



St. Charles
HEALTH SYSTEM



2018-2019

ST. CHARLES HEALTH SYSTEM
ANNUAL REPORT

Reflecting on five

This December marks my fifth anniversary as president and CEO of St. Charles Health System.

It's amazing how five years can feel like a long time and an instant all at once.

When I reflect on that time, I'm so proud of the milestones we have achieved as a team. I didn't know at first that replacing our electronic health record would be a necessity. Nor did I realize right away how desperately we would need to add space to our facilities to accommodate a rapidly growing community.

Together, we have achieved so much.

The implementation of Epic as our electronic health record – a project that touched every one of our 4,500 caregivers, has advanced our ability to provide the safest possible care. We constructed and opened a new patient tower in Bend, are currently expanding our Prineville campus and completed a remodel and addition in Madras as well.

We opened a clinic in La Pine to serve our southern Deschutes County residents and are working on plans to expand cancer services in Redmond.

During my time here, we celebrated an incredible 100 years of providing care for all.

These accomplishments are just the tip of the iceberg. Every day, St. Charles caregivers save lives inside and outside of our walls – because the reality is our greatest strength is in our people.

Throughout the 2018-2019 Annual Report, you'll see the numbers showing our growth in patient services. But, you'll also see what's more important,

years of service

the stories of our caregivers, our volunteers and our patients. Quite simply, without the support and trust of our communities, these many milestones would not have been possible to reach.

Thank you for being such an important part of the past five years. I'm looking forward to what we'll accomplish together next.

Sincerely,

Joe



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ST. CHARLES HEALTH SYSTEM



St. Charles Health System is a private, nonprofit organization with the bold vision – Creating America’s healthiest community, together. Headquartered in Bend, Ore., St. Charles is an integrated delivery system that provides a full range of quality, evidence-based health care services within a 32,000-square-mile area in Central and Eastern Oregon. The organization is committed to developing a culture of continuous improvement and looks to its caregivers to serve as frontline problem-solvers.

EMPLOYEES	4,482
VOLUNTEERS	471
ACTIVE MEDICAL STAFF	417
VISITING MEDICAL STAFF	363

Clinical Statistics

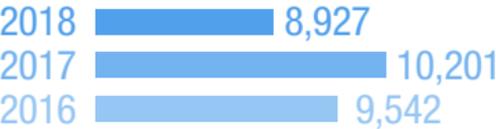
DISCHARGES



BIRTHS



INPATIENT CASES



OUTPATIENT CASES



EMERGENCY VISITS



Financial Summary

DAYS CASH ON HAND



OPERATING MARGIN



EXCESS MARGIN



Operating Expenses

in millions

SALARIES



MEDICAL SUPPLIES, DRUGS, OTHER



BENEFITS



PROFESSIONAL FEES



DEPRECIATION AND INTEREST

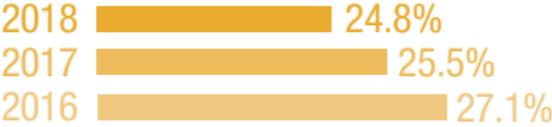


Payer Mix

MEDICARE



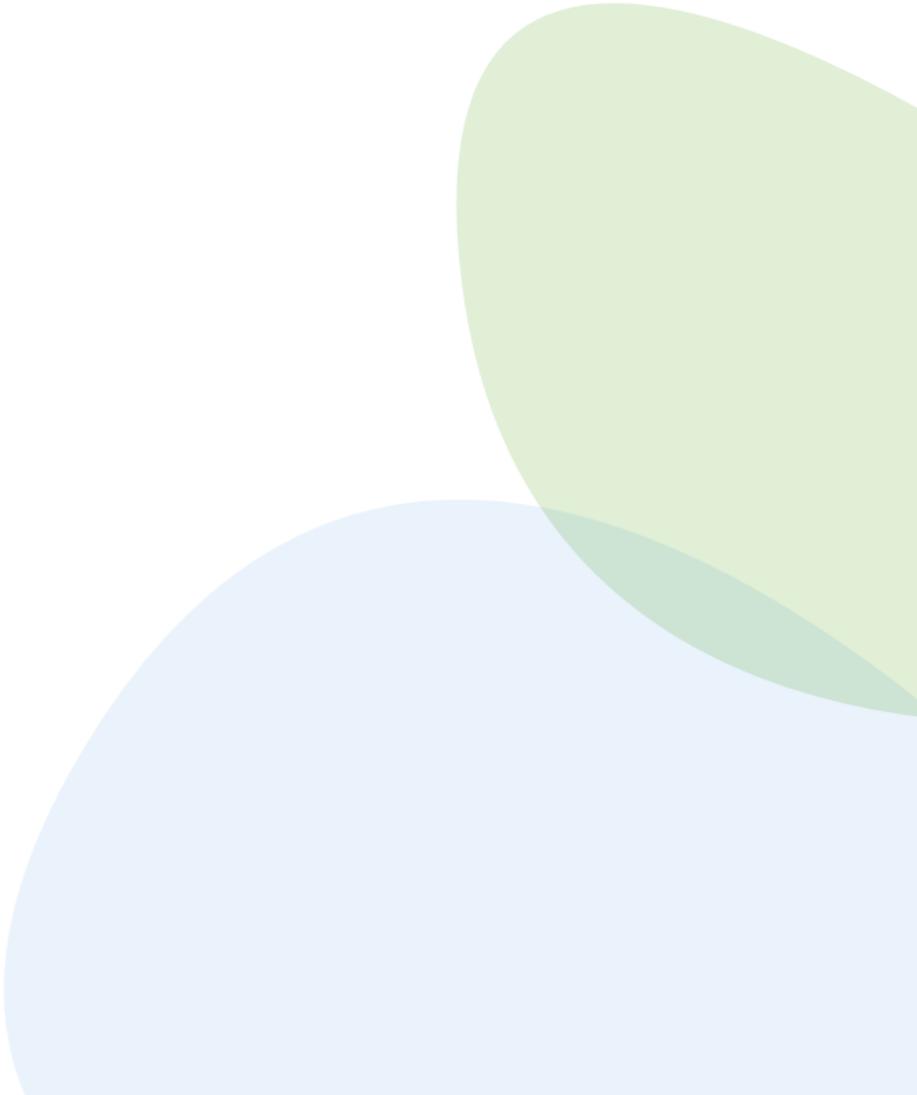
COMMERCIAL



MEDICAID



SELF PAY



ST. CHARLES BEND



Increasing capacity for critical care

For the third time in 12 years, **St. Charles Bend** has completed a major addition that will improve patient flow throughout the hospital by adding beds and increasing patient capacity.

Our new tower opened on May 19, 2019. Inside is a 24-bed Intensive Care Unit and a 28-bed Progressive Care Unit, plus more than 20,000 square feet of usable space for future development to be determined by future needs. The new tower is located north of the previous ICU location and stands three stories tall.

Approved by the St. Charles Health System Board of Directors in 2016, the \$66 million project also includes a second water line to build redundancy into the hospital's water supply, as well as a new 500-stall parking lot to accommodate the growing number of people seeking services at St. Charles Bend.

“This project was so important for the future of health care in Central Oregon,” said Joe Sluka, president and CEO of St. Charles Health System. “This plan ensures we can continue to meet our patients’ needs well into the next century.”

All of us at St. Charles are grateful for the backing of our community, which donated about \$5 million to help fund the project. Over the past century, every time the health system has expanded, the community has provided some of the financial resources needed to support that growth.

LICENSED BEDS.....292

EMPLOYEES*3,648

**includes Sisters, La Pine, Home Health
and System-level caregivers*

Clinical Statistics

DISCHARGES



BIRTHS



INPATIENT CASES



OUTPATIENT CASES



EMERGENCY VISITS





#humansofstcharles

“In the mornings, the first thing I do is deliver the paper to the various departments and floors around the hospital. Well, it should take maybe 30 minutes, but it takes me an hour because I walk about a mile and my mouth walks about three miles. But it’s a chance to visit and talk to all the wonderful people who work here. I love that part of it.”

- CHARLIE, volunteer at St. Charles Bend, on one of his favorite duties during his shift each Tuesday

ST. CHARLES REDMOND



St. Charles Redmond performs first robotic surgery

Surgeons at **St. Charles Redmond** performed the first robotic surgery there in 2019 using a da Vinci Surgical System, which translates surgeons' hands into smaller, more precise movements.

"I can't turn my wrist 360 degrees, but with the robot I can twist the hand around to where I can reach into places that I would not be able to do (in open surgery) or laparoscopically," said Dr. Ngocthuuy Hughes, a general surgeon with St. Charles Surgical Specialists. "And also, it's for the surgeons' longevity. With laparoscopic surgery, sometimes getting to a certain angle or certain area of the body is a lot of work on the surgeon."

For our patients, robotic surgery can mean a shorter hospital stay, less post-operative pain and a faster recovery time.

"Post-operative pain issues are significantly less," said Dr. John Land, also a general surgeon with St. Charles Surgical Specialists. "I've decreased my narcotic prescription rate by 94 percent compared to when I used to do open (surgery)."

The surgeons said a common misconception that patients have is the robot performs procedures all on its own.

"When you talk to the patient, you really stress, you're the surgeon, not the robot," Hughes said. "The robot is my new tool versus the laparoscope. I tell them that the robot allows me to do things that I can't do with my hands."

The da Vinci Surgical System has been used successfully in hundreds of thousands of minimally invasive procedures over the past decade. St. Charles is excited to grow its robotics program to include the Redmond hospital.

LICENSED BEDS.....48
EMPLOYEES484

Clinical Statistics

DISCHARGES



BIRTHS



INPATIENT CASES



OUTPATIENT CASES



EMERGENCY VISITS





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“It’s not just a maid job. You’ve got to know infection control. You’ve got to know how to handle biohazardous waste. You’ve got to know how to clean up a chemical spill. You’ve got to be able to communicate with the patients, because they are going to talk to you.”

- DEBBY, supervisor of Environmental Services in Redmond, on the most common misconception about her department. In August, Debby celebrated her 45th anniversary as a St. Charles caregiver.

ST. CHARLES PRINEVILLE



Prineville expansion to open in March 2020

Work to expand and renovate **Prineville's** hospital and **St. Charles Family Care** clinic is on schedule and on track for a March 2020 opening.

Once complete, the project will give the clinic enough space and providers to offer same-day appointments to people who show up in need of immediate or unscheduled care. Currently, Prineville has no options for walk-in care, so those patients must visit the hospital's Emergency Department.

"We have several providers who are already here and taking new patients, and we're in the process of hiring new doctors, new nurse practitioners and new physician assistants," said Todd Shields, vice president and hospital administrator of St. Charles Prineville.

"Starting in March, same-day appointments will be available from 10 a.m. to 8 p.m., and anyone can walk in and be seen. You don't have to be a current patient."

The project will add 6,300 square feet of newly built space and renovate 3,000 square feet of existing space. The facility will gain 12 new exam rooms and two new procedure rooms, plus Outpatient Rehab will gain rooms for occupational therapy and speech therapy.

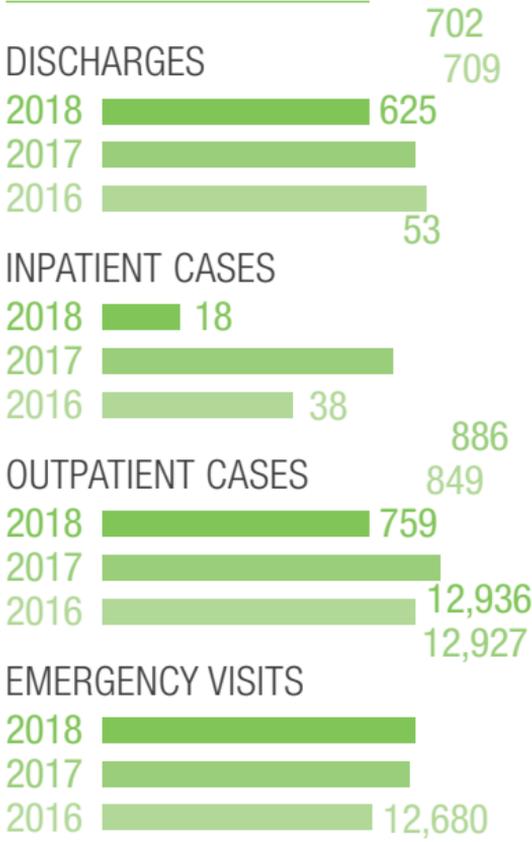
The new space has also been designed to accommodate a variety of visiting specialists.

"With same-day capability, more room for rehab and space for more specialists, people in Crook County will have better access to care than ever before," Shields said. "This project is all about supporting our community by helping them find affordable care at the right time and place."

The expansion project was made possible thanks to \$4.2 million in donations from the Pioneer Memorial Hospital Residual Board and the Prineville Hospital Foundation.

LICENSED BEDS..... 16
EMPLOYEES 188

Clinical Statistics





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“The people who work here have an understanding of what Prineville is. You see someone come into the emergency room, you know that’s somebody’s grandma, aunt, sister, cousin, mother – it’s somebody’s someone here. And so it’s not just a patient. This is your co-worker’s family member, end of story. (Our caregivers) all wake up and say, ‘We’re going to give it our best every single day.’ And they believe it.”

**- KIRA, quality improvement coordinator
at St. Charles Prineville**

ST. CHARLES MADRAS



St. Charles Madras works to provide culturally appropriate care

There are some new elements in the healing garden at St. Charles Madras. To the untrained eye, they may appear to simply be new decor, added to the space to give it more character.

But there's more to the story. Mounted on a stone is an artistic rendering of a face based on rock art located in the Columbia River Gorge. And on the garden's north end, an existing water feature has been adorned with a sculpture of three salmon.

The two pieces are the most visible evidence of a major effort underway at St. Charles Madras to make sure the hospital is providing care that is culturally appropriate for the diverse community it serves. The effort reaches into its training programs, care practices and policies and patient interactions.

The goal is for hospital staff and providers to mirror the demographics of Madras and Jefferson County, where the population is approximately a third NAI, a third Latino and a third white, said Candy Canga-Picar, chief nursing officer in Madras, who has led the effort.

Last year, she organized St. Charles' first Transcultural Care Conference, which was followed by cultural competency training for caregivers.

Additionally, the hospital now has a Patient Family Advisory Council (PFAC) focused on NAI issues. Since August of 2018, the group has been working to identify gaps in care for tribal members, and changes are already happening: St. Charles has switched from a mailed patient satisfaction survey to a telephone survey at the PFAC's suggestion. Participation is already up.

LICENSED BEDS.....25
EMPLOYEES162

Clinical Statistics

DISCHARGES



BIRTHS



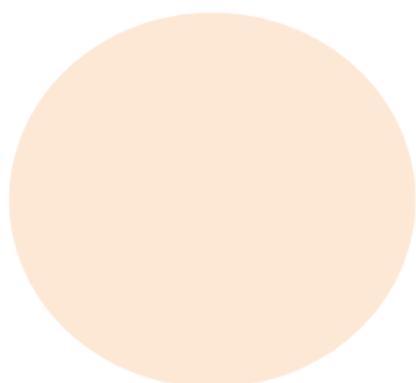
INPATIENT CASES



OUTPATIENT CASES



EMERGENCY VISITS





#humansofstcharles

“This community opened its arms to me, so my commitment to them was to finish out my nursing career here. I have the greatest friends here, this community is wonderful and (at) this hospital we’re involved with people from birth through all the cycles of life to death. It’s a wonderful journey to be on with families. Nothing gives me more satisfaction than to shop at Safeway on a Saturday and someone stops you and says, ‘Thank you for all you did for my loved one.’”

- **MARIAN**, registered nurse and case manager at St. Charles Madras, who grew up in Ireland and practiced in Texas, Saudi Arabia and Australia before moving to Madras in the mid-1990s. She calls her nursing degree her “passport to the world.”

ST. CHARLES MEDICAL GROUP



St. Charles Cancer Center one of the best in the nation

Toward the end of 2018, **St. Charles Cancer Center** received the Outstanding Achievement Award from the Commission on Cancer of the American College of Surgeons. The center was one of only two accredited cancer programs in Oregon — and one of 24 in the country — to receive this honor, out of more than 500 cancer surveys performed in 2018, placing it in the top 5 percent of all U.S. cancer programs.

“This award recognizes the comprehensiveness and excellence of our cancer treatments and programs, which span the entire continuum of care,” said Dr. Linyee Chang, a radiation oncologist and medical director of the cancer center. “From prevention and early detection, through diagnosis and active cancer treatment and extending into survivorship and wellness, our patients can be assured they are receiving the best cancer care close to home.”

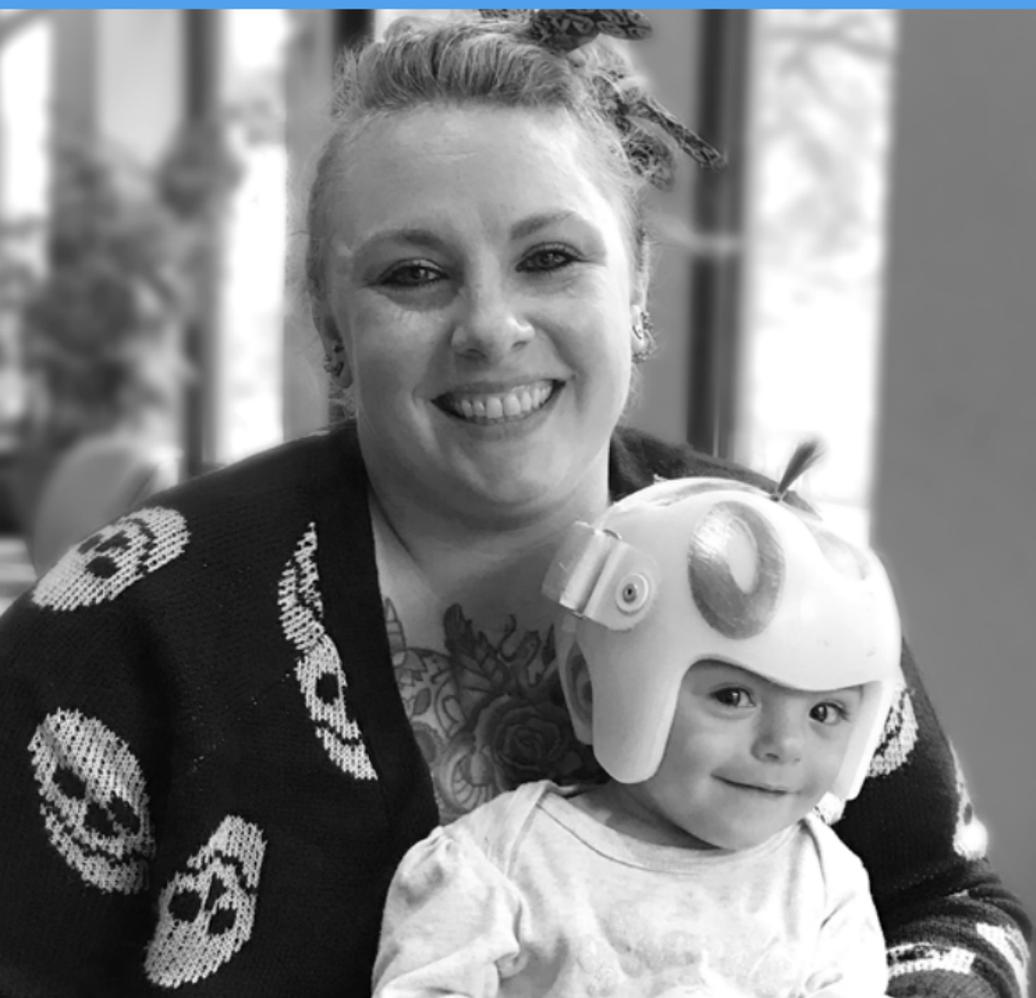
The purpose of the award is to encourage cancer programs to raise the bar on quality cancer care, with the ultimate goal of increasing awareness about high quality, patient-centered care.

St. Charles Cancer Center was evaluated on 34 program standards categorized within five cancer program activity areas: program management, clinical services, continuum of care services, patient outcomes and data quality. The cancer program was further evaluated on seven commendation standards. To be eligible, all award recipients must have received commendation ratings in all seven commendation standards, in addition to receiving a compliance rating for each of the 27 other standards.

#humansofstcharles

“I would like to reach out to anyone else in the same situation because I love to tell people her story and give faith to other moms. It’s hard, but so worth it in the end. Just stay strong and have faith in your baby. They’re pretty strong fighters. You don’t expect them to be that strong, but they are.”

-LINDSEY, mother of baby October, describing her experience when her baby was delivered by emergency C-section at 26 weeks gestation. At birth, October was considered a “micro-preemie,” weighing just 14.5 ounces and measuring 10 inches long. She was a patient in the St. Charles NICU for four months before she was finally able to go home on Jan. 26, 2019. October just celebrated her 1st birthday on Sept. 24.



2018 Patient Visits

Advanced Illness Management	1,821
Anticoagulation	22,004
Behavioral Health	10,895
Psychiatry	6,280
Center for Women's Health	6,285
Heart and Lung Specialists	23,580
Home Health	23,764
Hospice	19,831*
	*additional 847 visits made by our volunteers
Hospitalists in Bend, Redmond and Prineville	33,008
Immediate Care in Bend and La Pine	19,271
Medical Oncology	15,897
Neonatology	2,896
Preoperative Medicine	1,512
Pulmonology	5,024
Radiation Oncology	4,648
Rheumatology	2,304
Family Care in Bend Redmond, Prineville, Madras, Sisters and La Pine	90,148
School-based Clinics in Sisters	385
Sleep Centers in Bend and Redmond	7,544
Surgical Specialists	8,072
Trauma and Acute Care	7,122

COMMUNITY BENEFIT



Community Benefit Activities

SITE	TOTAL
St. Charles Bend	\$1,710,534
St. Charles Redmond	\$579,100
St. Charles Prineville	\$167,470
St. Charles Madras	\$197,450
TOTAL BENEFIT	\$2,654,554

Community Benefit Dollars

BENEFIT TYPE	TOTAL
Charity Care at Cost	\$19,525,161
Medicaid Shortfall	\$64,526,009
Medicare Shortfall	\$65,433,238
Other Public Program	\$8,847,062
Total Un-Reimbursed Care	\$158,331,470
Total Community Benefit	\$2,654,554
TOTAL BENEFIT	\$160,986,024



