

HART COUNTY HOSPITAL AUTHORITY  
Quarterly Meeting

April 20, 2010  
5:30 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 – January 19, 2010
3. FINANCE COMMITTEE REPORT – Alice Glenn
4. NEW BUSINESS – Jim Spencer
  - A. Next quarterly meeting – July 27, 2010 at 5:00PM
5. ADJOURNMENT

## MINUTES

# HART COUNTY HOSPITAL AUTHORITY

### Quarterly Meeting

April 20, 2010  
Hart County Hospital Class Room  
5:30 p.m.

Members Present:

James E. Spencer, Chairman  
Alice Glenn, Treasurer  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Gordon Irwin, DO  
Larry Fouch

Members Absent:

Tony Hilton, Vice Chair

Cobb Foundation BOD:

Jack Edmunds  
Greg Hearn  
Robert Ridgway, HCH Authority Attorney

TCHS Staff:

Chuck Adams, TCHS CEO  
Steve Barber, TCHS CFO  
David Seagraves, Hospital CEO  
Jerry Wise, Hospital COO

Chairman Spencer called the meeting to order.

The minutes of the January 19, 2010 meeting were presented and approved as presented.

The following reports were presented at the Cobb Foundation Board meeting held prior to the Authority meeting.

### HOSPITAL ADMINISTRATIVE REPORT

David Seagraves presented the Administrative Report. We have just credentialed Dr. Ronald MacBeth who is a partner in the Toccoa Clinic. We have been in negotiations with Dr. MacBeth and the Toccoa Clinic with regards to moving to this area. We are also working with The Longstreet Clinic in Gainesville for General Surgeons. We have been spending time with NGTC physicians in Gainesville and Athens. Dr. Steve Moore, GI visited our facility recently. We visited with a group of Urologist and Cardiologist who are members of NGTC. We are also talking with local physicians to cultivate their utilization of TCHS services. We are looking at modifications to the Clear Creek Medical Office Building in order to meet the needs of the physicians who will be relocating to the area.

Jerry Wise announced that GHA has a program called "Moving Georgia to the Top Ten". This program was designed to help hospitals obtain the quality measures and ensure Georgia moves up. Hart County Hospital made the Honor Roll which means we were in the 91-92.9% of the core measures. Cobb Memorial Hospital made the Presidential Honor Roll which means they were in the 93-97.9% of the core measures.

David Seagraves announced the hospital is hosting a brunch for the Hospital Auxiliary this Friday in honor of National Volunteer week. The National Hospital Week will be celebrated May 10<sup>th</sup> through 14<sup>th</sup>. There will be a picnic on May 14<sup>th</sup> for the employees. The Board and Authority are invited to attend.

### **HCH STATISTICAL REPORT**

Kimberly Massey presented the Statistical Report through March 2010. A copy of the report is attached.

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

Marsha Beck presented the Nursing Home Report. There was one nurse who requested a transfer to Comer. There is a PRN nurse coming back full time. We have hired one PRN LPN for weekends. Staffing is good in all the other departments. We have gone 183 days with no lost time accidents. The State put us back in compliance last week. We currently have 80 residents, but we can now start admitted again. The Occupancy Rate for March was 89.8% with 11 Discharges for the month.

### **HCH FINANCIAL REPORT**

Kimberly Massey presented the Financial Report through March 2010. A copy of the report is attached.

### **NEW BUSINESS**

Chuck Adams presented an update. The CON hearing was held on March 10-12 in Atlanta where Stephens County Hospital had the opportunity to appeal to the Department of Community Health that they erred in granting us the CON. Yesterday at midnight was the deadline for all documents to be closed and the attorneys from all three sides to submit facts and findings associated with the case for the Hearing Officer to consider. The Hearing Officer now has 30 days to rule. We are confident he will uphold the department's original decision to grant us the CON. Stephens County Hospital will then have one more appeal to the Commissioner of the Department of Community Health.

We are ramping up our "Physician Now Program" and getting NGTC invested physicians in our market immediately. Our key areas are Cardiology, GI, Urology, Oncology and Orthopedics.

On the Legislature for healthcare reform, we have a new strategy for how Washington is going to fix it and it was signed into law a month ago. The jury is still out as to what it means. We are trying to figure out the impact it will have on healthcare over the next 10 years. We will see some reimbursements going away now. There is a section on rural healthcare provisions which gives rural providers time to get prepared.

At the State level, it is all about budget. For the first time in 18 months, revenues were improved and not negative. The two biggest users of state revenues funds are education and healthcare. The options going into session were to cut M'Caid rates by up to 19%. Second was a hybrid approach of a lower rate cut of 10% and lift the sales tax exemption on non-profit hospitals. Third was HB307 Provider Tax, which did pass, where most hospitals will pay a fee of about 1.5% of Net Revenue to the State. The State will then redistribute back to the hospitals proportionate to their M'Caid volume.

### **OTHER REPORTS**

None

**HCHA FINANCE COMMITTEE REPORT**

Alice Glenn presented the Finance Report. The balance as of April 20, 2010 was \$189,003.05.

**HCHA NEW BUSINESS**

None

The next quarterly meeting will be held in conjunction with the Cobb Foundation Board on July 27, 2010 at 5:00PM in the Hart County Hospital Class Room.



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James Spencer, Chairman

Jhs

**HCHA FINANCE COMMITTEE REPORT**

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**HCHA NEW BUSINESS**

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James Spencer, Chairman

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HART COUNTY HOSPITAL AUTHORITY  
TREASURER'S REPORT  
4/20/2010

Bank of America – Savings

Balance at 1/19/2010	\$5,646.56	
Interest	Jan - Mar	<u>1.39</u>
(Includes all lease payments)		
Balance at 4/20/2010		<u>5,647.95</u>

Certificates of Deposit:

First Citizens Maturity 13 Months -11/02/2010 APY 2.5%	103,057.65
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Athens First Bank & Trust 14 Months – 12/05/2010 APY 2.00%	<u>80,297.45</u>
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Balance in Certificates of Deposit at 4/20/2010	<u>183,355.10</u>
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Total Cash in Banks at 1/19/2010	<u>189,003.05</u>
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Balance at 1/19/2010	\$189,001.66
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Additions:	Interest:	
Checking		<u>1.39</u>

Balance at 4/20/2010	<u>\$189,003.05</u>
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**Hospital Operating Statistics Report  
For Three Months Ended March 31, 2010**

<u>HOSPITAL</u>	<u>Hart County Hospital</u>			
	<u>Current Month</u>	<u>Year - to - Date</u>		
		<u>Current</u>	<u>Prior</u>	
1				
2	Bad Debt Expense	\$ 179,020	\$ 393,854	\$ 726,605
3	Bad Debt Recoveries	\$ (17,290)	\$ (34,798)	\$ (57,458)
4	Indigent / Charity Care	\$ 76,129	\$ 422,787	\$ 262,962
5	Revenue from Self-Pay	\$ 283,695	\$ 827,634	\$ 948,429
6	Bad Debt % Self-Pay	83.8%	94.5%	98.3%
7				
8	<u>Patient Days</u>			
9	Acute	290	835	970
10	Equivalent OP	494	1,488	2,208
11	Swing Bed	34	92	739
12				
13	<u>Percent Occupancy</u>			
14	Acute / Swing Bed	12.7%	12.6%	23.2%
15	Avg. Lengths of Stay	3.12	3.30	3.70
16	Avg. Daily Census	9.35	9.28	10.78
17				
18	<u>Discharges</u>			
19	Acute	93	253	262
20	Deliveries	N/A	N/A	N/A
21				
22	<u>Outpatient</u>			
23	ER Visits	672	2,065	2,320
24	Scopes / Surgeries	82	250	262
25				
26	M'Care Case Mix Index	1.2562	1.2507	0.9745
27	M'Caid Case Mix Index	1.0069	1.2438	1.1838
28				
29	<u>Financial Class - Hosp.</u>			
30	Medicare	57.0%	56.7%	57.7%
31	Medicaid	9.1%	10.0%	8.7%
32	Commercial	22.1%	21.8%	23.2%
33	Private Pay	11.7%	11.6%	10.4%

**HART COUNTY HOSPITAL**  
**STATEMENT OF OPERATIONS**  
For Three Months Ended March 31, 2010

	MONTH - TO - DATE				YEAR - TO - DATE		
	Current	Budget	Prior Year		Current	Budget	Prior Year
1				REVENUES			
2	882,791	1,043,225	864,561	Inpatient	2,541,944	2,978,025	2,563,854
3	1,503,370	2,049,917	2,035,699	Outpatient	4,529,694	5,959,703	5,834,907
4	29,964	56,813	248,173	Sub Acute	70,503	165,593	695,724
5	<b>2,416,124</b>	<b>3,149,955</b>	<b>3,148,433</b>	<b>GROSS Revenues</b>	<b>7,142,140</b>	<b>9,103,321</b>	<b>9,094,485</b>
6							
7				DEDUCTIONS from Revenue			
8	817,407	1,013,320	1,195,482	Medicare Contractual Adjustments	2,307,633	3,039,960	3,296,791
9	218,037	200,942	188,269	Medicaid Contractual Adjustments	641,631	602,826	618,343
10	168,224	235,389	319,787	Other Deductions	589,126	706,167	727,300
11	<b>1,203,669</b>	<b>1,449,651</b>	<b>1,703,539</b>	<b>TOTAL Deductions</b>	<b>3,538,390</b>	<b>4,348,953</b>	<b>4,642,434</b>
12							
13	<b>1,212,456</b>	<b>1,700,304</b>	<b>1,444,894</b>	<b>NET Patient Care Revenue</b>	<b>3,603,750</b>	<b>4,754,368</b>	<b>4,452,051</b>
14							
15	14,134	11,227	11,669	Other Income	39,969	42,868	43,778
16	<b>1,226,590</b>	<b>1,711,531</b>	<b>1,456,563</b>	<b>TOTAL Operating Revenue</b>	<b>3,643,719</b>	<b>4,797,236</b>	<b>4,495,828</b>
17							
18				EXPENSES			
19	478,971	486,821	527,466	Salaries	1,351,833	1,421,984	1,491,371
20	205,817	199,480	271,797	Employee Benefits	544,424	540,662	647,862
21	270	1,720	4,965	Contract Labor	4,770	5,070	10,005
22	122,337	103,550	109,749	Purchased Services	272,273	291,341	292,900
23	139,744	129,984	103,782	Professional Fees	416,689	381,972	308,368
24	165,723	174,549	170,547	Supplies	477,217	586,606	555,699
25	8,838	9,880	26,855	Physician Recruitment	26,514	29,890	88,049
26	53,954	50,306	66,745	Management Fees	148,939	150,918	173,623
27	7,871	7,285	7,408	Information Systems	22,576	21,855	21,347
28	9,771	9,803	10,435	Rent / Lease Equipment	31,230	27,610	29,771
29	35,434	41,685	27,656	Repairs & Maintenance	116,846	123,430	103,075
30	29,910	31,909	31,118	Utilities	92,297	97,549	95,154
31	26,487	30,692	23,879	Insurance	74,640	91,926	71,699
32	4,533	3,207	2,140	Travel & education	11,390	12,294	8,697
33	0	0	0	Provider-based Taxes	0	0	0
34	237,859	306,924	240,795	Bad Debt (Net)	781,843	920,772	932,109
35	13,564	8,693	13,145	Other Expenses	35,808	49,203	46,420
36	<b>1,541,081</b>	<b>1,596,488</b>	<b>1,638,480</b>	<b>TOTAL Operating Expenses</b>	<b>4,409,289</b>	<b>4,753,081</b>	<b>4,876,148</b>
37							
38	<b>(314,491)</b>	<b>115,043</b>	<b>(181,917)</b>	<b>NET Operating Revenue (Loss)</b>	<b>(765,570)</b>	<b>44,154</b>	<b>(380,320)</b>
39							
40	<b>373</b>	<b>352</b>	<b>352</b>	<b>Non-Operating Revenue</b>	<b>849</b>	<b>1,055</b>	<b>15,479</b>
41							
42	75,149	77,566	79,757	Depreciation & Amortization	225,447	232,698	239,219
43	19,219	19,229	25,735	Interest	55,609	57,687	76,276
44	<b>94,368</b>	<b>96,795</b>	<b>105,492</b>	<b>TOTAL Non-Operating Expense</b>	<b>281,057</b>	<b>290,385</b>	<b>315,495</b>
45							
46	<b>(408,486)</b>	<b>18,600</b>	<b>(287,057)</b>	<b>NET Income (Loss)</b>	<b>(1,045,778)</b>	<b>(245,176)</b>	<b>(680,336)</b>