

HART COUNTY HOSPITAL AUTHORITY  
Quarterly Meeting

July 21, 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 – April 21, 2009
3. FINANCE COMMITTEE REPORT – Alice Glenn
4. PRESENTATION OF AUDIT – Steve Barber
5. NEW BUSINESS – Jim Spencer
  - A. Appointment Membership Committee – Bob Clark
  - B. Appointment Officers Nominating Committee – Scott Hardigree
  - C. Next quarterly meeting to be held October 20, 2009 at 5:30PM
6. ADJOURNMENT

## MINUTES

# HART COUNTY HOSPITAL AUTHORITY

### Quarterly Meeting

July 21, 2009  
Hart County Hospital Class Room  
5:30 p.m.

Members Present: James E. Spencer, Chairman  
Alice Glenn, Treasurer  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Tony Hilton  
Gordon Irwin, DO

Members Absent: Larry Fouch

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

TCHS Staff: Chuck Adams, TCHS CEO  
Steve Barber, TCHS CFO  
Jerry Wise, HCH Administrator  
Marsha Beck, HHCC Administrator  
Dede Arnau, HCH CNO  
Kim Drafts, Controller

Chairman Spencer called the meeting to order.

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

### **REPORT FROM THE ADMINISTRATOR**

Jerry Wise presented the Administrator's Report. We are continuing to streamline and cut costs wherever possible. We have consolidated the Radiology departments. Lee Whisnant will be the director at both facilities. Dr. Fordyce has changed his privilege status from Active to Courtesy. There are two new Podiatrists on Staff, Dr. Jon Middleton and Dr. Steven Richman. Dr. Middleton will do his first surgical case this Friday. Dr. Hagins, who is an OB/GYN from Elberton, did his first surgical case a couple of week ago.

### **HCH STATISTICAL REPORT**

Jerry Wise presented the Statistical Report through June 2009. Days Cash on Hand was 20 and Net Days in AR was 39.5. Bad Debt Expense for the month was \$44,262 and year-to-date was \$1,456,118. Bad Debt Recoveries for the month was (\$14,135) and year-to-date was (\$112,396). Indigent/Charity Care for the month was \$273,352 and year-to-date was \$698,369. Revenue from

Self-Pay for the month was \$312,338 and year-to-date was \$2,121,351. Bad Debt % Self-Pay for the month was 97.2% and year-to-date was 96.3%. Acute Care Days for the month was 285 and year-to-date was 1,850 compared to 2,123 prior year. Out Patient days were up and Swing Bed Days were down. Occupancy Rate was down at 14.9% for the month. Average Lengths of Stay was down for the month at 3.35, year-to-date was 3.78 compared to 3.44 prior year. Acute Care Discharges for the month was 85; year-to-date was 490 compared to 618 prior year. ER visits were down as well as Scope/Surgeries. M'Care Case Mix Index was up and M'Caaid Case Mix Index was down. Financial Class remained constant with M'Care at 56.6%, M'Caaid at 9.0%, Commercial at 22.7% and Private Pay at 11.75 for the month.

### **HCH NURSING REPORT**

Dede Arnau presented the Nursing Report. The Swing Bed Unit has been moved to 2North and we have combined the two units. We were hoping for an average daily census of 18 but we are still only seeing 9-12 patients. By combining the two units, we adjusted staffing back to 72 hours to reduce scheduled overtime. Staff is using PTO to make up hours. We plan to wait another month after everyone comes back from vacation to look at where we are with staffing.

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

Marsha Beck presented the Nursing Home Report. There is one LPN PRN vacancy and one dietary aide vacancy. There were four discharges in the month of June and Occupancy Rate was 97.3%. There are currently 89 residents. Recently, there have been more short stay residents come through than ever before.

### **FINANCIAL REPORT**

Kim Drafts presented the Financial Report for the month of June. Gross Revenues for the month was \$2,678,287 and year-to-date was \$17,244,289. Total Deductions for the month was \$1,345,857 and year-to-date was \$8,916,932. Net Patient Care Revenue for the month was \$1,332,430 and year-to-date was \$8,327,357. Total Operating Revenue for the month was \$1,343,302 and year-to-date was \$8,412,756. Total Operating Expenses for the month was \$1,543,011 and year-to-date was \$9,862,503. Net Operating Revenue for the month was a loss of (\$199,709) and year-to-date loss of (\$1,449,747). Net Income for the month was a loss of (297,406) and year-to-date loss of (\$1,848,828).

### **OTHER BUSINESS**

Chuck Adams presented an update. The physician partners met the capital needed in order to file the CON with adequate financing. The CON was submitted last Friday with the State of Georgia. The State has 10 business days to let us know if the application is complete or needs additional information. Once the State deems the application complete, there is a 60-day review by the DCH. If there are no oppositions, there is further review for another 60-90 days. After 120 days they should render their decision which could be sometime between November 2009 and March 2010.

Bill HR3200 America's Affordable Health Choices Act of 2009 is getting the attention right now in Washington. As of today, there has been opposition from about 30 Democrats and there are no Republicans who support this bill.

The State Executive Team is projecting that the budget deficit in the State of Georgia will hit \$1.5 Billion. The Governor will use executive power to make cuts as he needs to.

### **FINANCE COMMITTEE REPORT**

Alice Glenn presented the Treasurer's Report. The balance as of 07/21/09 was \$182,139.87.

**NEW BUSINESS**

Membership Committee for Appointment  
Bob Clark – Chairman

Officers Nominating Committee for Appointment  
Scott Hardigree – Chairman

The elections will take place at the next quarterly meeting, which will be held on October 20, 2009 at 5:30pm.

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James Spencer, Chairman

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Jerry Wise, Secretary

jhs

HART COUNTY HOSPITAL AUTHORITY  
TREASURER'S REPORT  
07/21/2009

Bank of America - Savings		
Balance at 04/21/2009	\$5,638.18	
Interest      Apr.- June		<u>3.39</u>
(Includes all lease payments)		
Balance at 07/21/2009		<u>5641.57</u>
First Citizens Checking		<u>100.00</u>
Certificates of Deposit:		
First Citizens Maturity 12 Months -10/2/2009 APY 4%		99,000.00
Athens First Bank & Trust 12 Months - 10/2/2009 APY 3.75%		<u>77,398.30</u>
Balance in Certificates of Deposit 07/21/2009		<u>176,398.30</u>
Total Cash in Banks at 07/21/2009		<u>182,139.87</u>
Balance at 04/21/2009		\$182,136.48
Additions:	Interest:	
	Checking	<u>3.39</u>
Balance at 07/21/2009		<u>\$182,139.87</u>

## HART COUNTY FACILITIES STATISTICS - June 2009

### Hart County Hospital

	Current	Year - to - Date	
	Month	Current	Prior
1 Days Cash on Hand		20.0	23.6
2 Net Days in AR		39.5	56.4
3			
4 Bad Debt Expense	\$ 44,262	\$ 1,456,118	\$ 1,336,673
5 Bad Debt Recoveries	\$ (14,135)	\$ (112,396)	\$ (169,474)
6 Indigent / Charity Care	\$ 273,352	\$ 698,369	\$ 953,634
7 Revenue from Self-Pay	\$ 312,338	\$ 2,121,351	\$ 2,187,557
8 Bad Debt % Self-Pay	97.2%	96.3%	96.9%
9			
10 <u>Patient Days</u>			
11 Acute	285	1,850	2,123
12 Equivalent OP	567	4,120	3,825
13 Swing Bed	82	1,129	1,562
14			
15 <u>Percent Occupancy</u>			
16 Acute / Swing Bed	14.9%	20.1%	24.7%
17 Avg. Lengths of Stay	3.35	3.78	3.44
18			
19 <u>Discharges</u>			
20 Acute	85	490	618
21			
22 <u>Outpatient</u>			
23 ER Visits	730	4,643	5,098
24 Scopes / Surgeries	69	496	570
25			
26 M'Care Case Mix Index	1.1962	1.0531	1.0438
27 M'Caaid Case Mix Index	1.0361	0.9861	1.2910
28			
29 <u>Financial Class - Hosp.</u>			
30 Medicare	56.6%	57.2%	54.6%
31 Medicaid	9.0%	8.4%	9.6%
32 Commercial	22.7%	22.1%	22.7%
33 Private Pay	11.7%	12.3%	13.1%

### Hartwell Health Care Center

	Current	Year - to - Date	
	Month	Current	Prior
39 <u>Patient Days x Financial Class</u>			
40 Medicare	7.7%	7.0%	8.9%
41 Medicaid	84.7%	82.3%	77.9%
42 Commercial	4.1%	5.8%	7.1%
43 Private Pay	3.6%	5.0%	6.1%
44			
45 <u>Total Patient Days</u>	2,686	16,066	16,413
46			
47 <u>Percent Occupancy</u>	97.3%	96.5%	98.0%
48			
49 <u>Discharges</u>	4	23	23
50			
51 <u>Case Mix Index</u>	1.2800	1.2760	1.2130
52 <u>Cognitive Performance %</u>	54.8%	56.5%	49.1%

**HART COUNTY HOSPITAL  
STATEMENT OF OPERATIONS  
FOR THE SIX MONTHS ENDING JUNE 30, 2009**

MONTH - TO - DATE				YEAR - TO - DATE			
Current	Budget	Prior Year		Current	Budget	Prior Year	
			REVENUES				
1							
2	860,823	791,082	762,332	Inpatient	5,004,341	5,716,033	5,511,550
3	1,713,192	1,871,873	1,760,487	Outpatient	11,145,445	10,550,888	9,930,882
4	104,272	211,470	185,193	Sub Acute	1,094,503	1,358,509	1,248,945
5	<b>2,678,287</b>	<b>2,874,425</b>	<b>2,708,011</b>	<b>GROSS Revenues</b>	<b>17,244,289</b>	<b>17,625,430</b>	<b>16,691,377</b>
6							
7				DEDUCTIONS from Revenue			
8	915,025	928,850	659,228	Medicare Contractual Adjustments	6,275,010	5,695,533	5,085,973
9	179,399	204,859	186,100	Medicaid Contractual Adjustments	1,176,500	1,256,155	1,222,351
10	251,432	258,698	204,868	Other Deductions	1,465,422	1,586,288	1,419,685
11	<b>1,345,857</b>	<b>1,392,407</b>	<b>1,050,197</b>	<b>TOTAL Deductions</b>	<b>8,916,932</b>	<b>8,537,976</b>	<b>7,728,008</b>
12							
13	<b>1,332,430</b>	<b>1,482,018</b>	<b>1,657,814</b>	<b>NET Patient Care Revenue</b>	<b>8,327,357</b>	<b>9,087,454</b>	<b>8,963,369</b>
14							
15	10,871	12,601	8,715	Other Income	85,399	99,435	102,755
16	<b>1,343,302</b>	<b>1,494,619</b>	<b>1,666,530</b>	<b>TOTAL Operating Revenue</b>	<b>8,412,756</b>	<b>9,186,889</b>	<b>9,066,124</b>
17							
18				EXPENSES			
19	477,170	501,509	487,979	Salaries	2,982,282	3,223,546	3,079,462
20	188,025	157,555	166,213	Employee Benefits	1,163,013	962,389	1,041,517
21	4,752	900	270	Contract Labor	38,511	7,290	5,040
22	93,828	80,873	83,368	Purchased Services	588,733	560,519	532,297
23	108,778	103,191	103,194	Professional Fees	625,841	605,168	604,962
24	174,270	191,209	188,773	Supplies	1,119,410	1,088,986	1,052,695
25	26,780	34,516	26,366	Physician Recruitment	168,388	174,496	158,268
26	52,320	56,809	52,147	Management Fees	383,463	340,854	322,921
27	7,350	7,194	6,432	Information Systems	44,604	43,164	41,239
28	11,251	10,110	10,662	Rent / Lease Equipment	61,072	58,320	64,673
29	34,148	44,970	42,765	Repairs & Maintenance	218,274	256,153	264,137
30	29,570	30,782	30,358	Utilities	175,789	180,222	178,256
31	28,515	13,357	11,083	Insurance	175,144	79,528	81,478
32	810	2,862	3,721	Travel & education	13,489	24,298	23,060
33	0	0	0	Provider-based Taxes	0	0	0
34	303,479	311,224	405,530	Bad Debt (Net)	2,042,091	1,908,366	2,120,833
35	1,965	1,146	966	Other Expenses	62,397	66,887	50,275
36	<b>1,543,011</b>	<b>1,548,207</b>	<b>1,619,826</b>	<b>TOTAL Operating Expenses</b>	<b>9,862,503</b>	<b>9,580,186</b>	<b>9,621,112</b>
37							
38	<b>(199,709)</b>	<b>(53,588)</b>	<b>46,704</b>	<b>NET Operating Revenue (Loss)</b>	<b>(1,449,747)</b>	<b>(393,297)</b>	<b>(554,988)</b>
39							
40	<b>4,589</b>	<b>5,233</b>	<b>4,799</b>	<b>Non-Operating Revenue</b>	<b>225,597</b>	<b>38,108</b>	<b>235,029</b>
41							
42	79,757	77,000	97,609	Depreciation & Amortization	478,431	462,000	521,109
43	22,530	29,345	29,591	Interest	146,247	176,070	188,132
44	<b>102,286</b>	<b>106,345</b>	<b>127,200</b>	<b>TOTAL Non-Operating Expense</b>	<b>624,678</b>	<b>638,070</b>	<b>709,241</b>
45							
46	<b>(297,406)</b>	<b>(154,700)</b>	<b>(75,697)</b>	<b>NET Income (Loss)</b>	<b>(1,848,828)</b>	<b>(993,259)</b>	<b>(1,029,201)</b>