

Currents

A Report to the Community
Annual Report: May 2010 - April 2011



LAKE REGIONAL[®]
HEALTH SYSTEM

2010 Missouri Quality Award Recipient

Lake Regional Health System Board of Directors

<i>President</i>	Kevin G. Byrne, D.O.	
<i>Vice President</i>	Dennis Michaelree	
<i>Treasurer</i>	Greg Gagnon	
<i>Secretary</i>	Robert G. Schwendinger	
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Mission

Lake Regional Health System will provide comprehensive health care services to the residents and visitors of the lake region with emphasis on quality outcomes and service satisfaction while operating in a sound fiscal manner.

Vision

Our shared vision is for Lake Regional Health System to be recognized as the first choice for patients, physicians and workforce.

Values

Patient Centered
Continuous Improvement
Teamwork
Integrity
Service Quality
Safety

Medical Staff Officers

<i>Chief of Staff</i>	Andrew McKibben, M.D.
<i>Vice Chief of Staff</i>	William Harris, D.O.
<i>Secretary/Treasurer</i>	Michael Vierra, M.D.

Administration

<i>Chief Executive Officer</i>	Michael E. Henze
<i>Senior Vice President of Facility Services</i>	F. Joe Butts
<i>Senior Vice President of Clinical Services</i>	Janice L. Dungan
<i>Senior Vice President of Operations/Chief Operating Officer</i>	Vicki L. Franklin
<i>Senior Vice President of Medical Affairs</i>	Robert W. Hyatt, M.D.
<i>Senior Vice President of Business Development</i>	Kevin G. McRoberts
<i>Chief Information Officer</i>	Scott Poest
<i>Senior Vice President of Financial Services/ Chief Financial Officer</i>	M. Daniel Probstfield



Message from the CEO

Throughout our history, Lake Regional Health System has been dedicated to continuously improving the quality of our care, our services and our facilities. The past year is no exception.

In November, Lake Regional was awarded the 2010 Missouri Quality Award. This prestigious honor, given by the Excellence in Missouri Foundation, is the official state recognition program for excellence in quality leadership. It has been a pleasure to celebrate this achievement with the community for the second time in seven years, and we want you to know that Lake Regional's quality journey continues.

We have rededicated ourselves to service excellence – the seven principles that guide our interactions with customers and co-workers alike. This initiative, which began last summer, has challenged individuals at all levels of the organization to be an example for others to follow. As a result, we are creating a service culture that truly distinguishes Lake Regional.

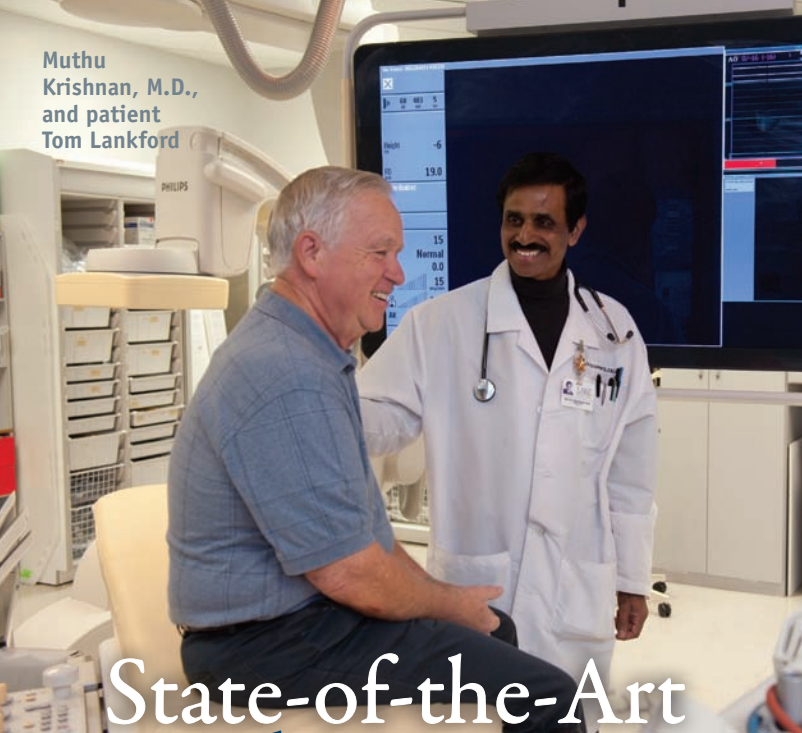
Our pursuit of excellence also extends to the facilities and technology used to care for our patients. In January, Lake Regional's inpatient pharmacy moved to the East Patient Tower. The new location includes the latest technology for patient safety and efficiency. New technology also was adopted in our primary care and urgent care clinics during fiscal year 2011 that will enable the organization to meet federal requirements for electronic health records. This initiative also will increase patient safety by allowing physicians real-time electronic access to their patients' medical information.

Many more achievements and community contributions by our talented staff are highlighted on the following pages. On behalf of Lake Regional's board of directors, physicians, employees and volunteers, I am pleased to present the fiscal year 2011 "Currents: A Report to the Community."

Sincerely,

Michael E. Henze, CEO

Muthu
Krishnan, M.D.,
and patient
Tom Lankford



Physician of the Year

Hospitalist Patrick O’Neil, D.O., was named Lake Regional’s 2011 Physician of the Year. In his nomination, colleagues commended Dr. O’Neil’s consistent professionalism, his wonderful bedside manner, his caring and concern for patients and nurses, and his positive attitude. “It is obvious Dr. O’Neil desires to make this organization one that the community looks up to and is proud of,” a co-worker said.

State-of-the-Art Cardiac Care

In December 2010, Lake Regional’s Cardiac Catheterization Lab was the first in the state to install flex vision technology. Suite 1 was renovated to include this state-of-the-art equipment and 56” display, which provides the best imaging quality available.

“This technology is the most advanced cath lab equipment to date,” said Lake Regional Cardiologist

Muthu Krishnan, M.D., FACC. “It defines the anatomy beautifully. We can see in more detail than ever before.”

In addition, the new suite now offers integrated intravascular ultrasound with touch screen controls. This allows physicians to access information faster, including side-by-side comparisons of previous and current images.



Physician Liaison Pamela Wilkins, MSN, R.N., and Patrick O’Neil, D.O.

“Nominees must demonstrate integrity, professionalism and a positive attitude,” said CEO Michael E. Henze. “Dr. O’Neil exemplifies these traits. He is a dedicated and caring physician who treats his patients, colleagues and nursing staff with a high level of respect.”

Dr. O’Neil is board certified in family medicine. He currently serves as chair of Lake Regional’s Patient Care Committee and is a member of the hospital’s Medical Executive Committee.

Community Contributions

As a nonprofit corporation, Lake Regional Hospital is committed to providing benefits to the community in which we operate. This chart highlights some of Lake Regional's contributions to the community in fiscal year 2011.

Uncompensated Care — Charity (at cost) — charity care for individuals who qualified	\$4,828,708
Uncompensated Care — Bad Debt (at cost) — the uncollectible amount patients were personally responsible for after all third-party payers paid	5,928,186
Unpaid Cost of Medicare — the difference between what it cost to provide medical services and the reimbursement Lake Regional received from Medicare	12,277,770
Free Medical Services — services include health screenings and education, support groups, the Trim Kids program, nutrition education and Medical Forums	323,523
Health Professionals Education — scholarships awarded to individuals pursuing health care careers	57,592
Financial Contributions — community causes supported by LRHS in fiscal year 2011, including the Camden County Health Department, Medical Missions for Christ Community Health Center, the YMCA, back-to-school fairs and the American Cancer Society	203,698
Taxes — Social Security and Medicare payroll taxes, unemployment taxes and real estate taxes paid by LRHS	4,524,589
Total	\$28,144,066

Eugene Dixon, M.D.,
and Janie Reinke,
Lake Regional Urology



Statistical Information

Lake Regional Health System Fiscal Year 2011

	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
Full-time equivalent employees* (consolidated)	1,116	1,089	1,067	1,113	1,062
Patient days (all services)	26,284	23,947	26,736	28,767	27,790
Acute care patient discharges	5,653	5,070	5,658	6,464	6,575
Observation discharges	3,722	3,845	3,384	3,254	2,691
Skilled Nursing Facility discharges	405	409	382	349	334
Babies delivered	725	730	718	808	829
Emergency Department visits	36,993	36,233	35,819	36,809	35,508
Outpatient visits	238,807	231,678	217,798	222,195	205,625
Surgical visits	4,330	4,412	5,141	5,607	5,588
Endoscopy visits	3,395	3,635	3,464	3,697	3,222
Cardiac Rehab visits	42,228	41,020	34,172	32,257	27,942
Cardiac and Vascular Catherization visits	2,253	1,822	1,891	1,886	1,815
CT scans (consolidated)	18,514	19,654	18,652	18,289	16,513
MRI scans (consolidated)	3,843	3,413	4,183	4,224	4,722
Mammograms (consolidated)	5,229	4,803	4,966	4,686	4,323
Laboratory procedures	455,311	448,410	433,170	438,459	396,594
Lake Regional primary care clinic visits	94,587	94,420	84,716	79,948	75,750
Home Health visits	3,836	3,482	2,927	3,115	4,025
Radiation Oncology visits	4,817	4,394	3,972	5,226	4,206
Medical Oncology visits	4,432	3,629	3,794	3,030	2,192

*Full-time equivalent employees are determined by dividing the total paid hours by 2,080.

Consolidated Revenues and Expenses

	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
<i>Gross Revenue:</i>					
Inpatients	\$172,554,165	\$149,305,209	\$162,323,581	\$166,050,158	\$156,021,159
Outpatients	289,047,575	268,243,432	235,409,889	216,011,557	180,088,226
<i>We did not receive payment:</i>					
Uncompensated Care – Charity (at charges)	(13,090,837)	(7,279,462)	(3,349,318)	(3,255,382)	(3,399,789)
Uncompensated Care – Bad Debt (at charges)	(16,071,572)	(19,258,314)	(17,856,795)	(16,598,680)	(14,818,317)
From third parties (Medicare, Medicaid, insurance companies)	(258,647,662)	(229,878,321)	(219,481,509)	(207,043,747)	(178,450,421)
<i>In addition, we received:</i>					
From cafeteria and other sources	2,792,499	2,318,442	2,421,636	2,190,396	2,087,173
From gifts and interest income on temporary investments	3,940,312	3,765,514	(429,007)	3,021,546	3,580,716
Total Funds Available:	\$180,524,480	\$167,216,500	\$159,038,477	\$160,375,848	\$145,108,747
<i>We applied funds to:</i>					
Salaries and wages	66,819,762	61,120,479	61,896,517	58,222,369	50,689,294
Employee benefits	15,413,151	14,082,016	13,278,830	11,887,617	11,986,067
Supplies, utilities and other expenses	74,905,253	70,747,670	67,213,918	65,365,744	60,703,562
Mortgage principal, interest, equipment and future services	23,386,314	21,266,335	16,649,212	24,900,118	21,729,824
Total Funds Applied:	\$180,524,480	\$167,216,500	\$159,038,477	\$160,375,848	\$145,108,747

Lake Regional Health System Fund Development

Donors Making a Difference

Contributions to Lake Regional Health System support our mission of improving the health of our community. During FY 2011, proceeds of \$146,000 from the 32nd Annual HK's Hospital Benefit Golf Tournament helped purchase a new suite for the Cardiac Cath Lab. This service treats more than 1,900 patients annually.

Donations to the Lake Regional Endowment Fund also help ensure the future of our hospital by providing a supply of revenue when needs increase. Donations totaling \$114,121 were designated to the hospital's endowment fund in FY 2011.

Thank you to our many generous donors. Following are just some of the ways you are making a difference at Lake Regional Health System.

- Dog Days owners Brian and Mark Barrett donated \$1,750 to the Lake Regional Endowment Fund. The donation was part of the proceeds from an event held at Dog Days in August.
- Dr. Jean Butterfield donated a three bedroom, two story home, located in Old Kinderhook in Camdenton, to help fund continuing education for employees.

- Lake Area Christmas for Kids donated \$3,000 to Lake Regional's Trim Kids program, which teaches school-age children about nutrition and exercise while building self-esteem.
- During October, several area businesses joined the fight against breast cancer by raising money for Lake Regional Cancer Center. More than \$1,550 was donated by Bella Donna Salon, The Inn at Harbour Ridge, Panera Bread - Osage Beach, Roots Salon and Spa Shiki.
- The Newcomers/Longtimers Club donated \$2,625 to the hospital to help offset the cost of an MRI breast coil.
- Although Lake Regional's Third Annual Fun Run/Walk was rained out in May, generous donors contributed more than \$4,000 to purchase heart monitoring equipment for the Cardiac Rehab clinics.

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



(left) Auxiliary Ball Co-Chairs Dr. Michael and Rebecca Vierra and Ball Chair Kitty McCarthy with Gerri and Michael E. Henze at the 34th Annual Lake Regional Hospital Ball, held Oct. 2, 2010. Decorations and dinner were based on the theme "In Windy Chicago Style."

(below) HK's Committee Co-Chairs Cecilia Thomson and Susan Brown with HK's Honorary Chair Trent Green and his wife, Julie

Mission

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

Fund Development Committee Members

- Van Anderson
- Dave Bear
- John Blair
- Susan Brown
- Rob Frazee
- Trenny Garrett
- Gary Hamner
- Chris Hermann
- Richard Klapp
- Darren Krehbiel
- Kitty McCarthy
- Dennis Michaelree
- Otis Moseley, M.D.
- Kevin Owen
- Jim Pendleton
- Joe Roeger
- William Washburn



photo courtesy of L*O PROFILE



Volunteer
Gil Hartman,
Xpressions of
Flavor Coffee
Shop II

Volunteer Contributions

(May 2010 through April 2011)

During FY 2011, the Lake Regional Hospital Auxiliary raised \$110,000 to help renovate a suite in the Cardiac Cath Lab.

Total volunteer hours: 61,565
Total active volunteers: 386

Three hundred eighty-six Auxilians volunteered a total of 61,565 hours. Volunteers staffed two Wish-U-Well gift shops and two Xpressions of Flavor coffee shops, as well as visitor information areas.

The Auxiliary administers the Ethel Rayburn Nursing/Health Care Scholarship program, begun in 1979. During this fiscal year, the Auxiliary awarded one \$3,000 scholarship to a deserving student pursuing a health care career. They also awarded three, two-year \$6,000 scholarships through Columbia College. Many students have benefited from this scholarship program, including several who continue to work for LRHS.

Lake Regional Hospital Auxiliary Board Members

President

Jane Delaney

Vice President

Susan Barfield

Treasurer

Bob Hubbard

Recording Secretary

Rick Smith

Corresponding Secretary

Bea Roggy

Spiritual Life

Brenda Hartman

Membership

Rita Ernest

Parliamentarian Representative

Donna Dwiggin

Legislative Representative

Roy and Nancy Witham

Mile Marker Editor

Sharon Konuch

Calling Committee

Bob Fox

Senior Volunteers

Karen Fischer

Junior Volunteers

Betty Coleman and Jody Greenway

Community Relations

Georgia Cantwell and Mary Holcomb

Scholarship

Marlene Klapp

Director of Volunteer Services

Kitty McCarthy

In Recognition



Dedicated Service

Robert P. Baine Jr., a charter member of the Lake Regional Health System Board of Directors, retired in March 2011. We gratefully recognize his 36 years of dedicated service to the health system and the lake community. His vision and thoughtful stewardship have helped guide our continued growth and success.



In Memoriam

On March 28, the Lake Regional family lost a dear member — **Franz Vanderpool, M.D.** Throughout his 23-year medical career in Lake Regional's Emergency Department, Dr. Vanderpool cared for this community with compassion and skill. He was a dedicated physician, and he is deeply missed.

Lake Regional Services by Location

Lake Regional Hospital

Lake Regional Cancer Center
Lake Regional Cardio-Thoracic Surgery
Lake Regional Endocrinology
Lake Regional Heart and Vascular
Lake Regional Infectious Disease Clinic
Lake Regional Nephrology
Lake Regional Wound Healing Center

Lake Regional Clinic - Camdenton

Primary Care, Pharmacy, Rehab Therapy, Cardiopulmonary Rehab

Lake Regional Clinic - Eldon

Primary Care, Rehab Therapy, Cardiopulmonary Rehab

Lake Regional Clinic - Iberia

Primary Care, Pharmacy Delivery

Lake Regional Clinic - Lake Ozark

Primary Care, Pharmacy, Rehab Therapy, Cardiopulmonary Rehab

Lake Regional Clinic - Laurie

Primary Care, Rehab Therapy, Cardiopulmonary Rehab

Lake Regional Clinic - Macks Creek

Primary Care, Pharmacy Delivery

Lake Regional Clinic - Osage Beach

Primary Care, Pharmacy

Lake Regional Imaging Center

Lake Regional Neurology
Lake Regional Orthopedics
Lake Regional Urology

Lake Regional Medical Office Building

Lake Regional Arthritis and Rheumatism
Lake Regional General Surgery
Lake Regional Occupational Medicine
Lake Regional Podiatry
Lake Regional Pulmonology
Lake Regional Urology

Parkway Center - Osage Beach

Lake Regional Urgent Care

Lake Regional Clinics - State Road KK

Lake Regional Cardiovascular Institute
Lake Regional Endocrinology



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