



SOUTHWEST HEALTHCARE SERVICES

Complete Healthcare Today. For a Better Tomorrow

2016 Annual Report

April 27, 2017

Bowman Lutheran Church

Southwest
Healthcare
Services

MAIN ENTRANCE

Clinic • Outpatient • Rehab



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Meeting Agenda

6:30pm Coffee & Registration

Meeting Agenda

1. Call to Order
Gary Brennan, Chairman
2. Opening Prayer
Pastor Ron Olson
3. Welcome and Introduction
Gary Brennan, Chairman
4. Approval of Minutes of April 5, 2016
Gary Brennan, Chairman
5. Annual Reports:
 - a. Chairman's Report
Gary Brennan, Chairman
 - d. Administrator's Report
Becky Hansen, CEO
 - e. Financial Report
Renee Gravalin, Eide Bailly, LLP
 - c. Sunrise Foundation Report
Margie Hande, Chairman
7. Old Business:
8. New Business:
 - a. Election of Board Members
Terms Expiring

Nominees
Gary Brennan, Chairman
Jackie Lambourn and
Teran Doerr
Teran Doerr - 2nd term
Andrew Weiss - 1st term
9. Benediction
Pastor Mark Nygard
- The Lord's Prayer
10. Adjournment
Gary Brennan, Chairman



2016 Minutes

Following refreshments served by the Southwest Healthcare Auxiliary, Gary Brennan, Board Chairman, called the meeting to order at 7:00 p.m. A quorum of delegates was present.

Pastor Ed Kvaale provided the opening reflection and prayer.

Gary Brennan welcomed everyone to the 15th Annual Meeting of Southwest Healthcare Services.

Minutes of the 14th Annual Meeting were presented and reviewed. Motion to approve the minutes was made by Pastor Ed Kvaale, with a second by Deb Patterson. Motion carried.

Annual Reports

Gary Brennan, Board Chairman, reviewed the Chairman's Report. Mr. Brennan began by talking about all the changes we have seen in 2015. Changes in healthcare because of the Affordable Healthcare Act, our building project, and the loss of our three physicians. Brennan reviewed in detail the delays Southwest Healthcare Services has had during our building project in 2015 as well as provided a brief update on the progress we are now seeing. Brennan was also excited to announce that at our next annual meeting we should be in our new hospital! Gary also spoke about losing

our three physicians and how we are now contracting with Aurora Medical Group to provide 24/7 physician coverage. Brennan ended his report by thanking the staff for their commitment to Southwest Healthcare Services and that we are very proud of the care they provide to our community.

Dr. Mark Peterson from Aurora Medical Group gave a short presentation on the services they provide to Southwest Healthcare Services and Bowman, ND. During the next two years they will be providing 24/7 coverage that will be covered by three consistent physicians; which include Dr. Benjamin Krogh, Dr. Feller and Dr. Moellmer. Dr. Mark Peterson will also be onsite once a month to provide scope procedure services.

Margie Hande, Chairperson for the Sunrise Foundation, provided a short summary of the past year for the Sunrise Foundation. In 2015, Sunrise Foundation awarded four scholarships to students working towards a variety of healthcare careers. The Foundation also assisted five SWHS employees with loan repayments. Margie concluded by reporting that Sunrise Foundation is recruiting a new Foundation Director.

Becky Hansen, CEO of SWHS, began her report by explaining that 2015 was a year of challenges but SWHS's staff has stepped up to those challenges and has really pulled together. Becky explained some of the challenges that we faced in 2015 including, building project delays, losing three physicians and having a loss from operations. Becky further explained that SWHS is working towards meeting these challenges and has begun several new projects that will eventually provide the community with more services and create more



income for SWHS. Some of these projects include: mental health services; Medicare programs (FCHIP & Rural ACO); applying for grants (we received \$400,000 for a new CT machine) and an annual Celebrity Waiter event at which the community very generously donated over \$60,000 to SWHS.

Becky Hansen continued her report by inviting the community to attend the SWHS 65th Anniversary Open House on May 12th where we will be sharing pictures, stories and refreshments.

Becky concluded her report by thanking the community, auxiliary members, county & city commissioners, staff, and board members for their generosity and commitment to SWHS.

Renee Gravalin, CPA, representing Eide Bailly, LLP, presented a synopsis of the 2015 financial statements. The 2015 financial statements reflect an operating loss of \$(1,295,340). Gravalin pointed out that in spite of this operating loss they have maintained a positive cash flow as a good portion of the recorded loss involves non-cash items such as depreciation and amortization expense.

Becky Hansen and Dan Peterson provided a building project update. In 2015, we were met with a long delay with the North Dakota Department of Health approval process for our building project plans. The main reason for the delay is that new legislation was passed and put into effect on July 1, 2015 that related to updated building code requirements. Even though our project plans were submitted prior to this change, they had not yet been approved by the ND Dept. of Health, therefore our project needed to become compliant with these new requirements which required some adjustments and further review. As of today, the structural steel is in place and the community will begin to see the roof

being installed and the building enclosed. Mortenson Construction estimated the project will be completed by first quarter of 2017.

Old Business

There was no old business to discuss.

New Business

Update of SWHS Bylaws:

Gary Brennan, reviewed the proposed changes to the bylaws which included changes to Section 3- Vacancies; Section 4- Place of Meetings; and Section 12 – Action without a Meeting. The revisions were reviewed by the delegates. Motion was made by Deb Patterson to approve the proposed changes to SWHS bylaws and was seconded by Gary Teske. Motion Carried. (Approved changes will be attached to the official saved minutes.)

Election of Board Members:

Bruce Bowman, Roger Walter and Julie Lockert have terms expiring at this time. The nominations for these three open positions consist of Roger Walter, Julie Lockert and Duane Bowman. Gary Brennan made three calls for other nominations from the floor. Dr. Jim Stafford made a motion for all nominations to cease and to cast a unanimous ballot for the three nominees (as listed) to be elected to the Southwest Healthcare Services Board of Trustees. There was a second to the motion by Pastor Ed Kvaale. 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 Jory Reisenauer and a second by Agnes Kitzan. Motion carried.

Meeting adjourned at 8:40 pm.

Minutes prepared and submitted by Allison Engelhart.



Services

Hospital

Emergency Room (Level IV Trauma Designation)

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

PADnet testing for peripheral artery disease screening

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, Protime, 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

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.

Ambulance

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.

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

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 12 unfurnished apartments adjacent to the Long-Term Care facility. In addition to meals, which are offered daily - housekeeping, laundry services and activities are available.

**For more information
about our services
visit our website
www.swhealthcare.net**

Therapies

Occupational Therapy

- Hand Therapy
- Splinting of the Upper Extremity
- Upper Extremity Rehabilitation for fractures, tendonitis, pain syndromes, etc.
- Modalities such as Ultrasound, Phonophoresis, and Iontophoresis
- Lymphedema Treatment
- Strengthening Programs
- Re-Training for any Activity of Daily Living
- Cognitive Evaluations
- Home Safety Evaluations
- Ergonomic Evaluations
- Pediatric Therapy
- General Rehabilitation following stroke, prolonged illness, etc.

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

Board of Trustee's Chairman's Report



“ While many changes have taken place and others still lie ahead, one constant remains to ring true and that is that we continue to fulfill our mission to “provide excellence in healthcare to those we are privileged to serve” . ”

A year ago, I reported on some of the challenges that we had to face in the prior year; and now that we are well into 2017, we find new challenges around each corner. One of the major challenges that we were faced with was dealing with delays on the building project, but I am happy to announce that we are officially days away from opening the new clinic and hospital. We are excited about having a new facility to operate out of and are looking forward to being able to capitalize on some of the efficiencies that the new facility has to offer, including better utilization of our personnel and experiencing the economies of scale with many of our fixed costs such as utilities and maintenance. The co-location should also allow us to begin to reduce the significant costs associated with agency nurses and CNAs, and open the doors to new opportunities that could allow for future collaboration initiatives to expand professional services.

As with all construction projects, the process can be painful at times and I must commend our residents at the long term care facility for putting up with the disruptions. Our staff also had to deal with the inconvenience of construction and their patience was duly noted as well. The other known about construction projects, is once the inconvenience passes, the memory of it quickly fades when operations return to normal function again and I truly believe that will be the case here.

While there will be a grand opening in the near future to recognize those who had a hand in making the project a success, which includes those who contributed to the co-location project through the capital campaign, I would like to pause for a moment to express my appreciation to all of the contractors that worked on the project, and to Becky Hansen, our CEO, who invested an enormous amount of time and energy into the project. I also want to extend gratitude to our maintenance staff for their involvement as well as all of the department heads. It has been a long journey and now the beginning of a new chapter is about to unfold as we adjust to operating out of the new facility.

To repeat something that I said a year ago, I pray for successful collaboration of the hospital and long term care facilities as the staff work hand in hand through the transition process of operating under one roof.

While many changes have taken place and others still lie ahead, one constant remains to ring true and that is that we continue to fulfill our mission to “provide excellence in healthcare to those we are privileged to serve”. May we always hold steadfast to that principal in that everything we do keeps the best interest of our patients and our residents in mind.

Gary Brennan, Board Chairman

Community Health Needs Assessment

Community Health Needs Assessments (CHNA) and implementation strategies are newly required of tax-exempt hospitals as a result of the Patient Protection and Affordable Care Act. These assessments and strategies create an important opportunity to improve the health of communities. They ensure that hospitals have the information they need to provide community benefits that meet the needs of their communities.



CHNA Top Needs for Bowman County



Steering Committee Members



Community Meetings



Key Informant Interviews

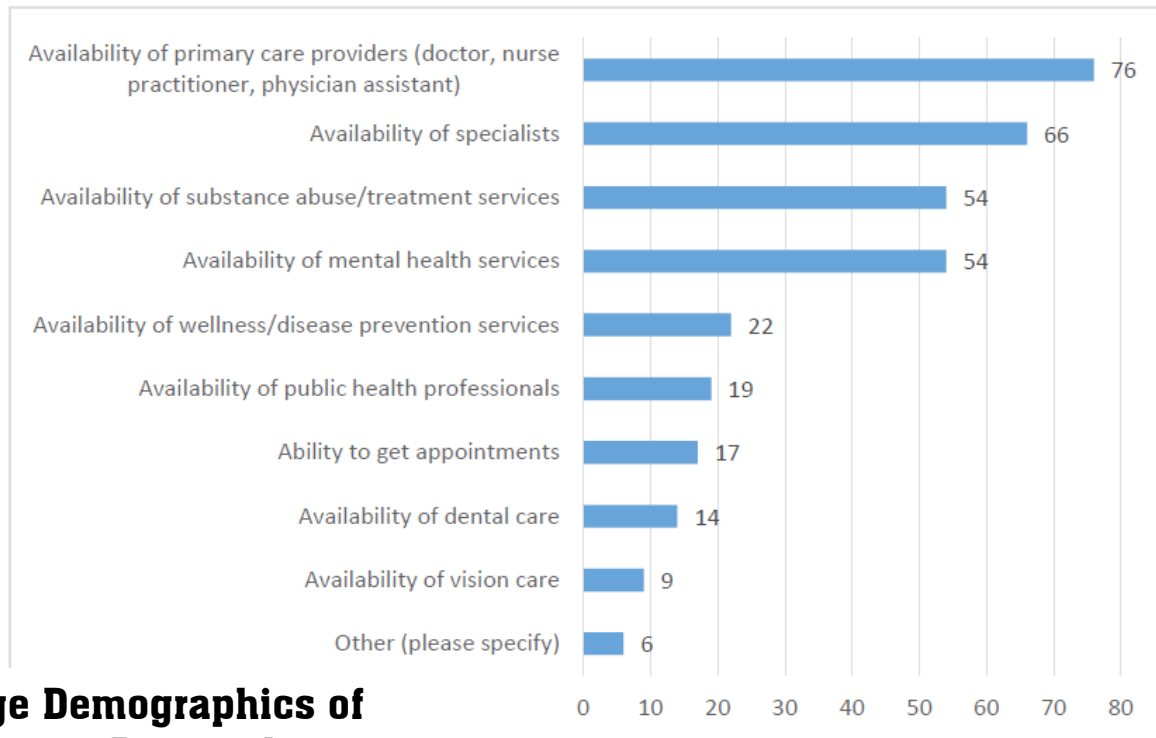


Completed Surveys

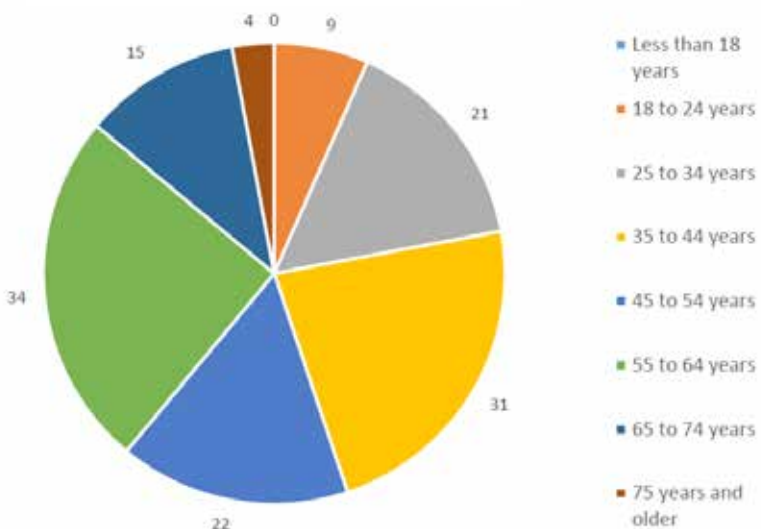


Collaboration between Center for Rural Health, SWHS and Southwest District Health Unit

Availability of Health Services Concerns



Age Demographics of Survey Respondents



2016 CHNA Top Needs for Bowman County

- 1) Ability to recruit and retain primary care providers
- 2) Mental/ Behavioral Health
- 3) Drug and Alcohol use and abuse
- 4) Attracting and retaining young families

Administrator Report Highlights

Building Project Highlights

Dept. of Health plan approval
“Topping Off” Celebration
Certificate of Occupancy from Dept. of Health
Provisional Hospital License from Dept. of Health



Ribbon Cutting Ceremony – May 1st
Opening day for SW Medical Clinic and Outpatient Services
Grand Opening Celebration (June)– to be announced

Celebrations and Achievements:

Hospital 65th Anniversary
Celebrity Waiter Event
Eli Pick Facility Leadership Award—American College of Healthcare Administrators



“12 Days of Giving” Staff Christmas Event

Celebrations and Achievements:

Rural Accountable Care Organization (Rural ACO)
Blue Cross Blue Shield Blue Alliance Program
Million Hearts Program



Frontier Community Health Integration Project (FCHIP)

Sunrise Foundation

Other Projects:

**Economic Impact Study
Community Health Needs
Assessment (CHNA)
Physician Recruitment
Eldercare Collaboration –
Meal Service**



Updates:

Sunrise Foundation was awarded a \$5000 grant for a website

We have a website, Facebook and twitter

New director, Melinda Padilla Lynch started June 1st

Giving:

Over the past 24 years, the Foundation has awarded 179 scholarships totaling approximately \$133,250.

In 2016 \$21,136 was given towards grants that affect our community



Sunrise
Foundation, Inc.

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, 12 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	194 employees
Secondary Employment in Bowman County	55 total additional jobs in businesses in Bowman County because of SWHS presence
Additional Employment Created by Construction Project	189 jobs created over 3 years (2015-2017)

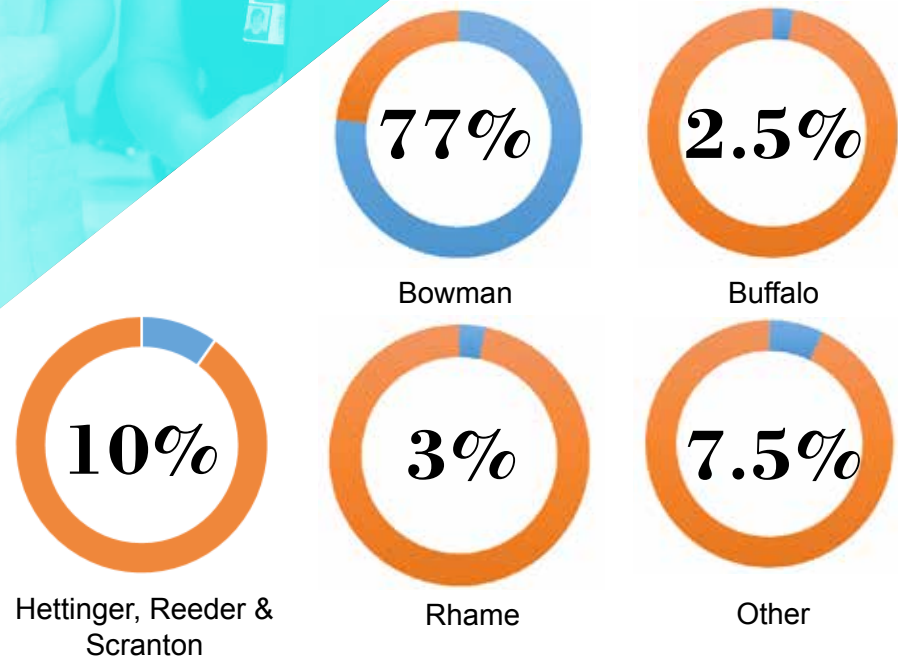
Southwest Healthcare Services Provides Income

Total Labor Income to SWHS Employees	\$6.7 Million per year
Secondary Labor Income to Business Sector Employees	\$1.8 million per year
Additional Labor Income to Construction Employees	\$12.7 million over 3 years

SWHS Staff

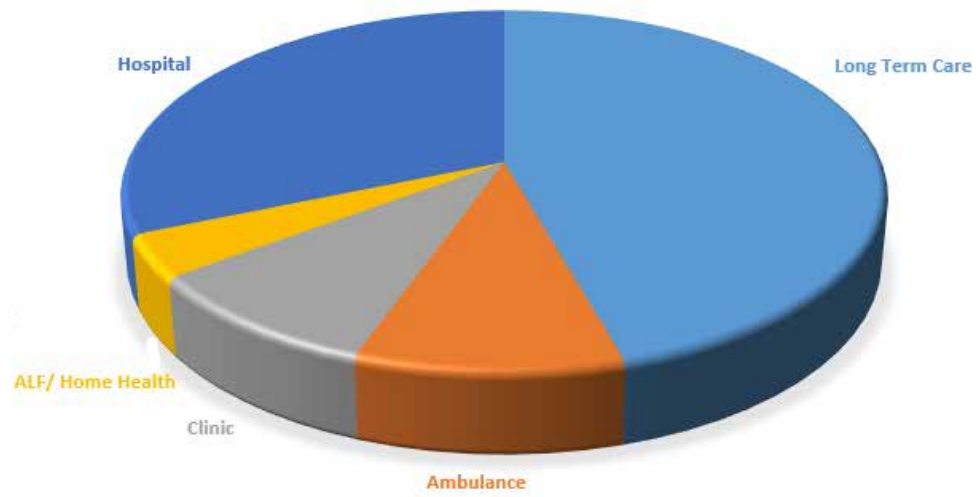
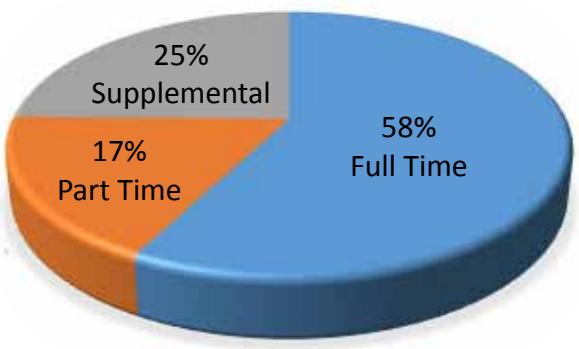


Residence of Staff



Staff by Divisions

Employee Status



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 2016, our total community benefit expense was \$94,870.

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 2016 was \$72,387.

Thank You for Attending the 16th Annual Meeting of Southwest Healthcare Services

Delegates for Southwest Healthcare Service's Annual Meeting

Agnes Kitzan
Anita McLaughlin
Betty McGee
Bruce Hagen
Charlene Honeyman
Chrissy Blankenbaker
Corrie Fish
Deb Patterson
Dorene Lorge
Gene Fischer
Jory Reisenauer

Judy Jung
Kari Gerbig
Kathy Pauley
Leroy Clendenen
Marilyn Fischer
Nicole Njos
Pastor Ed Kvaale
Paul Brooks

Randy Gaebe
Scott Ouradnik
Susie Powell
Tom Fish