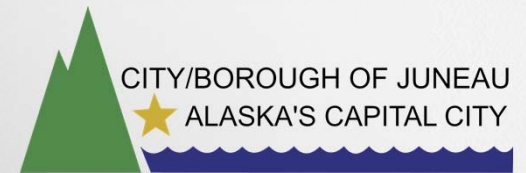




Finance Committee

June 12, 2019

Bartlett
Regional Hospital



Bartlett Regional Hospital

FINANCE COMMITTEE MEETING
June 12, 2019 – 7:00 a.m.
Bartlett Regional Hospital – Boardroom
Agenda

Mission Statement

Bartlett Regional Hospital provides its community with quality, patient-centered care in a sustainable manner.

CALL TO ORDER

APPROVAL OF MINUTES – May 8, 2019

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<u>Old or New</u>	<u>Desired Response</u>
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1. April 2019 Financial Statements Review
 - A. April Financial Review
 - B. Statistics
 - C. Financial Indicators
 - D. Income Statement
 - E. Revenue Worksheet
 - F. Wages
 - G. Balance Sheet
 - H. Accounts Receivable
 - I. Write-Offs
 - J. Capital Spending

New Action

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2. Other

- A. Swing Bed Proposal

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Next Meeting: July 10, 2019 @ 7:00 am in BRH Boardroom

Committee member comments / questions

ADJOURN

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900 www.bartletthospital.org

Finance Committee Meeting Minutes BRH Boardroom – May 8, 2019

Called to order at 7:00 a.m. by Finance Committee Chair, Dr. Bob Urata.

Finance Committee & Board Members: Dr. Bob Urata (Chair), Mark Johnson, Deb Johnston, Marshal Kendziorek

Staff: Kevin Benson, CFO, Chuck Bill, CEO, Bradley Grigg, CBHO, Dallas Hargrave, HR Director, Karen Taug, Controller, Megan Taylor, Executive Assistant, and Scott Chille, IS Director

Mr. Johnson made a MOTION to approve the minutes from the April 10, 2019 Finance Committee Meeting, following a correction. Dr. Urata noted no objections and they were approved.

March 2019 Finance Review – Kevin Benson, CFO

Mr. Benson explained that Bartlett Regional Hospital continued to see inpatient revenue that is below expectations. However, there was an improvement compared to February (15% below, versus 20% under budget in February). Capital spending comes in at 33% of budget spent, with one quarter left in the fiscal year. Mr. Benson noted that the financials for the month of April 2019 seem to have rebounded.

IS Update – Scott Chille, Director

Mr. Chille presented an overall update on projects – past, present, and future. He explained that he is coming up on his one year mark at BRH, and presented a summary of all he and his team have accomplished in that year:

- Access Layer Switches Replaced
- Firewall Upgrades
- Redundant Internet Speeds
- Wireless Controller Upgrades
- Citrix Access (replaced old network)
- Privileged Access Management
- Security Awareness Program
- Overhaul of Cable Management Systems

Security Awareness Program updates included our Organizational Risk Score of 20.0 (20th percentile good) and that the training video series is set to begin soon. Although numbers of people who click through on phishing emails had decreased dramatically, Mr. Chille states the numbers of those who report the emails has decreased as well. He has ideas on rewarding those who report phishing emails in order to raise reporting numbers.

Recently completed projects included the Critical Care Flowsheet, which has received very positive reactions by the CCU staff, the MU2 attestation (and MU3 is being worked on), T-system cloud integration, and Summit Exchange Interface engine. In progress projects included the Windows 10 upgrade (anticipating 300 desktops by 2020), TELCOR/iStat/Smartpumps, and Access e-forms.

Helpdesk improvements included training to increase “First Call Resolution”, which is up 200%, and decrease “Average Ticket Handle Time”, which is down 75%. Departmental improvements are in progress. Meditech downtimes continue on the third Thursday of each month, but they are now caught up, so downtimes are able to be shorter to cover just the current upgrade(s).

Upcoming projects included both 1. The VxBlock installation to merge the three “silos” of Meditech, PACS, and other hospital technical storage and processing needs into one structure that will result in an approximately 75% decrease of physical footprint and allow for shared storage space, and 2. Replacing the Core that is eight or more years old, and had a lifecycle of five to seven years. There has been six major outages attributed to the Core in the last nine months. *(No action needed to be taken on the cost of core replacement since it was already in the approved budget.)*

Ophthalmic Equipment – Chuck Bill

Mr. Bill explains that a signed contract should be received this week, Alaska licensure is in progress following a request for additional documents, and the credentialing file is in. He states he may be able to fast-track some of the process claiming emergency need. Mr. Jurrens, the OR director, should be ready to present the equipment needed to the board at the meeting on May 28th so that purchasing can begin as soon as possible. Ideally the ophthalmologist would begin in June, serving as best they can until the equipment arrives, namely performing Macular Degeneration injections. There is space in Bartlett Surgery Center, but the physical space needed for the equipment is minor.

Next Meeting: June 12th, 2019 at 7:00 a.m. in BRH Boardroom

Adjourned – 7:46 a.m.

DATE: June 5, 2019
TO: BRH Finance Committee
FROM: Kevin Benson, CFO
SUBJECT: April Financial Statements

BRH saw an improvement in the financial result for April than what has been seen throughout the 3rd quarter of the fiscal year. Inpatient activity and the resulting revenue continues to track below budget but less than prior months. Acute Patient Days were 16% less than budget producing Inpatient Revenue that was 10% below budget. Outpatient revenue was very strong exceeding budget by \$977,000 or 12%. Total revenue for the month exceeded budget by \$571,000 or 4%. After discounts Net Patient Revenue finished at \$396,000 in excess of budget. Expenses exceeded budget by \$449,000 or 5.4%. This resulted in an Operating Income of \$31,000 short of the budget target of \$84,000. After Non-Operating Revenue of \$265,000 the final Net Income was \$297,000 which was 9% greater than budget.

Expenses finished \$449,000 over budget or 5.4%. This unfavorable variance was driven primarily by overages in staffing (\$223,000). Contract Labor continues to drive this variance being \$221,000 greater than budget. Supply costs were also well over budget at \$321,000.

On a year to date basis BRH has a Net Income of \$1,465,000 and is behind the budget target of \$2,757,000. The year to date Income from Operations percent is -0.82% while the final Net Income percent is at 1.75%.

Other Significant Items:

- Hospital Revenue continues to track ahead of the prior year having generated \$7.7 million (5.7%) more in Gross Patient Revenue than in the prior year.
- Physician Revenue shows growth in the current year running 15.5% over the prior year.
- Total Expenses for the year are over budget by 0.1% (\$107,000) and 2.8% greater than the prior year.
- The Balance Sheet shows a transfer of cash to CIP appropriated funding of \$3.4 million for the pharmacy/Infusion Therapy and Rainforest projects.
- BRH continues to benefit from a PERS credit due to a refund of forfeitures in the amount of \$90,000 per month. This is expected to end in May.
- \$2.6 million or 33% of capital spending has been committed toward the capital budget of \$7.7 million. It is expected that that BRH will under spend its capital budget by \$2 million in the current year.

**Bartlett Regional Hospital
Dashboard Report for April 2019**

Facility Utilization:	CURRENT MONTH					YEAR TO DATE			
	Actual	Budget	% Over (Under) Budget	Prior Year	Prior Month (March)	Actual	Budget	% Over (Under) Budget	Prior Year
Hospital Inpatient: Patient Days									
Patient Days - Med/Surg	323	394	-18%	394	336	3,849	3,994	-4%	3,994
Patient Days - Critical Care Unit	103	87	18%	87	102	916	885	4%	885
Patient Days - Swing Beds	0	25	-100%	0	0	0	250	-100%	0
Avg. Daily Census - Acute	14.2	16.9	-16%	16.0	14.1	15.7	16.9	-7%	16.0
Patient Days - Obstetrics	89	66	35%	66	65	668	670	0%	670
Patient Days - Nursery	77	58	33%	58	55	617	585	6%	585
Total Hospital Patient Days	592	605	-2%	605	558	6,050	6,132	-1%	6,132
Births	34	21	62%	21	28	274	269	2%	269
Mental Health Unit									
Patient Days - Mental Health Unit	251	287	-13%	287	279	2,778	2,909	-5%	2,909
Avg. Daily Census - MHU	8.4	9.6	-13%	9.6	9.0	9.1	9.6	-5%	9.6
Rain Forest Recovery:									
Patient Days - RRC	363	348	4%	348	351	3,402	3,327	2%	3,327
Avg. Daily Census - RRC	12	11.6	4%	11.6	11	11	10.9	2%	10.9
Outpatient visits	66	59	11%	59	43	253	601	-58%	601
Inpatient: Admissions									
Med/Surg	56	76	-26%	76	54	672	738	-9%	738
Critical Care Unit	42	39	8%	39	37	394	400	-2%	400
Obstetrics	34	22	55%	22	30	278	282	-1%	282
Nursery	34	22	55%	22	28	284	285	0%	285
Mental Health Unit	34	55	-38%	55	32	362	442	-18%	442
Total Admissions - Inpatient Status	200	214	-7%	214	181	1,990	2,147	-7%	2,147
Admissions - "Observation" Status									
Med/Surg	54	54	0%	54	45	562	530	6%	530
Critical Care Unit	24	29	-17%	29	23	314	274	15%	274
Mental Health Unit	1	1	0%	1	2	23	16	16%	16
Obstetrics	14	9	56%	9	22	184	161	14%	161
Nursery	0	0	0%	0	0	7	10	-30%	10
Total Admissions to Observation	93	93	0%	93	92	1,090	991	10%	991
Surgery:									
Inpatient Surgery Cases	48	59	-19%	59	34	450	497	-9%	497
Endoscopy Cases	98	83	18%	83	103	964	945	2%	945
Same Day Surgery Cases	118	101	16%	101	108	937	1,027	-9%	1,027
Total Surgery Cases	264	244	8%	244	245	2,351	2,469	-5%	2,469
Total Surgery Minutes	17,445	15,780	11%	15,780	14,710	149,837	159,902	-6%	159,902
Outpatient:									
Total Outpatient Visits (Hospital)									
Emergency Department Visits	1,052	1,308	-20%	1,308	1,172	11,808	13,254	-11%	13,254
Cardiac Rehab Visits	113	69	64%	69	100	823	697	18%	697
Lab Visits	387	234	65%	234	319	3,024	3,220	-6%	3,220
Lab Tests	8,686	9,016	-4%	9,016	9,361	92,077	95,663	-4%	95,663
Radiology Visits	869	822	6%	822	851	8,416	8,436	0%	8,436
Radiology Tests	2,461	2,315	6%	2,315	2,425	24,952	24,477	2%	24,477
Sleep Study Visits	29	24	23%	24	26	251	239	5%	239
Physician Clinics:									
Hospitalists	223	244	-9%	244	142	1,801	2,476	-27%	2,476
Bartlett Oncology Clinic	69	64	7%	64	91	704	630	12%	630
Behavioral Health Outpatient visits	340	346	-2%	346	274	3,553	4,269	-17%	4,269
Orthopedic Clinic (NEW)	-	15	-100%	15	3	37	157	-76%	157
Special Clinic Outpatient visits	-	0	0%	-	0	-	-	0%	-
Bartlett Surgery Specialty Clinic visits	318	385	-17%	385	296	2,981	3,896	-23%	3,896
	950	1,055	-10%	1,055	806	9,076	11,428	-21%	11,428
Other Operating Indicators:									
Dietary Meals Served	31,658	21,779	45%	21,779	28,446	268,239	220,697	22%	220,697.34
Laundry Pounds (Per 100)	405	400	1%	400	376	3,964	4,032	-2%	4,032

**Bartlett Regional Hospital
Dashboard Report for April 2019**

Facility Utilization:	CURRENT MONTH				YEAR TO DATE			
	Actual	Budget	% Over (Under) Budget	Prior Year	Actual	Budget	% Over (Under) Budget	Prior Year
Financial Indicators:								
Revenue Per Adjusted Patient Day	3,972	4,273	-7.1%	4,063	4,093	4,427	-7.5%	4,200
Contractual Allowance %	43.1%	39.9%	8.1%	47.9%	40.8%	39.9%	2.3%	39.7%
Bad Debt & Charity Care %	-0.2%	3.1%	-107.3%	-2.6%	2.3%	3.1%	-25.6%	1.3%
Wages as a % of Net Revenue	47.5%	46.1%	3.1%	51.1%	49.2%	46.1%	6.9%	46.8%
Productive Staff Hours Per Adjusted Patient Day	21.0	22.9	-8.1%	22.8	22.0	23.7	-7.2%	24.1
Non-Productive Staff Hours Per Adjusted Patient Day	3.4	2.6	29.5%	3.8	3.6	2.7	32.4%	3.3
Overtime/Premium % of Productive	4.06%	6.23%	-34.8%	3.96%	6.10%	6.23%	-2.1%	6.31%
Days Cash on Hand	112	119	-6.0%	111	117	119	-1.2%	109
Board Designated Days Cash on Hand	154	164	-6.0%	130	162	164	-1.2%	130
Days in Net Receivables	50.1	50	0.0%	45	50.1	50	0.0%	45
					Actual	Benchmark	% Over (Under)	Prior Year
Total debt-to-capitalization (with PERS)					64.5%	33.7%	91.5%	45.1%
Total debt-to-capitalization (without PERS)					20.5%	33.7%	-39.0%	20.1%
Current Ratio					8.17	2.00	308.4%	6.07
Debt-to-Cash Flow (with PERS)					9.60	2.7	255.5%	8.98
Debt-to-Cash Flow (without PERS)					3.06	2.7	13.2%	4.00
Aged A/R 90 days & greater					49.7%	19.8%	151.1%	
Cash Collections					99.8%	99.4%	0.4%	
POS Cash Collection					2.8%	21.3%	-87.1%	
Cost of Collections (Hospital only)					4.4%	2.8%	58.8%	
Charity Care Write off					0.2%	1.4%	-85.7%	
Bad Debt Write off					-0.2%	0.8%	-119.0%	
Discharged not Final Billed (DNFB)					12.0%	4.7%	155.3%	
Unbilled & Claims on Hold (DNSP)					12.0%	5.1%	135.3%	
Claims final billed not submitted to payor (FBNS)					0.8%	0.2%	306.0%	

BARTLETT REGIONAL HOSPITAL
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH AND YEAR TO DATE OF APRIL 2019

MONTH ACTUAL	MONTH BUDGET	MO \$ VAR	MTD % VAR	PR YR MO		YTD ACTUAL	YTD BUDGET	YTD \$ VAR	YTD % VAR	PRIOR YTD ACT	PRIOR YTD % CHG
\$3,947,171	\$4,257,545	-\$310,374	-7.3%	\$3,937,727	1. Inpatient Revenue	\$41,125,343	\$43,143,201	-\$2,017,858	-4.7%	\$40,568,704	1.4%
\$842,642	\$1,042,513	-\$199,871	-19.2%	\$1,101,769	2. Inpatient Ancillary Revenue	\$8,936,737	\$10,564,013	-\$1,627,276	-15.4%	\$10,390,376	-14.0%
\$4,789,812	\$5,300,058	-\$510,245	-9.6%	\$5,039,496	3. Total Inpatient Revenue	\$50,062,080	\$53,707,214	-\$3,645,134	-6.8%	\$50,959,081	-1.8%
\$8,723,767	\$7,746,508	\$977,259	12.6%	\$7,024,268	4. Outpatient Revenue	\$80,448,311	\$78,497,913	\$1,950,398	2.5%	\$72,866,235	10.4%
\$13,513,579	\$13,046,566	\$467,014	3.6%	\$12,063,764	5. Total Patient Revenue - Hospital	\$130,510,392	\$132,205,127	-\$1,694,735	-1.3%	\$123,825,316	5.4%
\$375,622	\$374,864	\$758	0.2%	\$359,086	6. RRC Patient Revenue	\$3,575,975	\$3,798,608	-\$222,634	-5.9%	\$3,819,342	-6.4%
\$260,199	\$200,056	\$60,143	30.1%	\$144,144	7. BHOPS Patient Revenue	\$1,999,363	\$2,027,225	-\$27,862	-1.4%	\$1,784,257	12.1%
\$801,722	\$758,513	\$43,209	5.7%	\$642,038	8. Physician Revenue	\$7,822,140	\$7,686,274	\$135,866	1.8%	\$6,722,860	16.4%
\$14,951,122	\$14,379,999	\$571,124	4.0%	\$13,209,031	9. Total Gross Patient Revenue	\$143,907,870	\$145,717,234	-\$1,809,365	-1.2%	\$136,151,774	5.7%
Deductions from Revenue:											
\$3,130,726	\$2,635,501	-\$6,913	-0.3%	\$3,676,306	10. Inpatient Contractual Allowance	\$29,325,199	\$26,665,285	-\$2,659,914	-10.0%	\$26,690,861	9.9%
-\$308,333	-\$308,333	\$0		-\$308,333	10a. Rural Demonstration Project	-\$3,083,330	-\$3,083,330	\$0		-\$3,083,330	
\$3,178,556	\$2,881,254	-\$297,302	-10.3%	\$2,457,776	11. Outpatient Contractual Allowance	\$28,505,946	\$29,196,710	\$690,764	2.4%	\$25,804,592	10.5%
\$448,165	\$528,487	\$80,322	15.2%	\$506,114	12. Physician Service Contractual Allowance	\$3,996,587	\$5,355,338	\$1,358,751	25.4%	\$4,674,011	-14.5%
\$13,587	\$21,005	\$7,418	35.3%	\$15,824	13. Other Deductions	\$144,632	\$212,849	\$68,218	32.0%	\$175,915	0.0%
\$30,031	\$167,805	\$137,774	82.1%	\$110,575	14. Charity Care	\$861,611	\$1,700,424	\$838,813	49.3%	\$1,468,224	-41.3%
-\$63,536	\$271,975	\$335,511	123.4%	-\$456,620	15. Bad Debt Expense	\$2,412,109	\$2,756,018	\$343,909	12.5%	\$348,885	591.4%
\$6,429,196	\$6,197,694	\$256,810	4.1%	\$6,001,642	16. Total Deductions from Revenue	\$62,162,753	\$62,803,294	\$640,542	1.0%	\$56,079,157	10.8%
43.1%	42.0%			50.3%	% Contractual Allowances / Total Gross Patient Revenue	40.8%	42.0%			42.0%	
-0.2%	3.1%			-2.6%	% Bad Debt & Charity Care / Total Gross Patient Revenue	2.3%	3.1%			1.3%	
43.0%	43.1%			45.4%	% Total Deductions / Total Gross Patient Revenue	43.2%	43.1%			41.2%	
\$8,521,926	\$8,182,305	\$314,314	3.8%	\$7,207,389	17. Net Patient Revenue	\$81,745,117	\$82,913,940	-\$1,168,823	-1.4%	\$80,072,617	2.1%
\$223,262	\$166,801	\$56,461	33.8%	\$154,925	18. Other Operating Revenue	\$1,881,843	\$1,690,253	\$191,590	11.3%	\$1,647,119	14.3%
\$8,745,188	\$8,349,106	\$396,082	4.7%	\$7,362,314	19. Total Operating Revenue	\$83,626,959	\$84,604,193	-\$977,234	-1.2%	\$81,719,735	2.3%
Expenses:											
\$3,483,549	\$3,491,044	\$7,495	0.2%	\$3,358,782	20. Salaries & Wages	\$34,948,588	\$35,375,932	\$427,344	1.2%	\$33,669,753	3.8%
\$290,043	\$225,720	-\$64,323	-28.5%	\$178,440	21. Physician Wages	\$2,755,193	\$2,287,292	-\$467,901	-20.5%	\$1,960,970	40.5%
\$276,055	\$54,092	-\$221,963	-410.3%	\$142,948	22. Contract Labor	\$2,553,395	\$548,131	-\$2,005,264	-365.8%	\$1,838,536	38.9%
\$1,646,288	\$1,702,117	\$55,829	3.3%	\$1,582,146	23. Employee Benefits	\$16,059,566	\$17,248,180	\$1,188,614	6.9%	\$16,264,229	-1.3%
\$5,695,935	\$5,472,973	-\$222,962	-4.1%	\$5,262,316	24. Total Salaries and Benefits / Total Operating Revenue	\$56,316,742	\$55,459,535	-\$857,207	-1.5%	\$53,733,488	4.8%
65.1%	65.6%			71.5%	% Salaries and Benefits / Total Operating Revenue	67.3%	65.6%			65.8%	
\$80,287	\$77,184	-\$3,103	-4.0%	\$59,683	24. Medical Professional Fees	\$784,799	\$782,128	-\$2,671	-0.3%	\$767,751	2.2%
\$169,299	\$274,583	\$105,284	38.3%	\$284,317	25. Physician Contracts	\$2,290,588	\$2,782,427	\$491,839	17.7%	\$3,093,949	-26.0%
\$127,108	\$177,122	\$50,014	28.2%	\$103,867	26. Non-Medical Professional Fees	\$1,516,511	\$1,794,823	\$278,312	15.5%	\$1,748,300	-13.3%
\$1,326,925	\$1,005,156	-\$321,769	-32.0%	\$939,239	27. Materials & Supplies	\$10,549,571	\$10,185,574	-\$363,997	-3.6%	\$9,767,572	8.0%
\$125,133	\$122,698	-\$2,435	-2.0%	\$131,676	28. Utilities	\$1,211,861	\$1,243,333	\$31,473	2.5%	\$1,224,087	-1.0%
\$346,579	\$266,864	-\$79,715	-29.9%	\$263,868	29. Maintenance & Repairs	\$3,094,215	\$2,704,242	-\$389,973	-14.4%	\$2,582,273	19.8%
\$48,452	\$55,568	\$7,117	12.8%	\$46,391	30. Rentals & Leases	\$519,124	\$563,084	\$43,960	7.8%	\$635,773	-18.3%
\$39,314	\$40,046	\$732	1.8%	\$40,257	31. Insurance	\$584,562	\$405,791	-\$178,771	-44.1%	\$415,585	40.7%
\$595,239	\$630,575	\$35,337	5.6%	\$622,697	32. Depreciation & Amortization	\$6,019,503	\$6,389,822	\$370,319	5.8%	\$6,143,618	-2.0%
\$52,667	\$52,493	-\$174	-0.3%	\$53,995	33. Interest Expense	\$533,330	\$531,928	-\$1,402	-0.3%	\$545,440	-2.2%
\$106,951	\$89,969	-\$16,982	-18.9%	\$59,036	34. Other Operating Expenses	\$889,419	\$911,652	\$22,233	2.4%	\$747,063	19.1%
\$8,713,888	\$8,265,231	-\$448,656	-5.4%	\$7,867,342	35. Total Expenses	\$84,310,223	\$83,754,339	-\$555,885	-0.7%	\$81,404,898	-3.6%
\$31,300	\$83,875	-\$52,575	-62.7%	-\$505,028	36. Income (Loss) from Operations	-\$683,264	\$849,854	-\$1,533,118	-180.4%	\$314,837	-317.0%
\$128,263	\$38,548	\$89,715	232.7%	\$26,549	37. Interest Income	\$620,393	\$390,619	\$229,774	58.8%	\$247,973	150.2%
\$137,028	\$149,709	-\$12,681	-8.5%	\$162,889	38. Other Non-Operating Income	\$1,528,129	\$1,517,047	\$11,082	0.7%	\$1,513,602	1.0%
\$265,290	\$188,257	\$77,033	40.9%	\$189,438	39. Total Non-Operating Revenue	\$2,148,522	\$1,907,666	\$240,856	12.6%	\$1,761,576	22.0%
\$296,590	\$272,132	\$24,458	-9.0%	-\$315,589	40. Net Income (Loss)	\$1,465,258	\$2,757,520	-\$1,292,262	46.9%	\$2,076,413	29.4%
0.36%	1.00%			-6.86%	Income from Operations Margin	-0.82%	1.00%			0.39%	
3.39%	3.26%			-4.29%	Net Income	1.75%	3.26%			2.54%	

Bartlett Regional Hospital
 April 2019 Financial Operating Summary

Financial Group	In-Pt		Out-Pt April		Physician Division April		BRH Total	
	April	April Budget	Actual	April Budget	Actual	April Budget	April Actual	April Budget
Aetna	450,530	345,775	1,615,713	1,295,540	151,594	98,192	2,217,836	1,739,507
Blue Cross	428,021	535,695	1,565,610	1,316,059	148,944	186,299	2,142,575	2,038,053
Comm	65,820	224,606	319,009	397,555	101,906	102,054	486,735	724,215
MCD	2,117,923	1,845,888	1,741,466	1,613,036	328,108	213,367	4,187,498	3,672,291
MCR	1,847,006	2,409,803	2,712,478	2,304,557	270,325	256,960	4,829,809	4,971,320
Other	19,334	62,502	222,970	162,982	2,504	14,149	244,808	239,633
SEARHC	18,447	41,763	74,257	73,859	9,196	609	101,900	116,231
Self	30,405	62,635	125,336	210,801	1,211	29,296	156,952	302,732
VA/Cham	158,833	110,209	275,655	253,866	47,384	47,964	481,872	412,039
Worker's	29,688	24,108	70,702	130,191	749	9,679	101,139	163,978
Grand Total	5,166,007	5,662,984	8,723,195	7,758,446	1,061,921	958,569	14,951,123	14,379,999

Commercial	974,059	1,130,184	3,571,033	3,139,345	403,193	396,224	4,948,285	4,665,753
Government	4,161,544	4,470,165	5,026,825	4,408,300	657,517	533,049	9,845,886	9,411,514
Self Pay	30,405	62,635	125,336	210,801	1,211	29,296	156,952	302,732
Total Charges	5,166,007	5,662,984	8,723,195	7,758,446	1,061,921	958,569	14,951,123	14,379,999

% of Hospital Charges 28% 31% 34% 31% 4% 4% 65.9% 65.4%

Prior Month

Commercial	874,170	1,167,843	3,161,143	3,243,986	440,920	409,437	4,476,233	4,821,266
Government	4,250,751	4,619,172	4,755,744	4,555,245	550,019	550,818	9,556,514	9,725,235
Self Pay	(32,596)	64,721	83,092	217,829	9,074	30,273	59,570	312,823
Total Charges	5,092,325	5,851,736	7,999,979	8,017,060	1,000,013	990,528	14,092,317	14,859,324

% of Hospital Charges 30% 31% 34% 31% 4% 4% 67.8% 65.4%

Type	Description	April Actual	April Budget	<u>April Actual</u> <u>(Over) / Under</u> Budget
6010	Mgrs & Supervisors	433,935	419,263	(14,672)
6020	Techs & Specs	684,769	699,458	14,689
6030	RN's	772,507	834,392	61,885
6040	Clerical & Admin	359,024	365,427	6,403
6060	Clinical - Other	280,565	286,522	5,957
6070	Non-Clinical - Other	195,675	213,897	18,222
6100	Overtime	124,735	82,005	(42,730)
6110	Call Back	42,504	44,495	1,991
6120	Shift Differentials	117,018	116,623	(395)
6130	On-Call	19,363	26,259	6,896
6090	Non Productive	459,470	402,703	(56,767)
6105	Premium Pay	-	-	-
6190	Bonuses	-	-	-
	Grand Total	3,489,564	3,491,044	1,480
6050	Physicians	290,043	225,720	(64,323)
6500	Contract Labor	276,055	54,092	(221,963)
	Physician Contracts	566,098	279,812	(286,286)

BARTLETT REGIONAL HOSPITAL
BALANCE SHEET
April 30, 2019

	April-19	March-19	June-18	<u>CHANGE FROM PRIOR FISCAL YEAR</u>
ASSETS				
Current Assets:				
1. Cash and cash equivalents	30,207,846	30,055,428	36,115,860	(5,908,014)
2. Board designated cash	37,070,712	36,884,366	34,304,989	2,765,723
3. Patient accounts receivable, net	13,369,034	13,256,304	12,991,632	377,402
4. Other receivables	2,659,140	2,555,453	1,919,498	739,642
5. Inventories	3,512,998	3,508,090	3,068,151	444,847
6. Prepaid Expenses	1,407,177	1,525,757	728,834	678,343
7. Other assets	28,877	28,877	28,877	-
8. Total current assets	<u>88,255,784</u>	<u>87,814,275</u>	<u>89,157,841</u>	<u>(902,057)</u>
Appropriated Cash:				
9. CIP Appropriated Funding	4,565,905	4,565,905	1,178,300	3,387,605
Property, plant & equipment				
10. Land, bldgs & equipment	148,687,296	148,477,252	146,626,471	2,060,825
11. Construction in progress	717,529	663,727	233,207	484,322
12. Total property & equipment	<u>149,404,824</u>	<u>149,140,979</u>	<u>146,859,678</u>	<u>2,545,146</u>
13. Less: accumulated depreciation	<u>(96,777,102)</u>	<u>(96,289,698)</u>	<u>(91,385,019)</u>	<u>(5,392,084)</u>
14. Net property and equipment	52,627,722	52,851,281	55,474,659	(2,846,938)
15. Deferred outflows/Contribution to Pension Plan	8,564,873	8,564,873	8,564,873	-
16. Total assets	<u>154,014,284</u>	<u>153,796,334</u>	<u>154,375,673</u>	<u>(361,389)</u>
LIABILITIES & FUND BALANCE				
Current liabilities:				
17. Payroll liabilities	1,188,181	960,012	1,663,508	(475,327)
18. Accrued employee benefits	3,734,889	3,646,985	3,528,376	206,513
19. Accounts payable and accrued expenses	2,075,203	2,417,243	1,664,366	410,837
20. Due to 3rd party payors	1,305,651	958,731	2,548,844	(1,243,192)
21. Deferred revenue	1,232,279	1,729,957	17,111	1,215,168
22. Interest payable	199,850	131,779	350,344	(150,494)
23. Note payable - current portion	845,000	845,000	820,000	25,000
24. Other payables	223,179	177,761	1,031,592	(808,414)
25. Total current liabilities	<u>10,804,231</u>	<u>10,867,468</u>	<u>11,624,141</u>	<u>(819,909)</u>
Long-term Liabilities:				
26. Bonds payable	18,130,000	18,130,000	18,975,000	(845,000)
27. Bonds payable - premium/discount	1,446,311	1,461,716	1,608,050	(161,739)
28. Net Pension Liability	62,996,347	62,996,347	62,996,347	-
29. Deferred In-Flows	9,841,533	9,841,533	9,841,533	-
30. Total long-term liabilities	<u>92,414,191</u>	<u>92,429,596</u>	<u>93,420,930</u>	<u>(1,006,739)</u>
31. Total liabilities	103,218,423	103,297,064	105,045,071	(1,826,648)
32. Fund Balance	50,795,862	50,499,269	49,330,603	1,465,259
33. Total liabilities and fund balance	<u>154,014,284</u>	<u>153,796,334</u>	<u>154,375,673</u>	<u>(361,389)</u>

Bartlett Regional Hospital
Accounts Receivable
April 30, 2019

Aging by Fin Grp	Unbilled A/R	0-30	31-60	61-90	91-120	121-150	151+	A/R Total	Billed & Unbilled	Billed & Unbilled
									4/30/2019	3/31/2019
Aetna	\$254,788	\$335,721	\$504,046	\$146,260	\$67,509	\$28,592	\$268,901	\$1,351,030	\$1,605,818	\$1,605,818
Blue Cross	\$135,423	\$416,019	\$126,409	\$7,030	\$123,761	\$5,736	\$92,254	\$771,210	\$906,633	\$906,633
CB	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Com	\$30,639	\$59,529	\$25,528	\$103,505	\$25,479	\$19,027	\$170,450	\$403,517	\$434,156	\$434,156
Medicaid	\$1,301,031	\$1,021,091	\$621,763	\$131,240	\$403,384	\$198,648	\$1,093,372	\$3,469,497	\$4,770,528	\$4,770,528
Medicare	\$1,205,843	\$1,172,314	\$115,188	\$9,240	\$11,227	\$2,173	\$204,429	\$1,514,571	\$2,720,414	\$2,720,414
Medicare Rep	\$0	\$0	\$0	\$811	\$0	\$0	\$19,449	\$20,260	\$20,260	\$20,260
Other	\$12,846	\$73,386	\$166,370	\$24,602	\$12,681	\$15,960	\$272,033	\$565,032	\$577,878	\$577,878
SEARHC	\$0	\$8,284	\$3,356	\$272	\$40	\$222	\$7,206	\$19,379	\$19,379	\$19,379
Self	\$15,563	\$119,629	\$152,534	\$500,799	\$136,058	\$14,279	\$2,294,662	\$3,217,960	\$3,233,522	\$3,233,522
VA	\$97,492	\$182,090	\$113,701	\$79,423	\$118,253	\$7,485	\$195,824	\$696,775	\$794,267	\$794,267
Worker's	\$0	\$33,100	\$0	\$0	\$1,642	\$0	\$20,663	\$55,405	\$55,405	\$55,405
in-patient	\$3,053,626	\$3,421,161	\$1,828,895	\$1,003,181	\$900,034	\$292,121	\$4,639,243	\$12,084,636	\$15,138,261	\$15,138,264
Aetna	\$433,417	\$1,069,712	\$368,976	\$173,831	\$55,202	\$32,704	\$125,241	\$1,825,666	\$2,259,082	\$1,993,267
Blue Cross	\$484,301	\$900,343	\$336,275	\$170,191	\$30,700	\$12,341	\$49,888	\$1,499,738	\$1,984,040	\$1,908,757
CB	\$0	\$0	\$0	\$0	\$0	\$0	\$413	\$413	\$413	\$0
Com	\$51,814	\$221,492	\$78,751	\$50,136	\$16,470	\$6,268	\$155,089	\$528,206	\$580,020	\$546,182
Medicaid	\$525,751	\$578,217	\$98,562	\$118,791	\$168,755	\$108,618	\$477,362	\$1,550,304	\$2,076,055	\$1,970,550
Medicare	\$885,601	\$1,189,472	\$97,080	\$39,794	\$98,837	\$117,434	\$128,083	\$1,670,701	\$2,556,302	\$2,521,473
Medicare Rep	\$0	\$0	\$8,407	\$0	\$0	\$80	\$92,579	\$101,066	\$101,066	\$102,767
Other	\$20,550	\$21,294	\$60,843	\$72,975	\$3,628	\$2,776	\$240,524	\$402,040	\$422,590	\$733,174
SEARHC	\$20,888	\$64,360	\$30,409	\$5,141	\$1,540	\$619	\$2,041	\$104,110	\$124,998	\$253,323
Self	\$32,203	\$141,367	\$356,781	\$462,809	\$365,144	\$223,074	\$4,611,827	\$6,161,002	\$6,193,205	\$6,203,490
VA	\$131,748	\$284,665	\$90,812	\$51,482	\$22,991	\$38,251	\$298,620	\$786,821	\$918,568	\$933,712
Worker's	\$7,332	\$57,337	\$123,174	\$38,629	\$43,887	\$10,729	\$93,762	\$367,519	\$374,851	\$426,578
out-patient	\$2,593,604	\$4,528,260	\$1,650,071	\$1,183,778	\$807,154	\$552,895	\$6,275,429	\$14,997,586	\$17,591,189	\$17,593,272
Aetna	\$688,205	\$1,405,434	\$873,022	\$320,090	\$122,711	\$61,296	\$394,142	\$3,176,695	\$3,864,900	\$3,599,085
Blue Cross	\$619,725	\$1,316,361	\$462,684	\$177,221	\$154,461	\$18,078	\$142,143	\$2,270,948	\$2,890,673	\$2,815,390
CB	\$0	\$0	\$0	\$0	\$0	\$0	\$413	\$413	\$413	\$0
Com	\$82,453	\$281,021	\$104,279	\$153,642	\$41,950	\$25,294	\$325,538	\$931,723	\$1,014,176	\$980,339
Medicaid	\$1,826,781	\$1,599,308	\$720,325	\$250,030	\$572,139	\$307,265	\$1,570,734	\$5,019,801	\$6,846,583	\$6,741,077
Medicare	\$2,091,444	\$2,361,786	\$212,269	\$49,035	\$110,064	\$119,606	\$332,513	\$3,185,272	\$5,276,716	\$5,241,887
Medicare Rep	\$0	\$0	\$8,407	\$811	\$0	\$80	\$112,028	\$121,326	\$121,326	\$123,028
Other	\$33,396	\$94,680	\$227,214	\$97,576	\$16,309	\$18,736	\$512,557	\$967,072	\$1,000,468	\$1,311,052
SEARHC	\$20,888	\$72,643	\$33,765	\$5,413	\$1,581	\$841	\$9,246	\$123,489	\$144,376	\$272,702
Self	\$47,766	\$260,996	\$509,315	\$963,608	\$501,202	\$237,353	\$6,906,488	\$9,378,961	\$9,426,727	\$9,437,012
VA	\$229,240	\$466,755	\$204,513	\$130,905	\$141,243	\$45,736	\$494,444	\$1,483,596	\$1,712,835	\$1,727,979
Worker's	\$7,332	\$90,437	\$123,174	\$38,629	\$45,530	\$10,729	\$114,424	\$422,924	\$430,256	\$481,983
Grand Total	\$5,647,229	\$7,949,420	\$3,478,966	\$2,186,959	\$1,707,188	\$845,016	\$10,914,671	\$27,082,221	\$32,729,450	\$32,731,533

Aged Balance excludes Credit Balances

	April-19	March-19
Aging without credits	\$27,082,221	\$27,073,018
Unbilled	\$5,647,229	\$6,002,196
total without credits	\$32,729,450	\$33,075,214

April 2019 Write-Offs - Bartlett Regional Hospital

Adjustments

One Time PPD Ins	\$0.00	
Timely Filing	\$2,532.50	1
Compliance/Risk/Adminstrative	\$491.97	1
SP Prompt Pay Disc	\$15,617.82	125
Timely RRC-BOPS/LABS	\$0.00	0
Demographic Informaiton	\$0.00	0
Auth Denials	\$1,462.86	1
Denied Appeals	\$0.00	
Provider Enrollment BH	\$97,674.01	39
Mental Health BD Adj	\$36,587.70	
	\$154,366.86	

Collections

One Time Ins PPD	\$0.00	
Collections SPPPD	\$84,385.21	125
	\$84,385.21	

**Bartlett Regional Hospital
Capital Spending
Progress as of April 30, 2019**

**1 Patient Safety/Compliance/IT Security
2 End of Life/Revenue Enhancer/Cost saver
3 Future End of Life/Nice to have**

Cap#	DEPT #	DEPARTMENT	DESCRIPTION	CAPITAL	Substitution	Purchased Thru	Remaining	Priority	FY	Notes
						April 2019	Budget Balance			
19-001	6020	CCU	Progressa Beds (1)	38,000		40,335	(2,335)	2	2019	Obsolete beds replacing Current Bariatric bed was purchase in 2011 and is at end of life. We have had issues with bed breaking down. Biomed has asked it be replaced.
19-011	6020	CCU	Bariatric Progressa Bed	44,269		38,592	5,677	2	2019	Replacing bed purchased in 2001. Again, it is end of life and biomed has concerns about keeping up maintenance with frequent work orders.
19-022	6020	CCU	Progressa Beds (1)	39,829			39,829	2	2019	2019 orders.
19-002	6065	Mental Health Unit	Outfit Exam Room	10,000			10,000	3	2019	Hospitalist's request
19-003	6080	OB	Nitronox Model E Stand	-			-	2	2019	For Pain management;short acting
19-004	6080	OB	Halo Bassinets	-			-	2	2019	Replace older bassinets, will provide safer sleep practices
19-023	6080	OB	VS Monitors for OB 6 & 7(2)	10,000		12,618	(2,618)	1	2019	Need to provide for continuous SpO2 monitoring for patients who are on PCA with basal rate. These monitors would be mounted in the rooms and we could monitor at the nursing station.
19-024	6080	OB	Labor & Delivery Beds(3)	61,000			61,000	2	2019	Replace beds greater than 10 years old. Ergonomically safer for staff when breaking down bed for delivery.
19-025	6170	RT	Blood Gas Analyzer	21,000			21,000	2	2019	Current units approaching 7 years of 10 year lifespan. End of life. \$28K unit & 7K for interfacing
19-026	6170	RT	Phillips Respironics V60 Non-invasive Ventilator	12,992			12,992	2	2019	This is intended to replace one of two Respironics Vision Non-invasive Ventilators that are not supported (end of life) since 7/30/16. These machines have a high utilization rate in CCU and ED.
19-027	6170	RT	Phillips Respironics V60 Non-invasive Ventilator	13,000			13,000	3	2020	This is intended to replace one of two Respironics Vision Non-invasive Ventilators that are not supported (end of life) since 7/30/16. These machines have a high utilization rate in CCU and ED.
19-028	6170	RT		32,864			32,864	3	2020	This is intended to replace the second PB 840 that is end of life/support as of 12/31/2020. This is part of an ongoing transition to this ventilator as we are currently in the process of replacing another PB 840 that has failed. We need to maintain a minimum of 4 functional ICU vents to meet patient care needs.
18-006	6210	Operating Room	Washer/Disinfector	128,601			128,601	1	2018	To expedite instrument turn over in Central Sterile Processing. The current washer is frequently down for repairs and maintenance;
19-005	6210	Operating Room	LMA Stone Breaker	-			-	2	2019	Used to break up large bladder stones
19-006	6210	Operating Room	Ultra Light Urology Camera (1)	-			-	2	2019	Used for Cysto-Urological cases. Have two currently but cases are being delayed due to turnover/repair
19-007	6210	OR	Anesthesia Machine	30,865			30,865	2	2019	With addition of a new surgeon an additional machine is necessary
19-029	6210	OR	3 Urology HD Camera Heads	34,641		30,169	4,472	2	2019	Current camera heads are old and we have no service agreement. We are having to send them out for repair frequently incurring extra cost and when they are out of service it results in delays and empty OR rooms which is loss in money and productivity
19-030	6210	OR	Omni Retractor Set	7,500			7,500	2	2019	We have 3 general surgeons and only 1 such retractor. When this retractor is used after hours and on weekends We pay the scrub tech overtime of a minimum of 3 hours to reprocess in case another emergency arises.
19-031	6210	OR	Rigid Ureterscope	8,294			8,294	2	2019	Only having 1 creates a 1.5 hour delay for this instrument to be reprocessed resulting in loss of revenue and productivity
19-032	6210	OR	Semi Rigid Ureterscope	8,294			8,294	2	2019	Only having 1 creates a 1.5 hour delay for this instrument to be reprocessed resulting in loss of revenue and productivity
19-033	6210	OR	Flexible Fiber Optic Nephroscope	7,719			7,719	2	2019	The one we have is so old that the only way to sterilize it is to soak it in glutaraldehyde for 20 minutes and then rinse in 3 separate basins of sterile water. When needed for an emergency in the ED or here in surgery it is a long delay compromising patient care.
19-034	6210	OR	Orthopedic Broken Screw Removal Set	22,741			22,741	3	2020	Orthopedic Broken Screw Removal Set
19-035	6210	OR	Washer Sterilizer	107,000			107,000	3	2020	We have one washer sterilizer and several times throughout the year it has been nonfunctional interfering with operational needs in the surgery dept. and standard of care. In addition we are busier with more total joint replacements and have added another surgeon. Having a second washer sterilizer would make our department more efficient in getting sterilized trays out.

**Bartlett Regional Hospital
Capital Spending
Progress as of April 30, 2019**

**1 Patient Safety/Compliance/IT Security
2 End of Life/Revenue Enhancer/Cost saver
3 Future End of Life/Nice to have**

Cap#	DEPT #	DEPARTMENT	DESCRIPTION	CAPITAL	Substitution	Purchased Thru April 2019	Remaining Budget Balance	Priority	FY	Notes
19-008	6230	Emergency Room	Phillips Portable Monitors (2)	42,000		40,247	1,754	1	2019	The ED currently has 5 hardwired cardiac monitors and two portable cardiac monitors, adding two more portable cardiac monitors will allow 9 of the 12 ED rooms to be able to become a monitored bed. During busy summers the ED frequently has to move less sick monitored patients into a hall bed to make room for a critical patient. Having two extra monitors would allow the patients to continue to be monitored even though they are in a hall bed. * quote was sent for one, I am requesting two.
19-009	6230	Emergency Room	Sonosite Ultrasound Probe	11,500		11,285	215	1	2019	This ultrasound probe allows providers to do bedside screening on patients that have a large habitus. Having this probe in the ED would allow for early recognition of potentially life threatening conditions that the current probes have less of sensitivity for.
19-036	6230	Emergency Room	ETCO2 Module (5)	24,000		26,160	(2,160)	1	2019	With CMS requiring ETCO2 monitoring for more patients this capital request would allow the majority of the ED's hardwired monitored beds to have ETCO2 monitoring. I am also asking for two ETCO2 modules for our two portable monitors, this would allow ETCO2 monitors to be used in non-hardwired rooms. * Please keep in mind that the attached quote includes ETCO2's for CCU.)
18-009	7010	Lab	Cobas 6000 Chemistry Analyzer-Duplicated item-will not be purchased	135,224			135,224	3	2018	Propose going to a single analyzer, with proven reliability/Ice stat
18-010	7010	Lab	ACL Top 350 CTS System	50,000		50,000	-	2	2018	Replacement of current ACL Elite Coagulation Analyzer, current system is 8 years old and cannot produce needed cutoff with D-Dimer method Used for coagulation studies to include D-dimer. ER physicians want a unit with 500 DD units. Unit is currently 7 years old.
19-037	7010	70 Lab/Histology	Coagulation Analyzer-Duplicated item will not be purchased	50,000			50,000	2	2019	Current Sero fuge in Blood bank est 30 plus years old. Cytofuge was determined by Bio Med as not safe. Need replacement. Been sharing with histology, but need one specific to lab.
19-038	7010	7013 Lab/Histology	Blood Bank Sero-Fuge and Stat spin cytofuge	8,500			8,500	2	2019	2020 Plan for Capital for 2019 - 2020
19-039	7010	7013 Lab/Histology	Vitek (microbiology analyzer)	65,000			65,000	3	2020	Plan for Capital for 2019 - 2020
19-040	7010	7013 Lab/Histology	Bacti Alert (blood culture analyzer)	45,000			45,000	3	2020	Plan for Capital for 2019 - 2020
19-041	7010	70 Lab/Histology	Temperature monitoring system - 36, RT, 2-8, -20 and -70.	20,000			20,000	3	2020	Complete monitoring system for all temps in Laboratory, Histology. This is a CAP standard, which we must monitor. Currently this is all manual. Plan for Capital 2019-2020
19-042	7042	Ultrasound	Phillips Ultrasound (4)	720,858		700,684	20,174	2	2019	1st year under warranty, \$59,588 service contract per year after
19-043	7045	MRI	Bayer MRI injector	52,253		43,225	9,028	2	2019	1st year under warranty, \$5,454 service contract 5yrs thereafter
19-044	7062	Wellness	NOVA Blood Glucose Monitors Interface-Meditech Software	13,512			13,512	3	2019	This has been on the back burner since before we made the transition from Magic to the current system. Initially the plan was to implement this when the original meters were phased in but due to the cost of multiple interfaces due to the EMR change it was delayed.
19-010	7070	Pharmacy	Omniexplorer	37,173			37,173	3	2019	Allows nurses to find medications in other Omnicell cabinets
18-011	7070	Pharmacy	Pharmacy Surveillance software for drug diversion	30,000			30,000	1	2019	Software is needed to audit the use of controlled substances.
18-012	7070	Pharmacy	Infusion Pumps	525,000			525,000	2	2019	New infusion pumps
18-013	7070	Pharmacy	Anesthesia Workstations	124,492		126,089	(1,596)	1	2018	Automated workstations to securely store, label, and electronically charge medications
19-045	7070	Pharmacy	Inventory Management Automation	114,800			114,800	2	2019	This computer system will be used to establish minimum and maximum levels for each medication and electronic ordering through our wholesaler. This should reduce the value of inventory and the amount of expired and wasted medications.
19-046	7070	Pharmacy	Automated system to check IV compounds and / or bar code scanning for clean room	8,000			8,000	1	2019	Hardware, iPads, for Pharmacy Keeper software. This software adds barcode verification and picture record keeping that improves patient safety. Also improves efficiency of medication use inspections throughout the hospital.

**Bartlett Regional Hospital
Capital Spending
Progress as of April 30, 2019**

**1 Patient Safety/Compliance/IT Security
2 End of Life/Revenue Enhancer/Cost saver
3 Future End of Life/Nice to have**

Cap#	DEPT #	DEPARTMENT	DESCRIPTION	CAPITAL	Substitution	Purchased Thru April 2019	Remaining Budget Balance	Priority	FY	Notes
										The tabletop Omnicell in SDS would be moved to the Infusion department to be used for medications, including controlled substances, administered during sleep studies to improve security and compliance. Pre-medications and adverse reaction treatments for Infusion would be kept in the location where they are needed without having pharmacy staff deliver doses for each patient. A single tower Omnicell for SDS will hold more pre-op medications which will
19-047	7070	Pharmacy	Automated dispensing cabinet	72,400			72,400	3	2020	improve efficiency in that department.
18-014	7091	PT	Construction of countertop/desk	10,000			10,000	3	2018	Redesign/construction of reception area and front desk
18-015	7091	PT	Room Divider for OT	8,000			8,000	3	2018	OT has no private patient area, also will provide sound mitigation
19-012	8110	Nutrition	Computation Software System	170,000			170,000	2	2019	New POS System, inventory and cost control, nutrient analysis, diet orders, intake analysis
										due to the amount of cook/chill production in our operation, this would assist our facility in implementing best practices for food safety by ensuring that food is chilled or frozen in required timeframes. This will also reduce condensation which is causing rust in our cooler and
19-048	8112	Nutrition	Blast Chill/Freezer	13,729			13,729	3	2020	freezer with current practices.
19-049	8112	Nutrition	Convection Oven	10,891		7,248	3,643	2	2019	– the current one is about to die.
19-050	8112	Nutrition	Fryer	9,731		24,344	(14,613)	2	2019	Current one needs to be replaced.
										the one that we purchased last year was unfortunately a 1 phase range. Consequently, it is very inefficient and is rarely even used by our cooks as it takes an hour to boil water. This new range is a 3 phase
19-051	8112	Nutrition	Range	8,452		7,952	500	2	2019	model that will be much more efficient.
19-013	8360	Facilities	Assess for Bulk Oxygen Storage-moved to FY20 Capital Budget	25,000			25,000	3	2020	
18-018	8360	Facilities	BOPS Exterior Painting	15,000			15,000	2	2018	
18-019	8360	Facilities	Bartlett House Flooring	50,000			50,000	2	2018	More durable & cleaning (Mark to looking into 50/50 rotation)
18-020	8360	Facilities	Admin Bldg - North Handicap Ramp/Stair Assessment	15,000			15,000	1	2018	Ramp is moving away from building
20-001	6170	Respiratory	Blood Gas Analyzer	-			-	3	2020	Current units approaching 7 years of 10 year lifespan. End of life. \$28K
18-021	8360	Facilities	Pharmacy Clean Room-moved to FY20 Capital Budget	400,000		47,626	352,374	1	2018	Pharmacy Remodeling to Comply with UPC 500
18-022	8360	Facilities	Digital CCTV ED	21,000			21,000	2	2018	installed for MHU & RRC want to add ER
18-023	8360	Facilities	Keypad to Prox Conversion	30,000		10,680	19,320	2	2018	
18-038	8360	Facilities	Fire Suppression System - Server Rooms	238,875		268,952	(30,078)		2018	
19-052	8360	Facilities	Box Truck	60,000			60,000	2	2019	Replace Box Truck purchased in 2003
19-053	8360	Facilities	Plow Truck	55,000			55,000	2	2020	Replace Plow Truck purchased in 2012
19-054	8360	Facilities	Administration Building Carpet	70,000			70,000	2	2019	Replace Carpet purchased in 2000
19-055	8360	Facilities	JMC Fire Alarm Replacement	125,000			125,000	1	2019	Building doesn't have a functional fire alarm system
19-056	8360	Facilities	JMC Flooring	50,000			50,000	3	2019	Luxury Vinyl Tile(LVT) and Carpet Tile
19-057	8360	Facilities	Chiller 2	50,000			50,000	3	2019	Currently functional, has had some problems in the past.
19-058	8360	Facilities	Boiler Room Ventilation (Help Lab Heat)	200,000			200,000	2	2019	Help control in lab
										Actual cost not known at this time. Estimate is less than \$100,000.
19-059	8360	Facilities	Endoscopy Ventilation Upgrade	99,000			99,000	3	2019	Does't move enough air.
19-060	8360	Facilities	Convert ASU 1 Heating to Glycol	100,000			100,000	2	2019	Original ventilatoin system. Water heating coil in system.
19-061	8360	Facilities	Replace Heating Coil ASU 15	50,000			50,000	2	2019	Heating for lab.
19-062	8360	Facilities	Dishroom Rebuild-moved to FY20 Capital Budget	100,000			100,000	3	2019	Purchased in 1999
19-063	8360	Facilities	Hawk Boiler Upgrade	160,000		53,801	106,199	2	2019	Feature added to boiler (O2 trim) increased efficiency.
19-014	8390	PAS	E-Forms/Signature	130,000		75,326	54,674	3	2019	Patient form software
										HIGH: If the we run out of storage space Medical Records will not be able to scan records into Meditech.
18-024	9200	IS	Meditech Scanning for Medical Records	107,000			107,000	1	2018	Evaluate the space on the Scanning and Archiving Meditech Server (Expected)
										Purchase new WISM-2 card for VSS pair, configure WISM-2's for high availability. Purchase 2 new outdoor AP's/Antennas and upgrade
18-025	9200	IS	Wireless: Infrastructure Upgrade	29,000		34,481	(5,481)	2	2018	Surgery Clinic shot.
										We budgeted for a Citrix Remote Access Solution. Compare with
18-028	9200	IS	Citrix Remote Access	36,732		14,545	22,187	1	2018	Virtual Desktops.
										Wireless IDS/IPS, RF monitoring, wireless policies, and historical
19-015	9200	IS	Wireless: AirMagnet Enterprise Upgrade	29,000		22,949	6,051	2	2019	RF/Policy Violation data
19-016	9200	IS	Critical Care Flowsheet	135,000		123,308	11,692	2	2019	Flowsheet style documentation
										Upgrade/Migrate Philips TraceMaster to Philips Intelli-ECG with
19-017	9200	IS	Philips to Meditech: Upgrade & Interface (IECG)-moved to FY20 Budget	145,000			145,000	2	2019	ADT/ORU
										Setup ADT/ORU between Philips OB System and Meditech; new
19-018	9200	IS	OB to Meditech Interface (IntelliSpace Perinatal Interface)-moved to FY20 Capital I	120,000			120,000	3	2019	monitors must be interfaced.

**Bartlett Regional Hospital
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Cap#	DEPT #	DEPARTMENT	DESCRIPTION	CAPITAL	Substitution	Purchased Thru	Remaining	Priority	FY	Notes
						April 2019	Budget Balance			
19-019	9200	IS	SEARHC: Cerner EHR to Meditech Interface-moved to FY20 Capital Budget	35,000			35,000	3	2020	Dr. Cate Buley, SEARHC Medical Director is requesting an interface of IHS (SEARHC and other) clinics interacting their Cerner EHR with BRH's Meditech.
19-020	9200	IS	Evaluate Two Factor Authentication & Proximity system-moved to FY20 Capital Bu	170,000			170,000	2	2019	Research solutions to see if we can elevate security at a reasonable cost
19-021	9200	IS	Meditech 6.16 Hardware Upgrade	100,000			100,000	3	2020	Hardware and licensing required for next version of Meditech 6.x
19-064	9200	IS	Summit InSync Software	13,500		13,500	-	3	2019	Keeps Test and Live dictionaries synchronized – Meditech. Requested quote.
18-030	9200	IS	Valco Merge or other software-moved to FY20 Capital Budget	60,000			60,000	2	2019	Migrate old Meditech archive data to new system.
18-031	9200	IS	Cisco Catalyst 3850	343,000		325,901	17,099	2	2018	2018 6509's EOL in 2012. We have 8 6509's to replace We run a collapsed core model. The switch that has the Dell environment connected is the old core. Once the work above is done, 2018 only access layer devices will remain.
18-033	9200	IS	Network Efficiency: Catalyst 6509-Main Decomission	42,875			42,875	2	2018	2018 only access layer devices will remain.
19-065	9200	IS	OpSus Recover or like solution-moved to FY20 Capital Budget	400,000			400,000	2	2019	2019 Complete Redundant Backup solution for Meditech.
19-066	9200	IS	Unitrends Backup Device	105,000		100,000	5,000	2	2019	2019 Secondary backup device for Split location backups.
19-067	9200	IS	NetApp Storage Shelf Expansion	85,000			85,000	2	2019	2019 Increase Capacity on our SAN, currently Critically low on space.
19-068	9200	IS	IAS Module – Meditech	12,000			12,000	2	2019	2019 and any implantation must use the 2.0 version. Upgrade to IAS 2.0 – support of IAS original module no longer exists, Interface Between Capitol Fire and Bartlett to send Patient information electronically
19-069	9200	IS	ImageTrend (CCFR interface)-moved to FY20 Capital Budget	75,000			75,000	2	2019	2019 information electronically
19-070	9200	IS	Oncology Module - Meditech-moved to FY20 Capital Budget	189,000			189,000	3	2020	2020 Proposed by Dr. Urata, Pharmacy, Infusion Therapy Ability to Proactively monitor services and functionality with BRH
19-071	9200	IS	Datacenter monitoring toolkit	65,000			65,000	2	2019	2019 network Devices and server equipment
19-073	9200	IS	Cisco Catalyst 3850	343,000	(69,000)	286,965	(12,965)	2	2019	2019 Remainder of Switches
19-074	9200	IS	Internet Routers		69,000	69,426	(426)	2	2019	2019 Increase Internet Speed form 100Mbps to 1Gbps (10x speed increase) over 15 years. Presently I only have one torso manikin that functions for our classes. This manikin does not meet standards for the AHA guidelines for ACLS class equipment. The other two manikins are
19-072	9405	Staff Development	Manikin ADDITIONS:	18,497		18,497	(0)	3	2019	2019 guidelines for ACLS class equipment. The other two manikins are
19-075	7041	IS	Rimage Catalyst 6000 CD Burner			23,780	(23,780)		2019	
19-076	7041	IS	Sorna Vertex 25EI CD Burner			20,096	(20,096)		2019	
19-077	8360	Facilities	Cafeteria Entry/Ramp Flooring			14,780	(14,780)		2019	
19-078	8360	Facilities	Dr. Miller's Office Flooring Replacement			17,115	(17,115)		2019	
19-079	7041	Diagnostic Radiology	Atlas Loading Car and Transfer Carriage			11,479	(11,479)		2019	
19-080	9200	IS	Hyperbaric Room Remodel			37,188	(37,188)		2019	
19-081	6230	OR	Rapid Disinfectant UVC Mobile Disinfection System			60,679	(30,679)		2019	
19-082	9200	IS	Moveit Automation Enterprise Software			12,873	(12,873)		2019	
19-083	6210	OR	Glidescope Advanced Video Laryngoscopy			19,303	(19,303)		2019	
18-039	9200	IS	Lab Handheld Data Manager Interface-Telcor Project			13,509	(13,509)		2018	
18-040	9200	IS	Addition to Bridgehead Filestore Archiving			19,460	(19,460)		2018	
18-041	8360	Facilities	Replace Doors and Transaction Windows			43,172	(43,172)		2018	
18-044	7047	Mamography	Mammo Plus Reading Software			26,800	(26,800)		2018	
18-045	7041	Diagnostic Radiology	Radiologist Reading Stations			49,550	(49,550)		2018	
19-084	9200	IS	Thyctic Secret Server			13,385	(13,385)		2019	
18-046	8360	Facilities	Fire Doors			36,245	(36,245)		2018	
19-085	6230	Emergency Room	I-Stat			21,470	(21,470)		2019	
19-086	9200	IS	Malware Software			13,780	(13,780)		2019	
19-087	9200	IS	VMWARE Software			28,856	(28,856)		2019	
19-088	6170	Respiratory Therapy	VMAX PFT WIN 10 Software Upgrade			9,717	(9,717)		2019	
				2018	1,784,798	-	1,067,010	717,789		
				2019	5,141,070	-	2,051,032	3,119,938		
				2020	795,734	-	-	795,734		
					7,721,602	-	3,118,041	4,633,461		
			FY19 Budget	5,785,000.00						

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801

907.796.8900

www.bartletthospital.org

DATE: June 4, 2019
TO: Charles Bill
FROM: Kevin Benson, Chief Financial Officer
RE: Swing Bed Project

Introduction:

A project included in the strategic plan for the current year was to investigate the possibility of implementing a swing bed program at BRH. The reasons this item is included in the strategic plan is twofold.

The first is related to patient care. Once a patient no longer meets medical necessity for inpatient care they need to be discharged. However, the patient can't be discharged without appropriate placement in a safe environment. So while a patient may not meet criteria for being in the hospital, they may not be able to care for themselves requiring placement in a skilled nursing facility. At any one time there may be few or no skilled nursing beds available in Juneau. This means looking for placement in a Nursing Home or Swing Bed placement in another hospital outside of Juneau. Until appropriate placement is found the patient must remain in the hospital

Placement outside of Juneau requires flying to another community and in some cases, may require an escort depending on the health of the patient and support of the family. The patient will then remain in that facility separated from friends and family until placement can be found in Juneau or they are deemed well enough to return home.

If BRH were to have a swing bed program discharging a patient to another facility would not be necessary and the patient could remain in the community until placement was found.

The second reason this project was included in the strategic plan is for financial purposes. With sustainability being a key component of the mission of the organization, it is important this program be able to be financially viable.

Evaluation:

To evaluate implementing a swing bed program it was determined the financial viability would first be examined. Previous research determined the program was marginal at best. This was based on the assumption BRH would receive RUG payments (RUGs are the equivalent of DRG payments but is the reimbursement model for long term care patients). It was determined that as a Rural Demonstration Project Hospital that BRH would be cost based reimbursed for swing bed days rather than on RUG reimbursement. This was confirmed through our consultants at Eide Bailey, CPAs and Central Peninsula Hospital in Soldotna which has swing beds and is also a Rural Demonstration Project Hospital.

The evaluation began with determining the volume of patients that could qualify for swing bed status. With the assistance of Case Management, a list of patients that were transferred to another facility for swing bed placement during the 2018 year was developed. It was found the patient volume was approximately 2 patients per day throughout the year.

The services of Eide Bailly were enlisted to rerun the Medicare Cost Report for 2018 with these added volumes to see what the impact might be. There were assumptions that were made as to what additional revenues these patients might generate while in Swing Bed status and what additional costs would be incurred to operate this program. The results showed that BRH would receive an additional \$1.1 million in net reimbursement after the additional expenses (see attached email).

Having determined that this project appears financially viable we needed to figure out how to enroll and get into the program. There are very few Rural Demonstration Project hospitals and it is unknown if any of them have ever tried to add a Swing Bed program. Eide Bailly who works with Noridian, our CMS administrator, was tasked with finding out the answer to that question. In the meantime, a site visit to Soldotna was scheduled to review and observe their Swing Bed program.

The CFO, CCO and Case Management Director completed this site visit to learn and understand operational aspects of running a Swing Bed program.

The following is a list of what was learned:

- The hospital would average as many as 8 or nine swing bed patients per day.
- The CFO was very satisfied with the program wanting first acute care patients followed by swing bed patients and finally empty beds.
- A dedicated nurse is needed to maintain the MDS (this is the long term care medical record). The MDS has a different set of documentation and medical record that needs to be maintained.
- Patient billing is different.
- Activity services need to be provided.

Set-Back:

Upon returning from the site visit to Soldotna, an email was received from CMS addressing reimbursement for Swing Bed patients at BRH (see email below). It states that cost based reimbursement is not available to BRH because swing beds were not included in the base year where rates were determined.

This was very disappointing information and makes the financial viability of the program very questionable. BRH could implement the program based on the assumption that cost based reimbursement would be available if the program were in place for the next Rural Demonstration Project base year which would be 2021. BRH could then implement this program at the end of the 2020 fiscal year. During the 2021 fiscal year the reimbursement would be based on RUG rates but should, after the filing of the cost report see retroactive reimbursement for the cost-based rates.

Of course this assumes Rural Demonstration Project reimbursement will be renewed. It is believed it will be but there is always a chance it will not.

Conclusion:

BRH should proceed with the implementation of a Swing Bed program effective in the 4th quarter of FY2020. For those patients in Swing Bed Status in FY2020, BRH would receive reimbursement based on RUG rates. However, the days would be in the FY2021 base year Medicare Cost Report to establish cost based rates which would be much higher. Cost based reimbursement would fulfill the sustainability mission of the organization and keeping patients locally would fulfill the patient care mission of the organization.

From: CMS RCH Demo <RCHDemo@cms.hhs.gov>
Sent: Tuesday, May 14, 2019 9:10 AM
To: Brian Bertsch <BBertsch@eidebailly.com>
Subject: RE: Swingbed - Rural Demo Facility

Mr. Bertsch –

We are sorry for the delay in responding.

Cost-based reimbursement under the Rural Community Hospital Demonstration is not allowable for this situation. The authorizing statute, section 410A of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, prescribes a specific payment methodology for the 5-year demonstration period. In the first (or base) year, payment for Medicare covered inpatient hospital services is the reasonable cost amount associated with providing those services. During years 2 through 5, payment is *the lesser of* the current year’s reasonable cost amount *or* the base year amount updated by the applicable percentage increase.

The hospital’s base year for the 5-year participation period authorized by the Cures Act is 1/1/2017 - 12/31/2017. Thus, the payment amount for Medicare inpatient services in the current year is limited by the cost amount in CY 2017 (updated by the inflation factor). The statutory language in section 410A says explicitly that the “lesser of” comparison applies to the reasonable costs of covered inpatient hospital services during the first cost reporting period, and that swing bed services are included. Thus, the appropriate comparison for the current round of participation is to the base year, i.e., 1/1/2017 – 12/31/2017. Since the hospital did not provide swing bed services in that year, newly added swing bed services cannot be reimbursed under the demo cost-based methodology at this time.

Siddhartha Mazumdar
Seamless Care Models Group
Center for Medicare and Medicaid Innovation
Centers for Medicare & Medicaid Services
(410) 786-6673



Memo

To: Kevin Benson, CFO – Bartlett Regional Hospital
From: Brian Bertsch - Principal
Date: March 27, 2019
Subject: Medicare Swingbed Reimbursement Analysis

Kevin,

Eide Bailly LLP conducted an analysis of the financial and reimbursement impact of having Medicare swingbed days provided by Bartlett Regional Hospital. The analysis included 730 Medicare swingbed patient days that would be provided by Bartlett Regional Hospital in addition to the existing acute patient days and volumes for the June 30, 2018 fiscal year. We utilized the June 30, 2018 filed Medicare cost report to determine the Medicare reimbursement impact under the CMS Rural Community Demonstration Program. Bartlett Regional Hospital, in conjunction with Eide Bailly LLP, determine these 730 additional swingbed days would generate approximately \$1,163,400 in gross revenue (\$292,000 in routine charges and \$871,400 in ancillary charges). From this revenue Bartlett Regional Hospital provided additional expenses that would be incurred due to the additional days. These expenses were a total of \$50,000 for an additional FTE and approximately \$144,000 in ancillary department variable expenses, for a total of \$194,000 in total expense.

Based on the assumptions noted above, the financial impact of providing the additional 730 Medicare swingbed days is as follows:

Estimated Impact utilizing June 30, 2018 Medicare cost report under Rural Community Demonstration Program

Expenses associated with additional swingbed days	(\$194,000)
Impact on current Inpatient Medicare reimbursement	(\$677,000)
Medicare Swingbed reimbursement for 730 days	\$1,976,600
Net Estimated Impact of providing 730 swingbed days	\$1,105,600

The analysis was prepared with the assumptions mentioned previously. Any changes in the assumptions of utilization, expenses and charges, along with other factors related to the base data utilized from the June 30, 2018 filed Medicare cost report would adjust the financial impact calculations.