2015 Annual Report

Member Hospitals

Archbold Medical Center
Brooks County Hospital
Children's Hospital of Georgia
Clinch Memorial
Coffee Regional Medical Center
Colquitt Regional Medical Center
Columbus Regional Health
Cook Medical Center
DeKalb Medical Center
Doctors Specialty Hospital
Floyd Medical Center
Floyd Polk Medical Center
Georgia Regents University
Gwinnett Health System
Gwinnett Medical Center- Duluth
Hillandale Hospital
Lanier Park Hospital
Midtown Medical Center
Mitchell County Hospital
Navicent Health
Northeast Georgia Medical Center
Northside Hospital
Northside Hospital - Cherokee
Northside Hospital - Forsyth
Phoebe Putney Memorial Hospital
Phoebe Sumter Medical Center
Phoebe Worth Medical Center
South Georgia Medical Center
South Georgia Medical - Berrien Campus
South Georgia Medical Center - Lanier Campus
Southwest Georgia Regional Medical Center
St. Joseph's/Candler
St. Mary's Good Samaritan
St. Mary's Healthcare System
Stephens County Hospital
Tanner Health System
The Medical Center of Peach County
Tift Regional Health System
University Hospital
University Hospital - McDuffie
Upson Regional Medical Center
Warm Springs Medical Center
Washington County Regional
Wayne Memorial Hospital
WellStar Health System
WellStar Douglas Hospital
WellStar Cobb Hospital
WellStar Kennestone Regional
WellStar Paulding Hospital
WellStar Windy Hill Hospital
West Georgia Health System

Table of Contents

Letter from the President/CEO, Monty Veazey	**2**
Board of Directors	**4**
Corporate Sponsors	**11**
Large Hospital of the Year	**18**
Small Hospital of the Year	**19**
Annual Conference Highlights	**20-24**

Our Staff

President/CEO	Monty Veazey	mveazey@gach.org
Executive VP	Marcy Pope	marcy@gach.org
SVP of Event Planning & Business Development	Kim Mize	kmize@gach.org
Director of Financial Services	Robbie Pope	rpope@gach.org
Director of Public Policy	Tim Kibler	tkibler@gach.org

General P.O. Box 1572, Tifton, Georgia 31793
Phone (229) 386-8660 Fax (229) 386-8662

LETTER FROM OUR PRESIDENT

As we speculated last year, 2015 has been the year of Certificate of Need. We had a glimmer of hope that it wouldn't be a significant battle in the short-term when the Legislature showed little interest this past session.

However, multispecialty surgery centers continue wanting to enter the market, only to provide the services that are profitable. In addition, Cancer Treatment Centers of America attempted to circumvent the entire legislative and legal process with an overturned rule by the Department of Community Health that would have allowed removal of the in-state patient percentage and the bed cap of 50.

The Affordable Care Act and Medicaid expansion have helped keep hospitals open, but not in Georgia. Our state has seen four hospitals close their doors, and many more are on the brink. This year alone, two hospitals have stopped their OB programs and more than 80 counties in Georgia lack access to OB providers altogether.

Awareness and advocating for these issues together speaks volumes to the legislature. We know better than anyone what is needed for us to continue to provide the best care when families are experiencing the best and worst in life. We are the heart beat and the backbone of our communities and determined as ever to continue serving our patients.

Sincerely,

Monty M. Veazey
President
Georgia Alliance of Community Hospitals

For marketing disclaimer, visit bankofamerica.com/disclaimer | GCB-144-AD | ARWNHX93

BOARD OF DIRECTORS

Chairman, Phil Wolfe
Gwinnett Health System

Vice Chairman, Jerry Fulks
West Georgia Medical Center

Secretary/Treasurer, Bob Quattrocchi
Northside Hospital

Kevin Brown
Piedmont Healthcare

Carol Burrell
Northeast Georgia Health System

David Castleberry
Upson Regional Medical Center

Jimmy Childre
Washington County Regional Medical Center

Greg Damron
Georgia Regents Health System

James Davis
University Health Care System

Scott Hill
Columbus Regional Healthcare

Paul Hinchey
St. Joseph's/Candler

Loy Howard
Tanner Health System

Joe Ierardi
Wayne Memorial Hospital

Alan Kent
Meadows Regional Medical Center

Vicki Lewis
Coffee Regional Medical Center

Jim Matney
Colquitt Regional Medical Center

Don McKenna
St. Mary's Health Care System

Perry Mustian
Archbold Medical Center

Leo Reichert
WellStar Health System

Bill Richardson
Tift Regional Medical Center

Randy Sauls
South Georgia Medical Center

Ninfa Saunders
Navicent Health

John Shelton
DeKalb Medical Center

Kurt Stuenkel
Floyd Medical Center

Joel Wernick
Phoebe Putney Health System

Expertise for your every day®

We want to thank Georgia's community hospitals for all of the wonderful work you do by offering high quality, affordable care to your patients.

VHA Georgia, Inc. and Phoenix Health Care Management Services, Inc. are honored to serve you and want to be your indispensable partner as you continue to navigate today's complex health care environment.

Call us at 770.850.7400 or visit vhageorgia.com or phoenix-healthcare.com to learn how we can help ensure your success along that journey.

Proud Sponsor of the Georgia Alliance of Community Hospitals

VHA® | Georgia

PHOENIX
Health Care Management Services, Inc.

VHA Georgia, Inc. and Phoenix Health Care Management Services, Inc. | 770.850.7400 | vhageorgia.com and phoenix-healthcare.com

©2015 VHA Georgia, Inc. and Phoenix Health Care Management Services, Inc. All Rights Reserved.

Prescription for success:

PARKER HUDSON
RAINER & DOBBS

www.phrd.com

Name: _____

Address: _____ Date: _____

Founded in 1981, Parker, Hudson, Rainer & Dobbs is the Southeast's first regional health law firm. Parker Hudson lawyers have the expertise and experience to provide a full range of strategic and legal services for hospitals, health systems, and health care providers of all types, and for coordinated care networks. The Firm's responsiveness and "can do" approach to client needs are unmatched.

- Health System/Physician Group Integration
- Compliance and Investigations
- Reimbursement Audits and Appeals
- Transactions/Contracts
- Regulatory Advice and Disputes
- Complex Litigation
- Tax, Employee Benefits, and Retirement Plans
- Employment Discrimination Disputes

Atlanta
(404) 523-5300

Tallahassee
(850) 681-0191

Parker, Hudson, Rainer & Dobbs LLP

Proudly Serves

The Georgia Alliance of Community Hospitals

Innovative strategies for success.

For more than 65 years, Draffin & Tucker, LLP has supplied a full range of professional accounting services to small businesses, large corporations, individuals, government entities, nonprofit agencies and healthcare providers. Healthcare is our specialty and makes up more than 80 percent of our practice. Concentration in the healthcare industry drives Draffin & Tucker's team of professionals to constantly research innovative strategies that can help assist in our clients' success. Visit our website to see how our team of dedicated professionals can assist your organization.

Draffin & Tucker, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Audit ● Reimbursement ● Tax ● Consulting

Albany • Atlanta **800-864-1225** **www.draffin-tucker.com**

No.1 Healthcare Contractor, *ENR Southeast (2015)*

Providing exceptional and innovative healthcare construction throughout Georgia communities for 31 years

BRASFIELD & GORRIE
GENERAL CONTRACTORS

678.581.6400
brasfieldgorrie.com

SUPPORTING
THOSE WHO
SUPPORT A
HEALTHIER
FUTURE.
As a world-class provider of food and support services, Compass-One Healthcare is a proud supporter of Georgia Alliance of Community Hospitals for benefiting communities through quality healthcare.
CompassOneHealthcare.com
compass one healthcare
morrison healthcare
crothall healthcare

20+YEARS
of dedicated healthcare relationships

Decades in healthcare provide unparalleled insight. Long standing relationships deliver results.

With the expertise that comes from more than 20 years of continuous commitment to the healthcare industry, PNC has innovative capabilities that address a full spectrum of financial challenges. From revenue cycle management, to helping our customers to manage their interest rate risk, to credit and equipment financing, we provide customized solutions to help our clients drive their bottom line. For those ready to build a relationship with a bank that continues to deliver, it's time to think PNC.

To learn more, visit pnc.com/healthcare

for the achiever in you®

PNC HEALTHCARE

FINANCING · TREASURY MANAGEMENT · CAPITAL MARKETS · INVESTMENT MANAGEMENT · EQUIPMENT FINANCE · ADVISORY SERVICES

PNC and "For the Achiever in You" are registered marks of the PNC Financial Services Group, Inc. ("PNC"). Banking and lending products and services, bank deposit products, and treasury management products and services for healthcare providers and payers are provided by PNC Bank, National Association, a wholly owned subsidiary of PNC and **Member FDIC**. Certain banking and lending products and services may require credit approval. © 2015 The PNC Financial Services Group, Inc. All rights reserved. CIB PDF 1113-050-169506

2015 Corporate Sponsors

Preferred Sponsor

Bank of America Merrill Lynch

Diamond Sponsor

PHOENIX Health Care Management Services, Inc.

VHA Georgia

Platinum Sponsors

Draffin & Tucker, LLP Certified Public Accountants

Brasfield & Gorrie General Contractors

compass one healthcare

Parker Hudson Rainer & Dobbs

crothall healthcare our passion. your possibilities.

PNC Healthcare

AVAYA The Power of We

Carousel Industries

Gold Sponsors

Arnall Golden Gregory LLP Attorneys at Law

MIP

LIFESouth Community Blood Centers

Silver Sponsors

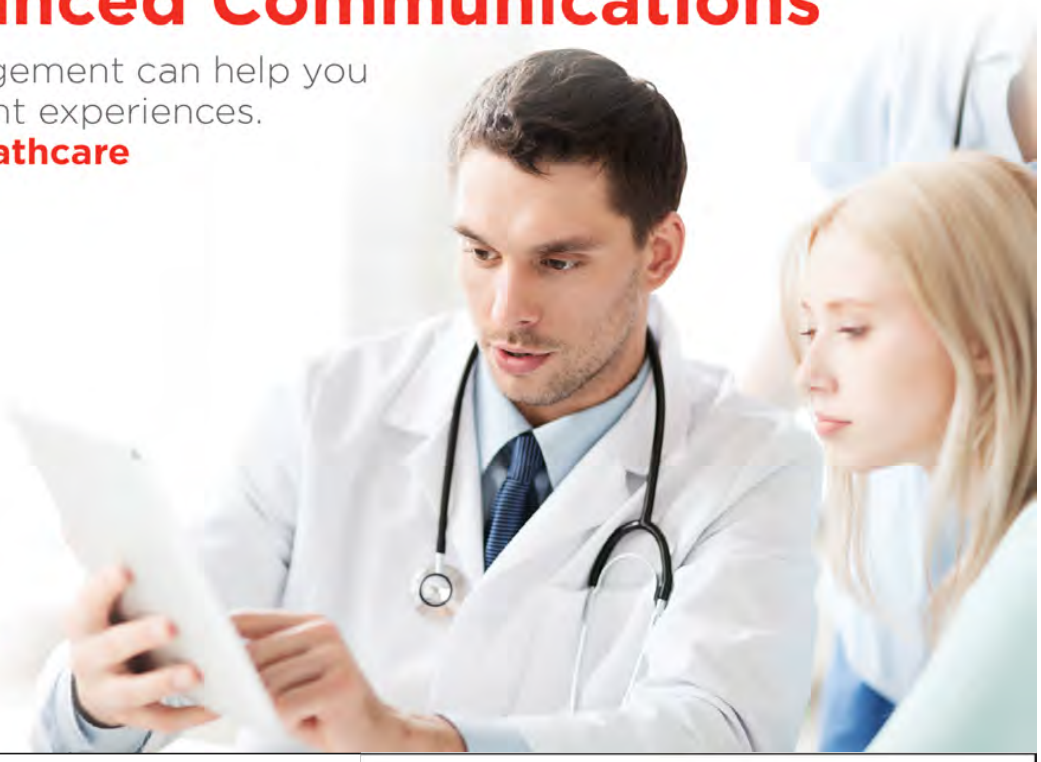
AmeriHealth Caritas
ApolloMD
Baton-Cook
Jackson Executives
JE Dunn Construction
Leo A Daly
McCarthy
Meadows & Ohly
Metropower
Novant Health
Pellicano Construction
Perkins + Will
TD Bank
Turner Construction
Tyler & Company
Valic

Bronze Sponsors

Adams Management Service Corp.
Art Plumbing
Ashley's
BDR Partners
Benjamin Vinson
Care Logistics
Carr Riggs & Ingram
CDH Partners
CooperCraft Communications
Earl Architects
Healthcare Services Group
Healogics
Heery Design
HKS
Innovative Capital LLC
Kaufman Hall
MedStream
United Consulting
Walter P Moore
Wells Fargo
Willis Group

Improve the Patient Experience with Advanced Communications

See how true engagement can help you deliver better patient experiences.
visit **avaya.com/heathcare**

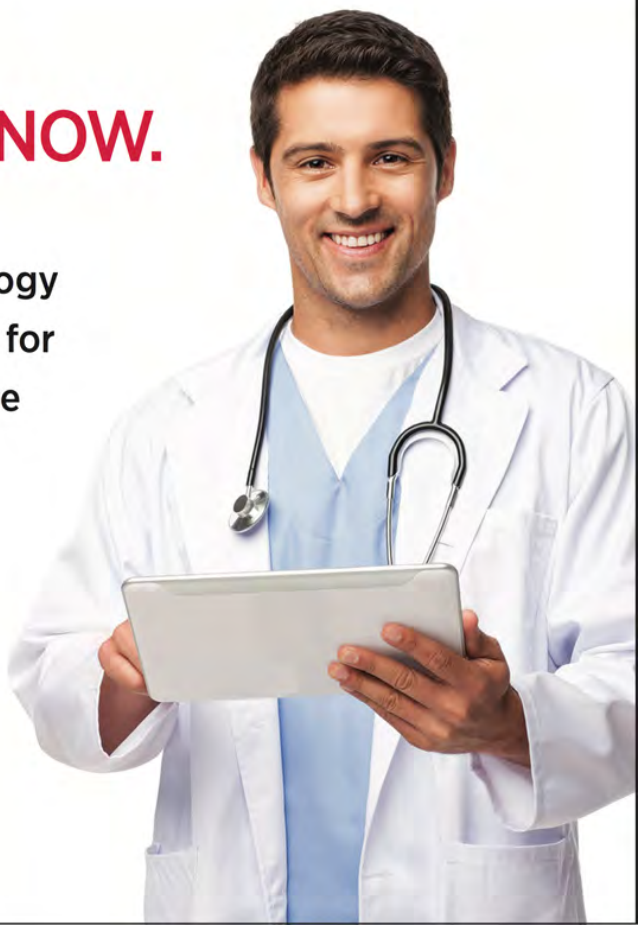


AVAYA

Engage The Power of We™

The doctor will see you NOW.

Healthcare is keeping pace with technology by providing convenient video solutions for your patients; making doctor's vists more accessible, mobile, and affordable.



Carousel INDUSTRIES®

http://www.carouselindustries.com/u/health

Not if, but how:
- to survive government scrutiny
- to affiliate with another health system
- to align with community physicians

We work with providers to successfully navigate through the regulatory, litigation and transactional maze.

Arnall Golden Gregory LLP
Attorneys at Law
not if, but how.®

Atlanta ▪ Washington, DC
www.agg.com

AmeriHealth Caritas is proud to support

Georgia Alliance of Community Hospitals

At AmeriHealth Caritas, we help people access affordable care, health maintenance and community outreach programs for those who need it most.

AmeriHealth Caritas salutes Georgia Alliance of Community Hospitals' mission to improve and sustain access to affordable health care for the people of Georgia.

AmeriHealth Caritas
Care is the heart of our work
www.amerihealthcaritas.com

LIFESOUTH IS YOUR TRUSTED PARTNER FOR RELIABLE, TIMELY AND QUALITY BLOOD SERVICES FROM HIGH VOLUME ORDERS TO SPECIALIZED COMPONENTS.

WWW.LIFESOUTH.ORG • 888-795-2707

ApolloMD™

EMERGENCY MEDICINE | HOSPITAL MEDICINE | ANESTHESIA | RADIOLOGY

ApolloMD is a fully-integrated and aligned group practice, partnering with hospitals and health systems nationwide to provide clinical outsourcing services. Emphasizing quality, efficiency, communication and patient satisfaction, we collaboratively implement best practices and process improvement in a coordinated and cost-effective manner.

www.ApolloMD.com | asteedman@apollomd.com | 770.874.6814

BATSON-COOK
HEALTHCARE CONSTRUCTION

THE FIRST THING WE BUILD
IS THE
RELATIONSHIP.

www.BATSON-COOK.com

Much has changed since 1985 when we built our first healthcare project in Georgia. Over 30 years later, JE Dunn is one of Georgia's top healthcare builders. One thing that hasn't changed though: the importance of relationships. JE Dunn is proud to support the Georgia Alliance of Community Hospitals and its member hospitals.

JE DUNN® CONSTRUCTION

Bringing you a
strategic approach to
C-SUITE TURNOVER.

JACKSON EXECUTIVES
www.jacksonexecutives.com | 855.226.2270

Tyler & Company
www.tylerandco.com | 770.396.3939

NOBODY KNOWS HOSPITALS
LIKE McCARTHY KNOWS HOSPITALS.

America's healthcare builder.

www.mccarthy.com/atlanta McCARTHY

LEO A DALY
PLANNING
ARCHITECTURE
ENGINEERING
INTERIORS

Creating flexible, responsive and cost-effective solutions that support and enrich the patient experience

Leslie M. Saunders, Sr., AIA, ACHA, LEED® AP
Vice President, Market Sector Leader - Healthcare
10 Tenth Street N.E., Suite 200, Atlanta, GA 30309
404.874.8333 | LMSaunders@leoadaly.com
leoadaly.com/healthcare

METROPOWER®

Let Us Take Care of You

Electrical Construction & Services for Healthcare Environments

ASHE

www.metropower.com

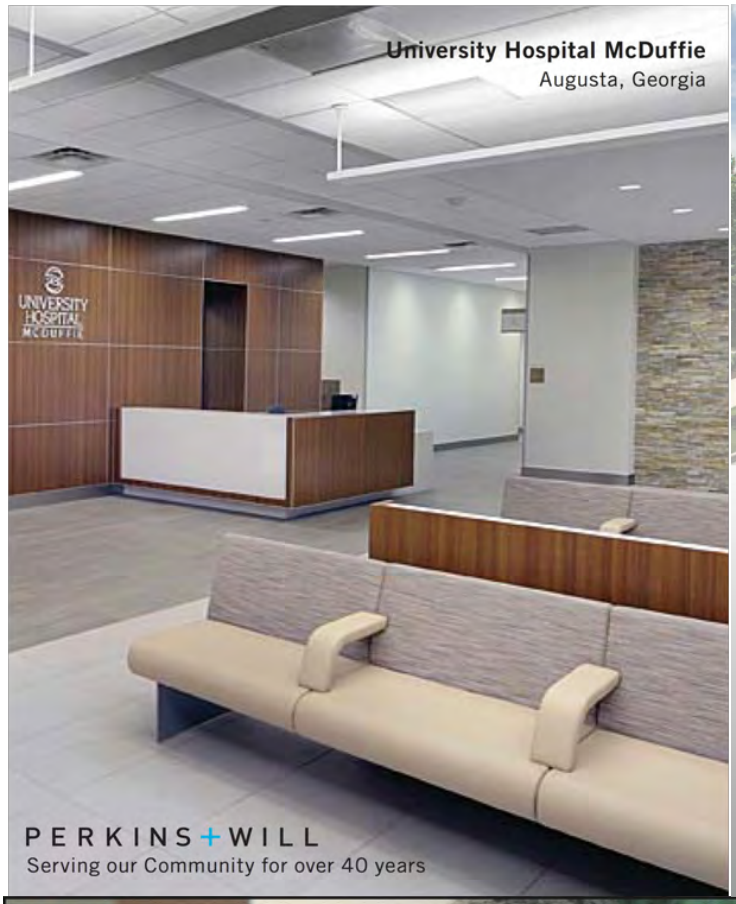
Meadows & Ohly

Meadows & Ohly is a healthcare real estate services firm providing strategic solutions, operational expertise, and financial resources all designed to support the objectives of healthcare providers.

Since 1972, Meadows & Ohly has been serving Georgia physicians and hospitals through real estate solutions. The firm provides real estate assessments, compliance reviews, brokerage, property management, construction management, lease management, program management, acquisition and development services through three business practices: **Advise, Manage, Deliver**.

EXCEPTIONAL people.
COMPELLING solutions.
BETTER healthcare.

JAY BOWLING | *Principal* | 678-282-0220 | jay.bowling@meadowsandohly.com



Turner Construction is the Nation's leading healthcare builder averaging over a billion dollars a year in healthcare construction. We have successfully built over $500 Million of healthcare projects in the state of Georgia in the last 5 years.

3495 Piedmont Rd., NE, Suite 700
Eleven Piedmont Center
Atlanta, GA 30305
404.504.3700
www.turnerconstruction.com

Turner
Building the Future

A financial relationship you can trust.

Now, more than ever, you need a bank that stands beside you.

TD Bank helps you make the most of every opportunity. We are the partner you are looking for, providing you with experience, guidance, and smart solutions that position you and your business for success.

- Healthcare loans and lines of credit
- Cash management services
- Commercial checking choices
- Equipment financing

For a higher level of personal service, contact Danny Smith, Vice President, Institutional Healthcare, 1-478-737-5944, or daniel.smith@td.com

TD Bank
America's Most Convenient Bank®

Member FDIC TD Bank, N.A. | Loans subject to credit approval. Equal Housing Lender

Helping generations save for a secure retirement for more than 50 years.

CLICK
VALIC.com

CALL
1-800-426-3753

VISIT
your VALIC financial advisor

Securities and investment advisory services offered through VALIC Financial Advisors, Inc., member FINRA, SIPC and an SEC-registered investment advisor.
Annuities issued by The Variable Annuity Life Insurance Company. Variable annuities distributed by its affiliate, AIG Capital Services, Inc., member FINRA.

Copyright © The Variable Annuity Life Insurance Company. All rights reserved.
VC 26501 (12/2014) J94832 EE

VALIC®

Large Hospital of the Year

St. Mary's Medical Center-Athens

St. Mary's Medical Center- Athens was recognized for its commitment to supporting major quality of life initiatives, as well as direct patient care through improving access to indigent populations, and for expanding critical services to the hospital's services area.

To address the state's physician shortage, St. Mary's partnered with the Georgia Regents University/University of Georgia Medical Partnership to make medical history by launching Northeast Georgia's first Internal Medicine Residency Program, filling all 10 residency positions. The hospital plans to add 20 new residencies, bringing the total number of residencies to 30 within the next two years.

In 2013, St. Mary's provided $17.7 million in community benefits, including direct care - charity care and the unpaid cost of Medicaid - and free mammograms to uninsured women, community health education and screenings at senior centers, community events and employer health fairs, promoting good health with heart-healthy luncheons and road races. In addition, they provided programs on bicycle safety, exercise, nutrition and helmet use to approximately 2,700 students across 10 elementary schools.

St. Mary's also runs the only hospice in the area that delivers perinatal and pediatric hospice care, providing services to all who need it, regardless of their ability to pay — and it continued to expand its stroke capabilities, earning the Hospital Star Award from the Georgia Coverdell Acute Stroke Registry (GCASR) for leadership in improving stroke care in St. Mary's service area and across the state.

The Georgia Alliance of Community Hospitals is proud to recognize St. Mary's Medical Center for its contributions to the Athens community.

Small Hospital of the Year

Wayne Memorial Hospital

Wayne Memorial Hospital was recognized for its support of a number of unique health and wellness initiatives both inside and outside the organization. Wayne recently instituted a biweekly farmers' market, providing an abundance of fresh, local produce to the town and promoting the adoption of a healthy diet. The great success of this program, in turn, has encouraged others to follow their model. They also opened a well-lit, paved, 24/7-access walking/running path to employees and the public, and regularly promotes public health and safety with free blood-pressure checks and various health screenings.

When a devastating fire burned a block of its downtown community, the CEO spearheaded a community wide campaign that raised over $10,000 to help restore downtown businesses affected by the fire. In addition, the hospital rewards young students in the community for maintaining high levels of school attendance with financial incentives. Wayne also supports scholarships given to graduating seniors with proved commitment to community volunteer service.

The Georgia Alliance of Community Hospitals is proud to honor Wayne Memorial Hospital for their deep commitment to improving the health of their community.

CEO OF THE YEAR

The Alliance honored Joe Ierardi, CEO of Wayne Memorial Hospital for expanding access in a rural community: securing an affiliation with another hospital to benefit the patients, the community and the hospital.

Joe worked to get specialists to open practices, creating access to a cardiologist, ophthalmologist, ENT surgeon and a neurosurgeon without having to drive hours to another city for this care.

He and his team worked to get an Air-Evac helicopter base moved to their campus, reducing the amount of time people in trauma are in transit during the critical “golden hour.”

The Alliance is proud to recognize Joe as the 2015 CEO of the Year for his dedication and excellence.

LEGISLATOR OF THE YEAR

Representative Rick Jasperse was recognized for his stance on important issues to the Alliance and his continuous history of looking beyond words and empty promises and being a champion and doer.

Representative Jasperse has served in the legislature since 2010, serving most recently as a vice chairman of the House Health and Human Services committee.

When the House through Resolution 805 created a special study committee that would review the bed cap and state patient limitations at Cancer Treatment Centers of America, he worked to replace the seat initially dedicated to be filled by a representative of CTCA, with an unbiased voice to the committee. Keeping integrity in the process.

The Alliance was proud to honor Representative Rick Jasperse as the 2015 Legislator of the Year.

2015 Annual Conference Highlights

Mergers and Acquisitions, Bank of America
A panel of hospital CEOs and financial advisors discussed the environment that is leading to hospital consolidation. Mergers, it was stated, used to be financially driven, but now, hospitals and hospital systems are looking at these opportunities through the lens of strengthening competitive advantage. They are driven by adding expertise, expanding into new geographies and offering strategic moves in the marketplace. The panel noted one of the biggest challenges hospitals face when going through consolidation is inexperience: most hospital CEOs and boards will go through a merger or acquisition once in their career. It is rare that the groups involved on either side of the table have experience to draw upon throughout the process. It was advised that leadership at hospitals – both staff and board members – approach engaging stakeholders as if this were part of a political campaign, focusing on bringing people along and explaining the what and the why throughout the development, execution and implementation of the consolidation.

Physician Compensation, Sullivan & Cotter
Sullivan & Cotter has been researching physician compensation since 1992, providing a unique lens into how models have changed over time. Historically, the majority of compensation models have been closely aligned with production: the more services provided, the more the physician is paid. Compensation based on the quality of care rather than quantity of services, however, is starting to emerge. These models are evolving and the trends in payment structures are in a period of transition. The metrics and formulas to determine how to quantify and compensate based on quality have not solidified. Several key questions are crucial in developing performance-based compensation models: What constitutes quality care? And, how much is patient satisfaction worth? These are questions that have to be answered – with all parties having input in determining what will be measured and how – before quality based compensation models have wide adoption and success.

2015 Annual Conference Highlights

The State of Rural Hospital in America: Current Challenges, Future Opportunities, Dr. Mark Holmes, Director, NC Rural Health Research Program, University of North Carolina at Chapel Hill

Dr. Holmes provided a look at hospital closures across the country as the rates have been increasing nationally year over year. Georgia has been impacted more than any other state, except Texas, by the number of hospitals that have closed their doors in the past few years. In examining the conditions that led to the closures studied, Dr. Holmes shared that they fall into three categories: market factors, such as declining populations; hospital factors, such as lower daily census and lack of physicians; and financial factors, such as bad debt and declining revenue. Based on the identified causes of closures, the North Carolina Rural Health Research and Policy Analysis Center developed a financial distress model for critical access hospitals. With this model, financial performance; government reimbursement; hospital characteristics; and market characteristics are evaluated to identify critical access hospitals that show the most risk of potential closure. Under this model, Georgia data from 2002 reveal 7.8% of hospitals fell into a high risk category. By 2013, this number had increased to 19.7%. One of the most significant trends as hospitals in critical access markets are struggling to survive is the closure of services, primarily of emergency and obstetrical care.

The Cook Political Report, Charlie Cook

As editor and publisher of *The Cook Political Report*, Charlie Cook is one of the nation's most respected experts on American politics and elections. He provided his perspective of the tenor of Americans as the 2016 presidential election takes center stage. He asserted a change in voters - Democrats becoming more liberal and Republicans becoming more conservative – perpetuates as bifurcated media habits feed a polarizing view of politics. He noted two key forces at play in national politics: the desire for change (which favors Republican candidates) and changing demographics (which tends to favor Democratic candidates).

GEORGIA ALLIANCE OF COMMUNITY HOSPITALS

SAVE THE DATE

Tasteful Evening Event

benefitting the AllPAC fund

May 11, 2016

Rathbun Steak

registration coming soon to www.gach.org

contact Kim Mize for additional details
931-561-5176 or kmize@gach.org