



HALIFAX HEALTH

**Audit & Finance
Committee**

Wednesday, February 1, 2017

Meeting Location

Halifax Health

France Tower, Conference Room A

4:00 p.m.

HALIFAX HEALTH
AUDIT & FINANCE COMMITTEE
4:00 p.m., Wednesday, February 1, 2017
AGENDA

I. CALL TO ORDER

II. MINUTES

Audit & Finance Committee Minutes

portal page 3, **action requested**

- January 4, 2017

III. AUDIT COMMITTEE

Corporate Compliance, Shelly Shiflet

- Monthly Compliance Dashboard Report

portal page 6, **information only**

Internal Audit, Bill Rushton

- Audit Services Monthly Discussion & Analysis

portal page 8, **information only**

IV. FINANCE COMMITTEE

Financial Report, Eric Peburn

- December 2016
- Financial Indicators Excluding Estimated Hurricane Costs

portal page 14, **action requested**

portal page 38, discussion

Acquisitions, Leases and Disposals, Kent Bailey

- Capital Investment Strategy
- Capital Expenditures \$50,000 and over
 - Neurosurgical and Small Bone Power Equipment
 - SAN Hardware
 - Network Switches for Patient Monitoring
 - Plasma Pheresis Equipment
 - Mini C-Arm
- Disposals
- Comparison of Projected and Actual Financial Results for Significant Projects

portal page 39, **information only**

portal page 43, **action requested**

\$652,141

\$477,180

\$140,503

\$121,506

\$71,698

portal page 54, **action requested**

none

Old Business

- Meeting Request Tracker/Checklist

portal page 56, **information only**

New Business

- Revised Proposed Meeting Calendar, 2017

portal page 57, **action requested**

Information Only

- Schedule of Uses of Property Taxes, December 2016
- Investment Performance Report, December 2016
- Capital Expenditures \$25,000 - \$50,000
 - CBORD Room Service Software
 - Lymph Node Navigator System - Surgical Services

portal page 58, **information only**

portal page 59, **information only**

portal page 64, **information only**

\$44,219

\$31,500

V. OPEN DISCUSSION

VI. NEXT MEETING **WEDNESDAY, March 1, 2017** 4:00 p.m. – Regular scheduled meeting

VII. EXECUTIVE SESSION

VIII. ADJOURN

Halifax Hospital Medical Center
Audit and Finance Committee Meeting
303 N. Clyde Morris Blvd.
France Tower, Conference Room A
Wednesday, January 4, 2017

Present: Ted Serbousek, Chairman
Daniel Francati, Member & Vice Chairman, Board of Commissioners
Ammar Hemaïdan, MD, Member & Member, Medical Staff
Greg Motto, Member
Susan Schandel, Member & Treasurer, Board of Commissioners
Decker Youngman, Member

Also Present: Jeff Feasel, President & CEO
Eric Peburn, Executive VP/Chief Financial Officer
Kent Bailey, Director of Finance
Kathleen Dulko, Corporate Controller
Bill Rushton, Director, Internal Audit
Shelly Shiflet, Chief Compliance Officer
Mark Billings, Executive VP/Chief Operating Officer
Alberto Tineo, Vice President, Operations
Bob Williams, Vice President, Population Health & Business Development
Tom Stafford, Vice President and Chief Information Officer
Mary Jo Allen, Executive Director, Halifax Health Hospice
Tony Trovato, Director of Business Operations, Halifax Health Hospice
Ben Eby, Director of Finance, Halifax Health Hospice
Bob Wade, Compliance Expert
Jill Wheelock, Associate General Counsel
David Robbins, Physician Contracts Manager
Arvin Lewis, Senior VP/Chief Revenue Officer
Lisa Tyler, Manager, Accounting
Dr. Donald Stoner, Chief Medical Officer

The meeting was called to order at 4:05 p.m. by Ted Serbousek. Attendance was recorded.

MINUTES

Discussion: Minutes from the November 30, 2016 Audit & Finance Committee Meeting were reviewed.

Action: Ms. Schandel moved to approve the minutes as presented and recommends approval by the Halifax Health Board of Commissioners. Mr. Francati seconded the motion and it carried unanimously.

AUDIT COMMITTEE

Corporate Compliance

Discussion: Monthly Compliance Program Update Dashboard
Ms. Shiflet presented the Compliance Dashboard for the month ended November 2016, citing the attendance of the Compliance Committee fell short of the 70% or greater internal target. Ms. Shiflet added that she was not concerned about this issue and expected attendance to improve.

Action: None required.

Discussion: Volusia Health Network Charity Payments
Discussion ensued regarding erroneous payments made to a physician group over a three-year time period. Upon discovery, steps have been underway to address policies and procedures to prevent this in the future as well as to recoup the overpayments from the physician group.

Action: Dr. Hemaïdan made a motion for staff to bring back to the committee (in 60 days; March 1, 2017 meeting) a summary and timeline of the steps taken to address the issue and to provide a report regarding how to prevent a similar occurrence from taking place in the future. Ms. Schandel seconded the motion and it carried unanimously.

Internal Audit

Discussion: Mr. Rushton presented an overview of the Risk Assessment Methodology and Timeline, the results of the FT 17 audit projects and ongoing management action plans.

Action: None required.

FINANCE COMMITTEE

FINANCIAL REPORT

Discussion: Mr. Peburn reported efforts were underway to submit the FEMA application to recoup expenses and costs due to Hurricane Matthew. Brief discussion ensued regarding emergency room registrations and related trends. Mr. Peburn reviewed the November 2016 Financial Report, addressing Hospice, daily census and net patient revenue.

Action: Ms. Schandel moved to approve the November 2016 Financial Report and recommends approval by the Board of Commissioners. Mr. Francati seconded the motion and it carried unanimously.

ACQUISITIONS, LEASES & DISPOSALS

Discussion: Capital Investment Strategy
Mr. Bailey presented the Capital Investment Strategy monthly update.

Action: None required.

Discussion: Capital Expenditures \$50,000 and over

• <i>Intrabeam Radiation System</i>	\$441,305
• <i>Fountain Building Waterproofing and Repairs</i>	\$118,000
• <i>New Smyrna Beach Family Practice</i>	\$95,650

Operating Lease \$250,000 and over

• Children's Medical Center, Palm Coast	\$305,432 (<i>net present value, minimum lease payments</i>)
---	--

Action: Ms. Schandel moved to approve the capital expenditures and recommends approval by the Board of Commissioners. Mr. Youngman seconded the motion and it carried unanimously.

Discussion: Disposals

Action: Ms. Schandel moved to approve the disposals and recommends approval by the Board of Commissioners. Mr. Youngman seconded the motion and it carried unanimously.

Discussion: Comparison of Projected and Actual Financial Results for Significant Projects
(none)

Action: None required.

OLD BUSINESS

Discussion: FY 2016 Final Audited Financial Statements
Ms. Dulko reported that the FY 2016 Final Audited Financial Statements were available on the board portal and on the District website. Mr. Serbousek extended appreciation to Ms. Dulko for her service at Halifax Health since this was Ms. Dulko's last meeting in her role as Corporate Controller.

Discussion: Meeting Request Tracker/Checklist (none)

Action: None required.

NEW BUSINESS

Discussion: None.

INFORMATIONAL REPORTS

Discussion: The Investment Performance Report for November 2016, the Capital Expenditures, \$25,000 - \$50,000 and the Operating Lease, \$50,000-\$250,000 were presented under Information Only:

- *Care at Home Software* \$49,535
- *Delivery Carts for Patient Trays* \$33,242
- *New Smyrna Beach Family Practice (lease)* \$239,750 (*net present value, minimum lease payments*)

Action: None required.

OPEN DISCUSSION

Discussion: None.

NEXT MEETING DATE: WEDNESDAY, February 1, 2017 4:00 p.m. – Regular scheduled meeting

EXECUTIVE SESSION

Discussion: None.

ADJOURNMENT

Action: There being no further business, a motion was made and seconded to adjourn.

Ted Serbousek, Chairman



HALIFAX HEALTH

To: Audit and Finance Committee and Board of Commissioners
Cc: Jeff Feasel, Chief Executive Officer
From: Shelly Shiflet, Vice President and Chief Compliance Officer
Date: January 24, 2017
Re: Compliance Dashboard Report for December 2016

Enclosed is the Compliance Program Dashboard Report for December 2016.

Feel free to contact the Board's Compliance Expert, Robert Wade, Esq., or me regarding any questions on this report.

Mr. Wade can be reached at: rwade@kdlegal.com
Office: 574.485.2002

I can be reached at: shelly.shiflet@halifax.org
Office: 386.425.4970

Recommended Action: None. Information only.

Halifax Health
Corporate Compliance Program
Board Report – 12/31/2016

ON TARGET

ALERT

I. EMPLOYEE AND BOARD EDUCATION – Halifax Health’s compliance program and Corporate Integrity Agreement requires most employees to acknowledge the Code of Conduct within 30 days of hire. Employees who are considered “Covered Persons” are required to complete 1 hour of general compliance training within 30 days of hire and annually thereafter. Managers and others who are considered “Arrangements Covered Persons” must complete an additional hour of general education and 2 hours of arrangements training within 30 days of becoming an “Arrangements Covered Person,” and annually thereafter. Members of the Board are required to complete 6 hours (2 hours general, 2 hours arrangements, and 2 hours governance) of training within 30 days of becoming a member. The following is the status of education for Halifax Health’s employees:

	➤	Code of Conduct Attestation¹
	1. 4,095	Number of Covered Persons and Board Members required to complete as of end of period
	2. 100%	% of Covered Persons who have completed (On Target at 100%)

	➤	CIA Required Training²
	1. 3,934	Number of Covered Persons and Board Members required to complete as of end of period
	2. 100%	% of Covered Persons who have completed (On Target at 100%)

II. SANCTION CHECKS - Halifax Health’s Corporate Integrity Agreement requires all “Covered Persons” be screened for exclusions from participation in federal programs monthly. During the period:

	➤	Sanction Check for Covered Persons³
	1. 4,825	Number of Covered Persons as of the end of the period
	2. 100%	% of Covered Persons above who had no sanctions, based on monthly sanction check results (On Target at 100%)

III. COMPLIANCE COMMITTEE – Halifax Health has a Compliance Committee responsible for regulatory compliance matters, which meets monthly. Members of senior leadership across service lines as well as representatives from Hospice and the Medical Staff are represented. During the period:

	1. 13	Number of members on <i>Compliance Committee</i>
	2. 84.6%	% of members who attended the meeting on 11/30/2016 (On Target at 70% or Greater)
	3. 3	Number of meetings in the last quarter (On Target if 2 or more)

IV. HELP LINE [844-251-1880] or halifaxhealth.ethicspoint.com

	1. 3 / 60	Number of Help Line calls received during month/past 12 months
	2. 2 / 42	Of calls in 1, how many related to Human Resource issues
	3. 0	Number of open Help Line calls rated as High Priority as of 11/30/2016
	4. 0	Number of open Help Line calls rated as High Priority as of 12/31/2016
	5. 7	Number of Help Line calls closed since last month

V. COMPLIANCE ISSUES

	1. 25	Number of issues open as of 11/30/2016
	2. 13	Of the issues in item 1, ___ remain open as of 12/31/2016
	3. 12	Number of issues from item 1 closed as of 12/31/2016
	4. 48%	Percent of open issues from item 1 closed (On Target at 25% or Greater)

VI. COMPLIANCE POLICIES – Halifax Health’s Compliance Program involves the development, implementation and monitoring of policies to ensure the organization conducts business compliant with applicable statutes, rules and regulations. During the period:

	1. 1	Number of Compliance Policies reviewed/ updated in the last month (On Target at 1)
--	------	--

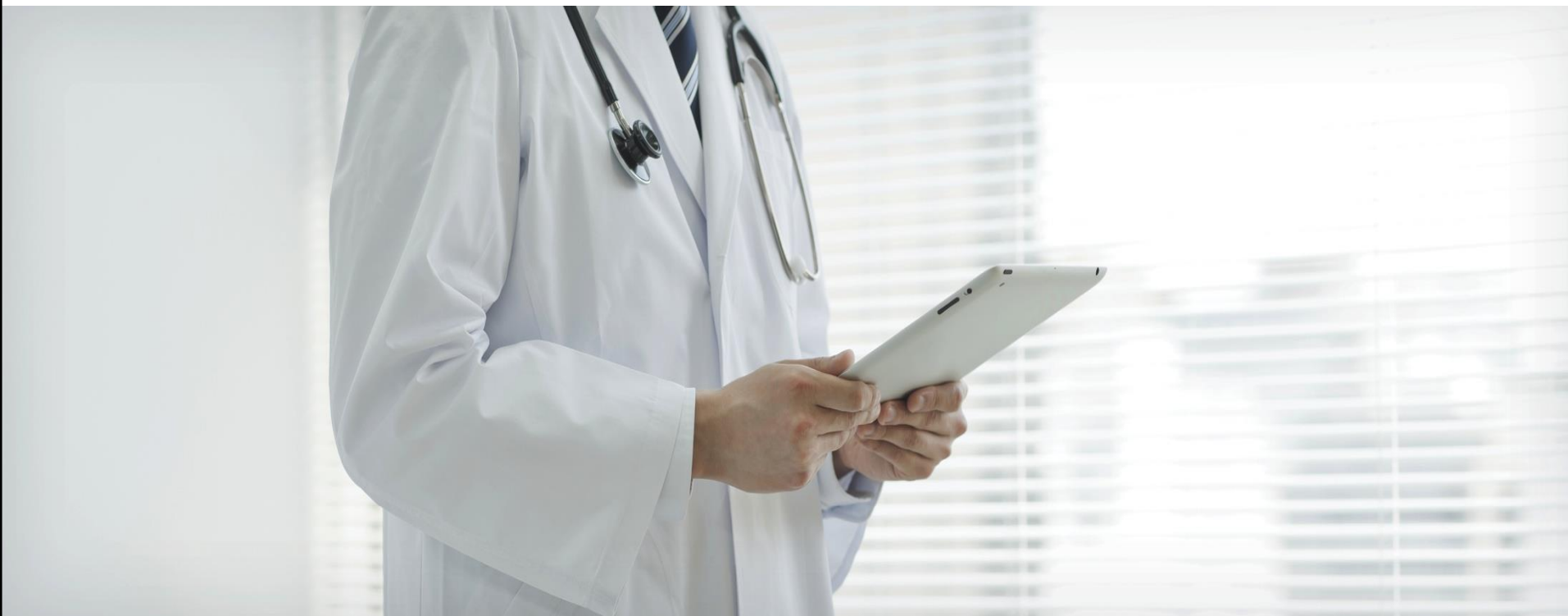
VII. BILLING AND CODING REVIEWS - Halifax Health will conduct reviews as part of scheduled audits or to investigate concerns brought to the attention of the Compliance Committee or the Compliance Officer.

	1. 0	Number of concerns related to billing/coding received during the month
	2. N/A	Number of concerns from #1 that required a billing/ coding review
	3. N/A	Number of reviews from #1 still being investigated
	4. N/A	Number of reviews from #1 closed or pending Committee review
	5. N/A	Number of reviews from #1 expected to require repayment/processing of claims

¹ Code of Conduct Attestation – employees and vendors who meet the definition of a *Covered Person* and new Board Members.

² CIA Required Training – employees (except for housekeeping, maintenance and foodservice employees), Medical Staff who are party to a *Focus Arrangement* and vendors who meet the definition of a *Covered Person* and new Board Members.

³ Sanction Check for Covered Persons - employees, Medical Staff and vendors who meet the definition of a *Covered Person*.



Audit Services Discussion & Analysis

Halifax Health Audit & Finance Committee

Presented February 1, 2017

For the period covering December 29, 2016 through January 23, 2017

Risk Assessment Process

RAP-01 Risk Assessment

Document risks to strategic and business objectives and results in audit projects to be completed for governance and Management.

RAP-01.01 Toolkit

Helps Internal Audit Service understand how Halifax Health is organized and the approach to achieve goals through strategic and business objectives.

RAP-01.02 Interview Guide

Interview guides support the process and allows Internal Audit Service to understand, document and rank our key risks.

RAP-01.03 Announcement & Questionnaire

Internal Audit Service schedules meetings with Management through Outlook that includes meeting objectives and list of questions to help staff prepare for the meeting.

RAP-01.04 Fraud Questionnaire

The fraud questionnaire is required as part of the risk assessment process to assist Internal Audit in determining at a high-level how the organization manages fraud.

RAP-01.05 Risk Ranking Reference Guide

Risks are weighted based on five factors (Strategic/Business Impact=25%, Management Control Environment=25%, Management Concerns=20%, Business Environment Complexity=15% and Prior Audits=15%) and require support to justify each rating.

RAP-02 Continuous Risk Assessment

Emerging risks and re-evaluation of risks result in opportunities to modify the Plan in order to adapt to the organization's changing risk environment.

Risk Assessment Meetings

2017 FY Risk Assessment Meetings

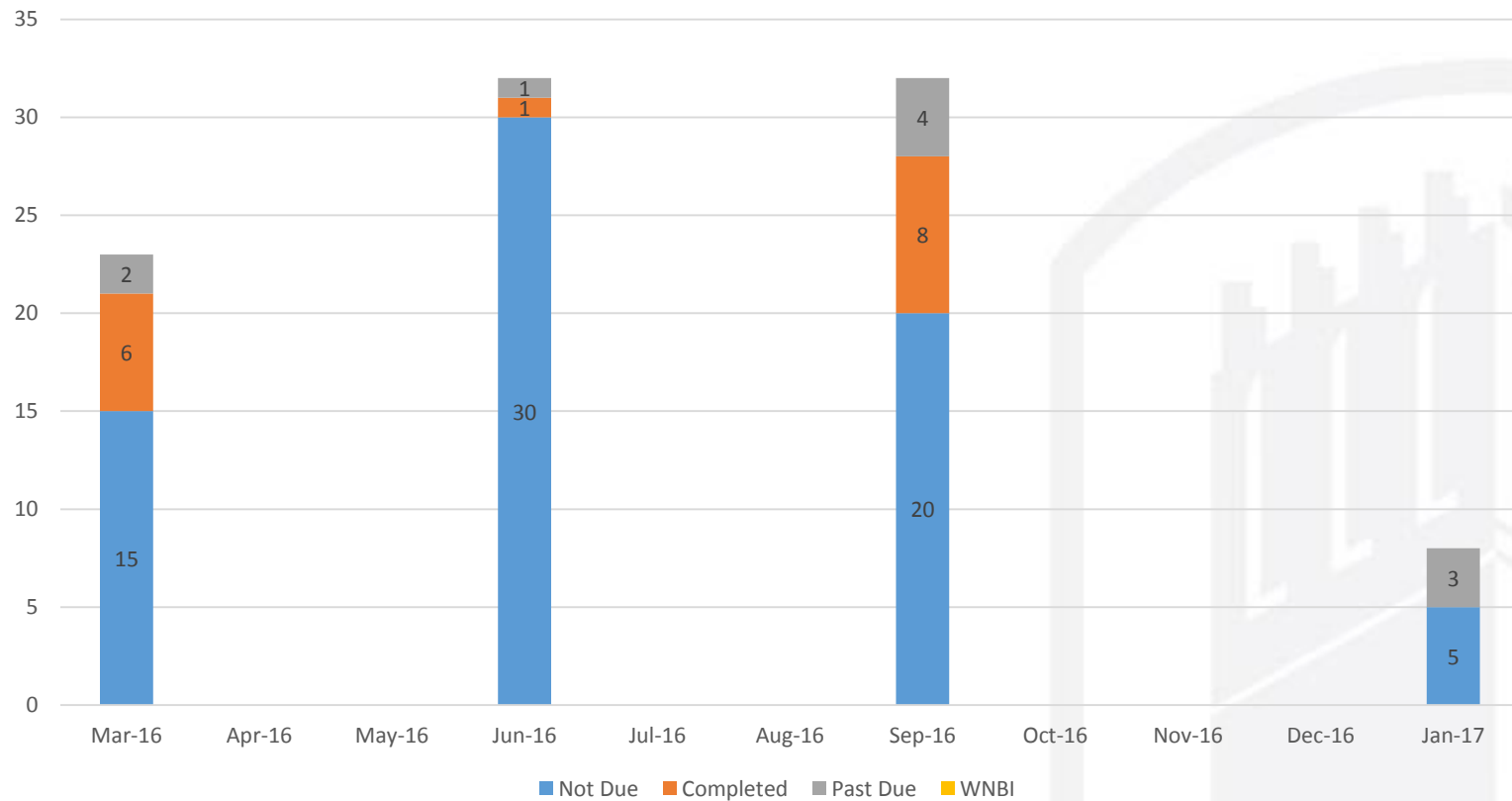
Name	Hospital Entity Covered	Title	Date
Vivian Gallo	Legal	Sr. Vice President & General Counsel	4-Jan
Dr. Stoner	Physician Relationships	Chief Medical Officer	4-Jan
Dr. Crossman	Physician Relationships	Chief Medical Officer-Interim	4-Jan
Alberto Tineo	Hospital Support Operations	Vice President	5-Jan
Mary Jo Allen	Hospice Operations	Executive Director	5-Jan
Arvin Lewis	Revenue Cycle Operations	Sr. Vice President	6-Jan
Bill Griffin	Strategic Planning	Director	9-Jan
Kent Bailey	Treasure, Capital, Budget	Director	9-Jan
Dr. Stephen Miles	Quality & Safety	Chief Quality Officer	10-Jan
Dr. Ginny Kwong	Clinical Information	Chief Medical Information Officer	10-Jan
Lisa Tyler	Financial Department Functions	Controller	12-Jan
Tom Stafford	Information Functions	Chief Information Officer	12-Jan
Jana Iezzi	Project Development	Director	16-Jan
Kim Fulcher	Human Resources	Chief Human Resources Officer	20-Jan
Catherine Luchsinger	Acute Care Nursing Operations	Chief Nursing Officer	26-Jan
Bob Williams	Population Health & VHN	Vice President	TBD
Shelly Shiflet	Compliance Functions	Chief Compliance Officer	TBD
Mark Billings	Operational Oversight/Strategy	Chief Operating Officer	2-Feb
Eric Peburn	Financial Oversight/Strategy	Chief Financial Officer	3-Feb
Jeff Feasel	Executive Oversight/Strategy	Chief Executive Officer	3-Feb

Results: FY 17 Audit Projects

Audit Source	Project Name	Status
Year End Audit	At the direction of RSM Internal Audit provided assistance	Completed
Internal Audit	Pharmacy Controls Audit	Fieldwork
Co-Source	Executive Compensation and Expenses	Planning

Audit Follow-Up

Audit Issue Follow-Up: Status of Management Action Plans
January 23, 2017



See BoardEffect for Audit Follow Up detail.

Past Due Management Action Plans

Non-Employee Audit

- Action plan due date has been revised in order to align with the completion of Castlebranch management and compliance solution. Castlebranch allows for our Education Specialists to verify if students have been immunized, vaccinated and screened.
- Internal Audit follow up work is still pending.

Meditology Security Risk

- Action plan due date has been revised in order to efficiently and effectively coordinate IT Security work.

Halifax Health
Summary Financial Narrative
For the three months ended December 31, 2016

The performance of Halifax Health compared to budget and long-range targets (S&P "A" rated medians) for key financial indicators is as follows.

Financial Indicator	YTD Actual FY 17	YTD Budget FY 17	YTD Actual vs. Budget	S&P "A"	YTD Actual FY 17 vs. S&P "A"
Total Margin	-0.5%	0.6%	Unfavorable	5.8%	Unfavorable
Operating Margin	-0.9%	-0.4%	Unfavorable	3.6%	Unfavorable
EBIDA Margin	7.3%	8.3%	Unfavorable	13.1%	Unfavorable
Operating EBIDA Margin	7.0%	7.4%	Unfavorable	10.8%	Unfavorable
Adjusted Operating EBIDA Margin *	6.2%	7.2%	Unfavorable	N/A	N/A
Days Cash on Hand	252	262	Unfavorable	249	Favorable
Cash to Debt	92.2%	98.9%	Unfavorable	189.9%	Unfavorable
Debt to Capitalization	57.0%	56.0%	Unfavorable	29.1%	Unfavorable
OG MADS Coverage	1.51	1.76	Unfavorable	4.50	Unfavorable
OG Debt to Capitalization	56.0%	55.0%	Unfavorable	29.1%	Unfavorable

* - Excludes investment income/loss of Foundation recorded as operating income.

Halifax Health Medical Center

Statistical Summary--

- Admissions for the month are less than budget and greater than last year; and for the fiscal year-to-date are less than budget and last year.
- Patient days for the month and fiscal year year-to-date are greater than budget and last year.
 - Observation patient days for the month and fiscal year-to-date are greater than budget and last year.
- Surgery volumes for the month are less than budget and greater than last year; and for the fiscal year-to-date are less than budget and last year.
- Emergency room visits for the month and fiscal year-to-date to date are less than budget and last year.

Financial Summary --

- Net patient service revenue for the fiscal year-to-date is 0.3% greater than budget.
- Total operating expenses for the fiscal year-to-date are 0.7% greater than budget.
- Loss from operations fiscal year-to-date of \$2.9 million compares unfavorably to budget by \$1.5 million.
- Nonoperating gains/(losses) fiscal year-to-date of negative \$1.4 million, primarily consisting of investment losses, compare unfavorably to the budgeted amount by \$2.0 million.
- The decrease in net position fiscal year-to-date of \$4.3 million compares unfavorably to budget by \$3.5 million.

Halifax Health Hospice

Statistical Summary --

- Patient days for the month and fiscal year-to-date are less than budget and last year.

Financial Summary --

- Net patient service revenue for the fiscal year-to-date is 6.2% less than budget.
- Income from operations fiscal year-to-date of \$62,000 compares unfavorably to budget by \$9,000.
- Nonoperating gains fiscal year-to-date of \$1.9 million, including investment income of \$1.7 million is greater than the budgeted amount by \$1.1 million.
- The increase in net position fiscal year-to-date of \$1.9 million compares favorably to budget by \$1.1 million.

Other Component Units - The fiscal year-to-date financial performance is consistent with budgeted expectations.

Halifax Health Statistical Summary

Month Ended December 31,					Three Months Ended December 31,			
<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>		<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>
<u>Inpatient Activity</u>								
1,528	1,508	1,536	-1.8%	HHMC Adult/Ped Admissions	4,722	4,456	4,734	-5.9%
125	125	150	-16.7%	HHMCPO Adult/Ped Admissions	377	386	460	-16.1%
141	151	138	9.4%	Adult Psych Admissions	409	424	424	0.0%
43	61	51	19.6%	Rehabilitative Admissions	160	184	154	19.5%
1,837	1,845	1,875	-1.6%	Total Adult/Ped Admissions	5,668	5,450	5,772	-5.6%
8,234	8,342	7,691	8.5%	HHMC Adult/Ped Patient Days	24,419	25,455	23,706	7.4%
504	781	734	6.4%	HHMCPO Adult/Ped Patient Days	1,399	2,351	2,235	5.2%
1,487	1,477	1,500	-1.5%	Adult Psych Patient Days	4,514	4,350	4,554	-4.5%
798	865	866	-0.1%	Rehabilitative Patient Days	2,570	2,528	2,570	-1.6%
11,023	11,465	10,791	6.2%	Total Adult/Ped Patient Days	32,902	34,684	33,065	4.9%
5.4	5.5	5.0	10.5%	HHMC Average Length of Stay	5.2	5.7	5.0	14.1%
4.0	6.2	4.9	27.7%	HHMCPO Average Length of Stay	3.7	6.1	4.9	25.4%
5.3	5.6	5.0	11.8%	HHMC/ HHMCPO Average Length of Stay	5.1	5.7	5.0	15.0%
10.5	9.8	10.9	-10.0%	Adult Psych Average Length of Stay	11.0	10.3	10.7	-4.5%
18.6	14.2	17.0	-16.5%	Rehabilitative Length of Stay	16.1	13.7	16.7	-17.7%
6.0	6.2	5.8	8.0%	Total Average Length of Stay	5.8	6.4	5.7	11.1%
356	370	348	6.2%	Total Average Daily Census	358	377	359	4.9%
661	651	614	6.0%	HHMC Observation Patient Day Equivalents	1,729	1,884	1,814	3.9%
82	114	86	32.56%	HHMCPO Observation Patient Day Equivalents	240	318	258	23.3%
743	765	700	9.3%	Total Observation Patient Day Equivalents	1,969	2,202	2,072	6.3%
24	25	23	8.7%	Observation Average Daily Census	21	24	23	4.3%
188	164	184	-10.9%	HHMC Newborn Births	523	433	513	-15.6%
370	321	377	-14.9%	HHMC Nursery Patient Days	1,010	832	1,021	-18.5%
433	459	464	-1.1%	HHMC Inpatient Surgeries	1,320	1,345	1,413	-4.8%
1	2	1	100.0%	HHMCPO Inpatient Surgeries	3	9	2	350.0%
434	461	465	-0.9%	Total Inpatient Surgeries	1,323	1,354	1,415	-4.3%
<u>Inpatient Surgeries</u>								
155	159			Orthopedics	495	522		
96	86			General Surgery	261	220		
54	46			Neurosurgery	150	127		
10	27			Vascular	37	72		
19	12			Thoracic Surgery	63	67		
100	131			All Other	317	346		
434	461	465	-0.9%	Total Inpatient Surgeries	1,323	1,354	1,415	-4.3%

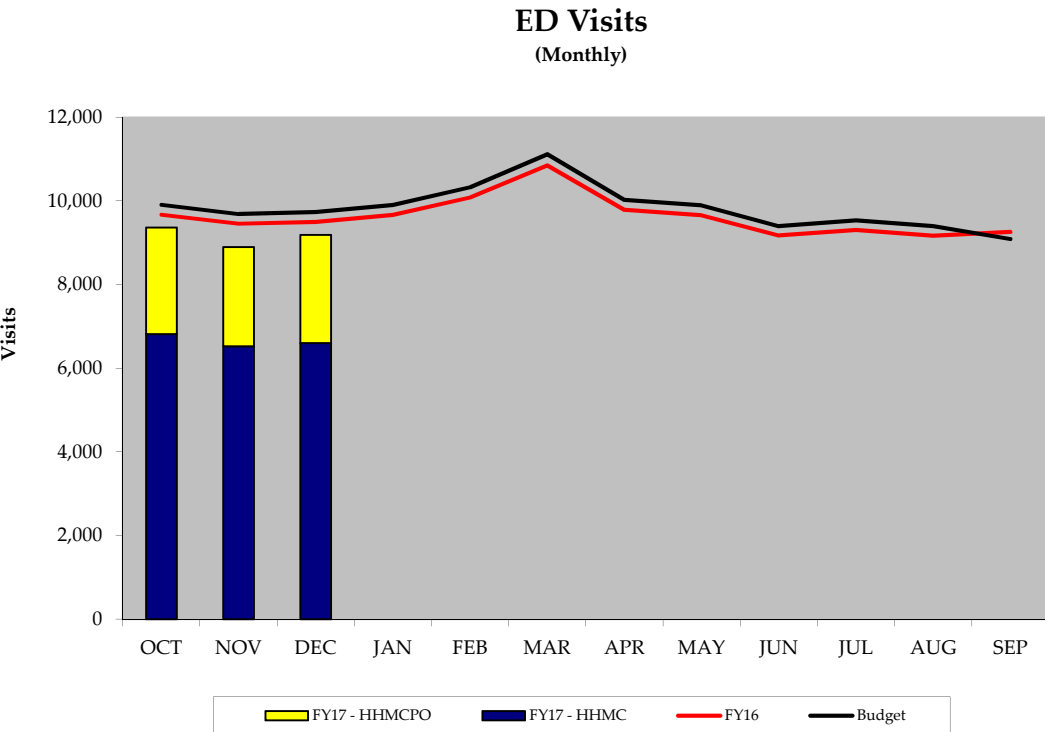
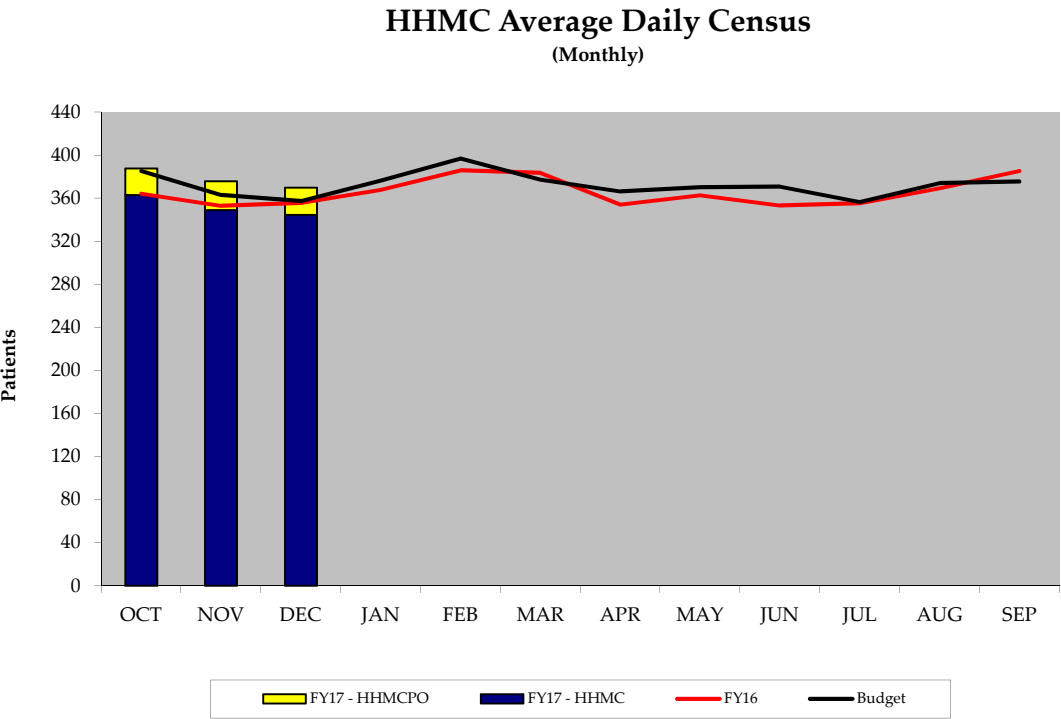
Halifax Health Statistical Summary

Month Ended December 31,					Three Months Ended December 31,			
<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>		<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>
				<u>Outpatient Activity</u>				
6,743	6,606	6,863	-3.7%	HHMC ED Registrations	20,543	19,954	20,908	-4.6%
2,755	2,584	2,871	-10.0%	HHMCPO ED Registrations	8,085	7,501	8,425	-11.0%
9,498	9,190	9,734	-5.6%	Total ED	28,628	27,455	29,333	-6.4%
400	444	384	15.6%	HHMC Outpatient Surgeries	1,180	1,230	1,133	8.6%
85	55	87	-36.8%	HPC Outpatient Surgeries	276	179	283	-36.7%
0	0	0	0.0%	HHMCPO Outpatient Surgeries	0	0	1	-100.0%
357	329	357	-7.8%	Twin Lakes Surgeries	1,126	1,051	1,125	-6.6%
842	828	828	0.0%	Total Outpatient Surgeries	2,582	2,460	2,542	-3.2%
				<u>Outpatient Surgeries</u>				
162	183			General Surgery	502	555		
193	183			Orthopedics	559	474		
89	44			Gastroenterology	354	231		
66	75			Obstetrics Gynecology	222	227		
55	59			Ophthalmology	177	166		
277	284			All Other	768	807		
842	828	828	0.0%	Total Outpatient Surgeries	2,582	2,460	2,542	-3.2%
				<u>Cardiology Procedures</u>				
11	9			Open Heart Cases	43	45		
118	115			Cardiac Caths	356	366		
45	36			CRM Devices	116	103		
28	45			EP Studies	73	130		
202	205	217	-5.5%	Total Cardiology Procedures	588	644	612	5.2%
				<u>Interventional Radiology Procedures</u>				
6	5	5	0.0%	Vascular	23	17	20	-15.0%
219	165	191	-13.6%	Nonvascular	700	455	573	-20.6%
225	170	196	-13.3%	Total Interventional Radiology Procedures	723	472	593	-20.4%
171	216	182	18.7%	GI Lab Procedures	563	583	530	10.0%
				<u>HH Hospice Activity</u>				
				<u>Patient Days</u>				
16,451	15,562	17,050	-8.7%	Volusia/ Flagler	50,779	45,408	50,600	-10.3%
184.0	998	705	41.6%	Orange/ Osceola	552.0	2,609	1,965	32.8%
16,635	16,560	17,755	-6.7%	HH Hospice Patient Days	51,331	48,017	52,565	-8.7%
				<u>Average Daily Census</u>				
531	502	550	-8.7%	Volusia/ Flagler	552	494	550	-10.3%
6	32	23	41.6%	Orange/ Osceola	6	28	21	32.8%
537	534	573	-6.7%	HH Hospice Average Daily Census	558	522	571	-8.7%

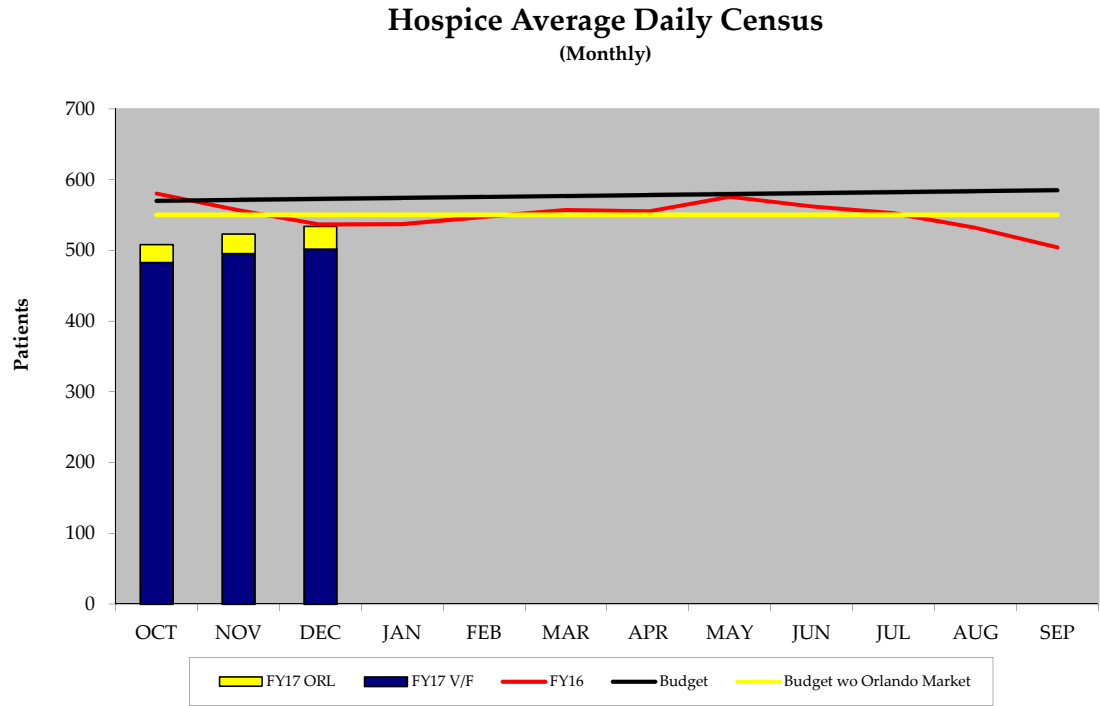
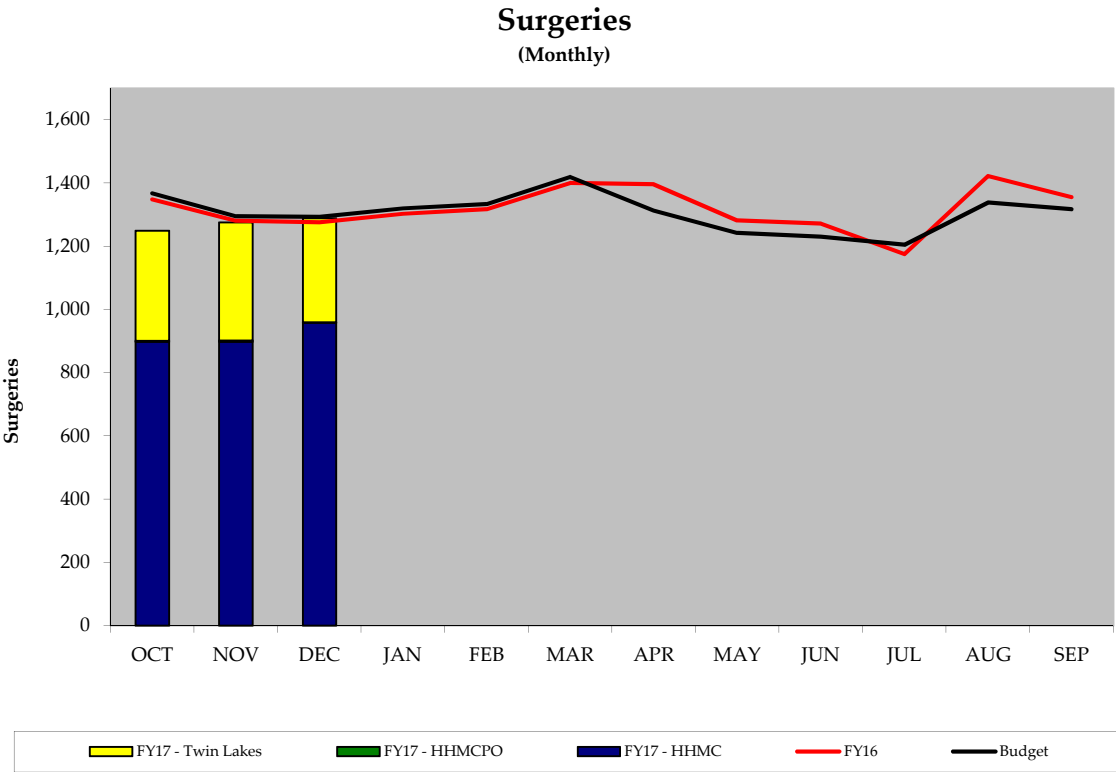
Halifax Health Statistical Summary

Month Ended December 31,				Three Months Ended December 31,			
<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>	<u>2015</u>	<u>2016</u>	<u>Budget</u>	<u>Var.</u>
<u>Physician Practice Activity</u>							
<u>Primary Care Visits</u>							
223	280	687	-59.2%	Ormond Beach	725	834	2,037 -59.1%
1,120	1,020	1,117	-8.7%	Daytona Beach	3,236	3,060	3,228 -5.2%
111	696	880	-20.9%	Port Orange	292	2,030	2,483 -18.2%
490	264	640	-58.8%	Deltona	1,355	904	1,770 -48.9%
433	462	969	-52.3%	Ormond Beach (Women's/OB)	1,088	1,374	2,435 -43.6%
2,377	2,722	4,293	-36.6%	Primary Care Visits	6,696	8,202	11,953 -31.4%
<u>Children's Medical Center Visits</u>							
704	895	1,107	-19.2%	Ormond Beach	2,126	2,683	3,342 -19.7%
378	-	388	-100.0%	Palm Coast	1,252	293	1,285 -77.2%
438	488	464	5.2%	Port Orange	1,419	1,441	1,502 -4.1%
1,520	1,383	1,959	-29.4%	Children's Medical Center Visits	4,797	4,417	6,129 -27.9%
<u>Community Clinic Visits</u>							
400	390	379	2.9%	Keech Street	1,122	1,114	1,063 4.8%
379	269	379	-29.0%	Adult Community Clinic	1,235	697	1,235 -43.6%
779	659	758	-13.1%	Community Clinic Visits	2,357	1,811	2,298 -21.2%

Halifax Health
Statistical Summary - Graphic



Halifax Health Statistical Summary - Graphic



Halifax Health
Condensed Statement of Net Position
(\$ in thousands)

	December 31,		
	2016	2015	Change
<u>Assets</u>			
Cash and cash equivalents	\$31,313	\$43,341	(\$12,028)
Investments	268,572	245,656	22,916
Board designated assets	44,702	44,344	358
Accounts receivable	61,632	52,847	8,785
Restricted assets whose use is limited	19,149	26,660	(7,511)
Other assets	43,902	46,078	(2,176)
Deferred outflow - swap	30,728	32,177	(1,449)
Deferred outflow - loss on bond refunding	17,148	6,666	10,482
Deferred outflow - pension	28,052	30,232	(2,180)
Property, plant and equipment	353,696	363,711	(10,015)
Total Assets	<u>\$898,894</u>	<u>\$891,712</u>	<u>\$7,182</u>
<u>Liabilities and Net position</u>			
Accounts payable	\$30,251	\$30,104	\$147
Other liabilities	81,426	88,567	(7,141)
Net pension liability	101,203	129,032	(27,829)
Long-term debt	353,808	346,171	7,637
Premium on LTD, net	19,764	9,541	10,223
Long-term value of swap	30,728	32,177	(1,449)
Net position	<u>281,714</u>	<u>256,120</u>	<u>25,594</u>
Total Liabilities and Net position	<u>\$898,894</u>	<u>\$891,712</u>	<u>\$7,182</u>

Halifax Health
Statement of Cash Flows
(\$ in thousands)

Month ended December 31, 2016	Month ended December 31, 2015	Variance		Three Months ended December 31, 2016	Three Months ended December 31, 2015	Variance
			Cash flows from operating activities:			
\$38,949	\$43,351	(\$4,402)	Receipts from third party payors and patients	\$120,023	\$128,464	(\$8,441)
(29,855)	(26,946)	(2,909)	Payments to employees	(95,028)	(84,694)	(10,334)
(16,016)	(16,997)	981	Payments to suppliers	(47,692)	(48,352)	660
6,376	7,542	(1,166)	Receipt of ad valorem taxes	8,785	10,499	(1,714)
-	-	-	Receipt (payment) of State UPL funds, net	-	204	(204)
3,583	2,876	707	Other receipts	8,953	6,947	2,006
(3,158)	(3,777)	619	Other payments	(10,260)	(11,000)	740
(121)	6,049	(6,170)	Net cash provided by (used in) operating activities	(15,219)	2,068	(17,287)
			Cash flows from noncapital financing activities:			
13	112	(99)	Proceeds from donations received	150	256	(106)
2	10	(8)	Nonoperating gain (loss)	2	2	-
15	122	(107)	Net cash provided by noncapital financing activities	152	258	(106)
			Cash flows from capital and related financing activities:			
(307)	(984)	677	Acquisition of capital assets	(3,347)	(7,122)	3,775
(195)	(190)	(5)	Payment of long-term debt	(585)	(570)	(15)
(6,692)	(7,206)	514	Payment of interest on long-term debt	(7,430)	(7,828)	398
(7,194)	(8,380)	1,186	Net cash used in capital financing activities	(11,362)	(15,520)	4,158
			Cash flows from investing activities:			
1,550	1,405	145	Realized investment income (loss)	2,405	3,184	(779)
(4,790)	(2,010)	(2,780)	Purchases of investments/limited use assets	(5,770)	(6,937)	1,167
2,506	1,491	1,015	Sales/Maturities of investments/limited use assets	2,534	4,535	(2,001)
(734)	886	(1,620)	Net cash provided by (used in) investing activities	(831)	782	(1,613)
(8,034)	(1,323)	(6,711)	Net decrease in cash and cash equivalents	(27,260)	(12,412)	(14,848)
39,347	44,664	(5,317)	Cash and cash equivalents at beginning of period	58,573	55,753	2,820
<u>\$31,313</u>	<u>\$43,341</u>	<u>(\$12,028)</u>	Cash and cash equivalents at end of period	<u>\$31,313</u>	<u>\$43,341</u>	<u>(\$12,028)</u>

Halifax Health
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Actual Month Ended December 31, 2015	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Actual Three Months Ended December 31, 2015	Favorable (Unfavorable) Variance
			Operating revenues:			
\$52,164	\$50,250	\$1,914	Net patient service revenue, before provision for bad debts	\$148,192	\$147,240	\$952
(12,180)	(9,757)	(2,423)	Provision for bad debts	(27,187)	(28,075)	888
39,984	40,493	(509)	Net patient service revenue	121,005	119,165	1,840
938	1,104	(166)	Ad valorem taxes	2,813	3,313	(500)
2,316	1,350	966	Other revenue	6,674	6,956	(282)
43,238	42,947	291	Total operating revenues	130,492	129,434	1,058
			Operating expenses:			
21,967	20,818	(1,149)	Salaries and benefits	69,149	63,075	(6,074)
6,147	6,875	728	Purchased services	17,991	20,098	2,107
8,069	7,447	(622)	Supplies	23,781	22,279	(1,502)
1,955	2,040	85	Depreciation and amortization	5,994	6,110	116
1,405	1,460	55	Interest	4,260	4,386	126
614	642	28	Ad valorem tax related expenses	1,841	1,866	25
719	764	45	Leases and rentals	2,143	2,310	167
1,921	2,270	349	Other	6,467	6,804	337
42,797	42,316	(481)	Total operating expenses	131,626	126,928	(4,698)
441	631	(190)	Excess (deficiency) of operating revenues over expenses	(1,134)	2,506	(3,640)
			Nonoperating revenues, expenses, and gains/(losses):			
1,550	1,405	145	Realized investment income/(losses)	2,406	3,185	(779)
(916)	(3,345)	2,429	Unrealized investment income/(losses)	(2,066)	(2,003)	(63)
13	112	(99)	Donation revenue	151	254	(103)
3	10	(7)	Nonoperating gains/(losses), net	3	1	2
650	(1,818)	2,468	Total nonoperating revenues, expenses, and gains/(losses)	494	1,437	(943)
\$1,091	(\$1,187)	\$2,278	Increase (decrease) in net position	(\$640)	\$3,943	(\$4,583)

Halifax Health
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Static Budget Month Ended December 31, 2016	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Static Budget Three Months Ended December 31, 2016	Favorable (Unfavorable) Variance
			Operating revenues:			
\$52,164	\$46,532	\$5,632	Net patient service revenue, before provision for bad debts	\$148,192	\$140,190	\$8,002
(12,180)	(5,813)	(6,367)	Provision for bad debts	(27,187)	(18,810)	(8,377)
39,984	40,719	(735)	Net patient service revenue	121,005	121,380	(375)
938	938	-	Ad valorem taxes	2,813	2,813	-
2,316	2,277	39	Other revenue	6,674	6,906	(232)
43,238	43,934	(696)	Total operating revenues	130,492	131,099	(607)
			Operating expenses:			
21,967	23,234	1,267	Salaries and benefits	69,149	69,876	727
6,147	5,837	(310)	Purchased services	17,991	17,482	(509)
8,069	7,878	(191)	Supplies	23,781	23,346	(435)
1,955	1,958	3	Depreciation and amortization	5,994	6,000	6
1,405	1,411	6	Interest	4,260	4,235	(25)
614	621	7	Ad valorem tax related expenses	1,841	1,863	22
719	703	(16)	Leases and rentals	2,143	2,106	(37)
1,921	2,244	323	Other	6,467	6,729	262
42,797	43,886	1,089	Total operating expenses	131,626	131,637	11
441	48	393	Excess (deficiency) of operating revenues over expenses	(1,134)	(538)	(596)
			Nonoperating revenues, expenses, and gains/(losses):			
1,550	385	1,165	Realized investment income/(losses)	2,406	1,156	1,250
(916)	-	(916)	Unrealized investment income/(losses)	(2,066)	-	(2,066)
13	60	(47)	Donation revenue	151	179	(28)
3	-	3	Nonoperating gains/(losses), net	3	-	3
650	445	205	Total nonoperating revenues, expenses, and gains/(losses)	494	1,335	(841)
\$1,091	\$493	\$598	Increase (decrease) in net position	(\$640)	\$797	(\$1,437)

Halifax Health Medical Center
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Static Budget Month Ended December 31, 2016	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Static Budget Three Months Ended December 31, 2016	Favorable (Unfavorable) Variance
			Operating revenues:			
\$48,571	\$42,792	\$5,779	Net patient service revenue, before provision for bad debts	\$137,808	\$129,106	\$8,702
(12,073)	(5,714)	(6,359)	Provision for bad debts	(26,925)	(18,513)	(8,412)
36,498	37,078	(580)	Net patient service revenue	110,883	110,593	290
938	938	-	Ad valorem taxes	2,813	2,813	-
1,261	1,561	(300)	Other revenue	3,772	4,758	(986)
38,697	39,577	(880)	Total operating revenues	117,468	118,164	(696)
			Operating expenses:			
19,980	21,094	1,114	Salaries and benefits	62,958	63,428	470
5,054	4,733	(321)	Purchased services	15,099	14,200	(899)
7,834	7,643	(191)	Supplies	23,118	22,649	(469)
1,818	1,821	3	Depreciation and amortization	5,581	5,587	6
1,394	1,400	6	Interest	4,225	4,200	(25)
614	621	7	Ad valorem tax related expenses	1,841	1,863	22
545	537	(8)	Leases and rentals	1,654	1,611	(43)
1,763	1,994	231	Other	5,870	5,981	111
39,002	39,843	841	Total operating expenses	120,346	119,519	(827)
(305)	(266)	(39)	Deficiency of operating revenues over expenses	(2,878)	(1,355)	(1,523)
			Nonoperating revenues, expenses, and gains/(losses):			
33	197	(164)	Realized investment income/(losses)	783	592	191
(167)	-	(167)	Unrealized investment income/(losses)	(2,183)	-	(2,183)
-	-	-	Donation revenue	16	-	16
(131)	197	(328)	Total nonoperating revenues, expenses, and gains/(losses)	(1,381)	592	(1,973)
(\$436)	(\$69)	(\$367)	Decrease in net position	(\$4,259)	(\$763)	(\$3,496)

Halifax Health Medical Center
Net Patient Service Revenue
(\$ in thousands)

Actual Month Ended December 31, 2015		Actual Month Ended December 31, 2016		Static Budget Month Ended December 31, 2016			Actual Three Months Ended December 31, 2015		Actual Three Months Ended December 31, 2016		Static Budget Three Months Ended December 31, 2016	
\$140,316	100.00%	\$146,064	100.00%	\$144,473	100.00%	Gross charges	\$406,963	100.00%	\$438,833	100.00%	\$429,900	100.00%
(6,226)	-4.44%	(5,221)	-3.57%	(8,413)	-5.82%	Charity	(17,765)	-4.37%	(24,894)	-5.67%	(25,032)	-5.82%
(87,457)	-62.33%	(92,272)	-63.17%	(93,268)	-64.56%	Contractual adjustments	(253,044)	-62.18%	(276,131)	-62.92%	(275,762)	-64.15%
46,633	33.23%	48,571	33.25%	42,792	29.62%	Gross charges, before provision for bad debts	136,154	33.46%	137,808	31.40%	129,106	30.03%
(9,618)	-6.85%	(12,073)	-8.27%	(5,714)	-3.96%	Provision for bad debts	(27,886)	-6.85%	(26,925)	-6.14%	(18,513)	-4.31%
\$37,015	26.38%	\$36,498	24.99%	\$37,078	25.66%	Net patient service revenue	\$108,268	26.60%	\$110,883	25.27%	\$110,593	25.73%

Halifax Health Hospice
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Static Budget Month Ended December 31, 2016	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Static Budget Three Months Ended December 31, 2016	Favorable (Unfavorable) Variance
			Operating revenues:			
\$3,593	\$3,740	(\$147)	Net patient service revenue, before provision for bad debts	\$10,384	\$11,084	(\$700)
(107)	(99)	(8)	Provision for bad debts	(262)	(297)	35
3,486	3,641	(155)	Net patient service revenue	10,122	10,787	(665)
186	199	(13)	Other revenue	523	597	(74)
3,672	3,840	(168)	Total operating revenues	10,645	11,384	(739)
			Operating expenses:			
1,911	2,065	154	Salaries and benefits	5,968	6,223	255
1,058	1,065	7	Purchased services	2,790	3,166	376
235	234	(1)	Supplies	662	694	32
70	70	-	Depreciation and amortization	213	213	-
169	161	(8)	Leases and rentals	474	480	6
128	180	52	Other	476	537	61
3,571	3,775	204	Total operating expenses	10,583	11,313	730
101	65	36	Excess of operating revenues over expenses	62	71	(9)
			Nonoperating revenues, expenses, and gains/(losses):			
1,517	188	1,329	Realized investment income/(losses)	1,623	564	1,059
(749)	-	(749)	Unrealized investment income/(losses)	117	-	117
13	60	(47)	Donation revenue	135	179	(44)
-	-	-	Nonoperating gains/(losses), net	-	-	-
781	248	533	Total nonoperating revenues, expenses, and gains/(losses)	1,875	743	1,132
\$882	\$313	\$569	Increase in net position	\$1,937	\$814	\$1,123

Volusia Health Network / Halifax Management Systems
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Static Budget Month Ended December 31, 2016	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Static Budget Three Months Ended December 31, 2016	Favorable (Unfavorable) Variance
\$0	\$0	\$0	Operating revenues:			
-	-	-	Net patient service revenue, before provision for bad debts	\$0	\$0	\$0
-	-	-	Provision for bad debts	-	-	-
335	341	(6)	Net patient service revenue	-	-	-
335	341	(6)	Other revenue	1,014	1,024	(10)
			Total operating revenues	1,014	1,024	(10)
			Operating expenses:			
62	65	3	Salaries and benefits	187	194	7
33	35	2	Purchased services	96	105	9
-	1	1	Supplies	1	3	2
67	67	-	Depreciation and amortization	200	200	-
11	11	-	Interest	35	35	-
5	5	-	Leases and rentals	15	15	-
2	3	1	Other	3	10	7
180	187	7	Total operating expenses	537	562	25
155	154	1	Excess of operating revenues over expenses	477	462	15
			Nonoperating revenues, expenses, and gains/(losses):			
-	-	-	Realized investment income/(losses)	-	-	-
-	-	-	Unrealized investment income/(losses)	-	-	-
-	-	-	Donation revenue	-	-	-
-	-	-	Nonoperating gains/(losses), net	-	-	-
-	-	-	Total nonoperating revenues, expenses, and gains/(losses)	-	-	-
\$155	\$154	\$1	Increase in net position	\$477	\$462	\$15

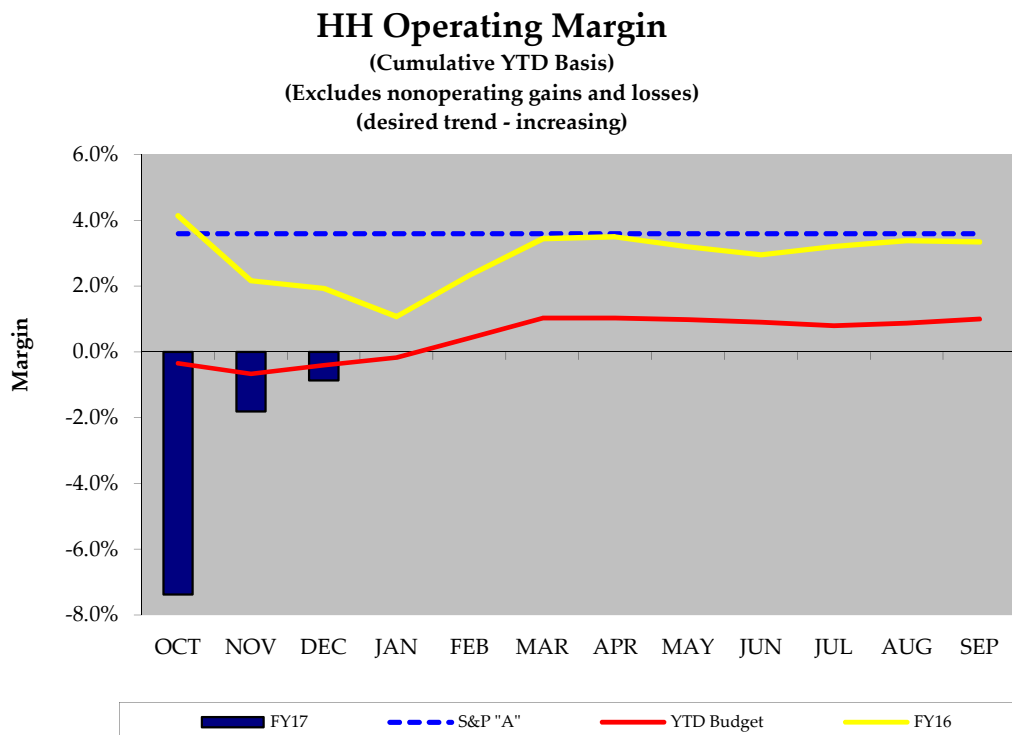
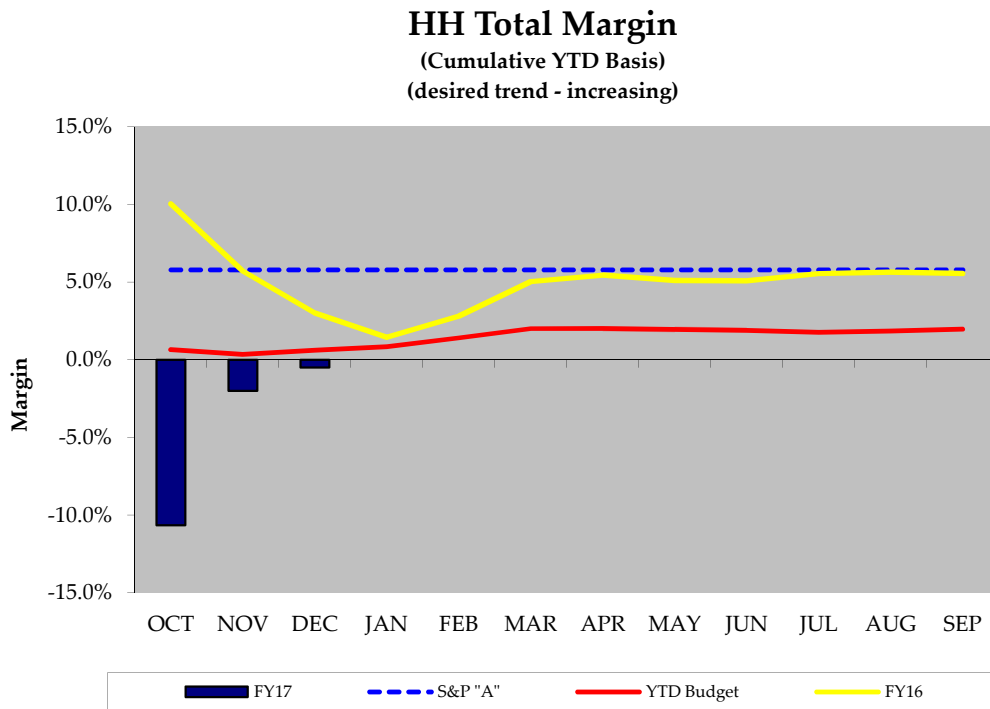
Halifax Health Foundation
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual	Static Budget	Favorable		Actual	Static Budget	Favorable
Month Ended	Month Ended	(Unfavorable)		Three Months Ended	Three Months Ended	(Unfavorable)
December 31, 2016	December 31, 2016	Variance		December 31, 2016	December 31, 2016	Variance
			Operating revenues:			
\$0	\$0	\$0	Net patient service revenue, before provision for bad debts	\$0	\$0	\$0
-	-	-	Provision for bad debts	-	-	-
-	-	-	Net patient service revenue	-	-	-
733	105	628	Realized investment income/(losses)	797	315	482
(273)	-	(273)	Unrealized investment income/(losses)	356	-	356
74	71	3	Donation revenue	212	212	-
-	-	-	Other revenue	-	-	-
534	176	358	Total operating revenues	1,365	527	838
			Operating expenses:			
14	10	(4)	Salaries and benefits	36	31	(5)
2	4	2	Purchased services	6	11	5
-	-	-	Supplies	-	-	-
-	-	-	Depreciation and amortization	-	-	-
-	-	-	Interest	-	-	-
-	-	-	Leases and rentals	-	-	-
28	67	39	Other	118	201	83
44	81	37	Total operating expenses	160	243	83
\$490	\$95	\$395	Increase in net position	\$1,205	\$284	\$921

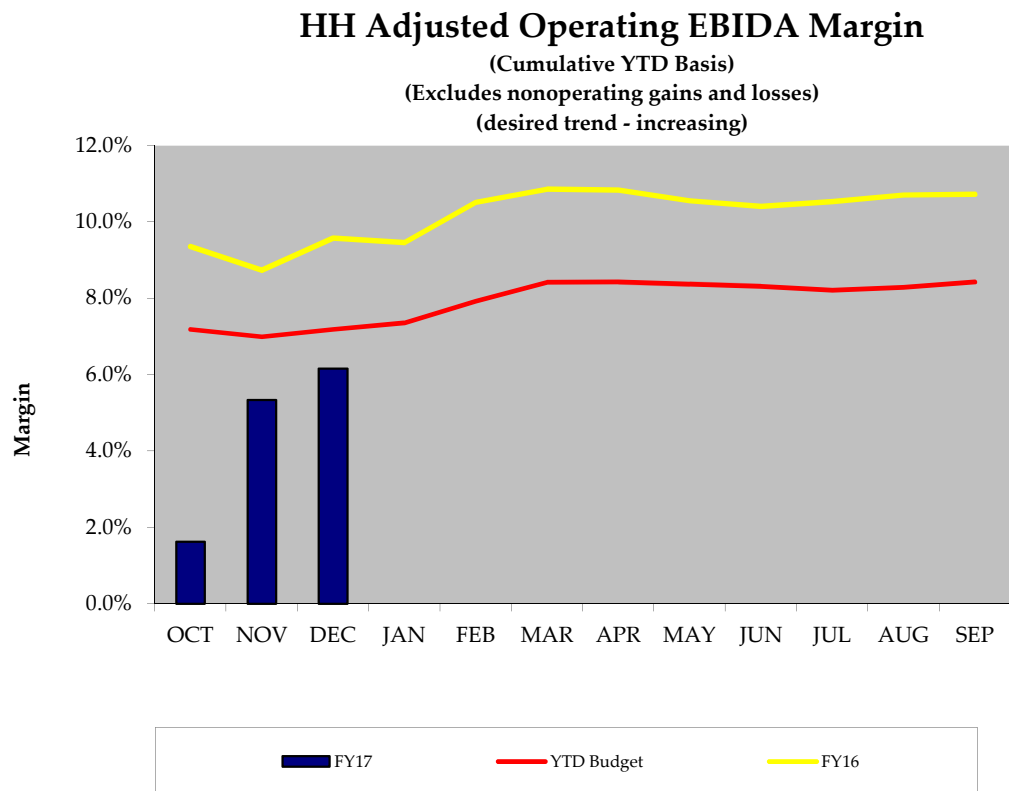
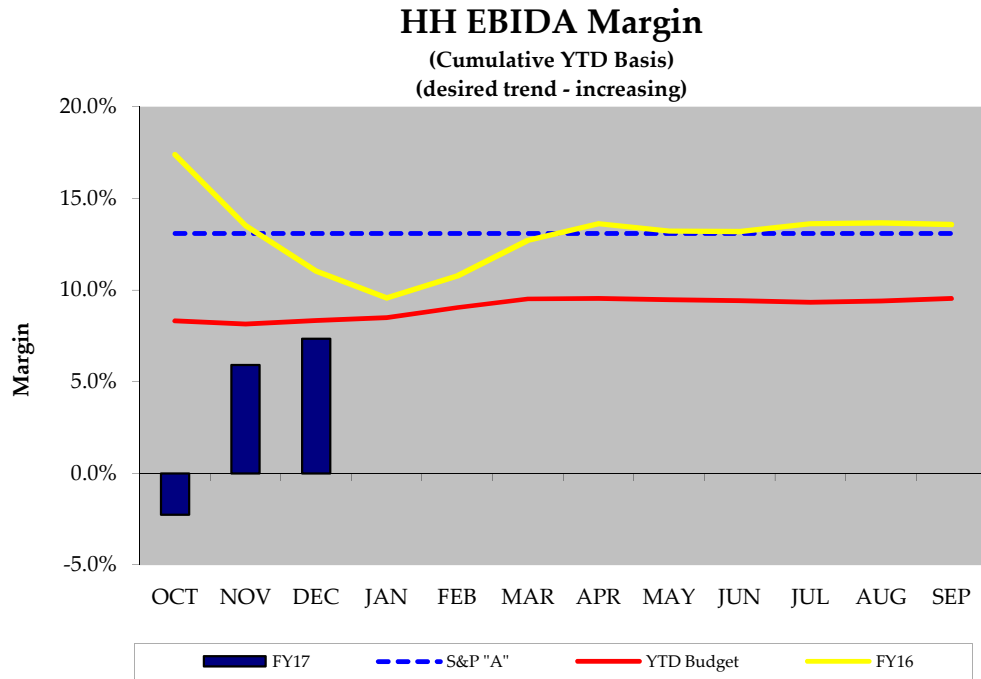
Halifax Health Medical Center (Obligated Group)
Statements of Revenues, Expenses and Changes in Net Position
(\$ in thousands)

Actual Month Ended December 31, 2016	Static Budget Month Ended December 31, 2016	Favorable (Unfavorable) Variance		Actual Three Months Ended December 31, 2016	Static Budget Three Months Ended December 31, 2016	Favorable (Unfavorable) Variance
			Operating revenues:			
\$48,571	\$42,792	\$5,779	Net patient service revenue, before provision for bad debts	\$137,808	\$129,106	\$8,702
(12,073)	(5,714)	(6,359)	Provision for bad debts	(26,925)	(18,513)	(8,412)
36,498	37,078	(580)	Net patient service revenue	110,883	110,593	290
938	938	-	Ad valorem taxes	2,813	2,813	-
1,261	1,561	(300)	Other revenue	3,772	4,758	(986)
38,697	39,577	(880)	Total operating revenues	117,468	118,164	(696)
			Operating expenses:			
19,980	21,094	1,114	Salaries and benefits	62,958	63,428	470
5,054	4,733	(321)	Purchased services	15,099	14,200	(899)
7,834	7,643	(191)	Supplies	23,118	22,649	(469)
1,818	1,821	3	Depreciation and amortization	5,581	5,587	6
1,394	1,400	6	Interest	4,225	4,200	(25)
614	621	7	Ad valorem tax related expenses	1,841	1,863	22
545	537	(8)	Leases and rentals	1,654	1,611	(43)
1,763	1,994	231	Other	5,870	5,981	111
39,002	39,843	841	Total operating expenses	120,346	119,519	(827)
(305)	(266)	(39)	Deficiency of operating revenues over expenses	(2,878)	(1,355)	(1,523)
			Nonoperating revenues, expenses, and gains/(losses):			
33	197	(164)	Realized investment income/(losses)	783	592	191
(167)	-	(167)	Unrealized investment income/(losses)	(2,183)	-	(2,183)
-	-	-	Donation revenue	16	-	16
3	-	3	Nonoperating gains/(losses), net	3	-	3
(131)	197	(328)	Total nonoperating revenues, expenses, and gains/(losses)	(1,381)	592	(1,973)
(436)	(69)	(367)	Decrease in net position before other changes in net position	(4,259)	(763)	(3,496)
1,527	562	965	Income from affiliates	3,619	1,560	2,059
\$1,091	\$493	\$598	Increase (decrease) in net position	(\$640)	\$797	(\$1,437)

Halifax Health Financial Summary - Graphic



Halifax Health Financial Summary - Graphic



Halifax Health

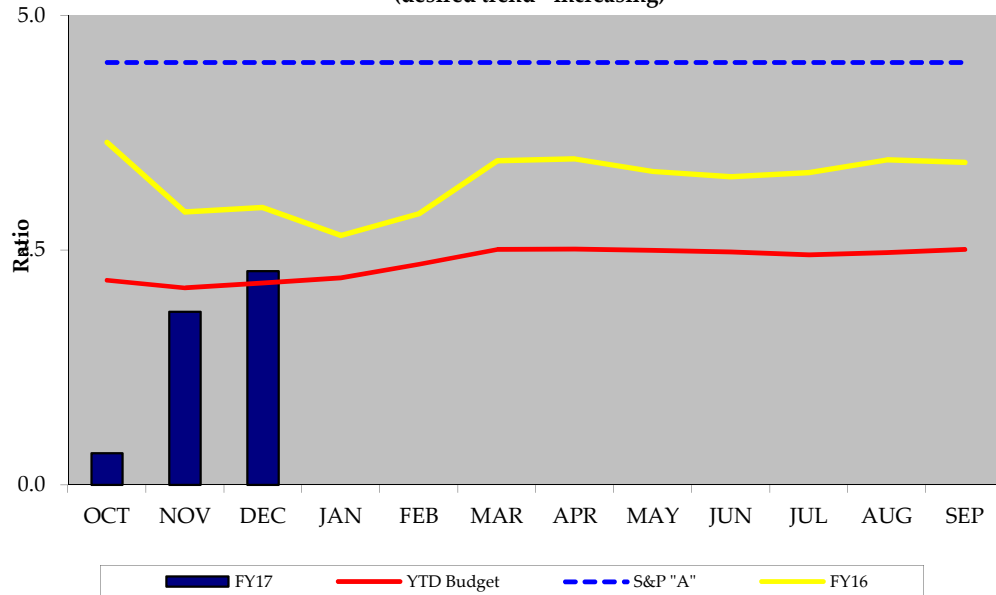
Financial Summary - Graphic

HH MADS Coverage Ratio

(Annualized Basis)

(Excludes unrealized investment gains/losses in accordance with covenant requirements)

(desired trend - increasing)

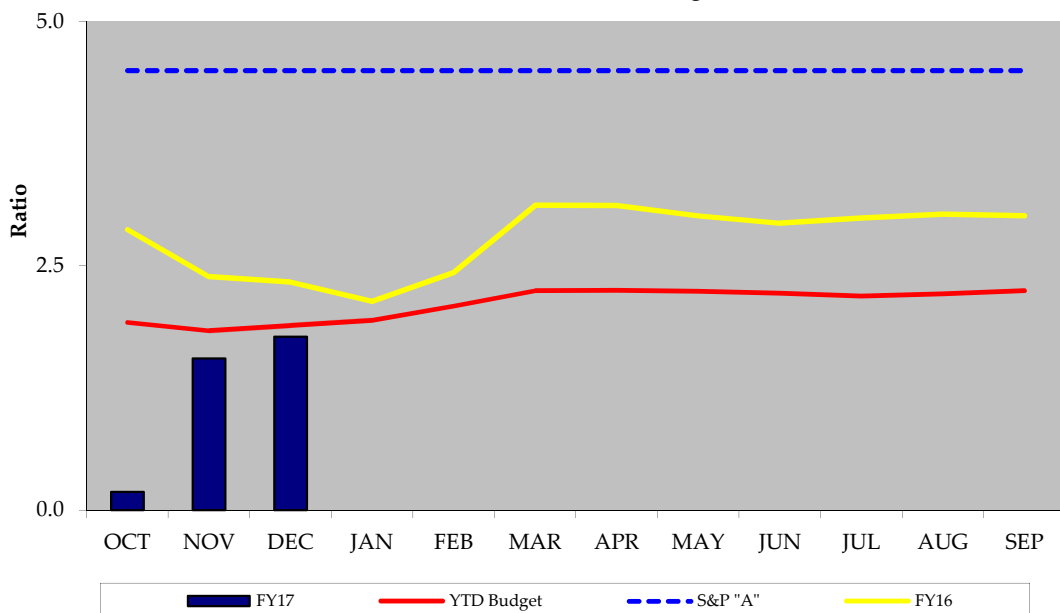


HH MADS Coverage Ratio - Operations Only

(Annualized Basis)

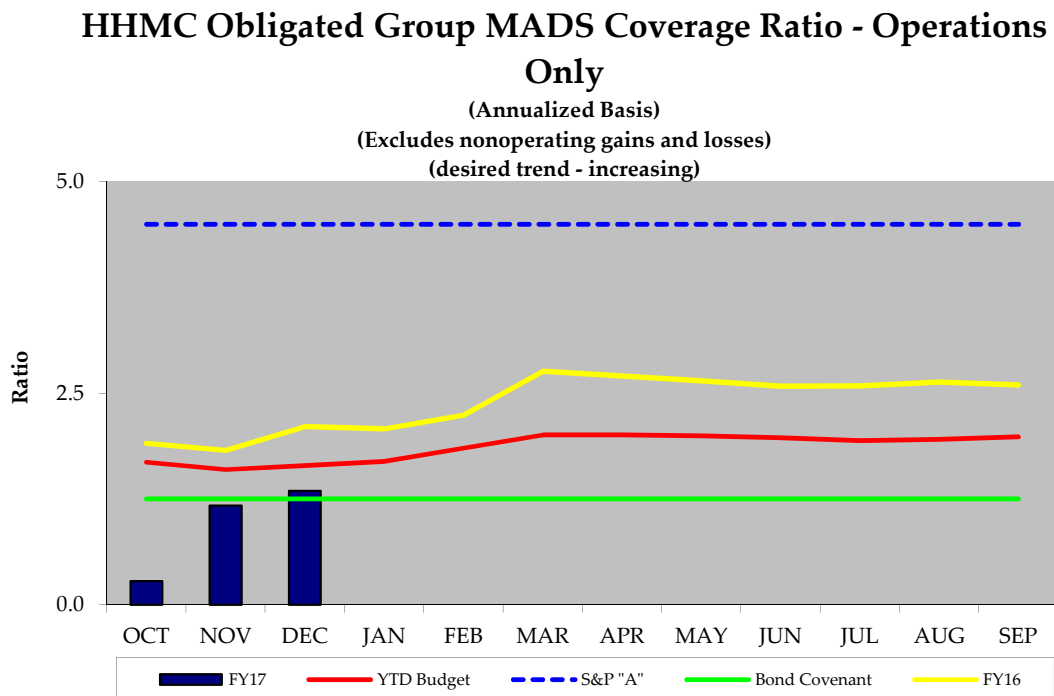
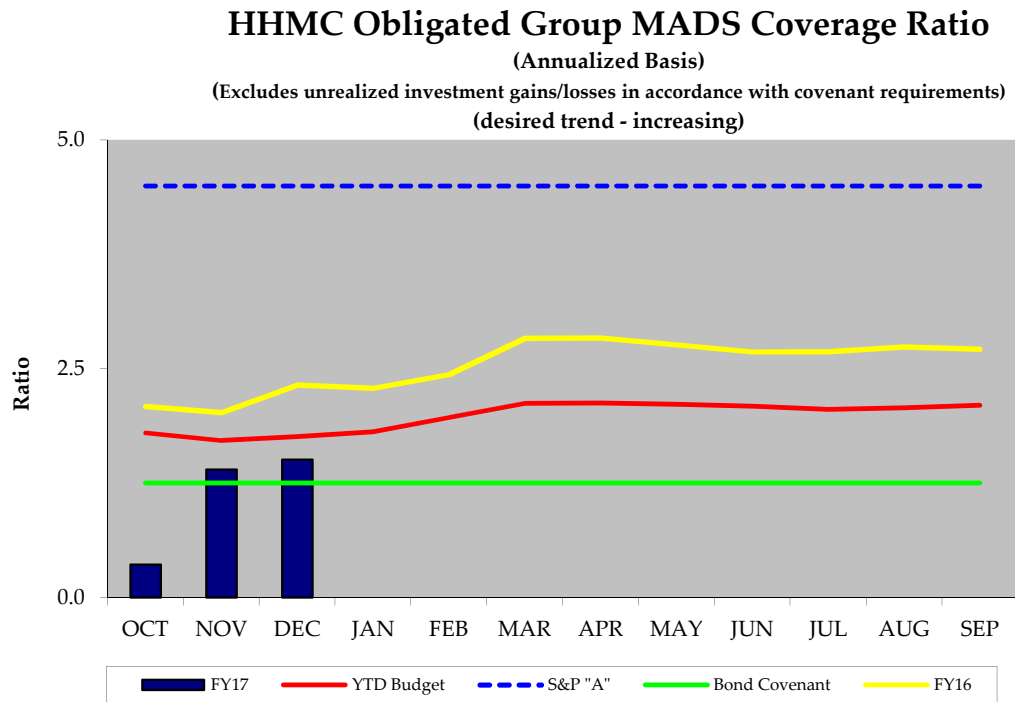
(Excludes nonoperating gains and losses)

(desired trend - increasing)



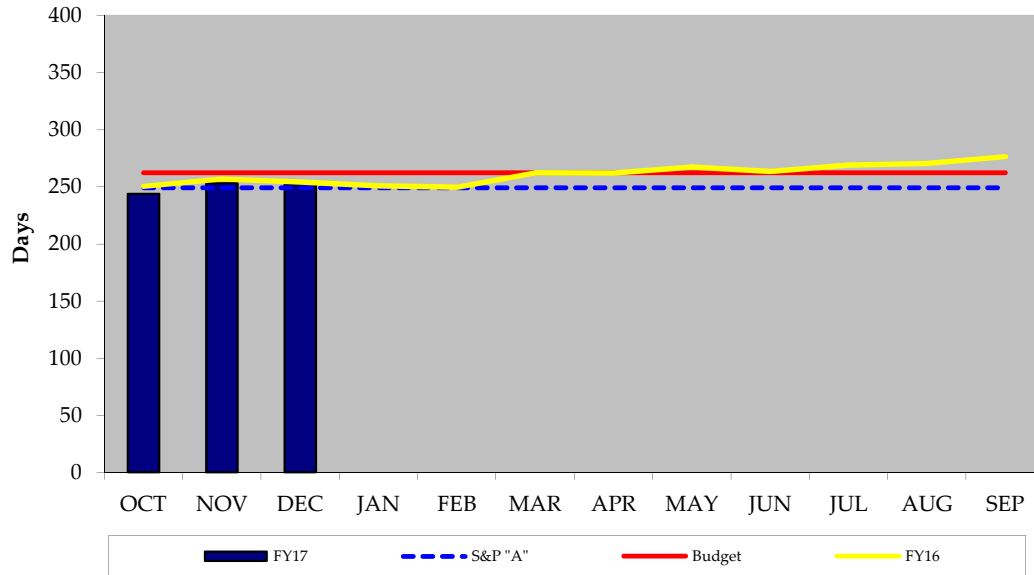
Halifax Health

Financial Summary - Graphic

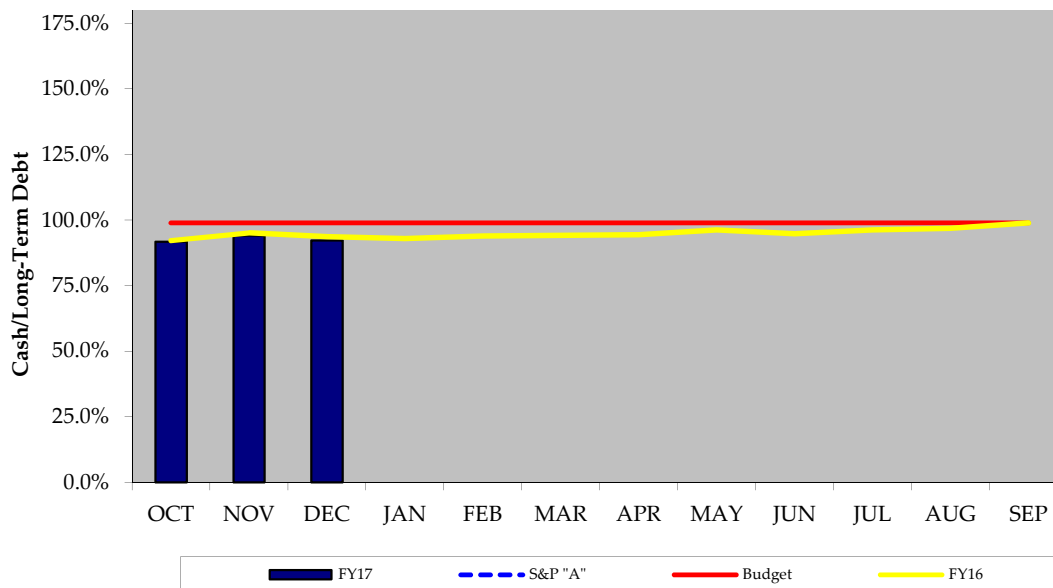


Halifax Health Financial Summary - Graphic

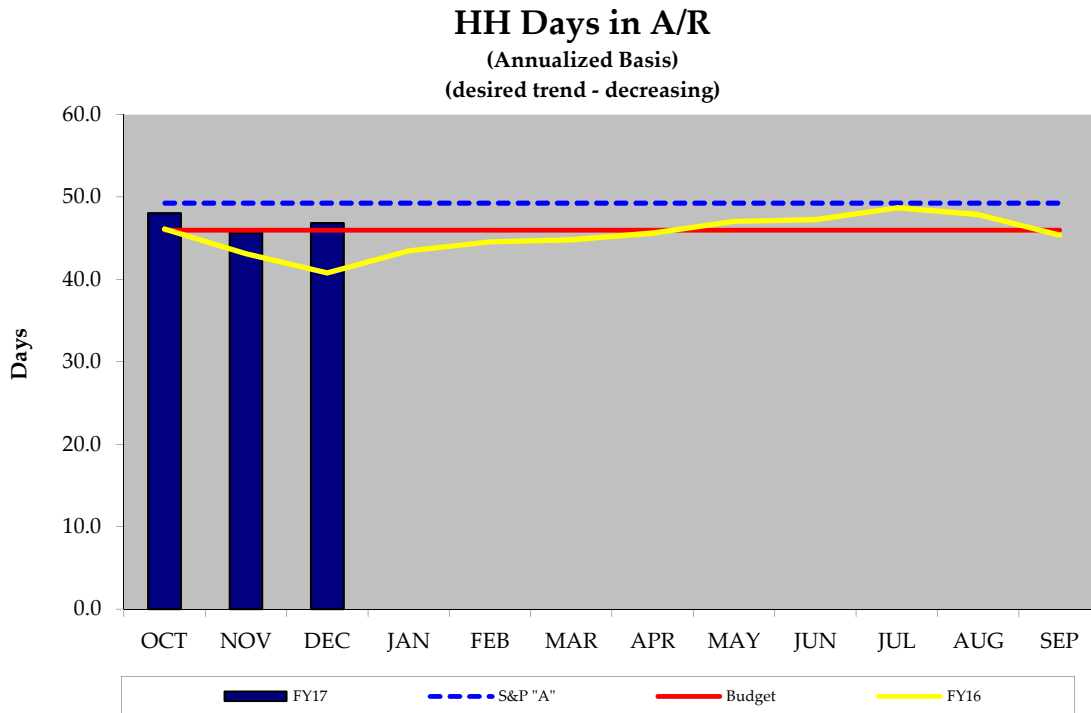
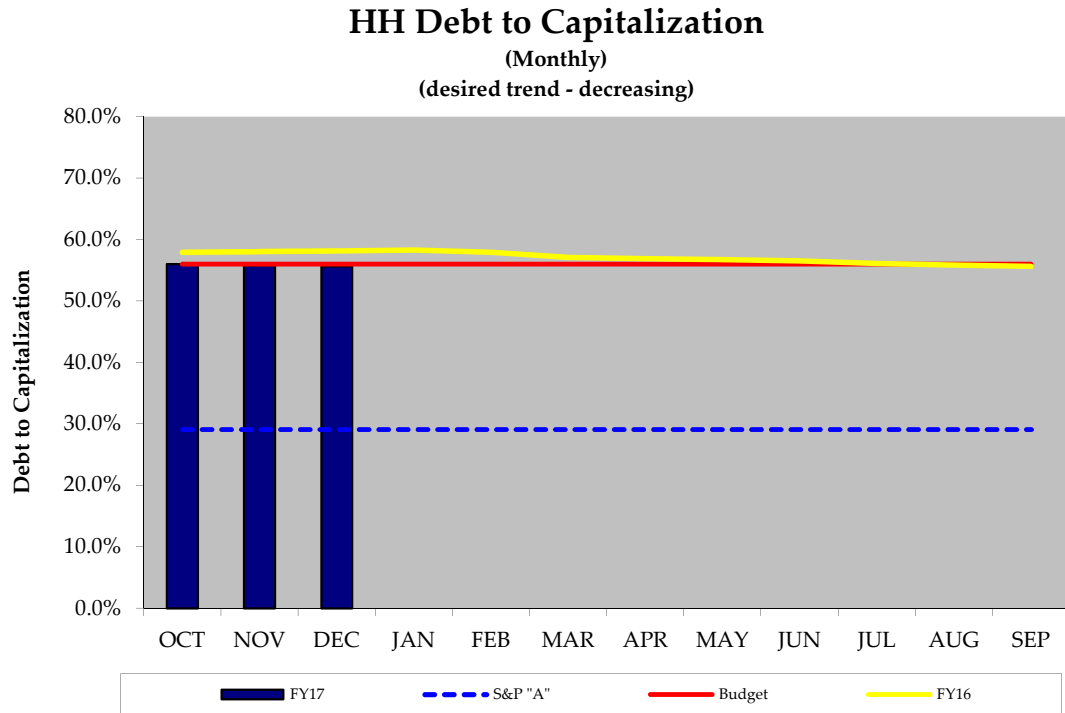
HH Days Cash on Hand
(Annualized Basis)
(desired trend - increasing)



HH Cash/Debt
(Monthly)
(desired trend - increasing)

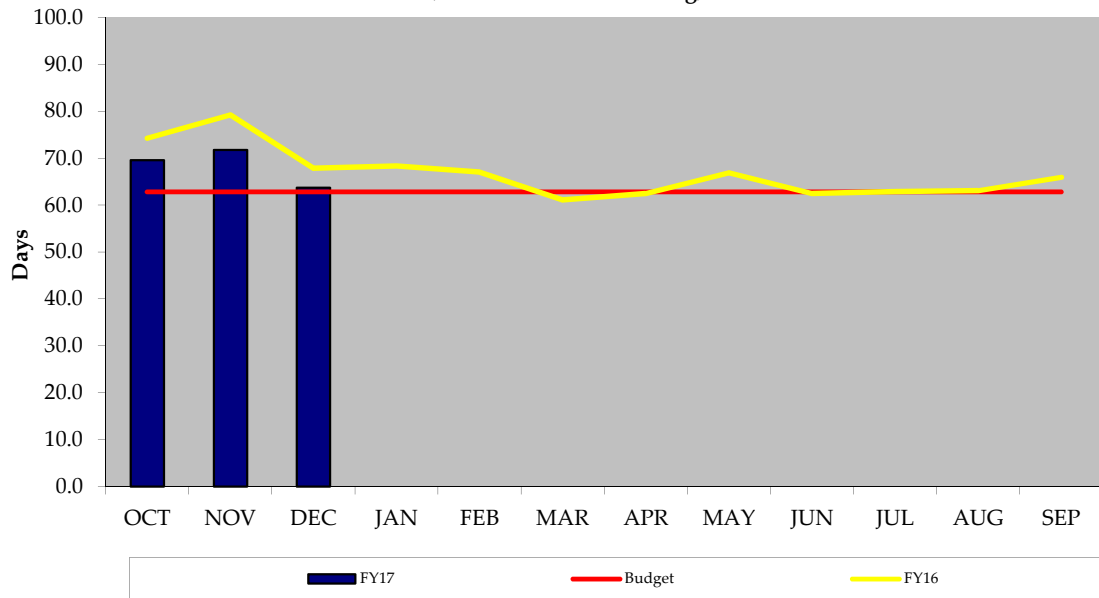


Halifax Health Financial Summary - Graphic

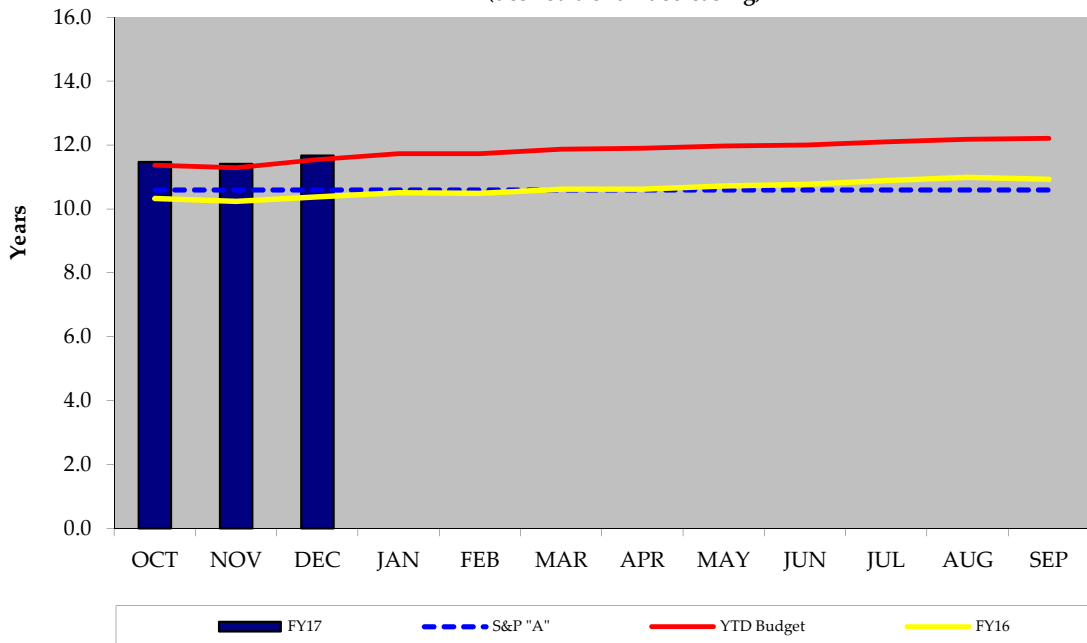


Halifax Health Financial Summary - Graphic

HH Average Payment Period (Annualized Basis) (desired trend - decreasing)



HH Average Age of Plant (Annualized Basis) (desired trend - decreasing)



Halifax Health
Financial Ratios and Operating Indicators
Definitions and Calculations

Indicator	Definition	Calculation
Total Margin *	Gauges the relative efficiency with which the System produces its output.	$\frac{\text{Net Income}}{\text{Total Revenues}}$
EBIDA Margin *	Gauges the relative efficiency excluding capital costs with which the System produces its output.	$\frac{\text{Net income} + \text{Int} + \text{Depr} + \text{Amort}}{\text{Total Revenues}}$
MADS Coverage Ratio *	Measures profitability relative to the Maximum Principal and Interest Payment of Debt	$\frac{\text{Net Income} + \text{Depr} + \text{Amort} + \text{Int}}{\text{Maximum Annual Debt Service}}$
Days Cash on Hand	Measures the number of days of average cash expenses that the System maintains in cash and cash equivalents and unrestricted investments.	$\frac{\text{Unrestricted Cash and Investments}}{(\text{Total Expenses} - \text{Depr}) / \text{Days in Period}}$
Cash to Long-term Debt	Measures the percentage of unrestricted cash and investments to long-term debt.	$\frac{\text{Unrestricted Cash and Investments}}{\text{Long-term Debt}}$
Long-term Debt to Capitalization	Measures the reliance on long-term debt financing and ability to issue new debt.	$\frac{\text{Long-term Debt}}{\text{Long-term Debt} + \text{Net Position}}$
Days in Accounts Receivable	Measures the average time that receivables are outstanding, or the average collection period.	$\frac{\text{Accounts Receivable}}{\text{Net Patient Service Revenue} / \text{Days in Period}}$
Average Payment Period	Provides a measure of the average time that elapses before current liabilities are paid.	$\frac{\text{Current Liabilities}}{(\text{Total Expenses} - \text{Depr}) / \text{Days in Period}}$
Average Age of Plant	Provides a measure of the average age in years of the System's fixed assets.	$\frac{\text{Accumulated Depreciation}}{\text{Depreciation Expense}}$
Operating Margin	Gauges the relative operating efficiency with which the System produces its output.	$\frac{\text{Excess of Operating Revenues}}{\text{Total Operating Revenues} + \text{Bad Debt}}$
* Operations Only Indicators	Excludes realized and unrealized investment income, donations, and nonoperating gains and losses	

Halifax Health
Summary Financial Indicators – Excluding Estimated Hurricane Matthew Costs
For the three months ended December 31, 2016

The performance of Halifax Health compared to budget and long-range targets (S&P “A” rated medians) for key financial indicators, including computations excluding \$1.8 million of estimated Hurricane Matthew related costs, is as follows.

Financial Indicator	YTD Adjusted Actual FY 17 (2)	YTD Budget FY 17	YTD Adj. Actual vs. Budget	S&P "A"	YTD Adj. Actual FY 17 vs. S&P "A"
Total Margin	0.9%	0.6%	Favorable	5.8%	Unfavorable
Operating Margin	0.5%	-0.4%	Favorable	3.6%	Unfavorable
EBIDA Margin	8.7%	8.3%	Favorable	13.1%	Unfavorable
Operating EBIDA Margin	8.4%	7.4%	Favorable	10.8%	Unfavorable
Adjusted Operating EBIDA Margin (1)	7.6%	7.2%	Favorable	N/A	N/A
Days Cash on Hand	257	262	Unfavorable	249	Favorable
Cash to Debt	92.7%	98.9%	Unfavorable	189.9%	Unfavorable
Debt to Capitalization	56.9%	56.0%	Unfavorable	29.1%	Unfavorable
OG MADS Coverage	1.86	1.76	Favorable	4.50	Unfavorable
OG Debt to Capitalization	55.8%	55.0%	Unfavorable	29.1%	Unfavorable

(1)- Financial Indicator computed by excluding investment income/loss of Foundation recorded as operating revenue.

(2)- Financial Indicator computed by excluding estimated Hurricane Matthew related expenses of \$1.8 million.

Halifax Health
FY2016 Capital Investment Strategy
Executive Summary
As of December 31, 2016
(\$ in thousands)

Targeted Unrestricted Cash and Investments - September 30, 2017 (262 days cash on hand)	\$ 362,668
---	-------------------

Projected FY 2017 funds available for capital expenditures - based on current level of unrestricted cash and investment, plus amounts expected to be derived from operations and other sources	\$ 29,192	=	This amount is greater than the projected capital expenditures for FY 2017
---	------------------	----------	---

Capital Strategy Justifications for Approval of Proposed Capital Projects:

1. The targeted unrestricted cash and investments for September 30, 2017 (and related days cash on hand) continues to be considered appropriate.
2. The capital requirements of the projects proposed for Board of Commissioners' approval are within the scope of the FY 2017 capital budget.

Halifax Health
FY2017 Capital Investment Strategy
As of December 31, 2016
(\$ in thousands)

	Hospital Only	HH Holdings	HH Obligated Group	Foundation	Hospice	Total Halifax Health*
Unrestricted Cash and Investments and days cash on hand						
Actual unrestricted Cash and Investments as of December 31, 2016	\$76,738	\$165,713	\$242,451	\$33,961	\$68,175	\$344,587
Days cash on hand (excluding settlement and legal fees) [S&P Calculation]	61.5	N/A	194.4	N/A	604.8	252.4
Days cash on hand including bad debt (excluding settlement and legal fees) [Bond Compliance Calculation]	54.5	N/A	172.1	N/A	595.9	219.5
Projection of Cash Available for Capital Investment - FY 2017						
Actual Cash and Investments as of December 31, 2016	\$76,738	\$165,713	\$242,451	\$33,961	\$68,175	\$344,587
Budgeted Cash and Investments at September 30, 2017	88,924	168,474	257,398	34,422	70,848	362,668
Cash and Investments in excess of Budget	(12,186)	(2,761)	(14,947)	(461)	(2,673)	(18,081)
Calculation of Cash from Operations Available for Capital Investment						
Gain from operations - budgeted FY 2017- Remaining	\$5,408	\$398	\$5,806	\$849	\$616	\$5,978
GASB 68 pension accounting - budgeted FY 2017- Remaining	9,139	-	9,139	-	455	9,594
Depreciation expense - budgeted FY 2017- Remaining	16,707	-	16,707	-	582	17,889
Expected cash from operations- budgeted FY 2017- Remaining	31,254	398	31,652	849	1,653	33,461
Donations and nonoperating gains, net- budgeted FY 2017- Remaining	-	-	-	-	536	536
Investment gains- budgeted FY 2017- Remaining	\$619	\$1,159	\$1,778	\$0	\$1,692	\$3,470
Portion being made available for capital expenditures	100% 619	100% 1,159	100% 1,778	100% -	100% 1,692	100% 3,470
Adjustment to cash from Bond Proceeds	13,116	-	13,116	-	-	13,116
Pension Funding	(361)	-	(361)	-	(40)	(401)
Expected changes in working capital through September 30, 2017	4,617	-	4,617	-	-	4,617
Principal payments on debt	(7,526)	-	(7,526)	-	-	(7,526)
Total expected cash and investments available for capital expenditures	(A) \$29,533	(A) (\$1,204)	(A) \$28,329	(A) \$388	(A) \$1,168	(A) \$29,192
Projected Capital Investments FY 2017						
Capital projects approved in FY 2016 and prior - not expended at September 30, 2016	\$18,044	\$0	\$18,044	\$0	\$108	\$18,152
FY2017 Capital Budget	19,700	-	19,700	-	300	20,000
Adjustments (FY 2017 Budgeted Projects approved in FY 2016)	(1,681)	-	(1,681)	-	-	(1,681)
Estimated carryover of approved projects to FY 2017	(12,000)	-	(12,000)	-	-	(12,000)
Projected capital expenditures	(B) 24,063	(B) -	(B) 24,063	(B) -	(B) 408	(B) 24,471
Projected funds available in excess of capital expenditures	(A)-(B) \$5,470	(A)-(B) (\$1,204)	(A)-(B) \$4,266	(A)-(B) \$388	(A)-(B) \$760	(A)-(B) \$4,721
Summary of Capital Approvals						
FY 2017 Capital Budget	\$19,700	\$0	\$19,700	\$0	\$300	\$20,000
Projected funds available in excess of FY 2017 Capital Investment	5,470	(1,204)	4,266	388	760	4,721
FY 2015 Capital Budget plus projected excess funds	(C) 25,170	(C) (1,204)	(C) 23,966	(C) 388	(C) 1,060	(C) 24,721
FY2017 Board of Commissioners approved projects	5,827	-	5,827	-	-	5,827
FY 2017 CIC approved projects, net of those subsequently approved by the Board	1,074	-	1,074	-	-	1,074
Approved capital projects	(D) 6,901	(D) -	(D) 6,901	(D) -	(D) -	(D) 6,901
Adjustments (FY 2017 board approvals, approved by CIC in FY 2016)	(E) (4,394)	(E) -	(E) (4,394)	(E) -	(E) -	(E) (4,394)
Available for new projects	(C)-(D)-(E) 22,663	(C)-(D)-(E) (1,204)	(C)-(D)-(E) 21,459	(C)-(D)-(E) 388	(C)-(D)-(E) 1,060	(C)-(D)-(E) 22,214
Project(s) proposed for Board of Commissioners approval:						
SAN Hardware	(\$477)	\$0	(\$477)	\$0	\$0	(\$477)
Surgical Power Equipment- Small Bone Orthopedics	(471)		(471)			(471)
Neurosurgical Power Equipment	(181)		(181)			(181)
Network Switches & Installation for Patient Monitoring	(141)		(141)			(141)
Plasma Pheresis Systems (Qty 5)	(122)		(122)			(122)
Pump Speed Controls for Heart-Lung Machines (Qty 3)	(100)		(100)			(100)
Mini C-Arm for Hand Surgery	(72)		(72)			(72)
Available Capital if Proposed Projects are Approved	\$21,100	(\$1,204)	\$19,896	\$388	\$1,060	\$20,651

* Includes VHN and HMS. Amounts are not reflected individually.

Halifax Health
Capital Budget
FY 2017 Budget - December 31, 2016 Evaluation
(in Thousands)

		(A)	(B)	(C)	(A)+(B)+(C)		
		FY 17 Capital Budget	FY17 Adjustments	FY 17 Activity/ Approvals	Remaining Balance as of 12/31/16	Current CIC Submitted Projects	Remaining Capital with CIC Projects Approved
Item	Information Technology						
1	IT Enterprise Projects	\$1,700		(\$673)	\$1,027	(\$25)	\$1,002
2	IT Internal Resource Capitalization	700			700		700
3	Laptop/Desktop Replacement (rolling 4-5 year cycle)	300			300		300
4	WOW Replacement (rolling 7 year cycle) - 50/yr.	200		(198)	2		2
5	Enterprise Infrastructure	100			100		100
	Total Information Technology	\$3,000	\$0	(\$871)	\$2,129	(\$25)	\$2,104
Item	Medical Equipment						
6	Cath Lab Replacement	\$1,841			\$1,841		\$1,841
7	Vendor Neutral Archive (VNA) for Enterprise Imaging *	1,500		(1,500)	0		0
8	Power equipment (Ortho)	500		(488)	12		12
9	Intraoperative Radiation Therapy - Breast site	425		(441)	(16)		(16)
10	CT Scanner- Big Bore	350			350		350
11	Critical Care Beds	281		(338)	(57)		(57)
12	OeC O.R. C-Arm (One Machine)	225			225		225
13	Power equipment (Neuro)	225		(181)	44		44
14	Replace obsolete surgical tables (6)	220			220		220
15	Prostate Biopsy	170			170		170
16	Med/Surg Beds	163		(153)	9		9
17	IRIS Replacement	150			150		150
18	Robotics Single Site	125			125		125
19	Medical Equipment Emergency Purchases	1,000		(122)	878		878
20	Medical Equipment Projects under \$100,000	1,000		(273)	727	(78)	649
	Total Medical Equipment	\$8,174	\$0	(\$3,496)	\$4,679	(\$78)	\$4,600
Item	Infrastructure/Facilities						
21	T-Zone AHU (Fountain 5, 6, 7)	\$1,000			\$1,000		\$1,000
22	CVICU/ CPCU Renovation	816		(816)	-		-
23	Bronch Renovation	381			381		381
24	GI Lab Renovation	280			280		280
25	Lab Roof	265			265		265
26	Ophthalmology Microscope and Room Renovation	258			258	(94)	165
27	Infrastructure Emergency Purchases	1,000		(118)	882	(639)	243
28	Infrastructure Projects under \$100,000	1,000		(231)	769	(95)	673
	Total Infrastructure/Facilities	\$5,000	\$0	(\$1,165)	\$3,835	(\$828)	\$3,007
Item	Hospice Capital Expenditures						
29	SE Volusia Air Conditioning Units	\$175			\$175		\$175
30	Remaining Hospice Capital	125			125		125
	Total Hospice Capital Expenditures	\$300	\$0	\$0	\$300	\$0	\$300
Item	Other						
31	Service Expansion	\$3,526		(\$96)	\$3,430		\$3,430
	Subtotal Other Projects	\$3,526	\$0	(\$96)	\$3,430	\$0	\$3,430
	Total HH Capital Expenditures	\$20,000	\$0	(\$5,628)	\$14,373	(\$932)	\$13,441

* VNA was approved August 8, 2016 and will be funded over three fiscal years (\$0.3M in FY2016, \$1.5M in FY2017, and \$1.4M in FY2018)

Halifax Health
FY 2017 and Prior Approved Capital Projects and Expenditures
As of December 31, 2016
(\$ in thousands)

	Project Approval Date	Total Carryover and Approved	Spent During FY 2017	HMC Remaining to be Spent	HH Holdings Remaining to be Spent	Hospice Remaining to be Spent
Capital funds required for projects approved in FY 2016 and prior						
Deltona FSED	6/6/2016	\$ 3,843	(960)	\$ 2,883		
Vendor Neutral Archive (VNA) for Enterprise Imaging	8/8/2016	3,239	(389)	2,850		
Cardiac Cath & Electrophysiology Lab Replacement	10/3/2016	1,841	-	1,841		
Boiler Replacement (3)	8/8/2016	1,605	(149)	1,457		
Patient Monitors- PACU, Holding, L&D	10/3/2016	950	-	950		
Port Orange Equipment Refresh	2/17/2016	746	(241)	504		
Fire Alarm System	3/16/2016	700	(13)	687		
SAN Software	10/3/2016	594	-	594		
Med Psych Construction & Furnishings-4-South Fountain Tower	11/2/2015	489	(369)	120		
Endoscopic Ultrasound for GI with Video Scopes (Qty 4)	8/24/2016	470	-	470		
AHU (x2) for Ormond ROC	6/6/2016	328	-	328		
Air Handling Units (Qty 2) for HHPO	6/6/2016	320	(186)	134		
Access Control System - Replacement of WinPak	11/2/2015	243	(122)	121		
Air Handling Unit #5 for Facility Expansion Roof	8/24/2016	231	(2)	229		
Bronchoscopes (Qty 3) and Navigation Cart	6/6/2016	200	(200)	-		
Hemodynamic Patient Monitors (x10)	8/8/2016	198	-	198		
Laptops (x50) and Desktops (x200) Replacement	10/3/2016	190	-	190		
Air Handling Unit #1 for SPD Area	8/24/2016	189	(2)	188		
Chiller #1 for HHPO	3/7/2016	183	-	183		
Neurosurgical Power Equipment	9/21/2016	181	-	181		
Data Center Cooling Replacement	9/21/2016	163	-	163		
Outpatient Rehab JV Renovations	6/6/2016	137	-	137		
Ormond Beach Urgent Care Construction & Equipment	12/7/2015	111	(111)	-		
Ormond Beach Resale Shop	8/24/2016	108	(4)	-		104
GI Lab for HHPO	1/8/2016	106	(65)	40		
Pump Speed Controls for Heart-Lung Machines (Qty 3)	9/21/2016	100	-	100		
Electrical Panel Replacement (x18)	11/2/2015	94	(53)	41		
Video System for Vessel Harvest-CVOR	12/7/2015	85	-	85		
Ultrasound for OB Diagnostics	10/3/2016	74	-	74		
OneView Physician Quality Reporting Software	6/6/2016	72	(24)	48		
Pulmonary Function Tester	8/24/2016	68	-	68		
Keech Pediatric Clinic Renovations	8/8/2016	68	(45)	22		
Carescape Patient Monitor Upgrade	8/8/2016	64	-	64		
Kronos Time & Attendance and Workforce Scheduler	6/1/2015	54	(54)	-		
Subtotal of approved items less than \$50k		713	(876)	(215)	-	52
Total Capital funds required for projects approved in FY 2016 and prior		\$ 18,044	\$ (2,989)	\$ 14,951	\$ -	\$ 104
FY2017 Board Approved Capital Projects						
Cardiac Cath & Electrophysiology Lab Replacement	11/7/2016	\$ 1,841	\$ -	\$ 1,841		
Patient Monitors- PACU, Holding, L&D	11/7/2016	950	-	950		
Laptops (x50) and Desktops (x200) Replacement	11/7/2016	190	-	190		
Ultrasound for OB Diagnostics	11/7/2016	74	-	74		
CVICU & CPCU Renovation	12/5/2016	816	-	816		
SAN Software	12/5/2016	594	-	594		
Endoscopic Ultrasound for GI with Video Scopes (Qty 4)	12/5/2016	441	-	441		
WOW Carts (Qty 55)	12/5/2016	198	-	198		
Pulmonary Function Tester	12/5/2016	68	-	68		
Intrabeam Radiation System	1/9/2017	441	-	441		
Fountain Building Waterproofing and Repairs	1/9/2017	118	-	118		
New Smyrna Family Practice Equipment and X-Ray Upgrade	1/9/2017	96	-	96		
Total FY 2016 Board Approved Capital Projects		\$ 5,827	\$ -	\$ 5,827	\$ -	\$ -
FY 2017 Other Approved Capital Projects						
Beds & Mattresses (Qty 16) for IMC	12/21/2017	338	-	338		
Beds & Mattresses (Qty 25)	12/21/2017	153	-	153		
New Smyrna Beach Physician Office-Equipment	12/21/2017	96	-	96		
Subtotal of approved items less than \$50k		488	(14)	83	-	-
Total FY 2016 Other Approved Capital Projects		\$ 1,074	\$ (14)	\$ 1,011	\$ 50	\$ -
Projects proposed for Board of Commissioners approval						
SAN Hardware	11/16/2017	\$ 477	-	\$ 477		
Surgical Power Equipment- Small Bone Orthopedics	10/19/2017	471	-	471		
Neurosurgical Power Equipment	9/21/2016	181	-	181		
Network Switches & Installation for Patient Monitoring	10/22/2017	141	-	141		
Plasma Pheresis Systems (Qty 5)	12/21/2017	122	-	122		
Pump Speed Controls for Heart-Lung Machines (Qty 3)	9/21/2016	100	-	100		
Mini C-Arm for Hand Surgery	11/16/2017	72	-	72		
Total Project(s) proposed for Board approval		\$ 1,563	\$ -	\$ 1,563	\$ -	\$ -

* Project approved by CIC Committee. Project not yet submitted to Board for approval.

^ CIC approved project in FY 2016

CAPITAL EXPENDITURES & OPERATING LEASES

Audit & Finance Committee

February 1, 2017

Capital Expenditures \$50,000 and over

DESCRIPTION	DEPARTMENT	SOURCE OF FUNDS	TOTAL
Neurosurgical and Small Bone Power Equipment	Surgical Services	Working Capital	\$652,141
SAN Hardware	Information Technology	Working Capital	\$477,180
Network Switches for Patient Monitoring	Cardiology Department	Working Capital	\$140,503
Plasma Pheresis Equipment	Center for Oncology, Laboratory, Dialysis Department	Working Capital	\$121,506
Mini C-Arm	Surgical Services	Working Capital	\$71,698

Operating Leases \$250,000 and over

DESCRIPTION	DEPARTMENT	REPLACEMENT Y/N	LEASE TERMS	INTEREST RATE	MONTHLY PAYMENT



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Executive Vice President and Chief Operating Officer
CC: Eric Peburn, Executive Vice President and Chief Financial Officer
Catherine Luchsinger, RN, Chief Nursing Officer
DATE: January 17, 2017
RE: Neurosurgical and Small Bone Power Equipment

Halifax Health Surgical Services is requesting funds to purchase neurosurgical and small bone power equipment used in craniotomies, spinal, facial and dental surgeries. This purchase includes replacement equipment and a buyout of certain equipment items under an expiring lease arrangement.

The neurosurgical power equipment is used extensively by our neurosurgeons and several of the orthopedic surgeons. The small bone equipment is used to perform dental and facial surgeries during major trauma cases. The equipment will be used at the main campus and at the Twin Lakes Surgical Center.

In fiscal year 2016, there were 1,647 neurosurgical and small bone orthopedic procedures performed resulting in a contribution margin of approximately \$416,000.

The project was approved in two submissions to the Capital Investment Committee on September 21, 2016 and October 19, 2016.

TOTAL CAPITAL COSTS \$652,141



Halifax Health Project Evaluation

Neurosurgical and Small Bone Power Equipment

Chief Operating Officer:	Mark Billings
Chief Nursing Officer:	Catherine Luchsinger
Director, Surgical Services:	Deborah Moore
Finance Analysis by:	Steve Mach

Summary

Purpose:

This project will purchase the following sets of power equipment: eleven (11) sets of small bone orthopedics, six (6) sets of craniotomy, and six (6) sets of laminectomy. The equipment is used in neurosurgical and orthopedic procedures.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	X
Cost Management	
Information Technology	
Service Distribution	X
Financial Position	
Scale	
Managed Care Contracting	
Competitive Position	

Cornerstone:

Safety	X
Compassion	
Image	
Efficiency	X

Investment Request for Approval **\$652,141**

Recommendation for approval of the project is not based upon incremental return on investment.

In fiscal year 2016, 1,647 neurosurgical and small bone orthopedic procedures were performed resulting in a contribution margin of approximately \$416,000.



HALIFAX HEALTH

TO: Jeff Feasel, President & Chief Executive Officer
FROM: Arvin Lewis, Senior Vice President & Chief Revenue Officer
CC: Eric Peburn, Executive Vice President & Chief Financial Officer
Tom Stafford, Vice President & Chief Information Officer
DATE: January 17, 2017
RE: SAN Hardware

Halifax Health Information Technology is requesting funds to purchase hardware for the Storage Area Network (SAN) to replace our existing SAN.

The new SAN hardware will provide enhanced performance, additional storage, has a useful life of 4 years which includes 4 years of maintenance. Previous SANs were leased for 36 months, which included 36 months of maintenance.

The project was approved at the Capital Investment Committee meeting on November 16, 2016.

TOTAL CAPITAL COST \$477,180



Halifax Health Project Evaluation

SAN Hardware

Chief Revenue Officer:	Arvin Lewis
Chief Information Officer:	Tom Stafford
Director, Technical Services:	Mike Marques
Finance Analysis by:	Steve Mach

Summary

Purpose:

This project is to replace the SAN data storage device that houses all critical patients and business data.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	
Cost Management	X
Information Technology	X
Service Distribution	
Financial Position	
Scale	
Managed Care Contracting	
Competitive Position	

Cornerstone:

Safety	X
Compassion	
Image	
Efficiency	X

Investment Request for Approval **\$477,180**

Recommendation for approval of the project is not based upon incremental return on investment.



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Executive Vice President and Chief Operating Officer
CC: Eric Peburn, Executive Vice President and Chief Financial Officer
Alberto Tineo, Vice President Operations
DATE: January 17, 2017
RE: Network Switches for Patient Monitoring

Halifax Health Cardiology Department is requesting funds to purchase network switches for the patient monitoring network. The current switches for the GE patient monitoring system, which is the central component of both our hard wire and telemetry monitoring, are no longer functioning. This has caused disruption in the transmission of patient vital signs data to our central monitoring area on 4-North. The network switches are over 12 years old.

This switch upgrade will stabilize the network and provide redundancy to the data flowing to the central monitoring area on 4-North.

TOTAL CAPITAL COSTS \$140,503



Halifax Health Project Evaluation

Network Switches for Patient Monitoring

Chief Operating Officer:	Mark Billings
Vice President, Operations:	Alberto Tineo
Service Line Administrator:	Matt Petkus
Finance Analysis by:	Steve Mach

Summary

Purpose:

This project is to purchase network switches for the patient monitoring network. The switches will stabilize the network and provide data flow redundancy.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	X
Cost Management	
Information Technology	X
Service Distribution	X
Financial Position	
Scale	
Managed Care Contracting	
Competitive Position	

Cornerstone:

Safety	X
Compassion	
Image	X
Efficiency	

Investment Request for Approval **\$140,503**

Recommendation for approval of the project is not based upon incremental return on investment.



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Chief Operating Officer
CC: Alberto Tineo, Vice President Operations
DATE: January 17, 2017
RE: Plasma Pheresis Equipment

Halifax Health Center for Oncology, in collaboration with the Laboratory and Dialysis departments, is requesting funds to purchase plasma pheresis equipment to perform this service in-house.

Currently Halifax Health contracts with One Blood for the treatment of plasma pheresis, a method of removing blood plasma from the body by withdrawing blood, separating it into plasma and cells, and transfusing the cells back into the bloodstream. Plasma pheresis is performed to remove antibodies in treating autoimmune conditions such as: sickle cell, myelodysplastic syndrome, and rheumatoid arthritis patients.

Performing the service in-house using the new equipment will allow for the cancellation of the One Blood contract and result in a significant cost savings. The costs of the equipment will be recovered in less than one year.

The project was approved at the Capital Investment Committee meeting on December 21, 2016.

TOTAL CAPITAL COSTS \$121,506



Halifax Health Project Evaluation

Plasma Pheresis

Chief Operating Officer:	Mark Billings
Executive Director, Hospice:	Alberto Tineo
Service Line Administrator, Oncology:	Debra Trovato
Finance Analysis by:	Steve Mach

Summary

Purpose:

The purpose of this project is to purchase three Plasma Pheresis and therapeutic apheresis systems to provide plasma services in-house. Currently this procedure is outsourced to OneBlood.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	X
Cost Management	X
Information Technology	
Service Distribution	
Financial Position	X
Scale	
Managed Care Contracting	
Competitive Position	X

Cornerstone:

Safety	X
Compassion	
Image	
Efficiency	X

Investment/Return:

	Investment Cash Flow	Operations Cash Flow ³	Cumulative Cash Flow
Year 0 ¹	(\$121,506)	(\$5,100)	(\$126,606)
Year 1	\$0	\$209,215	\$82,609
Year 2	\$0	\$196,139	\$278,748
Year 3	\$0	\$193,267	\$472,015
Year 4	\$0	\$190,308	\$662,323
Year 5	\$0	\$187,261	\$849,585
Terminal Value ²	\$0	\$0	\$849,585

Decision Metrics	
Required rate of Return	9.1%
Internal Rate of Return (IRR)	159.5%
5 Year Net Present Value (NPV)	\$634,847
Payback Period (in Years)	0.4

Investment Request for Approval **\$121,506**

¹ Includes capital acquisition and project startup costs

² Terminal value is estimated at \$0, assumes technology is obsolete after 5 years



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Executive Vice President and Chief Operating Officer
CC: Eric Peburn, Executive Vice President and Chief Financial Officer
Catherine Luchsinger, RN, Chief Nursing Officer
DATE: January 17, 2017
RE: Mini C-Arm

Halifax Health Surgical Services is requesting funds to purchase a Mini C-arm. This device is used extensively by both the hand surgeons and the podiatrists. The C-Arm is used in both the main operating room and the Halifax Professional Center (HPC), resulting in it being transported back and forth frequently, creating availability issues.

Surgical Services will maintain the existing unit at HPC which should extend its life considerably. The new C-Arm will be kept in the main operating room.

The project was approved at the Capital Investment Committee meeting on November 16, 2016.

TOTAL CAPITAL COSTS \$71,698



Halifax Health

Project Evaluation

Mini C-Arm, Surgical Services

Chief Operating Officer:	Mark Billings
Chief Nursing Officer:	Catherine Luchsinger
Director, Surgical Services:	Deborah Moore
Finance Analysis by:	Steve Mach

Summary

Purpose:

This purchase of the mini C-Arm will be used in the main operating room for hand and foot surgery.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	X
Cost Management	
Information Technology	X
Service Distribution	
Financial Position	
Scale	
Managed Care Contracting	
Competitive Position	

Cornerstone:

Safety	
Compassion	
Image	
Efficiency	X

Investment Request for Approval **\$71,698**

Recommendation for approval of the project is not based upon incremental return on investment.

Halifax Health Medical Center

Capital Disposals

February 2017

The Board hereby deems the following property to be surplus in that: the items are obsolete, their continued use would be uneconomical or inefficient, or they serve no useful function. Disposition of said property is therefore authorized pursuant to Florida Statutes, Chapter 274.

Asset #	Description	Department	Date Purchased	Original Cost	Book Value
56526	42" LCD TV	HHPO Med Surg	08/20/17	1,389.00	-
48054	DRILL HALL	OR	08/12/97	2,517.87	-
48055	DRILL HALL	OR	08/12/97	2,517.87	-
49903	SAW, SAGITTAL K120	OR	04/10/02	1,990.00	-
51250	MINI DRIVER II HANDPIECE	OR	11/28/00	4,229.08	-
0029206	MINI DRIVER K105	OR	11/01/83	3,886.59	-
0034275	MINI DRILL	OR	05/01/87	4,676.50	-
0034276	MINI DRILL	OR	05/01/87	4,676.50	-
50548	EVIS VIDEO BRONCHOSCOPE	OR	06/02/98	17,195.00	-
50553	SURGICAL LIGHTS 24" 2 HEAD (RM 3)	OR	06/02/98	28,590.68	-
50554	SURGICAL LIGHTS 24" 2 HEAD (RM 3)	OR	06/02/98	28,590.67	-
50555	CONTROLLERS RM 3	OR	06/02/98	1,848.00	-
56028	ILLUMINATOR LAMP MODULE	OR	02/28/07	1,650.00	13.75
56945	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56946	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56947	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56948	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56949	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56950	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56951	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56952	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56953	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56954	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56955	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56956	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56957	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56958	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56959	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
56960	SLEEP CHAIR W/ UPH ARM CAPS	OB	08/18/08	1,193.50	529.69
58497	ISTAT ANALYZER	LABORATORY	03/25/10	3,996.38	144.04
58498	ISTAT ANALYZER	LABORATORY	03/25/10	3,996.38	144.04
57941	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57942	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57943	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57944	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57945	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57946	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57947	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57948	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57949	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57950	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57951	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57952	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-

57953	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57954	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57955	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57956	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57957	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57958	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57959	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57960	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.60	-
57961	RUBBERMAID COMPUTING CART - WOW	IT	06/30/09	3,078.68	-
Total to be disposed				<u>\$ 195,497.20</u>	<u>\$ 8,776.87</u>

Halifax Health Audit & Finance Committee

Request Tracker/Checklist

Meeting Date	Request	Projected Timeline	Frequency of Future Updates/Reports	Completed (Y/N)	Other
January 4, 2017	Summary Report and Timeline of Volusia Health Network Charity Payments	60 Days, March 1, 2017 Committee Meeting	N/A		

Halifax Health Committee Meetings, Revised Proposed 2017 Schedule

Finance, Audit, Investment

Month	Date	Finance Committee	Audit Committee	Investment Committee*
January	Wednesday, January 04, 2017	X	X	
February	Wednesday, February 01, 2017	X	X	
	Monday, February 13, 2017			Rescheduled to March 27
March	Wednesday, March 01, 2017	X		
	Monday, March 27, 2017			X
April	Wednesday, April 26, 2017	X	X	
May	Monday, May 08, 2017			X
	Wednesday, May 31, 2017	X		
June	Wednesday, June 28, 2017	X	X	
August	Monday, August 14, 2017			X
	Wednesday, August 30, 2017	X		
September	Wednesday, September 27, 2017	X		
November	Monday, November 13, 2017			X
	Wednesday, November 29, 2017	X	X	

* Advertise Audit & Finance Committee Meeting to Follow Investment Committee, if needed.

HALIFAX HEALTH MEDICAL CENTER
SCHEDULE OF USES OF PROPERTY TAXES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2016

		in mills
Gross property tax levy	\$ 2,812,986	0.7561
Tax discounts and uncollectible taxes	(87,627)	(0.0236)
Net property taxes collected	<u>2,725,359</u>	<u>0.7325</u>
Amounts paid to Volusia County and Cities:		
Tax collector and appraiser commissions	(93,579)	(0.0252)
Volusia County Medicaid matching assessment	(726,939)	(0.1954)
Redevelopment taxes paid to Cities	(158,268)	(0.0425)
Subtotal	<u>(978,786)</u>	<u>(0.2631)</u>
Net taxes available for community health, wellness and readiness	1,746,573	0.4694
Amounts paid for community health and wellness services:		
Preventive health services (clinics, Healthy Kids, etc.)	(299,115)	(0.0804)
Physician services	(1,726,143)	(0.4640)
Trauma services	(1,326,427)	(0.3565)
Pediatric and neonatal intensive care services	(216,173)	(0.0581)
Child and adolescent behavioral services	(85,494)	(0.0230)
Subtotal	<u>(3,653,352)</u>	<u>(0.9820)</u>
Deficiency of net taxes available to fund hospital operating expenses	(1,906,779)	(0.5126)
Uncompensated care provided by Halifax Health, <i>at cost</i>	<u>(12,551,030)</u>	<u>(3.3736)</u>
Total deficiency of net taxes available to fund hospital operating expenses and uncompensated care provided by Halifax Health, <i>at cost</i>	<u>\$ (14,457,809)</u>	<u>(3.8862)</u>
Proforma tax levy to cover uncompensated care, at cost:		
Gross property tax levy		0.7561
Subsidized uncompensated care costs by operations		<u>3.8862</u>
Equivalent property tax levy expended *		<u><u>4.6423</u></u>

* This is an equivalent levy for demonstration purposes only and is not intended to represent a proposed millage rate.

Halifax Health
Investment Manager Performance Report - through December 31, 2016

		December Performance	Calendar YTD	Calendar 2015	Fiscal Year
Fixed Income					
VFSIX - Vangaurd Short-Term Investment Gr.	Perf	0.07%	2.85%	1.16%	-0.82%
	BMK	0.06%	1.56%	0.97%	-1.05%
VSGDX - Vanguard Short-Term Federal	Perf	-0.02%	1.24%	0.83%	-0.84%
	BMK	0.01%	1.02%	0.93%	-1.15%
Ponder Short-term Government/Corporate	Perf	0.04%	1.95%	1.93%	-1.34%
	BMK	0.06%	1.56%	0.97%	-1.05%
Ponder US Treasury Account	Perf	0.09%	0.30%	n/a	-0.18%
	BMK	0.06%	-0.44%	n/a	-0.93%
Ponder Short-Term Government	Perf	0.00%	0.88%	0.74%	-0.83%
	BMK	0.01%	1.02%	0.93%	-1.15%
Ponder 2016 Project Fund	Perf	0.03%	0.43%	n/a	0.44%
	BMK	0.06%	0.29%	n/a	-0.39%
Weighted Composite	Perf	0.06%	1.99%	1.18%	-0.69%
	BMK	0.05%	1.07%	0.96%	-1.02%
Equities					
DFSVX - DFA Small Cap Value	Perf	3.41%	28.26%	-7.81%	15.05%
	BMK	4.13%	31.74%	-7.47%	14.06%
DFLVX - DFA Large Cap Value	Perf	2.49%	18.89%	-3.49%	8.63%
	BMK	2.50%	17.34%	-3.83%	6.67%
DFIVX - DFA International Value	Perf	3.29%	8.41%	-6.31%	5.09%
	BMK	3.27%	2.75%	-3.04%	-0.35%
DFEVX - DFA Emerging Markets	Perf	0.44%	19.84%	-18.77%	-0.97%
	BMK	0.22%	11.19%	-14.92%	-4.16%
VGELX - Vanguard Energy	Perf	1.54%	33.18%	-21.44%	5.46%
	BMK	3.80%	27.66%	-22.20%	7.44%
VENAX - Vanguard Energy Index	Perf	1.77%	28.94%	-24.16%	7.58%
	BMK	3.80%	27.66%	-22.20%	7.44%
VIGIX -Vanguard Large-Cap Growth	Perf	1.09%	6.13%	3.33%	-0.42%
	BMK	1.24%	7.08%	5.67%	1.02%
VGHAX - Vanguard Health Care	Perf	0.33%	-8.94%	12.71%	-5.95%
	BMK	1.46%	-6.83%	6.33%	-5.47%
VSGIX - Vanguard Small-Cap Growth	Perf	0.63%	10.74%	-2.52%	1.42%
	BMK	1.36%	11.32%	-1.38%	3.57%
Weighted Composite	Perf	2.10%	15.17%	-4.34%	5.48%
	BMK	2.49%	13.82%	-3.49%	4.13%

Halifax Health
Investment Manager Performance Report - through December 31, 2016

	Invested Balance	December Performance	Calendar YTD	Fiscal YTD
HH Holdings				
VFSIX - Vanguard Short-Term Invest Grade	\$ 52,590,876	Perf 0.07% BMK 0.06%	2.85% 1.56%	-0.82% -1.05%
Ponder Short-Term Gov't/Corporate	31,667,340	Perf 0.04% BMK 0.06%	1.95% 1.56%	-1.34% -1.05%
Ponder US Treasury Account	80,238,248	Perf 0.09% BMK 0.06%	0.30% -0.44%	-0.18% -0.93%
Total HH Holdings	<u>\$ 164,496,464</u>	Composite Budget	0.07% 2.52%	-0.61% 0.25%
HHMC				
Ponder Short-Term Government	\$ 41,960,040	Perf 0.00% BMK 0.01%	0.88% 1.02%	-0.83% -1.15%
VSGDX - Vanguard Short-Term Federal	63,998	Perf -0.02% BMK 0.01%	1.24% 1.02%	-0.84% -1.15%
Wells Fargo Halifax Hospital Trust	593,429	Perf 0.03% BMK 0.01%	0.33% 1.02%	0.07% -1.15%
Ponder 2016 Project Fund	12,680,311	Perf 0.03% BMK 0.06%	0.43% 0.29%	0.44% -0.39%
Total HHMC	<u>\$ 55,297,778</u>	Composite Budget	0.01% 1.45%*	-0.53% 0.25%

**Includes performance thru 3/31/16 for Wells Fargo Repurchase Agreements*

Halifax Health
Investment Manager Performance Report - through December 31, 2016

	Invested Balance	December Performance	Calendar YTD	Fiscal YTD
Foundation				
VFSIX - Vanguard Short-Term Invest Grade	\$ 22,079,049	Perf 0.07% BMK 0.06%	2.85% 1.56%	-0.82% -1.05%
DFSVX - DFA Small Cap Value	3,623,322	Perf 3.41% BMK 4.13%	28.26% 31.74%	15.05% 14.06%
DFIVX - DFA International Value	1,872,650	Perf 3.29% BMK 3.27%	8.41% 2.75%	5.09% -0.35%
DFEVX - DFA Emerging Markets	632,050	Perf 0.44% BMK 0.22%	19.84% 11.19%	-0.97% -4.16%
DFLVX - DFA Large Cap Value	7,438,518	Perf 2.49% BMK 2.50%	18.89% 17.34%	8.63% 6.67%
VGELX - Vanguard Energy	490,643	Perf 1.54% BMK 3.80%	33.18% 27.66%	5.46% 7.44%
VENAX - Vanguard Energy Index	233,891	Perf 1.77% BMK 3.80%	28.94% 27.66%	7.58% 7.44%
VIGIX -Vanguard Large-Cap Growth	3,484,863	Perf 1.09% BMK 1.24%	6.13% 7.08%	-0.42% 1.02%
VGHAX - Vanguard Health Care	626,438	Perf 0.33% BMK 1.46%	-8.94% -6.83%	-5.95% -5.47%
VSGIX - Vanguard Small-Cap Growth	3,649,438	Perf 0.63% BMK 1.36%	10.74% 11.32%	1.42% 3.57%
Total Foundation	<u>\$ 44,130,862</u>	Composite Budget	1.05% 9.34%	2.58% 1.00%

Halifax Health
Investment Manager Performance Report - through December 31, 2016

	Invested Balance		December Performance	Calendar YTD	Fiscal YTD
Hospice					
VFSIX - Vanguard Short-Term Invest Grade	\$ 33,947,525	Perf	0.07%	2.85%	-0.82%
		BMK	0.06%	1.56%	-1.05%
DFSVX - DFA Small Cap Value	5,629,504	Perf	3.41%	28.26%	15.05%
		BMK	4.13%	31.74%	14.06%
DFIVX - DFA International Value	2,895,194	Perf	3.29%	8.41%	5.09%
		BMK	3.27%	2.75%	-0.35%
DFEVX - DFA Emerging Markets	1,129,566	Perf	0.44%	19.84%	-0.97%
		BMK	0.22%	11.19%	-4.16%
DFLVX - DFA Large Cap Value	11,675,141	Perf	2.49%	18.89%	8.63%
		BMK	2.50%	17.34%	6.67%
VGELX - Vanguard Energy	108,417	Perf	1.54%	33.18%	5.46%
		BMK	3.80%	27.66%	7.44%
VENAX - Vanguard Energy Index	623,397	Perf	1.77%	28.94%	7.58%
		BMK	3.80%	27.66%	7.44%
VIGIX - Vanguard Large-Cap Growth	5,711,963	Perf	1.09%	6.13%	-0.42%
		BMK	1.24%	7.08%	1.02%
VGHAX - Vanguard Health Care	544,710	Perf	0.33%	-8.94%	-5.95%
		BMK	1.46%	-6.83%	-5.47%
VSGIX - Vanguard Small-Cap Growth	5,305,247	Perf	0.63%	10.74%	1.42%
		BMK	1.36%	11.32%	3.57%
Total Hospice	<u>\$ 67,570,664</u>	Composite	1.06%	9.35%	2.64%
		Budget			1.00%

Halifax Health
Investment Manager Performance Report - through December 31, 2016

	Invested Balance	December Performance	Calendar YTD	Fiscal YTD
Pension				
VFSIX - Vanguard Short-Term Invest Grade	\$ 127,372,499	Perf 0.07% BMK 0.06%	2.85% 1.56%	-0.82% -1.05%
DFSVX - DFA Small Cap Value	20,875,920	Perf 3.41% BMK 4.13%	28.26% 31.74%	15.05% 14.06%
DFIVX - DFA International Value	31,788,311	Perf 3.29% BMK 3.27%	8.41% 2.75%	5.09% -0.35%
DFEVX - DFA Emerging Markets	10,532,349	Perf 0.44% BMK 0.22%	19.84% 11.19%	-0.97% -4.16%
DFLVX - DFA Large Cap Value	21,677,818	Perf 2.49% BMK 2.50%	18.89% 17.34%	8.63% 6.67%
VGELX - Vanguard Energy	4,524,346	Perf 1.54% BMK 3.80%	33.18% 27.66%	5.46% 7.44%
VENAX - Vanguard Energy Index	5,503,816	Perf 1.77% BMK 3.80%	28.94% 27.66%	7.58% 7.44%
VIGIX - Vanguard Large-Cap Growth	13,937,661	Perf 1.09% BMK 1.24%	6.13% 7.08%	-0.42% 1.02%
VGHAX - Vanguard Health Care	8,149,105	Perf 0.33% BMK 1.46%	-8.94% -6.83%	-5.95% -5.47%
VSGIX - Vanguard Small-Cap Growth	14,076,895	Perf 0.63% BMK 1.36%	10.74% 11.32%	1.42% 3.57%
Wells Fargo Cash	3,913,682			
Total Pension	<u>\$ 262,352,402</u>	Composite 1.09% Budget	8.81%	2.21% 1.69%
Total Halifax Health, including Pension	<u>\$ 593,848,170</u>			
Total Halifax Health, excluding Pension	<u>\$ 331,495,768</u>			

INFORMATIONAL REPORT

February 1, 2017

Capital Expenditures \$25,000 -- \$50,000

DESCRIPTION	DEPARTMENT	SOURCE OF FUNDS	TOTAL
CBORD Room Service Software	Food and Nutrition	Working Capital	\$44,219
Lymph Node Navigator System - Surgical Services	Surgical Services	Working Capital	\$31,500

Operating Leases \$50,000 -- \$250,000

DESCRIPTION	DEPARTMENT	REPLACEMENT Y/N	LEASE TERMS	INTEREST RATE	MONTHLY PAYMENT



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Executive Vice President and Chief Operating Officer
CC: Eric Peburn, Executive Vice President & Chief Financial Officer
Alberto Tineo, Vice President Operations
DATE: January 17, 2017
RE: CBORD Room Service Software

Halifax Health Food and Nutrition is requesting funds to purchase CBORD Room Service software. The current room service software requires an upgrade to Room Service Choice.

The software provides a web-based mobile meal ordering application accessible from any web browser, including an iPad or other mobile tablets. The patient has a choice of staff-assisted entry or patient entry meal selections at the bedside.

The new software will provide a labor cost savings, which will result in a recovery of the project cost within the second year of use.

This project was approved by the Capital Investment Committee meeting on December 21, 2016.

TOTAL CAPITAL COST \$44,219



Halifax Health Project Evaluation

CBORD Room Service Software

Chief Operating Officer:	Mark Billings
Vice President, Operations:	Alberto Tineo
Manager, Dietary:	Theresa Massie
Finance Analysis by:	Steve Mach

Summary

Purpose:

The purpose of the project is to upgrade the room service dietary software.

Strategic Plan Core Competency Achievement:

Physician Integration
Care Coordination
Cost Management
Information Technology
Service Distribution
Financial Position
Scale
Managed Care Contracting
Competitive Position

X
X
X

Cornerstone:

Safety
Compassion
Image
Efficiency

X
X

Investment/Return:

	Investment Cash Flow	Operations Cash Flow	Cumulative Cash Flow
Year 0 ¹	(\$44,219)	(\$7,518)	(\$51,737)
Year 1	\$0	\$29,211	(\$22,526)
Year 2	\$0	\$29,882	\$7,356
Year 3	\$0	\$30,779	\$38,134
Year 4	\$0	\$31,702	\$69,836
Year 5	\$0	\$32,653	\$102,489
Terminal Value ²	\$0	\$0	\$102,489

Decision Metrics

Required rate of Return	8.1%
Internal Rate of Return (IRR)	50.9%
5 Year Net Present Value (NPV)	\$70,660
Payback Period (in Years)	1.2

Investment Request for Approval **\$44,219**

¹ Includes capital acquisition and project startup costs

² Terminal value is estimated at 0, assumes technology is obsolete after 5 years



HALIFAX HEALTH

TO: Jeff Feasel, President and Chief Executive Officer
FROM: Mark Billings, Executive Vice President and Chief Operating Officer
CC: Eric Peburn, Executive Vice President and Chief Financial Officer
Catherine Luchsinger, RN, Chief Nursing Officer
DATE: January 17, 2017
RE: Lymph Node Navigator System - Surgical Services

Halifax Health Surgical Services is requesting funds to purchase a second Lymph Node Navigator System, which is used for mapping lymph nodes during surgery.

The current system is used at both Twin Lakes Surgery Center (TLSC) and the main campus operating rooms. Conflicts and/or delays can occur when the system is needed for cases at both facilities. The requested second navigator system is the same model as that currently utilized.

The project was approved at the Capital Investment Committee meeting on December 21, 2016.

TOTAL CAPITAL COSTS \$31,500



Halifax Health Project Evaluation

Lymph Node Navigator System

Chief Operating Officer:	Mark Billings
Chief Nursing Officer:	Catherine Luchsinger
Director, Surgical Services:	Deborah Moore
Finance Analysis by:	Steve Mach

Summary

Purpose:

The purchase of the Lymph Node Navigator System will be used for mapping lymph nodes during surgery.

Strategic Plan Core Competency Achievement:

Physician Integration	
Care Coordination	X
Cost Management	
Information Technology	
Service Distribution	X
Financial Position	
Scale	
Managed Care Contracting	
Competitive Position	

Cornerstone:

Safety	X
Compassion	
Image	
Efficiency	X

Investment Request for Approval **\$31,500**

Recommendation for approval of the project is not based upon incremental return on investment.