

COUNTY COUNCIL OF BEAUFORT COUNTY
 ADMINISTRATION BUILDING
 BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX
 100 RIBAUT ROAD
 POST OFFICE DRAWER 1228
 BEAUFORT, SOUTH CAROLINA 29901-1228
 TELEPHONE: (843) 255-2180
 www.bcgov.net

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 INTERIM COUNTY ADMINISTRATOR

THOMAS J. KEAVENY, II
 COUNTY ATTORNEY

ASHLEY M. BENNETT
 CLERK TO COUNCIL

AGENDA
 COMMUNITY SERVICES COMMITTEE
 Monday, October 23, 2017
 3:00 p.m.
 Large Meeting Room
 Hilton Head Island Branch Library
 11 Beach City Road, Hilton Head Island

Committee Members:
 Alice Howard, Chairman
 Rick Caporale, Vice Chairman
 Michael Covert
 Steve Fobes
 York Glover
 Roberts "Tabor" Vaux

Staff Support:
 Monica Spells, Assistant County Administrator
 Civic Engagement and Outreach

1. CALL TO ORDER – 3:00 P.M.
2. PRESENTATION / BEAUFORT MEMORIAL HOSPITAL ([backup](#))
3. UPDATE / VETERANS AFFAIRS OFFICE
4. UPDATE / AFFORDABLE HOUSING COORDINATOR POSITION AND HOUSING NEEDS ASSESMENT
5. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
 - A. Library Board
6. ADJOURNMENT

2017 Strategic Plan Committee Assignments
 Affordable /Workforce Housing
 Housing Survey
 Residential Homes (3) Port Royal

Beaufort Memorial

Providing care today. Preparing for tomorrow.

Presented to Beaufort County Council

Russell Baxley, MHA

President and CEO

October 23, 2017



Beaufort Memorial

Who we are:

Our Mission

*To deliver superior
healthcare services
to our patients and to
improve the health
of our community.*



Beaufort Memorial

Who we are:

Our History



- Chartered by the state in 1944
- County hospital
- 25 beds, 4 physicians
- First baby born May 1, 1944



Beaufort Memorial

Who we are:

BMH Today

- 197 Beds
- Not-For-Profit
- Over 230 physicians on Medical Staff
- 14 bed Inpatient Rehab Unit
- 14 Bed Adult Mental Health Unit
- Oncology, Cardiology, Minimally Invasive Robotic Surgery, Joint Replacement Center, Breast Health Center, Chemotherapy & Infusion Center, etc.
- 1,600+ Employees
 - Salaries, Wages and Benefits - \$123 Million



Beaufort Memorial

How we serve:

Quality Matters

Certified
ZERO HARM
Award



Commission on Cancer®
2016 OUTSTANDING
ACHIEVEMENT AWARD

A QUALITY PROGRAM
of the AMERICAN COLLEGE
OF SURGEONS

- Hospital Compare 4-star Hospital
- Leapfrog “A” Grade for Patient Safety
- HealthGrades 5-star for Patient Safety and Knee Replacement
- SCHA Zero Harm Award Recipient
- Joint Commission Center of Excellence for Hip & Knee
- ACS Breast Center of Excellence
- AHA Award Winner in Heart Attack & Stroke Care



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How we serve:

Sponsorships & Support



BMH has provided more than **\$750,000** in community sponsorships and support in past 5 years.



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How we serve:

Community Outreach

In FY2016, LifeFit Community Health...



Community Health Improvement Program (CHIP) Mobile Wellness Unit

- Served **19,132** people
- Hosted **1,492** events
- Provided free screenings, events and education valued at **\$548,522**



Beaufort Memorial

Who we serve:

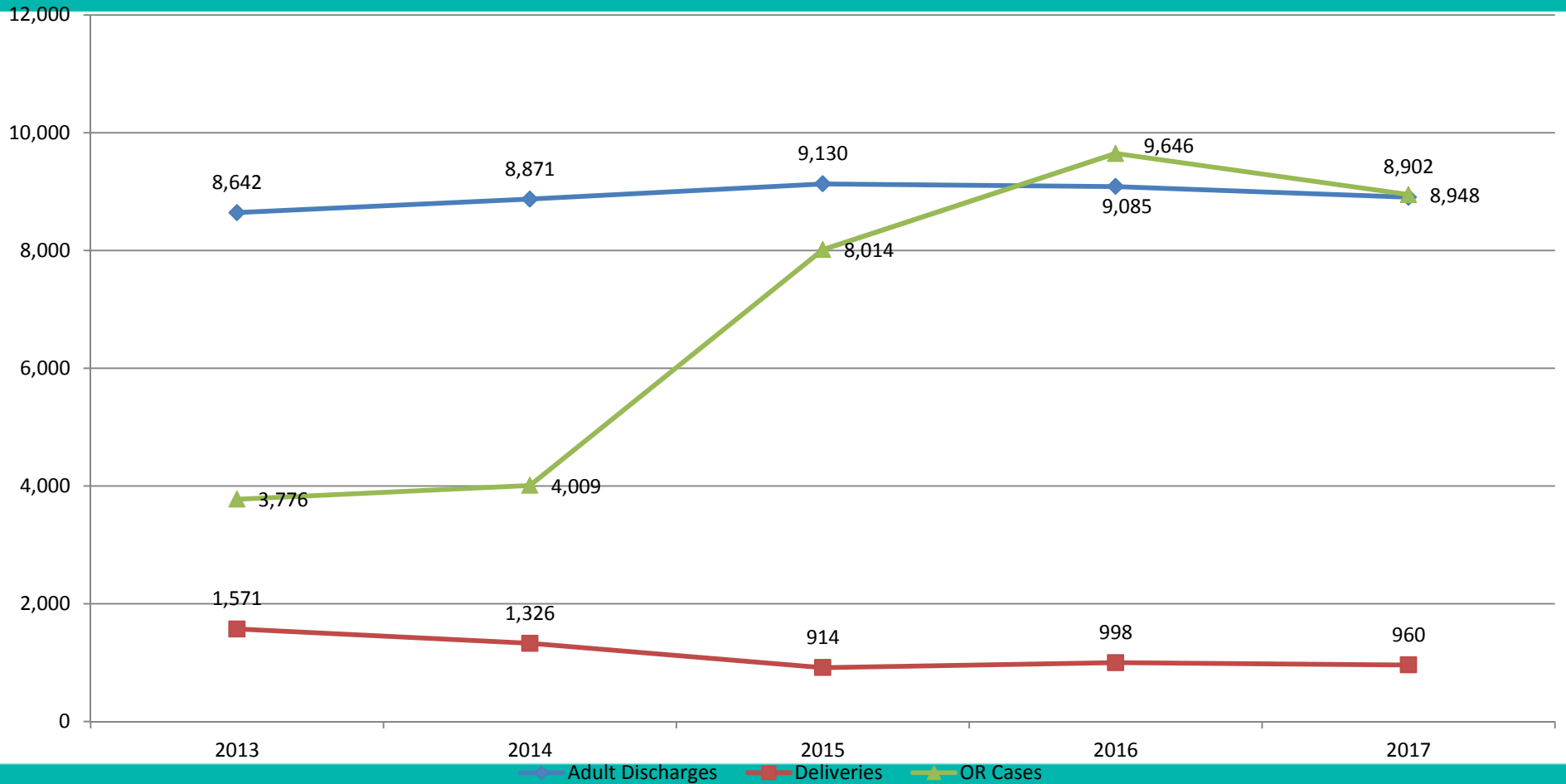
Beaufort, Jasper & Hampton counties



Beaufort Memorial

Who we serve:

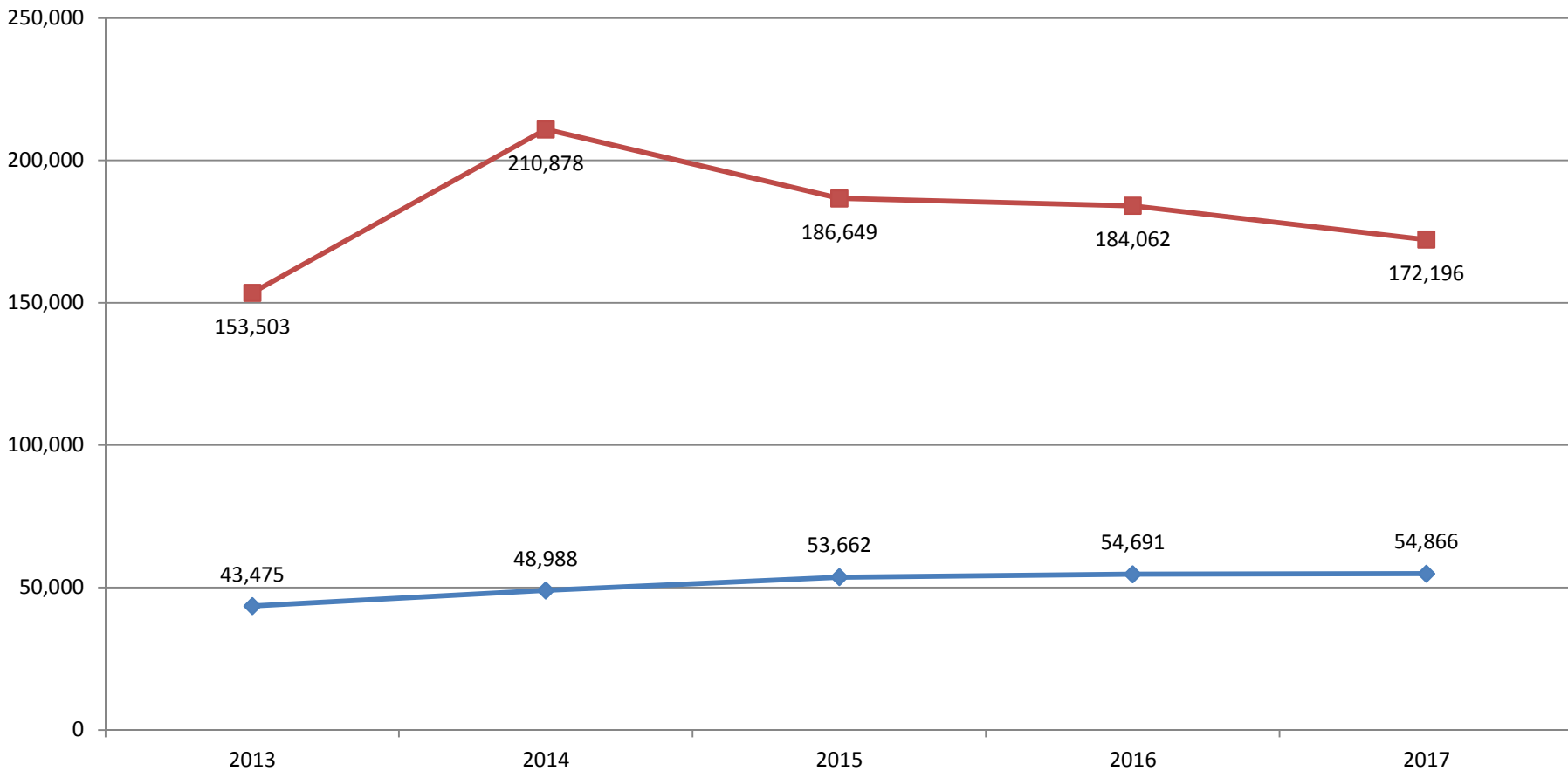
Adult Discharges, OR Cases & Deliveries



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Who we serve:

Emergency Room Visits & OP Registrations



ER Visits OP Registrations



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Who we serve:

Emergency Care

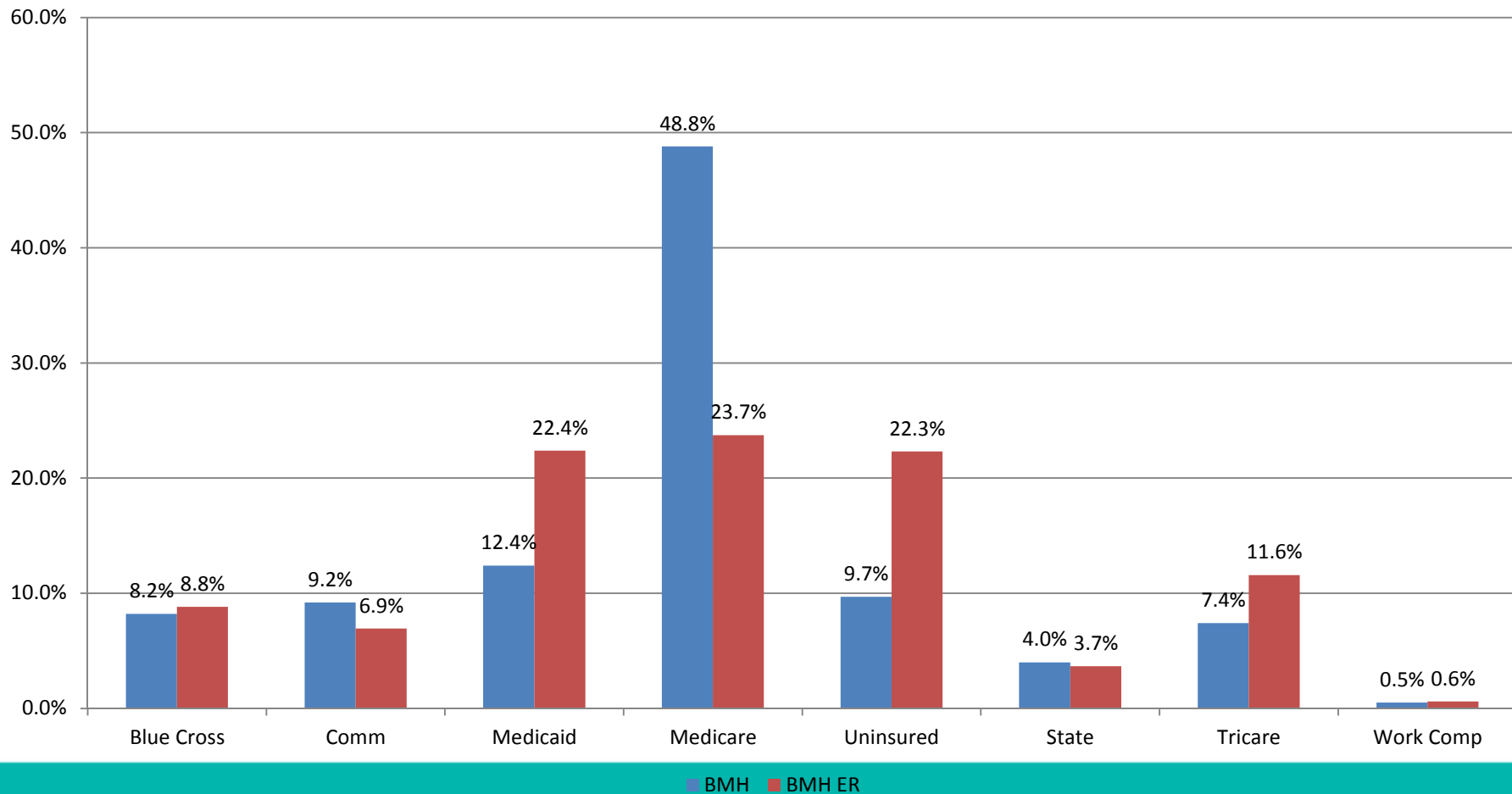


- **54,866** Emergency Room visits in fiscal year 2017
- **\$643,000** Paid to specialty physicians for County Call subsidy payments for Medicaid and self-pay patients
- **\$400,000** Paid to Emergency Room physician group as Medicaid and self-pay Subsidy



The state of the hospital:

Hospital & Emergency Room Payer Mix

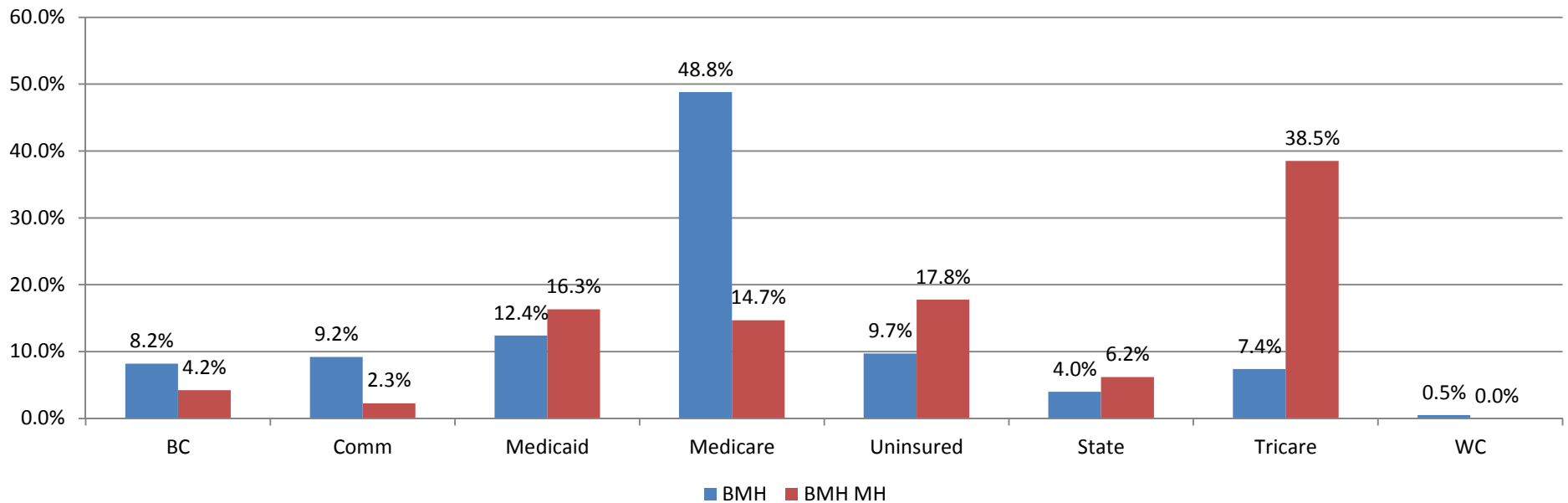


Beaufort Memorial

Who we serve:

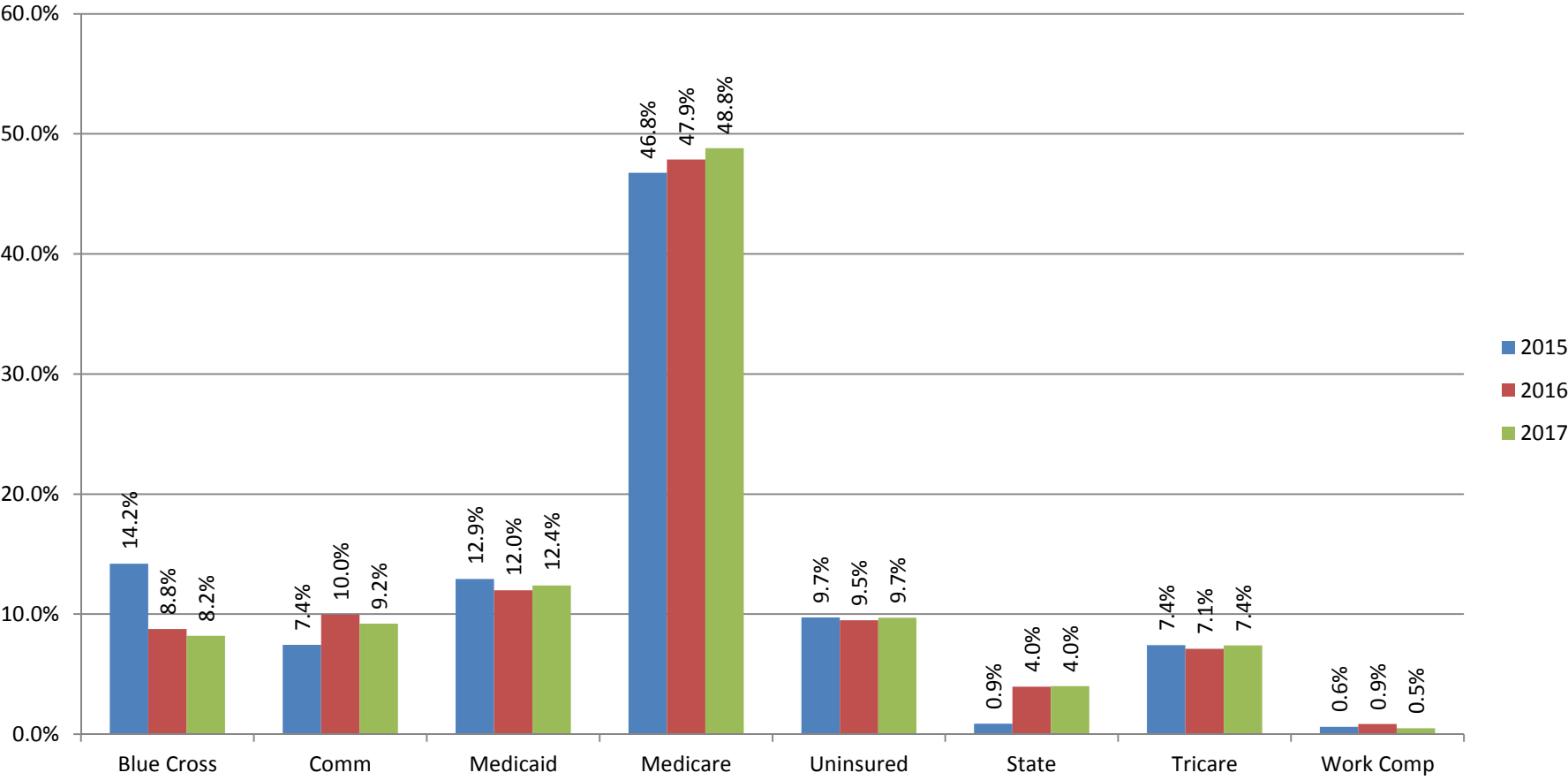
Mental Health Care

- 613 Admissions, 3,344 Patient Days
- **(\$2.0M)** Loss FY 2017



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The state of the hospital: Three Year Payer Mix History



The state of the hospital:

Bad Debt & Charity Care

Bad Debt

Balances owed by patients whom we believe have the means to pay, but who do not pay their bills.

Charity Care

Balances owed by patients whom do not have the means to pay. Hospital Financial Assistance is offered to uninsured or under-insured patients who meet the criteria* for assistance.

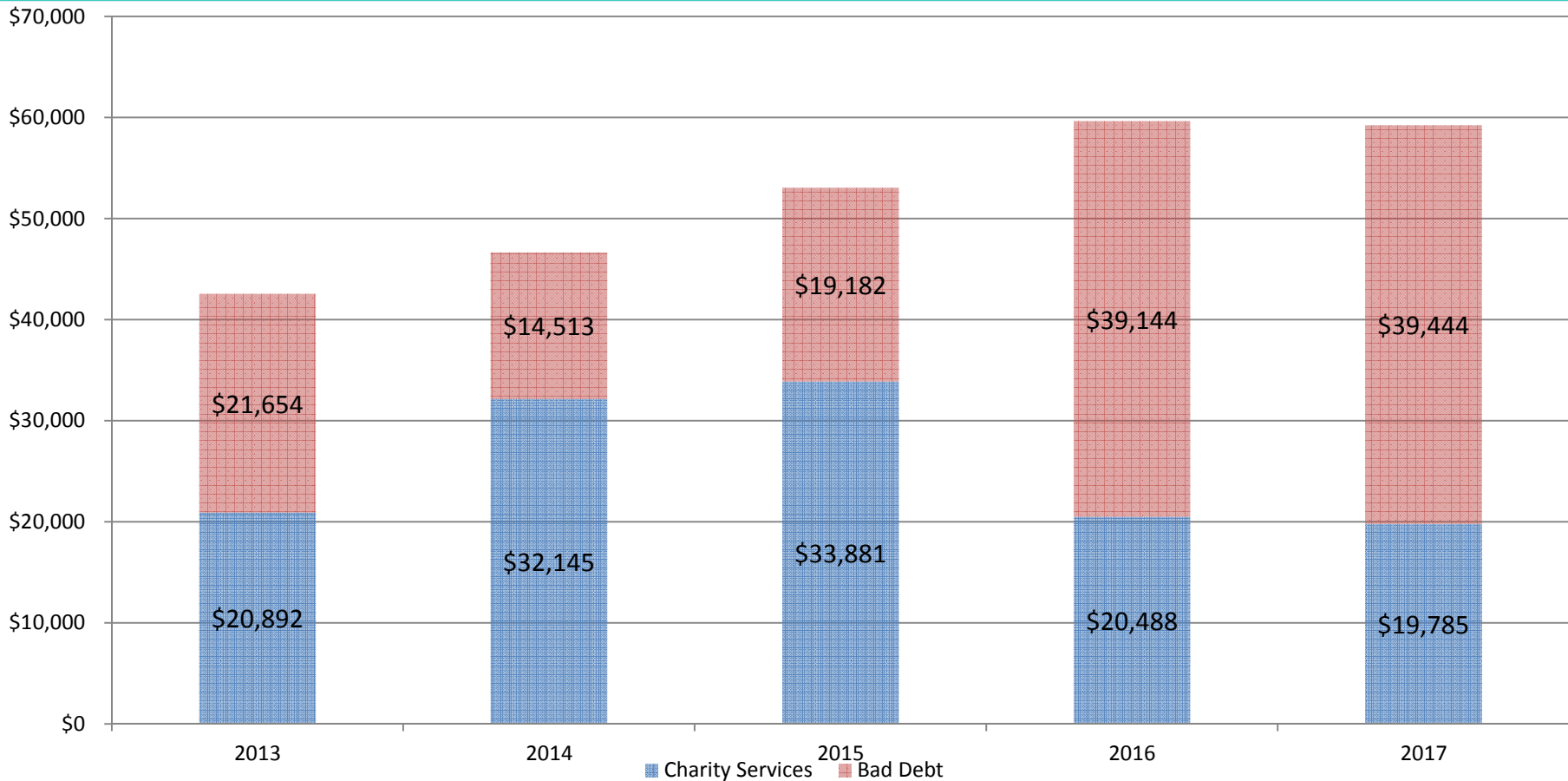
**At or below 400% of poverty level*



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The state of the hospital:

Uncompensated Care (in thousands)



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The state of the hospital:

Past Legislative Impact

- ✓ 11th worst state for number of uninsured individuals (11.75% of adults in SC; National average is 8.6%)
- ✓ SC did not expand Medicaid through the ACA
 - Kept 123k uninsured; 223k could have been covered through Medicaid expansion
- ✓ Several independent studies show that states that expanded Medicaid saw a 32% decline in uninsured visits



The state of the hospital:

Past Legislative Impact

Affordable Care Act – Legislation written in 2010 and effective in 2014

Proposed impact was to cover more people with health insurance (30 million uninsured would gain coverage)

Sequestration – Budget Control Act of 2011, effective in 2013, meant to control Medicare Spending, 2% payment reduction to providers

- Equates to \$2,130,000 per year in payment reductions

Readmission Penalties – Hospital Medicare payments reduced up to 3% starting 2015 for readmissions within 30 days

- BMH – 2015-2017 = 3% (3,189,000); 2018 = .98%



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The state of the hospital:

Past Legislative Impact

- SC State Pension Plan impact
 - ✓ Currently BMH contributes 13.6% of salaries to plan
 - ✓ New legislation requires additional 1% each year until the year 2022, which equates to a per year increase of...
- \$1.2 million**
- Millage subsidies for indigent care ceased after 2007

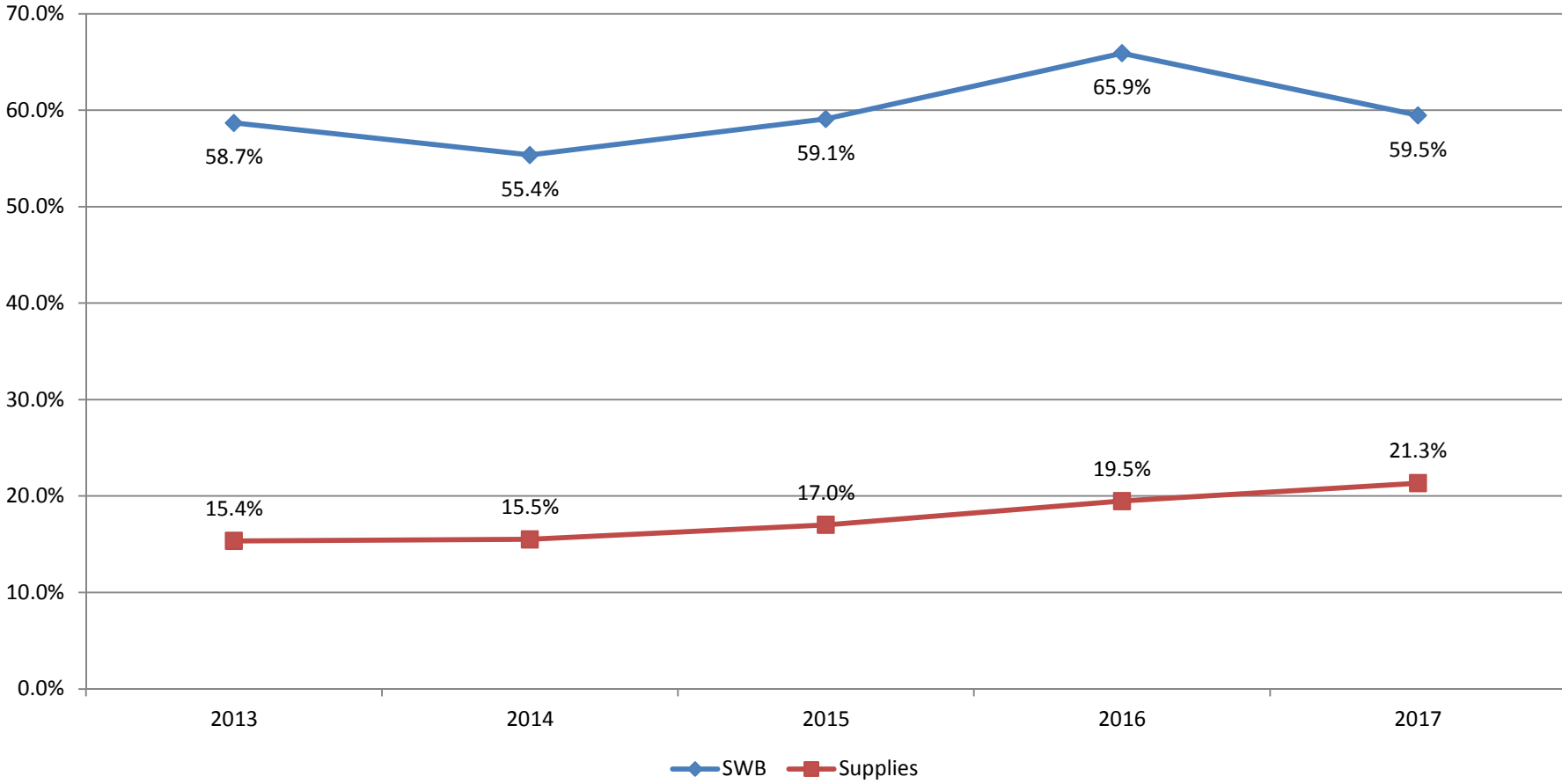


Finance – Five Year Trend (in thousands)

*2017 Unaudited

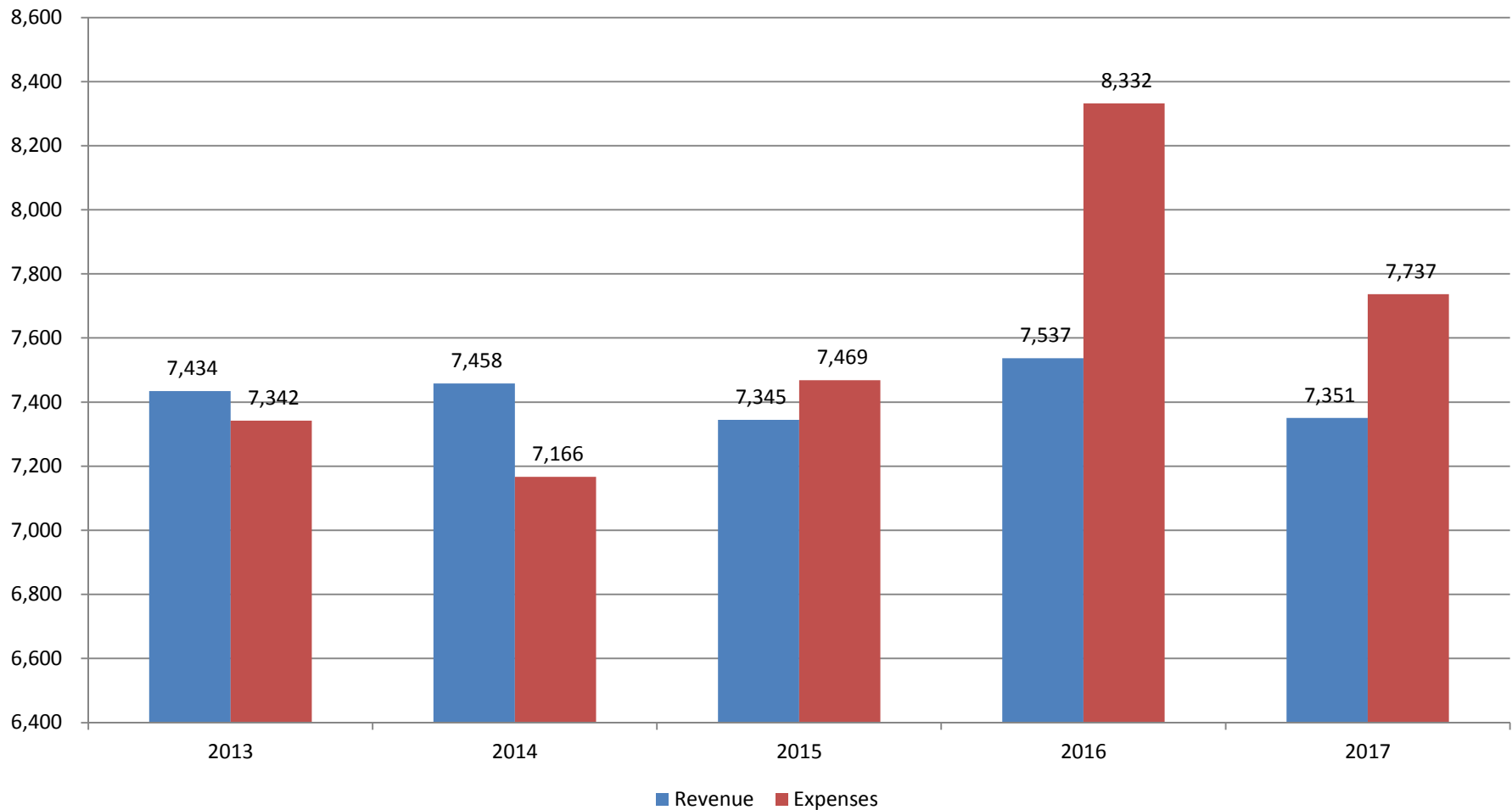
| | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------------------|----------------|----------------|----------------|-----------------|-----------------|
| Total Patient Revenue | 481,814 | 561,145 | 648,956 | 720,154 | 793,837 |
| Deductions from Revenue | | | | | |
| Contractual Allowances | 292,529 | 341,150 | 406,734 | 459,856 | 528,501 |
| Charity Services | 20,892 | 32,145 | 33,881 | 20,488 | 19,785 |
| Bad Debt | 21,654 | 14,513 | 19,182 | 39,144 | 39,444 |
| Total Deductions | 335,075 | 387,808 | 459,797 | 519,488 | 587,730 |
| Net Patient Revenue | 146,739 | 173,337 | 189,159 | 200,666 | 206,107 |
| Other Operating Revenue | 2,023 | 1,123 | 204 | 154 | - |
| Total Operating Revenue | 148,762 | 174,460 | 189,363 | 200,820 | 206,107 |
| Non Operating Revenue | 3,307 | 3,731 | 3,262 | 3,453 | 3,598 |
| Total Revenue | 152,069 | 178,191 | 192,625 | 204,273 | 209,705 |
| Operating Expenses | | | | | |
| SWB | 87,290 | 96,583 | 111,908 | 132,358 | 122,579 |
| Supplies | 22,835 | 27,063 | 32,202 | 39,129 | 43,964 |
| Purchased Services | 12,375 | 15,354 | 17,768 | 16,998 | 17,724 |
| Dep & Amort | 10,492 | 11,066 | 10,768 | 11,017 | 10,591 |
| Interest | 540 | 1,259 | 1,768 | 1,843 | 1,805 |
| Other | 16,644 | 19,903 | 21,460 | 24,467 | 24,058 |
| Total Operating Expenses | 150,176 | 171,228 | 195,874 | 225,812 | 220,721 |
| TOTAL PROFIT/(LOSS) | 1,893 | 6,963 | (3,249) | (21,539) | (11,016) |
| EBITDA | 12,925 | 19,288 | 9,287 | (8,679) | 1,380 |

The state of the hospital: Salaries, Benefits & Supplies As a % of Net Revenue



The state of the hospital:

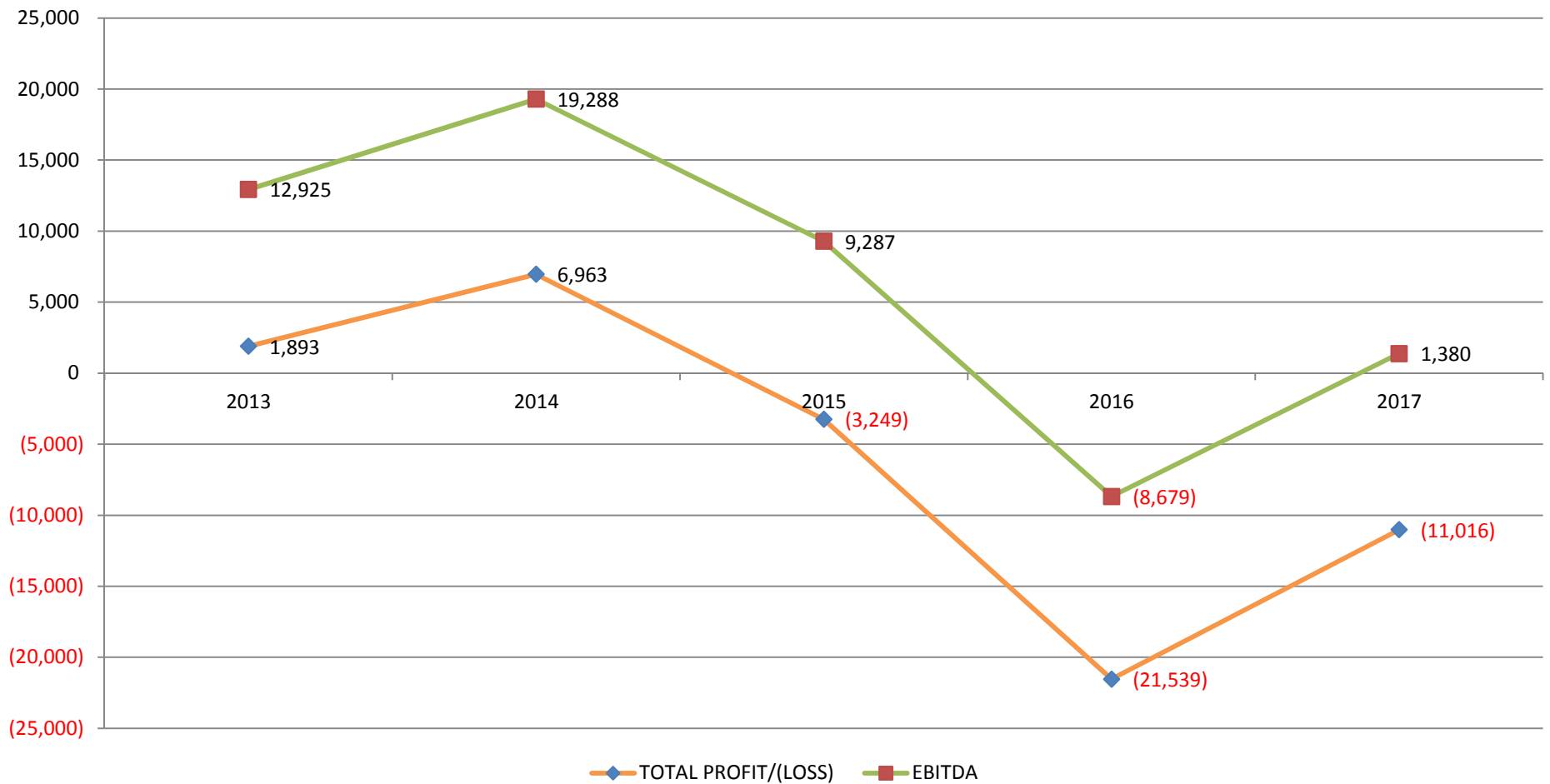
Revenue & Expenses Per Adjusted Admission



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The state of the hospital:

Five Year Profit/(Loss) Trend (in thousands)



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The state of the hospital:

A New Reality

A higher focus on expense control and appropriate growth

- ✓ Contracts – Contract administration processes, canceled contracts, renegotiated contracts
- ✓ Labor controls – adjust to volumes appropriately and safely; reduce non-clinical overhead
- ✓ New partners for greater efficiencies, growth, and capital dollars
- ✓ New Group Purchasing Organization – Partners/Vizient



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The state of the hospital:

A New Reality

- KCC relocation – Partnership with MUSC and Alliance Imaging for Radiation Therapy
 - Clinical Trials
 - Telemedicine
- Chemo/Infusion relocation to Beaufort Medical Plaza
 - ✓ Consolidation of services
 - ✓ Advantageous Drug Pricing – 340B program



The state of the hospital:

Future Legislative Economic Impact

Medicaid Disproportionate Share Program

- Established in 1981 to provide partial payments to hospitals caring for uninsured nonelderly adults and to offset Medicaid Losses
- ACA calls for \$43 billion reduction through the year 2025
- In 2018, a scheduled reduction of \$2 billion, \$90 million reduction to SC, which equates to a \$2 million negative impact to BMH



The state of the hospital:

Future Possible Legislative Economic Impact

- CMS Site Neutral Payment Proposal
 - Proposed Rule that would cut payment to off-campus hospital based departments by 50% of current fee schedule
 - Ex – Lowcountry Medical Group
- CMS 340B Payment Reduction Proposal
 - Proposed payment cuts for Medicare part B drugs by 27%
- Uncertainty around Healthcare reform
 - Ex. “Repeal and Replace” – 22 Million Uninsured



Questions?

Thank you



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ADD-ONS

The document(s) herein were provided to Council for information and/or discussion after release of the official agenda and backup items.

Topic: Veterans Affairs Presentation
Date Submitted: October 23, 2017
Submitted By: Carl Wedler
Venue: Community Services Committee

Veterans Administration

Briefing



Topic: Veterans Affairs Presentation
Date Submitted: October 23, 2017
Submitted By: Carl Wedler
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Brief History of VA

The United States has the most comprehensive system of assistance for Veterans of any nation in the world with roots that can be traced back to 1636.



VA History Continued

- The Pilgrims of Plymouth Colony passed a law that stated that disabled soldiers would be supported by the colony.
- Later, the Continental Congress of 1776 encouraged enlistments during the Revolutionary War, providing pensions to disabled soldiers.



VA History Continued

- In 1811 the federal government authorized the first domiciliary and medical facilities for Veterans.
- Also in the 19th century the nation's Veterans assistance program was expanded to include benefits and pensions for Veteran's widows and dependents.



VA History Continued

- Following the Civil War many state Veterans homes were established.
- At these homes incidental medical and hospital treatment was provided for all injuries and diseases, whether or not of service origin.



VA History Continued

- The VA continued to evolve through WWI and WWII to become the Federal Program that we have today.



VA Structure

The VA consists of three components:

- 1. VHA Veterans Health Administration**
- 2. VBA Veterans Benefits Administration**
- 3. NCA National Cemetery Administration**



VBA

- What we do at the Beaufort County Office
 - Assist Veterans to file claims and applications for
 - VA Compensation and Pension
 - DIC/Widow Pension
 - Home Loan Certificate and Eligibility
 - Dependent Education Assistance
 - Referral to VA medical care



Beaufort County Office continued

- Burial/Memorial benefits referral to National Cemetery
- Resource/referral to other divisions within the Veterans Administration.
- Veterans advocate to advise and assist in Appeals Process



Claim Criteria

- Disability claims must be service connected.
- Disabilities may appear many years after a Veteran separates from the service.
- Disability must be a continued and persistent problem that can be documented by medical records either at the VA or a private physician.



Fully Developed Claim

What do we need to file your claim?

- DD-214
- Marriage Certificate
 - Spouses birth date and SSN
- Dependents Birth Certificates
- Social Security Numbers for dependents
- Divorce decrees for veteran and spouse
- Direct Deposit information
- Do not miss a medical examination you are scheduled for by the VA



VA form 21-0966

The VA form 21-0966 allows the veteran to inform the VA he/she intends to file a claim.

This form holds the effective date for one year and allows the veteran to gather up the required documents to file a fully developed claim.



Veterans Pension

Pension is a needs-based benefit paid to a wartime Veteran because of permanent and total disability, the disabilities do not have to be service-connected (SC), or

- having attained age 65, or
- a surviving spouse or surviving child because of a wartime Veteran's death.



Survivors Pension

The Survivors Pension benefit, which may also be referred to as Death Pension, is a tax-free monetary benefit payable to a low-income, unremarried surviving spouse and/or unmarried child(ren) of a deceased Veteran with wartime service.



Appeals

- The Appeal process is a long a drawn out affair that tasks the patience of all Veterans.
- To have a successful appeal it is necessary to have new and material evidence to present to the Board of Veterans Appeals.
- The shortest route to an Appeal decision is a De Nova Review by a Decision Review Officer.

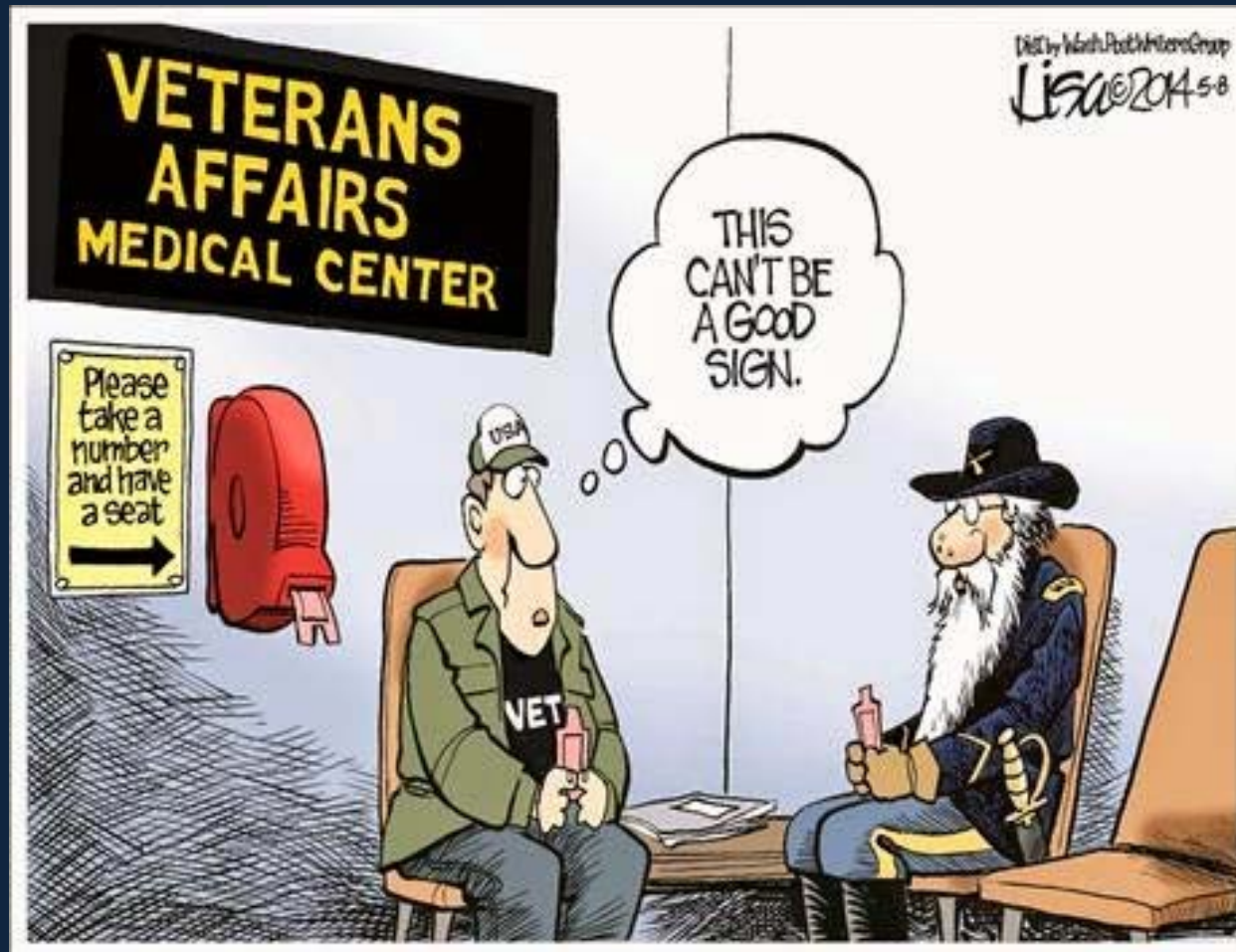


Appeals Continued

- Currently Columbia has over a 11,000 appeals backlog that they are currently working through.
- The VARO has recently added 4 new DRO's for a total of 10 working these cases.
- The traditional appeals process is now 1441 days from start to finish. That is 3 years 9 months in the traditional appeals process.

VA

VHA





VHA Referral

The Beaufort County Office can assist Veterans with their medical needs to a limited degree.

- We can help you contact the appropriate department for assistance.



National Cemetery Administration

Our office can answer many of your questions regarding the burial requirements for the National Cemetery.

- Beaufort is one of the few cities in South Carolina that has all three departments of the Veterans Administration.
- We are here to assist and be your advocate.



VA Resources

Below is our website that you can view on the internet.

- Beaufort County Veterans Affairs page.
– www.bcgov.net