

2010 Community Report



REGIONAL HEALTH

PEOPLE POWERED *MISSION DRIVEN*

14351-0611

NUMBERS IN THIS REPORT ARE FROM OUR FISCAL YEAR 2010-(JULY 2009-JUNE 2010) UNLESS OTHERWISE STATED.

QUALITY • PEOPLE • FINANCE • COMMUNITY • SERVICE • GROWTH

Learn more



REGIONAL HEALTH

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Dear Community Member,

We are pleased to share with you Regional Health's 2010 Community Report. Once again, it has been prepared to give you an update about the community benefits and support provided by Regional Health. In the report we hope to give you a snapshot of the pride we take in our communities.

Regional Health is committed to compassionate, quality care with the best clinical outcomes for the greatest value for our patients and community. Our employees and facilities touch lives every day through patient care and programs that bring health and wellness resources into our service area.

As a tax-exempt health care organization, we are committed to the communities and populations we serve through better health and better health care. During 2010, we invested more than \$1 million in community health and wellness programs and services throughout our service area. In addition we provided more than \$21 million in charity care. As part of our commitment to our communities we invest resources and earnings in:

- Continuing to provide financial assistance to patients unable to pay for necessary health services
- Offering a wide range of health services, education and screenings
- Partnering with employers, local governments, schools and other nonprofit organizations to enhance the health and well being of our region
- Providing access to necessary regional services such as emergency care, disaster preparedness, and other essential health care services
- Educating the next generation of health care providers

We are proud of our involvement and our employees for helping us to deliver dependable and quality care. In addition, our physicians, medical staff members, employees and volunteers are proud to serve as a community resource and partner. We will continue to provide our communities with our best talent, complete dedication and commitment to our mission.

Sincerely,

H. Edward Yelick
Chairman, Regional Health Board of Trustees

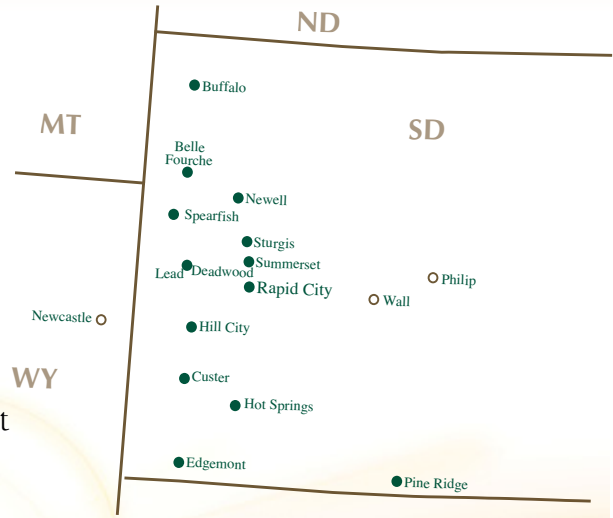
Charles Hart, MD, MS
President and CEO, Regional Health

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Health Care Regional Health

Regional Health is a tax-exempt, community-based organization that is committed to preserving and strengthening health care for the people in our region. In keeping with our Mission of “**providing and supporting health care excellence in partnership with the communities we serve,**” Regional Health is comprised of more than 40 health care facilities throughout Rapid City and the northern and southern Black Hills.

- 4,427 Team Members
- \$246,111,000 Payroll + Benefits
- \$59,796,890 Amount of Charity Care, Unreimbursed Medicaid & Bad Debt at cost
- \$3,897,094 Community Benefit & Community Building expenses
- \$1,156,000 Regional Health cost to operate per day



● Regional Health Facility
 ○ Regional Health Managed Facilities

14351-0611



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Rapid City

Regional Health in Rapid City includes Rapid City Regional Hospital, Regional Medical Clinics, Regional Senior Care and our Corporate Services.

79,882 Hospital, Behavioral Health and Rehabilitation inpatient days

49,383 Visits to Emergency Department

7,060 Surgery cases

2,218 Baby deliveries

417 Hospital Beds

48 Regional Senior Care resident beds

3,154 Team Members



Rapid City

Rapid City



228 Medical Staff Members

83,042 Clinic visits

438 Volunteers

43,674 Volunteer hours

RAPID CITY FACILITIES

Fairmont Grand Regional Senior Care
 Family Medicine Residency Clinic
 John T. Vucurevich
 Regional Cancer Care Institute
 Rapid City Regional Hospital
 Auxiliary Hospice House
 Rapid City Regional Hospital
 Regional Health Corporate Services
 Regional Behavioral Health Center
 Regional Dialysis Center
 Regional Heart Doctors
 Regional Home Medical Equipment
 Regional Medical Clinic—Endocrinology
 & Diabetes Education
 Regional Medical Clinic—Ear, Nose, Throat
 Regional Medical Clinic—General Surgery

Regional Medical Clinic—Hearing Center
 Regional Medical Clinic—Infectious Diseases
 Regional Medical Clinic—Internal Medicine
 Regional Medical Clinic—Nephrology
 Regional Medical Clinic—Neurology
 & Rehabilitation
 Regional Medical Clinic—Neurosurgery
 Regional Medical Clinic—Podiatry
 Regional Medical Clinic—Pulmonology
 & Sleep Medicine
 Regional Medical Clinic—Rheumatology
 Regional Medical Clinic—Travel Medicine
 Regional Medical Clinic—Urology
 Regional Rehabilitation Institute
 Regional Sleep Health Center

Northern Hills

8,289 Inpatient days

13,928 Visits to Emergency Departments

2,753 Surgery cases

379 Baby deliveries

83 Hospital beds

329 Long-term Care and Assisted Living resident beds

162,235 Clinic visits

1,061 Team Members

37 Medical Staff Members

9 Clinics

You can find Regional Health facilities in Belle Fourche, Buffalo, Deadwood, Lead, Newell, Spearfish and Sturgis, and Summerset. There are three hospitals, nine medical clinics, one surgery center, one nursing home and one assisted living center all working together to keep the northern Black Hills healthy.

NORTHERN BLACK HILLS FACILITIES



- Belle Fourche Regional Medical Clinic
- Buffalo Regional Medical Clinic
- Foothills Regional Medical Clinic
- Golden Ridge Regional Senior Care
- Lead-Deadwood Regional Hospital
- Lead-Deadwood Regional Medical Clinic
- Massa Berry Regional Medical Clinic
- Newell Regional Medical Clinic
- Queen City Regional Medical Clinic
- Regional Dialysis Center—Spearfish
- Regional Home Medical Equipment
- Regional Orthopedics
- Spearfish Regional Hospital
- Spearfish Regional Medical Clinic
- Spearfish Regional Surgery Center
- Sturgis Regional Hospital
- Sturgis Regional Senior Care

Southern Hills

In the southern Black Hills, Regional Health is in the communities of Custer, Edgemont, Hill City, Hot Springs, and Pine Ridge. There is one hospital, two senior care facilities and five clinics.

645	Inpatient days
2,703	Visits to Emergency Departments
8,538	Physical and Occupational Therapy visits
168	Long-term Care and Assisted Living resident beds
20,262	Clinic visits
212	Team Members
4	Medical Staff Members
5	Clinics

SOUTHERN BLACK HILLS FACILITIES

Custer Regional Hospital

Custer Regional Senior Care

Wedgwood Regional Senior Care

Custer Clinic

Edgemont Clinic

Hill City Clinic

Hot Springs Regional Medical Clinic

Pine Ridge Regional Medical Clinic



Financials

Stewardship

FINANCIAL SUMMARY (in 000's)

Revenue and Expenses	Fiscal Year 2010 <small>(July 1, 2009 – June 30, 2010)</small>
Net patient services revenue	466,282
Other operating revenues	<u>25,531</u>
Net operating revenues	<u>\$491,813</u>
Operating Expenses:	
Payroll & Benefits	246,111
Medical Supplies	63,878
Purchased Services	43,595
Bad Debt	27,518
Other Operating Expenses	35,470
Depreciation	25,676
Interest	<u>3,849</u>
Total Expenses	<u>\$446,097</u>
Net revenue from operations	<u>\$45,716</u>

Regional Health and all its facilities are operated in trust for the community and region by Boards and Advisory Councils. Any financial surplus gained from operations is reinvested in the facility to expand and enhance existing services and to develop new programs.



Medicaid & Medicare
 FOR EVERY \$1 CHARGED,
 REGIONAL HEALTH RECEIVES:

BALANCE SHEET (in 000's)

Current Assets	128,658
Funds designated for building and equipment replacement and debt repayment	298,153
Other restricted use investments	14,131
Land, building, and equipment	161,019
Other Assets	<u>16,353</u>
Total Assets	\$618,314
Current Liability	60,167
Long-term debts	134,919
Other Liability	36,817
Unrestricted fund balance	375,368
Restricted fund balance	<u>11,043</u>
Total Liabilities & Fund Balance	\$618,314

38¢ Medicaid patient



37¢ Medicare patient



74¢ Private insured patient



Fundraising Philanthropy

We are committed to raising funds to meet the health care needs of the communities we serve. In today's economy, private support is increasingly needed to meet the challenges of providing quality health care. Through their contributions, donors touch the lives of friends, family, neighbors and strangers when it is most needed. Gifts are used to purchase special equipment and provide programs and assistance that would otherwise not be affordable.

\$86,866

Amount raised for Children's Miracle Network's Great Black Hills Duck Race

\$158,620

Amount raised by Rapid City Regional Hospital Foundation for Tough Enough To Wear Pink events

\$1,283,227

Amount raised by Rapid City Regional Hospital Foundation benefiting all other projects & programs through donations and sponsored fundraising events

*\$48,343

Amount donated by the Greater Sturgis Lifecare Foundation for the Sturgis Regional Senior Care renovations

\$44,000

Proceeds from the 2010 Hospice of the Northern Hills Benefit Ball and Golf Tournament

*\$20,100

Proceeds from the Lead-Deadwood Regional Hospital Foundation in 2010 for Tough Enough To Wear Pink events



* Other Foundations supported by Regional Health Facilities

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Accomplishments Awards & Honors



Rapid City Regional Hospital earned The Joint Commission's Gold Seal of Approval™, a three-year accreditation, by demonstrating compliance with The Joint Commission's national standards for health care quality and safety.



Rapid City Regional Hospital — Home Care earned The Joint Commission's Gold Seal of Approval™, a three-year accreditation, by demonstrating compliance with The Joint Commission's national standards for health care quality and safety.



Rapid City Regional Hospital received the Primary Stroke Care Center Certification from The Joint Commission, the nation's leading health care evaluation and accreditation organization. Only a handful of hospitals in America earn this "gold standard" distinction.



Rapid City Regional Hospital received the Get With the Guidelines SM – Heart Failure Gold Plus Award from American Heart Association.



Rapid City Regional Hospital Laboratory received accreditation from the College of American Pathologists.



Rapid City Regional Hospital received the Acute Myocardial Infarction Gold Performance Achievement Award.



Custer Regional Hospital was named one of Press Ganey Associates, Inc. 2010 Summit Award Winners. The award recognizes top performing facilities that sustain the highest level of customer satisfaction for three or more consecutive years.



Massa Berry Regional Medical Clinic received the South Dakota Immunization Information System Golden Syringe Award for their immunization rates.



Spearfish Regional Medical Clinic received the South Dakota Immunization Information System Golden Syringe Award for their immunization rates.



Belle Fourche Regional Medical Clinic, Buffalo Regional Medical Clinic, and Newell Regional Medical Clinic received the South Dakota Immunization Information System Silver Syringe Award for their immunization rates.



Regional Home Medical Equipment has received the Exemplary Provider™ Certificate of Accreditation from The Compliance Team, Inc., a Centers for Medicare and Medicaid Services (CMS) approved health care accrediting body.



Regional Rehabilitation Institute received a three-year accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF) for its Inpatient Rehabilitation - Hospital: Adults, Children and Adolescents, and Stroke programs.



Rapid City Regional Hospital's Family Medicine Residency Program was recently reaccredited for five years, the maximum term awarded by the Accreditation Council for Graduate Medical Education (ACGME).

Support Grants

Regional Health receives Federal and privately funded grants to be used to improve the health care in our communities. Below is a listing of some of the grants we continue to work on:

\$6,642,405	2/10 - 2/13	eICU – Leona M. and Harry B. Helmsley Charitable Trust grant to enhance Intensive Care Units – Partnering with Avera
\$4,250,000	9/09 - 7/14	Walking Forward Program: National Institute of Health grant to continue and expand the scope of the program which seeks to reduce the impact cancer has on the Native American population
\$600,000	5/08 - 1/13	Walking Forward Program: National Institute of Health grant to enhance the existing patient navigator services offered to Native American cancer patients
\$140,000	11/10 - 6/12	Walking Forward Program – Centers for Disease Control and Prevention grant to South Dakota Department of Health to be used for a Patient Care Coordination Demonstration Project
\$1,985,950	7/10 - 6/13	Digital Mammography – Leona M. and Harry B. Helmsley Charitable Trust grant to increase digital mammography services in the Black Hills
\$1,486,239	4/08 - 4/11	Pine Ridge Regional Medical Clinic Emergency Diversion – South Dakota Department of Social Services grant to have the specialty clinic open twice per week to care for chronic illnesses.
\$818,750	4/10 - 12/12	Partnership for Emergency Patient Care – Leona M. and Harry B. Helmsley Charitable Trust grant, passed through the Department of Health, for mobile learning laboratories
\$580,000	2009 - 2013	CMS Demonstration – Centers for Medicare & Medicaid Services grant to incentivize moving to electronic health records
\$500,000	9/09 - 8/11	Partners Investing in Nursing's Future (aka: Prepare & Retain) Robert Wood Johnson Foundation & Northwest Health Care grant for a collaborative effort between RCRH, SDSU, and USD to ensure nurses are retained in the health care workforce
\$386,549	12/09 - 12/12	Distance Learning and Telemedicine – USDA grant to purchase video conferencing equipment for telepharmacy, teledialysis and telemedicine.
\$189,881	9/09 - 8/11	Organ Donation Public Education – Sub recipient of LifeSource – Health and Human Services: Health Resources & Services Administration grant for public education on organ and tissue donation
\$162,500	8/09 - 8/10	iStan – South Dakota Department of Health grant for a simulator/ mannequin used to facilitate training of emergency care providers
\$50,000	11/10 - 4/13	Mission Lifeline (STEMI or EMS) – American Heart Association grant through the Leona M. and Harry B. Helmsley Charitable Trust to purchase needed equipment (difibrillators, etc) for area ambulance services.
\$25,000	4/10 - 6/11	Hospital Preparedness Program Incident Command System (ICS) – SD Department of Health, Office of Public Health grant for preparedness training to hospital personnel

Studies Research

Researchers evaluate the effectiveness of new medications, treatments, and devices through clinical research studies. The Institutional Review Board, comprised of community members and medical staff members, established in accordance with federal regulations, reviews research studies performed to protect the rights and welfare of research participants.

As of December 31, 2010 there were approximately 194 active research studies taking place including:

- 34 Black Hills Cardiovascular Research
- 18 Black Hills Gynecological Oncology
- 104 Cancer Care Institute
- 16 Regional Health Clinical Research
- 17 Walking Forward Program
- 5 Other (*University, Student, and Community Protocols*)



Physician Recruitment

Regional Health continually strives to meet the physician needs in our service area. We identify community need and recruit physicians to not only work for Regional Health hospitals and clinics but also other private practices and facilities throughout our region. In 2010 we had our best year of recruiting since we began 19 years ago. This is especially impressive considering the national physician shortage.

ENT **Jay White, DO** -Rapid City Medical Center

Endocrinology **Sonalika Khachikian, MD** -Regional Medical Clinic
 — Aspen Centre

Family Medicine **Karen Tjaden, MD** -Lead/Deadwood Regional Medical Clinic

FM/Emergency Medicine **David Balt, DO** -Spearfish Regional Hospital

Internal Medicine **Gary Childers, DO** -Spearfish Regional Medical Clinic

IM/Hospitalist
Mona Elsayed, MD -Rapid City Regional Hospital
Candace Fetzer, MD -Rapid City Regional Hospital
Keshav Panday, MD -Rapid City Regional Hospital
Basanta Pathak, MD -Rapid City Regional Hospital
Pushpa Poudel, MD -Rapid City Regional Hospital
Michael Robinson, MD -Rapid City Regional Hospital
Braj Singh, MD -Rapid City Regional Hospital
Saroj Subedi, MD -Rapid City Regional Hospital

Orthopedic Surgery **Bart Eastwood, DO** -Regional Orthopedics, Spearfish

Pediatrics **Cara Hamilton, MD** -Black Hills Pediatrics

Radiology **Garry Dunn, MD** - Spearfish Regional Medical Clinic

Partnerships Education

To ensure that we have the quality staff we need to care for our patients in the future, Regional Health is committed to the education of current and future caregivers. We provide accredited training and educational programs for physicians, nurses, allied health professionals, technicians and others in partnership with the following schools:

- | | |
|-------------------------------------|---|
| Arizona State University | National American University |
| Augustana College | North Dakota State College |
| Ball State | North Dakota State University |
| Baylor University | Northern Wyoming Community College |
| Black Hills State University | Northland Community & Technical College |
| Casper College | Nova Southeastern University |
| Central Wyoming College | Oglala Lakota College |
| College of St. Scholastica | Pacific University |
| Creighton University | Pima Medical Institute |
| Dakota State University | Presentation College |
| Des Moines University | Rocky Mountain College |
| Emory University | South Dakota State University |
| Graceland University | Southeast Community College Lincoln |
| Gustavus Adolphus College | Southeast Technical Institute |
| Independence University | St. Ambrose University |
| Institute of Ultrasound Diagnostics | University of North Dakota |
| Iowa Lakes Community College | University of Kansas |
| Jamestown College | University of Mary |
| Johns Hopkins University | University of Montana |
| Lake Area Technical Institute | University of Nebraska |
| Lake Erie College | University of Northern Colorado |
| Mayo School of Health Science | University of South Dakota |
| Meridian Institute | University of Utah |
| Minot State University | University of Wyoming |
| Mitchell Technical Institute | Vanderbilt University |
| Montana State University Northern | Western Dakota Tech |
| Mount Marty College | |



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Community Boards & Councils

We'd like to thank our many boards and community advisory council members for their generous donation of time and expertise to ensure that Regional Health is a place of health and healing for our communities and their families.

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 Tom Morrison
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 Fred Romkema
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* Chairperson
 ** Ex-officio/non-voting
 As of 12/31/2010

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Regional Health
 Mission • Vision • Values

OUR MISSION

is to provide and support health care excellence in partnership with the communities we serve.

OUR VISION

is to be the premier regional health system providing health care excellence in the communities we serve.

OUR VALUES

Quality/High Standards of Performance

Striving to continually exceed the expectations of every patient and customer in regard to service, effort and professional standards.

Fiscal Responsibility/Cost Effectiveness

Making decisions that will ensure the long-term viability of the organization while providing quality services at the lowest possible cost.

Skilled, Caring People

Recruiting and supporting highly-skilled, caring people who demonstrate respect and concern for all persons.

Community Partnerships

Promoting partnerships between the organization and the communities we serve.

Integrity

Demonstrating honest, positive and ethical behavior and communication in dealing with our patients, customers and employees.

Innovation

Employing new techniques, processes and methods to enhance the delivery of care.

Lifelong Learning

Learning, applying and sharing knowledge which improves and promotes health.

Provide Value

Creating value for all our patients, with value being defined as high quality, providing a safe environment and outstanding service at the best cost possible.



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