

Broadwater Health Center  
Statement of Community Benefit  
2009

Broadwater Health Center is happy to publish our Statement of Community Benefit. We hope that by studying this document, you will learn more about our organization, and the tangible benefits that we deliver to Broadwater County.

About Our Organization

BHC is owned and operated by Townsend Health Systems, Inc. a non-profit tax-exempt Montana corporation. The organization has three major health care offerings, a 9-bed Critical Access Hospital\*, a 35-bed Nursing Home, and an Ambulance Service.

Townsend Health Systems, Inc. is governed by a seven-person volunteer board, who serve three-year terms. Persons interested in serving on the Board should contact BHC Administration for details. Board members receive no compensation for their service.

\* The term "Critical Access Hospital" indicates a designation by the Medicare system for a rural hospital that provides 24-hour emergency room services to its community.

Our Services to the County

BHC employs approximately 90 people, and in Fiscal Year 2009 (year ended June 30, 2009) provided salary and benefits of \$2,150,000. BHC is the third largest private employer in the county.

During 2009 BHC's hospital took care of 100 patients who required acute care hospitalization. The emergency room had 970 visits, 480 of which were true life-threatening illnesses or injuries.

Also, in 2009 BHC provided 11,016 resident-days of nursing home care, averaging 30 residents daily, living at the facility.

Finally, in 2009 the ambulance service responded to 265 calls, most of which were dispatched as emergencies from the 911 system. The ambulance service represents a partnership with Broadwater County, which owns and licenses the vehicles. Using those vehicles, BHC operates the ambulance service and bears all operational costs.

In addition to the services above, BHC provides the out-patient medical services of Laboratory, Physical Therapy, and X-ray. In 2009, BHC provided laboratory tests to more than 3,000 people, provided more than 2,400 physical therapy sessions, and took X-rays on more than 700 persons.

### Working within our Community

During 2008, BHC purchased \$375,000 in goods and services from businesses in Townsend and Broadwater County. The Montana Department of Labor says that our local spending supports 20 other jobs throughout the county, adding another \$325,000 in wages and salaries to the Broadwater County economy.

BHC provides meeting room space to several community groups and organizations, at no charge.

BHC provides discounts to Broadwater County residents for laboratory tests, during health fairs and other community events. Additionally, BHC cooperates with local groups to give specific care to various persons, at discounted prices.

BHC operates a mini-bus that goes to Helena twice a month. Any community member may ride the bus, for shopping, medical appointments, or other personal business. There is no charge for this service, however donations are accepted.

### Supporting the Health Care Needs of Broadwater County

Each year, BHC provides a significant amount of uncompensated care. Uncompensated care is classified either as charity care, when the organization has no expectation that it will receive any compensation, or bad debt, when the organization originally expects reimbursement, but later finds that it is unable to collect a bill. The organization never turns anyone away because of their inability to pay. Nearly 4% of all patient services are performed with no payment received.

	<u>FY 2008</u>	<u>FY 2009</u>
Charity Care	\$ 17,903	\$ 30,252
Other Uncompensated Care	<u>\$117,582</u>	<u>\$105,350</u>
Total Uncompensated Care	\$135,485	\$135,602

Uncompensated Care as a percentage of Total Patient Service Revenues	3.7%	3.9%
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Additionally, BHC regularly works closely with the Broadwater County Health Department in support of their mission. Particularly in areas of response to community-wide health emergencies, BHC and the BCHD coordinate both policies and procedures.

## Our Commitment to Quality

BHC participates in numerous initiatives to monitor the quality of services we provide, in an effort to continually improve our service to the community. One of our major initiatives is to benchmark ourselves against a group of similar-size and similar-service Montana rural hospitals.<sup>1</sup>

Three specific quality measures are of particular importance:

	<u>BHC rate</u>	<u>Peer rate</u>
Hospital-acquired infections - - - - -	0.0%	0.2%
Return to the ER within 72 hours with same diagnosis - - - - -	2%	2%
Hospital readmission within 30 days with same diagnosis - - - - -	2.5%	4.0%

## Our Financial Performance

### Operating Statements – by Fiscal Year

	<u>FY 2008</u>	<u>FY 2009</u>
Operating Revenues		
Net Patient Service Revenues	\$3,639,301	\$3,549,608
Other Operating Revenues <sup>2</sup>	<u>458,009</u>	<u>465,263</u>
Total Operating Revenues	\$4,097,310	\$4,014,871
Operating Expenses		
Total Adjusted Operating Expenses <sup>3</sup>	<u>\$4,198,931</u>	<u>\$3,821,884</u>
Gain (Loss) from Operations	\$ (101,621)	\$ 192,987
Other Income		
Grants <sup>4</sup> , contributions, rents, interest	<u>\$ 71,468</u>	<u>\$ 91,508</u>
Excess (Loss) of Revenues over Expenses	<u>\$ (30,153)</u>	<u>\$ 284,496</u>

### NOTES:

<sup>1</sup> Benchmarking is coordinated through the Montana Health Research and Education Foundation, a part of the Montana Hospital Association. Values reflect service in the hospital section only, for all organizations in a peer group. All values are annualized.

<sup>2</sup> Includes a \$150,000 per year tax subsidy.

- <sup>3</sup> Adjusted for forgiven rent.
- <sup>4</sup> BHC's financial statements are audited on an annual basis by an independent accounting firm, Michael Bell & Company, Spokane, Washington, which specializes in financial audits for the health care industry. All numbers presented above are extracted from BHC's audit of the year indicated. BHC receives less than \$500,000 per year in federal grant monies, and is exempt from federal A-133 reporting.