



Editor's Note: Henry County Health Center's Annual Report provides information about financials, quality, service, patient safety, Friends of HCHC and HCHC Foundation activities for 2018-2019.

Providing benefit to Henry County residents

Henry County Health Center provides over \$1.6 million in community benefits to Henry County, according to an assessment by the Iowa Hospital Association (IHA). Community benefits improve health status and increase access to health care.

The survey accounts for programs and services implemented in direct response to the needs of individual communities, entire counties and regions. Many of these programs and services would not exist without HCHC's support and leadership. HCHC continues to implement strategies that increase value to patients and communities which include programs to improve the health of area residents and better meet the health care needs of our communities.

Charity Care: \$108,775

Charity care is free or discounted health services provided to persons who cannot afford to pay and who meet HCHC's financial assistance policy criteria.

Bad Debt Expense: \$908,481

Services for which HCHC does not collect payment.

Community Benefits Programs & Services: \$558,490

Includes: Community Benefit Operations, Community Building Activities, Community Health Improvement Services, Financial and In-Kind Contributions, Health Professions Education, and Subsidized Health Services.

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HENRY COUNTY HEALTH CENTER

CARE YOU TRUST. COMPASSION YOU DESERVE.

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 Editor: Shelley L. Doak
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Pictured is one of many ways HCHC gives back to the community. Through the 12th Annual Fellowship Cup Food Drive, associates showed support for area families by giving food and/or monetary donations which totaled \$477 this year.



Greetings everyone. We are pleased to present this year's annual report to provide you an overview of the health center operations for this past fiscal year.

I would like to congratulate our amazing associates, medical staff and our Board of Trustees for the recognitions the health center received this past year. Henry County Health Center was recognized as a 2019 Top 100

Critical Access Hospital from The Chartis Center for Rural Health. Top 100 hospital recognition is based on the results from publicly reported data of all 1349 Critical Access Hospitals in the United States. HCHC also received this award in 2016. To be amongst the top 100 out of 1349 is a testament to the wonderful work our associates and medical staff provide on a daily basis. In addition, the health center was recognized by the Healthcare Financial Management Association (HFMA) as one of the 2019 MAP award winners for High Performance in Revenue Cycle. This is a tremendous honor as HCHC is the only Critical Access Hospital to be a multiple winner of this national recognition. This is the fourth time HCHC has been recognized by HFMA with this honor. Recipients of this national recognition are organizations who have exceeded in performance in the areas of revenue cycle benchmarks, patient satisfaction scores, process improvement and new initiatives for price transparency for our patients.

I would like to review the health center's performance this past fiscal year. We achieved many of our organizational goals. Our patient satisfaction and quality performance continues to have high performing outcomes. The most recent CMS hospital star rating report has HCHC as a four star hospital (five star is the best) for both patient satisfaction and overall quality. The health center's 30 day readmission rate from the health center hit our targeted goal for the year and continues to be below our peer group and statewide average. HCHC's employee turnover rate was our lowest in the last three years. Overall patient procedures/volume grew by 3.5% from the year prior. These outcomes

demonstrate the tremendous work our associates and medical staff deliver each and every day.

Unfortunately, the health center's financial performance on the income statement was significantly challenged. Despite increasing gross patient revenue by 6.3% and operating expenses increasing only 2% from the prior year, this performance was negatively impacted with having an increase of our patient revenue coming from Medicare and Medicaid. Payments from these two governmental payers do not cover the costs to provide services. Our challenges have worsened since the start of the Iowa Medicaid Managed Care Organizations (MCOs) in April 2016. At the end of fiscal year 2016, the percent of the health center's revenue that came from Iowa Medicaid was 13%. For this past fiscal year (June 30, 2019), the percent of the health center's revenue from Iowa Medicaid and MCOs was 18%.

Thankfully, the health center's balance sheet remains strong at this time. Financial indicators from the balance sheet still are performing better than benchmarks. However, we will need to continue to examine how the health center can further reduce operational expenses and examine all service lines for sustainability with having such a high percentage of the health center's patient revenue coming from governmental insurances. These same challenges are impacting rural hospitals in Iowa and nationwide.

We are very fortunate to have seven caring and engaged individuals who serve as HCHC's Board of Trustees. Much thanks goes to Robert, Kent, Jan, Carmen, Sally, Joel and Carla for all of your leadership, time and service in your role as a trustee.

I would like to close by thanking all of you - our patients and elders - for trusting us to meet your health care needs here locally. We hope we always achieve our goal of providing an outstanding experience each and every single time we care for you and your family.

Take care and thank you,
Robb

PHYSICIANS & CLINICS *of* HCHC

Health care for the whole family.

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- Wayland
- New London
- Winfield

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HCHC AWARDS

HCHC recognized with national awards

Henry County Health Center received two national awards in Fiscal Year 2019. These awards confirm that HCHC is a leader in rural healthcare. This recognition also shows our commitment to HCHC's mission to enhance the health of individuals and our communities through high quality, effective and efficient services.



Top 100 Critical Access Hospital

HCHC was named a Top 100 Critical Access Hospital (CAH) in the United States by The Chartis Center for Rural Health. One of the industry's most significant designations of performance excellence, the Top 100 Critical Access Hospitals award is based upon results from publicly reported data of all 1349 CAHs in the

United States. This award, based on several key indicators, shows HCHC's commitment to delivering high quality healthcare both efficiently and cost-effectively in our rural communities. HCHC also received this award in 2016.

MAP Award

HCHC received the 2019 MAP Award for High Performance in Revenue Cycle, sponsored by the Healthcare Financial Management Association (HFMA). As a national award winner, HCHC met industry-



standard revenue cycle benchmarks, implemented the patient-centered recommendations and best practices embodied in HFMA's Healthcare Dollars & Sense® initiatives, and achieved outstanding patient satisfaction. In 2009, 2013 and 2018 HCHC received HFMA's High Performance in Revenue Cycle Award. HCHC is the only CAH in the nation to have won the MAP Award more than once.

Quality, Service And Patient Safety

Henry County Health Center is committed to providing high quality, effective and efficient services. As a result, the organization measures quality scores every year on the services we provide to our patients. Listed below is a sample representation of those measures. This information is from the Iowa Healthcare Collaborative Hospital Improvement Innovation Network (HIIN) and compares HCHC to our HIIN peer average and national HIIN average.

	HCHC	PEER AVG.	HIIN AVG.
Unplanned All-Cause, 30-Day Readmissions Any Hospital (Under HCHC, reflects patients discharged from HCHC & readmitted 30 days later to another hospital compared to peer & HIIN averages.)	2.76	8.66	8.49 (lower number is better)
Unplanned All-Cause, 30-Day Readmissions Same Hospital (Under HCHC, reflects patients discharged from HCHC & readmitted to HCHC 30 days later compared to peer & HIIN averages.)	0.46	6.79	6.55 (lower number is better)
Adverse Drug Events Originating During Hospital Stay	0.00	0.02	0.01 (lower number is better)
Falls With Injury	0.51	0.96	0.83 (lower number is better)
Fall Rate Resulting in Fracture or Dislocation	0.00	0.27	0.37 (lower number is better)
Postoperative Sepsis Rate	0.00	1.67	1.60 (lower number is better)
Hip Replacement Surgical Site Infection Rate	0.00	0.39	0.67 (lower number is better)
Knee Replacement Surgical Site Infection Rate	0.00	0.91	0.60 (lower number is better)
Post-Operative Pulmonary Embolism or Deep Venous Thrombosis Rate	0.00	2.60	2.26 (lower number is better)

Park Place Elder Living ★★★★☆
 (3-star facility is the national average)

Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS)

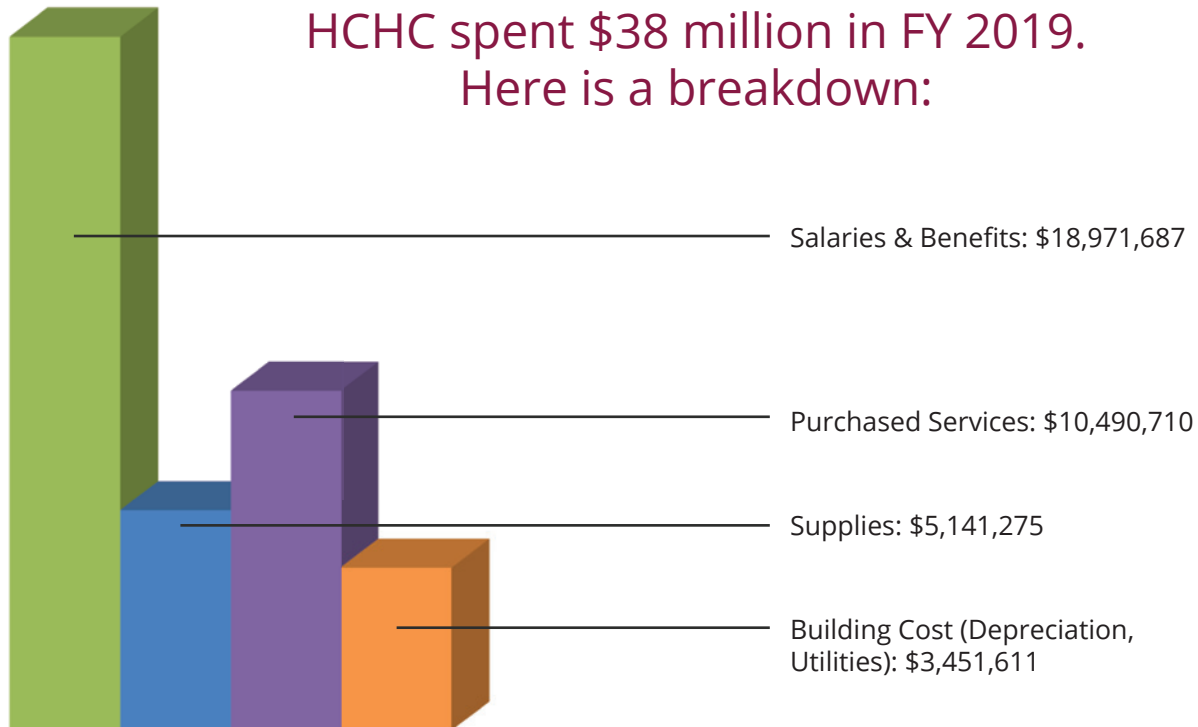
HCAHPS is a national, standardized survey of hospital patients created to publicly report the patient's perspective of hospital care. The survey asks discharged patients about aspects of their hospital experience.

% OF PATIENTS WHO ANSWERED "ALWAYS"	NATIONAL	IOWA	HCHC
Doctors communicate well with patients	81%	84%	85% (higher score is better)
Nurses communicate well with patients	81%	83%	82% (higher score is better)
Explanation of medications before giving them	66%	68%	72% (higher score is better)
Patients given information about at home recovery	87%	89%	90% (higher score is better)
"Always" received help as soon as they wanted	70%	73%	81% (higher score is better)
Room and bathroom "always" clean	75%	81%	78% (higher score is better)
Area around room "always" quiet at night	62%	67%	75% (higher score is better)
Patients who gave hospital a rating of 9 or 10	73%	79%	72% (higher score is better)

Henry County Health Center ★★★★☆
 (Medicare star rating)

Financials for Fiscal Year 2019 (July 1, 2018 – June 30, 2019)

HCHC spent \$38 million in FY 2019.
Here is a breakdown:



Health Center expenses exceeded income in the fiscal year 2019 resulting in a negative bottom line of \$709,084. HCHC's tax asking for fiscal year 2019 was \$1,372,929 compared to the average of all 41 county hospitals of \$1,447,586.

Department Statistics

Emergency Room Visits	8,519
Ambulance Calls	1,673
Surgeries Performed	2,100
Lab Tests Performed	138,887
Radiology Procedures	17,836
Physical Therapy Treatments	26,193
Infusion Visits	2,230
Respiratory Treatments	5,733
Other procedures/treatments	3,663
HCHC Clinic Visits	12,150

Revenue by Payor

Medicare	49%
Medicaid	18%
Commercial Insurance	30%
Self Pay	3%

Inpatient Stats

Hospital Admissions	478
Hospital Patient Days	1,618
Long Term Care Days	14,210
Babies Delivered	120

Last Year, we absorbed

Patients who could not pay	\$952,735
Services not fully reimbursed by Payors	\$31,465,610

Friends of Henry County Health Center

Friends of Henry County Health Center plays an instrumental role in the health center. This group contributes to the success of HCHC in several ways with 135 members and 68 active volunteers.

In Fiscal Year 2019, HCHC volunteers donated approximately 5,500 hours. These individuals gave generously of their time and talents staffing the Information Desk and Gift Shop, knitting and crocheting newborn hats, sponsoring the Lifeline program, and spending numerous hours fundraising at events like the Annual Soup Supper, jewelry sales and more.

In May of 2018, Friends of HCHC started the Patient/Family Ambassador Program. These volunteers assist in the Inpatient Services and Rehabilitation Services Departments serving in various roles.

Proceeds from the Gift Shop and fundraisers are used to support HCHC services, programs and equipment which assist the health center in providing the highest quality health care to our friends and neighbors.

Lifeline

Another important program of Friends of HCHC is Lifeline. Friends has operated Lifeline since 1985 and currently has 121 subscribers. Lifeline was established at HCHC as a service that provides a personal emergency response system that helps seniors and those with disabilities stay in their homes. It gives the families of those subscribers peace of mind knowing that if they need assistance it is only a button push away.

For more information about Lifeline, please call 319-385-6164.

Here are the Friends of HCHC activities over the past year:

- Donated \$15,000 for EMS to refurbish the golf cart used for special events and to purchase the following: a skid unit for rescue efforts, an automatic defibrillator/monitor, two all-in-one bags, handheld radios and high-visibility uniforms.
- For the 2019 school year, awarded a total of \$5000 in scholarships to students pursuing healthcare careers.
- Contributed \$100 to the Iowa Hospital Education Research Foundation for a regional healthcare scholarship program.
- Provided every baby born at HCHC with a knitted or crocheted hat, a sleep sack and a smoke/carbon monoxide detector.
- During the month of December, gave each baby a handmade Christmas stocking.
- Presented gifts to the New Year's Baby.
- Provided stuffed animals for children receiving tests or services at HCHC and the Immunization Clinic.
- Delivered carnations to Park Place residents.

For more information about Friends of HCHC and how you can become involved, call 319-385-6524.

FUNDRAISING EVENTS FOR THE 2019 MEMBERSHIP YEAR (APRIL 1, 2018-MARCH 31, 2019) INCLUDED:

- No Bake-Bake Sale: \$225
- Annual Soup Supper: \$3,096.72
- Masquerade Jewelry Sale: \$1,945.60
- Colors of Summer: \$143.00
- Nut Sales: \$877.70
- Linen Sale: \$628.92
- Pie Sales: \$162.00
- Christmas Carnation Sale: \$253.83
- Valentine Carnation Sale: \$138.66
- Gift Shop: \$14,000 from Gift Shop given for Friends programs
- Miscellaneous Donations: \$15,340
- Membership Dues: \$675

Henry County Health Center Foundation

Fiscal Year 2019 Giving

The Henry County Health Center Foundation had a successful year of fundraising for fiscal year 2019.

Leading the way in donations is the Professional Recruitment Campaign. Over \$45,669 was raised to help recruit and retain providers to Henry County. This includes funds raised through our Annual HCHC Foundation Golf Benefit, Music Trivia Contest, and Book and Gift Fairs. In total, two Physician Assistants benefited from these gifts in FY 2019.

The HCHC Foundation Golf Benefit was the largest single event fundraiser of the year. Funds were raised by selling various sponsorships, team participation, live and silent auctions. Seventy-one golfers and about 25 dinner guests attended the event at Mount Pleasant Golf and Country Club in August. HCHC Foundation revived the Music Trivia and Costume contest in April of 2019. Again this year the event sold out and was deemed a success. Combining the Golf Benefit and Music Trivia funds resulted in a total events amount of over \$41,200.

The generosity of our associates brought in over \$21,650 over the year. Funds raised by our associates are used for tuition reimbursement, certification testing fee reimbursement, and our in-house voucher program. Meanwhile our Capital Campaign wrapped up during 2019. The Capital Campaign was designated to run between 2012 and 2017. While many pledges to the campaign were completed during that time frame, other pledges were spread out over a longer period. The final donor completed the final pledge in 2019.

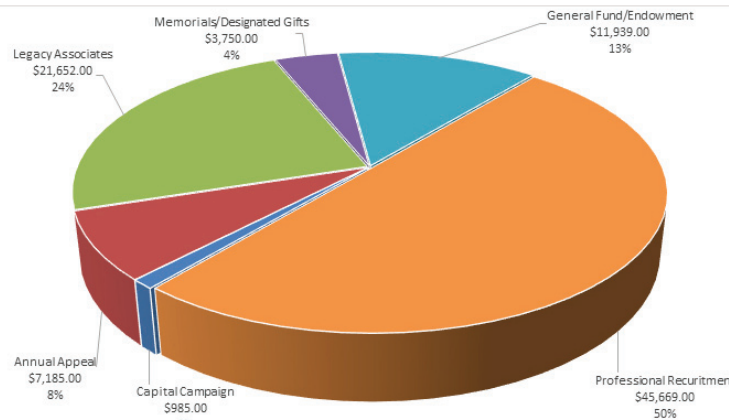
Gifts of over \$7,185 were given during the Annual Appeal campaign and donations specifically for the General Fund, Endowments and Scholarships totaled nearly \$12,000 and Memorial Donations or other Restricted giving gifts totaled \$3750.

All in all, nearly \$91,200 was raised by donations to HCHC Foundation in FY19.

Grants were made by HCHC Foundation to two separate entities for the year. \$3,200 was given to Young House Family Services/Christamore Family Treatment Center for educational and recreational materials for their residents. Finally, \$6,800 was awarded to the Mount Pleasant Community School District for the construction of a new Pickle Ball Court at the Middles School for students and community members.

The HCHC Foundation's Mission: With integrity, responsible stewardship, transparency and capacity building, the HCHC Foundation will plan, promote, develop, fund and deliver important health related initiatives for the benefit of individuals and families of Henry County and surrounding areas.

The Henry County Health Center Foundation was governed by a Board of Directors which includes Dr. Michelle Tansey, Erica Pickle, Jill Daniel, Tom Holtkamp, Mike Vens, Debbie Leichty, Alan Wagner, David File, Dan Williams, Sally Olson, Kendra Bonnesen and HCHC CEO Robb Gardner. The Foundation Director for FY 2019 was Mark Hempen.



FOUNDATION

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