



FY2019 Community Benefit Report

Our Commitment to Caring for Our Community



SHERIDAN
MEMORIAL HOSPITAL



Four-Star Quality Rated
Centers for Medicare & Medicaid Services

Letter from our CEO



Sheridan Memorial Hospital is a community hospital, committed to serving the Sheridan area. Our vision: “When people think of excellent healthcare, they think of Sheridan,” clearly states the reputation we aspire to achieve. Our ability to attain this vision is linked directly to our pursuit of continuous improvement. A look to the future suggests the healthcare industry is facing great uncertainty. Healthcare facilities will have to navigate a complex and dynamic environment compounded by burdensome regulations and decreased payments for the services they provide.

Sheridan Memorial Hospital is making great strides toward addressing these uncertainties, putting our focus on the delivery of excellent patient-centered care.

It is a privilege to be a part of an organization that is a source of great pride in the Sheridan community and that affects the lives of hundreds of people every day. We hope the information in this Community Benefit Report helps tell the story of our tremendous community asset.

Mike McCafferty
CEO, Sheridan Memorial Hospital

Mission

To serve our community with excellent patient-centered care.

Vision

When people think of excellent healthcare, they think of Sheridan.

Culture

In an Environment of **TEAMWORK**

We will keep you **SAFE...**

We will help you get **BETTER...**

We will treat you with **RESPECT...**

We will be **KIND** to you, and

We will continually **IMPROVE** our processes for excellent patient-centered care.

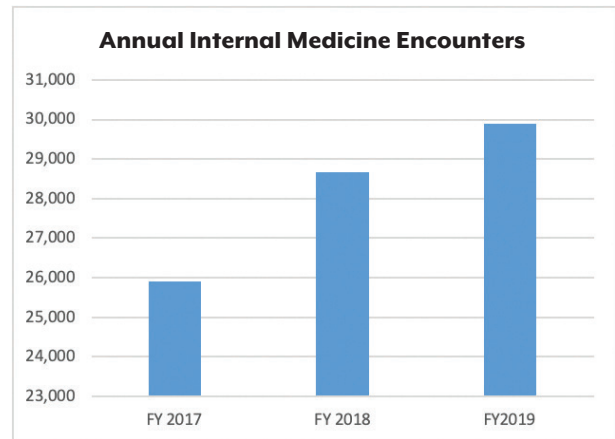
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Growing for You

The healthcare needs of the Sheridan community continue to grow and diversify. In an effort to continually meet these needs and provide excellent patient-centered care, Sheridan Memorial Hospital (SMH) continues to develop new services, invest in new equipment and focus on physician recruitment.

The level of technology at SMH has advanced over the past several years to include a state-of-the-art ICU and Emergency department, new MRI suite with a wider and quieter platform, and new 3D mammography equipment for faster and more accurate tests for patients; not to mention more comfort.



One national healthcare trend that continues to gain traction is the migration of services to an outpatient setting. This is in part due to better technology and procedures allowing complex and minimally invasive procedures to be accomplished in an outpatient setting. Patient choice is also playing a role in this trend.

In response to the increased outpatient needs of the community (see graph above), SMH has constructed a new Outpatient Center that will conveniently locate the following outpatient services under one roof:

- Internal Medicine
- Outpatient Lab
- Ear, Nose and Throat
- Heart Center
- Big Horn Surgical
- Women’s Clinic
- Wound Care
- Hospital Pharmacy West
- Urgent Care
- Outpatient Radiology
- Diabetes Education

As we look to the future, the SMH Board of Trustees has adopted a complete Facility Master Plan. This plan will be used to guide future growth and service line development.



Services Offered


To keep up with the healthcare needs of our patients, Sheridan Memorial Hospital (SMH) has developed several service lines necessary for the residents of our community. These service lines would not otherwise be available locally without the investment by SMH and the general support of our community. These include the Welch Cancer Center, Watt Dialysis Center, 3D Mammography and Heart Center. In addition, the services provided by internal medicine are strengthened with the investment by SMH.



10,000
Visits per Year

Welch Cancer Center

Providing state-of-the-art cancer care in Sheridan helps our patients and their families by allowing them to stay in the comfort of their own homes, near family and friends, and keep travel-related expenses to a minimum.



Dialysis

The Watt Dialysis Center serves patients with critical care they would otherwise have to travel to receive.


2,694 Treatments Provided



Heart Center

Sheridan Memorial Hospital has state-of-the-art cardiac equipment and highly qualified staff to meet the needs of our community.

38 Lives Saved



3,384
Mammographies

3D Mammography

An 11% increase over the previous fiscal year. 3D mammography equipment was launched in 2018 and provides more detailed images, leading to earlier detection and fewer false positives.

SMH Achieves 4-Star Status

Sheridan Memorial Hospital (SMH) recently achieved a 4-Star rating from the Centers for Medicare and Medicaid Services (CMS).



The overall rating shows how well each hospital performed, on average, compared to other hospitals in the U.S. The overall rating ranges from one to five stars. The more stars, the better a hospital performed.

“This is a real achievement for our physicians, providers and staff,” said CEO Mike McCafferty. “To be considered in the top 25% of hospitals across the country takes a strong commitment to excellence and a focus on delivering excellent patient-centered care.”

SMH is one of only four hospitals across the state of Wyoming to achieve 4-Star status. The Star Ratings Program is just one of CMS’s initiatives to improve healthcare quality across the U.S.

By the Numbers



84,905

Patients were cared for at Sheridan Memorial Hospital



494

An increase of 61% over the number of procedures performed in our Cath lab the prior year

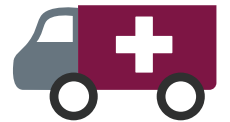
332

patients were discharged from our ICU



10,750

visits were made to our Emergency Department



The Outpatient Lab had over

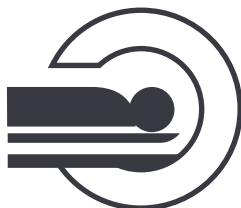


15,600

encounters in the last fiscal year

24%

fewer biopsies performed by Radiology after 3D imaging was implemented

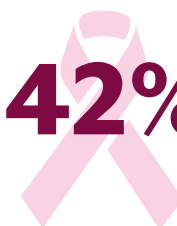


1,304

MRI Procedures were completed by our Radiology Department

42%

fewer patient call backs after screening mammograms due to 3D imaging



Local Control Matters

To continue providing all of the services Sheridan Memorial Hospital (SMH) offers, services normally found in larger markets, it is important to retain local control. SMH is a county memorial hospital which is a political subdivision of county government. Other hospitals may receive local taxpayer funding through mill levies. SMH does not receive taxpayer funding other than funds required by state statute to pay for Title 25 behavioral health patients (less than \$250,000 annually). Additionally, SMH is one of only 11 locally managed hospitals in Wyoming. This means decisions on services and costs of care are made locally by people who care about those who live in the Sheridan community.

Pricing Info

Sheridan Memorial Hospital recognizes healthcare is expensive. It is expensive for employers and patients alike. With this said, we are proud of the fact that our pricing is 25% lower than the nearest competitive Wyoming hospital and we are priced competitively with Billings hospitals; which is a much larger market. We believe price transparency is necessary for the long-term viability of healthcare in our community. To help with this transparency, SMH offers our patients help through patient financial advocates and resources available on the SMH website. SMH is committed to providing excellent patient-centered care and this includes making sure patients have the information necessary to make decisions about their own care.

Spending per Medicare Beneficiary

The Centers for Medicare and Medicaid Services (CMS) collects data regarding the amount they spend per Medicare beneficiary in any given county across the country. Currently, Sheridan is ranked as having the lowest cost per beneficiary in Wyoming and in the top 1.5% of hospitals in the nation. Out of 3,144 counties in the U.S., Sheridan ranks 3,097th. This means 3,096 counties receive higher payments per Medicare beneficiary than Sheridan and 47 counties receive less.

Average Spent per Medicare Beneficiary (2017)*

United States	\$9,761
Wyoming	\$7,839
Sheridan County	\$6,368 (Ranked #1 in Wyoming)

*Source: CMS/Office of Enterprise Data & Analytics (OEDA), January 2019

Common Procedure Price Comparison

To illustrate further the efforts SMH is undertaking in holding prices down, the information below depicts where SMH ranks among nine different hospitals in the region (six in WY, two in MT and one in SD) for common procedures performed at each facility.

	WY Rank	Regional Rank
Chronic obstructive pulmonary disease	1 st	1 st
Major hip & knee replacement or reattachment	1 st	3 rd
Colonoscopy with biopsy	1 st	3 rd
MRI of the brain	5 th	8 th

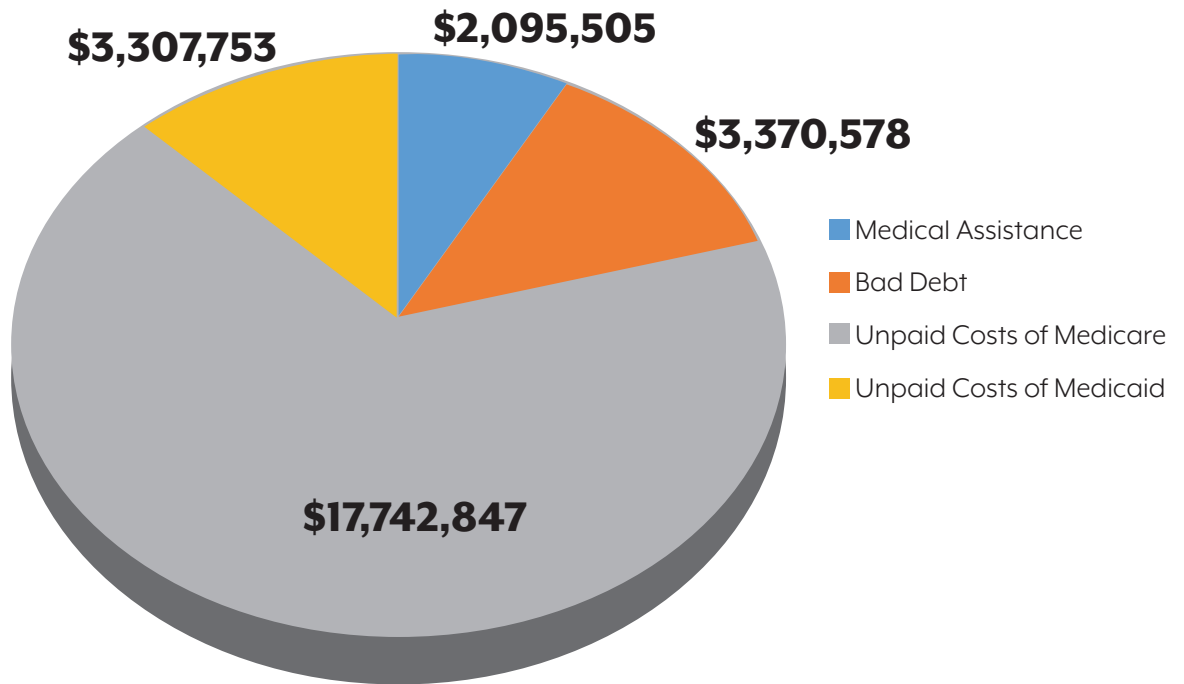
*Source: Federal Fiscal Year 2017 Medpar Data, Via PARA Pricing Analysis

Supporting our Community

\$26.5 Million

Nobody gets turned away at Sheridan Memorial Hospital (SMH). Many people in the Sheridan area can't afford the hospital care they need, but that doesn't mean they have to go without. SMH is a community hospital committed to serving our community with excellent patient-centered care. This commitment is easily demonstrated in the total amount of unreimbursed care provided by SMH annually. Unreimbursed care comes in many forms: Medical Assistance, Bad Debt, and Unpaid Costs of Medicare and Medicaid. In FY18, SMH provided \$26.5 million in unreimbursed care, which is an increase of 2% over the amount covered for patients in FY17.

Areas of Community Support



Definitions

- Bad Debt – The cost of services which are billed but deemed uncollectable
- Unpaid Cost of Medicare and Medicaid – The difference between the cost of services delivered and government payment
- Medical Assistance – The cost of services rendered which are not billed because the patient qualifies for Medical Assistance, under the Medical Assistance Policy, which is based upon Federal Poverty Limit Guidelines.

***Note: FY18 is the most recent audited data available.**

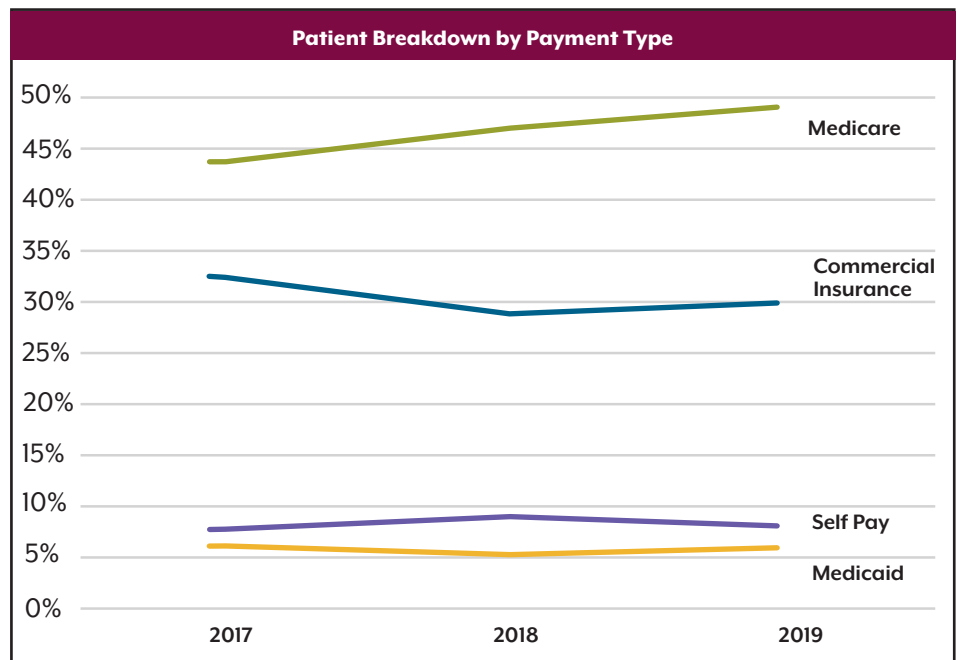
Changing Payer Mix

The healthcare industry is unique in how providers collect payment for services from multiple sources. Payer mix refers to how the customers or patients of Sheridan Memorial Hospital (SMH) pay their bill. There are multiple types of payers, but the four types below make up over 90% of all hospital patients. As you can see in the chart below, the amount collected per dollar billed varies depending on payer type; and at no point is 100% of a bill collected, regardless of payer type.

Payer Mix Defined

Type of Payer	% Collected per Dollar Billed	Description
Commercial Insurance	SMH collects \$.75-.78 per dollar billed	Patients with insurance like Blue Cross/Blue Shield
Medicare	SMH collects \$.25 per outpatient dollar billed and \$.48 - .60 per inpatient dollar billed	Patients utilizing Medicare benefits to pay their bill
Medicaid	SMH collects \$.25 per dollar billed	Patients utilizing Medicaid benefits to pay their bill
Self-Pay	SMH collects \$.07 - .12 per dollar billed	Patients with no insurance who must pay their entire bill on their own

SMH is seeing more patients in the self-pay and Medicare categories which results in lower reimbursement rates. Additionally, commercial insurance patients, with higher reimbursement rates, are declining. A 1% reduction in write-offs is equal to \$1.8 million.



Patient Financial Advocates

Sheridan Memorial Hospital's (SMH) Patient Financial Advocates work with all active patients to help them navigate the complexities of healthcare and medical billing. Many SMH patients do not understand their own healthcare insurance, so patient financial advocates assist them through the process. The advocates cover everything from navigating co-pays to applying for financial assistance through various options available to the patient.

These advocates are also trained to help with enrollment in the healthcare marketplace. Twenty-four (24) people were able to obtain insurance during the 2018 enrollment period due to this service. "The work our patient financial advocates do is an extremely valuable service of our patients," said Cheryl Relaford, Patient Access Manager. "It really helps our patients not feel so overwhelmed in what can be a stressful time for their family."

Medication Assistance Program (MAP)

Cost is one of the most common reasons people do not take their medication. Through the SMH Medication Assistance Program, 160 people qualified for medication assistance in FY18 equating to over \$1 million in medication assistance.

Who Qualifies for Medical Assistance?

Full coverage is available to anyone with a family income at 200% of the federal poverty level or below.

Emergent Hospital Care is fully paid for:

- A single person earning \$20,420 or less
- A couple earning \$27,380 or less
- A family of four earning \$41,300 or less

Financial Assistance Stats	FY18	FY19
Financial Assistance Applications Processed	694	577
Number of Patients Receiving Medication Assistance	174	159
Dollar Amount of Assistance Medication Distributed	\$1.0 Million	\$979,000
Patients Enrolled in Healthcare Marketplace	24	33



Three Important Don'ts

1. Don't worry about your bill; solutions are available
2. Don't be afraid to discuss your situation
3. Don't ignore your bill; talk with a patient financial advocate

The Breast Boutique at Welch Cancer Center

When a family member or friend has been diagnosed with cancer, developing a relationship with a trusted treatment team is one of the most important decisions made. Sheridan Memorial Hospital's Welch Cancer Center provides expert care in a state-of-the-art, compassionate environment. Recently the services expanded with the addition of a Breast Boutique thanks to grants from the Wyoming Breast Cancer Initiative and the continued generosity of our community through the Sheridan Memorial Hospital Foundation.

To help our patients rebuild a positive and confident self-image, the boutique provides a certified mastectomy fitter and post-surgery products for all breast cancer patients after undergoing surgery. This support continues throughout treatment and aftercare. Fitting consultations and the specialized mastectomy products are complementary thanks to philanthropy. Funding provided maintains the boutique inventory and allows staff to attend special certification training.



During the past fiscal year of 2019, a total of 41 patients received personalized care in the Breast Boutique. The total dollar value of the products donated to our patients was \$2,038. If you or someone you know has experienced breast cancer and needs the Breast Boutique, please call the Welch Cancer Center at 307.674.6022.

“It is so rewarding to be able to offer this service to our breast cancer survivors,” said Tommi Ritterbush, Welch Cancer Center Manager. “We see such a positive change in their self-image once we are able to get them fitted with the right products.”

Philanthropy in Support of SMH

Philanthropy positively impacts everyone in our community. Started in 1976, the Sheridan Memorial Hospital Foundation has raised millions of dollars to bring the necessary equipment and resources Sheridan Memorial Hospital (SMH) needs to provide excellent patient-centered care. There are a variety of ways people contribute including annual gifts, honor memorials, planned gifts, special projects and pledges.

In FY19, the Foundation donated \$361,000 to help fund important projects like the ICU, MRI equipment, Clinical Education, Watt Dialysis, Hospice, Transitional Care and 3D mammography. Many of these services offered by SMH would not be available if not for the philanthropy provided through the Foundation.

Other ongoing programs funded by The Foundation include the Comfort Care Program at the Welch Cancer Center and the Gap Program. Comfort Care provides needed items for cancer patients while the Gap Program provides necessary resources for patients to help fill in financial gaps after a hospital stay. Additionally, two endowments provide resources for dialysis patients and dialysis equipment and continued clinical education for SMH staff.

If you believe having a strong healthcare system is important for our community, we invite you to support the Foundation by giving a gift today. Please give online (www.sheridanhospital.org/foundation) or mail your gift to SMH Foundation, PO Box 391, Sheridan, WY 82801. Thank you for your support.

In FY19, the SMH Foundation donated \$361,000* to help fund important projects.

*100% of all gifts are used towards the project designated by the giver.





SHERIDAN MEMORIAL HOSPITAL

1401 West 5th Street / Sheridan, WY 82801
307.672.1000 / sheridanhospital.org



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