

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY

MINUTES OF THE AUGUST 16, 2018 MEETING

(Open Session)

Attendees:

Authority Board Members: Fred Ghiglieri, Joel Callins, John Hayes, Dr. Kathy Hudson, Dr. Michael Laslie, Ferrell Moultrie, Dr. Tania Smith, and Nyota Tucker

Authority Legal Counsel: Jay Reynolds

Those Present on Behalf of Phoebe Putney Memorial Hospital, Inc.: Dawn Benson, Jessica Castle, Brian Church, Felicia Lewis, Ben Roberts, Joel Wernick

Absent Authority Members: None

Open Meeting and Establish a Quorum:

Chair Ghiglieri called the meeting to order at 7:30am in Conference Rooms B & C at Phoebe Northwest. He thanked all Members for their attendance and participation and he observed that a quorum was present.

Approval of the Agenda:

The revised Agenda had been previously provided to the Authority Members. Chair Ghiglieri pointed out one small change in the proposed agenda provided at the meeting. A motion to adopt the revised Agenda for the meeting was made by Nyota Tucker and seconded by Dr. Kathy Hudson. A copy of the Agenda as adopted is attached.

Approval of the Minutes:

The proposed Minutes of the May 17, 2018 open session meeting of the Authority had likewise been provided to Members prior to this meeting and the same were considered for approval. Dr. Hudson made a motion and Joel Callins seconded the motion, to approve the Minutes as previously provided. The motion passed unanimously by vote of all Members.

Speaker Appearances:

Chair Ghiglieri noted that Kathy Prisant had requested and is on the agenda to speak at this month's meeting but Ms. Prisant was not present at today's meeting.

Community Benefit Implementation Strategies FY2018 (copy in meeting binder) / Network of Trust School Health Program:

Joel Wernick, CEO of the Hospital and Health System, reported how the Network of Trust School Health Program, which began in 1994 as a two-year pilot program for teen parents, evolved into a school health

program and community outreach program for Phoebe. He introduced Angie Barber, Director of Network of Trust. Ms. Barber explained the school wellness programs as well as the community health programs and the GoNoodle partnership to get children moving in classrooms and homes. She also reported on "Making A Difference" which is a sexual education class offered to middle school students in Dougherty County. Ms. Barber reported that the teen pregnancy rate has decreased since the program was implemented. Ms. Barber introduced Karen Hills, School Nurse, who reported on Project S.A.V.E. which is a partnership with The Firehouse Subs Foundation and the CLEAR Coalition Fund to provide CPR/AED training for schools and community partners. Ms. Hills stated that the Dougherty County School System was the first school system south of Atlanta to receive Project S.A.V.E. certification. Ms. Barber also reported on the Asthma Friendly School program. She also reported Phoebe and Network of Trust will be honored at the Big Voice for Children Awards this fall.

Financial Reports:

Brian Church, CFO of PPMH, Inc., presented and reviewed an interim financial report for the Authority's current fiscal year through June 30, 2018 and a Proposed 2019 Budget for the Authority. Copies of the Authority's Financial Statements as presented by Mr. Church and the 2019 Proposed Budget are attached. Mr. Church presented the FY2019 Operating and Capital Budget for the Hospital and in doing so provided information on charge-to-cost ratios and ACA monthly premium costs, both showing Phoebe in the middle. A motion was made by Dr. Tania Smith, seconded by Dr. Hudson to approve the 2019 Budget for the Authority. The motion passed unanimously by vote of all Members.

PPMH, Inc. CEO and Operational Reports:

Mr. Wernick provided an update on the Community Care Clinic, which as of July 2018 has provided a savings of \$37.6 million to the community. He also reported on Phoebe's electrophysiology lab, which recently underwent a \$1.3 million upgrade. Mr. Wernick provided an update on how Phoebe works to ensure access to care by partnering with other educational providers such as Augusta University Medical College of Georgia, University of Georgia College of Pharmacy, and Southwest Georgia AHEC. Mr. Wernick presented information on the AvaSys® Telesitter®, which provides continuous visual monitoring of patients at risk for falls. The patients are monitored by a trained monitor staff. Phoebe has 12 units distributed between the Main and North campuses. The system has helped to reduce falls by 28%.

Closing of the Meeting:

A motion was made by Ms. Tucker, seconded by Dr. Hudson to close the meeting for the purposes of: (i) engaging in privileged consultation with legal counsel; (ii) to discuss potentially valuable commercial plans, proposals or strategies that may be of competitive advantage in the operation of Phoebe Putney Memorial Hospital or its medical facilities, or (iii) to discuss confidential matters or information pertaining to peer review or provided by a peer review organization as defined in O.C.G.A. §31-7-131.

Chair Ghiglieri polled each individual Authority Member present with respect to his or her vote on the motion and the vote of each of the Members is shown below, with no Member opposing:

Fred Ghiglieri	Yes
Dr. Michael Laslie	Yes
Joel Callins	Yes
Dr. Kathy Hudson	Yes

Dr. Tania Smith	Yes
John Hayes	Yes
Nyota Tucker	Yes
Ferrell Moultrie	Yes

The motion having passed, the meeting closed.

Open Session Reconvened:

Pursuant to the unanimous vote of all Members in attendance at the conclusion of the Closed Session, the meeting reopened.

Ms. Tucker made a motion that the Authority explore whether a best practice standard for lease analysis has been adopted by relevant peer hospital authority boards. Mr. John Hayes seconded the motion. Chair Ghiglieri polled each individual Authority Member present with respect to his or her vote on the motion and the vote of each of the Members is shown below, with no Member opposing:

Fred Ghiglieri	Yes
Dr. Michael Laslie	Yes
Joel Callins	Yes
Dr. Kathy Hudson	Yes
Dr. Tania Smith	Yes
John Hayes	Yes
Nyota Tucker	Yes
Ferrell Moultrie	Yes

The motion passed.

Mr. Callins made a motion for the Authority to plan a training day for current and future members of the Authority to determine their statutory responsibilities of oversight of PPMH, including a cost analysis and lease analysis. Ms. Tucker seconded the motion. Chair Ghiglieri polled each individual Authority Member present with respect to his or her vote on the motion and the vote of each of the Members is shown below, with no Member opposing:

Fred Ghiglieri	Yes
Dr. Michael Laslie	Yes
Joel Callins	Yes
Dr. Kathy Hudson	Yes
Dr. Tania Smith	Yes
John Hayes	Yes
Nyota Tucker	Yes
Ferrell Moultrie	Yes

The motion passed.

Chair Ghiglieri requested the addition of an agenda item to the November meeting on how to proceed with the two above motions.

Adjournment:

There being no further business the meeting was adjourned.

*****REVISED*****

AGENDA

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

(OPEN SESSION)

Meeting of August 16, 2018

(Phoebe Northwest Conference Rooms)

-
- | | | |
|-------|--|--------------|
| I. | Open meeting and establish quorum | Chair |
| II. | Consider Approval of Agenda (draft previously provided to Members) | Chair |
| III. | Consideration of Open Session Minutes of May 17, 2018 meeting (draft previously provided to Members) | Chair |
| IV. | Speaker Appearances | Chair |
| | a. Kathy Prisant (10 minutes) | |
| V. | Community Benefit Implementation Strategies FY2018 | Joel Wernick |
| | a. Network of Trust School Health Program | Angie Barber |
| VI. | Financial Reports | Brian Church |
| | a. Hospital Authority Financial Update | |
| | b. PPMH 2019 Budget Presentation | |
| | c. Hospital Authority Budget Presentation for 2019 | |
| VII. | Phoebe Putney Memorial Hospital, Inc. CEO and Operational Reports | Joel Wernick |
| VIII. | Consideration of vote to close meeting for Executive Session | Chair |
| IX. | Additional Business | |
| X. | Adjournment | |

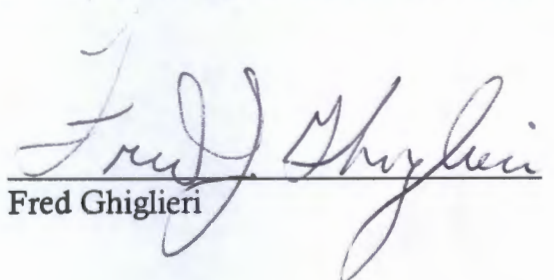
STATE OF GEORGIA
COUNTY OF DOUGHERTY

AFFIDAVIT RELATIVE TO CLOSED MEETING

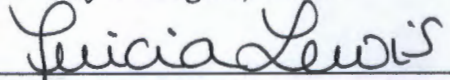
Personally appeared before the undersigned, Fred Ghiglieri, who having been duly sworn, deposes and states as follows:

1. I am over the age of 18 years, I am suffering under no disabilities and I am competent to testify to the matters contained herein.
2. I am the Vice Chairman of the Board of the Hospital Authority of Albany-Dougherty County, Georgia (the "Authority") and presided over the Closed Session.
3. On August 16, 2018, at a meeting of the Authority Board, a motion was duly approved in a roll call vote for the Authority Board to go into closed session for the purposes of : (i) engaging in privileged consultation with legal counsel; (ii) to discuss potentially valuable commercial plans, proposals or strategy that may be of competitive advantage in the operation of Phoebe Putney Memorial Hospital or its medical facilities; and (iii) to discuss confidential matters or information pertaining to peer review or provided by a review organization as defined in O.C.G.A §31-7-131.
4. To the best of my knowledge and belief, the business conducted during the closed portion of the meeting was devoted solely to the above matters for which the meeting was closed.

This the 16th day of August, 2018.


Fred Ghiglieri

Sworn to and subscribed before me this
16th day of August, 2018.


NOTARY PUBLIC (SEAL)

Dougherty County, Georgia
My Commission Expires: 2-23-2021



Report to the Hospital Authority Board

Community Benefit Implementation Strategies
FY 2018

3 Priority Areas

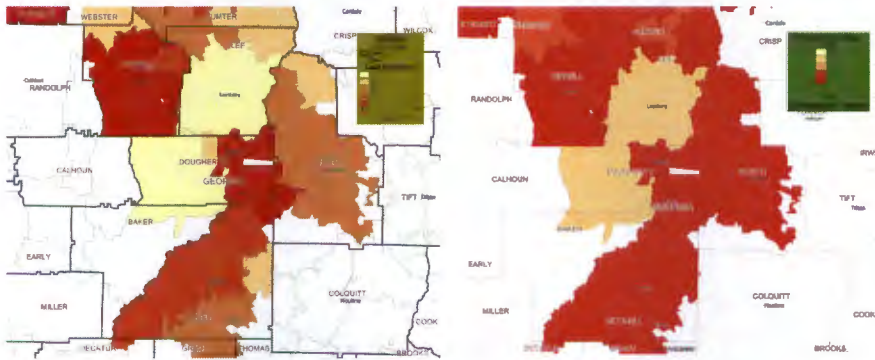


CONDUENT-HCI SocioNeeds Index 2018

Ranks Derived From National Zip Code Percentiles

Compared to Zip Codes in our Service Area

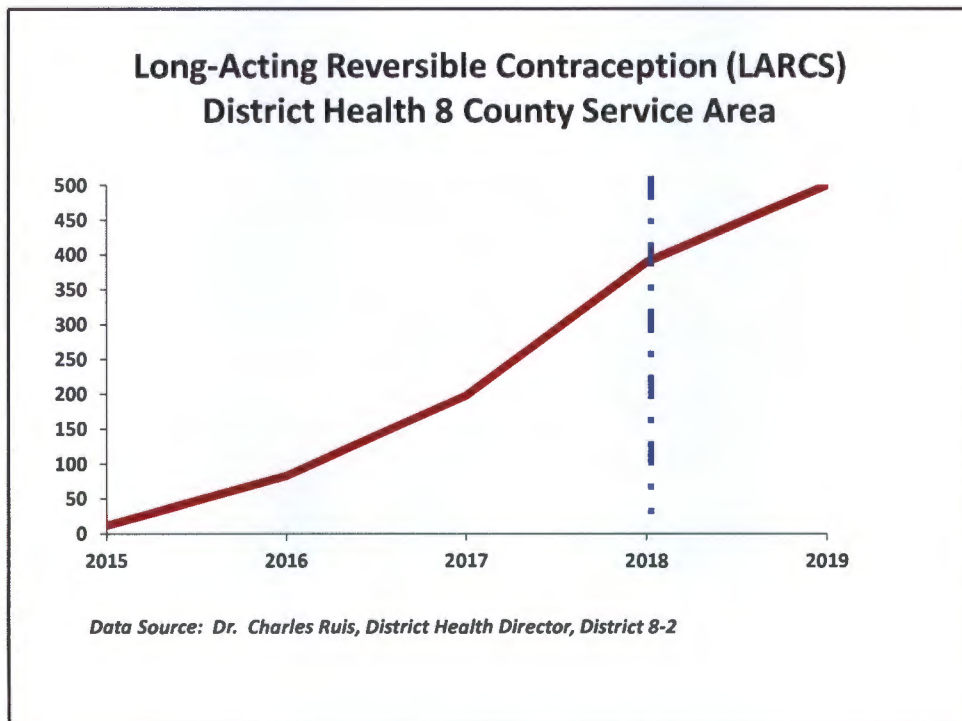
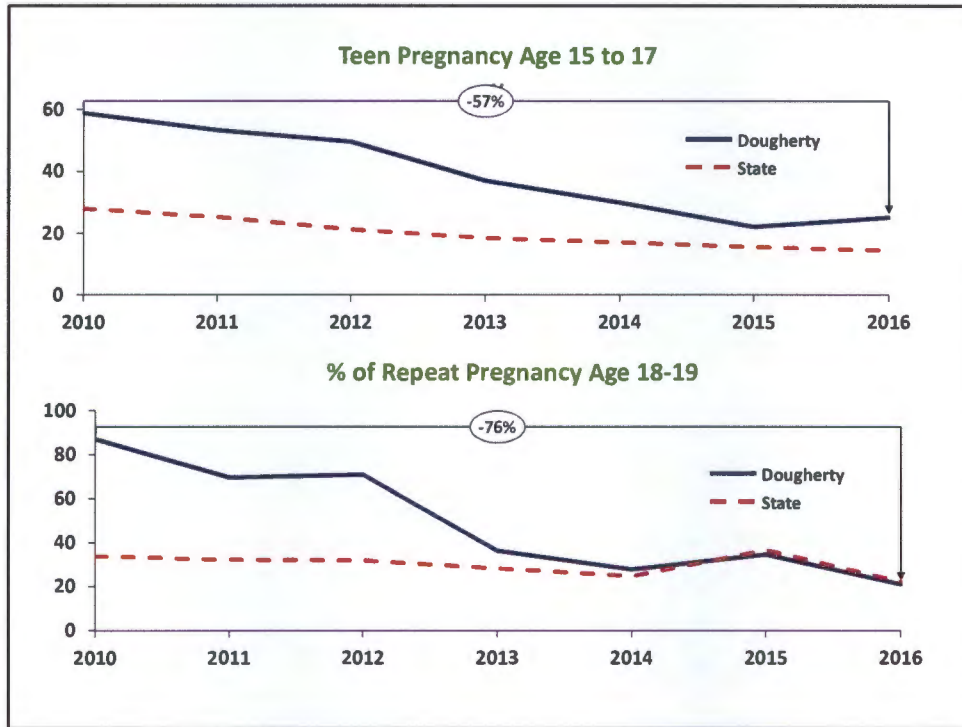
Compared to All Zip Codes in the United States

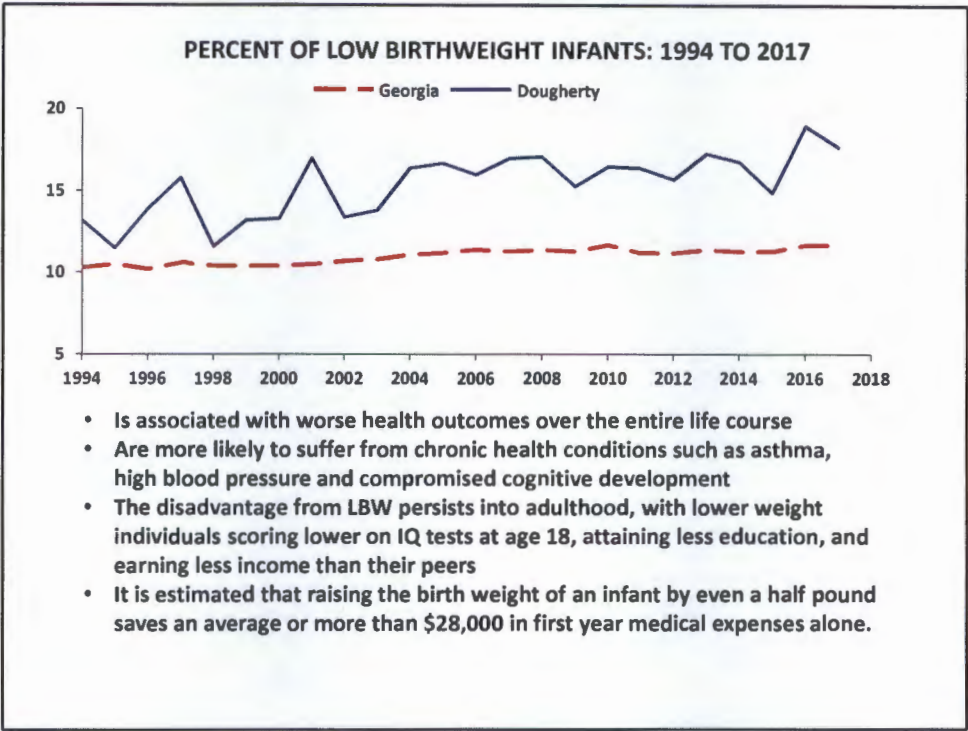


Data Source: Conduent-HCI, 2018



...where healthcare & community work together to make a positive impact on birth outcomes...





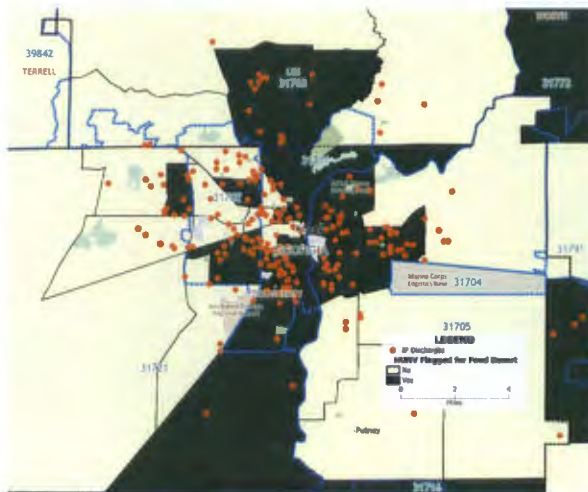
Nurse-Family Partnership: Outcomes, Costs and Return on Investment in the U.S.

Nurse-Family Partnership® (NFP) offers significant benefits to the families it serves and significant cost savings to society and government funders. Based on a review and analysis¹ of more than 40 NFP evaluation studies, including randomized controlled trials, quasi-experimental studies and large-scale replication data, Dr. Ted Miller of the Pacific Institute for Research and Evaluation predicts that when NFP achieves scale in the United States, it can produce the following outcomes:

<ul style="list-style-type: none"> • Smoking in pregnancy ↓25% • Pregnancy-induced hypertension ↓33% • Closely spaced births (15 months postpartum) ↓25% 	<ul style="list-style-type: none"> • First pre-term births ↓15% • Infant mortality ↓48% • Moms who attempt breastfeeding ↑12%
<ul style="list-style-type: none"> • Emergency department use for childhood injuries ↓34% • Full immunization ↑14% • Language delay ↓41% 	<ul style="list-style-type: none"> • TANF payments ↓7% (9 years post-partum) • Person-months on Medicaid ↓8% (15 years post-partum) • Costs if on Medicaid ↓10% (through age 18)



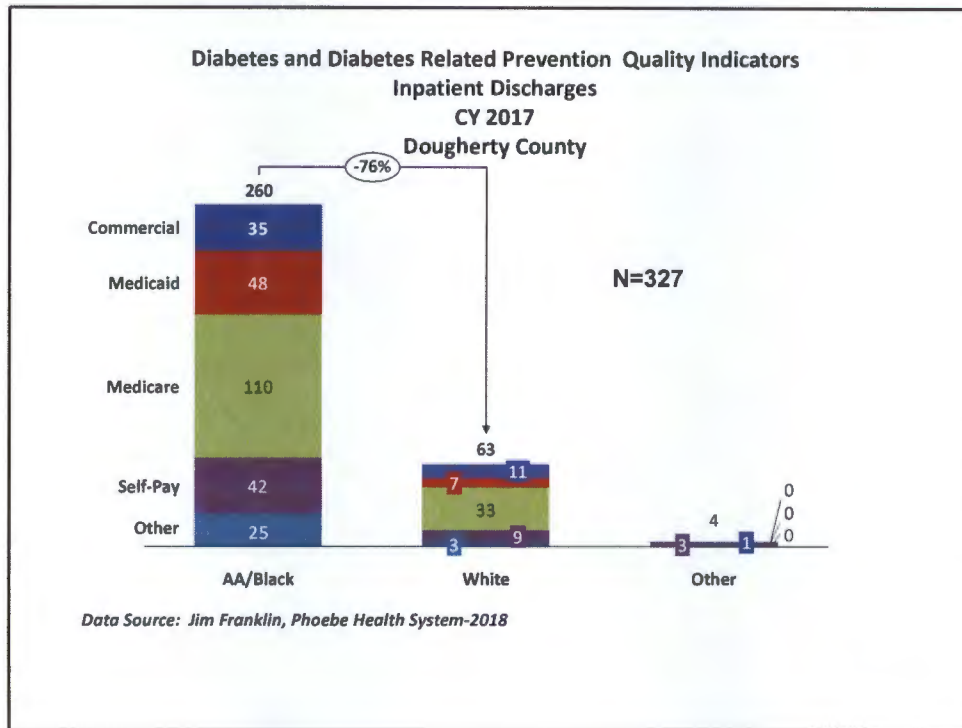
Combination Map Showing IP Diabetes Discharges in Orange and Food Deserts in Green by Census Tract
CY 2017



Food Desert

The USDA Food Access Research Atlas has a variety of definitions for food deserts. In this case, we use the HUNV flag for a food desert defined as a census tract where >100 households do not have a vehicle and beyond 1/2 from supermarket.

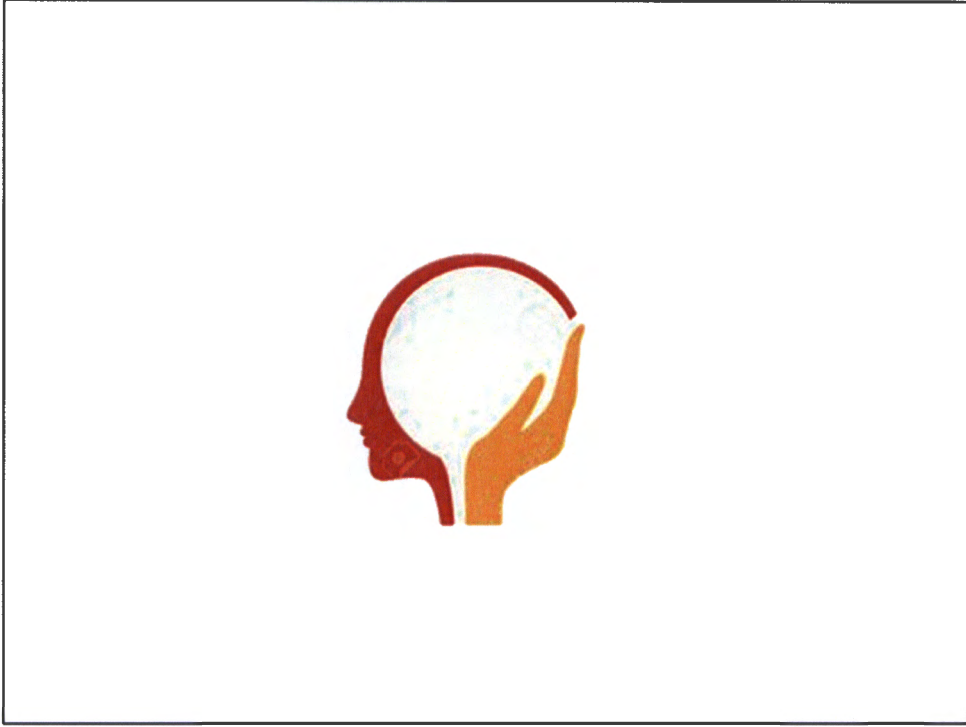
Data Source: Hospital Records and USDA 2018 Report of 2015 Food Desert Estimates




\$ 820K

Strategic Accomplishments

- Built and Sustained Community and Clinical Linkages**
- Expanded Healthy Food Choices throughout the designated food desert areas**
- Vigorously advocated for tobacco-free Policies through targeted marketing and expanded education**




**Network of Trust
School Health Program**




Phoebe

Angie Barber, Director

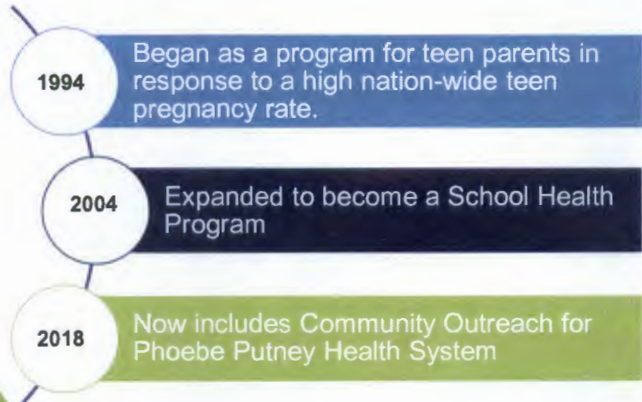


What is Network of Trust?





History and Evolution



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Highlight of School & Community Health Programs

Dougherty County School System

- School Nurse
- School Wellness
- Teen Parenting
- Project S.A.V.E.
- Asthma Friendly Schools
- Making a Difference

Higher Education

- ASU – SAMSA Project STOP
- 'Get a Life' Maze at ASU

Community

- Stop the Bleed
- Morehouse School of Medicine: Opioid Prevention Grant
- Men's & Women's Health Conferences
- Health Screenings
- Safe Sitter

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Go Noodle Partnership

GoNoodle gets over 14 million kids moving in classrooms and homes around the world!

GoNoodle Impact 2015-2018



Making a Difference: Sexual Education Class



Leadership Team:

- DCSS - Barbara Turner and Latressa Whatley
- Morehouse School of Medicine-Grant Partners
- Network of Trust - Dr. Lodessa Washington & Middle School Nurses

MAD Curriculum Content Components:

- puberty and adolescent sexual development
- strategies to prevent HIV, STDs, and pregnancy
- foster positive attitudes and beliefs about abstinence
- build self-efficacy in adolescents and a desire to practice abstinence
- strengthen sense of pride and responsibility in making a difference



**Making a Difference:
Sexual Education Class**

**Are we
MAKING A DIFFERENCE?**

Since Network of Trust's presence in area schools, the teen pregnancy rate in our area* has decreased:

<u>Age Group</u>	<u>Change from 2010-2016</u>
Age 15-17	< by 56% (from 45.9 to 20.00)
Age 18-19	< by 38% (from 91.8 to 57.2)



Project S.A.V.E.
Sudden Cardiac Death: Awareness, Vision for Prevention, Education

Network of Trust is a 2 time recipient of funding for AED's and CPR training equipment from The Firehouse Subs Foundation and The CLEAR Coalition Fund.

In DCSS:
Our educators provide CPR/AED training for Safety Teams (coaches, faculty, staff)

In Community:
We provide CPR/AED training to community partners such as Family Literacy Connection, ASU Police Department, Lee County Home School Association, and Phoebe Family Tree Daycare.





Training Video



Asthma Friendly Schools

As of 2018, Phoebe's Network of Trust School Health Program is working in conjunction with the Georgia Department of Public Health District and Children's Healthcare of Atlanta to help DCSS obtain status as an Asthma Friendly School System and, eventually, Dougherty County as an Asthma Friendly Community.





Big Voice for Children Honoree



Phoebe and Network of Trust will be honored by Big Voice for Children this fall.

"Big Voice for Children Awards is a benefit where we honor and celebrate the impact of those who work alongside us to advance the well-being of children.

Honorees work hard to build a better tomorrow for Georgia's children and we are proud to highlight these individuals and organizations who are a powerful voice for kids."

Learn more: www.georgiavoices.org

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Thank you!

Angie Barber, Director
Staci Wright, RN
Network of Trust School Health Program
Phoebe Putney Health System
(229) 312-4620
abarber@phoebehealth.com
stwright@phoebehealth.com

HOSPITAL AUTHORITY OF ALBANY- DOUGHERTY COUNTY, GEORGIA

Financial Statement Update
June-2018 YTD Financials
Fiscal Year 2018
August 16th Authority Meeting

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA	
BALANCE SHEET	
6/30/2018	
	Unaudited
	June 30, 2018
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 110,286
Assets limited as to use - current	-
Patient accounts receivable, net of allowance for doubtful accounts	-
Supplies, at lower of cost (first in, first out) or market	-
Other current assets	-
Total current assets	110,286
Property and Equipment, net	-
Other Assets:	
Goodwill	-
Total other assets	-
Total Assets	\$ 110,286

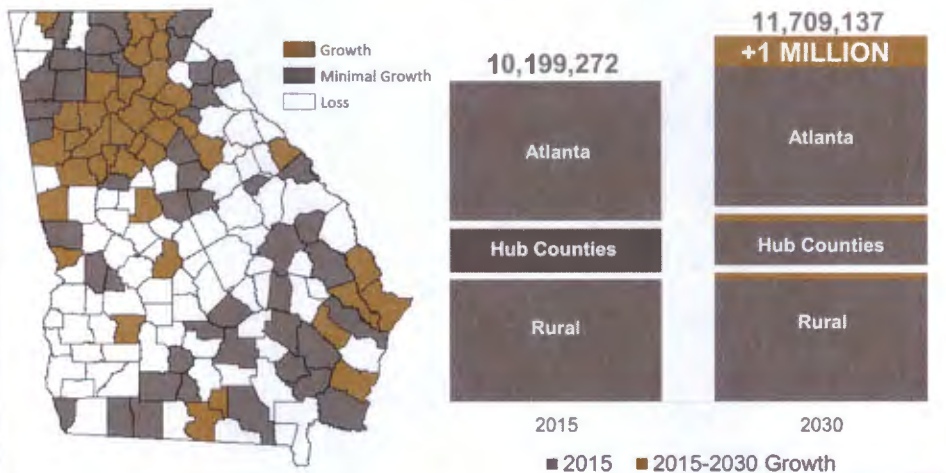
HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA	
BALANCE SHEET	
6/30/2018	
	Unaudited June 30, 2018
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	-
Accrued expenses	3,553
Estimated third-party payor settlements	-
Deferred revenue	-
Short-term obligations	-
Total current liabilities	3,553
Total liabilities	3,553
Net assets:	
Unrestricted	106,733
Total net assets	106,733
Total liabilities and net assets	\$ 110,286

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA	
STATEMENTS OF REVENUES, EXPENSES AND	
CHANGES IN UNRESTRICTED NET ASSETS	
6/30/2018	
	Unaudited June 30, 2018
OPERATING REVENUE:	
Net patient service revenue (net of provision for bad debt)	
Lease Consideration	158,500
Total Operating Revenue	158,500
OPERATING EXPENSES:	
Salaries and Wages	
Employee health and welfare	
Medical supplies and other	
Professional services	104,679
Purchased services	232
Depreciation and amortization	
Total Operating Expenses	104,911
Operating Gain/Loss	53,589
NONOPERATING INCOME (EXPENSES):	
Gain in Long Term Lease	-
Interest Expense	-
Total Nonoperating Income	-
EXCESS OF REVENUE OVER EXPENSE	53,589
*** Professional Fees include Legal Fees, Audit Fees and Consultant Fees	
** Purchased Services include Bank Account Fees	



FY2019 OPERATING AND CAPITAL BUDGET
Phoebe Putney Memorial Hospital

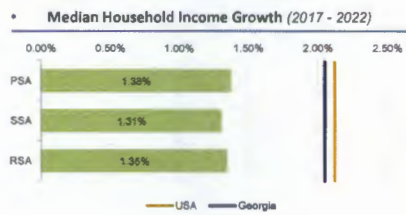
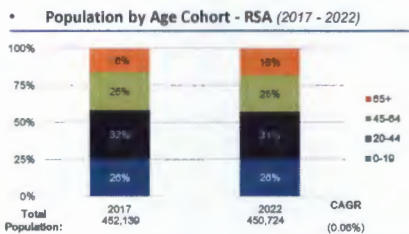
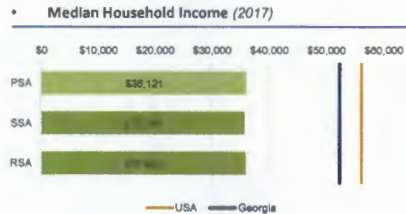
POPULATION GROWTH 2015 TO 2030



GEORGIA
2030 2.0

Phoebe Market Demographics

- Phoebe's primary, secondary, and regional service areas' median household incomes were below the income levels of Georgia and the United States in 2017
- Similarly, the median household income growth rate of Phoebe's PSA and RSA trail the national and state rates; however, its SSA growth is expected to outpace Georgia and the United States
- Population by age cohort is projected to remain relatively similar from 2017 to 2022

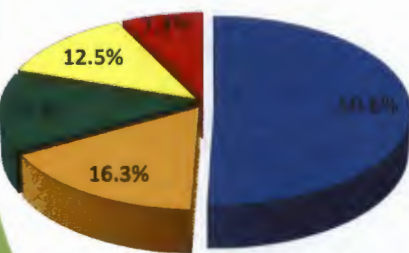


Note: Primary Service Area, Secondary Service Area, and Regional Service Area are abbreviated as PSA, SSA, and RSA, respectively. Phoebe's regional service area consists of the 22 surrounding counties around Dougherty County, Georgia.
Source: ESRI



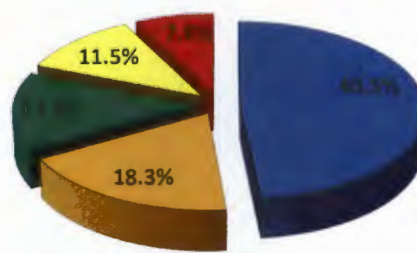
Payer Mix

Gross Revenue 2018

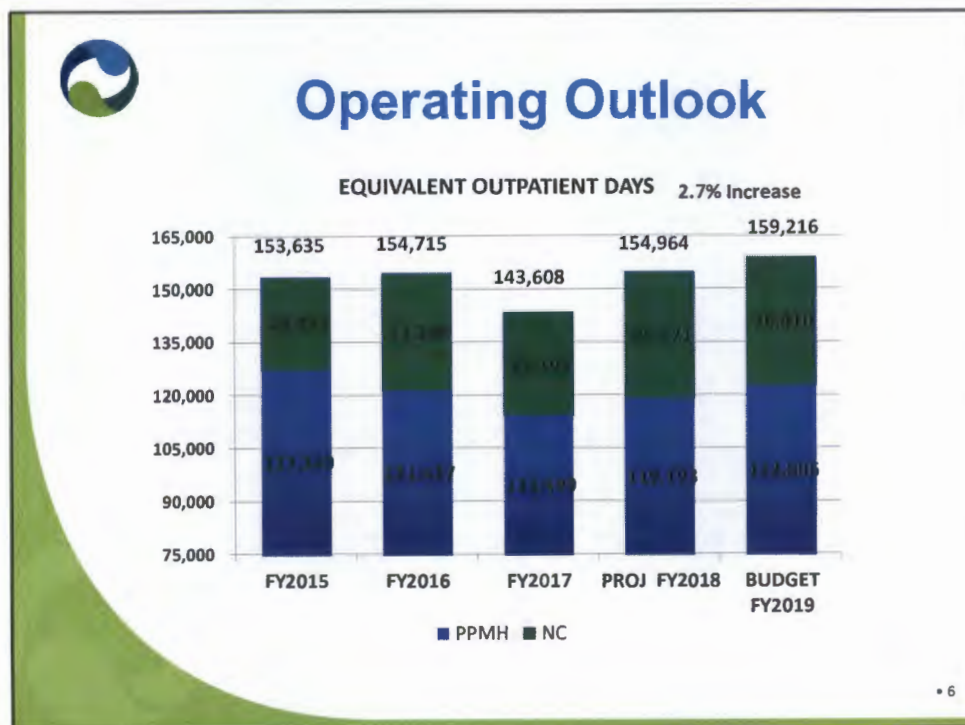
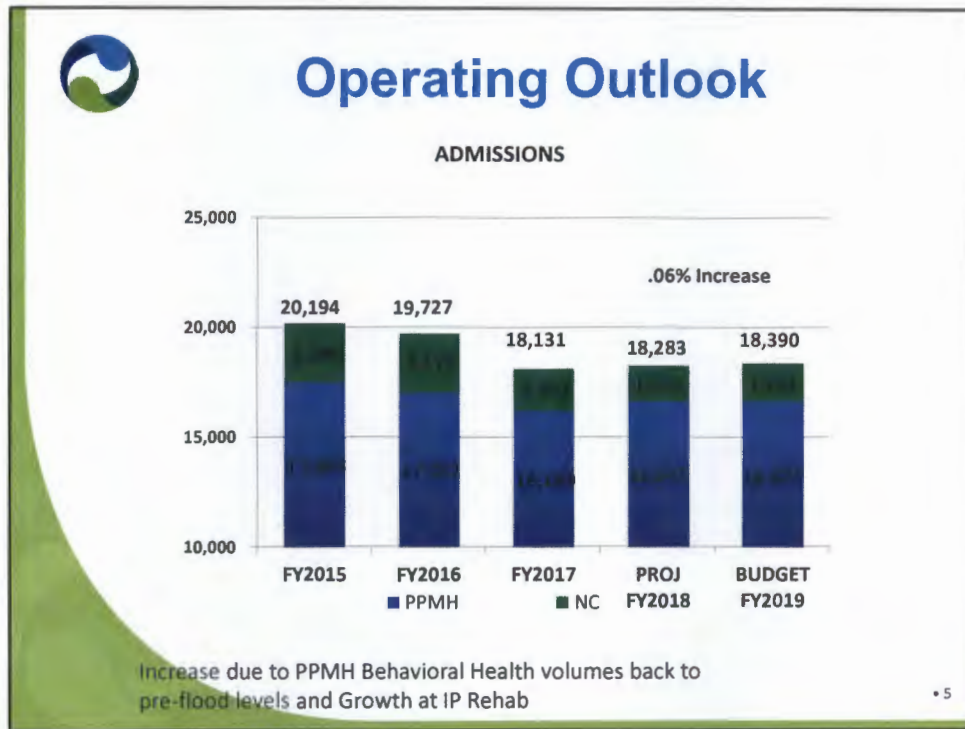


- Medicare
- Medicaid
- Blue Cross
- Commercial
- No payer source

Gross Revenue 2017



- Medicare
- Medicaid
- Blue Cross
- Commercial
- No payer source





Operating Outlook

PPMH Budgeted Statistics

	FY2016	FY2017	FY2018** Projected	FY2019 Budget
Admissions	19,727	18,131	18,283	18,390
Patient Days	108,791	102,437	101,518	103,623
Deliveries	2,341	2,249	2,107	2,169
Surgeries	12,683	12,595	12,458	12,562
ER Visits	96,235	83,073	75,241	76,929
FTE's	2,894	2,837	2,811	2,919
FTE/AOB	4.11	4.32	4.16	4.25

** Based on May 2018 YTD Annualized

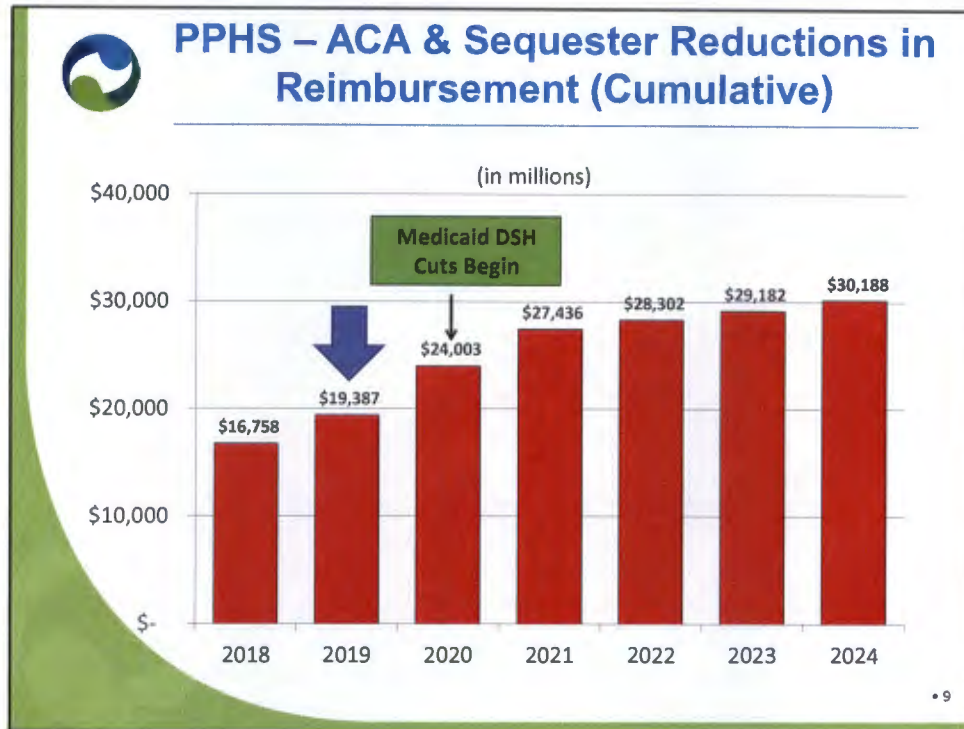
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Market Forces Driving Costs & Reducing Reimbursement

- **Increased financial pressure** on retaining and recruiting a high quality workforce.
- **Nursing recruitment/retention** and cost has been an ongoing challenge across Georgia and the country as nurses age and retire
 - **Assistive personnel (CNA, techs)** recruitment and retention
- **Drug Cost Increases**
- **Lack of Medicaid Expansion in Georgia**
 - Georgia is one of the states with highest uninsured % and lowest reimbursed Medicaid program.
 - Georgia has forgone Billions of Dollars in reimbursement since ACA passage
- **Commercial Payer** reimbursement shifts to "less costly" settings
- **Government Payment Reductions** (Medicare, DSH, 340b)
- **Medicare population** continued growth (Baby Boomers)
- **Increased Administration Burdens/Cost/Regulations**
- **Annual Inflationary Increases** for Salaries, Supplies, Utilities, etc.

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ICTF and UPL Funding
(Indigent Care Trust Fund and Upper Payment Limit)

	2016	2017	2018	2019 Budget
ICTF				
PPMH	10,009,205	4,959,719	6,541,500	6,500,000
		A		
UPL				
PPMH	2,756,190	4,959,719	-	3,000,000

Notes:

A PPMH underinsured shortfall (Medicaid and self-pay) decreasing and other larger hospitals in Georgia increases receiving more of the available funds, i.e. Grady.

B UPL funds not disbursed from the State as of this date.



PPMH Budget - Indigent & Charity Write-offs by County

County/State	Total Amount
DOUGHERTY	\$ (57,036,535)
Terrell, Lee, Worth Mitchell Counties	\$ (21,320,137)
Total Primary Service Area	\$ (78,356,672)

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FY19 Budget – Strategic Initiatives

- Budget includes an average 3% compensation increase Pool (merit & market adjustments) for workforce in 2nd quarter of FY19 (\$6M Investment)
- Revised the staffing ratios on the general medical type floors for assistive nursing personnel (CNA's) from 10:1 to 8:1
- Continued growth of our nurse extern program to be a "pipeline" for nursing positions
- Implementation of a command center to improve patient throughput and foster more efficient bed utilization
- Addition of more Avasys patient monitoring systems and the monitoring tech staff to accompany them+
- Increasing residents to a compliment of eight per year, i.e. an 8-8-8 model

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FY19 Budget – Strategic Initiatives

- Adding assistive personnel in the all the ICU's 24:7
- Expansion of and growth of orthopedic service line, pediatric practices, and primary care practices
- Addition of an obstetrics emergency department PPMH
- Continued growth in the behavioral health service line since their reopening in October 2017
- Marketing Campaign for Key Services – Consumer Easy Access as the focus...
- Data analytics department growth to accommodate a continued need of usable and actionable data in a summarized format

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Charge Increase Built Into FY19 Budget

Key Model Constraints

- No increase in Outpatient Price Sensitive Consumer Areas
- No increase in charges already higher than peer hospitals
- Lower Prices in Outpatient Price Sensitive
- Adjust Prices in areas were below market data for peer hospitals

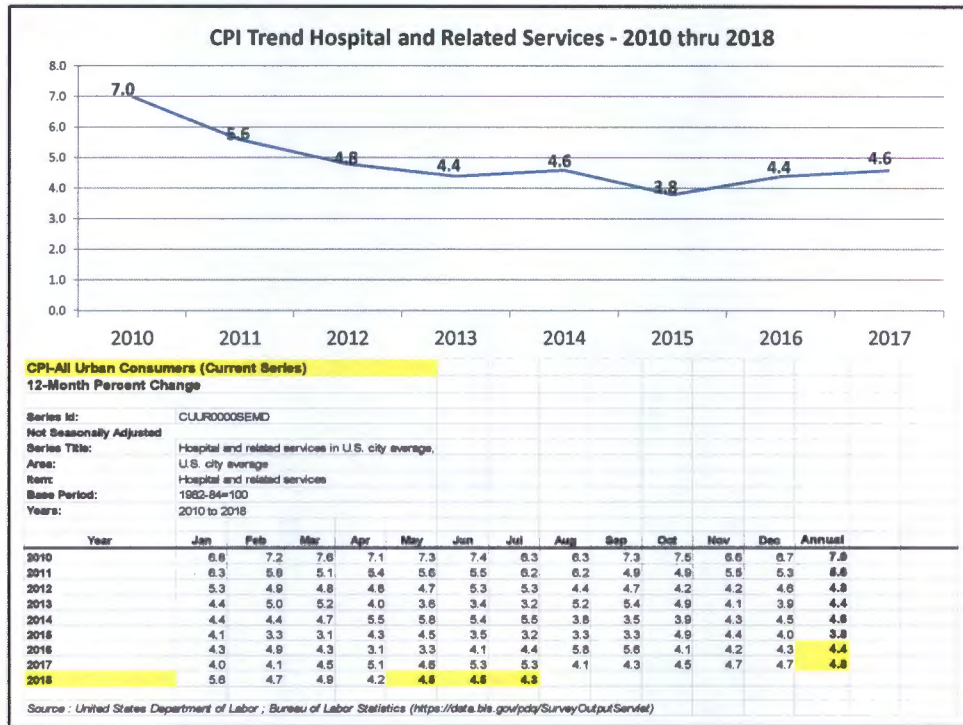
Goals

- Fund Merit and Market Adjustments pool for FY 2019
- Partially fund Cost Increases from Drugs, Supplies and Services

4.4% Overall Charge Increase

2.7% will be Inpatient / 1.7% will be Outpatient

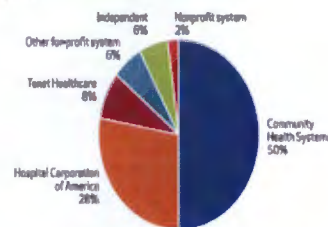
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The Fifty US Hospitals with the Highest Charge-To-Cost Ratios

- 2015 Study based on 2012 Medicare Cost Report Data
- Using Medicare cost reports, Authors examined the fifty US hospitals with the **highest charge-to-cost ratios in 2012**

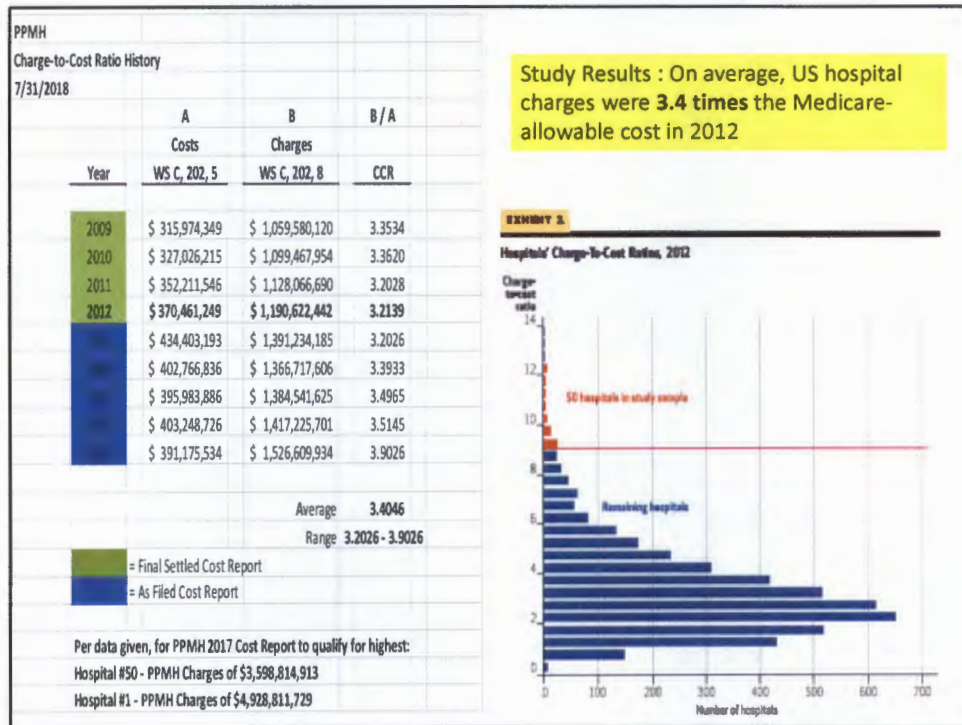
EXHIBIT B
 Distribution Of The Fifty Hospitals With The Highest Charge-To-Cost Ratios, By System Affiliation, 2012



- **49 of the 50 hospitals are For Profit (98%)**
- 46 are owned by For Profit systems (92%)
- 25 CHS (Community Health Systems)
- 14 HCA (Hospital Corporation of America)

- Study reflects Statistically High Mark-ups that could affect uninsured or underinsured
- This study has limitations and is not a perfect measure of "Overcharging"

Source: Extreme Markup: The Fifty US Hospitals With the Highest Charge-To-Cost Ratios
 Health Affairs 34, No.6 (2015):922-928 The People-to-People Health Foundation, Inc
<https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2014.1414>



ACA Monthly Premium After Tax Credit for the Lowest Cost Silver and Gold Plan for a 40-year old with an income of \$35,000 (290% of poverty)

Silver Plan		Gold Plan	
County	2018	County	2018
Dekalb	\$270	Tift	\$814
Cobb	\$270	Camden	\$740
Chatham	\$258	Bibb	\$674
MuscOgee	\$257	Dekalb	\$318
Harris	\$257	Cobb	\$318
Dougherty	\$253	Dougherty	\$314
Bibb	\$249	MuscOgee	\$304
Camden	\$245	Harris	\$304
Tift	\$241	Chatham	\$301
Floyd	\$223	Floyd	\$193
Hall	\$219	Hall	\$186

• Source : Henry J Kaiser Family Foundation "How Premiums are Changing in 2018"
 • Published 11/14/2017 Updated 11/29/2017
 • <https://www.kff.org/health-reform/issue-brief/how-premiums-are-changing-in-2018/>

PPMH-Medicare Spending per Beneficiary

- **The Medicare Spending Per Beneficiary (MSPB or “Medicare hospital spending per patient”)** measure shows whether Medicare spends more, less, or about the same on an episode of care for a Medicare patient treated in a specific inpatient hospital compared to how much Medicare spends on an episode of care across all inpatient hospitals nationally. **This measure includes all Medicare Part A and Part B payments made for services provided to a patient during an episode of care**, which includes the 3 days prior to the hospital stay, the inpatient hospital stay, and the 30 days after discharge from the hospital.
- **A ratio that is less than the national average** means that **Medicare spends LESS per patient for an episode of care** initiated at this hospital than it does per episode of care across all inpatient hospitals nationally.

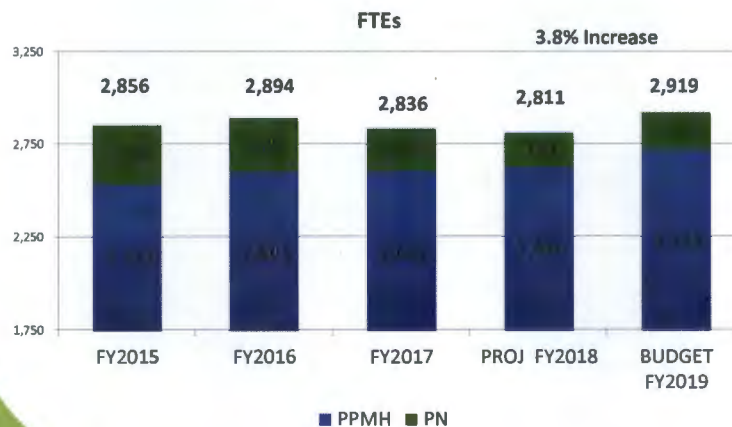
	PHOEBE PUTNEY MEMORIAL HOSPITAL RATIO	GEORGIA AVERAGE	NATIONAL AVERAGE
Medicare Spending per Beneficiary (displayed in ratio)	0.94	0.96 ²⁰	0.98 ²⁰


Source: Medicare.gov Hospital Compare

<https://www.medicare.gov/hospitalcompare/profile.html#profTab=6&vwgrph=0&ID=110007&loc=ALBANY%2C%20GA&lat=31.5785074&lng=-84.155741&name=PHOEBE%20PUTNEY%20MEMORIAL%20HOSPITAL&Distn=1.0>



Operating Outlook






FTE Changes

FTE's as of 5/31/2018	2019 Budget	Variance
2,811	2,919	108

PPMH

Area	Position	FTE
PPMH		
Nurse Externs	extern's	12.87
Medical Floors	CNA's	11.26
IP Behavioral Health	various clinical staff	10.32
ICU's	techs	10.14
Safety monitoring	monitor techs	4.20
Sports Medicine	athletic trainers	4.00
Security	entrance greeters	4.00
Hem Oncology	MA, MCR, scheduling	4.50
Residency	residents	2.20
Pharmacy	techs, ICU pharmacist	3.00
Pharmacy	residents	1.60
Family Tree	teacher	1.16
Dougherty Co Jail	LPN	1.00
Sleep Lab	techs	1.00
Radiology	MRI tech	1.00
Hospice	RN	1.00
5th Floor (Mom Baby)	RN Team Leader	1.00

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Phoebe Property Taxes – FY2019 (Dougherty County)

VPILOT (Voluntary Payment In Lieu of Taxes)	\$573,085 (Phoebe North)
Other Dougherty County Properties	\$316,197
Total Dougherty County Property Taxes	\$889,282

** This is based on prior year assessed taxes and projected out for FY 2019

* 22




FY2019 PHOEBE PUTNEY MEMORIAL HOSPITAL BUDGET
(In Thousands)

	Actual 2017	Annualized 2018	Budget 2019	Variance %
Gross Patient Revenue	\$ 1,559,973	\$ 1,653,128	\$ 1,725,299	4.4%
Other Operating Revenue	\$ 18,603	\$ 21,128	\$ 19,621	-7.1%
Deductions	\$ (1,060,008)	\$ (1,142,185)	\$ (1,196,837)	4.8%
Net Revenue	\$ 518,568	\$ 532,071	\$ 541,083	3.0%
Operating Expenses	\$ (517,137)	\$ (530,647)	\$ (537,312)	2.6%
Operating Income (Loss)	\$ 1,431	\$ 1,424	\$ 3,771	164.8%
Investment Income	\$ 4,504	\$ 2,203	\$ 2,143	-2.7%
Net Income	\$ 5,935	\$ 3,627	\$ 5,914	63.0%
Operating Margin %	0.3%	0.3%	0.7%	

PHM Operating Income (Loss) includes PHS and PPG Allocations

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Phoebe

FY2019 CAPITAL BUDGET
Phoebe Putney Memorial Hospital



PPMH Capital Expenditure Budget FY2019

Capital Categories - PPMH	FY 2019
Plant Operations	14,025,794
General Medical & Other	8,343,389
Operating Room & Surgical Services	1,418,482
Information Systems & Telecommunications	5,232,323
Women & Children Services	624,218
Administration Services	1,110,214
Food & Nutrition	-
Pharmacy	571,865
Family Tree	153,150
Sub-Total Capital	31,479,435
Contingency Funds	1,000,000
Grand Total	32,479,435

*** \$6,500,000 in Estimated FY 2019 Free Cash Flows available for Capital not being spent in order to fund future Master Facility Projects for PPMH.

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PPMH Capital Expenditure Budget FY 2019

Top 20 (Dollars)

Project	Amount
S A/B Renovation Project - Addition to 170958	4,500,000
Other Dietary, Cafe Renovation	2,800,000
Urgent Care Clinic Development	2,500,000
Radiographic System, OR 7 Hybrid Room Replacement	2,000,000
MRI, MRI - Meredyth	1,857,865
Bed, Bed and Furniture Replacement	750,000
General Software, Meditech Oncology Module	676,000
General Hardware, Cisco Wireless Controller Replacements	650,000
Other Administration, Command Center Construction / Renovation	500,000
General Hardware, Capital Contingency	500,000
Ortho/Neuro Planning Project	500,000
Other Pharmacy, Omnicell Cabinets for IV fluids	492,000
General Hardware, IDF Switching Upgrades	460,000
Radiographic System, EC Radiology Trauma Room	400,000
General Renovation, PPMH Cancer Center Pharmacy Upgrades USP 797	360,138
Ultrasound Unit, Ultrasound Replacements	360,000
General Renovation, PPMH Main Pharmacy Upgrades	347,697
Other OBGYN / Pediatrics, Adult Beds	313,200
General Renovation, Phoebe North Roof Phase 2	301,000
General Renovation, 410 Fifth Ave Storm Damage	300,000

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PPMH Capital Expenditure Budget FY2019			
		*	*
Capital Categories - PPMH	FY 2019	FY 2020	FY 2021
Plant Operations	14,025,794	20,000,000	20,000,000
General Medical & Other	8,343,389	8,000,000	8,000,000
Operating Room & Surgical Services	1,418,482	1,500,000	1,500,000
Information Systems & Telecommunications	5,232,323	5,300,000	5,300,000
Women & Children Services	624,218	650,000	650,000
Administration Services	1,110,214	1,000,000	1,000,000
Food & Nutrition	-	-	-
Pharmacy	571,865	500,000	500,000
Family Tree	153,150	50,000	50,000
Sub-Total Capital	31,479,435	37,000,000	37,000,000
Contingency Funds	1,000,000	1,000,000	1,000,000
Grand Total	32,479,435	38,000,000	38,000,000
<i>* This projection does not include Master Facility Planning that is ongoing as of date of this Budget</i>			

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Hospital Authority of Albany- Dougherty County

Fiscal year 2019 Budget

Approval Needed

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA	
Proposed Operating Budget	
Fiscal Year Ending July 31, 2019	
	BUDGET FY 2019
OPERATING REVENUE:	
Net patient service revenue (net of provision for bad debt)	
Lease Consideration	115,000
Total Operating Revenue	115,000
OPERATING EXPENSES:	
Salaries and Wages	
Employee health and welfare	
Medical supplies and other	
Professional services	114,700
Purchased services	300
Depreciation and amortization	
Total Operating Expenses	115,000
Operating Income (Loss)	-

Reinvesting in the Community



Right Care. Right Place. Right Time.
....at the Right Cost.

Top 5 Diagnosis	Average CCC charge per case	Average Emergency Center charge	Community Savings per case
Respiratory infection	\$122.83	\$1,187.28	\$1064.45
Pharyngitis	\$131.08	\$1,176.31	\$1045.23
Low back pain	\$145.18	\$1,999.00	\$1,853.82
Disorders of teeth	\$117.72	\$842.08	\$724.36
Removal of sutures	\$233.82	\$611.02	\$377.20
Avg. savings per case			\$1,013.01

March 2016 – July 2018 **Community Savings**
37,132 cases = **\$37.6million**



Leading the Region in Advanced Procedures to Treat the Electrical Systems of the Heart

Edwards Koomson, MD
Kamil Hanna, MD



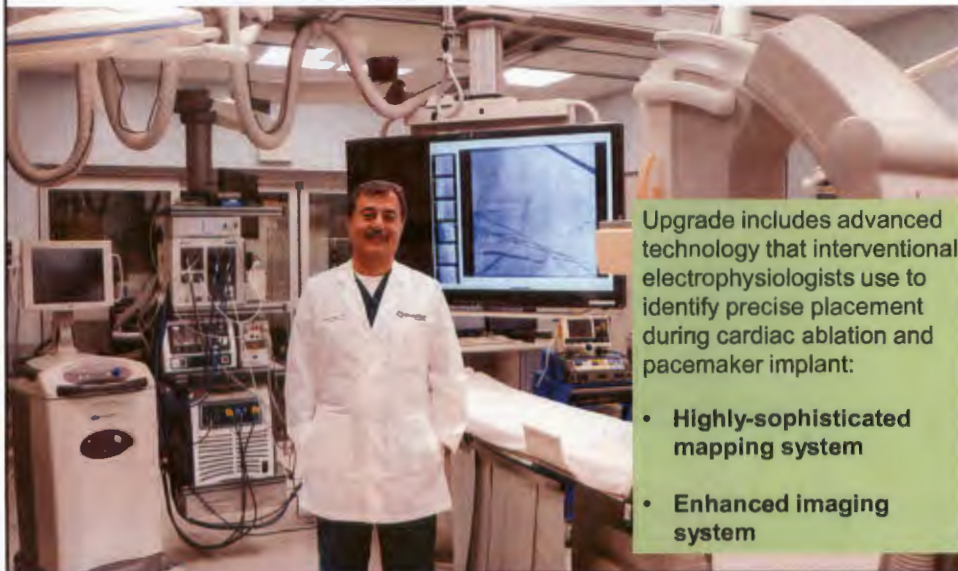
3,200+ EP procedures performed since 2007

Our cardiac electrophysiologists perform a vast array of implantation, extraction and ablation procedures:

- Automatic Implantable Cardioverter Defibrillator (AICD) implantation
- Biventricular AICD implantation
- Radiofrequency catheter ablation of atrial flutter
- Laser lead extraction of an AICD
- Subcutaneous AICD implantation
- Cryoablation of atrial fibrillation
- Pacemaker implantation




Reinvesting in innovative heart care: \$1.3 M Electrophysiology Lab Upgrade



Upgrade includes advanced technology that interventional electrophysiologists use to identify precise placement during cardiac ablation and pacemaker implant:

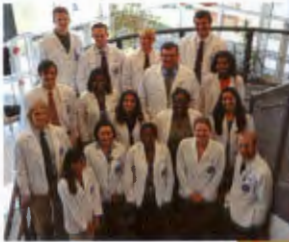



- Highly-sophisticated mapping system
- Enhanced imaging system


Ensuring Access to Care


 **Phoebe**


Medical & Allied Health Training


- Family Medicine Residency Program
- MCG/Georgia Health Sciences Clinical Campus
- UGA Pharmacy Training Program
- Pathways - AHEC


AUGUSTA UNIVERSITY
MEDICAL COLLEGE
OF GEORGIA
Southwest Campus


Southwest Georgia
AHEC
Area Health Education Center


UNIVERSITY OF
GEORGIA
College of Pharmacy

 **Phoebe**
Family Medicine Residency

• 6



A 25-year investment in attracting & retaining the best medical talent

FMR

GA legislature recognizes a need for more primary care physicians in Southwest Georgia & SWGA Family Medicine Residency begins operations

1993

MCG

Medical College of Georgia established satellite campus at Phoebe for 3rd & 4th year students



2005

100th grad

Southwest Georgia Family Medicine Program reaches 100th graduate milestone



2015



Housing opening

1996

1st grad

Southwest Georgia Family Medicine Program graduates complete rigorous three-year training

2011

UGA

University of Georgia College of Pharmacy opens Southwest Georgia Clinical campus at Phoebe



2016

Med Student Housing

Began construction of a 40 unit medical student complex

2017

• 3



Educational Partnerships



Investment in Top Talent

Phoebe Family Medicine Residency	21
UGA College of Pharmacy	34
MCG Residents – 20 (3 yr) & 7 (4yr)	27
AHEC (Medical & Advanced Practice Students)	96
Phoebe Student Rotations (through educational partners)	421
TOTAL	599



Flaggstone – Housing Update



UGA Pharmacy:	12
MCG Medical:	18
Phoebe Family Medicine Residency:	6
TOTAL Tenants:	36/ 40 beds

- Tenants have begun moving in and will continue through mid-August
- 5 currently on waiting list





Flaggstone



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New Employed Providers

JANUARY- AUGUST 2018

Primary Care
D. Choudhury, MD



General Surgeon
J. Langer, MD

Hospitalist
J. Barnhardt, MD



Orthopaedics Sports Medicine
J. Knofler, MD

Hospitalist
G. Clay, MD



Pediatrician
E. K. Ebba, MD

Infectious Diseases
N. Patel, MD



Pediatric Hospitalist
J. Richards, MD

Radiologist
L. Crimmins, MD



Pediatric Hospitalist
S. Kakkerala, MD

Coming Fall 2018:

3
Cardiologists

1
Pulmonologist/
Critical Care
Intensivist

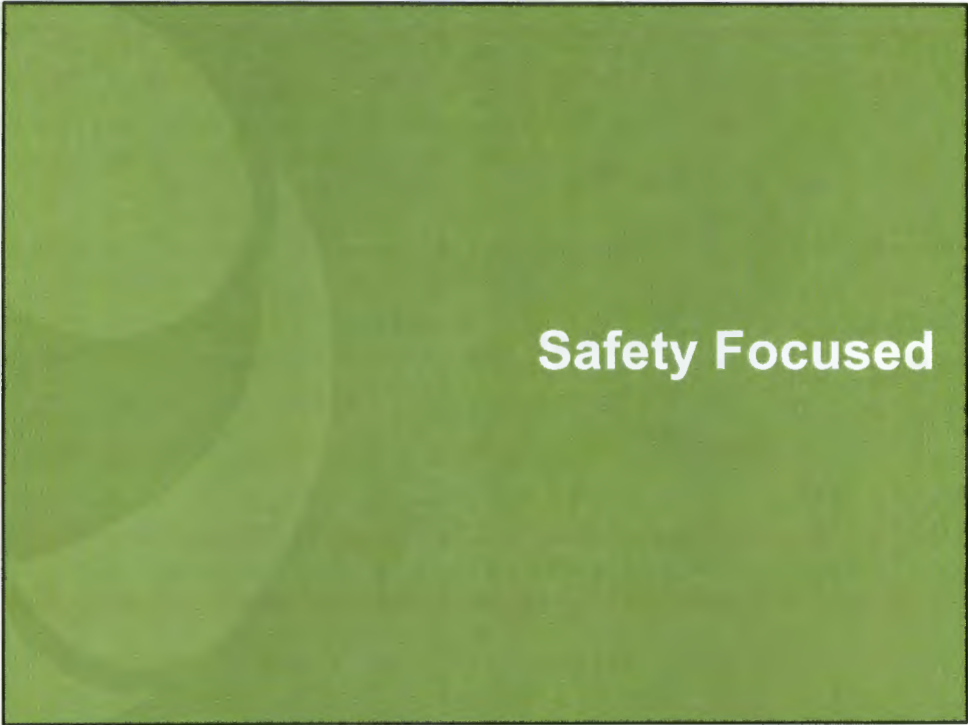
1
Orthopaedic
Surgeon

• 12

**Community
Partner**



Taxes – Inside Phoebe



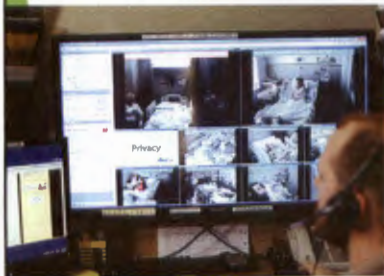
Fall Prevention

Falls with injury reduction:
28% decrease
 (August 2017 – July 2018)



FY17 Baseline: 5.3 falls/month
 FY18 Goal: 4.24 Injury falls/month
 FY18 Actual: **3.8 injury falls/month**

Falls with injury represent 17% of total falls



Program
 launched in
 January 2018

12 units

Expanding to
 24 units this
 year

- May** 3,150 times patients redirected
468 stat alarms set
- June** 3,026 times patients redirected
492 stat alarms set
- July** 3,864 times patients redirected
532 stat alarms set

**Redirection of patients prevents falls, but also to prevents tubes/lines being pulled out.*



Telesitter Inside Phoebe

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