

*Our community.  
Our hospital.*

**CMMC**  
*Central Montana Medical Center*

# 20 ANNUAL REPORT 17

# *A Message from our Board of Directors*

On behalf of the Governing Board for the Central Montana Medical Center, I thank all of you – the entire Central Montana area community – for your support of our hospital! Your support, which presents itself to us in so many ways, is critical to CMMC. As you well know, health care, especially in rural communities like ours, is facing and will continue to face many challenges. Along with the challenges, we face many opportunities and we are excited about those opportunities! Your hospital governing board, along with the hospital management team and the entire hospital staff are continuing to do all that we can to keep CMMC on the leading edge of health care and provide the quality care that all of us deserve. We are excited about the future! Again, thank you!

Dave Phillips, Chairman

## **CMMC GOVERNING BOARD EXECUTIVE COMMITTEE**



Dave Phillips  
Chairman



Doug Flament  
Vice-Chairman



Jennifer Saunders  
Secretary/Treasurer



Carl Seilstad  
Member at Large



Tamara M. Welsh, MD  
Member at Large

**CMMC Board Members include: Corry Arntzen, Brandon Bantz, Keith Cook, Nick Econom, Marvin Mauws, Michael Sura, MD, Pete Smith, Josh Webber, Eric Wood**

# *Our Mission*

**THE MISSION OF CENTRAL MONTANA MEDICAL CENTER IS TO BE THE LEADER IN ASSURING COMMUNITY BASED QUALITY HEALTHCARE.**

# Our Values

**COMPASSION - WE WILL BE AWARE AND RESPECTFUL OF THE LIFE SITUATION OF OTHERS AND TREAT THEM WITH COMPASSION AND CONSIDERATION.**

**ACCOUNTABILITY - WITH INTEGRITY, KNOWLEDGE, ACTION AND TRUST.**

**RESPECT - FOR DIGNITY, CARE AND CONCERN FOR ALL.**

**EXCELLENCE - AS A TEAM IN ALL WE DO.**

# Our Vision

- BE A HEALTHCARE PROVIDER FOR OUR REGION;
- DEDICATE OURSELVES TO INNOVATIVE EXCELLENCE IN CARE;
- COLLABORATE CARE FOR ECONOMICAL SERVICES WITH OTHER AGENCIES;
- BE THE LEADER IN PROVIDING HEALTH EDUCATION, PREVENTION, AND WELLNESS SERVICES TO PROMOTE INDIVIDUAL RESPONSIBILITY FOR HEALTHY OUT-COMES;
- PROVIDE FINANCIAL STEWARDSHIP FOR ECONOMIC HEALTHCARE;
- CREATE AN ENVIRONMENT IN WHICH ALL PARTICIPANTS FEEL VALUED AND RESPECTED;
- EMBRACE CHANGE WHILE EXPLORING TOMORROW'S NEEDS TODAY.



**Mike Dowdy**  
CEO

## *CEO Message*

The simple beauty of Central Montana drew me to Lewistown, the talent and compassion of those who serve this organization are quite simply the reason excellent healthcare is available in our own backyard today. Over the past two and a half years I have enjoyed the remarkable privilege of viewing Central Montana Medical Center from many unique vantage points - as a volunteer, as a patient, as a student and as your CEO. One of the most striking realizations I have gained is the quiet grace and selfless compassion present in our facility as we care for our family members, friends and neighbors. An extra set of hands to make the load a bit lighter to bare, a sympathetic touch during a difficult conversation, an encouraging word to endure that extra mile toward a long awaited goal or overtime spent completing a project when the reward will be long in coming - these are but a few examples that are silently present in so many areas of our facility and carried out without fanfare making CMMC an extraordinary place to serve. During the past year, collectively our organization has worked tirelessly and achieved unprecedented success in the areas of patient safety, financial viability, growth and outreach. These efforts are being recognized at the state and national level and I am so honored to be a part of a team of professionals that not only provide outstanding care to our neighbors, but that take pride in a job well done - this shows in all areas of CMMC and for that I am truly grateful to you all. I am humbled to serve beside you and look forward to the exciting journey ahead!

**Mike Dowdy - CEO**

# Medical Center Foundation

"To do nothing makes no sense to me, to give back to the place that you call home ...well, that just makes you feel good!" said [the-late] George Mueller. George and many other donors have provided economic stability for our hospital, and our community. These forward thinkers believe in the importance of becoming a part of the community, and part of that is donating to causes that make your hometown thrive. A donor couple in Grass Range recently stressed the importance of having a facility like CMMC close by. They give monthly to the Medical Center Foundation (MCF), primarily to permanent endowments, in which the principal remains intact and only the interest income can be spent. "Gifts to permanent endowments provide a perpetual source of income" said Ann Tuss, MCF manager.

MCF is under the investment umbrella of Central Montana Foundation. Both Foundations work closely together, sharing the Roundup newsletter and donor database. The Foundation has seen remarkable growth in its associated funds, ending the fiscal year with a \$2,356,973 balance. Net profits from annual fundraisers like Hospice, earned a total of \$32,265 along with \$1,500 benefiting CMMC's Cardiac Rehab Race.

The Foundation not only receives, but gives back, too. MCF awards small grants to non-profit organizations driven by a health-related need. This year we helped Boys and Girls Club, Relay for Life, MT Island Challenge, FHS After-Prom Party, "Drop In/Latch On" and Central MT Youth Challenge. On campus, Hospice House, Doctor's Day recognition, Judith Peak Sport's Enhancement and Employees in Crisis (H.O.P.E.) were all given a financial boost.

MCF welcomed four new members to the Advisory Board, while regrettably seeing ten year devoted members Jamie Sura and Mary Elings step down. New, diversified and talented women that joined the group are Laurie Ray, Terrie Dowdy, Dr. Laura Bennett and Jerry Carpenter.

Doing what we do, and doing it well, requires not only skill but requires a lot of money. We all know healthcare delivery is expensive, technology is pricey and building expansion is costly. That is why we rely on you, our community, to support your hospital. Whether in utilizing our services or donating to the Foundation, your support this year has allowed us to remain competitive, providing modern medicine in a fine facility with top notch staff ...right here at home. For that, we say:

## Thank you.



**Tough Enough to Wear Pink donors support CMMC cancer patients.**



## Medical Center Foundation Advisory Board

**Ann Tuss – Manager**  
**Karen Kuhlmann – Chairman**  
**Nancy Weaver – Vice Chair**  
**Dr. Laura Bennett**  
**Bob Bjelland**  
**Debbie Bricker**  
**Jerry Carpenter**

**Valerie Carr**  
**Terrie Dowdy**  
**Dolly Lee**  
**Jeana Morrison-Noel**  
**Laurie Ray**  
**Carol Swanby**  
**Jim Wier**



**Alan Aldrich**  
Chief Financial Officer

# Financials

The Fiscal Year that just ended, June 30, 2017 was a good year financially for Central Montana Medical Center (CMMC). Amid the continuing changes to financial reimbursement methodology and the pressure from Medicare, Medicaid and other Third Party payers to reduce those reimbursements, CMMC was able to achieve some of the best financial results in many years.

These financial results were able to be achieved because of many contributing factors. One of most impressive factors this year was the significant increase in hospital revenues and associated volumes. A lot of CMMC's costs are fixed so when revenues increase, there is an opportunity to impact the bottom line. For the first time ever, CMMC generated more than \$50 million in revenue, which was an \$8 million

dollar increase over last year. Expenses increased \$3.3 million while revenue deductions increased \$4.1 million.

While success should not always be measured in dollars and cents, it is good to have a solid foundation upon which we can build for growth and the opportunity to provide the quality healthcare services you have come to expect from CMMC. Thank you for your support of your local healthcare facility.

With the help of dedicated and engaged employees, physicians, volunteers and Governing and Advisory Board members, CMMC is looking forward to the future and more successful years to come.

## CENTRAL MONTANA MEDICAL CENTER COMPARATIVE BALANCE SHEET FISCAL YEARS ENDING 06/30/2017 AND 06/30/2016

	FY 2017	FY 2016	\$ CHANGE	% CHANGE
Current Assets	\$ 9,040,669	\$ 7,805,913	\$ 1,234,756	15.82%
Assets Limited as to Use	\$ 3,615,759	\$ 3,210,317	\$ 405,442	12.63%
Land, Buildings, Equipment	\$ 39,348,896	\$ 38,595,613	\$ 753,283	1.95%
Less: Accumulated Depreciation	\$ (27,492,506)	\$ (26,278,170)	\$ (1,214,336)	4.62%
Other Assets	\$ 2,908,618	\$ 2,901,198	\$ 7,420	0.26%
<b>TOTAL ASSETS</b>	<b>\$ 27,421,436</b>	<b>\$ 26,234,871</b>	<b>\$ 1,186,565</b>	<b>4.52%</b>
Current Liabilities	\$ 4,284,363	\$ 4,156,206	\$ 128,157	3.08%
Long Term Debt	\$ 4,412,769	\$ 4,678,162	\$ (265,393)	-5.67%
Fund Balance (Equity)	\$ 18,724,304	\$ 17,400,503	\$ 1,323,801	7.61%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 27,421,436</b>	<b>\$ 26,234,871</b>	<b>\$ 1,186,565</b>	<b>4.52%</b>

\*Subject to Audit final results.

### CENTRAL MONTANA MEDICAL CENTER SOURCE OF REVENUE ANALYSIS FISCAL YEARS ENDING 06/30/2017 AND 06/30/2016

	FY 2017	% OF TOTAL	FY 2016	% OF TOTAL	\$ CHANGE	% CHANGE
MEDICARE	\$20,207,670	37.7%	\$17,404,963	38.2%	\$2,802,707	16.10%
MEDICAID	\$ 6,285,451	11.7%	\$ 4,049,857	8.9%	\$2,235,594	55.20%
COMMERCIAL	\$21,529,804	40.2%	\$18,307,896	40.2%	\$3,221,908	17.60%
SELF PAY	\$ 1,992,473	3.7%	\$ 2,551,686	5.6%	\$ (559,213)	-21.92%
NON-PATIENT	\$ 3,534,399	6.6%	\$ 3,233,630	7.1%	\$ 300,769	9.30%
<b>TOTAL</b>	<b>\$53,549,797</b>	<b>100.0%</b>	<b>\$45,548,032</b>	<b>100.0%</b>	<b>\$8,001,765</b>	<b>17.57%</b>

### CENTRAL MONTANA MEDICAL CENTER STATISTICAL ANALYSIS FISCAL YEARS ENDING 06/30/2017, 2016, 2015, 2014 & 2013

	2017	2016	2015	2014	2013
<b>ACUTE</b>					
PATIENT DAYS	1,982	1,925	1,829	1,738	1,767
OCCUPANCY RATE	21.10%	20.04%	19.05%	19.36%	21.01%
<b>SKILLED NURSING CENTER</b>					
PATIENT DAYS	0	0	7,695	16,900	17,308
OCCUPANCY RATE	0.00%	0.00%	59.17%	54.47%	55.79%

\*Subject to Audit final results

**CENTRAL MONTANA MEDICAL CENTER**  
**COMPARATIVE INCOME AND EXPENSE STATEMENT**  
**FISCAL YEAR ENDED 06/30/2017 AND 06/30/2016**

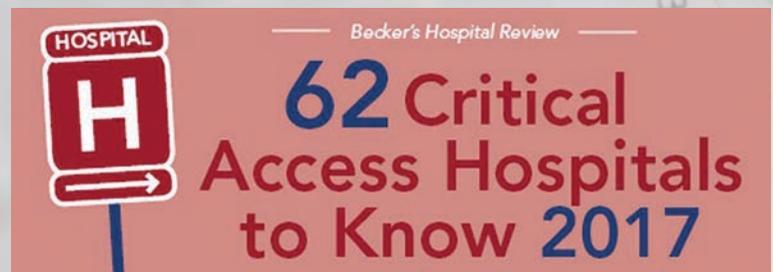
	<b>FY 2017</b>	<b>FY 2016</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
Patient/Resident Service Revenue	\$50,015,398	\$42,314,402	\$ 7,700,996	18.20%
Less: Revenue Deductions				
Medicare	\$10,552,131	\$ 8,141,941	\$ 2,410,190	29.60%
Medicaid	\$ 3,651,699	\$ 2,610,746	\$ 1,040,953	39.87%
Charity Care	\$ 800,332	\$ 658,000	\$ 142,332	21.63%
Provision for Bad Debts	\$ 725,850	\$ 1,231,027	\$ (505,177)	-41.04%
Other Deductions	\$ 6,218,530	\$ 5,186,525	\$ 1,032,005	19.90%
Total Deductions	\$ 21,948,542	\$17,828,239	\$ 4,120,303	23.11%
<b>NET PATIENT SERVICE REVENUE</b>	<b>\$28,066,856</b>	<b>\$24,486,163</b>	<b>\$ 3,580,693</b>	<b>14.62%</b>
Other Operating Revenue	\$ 2,956,102	\$ 2,481,346	\$ 474,756	19.13%
<b>TOTAL OPERATING REVENUE</b>	<b>\$31,022,958</b>	<b>\$26,967,509</b>	<b>\$ 4,055,449</b>	<b>15.04%</b>
Operating Expenses:				
Salaries, Benefits, Fees	\$17,938,716	\$17,014,787	\$ 923,929	5.43%
Supplies	\$ 5,343,606	\$ 4,462,953	\$ 880,653	19.73%
Utilities & Telephone	\$ 536,591	\$ 528,607	\$ 7,984	1.51%
Insurance	\$ 548,684	\$ 575,376	\$ (26,692)	-4.64%
Depreciation & Interest	\$1,708,051	\$ 1,879,665	\$ (171,614)	-9.13%
All Other Expenses	\$4,181,874	\$ 3,477,499	\$ 704,375	20.26%
Total Operating Expenses	\$30,257,522	\$27,938,887	\$ 2,318,635	8.30%
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 765,436</b>	<b>\$ (971,378)</b>	<b>\$ 1,736,814</b>	<b>178.80%</b>
Non-Operating Income	\$ 578,297	\$ 752,284	\$ (173,987)	-23.13%
<b>NET INCOME OR (LOSS)</b>	<b>\$1,343,733</b>	<b>\$(219,094)</b>	<b>\$1,562,827</b>	<b>713.31%</b>

\* Subject to Audit final results

# Awards



NATIONAL RURAL HEALTH ASSOCIATION



Bull Elk bugles to locate herd

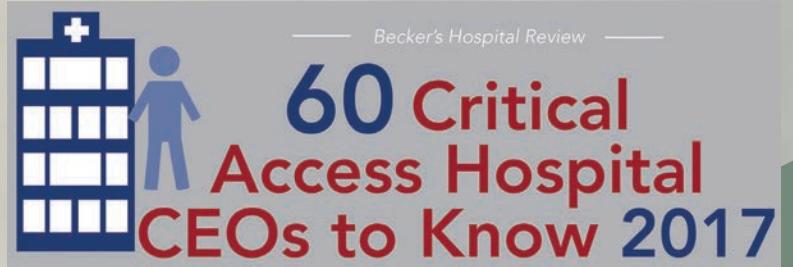
TOP 20 Critical Access Hospital/National Rural Health Association (2 years in a row)

TOP 100 Critical Access Hospital/iVantage (3 years in a row)

TOP 62 Critical Access Hospital/Becker's Hospital Review (2 years in a row)

Beckers Top 60 Critical Access Hospital CEOs to know - Mike Dowdy (2 years in a row)

TOP 10% Patient Safety (all hospitals)/Healthgrades)



**Dr. Laura Bennett was awarded the Montana Family Physician of the Year award by the Montana Academy of Family Physicians for her outstanding service to her patients and community.**



**CMCM is recognized as one of the top Evident/CPSI users among mid-size hospitals and in years past served 3 years as a beta test site for new programming.**



**CMCM's emergency room staff received an award from the Performance Improvement Network. The award is in recognition of our dedication to improving patient safety by improving Emergency Department Transfer Communication.**

# Highlights - Fiscal year 2017

A cowboy, his horse, and dog work in the rain in Central Montana | Photo by Todd Klassy

## CENTRAL MONTANA MEDICAL CENTER SIGNED A FORMAL AFFILIATION AGREEMENT WITH THE BILLINGS CLINIC

CMMC began the process of looking for a partner four years ago and after several years of hard work and careful consideration, the Billings Clinic was chosen as our new partner.

In the new agreement, Billings Clinic will provide management services including access to additional resources, training and support. This new affiliation also provides a wide range of ways our two organizations can collaborate to enhance patient care in Lewistown and the surrounding area.

Billings Clinic has regional partnerships with 12 hospitals or medical centers across eastern Montana and northern Wyoming.



Pictured is Dr. Randall Gibb, CEO of Billings Clinic and CMMC Board Chairman, Dave Phillips.





## YOUDERIAN RECEIVES IMPACT CERTIFICATION

Rosemary Youderian, FNP-BC, passed the certification to be a credentialed ImPACT provider.

Clinicians who have earned the title of Credentialed ImPACT Consultant (CIC) have undergone specialized ImPACT training to offer state-of-the-art concussion care management to their patients. CICs are part of ImPACT's national network of hundreds of healthcare providers who are leaders in clinical concussion care within their communities.



## CMMC RECEIVED INTERNATIONAL “BABY FRIENDLY” DESIGNATION

Baby-Friendly USA, announced that Central Montana Medical Center has received the prestigious international recognition as a Baby-Friendly Designated birth facility.

Baby-Friendly USA, Inc is the U.S. authority for the implementation of the Baby-Friendly Hospital Initiative (“BFHI”), a global program sponsored by the World Health Organization (WHO) and the United Nations Children’s Fund (UNICEF). The initiative encourages and recognizes hospitals and birthing centers that offer an optimal level of care for breastfeeding mothers and their babies. Based on the Ten Steps to Successful Breastfeeding, this prestigious international award recognizes birth facilities that offer breastfeeding mothers the information, confidence, and skills needed to successfully initiate and continue breastfeeding their babies. There are more than 20,000 designated Baby-Friendly hospitals and birth centers worldwide. Currently there are 357 active Baby-Friendly hospitals and birth centers in the United States. The “Baby-Friendly” designation is given after a rigorous on-site survey is completed.



Local family - the Rinaldi's | Photo by Kate Jenni Photography



## NEW EMTB COURSE

CMMC EMS is in the final stages of a National Registry Emergency Medical Technician Basic level course (NREMTB). This course began in May 2017 with 11 participants and is currently scheduled to test 9 of the participants on September 17, 2017. The course length is 120 hours with an additional 16 hours of clinical. The clinical hours are split between the Ambulance ride time and emergency room observation. This course moves quickly with written and practical examinations weekly. Central Montana Medical Center Emergency Medical Service is hoping to retain 7 individuals from this course.

## NEW CARE COORDINATION DEPARTMENT

Central Montana Medical Center is the recipient of a three-year federal grant designed to improve the quality of small, rural hospitals. As a part of this vital endeavor and central to our quality improvement initiative, CMMC's Care Coordination department plans and implements specialized care plans for patients to achieve better individual health, gain greater access to health care services and ultimately reduce the cost of those services. This patient-centered, innovative model provides an additional level of care to patients managing chronic conditions, with a focused goal of improving the health of individuals who suffer from one or more chronic illnesses such as diabetes, obesity or cardiovascular disease. Care Coordinators offer assistance through clinical health coaching with referrals and transitions to team care management and specialty resources, medical and disease management. These dedicated individuals also provide assistance with basic elements of the health care environment such as the completion of health related forms, referrals for diabetic education or weight loss programs and support groups, assistance with resources for maintaining participation in the CMMC Fitness Program or simply organizing a book club. The Care Coordination team at Central Montana Medical Center facilitates healthy, sustainable behavior change by challenging a patient to listen to their inner wisdom, identify their values, and transform their goals into action.



## NEW PFT MACHINE FOR RESPIRATORY CARE

Cardiopulmonary Care purchased a new, CareFusion Vmax Cart Vyntus, PFT (Pulmonary Function Test) system to replace their previous system that was purchased in 2003.

PFT's can help diagnose and monitor, COPD, Pulmonary Fibrosis, Asthma, Bronchitis, and other obstructive or restrictive diseases. It can also be used to test for Aveolar air exchange.



A topographic map of Ackley Lake, showing the lake's shoreline and surrounding terrain with contour lines. The lake is labeled "Ackley Lake" and "4300".

## **CMMC NAMED RESIDENT PHYSICIAN TRAINING SITE**



Photo by News-Argus

CMMC has always had an emphasis on teaching and training medical students and residents. This year CMMC was able to grow our teaching and training to an exciting new level. The Billings Clinic Internal Medicine Residency program out of Billings, MT named CMMC one of two rural training sites. CMMC had a total of 7 Resident Physicians rotate through CMMC for 2016-2017, and for 2017-2018, there will be 9 Resident Physicians. Dr. Sura & Dr. McMahon are the preceptors for the Internal Medicine Residents. In addition to the Internal Medicine Residency program, CMMC was named a rural training site (1 of 10) for the Western Montana Family Medicine Residency program. 2 – 3 Resident Physicians will rotate at CMMC throughout the year. Dr. Marchion is the preceptor for the Family Medicine Residents. Both residency program rotations are a month long. CMMC is striving to build a pipeline of students and residents that someday would like to practice medicine in Lewistown.



## NEW AMBULANCE

Central Montana Medical Center was fortunate to replace LA1 our 2002 Type III Ford Lifeline with a new BRAUN 2016 Responder Type III Modular Freightliner Sprinter 4x2. The new 2016 Braun is a very welcome replacement of the 2002 Lifeline that had 210,000 miles on it. The new LA1 ambulance will be used mainly to transfer patients to Great Falls or Billings and as a 911 backup ambulance.



Antelope buck looks over field

# Auxiliary

Ladies wearing pink jackets and men wearing red vests are a treasured sight at CMMC. Whether they are manning the Gift Shop, baking cookies, knitting hats, delivering the mail or greeting our guests, the CMMC Auxiliary has been providing support in abundance since 1961. This esteemed group of individuals are always willing to provide assistance with any project and host countless fundraisers such as garage sales, book sales, bazaars and raffles. This year, with support from the Central Montana Foundation and CMMC, the Auxiliary was able to award \$5,500 in scholarships to eleven local recipients. The Auxiliary approved over \$8,400 in items on the CMMC facility wish list. These items included a Vascular/Fetal Doppler and Otoscope for the ER, Workout CDs for the Fitness Center, Vein Finder for the Lab, Vitals Monitor for the OR and Sensor Chair for the Acute Care area. These dedicated men and women logged over 5,000 volunteer hours in 2016-17 with 89 active

members and 14 lifetime members. Thank you auxiliary members for your hard work and dedication to the mission and vision of CMMC!



# Volunteer

The very definition of a volunteer truly encompasses the exceptional group of individuals that dedicate countless hours of service to Central Montana Medical Center. Whether serving on CMMC's Governing Board, Auxiliary, Skilled Nursing Center Activities Volunteers, Hospice Volunteers, Summer Youth Program, Chaplain Services, Home Care Services, or the Medical Center Foundation Advisory Board, their collective time, wisdom, talent and compassion are a vital component in the success of CMMC. Over 250 volunteers dedicate their time to compassionately convey our mission, vision and values and we wish to express our heartfelt gratitude!



# A NEW ADDITION FOR CMMC

Central Montana Medical Center has been involved in medical education for many years which has included being a training site for local and out-of-state medical students. We are excited to now be a training site for residents, also.

One of the requirements of being a rotation or training site for some of these programs is a provision of guaranteed housing for the students.

Several of the programs will reimburse the hospital for their students housing, but it has been challenging to find available space in a tight rental housing market here in Lewistown.

To meet the requirements for this provision, CMMC purchased the apartment building located at 802 W. Main Street. The building houses 4 apartments and an office.

This purchase will not only meet the guaranteed housing program requirements for the medical training programs, but will allow CMMC to invest in an asset instead of spending money on rent. Payments from these training programs to CMMC will offset much of the cost of the acquisition.

Depending upon availability, the apartments may also be used during the recruiting process of other staff and physicians.



**DOLLARS SPENT LOCALLY  
BY CMMC | \$1,811,001.20**

**LABORATORY  
TESTS DONE  
60,503**



**AMBULANCE  
SERVICE AREA  
7,864**



**MILES OF  
SERVICE  
AREA  
4,350**



**BABIES BORN  
81**

**ER PATIENTS  
6183**



**STAFF | 308**



**SURGERIES | 612**

# Medical Staff



Daniel R. Alzheimer, MD



Laura L. Bennett, MD



Brian K. Church, DPM



Annette C. Comes, MD



Jacob P. Forke, MD



Cathy A. Holmes, DO



William R. Holmes, DO



Amy A. LePage, MD



Christina S. Marchion, MD



Joan M. McMahon, MD



Shelly Poss, FNP-BC



Benjamin W. Simpson, MD



G. Scott Smith, MD



Michael E. Sura, MD



Donna Vantassel, AGNP-BC



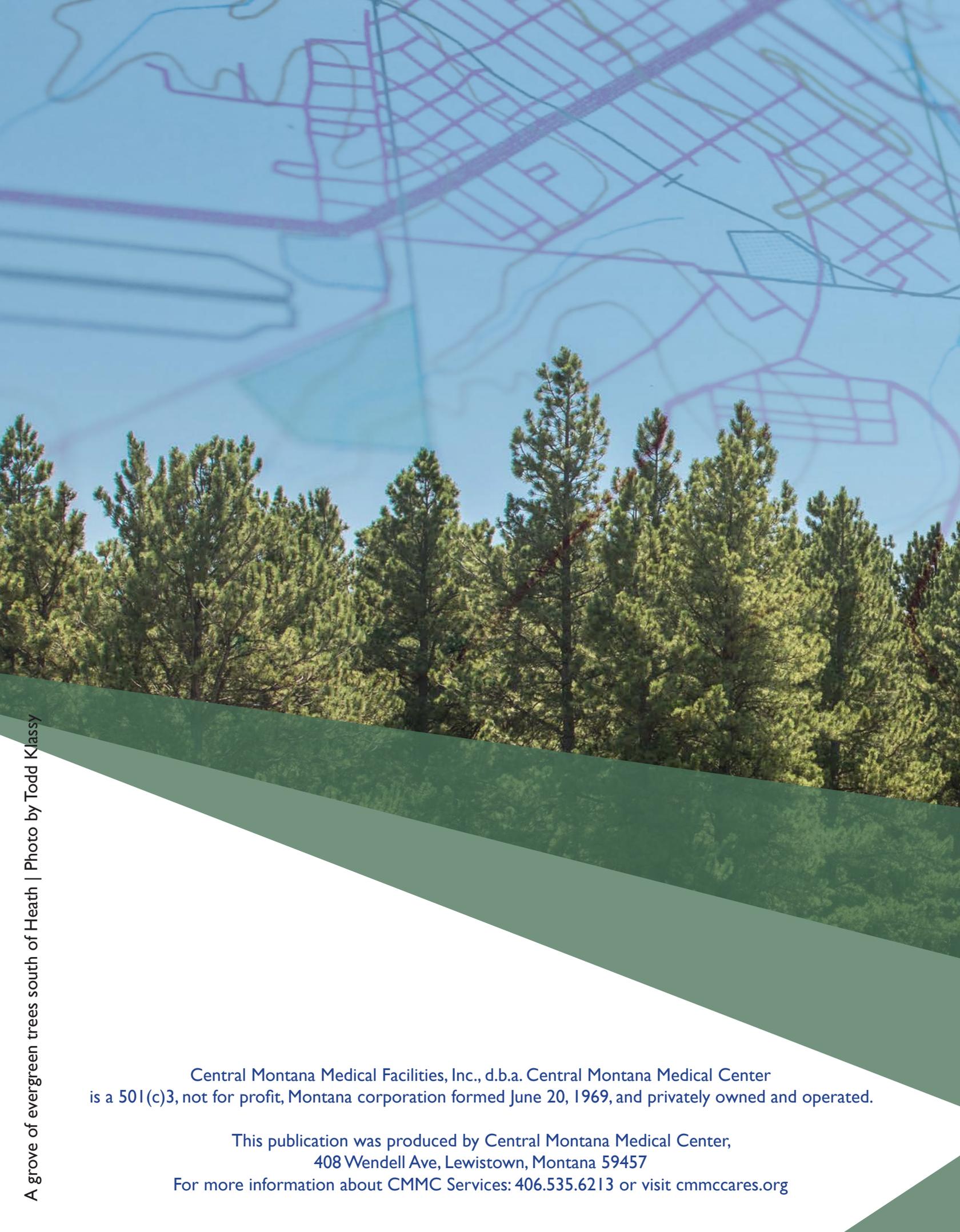
Tamara M. Welsh, MD



Rosemary Youderian, FNP-BC

## Consulting/Visiting Physician Specialists:

**Allergy/Immunology; Anesthesia;  
Cardiology; Dermatology; Endocrinology;  
Internal Medicine; Nephrology; Neurology/  
Telestroke; Oncology; Ophthalmology;  
Orthopedics; Otolaryngology (ear, nose,  
throat); Pain Management; Pathology;  
Podiatry; Radiology; Radiation Oncology;  
Rheumatology; Urology**



A grove of evergreen trees south of Heath | Photo by Todd Klassy

Central Montana Medical Facilities, Inc., d.b.a. Central Montana Medical Center is a 501(c)3, not for profit, Montana corporation formed June 20, 1969, and privately owned and operated.

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