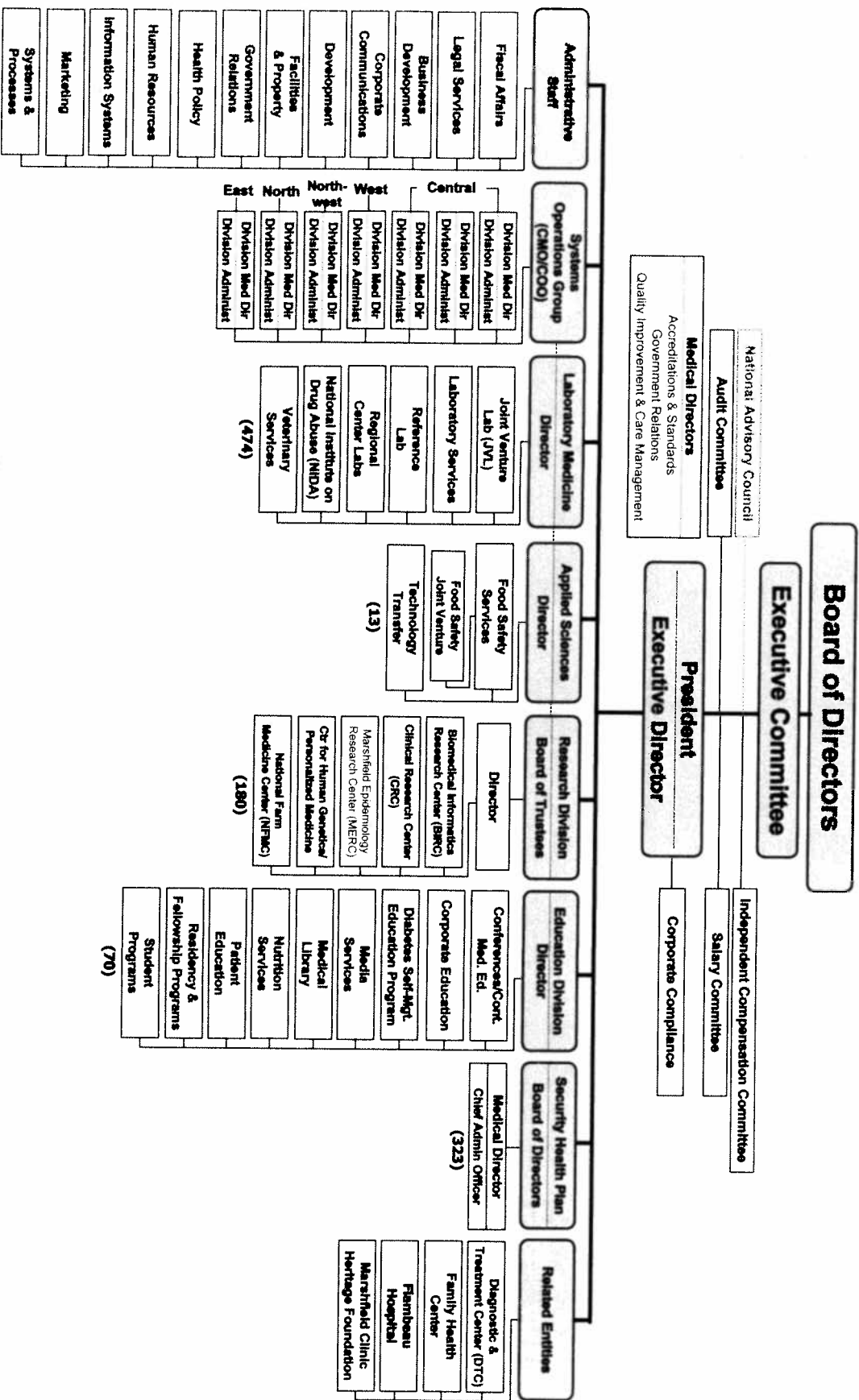
Marshfield Clinic's History

- Established in 1916
- Six Founders
- Group Practice of Medicine
- Governance Structure
- Preceptor Program with U.W. Madison (1926)
- Marshfield Medical Research and Education Foundation (1959)
- Greater Marshfield Community Health Plan (1971)
- Joint Venture Laboratory (1972)
- Clinic moves to the current site (1975)
- Regional System of Care (1976-Current)
 - 41 Regional Centers
- Marshfield Clinic Health Care Liability Insurance Plan (1978)
- Security Health Plan of Wisconsin (1987)
- 501 (c) (3) Not-for-Profit Status (1987)
 - Assets held in a charitable trust
 - No equity ownership
- Merger of Clinic and Foundation (1990)
- Lawton Center Dedicated (1990)
- Laird Center Dedicated (1997)
- Blue Cross Litigation (1993-1999)
- Personalized Medicine (2000)
- Where the future of medicine lives (2002)
- Monkeypox Virus Identification (2003)
- Laird Center for Medical Research (2006)
- WiSys/WARF Agreement (2006)
- 90 Year Anniversary (2006)



Marshfield Clinic

Organizational Chart



December 31, 2007

Notes: The numbers represent the number of physicians and staff in the Division.

Marshfield Clinic – Systems Operations Group

Organizational Chart

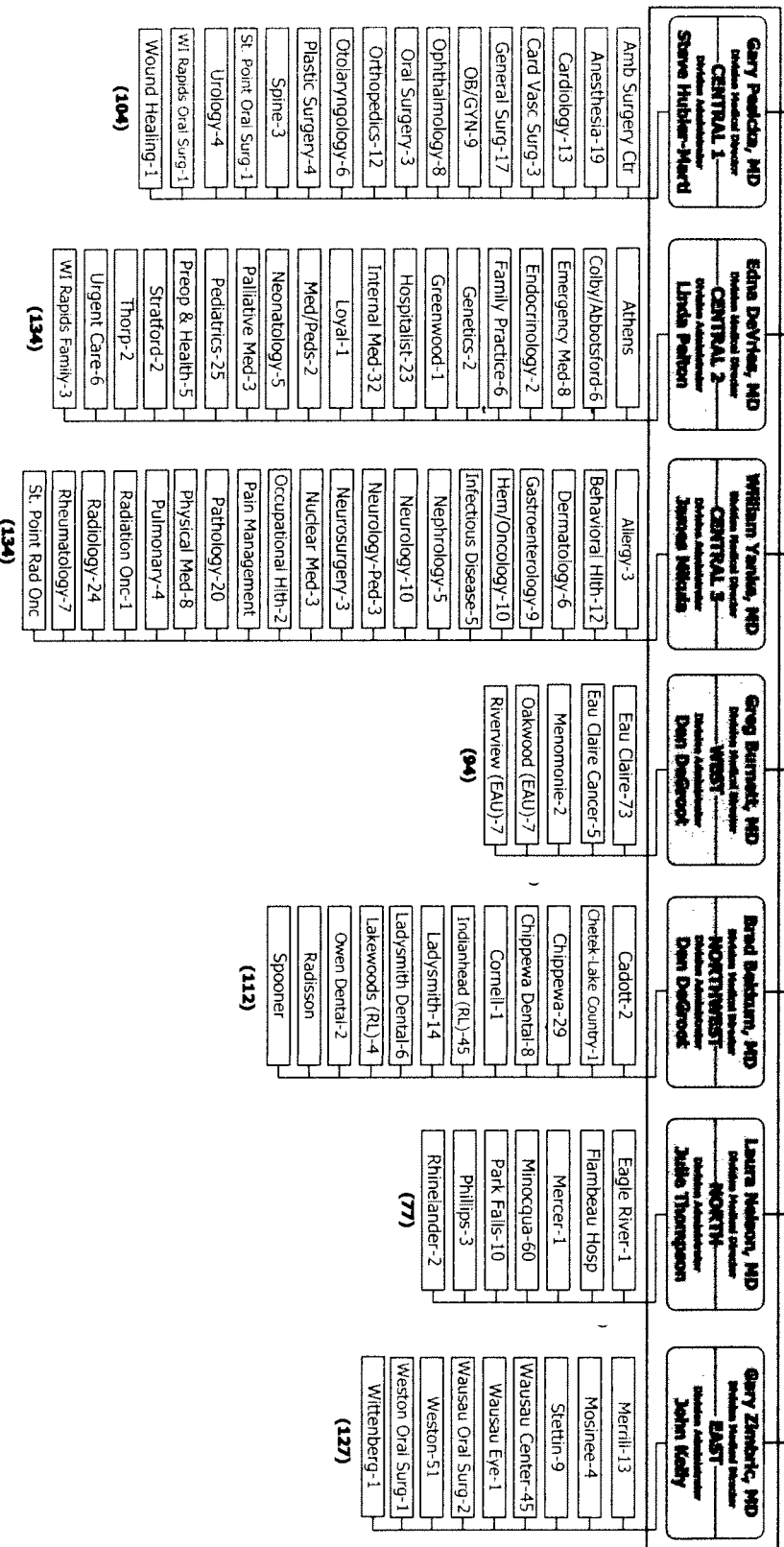
Board of Directors

Executive Committee

Karl J. Ulrich, M.D., President
Ronald E. Hall, Executive Director

Paul L. Lies, M.D., CMO
James S. Coleman, COO

System Operations Group





The mission of Marshfield Clinic is to serve patients through accessible, high quality health care, research and education.

MISSION

Marshfield Clinic will be the preferred system of cost-effective, evidence-based, quality health care. Through research, education and standardization of quality, we will reduce the burden of disease, disability and cost for our patients and communities.

VISION

The services we provide will be determined by the needs of our patients.

OUR OBJECTIVES

PHYSICIAN AND STAFF ORIENTATION

We will treat our physicians and staff as Marshfield Clinic's most important asset.

SYSTEM INTEGRATION

Marshfield Clinic will be an integrated, synergistic health care delivery system.

FINANCIAL STABILITY

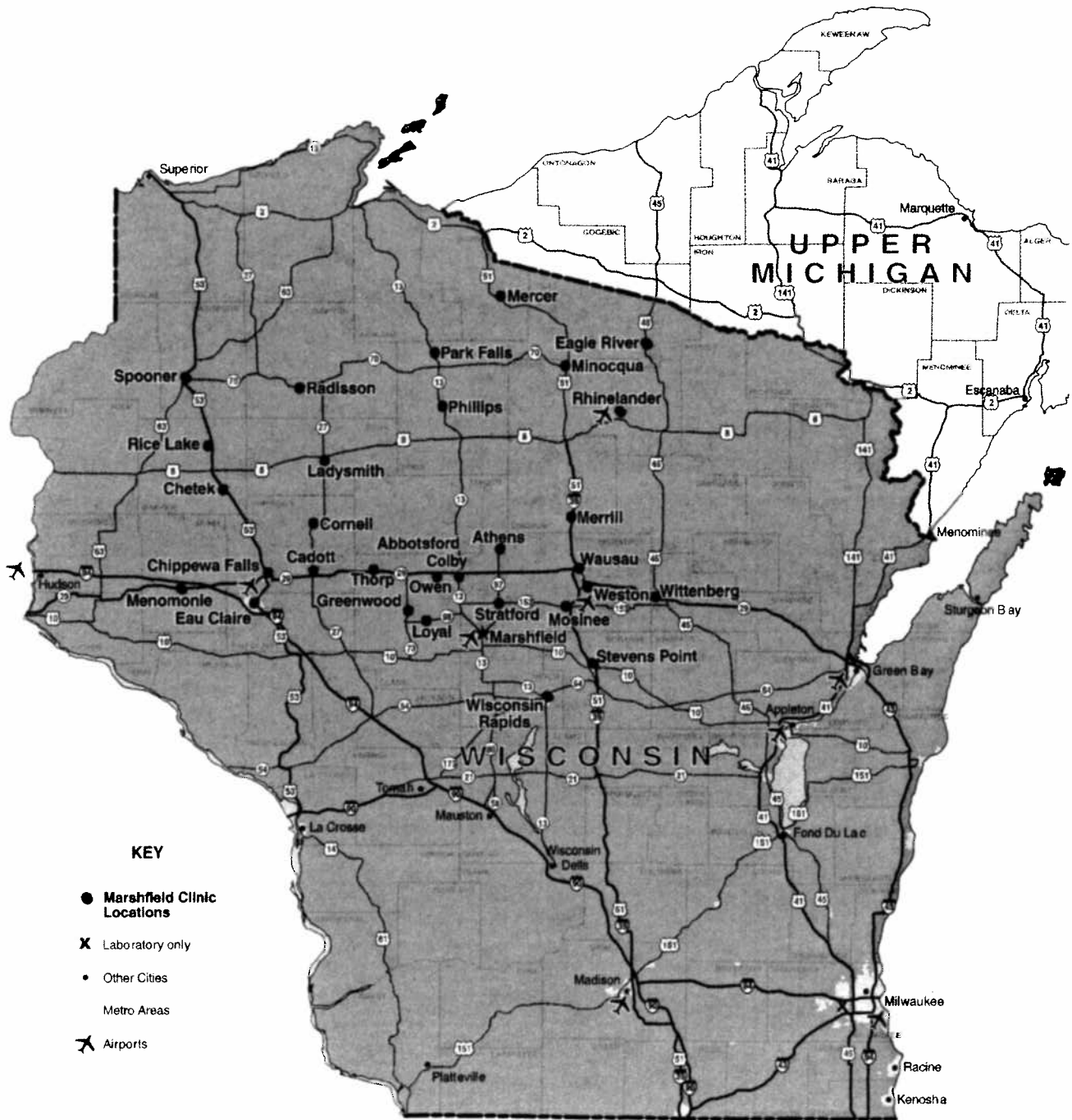
Marshfield Clinic will maintain financial stability.



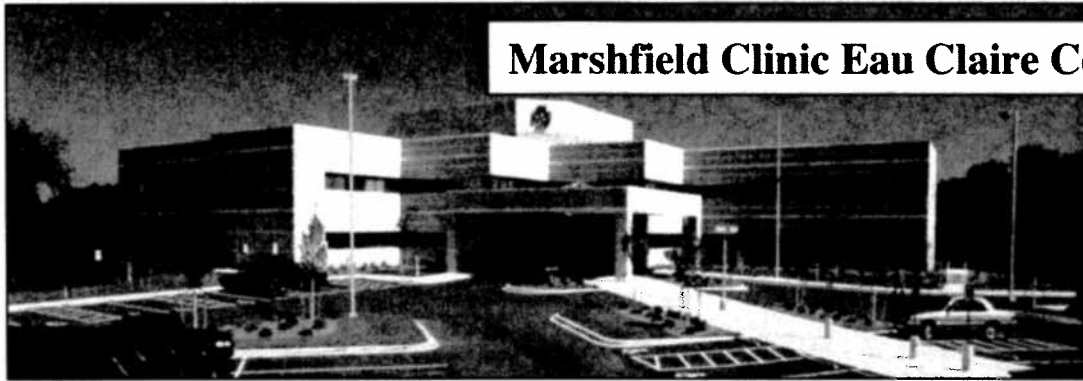
MARSHFIELD CLINIC.

Where the future of medicine lives

Marshfield Clinic System of Care



Marshfield Clinic Eau Claire Center



Marshfield Clinic Lakeland Center



Marshfield Clinic Merrill Center

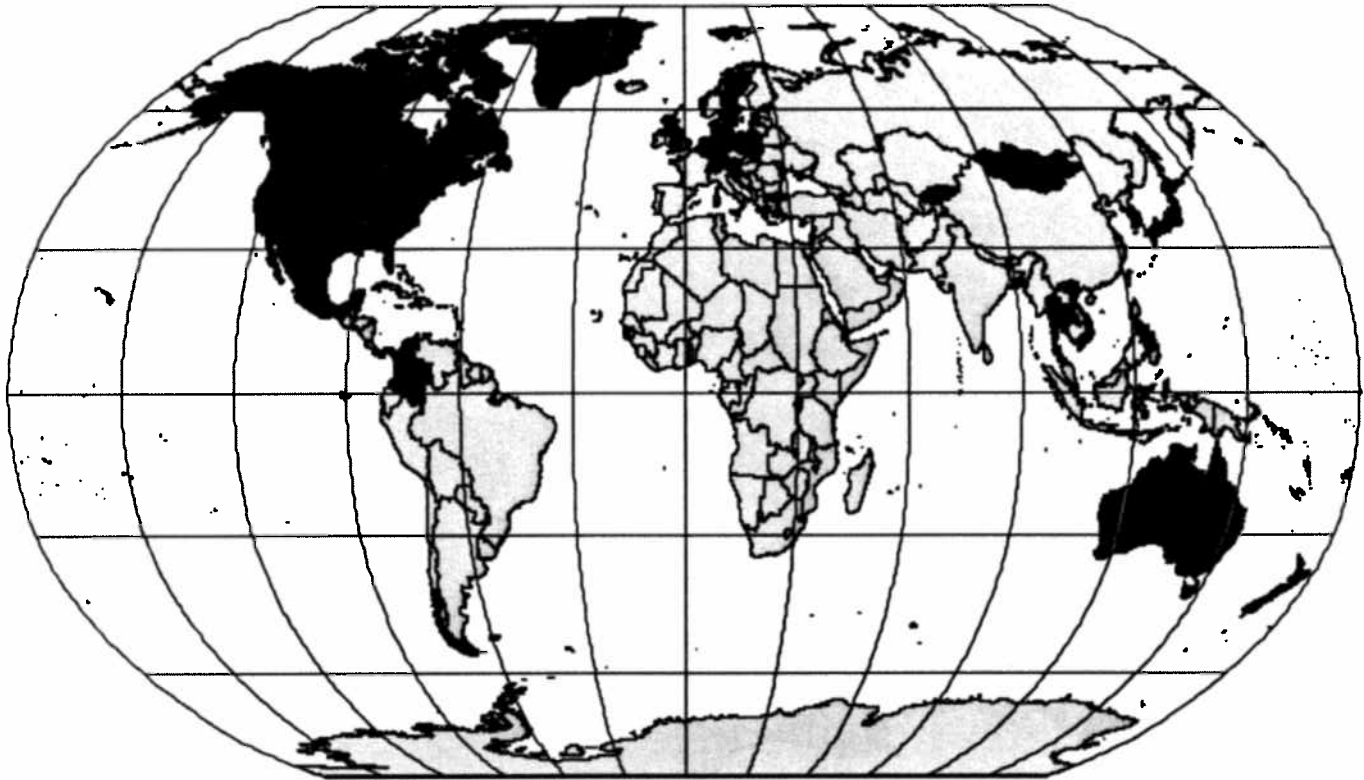


Marshfield Clinic Wausau Center



Marshfield Clinic Patients, FY 2007

Unique Patient Count



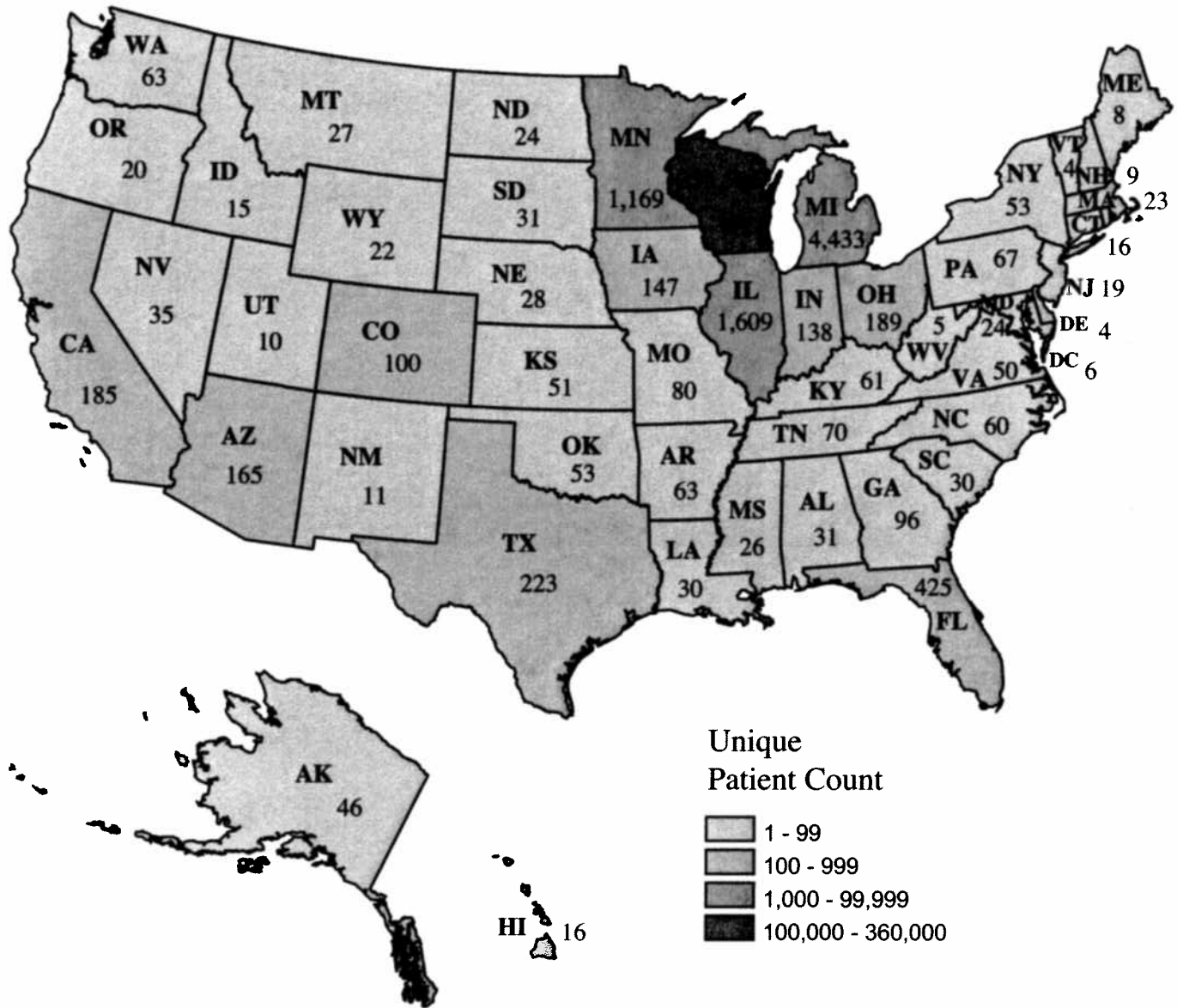
Australia	11	French Polynesia	1	Netherlands	1
Austria	4	Germany	5	New Zealand	1
Bahamas	2	Greenland	1	Poland	1
Belgium	1	Israel	1	Singapore	1
Canada	12	Jamaica	1	South Korea	2
Cayman Is.	2	Japan	1	Sweden	1
Colombia	1	Kyrgyzstan	1	Switzerland	1
Denmark	1	Mexico	2	Thailand	1
England	7	Mongolia	1	Viet Nam	1

Count of Unique Patients during the Fiscal Year. Source: based on mc034_Activity. Map provided by Systems & Processes.

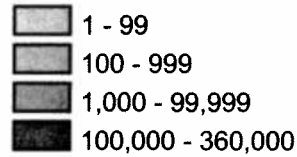


Marshfield Clinic Patients, FY 2007

Unique Patient Count



Unique Patient Count



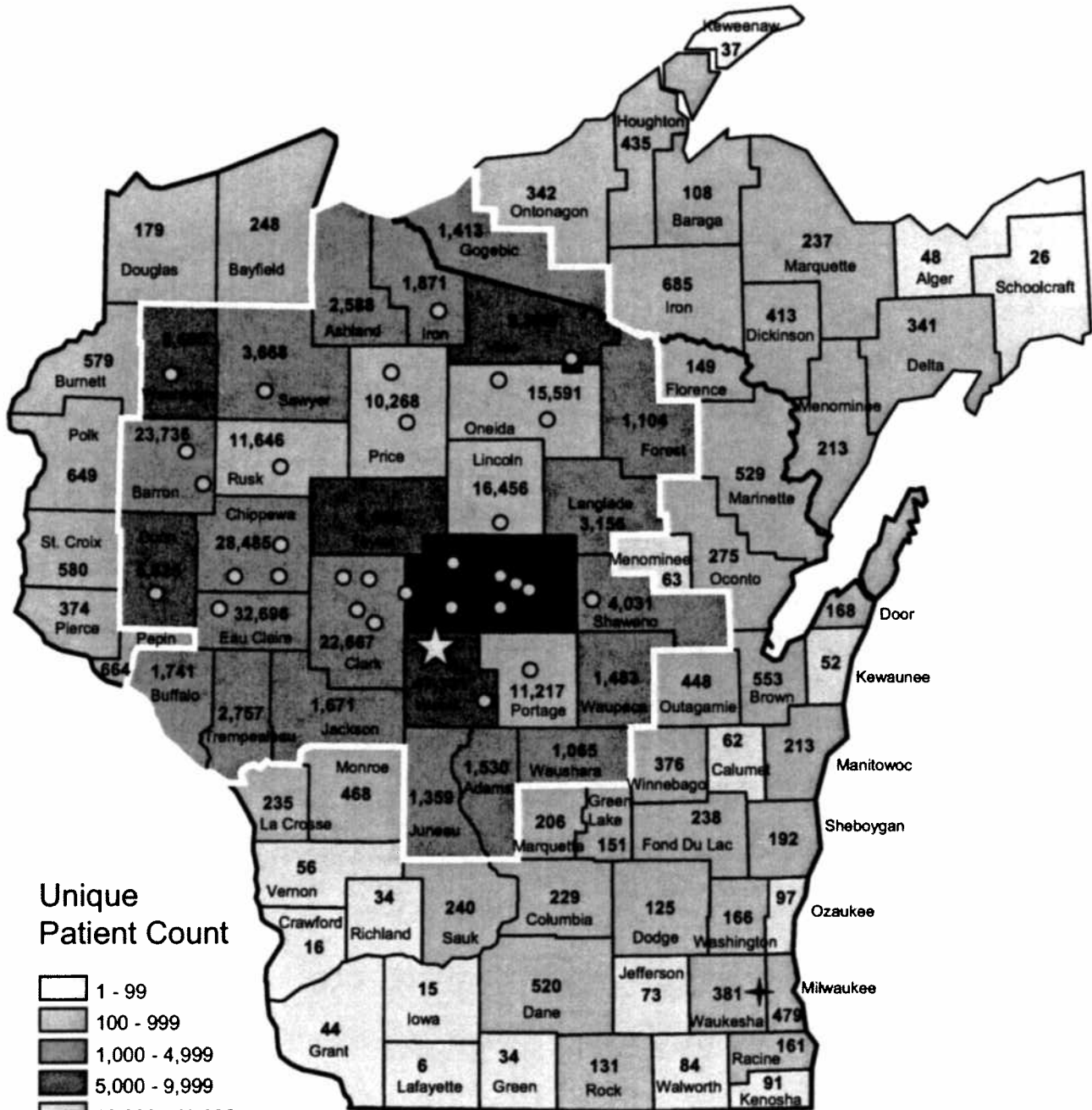
Count of Unique Patients during the Fiscal Year.
 Source: based on mc034_Activity.
 Map provided by Systems & Processes.

355,564 from Wisconsin
4,433 from Michigan
5,737 from the Rest
365,734 Total Patients



Marshfield Clinic Patients, FY 2007

Unique Patient Count



Primary Service Area bordered in white.
 Count of Unique Patients during the Fiscal Year.
 Source: based on mc034_Activity.
 Map provided by Systems & Processes.

355,564 from Wisconsin
 4,298 from Michigan
 5,872 from the Rest
365,734 Total Patients



MARSHFIELD CLINIC®

Service Area



Marshfield Clinic

Service Area

- **Primary Service Area – FY 2007**
 - Definition: county of residency where over 1,000 unique patients were seen in Clinic System during FY
 - 28 Wisconsin Counties
 - 1,032,300 population
 - 1 Upper Peninsula - Michigan County
 - 17,400 population
 - 1,049,700 Total Population

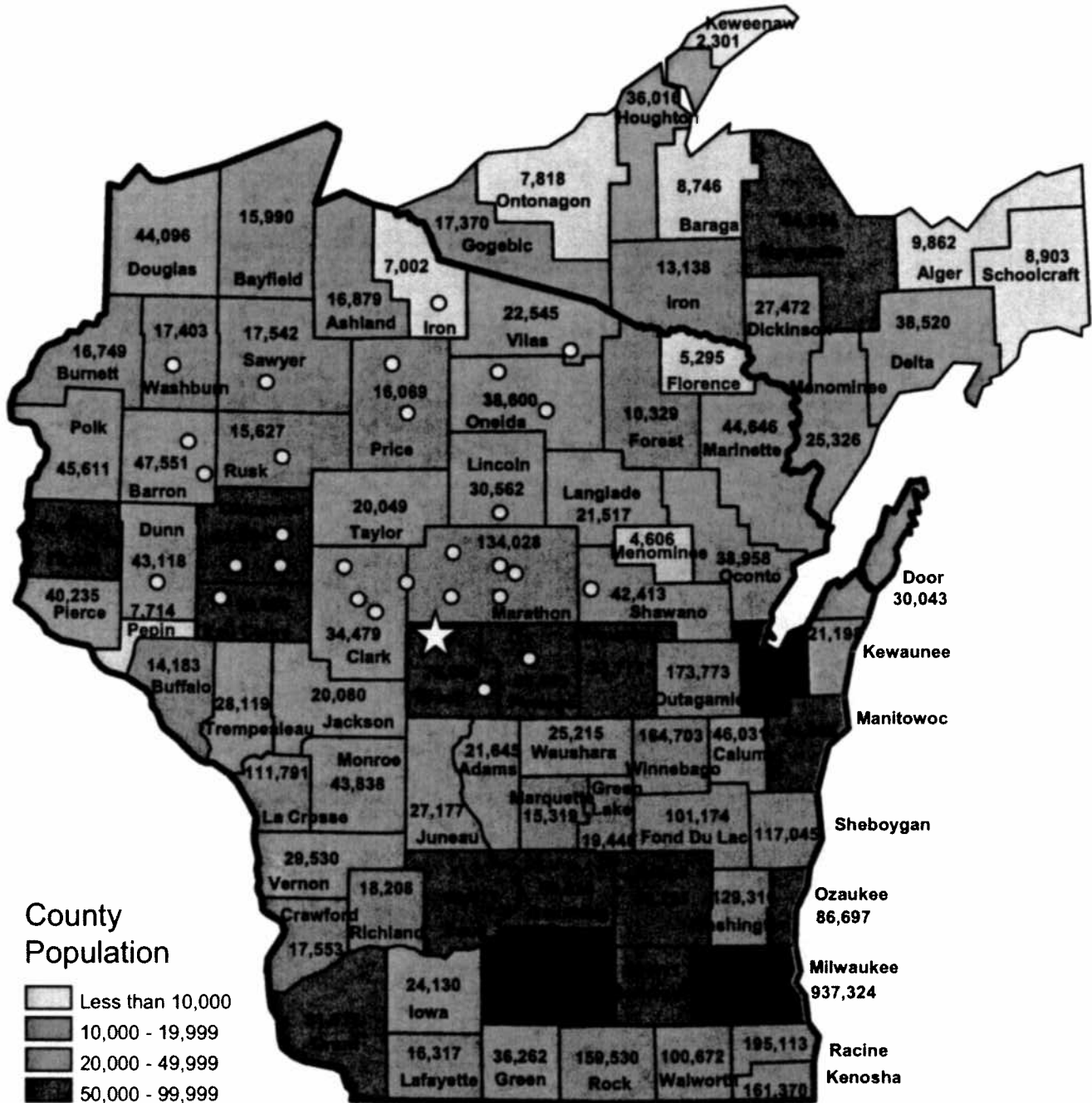
- **Secondary Service Area – FY 2007**
 - Definition: remainder of state of Wisconsin plus counties of Michigan's Upper Peninsula
 - 44 Wisconsin Counties
 - 4,615,800 population
 - 11 Upper Peninsula Michigan Counties
 - 242,700 population
 - 4,858,500 total population

- **Total Population Base**
 - Total Wisconsin population is 5,648,100
 - Total population of 12 Counties UP Michigan is 260,100



Marshfield Clinic, FY 2007

County Population



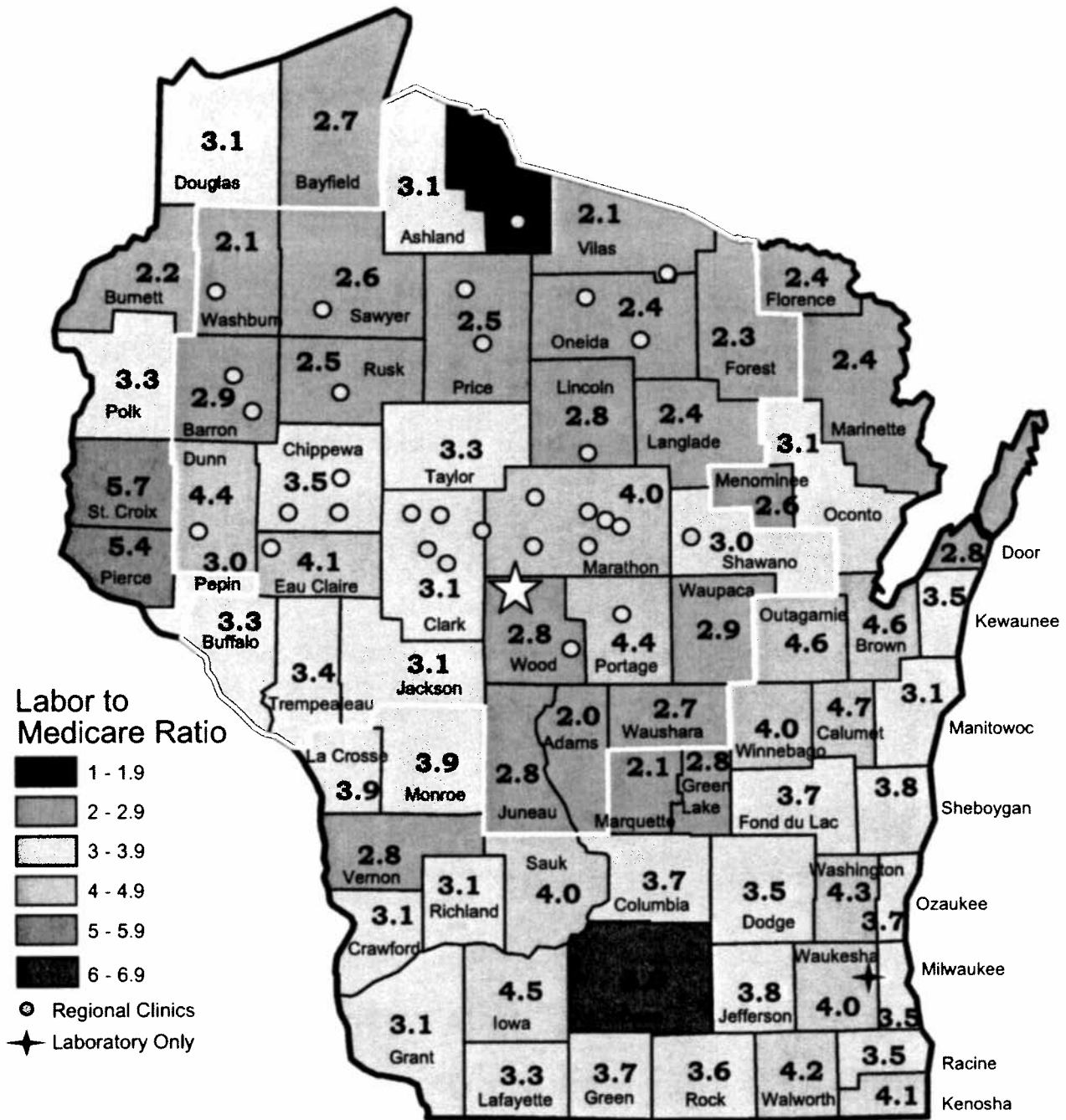
Number in county represents estimated 2007 population from WI DOA. Map provided by Systems and Processes.

5,908,230 Primary and Secondary Area Residents
 359,836 Primary and Secondary Area Patients
 365,734 Total Patients



Labor to Medicare Ratio

Employed/Medicare Enrolled per County



Labor to Medicare Ratio

- 1 - 1.9
- 2 - 2.9
- 3 - 3.9
- 4 - 4.9
- 5 - 5.9
- 6 - 6.9
- ⊙ Regional Clinics
- ★ Laboratory Only

Primary Service Area Bordered in White.

Data Source

- Labor Data: Wisconsin Dept of Workforce Development, July 2006.

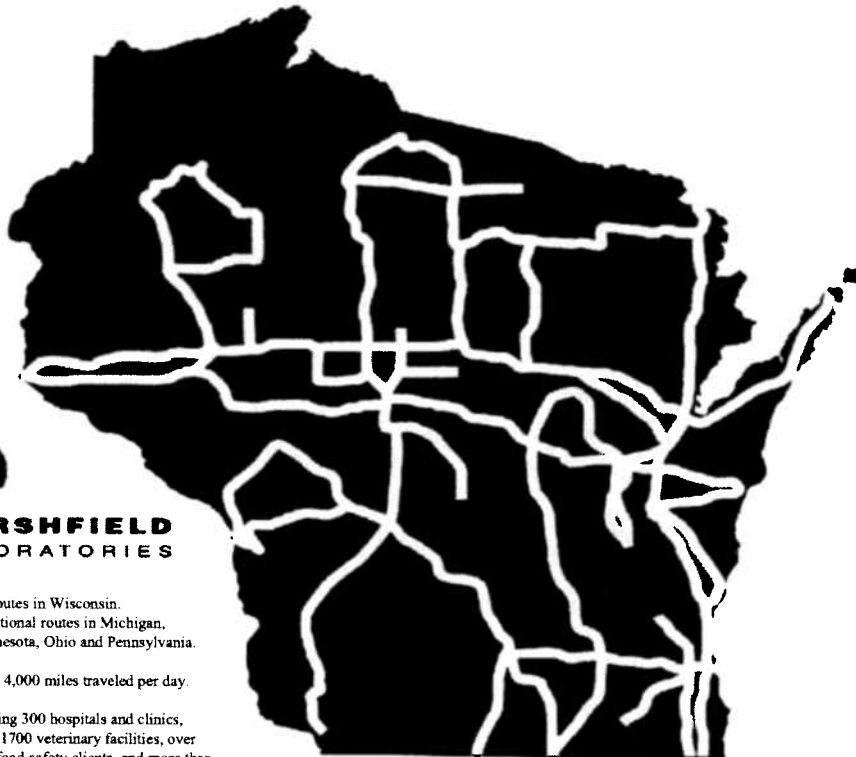
- Medicare Data: Centers for Medicare & Medicaid Services (CMS),

Medicare County Enrollment as of July 2006

Map provided by Systems & Processes.



Marshfield Clinic Laboratory Services



MARSHFIELD LABORATORIES

- 28 routes in Wisconsin. Additional routes in Michigan, Minnesota, Ohio and Pennsylvania.
- Over 4,000 miles traveled per day.
- Serving 300 hospitals and clinics, over 1700 veterinary facilities, over 300 food safety clients, and more than 4,000 businesses for drug testing services nationwide.



- ☆ Food Safety Laboratory
- ★ Veterinary Diagnostic Laboratory

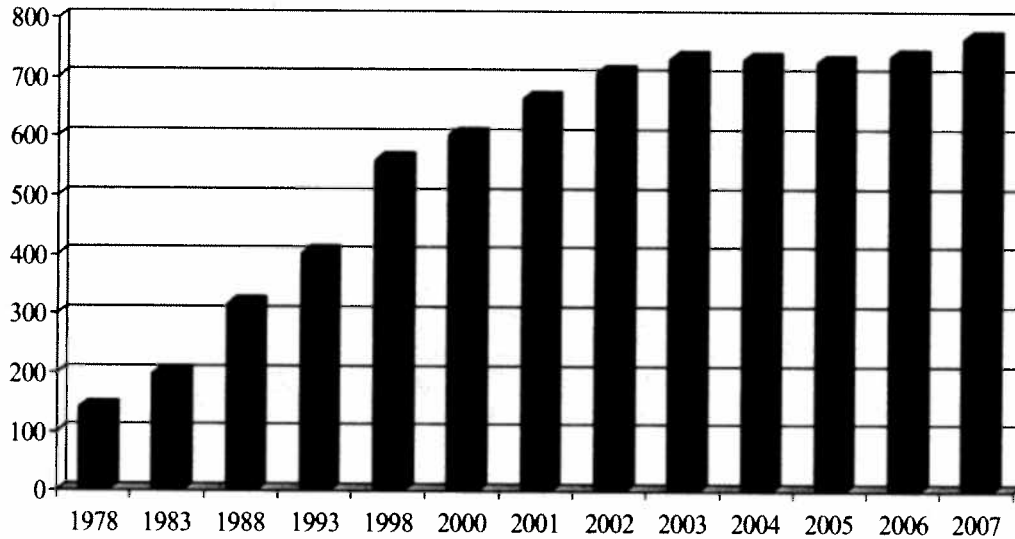
NUMBER OF ACCOUNTS

4,171 Forensic Toxicology
 379 Food Safety Services
 323 Outreach Testing Services
1,776 Veterinary Diagnostic Services
 6,649 Total

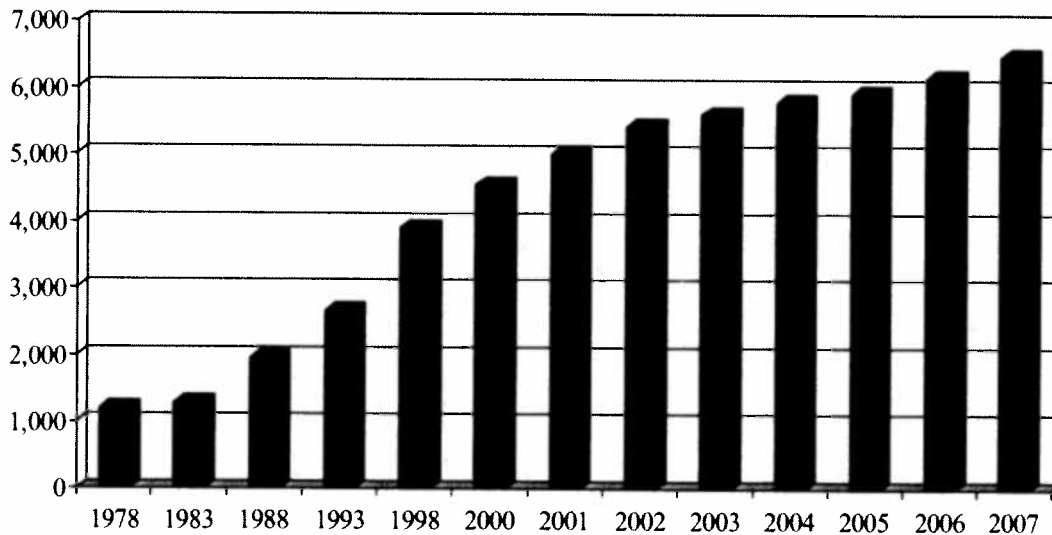
1 Canada



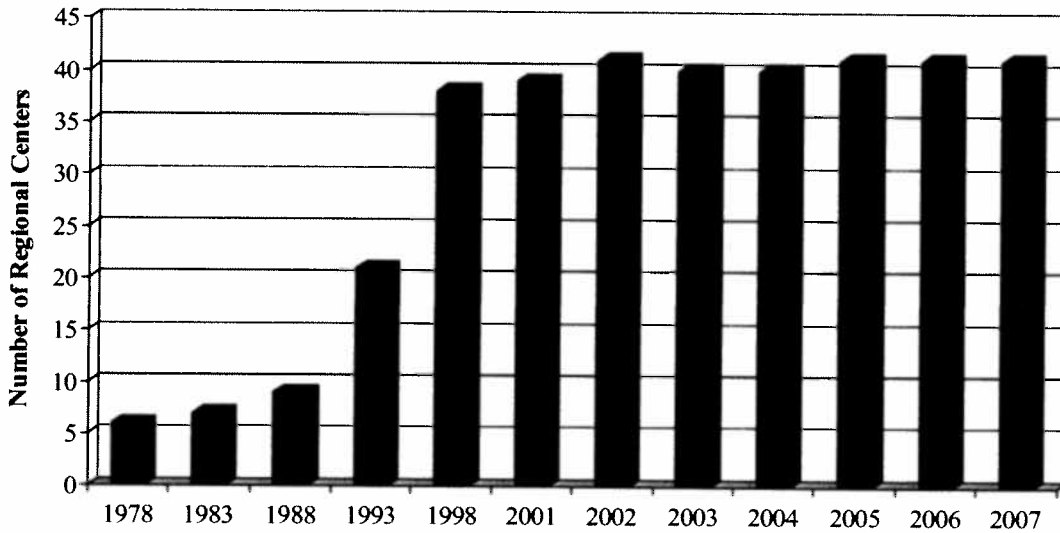
Marshfield Clinic Number of Physicians



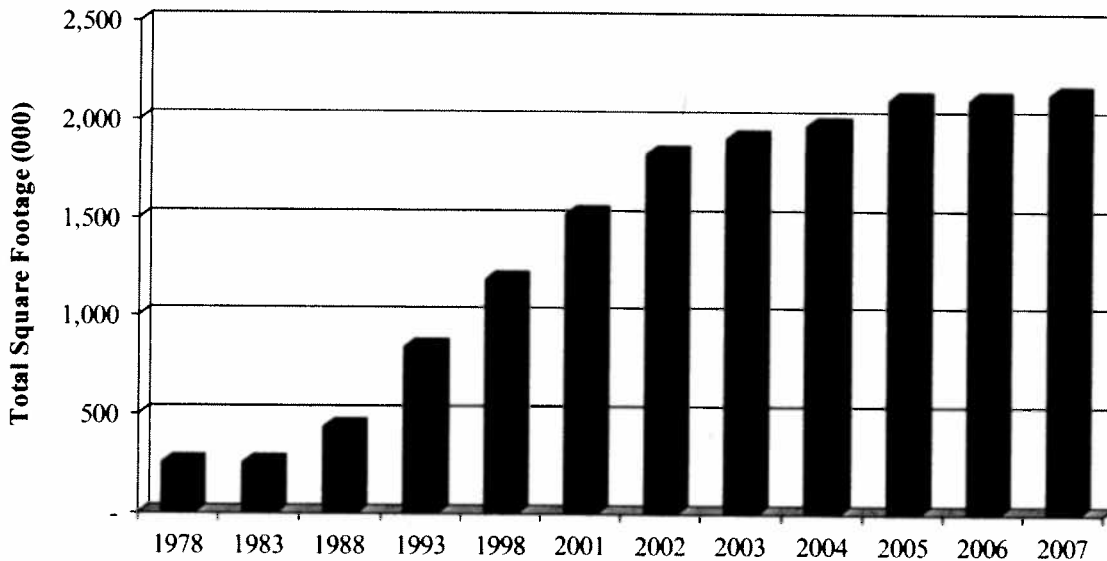
Marshfield Clinic Number of Employees



Marshfield Clinic Regional Centers

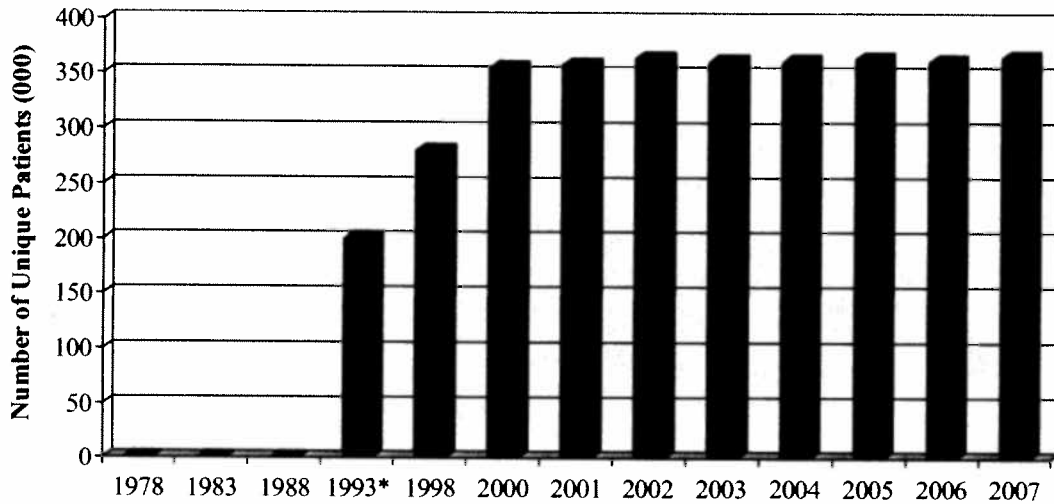


Marshfield Clinic Square Footage



Marshfield Clinic

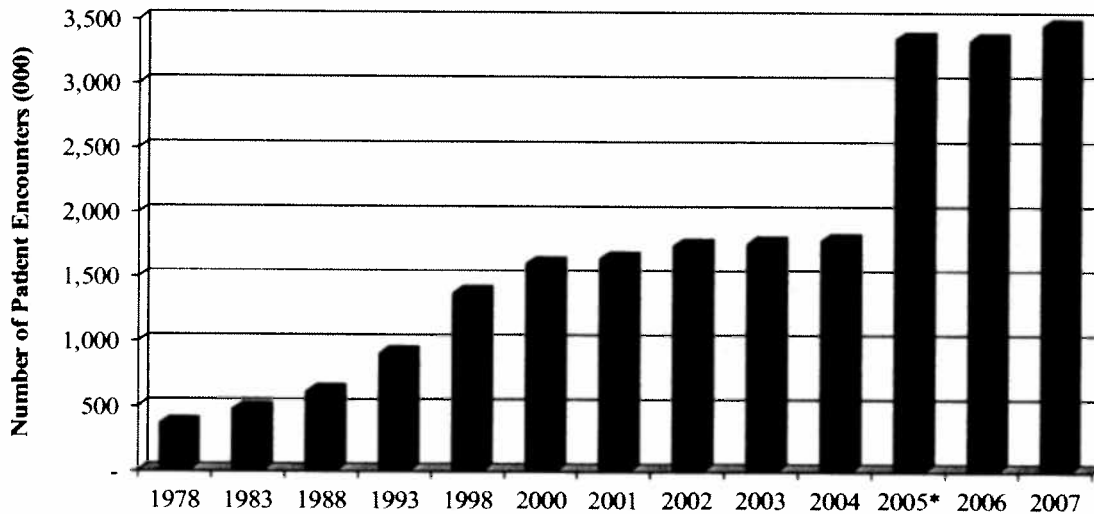
Unique Patients



* 1993 First year data is available.

Marshfield Clinic

Patient Encounters



* New definition of encounters implemented.



Unique Patients

Age Groups, FY 2007

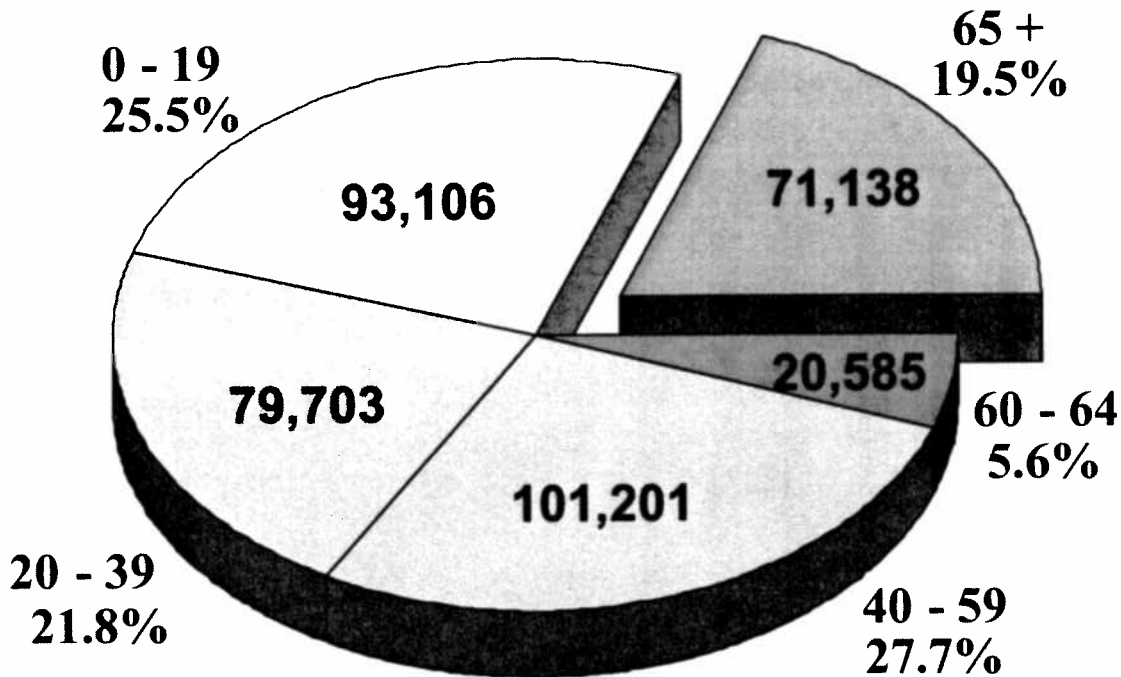


Chart provided by Systems and Processes

Payor Analysis FY 2007

After Audit

Billed Charges

\$1,468,790,149 Total

Net Revenue

\$824,010,971 Total

* Government Payers

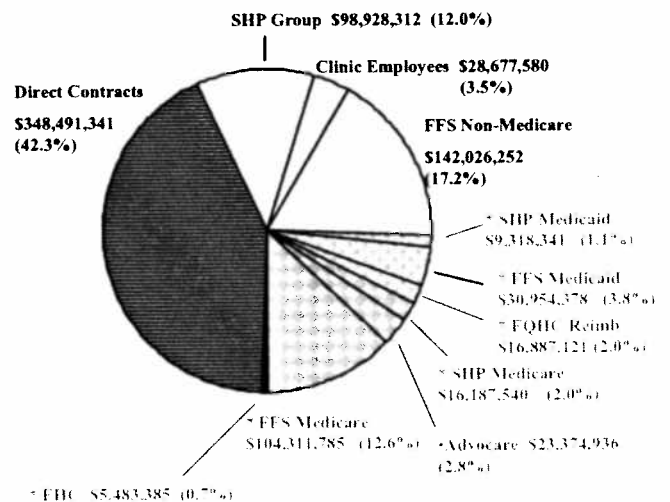
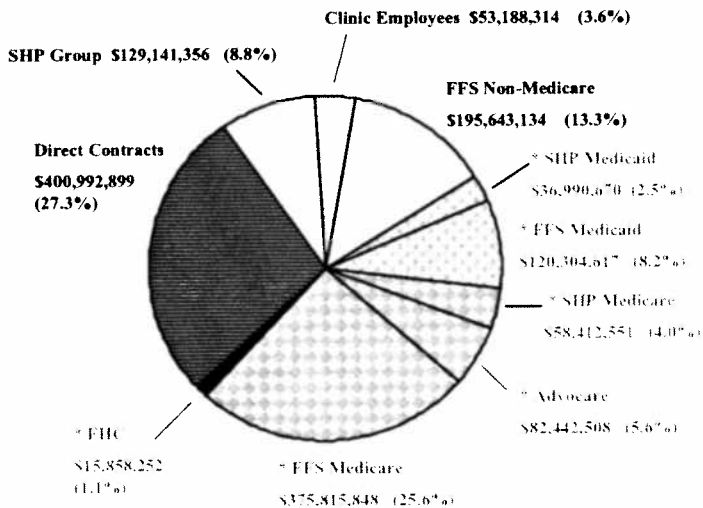
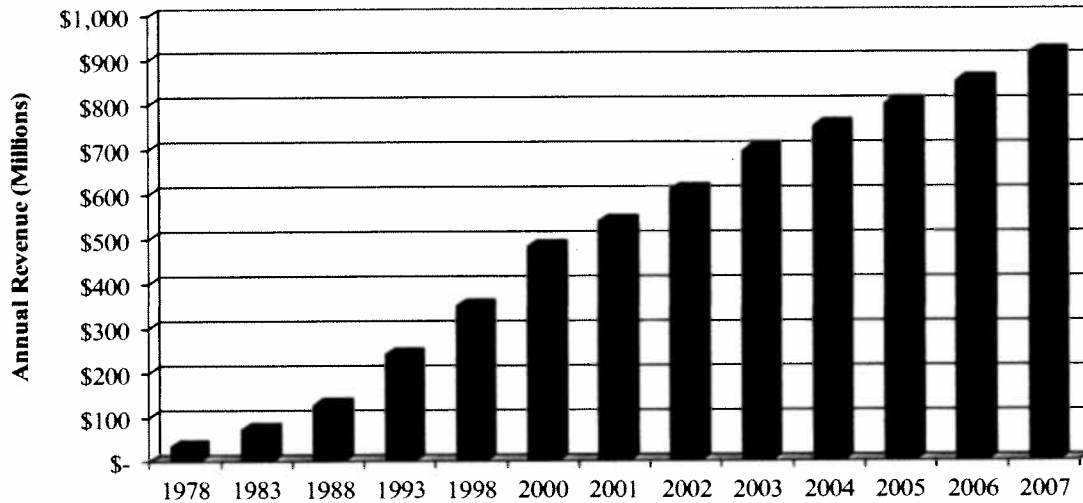


Chart provided by Payor Services



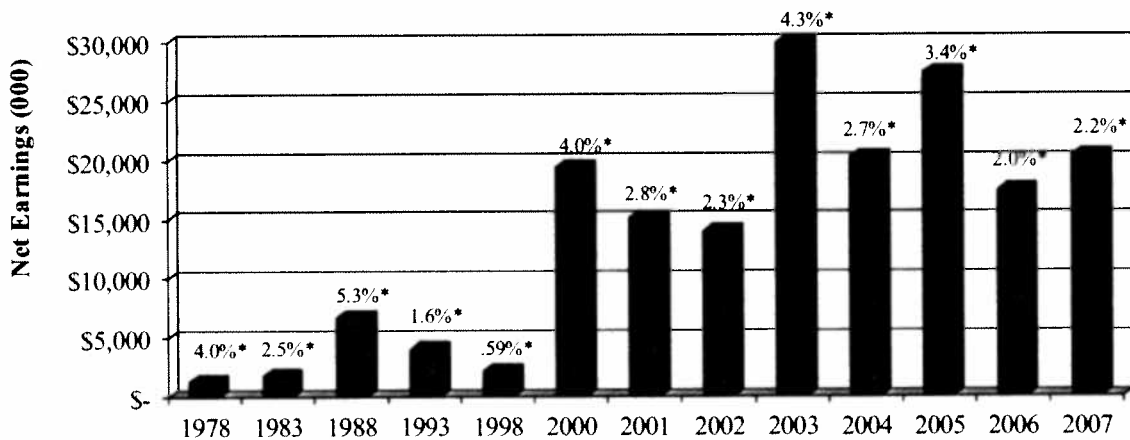
Marshfield Clinic

Net Revenue



Marshfield Clinic

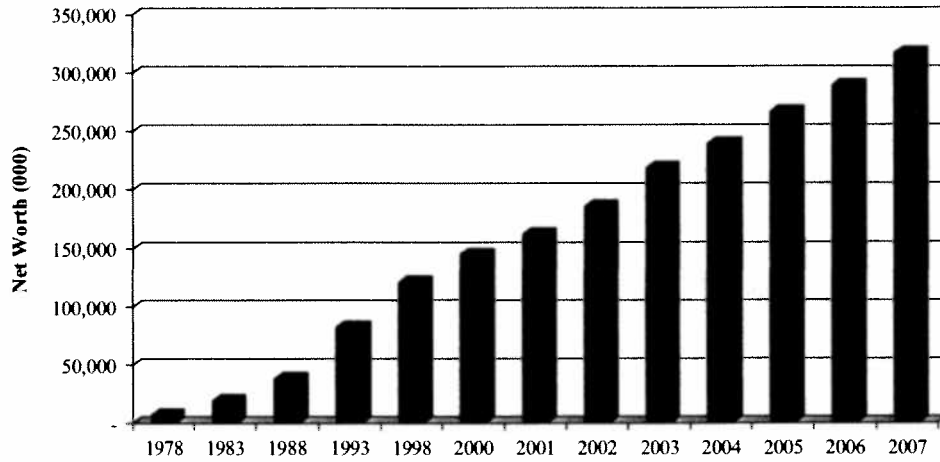
Net Earnings



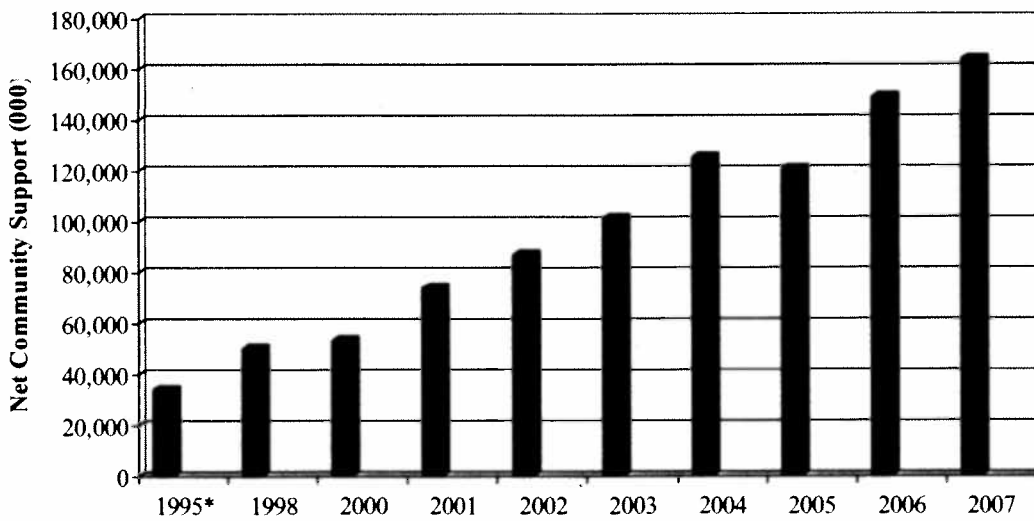
* Percent of total revenue



Marshfield Clinic Net Worth



Marshfield Clinic Net Community Support

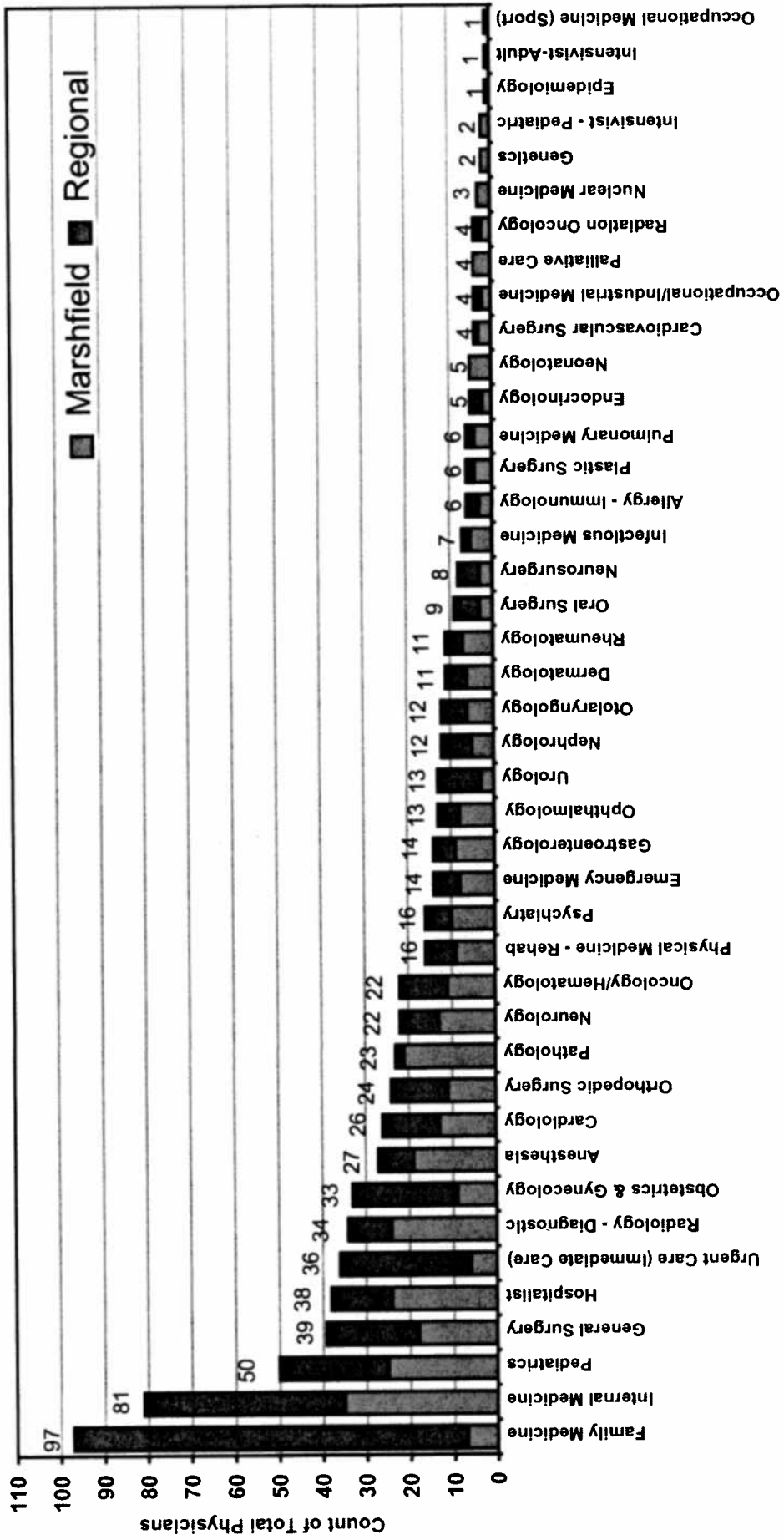


* First year data available



Total Physicians by Specialty

Fiscal Year 2007



Marshfield Clinic Research Foundation

A Division of Marshfield Clinic

- Organized in 1959
- Merged with Clinic in 1990
- Largest private medical research facility in Wisconsin
 - \$12+ million annually in extramural funds
- Approximately 450 active research projects
- Over 180 Employees, including 30 MD/PhD scientists
- Over 150 Clinicians involved in active research
- Partner with UW School of Medicine & Public Health
 - Institute of Clinical & Translational Research
- Research Centers
 - Biomedical Informatics Research Center
 - Clinical Research Center
 - Community Clinical Oncology Program (CCOP)
 - Marshfield Epidemiology Research Center
 - Marshfield Epidemiology Study Area – 24 zip code region
 - Center for Human Genetics
 - Personalized Medicine Research Project - 20,000 participants
 - National Farm Medicine Center Rural Health
 - Rural and Agricultural Health and Safety
 - National Children's Center
- Administrative & Support Services
 - Core Laboratory
 - Research Integrity & Protection
 - Scientific Writing and Publication
 - Sponsored Programs & Fiscal Affairs



Marshfield Clinic Education Foundation

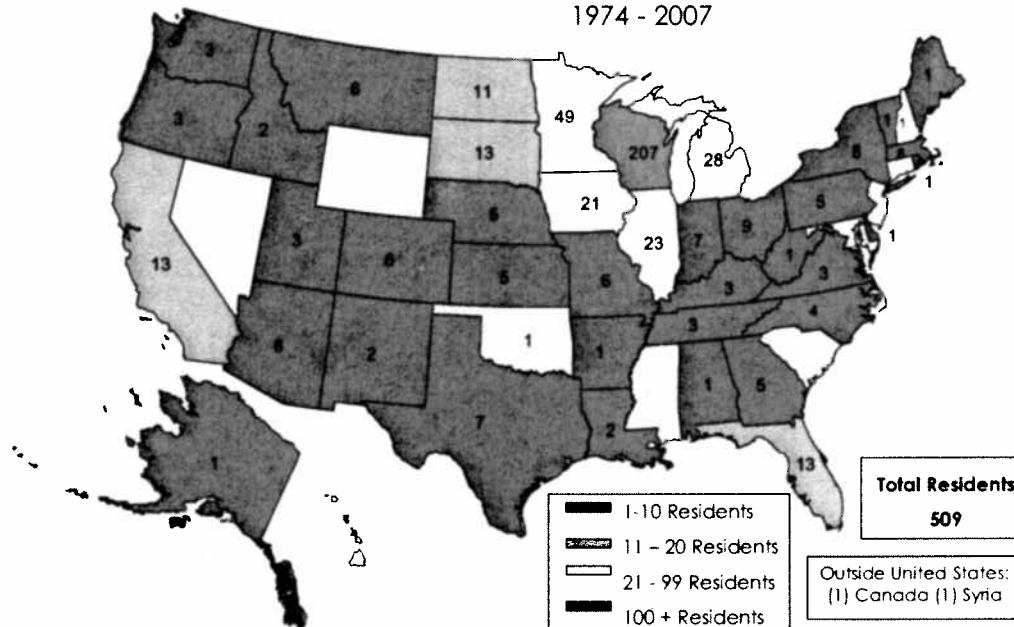
A Division of Marshfield Clinic

September 30, 2007

- **Current Residents in Clinic's Residency Programs 58**
 - Internal Medicine-18
 - Pediatrics-12
 - General Surgery-11
 - Medicine/Pediatrics-8
 - Transitional Program-4
 - Dermatology-4
 - PharmD-1
- **Current Fellows in Clinic Fellowship Programs 5**
 - Internal Medicine-1
 - Post Doc Psychology-2
 - Palliative Care-1
 - Non-Operative Spine-1
- **Medical Student Rotations 140**
 - Third Year Medical Students 106
 - Fourth Year Medical Students 27

Medical Students Rotate at 13 different Clinic Centers
- **Ancillary Healthcare Students 422**
- **More Than 400 Active Teaching Faculty**
- **639 Continuing Education Conferences Sponsored in 2007**
- **509 Graduates of Residency Programs**
- **Academic Campus for U.W. School of Medicine and Public Health**

Marshfield Clinic/Saint Joseph's Hospital Resident Alumni Placement
1974 - 2007

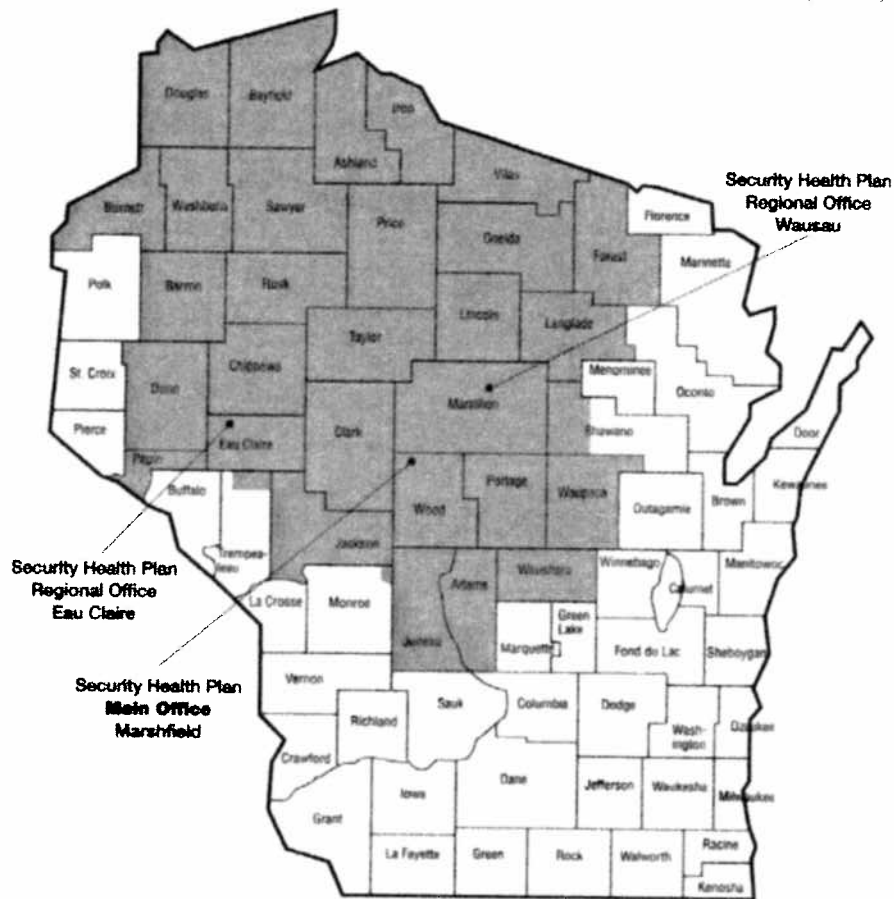


Security Health Plan of Wisconsin (SHP)

9 months ended September 30, 2007

Unaudited

- 501(c)(4) Not-for-Profit Status (1987).
- 147,000 average covered lives.
- 32 counties in Wisconsin.
- \$443 million revenue for 9 months ended September 30, 2007.
- \$438 million expenses for 9 months ended September 30, 2007.
 - Hospitals 40%
 - Pharmacy 9%
 - Marshfield Clinic 26%
 - Administration 7%
 - Affiliates 18%
- Provider network.
 - 1,173 Marshfield Clinic providers
 - 2,460 other affiliated providers
- Products.
 - Employer Groups
 - Individual Policies
 - Medicare Supplement
 - Medicare Advantage (Advocare)
 - Medicaid Managed Care/BadgerCare
 - Third Party Administration (TPA)





MARSHFIELD CLINIC®

Marshfield Clinic ("Clinic") is the largest private group medical practice in Wisconsin and one of the largest in the United States, with 766 physicians representing 84 different medical specialties, 6,473 additional staff, and 41 regional centers/sites in 31 Wisconsin communities as of September 30, 2007. The Clinic had 3,456,384 patient encounters for the year ended September 30, 2007, and reported 365,734 unique patients in the Clinic system during this same period. Patients from every county in Wisconsin, every state in the nation, as well as 27 foreign countries were seen within the Clinic system last fiscal year. It is one of only a few large independent nonprofit medical clinics in the United States.

The mission of the Clinic is to serve patients through accessible, high quality health care, research and education. The Clinic owns and operates large outpatient clinical, educational and research facilities, with its main clinical facilities and administrative offices located at 1000 North Oak Avenue, Marshfield. The Clinic operates additional facilities in the following Wisconsin communities: Eau Claire, Minocqua, Wausau, Athens, Cadott, Chetek, Chippewa Falls, Colby, Cornell, Eagle River, Greenwood, Ladysmith, Loyal, Menomonie, Mercer, Merrill, Mosinee, Owen, Park Falls, Phillips, Radisson, Rice Lake, Rhinelander, Spooner, Stevens Point, Stratford, Thorp, Weston, Wisconsin Rapids and Wittenberg.

The Clinic was incorporated under Wisconsin law in 1916 and operates as a charitable corporation with all of its assets held in a charitable trust. In 1987, the Clinic was recognized as being exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and is also exempt from Wisconsin income taxation.

The Clinic is the sole sponsor of Security Health Plan of Wisconsin, Inc. ("Security Health Plan"), a 147,000-member HMO as of September 30, 2007. Security Health Plan is a separate nonprofit corporation which was incorporated in 1987, but was initially organized in 1971 as Greater Marshfield Community Health Plan. The Plan was created to provide a method of financing and accessing medical care throughout much of central, northern and western Wisconsin through a comprehensive health insurance program.

The Clinic includes Marshfield Clinic Research Foundation, a division of Marshfield Clinic. The Research Foundation was established by Clinic physicians in 1959 and was merged into the Clinic effective October 1, 1990. It is the largest private medical research facility in Wisconsin and one of the largest in the nation. Many of the Foundation's 450 research and educational projects are conducted by the Clinic's physicians in collaboration with the Research Foundation's 30 scientists. Patients throughout the Clinic's service area participate in research and educational programs. Areas of focus within the Research Foundation include: clinical research, rural health and safety, epidemiology, human genetics, personalized medicine, biomedical informatics research and health services research.

Marshfield Clinic Education Foundation, a division of Marshfield Clinic, also is an important part of the Clinic's mission. The Clinic jointly sponsors graduate residency programs in internal medicine, pediatrics, general surgery, medicine/pediatrics, dermatology and a transitional program. As of September 30, 2007, there were 58 residents and 509 graduates of these programs. The Clinic system also serves as an academic campus for the University of Wisconsin School of Medicine and Public Health. A substantial portion of the third- and fourth-year UW medical students rotate through the Marshfield system. Additionally, the Clinic's Rice Lake facility will serve as a host site for five third- and fourth-year medical students from UW beginning in the fall of 2009, through the Wisconsin Academy of Rural Medicine Program (WARM).

Thank you for your interest in Marshfield Clinic. For more information about Marshfield Clinic, please call 715-387-5511 or 1-800-782-8581; write to us at 1000 North Oak Avenue, Marshfield, WI 54449-5777, Attention: Administration; or visit our Web site at www.marshfieldclinic.org.