

TODAY

TOMORROW

together



MISSION
We Improve
the Health of
Our Community
Every Day

VISION
Bay Area Hospital
will be the model for
regional healthcare
excellence.

VALUES
Dignity, Integrity,
Respect, Excellence,
Commitment,
Teamwork



forward from today

This publication focuses on Bay Area Hospital's financial stewardship and serves as an annual report to our communities. I'm pleased to report that despite the challenging economy, the hospital remains secure and stable, providing essential community and regional healthcare. Through fiscal strength we are able to fulfill our not-for-profit mission of providing a broad range of inpatient, outpatient, and emergency hospital services to the South Coast region.

This past year Bay Area Hospital provided more than \$17 million in free care—6.3 percent of our operating budget—and we were able to do this without any hospital-district tax support. An accounting of our past year's financial performance is included in this report.

Financial stability allows us to offer services to specific populations, including some highlighted in this report:

- Our MOMS (Management of Maternity Services) program, which supports moms and babies
- Our teamwork with Waterfall Community Health Center, so more women can get the mammograms they need
- Our inpatient Behavioral Health Unit—one of only six acute care hospital inpatient psychiatric units in the state outside of Portland—which provides care to many who are indigent or uninsured
- Our Pediatric Unit, the only inpatient care for children on the Oregon Coast

Also spotlighted is the Bay Area Hospital Community Foundation Grants program. During the past fiscal year, we provided more than \$135,000 to 20 community-based organizations. These grants strengthen our community's vitality by supporting essential not-for-profit organizations and programs.

Thanks to our dedicated board of directors, astonishingly generous and accomplished medical staff, skilled employees, and selfless volunteers, Bay Area Hospital continues to thrive, fulfilling its mission of improving every day the health of the communities we serve.

Paul G. Janke, FACHE
President/CEO

front cover:

Aaron Hill, RN, Emergency Department · Bill Moriarty, MD, Chief Medical Officer
Alyssa Hensey, Dietary · Vickie Karavanich, Director of Laboratory Services · Tim Salisbury, Chief Financial Officer

together in service



I have been an elected member of the hospital's volunteer board of directors since 2003. During that time I have gained a deep understanding and appreciation of the complexities of hospital governance. I've also come to recognize that Bay Area Hospital is extraordinary in its ability to offer excellent care and leading-edge technology, and at the same time maintain a friendly hometown feeling. Having a local board of directors makes a difference.

As the current board chair, I want to recognize the contributions of my fellow board members. They each care deeply about our community and spend numerous hours working through the mountains of information required to make far-reaching financial and strategic decisions. They are:

Tom McAndrew, MD, MPH

Michael Gordon

H. Michael McIntyre, MD

John Forrester

I am privileged to serve with people whose dedication to community health brings about so much good for South Coast residents. Current board members stand on the shoulders of those who served before, and we are grateful that they laid the groundwork for Bay Area Hospital to be the model of regional healthcare excellence that it has become.

Toni Poole
Chair, Bay Area Hospital Board of Directors

"Having a local board of directors makes a difference."

a partnership with our community

Bay Area Hospital has served the South Coast with ever-developing care and services since 1974. Our professional administration and elected board of directors are committed to operating the hospital with fiscal restraint while adhering to our mission to improve the health of our community every day. That requires investment in technology, facilities, and staff—which is where the Bay Area Hospital Community Foundation steps up.

Gifts to the Foundation help provide resources for advanced training, state-of-the-art technology, and safe and effective healing environments. Community support is vital and results in a growing, progressive hospital with a professional staff trained for today's medicine. Community gifts are critical in our vision to provide regional healthcare services that are second to none.

Taking care of future generations simply makes sense.

A Foundation grant supports the child safety seat program through the City of Coos Bay-Fire and Police.



Giving Back

The Foundation is proud to support local organizations with Community Grants awarded to groups working in innovative and collaborative ways to foster better health and quality of life for coastal residents. We know these grants make a difference—we see the results every day.

In 2010 the Foundation awarded more than \$135,000 to 20 organizations.



John Whitty
Coos Bay Attorney

John Whitty Award:

Recognizing exceptional contributions to the quality of life in our community

Bay Area Hospital is an award-winning facility with some of the Oregon Coast's most advanced medical technologies. These credentials are the result of more than 40 years of hard work by a community that cares for its neighbors. We felt it was time to honor those who've given us a helping hand. With the John Whitty Award, the Foundation annually recognizes individuals who contribute to the health and the vitality of our community.

John Whitty is a Coos Bay attorney whose commitment to his hometown's health has meant better medical care for thousands. He served 10 years in leadership positions on the Bay Area Hospital Health District Board of Directors and continues as a Finance Committee member. The award in his name is given each fall as a tribute to his singular contributions.

community benefits

Bay Area Hospital is a not-for-profit district hospital yet it receives no public funding. All income generated by our services is paid in salaries and poured back into the hospital for staff improvement and for technology and facility upgrades. It is within our mission to care for the whole community, and we provide programs that generate little, if any, income. Among these are services for pregnant women and clients with psychiatric disorders.

MOMS: reaching out with prenatal education and postpartum support since 1994

Our voluntary Management of Maternity Services (MOMS) program offers evidence-based prenatal education to expectant mothers and their families and provides ongoing support once a baby is born. Approximately 86 percent of the 665 women who deliver at Bay Area Hospital annually choose to receive MOMS services.

MOMS is praised by local obstetricians, nurse-midwives, and pediatricians, who recognize its value in reaching mothers who otherwise would not receive adequate prenatal care and education. The program is especially accessible to uninsured or indigent women.



"I know of no other small community hospital that has this level of lactation support and education available at little or no cost to patients."

—Susan Chaney, RN, CNM
Clinical Manager of Women & Children



Bay Area Hospital's impact goes beyond the walls of the Family Birth Center to support the community that supports us. We take to heart our mission to improve the health of our community every day, even when our program costs are not covered.

Our care begins months before birth, when expectant mothers are invited to participate in MOMS classes taught by registered labor and delivery nurses. Eight prenatal classes and four parenting skills classes are offered.

Studies show that early and regular prenatal care and education allow timely identification and treatment of maternal and fetal health issues and prevent complications during pregnancy, at delivery, and postpartum.

Our care and concern continue after the baby arrives. When our MOMS team noticed a high rate of maternal depression, they developed classes offering practical parenting tips and emotional support.

Lactation assistance is also available. Five of our nurses are International Board Certified Lactation Consultants, and we receive frequent requests from pediatricians to provide lactation consults. Breastfeeding provides a clear advantage for infants that also benefits mothers.

MOMS' care is highly individualized, ranging from basic information to intense personalized teaching, such as when expectant mothers are on bed rest. We also help many clients find housing, food, and other community services. MOMS is committed to the best health for mothers and babies—no matter what it takes!

family-centered care for kids

Bay Area Hospital provides the only inpatient pediatric care on the Oregon Coast, keeping kids and their families close to home. With 14 beds on the pediatric unit, we admit children up to age 18 from numerous Southern Oregon coastal towns, inland communities, and rural areas.

Our medical staff, which includes eight pediatricians, treats nearly 275 hospitalized children annually, including young cancer patients who received their initial treatment plans at Doernbecher Children's Hospital in Portland.

Our pediatric care includes a behavioral health program with a specially designated pediatric safe room and 24-hour assessment in our emergency department. We also operate a dedicated juvenile (type 1) diabetic program in conjunction with our diabetic education and dietary office.

"Oregon Coast families are fortunate to have access to the extensive pediatric and newborn services here at Bay Area Hospital."

—Pediatrician Brian Gumbs, MD

We take pride in our compassionate, family-centered approach, and pediatric patients are given their own rooms to promote family-centered care. We encourage parents to be involved, and offer sleeper chairs, bedding, meals, and showers so that parents can stay at their child's bedside.

Our skilled nurses recognize the unique needs of children and families and strive to provide the best care possible. They attend educational programs offered throughout the year to stay current on pediatric care, including Pediatric Advanced Life Support (PALS) training. Our registered nurses are all PALS certified and keep current with the lifesaving techniques that are standards of care throughout the nation.

Parents also take comfort in knowing that our unit is protected with an electronic security system to prevent child abduction. Identification badges with a teddy bear logo designate pediatric nurses and staff.

Providing the best care for kids while accommodating families is our goal—and our privilege.



behavioral health unit: caring for the whole community



Behavioral health issues are often swept under a community's rug but not at Bay Area Hospital, where clients with a wide range of psychiatric disorders are treated with dignity, respect, and expertise. Our multidisciplinary team includes psychiatrists, registered nurses, social workers, therapists, pharmacists, and dietitians.

Our Behavioral Health Unit (BHU) is a safe and secure 11-bed acute care facility located within the hospital, and it is the only inpatient BHU on the Oregon Coast. Patients are referred to us from all of southwestern Oregon. In a therapeutic environment, we treat mental health issues ranging from schizophrenia and bipolar disorder to addictions and post-traumatic stress disorder.

"Our nurses and social workers are qualified and well-seasoned mental health professionals," says Kera Hood, RN, BSN, the unit's manager. "We guide people through crisis and give them the medical attention and the tools they need to get back on their feet. We work closely with our community partners to ensure that patients have continuing support and resources to remain functional and make positive life changes."

The BHU provided confidential treatment to 1,964 patients in 2010, a fact that speaks to the prevalence of behavioral health issues.

"Mental illness can touch any family, and our BHU team provides essential local treatment and support," says Tom McAndrew, MD, a Bay Area Hospital board member. "While funding pressures have shattered mental health units across the state, our hospital remains committed to meeting the mental health needs of our community."

"We're extremely diligent about patient confidentiality. It's a part of our commitment to treating all with dignity and respect."

—Kera Hood, RN, BSN
Behavioral Health Unit Manager

Because Bay Area Hospital is locally governed, prudently managed, and financially strong, we are able to provide these vital services for many of the most vulnerable in our region. Offering inpatient mental health care isn't profitable to the hospital, but it provides immeasurable value to the community. "We don't have to send our patients away and remove them from their support systems," says Hood. "Having local inpatient mental health care is a huge benefit."

a team effort to provide mammograms

Not every woman who needs a mammogram can afford an annual screening. That's why the Waterfall Community Health Center and the Bay Area Hospital Women's Imaging Center have teamed up—with generous help from The Human Bean and the Safeway and Bree's Foundations—to provide free mammograms to qualifying women. Waterfall makes mammograms available to uninsured and underinsured women, and Bay Area Hospital reduces the cost so that more women can be served. Fifty-five women were screened last year under this program.

"A huge number of women need this," says Kathy Laird, Waterfall's chief executive officer. "The service is invaluable, if even one life is saved."

The Women's Imaging Center offers the only digital mammography technology on the South Coast. Why is digital better? The screening is faster than with the older technology, the higher-resolution digital images are superior, and they are easily stored, retrieved, and transmitted.

In the past year, 55 women received free mammograms.



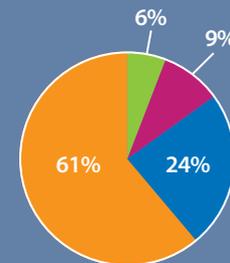
Jessica Randle and The Human Bean raised more than \$3,000 toward providing mammograms for low-income women in our community.



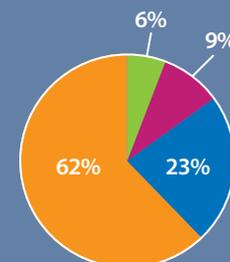
financials

Summary Statement of Revenues and Expenses

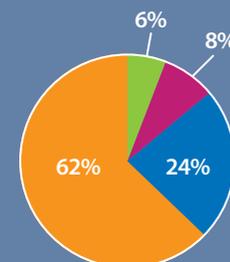
	2010	2009	2008
Net operating revenue	\$125,014,030	\$118,744,899	\$109,940,806
Operating expenses			
Salaries and benefits	73,324,301	74,746,677	68,151,998
Supplies and other	28,472,515	28,046,042	26,776,249
Professional fees and purchased services	10,465,920	10,811,185	9,381,226
Depreciation	7,503,420	6,849,274	6,123,370
Total operating expense	\$119,766,156	\$120,453,178	\$110,432,843
Income from operations	\$5,247,874	-\$1,708,279	-\$492,037



2010



2009



2008

Community Giving

	2010	2009	2008
Grants to non-profits	\$137,365	\$189,499	\$259,923

Operating Indicators

	2010	2009	2008
Bad debt	\$9,764,645	\$9,408,188	\$9,898,566
Charity Care	\$7,783,443	\$6,976,401	\$6,718,297
Patient days	23,788	26,427	28,154
Average daily census	65	72	77
Discharges	7,478	7,925	7,698
FTE'S	827	837	820
Payroll	\$36,505,336	\$36,103,681	\$32,303,473
Medicare	\$90,122,826	\$97,119,382	\$87,086,671
Medicaid	\$24,924,031	\$23,570,781	\$19,900,242

Bay Area Hospital is a not-for-profit health district hospital that is locally governed, community supported, and operated without district tax funding. Our mission is to improve the health of our community every day. These financials reflect fiscal year July 1, 2009, to June 30, 2010.

for better health

Bay Area Hospital's dynamic new website reflects our mission, vision, and values. You can find a physician, take a virtual tour, see our health education schedule, and learn all about our services and treatments. Our comprehensive Online Health Library is physician reviewed and frequently updated.

Visit often!



www.bayareahospital.org