

2013 **ANNUAL REPORT**



**Leading the way to a
healthier community.**



Message from the President



Transition. Change. Transformation. These words describe what happened to hospitals and healthcare services in 2013. Through a year of transition, Halifax Regional continued to move forward with a positive vision of transforming sick care to health care. We worked to plan for the future of your health with a committed team

of physicians, staff and leading Board of Directors.

In 2013 our Medical Center celebrated many impressive achievements including:

- We received high marks for safe surgical outcomes in a ranking of 2,463 hospitals Nationwide.
- Our Joint Care Center of Excellence ranked #1 for joint replacement in the state of North Carolina based on a 2012 CMS report on hip and knee replacements.
- We completed our recruitment of Hospitalists to provide you a stable and committed set of qualified in-house physicians who now care for all of medical inpatients.
- We completed a study that reveals the significant economic impact of the Medical Center as one of the region's largest employers.

In December of 2013, following a comprehensive, two year strategic planning process, we announced our partnership Novant Health; the Winston-Salem based non-profit health system. We are confident that in selecting Novant Health, we are aligned with an organization of similar values to Halifax Regional. A System with experience working with community hospitals and is focused on providing remarkable services here in our community. Novant Health is our leading partner for a healthier community.





Physicians, Services & Technology

- Recruited new physicians: Hospitalists, Family Physician, and an Orthopedist.



Edem Koku Avoke,
M.D., Internal Medicine
(Hospitalist)



Jamie Evans, M.D.,
Rural Health Group



Randall Jennings, M.D.,
Orthopedic Surgeon

- 100% of medical inpatients being admitted and managed by Hospitalists.



- With the support of grant funding two hyperbaric chambers were installed in our Wound Care Clinic. The HBO chambers offer pressurized oxygen therapy to heal wounds faster.

- Achieved reaccreditation for Mammography by the FDA and State Inspection programs. Reaccreditation reflects the high quality of our equipment, and expertise of our staff and radiologists, as all three were evaluated and met stringent guidelines to receive reaccreditation.



- Implemented Computerized Physician Order Entry (CPOE). In September, Hospitalist at Halifax Regional Medical Center began utilizing a new computerized system to help reduce medical errors and significantly improve patient safety. The CPOE system allows orders to be integrated with patient information, including lab and prescription information. The order is then automatically checked for potential errors or problems which keeps the safety of patients a top priority.

- Implemented e-prescribing in the Emergency Care Center (ECC) where patient's prescriptions are sent electronically and conveniently to their pharmacy.
- Renovated 50% of patient's rooms on the 5th floor with new finishes and deep cleaning.
- To demonstrate our commitment to protect the safety and health of our patients, visitors, co-workers and our families, the Medical Center Volunteers agreed to mandatory flu vaccination as a condition of volunteering. They join the Board, physicians, and employees in this initiative.





Recognition



Received recognition for excellence in surgical services by a national consumer magazine



According to 2012 CMS report on total hip and total knee arthroplasty (replacement surgery), Halifax Regional Joint Care Center performance rate for complications was lower than the U.S. national rate among 3,497 hospitals across the U.S. Halifax Regional performed better than the U.S. National Rate and had the lowest complication rate within North Carolina.



April Clay, R.N. (Birthing Center) and Alice Ann Smith, R.N. (Roanoke Clinic) earned recognition as part of The Great 100 Nurses of North Carolina.

People, Community, & Partnership

- Celebrated our 100th year anniversary and began our next 100 years of service.
- Recruited 17 new volunteers.
- Employee driven campaigns raised over \$89,842 for the United Way, Relay for Life, and the Halifax Regional Foundation.
- The Halifax Regional Foundation celebrated the success of the two-year Digital Mammography Healthcare Initiative and presented a check to Halifax Regional in the amount of \$650,000. The overwhelming financial support by the community and medical center staff who committed donations from \$2,000-\$50,000.



- Halifax Regional launched www.halifaxregional.org/healthy a new Healthy Lifestyles website focused on getting residents of the Roanoke Valley motivated and encouraged to live an active, healthy, and well balanced life. Launching the Healthy Lifestyles site a resource for the community and promotes active living and healthy eating in the Roanoke Valley where health outcomes tend to be poor for many residents.
- The Medical Center supported several events to promote prevention and health throughout the community. For one key event, the Medical Center worked with Roanoke Valley Breast Cancer Coalition to offer annual free breast cancer screening clinic at Roanoke



Clinic. Medical Center was title sponsor of the Women's Expo and also sponsored The Chamber of Commerce Women's Luncheon and State of the Community.

- Supported the Roanoke Valley Community Health Initiative (RV-CHI) through its formal organizational process. The RV-CHI was established to help improve overall health of the Roanoke Valley through collective efforts of community organizations representing all aspects of the community. The CHI is a joint effort of area businesses, agencies and organizations to address family nutrition and physical activities to help raise awareness of the impact of less healthy life styles on the health of citizens in our community. The RV-CHI made its introduction to the community by hosting a community-wide FamilyFest expo on May 4, 2013.





Financial Statement

In 2013, Halifax Regional experienced a 1.54% operating loss, or \$1,378,784. This follows 2011, in which the Medical Center generated a loss of \$265,838. In 2010, the profit was \$2.9 million. Healthcare reform and the declining reimbursements from Medicare and Medicaid make financial planning a challenge.

The primary reasons for the loss in 2013 were lower reimbursements, and an increase of \$11 million in bad debt and charity care from patients who did not pay for services and/or did not or could not pay their deductibles and coinsurance responsibilities. Charity care was \$9.9 million and bad debt was \$18,760,224. Other factors contributing to the higher expenses were the cost of providing physicians for the community.

Financial Review Year Ending September 30, 2013

Operating Income	\$ 89,474,317
Expenses:	
Salaries and benefits	48,061,157
Depreciation on building	4,117,703
Other	24,504,966
Total expenses	\$ 90,853,101

Available for Reinvestment **\$ (1,378,784)**

2013 Utilization

Admissions	5,646
Births	587
ER Visits	40,967
Surgical Cases	4,047

Gifts and Grants

Golden Leaf Foundation-Wound Care Clinic	\$108,000
HRMC Foundation	52,707
HRMC Auxiliary	20,872
RV United Way Meals on Wheels	4,190
Community Care Plan of Eastern Carolina-Case Mgt.	71,220
Community Care Plan of Eastern Carolina-Pharmacy	94,192
Total Grand Funds Received for 2013	\$351,181

Summary of Specific Strategic Goals for 2014

1. We will continue to pursue 100% achievement with core measures, patient safety goals, and patient satisfaction measures.
2. We will plan the succession of physicians and group practices to meet the needs of the community for local services.
3. We will support the Board of Director's partnership activities with a larger organization for mission stability. We will communicate with and support, our employees and physicians during this transition.
4. We will continue to respond to the Affordable Care Act (ACA) and pursue the North Carolina Legislature and Governor to expand Medicaid and fully implement the ACA.

Our Mission

Placing Patients First by providing excellent and compassionate healthcare.

Our Vision

Halifax Regional will be a leading partner in a healthier community.



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