




2016
Annual Report

"Continuing our commitment to our community"



Perry Gay

President and CEO

As I reflect on my first full year with Logansport Memorial Hospital, it's hard to believe 2016 has already come and gone. It was a year of growth, change, and transition -- both for me and for all of our employees and physicians who take great pride in working here. We have all been hard at work, addressing the issues we currently face and preparing for future challenges and opportunities that we anticipate will come over the next few years.

One of the most rewarding things about working in healthcare is knowing that the work we do truly makes a difference in the lives of our patients and their families. For LMH, 2016 was a celebratory year that saw the launch of some exciting new initiatives -- our Partners in Progress service excellence journey, measurable improvements made in our emergency room care delivery, and various facility upgrades to equipment and technology. You'll read about all of these things in more detail in the pages to come.

We also celebrated receiving two notable awards that recognize our ongoing commitment to exceptional patient care and health outcomes. In May, we were recognized as one of iVantage Health Analytics' Top 100 Rural and Community Hospitals in the United States. The award is given to rural hospitals that demonstrate a dedication to patient safety and quality care -- measuring each hospital across more than 70 different performance metrics, including quality, outcomes, patient perspective, affordability, population risk, and efficiency.

At the end of the year, our ACO (accountable care organization) then received the Population Health Pioneer Award for the Highest Transitional Care Management (TCM) rate in 2016 among all of the Caravan Health Accountable Care Organizations across the country. The TCM rate is measured consistently in 45 other states where accountable care organizations have been established in partnership with Caravan Health at other local hospitals and health systems, including here at our hospital. It reflects the work that our care coordination team does to assist patients when they leave the hospital, nursing home, or rehabilitation facility and return to their individual homes -- helping them understand their discharge instructions and getting the follow-up care or assistance they may need.

These awards are just two snapshots of the innovative, patient-centered care that our employees deliver consistently and compassionately, day in and day out. We also spent much of 2016 planning for our future, looking at how we can bring you additional services, expand on some of our current services, and find new facility space for those services. We will always continue renovating and improving our physical facility so that we can provide what our community needs, close to home.

2017 will be filled with two of the largest construction projects we've ever pursued, and we won't stop there. But rest assured that we're doing it all with one thing in the forefront of our minds -- the health and well-being of our patients and our community. On behalf of our employees and our leadership, thank you for joining us on this journey. 2016 was a rewarding year, and the best is yet to come!

2016 Statistics



1,730 Admissions



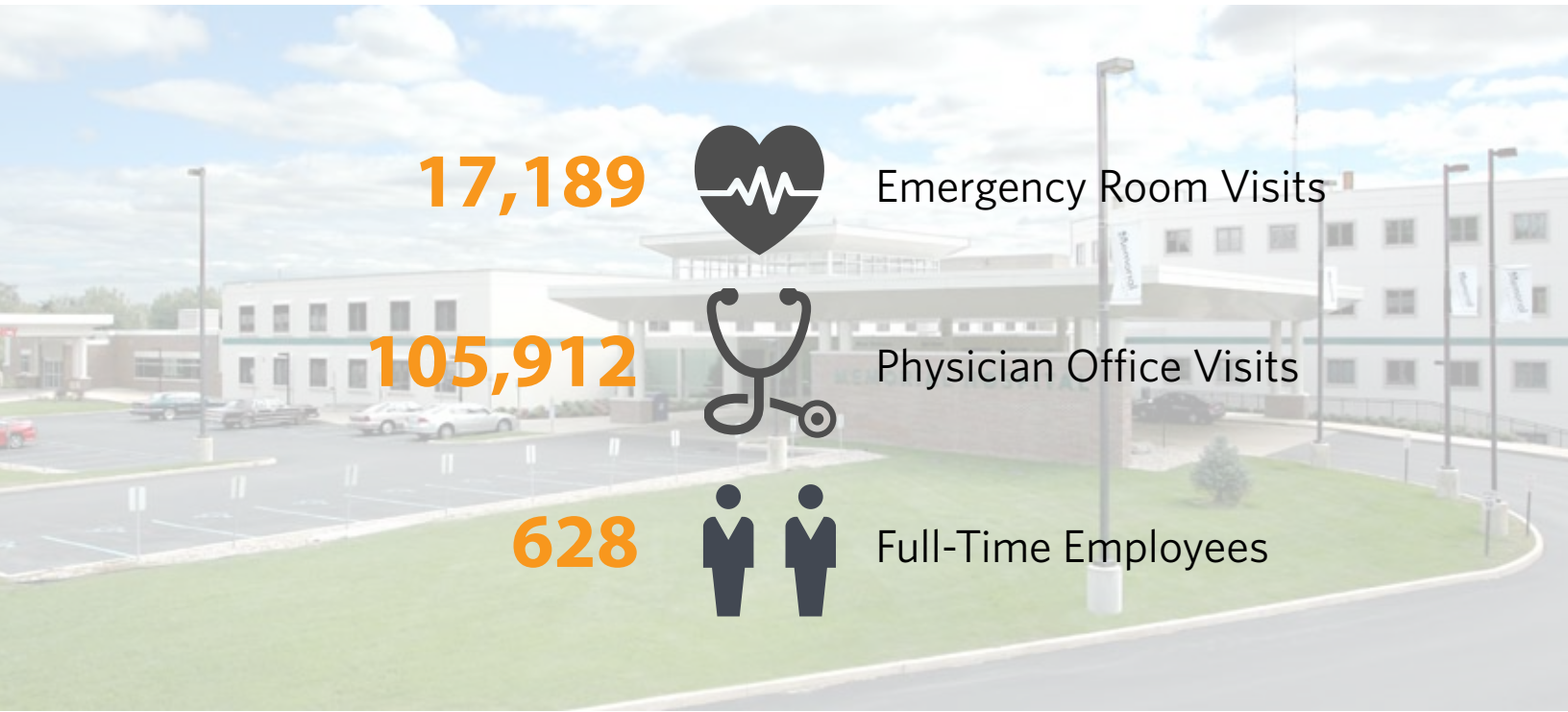
498 Babies Born



4,787 Surgeries and Scopes



92,716 Outpatient Registrations



17,189



Emergency Room Visits

105,912



Physician Office Visits

628



Full-Time Employees

202 Days Cash on Hand



846 Jobs Generated in Cass County



\$46,697,158 Personal Income Generated



\$91,087,219 Total Value Economic Impact





New Physicians

From primary care to women's health and orthopedics, Logansport Memorial Hospital's highly-trained and experienced physicians and medical staff offer comprehensive care in a range of medical specialties for every stage of life. We are pleased to have providers who can deliver exceptional primary and specialty care to residents in Cass County, and surrounding counties that now include Carroll, Miami, and Fulton. Whether you have unique medical issues or seek routine treatment, our medical staff can provide the care you need, when and where you need it.

Investing in talented physicians is a critical component of our growth, and we look to bring new physicians on board in various specialties every year. In 2016, we successfully recruited two new physicians in key service lines for our community, and we're proud that they now serve our patients.



Dr. Pedro Perez
Pain Management

1201 Michigan Avenue
Suite 70
Logansport

(574) 753-1730

Dr. Perez is an anesthesiologist and pain management physician. His practice is a new service-line addition to the Logansport Memorial Physician Network. He is board-certified in both specialties, but practices pain management with a different approach, using a functional medicine perspective. A functional medicine approach looks at treating a patient's problem, like chronic pain, and seeking to fix it. Dr. Perez is currently pursuing certification through the Institute for Functional Medicine, and completing continuing education through the Kresser Institute for Functional and Evolutionary Medicine.



Dr. Ganesh Ramachandran
Orthopedics

1101 Michigan Avenue
Orthopedics Suite
Logansport

(574) 722-2663

Dr. Ramachandran is an orthopedic surgeon with a special clinical interest in hand surgery. He joins Dr. Jim Davis as part of LMPN Orthopedics. In addition to his medical school and residency training, Dr. Ramachandran has completed a fellowship in orthopedic hand and microvascular surgery at the Christine M. Kleinert Institute for Hand and Micro Surgery at the University of Louisville School of Medicine in Kentucky.

Pursuing Service Excellence as “Partners in Progress”

At LMH, we have been making changes. Most of the changes we make are very noticeable, typically with facility renovations, new physicians and service lines, and equipment upgrades. But one change we made in 2016 was to begin a partnership with an organization called Studer Group. For us, this partnership was the start of a journey to transform our organizational culture and work toward achieving the highest possible patient satisfaction scores that we can reach.



Studer Group has partnered with healthcare organizations across the United States, Canada, and Australia to achieve and sustain exceptional clinical, operational, and financial outcomes. We knew that we needed to achieve measured improvement in how our patients and community perceive us, as well as to increase employee satisfaction. To assist us in accomplishing these goals, we moved forward with this partnership. We have relied on Studer Group's guidance and expertise to help us standardize everything we are already doing well, and to include more accountability in each of our processes.

Our employees have further embraced this multi-year process by giving it a name of its own. We have titled this initiative “Partners in Progress” because it explicitly captures the motivation we all have in successfully changing our culture and improving our patient experience. We won't be successful unless we are working together and looking for new ways to collaborate and communicate. We have seen teams of employees complete projects for the organization that have helped standardize what we do, including formalized standards of behavior, an organizational communications plan, and individualized reporting metrics by which specific departments can track their progress on patient and customer satisfaction.

As a result of these efforts, we are seeing noticeable improvements. Employees of LMH have experienced a renewed spirit and commitment to delivering a quality of care found nowhere else in our community. Our commitment to our purpose -- doing what's right for our patients and families -- will continue to set us apart from our competitors and make our hospital a place for our patients and for ourselves.



Recent Renovations

At Logansport Memorial Hospital, our work is never done. Caring for patients is our highest priority, and we aim to do that in modernized, state-of-the-art facilities when possible. Our hospital's original building dates back to 1925, and since that time, it has changed shape in many ways - through new additions and numerous upgrades. We continually evaluate what spaces in our facility need to be updated and/or upgraded, and 2016 was no exception. We are proud of the renovations, expansions, and overall improvements that we made to our hospital over the course of the year.

Cardiopulmonary Department

Our Cardiac Rehab and Pulmonary Rehab programs are very successful in helping patients regain their quality of life after experiencing a cardiac or pulmonary event. In doing that, patients come for supervised exercise with trained and certified staff members, who help them build strength and endurance on standard exercise machines. Previously, the space where these patients interacted with staff was small and cramped. We combined three spaces into one, and reorganized its layout for a much better patient flow, giving the entire space a much-needed facelift. Our patients and staff haven't stopped smiling about that!

Internal Medicine and Women's Health offices

Two of our most popular physician offices also went through some recent renovations. The Internal Medicine office (Suite 170, Medical Office Building West) was upgraded throughout, with new paint, flooring, and waiting room furniture. The Women's Health Center (Suite 115, Medical Office Building East) received new flooring in its space. Updates to both offices helped to provide a more modern and welcoming atmosphere for our patients.

Surgery Central Sterile Upgrade

Some areas of the hospital that require updates are not as visible as others, but it does not make them any less important. Surgery Central Sterile is where all of the surgical tools used in surgical procedures are cleaned and sterilized for use. A minimum of 800 surgical tools need to be sterilized daily, brought to this location in the hospital from surgery and our other four affiliated locations. This space was updated with new state-of-the-art sterilization equipment, and it now includes the very latest in antimicrobial finishings throughout. Surgical tools have always been sterilized with the highest standards of safety and care here at LMH, but now it is all done with the best technology available.

Now Open in Rochester

Another highlight for us at the very end of 2016 was the opening of our newest affiliated clinic, the Rochester Health Center. Located in downtown Rochester, this clinic was opened to meet the needs of women in the Rochester area. With a renovation of our Obstetrics unit on the horizon, we wanted to be able to serve more women and deliver more babies in our secure, high-quality facility. We knew that our exceptional Women's Health Center physicians needed to establish additional patient relationships with women outside of Cass County, and so the opportunity for expansion into Fulton County became a reality.



Rochester Health Center

816 Main Street
Rochester, IN 46975

(574) 223-3567

Clinic Hours:

Monday -- Tuesday: 8:30 am-4:30 pm

Friday: 8:30 am-12 noon



Dr. Amy Gingery

OB/GYN

Women's Health



Dr. William Murray

OB/GYN

Women's Health

The clinic is open three days a week, and patients are seen by either Dr. Amy Gingery or Dr. William Murray. Some established Rochester patients have found it to be more convenient to see their OB/GYNs in this new location, but many new patients have already made appointments and volume has grown quickly, making the clinic very successful. Patients can receive ultrasounds and complete lab work on-site, when needed. For surgical procedures and delivery of babies, patients will still travel to Logansport Memorial Hospital to use our well-equipped facility.



Changes and Improvements in Emergency Care

The Emergency Department (ED) has been a source of dissatisfaction for several of our patients in recent years. Long wait times and inconsistencies in physician staffing have played key roles in that dissatisfaction. But hospital leadership and ED staff employed by the hospital have remained dedicated and steadfast in seeking lasting changes that would lead to more positive experiences for our patients. In 2016, we are proud to say that we succeeded in doing that.



After partnering with various physician groups -- five groups in the last five years, to be exact -- we decided to partner most recently with NES Health. For the past 40 years, NES Health has addressed and resolved performance issues in hundreds of emergency departments across the nation, from quality of medical care to patient satisfaction. As we have worked closely with them, we have used their metrics to monitor and improve the service delivery in our own emergency department. We identified the factors that negatively impacted our patient satisfaction scores and have worked to address them -- with one of those factors being our wait times.

We know that our patients want to see a provider very soon after walking in to the ED, so that they can begin to understand what is happening or why they feel the way they do. We measure the time it takes to see a provider (known as Door-to-Doc times) and the time it takes to leave the ED, either to go home or be admitted or transferred. (known as Door-to-Discharge times). The times (on average) should be as short as possible on a consistent basis.

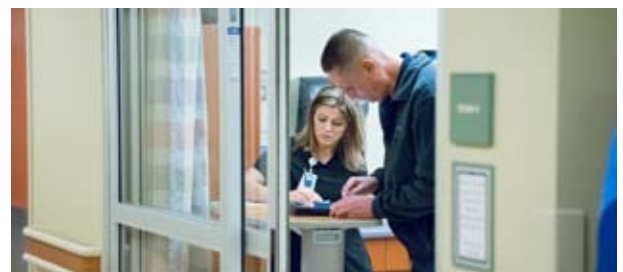
LMH Emergency Room Statistics (as an average):			
Door-to-Doc Times	<i>How long it takes from time of arrival to be seen by an MD or NP/PA</i>	Jan-Jun: 32 min	Jul-Dec: 18 min
Door-to-Discharge Times	<i>How long it takes from time of arrival to time of departure</i>	Jan-Jun: 2 hrs 40 min	Jul-Dec: 2 hrs 15 min

After reporting these significant decreases in wait times through 2016, LMH received outstanding news from NES Health:

Our patient satisfaction scores in the Emergency Room jumped from 63% satisfied to 74% satisfied.

This was the largest increase in patient satisfaction levels that NES reported in 2016 from all of the hundreds of hospitals they work with across the country.

From the executives to the front-line staff, we are all very proud of the work our Emergency Department team has done to achieve these improvements. Our ED staff is proud to have the privilege of caring and serving our patients and our community, and we will continue working hard to take care of you as quickly but also as safely and efficiently as possible, so that you leave us feeling satisfied and confident in your community hospital.





Planning for Community Needs

Logansport Memorial Hospital's longstanding commitment to the community spans nearly 100 years. This commitment has grown and evolved over time, with careful thought given to considering our community's most pressing, health-related needs. As part of our ongoing efforts, LMH conducts a periodic, comprehensive Community Health Needs Assessment (CHNA) that serves to guide us and other partnership organizations in addressing the specific, identified community needs.

The CHNA utilizes multiple data sources, including secondary data (demographics, health status indicators, and measures of healthcare access), assessments or strategic plans prepared by other organizations in recent years, and primary data derived from various surveys. Surveys were administered by phone to our community at-large and given online to a group of people who represented broad interests in our community, specifically including some who have expertise in various areas of public health.

The CHNA is conducted every three years in accordance with regulations that are mandated by the federal government. The regulations dictate that a CHNA must be completed by hospitals on this three-year schedule in order to maintain their non-profit, 501 c(3) status. Part of completing our report is using the data it provides to develop an implementation strategy that illustrates how we will address the identified priorities.

We recently completed our second CHNA in 2016. We demonstrated measurable progress on some goals from our initial report, and recognized that there was still work to do in other areas. Building on our original reports and data by comparing our newly-collected data, we determined that there are three health priorities for Cass County to address over the next three years:

- ***Substance Abuse/Mental Health***
- ***Nutrition, Physical Activity, and Weight***
- ***Access to Healthcare/Chronic Disease Management***

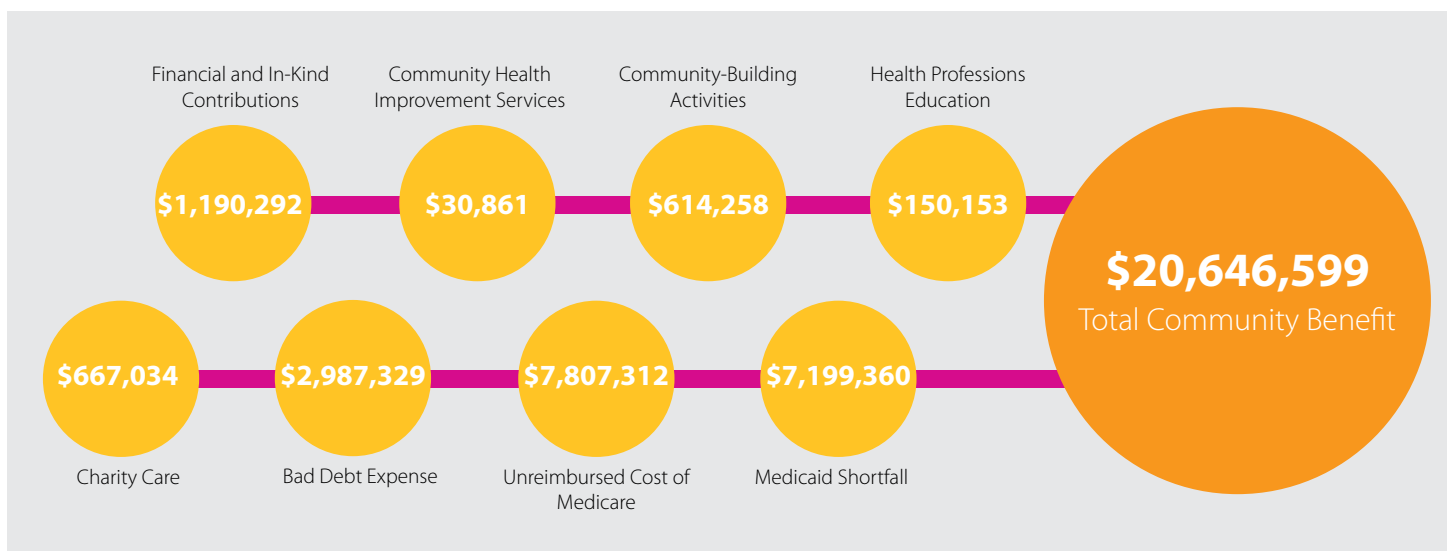
A taskforce convened to identify these priorities and develop our implementation strategy. The organized group will meet periodically during each of the next three years to celebrate progress and determine where additional support or direction may be needed. If you would like to know more about these priorities and our plans to address them for our community, please visit the hospital's website at logansportmemorial.org/community.

Community Benefit

Logansport Memorial Hospital plays a critical role in our community as the only acute-care hospital in Cass County. We have continued to establish ourselves as a regional healthcare provider throughout north central Indiana as well, expanding into Miami, Carroll, and Fulton counties to offer more convenient access to our services in those communities. And there are many reasons why we position ourselves in this way.

As a not-for-profit organization, we have a mission to provide programs and services that improve the health of our community, and increase the access to healthcare for those who live here. Programs and/or services that do this are defined as "community benefit," and they can be counted in one of four areas: **Financial and In-Kind Contributions, Community Health Improvement Services, Community Building Activities, and Health Professions Education.**

Year after year, Logansport Memorial Hospital is proud to give back millions of dollars in community benefits. See the diagram below, depicting our efforts in 2016:



Our largest community benefit amounts are counted as charity care, bad debt expense, and unreimbursed costs of Medicare. Part of our responsibility as a community hospital is to provide healthcare to all in need -- regardless of their ability to pay.

Public programs (like Medicare and Medicaid) do not cover the total cost of providing healthcare in the reimbursement they provide to hospitals for services to patients. When the reimbursement is lower than the actual cost of providing care, LMH must absorb that difference and it is considered part of the community benefit we provide.

Aside from the economic impact made by our community benefit program, we also consider it our privilege to do what we do every day. We will go above and beyond to continue building partnerships, reaching out, and seeking to identify unmet community health needs as we extend our hand to help.



LMH Foundation

It would be impossible to provide the levels of service we wish to provide with operating revenues alone. We count on support from our employees, providers, and community members just as much as they count on us. We are fortunate to have so many generous hearts in our hospital and in our community, who contribute to the Logansport Memorial Hospital Foundation.

This year, our Foundation was pleased to partner with the Logansport Parks Foundation in collaboration on the establishment of the Sims Family Connector Trail, linking the Huston Park trail with our River Bluff Trail and Hervey Preserve. The Sims family donated generously to make this a reality for our community. To maintain the safety and beauty of our River Bluff Trail, the Foundation also invested in several maintenance projects to preserve the Trail's integrity.

All in all, contributions toward Trail expansion, maintenance, and improvements totaled around **\$109,000** in 2016. Other notable contributions from the past year included:

- **\$9,500** given from the LMHF Education Fund
Benefit: *Three \$1,000 scholarships given to Cass County high school students and 197 school sports physicals provided.*
- **\$2,500** given in charitable services for care coordination patients
Benefit: *Providing necessary medications, equipment, and services to facilitate full and successful recoveries.*
- **\$2,990** given in free mammograms for uninsured or under-insured Cass County women
Benefit: *Partnering with the Indiana Breast Cancer Awareness Trust to fund 20 screening mammograms for local women.*

Much of this year was also devoted to positioning and planning for a Capital Campaign to support one of the largest building projects in the hospital's history. Plans to build a state-of-the-art Cancer Center and to renovate the Obstetrics unit will be underway in 2017, and the Foundation will work with our community to raise philanthropic support for both endeavors. The money raised through the generosity of community partnerships will directly support the hospital's vision of building lifelong health by exceeding the healthcare needs of Cass County and the north central Indiana region.

To learn more about the projects and how you can get involved, visit logansportmemorial.org/future.



Keeping you well, and feeling good.



Well and good.™

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logansportmemorial.org