

HART COUNTY HOSPITAL AUTHORITY  
Quarterly Meeting

July 27, 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 – April 20, 2010
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 of Officers Nominating Committee – Scott Hardigree
  - C. Next quarterly meeting – October 19, 2010 at 5:00PM
6. ADJOURNMENT

## MINUTES

# HART COUNTY HOSPITAL AUTHORITY

### Quarterly Meeting

July 27, 2010  
Hart County Hospital Class Room  
5:30 p.m.

Members Present:

James E. Spencer, Chairman  
Tony Hilton, Vice Chair  
Alice Glenn, Treasurer  
Scott Hardigree  
Pudge Smith  
Robert Clark  
Larry Fouch

Members Absent:

Gordon Irwin, DO

Cobb Foundation BOD:

Fort Oglesby  
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 April 20, 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 met with The Longstreet Clinic earlier today to discuss the recruiting efforts for two general surgeons. We also discussed the Hospitalists program and how it can better serve our patients and referring physicians. We recently met with Dr. Chris Vaughn from Lavonia and David Cronin of Toccoa Clinic. Dr. Vaughn is an Orthopedic Surgeon who is practicing part-time in Lavonia. We are continuing discussion with the Toccoa Clinic to improve our orthopedic coverage. The System Board approved providing a living stipend to Dr. Jameson White, DO who is currently in his last year of residency. Dr. White is from the area and he will be joining Hartwell Family Practice upon completion.

We are moving forward on the consolidation efforts between the two hospital staffs. Sheila Stowe will be the Materials Manager for the Acute Care operations. B J Hollingsworth has been designated as the Safety Officer. Clyde McDowell will head the Performance Improvement Department operations and Noreen Braswell will continue on in a supportive role. Betty Martin has been selected to help coordinate an organizational change to improve customer service.

The TCHS Wellness Challenge kick-off started this week. We have been weighing employees and there will be a competition on percent weight loss between the facilities. We will be rolling out educational communications and various activities over the next several months.

### **HCH STATISTICAL REPORT**

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

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

Marsha Beck presented the Nursing Home Report. Everyone is trying to stay cool in this heat! There is one full-time 2<sup>nd</sup> shift CNA and one part-time 2<sup>nd</sup> shift CNA vacancy. There are two employees on medical leave and one on light duty. There are currently 86 residents. We had two admissions yesterday and two admissions are coming this week. We are at 12 days no lost time accidents. There were seven discharges in the month June leaving the Occupancy Rate at 90.7%

### **HCH FINANCIAL REPORT**

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

### **NEW BUSINESS**

Chuck Adams presented an update. The Lender, Raymond James, was on site a couple of weeks ago to start the formal process to get the new hospital project started. That included us sending our Recovery Zone Bond Facility Application to the Department of Community Affairs. This is an opportunity for us to get the project financed tax exempt. The application was sent in and was deemed complete. We are now waiting for final approval. To qualify for this, the loan has to be closed and the project started by the end of this year. We also kicked off our financial feasibility study which is a requirement from Raymond James. They selected a company called Wipfli out of Wisconsin. They will conduct an independent financial feasibility study on the success of the project as presented. This will be about an eight week process.

The architects and engineers have begun the detail design work. They will be working with the Department Heads and Physicians on the actual details of the design. This will be a 60-90 day process to get the design detailed enough in order for it to be sent to the State to get stamped and certified.

On the ballot this November will be a Trauma Fee Bill. This is a \$10 fee that will be added when buying a tag. The \$10 would then go to the Trauma Commission which is a legal entity in the State of Georgia. This would generate almost \$90M a year. This would help fund Level 1 and Level 2 Trauma Centers.

We are in the process of hiring a Marketing and Web Site Manager. We will be launching a new web site in August. This is a key in communication and our current web site is non functional. The new web site will have an online payment system and an online HR enrollment system.

### **HCHA FINANCE COMMITTEE REPORT**

Alice Glenn presented the Finance Report. The balance as of July 27, 2010 was \$189,004.45.

### **PRESENTATION OF AUDIT**

Steve Barber presented the audit report prepared by Draffin & Tucker, LLP for the year ended December 31, 2009.

**HCHA 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 19, 2010 at 5:00PM in the Hart County Hospital Class Room.

  
James Spencer, Chairman

Jhs



**Hospital Operating Statistics Report  
For Six Months Ended June 30, 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	\$ 121,243	\$ 1,014,204	\$ 1,456,118
3	Bad Debt Recoveries	\$ (20,136)	\$ (80,395)	\$ (112,396)
4	Indigent / Charity Care	\$ 225,147	\$ 800,254	\$ 698,369
5	Revenue from Self-Pay	\$ 353,479	\$ 1,821,413	\$ 2,121,351
6	Bad Debt % Self-Pay	92.3%	95.2%	96.3%
7				
8	<u>Patient Days</u>			
9	Acute	205	1,600	1,850
10	Equivalent OP	519	3,123	4,120
11	Swing Bed	23	147	1,129
12				
13	<u>Percent Occupancy</u>			
14	Acute / Swing Bed	9.3%	11.8%	20.1%
15	Avg. Lengths of Stay	3.15	3.33	3.78
16	Avg. Daily Census	6.83	8.84	10.22
17				
18	<u>Discharges</u>			
19	Acute	65	481	490
20	Deliveries	N/A	N/A	N/A
21				
22	<u>Outpatient</u>			
23	ER Visits	686	4,174	4,643
24	Scopes / Surgeries	78	495	496
25				
26	M'Care Case Mix Index	1.1269	1.1944	1.0531
27	M'Caïd Case Mix Index	1.6323	1.2346	0.9861
28				
29	<u>Financial Class - Hosp.</u>			
30	Medicare	54.6%	55.3%	57.2%
31	Medicaid	11.0%	10.4%	8.4%
32	Commercial	18.7%	21.4%	22.1%
33	Private Pay	15.8%	12.9%	12.3%

**HART COUNTY HOSPITAL**  
**STATEMENT OF OPERATIONS**  
For Six Months Ended June 30, 2010

	MONTH - TO - DATE				YEAR - TO - DATE		
	Current	Budget	Prior Year		Current	Budget	Prior Year
1				REVENUES			
2	628,206	981,883	860,823	Inpatient	4,731,198	5,804,287	5,004,341
3	1,591,269	1,867,272	1,713,192	Outpatient	9,235,489	11,599,200	11,145,445
4	23,490	46,480	104,272	Sub Acute	124,593	308,764	1,094,503
5	<b>2,242,964</b>	<b>2,895,634</b>	<b>2,678,287</b>	<b>GROSS Revenues</b>	<b>14,091,280</b>	<b>17,712,252</b>	<b>17,244,289</b>
6							
7				DEDUCTIONS from Revenue			
8	763,851	1,013,320	915,025	Medicare Contractual Adjustments	4,577,499	6,079,920	6,275,010
9	170,480	200,942	179,399	Medicaid Contractual Adjustments	1,121,330	1,205,652	1,176,500
10	160,611	235,389	251,432	Other Deductions	1,179,329	1,412,334	1,465,422
11	<b>1,094,942</b>	<b>1,449,651</b>	<b>1,345,857</b>	<b>TOTAL Deductions</b>	<b>6,878,158</b>	<b>8,697,906</b>	<b>8,916,932</b>
12							
13	<b>1,148,022</b>	<b>1,445,983</b>	<b>1,332,430</b>	<b>NET Patient Care Revenue</b>	<b>7,213,123</b>	<b>9,014,346</b>	<b>8,327,357</b>
14							
15	12,904	10,822	10,871	Other Income	80,489	84,725	85,399
16	<b>1,160,926</b>	<b>1,456,805</b>	<b>1,343,302</b>	<b>TOTAL Operating Revenue</b>	<b>7,293,612</b>	<b>9,099,071</b>	<b>8,412,756</b>
17							
18				EXPENSES			
19	444,821	472,884	477,170	Salaries	2,729,837	2,861,666	2,982,282
20	163,552	169,549	188,025	Employee Benefits	1,016,707	1,026,989	1,163,013
21	900	1,450	4,752	Contract Labor	4,140	10,500	38,500
22	135,483	87,681	93,828	Purchased Services	620,422	585,576	588,733
23	135,033	122,604	108,778	Professional Fees	828,887	754,299	625,841
24	149,763	196,739	174,270	Supplies	934,592	1,218,952	1,119,410
25	10,338	9,880	26,780	Physician Recruitment	60,260	59,780	168,388
26	54,267	50,306	52,320	Management Fees	303,064	301,836	383,463
27	6,608	7,285	7,350	Information Systems	42,984	43,710	44,604
28	10,772	10,344	11,251	Rent / Lease Equipment	62,159	56,746	61,072
29	41,741	41,700	34,148	Repairs & Maintenance	249,104	248,528	215,975
30	27,137	30,074	29,290	Utilities	172,354	178,459	173,986
31	23,768	30,842	28,515	Insurance	145,795	184,302	175,144
32	2,776	3,452	810	Travel & education	20,769	23,853	13,489
33	0	0	0	Provider-based Taxes	0	0	0
34	326,254	306,924	303,479	Bad Debt (Net)	1,734,062	1,841,544	2,042,091
35	2,578	1,210	1,965	Other Expenses	46,185	56,595	62,397
36	<b>1,535,791</b>	<b>1,542,924</b>	<b>1,542,731</b>	<b>TOTAL Operating Expenses</b>	<b>8,971,322</b>	<b>9,453,334</b>	<b>9,858,401</b>
37							
38	<b>(374,865)</b>	<b>(86,119)</b>	<b>(199,429)</b>	<b>NET Operating Revenue (Loss)</b>	<b>(1,677,709)</b>	<b>(354,263)</b>	<b>(1,445,645)</b>
39							
40	90,275	327	327	Non-Operating Revenue	364,163	2,104	200,772
41							
42	75,156	77,566	79,757	Depreciation & Amortization	450,916	465,396	478,431
43	18,276	19,229	22,530	Interest	109,373	115,374	146,247
44	<b>93,432</b>	<b>96,795</b>	<b>102,286</b>	<b>TOTAL Non-Operating Expense</b>	<b>560,289</b>	<b>580,770</b>	<b>624,678</b>
45							
46	<b>(378,022)</b>	<b>(182,587)</b>	<b>(301,389)</b>	<b>NET Income (Loss)</b>	<b>(1,873,835)</b>	<b>(932,929)</b>	<b>(1,869,555)</b>