



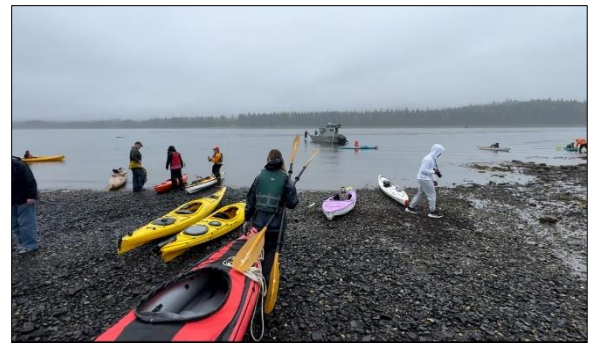
Petersburg Medical Center

Borough Assembly Report – Aug 2024 – Phil Hofstetter, CEO

FY24-28 Strategic Plan Goals, Priorities, and Benchmarks

Community Engagement:

- July 1st: PMC reported out at the Borough Assembly meeting.
- June 25th: KFSK Radio PMC Live.
- July 27: PMC Foundation's annual fundraiser Pedal/Paddle Battle. At this annual event, participants bike or paddle from Scow Bay to Sandy Beach to raise funds to support staff education and high school scholarships. We raised over \$17,000 and had over 53 people participate in the event.
- Rep. Mary Peltola will arrive in Petersburg for a schedule tour of the PMC- old facility and new site on Aug.10th.
- Steel has arrived at the New Facility site for the WERC building and the structure is raised.



Financial Wellness:

- Accounts Receivables (AR) is still hovering around 80 days. Despite various efforts to improve with the 3rd party PMC over the past year we are beginning the process of in-house revenue cycle. This is highly indicative of the challenges with healthcare, payors and reimbursement across the industry. In-house revenue cycle will allow more internal controls as well as provide more local employment opportunities, reduces costs and is better for working with the community.
- PMC ended the FY24 in a positive position as reported in the last board meeting on July 25th.
- Community hospitals often report "write-offs" or uncompensated care as a metric of benefit for the local community. PMC reported in FY23/24 (2 years) writing off an estimated \$928,000 in charity care and \$507,000 in bad debt for the same years. There were \$29,000 in early pay discounts and \$27,000 in late fee write offs for the same time frame.
- Grants secured for FY24 (including multi-year grants) for programs are almost \$1M currently and we have approximately another \$1M pending program grants. Secured grants include \$116,375 awarded for Summer ORCA Camps, Teen Mental Health First Aid, and School-Based Health Services Grant.
- The capital grants include our existing multi-year \$20M Department of Treasury grant, \$8M for the HRSA grant. A total of (3) grants are pending for capital FY25 totaling ~\$6 million.



Workforce Wellness:

Guiding Values: Integrity - Dignity - Professionalism - Team Work - Quality

- As health insurance costs and premiums continue to rise nationwide, PMC has also experienced an increase. This year, PMC insurance premiums increased by 10.9%, reflecting a broader trend seen across the country. National statistics indicate similar hikes, underscoring the growing financial burden on both employers and employees in the healthcare sector. PMC did see a return of some funding as part of a partially self-funded plan that will get re-invested into our Wellness program to employees to reduce the insurance premiums.
- The PMC newsletter for Q2 was sent out and available online with a great highlights of the quarter, thanks to Julie Walker.
- HR and PR will be working on a campaign to increase our visibility for jobs in Southeast as well as in Anchorage and Fairbanks. Turnover rate for PMC in FY 24 was 18%, down from the previous year but the vacancy rates are high in specific areas that we will need a fresh approach and focus to improve for FY25.



Facility:

- PMC, along with the facility director and Arcadis, conducted a routine walkthrough of our current facility to reassess major component failures identified in the 2015 Facility Assessment. These are now being evaluated from beyond end of life to potential imminent failure, that may arise in FY25. Among the issues that are of recurring concern are the cast iron sewer pipes. We will be evaluating a strategy to determine a plan to address. This is extremely challenging due to the regulatory code upgrade requirements. The lifespan of our current facility is undoubtedly continuing to risk a catastrophic failure with risk of impacting the healthcare in Petersburg. Energized efforts toward capital funding will be necessary to keep new facility project moving forward.
- PMC began site tours of the new facility area on July 26th and will recur every Friday at 5:30pm. This will be open to the public with a sign-up link.
- Site preparation is complete for the full 4.9 acres of wetlands permitting. We are still awaiting word if PMC was awarded the Denali Commission grant funding request of ~ \$2M that was submitted earlier this year.
- The WERC building continues to be on time and within budget. A steering committee is scheduled on Aug 5th to full inform the team on each aspect of the project.
- PMC made Federal Senator Murkowski's initial cut of the appropriation list for \$3M. This still requires approval but marks an important



recognition of the project’s significance. As the state capital budget, Governor’s budget, and state bond approaches, I encourage the community to continue advocating for this project to maintain its status as the Borough’s top federal and state priority for the next fiscal year. This is crucial for securing grants and funding. Additionally, while a USDA direct loan remains an option, it should be considered only as a last resort.

- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab: <https://www.pmcak.org/new-building.html>.

Patient-Centered Care:

- The July 22nd – July 26th Orca Camp kayaking expedition took place with 12 Petersburg youth ages 12 – 16 that was extremely successful. This was part of a community foundation grant that brought in Onward and Upward group to provide this experience. It was an amazing success and we hope to offer this next summer as well.
- Telehealth has grown considerably in the past year and PMC has Kaitlin DuRoss



Rathman, PT now working with virtual visits for wound care, Dr. Hyer available for virtual primary care visits, Brandy Boggs as patient navigator working with the community on complex health insurance benefits, enrollment, VA and coordination, Pat Sessa, MSW LCSW with behavioral health and Dr. Sonkiss for telepsychiatry.

- PMC has seen a large increase in ER an inpatient the past two months.
- Primary care continues to increase access to the community for same day appointments, established patients, well child, prevention visits and routine care.

