



2015

Community Benefit Report

Realizing that health care delivery would be much different in the future, the Scotland Health Care System Board of Trustees agreed that we must significantly change. In order to best serve our region and to sustain ourselves, the Board adopted a new, bold, and critical Mission, Vision, and Values statement.

This new mission is to work with our health care partners to create and operate a patient-centered, integrated system to provide:

SAFE, HIGH QUALITY, COMPASSIONATE, AND SUSTAINABLE

Health Care to the people we serve. Key new components to carry out this mission include:

- Increase *Integration and Coordination of Patients and Information* throughout our System and with our partners.
- Becoming much more *Patient and Ambulatory Centered*.
- In addition to *Compassionate and Safe Care*, we will provide our patients more *Convenience and Access*.
- Not compromising our *Core Values* as the community's Safety Net provider or our *Commitment to Transparency and Respect* for all.

A FOUR-STAR HOSPITAL

High Quality Health Care

For the second consecutive year, Scotland Memorial Hospital earned a Four Star designation by the Centers for Medicare and Medicaid Services (CMS), placing Scotland Memorial Hospital in the top 25th percentile in the nation for the quality care delivered to our community. CMS rated the hospital on the following seven key areas:

- **Mortality**—Patient lifespans for certain disease types after discharge
- **Safety**—Care delivered without hospital-acquired infections
- **Readmissions**—Unnecessary return to the hospital after discharge
- **Patient Experience**—Survey ratings from patients treated at Scotland
- **Timeliness of care**—Treatment times in the Scotland Emergency Center
- **Effectiveness of care**—Medical care delivered compared to national guidelines
- **Imaging**—Use of contrast material in imaging procedures like CT scans

“Our doctors, nurses, and staff focus on creating a patient-centered health care experience for those we serve,” said Dr. Cheryl Davis, Scotland’s Chief Medical Officer. “We consistently strive to provide Safe, High Quality, Compassionate health care, and the scores prove we are a high quality hospital close to home that delivers health care well above the national average.”

ACCREDITATIONS

Scotland Health Care System underwent a rigorous, unannounced on-site survey in February and once again earned The Joint

Commission’s Gold Seal of Approval® for Hospital Accreditation. Through on-site observations and interviews, a team of expert surveyors evaluated compliance with hospital standards related to several areas, including emergency management, environment of care, infection prevention and control, leadership, and medication management. The Gold Seal of Approval is a symbol of quality that reflects an organization’s commitment to providing safe and effective patient care.

Mike Vinson, Chairman of the Scotland Health Care System Board of Trustees, says, “I was very proud to hear the abundance of compliments from the survey team regarding their findings during their four-day stay with us, and it fully reinforced my opinion that Scotland Health Care System is truly blessed to have a compassionate staff, working with supremely talented physicians and administrative leadership to ensure that our community has the finest available medical care.”

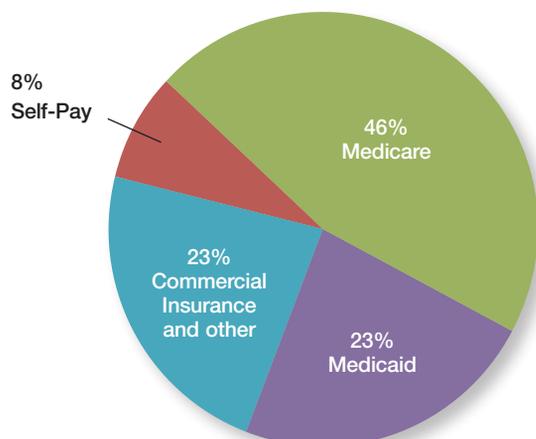
Scotland Memorial Hospital also earned re-accreditation in mammography as a result of a review by the American College of Radiology (ACR). Image quality, personnel qualifications, adequacy of facility equipment, quality control procedures, and quality assurance programs were all assessed during the review. The ACR gold seal of accreditation represents the highest level of image quality and patient safety. Scotland Memorial’s mammography service has been accredited by the ACR since 1993.

NEW TECHNOLOGY

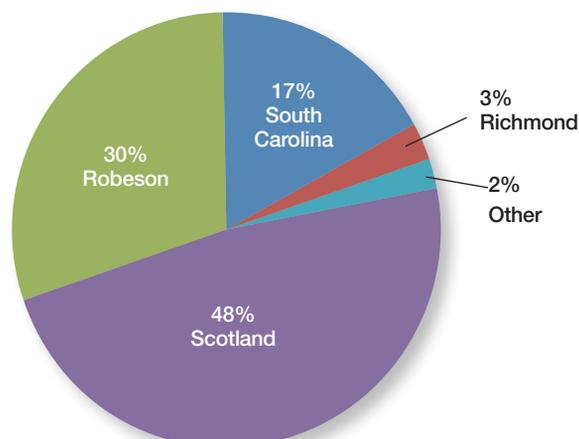
In order to be the community’s provider of choice, Scotland must continue to invest in technology to ensure the delivery of high-quality care. An excellent example of this commitment is the addition of the MAKO Robotic Arm Interactive Orthopedic System.

KEY FINANCIAL STATISTICS FY 2015

Payer Mix Based on Percent of Charges



Discharges by Patient’s County of Residence



Scotland Memorial became one of the first hospitals in the region to offer MAKOplasty Partial Knee Resurfacing and MAKO Total Hip Replacement procedures.

“Accuracy is key in planning and performing both partial knee and total hip procedures,” says orthopedic surgeon Dr. Paul Rush of OrthoCarolina Scotland. “This robotic system enables orthopedic surgeons to personalize partial knee and total hip arthroplasties to achieve optimal results at a level of accuracy and reproducibility previously unattainable with conventional instrumentation.”

EMERGENCY CARE

The Emergency Center, in partnership with Bioscape Digital & ER Express, launched a tablet solution to enable patients to give real-time feedback to the hospital, to better understand their health conditions and discharge instructions, to request information regarding a primary care provider, to sign up for the patient portal, and to enjoy games and other content while waiting.

Dr. Jennifer Isenhour, an Emergency Center physician at Scotland Memorial says, “This innovative tablet-based platform allows us to increase the amount of information available to patients, be responsive to changing patient needs, and provide the best possible patient experience.”

COMPASSIONATE HEALTH CARE

Understanding the need to provide quality medical care in the Marlboro County area, Scotland Health Care System’s plan to build a medical complex came to fruition with the opening of the Marlboro Medical Complex in December 2015.

Housed in the 9,000-square-foot facility is Marlboro Family Practice and Urgent Care (formerly Scotland Health Care Center). This family practice grew last year to include three physicians and two advanced clinical practitioners. However, it’s the increased office hours and urgent care services that benefit the patients the most. Also found at the Complex are Marlboro Surgical Associates, OrthoCarolina Scotland, Scotland Regional Hospice, and Carolinas Laboratories.

Scotland has implemented numerous strategies for improving the Patient Experience through hospitality and empathy. Entering Scotland Memorial through the Outpatient entrance, you will most likely be warmly approached and welcomed and even escorted to your treatment area by Rhonda McDonald, Scotland’s Patient Experience Hospitality Navigator or by April Grice, RN, Surgical Services Navigator. Ms. McDonald is a liaison between patients and the hospital through which patients/families may provide feedback, ask questions, and express concerns. Ms. Grice serves as the point of contact between the surgeons and surgical staff and the family members of surgical patients. Each of these navigators strives to decrease any uncertainty or anxiety patients and their families may have about care at Scotland Memorial Hospital.

SUSTAINABLE HEALTH CARE

Scotland Health Care System must work with our health care partners to create and operate a patient-centered, integrated system. We were delighted to partner this past year with Pinehurst Surgical and the urology surgeons to open Laurinburg Urology.

Local residents who are already established with one of the Pinehurst urologists now have the convenience of seeing their doctor in the Laurinburg practice. Seeing an urologist in Laurinburg also offers patients the convenience of having lithotripsy for kidney stones or any necessary imaging tests or laboratory work at Scotland Memorial Hospital.

ApolloMD, the medical group that staffs Scotland’s Emergency Center, assumed the responsibility to manage Scotland Urgent Care Center. This management has led to an improved triage system. Patients requiring urgent medical care take priority over those who are able to wait for a provider. This experience is similar to the tried-and-true system utilized in the Emergency Center.

Financial Results

	FY 2015	FY 2014
Discharges		
Adult & Pediatric	4,973	4,818
Special Care Nursery	92	70
Inpatient Rehab	102	105
Total	5,167	4,993
Patient Days		
Adult & Pediatric	17,597	17,449
Special Care Nursery	731	491
Inpatient Rehab	1,112	1,307
Total	19,440	19,247
Observation Patients	2,388	2,573
Number of Deliveries	653	683
Cardiac Catheterizations	476	410
Lithotripsy	66	88
Wound Center New Patients	397	351
Scotland Endoscopy Center Patients	371	395
Surgeries		
Inpatient	1,501	1,414
Outpatient	3,280	3,758
Total	4,781	5,172
Emergency Center Visits		
Inpatient	3,580	3,392
Outpatient	50,519	43,922
Total Emergency Center	54,099	47,314
Urgent Care/Occupational Health Visits	13,110	13,082
Rehabilitation Services	68,711	69,166
Cardiac Rehabilitation	9,886	9,418
Cancer Center New Patients		
Chemotherapy–Patients	390	327
Radiation Therapy–Patients	278	546
Volunteer Hours		
Adult	18,630	19,479
Juniors	4,382	4,131

High Quality Health Care, *continued*

Sustaining the excellent health care Scotland provides is also made possible by the grants the System receives, such as the Golden Leaf grant. The \$841,800 grant funds the Access to Care Expansion project, which includes the Emergency Center renovation to include four behavioral health rooms and a Ready Care area, a renovation project to Harris Family Practice in order to add additional medical providers, and an expansion to Scotland Surgical and GI in 2016. All of these projects will allow for increased patient capacity.

OUR CHALLENGES

Clearly, our Board of Trustees, physicians, and staff are extremely concerned about the continued Medicaid and Medicare payment reductions and increased regulatory requirements. These negative changes threaten our ability to keep our community's health care system strong.

Fortunately, however, in 2015, we began making the internal transformational changes necessary to sustain ourselves

in the new environment. Innovative changes in how we communicate our patient's condition to the next shift, physician leadership in supply standardization, and daily safety calls with all management are just a few examples of how we have used our new LEAN philosophy to improve our patient care.

Safe Health Care

SCOTLAND PHYSICIANS NETWORK

Continuity of care leads to safe health care, which leads to satisfied patients. Utilizing one of the medical practices in Scotland Physicians Network means your medical provider has access to your care provided by any provider within the Network.

In 2015, Carolinas Womens Center, a well-established OB/GYN practice owned by Dr. Linda Mitchell-Frye, joined Scotland Physicians Network and became Women's Health Center of the Carolinas. Also joining the Network was general surgeon Dr. Chi-Dai Chen. His Bennettsville practice became Marlboro Surgical Associates and moved into the Marlboro Medical Complex.

DAILY SAFETY CALLS

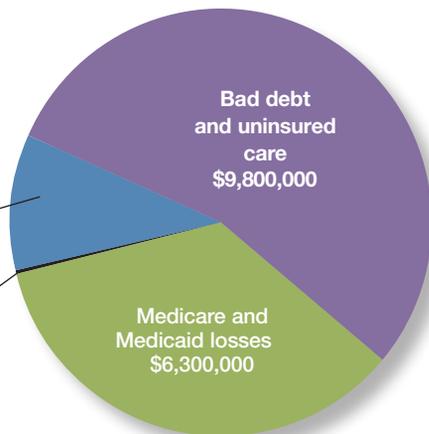
What matters most to patients at Scotland Memorial is the quality and safety of the care. To that end, daily safety calls were instituted. Each morning key hospital personnel attend the "safety call" to report on any safety issue which has been encountered.

2015 COMMUNITY BENEFIT

Total community benefit
\$18,031,000

Charity Care Costs
\$1,900,000

Cash and in-kind donations
\$31,000

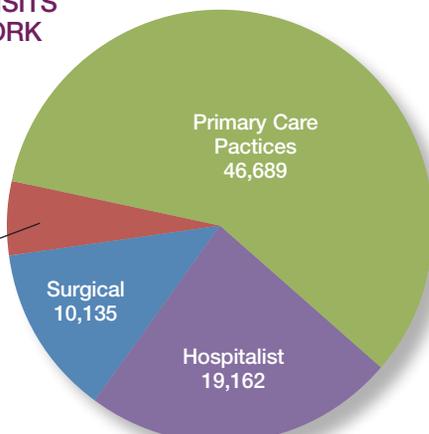


Community benefit as a percent of net operating revenue = 13%

NUMBER OF VISITS AT THE NETWORK PRACTICES

Total Network Visits
80,373

Obstetrics and Gynecology
4,387



2015 FINANCIAL RESULTS AS COMPARED TO 2014 RESULTS

