

Currents

A Report TO THE Community

ANNUAL REPORT:

May 2016 - April 2017



LAKE
REGIONAL[®]
HEALTH SYSTEM

pictured on the cover:

(top) Lake Regional Health System's main entrance

*(bottom row, left to right) Lake Regional Medical Suites, Lake Regional Imaging Center,
Lake Regional Diagnostic & Surgery Center, and Lake Regional Emergency Department*



Mission

Provide exceptional health care

Vision

To be the first choice for health care

Values

- Integrity
- Patient Centered
- Clinical Excellence
- Commitment to Community

Core Competencies

- Agility
- Community Focus
- Quality

Seven Standards of Service Excellence

1. Make positive first impressions.
2. Treat others as guests.
3. Develop service recovery.
4. Communicate effectively.
5. Serve others from a team-centered approach.
6. Project a positive attitude.
7. Make excellence our goal.

Lake Regional Health System Board of Directors

<i>President</i>	Corey ten Bensel
<i>Vice President</i>	James Judas Jr.
<i>Treasurer</i>	Wayne Compton
<i>Secretary</i>	Robert G. Schwendinger
<i>Assistant Secretary</i>	Charles McElyea
<i>Members</i>	Greg Anderson
	Grant Barnum, D.O., FACOI
	Kevin G. Byrne, D.O.
	John Caine
	Karen Faiferlick
	Alan Mead, M.D.
	Dennis Michaelree
	John Parrish
	John Patton, D.O., FACS
	Larry Shields

Medical Staff Officers

<i>Chief of Staff</i>	John Patton, D.O., FACS
<i>Secretary/Treasurer</i>	Joshua Brickner, D.O.

Administration

- Michael E. Henze, *Chief Executive Officer*
- Michael Burcham Sr., *Vice President of Physician Practices*
- David Halsell, *Senior Vice President of Financial Services/Chief Financial Officer*
- Kevin McRoberts, *Senior Vice President of Operations*
- Patti Muxlow, *Senior Vice President of Clinical Services*
- Patrick O’Neil, D.O., *Senior Vice President of Medical Affairs*
- Scott Poest, *Chief Information Officer*
- Tom Williams, *Vice President of Employee and Community Development*

Caring FOR OUR Community

In many ways, fiscal year 2017 has been a time to prepare for new things to come. Construction projects, designed to improve access to care, dotted the hospital campus and clinics. For nine months, Nichols Road was under construction, with the final section opening in May 2017. The new roundabout allows traffic to access the campus, especially the Emergency Department, more quickly from Highway 54.

Lake Regional purchased the surgery center on Nichols Road, now known as Lake Regional Diagnostic & Surgery Center, and configured the building for certain outpatient services. This move was the first of several pieces put in place for the eventual complete remodel of the hospital's Outpatient Services department in fiscal year 2018. Planning for the new Family Birth Center and other aspects of a five-year master plan to update facilities also occurred during the past year, with construction scheduled to begin August 2017.

Our clinics also grew and accepted new challenges. In May 2016, Lake Regional Medical Suites opened; in July 2016, we broke ground on a \$4.5 million expansion of Lake Regional Clinic - Eldon. And throughout FY 2017, the clinics transitioned to a new electronic medical record system, Meditech 6.1. This change put the clinics on the same platform as the hospital, making clinical data more accessible to care providers in both the acute and outpatient settings, and creating a single patient portal for our customers. These projects demonstrate to the community that Lake Regional is committed to ensuring our patients receive the best experience and the best care possible.

And of course, it has been a time of preparation for a new chief executive officer. It has been a privilege to serve as CEO of Lake Regional Health System for more than 27 years. During that time, I have worked alongside many



FISCAL YEAR 2017 *Accomplishments*

Lake Regional achieved significant milestones in caring for our community during fiscal year 2017.

- Lake Regional Medical Suites Opens
May 2016
- Expanded Sleep Center Opens
May 2016
- Specialty Clinics Earn PCMH Designation
May 2016
- Lake Regional Clinic - Eldon Hosts Expansion Groundbreaking
July 2016
- Health System Earns Most Wired Recognition
July 2016
- Sleep Center Earns American Academy of Sleep Medicine Accreditation
December 2016
- Hospital Earns Re-accreditation by The Joint Commission
February 2017

talented professionals to provide care for area residents, as well as visitors to the lake. I have appreciated their support and the support of our community, and it is with great pride that I say we have accomplished much together.

Lake Regional's unwavering commitment to creating a healthier community is evidenced in the accomplishments described in this report. On behalf of Lake Regional's board of directors, physicians, employees and volunteers, I am pleased to present the FY 2017 "Currents: A Report to the Community."

Sincerely,

A handwritten signature in black ink that reads "Michael E. Henze". The signature is written in a cursive, flowing style.

Michael E. Henze, CEO

Construction



Projects

EXPAND CAMPUS FOOTPRINT, COMMUNITY OUTREACH



1 In May 2016, the newly expanded Lake Regional Sleep Center opened, located in Suite G on the hospital's third floor. With the opening of the new center, Philip Mataverde, D.O., MPH, a board-certified neurologist and sleep specialist, devoted his time exclusively to treating Sleep Center patients. Lisa Boggs, DNP, APRN, FNP-C, joined Lake Regional Sleep Medicine Clinic in March 2017. The providers also offer clinics in Versailles and Eldon to meet the growing demand for this service.

Pictured at bottom left are Philip Mataverde, D.O., MPH, and Lisa Boggs, DNP, APRN, FNP-C.

2 The new roundabout on Nichols Road, under construction during most of fiscal year 2017, created a new entrance to Lake Regional's campus that allows traffic to flow easily from Highway 54.

3 Lake Regional Medical Suites opened in May 2016, creating a new home for Lake Regional ENT & Audiology. The new location allowed the clinic to expand to offer retail hearing aid services, in addition to treatment for ear, nose, and throat disorders, allergies, and pediatric otolaryngology.

Pictured at bottom center are Edward Barns, M.D., FACS, and Jonathan Wilson, Au.D., CCC-A, FAAA.

4 Lake Regional Health System held a groundbreaking July 21, 2016, to celebrate the expansion of Lake Regional Clinic – Eldon to be completed in August 2017. The project includes a two-story, 20,000-square-foot addition for primary care and pediatrics, specialty care and retail pharmacy, and renovations to the existing rehabilitation therapy clinic, expanded parking and a new entrance from Maple Street.

Pictured at bottom right are René Revelle, FNP-C; Julie Russell, FNP; Michael E. Henze, CEO; and Corey ten Bensele, Lake Regional board president.



Contributions TO THE

As a nonprofit corporation, Lake Regional Health System is committed to benefitting the community we serve. This chart highlights some of Lake Regional's contributions to the community in fiscal year 2017.

Uncompensated Care - Charity (at cost) charity care for individuals who qualified	\$ 3,628,092
Uncompensated Care - Bad Debt (at cost) the uncollectible amount patients were personally responsible for after all third-party payers paid	5,677,899
Unpaid costs of Medicare the difference between what it cost to provide medical services and the reimbursement Lake Regional received from Medicare	10,527,816
Free Medical Services services include health screenings and education, support groups, nutrition education and medical forums	358,934
Health Professionals Education scholarships awarded to individuals pursuing health care careers	39,078
Financial Contributions community causes supported by LRHS in FY 2017, including the Camden County Health Department, Citizens Against Domestic Violence and Tri-County YMCA	253,851
Taxes Social Security and Medicare payroll taxes, unemployment taxes and real estate taxes paid by LRHS	4,755,984
TOTAL	\$ 25,241,654

Community



Angela Creasy, M.S., CCC-SLP, Lake Regional Speech Therapy

Statistical

Lake Regional Health System Fiscal Year 2017

	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Full-time equivalent employees* (consolidated)	1,083	1,034	1,015	1,047	1,081
Patient days (all services)	20,120	19,895	20,782	21,997	24,225
Acute care patient discharges	4,616	4,555	4,515	4,578	5,227
Observation discharges	2,045	2,167	2,429	2,730	2,971
Skilled Nursing Facility discharges	414	367	363	378	383
Babies delivered	593	591	528	562	724
Emergency Department visits	37,653	36,421	34,925	33,869	35,351
Express Care visits	21,290	18,474	18,058	12,725	9,335
Outpatient visits	245,068	240,685	228,225	225,100	224,332
Surgical visits	4,852	4,428	4,354	4,738	4,328
Endoscopy visits	3,768	3,779	3,736	3,697	3,383
Cardiac Rehab visits	47,099	45,611	44,545	43,400	45,306
Cardiac and vascular catherization visits	1,720	1,722	1,894	1,643	1,475
CT scans (consolidated)	17,312	16,320	14,909	13,745	12,541
MRI scans (consolidated)	5,896	5,672	5,126	4,943	4,374
Mammograms (consolidated)	4,938	5,223	4,918	5,015	4,790
Laboratory procedures	400,438	355,374	334,959	322,859	316,471
Lake Regional clinic visits	203,838	194,046	182,024	175,710	164,669
Home Health visits	5,633	3,944	3,575	3,227	3,068
Radiation Oncology visits	6,894	5,597	5,616	5,500	5,672
Medical Oncology visits	5,958	5,828	5,801	5,828	5,343

* Full-time equivalent employees are computed by dividing the total hours by 2080

Information



Stephanie Ezard, R.N., and Jennifer Newman, R.N., CEN, cPT, Lake Regional Cardiopulmonary Rehabilitation

Consolidated

Revenue and Expenses

	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Gross Revenue:					
Inpatients	\$167,223,852	\$155,986,129	\$158,350,740	\$158,034,094	\$162,421,615
Outpatients	397,192,928	369,585,979	364,926,154	341,778,654	289,065,306
We did not receive payment:					
Uncompensated Care - Charity (at charges)	(12,648,532)	(12,933,082)	(9,429,258)	(12,681,237)	(11,162,642)
Uncompensated Care - Bad Debt (at charges)	(19,794,725)	(18,337,183)	(20,758,725)	(18,113,679)	(17,430,838)
From third parties (Medicare, Medicaid, insurance companies)	(344,480,006)	(321,977,903)	(321,105,274)	(303,094,412)	(265,642,792)
In addition, we received:					
From cafeteria, federal funding of electronic health records and other sources	2,432,680	2,934,475	3,524,842	4,676,218	3,753,480
From gifts and interest income on temporary investments	3,747,706	4,106,969	5,640,740	4,805,008	2,682,202
TOTAL FUNDS AVAILABLE:	\$193,673,903	\$179,365,384	\$181,149,219	\$175,404,646	\$163,686,331
We applied funds to:					
Salaries and wages	72,484,734	68,945,669	65,610,283	67,099,058	67,237,391
Employee benefits	16,628,629	14,901,279	14,954,781	15,899,815	16,449,591
Supplies, utilities and other expenses	82,751,986	75,664,824	74,542,875	73,073,441	69,577,201
Mortgage principal, interest, equipment and future services	21,808,554	19,853,612	26,041,280	19,332,332	10,422,148
TOTAL FUNDS APPLIED:	\$193,673,903	\$179,365,384	\$181,149,219	\$175,404,646	\$163,686,331

Information



*Mona Afrassiab, D.O., FACOG; Tilly Schmidt, APRN, WHNP-BC; Becky Watson, M.D., FACOG;
Megan Ray, APRN, WHNP-BC; and Loraine Nolla, M.D., FACOG, Lake Regional Obstetrics and Gynecology*



(at top) Rick Larmore, Mitch Lucas, Courtney Hulett and Randall Barnes, D.O., represented RehabVisions at the 38th annual HK's Hospital Benefit Golf Tournament.

(lower left) Family Birth Center employees served lunch at the event. Pictured: Annie Havner, R.N.; Mindy Tibben, R.N.; and Trish Jung, R.N.

(lower right) HK's Committee Chairs Susan Brown, Peter Brown Jr. and Cecilia Thomsen present a check for \$125,000 to Terri Hall, Lake Regional Fund Development director.

LAKE REGIONAL HEALTH SYSTEM

Fund Development

Contributions to Lake Regional Health System support our mission to provide exceptional health care. Donations totaling \$406,899 during fiscal year 2017 will help ensure the future of our hospital by providing a supply of revenue when needs increase. Thank you to our many generous donors. Following are just some of the ways you are making a difference at Lake Regional Health System.

- Proceeds of \$125,000 from the 38th Annual HK's Hospital Benefit Golf Tournament helped purchase fetal heart monitors for the Family Birth Center.
- The purchase of memorial and commemorative bricks, totaling \$2,100, enhanced the Courtyard near the Emergency Department, a place for quiet reflection for visitors and employees.
- The Lake Area Christmas for Kids donated \$3,000 to help purchase

equipment for children receiving treatment in the Emergency Department and inpatient areas.

- During October, area businesses raised money for Lake Regional Cancer Center's HOPE program. More than \$25,500 was raised by Bad Donkey Tattoo, Baxter's Lakeside Grille, Bella Donna Salon, Camdenton R-III Girls Varsity Volleyball team, Culligan Lake of the Ozarks, Shirl Melton, Michael's Steak Chalet, Moulder's Mud Run, Panera Bread, Ronnie's Tuesday Dance, Spa Shiki, Totes for TaTas and others.
- Lake Regional's ninth annual Fun Run Walk, held May 7, 2016, raised \$5,380 to purchase equipment for Cardiopulmonary Rehabilitation.

Look for additional information in the Lake Regional Fund Development Lifeline newsletter.

Mission

Lake Regional Health System Fund Development Committee will serve as ambassadors in the community to inform and educate the public on the needs of the hospital, programs for giving and the many benefits that Lake Regional Health System provides for the continued health of lake-area residents and visitors.

Vision

To support the future hospital needs and foster community health through donations and permanent endowment growth.

Purpose

To facilitate fundraising activities that support Lake Regional Health System and administer programs recognizing and thanking generous donors as commissioned by the Lake Regional Health System Board of Directors.

Fund Development Committee Members

John Blair
Rob Frazee
Gary Hamner
Chris Hermann
Darren Krehbiel
Dennis Michaelree
Joe Roeger
William Washburn

Volunteer



Jeanne Harshman, Lake Regional Hospital Auxiliary

Contributions

May 2016 through April 2017

Total volunteer hours: 53,721

Total active volunteers: 236

During fiscal year 2017, Lake Regional Hospital Auxiliary raised \$83,000 to help purchase fetal heart monitors for the Family Birth Center.

Altogether, 236 Auxilians volunteered 53,721 hours. Volunteers staffed The Shoppes, offering gifts, coffee and snacks to visitors and employees, as well as visitor information areas and other areas of service.

The Auxiliary also administers the Ethel Rayburn Nursing Scholarship program, which began in 1979.

During this fiscal year, the Auxiliary awarded \$15,000 in scholarships to deserving employees pursuing nursing careers. Many Lake Regional employees have benefited from this scholarship program.

Lake Regional Hospital Auxiliary Board Members

Pat Andersen

Joe Barfield

Susan Barfield

Jayne Brown

Nancy Cason

Betty Coleman

Donna Dwiggin

Sherri Dye

Rita Ernest

Nancy Groves

Jeanne Harshman

Mary Ann Hodgson

Linda Landrum

Ray Landrum

Pat Miller

Bill Ricker

Bea Roggy

Mary Schnoring

Dorothy Scrocco

Bonnie Shepherd

Carolyn Solomon

Alyce Vitor

Brenda Wood

Recognition

Dedicated Service

In June 2016, **Susan Brown** retired from the Lake Regional Health System Board of Directors. During her tenure, which began June 1998, the board oversaw substantial capital improvements, including the development of Lake Regional Cancer Center in 2009, as well as the preservation of Lake Regional history with the creation of the electronic History Wall in 2015. In addition to her board service, Brown co-chairs the annual HK's Hospital Benefit Golf Tournament, which her father began in 1979. The tournament has raised more than \$3 million for Lake Regional medical departments and the purchase of medical equipment. Her experience and leadership have been important to Lake Regional's success, and we thank her for her faithful support.



In Memory

Dr. Otis Moseley, 84, passed away May 20, 2017. Dr. Moseley practiced medicine for 50 years and helped lead the effort to start a community hospital at the lake. When Lake of the Ozarks General Hospital — now Lake Regional Health System — opened in 1978, Dr. Moseley was one of only seven physicians on staff. He was a founding member of the hospital's board of directors and served continuously through March 2012. He was known to say, "I have delivered hundreds of babies in this community, but that hospital was by far the largest of them all!" Dr. Moseley's steadfast dedication to LRHS is a lasting legacy for our employees and the community, and he will be remembered fondly.



*Micheal Durham, D.O.,
Lake Regional Clinic -
Camdenton and
Lake Regional Clinic -
Macks Creek*



Lake Regional Clinics

BY LOCATION

For a complete list of
Lake Regional Health
System medical staff, visit
www.lakeregional.com/providers.

Lake Regional Hospital

Lake Regional Cancer Center
Lake Regional Cardio-Thoracic Surgery
Lake Regional Endocrinology
Lake Regional Heart and Vascular
Lake Regional Nephrology
Lake Regional Sleep Medicine
Lake Regional Wound Healing Center

Lake Regional Clinic – Camdenton

Primary Care, Pharmacy, Rehab Therapy,
Cardiopulmonary Rehab, Aquatics

Lake Regional Clinic – Eldon

Primary Care; Express Care; Pharmacy;
Rehab Therapy; Cardiopulmonary Rehab;
Digital X-Ray; Aquatics; Audiology;
Cardiology; Ear, Nose and Throat; Sleep
Medicine; Women’s Health; Orthopedics

Lake Regional Clinic – Iberia

Primary Care, Pharmacy delivery

Lake Regional Clinic – Lake Ozark

Primary Care, Pharmacy, Rehab Therapy,
Cardiopulmonary Rehab

Lake Regional Clinic – Laurie

Primary Care, Express Care, Pharmacy,
Rehab Therapy, Cardiopulmonary Rehab

Lake Regional Clinic – Macks Creek

Primary Care, Pharmacy delivery

Lake Regional Clinic – Osage Beach

Primary Care, Express Care, Pharmacy

Lake Regional Imaging Center

Lake Regional Arthritis and Rheumatism
Lake Regional Neurology
Lake Regional Orthopedics
Lake Regional Podiatry
Lake Regional Urology

Lake Regional Medical Office Building

Lake Regional General Surgery
Lake Regional Obstetrics and Gynecology
Lake Regional Occupational Medicine
Lake Regional Pulmonology

Lake Regional Medical Suites

Lake Regional ENT & Audiology

State Road KK – Osage Beach

Lake Regional Cardiology
Lake Regional Cardiovascular Institute

Prairie Hills Clinic – Versailles

Audiology; Cardiology; Ear, Nose and
Throat; Sleep Medicine; Women’s Health



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