



UCF Academic Hospital

JANUARY 25, 2017

Medical City 2007



Medical City now

UF

Town Center

Nemours

Sanford Burnham

UCF COM

VA

Today's Discussion

- Review of a public-private partnership, specifically for 99-year lease for 25 acres for this project
- Partnership will develop and operate 100-bed academic hospital with potential growth up to 500 beds

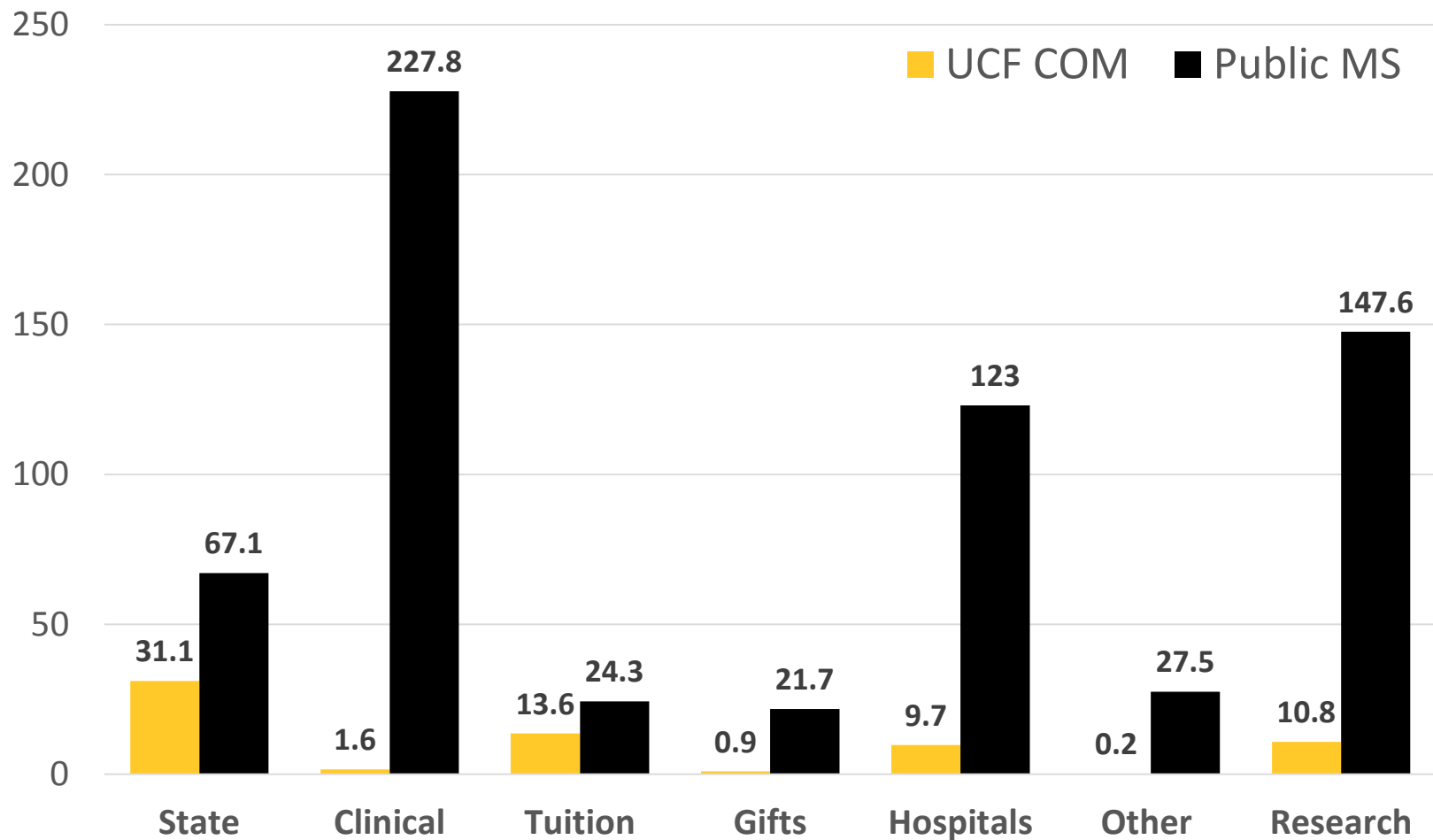


Benefits to UCF

- Advance UCF biomedical and clinical research
- Expand curriculum's clinical component
- Create new residencies
- Increase recruiting of surgeons, physician scientists
- Enhance interprofessional education
- Enable UCF to deliver a top return on state investment

Academic Hospitals Allow Growth in Three Largest Revenue Areas

Total Revenue Comparison 2014-15 (in millions)





COM

**Proposed
Academic
Hospital Land**

HCA

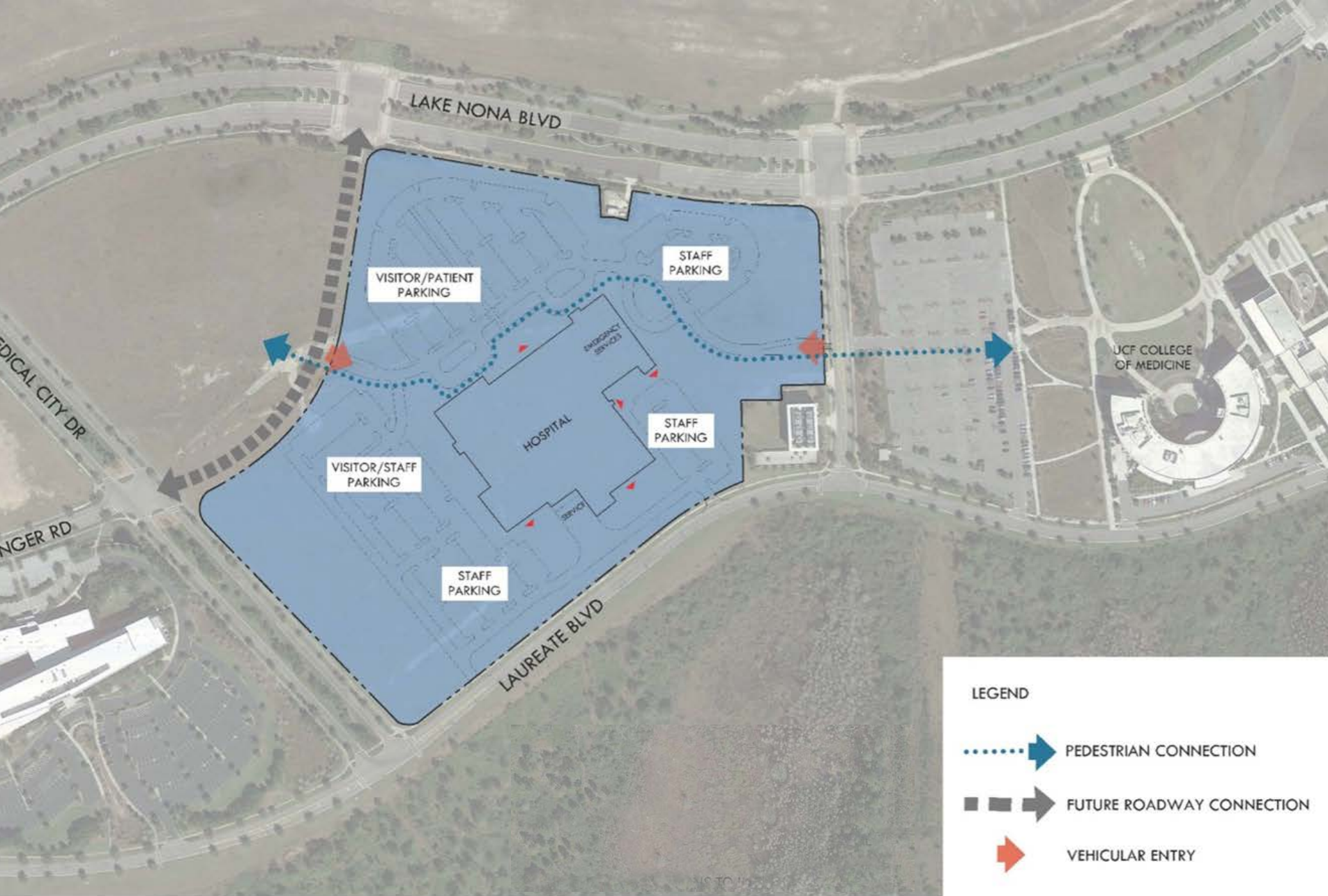
- Largest hospital operator in the United States.
- Operating revenues of nearly **\$40 billion**, free operating cash flows in excess of **\$4.5 billion** and over **\$2.7 billion** available for capital investment

HCA

- Over 40 years of hospital construction experience
- HCA patient database, the nation's largest, will be available to UCF for research
- Partners in building residencies in Florida

Key Points on HCA Partnership

- UCFAH receives 20 percent equity in partnership
- UCFAH equally shares hospital governance (4 of 8 voting board members)
- HCA brings \$175 million in cash to build and operate hospital
- No state or private funds needed from UCF
- HCA takes on no debt (cash transaction)



Initial Plans for the UCFAH-HCA Academic Hospital



Potential Future Expansion

Key Drivers to Growth

- Community need
- Market growth
- Education, research and clinical priorities
- HCA expansion benchmarks
 - In-patient services at 80 percent occupancy
 - Emergency Department visits at 2,000 per bed per year

Core Services

- General surgery, internal medicine, OB/GYN, emergency services, pathology and radiology

Specialties

- Cardiology, endocrinology, gastroenterology, neurology, pulmonary, infectious disease, rheumatology, orthopedic surgery and urology with anesthesia

Consultants and Partner Representatives

- **David Grauer**
Partner, Jones Day
- **Steve Johnson**
National Healthcare Finance and Business Adviser,
GG Funding, LLC
- **Michael P. Joyce**
President, HCA North Florida Division
- **Ricardo Pavon**
Chief Financial Officer, HCA North Florida Division
- **Joseph A. Sowell, III**
Senior VP and Chief Development Officer, HCA

A Safe Deal

- Joint-venture LLC structure protects UCF
- Agreements include indemnification and insurance protections
- Multiple default protections

An aerial photograph of a large medical campus. The central feature is a large, multi-story building with a prominent curved section and a central tower. To the left of this building is a large, circular parking lot filled with cars. To the right is a large, rectangular building with a flat roof. The campus is surrounded by green lawns, trees, and a road. The sky is clear and blue.

Proposed Academic Hospital Land

UCF College of Medicine

UCF Burnett Biomedical
Sciences Building

Best of Both Worlds

FOR - PROFITS	ACADEMICS
Efficient and Lean	Excellence
Business Expertise	High Touch
Nimble	Evidence Based
Fiscal Discipline	Innovation
Bottom-Line Focus	Community Focus

Benefits to Partners

U C F	H C A
Student Benefit	Academic Hub
Surgeon, Scientist Recruiting	Physician Recruiting
Residencies	Residencies
Research	Research
Great ROI	Lake Nona Opportunity

A golden statue of a knight on a horse, holding a shield with 'UCF' on it, set against a yellow background. The statue is highly detailed, showing the knight's armor and the horse's features. The shield is prominently displayed with the letters 'UCF' in a bold, serif font. The background is a solid, bright yellow, and there are some palm fronds visible in the lower left corner.

Thank you