

HART COUNTY HOSPITAL AUTHORITY  
Quarterly Meeting

October 20, 2009  
5:30 PM  
Class Room

MEMBERS: James Spencer, Chairman  
Gordon Irwin, DO, Vice Chair  
Alice Glenn, Treasurer  
Larry Fouch  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Tony Hilton  
Wayne Scott, DO

TCHS STAFF: Jerry Wise, Secretary  
Chuck Adams, CEO  
Steve Barber, CFO  
Marsha Beck, Adm. HHCC  
Kim Drafts, Controller

AGENDA

1. CALL TO ORDER AND WELCOME
2. ACCEPTANCE OF MINUTES – July 21, 2009
3. FINANCE COMMITTEE REPORT – Alice Glenn
4. ELECTION OF BOARD MEMBERS – Bob Clark
  - A. Larry Fouch & Jim Spencer to serve 3 year terms beginning January 2010 and ending December 31, 2012
5. ELECTION OF OFFICERS – Scott Hardigree
  - A. Chairman – Jim Spencer
  - B. Vice Chairman – Tony Hilton
  - C. Treasurer – Alice Glenn
6. NEW BUSINESS – Jim Spencer
  - A. Next quarterly meeting to be held January 19, 2010 at 5:30PM
7. ADJOURNMENT

## MINUTES

# HART COUNTY HOSPITAL AUTHORITY

### Quarterly Meeting

October 20, 2009  
Hart County Hospital Class Room  
5:30 p.m.

Members Present:

James E. Spencer, Chairman  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Tony Hilton  
Gordon Irwin, DO  
Larry Fouch

Members Absent:

Alice Glenn, Treasurer

Cobb Foundation BOD:

Fort Oglesby  
Jack Edmunds  
Greg Hern  
Robert Ridgway, HCH Authority Attorney

TCHS Staff:

Chuck Adams, TCHS CEO  
Steve Barber, TCHS CFO  
Jerry Wise, HCH Administrator  
Dede Arnau, HCH CNO

Chairman Spencer called the meeting to order.

The minutes of the July 21, 2009 meeting were presented and approved as presented.

### REPORT FROM THE ADMINISTRATOR

Jerry Wise presented the Administrator's report. Hart County Hospital was recently named in the AJC as being one of several hospitals in the State of Georgia where the quality of care was "weak." The report was through the first quarter of 2009. Through the second quarter of 2009 we had 100% on all the measurements.

Hart County Hospital received a Safety Award from the Georgia Hospital Association Workers' Compensation Self-Insurance Fund. In calendar year 2008, we had a very low rate of compensable dollar injuries. Our loss ratio as of April 30, 2009, for 2008, was 0% of our premium.

Each department at Hart County Hospital has their own Patient Satisfaction Surveys. Overall we are doing a good job throughout the facility.

The month of October has been busier. Staffing is good. There have been no significant changes in the Medical Staff. Dr. Fordyce will be closing his office in Hartwell by the end of this month.

### **HCH STATISTICAL REPORT**

Jerry Wise presented the Statistical Report through September 2009. A copy of the report is attached.

### **HHCC ADMINISTRATOR'S REPORT**

Chuck Adams presented the Nursing Home Report. It has been a pretty calm month at the nursing home. They did give flu vaccines to the residents and staff. There is one CNA weekend vacancy. There were 5 discharges for the month of September and currently there are 91 residents. The nursing home is preparing for their upcoming Halloween celebration, which should be a lot of fun for the staff and residents.

### **HCH FINANCIAL REPORT**

Jerry Wise presented the Financial Report through September 2009. A copy of the report is attached.

### **NEW BUSINESS**

Chuck Adams presented an update on the Health Care Reform at the Federal level. The Senate Finance Committee passed out their bill last week, which will be merged with the Health Committee Bill that was passed earlier this year. They anticipate a merged bill will come to the Senate floor the last week in October. The House is working on 3 committee bills to merge into one bill to get to the House floor the first week in November. The Senate version is estimated to cost \$1.1 Trillion and the House version is estimated to cost \$891 Billion.

The CON was filed and we had our 60-day review meeting. There were four questions, which were fixed immediately and turned back in and they deemed the application complete. Stephens County then filed a letter of opposition in the appropriate time frame. They will present their opposition to the State this week. We will have 15 days to present a written response to the DCH. The State plans to make a ruling on November 20<sup>th</sup>. Stephens County could appeal if the State rules against them.

There was a TCHS Board Retreat last month. The Board has decided we cannot sit back and do nothing. Our focus is to do everything we can to move forward. We are pushing to get Specialist on board. We are moving forward with a full-time hospitalist program at both facilities. We are also looking to recruit two new surgeons. We are working on our customer service and our registration and front-end process and back end process for billing and collecting. We have to do better to make it easier for our physicians and patients so they will want to use us.

### **OTHER REPORTS**

Chuck Adams has been asked by the Governor's office to sit on a panel moderated by the Governor on November 6<sup>th</sup> that will include Cap & Trade and Healthcare Reform. This will be a Small Business Forum where they are inviting all small businesses throughout the State to come to the World Congress Center.

### **HCHA FINANCE COMMITTEE REPORT**

Jim Spencer presented the Treasurer's Report. The balance as of 10/20/09 was \$188,999.52.

### **HCHA ELECTION OF AUTHORITY MEMBERS**

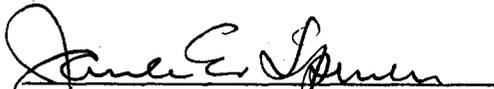
Bob Clark presented the nomination of the new members to serve a three-year term beginning January 1, 2010 and ending December 31, 2012. Those nominated were Larry Fouch and Jim Spencer. Ballots were dispensed to each member and Larry Fouch and Jim Spencer were re-elected for a new three-year term.

**HCHA ELECTION OF OFFICERS**

Scott Hardigree presented the nomination for the new Officers to serve the term beginning January 1, 2010 and ending December 31, 2010. Those nominated were Jim Spencer, Chairman; Tony Hilton, Vice Chairman; Alice Glenn, Treasurer. Ballots were dispensed to each member and Jim Spencer, Tony Hilton and Alice Glenn were elected as the Officers for the 2010 term.

**HCHA NEW BUSINESS**

The next quarterly meeting will be held January 19, 2010 at 5:30pm in the Hospital Class Room.

  
James Spencer, Chairman

jhs

**HART COUNTY HOSPITAL AUTHORITY**  
**TREASURER'S REPORT**  
10/20/2009

Bank of America - Savings			
Balance at 07/21/2009	\$5,641.57		
Interest July - Sept		<u>2.85</u>	
(Includes all lease payments)			
Balance at 10/20/2009			<u>5,644.42</u>
First Citizens Checking at 7/21/2009			100.00
Transferred to Certificate			<u>-100.00</u>
First Citizens Checking at 10/20/2009			00
Certificates of Deposit:			
First Citizens Maturity 12 Months -10/2/2009 APY 4%			99,000.00
Interest earned			3,957.65
Transfer from checking			<u>100.00</u>
First Citizens Maturity 13 Months -11/02/2010 APY 2.5%			<u>103,057.65</u>
Athens First Bank & Trust 12 Months – 10/2/2009 APY 3.75%			77,398.30
Interest earned			<u>2,899.15</u>
Athens First Bank & Trust 14 Months – 12/05/2010 APY 2.00%			<u>80,297.45</u>
Balance in Certificates of Deposit 10/20/2009			<u>183,355.10</u>
Total Cash in Banks at 10/20/2009			<u>188,999.52</u>
Balance at 07/21/2009			\$182,139.87
Additions:	Interest:		
	Checking	2.85	
	CDs	<u>6,856.80</u>	<u>6,859.65</u>
Balance at 10/20/2009			<u>\$188,999.52</u>

## HART COUNTY FACILITIES STATISTICS - September 2009

### Hart County Hospital

	Current	Year - to - Date	
	Month	Current	Prior
1 Days Cash on Hand		14.8	28.2
2 Net Days in AR		26.3	55.1
3			
4 Bad Debt Expense	\$ 212,145	\$ 2,038,133	\$ 1,977,093
5 Bad Debt Recoveries	\$ (14,906)	\$ (171,628)	\$ (230,560)
6 Indigent / Charity Care	\$ 49,671	\$ 995,183	\$ 1,305,368
7 Revenue from Self-Pay	\$ 299,994	\$ 3,063,298	\$ 3,139,001
8 Bad Debt % Self-Pay	82.3%	93.4%	97.2%
9			
10 <u>Patient Days</u>			
11 Acute	272	2,570	2,994
12 Equivalent OP	533	5,748	5,712
13 Swing Bed	42	1,257	2,328
14			
15 <u>Percent Occupancy</u>			
16 Acute / Swing Bed	12.8%	17.1%	23.7%
17 Avg. Lengths of Stay	3.89	3.69	3.49
18			
19 <u>Discharges</u>			
20 Acute	70	696	858
21			
22 <u>Outpatient</u>			
23 ER Visits	833	6,997	7,352
24 Scopes / Surgeries	97	745	854
25			
26 M'Care Case Mix Index	1.2827	1.0716	1.0228
27 M'Caid Case Mix Index	0.6986	1.0320	1.3006
28			
29 <u>Financial Class - Hosp.</u>			
30 Medicare	54.7%	56.1%	55.2%
31 Medicaid	11.6%	9.2%	9.4%
32 Commercial	21.9%	22.1%	22.7%
33 Private Pay	11.9%	12.5%	12.6%
34			
35			

### Hartwell Health Care Center

	Current	Year - to - Date	
	Month	Current	Prior
39 <u>Patient Days x Financial Class</u>			
40 Medicare	5.8%	6.5%	8.1%
41 Medicaid	83.3%	82.1%	78.2%
42 Commercial	8.5%	6.7%	7.0%
43 Private Pay	2.5%	4.7%	6.6%
44			
45 <u>Total Patient Days</u>	2,646	24,302	24,729
46			
47 <u>Percent Occupancy</u>	95.9%	96.8%	98.1%
48			
49 <u>Discharges</u>	5	39	32
50			
51 <u>Case Mix Index</u>	1.3570	1.2680	1.2150
52 <u>Cognitive Performance %</u>	53.2%	55.3%	52.3%

**HART COUNTY HOSPITAL  
STATEMENT OF OPERATIONS  
FOR THE NINE MONTHS ENDING SEPTEMBER 30, 2009**

MONTH - TO - DATE				YEAR - TO - DATE			
Current	Budget	Prior Year		Current	Budget	Prior Year	
<b>REVENUES</b>							
836,955	833,028	794,881	Inpatient	7,172,789	8,235,153	7,902,105	
1,641,226	1,836,683	1,760,628	Outpatient	16,043,689	15,981,719	15,075,793	
44,175	261,527	256,693	Sub Acute	1,217,486	2,032,009	1,854,416	
<b>2,522,356</b>	<b>2,931,238</b>	<b>2,812,202</b>	<b>GROSS Revenues</b>	<b>24,433,965</b>	<b>26,248,881</b>	<b>24,832,314</b>	
<b>DEDUCTIONS from Revenue</b>							
839,717	947,209	899,352	Medicare Contractual Adjustments	8,762,997	8,482,141	7,737,652	
279,456	208,908	218,373	Medicaid Contractual Adjustments	1,879,483	1,870,744	1,726,092	
177,892	263,811	263,122	Other Deductions	2,001,239	2,362,398	2,224,668	
<b>1,297,065</b>	<b>1,419,928</b>	<b>1,380,847</b>	<b>TOTAL Deductions</b>	<b>12,643,719</b>	<b>12,715,283</b>	<b>11,688,413</b>	
<b>1,225,291</b>	<b>1,511,310</b>	<b>1,431,356</b>	<b>NET Patient Care Revenue</b>	<b>11,790,246</b>	<b>13,533,598</b>	<b>13,143,901</b>	
13,011	13,324	12,278	Other Income	130,106	147,521	147,817	
<b>1,238,302</b>	<b>1,524,634</b>	<b>1,443,634</b>	<b>TOTAL Operating Revenue</b>	<b>11,920,351</b>	<b>13,681,119</b>	<b>13,291,718</b>	
<b>EXPENSES</b>							
436,505	525,059	484,760	Salaries	4,288,692	4,794,219	4,555,841	
156,758	158,463	165,109	Employee Benefits	1,671,733	1,446,464	1,553,490	
900	1,800	180	Contract Labor	40,131	10,800	5,580	
68,843	81,540	90,906	Purchased Services	831,982	803,361	769,655	
112,607	106,992	106,986	Professional Fees	950,709	918,265	917,924	
164,880	185,623	182,413	Supplies	1,593,529	1,635,269	1,577,275	
26,780	34,516	26,366	Physician Recruitment	248,727	277,544	237,366	
41,880	56,809	56,145	Management Fees	532,590	511,281	487,910	
7,125	7,194	8,351	Information Systems	65,092	64,746	63,874	
11,007	10,781	11,636	Rent / Lease Equipment	92,912	88,037	94,536	
36,077	62,721	44,866	Repairs & Maintenance	342,908	404,393	392,125	
18,076	31,682	31,230	Utilities	252,063	277,409	273,985	
30,392	13,457	13,541	Insurance	265,251	119,849	122,492	
4,648	3,603	2,778	Travel & education	29,309	35,986	31,035	
0	0	0	Provider-based Taxes	0	0	0	
246,910	317,375	302,330	Bad Debt (Net)	2,861,688	2,842,056	3,051,901	
1,238	1,512	8,508	Other Expenses	81,565	84,904	71,272	
<b>1,364,624</b>	<b>1,599,126</b>	<b>1,536,105</b>	<b>TOTAL Operating Expenses</b>	<b>14,148,879</b>	<b>14,314,583</b>	<b>14,206,259</b>	
<b>(126,322)</b>	<b>(74,492)</b>	<b>(92,471)</b>	<b>NET Operating Revenue (Loss)</b>	<b>(2,228,528)</b>	<b>(633,464)</b>	<b>(914,541)</b>	
4,570	5,233	4,786	Non-Operating Revenue	242,485	59,418	254,761	
74,930	77,000	79,000	Depreciation & Amortization	703,225	693,000	758,251	
23,098	29,345	30,089	Interest	215,753	264,105	280,543	
<b>98,027</b>	<b>106,345</b>	<b>109,089</b>	<b>TOTAL Non-Operating Expense</b>	<b>918,977</b>	<b>957,105</b>	<b>1,038,794</b>	
<b>(219,779)</b>	<b>(175,604)</b>	<b>(196,773)</b>	<b>NET Income (Loss)</b>	<b>(2,905,020)</b>	<b>(1,531,151)</b>	<b>(1,698,575)</b>	

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<b>(126,322)</b>	<b>(74,492)</b>	<b>(92,471)</b>	<b>NET Operating Revenue (Loss)</b>	<b>(2,228,528)</b>	<b>(633,464)</b>	<b>(914,541)</b>	
4,570	5,233	4,786	Non-Operating Revenue	242,485	59,418	254,761	
74,930	77,000	79,000	Depreciation & Amortization	703,225	693,000	758,251	
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<b>98,027</b>	<b>106,345</b>	<b>109,089</b>	<b>TOTAL Non-Operating Expense</b>	<b>918,977</b>	<b>957,105</b>	<b>1,038,794</b>	
<b>(219,779)</b>	<b>(175,604)</b>	<b>(196,773)</b>	<b>NET Income (Loss)</b>	<b>(2,905,020)</b>	<b>(1,531,151)</b>	<b>(1,698,575)</b>	