

Bowman Clinic.
Hospital.
Long Term Care.
Assisted Living.
Independent Living.
Emergency Services.
Visiting Nurses.

2017 Annual Report
April 3, 2018
Bowman Lutheran Church



SOUTHWEST HEALTHCARE SERVICES

Complete Healthcare Today, For a Better Tomorrow



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Thank you for attending the
17th Annual Meeting of
Southwest Healthcare Services!



You treat a disease, you
win, you lose....

You treat a PERSON,
I guarantee you, you'll
win, no matter what the
outcome!

- Patch Adams



Meeting Agenda

1. **Call to Order** Gary Brennan, Chairman
2. **Opening Prayer** Fr. Paul Eberle
3. **Welcome and Introduction** Gary Brennan, Chairman
4. **Approval of Minutes of April 27, 2017** Gary Brennan, Chairman
5. **Annual Reports:**
 - a. **Chairman's Report** Gary Brennan, Chairman
 - b. **CEO Report** Jerry Wiesner, CEO
 - c. **Financial Report** Renee Gravalin, Eide Bailly, LLP
 - d. **Sunrise Foundation Report** Margie Hande, Chairman
7. **Old Business:**
8. **New Business:**
 - a. **Election of Board Members** Gary Brennan, Chairman
Terms Expiring Gary Brennan and
Nominees Jean Tennant
Chris Peterson - 1st term
Tammi Gilbert - 1st term
9. **Benediction** Pastor Mark Nygard
- The Lord's Prayer
10. **Adjournment** Gary Brennan, Chairman

Delegates for Southwest Healthcare Service's Annual Meeting

Agnes Kitzan
Barb Bickel
Betty McGee
Bruce Hagen
Charlene Honeyman
Corrie Fish
Debbie Molbert

Dorene Lorge
Eugene Fischer
Fr. Paul Eberle
Galen Strand
John Burke
John Hanson
Jordan Anderson
Jory Reisenauer

Kari Gerbig
Marilyn Fischer
Myron Vail
Nicole Njos
Pastor Ed Kvaale
Scott Ouradnik
Tom Fish

2017 Annual Meeting Minutes

16th Annual Meeting

April 27, 2017

Bowman Lutheran Church

Gary Brennan, Board Chairman, called the meeting to order at 7:00 p.m. A quorum of delegates was present.

The Southwest Healthcare Auxiliary served refreshments.

Pastor Galen Strand provided the opening reflection and prayer.

Gary Brennan welcomed everyone to the 16th Annual Meeting of Southwest Healthcare Services (SWHS).

Minutes of the 15th Annual Meeting were presented and reviewed.

Motion to approve the minutes was made by Pastor Ed Kvaale, seconded by Deb Patterson. Motion carried.

Annual Reports

Gary Brennan, Board Chairman, reviewed the Chairman's Report. Mr. Brennan began by talking about the challenges we have faced in 2015 and continued into 2016. One of the biggest challenges this year was the building project. We are now days away from opening the new clinic and hospital. Gary thanked Becky Hansen, CEO, SWHS staff and the contractors for all their hard work on the project.

Becky started her report thanking the community and staff for attending our annual meeting. She stated how the last few days has been an exciting time for SWHS as we have been busy moving into our new building. She invited the community to our Ribbon Cutting Ceremony on May 1, 2017, at 8:00 am.

In the past year, SWHS has actively

been involved in many federal programs to increase quality and create stability. This includes being part of an accountable care organization. This year, our group was presented with the high achiever award for member engagement.

SWHS participated in an economic study that reported SWHS (with construction) provided Bowman County with \$15,000,000 of positive economic impact in 2016. SWHS conducted a Community Health Needs Assessment with community involvement. Four priorities came out of this study with the top being the recruitment of physicians.

Gary and Becky thanked Jackie Lambourn for her time on the Board and stated that she would be greatly missed. Becky continued by thanking the Auxiliary for all their help

"I would tell them that it's a really good facility for whoever would be going there"

"What's important to me is that she is comfortable and happy."

2017-2018 Survey Responses

"I value that they help us to get what we need or want."

throughout the year and thanked the staff for their dedication throughout the building project.

Becky concluded her report on the challenges we are facing and she asked the community to support us and try our new facility.

Renee Gravalin, CPA, representing Eide Bailly, LLP, presented a synopsis of the 2016 financials. SWHS and Eide Bailly provided financial information through graphs. Renee reviewed current ratio, days cash on hand (all sources), days in account receivable, average age of plant, total profit margin, bad debts as percentage of patient services revenue, and capital expense ratio. Renee concluded by emphasizing how important community support is to community hospitals especially in the coming years.

Margie Hande, Chairperson of the Sunrise Foundation, provided a summary of the past year for the Sunrise Foundation. Margie introduced Sunrise Foundation's new Foundation Director, Melinda Lynch. Melinda has been busy this past year creating a new website, Facebook and Twitter accounts for Sunrise Foundation. Margie concluded her report by thanking the community for their support.

New Business

Election of Board Members:

Jackie Lambourn and Teran Doerr have terms expiring at this time. The nominations for these two open positions consist of Teran Doerr and Andrew Weiss. Gary Brennan made three calls for other nominations from the floor.

Bruce Hagen made a motion for

all nominations to cease and to cast a unanimous ballot for the two nominees of Teran Doerr and Andrew Weiss to be elected to the SWHS Board of Trustees, seconded by Agnes Kitzan. Motion carried.

Pastor Mark Nygard provided a closing reflection and then led everyone in the Lord's Prayer.

Gary Brennan called for a motion to adjourn.

Motion to adjourn by Deb Patterson, seconded by Jory Reisenauer. Motion carried.

Meeting adjourned at 8:20 pm.

Minutes prepared and submitted by Allison Engelhart.

"That they are paying attention to her and her needs is most important to me."

"I would say it's a very professional and personable facility and staff."

Services

Hospital

Inpatient and Outpatient services

Swing bed

- Skilled
- Non-skilled
 - Activities
 - Restorative Maintenance Therapy
- End of Life Care

Pharmacy

- Medication review
- Order entry
- Sterile IV medication preparation
- Drug interaction checking
- Dosage reviews

Scopes and minor surgical procedures

Radiology

General X-ray

Computed Tomography

Ultrasound

Mammography

Bone Density Scanning

Body Composition Scanning

Magnetic Resonance Imaging (every other Wednesday)

Echocardiography on specified Wednesdays

Laboratory Services

In-house testing

Siemens EXL

- General Chemistry
- Cardiac Profiles
- Therapeutic Drug Monitoring

SYSmex 100Xs

- Hematology—CBC, Hemoglobin, White Blood Counts

Laboratory Cont.

Siemens C600

- Coagulation Studies—INR, Prottime, D-Dimer
- Coumadin/Warfarin

Opti CCA TS

- Blood gas monitoring—pH, Oxygen Levels in blood

Alere Triage

- BNP—Monitoring and/or diagnostic testing for Congestive Heart Failure

Siemens DCA Advantage

- A1C and Urine Micro-albumin—used primarily for monitoring Diabetes Control

Siemens Status

- Urinalysis testing

Quick Kits

- Rapid Strep Test
- Rapid Influenza A and B Test
- Pregnancy Test
- Mononucleosis Test
- Drug Abuse Screening

Reference Labs

- Northern Plains Laboratory in Bismarck under the direction of Dr. Ward Fredrickson and Dr. John Hipp
- North Dakota State Health lab

The Lab also offers Occupational Health Testing and supervises the SWHS Drug and Alcohol testing for all employees

- Urine Sample Collection
- Breath Alcohol Testing
- Saliva Sample Collection

Holiday Health Fair Screening for Glucose, Lipids, PSA and Colon Cancer screening which is held during the first or second week of December.

Serving the communities of –Bowman, Rhame, Amidon, Buffalo, and Ladner

Respiratory Therapy

Spirometry

Spirometers used to perform pulmonary function tests to check the condition of your lungs and how they are functioning and to diagnosis your lung problems.

Home Oxygen

We have concentrators and portable units to use for supplementary oxygen therapy. The concentrators are used to give you supplementary oxygen in your home and the portable units allow you to leave your home to perform your daily tasks.

Nebulizers

Nebulizers are compressors used to deliver your inhaled medications that are used for lung and breathing complications.

Sleep Studies

Now Medicare Certified.

Overnight Oximetry Studies

Cardiac and Pulmonary Rehabilitation

Our program offers focused Phase II and Phase III programs to help cardiology patients improve their fitness levels and return to as much of a normal and healthy lifestyle as possible.

Cardiac Rehabilitation is a medically supervised program that can help each patient restore his or her optimal health after a heart attack, heart surgery, stable angina and other pre-existing cardiac conditions that have caused damage to the heart muscle. The same equipment is used for pulmonary rehab if you have been diagnosed with COPD.

For more information about our services visit our website

www.swhealthcare.net

Bowman Clinic

Family Healthcare/ Women's Healthcare
Allergy testing
Sports physicals
Sports Medicine
Skin Cancer Screening
Free breast exams in October
DOT physicals
Wellness exams
Well child care
Free blood pressure screenings
Child and Adult Immunizations
Diabetic foot care
Concussion testing
Management of Acute & Chronic Illnesses

Visiting Specialists

OB/GYN
Cardiology
Pediatrics
Orthopedics (COMING SOON)

Long Term Care

- Skilled Nursing
- Activities
 - Independent and group programs
 - One on one visitations
 - Community service projects
 - "Snoezelen" Multi Sensory Room
- Dietary Services
- Housekeeping
- Therapy Services
- Pastoral Care
- Social Services
- Laundry/Maintenance
- Beauty Shop

Visiting Nurse Services

- Visiting Nurse Service – nurses provide skilled care to individuals in their homes
- Extended Care Nursing Services – nurses provide unskilled care to individuals as a contracted service with the individual
- Extended Care Home Health Aide Services – aides provide assistance with ADLs to individuals as a contracted service

Assisted Living

Sunrise Village Assisted Living is a combination of independent housing, personalized supportive services, and healthcare designed to respond to the individual needs of those who may need help with activities of daily living (ADLs) but do not need the skilled medical care provided in a long term care setting.

Independent Living

For the elderly individual who can live independently, we offer 11 unfurnished apartments adjacent to the Long-Term Care facility. In addition to meals, which are offered daily - housekeeping, laundry services and activities are available.

Hospital Emergency Services

- Stroke Ready •
- Trauma Certified •

Physical Therapy

- Pre and Post surgical rehabilitation
- Injury prevention and rehabilitation
- Rehab for Athletic injuries for all ages
- Modalities such as Iontophoresis, Phonophoresis, Ultrasound, and Electric Stimulation
- Alternate manual techniques such as cupping and SASTM
- Lymphedema Treatment
- Custom Orthotics
- Bracing and taping techniques
- Pediatric Therapy
- Geriatric Therapy
- Mechanical Traction
- Occupational Health
- Worksteps and Fit For Duty screenings

Emergency Ambulance Services

Ambulatory Service

The ambulance service provides emergency transport to patients in Bowman and Slope counties and also provides interfacility transfer services to hospitals in ND, MT, and SD. We have a mixed staff of Paramedics, AEMTs, EMTs and EMRs to help cover our large service area. The ambulance staff provides CPR training to staff and community, and both BLS and ALS training to area healthcare providers.



Board of Trustees Chairman's Report

Last year at this time we announced the completion of the co-location project and the opening of the new hospital. At that time, we were also faced with some fiscal challenges and were in dire need of some significant operational adjustments. Now that 2018 is well under way, I can say that we have a brighter outlook for the year ahead. And though we still have work to do in the year ahead, we find ourselves in a better position than we did a year ago. We had an interim CEO (John Osse) that came in and made some much needed operational changes; and we now have a new administrator at the helm (Jerry Wiesner) and we are excited about the direction for Southwest Healthcare Services going forward. Jerry has only been here for a couple of months and, in that time, he has implemented additional operational efficiencies.

Incorporating all of our services under one roof has been a process, but we have come a long way. I'm sure it stretched much of the staff through the transition process, but change stretches all of us and challenges us to do better than the day before. As we all know, having quality healthcare in our community is a true blessing and we are equally blessed to have staff that are committed to providing professional and competent service.

There is a shortage of healthcare professionals across the country and it is exceedingly hard to recruit talent to smaller communities. With that being said, we are excited that we have successfully recruited Dr. Feller as our primary physician and our new CEO is working hard to add another physician. Dr. Lanchbury has also been working out of the clinic for several months now and is here one week a month; offering his services in functional, anti-aging and regenerative medicine. Between them and our other providers; Christine Peterson, Patricia Gilbert and Jessica Slone, we have a solid medical staff. We have also been successful in recruiting more nursing staff, which has positioned us for the first time in recent years to be operating without reliance on agency nurses.

We have expanded some of the services that we provide and Jerry is looking at ways to expand services by bringing more traveling specialists to Bowman. All in all, we have taken some very positive strides over the past year.

The Board of Trustees is very committed to ensuring the longevity of Southwest Healthcare Services well into the future. We are diligently focused on improving our organization to better serve our trade area in a highly competitive and ever changing healthcare industry, as we continually strive to fulfill our mission to "provide excellence in healthcare to those we are privileged to serve."

“...CHANGE
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CHALLENGES
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BETTER
THAN THE
DAY
BEFORE.”

Gary Brennan



Long Term Care Recognized for Customer Care

Our Long Term Care was recently recognized for their resident care receiving 11 awards including **Overall Customer Experience and Overall Satisfaction!**

Comments included: "It is absolutely a five"; "It's a great place to go"; "They are caring"; "Their primary concern is the care of the residents there."

Jerry Wiesner, CEO stated "it is an honor to be a recipient of the awards earned by the staff for their kindness and dedication to the residents. The awards are a reflection on the level of care the staff provide each and every day".

Throughout our history of serving the community, a strong emphasis has been placed on ensuring that the individual needs of every resident are met.



2018 Celebrity Waiter Dinner

"It takes a village to raise a child" is a proverb that exists in many African languages. It reflects the emphasis the cultures place on family and community. The proverb may have its origins in the Bible, since it reflects a world-view regarding unity and self-sacrifice expressed in several passages of the Bible, such as Ecclesiastes 4:9,12 and Isaiah 49:15-16. To the committee working on the 9th Annual Celebrity Waiter Event this saying "It Takes a Village..." holds a special meaning. Without our village or better still, this corner of the world, community does mean standing with each other in support.

The individuals and businesses that donate along with the generous spirit of those attending this event has made it possible for nine years of success for this one-of-a-kind evening which benefits Southwest Healthcare Services. Celebrity Waiter raised well over \$50,000 with about 250 attending.

Allison Pretzer and Debbie Patterson would like to acknowledge the other committee members and their expertise: Chrissy Blankenbaker, Tiffany Rex, Cole Benz, Allison Engelhart, Anthony Padayhag, and Sasha Ruggles. On behalf of the Celebrity Waiter Committee, The Board, the Administration and staff of Southwest Healthcare Services our humble thanks! This Community and our joint unity in making this fundraiser a reality year after year is truly the meaning It Takes a Village.



CEO Report

It is a joyful experience returning to a religious health system. We have our challenges ahead of us and also our many successes.

Our Long Term Care team is the recipient of Pinnacle Quality Insight's 2018 Customer Experience Award in 11 categories including Overall Customer Experience and Overall Satisfaction.

We maintain an overall 5 star rating (top rating from Medicare) judging us on Quality, Staffing, and Health Inspections.

Our Sleep Lab Center has received a full 3-year Medicare accreditation through July of 2020. The accreditation demonstrates that it operates at a level of quality, integrity and effectiveness consistent with its standards.

Jessica Slone has joined our practice of Dr. Feller, Dr. Lanchbury, Patty Gilbert and Chris Peterson. We are recruiting another physician to join in their practice.

Orthopedics is the newest addition to our specialty clinic along with Pediatrics, OB/GYN, and Cardiology. We continue to recruit more specialties to practice here.

Our management team is working to improve our financial position. We continue to look for ways to improve our quality and lower our costs. We are focused on becoming trim and strengthening our core. In 2018, we are performing with positive cash flow.

Under one roof, our team has the energy and vitality to be the *premier* Health System our leaders imagined when they began planning for the new base of operations.

Our task ahead of us is complex, difficult and doable.

We Got This!

Jerry Wiesner



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UPDATES:

- Sunrise Foundation participated in Giving Hearts Day for a second year in a row. We raised \$14,343, almost doubling the net revenue from 2017.
- We welcomed a new director, Barbi Narum, who started Oct. 2.
- Bob Morland, who has served more than 30 years on the board, retired.
- Rita Freitag also stepped down after 12 years of services.
- The Foundation welcomed new members Leah Benz and Ila Kelner.



GIVING:

- Sunrise Foundation gave \$30,000 to help recruit Dr. Feller to the medical staff of Southwest Healthcare Services.
- The foundation gave \$6,000 scholarships and loan repayments in 2017.
- We have increased loan repayments for newly graduated nursing students to help with the nursing shortage at long-term care and the hospital.

WE SUPPORT CARE



Economic Impact

Strong healthcare systems help attract and maintain business and industry growth. Southwest Healthcare Services (SWHS) creates jobs throughout Bowman County, as well as contributes to the economy. Our employees support the local economy and our presence brings in dollars to area businesses.

Southwest Healthcare Services consists of a 23 bed hospital, a 40 bed long term care facility, rural health clinic, outpatient services, ambulance service, visiting nurse services, 11 independent senior living apartments and a 12 unit assisted living facility.

Southwest Healthcare Services contributes to the health and wellness of local residents as well as the overall economic strength of Bowman County. We employ local residents. SWHS and its employees spend money in Bowman County to generate a secondary impact. If the hospital increases or decreases in size, the medical health and economic health of Bowman County is affected. For every three and half jobs at SWHS , one more job is created in other businesses in Bowman County. Additionally, the construction project at SWHS contributed to the local economy through job creation and providing income to employees.

A quality hospital and health sector can contribute to the overall economic health of the three-county medical service area, as well as the overall medical health of the residents. Given this, not only does Southwest Healthcare Services contribute to the health and wellness of the local residents but Southwest Healthcare Services also contributes to the overall economic strength of the three-county medical service area. Local decision makers should be aware of the economic contributions of Southwest Healthcare Services and support their local hospital and healthcare providers.

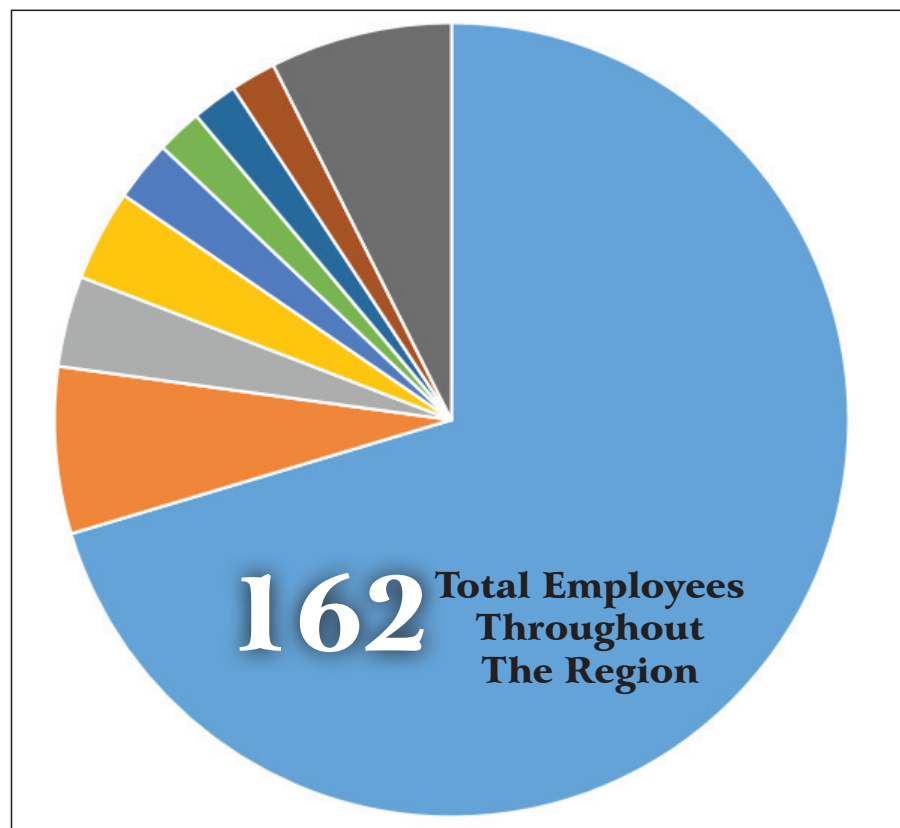
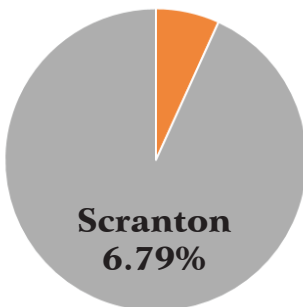
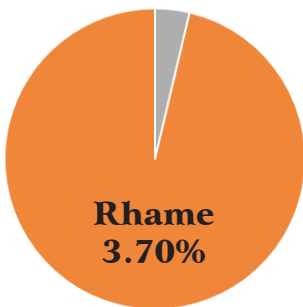
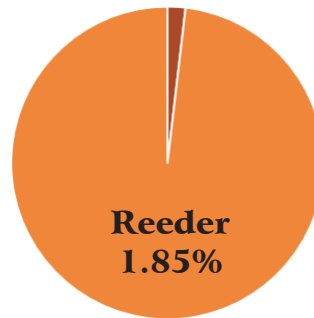
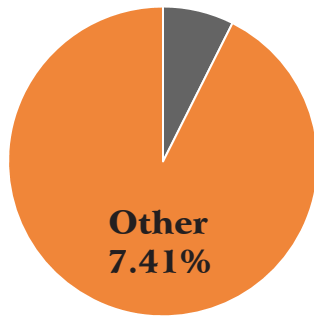
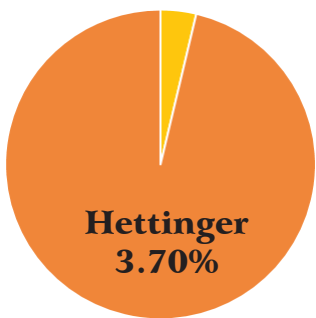
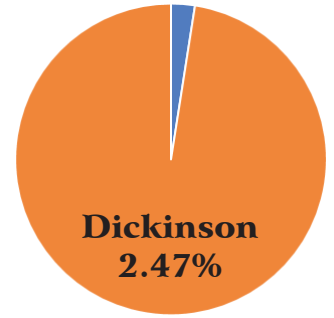
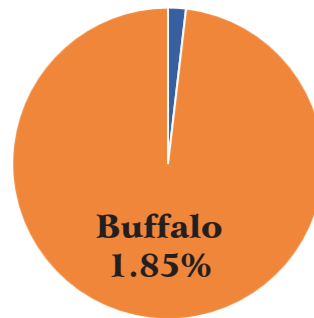
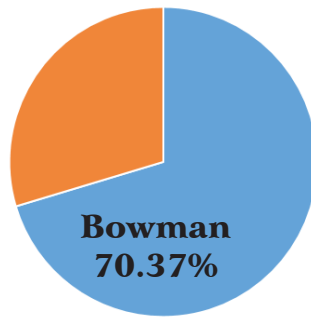
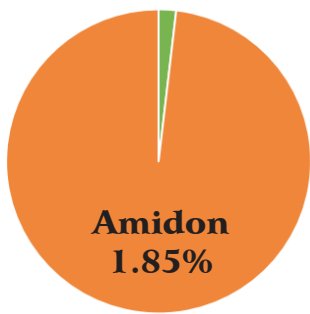
Southwest Healthcare Services Provides Jobs

Total Employment for SWHS.....	162 employees
Secondary Employment in Bowman County.....	46 total additional jobs in businesses in Bowman Co. because of SWHS presence

Southwest Healthcare Services Provides Income

Total Labor Expense to SWHS Employees.....	\$8.8 Million per year
Secondary Labor Income to Business Sector Employees.....	\$2.4 million per year

Southwest Healthcare Services Currently Employs 162 Residents of the Region



Community Health Improvement Services Report

As a Critical Access Hospital (CAH), we are required to report our community benefit activities (programs and services that provide treatment and/or promote health in response to identified community needs) to the Internal Revenue Service.

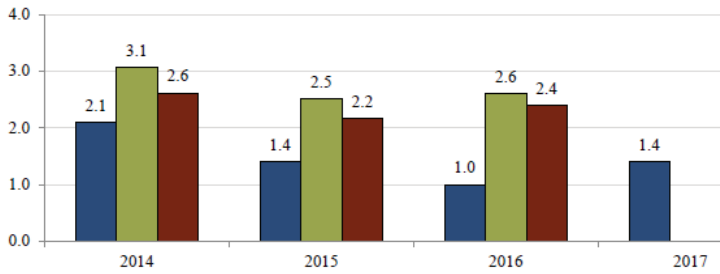
Southwest Healthcare Services defines community health improvement services as activities or programs carried out or supported for the express purpose of improving community health and are subsidized by Southwest Healthcare Services. Such services do not generate inpatient or outpatient revenue, although there may be a nominal patient fee or sliding scale fee for these services. Our total community benefit expense included direct and indirect costs. For the calendar year 2017, it was \$69,142.

The following are examples of the programs Southwest Healthcare Services has provided to the community at large:

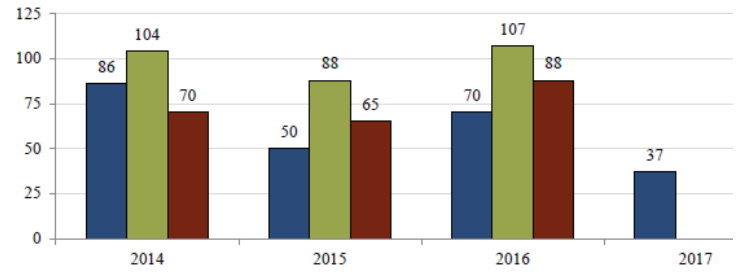


We have a charity care program which provides assistance to those with financial need or catastrophic medical events. Our charity care expense for the year 2017 was \$85,375.

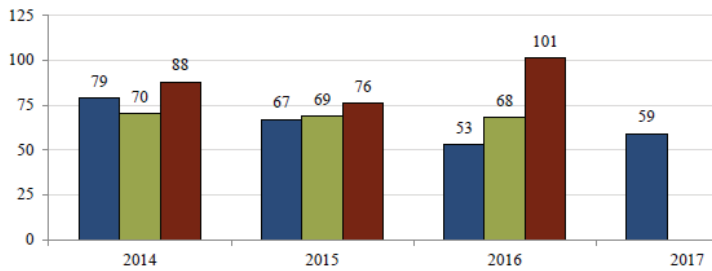
Current Ratio



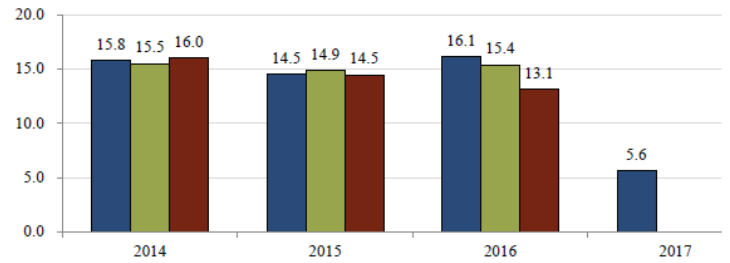
Days Cash on Hand - All Sources



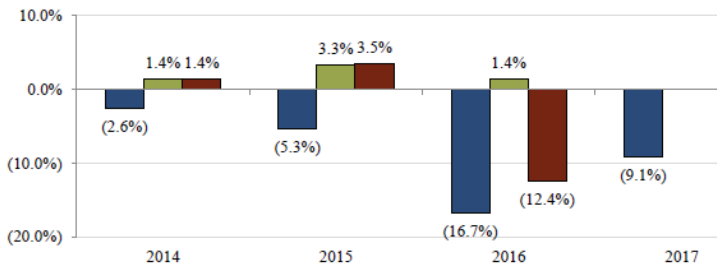
Days in Accounts Receivable - Net



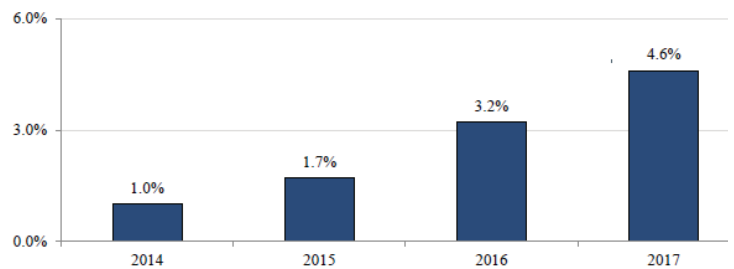
Average Age of Plant



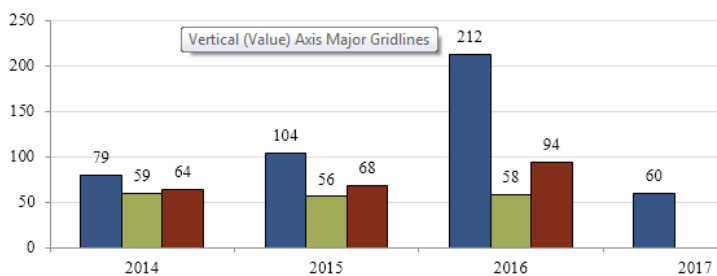
Total Profit Margin



Bad Debts as Percentage of Patient Services Revenue



Average Payment Period



- Southwest Healthcare Services
- ND CAH
- Selected Hospitals

It's the little things that can make a big difference!



Little by little the 1% city sales tax helps support your local healthcare. Please vote **YES** on the CITY MEASURE to Renew the 1% City Sales and Use Tax Ordinance Designated for Health Care.

With your help, Southwest Healthcare Services is able to afford to give our community quality services and equipment to help you with your healthcare needs and emergencies.

For more than 20 years, the 1% city sales tax has helped Southwest Healthcare Services purchase equipment for existing and new services. It has also helped us maintain our facilities, and assists us with medical staff recruiting. None of the funds generated were used to subsidize the day to day operations of the healthcare entities. Here are just a few examples of the valuable equipment and facility purchases that were made possible with the help of the 1% City Sales Tax revenue: radiology equipment, security equipment, diagnostic tools, and CT Scanner services. A complete breakdown of these expenditures are on file in the City Auditor's Office.

With more than 162 of your friends, neighbors and relatives working under our roof, and generating over \$8.8 million in payroll, the financial success of our organization plays a vital role in the local economy. The continued availability of a Hospital, Ambulance, Clinic and all of the services we provide locally are pertinent to the social and economic well-being of our community and the surrounding area. By voting **YES** to renew the 1% City Sales Tax for Health Care on June 12th, you will be playing an important part in insuring that quality healthcare services are available locally in a time of need.

Please vote **YES** on June 12, 2018 on the City Measure to renew the 1% City Sales and Use Tax Ordinance Designated for Health Care.