

HART COUNTY HOSPITAL AUTHORITY  
Quarterly Meeting

October 19, 2010  
5:00 PM  
Class Room

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

TCHS STAFF: Chuck Adams, CEO  
Steve Barber, CFO  
David Seagraves, Hospital CEO  
Jerry Wise, Hospital COO  
Marsha Beck, Adm. HHCC  
Kimberly Massey, Controller

AGENDA

1. CALL TO ORDER
2. ACCEPTANCE OF MINUTES – July 27, 2010
3. FINANCE COMMITTEE REPORT – Jim Spencer
4. ELECTION OF AUTHORITY MEMBERS – Bob Clark
  - A. Robert Clark, Alice Glenn and Tony Hilton to serve 3 year terms beginning January 1, 2011 and ending December 31, 2013.
5. ELECTION OF OFFICERS – Scott Hardigree
  - A. Chairman – Tony Hilton
  - B. Vice Chairman – Alice Glenn
  - C. Treasurer – Pudge Smith
6. PRESENTATION ON NEW HOSPITAL – Jerry Wise
7. ADJOURNMENT
  - A. Next quarterly meeting to be held January 25, 2011 at 5:00PM

## MINUTES

# HART COUNTY HOSPITAL AUTHORITY

### Quarterly Meeting

October 19, 2010  
Hart County Hospital Class Room  
5:30 p.m.

Members Present: James E. Spencer, Chairman  
Tony Hilton, Vice Chair  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Larry Fouch  
Gordon Irwin, DO

Members Absent: Alice Glenn, Treasurer

Cobb Foundation BOD: Jack Edmunds  
Robert Ridgway, HCH Authority Attorney

TCHS Staff: Jerry Wise, Hospital COO  
Marsha Beck, HHCC Administrator

Chairman Spencer called the meeting to order.

The minutes of the July 27, 2010 meeting were presented and approved as presented.

### **HCHA FINANCE COMMITTEE REPORT**

Jim Spencer presented the Treasurer's Report. The balance as of October 19, 2010 was \$189,005.87.

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

Bob Clark presented the nomination of the new members to serve a three-year term beginning January 1, 2011 and ending December 31, 2013. Those nominated were Robert Clark, Alice Glenn and Tony Hilton. Ballots were dispensed to each member and Robert Clark, Alice Glenn and Tony Hilton 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, 2011 and ending December 31, 2011. Those nominated were Tony Hilton, Chairman; Alice Glenn, Vice Chairman; Pudge Smith, Treasurer. Ballots were dispensed to each member and Tony Hilton, Alice Glenn and Pudge Smith were elected as the Officers for the 2011 term.

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

Marsha Beck presented the Nursing Home Report. There are currently 90 residents. The Occupancy Rate is 97.8%. One person will be admitted this week. We are currently at 78 days with no lost time accidents. There is one CNA position for 3<sup>rd</sup> shift available.

The residents decorated a "fall" tree with fall colors. There were carriage rides on Sunday afternoon a couple of weeks ago. One of our long time residents passed away last week and the service was held at the nursing home. There were about 60 people who attended the service.

We have what is called "restorative dining" available for residents. If a resident needs a little assistance, the staff is there to help and encourage them. We are in the process of renaming this to be more like a café experience. The staff will act as waitresses and take their orders for the next meal. We hope this will be good for the residents.

The Thanksgiving dinner will be an evening meal and will be held on November 17<sup>th</sup>. The Christmas dinner will also be an evening meal and will be held on December 16<sup>th</sup>. This will include residents, staff and families.

#### **HOSPITAL ADMINISTRATIVE REPORT**

Jerry Wise presented the Hospital Administrative Report. We have a new Chief Nursing Officer. Evelyn Murphy started on October 1<sup>st</sup>. Evelyn comes to us from Emory Healthcare. She has a Master's Degree in Nursing Administration and has worked in both large and small hospitals.

We have two new physician groups to join our hospital staff and both Hart and Cobb. Dr. Gary Minkiewicz, Cardiologist, has started seeing patients every Wednesday. Dr. Stephen Moore, Gastroenterology, has started seeing patients every Monday. They are sharing office space at 127 West Gibson Street.

The next two weeks will be very busy with the consolidation. Good news is coming from Raymond James Associates and their ability to market the bonds is encouraging. Everything is on a tight schedule now. In order to have the Recovery Zone Facility Bonds issued on a tax free basis they have to be closed by the end of the year.

We have started a "Cultural Change Initiative" within the organization. We need to change the cultural in our organization into a more customer friendly and user friendly atmosphere. We have started with the Leadership Team and will roll this out to our employees January 1<sup>st</sup>.

#### **PRESENTATION OF NEW HOSPITAL**

Jerry Wise gave a Power Point presentation of the new Ty Cobb Regional Medical Center.

#### **HCH FINANCIAL REPORT**

Jerry Wise presented the Statement of Operations and Statistics Report through September 2010. Copies of the reports are attached.

#### **HCHA NEW BUSINESS**

The next quarterly meeting will be held January 18, 2011 at 5:00pm in the Hospital Class Room.

  
James Spencer, Chairman

jhs

HART COUNTY HOSPITAL AUTHORITY  
TREASURER'S REPORT  
10/19/2010

Bank of America – Savings

Balance at 07/27/2010 \$5,649.35

Interest July-Sept. 1.42

(Includes all lease payments)

Balance at 10/19/2010 5,650.77

Certificates of Deposit:

First Citizens Maturity 13 Months.-11/02/2010 APY 2.5% 103,057.65

Athens First Bank & Trust 14 Months – 12/05/2010 APY 2.00% 80,297.45

Balance in Certificates of Deposit at 10/19/2010 183,355.10

Total Cash in Banks at 10/19/2010 189,005.87

Balance at 07/27/2010 \$189,004.45

Additions: Interest:  
Checking 1.42

Balance at 10/19/2010 \$189,005.87

Both CDs will be maturing before our next meeting.

**HART COUNTY HOSPITAL**  
**STATEMENT OF OPERATIONS**  
For Nine Months Ended September 30, 2010

**MONTH - TO - DATE**

**YEAR - TO - DATE**

|    | MONTH - TO - DATE |                  |                  |                                     | YEAR - TO - DATE   |                    |                    |
|----|-------------------|------------------|------------------|-------------------------------------|--------------------|--------------------|--------------------|
|    | Current           | Budget           | Prior Year       |                                     | Current            | Budget             | Prior Year         |
| 1  |                   |                  |                  | <b>REVENUES</b>                     |                    |                    |                    |
| 2  | 747,693           | 953,409          | 836,955          | Inpatient                           | 6,623,881          | 8,356,387          | 7,172,789          |
| 3  | 1,689,454         | 1,814,435        | 1,641,226        | Outpatient                          | 13,791,459         | 17,098,276         | 16,043,689         |
| 4  | 35,620            | 44,373           | 44,175           | Sub Acute                           | 181,160            | 431,040            | 1,217,486          |
| 5  | <b>2,472,767</b>  | <b>2,812,216</b> | <b>2,522,356</b> | <b>GROSS Revenues</b>               | <b>20,596,500</b>  | <b>25,885,702</b>  | <b>24,433,965</b>  |
| 6  |                   |                  |                  |                                     |                    |                    |                    |
| 7  |                   |                  |                  | <b>DEDUCTIONS from Revenue</b>      |                    |                    |                    |
| 8  | 934,284           | 1,013,320        | 839,717          | Medicare Contractual Adjustments    | 6,617,184          | 9,119,880          | 8,762,997          |
| 9  | 179,008           | 200,942          | 279,456          | Medicaid Contractual Adjustments    | 1,661,229          | 1,808,478          | 1,879,483          |
| 10 | 154,099           | 235,389          | 177,892          | Other Deductions                    | 1,627,058          | 2,118,501          | 2,001,239          |
| 11 | <b>1,267,391</b>  | <b>1,449,651</b> | <b>1,297,065</b> | <b>TOTAL Deductions</b>             | <b>9,905,471</b>   | <b>13,046,859</b>  | <b>12,643,719</b>  |
| 12 |                   |                  |                  |                                     |                    |                    |                    |
| 13 | <b>1,205,376</b>  | <b>1,362,565</b> | <b>1,225,291</b> | <b>NET Patient Care Revenue</b>     | <b>10,691,028</b>  | <b>12,838,843</b>  | <b>11,790,246</b>  |
| 14 |                   |                  |                  |                                     |                    |                    |                    |
| 15 | 11,331            | 13,474           | 13,011           | Other Income                        | 119,607            | 130,815            | 130,106            |
| 16 | <b>1,216,707</b>  | <b>1,376,039</b> | <b>1,238,302</b> | <b>TOTAL Operating Revenue</b>      | <b>10,810,635</b>  | <b>12,969,658</b>  | <b>11,920,351</b>  |
| 17 |                   |                  |                  |                                     |                    |                    |                    |
| 18 |                   |                  |                  | <b>EXPENSES</b>                     |                    |                    |                    |
| 19 | 446,041           | 471,722          | 436,505          | Salaries                            | 4,069,846          | 4,255,277          | 4,288,692          |
| 20 | 161,062           | 169,360          | 156,758          | Employee Benefits                   | 1,515,447          | 1,537,621          | 1,671,733          |
| 21 | 0                 | 1,540            | 900              | Contract Labor                      | 4,230              | 14,580             | 40,131             |
| 22 | 84,147            | 77,076           | 68,843           | Purchased Services                  | 831,771            | 838,733            | 831,982            |
| 23 | 140,832           | 123,434          | 112,607          | Professional Fees                   | 1,179,919          | 1,121,646          | 950,709            |
| 24 | 171,793           | 175,028          | 164,880          | Supplies                            | 1,352,947          | 1,746,754          | 1,593,529          |
| 25 | 9,700             | 9,879            | 26,780           | Physician Recruitment               | 89,523             | 89,669             | 248,727            |
| 26 | 47,963            | 50,306           | 41,880           | Management Fees                     | 441,923            | 452,754            | 532,590            |
| 27 | 7,035             | 7,285            | 7,125            | Information Systems                 | 64,002             | 65,565             | 65,092             |
| 28 | 10,467            | 10,418           | 11,007           | Rent / Lease Equipment              | 92,394             | 86,557             | 92,912             |
| 29 | 33,847            | 41,638           | 36,021           | Repairs & Maintenance               | 358,683            | 376,040            | 340,520            |
| 30 | 28,662            | 18,305           | 17,876           | Utilities                           | 267,261            | 255,787            | 249,424            |
| 31 | 23,968            | 30,842           | 30,392           | Insurance                           | 218,934            | 276,828            | 265,251            |
| 32 | (1,092)           | 3,088            | 4,648            | Travel & education                  | 26,512             | 36,628             | 29,309             |
| 33 | 47,405            | 0                | 0                | Provider-based Taxes                | 47,405             | 0                  | 0                  |
| 34 | 262,034           | 306,924          | 246,910          | Bad Debt (Net)                      | 2,675,249          | 2,762,316          | 2,861,688          |
| 35 | 6,913             | 793              | 1,238            | Other Expenses                      | 60,503             | 73,454             | 81,565             |
| 36 | <b>1,480,777</b>  | <b>1,497,638</b> | <b>1,364,368</b> | <b>TOTAL Operating Expenses</b>     | <b>13,296,549</b>  | <b>13,990,208</b>  | <b>14,143,853</b>  |
| 37 |                   |                  |                  |                                     |                    |                    |                    |
| 38 | <b>(264,070)</b>  | <b>(121,599)</b> | <b>(126,066)</b> | <b>NET Operating Revenue (Loss)</b> | <b>(2,485,913)</b> | <b>(1,020,549)</b> | <b>(2,223,502)</b> |
| 39 |                   |                  |                  |                                     |                    |                    |                    |
| 40 | 254               | 183              | 183              | Non-Operating Revenue               | 404,965            | 2,821              | 205,098            |
| 41 |                   |                  |                  |                                     |                    |                    |                    |
| 42 | 70,097            | 77,566           | 74,930           | Depreciation & Amortization         | 652,178            | 698,094            | 703,225            |
| 43 | 14,325            | 19,229           | 23,098           | Interest                            | 159,477            | 173,061            | 215,753            |
| 44 | <b>84,422</b>     | <b>96,795</b>    | <b>98,027</b>    | <b>TOTAL Non-Operating Expense</b>  | <b>811,655</b>     | <b>871,155</b>     | <b>918,977</b>     |
| 45 |                   |                  |                  |                                     |                    |                    |                    |
| 46 | <b>(348,239)</b>  | <b>(218,211)</b> | <b>(223,911)</b> | <b>NET Income (Loss)</b>            | <b>(2,892,603)</b> | <b>(1,888,883)</b> | <b>(2,937,381)</b> |

**Hospital Operating Statistics Report**  
**For Nine Months Ended September 30, 2010**

| <u>HOSPITAL</u> | <u>Hart County Hospital</u>    |                  |              |
|-----------------|--------------------------------|------------------|--------------|
|                 | Current<br>Month               | Year - to - Date |              |
|                 | Current                        | Current          | Prior        |
| 1               |                                |                  |              |
| 2               | \$ 76,768                      | \$ 1,485,430     | \$ 2,038,133 |
| 3               | \$ (15,798)                    | \$ (145,010)     | \$ (171,628) |
| 4               | \$ 201,065                     | \$ 1,334,828     | \$ 995,183   |
| 5               | \$ 340,014                     | \$ 2,851,524     | \$ 3,063,298 |
| 6               | 77.1%                          | 93.8%            | 93.4%        |
| 7               |                                |                  |              |
| 8               | <u>Patient Days</u>            |                  |              |
| 9               | 265                            | 2,271            | 2,570        |
| 10              | 599                            | 4,728            | 5,748        |
| 11              | 41                             | 210              | 1,257        |
| 12              |                                |                  |              |
| 13              | <u>Percent Occupancy</u>       |                  |              |
| 14              | 12.4%                          | 11.1%            | 17.1%        |
| 15              | 3.40                           | 3.35             | 3.69         |
| 16              | 8.83                           | 8.32             | 9.41         |
| 17              |                                |                  |              |
| 18              | <u>Discharges</u>              |                  |              |
| 19              | 78                             | 678              | 696          |
| 20              | N/A                            | N/A              | N/A          |
| 21              |                                |                  |              |
| 22              | <u>Outpatient</u>              |                  |              |
| 23              | 686                            | 6,236            | 6,997        |
| 24              | 92                             | 721              | 745          |
| 25              |                                |                  |              |
| 26              | 1.0876                         | 1.1867           | 1.0716       |
| 27              | 1.9453                         | 1.3091           | 1.0320       |
| 28              |                                |                  |              |
| 29              | <u>Financial Class - Hosp.</u> |                  |              |
| 30              | 56.6%                          | 54.5%            | 56.1%        |
| 31              | 11.6%                          | 10.5%            | 9.2%         |
| 32              | 18.0%                          | 21.2%            | 22.1%        |
| 33              | 13.8%                          | 13.8%            | 12.5%        |