

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY

MINUTES OF THE AUGUST 17, 2017 MEETING

(Open Session)

Attendees:

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

Authority Legal Counsel: Tommy Coleman

Those Present on Behalf of Phoebe Putney Memorial Hospital, Inc.: Joe Austin, Dawn Benson, Brian Church, Dr. Steven Kitchen, Felicia Lewis, Don Martin, Lauren Ray, Joel Wernick, Jessica Castle, Ben Roberts

Absent Authority Members: Dr. Charles Lingle

Open Meeting and Establish a Quorum:

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

Approval of the Minutes:

The proposed Minutes of the May 18, 2017 open session meeting of the Authority had been previously provided to the Authority Members prior to this meeting and the same were considered for approval. Pastor Glover made a motion and Mr. Moultrie seconded the motion, to approve the Minutes as previously provided. The motion passed unanimously by vote of all Members.

Approval of the Agenda:

The proposed Agenda had been previously provided to the Authority Members and a motion to adopt the proposed Agenda for the meeting was made by Mr. Moultrie and seconded by Dr. Laslie. A copy of the Agenda as adopted is attached.

Citizens who requested to speak:

Dr. Henry Barnard and Mr. Will Geer spoke on matters they deemed of interest to the Authority. Mr. Bruce Capps withdrew his request to speak.

Approval of Draffin & Tucker's Engagement as Hospital Authority Auditors:

Mr. Ghiglieri stated the Members need to approve the engagement of Draffin & Tucker to perform the Authority's certified audit. The proposed engagement letter had been previously provided to the Authority Members for advance review and a copy is retained with these Minutes. Ms. Nyota Tucker

expressed concern with approving and asked if a procedure was in place to vet other auditors. Mr. Coleman recommended approving Draffin & Tucker as the Hospital Authority Auditors for year ending July 31, 2017 due to time constraints, with the recommendation to require a RFQ for next year's audit engagement. A motion was made by Dr. Laslie, seconded by Dr. Hudson to approve Draffin & Tucker's engagement as Hospital Authority Auditors for the year ending July 31, 2017 and to conduct an RFQ before engaging next year's Auditors. The motion passed unanimously by vote of all Members.

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, 2017 and a Proposed 2018 Budget for the Authority. Copies of the Authority's Financial Statements as presented by Mr. Church and the 2018 Proposed Budget are attached. Mr. Church presented the FY2018 Operating and Capital Budget for the Hospital and in doing so observed how negatively the Hospital is impacted due to Georgia's lack of Medicaid expansion and cuts to DSH payments. A motion was made by Dr. Hudson, seconded by Mr. Ferrell to approve the 2018 Budget for the Authority. The motion passed unanimously by vote of all Members.

PPMH, Inc. CEO and Operational Reports:

Joel Wernick, CEO / President of the Hospital and Health System, spoke on the national healthcare scene and the lack of Medicaid expansion in Georgia.

Joe Austin, COO of the Hospital and Health System, provided an update on the Community Care Clinic. As of July 31, 2017, the clinic had 20,019 patient visits which in turn provided a \$20.48 million savings to the community. Mr. Austin also provided a live demonstration of phoebequality.com which includes the most up-to-date information on surgical site infection prevention and control measures. Mr. Austin also reported on recent changes concerning the pediatric hospitalist program that is taking effect at Phoebe's main campus next month and assured the Authority that inpatient pediatric care is not disappearing at the hospital.

Mr. Austin provided an update on property damage sustained by the January storms. Phoebe had over 80 properties impacted with an estimated repair cost of over \$2,000,000. Mr. Wernick reported on Phoebe's involvement with the City of Albany's "Fight the Blight" campaign.

Lauren Ray, Executive Director of the Phoebe Foundation, provided an update on the Foundation's philanthropy efforts which included the Student Housing Complex, NICU items funded through Children's Miracle Network, a Pediatric Behavioral Health Group room, pediatric youth beds, and a DXA Scanner at the Carlton Breast Center. Ms. Ray also reported that donors partnered with Phoebe to provide for a full-time Chaplain.

Don Martin, Chief Administrative Officer for the Phoebe Physicians Group (PPG), provided an update on the physician group. PPG recently opened primary care facilities in Camilla and Ellaville. Mr. Martin reported that PPG hired 23 new physicians and the second Infectious Disease physician is coming on board in the next month.

A copy of the CEO and Operational Reports is attached to these Minutes.

Dr. Laslie spoke on propriety versus not-for-profit hospitals and commended Mr. Wernick for his visionary role in Phoebe's success.

Closing of the Meeting:

A motion was made by Mr. Callins, seconded by Dr. Laslie 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.

Mr. 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
Nyota Tucker	Yes
John Hayes	Yes
Ferrell Moultrie	Yes
Pastor Charlene Glover	Yes
Dr. Kathy Hudson	Yes

The motion having passed, the meeting closed.

Open Session Reconvened:

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

Adjournment:

There being no further business the meeting was adjourned.

AGENDA

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

(OPEN SESSION)

Meeting of August 17, 2017

(Phoebe Northwest, Conference Rooms B & C)

- | | | |
|-------|--|---|
| I. | Open meeting and establish quorum | Chairman |
| II. | Consider Approval of Agenda (draft previously provided to Members) | Chairman |
| III. | Consideration of Open Session Minutes of May 18, 2017 meeting (draft previously provided to Members) | Chairman |
| IV. | Citizens who requested to speak | Will Geer
Henry Barnard
Bruce Capps |
| V. | Consider Approval of Draffin & Tucker's Engagement as Hospital Authority Auditors | Chairman |
| VI. | Financial Reports | Brian Church |
| | a. Hospital Authority Financial Update | |
| | b. PPMH 2018 Budget Presentation | |
| | c. Hospital Authority Budget Presentation for 2018 | |
| VII. | Phoebe Putney Memorial Hospital, Inc. CEO and Operational Reports | Joel Wernick |
| | a. Operations Update | Joe Austin |
| | b. Foundation Update | Lauren Ray |
| | c. Phoebe Physician Manpower Update | Don Martin |
| VIII. | Consideration of vote to close meeting for Executive Session | Chairman |
| IX. | Additional Business | |
| X. | Adjournment | |

HOSPITAL AUTHORITY OF ALBANY- DOUGHERTY COUNTY, GEORGIA

Financial Statement Update
JUNE-2017 YTD Financials
Fiscal Year 2017
August 17th Authority Meeting

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA**BALANCE SHEET****6/30/2017****Unaudited
June 30, 2017****ASSETS**

Current Assets:

Cash and cash equivalents *	\$	94,629
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**94,629**

Property and Equipment, net

-

Other Assets:

Goodwill -

Total other assets

-

Total Assets

\$ 94,629

*

**Payment for Services in June,
Request went out in July to
replenish back up to \$100K**

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA**BALANCE SHEET****6/30/2017****Unaudited
June 30, 2017****LIABILITIES AND NET ASSETS**

Current Liabilities:

Accounts payable -

Accrued expenses -

Estimated third-party payor settlements -

Deferred revenue -

Short-term obligations -

Total current liabilities -**Total liabilities -**

Net assets:

Unrestricted 94,629**Total net assets 94,629****Total liabilities and net assets \$ 94,629**

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN UNRESTRICTED NET ASSETS

6/30/2017

Unaudited
June 30, 2017

OPERATING REVENUE:

Net patient service revenue (net of provision for bad debt)

Lease Consideration

34,860

Total Operating Revenue

34,860

OPERATING EXPENSES:

Salaries and Wages

Employee health and welfare

Medical supplies and other

Professional services

20,127

Purchased services

286

Depreciation and amortization

Total Operating Expenses

20,413

Operating Gain / Loss

14,448

NONOPERATING INCOME (EXPENSES):

Gain in Long Term Lease

-

Interest Expense

-

Total Nonoperating Income

-

EXCESS OF REVENUE OVER EXPENSE

14,448

FY2018 Operating & Capital Budget

Phoebe Putney Memorial Hospital



Hospital – Health System Budgeting

“The hospital—altogether the most complex human organization ever devised ...”

- *Peter Drucker*

Peter Ferdinand Drucker (November 19, 1909 – November 11, 2005) was an Austrian-born American management consultant, educator, and author, whose writings contributed to the philosophical and practical foundations of the modern business [corporation](#). He was also a leader in the development of management education, he invented the concept known as [management by objectives](#) and [self-control](#),^[1] and he has been described as "**the founder of modern management**".^[2]



Healthcare Trends to Watch in FY18

GA Hospital Consolidation – Larger Systems Growing

- Hospitals (Columbus/Athens Join - Piedmont, Memorial/Savannah – (HCA))
- **More pressure on Rural hospitals in Georgia**

Changing Demographics and Demand for Services

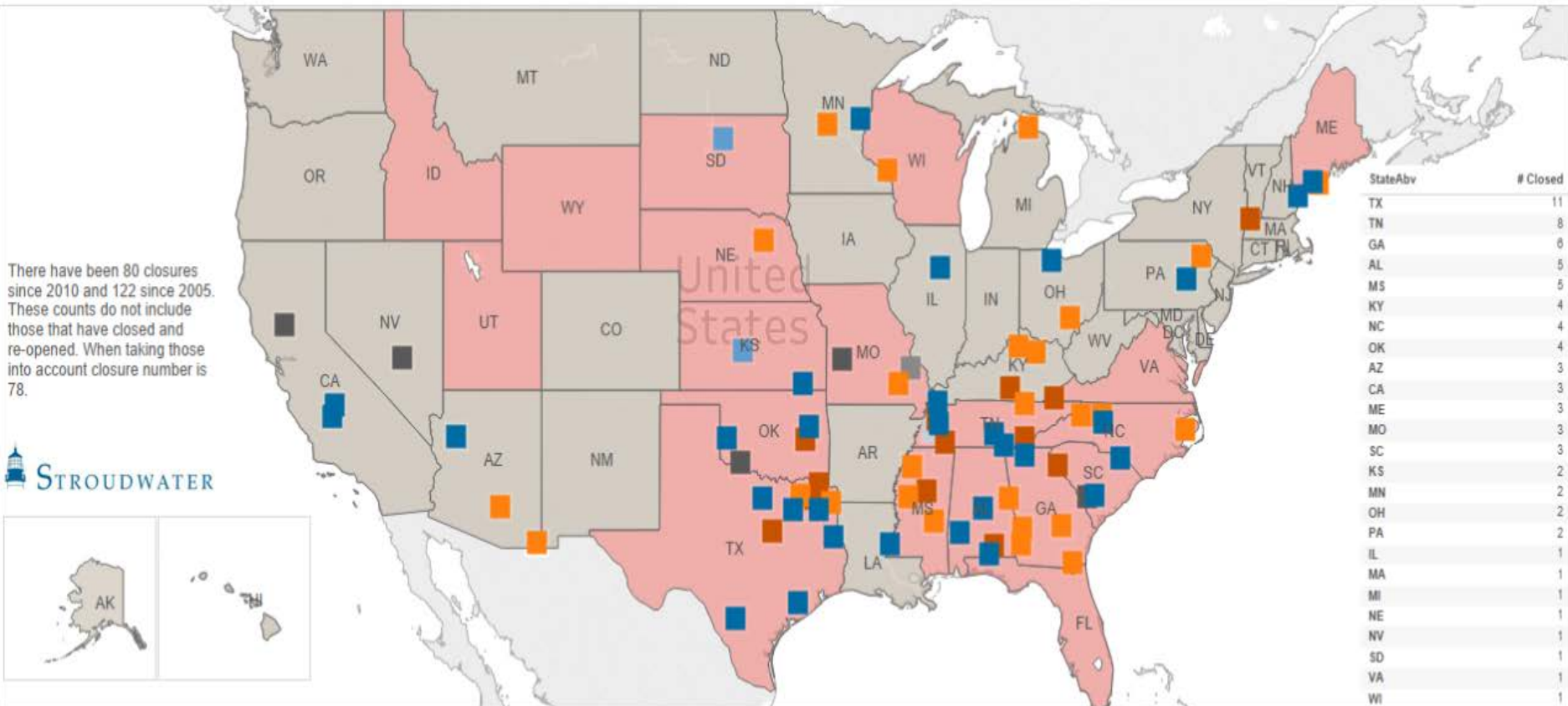
- Every Day 10,000 baby boomers turn 65 (Our Growth Engine)
- **Inpatient declining --- Outpatient growing**

New Competencies Required

- Risk-Bearing Payment Models (MACRA- MIPS/APM)
- Narrow Networks next logical step for employers after HDHP
- Continuous Process Improvement Management Key to our Future

Consumerism Trends Shaping Healthcare Demand

- **Patients looking for best “value” at lowest cost**



Medicare Payment Type

- Prospective Payment System
- Critical Access Hospital
- Medicare Dependent Hospital
- Sole Community Hospital
- Re-based Sole Community Hospital
- Disproportionate Share Hospital
- Rural Referral Center

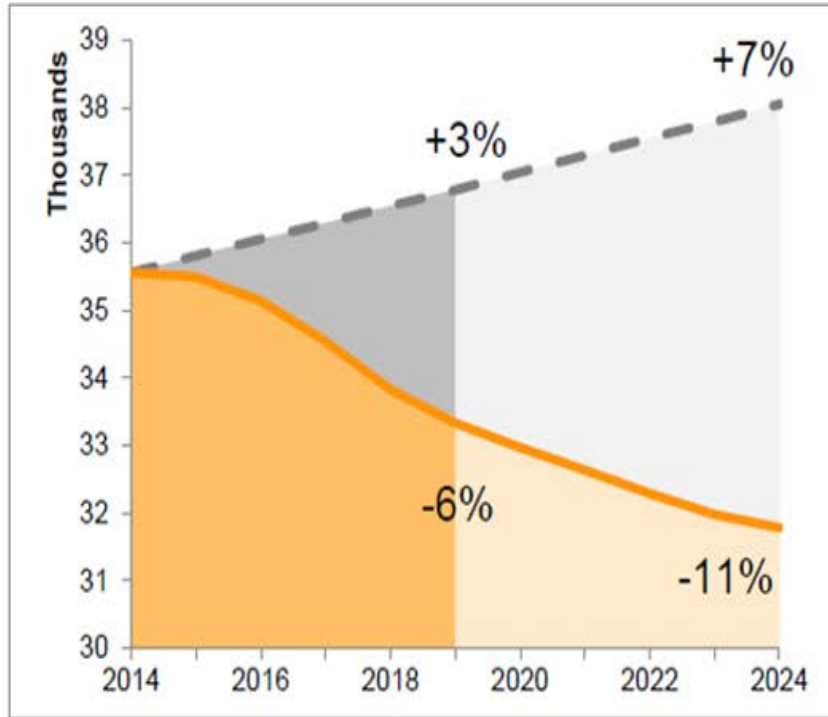
Status of Medicaid Expansion Decision

- Adopted the Medicaid Expansion
- Not Adopting the Medicaid Expansion at this Time

Closure Year	Prospective Payment System	Critical Access Hospital	Medicare Dependent Hospital	Sole Community Hospital	Re-based Sole Community Hospital	Disproportionate Share Hospital	Rural Referral Center	Grand Total
2010	2					1		3
2011	2		2			1		5
2012	5	2	1					8
2013	5	6	3					14
2014	2	7	5	1			1	16
2015	8	5	1	1			1	16
2016	5	4	3	3				15
2017	1							1
Grand Total	30	26	13	5	2	1	1	78

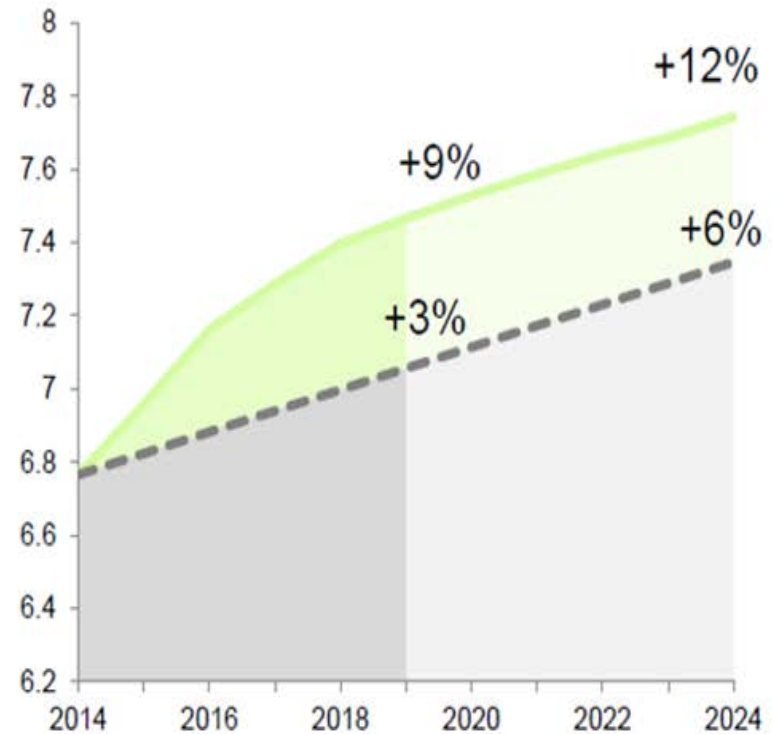
Adult Inpatient Market Forecast

Phoebe Putney PSA/SSA, 2014–2024



Adult Outpatient Market Forecast

Phoebe Putney PSA/SSA, 2014–2024



■ Sg2 IP Forecast
 ■ Population-Based Forecast
 ■ Sg2 OP Forecast

Note: Forecast excludes 0–17 age group. IP = inpatient; OP = outpatient.
 Sources: Impact of Change® v14.0; NIS; PharMetrics; CMS; Sg2 Analysis, 2014.
 Confidential and Proprietary © 2015 Sg2



Consumers

- 47% of U.S. workers can't come up with \$400 for an emergency
- 71% concerned about covering everyday expenses
- Median net worth down 85.3% from 1983 to 2013 (2013 = \$54,000)
- Fragile with a credit card life raft
- LA free clinic: 10,000 patients showed up, a majority *with* health insurance
- Out-of-pocket liabilities in 2015 = \$360B

Source: Federal Reserve Board





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
- **Drug Cost Increases**
 - Single-Source Life Saving Drug Providers
 - Generics
 - Oncology
- **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
- **Government Payment Reductions** (Medicare, DSH) and the uncertainty surrounding the future around Better Care Reconciliation Act
- **Increased Administration Burdens/Cost** placed on hospitals
- **Increased Regulations** and Compliance Requirements
- **Annual Ongoing Increases** for Salaries, Supplies, Utilities, Food, Implants, etc.



Reimbursements

Medicare

- Medicare payer mix has increased 2.3% in the last half of 2017. Projected this increase to continue for 2018.
- ACA impact would continue with additional negative impact in 2018 estimated to be **-\$5 million**. (Assuming no changes from BCRA)

Medicaid

- Medicaid payer mix is projected to be level (Assuming no Expansion) for 2018.
- Indigent Care Trust Fund (ICTF) program receipts remain a key portion of our revenue. These receipts are based on our underinsured population from prior years (2017 will be based on 2015).

*Medicaid DSH cuts scheduled to begin unless halted by government regulations, **-\$2 million** projected **CUT** for 2018.*

Commercial Insurance

- Assumption is a stable payer mix and current contract rates

Other

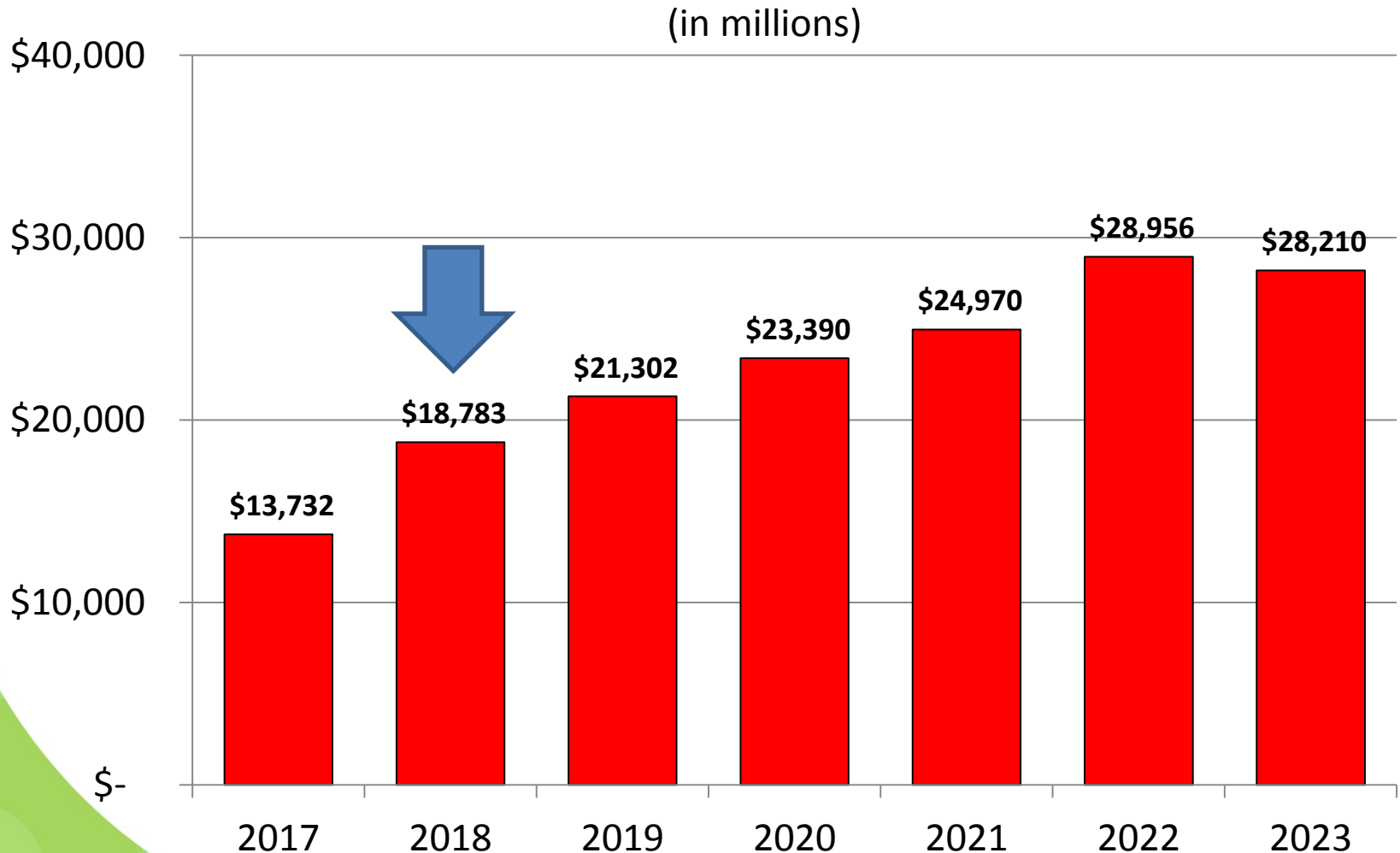
- Continued focus on revenue cycle improvements in an attempt to battle the reimbursement reductions
- Implementing an internal “self-pay” collections unit to increase collections and decrease the cost of contracting with an outside vendor.

Fee Schedule Increase

- FY18 Budget includes an increase in gross charges of 4.4% for PPMH



PPHS – ACA & Sequester Reductions in Reimbursement (Cumulative)





ICTF & UPL Funding

(Indigent Care Trust Fund & Upper Payment Limit)

ICTF	2015	2016	2017	2018 Budget
PPMH	8,912,123	10,009,205	4,959,719	5,000,000
			A	
UPL	2015	2016	2017	2018 Budget
PPMH	4,529,344	2,756,190	-	2,000,000

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, projected for August



GA County Funding of Hospitals (FY15)

- Bibb County – Navicent Health = \$469,130
- Clayton County – Southern Regional = \$7,900,000
- Fulton County – Grady = \$45,000,000
- DeKalb County – Grady = \$12,415,964
- Greene County – St, Mary's = \$360,000
- Muscogee County – Midtown Medical Center(Columbus Regional)= \$10,691,000
- Newton County – Newton Medical Center = \$1,649,000
- Peach County – The Medical Center of Peach County = \$412,500
- Stephens County – Stephens County Hospital = \$423,016
- **Dougherty County - Phoebe = \$0**

Source: Local Fund Contributions – DCH Hospitals Financials Survey 2015 County Funding

Indigent Care Contract Between Dougherty County, Georgia and the Hospital Authority of Albany Dougherty County, GA

- In effect 1990 thru 2002 – 2 mils of tax support
- Contract ended 2002 – “*The hospital Board and Management have been extremely successful in brining financial stability to the Hospital...Hospital Authority believes that the Hospital can be operated on a independent basis without the requirement of further taxation of Dougherty County citizen's to provide for the indigent sick”*”
- *Dougherty County Budget FY2001-2002 – Indigent Care Contract =*
 - *\$2,453,650.00 in annual tax support to Phoebe*
- 15 Years of savings that Phoebe has provided to Dougherty County =
\$36,795,000.00



Phoebe Property Taxes – FY18

(Dougherty County)

VPILOT (Voluntary Payment In Lieu of Taxes)	\$628,653.62 (Phoebe North)
Other Dougherty County Properties	\$238,036.53
Total Dougherty County Property Taxes	\$866,690.15

** This is based on prior year assessed taxes and projected out for FY 2018



PPMH Indigent & Charity Write-offs by County (FY15)

County/State	Total Amount
GRAND TOTAL	-
DOUGHERTY	\$ (49,677,032)
Terrell, Lee, Worth, Mitchell Counties	\$ (21,959,308)
Total Primary Service Area	\$ (71,636,340)

***Phoebe Total Budget Indigent & Charity for FY2018 = \$65M**

THE IMPORTANCE OF THE COMMERCIALLY INSURED PATIENT

Hospital Payment *Shortfall* Relative to Costs for Medicare, Medicaid and Other Government, 1997 – 2014(1)

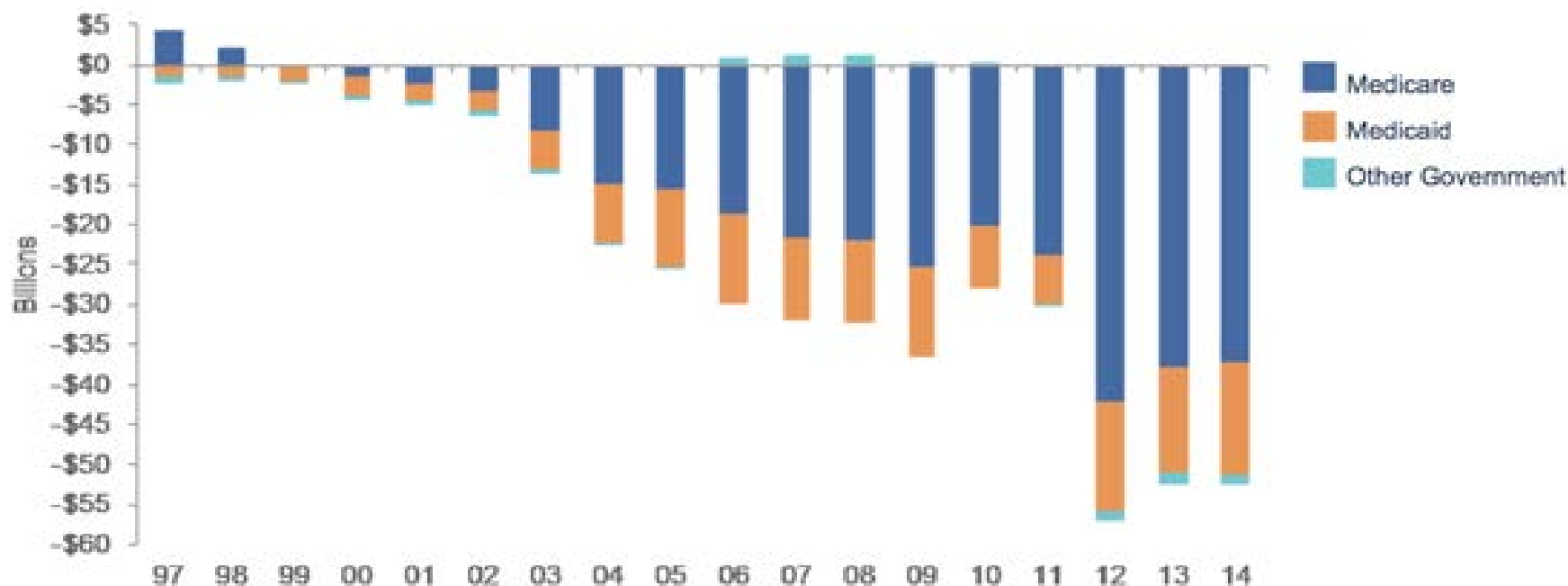


Table 3: Detailed Statistics of Your Hospital's MSPB Performance*
PHOEBE PUTNEY MEMORIAL HOSPITAL

	Your Hospital	State	U.S.
Number of Eligible Admissions	3,275	154,078	5,389,267
Average Spending per Episode	18,661.50	19,801.40	20,301.91
MSPB Amount (Avg. Risk-Adjusted Spending)	19,186.99	19,529.80	19,999.85
U.S. National Median MSPB Amount	20,308.36	20,308.36	20,308.36
MSPB Measure	0.94	0.96	0.98

*Only the fifth row ("MSPB Measure") will be posted on Hospital Compare for hospitals with more than 25 eligible admissions. For hospitals with fewer than 25 eligible admissions, only the state and national values from the fifth row will be posted on Hospital Compare.

Table 4: National Distribution of the MSPB Measure, By Percentile

Percentile	MSPB Value
5	0.84
10	0.88
25	0.94
50	0.99
75	1.03
90	1.08
95	1.12

The MSPB Measure assesses Medicare Part A and B payments for services provided by hospitals and other healthcare providers during an MSPB episode, which is comprised of the periods 3 days prior to, during, and 30 days following a patient's inpatient stay. More specifically, a MSPB episode encompasses all claims with a start date falling between 3 days prior to an Inpatient Prospective Payment System (IPPS) hospital admission through 30 days post-discharge from that stay. The payments included in this measure are payment-standardized and risk-adjusted to remove sources of variation not directly related to care decisions. Your hospital's MSPB Measure is the ratio of your hospital's payment-standardized, risk-adjusted MSPB Amount to the episode-weighted median MSPB Amount across all hospitals.



FY18 Budget – Strategic Initiatives

- Budget includes an average 3% compensation increase (merit & market adjustments) for workforce in 2nd quarter of FY18
- No premium increase for workforce on Employee Health Plan
- Pilot program of new staffing model on the general medical floors
- Revising and growing our nurse extern program to become more of a “pipeline” for nursing positions
- Implementation of a more robust nursing central staffing office to improve scheduling and staffing of the nursing units
- Expansion of cardiology/electrophysiology services -- Reviewing new cardiology procedures and devices not offered in this region
- Continued focus on growing our own locally to reduce premium labor - overtime and contract usage
- Pharmacy has improvement projects underway to offset drug costs increases in FY18



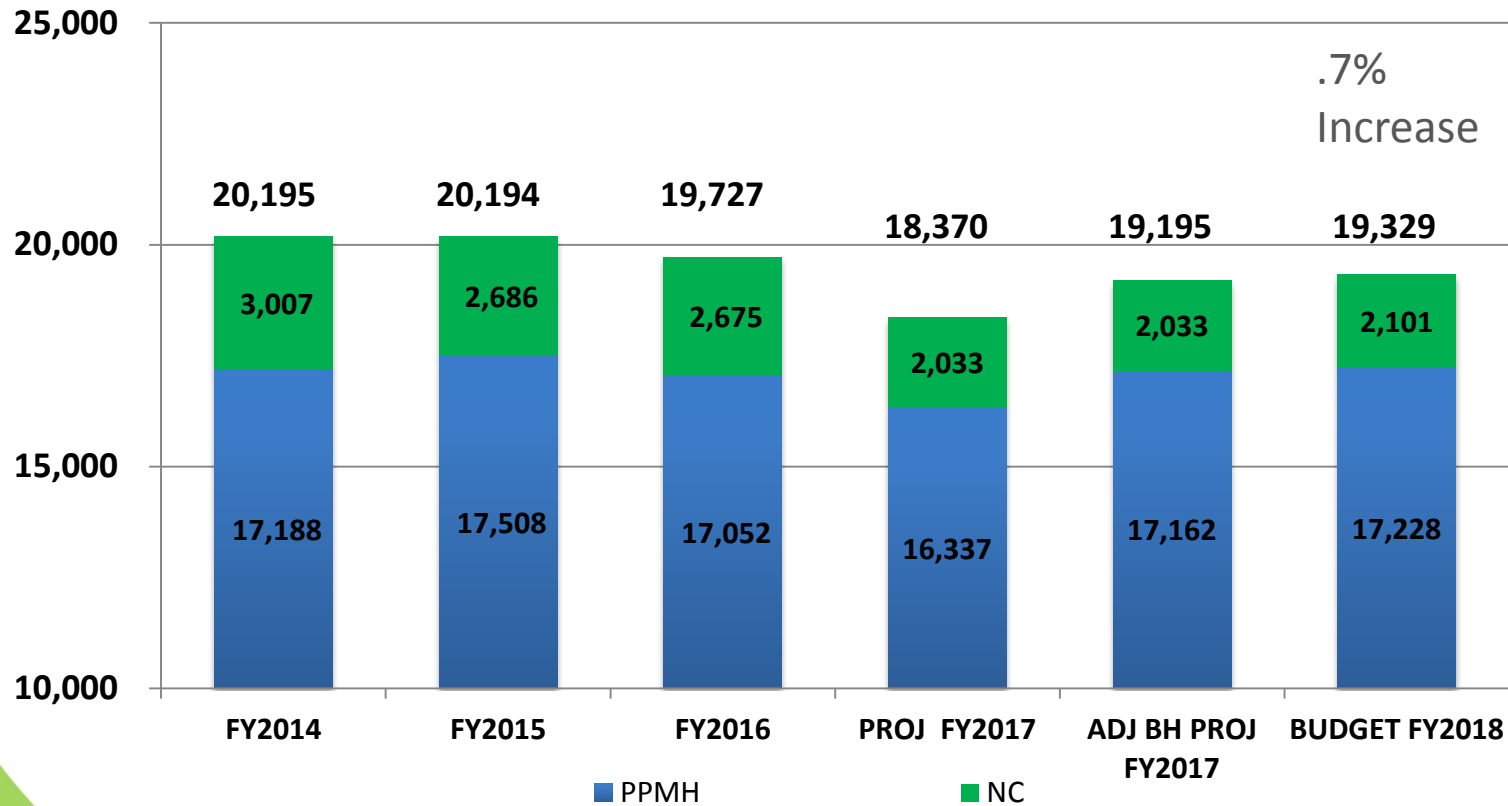
FY18 Budget – Strategic Initiatives

- Marketing Campaign for Key Services – Consumer Easy Access as the focus...
 - Cardiology continued
 - Oncology continued
 - Orthopedics
 - Primary Care
- Medical housing complex open and GME program expansion
- Behavioral Health inpatient unit to be operational in first quarter of FY18
- Consolidating bio-medical equipment maintenance contracts into one contract with one vendor for projected savings
- Continuous Improvement Team - resources added to grow efforts and improvements
- Quality Improvement Initiatives (Magnet Designation Planning, Safety Performance Improvement efforts, Fall Prevention Initiative)



Operating Outlook

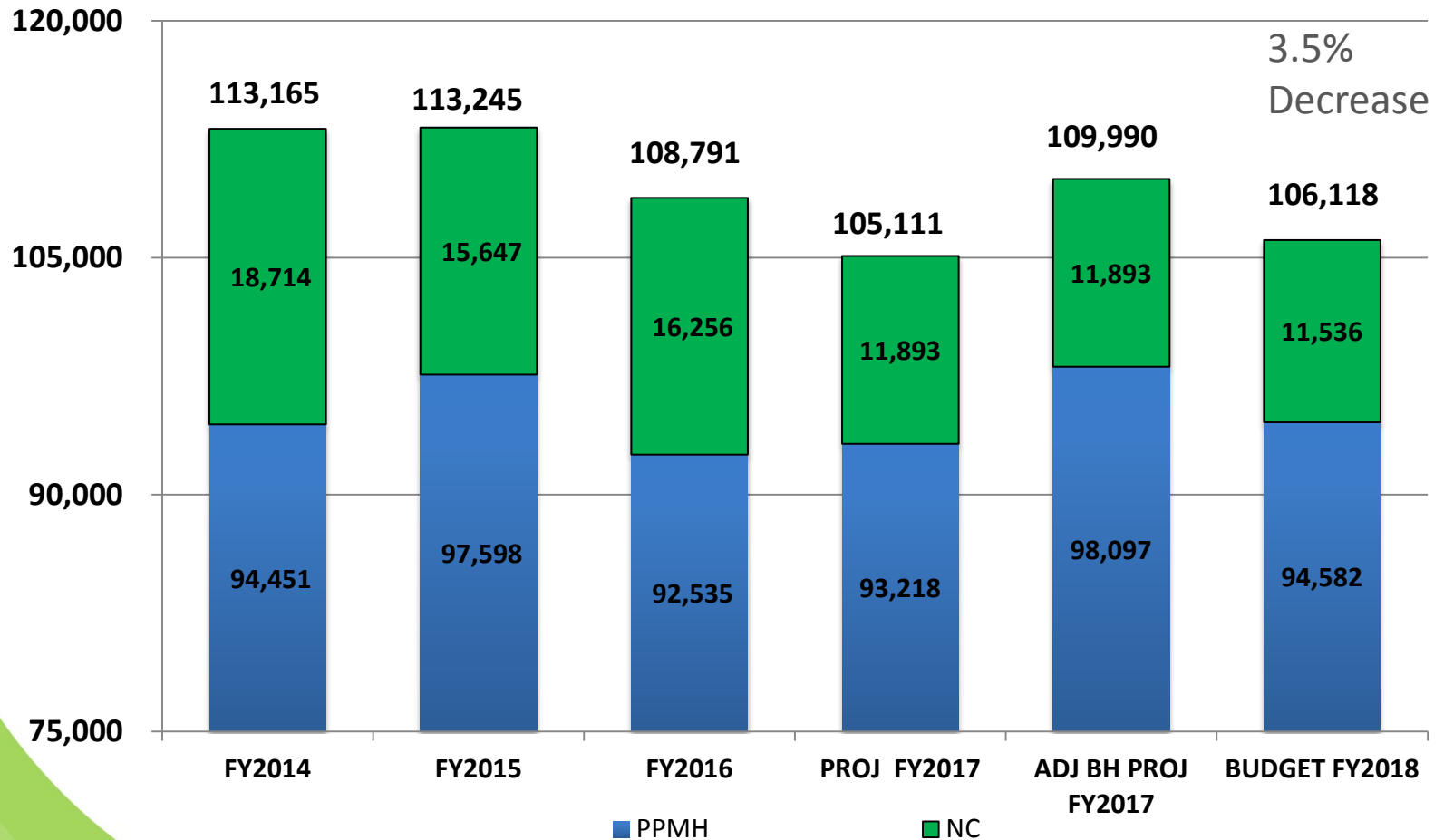
ADMISSIONS





Operating Outlook

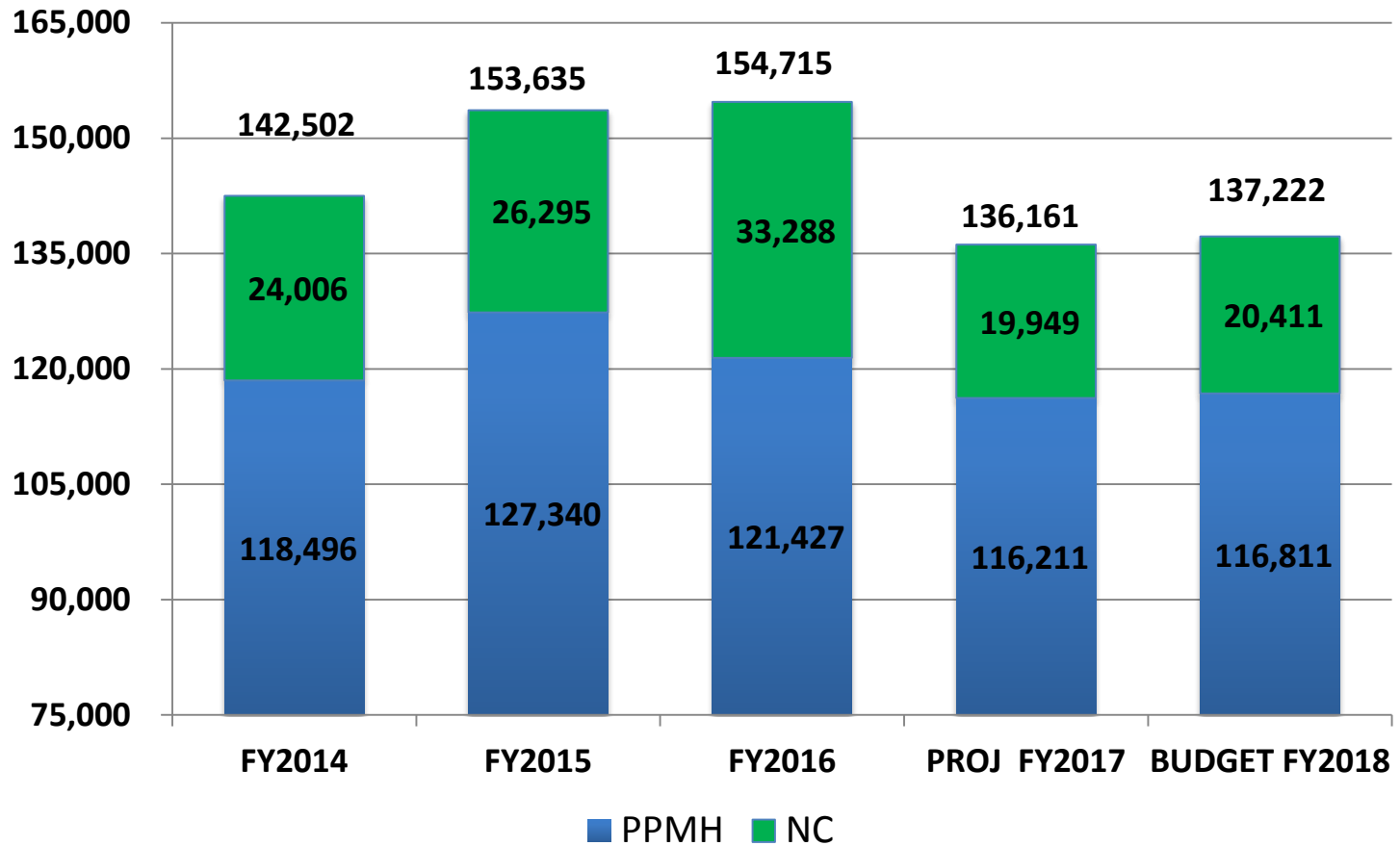
INPATIENT DAYS





Operating Outlook

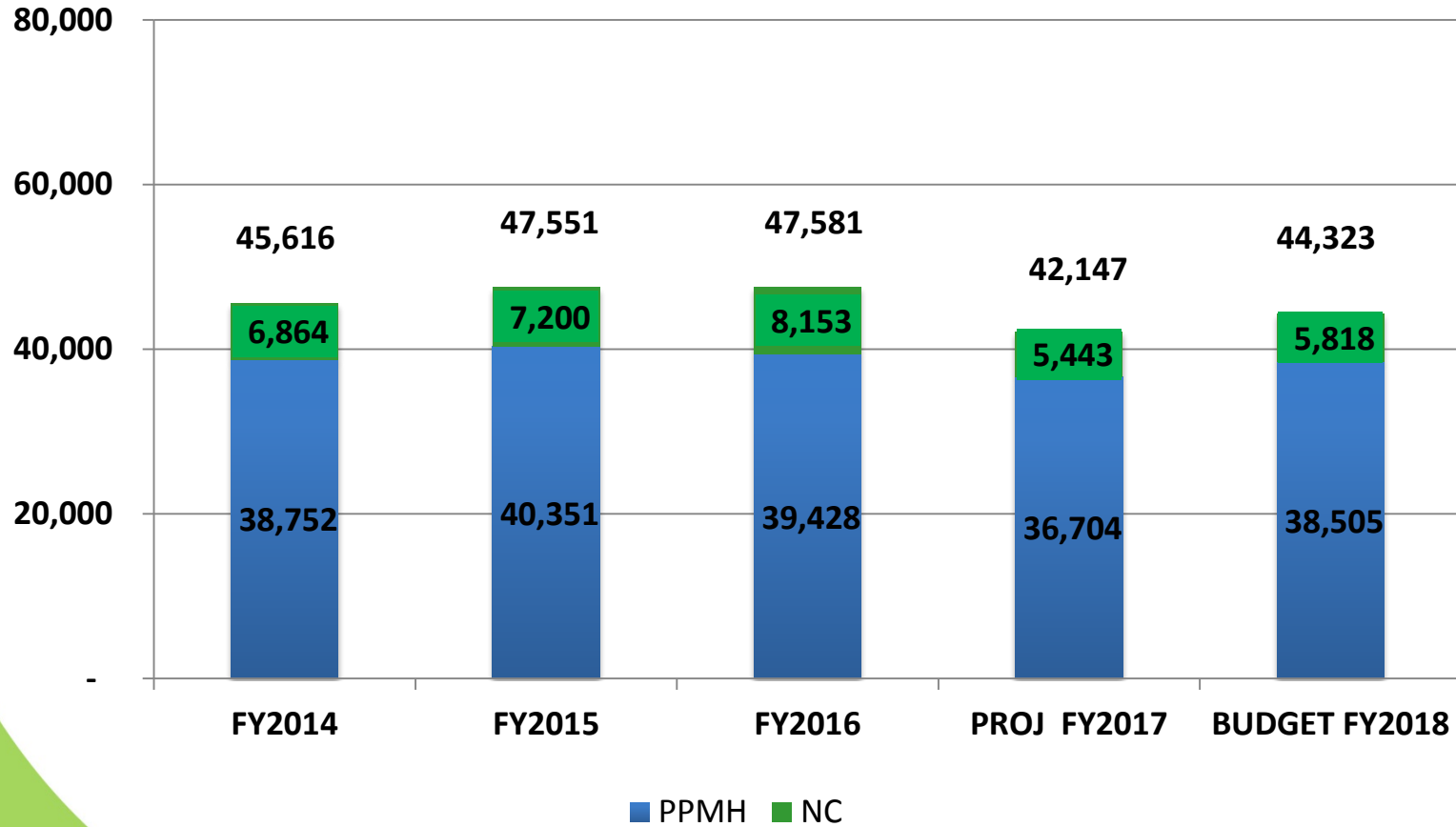
EQUIVALENT OUTPATIENT DAYS





Operating Outlook

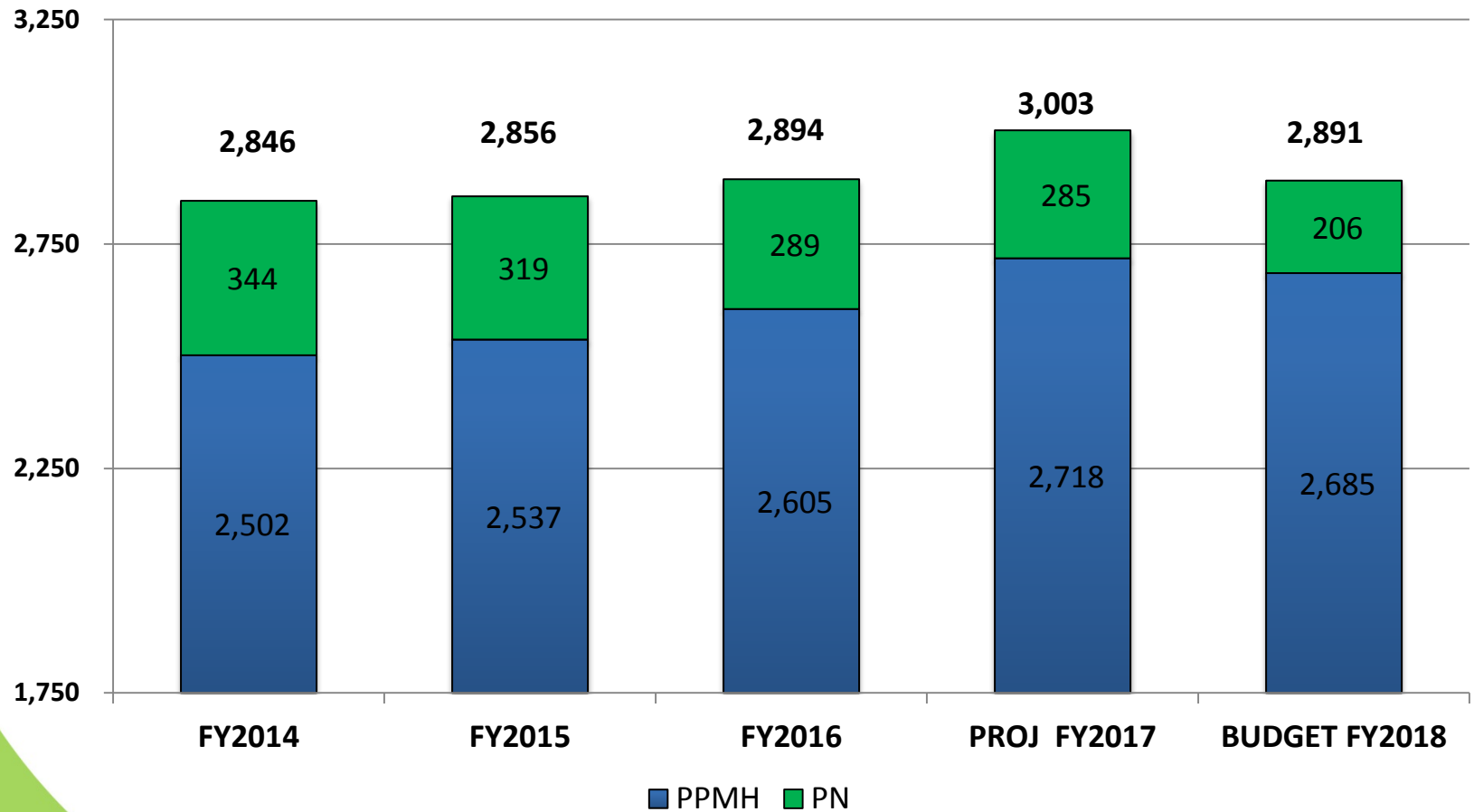
ADJUSTED ADMISSIONS



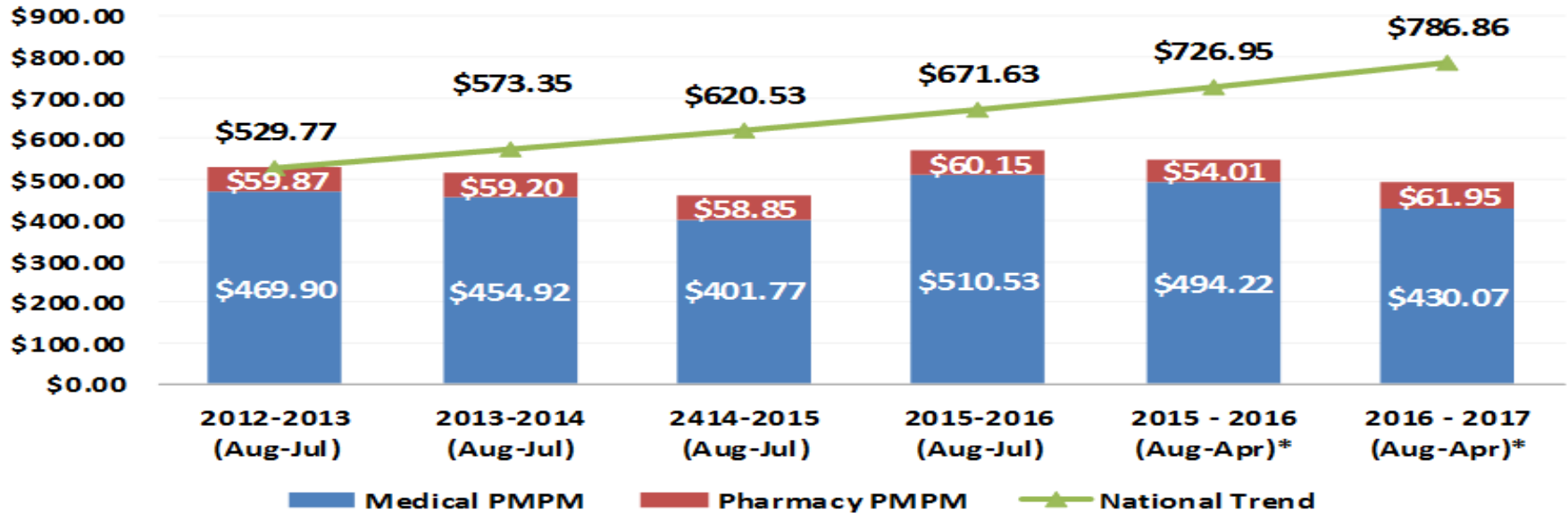


Operating Outlook

FTEs



Medical and RX PMPM Costs vs. National Trend



Findings:

- PMPM Medical costs with the Stop Loss amount have stayed below the 7% national trend since Aug 2012.
- Actual savings from Aug 2012 through April 2017* when compared to 7% National Trend Medical, and 10% Trend on Rx:

2013:	\$5,065,621.82
2014:	\$11,658,540.94
2015:	\$7,169,567.09
2016:	\$12,720,762.86
2017:	\$20,395,370.47*

- Cumulative Savings from Aug 2012 through Apr 2017*: **\$57,009,863.19**



Budget Risks

- Unplanned cuts in Reimbursement (uncertainty in Federal government direction)
- Lack of growth in Key Areas
 - Cardiology
 - Behavioral health (uncertainty with reopening the inpatient unit)
- Nursing shortage
 - Retention
 - Turnover
- Drug costs increase greater than planned
- Contract and Overtime exceeding budget targets
- Health Insurance Cost Increases
- **HEALTHCARE INDUSTRY DISRUPTION ???**



Phoebe Putney Memorial Hospital

(In Thousands)

	Actual 2016	Projected 2017	Budget 2018	Variance %
Gross Patient Revenue	\$ 1,455,413	\$ 1,564,724	\$ 1,630,258	4.2%
Other Operating Revenue	17,660.54	21,188.73	17,505	-17%
Deductions	(956,512)	(1,063,050)	(1,117,363)	5%
Net Revenue	\$ 516,561	\$ 522,863	\$ 530,400	1.4%
Operating Expenses	(526,296)	(522,228)	(528,518)	1.2%
Operating Income (Loss)	\$ (9,735)	\$ 636	\$ 1,883	196%
Investment Income	(3,766)	5,883	4,122	-30%
Net Income	\$ (13,501)	\$ 6,518	\$ 6,004	-8%

KEY STATISTICS:

Operating Margin %	-1.9%	0.12%	0.4%
Excess Margin %	-2.6%	1.2%	1.1%
EBIDTA %	5.7%	7.3%	7.3%

***** PPMH Operating Income (Loss) Includes PHS and PPG Allocations**



PPMH FY18 Capital Budget

PPMH Capital Expenditure Budget FY2018

CAPITAL CATEGORIES- PPMH	<u>FY2018</u>
PLANT OPERATIONS	\$ 11,682,893
GENERAL MEDICAL & OTHER	\$ 8,329,590
OPERATING ROOM & SURGICAL SERVICES	\$ 1,532,323
INFORMATION SYSTEMS & TELECOMMUNICATIONS	\$ 6,599,790
WOMEN & CHILDREN SERVICES	\$ 809,682
ADMINISTRATION SERVICES	\$ 718,992
FOOD & NUTRITION	\$ 198,250
PHARMACY	\$ 863,902
FAMILY TREE	\$ -
Sub-Total Capital	\$ 30,735,422
<u>CONTINGENCY FUNDS</u>	\$ 1,000,000
<u>GRAND TOTAL</u>	\$ 31,735,422

***** \$17,250,000 in Estimated FY 2018 Free Cash flows available for Capital not being spent in order to fund future Master Facility Projects for PPMH.**

PPMH Capital Expenditure Budget

Other Engineering / Facilities, PPMH Master Facility Planning	2,500,000
Other IT, PHILIPS Monitors	1,984,158
Other Cardiology, EP Lab Equipment Replacement	1,375,000
MRI, MRI Scanner	1,200,000
General Renovation, OR Rooms Upgrades	1,000,000
Other Engineering / Facilities, Phoebe East Renovations	1,000,000
Other Nursing, Dinamaps	1,000,000
Radiographic System, DR Room and Portable Solution	891,120
Other Engineering / Facilities, 2018 Facility/Equipment Acquisitions Fund PPMH	800,000
Other Pharmacy, Replacement of old automated dispensing cabinets	775,502
Bed, Replace beds and furniture in patient care rooms	750,000
General Construction, Northwest Residency	710,320
General Software, Meditech Oncology Module	676,000
General Construction, Underground Utilities Student Housing 4th Ave	550,000
General Construction, Facility Contingency Fund	500,000
General Renovation, Miscellaneous Renovations	500,000
Other Cardiology, Cardiac Ultrasound Units	495,000
Digital Imaging System, McKesson HMI Upgrade 12.0	475,518
Other Respiratory Therapy, Replacement of 12 end of life ventilators	475,325

Capital Expenditure Budget

3 Year Projection

CAPITAL CATEGORIES- PPMH	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>
PLANT OPERATIONS	\$ 11,682,893	\$ 25,000,000	\$ 45,000,000
GENERAL MEDICAL & OTHER	\$ 8,329,590	\$ 6,500,000	\$ 7,000,000
OPERATING ROOM & SURGICAL SERVICES	\$ 1,532,323	\$ 1,500,000	\$ 1,500,000
INFORMATION SYSTEMS & TELECOMMUNICATIONS	\$ 6,599,790	\$ 6,000,000	\$ 5,000,000
WOMEN & CHILDREN SERVICES	\$ 809,682	\$ 750,000	\$ 450,000
ADMINISTRATION SERVICES	\$ 718,992	\$ 650,000	\$ 350,000
FOOD & NUTRITION	\$ 198,250	\$ 200,000	\$ 200,000
PHARMACY	\$ 863,902	\$ 1,000,000	\$ 650,000
FAMILY TREE	\$ -	\$ 50,000	\$ 25,000
Sub-Total Capital	\$ 30,735,422	\$ 41,650,000	\$ 60,175,000
<u>CONTINGENCY FUNDS</u>	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<u>GRAND TOTAL</u>	\$ 31,735,422	\$ 42,650,000	\$ 61,175,000



PPMH FY18 Budget Summary

- 3% Employee Merit-Market Adjustment Pool Budgeted for FY18
- No increase in Employee Healthcare Premiums for Health Insurance FY18
- Increased services & funding for employees and family at the Phoebe Acute Care Clinic
- Increased nursing resources built in nursing department budgets
- Increasing number of new nurse slots in phoebe nurse extern program
- Increased funding for Quality Improvement Initiatives
- Behavioral Health Inpatient Unit budgeted to come back online 1st QTR FY2018
- 262 Doctors & APPs in PPG's budget, providing services locally across 23 medical specialties
- Overall Positive Operating Margin Budgeted for FY 2018
- \$65M+ in Charity and Indigent Care Budgeted for FY 2018
- \$45M Capital Budget to ensure investment in Advanced Technology, Facilities& Equipment

The background is a solid light green color. On the left side, there are several overlapping, semi-transparent circles of varying shades of green, creating a layered effect. On the right side, the word "Questions?" is written in a large, white, sans-serif font.

Questions?

Hospital Authority of Albany- Dougherty County

Fiscal year 2018 Budget

Approval Needed

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

Proposed Operating Budget

Fiscal year Ending July 31, 2018

BUDGET
FY 2017

OPERATING REVENUE:

Lease Consideration

75,336

Total Operating Revenue

75,336

OPERATING EXPENSES:

Purchased services and other

75,336

Total Operating Expenses

75,336

Operating income (loss)

-



COMMUNITY CARE CLINIC



Increased Access to Care



- Provide great care close to home
- Expand walk-in treatment options and available hours
- Reduce wait times
- Provide payment flexibility for every budget

Phoebe care.

At Phoebe, we've developed new ways to make it easier than ever to access our experts – with new choices that can even help you save time and money.



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 2017

20,219 cases =

\$20.48 million
Community Savings

Continued Focus on Patient Safety and Quality

phoebequality.com

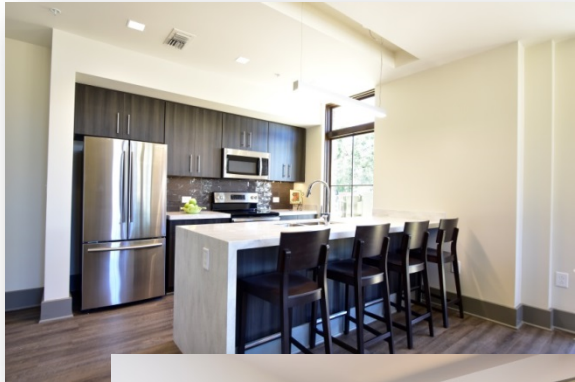
- Phoebe is committed to providing a safe environment and quality service to all patients
- Phoebe is committed to transparency, especially when it comes to quality data
- Phoebe's Patient Safety and Quality of Care Committee has tracked health system surgical site infection data for 3 years
- Phoebequality.com includes the most up-to-date information on surgical site infection prevention and control measures
- Phoebe follows a strict set of standard precautions to reduce healthcare-associated infections
- Phoebe wants the public to be able to track our progress as we strive to eliminate such infections



Living Out A Culture of Philanthropy



Flaggstone



More than
1600 Phoebe Employees
donated to the project

Phoebe Volunteers
gave around
\$1 Million

Donations came from individuals,
corporations, community leaders, &
other foundations

peach



[Phoebe Employees Active in Community Health](#)

Making Miracles for Southwest GA Kids



NICU Items to be Funded Through Children's Miracle Network

- Neonatal Intensive Care Unit Twin Transporter (\$176,072)





10 Kangaroo Care Chairs \$1,980

Neonate Kangaroo Care –



- Helps with brain growth/weight gain
- Gets our infants home to their families faster
- Increases breastfeeding success
- Helps our babies pain and distress
- Avoid Infection with improved immune system





Pediatric Behavioral Health Group Room

\$2,473

- Kid-Friendly to facilitate warm atmosphere to feel better!
- Appropriate toy therapy to get our children talking about their circumstance in a stress free environment
- Happy colors and fun technology to promote healing to our children



Phoebe



Children's
Miracle Network
Hospitals



4 Pediatric Youth Beds

\$15,412

- Age appropriate beds that feel like “home”
- Helps them feel like the “big kids” they are after achieving their new milestone
- Side rails to keep them safe, but not a cage like feeling





Join us for
**CAMP
GOOD
GRIEF**



NICU Items to be Funded Through Children's Miracle Network- \$260,753

- Giraffe Bed
- 12 Privacy screens for NICU
- Antibiotic Stewardship Program
- 12 NICU Stethoscopes
- Quarterly Educational Lunches for NICU Volunteers
- Kangaroo Care Incentive Program
- 4 travel stipends for front line nurses and respiratory therapists to attend Vermont Oxford Conference
- Pediatric Playroom
- NICU bilimeter
- Pediatric Rehab equipment

\$14,534 raised/41 Departments





WT-960 Tran-Sit Car Simulator

\$7695



Survivorship Clinic

\$14,601

- Services to help survivors live “well”
- Helps to manage physical & emotional changes post treatment
- Helps transition from active treatment to day-to-day living



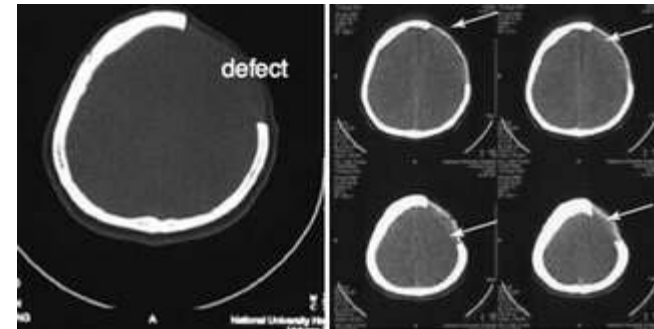
Current Space





DXA Scanner \$75,850 Carlton Breast Health Center

- Diagnose Osteoporosis
- Can assist our rehab and ortho patients
- Oncology tool to make treatment decisions for breast and prostate cancer patients.



Donors partner with Phoebe for Full-Time Chaplain



**Paver Ceremony
Benefitting
Chaplaincy**



Albany Pink Walk

This year's event had 1000 participants and raised almost \$80,500. These funds will go to directly assist women in financial crisis while they are being treated for breast cancer, endometrial cancer, cervical cancer, ovarian cancer, and other female-specific cancers.





*Phoebe Cancer Center
Phoebe Sumter
Phoebe Worth*

2016



*Phoebe
Cancer Center*



Phoebe Worth



*Phoebe
Sumter*



***Big Hearts* + Hospital Talent = The Best Medicine**

Donor Partnerships Are Impacting:

Quality, Safety, Technology, Access to Healthcare &
Patient Satisfaction

