

Hospital Authority of Houston County – Meeting Summary, December 2007

During their regular session meeting, the Hospital Authority of Houston County discussed the following agenda items:

UTILIZATION/FINANCIAL REPORT

Mr. Frank Powell, Chief Financial Officer, reported the year-to-date utilization information: Through the end of November Inpatient Admissions were above budget by 1.24% at Houston Medical Center (HMC) while approximately 1.4% below budget at Perry Hospital. Outpatient visits were below budget by more than 3% at HMC while more than 4% above budget at Perry Hospital. Surgeries were below budget by .4% at HMC and 7.8% at Perry. Cardiac cath volumes are up nearly 18% year to date.

Net patient revenues for the month of November for Houston Healthcare exceeded \$16.9 million above the budgeted amount of \$14.2 million. The organization ended the month with Net Funds Available of \$585,244, as compared to a budgeted amount of \$1.1 million due to a market decline of \$1.7 million in investments during the month. During November, Houston Healthcare incurred more than \$2.9 million in uncollectible, indigent and charity care deductions, reflecting an increase in comparison to a budget of \$2.4 million.

During the nine months of the fiscal year, Houston Healthcare's net patient revenues totaled \$143.6 million, compared to a budgeted amount of \$133.4 million. Year to date, Net Funds Available equaled \$18.6 million as compared to a budget of \$11.7 million.

Capital equipment expenditures for the month totaled \$244,814 for the Women's Center; and \$374,055 for an upgrade to the MRI unit which will provide the ability to do broader field studies, as part of Long Range Strategic Planning.

OTHER BUSINESS

The Authority approved the construction financing for the Medical Office Building development at the corner of Cohen Walker and Southerlin Drive near Highway 96 of up to \$9.5 million with the funds to be returned to Houston Healthcare at the conclusion of the construction period and placement of the building financing through the Real Estate Investment Trust (REIT).

Mr. Skip Philips, Chief Operating Officer, reported that Holiday Celebrations were held at all Houston Healthcare facilities for the staff. The celebration at HMC was held in the new lower lobby area of the Tower. The Patient Care Evaluation Unit at HMC will open the second week in January. An open house will be held on January 3.

Dr. Tony Alford, CEO, encouraged the Board members to take advantage of educational opportunities including the upcoming trustee certification program being developed by the Georgia Hospital Association.

Dr. Alford also reported that the new Employee Pharmacy has been very successful in its first 60 days of operation in saving dollars for both Houston Healthcare and employees. To date, gross prescription dollar savings through the Employee Pharmacy totals \$47,500. Our employee healthcare costs are down 13% as compared to last year, and the average healthcare cost per employee this year is \$7,060 compared to \$8,700 per employee last year.

With no further business, the meeting was adjourned.