

St. Joseph's Hospital 2006 Annual Report & Community Benefit Plan



HELPING YOU LIVE A HEALTHY LIFE

**St. Joseph's 2006 Annual Report
&
Community Benefit Plan**

	Page
I. President/CEO Review of 2006	2
II. Corporate Structure	3
III. Mission Statement	3
IV. Public Participation in Processing and Notice to Public.....	4
V. Needs Assessment	6
VI. Strategic Plan	8
VII. Financial Report.....	8
VIII. Addenda	11

In accordance with Section 2803-1 of the New York State Public Health Law, St. Joseph's presents its Community Service Plan and 2006 Annual Report.

I. President/CEO Review of 2006

Sister Marie Castagnaro, SSJ

The word perseverance comes to mind when I reflect back not only on 2006, but on St. Joseph's long and storied history. Webster's definition for perseverance states "to continue steadfastly." I believe that explanation adequately describes St. Joseph's rise from its modest three-story building in 1908 to a regional healthcare facility serving the needs of those residents living in the Southern Tier of New York and the Northern Tier of Pennsylvania.



Over the course of our 98-year history St. Joseph's has experienced a variety of twists and turns. The year 2006 was no different as it offered its own share of challenges and obstacles to our organization. Nevertheless, thanks to the tireless efforts of our hard working medical staff, employees and dedicated volunteers – St. Joseph's overcame those hurdles and achieved many accomplishments and accolades during the year.

Our list of accomplishments for the year is a long one, but here is a brief selection of some of our 2006 highlights:

- We signed a letter of intent to affiliate with Guthrie Healthcare System.
- We were named a New York State officially designated Stroke Center.
- We purchased the former Hoss Steak & Sea House Restaurant building to serve as the future home of our outpatient physical therapy, occupational therapy, speech therapy and Hand Management Center.
- We also purchased state-of-the-art equipment for our Endoscopy department.

Impressive as those accomplishments are, we are just as excited about 2007 and what it will bring our organization. Opening additional beds to accommodate the projected increase in patient admissions, implementing a chronic dialysis service, expanding our surgical procedures, and finalizing plans for a new and expanded emergency department are just a few activities we have planned to accomplish in 2007.

It may be a new year, but be rest assured that St. Joseph's will continue to provide high quality patient care 24 hours a day, seven days a week, 365 days a year. As we have for nearly 100 years expect more of the same from St. Joseph's in 2007 as we persevere in serving thousands of individuals in order to keep our community, healthy, strong and vibrant.

II. Corporate Structure

St. Joseph's Hospital is a 501(c)3 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 include St. Joseph's Hospital Foundation – Elmira, NY Inc., St. Joseph's Heritage Corporation, St. Joseph's Health System Management Services Organization, L.L.C., St. Joseph's Housing Development Fund Company, Inc., Creative Orthotics & Prosthetics, Inc., and CAD/CAM Orthotics, Inc. DBA Madison Avenue Pharmacy.

III. 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 and works with other health care providers and agencies to meet regional health care needs. St. Joseph's strives to provide the latest advances in medical technologies and provides education for staff, patients and the community.

- Reaffirmed on April 26, 2006 by St. Joseph's Board of Directors -



IV. Public Participation in Processing and Notice to the Public

In order to determine our community's healthcare needs, St. Joseph's relies on the community leaders who volunteer for its Board of Directors. Their input, advice and recommendations provide direction to the Hospital in order to address the community's healthcare needs.

In addition to the Hospital's Board, several Hospital staff members take part in many coalition groups that have been formed in order to address the health care issues facing the community. The feedback from these coalitions, comprised of community members, assist St. Joseph's in its planning process.

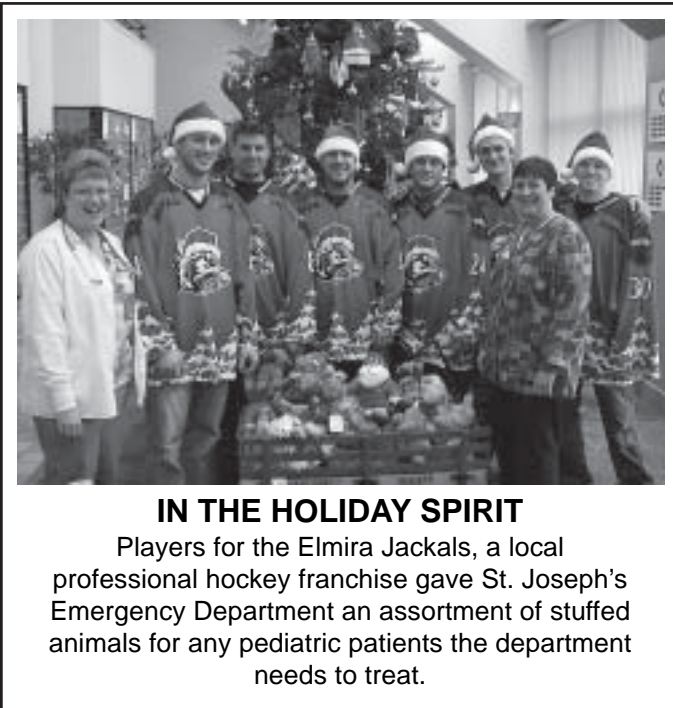
Those groups and coalitions where St. Joseph's has representation are as follows:

- Adult Immunization Coalition
- Brothers & Sisters for Wellness
- Chemung County Emergency Preparedness
- Chemung County Housing Coalition
- Chemung County School Readiness Project
- Chemung Valley Health Network Walking Program
- Colorectal & Prostate Health Initiative of Chemung & Schuyler Counties
- Diabetes Action Coalition
- Eat Well, Play Hard Partnership
- Elmira Downtown Development "Shape Up Downtown"
- Healthy Living Partnership
- Healthy Women Partnership
- Learn & Serve Advisory Council of Elmira City School District
- Reach Out and Read (ROAR) of the Southern Tier
- Shape Up Chemung/Obesity Prevention
- Shape Up Downtown Challenge
- Strong Kids/Safe Kids
- Southern Tier Regional Emergency Management Services (STREMS)
- Southern Tier Tobacco Awareness Coalition
- Tri-County Critical Incident Stress Management Team

Members of the general public seeking additional information about St. Joseph's or requesting a copy of this report may contact St. Joseph's Marketing/Community Development Department at (607) 737-7810. St. Joseph's 2006 Annual Report & Community Benefit Plan may also be accessed for viewing and printing on-line at St. Joseph's web site at www.stjosephs.org. Copies of this report are also mailed to many local community leaders and elected officials.

2006 Hospital Accomplishments

- Letter of intent signed by St. Joseph's to affiliate with the Guthrie Healthcare System.
- Named a New York State officially designated Stroke Center.
- Purchased former Hoss Steak & Sea House Restaurant building to serve as the future home of our Outpatient Physical Therapy, Occupational Therapy, Speech Therapy and Hand Management Center.
- Purchased state-of-the-art equipment for Endoscopy services.
- St. Joseph's Auxiliary awarded with one of 64 statewide Auxiliary Advocacy Awards from the Healthcare Association of New York State (HANYS).
- St. Joseph's Inpatient Physical Rehabilitation Department received recognition as a Credentialed Facility by Uniform Data System for Medical Rehabilitation (UDS MR) – a nationally recognized data system.
- Participant in the American Stroke Association's *Get With The Guidelines – Stroke* initiative.



2006 Statistical Report:

- Licensed Beds 295
- Number of Employees 1,000
- Number of Licensed Physicians on Staff 189
- Number of Outpatient Visits 108,723
- Number of Emergency Department Visits 16,811
- Southern Tier Addiction Rehabilitation Services (STARS)
 Outpatient & Intensive Outpatient Visits 12,542
 Adolescent Intensive/Outpatient Visits 1,907
- Number of Hours of Occupational Therapy & Physical Therapy services for children in area school districts 7,308

St. Joseph's 2006 Annual Report & Community Benefit Plan

- Number of Surgeries 3,967
- Number of Admissions:
 - Medical/Surgical 4,362
 - Behavioral Science Unit 882
 - Physical Rehabilitation 333
 - Alcohol Rehabilitation 231
 - Skilled Nursing Facility 99
- Annual Acute Care % Occupancy 78.3%
(4th Quarter 2006 Occupancy Average – Approximately 84% & 1st Quarter 2007 Occupancy Average – Approximately 90%)
- Number of Hours donated by Volunteers 25,911
- Total Number of Flu Shots Given to
Employees/Hospital Volunteers/General Public 1,001

V. Needs Assessment

St. Joseph's utilizes many techniques in collecting information and data in order to determine the communities needs assessment.

The following reports, documents and surveys were instrumental in developing this assessment:

- Press Ganey Patient Satisfaction Surveys of St. Joseph's patients.
- Kolpien & Associates healthcare survey featuring a telephone sample of 500 residents of the greater Elmira-Corning area.
- Chemung County Health Department's Community Health Assessment (2005 – 2010).
- Labor Market Profile from the New York State Department of Labor, Division of Research and Statistics.
- Finger Lakes Health Systems Agency Chemung County Health Report (October 2006).
- Food Bank of the Southern Tier Hunger in America 2006 – Local Report Summary.

As part of St. Joseph's commitment to improving access to health care services for the under-served, the Hospital provided the following programs at low or no cost to the community in 2006:

- Participated in several community health fairs and monthly preventative-screening events where over 800 people received either health information, blood pressure, blood sugar or bone density screenings.
- Hospital tours for many area youth groups and organizations.
- Mentoring program, featuring hospital employees as mentors, for several students at Thomas K. Beecher Elementary School.

St. Joseph's 2006 Annual Report & Community Benefit Plan

- In cooperation with three area elementary schools – St. Joseph's "Adopt-A-School" program provided six health educational sessions for students in those schools' kindergarten through grade five.
- Free weekly community blood pressure screenings in the Hospital's front lobby and Catholic Charities Samaritan Center resulted in almost 700 people receiving the screenings.
- Free health seminars for over 260 people. The seminar topics were "Stroke: Early Intervention is the Key," "Arthritis: When Those Aches and Pains Impact Your Life," "Stress Incontinence in Women," and "Organic Foods: What You Don't Know, What You Should Know."
- Job shadowing experiences by local students with Hospital healthcare professionals.
- Nearly 145 people attended the monthly free health education seminar, "Hip & Knee Pain."
- A total of 15,990 patient visits at the Hospital'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 50 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 injuries as well as created healthy policies and procedures for industries' employees.
- Inpatient, outpatient, intensive outpatient and adolescent intensive outpatient 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, Diabetes 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.
- Mammography provided in cooperation with Healthy Women Partnership to qualified women.



Since 1998 St. Joseph's free monthly informational seminars on Hip & Knee Pain have attracted over 1,350 attendees.

St. Joseph's 2006 Annual Report & Community Benefit Plan

- Co-sponsored Hospice Foundation of America Teleconference "Living With Grief: Pain Management at the End of Life: Bridging the Gap Between Knowledge and Practice."

VI. Strategic Plan

In its Community Health Assessment Report (2005 – 2010), the Chemung County Health Department identified the following top five health issue priorities for Community Action in Chemung County:

- Cancer
- Physical Activity and Fitness
- Nutrition and Overweight
- Tobacco Control
- Immunizations and Infectious Disease
- Sexually Transmitted Diseases

Therefore, as part of its 2005 – 2007 Strategic Plan Framework, St. Joseph's has established the following vision statement for the organization:

St. Joseph's will improve the health of our community through the treatment of traumatic and acute illnesses by a dedicated and trained professional staff utilizing the latest in medical technology.

Our success will be achieved by:

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

Also, we will continue to provide long term nursing care by using an approach that provides preventative, therapeutic, and rehabilitative services.

VII. Financial Report

• Financial Assistance Program – 2006

Financial assistance is available to individuals/families that are unable to pay the cost of Hospital services and have gross incomes and resources that do not exceed the guidelines below. Applications must be submitted within 12 months of the date of service. St. Joseph's Financial Assistance Committee may also consider applications with unusual circumstances falling outside the guidelines.

St. Joseph's 2006 Annual Report & Community Benefit Plan

To be eligible, the applicant must provide the following:

- A fully completed, signed and dated application.
- Verification of income for all eligible family members for the previous 6 months. Self-employed applicants please call (607) 737-1508 for details of needed information. Applications without proof of income will be denied automatically.
- A denial for Medicaid, Child Health Plus, Family Health Plus or other governmental program the family may be eligible for to help pay their hospital bills. There are certain income levels that do not need to apply to these programs. Please call (607) 737-1508 to determine your status.

Services not eligible for Financial Assistance would be Cosmetic Surgery and certain other elective procedures and programs.

Financial Assistance Income and Resource Level Guidelines

Family Size	Annual Income Limit	Resource Level
1	\$20,000	\$4,000
2	\$26,800	\$5,500
3	\$33,600	\$7,000
4	\$40,400	\$8,500
5	\$47,200	\$10,000
6	\$54,000	\$11,500
7	\$60,800	\$13,000
8	\$67,600	\$14,500

For each additional family member add \$6,800 to income limit and \$1,500 to resource level.

A determination of eligibility will be made within 30 days of our receipt of the application and proof of income. Applications submitted without proof of income or a letter of explanation will be automatically denied. Applications are not open-ended. The Hospital may require the person to reapply for each additional service.

Completed Financial Assistance Program forms will be sent to St. Joseph's Hospital, P.O. Box 1512, Elmira, New York 14902-1512. The Hospital's Medicaid worker may be reached at (607) 733-6541, extension 355.

St. Joseph's 2006 Annual Report & Community Benefit Plan

• **2006 Financial Statement**

I. Sources of Revenue

• Net Patient Services Revenue	<u>\$63,206,567</u>	
• Other Operating Revenue (e.g. investments)	<u>\$4,070,440</u>	
Revenue (subtotal):		<u>\$67,277,007</u>

II. Grants, Research and Medical Education \$210,588

Total Revenue (includes I & II): \$67,487,595

III. Expenses

• Salaries and Benefits	<u>\$38,461,763</u>	
• Supplies and Other Expenses	<u>\$20,522,330</u>	
• Depreciation and Interest	<u>\$4,722,455</u>	
Total Expense (Excludes Bad debt/Uncompensated Care):		<u>\$63,706,548</u>

IV. **Bad Debt/Uncompensated Care** \$3,697,697

V. **Charity Care**

• Free Care	<u>\$357,344</u>	
• Community Benefits (e.g. community programs, health screenings, etc.)	<u>\$1,259,721</u>	
Total Charity Care:		<u>\$1,617,065</u>

VI. **Assets** \$50,420,345

VII. Liabilities and Fund Balances \$50,420,345

VIII. Capital-Equipment \$9,831,062

IX. **Land** \$1,463,294

X. Buildings & Improvements/Construction \$8,219,205

St. Joseph's 2006 Annual Report & Community Benefit Plan

• **Summary Financial Statement**

1.	Total Revenue:	<u>\$67,487,595</u>
2.	Total Expenses:	<u>\$63,706,548</u>
3.	Charity Care: (Excludes Community Benefits)	<u>\$357,344</u>
4.	Bad Debt/Uncompensated Care:	<u>\$3,697,697</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. **Excludes:** grants, research, and medical education
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)

VIII. Addenda

- Board of Directors Rosters #1
- Organization Chart #2
- 2006 Revenue Percentages #3

St. Joseph's 2006 Annual Report & Community Benefit Plan

Addendum #1

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

Donald Hartman, Chairman
A. Scott Welliver, Vice Chairman
Donald D. Quick, Secretary
Julie Delgrosso
Louis Difabio
Sheldon Hunt
Scott D. Moore
Sister Marie Castagnaro, President
Robert McNamara, Treasurer
Gregory Sommers, Assistant Treasurer

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

Donald Hartman, Chairman
Melinda Sartori, Vice Chair
Sister Marie Castagnaro, SSJ, President
Patricia Thompson, Secretary
Robert M. McNamara, Treasurer*
Gregory Sommers, Assistant Treasurer*
Martin Fennell
Angelo A. Fusco
John T. Gough (Bishop's Appointee)
Sister Mary Louise Heffernan, SSJ
Sister Elizabeth Anne LeValley, SSJ
Joseph P. Manning
Rob McKinnon
Sister Janice Morgan, SSJ** (President SSJ's of Rochester)
Dr. Kim Panosian
Donald D. Quick
Dr. John Schiavone
Polly Smith-Blackwell
Donald Thomson
A. Scott Welliver
Dr. Edward Williams** (President Medical Staff)
Dr. Philip Stuart** (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***

Julie Delgrosso, Chairperson
Alison Mandel, Vice Chairperson
Louis Difabio, Secretary
Clarence Croke, Corporate Treasurer

St. Joseph's 2006 Annual Report & Community Benefit Plan

David P. Sullivan, President
Christopher Baker
Mary Ann Baker
Dr. Rose Byland
Sister Marie Castagnaro, SSJ
James J. Lynch II
Gina Mitchell
Michael Murray
Daniel O'Connell
David Sheen
Joanne Quick
Lindy Van Brunt

• *Creative Orthotics and Prosthetics Board of Directors*

T. Curran Sekella, Chairman
Sheldon Hunt, Vice Chairman
Judy McIntosh, Secretary
John Renz, President/CEO
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 Ruggiero

• *St. Joseph's Health System Management Services Organization, L.L.C. Board of Directors*

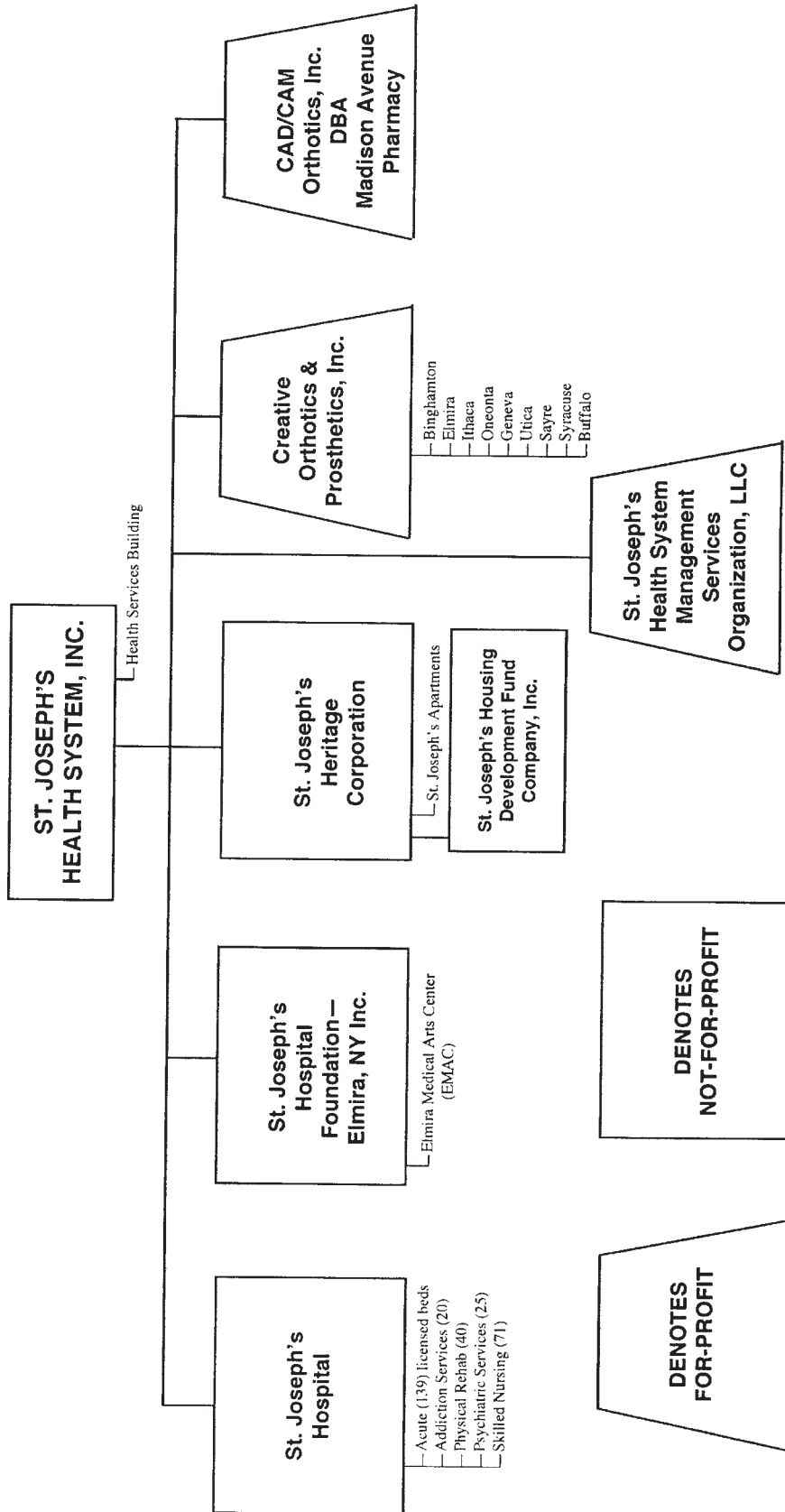
Sister Marie Castagnaro, SSJ, President & Chairperson
Don VanGorder, Vice Chairperson
Robert McNamara, Secretary/Treasurer

ADDENDUM #2



ORGANIZATION CHART

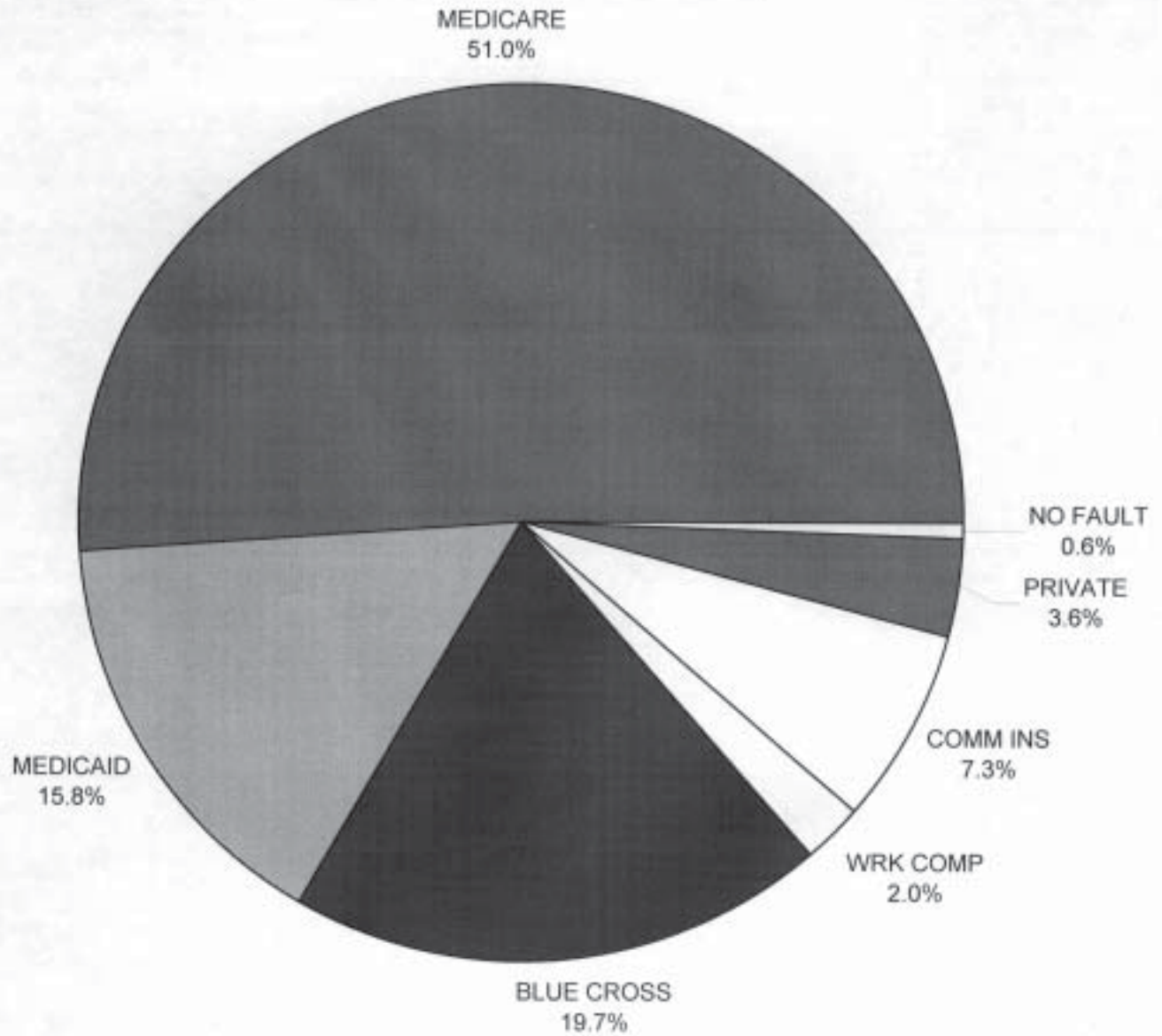
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Replaces (Date & No.)	
2/16/05	Oc-A10



Approved by: *Thomas R. Christy, SSS*

ADDENDUM #3

ST. JOSEPH'S HOSPITAL
2005 REVENUE PERCENTAGES





Helping You Live a Healthy Life

MARKETING & COMMUNITY DEVELOPMENT

555 East Market Street

Elmira, New York 14901

(607) 733-6541

www.stjosephs.org

