

## Despite losses, hospital still in black for year

Doug Flanagan/Post-Register  
Dec. 31, 2009

The Quincy Valley Medical Center lost money in November, and isn't terribly optimistic about December, either. At Monday's meeting of Grant County Public Hospital District No. 2 commissioners, board members and staff discussed what could be done in the future to avoid a similar end-of-the-year swoon in future years.

The hospital lost \$110,969 in November, leaving its year-to-date profit total at \$184,663.

"In past months I have continually referred to the cyclical aspect of our financials, and the potential for monthly losses to close out the year," financial officer Ken Kiehn wrote in a report to the board.

"Historically, the first several months of the year and the last several months of the year exhibit lower income levels. Unfortunately, as we might have expected, our operating revenues plummeted in November."

ADVERTISEMENT Kiehn thinks the reason for the dip has to do with lower patient numbers.

"We just had significantly lower levels of business," he wrote. "The old adage of leading a horse to water, but not being able to make him drink seems to hold true. We continue to do a decent job of holding the line on expenses, but when you don't have enough foot traffic in the emergency room and lower levels of hospital patients, you cannot generate profitable levels of income. I have no additional explanation as to why other than the before-mentioned cyclical effects this time of the year."

Administrator Mehdi Merred said the hospital might be better served if it prepares for those cycles in advance.

"Last year we experienced the same thing, and then the ER and ambulance service picked up again," he said. "What's encouraging is that none of the outpatient services have been down, and we still had 688 visits to the clinic (in November), which shows signs of growth there. The patients are not ignoring the facility. There's just nobody in the ER. Maybe we're doing such a great job that we're keeping people healthy. But we still have a profitable bottom line." "drastic change in volume, and I don't know how to address it. Next year we could adjust our expenses in advance, make cuts and adjustments where we need to. It's a cycle. We need to plan for it. Other than that, there's not much that can be done."

- Board member Anthony Gonzales questioned whether the hospital's agreement with The Gorge Amphitheatre to provide emergency ambulatory services last summer was a good one.

According to the hospital's latest numbers, the hospital has received \$91,644.70 in payments to date, with \$43,303.32 still to be owed from patients and insurance.

"Is this a viable deal? Can we afford financially to do this?" Gonzales asked. "I continue to see the numbers that say what this costs and what we're short. We're entitled to a profit. I don't think it should be a break-even deal. Are we charging enough? We have to be able to replace equipment. We're just one blown engine or transmission (from running into problems). I'm not opposed to the service itself. It just seems like it's a privilege, something that we don't have to do."

Merred said the venture was a profitable one, though.

"We'd still have patients from The Gorge whether we transported them or not," he said. "We saw a 20 to 25 percent increase in volume. We're the nearest hospital, and the protocol says they have to stop by our hospital no matter what."

Emergency medical services director Doug Martinson said the agreement served the hospital well.

"I think we did the right thing," he said. "We have to make sure it's a viable thing, but we didn't have the entire Gorge, just the campground, we still provided ambulances to the county. At least this year we got reimbursed for three out of the four ambulances we had out there this year. We got something rather than nothing."

- Merred said the hospital is getting close to hiring for three new positions — a women's health practitioner, a mental health practitioner and a medical director at SageView Clinic.

"We're getting to the point where we're building a pool of physicians who are committed to the community," Merred said. "We can offer an attractive facility and opportunity. The next year is profiling as a good, positive year for us, hopefully filled with great accomplishments."

0 Comments

Post a comment

Your name:

Comment:

I have read and agree to the terms of our [Use Policy](#).

SEARCH 

ADVERTISEMENT



**Quincy Valley School**  
Committed to Excellence in Private Education

**Nurturing  
Empowering  
Challenging  
Rewarding  
Safe & Secure  
Joyful**

[Click to learn more](#)

Call (509) 797-5301