

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY

MINUTES OF THE NOVEMBER 12, 2015 MEETING

(Open Session)

Attendees:

Attending Authority Board Members: Ralph Rosenberg; Fred Ghiglieri; Dr. Michael N. Laslie; Dr. Edward Vance; and Joel Callins. Authority Legal Counsel: James E. Reynolds, Jr. Also those present on behalf of Phoebe Putney Memorial Hospital, Inc. included: Joel Wernick; Brian Church (telephonically); Joe Austin; and, Dr. Steven Kitchen; Recorder, Mary Barfield.

Absent Authority Members: Dr. Charles Lingle; John Hayes; Lamar Reese; and, Ferrell Moultrie

Open Meeting and Establish a Quorum:

Chairman Rosenberg called the meeting to order at 7:30 A.M. in the Willson Board Room of Phoebe's Main Campus. Chairman Rosenberg thanked all the Members for their attendance and participation and he observed that a quorum was present with five Authority Members being in attendance.

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 Joel Callins and seconded by Fred Ghiglieri, which motion was approved by all Authority Members present. A copy of the Agenda as adopted is attached.

Approval of Minutes:

The proposed Minutes of the August 20, 2015 open session meeting of the Authority had likewise been provided to Members prior to this meeting and the same were considered for approval. Dr. Vance made a motion and Dr. Laslie seconded the motion to approve the Minutes as previously provided. The motion passed unanimously by vote of all Members in attendance.

Certified Authority Audit for FYE 2015:

Jeffrey Wright, assisted by Stephen Harrell, each of Draffin & Tucker, CPA's, presented the Audited Financial Statements for the Authority for the year ending July 31 2015 and the report also showed the 2014 financial statements for comparison purposes. Discussions, questions and comments ensued. A copy of the Audit is attached hereto. A motion was made by Fred Ghiglieri, seconded by Joel Callins to adopt and approve the Certified FYE Authority 2015 Audit as prepared and presented by Draffin & Tucker. A bound copy of the Authority Audit was offered to all Authority Members and a copy is retained with these Minutes.

Interim Authority Financial Report/Proposed FYE 2016 Authority Budget:

Brian Church, CFO of Phoebe Putney Memorial Hospital, Inc., presented an Interim Financial Report for the Authority as of September 30, 2015. Mr. Church also presented and reviewed a proposed FYE 2016 operating budget for the Authority. It is very difficult to budget for the Authority, however, at least one statutory reporting requirement for the Authority requires a copy of the Authority's budget. A copy of the Authority's Financial Statements, its budget and related information as presented by Mr. Church is attached. After discussions and questions, Mr. Ghiglieri made a motion, seconded by Dr. Laslie, to approve and adopt the proposed 2016 Budget as presented and the motion carried by the affirmative vote of all five Authority Members in attendance.

CEO and Operational Reports:

Mr. Wernick introduced Lori Jenkins, Director of Strategies and Planning and a 25 year employee of Phoebe. Ms. Jenkins updated the Authority on the implementation of the community needs assessment performed by Phoebe in 2013. Four priorities identified in the assessment were improvement of maternal health, infant health, child health and reproductive responsibility, along with a continuation of care for mental health, promotion of healthy lifestyles as well as literacy, education and awareness to access care. The assessment was the first one done since a mandate was established for nonprofit hospitals to perform one every three years. Ms. Jenkins' presentation is attached.

Brian Church presented an overview of the culmination of a very big and important two year project - the implementation of Health Systems' Meditech EMR (referred to as "Project One"). This project will standardize what is currently 15 different Health System software programs, to create standardization, all attempting to unify patients' electronic medical records so that better and more efficient medical care and information can be provided for each patient. Project One support personnel will remain on site to assist Hospital staff until November 20th.

Dr. Steven Kitchen presented an overview of the Leapfrog Group report. The Hospital is graded on a Safety Score. Phoebe Putney Memorial Hospital 's most recent grade is 3.165 on a scale of 1-4. Dr. Kitchen's presentation is attached.

Mr. Wernick reported on the campaign for the anticipated Medical Student Housing Complex. The Complex is anticipated to initially include 44 separate residential housing units in the facility to be built at the corner of West Fourth Avenue and North Jackson Streets. Over \$3 million has been committed for the \$5 million Project through fundraising. The ground breaking is slated for April, 2016 with a projected opening date in the summer of 2017. This facility will greatly enhance Phoebe's attraction to medical students to train within our geographic area and thereby increase the chances of their later practicing here. The anticipated result should be the attraction of students to Southwest Georgia to narrow the region's physician and healthcare professionals shortage gap. A copy of Mr. Wernick's presentation is attached.

Closing of the Meeting:

A motion was made by Dr. Vance and seconded by Fred Ghiglieri to close the meeting for purposes of: (i) discussing 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, (ii) 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.

Mr. Rosenberg polled each individual Authority Member present with respect to his vote on the motion and each of the Members shown below voted to close the meeting, with no Member opposing:

Ralph Rosenberg	Yes
Fred Ghiglieri	Yes
Dr. Michael Laslie	Yes
Joel Callins	Yes
Dr. Edward Vance	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 at approximately 9:20 A.M.

Additional Business:

Joel Wernick made a surprise presentation of a Resolution from the Authority honoring Ralph Rosenberg, outgoing Chairman, who has been on the Authority since 2005 and whose term ends December 31, 2015. The Resolution was read by Jay Reynolds and a copy of it will be kept with these Minutes. The Resolution was unanimously adopted. Among Mr. Rosenberg's following remarks were that he much appreciated the recognition as well as the opportunity to have worked with all of the Authority Members through the years and to be of service to our community in seeking to help bring quality health care to it and to Southwest Georgia. He also noted now that the lengthy controversy with the FTC is behind us, he looked forward to the progress and years ahead.

Adjournment:

The meeting was adjourned at 9:30 A.M.

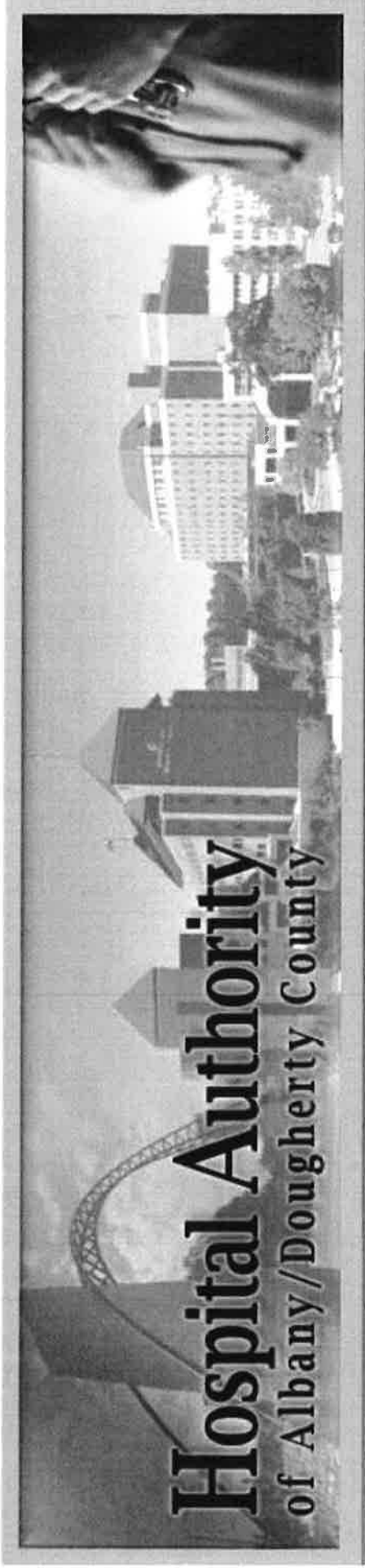

Mary Barfield, Recorder

AGENDA

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

(OPEN SESSION)
Meeting of November 12, 2015
(Willson Board Room)

- | | | |
|-------|---|--------------------|
| 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 August 20, 2015 meeting (draft previously provided to Members) | Chairman |
| IV. | Certified Authority Audit for FYE 2015 | Draffin & Tucker |
| V. | Interim Authority Financial Report/Proposed FYE 2016 Authority Budget | Brian Church |
| VI. | Phoebe Putney Memorial Hospital, Inc. CEO and Operational Reports | Joel Wernick |
| | Community Health Need Assessment | Lori Jenkins |
| | Meditech Update | Brian Church |
| | Leap Frog Report | Dr. Steven Kitchen |
| | Medical Student Housing | Joel Wernick |
| VII. | Consideration of vote to close meeting for purposes of:
(i) 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 (ii) 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 | Chairman |
| VIII. | Additional Business, if any | Chairman |
| IX. | Adjournment | Chairman |



Hospital Authority Meeting

Open Session

November 12, 2015

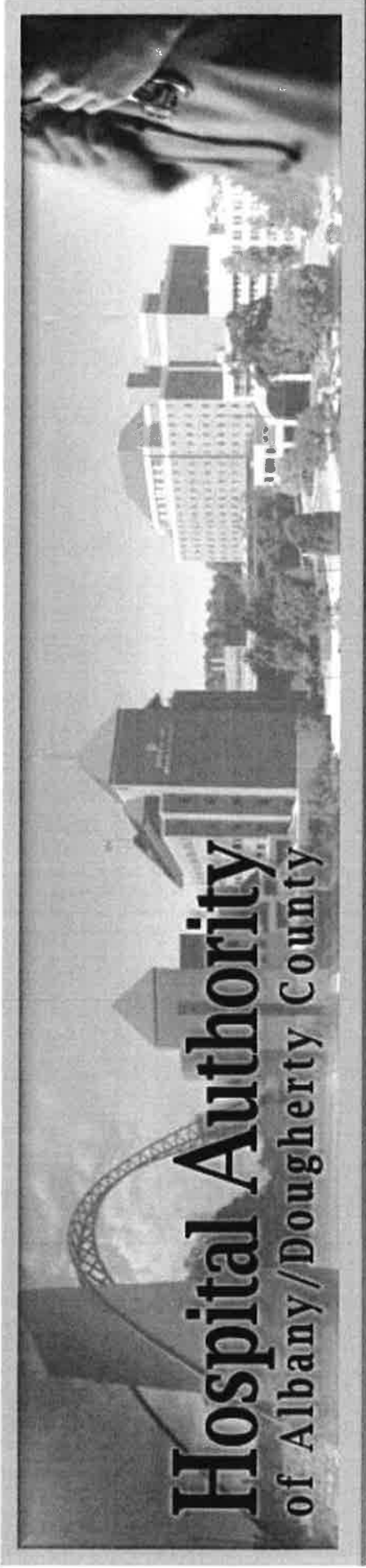
Ralph Rosenberg, Chair

AGENDA

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

(OPEN SESSION)
Meeting of November 12, 2015
(Wilson Board Room)

- | | | |
|-------|---|--|
| 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 August 20, 2015 meeting (draft previously provided to Members) | Chairman |
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| VI. | Phoebe Putney Memorial Hospital, Inc. CEO and Operational Reports
Community Health Need Assessment
Meditech Update
Leap Frog Report
Medical Student Housing | Joel Wernick
Lori Jenkins
Brian Church
Dr. Steven Kitchen
Joel Wernick |
| VII. | Consideration of vote to close meeting for purposes of:
(i) 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 (ii) 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 | Chairman |
| VIII. | Additional Business, if any | Chairman |
| IX. | Adjournment | Chairman |



Hospital Authority Minutes

Ralph Rosenberg, Chair



Hospital Authority
of Albany/Dougherty County

Certified Authority Audit

FYE 2015

Draffin & Tucker

Stephen Harrell
Jeff Wright

*Board of Directors
Hospital Authority of Albany-Dougherty County, Georgia
Albany, Georgia*

We have audited the financial statements of Hospital Authority of Albany-Dougherty County, Georgia (Authority) for the year ended July 31, 2015, and have issued our report thereon dated October 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 12, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended July 31, 2015. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Page Two

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 30, 2015.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Draffin + Tucker, LLP
Albany, Georgia
October 30, 2015

HOSPITAL AUTHORITY OF
ALBANY-DOUGHERTY COUNTY, GEORGIA



FINANCIAL STATEMENTS

for the years ended July 31, 2015 and 2014

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Hospital Authority of Albany-Dougherty
County, Georgia
Albany, Georgia

We have audited the accompanying financial statements of Hospital Authority of Albany-Dougherty County, Georgia (Authority), which comprise the balance sheets as of July 31, 2015 and 2014, the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Continued

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hospital Authority of Albany-Dougherty County, Georgia as of July 31, 2015 and 2014, and the results of its operations and changes in net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Draffin & Tucker, LLP
Albany, Georgia
October 30, 2015

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

BALANCE SHEETS, July 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets:		
Cash	\$ 40,967	\$ 193,001
Contributions receivable from Phoebe Putney Memorial Hospital, Inc.	<u>59,033</u>	<u>150,000</u>
Total assets	\$ <u>100,000</u>	\$ <u>343,001</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued expenses	\$ 60,400	\$ 264,047
Net position:		
Unrestricted	<u>39,600</u>	<u>78,954</u>
Total liabilities and net position	\$ <u>100,000</u>	\$ <u>343,001</u>

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION

for the years ended July 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Lease consideration	\$ 537,033	\$ 450,090
Operating expenses:		
Purchased services and other	<u>576,387</u>	<u>329,859</u>
Operating income (loss)	(39,354)	120,231
Net position, beginning of year	<u>78,954</u>	(41,277)
Net position, end of year	\$ <u>39,600</u>	\$ <u>78,954</u>

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

STATEMENTS OF CASH FLOWS
for the years ended July 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Funds paid to Georgia Department of Community Health:		
Indigent Care Trust Fund	\$(4,671,432)	\$(3,567,004)
Upper payment limit	(2,271,308)	(778,802)
Funds received from Georgia Department of Community Health:		
Indigent Care Trust Fund	14,130,165	10,469,631
Upper payment limit	6,800,652	2,278,942
Lease consideration	628,000	800,090
Transfer of funds received from Georgia Department of Community Health to Phoebe Putney Memorial Hospital, Inc.	(13,988,077)	(8,402,767)
Payments to suppliers	(780,034)	(820,432)
Net cash used by operating activities	(152,034)	(20,342)
Cash flows from noncapital financing activities:		
Transfer from Phoebe Putney Memorial Hospital, Inc.	6,942,740	4,345,806
Transfer to Phoebe Putney Memorial Hospital, Inc.	(6,942,740)	(4,345,806)
Net cash provided by noncapital financing activities	-	-
Net decrease in cash	(152,034)	(20,342)
Cash, beginning of year	<u>193,001</u>	<u>213,343</u>
Cash, end of year	\$ <u>40,967</u>	\$ <u>193,001</u>

Continued

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

STATEMENTS OF CASH FLOWS, Continued
for the years ended July 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Reconciliation of cash to the balance sheet:		
Cash in current assets	\$ <u>40,967</u>	\$ <u>193,001</u>
Reconciliation of operating loss to net cash flows used by operating activities:		
Operating income (loss)	\$(39,354)	\$ 120,231
Changes in:		
Contributions receivable from Phoebe Putney Memorial Hospital, Inc.	90,967	350,000
Accounts payable and accrued expenses	<u>(203,647)</u>	<u>(490,573)</u>
Net cash used by operating activities	\$(<u>152,034</u>)	\$(<u>20,342</u>)

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

July 31, 2015 and 2014

1. Summary of Significant Accounting Policies

Reporting Entity

The Hospital Authority of Albany-Dougherty County, Georgia (Authority) is a public corporation organized to operate, control, and manage matters concerning the County's health care functions.

On September 1, 1991, the Hospital Authority implemented a reorganization plan whereby all of the assets and day-to-day management of Phoebe Putney Memorial Hospital were transferred to Phoebe Putney Memorial Hospital, Inc. (Corporation), a not-for-profit corporation, qualified as an organization described in Section 501(c)(3) of the Internal Revenue Code. The transfer was made pursuant to a lease and transfer agreement dated as of December 11, 1990 between the Hospital Authority and the Corporation. During 2009, the lease term was renewed to the original term of forty years.

Under the terms of the Agreement, any debt issued by the Hospital Authority will be the responsibility of the Corporation. As of July 31, 2015, approximately \$291,735,000 of Revenue Anticipation Certificates are outstanding in the Authority's name. These certificates are recorded and disclosed in the financial statements of the Corporation for the year ended July 31, 2015.

The Authority serves as a pass-through entity associated with the Corporation's participation in certain governmental health care programs. As such, the Authority makes transfers on behalf of the Corporation for Indigent Care Trust Fund obligations and Upper Payment Limit transfers.

On December 15, 2011, the Authority purchased substantially all assets of Palmyra Park Hospital, LLC (Palmyra), a general acute care hospital located in Albany, Georgia. The Authority operated Palmyra under the name Phoebe North.

Effective August 1, 2012, the lease and transfer agreement between the Corporation and the Authority was amended and restated. The amendment was made for the transfer and inclusion of the hospital formerly known as Palmyra. The amendment included the extension of the lease for a term of forty years from the date of the current amendment. As consideration for the lease, the Corporation agreed to provide funds sufficient to cover all costs and expenses of the Authority, and to maintain an amount of not less than \$100,000 under the Authority's control to pay all costs and expenses.

Continued

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued

July 31, 2015 and 2014

1. Summary of Significant Accounting Policies, Continued

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Enterprise Fund Accounting

The Authority uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. The Authority prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB).

Net Position

Net position of the Authority is classified as *unrestricted net position*. *Unrestricted net position* is the remaining net amount of assets and liabilities that are not invested in capital assets and do not contain restrictions on their use.

Operating Revenues and Nonoperating Revenues

The Authority's statement of revenues, expenses and changes in net position distinguishes between operating and nonoperating revenues. Operating revenues result from consideration received for the operation of the Authority in conjunction with the amended and restated lease and transfer agreement. Nonexchange revenues, including contributions received for purposes other than capital asset acquisition are reported as nonoperating revenues.

Continued

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
July 31, 2015 and 2014

1. Summary of Significant Accounting Policies, Continued

Grants and Contributions

Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions are reported after nonoperating revenue.

Income Taxes

The Authority is a governmental entity and is exempt from income taxes. Accordingly, no provision for income taxes has been considered in the accompanying financial statements.

Restricted Resources

When the Authority has both restricted and unrestricted resources available to finance a particular program, it is the Authority's policy to use restricted resources before unrestricted resources.

Prior Year Reclassifications

Certain reclassifications have been made to the fiscal year 2014 financial statements to conform to the fiscal year 2015 presentation. These reclassifications had no impact on the change in net assets in the accompanying financial statements.

Continued

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
July 31, 2015 and 2014

2. Deposits

State law requires collateralization of all deposits with federal depository insurance and other acceptable collateral in specific amounts. The Authority's bylaws require that all bank balances be insured or collateralized by U.S. government securities held by the pledging financial institution's trust department in the name of the Authority. The Authority had no uncollateralized cash balances at July 31, 2015 and 2014.

The carrying amount of deposits included in the Authority's balance sheets is as follows:

	<u>2015</u>	<u>2014</u>
Cash	\$ <u>40,967</u>	\$ <u>193,001</u>

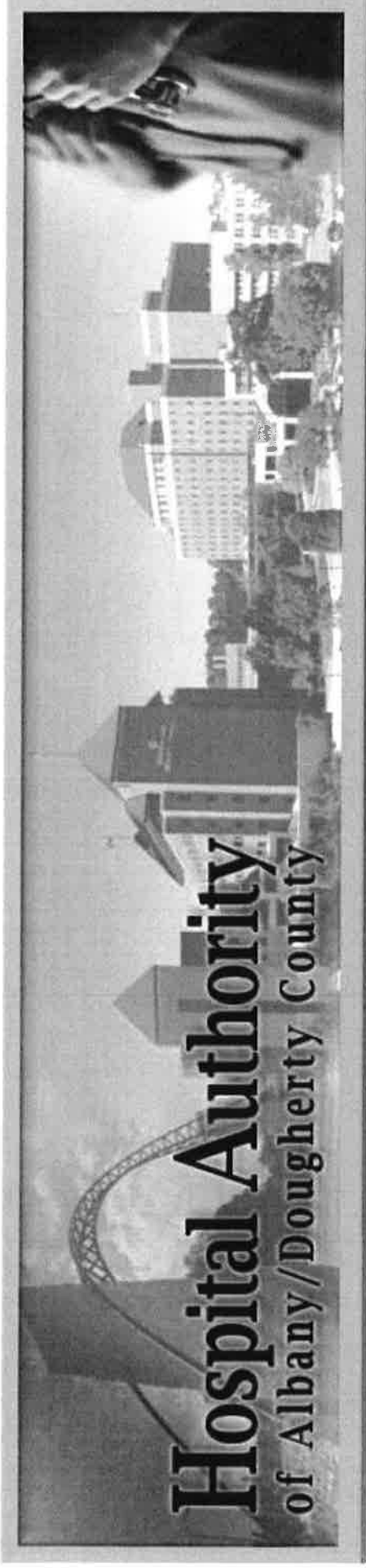
3. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses, reported as current liabilities by the Authority at July 31, 2015 and 2014, consisted of these amounts:

	<u>2015</u>	<u>2014</u>
Accounts payable and accrued expenses:		
Payable to suppliers	\$ <u>60,400</u>	\$ <u>264,047</u>

4. Litigation

The Authority is involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Authority's future financial position or results from operations.



Financial Report

Brian Church, SVP/CFO

**HOSPITAL AUTHORITY OF ALBANY-
DOUGHERTY COUNTY, GEORGIA**

Financial Statement Update

September-2015 YTD

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

9/30/2015

	Unaudited September 30, 2015
OPERATING REVENUE:	
Net patient service revenue (net of provision for bad debt)	967
Lease Consideration	967
Total Operating Revenue	967
OPERATING EXPENSES:	
Salaries and Wages	
Employee health and welfare	
Medical supplies and other	
Professional services	-
Purchased services	55
Depreciation and amortization	
Total Operating Expenses	55
Operating Loss	912
NONOPERATING INCOME (EXPENSES):	
Gain in Long Term Lease	-
Interest Expense	-
Total Nonoperating Income	-
EXCESS OF REVENUE OVER EXPENSE	912

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA
BALANCE SHEET
9/30/2015

	Unaudited September 30, 2015
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 99,912
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	1,000
Total current assets	100,912
Property and Equipment, net	-
Other Assets:	
Goodwill	-
Total other assets	-
Total Assets	\$ 100,912
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	-
Accrued expenses	60,400
Estimated third-party payor settlements	-
Deferred revenue	-
Short-term oblogations	-
Total current liabilities	60,400
Total liabilities	60,400
Net assets:	
Unrestricted	40,512
Total net assets	40,512
Total liabilities and net assets	\$ 100,912



Hospital Authority
of Albany/Dougherty County

Proposed FYE 2016 Authority Budget

Brian Church, SVP/CFO

HOSPITAL AUTHORITY OF ALBANY-DOUGHERTY COUNTY, GEORGIA

Proposed Operating Budget

Fiscal year Ending July 31, 2016

BUDGET
FY 2016

OPERATING REVENUE:

Lease Consideration

325,000

Total Operating Revenue

325,000

OPERATING EXPENSES:

Purchased services and other

325,000

Total Operating Expenses

325,000

Operating income (loss)

-



Hospital Authority
of Albany/Dougherty County

CEO/Operations Report

Joel Wernick, President/CEO



Hospital Authority
of Albany/Dougherty County

Community Health Needs Assessment

Lori Jenkins, Manager, Planning &
Development

2013 Community Health Needs Assessment Update

**Hospital Authority of
Albany/Dougherty County
November 12, 2015**



*A **community health needs assessment** is a systematic process involving the community, to identify and analyze community health needs and assets in order to prioritize, plan and act upon unmet community health needs.*

*An **implementation strategy** is the health care organization's plan for addressing prioritized health needs and problems identified in the community health needs assessment. The implementation strategy may also be called the organization's community benefit plan.*


501c3 Hospitals Deemed Charitable Organizations

Purpose:

Must benefit the broad public interest
(versus the interests of its members)

In exchange:

- Tax-exempt donations
- Federal tax exemptions
- State and local tax exemptions
- Tax-free bonds



Are charitable organizations benefiting the broad public interest?

1. Improve Maternal, Infant, and Child Health and Reproductive Responsibility.
2. Facilitate a sustainable community mental health continuum of care model with an emphasis on addressing identified gaps in service.
3. Promote healthy living lifestyles that reduce obesity and related acute and chronic diseases.
4. Promote health literacy, education, awareness and access to care.

1. Improve Maternal, Infant, and Child Health and Reproductive Responsibility.

- Workgroup to focus on improving birth outcomes and to reduce teen pregnancy rate.
- Seeking Baby Friendly designation.
- Continue relationship with Family Connections and the Teen Maze event.
- Support and facilitate expansion of Public Health's Centering Pregnancy Program.
- Continue funding of Network of Trust program to provide school nurses.
- Continue working with local physicians to reduce the number of induced births to reduce the number of early elective deliveries.
- Provide access to pediatric subspecialties through Georgia Regents University.

2. Promote, advocate, and facilitate a sustainable community mental health continuum of care model with an emphasis on addressing identified gaps in service.

- PPMH hosts a quarterly community collaborative with local agencies to discuss area mental health services.
- Behavioral support groups

3. Promote healthy living lifestyles that reduce obesity and related acute and chronic diseases.

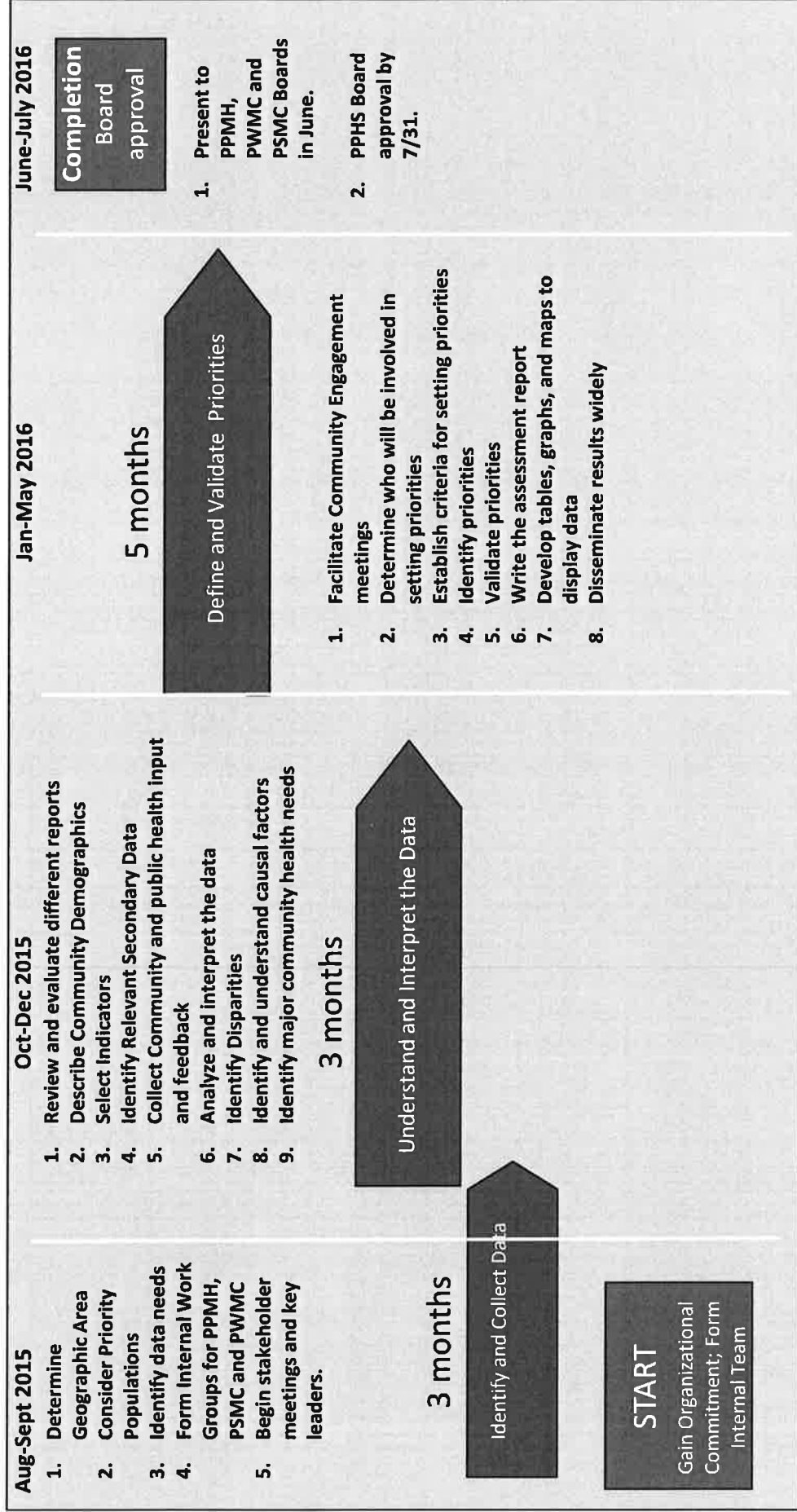
- Congestive Heart Failure Clinic
- Lung cancer screening program
- Financial support to the Southwest GA Cancer Coalition
- Collaboration with American Heart Association to gain Stroke Center accreditation
- SWGA Family Medicine Program
- Outreach to schools to provide nutritional counseling resources through Network of Trust
- GoNoodle! – interactive games that teachers can play with students in the classroom
- 5 Community health fairs

4. Promote health literacy, education, awareness and access to care.

- Continue to increase awareness for cancer trial participation.
- Community Health Dashboard tool available to the public.
- Provide health education and awareness information at community health fairs.

2016 Community Health Needs Assessment & Implementation Strategy

Timeline to Meet Requirements



- ❑ **Quality** - Provide uncompromising quality care.
- ❑ **People** – Attract, engage, develop and retain the best people.
- ❑ **Service** – Exceed the expectations of all we serve.
- ❑ **Growth** – Grow to meet the needs and improve the health status of the communities we serve.
- ❑ **Financial Excellence** – Optimize and strengthen financial performance to fulfill the vision and mission.

ACCESS TO CARE

Are patients receiving the right care at the right time at the right place? Can they get to us?

HUMAN CAPITAL

Do we have the talent presently and in the future to deliver the best patient-centered care?
Can we care for consumers/patients when they get to us?

PHYSICIAN ALIGNMENT

Do we have the partnership with our physicians/providers and are they aligned in a way that results in high quality, high service, and low-cost patient care?

DATA ANALYTICS/PERFORMANCE IMPROVEMENT

Do we have a continuous improvement approach to patient-centered care that is evidenced based with data to support effective decisions? Real Time? Predictive?
Are we utilizing Lean?

POPULATION HEALTH

Are we focused on specific populations with deliberate strategies to improve their health? Are we taking action now to reduce health cost in the future?



Hospital Authority
of Albany/Dougherty County

Meditech Update

Brian Church, SVP/CFO



Hospital Authority
of Albany/Dougherty County

Leapfrog Report

Steve Kitchen, MD, CMO



Hospital Safety Score

Using the source data on the previous page and the scoring methodology provided below under "Notes," Leapfrog calculated a Hospital Safety Score for your hospital which is displayed below (see "My Score"). In addition, Leapfrog has provided links documents that provide more information about the score and how it was calculated. Hospital Safety Scores can range from a low score of 1.0 to a high score of 4.0.

If your hospital did not complete a 2015 Leapfrog Hospital Survey by August 31, 2015, Leapfrog measures were not used to calculate your Hospital Safety Score. For more information about the Leapfrog Hospital Survey, visit <https://leapfroghospitalssurvey.org>.

Hospitals that would like Leapfrog Hospital Survey data used in calculating the Spring 2016 Hospital Safety Score, must submit a survey by December 31, 2015.

Phoebe Putney Memorial Hospital (11-0007)
417 Third Ave, Albany, GA 317011828

My Score HOSPITAL SAFETY SCORE **My Letter Grade**

3.165 **A**

More Information

[Explanation of Letter Grades](#)

[Hospital Safety Score Methodology \(1 PDF file\)](#)

[Hospital Safety Score Calculator \(1 Excel file\)](#)

[Changes in Measure Weights \(1 Excel file\)](#)

[Submit a question to the Help Desk](#)

Confidential Preview

Letter grades will be available to the public on October 28th. Hospitals are not permitted to publicly announce their grade until the public release on October 28, 2015.

NOTE: Hospitals may receive requests for comment from journalists starting October 23rd. However, as the letter grades are under strict "embargo," any resulting coverage would not go live until October 28th. If you have any questions about this, please contact the Help Desk.



Explanation of Hospital Safety Score Grades October 2015

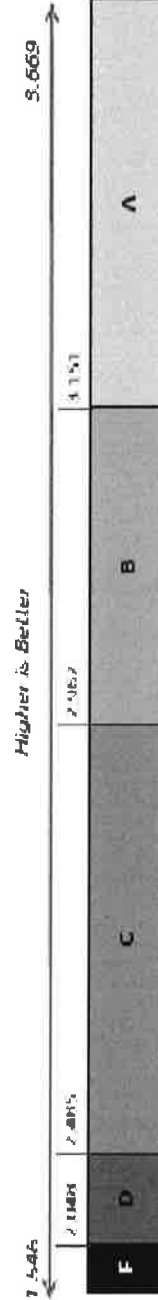
Using 28 evidence based measures of patient safety, The Leapfrog Group calculated a numerical safety score for all eligible hospitals in the U.S. (For a list of exclusion criteria, download a copy of the scoring methodology at www.HospitalSafetyScore.org). The numerical safety score was then converted into one of five letter grades. "A" represents the best Hospital Safety Score, followed in order by "B," "C," "D," and "F".

The letter grade methodology established in October 2014 will be used again this fall. Hospitals with a numerical safety score greater than or equal to 3,151 earn an "A," hospitals with a numerical safety score greater than or equal to 2,962 and less than 3,151 earn a "B", and hospitals with a numerical safety grade less than or equal to 2,485 and less than 2,962 earn a "C." Hospitals with a score of less than 2,485, but greater than or equal to 2,048 earn a "D", and hospitals with a score below 2,048 earn an "F".

This fall, the numerical scores ranged between 1,546 and 3,669 with an average score very close to 3,000 for a detailed explanation of the scoring methodology, please visit www.HospitalSafetyScore.org.

In implementing this letter grade methodology, the distribution of letter grades is detailed below:

Grade	Safety Score Criteria (fall or above score equal to)	Count of Hospitals	Percentage of Hospitals
A	≥ 3,151	779	8.1%
B	≥ 2,962	724	2.9%
C	≥ 2,485	969	3.4%
D	≥ 2,048	133	5%
F	< 2,048	34	1%
Totals		2,582	



Phoebe Putney Memorial Hospital (11-0007)
417 Third Ave, Albany, GA 317011828

Name of the Measure	Type of Measure	Data Source	Reporting Period	Measure Score
CPOE	Structure/Process	AHA HIT Supplement	2014	65
ICU Staffing	Structure/Process	AHA Annual Survey	2013	Not Available
SP1 - Leadership Structures and Systems	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 2 - Culture Measurement, Feedback and Intervention	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 3 - Teamwork Training and Skill Building	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 4 - Identification and Mitigation of Risks and Hazards	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 9 - Nursing Workforce	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 17 - Medication Reconciliation	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 19 - Hand Hygiene	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SP 23 - Care of the Ventilated Patient	Structure/Process	2015 Leapfrog Hospital Survey	01/01/2014 - 12/31/2014	Declined to Report
SCIP INF 1	Structure/Process	CMS Hospital Compare	10/01/2013 - 09/30/2014	99
SCIP INF 2	Structure/Process	CMS Hospital Compare	10/01/2013 - 09/30/2014	99
SCIP INF 3	Structure/Process	CMS Hospital Compare	10/01/2013 - 09/30/2014	99
SCIP INF 9	Structure/Process	CMS Hospital Compare	10/01/2013 - 09/30/2014	99
SCIP VTE 2	Structure/Process	CMS Hospital Compare	10/01/2013 - 09/30/2014	100

Foreign Object Retained	Outcome	CMS	07/01/2011 - 06/30/2013	0
Air Embolism	Outcome	CMS	07/01/2011 - 06/30/2013	0
Falls and Trauma	Outcome	CMS	07/01/2011 - 06/30/2013	0.233
CLABSI	Outcome	CMS Hospital Compare	10/01/2013 - 09/30/2014	0.676
CAUTI	Outcome	CMS Hospital Compare	10/01/2013 - 09/30/2014	2.145
SSI: Colon	Outcome	CMS Hospital Compare	10/01/2013 - 09/30/2014	0.141
PSI 3 - Pressure Ulcer	Outcome	CMS	07/01/2012 - 06/30/2014	0.06
PSI 4 - Death among surgical inpatients	Outcome	CMS Hospital Compare	07/01/2012 - 06/30/2014	160.44
PSI 6 - Iatrogenic Pneumothorax	Outcome	CMS	07/01/2012 - 06/30/2014	0.31
PSI 11 Postoperative Respiratory Failure	Outcome	CMS	07/01/2011 - 06/30/2013	8.73
PSI 12 - Postoperative PNA/IVL	Outcome	CMS	07/01/2012 - 06/30/2014	4.21
PSI 14 - Postoperative Wound Dehiscence	Outcome	CMS	07/01/2012 - 06/30/2014	1.32
PSI 15 - Accidental Puncture or Laceration	Outcome	CMS	07/01/2012 - 06/30/2014	1.86

Notes

The Leapfrog Group utilized secondary data sources to give hospitals an opportunity to receive credit towards their score. For hospitals that did not report in the 2015 Leapfrog Hospital Survey by August 31, 2015 on their use of Computerized Prescriber Order Entry (CPOE) or ICU Physician Staffing (IPS), Leapfrog utilized information reported through the 2013 AHA Annual Survey and the 2014 HIT Supplement. Detailed information on the use of secondary data can be found in the Scoring Methodology on the next page.

For hospitals that did not report to the 2015 Leapfrog Hospital Survey on their Standardized Infection Ratio for Central-line Associated Blood Stream Infections or Catheter Associated Urinary Tract Infections, Leapfrog utilized information reported through CMS Hospital Compare. More detailed information is available in the Scoring Methodology on the next page.

The Leapfrog Group replaced extreme values (those that exceeded the 98th percentile) found in public reports with that of the 99th percentile. Please refer to page 10 of the Scoring Methodology on the next page for a table of these 99th percentile values and additional information.

Please contact the Hospital Safety Score Help Desk if you have any questions: <https://leapfrog.score.zendesk.com/home>.



Hospital Authority
of Albany/Dougherty County

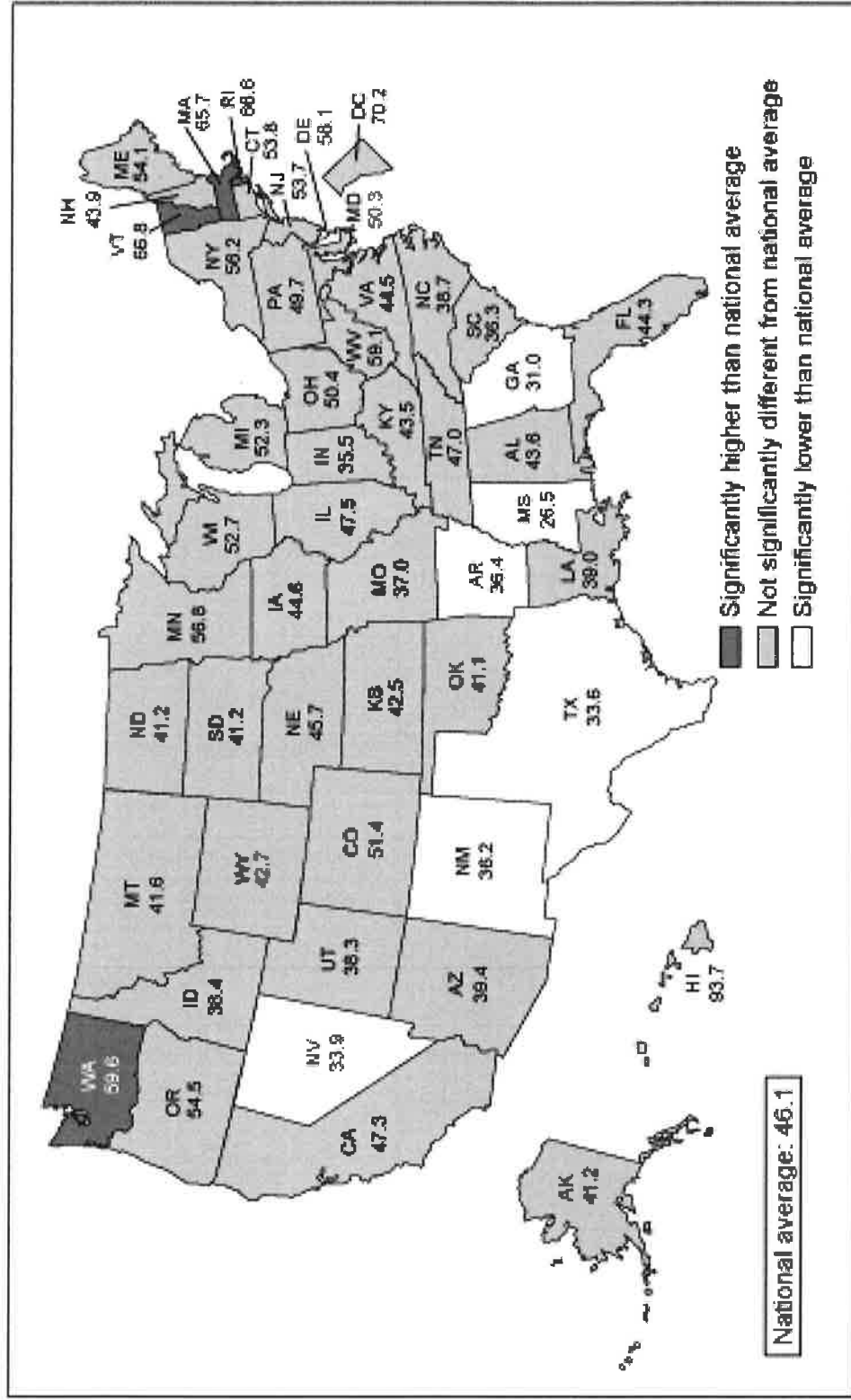
Medical Student Housing

Joel Wernick, President/CEO

Number of primary care physicians per 100,000 population: U.S. 2012

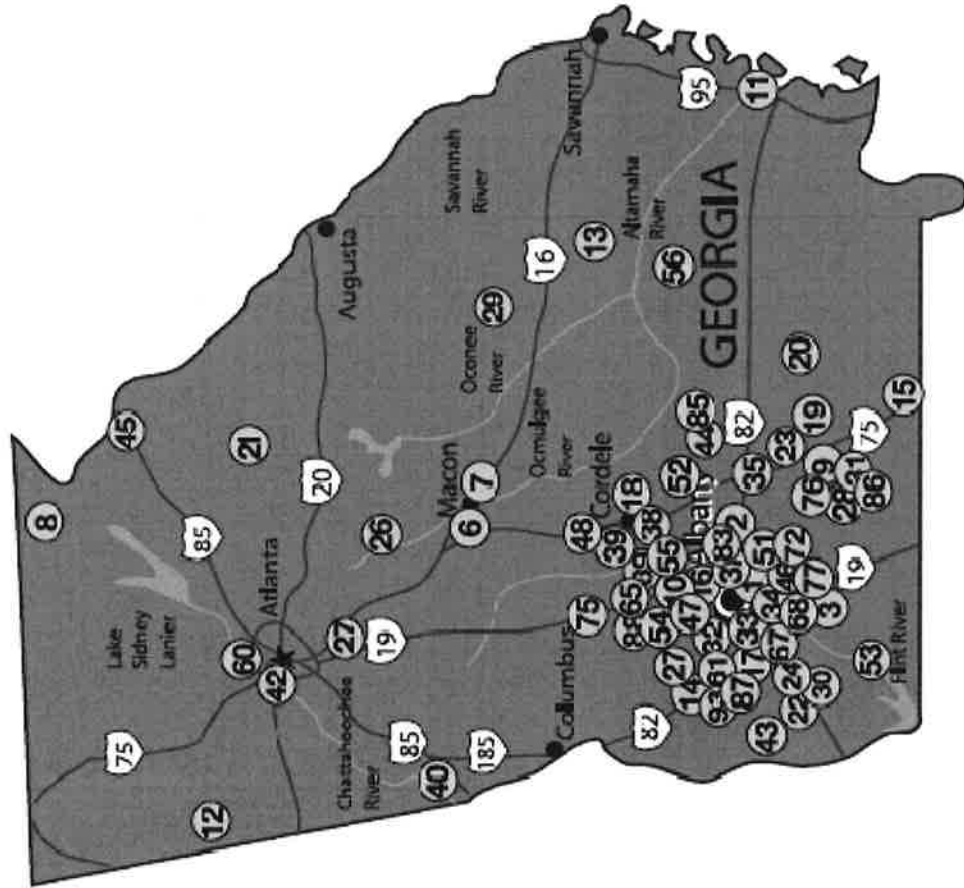
National Average: 46.1

Georgia: 31



SOURCE: CDC/NCHS, National Ambulatory Medical Care Survey, Electronic Health Records Survey. May 2014

Practice Locations of Southwest Georgia Family Medicine Residents at Graduation



- 1997 Graduates**
1. Renses Miskowich, M.D. - Hicksville, Ohio
 2. Debra McCaul, M.D. - PeLa, Missouri
 3. Jimmie Smith, M.D. - Macon, Georgia
 4. Y. Monique Davis-Smith, M.D. - Macon, Georgia
 5. Karen Austin, M.D. - Clayton, Georgia
 6. Robert Hawes, M.D. - Moultrie, Georgia
- 1996 Graduates**
1. Margaret Carter, M.D. - Albany, Georgia
 2. Joseph Jackson, M.D. - Albany, Georgia
 3. Linda Walden, M.D. - Cairo, Georgia

2005 Graduates

48. M. Kevin Collins, M.D. - Cordale, Georgia
49. John M. Hill, M.D. - Delland, Florida
50. George W. Rankin, M.D. - Davis, California
51. Juliana A. Raymaker, M.D. - Albany, Georgia
52. Bridget Semirray, M.D. - Ashburn, Georgia
53. D. Shawn Surratt, M.D. - Blainville, Georgia

2006 Graduates

54. Gerald Bernhauer, M.D. - Albany, Georgia
55. Cherith Sifen, M.D. - Albany, Georgia
56. James Graham, M.D. - Baxley, Georgia
57. Mary Sue Martin, M.D. - Tennessee
58. Eddie Wang, M.D. - Texas
59. Peyton Barrett, M.D. - California
60. Stefania Shawer, M.D. - Atlanta, Georgia

2007 Graduates

61. Rhonda Moorman, M.D. - Albany, Georgia
62. Clifford V. Durm III, M.D. - Hurricane, Utah
63. Gurton Nguyen, M.D. - Bremerton, Washington
64. Thico Nguyen, M.D. - Charlotte, North Carolina
65. David Tang, M.D. - Americus, Georgia

2008 Graduates

66. Monica Rivera, M.D. - Albany, Georgia
67. Clay Thomas, M.D. - Albany, Georgia
68. Caryn Wilson, M.D. - Albany, Georgia
69. Damon Bluetin, M.D. - Ft. Worth, Texas
70. Josee Fernandez, M.D. - Lakeland, Florida
71. Nailah Coleman, M.D. - Washington, D.C.

2009 Graduates

72. Lalifat Abbeja, M.D. - Albany, Georgia
73. Kara Brooks, M.D. - Crestview, Florida
74. Saida Gusses, M.D. - Albany, Georgia
75. Burgess Mauldin, M.D. - Americus, Georgia
76. Ndubuisi Ndulwe, M.D. - Moultrie, Georgia
77. Augusto Soltero, M.D. - Albany, Georgia

2010 Graduates

78. Peggy Begrab, M.D. - Albany, Georgia
79. Malcolm Floyd, M.D. - Americus, Georgia
80. Brian Neil Lewis, M.D. - Albany, Georgia
81. Tamara Lewis, M.D. - Albany, Georgia
82. Jill Otek, M.D. - Americus, Georgia

2011 Graduates

83. Richard Hawthorne, D.O. - Albany, Georgia
84. Kelly Herby, M.D. - Hickory, North Carolina
85. Daniel Obi-Ofole, M.D. - Fitzgerald, Georgia
86. Gary Swartzentruber, M.D. - Moultrie, Georgia
87. Kyoshi Yamazaki, M.D. - Americus, Georgia

2012 Graduates

88. Fhret Calhoun, M.D. - Leesburg, Georgia
89. Stallia Gowdie, M.D. - Leesburg, Georgia
90. Eric Green, M.D. - Jackson, Mississippi
91. Pysara Ngiltame, M.D. - undocited
92. Teri Stapleton, M.D. - Kissimmee, Florida
93. Kiyoshi Yamazaki, M.D. - Albany, Georgia

1998 Graduates

10. John Butcher, M.D. - Leesburg, Georgia
11. Doreen Kliney, M.D. - Brunswick, Georgia
12. Joe Vaughn, M.D. - Rome, Georgia
13. Kerry Smith, M.D. - Lyons, Georgia
14. Emmanuel Ozimba, M.D. - Cuthbert, Georgia

1999 Graduates

15. Perry Hight, M.D. - Valdosta, Georgia
16. Teresa King, M.D. - Albany, Georgia
17. Stephanie Williams, M.D. - Ayleigh, Georgia
18. Chet Lapaza, M.D. - Cordale, Georgia

2000 Graduates

19. Thomas D. Fausset, M.D. - Adel, Georgia
20. Richard Wheeler, M.D. - Nashville, Georgia
21. Ronald Hart, M.D. - Lexington, Georgia
22. William Swifford, M.D. - Colquitt, Georgia
23. Lansing Hillman, M.D. - Sparks, Georgia
24. Larnar Brand, M.D. - Colquitt, Georgia
25. Conely Vorderburg, M.D. - Wisconsin

2001 Graduates

26. Shannon T. Barton, M.D. - Monticello, Georgia
27. Jameson A. Estes, M.D. - Cuthbert, Georgia
28. Padrina Lockett-Bruce, M.D. - Moultrie, Georgia
29. Crystal Jones-Owens, M.D. - Wrightsville, Georgia
30. Mark E. Wilburn, M.D. - Colquitt, Georgia

2002 Graduates

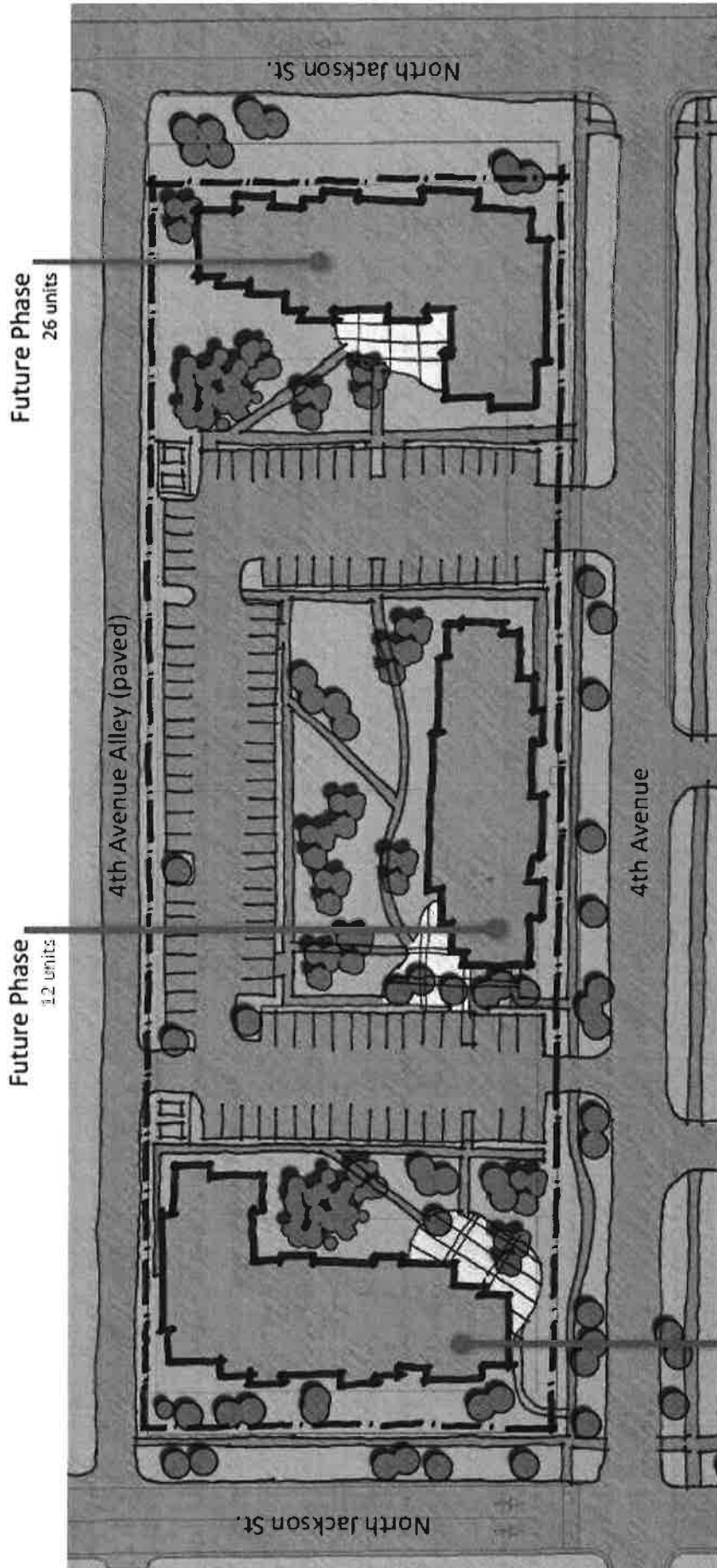
31. Christopher N. Bazaj, M.D. - Moultrie, Georgia
32. Derek J. Heard, M.D. - Albany, Georgia
33. Michael D. Satchel, M.D. - Albany, Georgia
34. Kimberly B. Williams, M.D. - Albany, Georgia
35. Tisha A. Williams, M.D. - Thion, Georgia

2003 Graduates

36. Andrew G. Freeman, M.D. - Moonshad City, N.C.
37. William P. Fricks, Jr., M.D. - Albany, Georgia
38. Brian K. Jordan, D.D. - Cordale, Georgia
39. Dale M. Lawson, M.D. - Cordale, Georgia
40. Sean M. Miles, M.D. - LaGrange, Georgia
41. Sheryl J. Truty, M.D. - Chicago, Illinois

2004 Graduates

42. Christopher B. Anderson, M.D. - Atlanta, Georgia
43. Garrett N. Bennett, M.D. - Blakely, Georgia
44. Charles Edward Bryan, Jr., M.D. - Fitzgerald, Georgia
45. Brian D. Flynn-Sowles, M.D. - Harwell, Georgia
46. Kricha R. Raymaker, M.D. - Albany, Georgia
47. Jon E. Woo, M.D. - Albany, Georgia



Master Plan Summary
 64 units = 116 Parking Spaces
 (Includes 10% reduction)



**COLLINS
 COOPER
 CARUSI**
 ARCHITECTS

FOURTH AVENUE STUDENT HOUSING PROJECT
 SCHEMATIC DESIGN MEETING | 29 October 2015

Phase I Building
 26 units

Future Phase
 12 units

Future Phase
 26 units

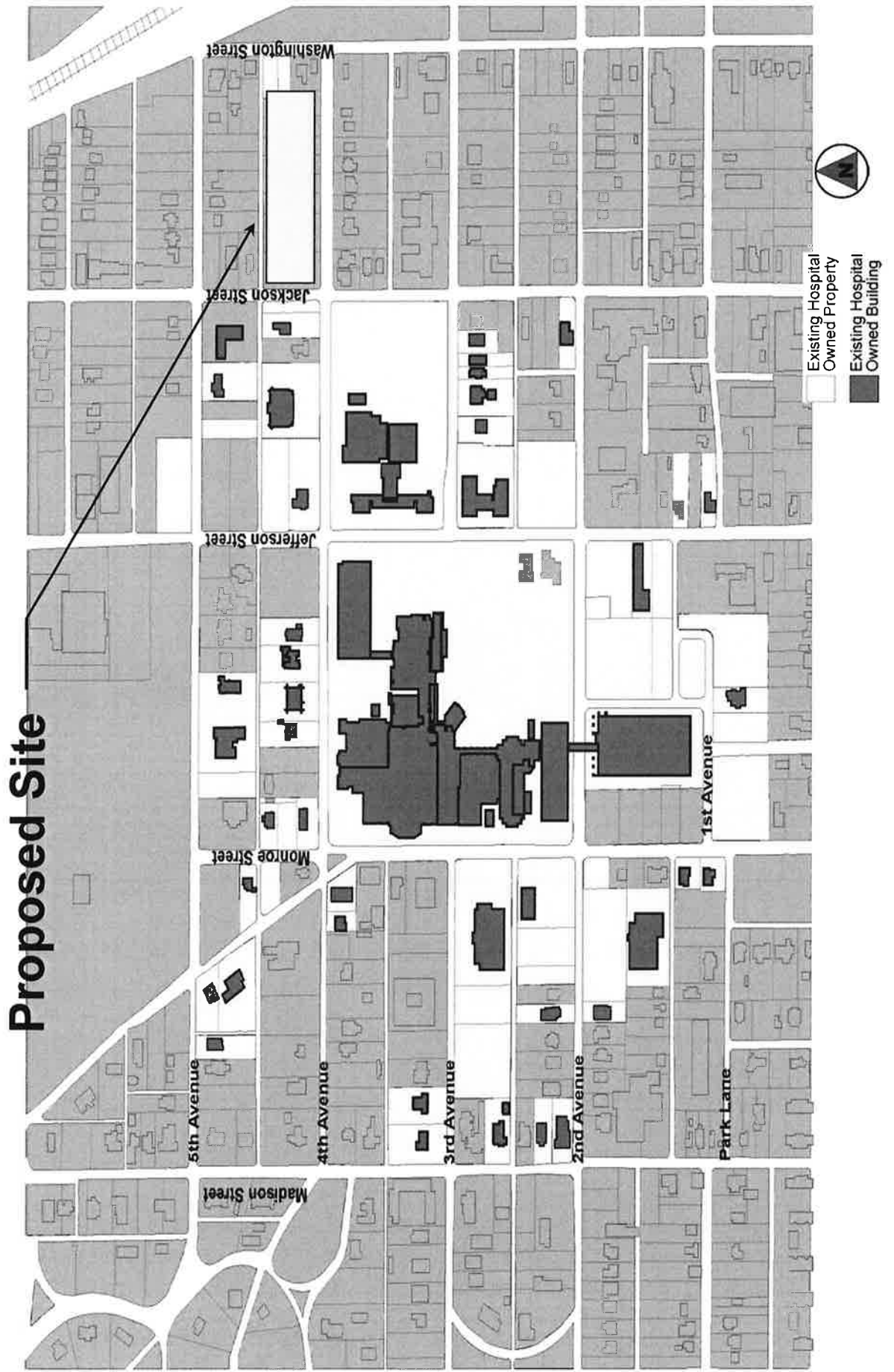
4th Avenue Alley (paved)

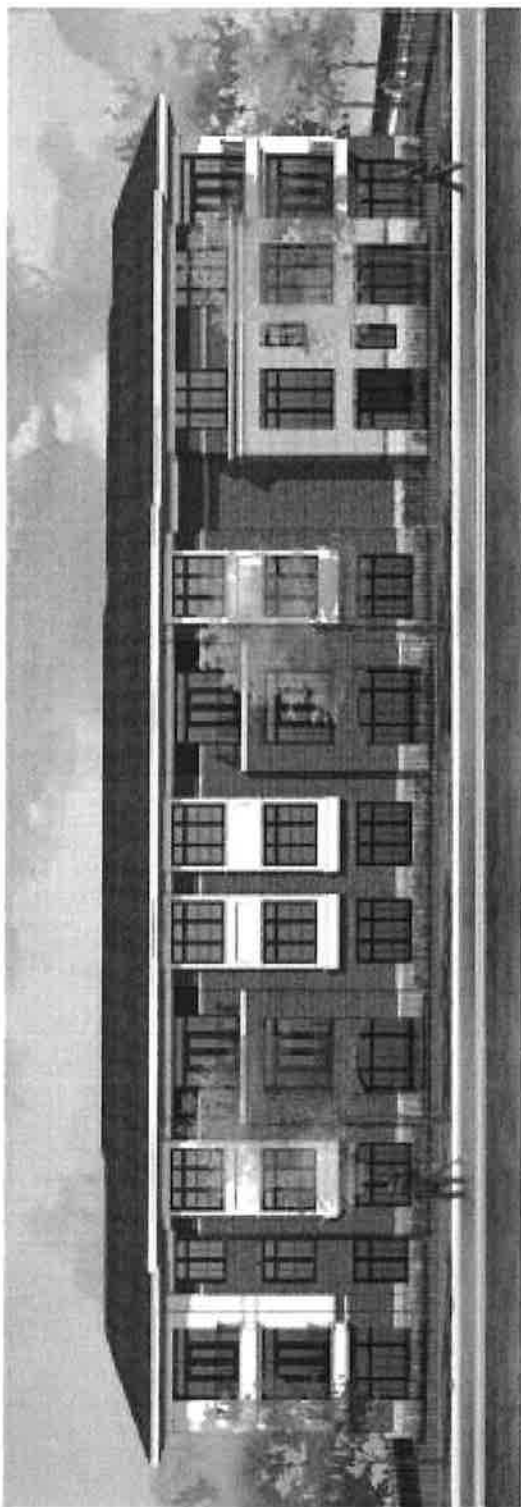
4th Avenue

North Jackson St.

North Jackson St.

Resident Housing





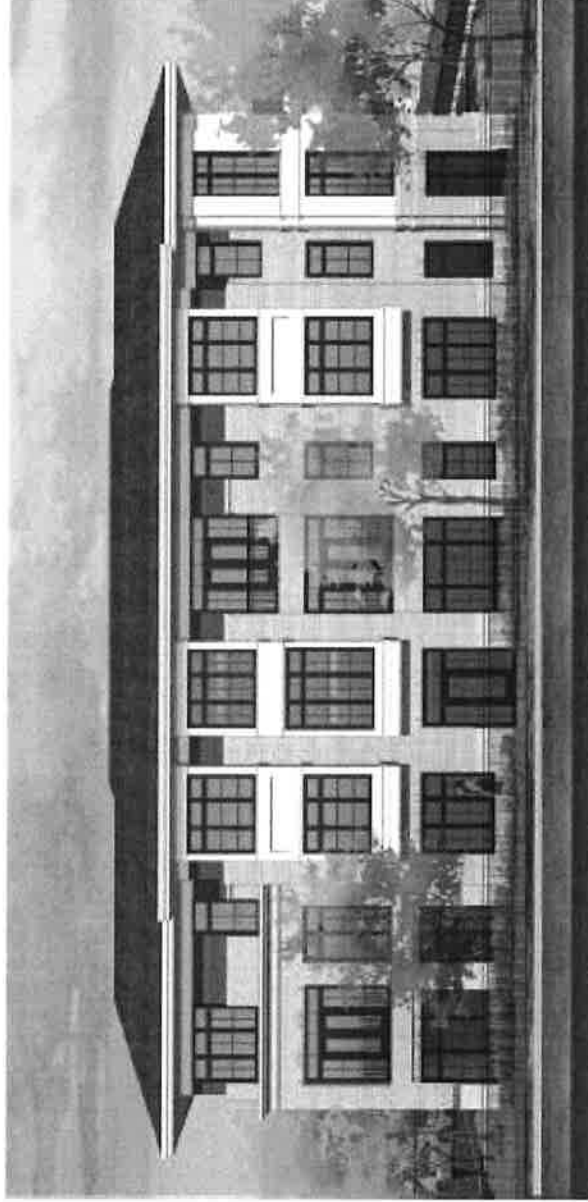
West Elevation-North Jackson Street

FOURTH AVENUE STUDENT HOUSING PROJECT

SCHEMATIC DESIGN MEETING | 29 October 2015

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Alternate Exterior Color Options

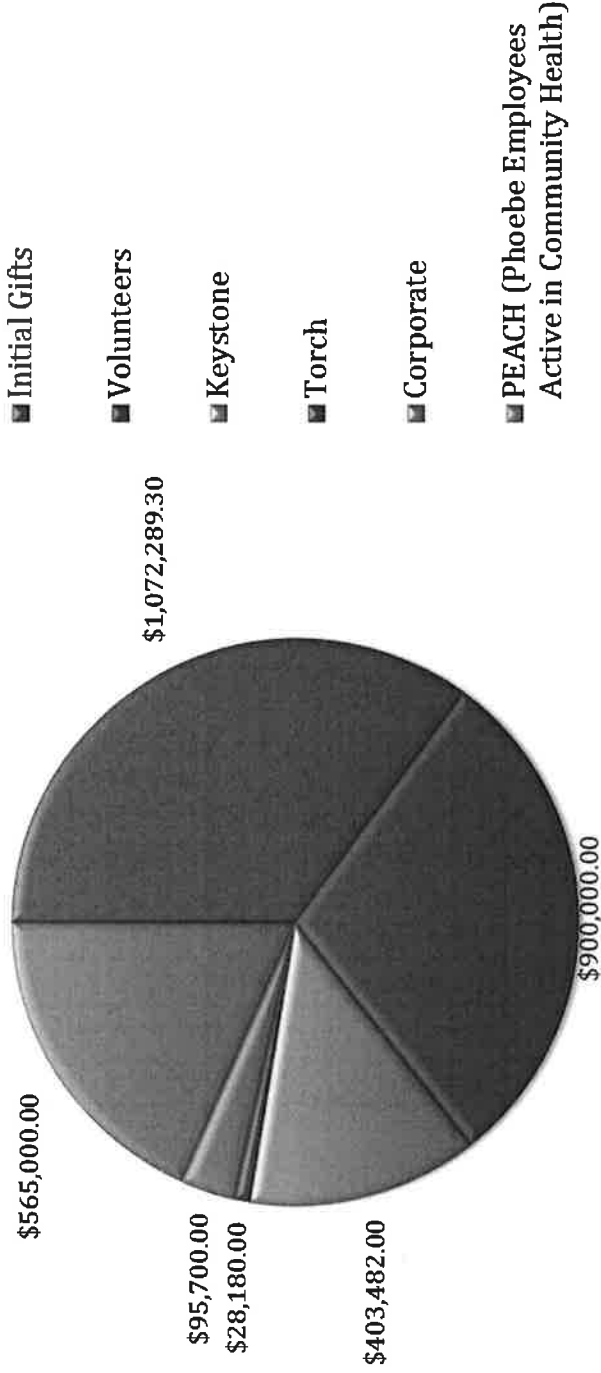
FOURTH AVENUE STUDENT HOUSING PROJECT

SCHEMATIC DESIGN MEETING | 29 October 2015

COLLINS
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CARUSTI
ARCHITECTS



Medical Housing Complex Campaign



**Total committed:
\$3,064,651.30**

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 12th day of November, 2015, 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) discussing 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 (ii) 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 12th day of November, 2015.


Chairperson

Sworn to and subscribed before me this
12th day of November, 2015.


NOTARY PUBLIC (SEAL)

Dougherty County, Georgia
My Commission Expires: _____

