

MOVING FORWARD.



Together.

ANNUAL REPORT FOR JULY 1, 2008 - JUNE 30, 2009

A year of progress and preparation.



 VALLEY COUNTY
HEALTH SYSTEM

Our Philosophy



Valley County Health System is dedicated to providing the best healthcare in Central Nebraska. We strongly believe that our vision, mission and values set us apart.

At Valley County Health System you and your family will experience our caring difference. Our patients are our priority - our patients are our friends and neighbors.

Vision

Our vision is to be the healthcare provider of choice.

Mission

Valley County Health System's mission is to provide quality, personalized, convenient healthcare and promote community wellness with compassion, dignity and respect.

Values

Each Valley County Health System employee must uphold and maintain our four core values: Compassion, Attitude, Respect, Excellence.

A NEW FACILITY *To Serve You*



Dear Community:

Welcome to Valley County Health System. We are here to serve you and to provide optimal care to you and your families every day of the year. For more than 90 years Valley County Hospital, now Valley County Health System, has existed for one purpose; to positively impact the health and well being of the people we are privileged to serve. We are dedicated to serving the many health needs of the region's families and advancing the standard of medical care for this part of our central Nebraska community.

Guided by our board of directors, led by our medical staff and executed by our caregivers, our focus and effort is committed to providing excellent care and service, every day to patients from our communities.

Today at Valley County Health System, quality and patient safety are a part of everyone's job description. We know that all 250 of our valued employee staff are focused each and every day in fulfilling those expectations to you. Our corporate culture must continue to emphasize having positive patient and family outcomes and that includes our employee's professional expertise delivered to your satisfaction. We do believe that employee satisfaction empowers employee ownership and commitment to ensure that we do everything necessary from a quality and safety perspective to achieve high patient satisfaction levels.

We are excited about new opportunities to improve health care for you and your family. As we continue to provide expanded excellence in our long term care, home health and hospice services, we have also embarked upon a building project that will preserve and enhance state of the art healthcare for inpatient and outpatient care in this central Nebraska region. Our new hospital, scheduled to open in the fall of 2010, has been designed with the future in mind; both from a strong healthcare delivery perspective as well as an integrated community connection. We thank you for your continued support toward ensuring the best available healthcare will be right here for you and your families for decades to come.

Visitors are always welcome at our facility. We also encourage you to visit our new web site, www.valleycountyhealthsystem.org on a regular basis, in order to read about health care updates and learn about upcoming events.

Chief Executive Officer



In Recognition



Fischer Named 2008 Trustee of the Year

Kara Fischer, Chair of the Valley County Health System Board of Trustees, was chosen as the recipient of the prestigious Nebraska Hospital Association's 2008 Trustee of the Year. She was honored at the Caring Kind Luncheon on October 31, 2008. Kara has served on the VCHS Board for eight years and has been board chair since 2003.



Kearns Honored at Caring Kind Luncheon

Linda Kearns, Medical Clinic Receptionist at Ord Family Health Center, was honored at the Nebraska Hospital Association's Caring Kind Luncheon on October 31, 2008. The luncheon, held during the NHA Annual Convention was held at the Cornhusker Marriott in Lincoln with more than 500 people in attendance.

Breitkreutz Recipient of Chamber of Commerce Employee of the Year

Jeff Breitkreutz, PA-C at Valley County Health System was named the 2008 Employee of the Year at the Ord Area Chamber of Commerce Annual Banquet held on Saturday, February 28, 2009. His nomination read, "He gives a tremendous amount of his time back to the community. He has demonstrated his love for helping others through his church, a mission trip to Paraguay and by following up with patients on his own personal time."

VCHS Employees of the Quarter

- 1st Quarter: Jackie Stepanek, Rehab Services
- 2nd Quarter: Broc Dahlsten, Maintenance
- 3rd Quarter: Deb Jeffres, Specialty Clinic
- 4th Quarter: Carollee Krahulik, Medical Clinics

These employees are featured on the front cover of this annual report. Left to right: Dahlsten, Krahulik, Stepanek, Jeffres

VCHS Auxiliary Surpasses \$40,000 in Donations

Since the Valley County Health System Auxiliary opened the Second Hand Rose Thrift Shop in downtown Ord in 2005, their contributions to VCHS totaled more than \$42,000 through June 2009.

Home Health Deficiency Free

VCHS Home Health completed a federal Medicare Recertification survey on March 20th. The final survey report showed VCHS Home Health to be deficiency free and indicated compliance with the Medicare Conditions of Participation for Home Health Agencies. Based on the reviews, the survey summary indicated that VCHS Home Health provides care that promotes a high potential for reaching the highest attainable levels of functioning for its patients.

Karre Named VCHS Outstanding Hospice Volunteer

Dale Karre, volunteer for Valley County Hospice, was honored as Ord's outstanding volunteer at the 2009 Nebraska Hospice and Palliative Care Partnership's (NHPCP) annual awards banquet. Each Hospice program in the state can nominate an outstanding volunteer to be recognized and honored at the banquet.

Dale and his late wife, Shirley, began as Hospice volunteers in Ord when it was still a satellite program of Good Samaritan Hospice. Dale has continued volunteering with Valley County's Hospice program, which began in the fall of 2006. Dale brings compassion, caring and a special understanding to the Hospice patients and their families.

2009 Employee of the Year



Recognizing employees through an award program has been a long tradition at the hospital. Broc Dahlsten, Maintenance Technician was named employee of the year at

Valley County Health System. Broc was selected as Employee of the Quarter at Valley County Health System in January 2009 by fellow employees. He received the Employee of the Year award from among the other three Employees of the Quarter. Broc was also nominated for the Nebraska Hospital Association's Caring Kind Award.

Small Steps...Giant Leaps

VCHS BREAKS GROUND ON REPLACEMENT HOSPITAL

A large crowd of approximately 250 was in attendance as Valley County Health System broke ground on a new 68,000 square foot replacement hospital facility on Tuesday, October 7, 2008. The celebration took place at the new building site near 27th and M Streets in Ord.

Remarks were made by VCHS Board Chair Kara Fischer, Valley County Supervisor Chairman Bob Sevenker, Honored Guest Governor Heineman and VCHS CEO Larry Schrage. Following the remarks and groundbreaking ceremony, Valley County Health System hosted business after hours, which included a virtual tour of the new building and hors d'oeuvres.



BIDS AWARDED FOR NEW HOSPITAL

At a special board meeting on March 26, 2009, the Valley County Health System Board of Trustees approved the Guaranteed Maximum Price (GMP) proposal from the Design/Builder, TSP, Inc. the firm providing planning, design and construction services for the project. This action authorized the award of the final 17 bid packages for the construction of the new 68,600 square foot replacement hospital.

Over 90 contractors vied for the 17 contracts and the competition resulted in very favorable bids which will keep the project well within budget. Last fall contracts had been awarded for site work, footing and foundation work and structural steel with the major earthwork being completed before winter set in. At this time the project is ahead of schedule with the footing and foundation work nearly complete and the steel structure being erected. The project is scheduled for completion by October 1, 2010.

BOND ISSUES COMPLETE

On May 13, 2008 Valley County voters gave their approval to a \$21.265 million dollar general obligation bond issue, proceeds to be applied toward the construction of a new hospital.



Valley County Health System announced that on Thursday, June 25, 2009, the fourth and final issuance realized \$6.035 million dollars in bond sales. The sales rate for this issue was 4.89%, which is favorable to original estimates.

Marc Munford, Assistant Vice President with Ameritas Investment Corporation, appeared before the Valley County Board of Supervisors on June 9 to announce the presale of the additional \$6.035 million in bonds. The combined sales volume, with the \$7.22 million sold in August, the \$2.68 million sold in October and the \$5.33 million in January now totals the full \$21,265,000 approved by voters in 2008. This issue was sold once again to Nebraska area banks and investors. The aggregate sales rate for all bonds sold is 4.97%, which is still positive to original estimates.

The sequential sale of the four issues over a one year period of time will save the hospital more than \$400,000 in interest and financing costs during the period of construction, compared to the original estimates.



All our dreams can come true if we have the courage to pursue them. - Walt Disney

Breaking Ground on our new ——— ——— *Healthcare Destination*



BOILESEN FAMILY DONATES \$22,500 FOR CHAPEL

Gaylord Boilesen and his three sisters, Janis Masters, Carol Burrow and Ila Ballou, have made a commitment of \$22,500 for a chapel in the new hospital facility. This contribution will be in memory of their parents Floyd and Mildred Boilesen.

Mr. Boilesen gave remarks to kick off the 10th annual VCHS Foundation golf tournament auction by saying his parents moved to Ord 50 years ago and they were always proud of the community in which they lived. Floyd passed away 21 years ago and Mildred passed five years ago. The children have always wanted to make a contribution in their memory.

Gaylord went on to say that Ord is extremely fortunate to have the new hospital project and should be proud of what this will mean to the community. The family will donate \$7,500 per year for three years toward the new chapel. The family encourages others to think of similar contributions that could be made.

Valley County Health System thanks the Boilesen family for their generous gift and has enjoyed working with them to develop the plans for the chapel in the new hospital facility, which will be completed in 2010.

BURSON DONATION ALLOWS GLVA TO COMMIT \$400,000 FOR THERAPY POOL

The Greater Loup Valley Activities Board of Directors has committed \$400,000 for an aqua therapy pool and associated room in the Rehabilitation Department in the new Valley County Health System facility. The source of this donation comes from the \$1,000,000 given by Alfred and Irma Burson during their lifetime and from Alfred's estate.

The aqua therapy pool offers additional treatment options for rehab patients. Availability of a local therapy pool will fulfill a wish of Mr. Burson as he experienced the value of this therapy during his own stroke rehabilitation. The warmth, buoyancy and gentle resistance of water offers important benefits for people who are recovering from an injury or illness. It is also useful in managing diseases with chronic pain such as arthritis. More specifically, people with limited mobility can perform walking, strengthening, flexibility and range of motion exercises in the water that are difficult or painful to complete on land. Warm water is also very soothing to painful joints or muscles and relaxes tight or spastic muscles.

Alfred was chairman of the Valley County Board of Supervisors at the time the existing hospital bond issue was passed. He was very supportive of the project and the GLVA Board feels he would be pleased with the use of a portion of his donation for the aqua therapy pool.

Valley County Health System thanks the Burson family and the GLVA Board for this commitment of funding to provide additional rehab services in the new facility.



Committed to Excellence



At Valley County Health System we are committed to preserving, enhancing, and strengthening the health of the communities we serve. Each year we strive to make improvements in the quality of care offered through a variety of measures, including an investment in new equipment and technology designed to improve patient care and satisfaction and help the hospital run more efficiently.

MEYER JOINS MEDICAL STAFF

Jane Meyer, Advanced Practice Registered Nurse (APRN-NP), joined the VCHS medical staff on June 15, 2009. She joined other mid-level practitioners (PA-C's) and will be seeing patients at Ord Family Health Center.



VCHS ADDS NEW ULTRASOUND TECHNOLOGY

Valley County Health System has acquired the iU22 ultrasound system from Philips Medical Systems, providing advanced diagnostic imaging capabilities with an intelligent system interface that streamlines ultrasound and echocardiogram exams for patients and clinicians.

BOARD APPROVES IN-HOUSE MRI FOR NEW FACILITY



At the March 18, 2009 board meeting, the VCHS Board of Trustees approved the purchase of a Siemens Magnetom Essenza MRI. The MRI will be placed in the new hospital, which will allow for 24/7 availability.

The Siemens MRI offers the following benefits:

- Faster exams
- Comfortable exams, with ultra-lightweight coils
- More "head out" exams, thanks to the ultra-short magnet design
- Shorter exams with flexible combinations of up to four different coils
- Improved diagnostic confidence with 1.5T image quality

The new MRI will replace the mobile unit that VCHS currently utilizes two days each week.

Giving Back

VCHS Contributes to Make Christmas Happen

In 2008, Valley County Health System contributed \$1,960 to Make Christmas Happen, a local project providing holiday assistance to families in Valley County. A sum of \$1,000 was provided from the annual wreath auction held at VCHS and \$960 was provided from the raffle proceeds from the Annual Celebrate Being a Woman Event sponsored each year by VCHS.

Health Fair Provides Health Screenings

The first annual Valley County Health System Health Fair was held in June 2009. The theme for the fair was "Bee Healthy...Buzzing Your Way to Wellness." A total of 118 people participated in the health screen and/or PSA blood tests. Others came to browse the 29 vendor booths and eat breakfast. The Health Screen was a comprehensive blood test for only \$35 and the PSA was a blood test for prostate cancer for only \$15. VCHS plans on holding another health fair this coming summer.



Fitness Classes Offered to Community

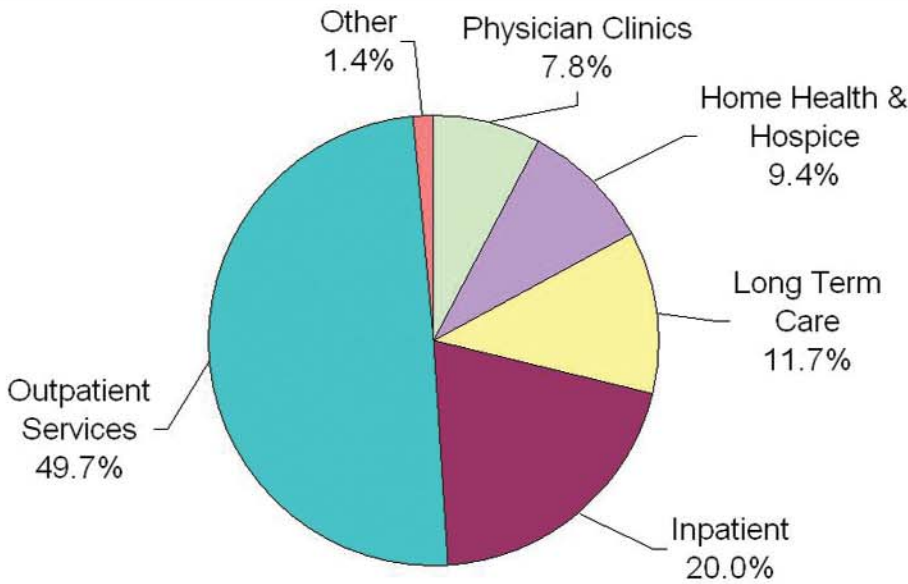
Valley County Health System offered a variety of fitness classes for the public during the past year. Johnathan Tomjack, Personal Trainer at VCHS, instructed core conditioning and toning classes. Sheri Schrage, Certified Health Fitness Instructor through the American College of Sports Medicine, instructed water aerobics, low impact aerobics and toning and a tai chi class. Valley County Health System donated \$1,000 to the City of Ord for the use of the swimming pool for the water aerobics class.

Local Food Pantry Receives Food from VCHS Employees

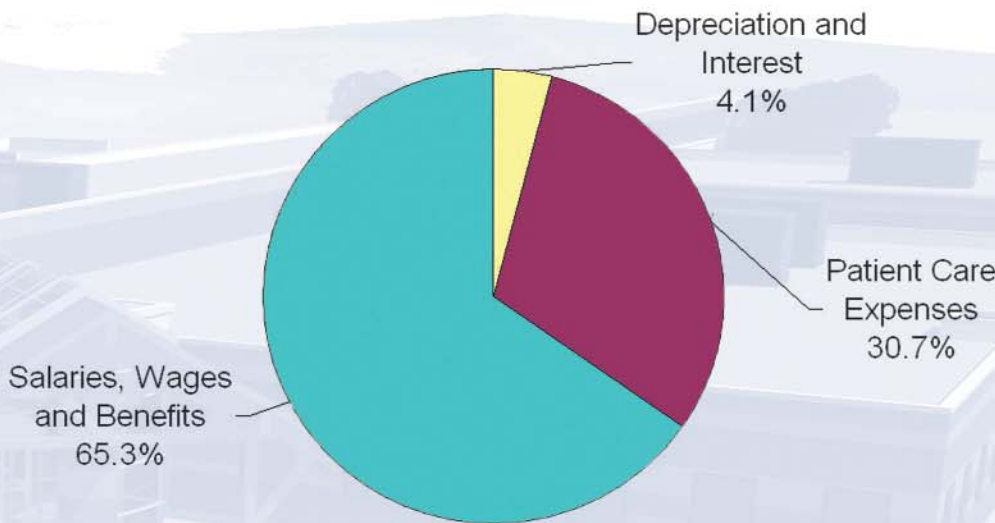
During National Nutrition Month, VCHS employees were asked to donate food items to be given to the Ord Food Pantry. A goal of 250 pounds was set. This goal was not only met, but more than doubled, for a total of 580 pounds of food.

2008-2009 FINANCIAL REVIEW

OUR REVENUE



OUR OPERATING COSTS



OUR COMMUNITY SUPPORT

Community Support.....\$280,300

Valley County Health System is committed to treating all patients in immediate need of medical services, regardless of their ability to pay. We also provide outreach education and health screenings to benefit the community. During the 2008-2009 fiscal year, Valley County Health System provided more than \$280,300 in various forms of community support, including charity care, uncompensated care for the uninsured and underinsured, free education classes, public transportation and other outreach activities.

OUR FINANCES

Gross Revenue.....\$22.7 million

Net Revenue..... \$16.6 million

Total Assets.....\$24.6 million

Cash & Savings.....\$ 2.3 million

Payroll & Benefits...\$10.5 million

OUR PATIENT CARE STATISTICS

July 1, 2008 – June 30, 2009

Hospital Admissions **495**

Hospital Days of Care **2,966**

Long Term Care Admissions **42**

Long Term Days of Care **15,772**

Medical Clinic Visits **10,108**

Home Health Visits **13,662**

Hospice Visits **2,398**

Specialty Clinic Visits **3,529**

Emergency Department Visits **1,494**

Physical Therapy Visits **9,689**

Occupational Therapy Visits **1,850**

Laboratory Tests **120,129**

Surgical Procedures **237**

Heritage Sessions **3,434**

Radiology Tests **5,307**

Cardiopulmonary Tests **3,283**

Wound Care Visits **521**

From our beginning in 1919 to breaking ground on our new 16 bed facility, which will open its' doors in 2010, Valley County Health System continues to grow and serve residents of Valley County and surrounding counties. We are proud of our first 90 years and are even more proud to know we will be serving Ord and the surrounding communities in a new facility for decades to come.

Together, we will continue to provide quality healthcare to those we serve.



Kara Fischer
Chairperson



Carl Streeter
Vice-Chairperson



Garry Miska
Secretary



Eulalia Edwards
Board Member



Dennis Greenland
Board Member



Jennifer Bengston
MD



Bernard Keown
MD



Jane Meyer
APRN-NP



Jeff Breitkreutz
PA-C

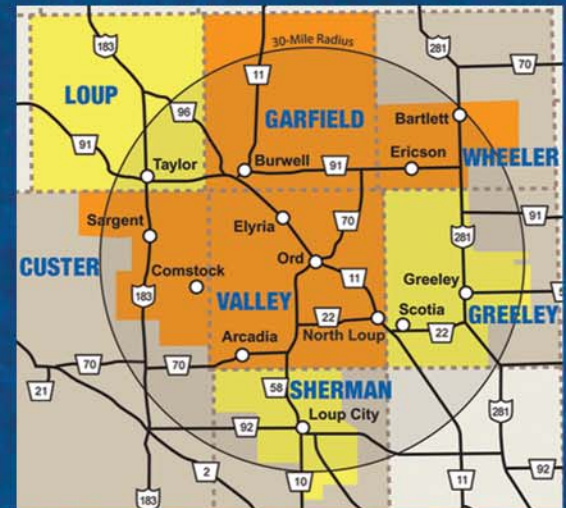


Robert Reilly
PA-C



David Farrar
PA-C

Valley County Health System Service Area



Valley County Health System

- Primary Service Area
8,609 People
- Secondary Service Area
3,712 People

Source:
Hospital Records
and
2000 Census Data

 **VALLEY COUNTY HEALTH SYSTEM**
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