



**Petersburg Borough
Petersburg Medical Center**

12 South Nordic Drive
Petersburg, AK 99833

**Meeting Agenda
Hospital Board
Regular Meeting**



Thursday, June 27, 2024

5:30 PM

Assembly Chambers

Please copy and paste the link below to join the webinar:
https://us06web.zoom.us/j/81706292870?pwd=aE-HADSoF7LqB6MD7qL7q_mY9Ur7dg.QQwWczy0MwRVQWTI

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1. Call to Order/Roll Call

- A. Call to Order
- B. Roll Call

2. Approval of the Agenda

3. Approval of Board Minutes

- A. Approval of minutes for the May 23, 2024, board meeting.

4. Visitor Comments

5. Board Member Comments

6. Committee Reports

- A. Resource
- B. LTC

7. Reports

- A. Human Resources
- C. Newman provided a written report.

- B.** New Facility
Arcadis provided a written report.
- C.** Quality & Infection Prevention
S. Romine, J. Bryner provided a written report.
- D.** Executive Summary
P. Hofstetter provided a written report.
- E.** Financial
J. McCormick provided a written report.

8. Old Business

A. Update: PERS Amendment for Part-Time Employees

Based on additional information gathered at the board's request, Cindy Newman will present an update on this topic.

9. New Business

A. Operating Budget J. McCormick submitted the Operating Budget for board approval.

Action Required: Approval

By motion, Petersburg Medical Center's Board of Directors approves the final operating budget for FY 2025 as presented.

B. Capital Budget J. McCormick submitted the Capital Budget for board approval.

Action Required: Approval

By motion, Petersburg Medical Center's Board of Directors approves the final capital budget for FY 2025 as presented.

C. Capital Lease of Mammography Equipment J. McCormick submitted lease financing option of mammography equipment for board approval.

Background: The Resource Committee reviewed the financing options for the \$200,272 balance remaining on the new mammography equipment. The total cost for the purchase, delivery, and installation of the machine was \$380,272, with Petersburg Borough contributing \$180,000 towards the purchase. Upon the Resource Committee's review and recommendation, the remaining \$200,272 would be financed through De Lage Landen Public Financing LLC upon board approval.

Action required: Approval

By motion, the Petersburg Medical Center Board of Directors approves the Capital Lease of Mammography Equipment from De Lage Landen Public Finance LLC as presented.

10. Next Meeting

11. Adjournment



Petersburg Borough
Petersburg Medical Center

12 South Nordic Drive
 Petersburg, AK 99833

Meeting Minutes
Hospital Board
Regular Meeting



Thursday, May 23, 2024

5:30 PM

Assembly Chambers

1. Call to Order/Roll Call

A. Call to Order

Member Cook called the meeting to order at 5:30 pm

B. Roll Call

Member Cook conducted roll call.

PRESENT

Chairman Jerod Cook
 Board Member Marlene Cushing
 Board Member Cindi Lagoudakis
 Board Member Joe Stratman
 Board Member Mika Hasbrouck

ABSENT

Board Member Heather Conn
 Board Member Kimberley Simbahon

2. Approval of the Agenda

A motion was made to approve the agenda.

Motion made by Board Member Stratman, Seconded by Board Member Lagoudakis.
 Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Stratman, Board Member Hasbrouck

3. Approval of Board Minutes

A. Approval of minutes for the April 25, 2024, board meeting.

Motion made by Board Member Lagoudakis, Seconded by Board Member Hasbrouck.
 Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis,

Board Member Stratman, Board Member Hasbrouck

4. Visitor Comments

None.

5. Board Member Comments

Member Cushing congratulated the Petersburg High school graduating class, and expressed her hope that some of the graduates see their future as being a healthcare provider, and perhaps one in Petersburg.

6. Committee Reports

A. Resource

Member Lagoudakis attended. She noted that annual expenses, including insurance payments, will be due soon, with ongoing reviews of rates. Long-term care (LTC) days have increased compared to last year, as have mammogram exams. There was discussion about reduced swing bed days. Overall, the financial situation appears to be relatively stable

B. LTC

Member Lagoudakis attended and reported that the meeting covered several topics: facility maintenance, specifically regarding the septic system and air handler; security procedures; selection of a restorative program as a performance improvement project to track patient care; and staff review of improvement plans. Additionally, there was mention of an unannounced federal certification survey, with follow-up confirming that PMC is in compliance with state requirements.

C. CAH

Member Lagoudakis attended and reported that the committee discussed creating a unified facility safety plan based on the multiple department plans already in place. It was noted that cybersecurity risks were low, with a recent occurrence having minimal impact on a printer. Quality plans were outlined for managing hypertension, diabetes, access to care, and prenatal metrics. Additionally, it was mentioned that IV therapy and medication management are available around the clock

7. Reports

A. Pharmacy

E. Kubo provided a written report.

B. Case Management/Swing Bed Management

E. Hart provided a written report.

C. Chief of Staff

Dr. Hulebak provided a written report.

D. Clinic

K. Zweifel provided highlights from her written report. She addressed Member Stratman's question about improved next available appointments, and that this was achieved by adding mid-levels to the clinic, increasing availability, and ensuring adequate staffing with no absences. Further improvement is anticipated with the addition of another doctor in the upcoming fall.

E. Community Wellness

J. Walker summarized recent highlights, addressing Member Stratman's question related to staffing involvement with Juneau Suicide Prevention Coalition and related suicide prevention initiatives.

F. Dietary

J. Ely provided highlights from her written report, including an update on the freezer situation. Both J. Ely and P. Hofstetter extended gratitude to the school for their assistance and for generously stepping in to help. A new compressor has been ordered. In the meantime, PMC is utilizing the school's facilities. Member Lagoudakis expressed amazement at what can be accomplished despite all the equipment issues.

G. New Facility

J. Wetzel, Arcadis, provided highlights from the report and reviewed progress on the site, including the completion of blasting and cleanup. They are currently analyzing the 65% design GMP from Dawson to ensure budget alignment before seeking Borough approval. Efforts to streamline operations have resulted in cost savings, including waived mud dump fees and gravel pit expansion by Rock N Road. This collaborative approach aims to deliver the project efficiently and within budget, showcasing the benefits of partnership over traditional bid-build methods.

H. Quality & IP

S. Romine, J. Bryner provided a written report.

Member Cushing shared that the report was very cheering to read.

I. Executive

P. Hofstetter highlighted key points from his written report. He expressed gratitude to the school and Island Refrigeration for resolving the freezer issue late on a Friday afternoon during Mayfest. He also thanked Petersburg Community Foundation for their grant supporting teen mental health training. He emphasized the importance of support for the facility project, which has been prioritized by the Assembly but did not receive any state capital funding. Additionally, upcoming events such as the UAA Pinning ceremony and the Pedal Paddle Battle were noted, along with positive feedback on May's dermatology and optometry services. He encouraged people to mark their calendars for the July 27 pedal paddle battle, with registration opening June 3. Member Lagoudakis shared that she was impressed with how many community members attended the UAA Pinning ceremony.

J. Financials

J. McCormick provided highlights from the written report. He shared that budget planning is underway, with a presentation scheduled for June, and no unexpected developments anticipated. The audit firm DZA has been chosen for the year. Efforts are being made to renew insurance coverage, including malpractice and health insurance, with a noted 10% increase in health insurance premiums.

8. Old Business

9. New Business

A. Employee Surveys

Board information only. P. Hofstetter presents on the recent employee surveys results.

K. Bryson shared insights from the survey results, which boasted an impressive 85% completion rate. The survey highlighted positive sentiments regarding workplace environment, retention, and growth opportunities, aligning with strategic plan objectives on workforce wellness. Action plans will be formulated based on the data to address areas for improvement, with 83% of respondents offering valuable comments and suggestions.

B. Board review and approval: PERS Amendment for Part-Time Employees

Member Lagoudakis motioned to discuss the topic, seconded by Member Cushing.

After a comprehensive discussion and the emergence of additional inquiries requiring clarification, it was agreed to table the motion and postpone further deliberation until the next meeting pending additional information and input from both Human Resources and Legal.

10. Next Meeting

The next meeting will be June 27, 2024.

11. Adjournment

The meeting was adjourned.

Motion made by Board Member Stratman, Seconded by Board Member Hasbrouck. Voting Yea: Chairman Cook, Board Member Cushing, Board Member Lagoudakis, Board Member Stratman, Board Member Hasbrouck



Petersburg Medical Center

Human Resources Report June 10, 2024

Workforce Wellness - Staffing Overview

The Human Resources (HR) Department consists of Cynthia Newman, full time, Human Resources Director and Scott Zweifel, full time, Human Resources Technician. The past 6 months have been a very busy time for the HR department with new and terminating employees, additional travel staff (locums), students and handling everything for an average of 155+ paid employees at PMC. The days are busy and productive.

Annual Update / Recap – From January – June 2024

New Employees – 16

- 1 Ward Clerk
- 1 Grants Director
- 2 Cook
- 2 Materials Assistant
- 1 Health IT Support Specialist
- 1 Certified Nurse Assistant
- 1 Lab Assistant / CNA
- 2 Youth Mentors (seasonal)
- 5 Kinder Skog Mentors (seasonal)

Terminations – 11

- 1 Home Health Manager
- 2 Home Health / Eldercare Services RNs
- 1 Home Health Activities Assistant
- 1 Licensed Practical Nurse (Clinic)
- 1 Registered Nurse
- 1 Certified Nurse Assistant
- 1 Cook
- 1 Medical Technician
- 1 Speech-Language Pathologist (SLP)
- 1 Materials Assistant
- 1 Chiropractor

Private Contract – 2

- 1 Medical Technologist
- 1 Radiologic Tech

Travelers – Thru a Company – 20

- 3 Physical Therapist (PT) (1 Termed)
- 5 Certified Nurse Assistant (CNA) (3 Termed)
- 6 Registered Nurse (RN) (3 Termed)
- 3 RNs Home Health Nurses (1 Termed)
- 1 Home Health Aide / Adult Day Aide
- 1 Speech-Language Pathologist
- 2 Occupational Therapist (1 Termed)

Students – 3

- UW Med Students (Z Virta, A Gutierrez)
- UAA / Phlebotomy Student (C Workman)

Positions Open (17 Positions) (As of 06/18/2024)

- Activities Assistant LTC
- Activities Coordinator Adult Day Program
- Bingocize Facilitator (PT)
- CNA / CNA on-the-job Training Course
- Chiropractor
- Clinic Reception / Medicaid Travel
- Healthcare Biller
- Medical Assistant

- Medical Technologist
- Occupational Therapist
- Patient Account Liaison
- Physical Therapist
- Radiologic Technologist
- Registration Coordinator
- Speech Language Pathologist
- Staff Nurse – Home Health / Eldercare Services
- Tai Ji Quan Facilitator (PT)

Looking Forward

- Recruitment of staff – employees & travelers.
- Completing Open Enroll for Medical insurance.
- Completing Open Enrollment for Optional insurance (life, accident, critical illness) coverages.
- Audits – payroll, workers’ compensation.
- The new fiscal year.

Challenges

- Paylocity On Boarding. I am happy to report that the On Boarding module in Paylocity has worked out really well. All employees On Board utilizing this program (Agency, Benefitted, Seasonal). We’ve utilized all categories and 86 employees have gone through On Boarding since May 2023.
 - (1) Agency Hires – 33 uses of On Boarding. This category is used for employees that are employed by travel companies (i.e. travelers or locums) that need to be monitored through our timeclock system. PMC does not handle any of their pay (W2s or 1099s). The On Boarding consists of the basic requirements for healthcare (PMC) workers and includes documents all employees must complete (Code of Conduct, HIPAA statement, Post Hire Questionnaire, etc.).
 - (2) Contract Employees – 4 uses of On Boarding. These employees are paid through PMC payroll and Paylocity (and receive a W2). They are contracted for specific dates of time in shortage areas. These employee are not benefitted employees and are considered “Temporary” but still must in-process.
 - (3) New Hire – Benefitted Positions – 19 uses of On Boarding. These employees are full time (60+ hours biweekly) or part time (30 – 59 hours biweekly). They’re benefitted employees that work at PMC, receive pay and benefits (PTO, sick leave, PERS, etc.).
 - (4) Seasonal Employees – Non-Benefitted Positions – 16 uses of On Boarding. These employees work on a seasonal or “as needed” (PRN) basis. They work less than less than 15 hours per week (-30 biweekly), sporadically and at their convenience.
 - (5) Rehire – Prior Employees of PMC – 11 uses of On Boarding. Used when re-hiring former employees, we can add the needed task (benefitted or seasonal) to keep the information in the Paylocity system.
 - (6) Rehire – Agency – 3 uses of On Boarding. Used when re-hiring former Agency travel staff through the Paylocity system.

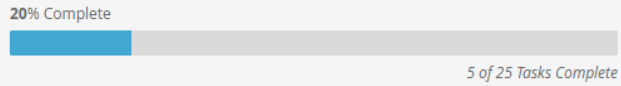
On Boarding Welcome in Paylocity



A Message from the CEO - Philip Hofstetter

Welcome to Petersburg Medical Center. Your position at PMC, whether in direct or indirect patient/resident care, is an important part of the care provided to our patients and residents. We recognize you have many options as to your choice of an employer. We feel privileged that you have selected us. We wish you a happy and successful working relationship with Petersburg Medical Center.

Welcome Message



- Paylocity Payroll Codes. The HR department has been updating the payroll deduction codes to show employees what their deductions are instead of lumping the deductions into one code. The updates added are for optional coverages (Accident, Short Term Disability, Critical Illness, Hospital Insurance). We're utilizing more of the codes in Paylocity for a more accurate representation of deductions on employee pay stubs.
- Paylocity Performance Evaluations. In January of 2023, PMC started utilizing Paylocity for our Performance Evaluation Reviews. PMC has a 6-month (after hire) evaluation and then annually on the employee's hire date. For PMC, the total number of evaluations in the system are 173. Of those, 42 are overdue, 56 are pending, 3 need signatures and 42 are complete. There's been a learning curve on utilizing the system. In January of 2024, it had been a full year of these new evaluations. We're working with employees and managers to complete their evaluations.

Performance Reviews

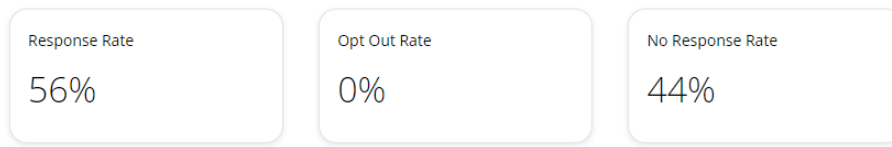
Active Reviews	Upcoming Reviews	Employee Assignments				
Appraisal Pending	Approval Pending	Signature Pending	Overdue	Complete	All	
56	0	3	42	114	173	

- Applicants / Recruitment of Personnel / Use of Travel Staff. This has been an on-going challenge. This hit particularly hard with the changes in staffing in Rehab, Home Health and Nursing – when travel staff increased to cover maternity leaves, terminations and status changes. PMC employment requirements can add to this difficulty:
 - o State of Alaska Background Check / Clearance (approval to work at PMC without a barring crime)
 - o Drug Screening for illegal drugs (including marijuana which is an illegal Federal substance) and/or medications not prescribed by a provider.
 - o Vaccinations. With the Covid vaccine no longer mandatory, it has assisted PMC with hiring travel staff and personnel.
- Minors (employees under 18 years of age). PMC hired minors – in Kinder Skog, Nursing (when PMC has a CNA course through the high school) and Finance / IT / Maintenance (Youth Intern). The Youth Intern is a new opportunity to let minors see the PMC operation, equipment and facility. PMC has eight (8) minors working for us with six (6) in Kinder Skog and two (2) Youth Interns. All minors are hired with the same testing, training & On Boarding requirements as adults (with parental / guardian permission) and PMC obtains a Work Permit as required by the State of Alaska.
- PERS – Public Employees' Retirement System. I will provide an update on the PMC participation agreement with PERS for part-time employees.
- Background Check Unit – State of Alaska background check for all employees. The processing time has increased from the BCU receipt of application to approval. For new hires and travel staff, we caution

department supervisors and travel companies that PMC must have a Provisional Clearance or approved Clearance before an employee can start. This has delayed employees & travel staff from their starting date.

- Maintenance of the quality measures / reporting:
 - o Renewal of State of Alaska Background Checks. Renewals occur every five (5) years. The BCU site specifically states the background check could take 3 – 7 business days to complete once they (BCU) receive the fingerprint card. HR keeps a current list of all employees and monitors the expiration dates so we can start the background check 60 days in advance.
 - o Employee Terminations. HR monitors the terminations over the years and watches for trends.
 - o Employee Feedback. PMC just conducted a survey of all employees. HR has initiated surveys for newly hired and terminating employees to receive feedback. The surveys are for 7, 30 and 90 days and terminating employees. These go out automatically by Paylocity and do offer insight.

< New Hire - 7 Day



- PMC “Chart Notes”. Back by popular demand, the PMC “Chart Notes” was developed back in the early 2000s as an internal newsletter for PMC employees. It was discontinued in January 2018 due to the PMC community newsletter. Staff requested HR bring it back. It was re-established beginning in May 2024. “Chart Notes” is published at the first of the month, welcoming employees, highlighting anniversaries, congratulatory news, etc.

Community Engagement

- Enhancing PMC presence.
 - o Julie Walker, Community Wellness, assists us in highlighting our positions on social media and in the newspaper for advertisements. PMC has gone to one large “want” ad in the Pilot versus a lot of smaller ones.
 - o PMC Employment of the Youth. Through Kinder Skog with the “Kinder Skog Mentors,” CNAs and the Finance / IT / Maintenance “Youth Interns,” we are hoping to give young people the opportunity to see the Medical Center as a possible future employer in our community. As stated above on the employment of minors, we follow the guidelines on minors in the workforce provided by the State and Federal government to keep our young employees safe.

Patient Centered Care – N / A

Facility.

- PMC currently has 18 apartments. The upkeep, cleaning & scheduling of the apartments for travel staff, students & interim housing for personnel is handled by the HR department. HR had to add these additional apartments (five [5] in total) to assist with the needed staff.
- PMC has eleven (11) cars (2009 Ford Taurus, 1999 Honda CRV, 2002 Honda CRV, 2003 Honda CRV, 2006 Honda Odessey, 2005 Hyundai Tucson, 1998 Toyota Corolla, 2000 Toyota Corolla, 2007 Toyota Highlander, 2006 Subaru Forester, 2009 Subaru Impreza) that we’ve had to keep running for travelers, students & PMC staff use. The 2002 Honda CRV (driven by a visitor) that hit a deer was repaired and is in use. HR and Maintenance are working on keeping the cars up and running. Along with the usage, HR is

also keeping the registrations up to date on PMC vehicles. This includes the LTC (2019) van, the Home Health (2002) old LTC van and Maintenance Chevrolet pickup (2011). All the vehicles' registrations are current.

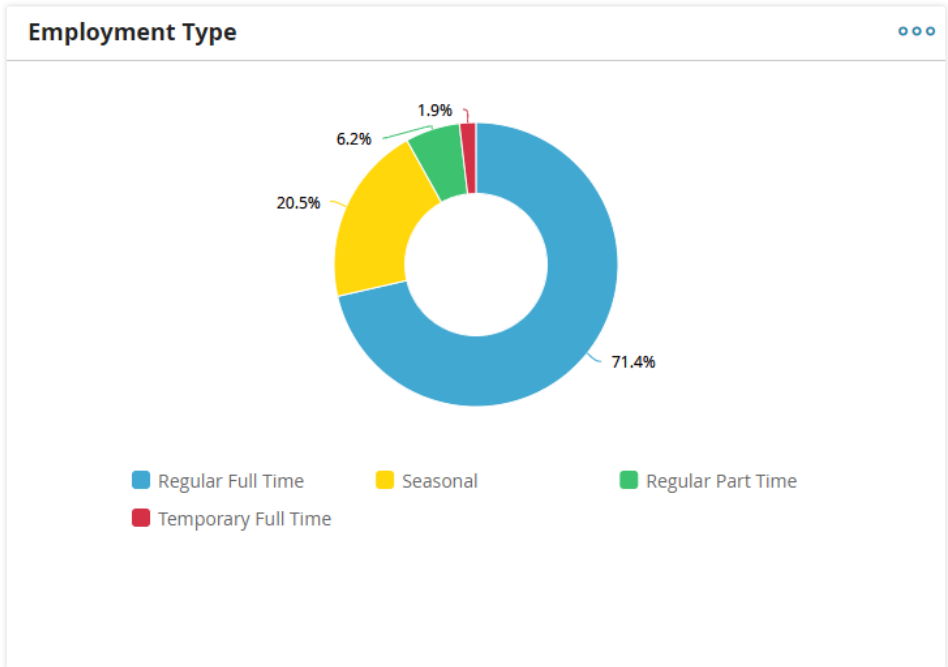
- Lack of space. The in-processing and On Boarding area(s) have become shared spaces in Finance, the Business Office, Specialty Clinic, Conference room and Scott's office. This month, we had five (5) employees / travel staff On Boarding at once. Space can be a challenge.

Financial Wellness.

- Scott's 1 year Anniversary. HR is very fortunate to have Scott Zweifel working full time. He is doing very well and is learning about HR. Scott is trusted by employees and is taking on more and more. The move to have the position full time has been very much appreciated.
- Longevity gifts. We were given the okay to re-instate our longevity gifts for employees. We are celebrating employees reaching their 10, 15-, 20-, 25- and 30-year anniversaries in 2022, 2023 and 2024 for our personnel and will have a luncheon to thank them in January or February of 2025.
 - o **10 years:** Jill Dormer, Nancy Higgins, Kaitlin DuRoss, Grazel Edfelt, Bessie Johnson, Lidia Wickersham, Cortney Hess, Jennifer Ray, Margaret Agner
 - o **15 years:** Nichole Mattingly, Erica O'Neil
 - o **20 years:** Valaree Nilsen
 - o **25 years:** Angela Menish
 - o **30 years:** Cindy Newman
- Building the Human Resources department for the future & preparing for my eventual retirement.

I've submitted a couple graphs for the board on our employment type & generational breakdown.

January 2024 – June 2024



** Company Travel Staff not Included

Snapshot of PMC
January 2024 – June 2024

Headcount ⓘ
161
As of June 2024

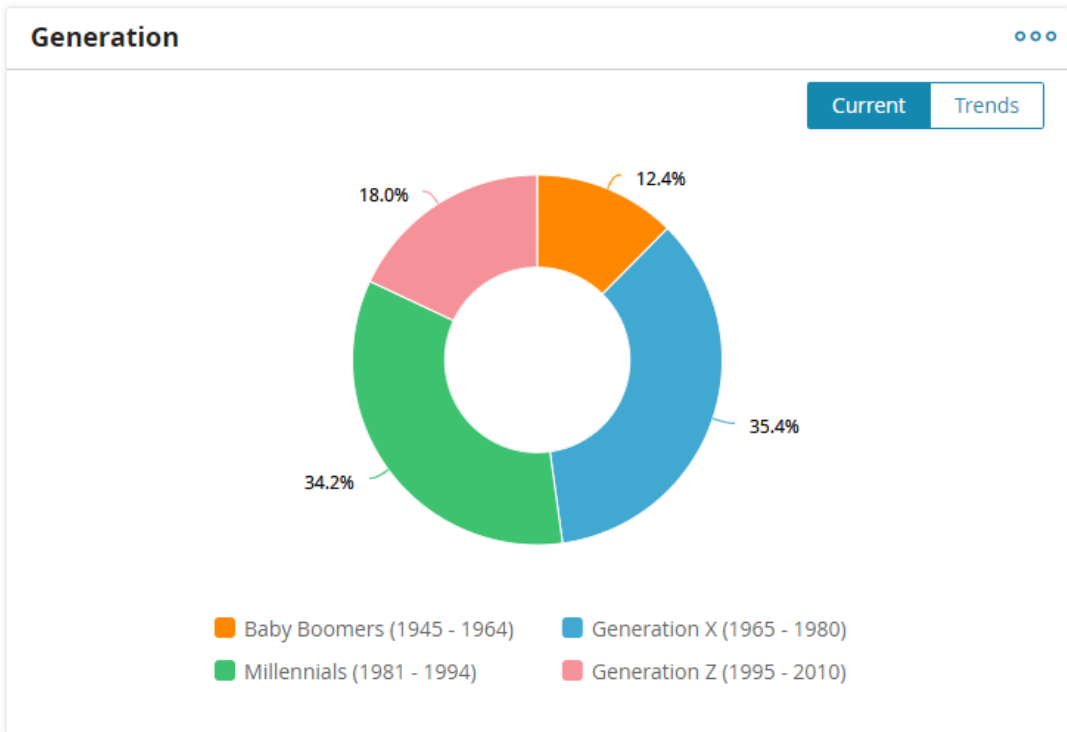
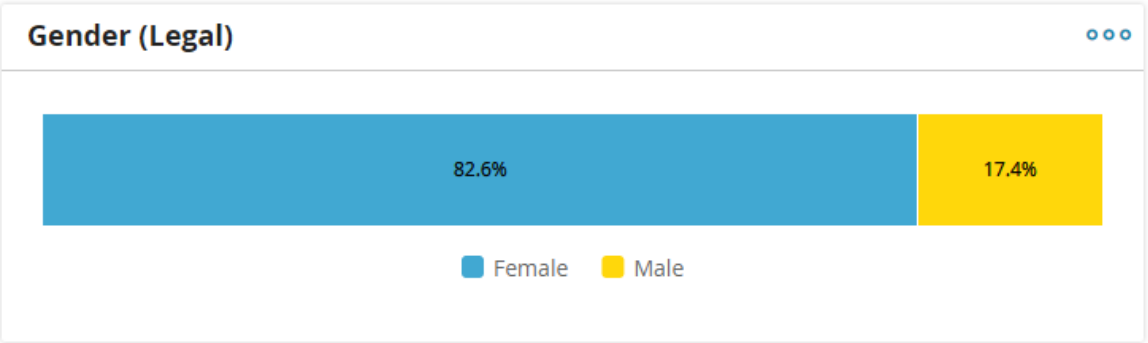
Hired ⓘ
15

Termed ⓘ
11

Growth Rate ⓘ
2.5%

Turnover Rate ⓘ
7%

Average Tenure ⓘ
5.3
(Years)



Generation Z – 29 employees
Millennials – 55 employees
Generation X – 57 employees
Baby Boomers – 20 employees
Youngest Employee – 15 years old
Oldest Employee – 73 years old

Submitted by: Cynthia Newman - SHRM-CP, PHR

New PMC Project Board Report

June 19, 2024

Submitted by Arcadis

Sitework

- Sitework is completed except for final grading at the WERC Building Site and the entry.
- The hospital site work will remain lower than the final grade until the design is completed.
- Utilities will start in early July for water, sewer, communication, and power.

Wellness, Education & Resource Center (WERC)

- Dawson has completed more than 70% of the foundation.
- Structural Steel detailing is mostly complete; the steel will be on the July barge.
- Final design documents were issued on 6/14 from Bettisworth North, under review.
- Steel erection will start in July pending fabrication timelines are met.
- The goal is to have the roof on by the end of September, currently on track.

Main Hospital - LTC Building

- Hospital grant funding is pending; no updates.
- A \$2M request for a Denali Commission grant was submitted on April 12; no update.

WERC Building Site 6/19/2024





Petersburg Medical Center

Quality Report June 2024

Workforce Wellness

The interim Quality Director oversees shared initiatives led by department heads and Home Health Quality.

Workplace Satisfaction Survey Analysis: The survey launch was on April 22, aimed at gathering valuable employee perspectives on their work environment to improve satisfaction, retention, and communication. We are working on a departmental report as well as general action item recommendations to address the trends and input received. Benchmarks from the survey will be added to the strategic plan KPIs for Workforce Wellness.

Community Engagement

Community Health Needs Assessment: The planning phase is well underway. Wellness department, and grants coordinator and quality are meeting weekly on this to begin the rollout schedule.

Petersburg Evidence-Based Fall Prevention Programs: The semi-annual Falls Grant Report and a meeting with NCOA were completed last week. We are on track to meet the outlined goals. Program demonstrations for Bingo-cize and Tai Ji Quan at the PMC Health Fair were well-received, meeting the year one participant target goals of 75 participants outlined under this grant. In-person Tai Ji Quan and Bingo-cize are occurring twice weekly in Petersburg, with remote/online Tai Ji Quan classes set to start again in October for 24 weeks through the winter season. One community member has been participating in the LTC Quality Committee and another in the CAH Quality Committee, offering valuable perspectives and enhancing accountability.

Patient Centered Care

Home Health Performance Improvement Project: The End-of-Life Order set has been submitted to medical staff for review and recommendations. Logistics of implementation have been worked out for EMR integration.

Another grant opportunity is being considered this week that has the potential to support current quality projects, enhance local partnerships and aid in quality metric reporting. Funding is focused on projects that reduce barriers related to Social Determinants of Health (e.g., economic status, race, health literacy) to increase the use of preventative health services and make progress towards Leading Health Indicator (LHI) targets. LHI targets are high priority Healthy People 2030 objectives.

Facility

Strategic Plan-Key performance indicator identification project: Manager identified indicators are linked to the strategic plan objectives with goals identified. This project is progressing nicely and helping to further define the PMC quality program. Aim for completion in June.

Financial Wellness

A grant application has been submitted that may provide additional funding for the adult day program and resources needed for this program. Notice of Award expected to occur by July 1.

Submitted by: Stephanie Romine, RN



Petersburg Medical Center

Infection Prevention and Control Report June 2024

Workforce Wellness

There have been no changes in staffing.

Community Engagement

May was a busy month for respiratory viruses in the community. The lab identified covid, influenza A and other respiratory viruses that had common cold symptoms.

Patient Centered Care

Eight LTC residents developed cold symptoms after the activity filled Little Norway Weekend. Symptomatic residents were tested, per protocol, for covid, influenza and RSV and were negative. All recovered without complications. We held off with covid vaccinations while residents were ill and are beginning to ensure updated vaccination for those who want them.

We are in the beginning stages of our Sepsis Recognition and Response Quality project and will be able to report metrics once it is up and running. This will be required for 2025.

LTC 2024 Infection Prevention Metrics:

- Urinary Tract Infections (UTI): 1
- Catheter associated Urinary Tract Infections (CAUTI): 1
- Clostridium Difficile infections: 0
- Covid-19 infections: 0
- Influenza infections: 0

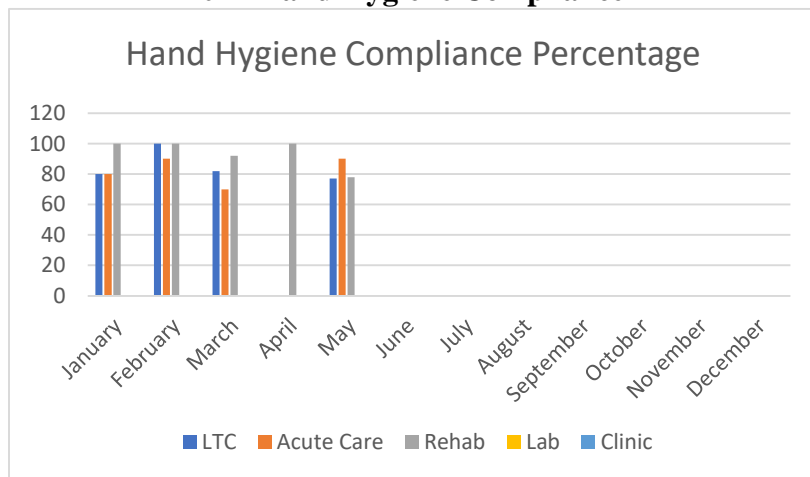
Facility

Nothing new to report.

Financial Wellness

No changes have occurred in this area

2024 Hand Hygiene Compliance



Submitted by: Jennifer Bryner, MSN, RN



Petersburg Medical Center

CEO Board Report June 2024

Mission Statement: Excellence in healthcare services and the promotion of wellness in our community.

Guiding Values: Dignity, Integrity, Professionalism, Teamwork, Quality

Highlights:

- PMC made the Federal Senator Murkowski’s initial cut of the appropriation list for \$3M. Hopefully, we will make the final list. This will assist in hospital design completion but PMC still needs a substantial amount for the hospital and long term care building itself.
- Registration is now open for the 2024 Pedal/Paddle on July 27. Please show your support for this annual fundraiser by participating and/or donating to this fun event. PMC’s goal is to raise \$24,000 in 2024. Register here: <https://www.pmcak.org/paddle-battle-registration.html>.

Financial Wellness: Goal: To achieve financial stability and sustainability for the hospital.

FY23 Benchmarks for Key Performance Indicators (KPIs): Gross A/R days to be less than 55, DNFB < then 5 days, and 90 Days Cash on Hand

- **Accounts Receivables (AR) Update:** Unfortunately, Accounts Receivables (AR) is still hovering around 80 days. The revenue cycle team continues to work on improving this metric with a target of 55 days. To achieve this, we are actively changing our approach to bring more billing in-house, which should help reduce the AR days. We have posted positions to begin bringing these services within PMC.
- On June 19, I met with the leadership of HRG/Trubridge to discuss these challenges and formulate a plan of correction. He agreed to develop a plan of correction, and we will meet at the executive level every two weeks to monitor progress and make necessary adjustments.
- PMC has been awarded a total of \$116,375 in grants for Summer ORCA Camps, Teen Mental Health First Aid, and School-Based Health Services Grant. This is in addition to the four total continuing multi-year awards, including the \$20M Department of Treasury grant, \$8M for the HRSA grant, \$550K for falls prevention, and \$145K for tobacco cessation. A total of seven grants are pending for FY25-FY29 totaling \$7.8 million. See attached grant report summary.

Budget Review

The Capital and Operational Budget for FY25 are being reviewed by the resource committee and are presented for approval in the packet. The finance team has worked incredibly hard to achieve this goal, and I am pleased to see this result of their efforts.

New Facility: Goal: To expand the capacity and capabilities of the community borough-owned rural hospital through the construction of a new facility, while taking into account the needs and priorities of the local community.

Join the PMC Foundation in supporting continuing education for staff & scholarships for high school seniors!



Pedal/Paddle Battle

SCOW BAY TO SANDY BEACH

Saturday, July 27th
Start at Scow Bay
Paddlers @ 09:30 / Pedalers @ 11:00
BBQ & Prize Drawings at Finish

Register and/or Donate www.pmcak.org

Registration

- Kayaks, Canoes, SUPs, & Bikes welcome!
- www.pmcak.org to register
- \$20 registration (free for kids under 12)

Participant & Sponsor Drawing

- Participants entered for getting sponsors
- Sponsors entered by donating

HUGE PRIZES!

AK Airlines Tickets
Mountain Bike
Rumpl Puffy Blanket



- **Site Preparation:** Site preparation is complete for the full 4.9 acres of wetlands permitting. A small section in the northeast corner of the lot connected to the ballfields will need additional permitting, excavation, and fill development. The WERC building is FULLY funded, on budget with (~\$1M) contingencies, and on time. We really have the “A” Team working on this project. By fall 2025, this building will be complete including an MRI service expansion.
- **Progress on WERC Building:** Progress continues on the WERC building. Here are some recent photos from the site.
- **Notice to Proceed:** The Borough Assembly authorized Petersburg Medical Center to issue a Notice to Proceed to Dawson Construction for full construction of the WERC Building, which adjusted the total Guaranteed Maximum Price to \$14,698,948. Funds for the Notice to Proceed are available from the \$20 million Department of Treasury grant awarded to PMC in December 2023.
- **Tour of the Sites:** The heavy equipment and site prep are largely complete. Upon request, we can take staff, board members, and community members to the site for tours. We are also happy and available to provide tours of our existing facility.
- **Funding:** PMC made Federal Senator Murkowski’s initial cut of the appropriation list for \$3M. This still requires approval but marks an important recognition of the project’s significance. As the state capital budget, Governor’s budget, and state bond approaches, I encourage the community to continue advocating for this project to maintain its status as the Borough’s top federal and state priority for the next fiscal year. This is crucial for securing grants and funding. Additionally, while a USDA direct loan remains an option, it should be considered only as a last resort.
- **Updates:** Project updates are available on the PMC website under the “[New Facility & Planning](#)” tab.



Workforce Wellness: Goal: To create a supportive work environment and promote the physical and mental well-being of hospital staff, in order to improve retention rates and overall productivity.

- To celebrate Mental Health Awareness Month, the Behavioral Health & Community Wellness departments launched a Self-Care Campaign to emphasize the importance of self-care and encourage ongoing mental health conversations within our community. The team set up a table on May 31 for employees to share self-care tips from employees and a chance to win prizes. Employees were encouraged to visit, share their self-care practices, and learn more about maintaining their mental health.



- In addition to Bravo and BetterHelp offerings, PMC provides various activities and opportunities for employee wellness. These include a Parks and Recreation Discount, Healthy Snack Carts, a Lifestyle Balance Program, Health Challenges, Winter Safety Gear, and access to a fat tire bike. Additionally, we host various one-time events to promote health and well-being.
- As health insurance costs and premiums continue to rise nationwide, PMC has also experienced an increase. This year, PMC insurance premiums increased by 10.9%, reflecting a broader trend seen across the country. National statistics indicate similar hikes, underscoring the growing financial burden on both employers and employees in the healthcare sector.
- Employee engagement efforts this month included the new internal newsletter and monthly CEO office hours.

Community Engagement: Goal: To strengthen the hospital’s relationship with the local community and promote health and wellness within the community.

- June 3: PMC reported out at the Borough Assembly meeting and the Borough Assembly authorized Petersburg Medical Center to Issue a Notice to Proceed to Dawson Construction for Full Construction of the WERC Building.
- June 27: KFSK Radio PMC Live.
- July 27: Save the date for the PMC Foundation’s Pedal/Paddle Battle. At this annual event, participants bike or paddle from Scow Bay to Sandy Beach to raise funds to support staff education and HS scholarships. [Register](#) on the PMC website.

Patient-Centered Care and Wellness: Goal: To provide high-quality, patient-centered care and promote wellness for all patients.

- Registration for PMC’s ORCA Camps are now open. The camps include a wide variety of options for youth summer camps. Scholarships for ORCA Camps made possible thanks to WAVE Prevention funding. Register at: www.regpack.com/reg/PMCYouthPrograms.
- Volumes have rebounded in May and into June with summer influx of ER and Acute Care stays.



The graphic features a blue background with a white compass rose in the center. Inside the compass rose is a silhouette of an orca. The text 'OUTDOOR RECREATION CREATION ADVENTURE' is written along the top arc of the compass, and 'PETERSBURG MEDICAL CENTER' is written along the bottom arc. To the right of the compass, the words 'ORCA CAMPS ENROLLMENT OPEN' are written in large, bold, yellow, block letters. Below this, on a light blue background, are the following dates and activities: 'June 11 - July 3 -- Run POD', 'July 8 - Aug 3 -- Theater ORCA Camp', 'July 22 - July 26 -- Kayaking Expedition', 'Aug 6 - Aug 22 -- Basketball POD', and 'August 14-16 & 21-23 -- Fly-Fishing ORCA Camp'. A small note below the last date reads '*fly-fishing enrollment not yet open'. At the bottom, on a yellow background, is the text 'To Enroll: www.regpack.com/reg/PMCYouthPrograms'.

ED Visits

Options ▾

Hospital Operations

82

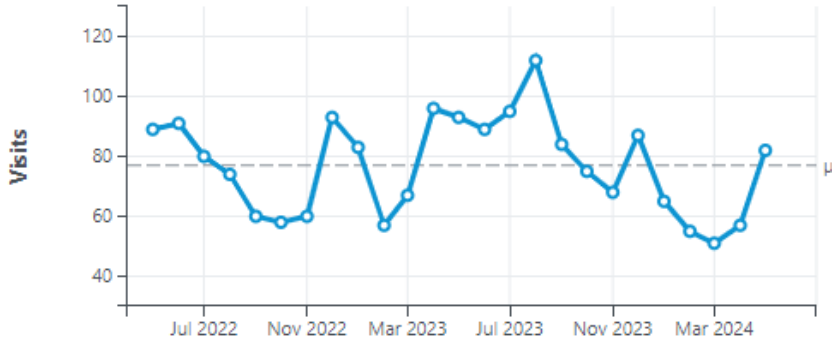
Visits
May 2024

25 (43.9%)

Change from
April 2024

77

Monthly Average
Past 25 Months



- ED Visits
- Benchmark (Critical Access Clients)

Total Encounters

Options ▾

Patient Visits

1,466

Encounters
May 2024

132 (9.9%)

Change from
April 2024

1,089

Monthly Average
Past 25 Months

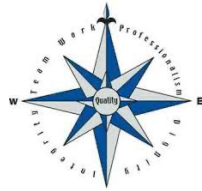
View By: Aggregate ▾



- Total Encounters

Summary

Submitted by: Phil Hofstetter, CEO



2024 PMC GRANT PROPOSALS

Updated June 19, 2024

3 Total Awards to Date: \$116,375 for FY25

◆ **ACF Summer ORCA Camps**

Provide three day camps for Petersburg youth and launch the first overnight kayak camp for teens.

1 Year | \$20,000 awarded

◆ **PCF Teen Mental Health First Aid**

Train PMC staff to be certified as facilitators of the evidence-based tMHFA prevention curriculum.

1 Year | \$9,260 awarded

◆ **SBHA School-Based Health Services Grant**

Partnership to provide School Nurse & Behavioral Health supports for PCSD K-12 students.

1 Year | \$87,115 awarded

7 Total Pending Requests: \$7.8 million, FY25-FY29

◆ **Denali Commission Basic Infrastructure Grant**

New Medical Center & Long Term Care facility remaining costs through Phase 3.

1 Award | \$2,000,000 total requested

STATUS: Pending (decision expected July 2024)

◆ **GCI Suicide Prevention Grant**

Provide outreach materials, workbooks, and supplies for community suicide prevention trainings.

1 Year | \$7,000 total requested

STATUS: Pending (decision expected July 2024)

◆ **OASH Community Level Innovations Grant**

Collaboration to address colorectal cancer and hypertension health disparities.

4 Years | \$555,600 annually

STATUS: Pending (decision expected August 2024)

◆ **SAMHSA Strategic Prevention Framework Grant**

Collaboration to develop community substance use and suicide prevention priorities.

5 Years | \$375,000 annually

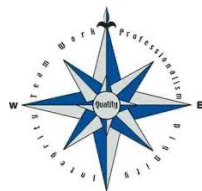
STATUS: Pending (decision expected August 2024)

◆ **State DPH Division Opioid Settlement Funds Grant**

Sustain telepsychiatry access pilot program established by PMC's 2023 HRSA grant.

3 Years | \$142,828 annually

STATUS: Pending (decision expected June 2024)



- ◆ **State SDS Division Adult Day Services Grant**
Support for Cedar Social Club staffing and other costs, including client scholarships.
3 Years | **\$165,000** annually
STATUS: Pending (*decision expected June 2024*)

- ◆ **US Dept. Agriculture Distance Learning and Telemedicine Grant**
Equipment and software supporting telemedicine & workforce development goals.
1 Award | **\$640,148** total requested
STATUS: Pending (*decision expected August 2024*)

4 Total Continuing Multi-Year Awards

- ◆ **ACL Communities Deliver & Sustain Evidence-Based Falls Prevention**
Provides two evidence-based falls prevention programs to older adults, people with disabilities, and others with mobility challenges, both in person and through telehealth; and connects eligible community members with available in-home services & other care at PMC.
Year 2 of 4 | **\$549,327** awarded total
Currently funding: **0.85 FTE** across **4 positions** in Community Wellness & Home Health
Required matching funds: \$0
Program housed in: Community Wellness
- ◆ **HRSA Congressionally Directed Spending: Community Project**
Contributes to new Petersburg Medical Center facility sitework and construction costs.
Awarded 2022 | **\$8,000,000** awarded total
Required matching funds: \$0
Project housed in: Finance
- ◆ **State Community-Based Tobacco Prevention and Control Grant**
Implements the evidence-based Million Hearts® Change Package for Tobacco Cessation in the PMC health care systems change, by making tobacco cessation a practice and system priority and creating a supportive environment for cessation.
Year 2 of 3 | **\$145,000** per year
Currently funding: **0.5 FTE** in Community Wellness and **\$13,050** in annual indirect costs
Required matching funds: \$0
Program housed in: Primary Care Clinic / Community Wellness
- ◆ **US Dept. Treasury Coronavirus Capital Projects Fund Grant**
Constructs a 19,000 square foot Wellness, Education, and Resource Center (WERC) building adjacent to the new Petersburg Medical Center facility, which will include program space enabling community work, education and health monitoring.
Year 3 of 6 | **\$20,000,000** awarded total
Required matching funds: \$0
Project housed in: Finance

PETERSBURG MEDICAL CENTER

FINANCIAL REPORTING PACKAGE

For the month ended May 31, 2024

PETERSBURG MEDICAL CENTER
Key Volume Indicators
FISCAL YEAR 2024

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total	Prior YTD	% Change
1. Clinic Visits	794	821	729	874	784	725	812	772	844	900	1,010		9,065	8,199	10.6%
2. Radiology Procedures	206	189	199	262	211	168	183	162	184	224	212		2,200	2,353	-6.5%
3. Lab Tests (excluding QC)	1,891	1,959	1,581	1,775	1,514	1,699	1,663	3,111	2,319	1,781	1,518		20,811	20,828	-0.1%
4. Rehab Services Units	1,010	1,054	818	706	636	647	767	812	861	1,073	990		9,374	9,979	-6.1%
<i>Physical</i>	831	880	598	522	483	514	597	661	742	901	855		7,584		
<i>Occupational</i>	136	137	156	132	125	112	133	105	86	136	135		1,393		
<i>Speech</i>	43	37	64	52	28	21	37	46	33	36			397		
5. Home Health Visits	212	152	118	142	145	120	114	81	108	122	201		1,515	2,626	-42.3%
6. Emergency Room Visits	92	102	81	71	60	82	61	54	45	49	84		781	752	3.9%
<i>Hospital Inpatient</i>															
7. Patient Days - Acute	32	32	26	8	40	33	30	21	22	30	19		293	319	-8.2%
8. Patient Days - Swing Bed	46	31	26	53	49	40	35	11		31	48		370	480	-22.9%
9. Patient Days - Total	78	63	52	61	89	73	65	32	22	61	67		663	799	-17.0%
10. Average Daily Census - Acute		1.0	0.9	0.3	1.3	1.1	1.0	0.8	0.7	1.0	0.6		0.9	1.0	-8.2%
11. Average Daily Census - Swing Bed	1.5	1.0	0.9	1.7	1.6	1.3	1.1	0.4		1.0	1.5		1.1	1.4	-22.9%
12. Average Daily Census - Total	2.5	2.0	1.7	2.0	3.0	2.4	2.1	1.1	0.7	2.0	2.2		2.0	2.4	-17.0%
13. Percentage of Occupancy	21.0%	16.9%	14.4%	16.4%	24.7%	19.6%	17.5%	9.5%	5.9%	16.9%	18.0%		16.5%	19.9%	-17.0%
<i>Long Term Care</i>															
14. LTC Days	403	411	420	462	450	444	413	354	372	360	355		4,457	4,109	8.5%
15. Average Daily Census	13.0	13.2	14.0	14.9	15.0	14.3	13.4	13.0	12.1	12.0	11.5		13.3	12.3	8.5%
16. Percentage of Occupancy	86.7%	88.2%	93.3%	99.1%	100.0%	95.5%	89.0%	86.7%	80.9%	80.0%	76.3%		88.7%	81.8%	8.5%

PETERSBURG MEDICAL CENTER
Statement of Revenues and Expenses
For the month ended May 31, 2024

Month Actual	Month Budget	\$ Variance	%		FY24						
					YTD Actual	YTD Budget	\$ Variance	% Variance	Prior YTD	% Variance	
351,975	301,824	50,151	16.6%								
1,258,238	1,325,119	(66,881)	-5.0%	1. Clinic	\$2,909,128	\$3,190,576	(\$281,448)	-8.8%	\$2,746,720	5.9%	
324,905	376,909	(52,004)	-13.8%	2. Outpatient	12,050,600	14,705,787	(2,655,187)	-18.1%	12,472,448	-3.4%	
518,365	529,481	(11,116)	-2.1%	3. Inpatient	3,329,363	4,145,993	(816,629)	-19.7%	3,478,124	-4.3%	
2,453,483	2,533,332	(79,849)	-3.2%	4. Long-term Care	5,873,809	5,824,292	49,517	0.9%	4,951,500	18.6%	
				5. Total gross patient revenue	24,162,900	27,866,647	(3,703,747)	-13.3%	23,648,792	2.2%	
553,339	495,850	(57,490)	-11.6%	6. Contractual adjustments	4,545,624	5,454,346	908,722	16.7%	5,133,703	11.5%	
0	0	0	n/a	7. Prior year settlements	(664,863)	0	664,863	n/a	(82,045)	-710.4%	
124,323	17,670	(106,653)	-603.6%	8. Bad debt expense	42,382	194,370	151,988	78.2%	25,691	65.0%	
7,070	82,998	75,927	91.5%	9. Charity and other deductions	(16,893)	912,975	929,868	101.9%	281,332	106.0%	
684,732	596,517	(88,216)	-14.8%		3,906,249	6,561,690	2,655,440	40.5%	5,358,681	27.1%	
1,768,751	1,936,816	(168,065)	-8.7%	11. Net patient revenue	20,256,651	21,304,958	(1,048,307)	-4.9%	18,290,111	10.8%	
82,508	83,834	(1,326)	-1.6%	12. Inkind Service - PERS/USAC	908,284	922,195	(13,911)	-1.5%	885,502	2.6%	
72,178	33,989	38,189	112.4%	13. Grant revenue	618,675	373,879	244,796	65.5%	426,635	45.0%	
0	27,971	(27,971)	-100.0%	14. Federal & State Relief	75,000	307,677	(232,677)	-75.6%	302,856	-75.2%	
25,142	29,166	(4,024)	-13.8%	15. Other revenue	380,174	320,834	59,340	18.5%	1,084,425	-64.9%	
179,828	174,960	4,869	2.8%	16. Total other operating revenue	1,982,133	1,924,585	57,548	3.0%	2,699,418	-26.6%	
1,948,579	2,111,775	(163,196)	-7.7%	17. Total operating revenue	22,238,783	23,229,542	(990,759)	-4.3%	20,989,529	6.0%	
927,373	1,023,077	95,704	9.4%	18. Salaries and wages	10,335,988	11,253,839	917,851	8.2%	10,807,312	4.4%	
165,296	68,538	(96,758)	-141.2%	19. Contract labor	1,109,872	755,777	(354,095)	-46.9%	725,195	-53.0%	
317,365	370,953	53,587	14.4%	20. Employee benefits	3,840,775	4,080,479	239,704	5.9%	3,847,248	0.2%	
154,742	147,411	(7,331)	-5.0%	21. Supplies	1,475,629	1,621,516	145,887	9.0%	1,486,053	0.7%	
116,630	146,849	30,219	20.6%	22. Purchased services	1,361,348	1,615,340	253,992	15.7%	1,546,249	12.0%	
45,307	50,798	5,491	10.8%	23. Repairs and maintenance	513,996	558,773	44,777	8.0%	511,274	-0.5%	
24,363	14,468	(9,895)	-68.4%	24. Minor equipment	210,743	159,142	(51,602)	-32.4%	144,906	-45.4%	
24,643	21,850	(2,793)	-12.8%	25. Rentals and leases	232,523	240,359	7,836	3.3%	232,194	-0.1%	
89,353	93,206	3,853	4.1%	26. Utilities	978,778	1,025,267	46,489	4.5%	1,017,498	3.8%	
102	12,203	12,101	99.2%	27. Training and travel	109,145	134,233	25,088	18.7%	73,466	-48.6%	
99,105	88,976	(10,129)	-11.4%	28. Depreciation	1,048,520	978,738	(69,782)	-7.1%	1,036,921	-1.1%	
15,770	16,419	649	3.9%	29. Insurance	175,996	180,615	4,619	2.6%	163,789	-7.5%	
36,996	33,195	(3,802)	-11.5%	30. Other operating expense	389,498	365,142	(24,357)	-6.7%	340,356	-14.4%	
2,017,045	2,087,940	70,895	3.4%	31. Total expenses	21,782,811	22,969,217	1,186,406	5.2%	21,932,461	0.7%	
(68,466)	23,835	(92,301)	387.3%	32. Income (loss) from operations	455,973	260,325	195,648	-75.2%	(942,932)	148.4%	
125,893	8,334	117,560	1410.7%	33. Investment income	394,124	91,667	302,457	330.0%	175,834	124.1%	
(10,956)	(4,167)	(6,789)	-162.9%	34. Interest expense	(128,427)	(45,833)	(82,594)	-180.2%	(209,479)	38.7%	
0	0	0	n/a	35. Gain (loss) on disposal of assets	0	0	0	n/a	-	n/a	
2,389,810	912	2,388,899	262084.3%	36. Other non-operating revenue	8,422,671	9,089	8,413,582	92573.9%	(157,768)	-5438.6%	
2,504,747	5,078	2,499,669	49225.5%	37. Net nonoperating gains (losses)	8,688,367	54,922	8,633,445	15719.5%	(191,413)	4639.1%	
\$2,436,281	\$28,913	\$2,407,368	8326.3%	38. Change in Net Position (Bottom Line)	\$9,144,340	\$315,247	\$8,829,093	2800.7%	(\$1,134,345)	906.1%	

PETERSBURG MEDICAL CENTER
Balance Sheet
May, 2024

ASSETS					LIABILITIES & FUND BALANCE	FY24			
	May 2024	Apr 2024	June 2023	May 2023		May 2024	Apr 2024	June 2023	May 2023
Current Assets:					Current Liabilities:				
1. Cash	775,173	1,234,056	422,951	339,458	23. Accounts payable	\$4,589,634	\$4,422,002	\$1,756,006	\$1,322,664
2. Cash - insurance advances	0	0	0	0	24. Accrued payroll	173,111	510,703	187,957	540,371
3. Investments	1,053,150	1,048,599	47,174	47,140	25. Payroll taxes and other payables	213,441	224,794	235,857	243,951
4. Total cash	<u>1,828,323</u>	<u>2,282,655</u>	<u>470,125</u>	<u>386,599</u>	26. Accrued PTO and extended sick	1,025,767	1,015,192	1,069,103	1,078,550
5. Patient receivables	6,187,057	5,529,047	6,030,712	6,958,503	27. Deferred revenue	335,047	323,948	206,868	197,589
6. Allowance for contractals & bad debt	<u>(2,263,471)</u>	<u>(1,911,060)</u>	<u>(2,891,731)</u>	<u>(3,444,540)</u>	28. Due to Medicare	299,999	266,855	99,999	179,559
7. Net patient receivables	3,923,586	3,617,987	3,138,980	3,513,964	29. Due to Medicare - Advance	0	0	0	0
8. Other receivables	2,642,817	2,679,854	938,719	80,951	30. Due to Blue Cross - Advance	0	0	0	0
9. Inventories	325,595	327,140	317,650	322,849	31. Other current liabilities	4,022	4,022	3,069	3,515
10. Prepaid Expenses	144,623	115,370	113,382	461,493	32. Loan Payable - SBA	0	0	0	0
11. Total current assets	<u>8,864,945</u>	<u>9,023,007</u>	<u>4,978,857</u>	<u>4,765,856</u>	33. Current portion of long-term debt	400,966	399,255	347,641	346,169
Property and Equipment:					34. Total current liabilities	<u>7,041,985</u>	<u>7,166,771</u>	<u>3,906,501</u>	<u>3,912,368</u>
12. Assets in service	28,602,955	28,596,432	28,056,475	28,056,475	Long-Term Debt:				
13. Assets in progress	9,694,031	7,289,724	1,322,767	763,921	35. Capital leases payable	2,153,235	2,187,440	2,435,762	2,465,414
14. Total property and equipment	38,296,986	35,886,156	29,379,242	28,820,396	Pension Liabilities:				
15. Less: accumulated depreciation	<u>(22,201,529)</u>	<u>(22,102,423)</u>	<u>(21,153,009)</u>	<u>(21,061,350)</u>	36. Net Pension Liability	16,521,607	16,521,607	12,053,763	12,053,763
16. Net property and equipment	<u>16,095,457</u>	<u>13,783,733</u>	<u>8,226,233</u>	<u>7,759,046</u>	37. OPEB Liability	-	-	-	-
Assets Limited as to Use by Board					38. Total pension liabilities	<u>16,521,607</u>	<u>16,521,607</u>	<u>12,053,763</u>	<u>12,053,763</u>
17. Investments	3,316,185	3,213,967	3,008,055	2,885,256	39. Total liabilities	<u>25,716,827</u>	<u>25,875,818</u>	<u>18,396,026</u>	<u>18,431,544</u>
18. Building fund	719,607	698,200	649,250	623,533	Deferred Inflows:				
19. Total Assets Limited as to Use	<u>4,035,792</u>	<u>3,912,167</u>	<u>3,657,306</u>	<u>3,508,788</u>	40. Pension	623,594	623,594	9,613,036	9,613,036
Pension Assets:					Net Position:				
20. OPEB Asset	6,685,608	6,685,608	8,781,677	8,781,677	41. Unrestricted	610,104	2,751,845	610,104	610,104
Deferred Outflows:					42. Current year net income (loss)	11,286,082	6,708,059	(218,841)	(1,083,062)
21. Pension	<u>2,554,803</u>	<u>2,554,803</u>	<u>2,756,254</u>	<u>2,756,254</u>	43. Total net position	<u>11,896,184</u>	<u>9,459,904</u>	<u>391,263</u>	<u>(472,959)</u>
22. Total assets	<u>\$38,236,605</u>	<u>\$35,959,318</u>	<u>\$28,400,326</u>	<u>\$27,571,621</u>	44. Total liabilities and fund balance	<u>\$38,236,605</u>	<u>\$35,959,316</u>	<u>\$28,400,325</u>	<u>\$27,571,621</u>

**Note: Cash on line 1 is for presentation purposes only. The total cash in bank is the sum of Lines 1 and 2.

PETERSBURG MEDICAL CENTER
Key Operational Indicators
For the month ended May 31, 2024

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD	Prior YTD	% Change
1. Contractual Adj. as a % of Gross Revenue	37.9%	25.1%	15.9%	23.4%	9.1%	20.9%	15.7%	12.2%	-0.8%	21.3%	22.6%		21.3%	20.6%	-3.7%
2. Charity/Other Ded. as a % of Gross Revenue	1.0%	0.0%	0.0%	-0.4%	-0.7%	-0.2%	-0.3%	0.0%	-0.1%	-0.4%	0.3%		-0.1%	1.1%	107.9%
3. Bad Debt as a % of Gross Revenue	-13.2%	-0.1%	-9.2%	5.1%	-11.3%	2.6%	6.1%	1.1%	11.7%	3.7%	5.1%		-2.8%	2.5%	-212.3%
4. Operating Margin	-3.3%	-2.0%	4.6%	-23.3%	41.4%	-12.5%	0.4%	4.0%	-0.7%	-10.6%	-3.5%		4.5%	-10.2%	144.1%
5. Total Margin	-0.1%	10.0%	17.6%	-19.4%	51.5%	28.4%	8.4%	22.3%	35.2%	48.0%	54.7%		18.8%	-10.6%	276.6%
6. Days Cash on Hand (Including Investments)	79.7	74.8	69.7	69.1	68.0	73.8	73.5	76.9	100.7	104.0	98.4	-	98.4	81.3	-23.7%
7. Days in A/R (Net)	58.5	62.8	61.9	59.7	56.1	58.2	61.0	67.5	59.8	62.0	68.5	-	68.5	61.9	0.2%
8. Days in A/R (Gross)	70.5	70.0	71.0	71.9	76.9	77.3	83.4	76.9	75.9	79.2	84.7		84.7	94.7	19.0%



Petersburg Medical Center

CFO FY25 Budget Memo June 21, 2024

I wish to thank Joel Pipkin for his time and expertise in creating the Budget Workbook and meeting with department managers to review information and prepare the budget requests. We kicked off Budget Season with a training session with all managers. This helps take away some of the anxiety of preparing a budget and helps everyone understand our business strategy. Given that we are a CAH hospital our business and financial strategy is very different from a large hospital or general business. Our goal is to provide quality patient care, not cheap patient care. We are reimbursed by Medicare and Medicaid based on cost. It is important for us to be good stewards with our costs, but cutting costs and thus reducing quality means we will refund Medicare, upset patients and staff. None of these outcomes are consistent with our goals. Phil is constantly leading us to recruit permanent employees that are experts in their field. When we do this, we attract more patients to the organization, meet community expectations, lower our per unit cost of care and achieve great outcomes, including financial performance.

As you review the budget summary you will note that revenues and the bottom line are in brackets indicating a negative number. That is not the case. The bracket indicates in the system a debit and the no-bracket is a credit. Debit means Left Side, Credit means Right Side. This is how the figures appear in the double entry accounting system. The bottom-line shows \$(253,000). This is a profit, not a loss. You will also note that the subtotals for a category appear at the top of the category and not the bottom.

There are a couple of key assumptions in the budget we wish to bring to your attention. The budget includes an increase in the Charge Master for Hospital, Clinic and Home Health of 8%. We have already sent out notices for the increase in the Nursing home rate. We have incorporated a 5% increase in total wages. This includes the normal 2% cost of living increases for the wage scales that are in effect that will go into effect in July. We will perform a market review of the wage scales of all positions this summer or early fall and may increase some positions to ensure that they match current market rates. We have seen an increase in Agency Staff, due to a variety of reasons, but remain steadfast to our goal to attract and retain a permanent workforce with diverse and exceptional skills. Good wages and a great culture are what it takes to recruit the best.

There is an 11% increase in the cost of PMC employee health insurance premiums. There is a 6% increase in the cost of PMC's general business insurance fees. We are receiving the renewal notices currently and will update you in the board meeting. Depreciation increases by 10% with the addition of the 3D Mammo machine this summer. We budget for travel and training based on requests. These expenses are subject to approval based on the financial performance of the organization. Most departments don't use all that they request. Actual expenses often fall lower than the budget in this category.

With regard to patient volumes, we will focus on building a stronger connection with Mountain View Manner this year. We hope to help them improve the continuity of care, and help the families of residents prepare for the transition to long-term care as appropriate. We recognize that the facilities for Long Term Care are not as nice as the assisted living facility. We are working hard to build a new facility. We always provide exceptional care in the department.

The capital grants are our best guess of what will be completed by July of 2025 on the WERC building. Operating grants that are awarded or certain are incorporated into the operating budget.

We believe that this is a conservatively projected budget incorporating known changes in our operations. As always, reality will vary somewhat from our budget plan. We strive to budget for expenses 2% higher than what we realistically believe they will be due to the fact that we are a component unit of the Borough and the budget, when approved by the board, is a legal appropriation authorizing the CEO to spend funds to operate the organization. As we manage reality, we strive to produce a positive bottom line greater than \$250,000.

Submitted by: Jason McCormick, CFO

PMC FY25 OPERATING BUDGET								
FINANCIAL								
All Departments	FY21	FY22	FY23	FY24 Budget	FY24 (Annualized)	FY25 Budget	\$ Change	% Change
TOTAL OPERATING REVENUE	(24,346,834)	(20,210,104)	(23,056,473)	(25,341,317)	(23,889,044)	(25,053,292)	(1,164,249)	5%
Net Patient Revenue	(15,476,648)	(16,703,912)	(20,176,129)	(23,241,773)	(21,785,735)	(22,843,005)	(1,057,270)	5%
Gross Patient Revenue			(25,835,383)	(30,399,979)	(26,172,666)	(28,239,503)	(2,066,837)	8%
Patient Revenue - Clinic			(5,021,582)		(4,930,405)	(5,372,147)	(441,742)	9%
Patient Revenue - OP			(7,704,100)		(6,797,554)	(7,701,785)	(904,230)	13%
Patient Revenue - IP			(2,764,222)		(2,770,892)	(3,012,034)	(241,143)	9%
Patient Revenue - ER			(2,170,418)		(2,561,315)	(2,790,850)	(229,536)	9%
Patient Revenue - OBS			(952,321)		(1,255,094)	(1,367,578)	(112,484)	9%
Patient Revenue - Home Health			(677,528)		(483,431)	(531,774)	(48,343)	10%
Patient Revenue - LTC			(5,487,094)		(6,451,343)	(6,257,665)	193,678	-3%
Patient Revenue - Swing Bed			(1,058,118)		(922,634)	(1,005,671)	(83,037)	9%
340B Rev						(400,000)	(400,000)	
340B Expense						200,000	200,000	
Deductions From Revenue			5,659,254	7,158,206	4,386,931	5,396,498	1,009,567	23%
Bad Debt			(1,049,388)		(609,332)	250,000	859,332	-141%
No ABN			104,235		3,135	3,229	94	3%
Untimely Write Off			697,258		512,748	384,561	(128,187)	-25%
Prior Period Adjustments			(160,417)		(997,295)	(1,017,240)	(19,946)	2%
Contractual Adjustments			6,067,566		5,477,674	5,775,949	298,275	5%
Other Operating Revenue	(8,870,186)	(3,506,192)	(2,871,889)	(2,099,544)	(2,103,309)	(2,210,287)	(106,978)	5%
Rental Income			(20,800)		(19,200)	(19,776)	(576)	3%
Federal & State Relief			(312,231)		(112,500)	(114,750)	(2,250)	2%
Inkind - PERS			(285,119)		(301,041)	(307,062)	(6,021)	2%
Inkind - USAC			(692,184)		(690,099)	(703,901)	(13,802)	2%
Grant Rev (non-capital)			(448,741)		(613,872)	(626,149)	(12,277)	2%
Other Revenue			(1,112,814)		(366,597)	(438,649)	(72,052)	20%
					-	0		
TOTAL EXPENSES	21,720,141	23,340,388	22,125,966	25,057,157	23,626,064	24,800,065	1,174,501	5%
Minor Equipment	376,092	280,758	173,342	173,609	248,894	252,530	3,635	1%
Other Operating Expenses	249,551	346,331	396,498	398,336	411,830	423,505	11,675	3%
Other Operating Expenses			4,866		7,671	7,825	154	2%
Advertising			39,371		28,593	29,375	782	3%
Fees & Licenses			72,512		81,231	84,099	2,868	4%
Dues & Subscriptions			63,835		61,466	64,239	2,773	5%
Freight			83,843		98,614	99,685	1,071	1%
Postage			4,988		3,884	4,000	117	3%
Donations			545		-	-	-	
Recruitment			105,535		130,371	134,282	3,911	3%
Personnel Expenses	15,507,943	16,145,199	14,727,729	17,552,660	16,633,732	17,495,193	861,461	5%
Contract Labor	894,617	507,949	793,551	824,314	1,039,381	1,263,821	224,440	22%
Contract Labor - Travel			30,183		32,749	33,547	798	2%
Contract Labor - Fees			763,368		1,006,632	1,230,274	223,642	22%
Salaries & Wages & Benefits	14,613,326	15,637,250	13,934,178	16,728,346	15,594,352	16,231,373	637,021	4%
Salaries & Wages - Conversion			(124,967)		-	-	-	
Call Back			36,708		30,029	31,007	978	3%
Relocation			96,647		16,520	20,190	3,670	22%
On Call			82,768		46,949	48,845	1,896	4%
Bonus/Other			148,691		189,678	185,272	(4,407)	-2%
Techs & Specialists			2,364,868		2,326,202	2,453,069	126,867	5%
Sick			276,916		177,765	182,720	4,955	3%
LPN			40,824		132,340	138,957	6,617	5%
Overtime			469,449		479,513	494,737	15,224	3%
PTO			1,395,071		1,275,087	1,320,372	45,285	4%
Management and Supervision			2,359,506		1,958,034	2,056,341	98,307	5%
Clerical & Administrative			1,543,173		1,551,806	1,688,723	136,916	9%
RN			1,687,759		1,492,187	1,410,732	(81,455)	-5%
Mid-levels			246,512		278,469	292,393	13,923	5%
Physician			490,399		720,477	756,501	36,024	5%
CNA			690,040		702,018	751,598	49,580	7%
Grants Employee Benefits			-		-	(21,395)	(21,395)	

GASB 75 Pension Adjustment			(1,842,183)		-	-	-	
GASB 68 Pension Adjustment			(381,895)		-	-	-	
PERS			2,580,680		2,535,474	2,586,183	50,709	2%
Group Health Insurance			1,253,772		1,329,881	1,476,167	146,287	11%
Medicare Tax			168,015		159,440	162,628	3,189	2%
SS Tax			57,859		47,856	48,813	957	2%
Workers Comp			118,398		103,751	105,826	2,075	2%
Employee Physicals			152,299		114	116	2	2%
Unemployment			285		6,945	7,084	139	2%
Other Employee Benefits			22,585		33,818	34,494	676	2%
Purchased Services	1,790,420	1,817,338	1,849,480	1,762,188	1,483,427	1,527,367	43,940	3%
Rentals & Leases	181,156	192,645	252,864	262,209	245,556	253,652	8,096	3%
Building Rentals			248,856		234,606	242,442	7,836	3%
Housing Expense			(35,021)		(51,595)	(56,783)	(5,188)	10%
Equipment Rentals			51,512		62,545	67,993	5,447	9%
Repairs & Maintenance	592,060	524,643	588,640	609,571	534,408	548,389	13,981	3%
Insurance	119,839.00	134,567.00	178,388	197,034	251,453	266,540	15,087	6%
Supplies	1,321,047	1,715,612	1,680,427	1,768,927	1,551,440	1,602,414	50,975	3%
Vending Machine Supplies			899		1,896	1,953	57	3%
Food Supplies			123,491		164,063	171,094	7,031	4%
Infusion Drugs			648,376		400,715	410,732	10,018	3%
Drugs & Pharmaceuticals			243,331		335,217	343,606	8,390	3%
Other Supplies			128,103		145,226	149,012	3,786	3%
Fuel - Auto			2,249		35,173	36,710	1,537	4%
Office Supplies			25,198		26,854	25,869	(985)	-4%
Non-medical supplies			100,656		119,186	122,575	3,390	3%
Medical Supplies			535,402		504,324	526,017	21,693	4%
Training & Travel	63,677	95,340	78,831	146,436	102,619	121,797	19,679	19%
Travel			17,396		53,968	57,332	3,364	6%
Training & Conference			61,133		48,651	64,466	16,315	34%
Depreciation Expense	705,623	1,014,562	1,128,578	1,067,714	1,099,280	1,209,207	109,928	10%
Utilities	812,733	1,073,393	1,090,749	1,118,473	1,063,426	1,099,470	36,045	3%
Garbage Disposal			1,241		2,049	2,110	61	3%
Heating Fuel			8,925		4,761	9,046	4,285	90%
Water/Sewer			15,492		16,347	16,837	490	3%
Electricity			271,194		256,292	263,981	7,689	3%
Telephone			38,550		33,069	34,061	992	3%
Internet			765,031		745,406	767,768	22,362	3%
Cable			5,808		5,502	5,667	165	3%
Operating (Profit) / Loss	(2,626,693)	3,130,284	(930,507)	(284,160)	(262,980)	(253,227)	10,253	-3.9%
Non Operating Budget								
Interest Expense		110,665	228,922	50,000.00	139,383	156,000	16,617	12%
Investment (Gain) / Loss		488,246	(409,430)	(100,000.00)	(444,124)	(200,000)	244,124	-55%
Building Grants		-	(1,094,634)	(10,000.00)	(10,622,671)	(12,200,000)	(1,577,329)	15%
Total Non-Operating	0	598,911	(1,275,142)	(60,000)	(10,927,412)	(12,244,000)	(1,316,588)	12.0%
Bottom Line	(2,626,693)	3,729,195	(2,205,649)	(344,160)	(11,190,392)	(12,497,227)	(1,306,335)	11.7%

CAPITAL EXPENDITURE BUDGET - FY25		
Description	Department	Estimate
Stove Top	Dietary	7,000.00
Oven	Dietary	20,000.00
Electric Floor Cleaner	Dietary	2,000.00
Refrigerator	Dietary	2,000.00
Procedure Exam Table x 2 (\$5,000/ea)	Clinic	10,000.00
Mammo Machine Lease (year 1)	Imaging	46,234.80
Lift for adult day program	Home Health	5,000.00
Other	Various	157,765.20
Total Capital Expenditures		250,000.00