

Three Year Summarization



WINDOM
AREA HEALTH

Financial Performance (FY's17,18,19)

Condensed Statements of Net Position (in Thousands)

| | April 30, | | |
|---|------------------|------------------|------------------|
| | 2019 | 2018 | 2017 |
| Current Assets | \$ 11,416 | \$ 11,166 | \$ 10,303 |
| Noncurrent Cash and Investments | 4,895 | 4,837 | 4,804 |
| Capital Assets | 15,888 | 15,368 | 15,217 |
| Deferred Outflows of Resources | 1,312 | 1,950 | 2,934 |
| Total Assets and Deferred Outflows of Resources | <u>\$ 33,511</u> | <u>\$ 33,321</u> | <u>\$ 33,258</u> |
| Current Liabilities | \$ 2,668 | \$ 2,105 | \$ 1,682 |
| Long-Term Debt | 4,463 | 4,686 | 4,903 |
| Other Noncurrent Liabilities | 5,705 | 6,448 | 7,738 |
| Deferred Inflows of Resources | 1,486 | 1,628 | 1,111 |
| Total Liabilities and Deferred Inflows of Resources | <u>14,323</u> | <u>14,867</u> | <u>15,434</u> |
| Net Position | <u>19,188</u> | <u>18,454</u> | <u>17,824</u> |
| Total Liabilities, Deferred Inflows, and Net Position | <u>\$ 33,511</u> | <u>\$ 33,321</u> | <u>\$ 33,258</u> |

As can be seen by Table 1, net position increased by approximately \$734,000 to \$19.19 million in fiscal year 2019. In fiscal year 2018, net position increased by approximately \$630,000 to \$18.45 million. The change in net position results primarily from operating results, and the income impact of Government Accounting Standards Board (GASB) Statements 68 and 75.



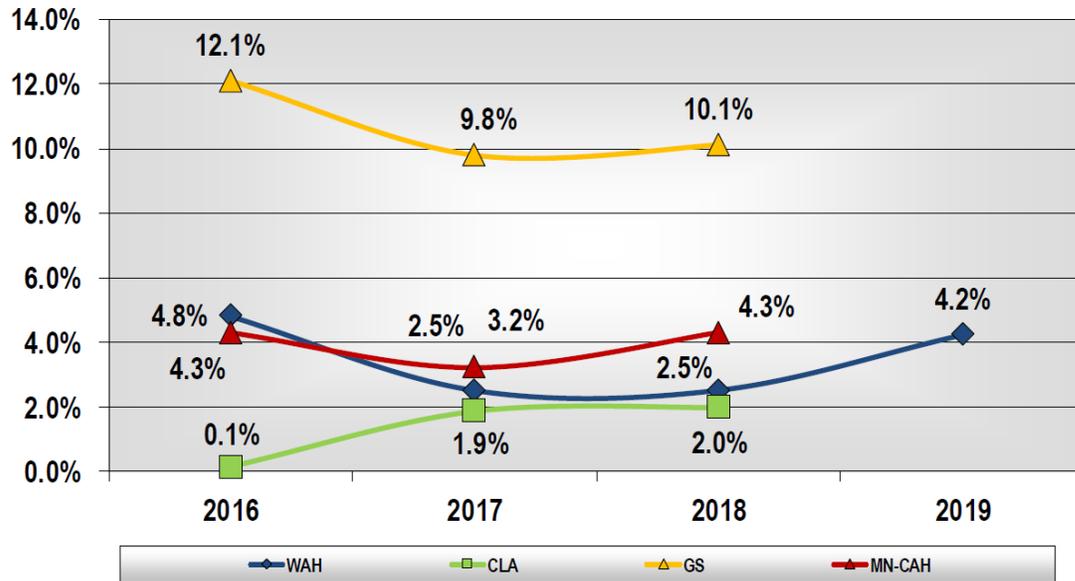
Financial Performance, cont.

Windom Area Health
Financial Indicators – Profitability Ratios

Total Margin

Definition:

Total margin reflects excess of revenue over expenses as a percentage of total revenues, including nonoperating revenues.

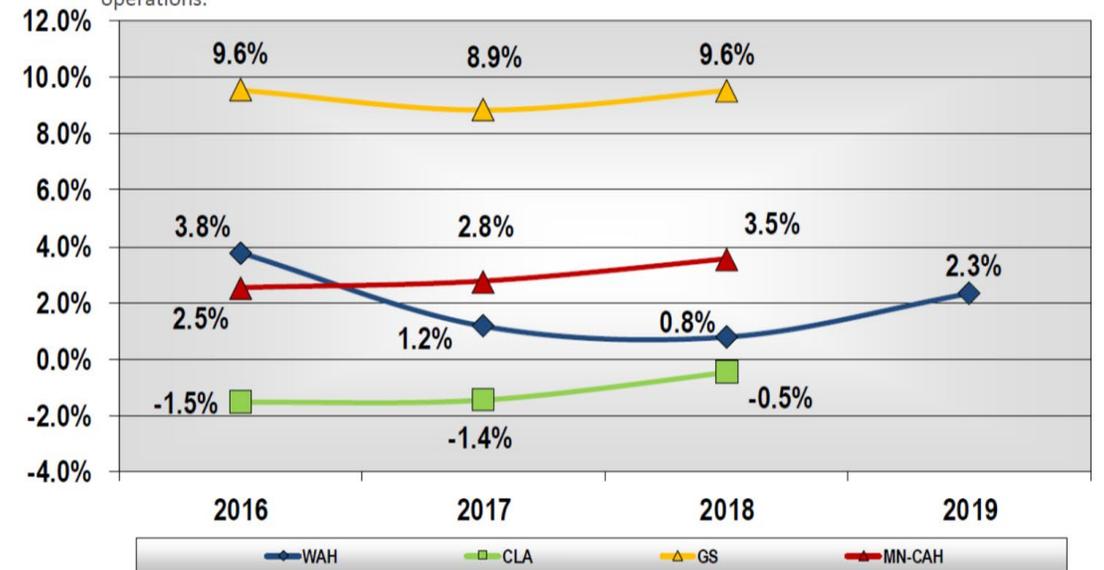


Windom Area Health
Financial Indicators – Profitability Ratios

Operating Margin

Definition:

This ratio is operating income as a percentage of net patient service revenue plus other operating revenues. It is used to report the facility's return on revenues which relate to the main purpose of operations.



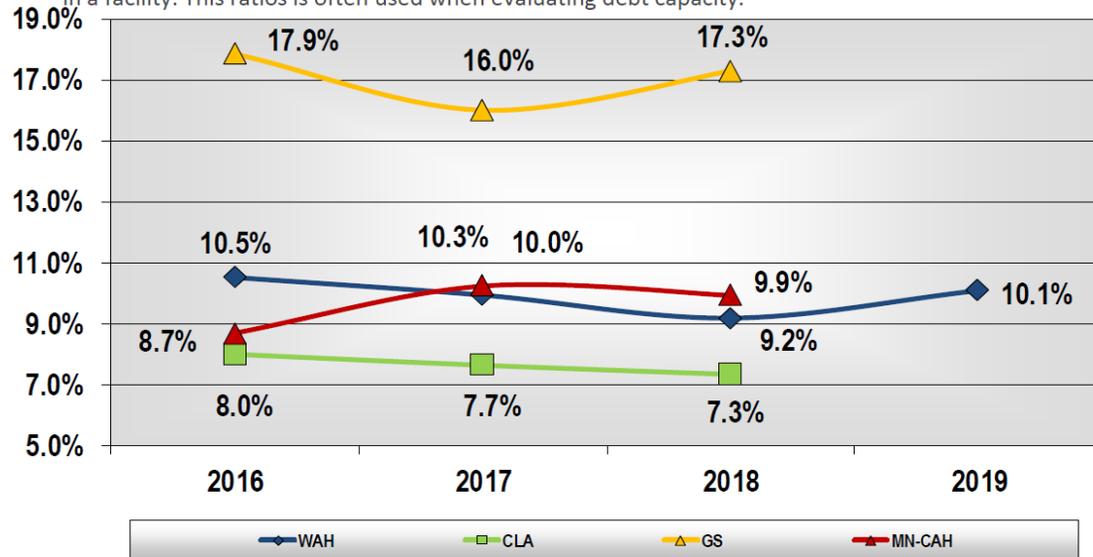
Financial Performance, cont.

Windom Area Health Financial Indicators – Profitability Ratios

Operating EBIDA

Definition:

Operating EBIDA represents Earnings (operating income) Before Interest, Depreciation and Amortization divided by total operating revenues. It is used as a rough measure of operating cash flow in a facility. This ratios is often used when evaluating debt capacity.

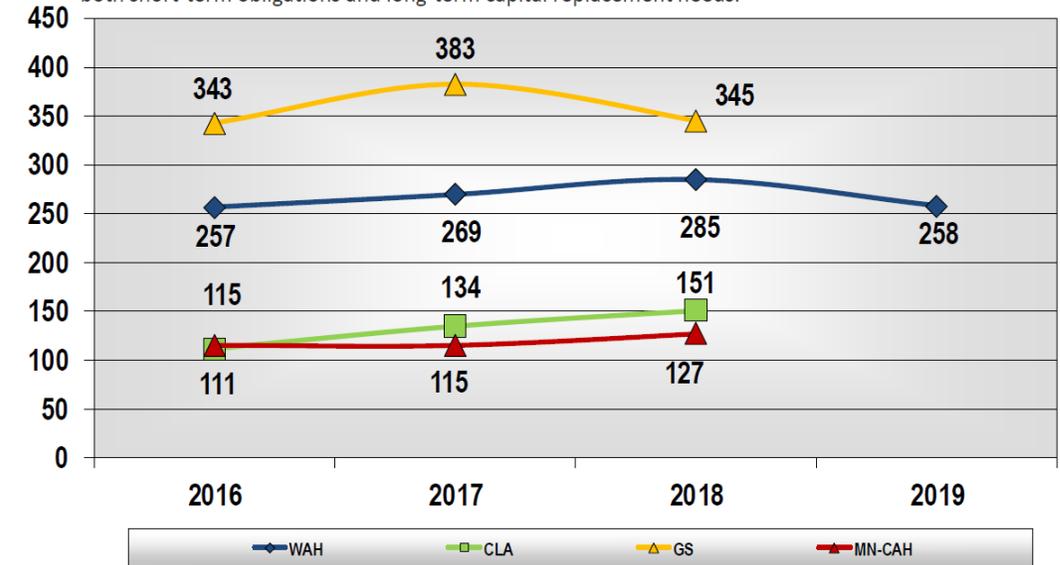


Windom Area Health Financial Indicators – Liquidity Ratios

Days Cash on Hand (All Sources)

Definition:

Days Cash on Hand measures the number of days of average cash expenses that the facility maintains in cash and amounts reserved for capital improvements. High values usually imply a greater ability to meet both short-term obligations and long-term capital replacement needs.



The Triple Aim

- Concept Focus

- Improving the patient experience of care (quality and satisfaction)
- Improving the health of populations
- Reducing the per capital cost of health care

- Concept Design

- Focus on individuals and families
- Redesign or primary care services and structures
- Cost control platforms
- System integration and execution



Organizational Adjustments

- Introduction and education on the Triple Aim methodology and adjusted strategic goals and initiatives that allow WAH to adapt to and meet regulatory requirements
- Organizational Chart Modification
 - Review and revise roles and responsibilities to optimize and streamline operations.
- Review and modification of market adjustment philosophy
- Review and modification of employee benefits
- Review and modification of philosophy for vendor and other contracted service relationships
- Review and modification of employee hire/work status philosophy
- Master facility plan for both renovations and plant operations



Modified Services

- Emergency Preparedness
 - CMS compliance, implemented facility wide emergency/disaster preparedness plan and increased practice drills, increased collaboration with community partners
- Infection Prevention
 - Developed and educated staff with more comprehensive infection prevention and patient safety plans and continuously monitors for compliance
- Marketing
 - Develop and implemented strategies that focused on best practice marketing methods. Increased presence on social media and expanded coverage area
- Community Health and Wellness
 - Developed and implemented strategies that focus on a holistic approach in educating communities about the role they play in



Services Added

- Total Joint Replacement
- Wound and Hyperbaric Healing Center
- Mental Health Outreach
- Ostomy Outpatient Clinic
- Additional Therapy Services: dry needling, cupping, Big and Loud Program, Sensory Integration, increased service coverage contracts
- Respiratory Therapy
- Pulmonary Function Testing
- Home Sleep Studies
- Registered Dietician
- Skilled Nursing Facility Wound Care Outreach
- Heart and Vascular Screenings
- Healthy Together Class
- Expanded Kids Choice Program to three additional schools
- Medical Careers Class
- Power of Produce Program
- On-Site Farmers Market
- SHIP (State wide health improvement program) grant subcontractor
- ENT outreach and surgery
- Collaborated with Social Security Office to increase clinic offering for disability application review
- Community Be Well Walking and Workout Path
- Added Lithotripsy procedures



Future Services in Progress

Ready to Execute Service

- Mobile 3D Mammography
- Direct Pay Lab Service
- Pulmonary Rehab
- Pain Clinic
- Inpatient Wound Care
- Swing Bed HBO Care
- Outpatient Telemedicine Clinics
- Neurology
- Increase Telehealth care in outreach and for inpatient hospital care

Still in Planning / Exploration Phase

- Partnerships with Good Samaritan to reduce duplicated services
- Mental Health Care
- Bariatric Care
- Chiropractic Care Partnerships
- Alternative Therapy Clinics
 - Acupuncture, Essential Oils, hydrotherapy
- Audiology
- Occupational Medicine
- Healthy meals to go and food prepping programs
- Dermatology Outreach
- Provider employment
- Increase general surgery services
- Rehab for Peripheral Artery Disease
- Dialysis care
- Urgent Care



Organizational Investments

- Employees:
 - Leadership Development Institutes
 - Employee Development Institutes
 - Employee Wellness Programs and Incentives
 - Skills Fair education
- Community Partners
 - Partnership with Windom Area School for CTE building
 - Partnership with Windom Area School and SWWC Co-Op for Medical Careers Class
 - Cash donation to Tennis Court relocation
 - Cash donation to Baseball field renovation
 - Cash donation to Arena for updating locker rooms
 - Cash donation to scoreboard in gym of Windom Area Schools
 - Cash donation to canine program



Master Facility Planning

- Building/ Department Renovations
 - Already Completed
 - Wound and Hyperbaric Healing Center
 - Therapy and Conference Room Remodel
 - Wellness Remodel
- Building / Department Renovations
 - Future
 - Emergency Department Remodel
 - Clinic Remodel
- Plant Operations
 - Total projected project (replacement) costs over the next 7 years = \$2.7 million
 - Priority 1 (1-3 years) = \$1.1 million in costs
 - Priority 2 (4-6 years) = \$976 thousand in costs
 - Priority 3 (7 + years) = \$661 thousand in costs

