



FOR IMMEDIATE RELEASE

Banner year for Garfield County Hospital

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POMEROY, WA – Garfield County Hospital District Commissioners, last night, passed a 2010 year end budget resolution declaring \$1.1 M in net income for the year; a bright spot, to be sure, for this small rural health system in the Eastern Washington community of Pomeroy. “This year has been very fruitful for the district” said CEO Andrew Craigie. “By Gods grace and with the dedication of the entire team we ended the year far stronger than we anticipated.” Craigie quickly credits the staff of the district for the performance of the district. “We have made a significant effort and asked a lot of our team in order to make this year work. Everyone has really stepped up, and it shows,” he added.

Just a year ago the district was looking at very thin margins and was only able to balance the budget by placing a freeze on wages and implementing a voluntary furlough program for its staff of 98. The efforts appear to have paid off, restoring the district to much desired financial stability and partially replenishing reserves that had been depleted over the course of a few lean years.

The financial statements for the year end indicate that the district currently has just over \$1.3 M in reserves with portions of this fund being earmarked for Medicare payments, deferred retirement, and capital repair and replacement of the facility. But the belt tightening for this tiny hospital has not ended. Chief Financial Officer, Shannon Jones, is pleased with the performance of the district but acknowledges that the coming year will not be a cake walk. “We are still entering this year with a barely balanced budget and a lot of pressure from the economy.” The state budget crisis is expected to impact the

hospital, as is growing demand for financial assistance from cash strapped patients. “Every hospital in the state is threatened as a result of the economy” said Jones. “We have a significant number of long-term care residents that depend on State funded Medicaid. Pressure on the state budget will mean we will have to continue to subsidize our nursing home in order to meet the needs of our community. We also expect to experience an increase in uncompensated care as the state’s Basic Health program is dismantled by the state budget crisis” she added.

Never-the-less the mood at the district is upbeat as commissioners passed an additional resolution declaring a half dozen capital projects undertaken by the district as complete. The projects, seen as long over due by the district leaders, included the purchase of new diagnostic equipment for the lab, installation of an emergency power generator, replacement of the phone system, repair of the fire alarm system, installation of a modern nurse call system and replacement of major heating and ventilation systems. The projects were funded over the past two years through a variety of funding sources including a special levy supported by local voters in 2008, a sizable grant from a United States Department of Agriculture emergency fund, and a portion of the districts own capital reserves. One final project, the painting of the hospital building exterior is expected to be complete in the spring.

In a related issue; electrical inspectors have also given final approval to the district after the correction of electrical deficiencies in the original hospital building. In February of last year the district sought the opinion of hospital licensing authorities when electrical inspectors from the state indicated that the building did not meet the current electrical code. The building was determined to be safe but electrical systems still required a few

modifications. The district has since made corrections to a number of systems that have now met the approval of the agency. However, electrical inspectors with the department of Labor and Industries insist that the facility must not make any modifications to the existing systems without the possibility of bringing the entire facility up to the current licensing code; a requirement that may make it difficult for the facility to make any improvements in the future without significant cost.

The commissioners are now preparing for a day-long strategic planning retreat to be held later this month. The retreat is an annual work-session for the commissioners to develop the strategic objectives for the coming year and set broad aims for the next 3-5 years. The management team of the district has provided the commissioners with recommendations that include the implementation of new electronic health record technology, continued implementation of healthy community initiatives, the development of a long range facilities strategy, and emergency preparedness planning exercises. In all, the management team has articulated over 30 initiatives for the consideration of district leadership.

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