

ST. JOSEPH'S HOSPITAL

Strengthening Our Community's Healthcare



Community Service Plan & 2004 Annual Report



Helping You Live a Healthy Life

555 East Market Street • Elmira, New York 14901

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www.stjosephs.org

St. Joseph's Community Service Plan & 2004 Annual Report

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In accordance with Section 2803-1 of the New York State Public Health Law, St. Joseph's presents its Community Service Plan and 2004 Annual Report. Individuals seeking additional information about the hospital or this report may contact St. Joseph's Marketing/Community Development Department at (607) 737-7810 or it may be accessed for viewing and printing on-line at St. Joseph's web site at www.stjosephs.org. Copies are also mailed to many local community leaders and elected officials.



Sr. Marie Castagnaro, SSJ

Message from the President/CEO

Sister Marie Castagnaro, SSJ

One of life's greatest treasures is "having one's health." We've all heard that phrase used at various times because "having one's health" is something to be valued. Health circumstances can change almost instantaneously where a person needs to utilize healthcare services.

Throughout our nearly 100 year history St. Joseph's has provided a breadth of quality services to help strengthen our community residents in their time of need. In 2004 St. Joseph's made several changes and adjustments to meet the healthcare needs of our community.

St. Joseph's experienced an increase in hospital admissions in 2004. To meet this need we made available additional medical/surgical beds for our patients. We also met the growing demand for primary care services by relocating one of our physician offices to the Big Flats area in late 2003 while in 2004 also beginning construction on the expansion of our primary care physician office in Southport.

In order to be prepared to meet the ever-growing healthcare needs of our community, St. Joseph's has put into place numerous steps in order to anticipate and address those needs. In 2004 St. Joseph's installed a new state-of-the-art short bore open fixed site MRI (Magnetic Resonance Imaging). We also opened the *Kidney Center of St. Joseph's* to treat those hospital patients requiring dialysis and began a laser varicose vein treatment service.

Providing quality healthcare services for the community is not something we take lightly. St. Joseph's received numerous accolades in 2004 for its quality work. Three-year accreditation by the Joint Commission of Accredited Healthcare Organizations (JCAHO) is just one honor we received. The hospital also earned Quality Respiratory Care Recognition (QRCR) for the second year in a row under a national program aimed at helping patients and families make informed decisions about the quality of respiratory care services available in hospital. Also, St. Joseph's Sleep Disorders Center received program re-accreditation as a full-service center from the American Academy of Sleep Medicine (AASM).

"Having one's health" is a full-time job for each and every one of us. We look at St. Joseph's as an important community partner in ensuring that everyone receives the care they need in order to remain healthy. Strengthening our community's healthcare - expect more of the same from us in 2005 and beyond!

Corporate Structure

St. Joseph's Hospital is a 501c not-for-profit corporation with a certified capacity of 295 beds. St. Joseph's is located at 555 East Market Street, in the City of Elmira, New York, which is located in Chemung County. The hospital operates primary care offices in the City of Elmira, Town of Southport, and the Town of Big Flats. St. Joseph's also operates a 71-bed skilled nursing facility, also located at 555 East Market Street in the City of Elmira. St. Joseph's parent corporation is St. Joseph's Health System, Inc. Subsidiaries of St. Joseph's Health System include St. Joseph's Hospital Foundation – Elmira, NY Inc., St. Joseph's Heritage Corporation, St. Joseph's Housing Development Fund Company, Inc., Creative Orthotics & Prosthetics, Inc., and CAD/CAM Orthotics, Inc. DBA Madison Avenue Pharmacy.

Mission Statement

St. Joseph's Hospital, a Catholic health facility, is a voluntary not-for-profit community general hospital founded by the Sisters of St. Joseph's of Rochester in cooperation with the physicians and citizens of Elmira. The St. Joseph's Hospital community, by maintaining a deep respect for the dignity of each person, strives to heal in mind, body and spirit, as Jesus did, all who come to us.

St. Joseph's Hospital is committed to use its resources to provide the highest quality care. The Hospital ministers to inpatients and outpatients, serving as a primary care and specialty referral center for people from all faiths living in Chemung County and the surrounding counties of New York and Pennsylvania.

In keeping with the spirit of the Mission of the Sisters of St. Joseph, the Hospital is committed to respond to the changing health and welfare needs of the community. St. Joseph's keeps abreast of the latest advances in medical technologies and provides education for staff, patients and the community. The Hospital works with other health care providers and agencies to meet regional health care needs.

-Reaffirmed on December 19, 2001 by St. Joseph's Board of Directors

Hospital Highlights

St. Joseph's vision statement for the next three years (2005 – 2007) calls for the facility to improve the health of community members through the treatment of traumatic and acute illnesses by a dedicated and trained professional staff utilizing the latest in medical technology.

St. Joseph's success will be achieved by:

- ◆ Developing customer oriented, quality driven, financially sound programs and services;
- ◆ Empowering people toward spiritual, physical, and emotional wellness, and
- ◆ Championing health education and disease prevention.
- ◆ Partnering in collaborative venture opportunities with a regional healthcare delivery system that shares similar values.

St. Joseph's will continue to provide long term nursing care by an approach that provides preventative, therapeutic, and rehabilitative services.



St. Joseph's Auxiliary celebrated its 50th year of service to St. Joseph's in 2004.

In reviewing St. Joseph's success from 2002 – 2004, the following sections highlight St. Joseph's outlook, accomplishments and priorities from the last three years:

2004 Accomplishments:

- ◆ Due to an increased number of hospital admissions, opened additional Medical/Surgical beds.
- ◆ Installed and utilized a new state-of-the-art short bore open fixed site MRI (Magnetic Resonance Imaging).
- ◆ Opened *Kidney Center of St. Joseph's* to treat hospital patients needing dialysis.
- ◆ Implemented a new service that eliminates varicose veins through the VenaCure Endovascular Laser Venous System.
- ◆ Groundbreaking ceremonies commemorated the expansion of Southport Internal Medicine at its Elmira south side location.
- ◆ Installed Pyxis®, Connect' physician order management system and a Pyxis® MedStation, SN automated medication dispensing system to help decrease medication errors, improve quality of care and streamline workflow efficiencies.
- ◆ Achieved three – year accreditation by the Joint Commission of Accredited Healthcare Organizations (JCAHO).
- ◆ St. Joseph's Sleep Disorders Center received program re-accreditation as a full-service center from the American Academy of Sleep Medicine (AASM).
- ◆ Earned Quality Respiratory Care Recognition (QRCC) for the second year in a row under a national program aimed at helping patients and families make informed decisions about the quality of the respiratory care services available in hospitals.
- ◆ Southern Tier Addiction Rehabilitation Services (STARS)/NEW DAWN programs received three year licenses from the Office of Alcohol and Substance Abuse (OASAS).
- ◆ St. Joseph's Gift Shop becomes renovated and expanded.
- ◆ St. Joseph's Auxiliary celebrated 50th Anniversary.
- ◆ *St. Joseph's Senior Advantage Program* replaced 55PLUS®, program by offering new and expanded services for individuals age 55 and older.

2003 Outlook/Priorities:

Providing high quality health care for the community with a highly qualified staff and top-of-the-line technology allowed St. Joseph's to accomplish the following priorities in 2003:

- ◆ Acquired the new ACUSON Sequoia™ echocardiography system that provides cardiologists with unprecedented ultrasound images of the heart.
- ◆ Added the new ACUSON Sequoia™ Ultrasound System with its new imaging advancements provides excellent image quality and increased diagnostic information for physicians.
- ◆ Relocated Primary Care Office from Horseheads in late December 2003 to a larger, more spacious facility in Big Flats.

- ◆ St. Joseph’s Skilled Nursing Facility received “no deficiencies” from its August 2003 survey by the New York State Department of Health. The “no deficiency” rating is the highest rating a nursing home can receive.
- ◆ Awarded a grant from the New York State Workforce Retraining Initiative to develop and implement an Operating Room nursing internship.

2002 Outlook/Priorities:

St. Joseph’s theme in 2002 emphasized the importance of a highly trained and qualified staff, utilizing the most recent technology, to accomplish the following priorities in 2002:

- ◆ Acquired the new ImageChecker®, Computer Aided Detection (CAD) system for use in breast cancer screening to assist radiologists in minimizing false negative readings during mammograms.
- ◆ St. Joseph’s Hospital and St. Joseph’s Skilled Nursing Facility (SNF) both achieved accreditation from the Joint Commission on Accreditation of Health Organizations as a result of their demonstrated compliance with the Joint Commission’s nationally recognized health care standards.
- ◆ The New York State Office of Mental Health (OMH) issued St. Joseph’s Behavioral Science Unit (BSU) a renewed Operating Certificate.
- ◆ St. Joseph’s Pulmonary Function Laboratory was awarded accreditation by the Commission on Laboratory Accreditation of the College of American Pathologists (CAP).
- ◆ St. Joseph’s Hospital Laboratory received Accreditation with Distinction by the Commission on Laboratory Accreditation of the College of American Pathologists (CAP).

Meeting Community Needs

A brief summary reflecting some of St. Joseph’s key statistics for 2002–2004 are listed in the following table:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Inpatient Discharges	6,300	5,754	5,736
Outpatient Visits	111,327	114,914	115,052
Emergency Department Visits	18,639	18,358	19,066

In addition to the services provided above, St. Joseph’s offered the following health education and prevention initiatives to the community in conjunction with St. Joseph’s commitment to improving the overall health of our community:

- ◆ Participated in 13 community health fairs where 195 glucose and 131 bone density screenings were given.
- ◆ Provided 450 glucose and 273 blood pressure screenings throughout the year at various community housing and store locations.
- ◆ Presentations on preventative health care topics for students in four local elementary schools.



Learning healthy eating habits at a young age was just one of the presentations at St. Joseph’s annual Children’s Health Fair.

- ◆ Children’s Health Fair featuring health and preventative education topics for over 100 third grade students.
- ◆ Hospital tours for area youth groups and organizations.
- ◆ Mentoring program for students at Thomas K. Beecher Elementary School.
- ◆ Free weekly blood pressure screenings in St. Joseph’s front lobby and Catholic Charities’ Samaritan Center resulted in over 500 individuals receiving the screenings.
- ◆ Free health seminars for over 100 residents. The seminar topics were entitled “Cataracts: You Can See Clearly Now,” “New Age Foods For Disease Prevention,” “Curing Cancer With Radiation Therapy,” and “Body Contouring After Bariatric Surgery.”
- ◆ Nearly 200 people attended the free health education seminar, “Hip & Knee Pain,” held monthly at St. Joseph’s.
- ◆ Outpatient Primary Care Offices in Elmira, Big Flats and Southport.
- ◆ St. Joseph’s Rehabilitation Center provided physical, speech and occupational therapy, upon physician referral, to students in the Elmira City and Elmira Heights School Districts as well as to residents in area nursing homes.
- ◆ Speech Pathology Department provided Cleft Lip and Palate Clinic for Children that involved area physicians including plastic surgeons, orthodontists, oral surgeons, and general dentistry.
- ◆ Return to Work Program – Occupational Therapy Department assisted people in getting back to work after work injuries as well as created healthy policies and procedures for industries’ employees.
- ◆ Services provided by Southern Tier Addiction Rehabilitation Services (STARS) and Addiction Rehabilitation Unit (ARU).
- ◆ Sponsorship or co-sponsorship of such support groups as Survivors of Stroke (SOS), Amputee Support Group, Widow/Widower Support Group, Depressive and Manic Depressive Support Group, and Alert, Well and Keeping Energetic (A.W.A.K.E.) for patients diagnosed with obstructive sleep apnea.
- ◆ Low-cost mammography provided in cooperation with American Cancer Society.
- ◆ Co-sponsored Hospice Foundation of America Teleconference “Living With Grief: Alzheimer’s Disease.”

Assessing Community Need/Customer Input

To appropriately address the health care needs of our community, St. Joseph’s utilizes a variety of methods in collecting feedback from community residents.

The following reports, documents and surveys were instrumental in developing St. Joseph’s Community Needs Assessments:

- ◆ St. Joseph’s Board of Directors Business Development/Strategic Planning Committee
- ◆ Bed Need in the Southern Tier Service Area 1996 – 2005 – Finger Lakes Health Systems Agency
- ◆ Labor Market Profile from the New York State Department of Labor, Division of Research and Statistics

- ◆ Chemung County Office for the Aging’s “Project 2015”
- ◆ Current industry journals, periodicals, newsletters and other literature such as “Futurescan 2003” – A Forecast of Healthcare Trends 2003 – 2007.
- ◆ Healthcare Association of New York State, Inc. (HANYS) MedStat Demographic and Inpatient Reports

At the same time community leaders comprise the Hospital’s Board of Directors. They provide direction to the Hospital in meeting the community’s needs. Hospital volunteers also personally collect information from our inpatients regarding their overall care and concerns. Many of the Hospital’s outpatient departments also survey their patients for feedback, not only on their care and treatment, but on how any current Hospital services can be improved along with any possible new services St. Joseph’s should consider.

Several Hospital staff members participate in a host of community coalitions that have been developed to tackle the various health care issues facing our community. The following are some of the coalitions where either staff members or volunteers represent St. Joseph’s:

- ◆ Adult Immunization Coalition
- ◆ Chemung County Emergency Preparedness
- ◆ Chemung County Housing Coalition
- ◆ Chemung Valley Health Network (CVHN) Rural Health Network Walking Program
- ◆ Colorectal & Prostate Health Initiative of Chemung & Schuyler Counties
- ◆ Diabetes Action Coalition
- ◆ Eat Well, Play Hard Partnership
- ◆ Healthy Living Partnership
- ◆ Healthy Women Partnership
- ◆ Learn & Serve Advisory Council of Elmira City School District
- ◆ Obesity Task Force
- ◆ Reach Out and Read (ROAR) of the Southern Tier
- ◆ Southern Tier Regional Emergency Management Services (STREMS)
- ◆ Southern Tier Tobacco Awareness Coalition
- ◆ TRIAD of Chemung County
- ◆ Tri-County Critical Incident Stress Management Team



Special Visitors to St. Joseph’s like the Sesame Street character Cookie Monster are always a fan favorite for kids.

As a result of St. Joseph’s involvement in collecting feedback from residents and patients as well as participating in numerous community coalitions and organizations the following could be considered as priority health care needs for our community:

- ◆ Controlling the escalating costs associated with Medicaid.
- ◆ Cost and availability of health insurance.
- ◆ Caring for the Uninsured.
- ◆ Recruitment into the healthcare labor force.

Performance in Providing Charity Care

Financial assistance is available to those individuals determined to be financially ineligible for Medicaid, but whose gross income does not exceed the guidelines outlined in the table below. The Hospital's Financial Assistance Committee may also consider applicants with unusual circumstances falling outside the guidelines. Determination of eligibility is made within 30 days of receiving the application and proof of income.

Under St. Joseph's Financial Assistance Program, the hospital provides our community with uncompensated care each year to persons unable to pay the total cost of hospital services. Patients must apply within six months (180 days) of initial billing. Certain elective procedures, such as cosmetic surgeries will not be eligible for financial assistance.

Full Discount Income/Resource Levels

(if over income limits for full discount – may be eligible for partial discount)

<u>Family Size</u>	<u>Annual Income Limit</u>	<u>Resource Level</u>
1	\$10,000	\$3,600
2	\$13,200	\$4,800
3	\$16,400	\$6,000
4	\$19,600	\$7,200
5	\$22,800	\$8,400
6	\$26,000	\$9,600
7	\$29,200	\$10,800
8	\$32,400	\$12,000

For each additional family member add \$3,200 to income limit and \$1,200 to resource level.

Partial Discount Income Levels

<u>If Family Income exceeds Income Limits By:</u>	<u>Eligible Discount</u>
1-10%	90% Discount
11-20%	80% Discount
21-30%	70% Discount
31-40%	60% Discount
41-50%	50% Discount
51-60%	40% Discount
61-70%	30% Discount
71-100%	20% Discount

Information regarding St. Joseph's Financial Assistance Program can be answered by contacting St. Joseph's Credit Department at (607) 737-1508.

Financial Statement

Financial Statement For Report Year 2004

I.	<u>Sources of Revenue</u>		
	• Net Patient Services Revenue	<u>62,391,150</u>	
	• Other Operating Revenue (e.g. investments)	<u>3,715,465</u>	
	Total Revenue:		<u>\$66,106,615</u>
II.	<u>Expenses</u>		
	• Salaries and Benefits	<u>38,085,293</u>	
	• Supplies and Other Expenses	<u>18,299,440</u>	
	• Depreciation and Interest	<u>5,106,195</u>	
	Total Expense:		<u>\$61,490,928</u>
III.	Bad Debt/Uncompensated Care	<u>3,091,683</u>	
IV.	Charity Care	<u>330,735</u>	
	Total Charity Care:		<u>\$3,422,418</u>
V.	Assets	<u>55,598,651</u>	
VI.	Liabilities and Fund Balances	<u>55,598,651</u>	
VII.	Capital-Equipment	<u>11,997,681</u>	
VIII.	Land	<u>1,479,112</u>	
IX.	Buildings & Improvements/ Construction	<u>8,665,725</u>	

Summary Financial Statement

1.	Total Operating Patient Service Revenue:	<u>\$66,106,615</u>
2.	Total Operating Expenses:	<u>\$61,490,928</u>
3.	Charity Care:	<u>\$330,735</u>
4.	Bad Debt/Uncompensated Care:	<u>\$3,091,683</u>

1. Revenue – includes income from patient care billings, grants, donation fund raising;
2. Operating Expenses – includes salaries/benefits, supplies, other expenses, depreciation and interests on expenses on loans;
3. Charity Care – this accounting is a result of facility charity care policies-reflecting expenditures associated with free care to patients not expected to pay their medical bills (e.g. patients without health insurance or financial resources)
4. Bad Debt – reflects expenditures not collected from patients expected to pay their medical bills – uncollected medical charges (e.g. patients with some form of health insurance or financial resources)

Addenda

◆ Board of Directors Rosters	#1
◆ Organization Chart	#2
◆ 2004 Revenue Percentages	#3

ADDENDUM #1

◆ **St. Joseph's Health System Board of Directors**

Joseph P. Manning, Chairman
A. Scott Welliver, Vice Chairman
Donald D. Quick, Secretary
Daniel O'Connell
Louis Difabio
T. Curran Sekella
Scott D. Moore
Sister Marie Castagnaro, President
Robert McNamara, Treasurer
Gregory Sommers, Assistant Treasurer

◆ **St. Joseph's Hospital Board of Directors**

Joseph P. Manning, Chairman
A. Scott Welliver, Vice Chairman
Sister Marie Castagnaro, SSJ, President
Thomas O'Mara, Secretary
Robert M. McNamara, Treasurer*
Gregory Sommers, Assistant Treasurer*
Sister Elizabeth Anne LeValley, SSJ
John T. Gough (Bishop's Appointee)
Donald D. Quick
Dr. Joseph E. Calderone
Jerald M. Stemerman
Angelo A. Fusco
Sister Mary Louise Heffernan, SSJ
Sister Janice Morgan, SSJ** (President SSJ's of Rochester)
Dr. Kim Panosian
Richard L. Simons
Donald Hartman
Patricia Thompson
Melinda Sartori
Martin Fennell
Dr. Kurt Krause** (President Medical Staff)
Dr. Edward Williams** (Vice President Medical Staff)

*Officer but not Member of the Board of Directors

**Ex-Officio Voting Member

◆ **St. Joseph's Hospital Foundation Board of Directors**

Daniel O'Connell, Chairperson
Julie Delgrosso, Vice Chairperson
Alison Mandel, Secretary
Clarence Croke, Treasurer
David P. Sullivan, President
Christopher Baker
Mary Ann Baker
Dr. Rose Byland
Sister Marie Castagnaro, SSJ
Martin Chalk
Louis Difabio
James J. Lynch II
Monica Ott
Joanne Quick
David J. Sheen
Michael Valicenti
Lindy Van Brunt

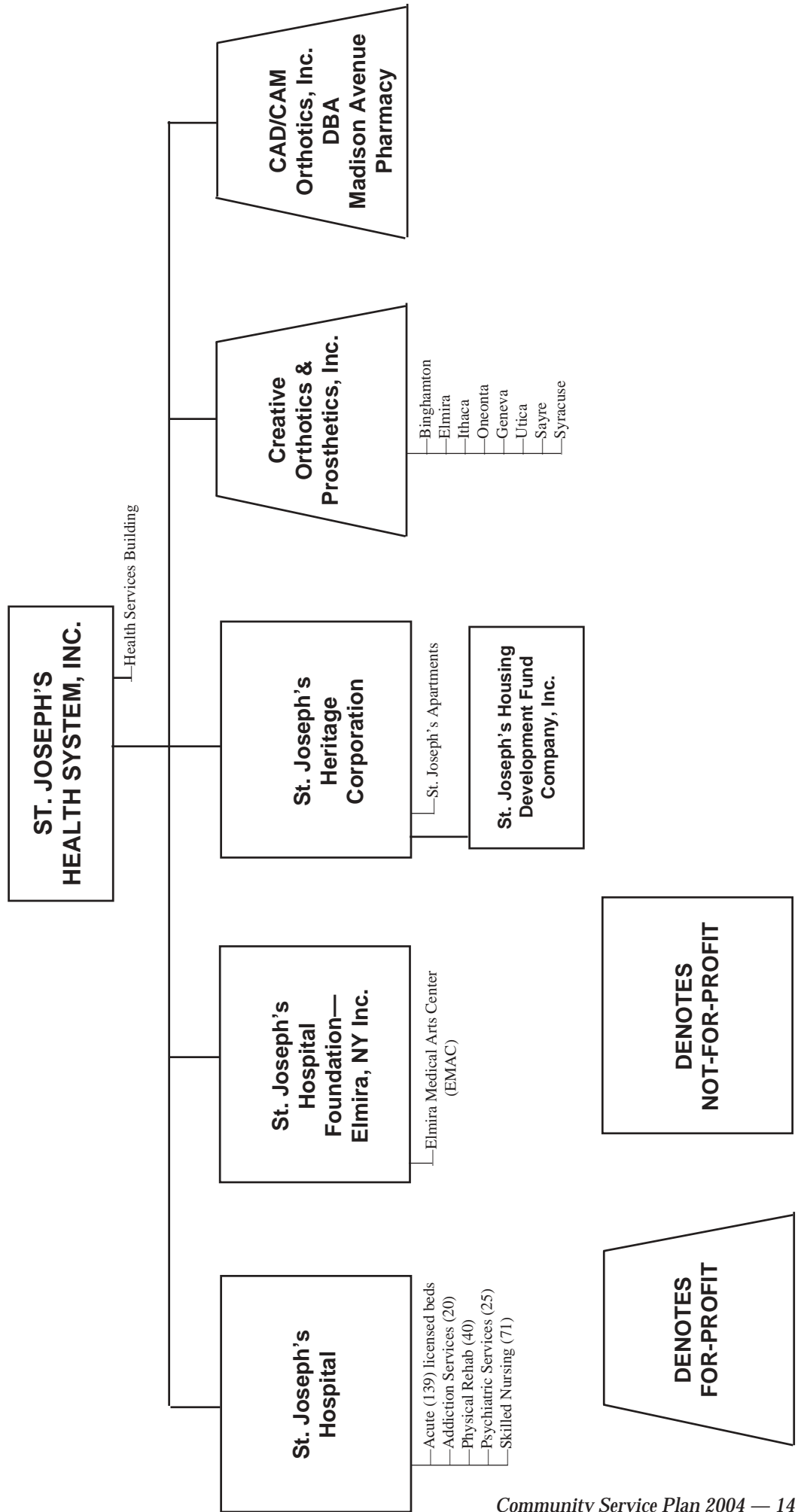
◆ **Creative Orthotics and Prosthetics Board of Directors**

John Renz, President & CEO
T. Curran Sekella, Chairman
Sheldon Hunt, Vice Chairman
Judy McIntosh, Secretary
Les Malcovitch
David Sickles
Jerald M. Stemerman

◆ **CAD/CAM Orthotics d.b.a. Madison Avenue Pharmacy Board of Directors**

Angela Grosvenor, Chairperson
Robert McNamara, Secretary/Treasurer
Dr. Francisco Corbalan
Dr. James Freeman
Carol Gill
James Reed
Anthony Ruggerio

ORGANIZATION CHART



ST. JOSEPH'S HOSPITAL
2004 REVENUE PERCENTAGES

