

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY

MINUTES OF THE FEBRUARY 13, 2014 MEETING

(Open Session)

Attendees: Authority Board Members: Ralph Rosenberg; Dr. Charles Lingle; John Hayes; Lamar Reese; Fred Ghiglieri; Joel Callins; Ferrell Moultrie; and Dr. Steven Kitchen; and Legal Counsel: James E. Reynolds, Jr. Also present were: Joel Wernick; Kerry Loudermilk; Thomas Chambless; Joe Austin; Tom Sullivan and Recorder, Annette Allen.

Absent: Dr. Michael N. Laslie

Call to Order:

The meeting was called to order by Chairman Rosenberg at 7:30A.M. in the Willson board Room of Phoebe's Main Campus.

Open Meeting and Establish a Quorum:

Chairman Rosenberg thanked all the members for their presence and participation and established that a quorum was in attendance.

Approval of the Agenda:

The proposed Agenda had been previously provided to the Authority Members and a motion to adopt the Agenda for the meeting was made by Dr. Kitchen and seconded by Dr. Lingle, which motion was approved by all Authority Members in attendance.

Approval of Minutes:

The proposed minutes of the open session of the November 7, 2013 meeting of the Authority had been provided to Members prior to this meeting and the same was considered for approval. Mr. Ghiglieri made a motion and Dr. Kitchen seconded to approve the Minutes as previously provided. The motion passed unanimously by vote of all Members in attendance.

Welcome and Recognition of new Members:

Mr. Rosenberg welcomed the two new Members of the Authority appointed by the Dougherty County Commission, Mr. Joel Callins and Mr. Ferrell Moultrie.

Election of Officers for 2014 (Chair, Vice-Chair, Secretary, Assistant Secretary)

Lamar Reese made a motion to elect Ralph Rosenberg as Chair, Dr. Chuck Lingle as Vice Chair, Fred Ghiglieri as Secretary and Dr. Michael Laslie as assistant Secretary. The motion was seconded by Dr. Kitchen. The motion passed unanimously by vote of all Members in attendance.

PPMH Report:

CEO Report:

Mr. Wernick informed the new Members of the Authority (Mr. Callins and Mr. Moultrie), to always feel free to ask questions at anytime during his presentations as well as anytime outside of the meeting and he joined in welcoming them to the Board.

Mr. Wernick stated we take our responsibilities seriously and today we have three individuals to share their positive personal experiences with Phoebe. Mr. Wernick introduced the following, each of whom presented his or her story to the Authority.

1. Ed Walls (retired Marine and Phoebe volunteer) member of Mended Hearts and currently visits our cardiac patients recovering from heart procedures. He had a cath and open heart surgery here. (His wife, Lois, actually volunteers here in Marketing on Tuesdays). Mr. Walls expressed his gratitude to phoebe for saving his life.
2. Eric Gausse (Lee County farmer) – daughter was a NICU patient recently directed a \$2,500 donation from Monsanto to Foundation for NICU video to address common questions new parents may have regarding neonatal care and the unit. Mr. Gausse said when the money arrived he immediately knew what to do with it. He was so appreciative of what the NICU nurses and doctors had done to save his daughter, he donated the money without giving it a second thought. He thanked the Authority for having the NICU available.
3. Candace Reid (Home school Mom, author, age 43, mother of 4) and Dr. Jani's oncology patient. She had breast cancer – radiation, chemo clinical trial and is now cancer free. Ms. Reid expressed the gratitude she feels for Dr. Jani and for Phoebe and is so pleased she didn't have to travel for her treatments.

Mr. Wernick stated it is an honor to serve citizens like Mr. Walls, Mr. Gausse and Ms. Reid and is comforted we have the services available so they do not have to travel out of Dougherty County for their healthcare needs. He thanks them each for sharing their stories.

DNV Survey Results:

Mr. Austin presented the results of the DNV survey (presentation attached). Discussions ensued.

Interim Financial Reports for the Authority and for Phoebe Putney Memorial Hospital, Inc.:

Mr. Loudermilk reviewed the interim Financial Report for the Authority and also for Phoebe Putney Memorial Hospital, Inc. (presentations attached).

Closing of the Meeting:

A motion was made by Dr. Kitchen and seconded by Dr. Lingle to close the meeting in order to consult with legal counsel pertaining to pending or potential claims and litigation and to discuss potentially commercially valuable plans or strategies that may be of competitive advantage in the operation of the Hospital or its medical facilities.

Mr. Rosenberg polled the individual Authority Members with respect to their respective vote on the motion and each of the Members shown below voted to close the meeting:

Ralph Rosenberg
Dr. Charles Lingle
Fred Ghiglieri
Ferrell Moultrie
Joel Callins
Lamar Reese
John Hays
Dr. Steven Kitchen

The motion having passed, the meeting closed.

Open Session Reconvened:

Following an unanimous vote of all Members in attendance, the meeting reopened.

Additional Business:

Chairman Rosenberg asked if there was any further business and none was presented.

Adjournment:

The meeting was adjourned.



Annette Allen, Recorder

AGENDA

OPEN SESSION

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

Meeting of February 13, 2014
7:30 A.M.
(Willson Board Room)

- | | | |
|-------|--|-------------------------|
| I. | Open meeting and establish quorum | Ralph Rosenberg |
| II. | Welcome and Recognition of New Members | Ralph Rosenberg |
| III. | Election of Officers for 2014 (Chair, Vice-Chair, Secretary, Assistant Secretary) | Ralph Rosenberg |
| IV. | Consider Approval of Agenda | Chair |
| V. | Consideration of Open Session Minutes of November 7, 2013 meeting (draft of proposed Minutes previously provided to Members) | Chair |
| VI. | PPMH Report, including DNV Survey Results | Joel Wernick/Joe Austin |
| VII. | Interim Financial Reports for the Authority and for Phoebe Putney Memorial Hospital, Inc. | Kerry Loudermilk |
| VIII. | Motion and roll call vote to close meeting in order to consult with legal counsel pertaining to pending or potential claims and litigation and to discuss potentially commercially valuable plan or strategy that may be of competitive advantage in the operation of the Hospital or its medical facilities | Chair |
| | Reconvening in open session following vote to do so | |
| IX. | Additional Business, if any | Chair |
| X. | Adjournment | Chair |



Hospital Authority
of Albany/Dougherty County

OPEN SESSION PRESENTATIONS



Hospital Authority
of Albany/Dougherty County

PHOEBE PATIENT EXPERIENCES

Ed Walls

Eric Gause

Candice Reid

Presented by Joel Wernick
President/CEO



DNV Accreditation Survey

January 21 – 24, 2014

Presented by Joe Austin⁷
EXECUTIVE VP/COO

DNV PROCESS

- ▶ Four Surveyors on-site for four days
- ▶ Survey conducted under CMS Standards
- ▶ In-Depth Review of Process
- ▶ Focused on Process Improvement
- ▶ Survey conducted using “Tracer” methodology



DNV FINDINGS

- ▶ PPMH Awarded Full Accreditation Status
- ▶ Zero Conditional Findings
- ▶ Four Non-Conformities Identified
- ▶ Excellent Progress made toward ISO Certification Status
- ▶ Lead Surveyor statement at closing conference:

“ Having surveyed 130 hospitals over the past three years, I have never seen a hospital achieve such remarkable results in a one year period”



Hospital Authority
of Albany/Dougherty County

FINANCIAL REPORT

Presented by Kerry Loudermilk
SRVP/CFO

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

1/31/2014

	Unaudited January 31, 2014	Audited FY 2013	Audited FY 2012
OPERATING REVENUE:			
Net patient service revenue (net of provision for bad debt)			\$ 35,292,985
Other revenue			605,734
Long Term Lease Revenue	49,998	100,000	
Total Operating Revenue	49,998	100,000	35,898,719
OPERATING EXPENSES:			
Salaries and Wages			11,975,422
Employee health and welfare			4,146,124
Medical supplies and other			12,584,774
Professional services	65,812	2,237,199	2,781,463
Purchased services	-	2,545	5,489,805
Depreciation and amortization			2,626,654
Total Operating Expenses	65,812	2,239,744	39,604,242
Operating Loss	(15,814)	(2,139,744)	(3,705,523)
NONOPERATING INCOME (EXPENSES):			
Contributions from Phoebe Putney Memorial Hospital, Inc.	200,090	1,693,400	4,956,150
Lease Revenue	-	-	1
Gain in Long Term Lease	-	2,910,545	
Interest Expense	-	-	(350,000)
Total Nonoperating Income	200,090	4,603,945	4,606,151
EXCESS OF REVENUE OVER EXPENSE	184,276	2,464,201	900,628

FINANCIAL HIGHLIGHTS
PHOEBE PUTNEY MEMORIAL HOSPITAL, INC.
MAIN CAMPUS & NORTH CAMPUS COMBINED
FISCAL YEAR ENDING JANUARY 31, 2014

	Year-to-Date		Budget	Variance	Prior Year
	Actual				
Operating Summary					
(in thousands)					
Revenues	\$691,287		\$734,559	(\$43,273)	\$699,976
Deductions	451,513		472,260	(20,747)	435,072
Other Operating Revenue	10,339		8,828	1,512	7,119
Net Operating Revenue	\$250,113		\$271,127	(\$21,014)	\$272,023
Expenses	227,439		237,883	(10,444)	234,796
Operating Income (Loss) Before Intercompany Intercompany	\$22,674		\$33,244	(\$10,570)	\$37,227
	28,148		27,414	734	30,945
Operating Income (Loss)	(\$5,473)		\$5,830	(\$11,303)	\$6,282
Non-Operating Income	1,796		1,414	383	1,377
Investment Income	222		72	150	5,908
Interest Expense	3,688		3,479	209	3,663
Net Investment Income (Loss)	(3,467)		(3,408)	(59)	2,245
Net Income	(\$7,144)		\$3,836	\$ (10,980)	\$9,904
EBITDA	\$15,005		\$24,711	(\$9,706)	\$28,913
Operating Margin %	-3.21%		0.77%		0.82%
Operating Margin %(excl Int Exp)	-1.92%		1.91%		1.96%
EBITDA %	6.00%		9.11%		10.63%
Statistics					
Admissions	Actual		Budget	Variance	Prior Year
Patient Days	10,360		11,637	(1,277)	11,612
ALOS	58,427		61,180	(2,753)	62,128
Equivalent OP Days	5.64		5.26	0.38	5.35
E.C. Visits	71,174		69,930	1,244	71,777
Convenient Care Visits	52,086		53,250	(1,164)	53,160
Clinic Visits (excludes CCV and Home Care)	19,767		23,935	(4,168)	23,531
Phoebe Home Service Visits	423,510		424,097	(587)	395,589
Phoebe Home Service Admissions	31,709		0	31,709	28,892
	1,601		1,659	(58)	1,421
FTE's per Adj Occ Bed	4.25		4.31	(0.06)	4.31

STATE OF GEORGIA
COUNTY OF DOUGHERTY

AFFIDAVIT RELATIVE TO CLOSED MEETING

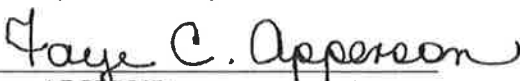
Personally appeared before the undersigned, RALPH S. ROSENBERG, who having been duly sworn, deposes and states as follows:

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 Chairperson of the Board of the Hospital Authority of Albany-Dougherty County, Georgia (the "Authority").
3. On the 13th day of February, 2014, 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 pertaining to pending or potential claims and litigation; and (ii) to discuss potentially commercially valuable plan or strategy that may be of competitive advantage in operation of the Hospital or its medical facilities.
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 13th day of February, 2014.


Chairperson

Sworn to and subscribed before me this
13th day of February, 2014.


NOTARY PUBLIC (SEAL)
Dougherty County, Georgia
My Commission Expires: _____

