



St. Charles Health System

Year 2020

# ANNUAL REPORT

Bend | Redmond | Prineville | Madras | Sisters | La Pine



2020 was a year like no other.

This Annual Report tells some small portion of the story of what our St. Charles caregivers endured to fight on the frontlines of a global pandemic. It also shows – through the numbers – how St. Charles was hard hit financially due to COVID-19. That recovery is just now slowly beginning.

It's a year we won't easily forget. We have learned countless lessons about how to prepare for and endure a life-altering situation where our services were impacted at every level. We put up tents, pleaded with our community for hand-sewn masks, stockpiled hospital beds in storage spaces and went home every day with the fear of bringing a new, unknown virus with us to our families.

We became not only caregivers, but friends and family for our COVID-19 patients when we couldn't risk allowing visitors inside our facilities. We celebrated birthdays at the bedside, used technology to give family members a chance to say goodbye and held the hands of those who wouldn't survive.

And, we learned to celebrate the victories. So many of our patients did get well. They went home and gave us the hope we needed to carry on. Then we started vaccinating our community and thousands of you volunteered to help be a part of the solution.

I'm beyond proud of our St. Charles family for living out our mission and showing up again and again in a spirit of love and compassion for the communities we serve during these challenging and unforgettable times.

Thank you for taking the time to share this journey with us.

Sincerely,

Sincerely,  
Joe Sluka  
President and CEO  
St. Charles Health System

## Board of Directors 2020

Jamie Orlikoff, Board Chairman  
Megan Haase, Board Vice Chairwoman  
Dr. Sanaz Askari  
Shawn DeGroot  
Dennis Dempsey  
Doug Downer

Dr. Steve Gordon  
Tom Sayeg  
J. Corey Schmid  
Dan Schuette  
Joe Sluka  
Dr. John M. Terhes



# St. Charles HEALTH SYSTEM

Employees: 4,569 | Volunteers: 481

Active medical staff: 399 | Visiting medical staff: 313

The first presumptive positive case of COVID-19 was confirmed in Central Oregon on March 11, 2020. On that day, the St. Charles Health System team didn't panic, but calmly stepped up to reassure the community that it was prepared to handle whatever may come next.

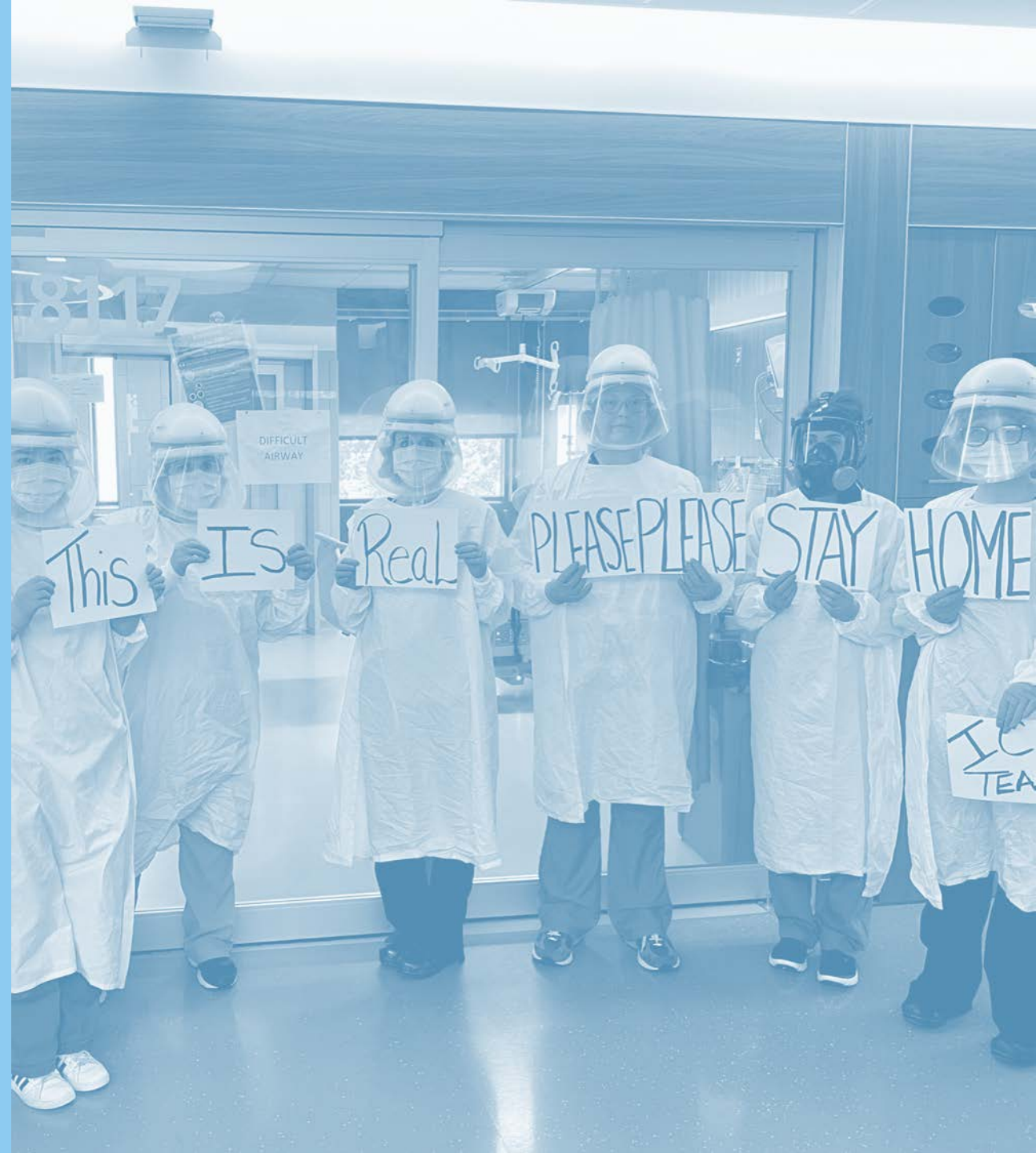
"This," said Dr. Jeff Absalon, St. Charles' chief physician executive, in a press conference that afternoon, "is what we do."

At St. Charles, we care for people who are sick every single day. It is our commitment to ourselves, our commitment to each other, our commitment to our communities and our commitment to you.

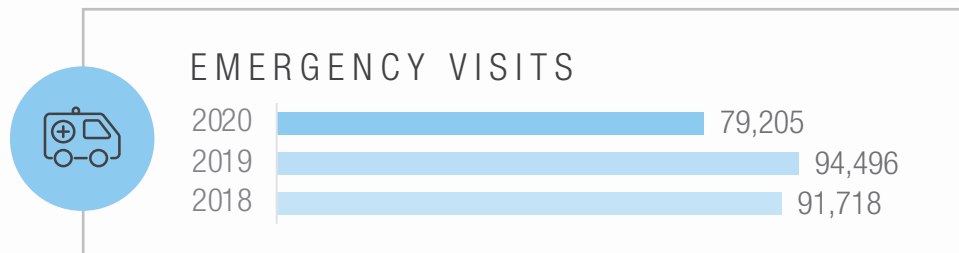
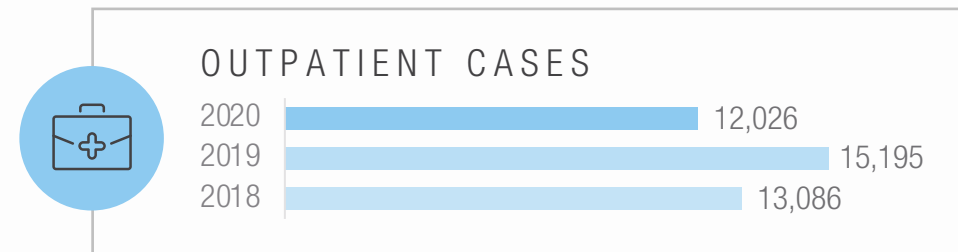
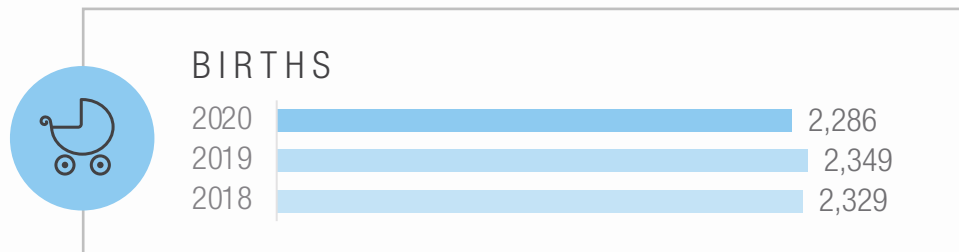
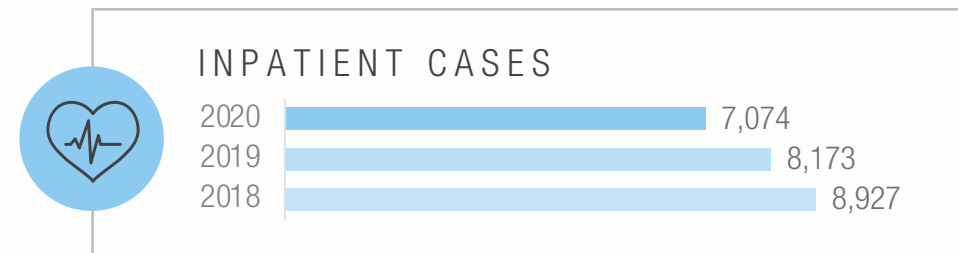
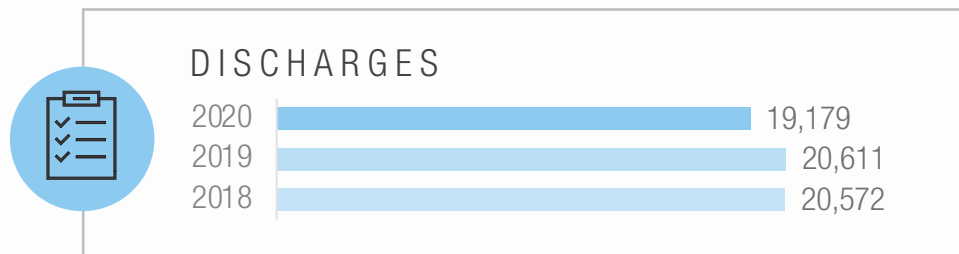
Of course, there have been tough stretches over the past year. Preparing for and responding to COVID-19 has been a massive operational undertaking for the health system. It has dealt a financial blow to the organization. It has changed the way we do just about everything, from the bedside to the board room and all points between. And it has certainly tested our frontline caregivers and our first responders.

Have there been uneasy moments? Definitely. We are human beings, after all. But again and again over the past year, St. Charles caregivers have risen to the challenge. Now, they're heavily involved — alongside Deschutes, Crook and Jefferson counties and the Oregon National Guard — in the complicated regional effort to end this pandemic by vaccinating as many people as possible as quickly as possible.

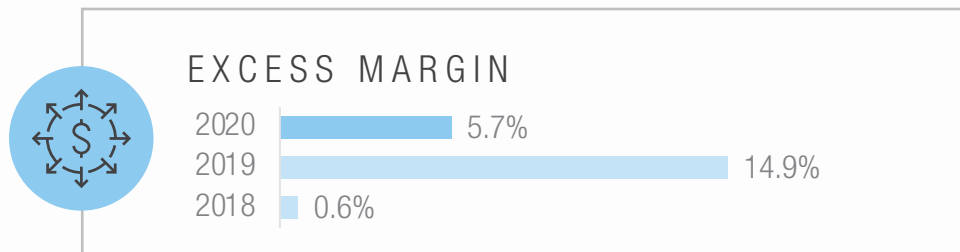
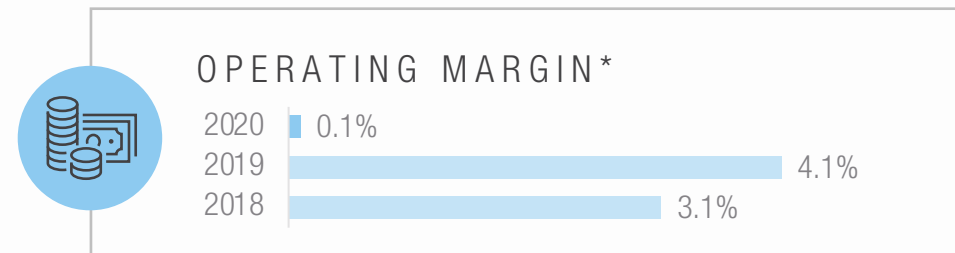
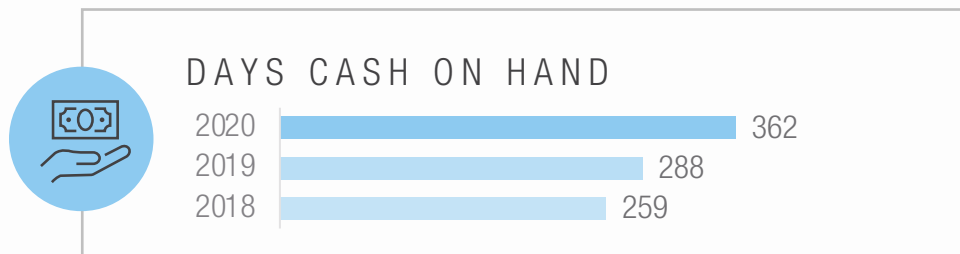
"I have said it before and I'll say it again, I feel incredibly proud and fortunate to lead the 4,600 caregivers who make St. Charles Health System such a great place to provide and receive care," said Joe Sluka, president and CEO of St. Charles. "Through a year of dizzying ups and downs, they have been a steadying force every step of the way."



# CLINICAL STATISTICS



# FINANCIAL SUMMARY



\*Electives were canceled for many months of the year due to our high volume of COVID patients, which took a toll on our overall operating margin.

# OPERATING EXPENSES (in thousands)



## SALARIES

2020	\$405,620
2019	\$368,793
2018	\$345,601



## PROFESSIONAL FEES

2020	\$56,419
2019	\$43,633
2018	\$45,195



## MEDICAL SUPPLIES, DRUGS, OTHER

2020	\$241,917
2019	\$238,134
2018	\$221,044



## DEPRECIATION AND INTEREST

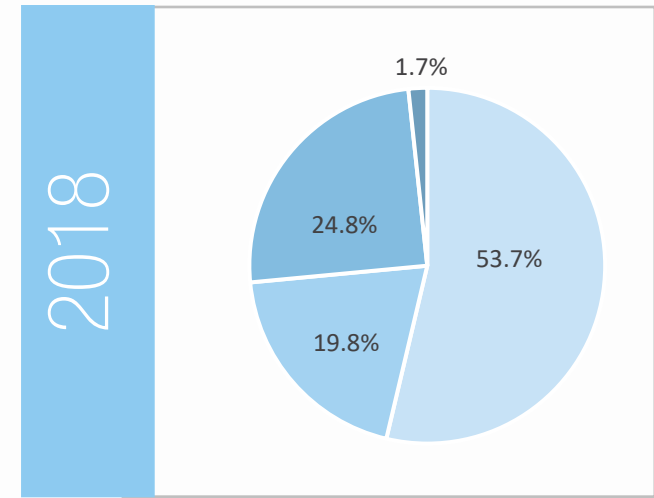
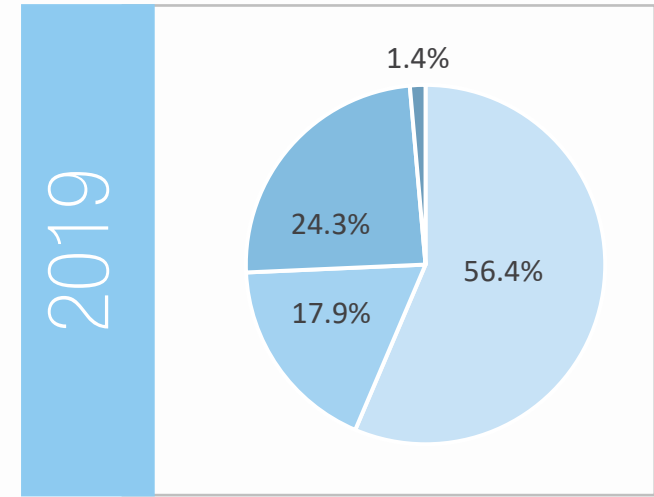
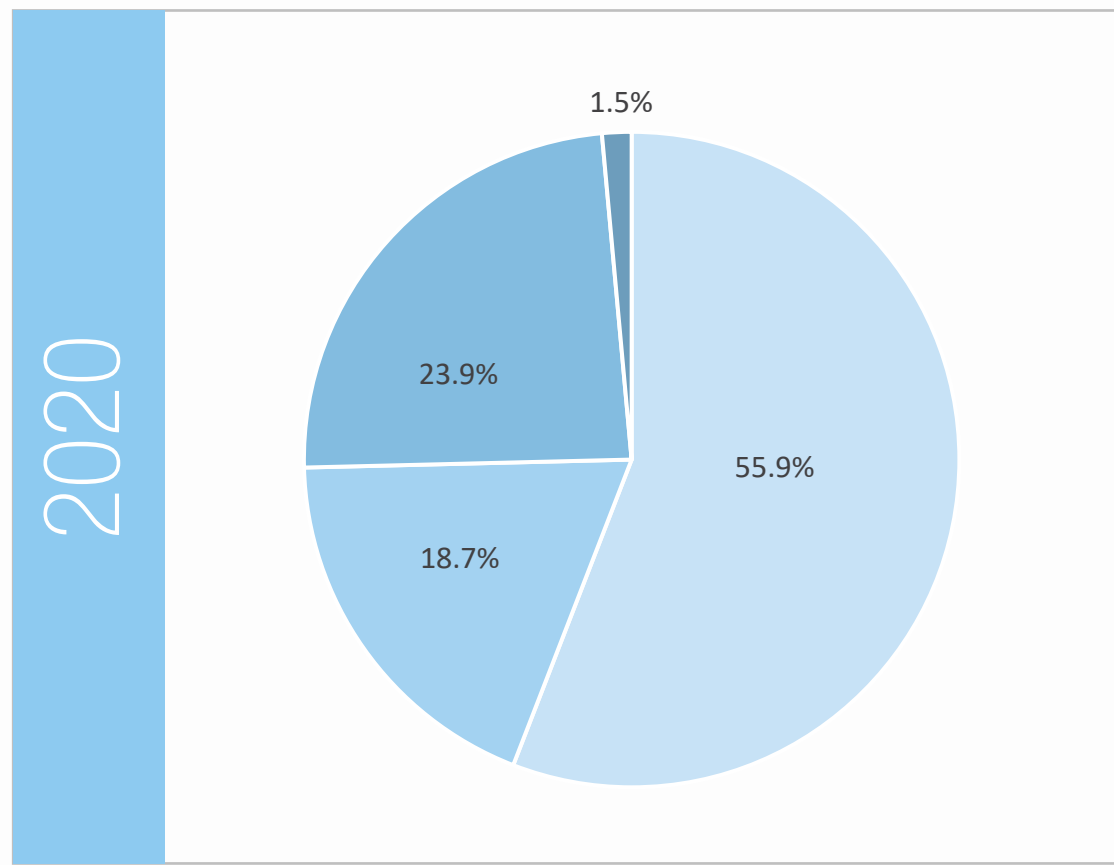
2020	\$59,304
2019	\$53,270
2018	\$47,715



## BENEFITS

2020	\$99,124
2019	\$88,823
2018	\$88,207

# PAYER MIX





# St. Charles BEND

Licensed beds: 292 | Employees: 3,706\*

\*(including Sisters, La Pine, Home Health/Hospice and System-level)

In anticipation of COVID-19's arrival to Central Oregon, St. Charles Health System set up a number of teams to prepare hospital operations for the possibility of a surge of sick patients at St. Charles Bend – where all positive COVID-19 patients have been treated throughout the pandemic.

Under normal circumstances, the Bend hospital has 209 beds available for patient care, including 24 in the Intensive Care Unit, home to the most seriously ill. Knowing that COVID-19 cases could easily overwhelm this capacity, the entire health system pulled together to develop a surge plan.

The team increased the hospital's capacity by doubling beds in rooms that are big enough to do so and combing the facility for areas where patients are not typically cared for, but they could be if needed.

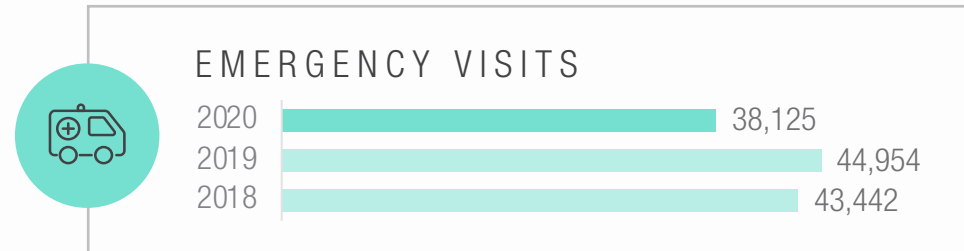
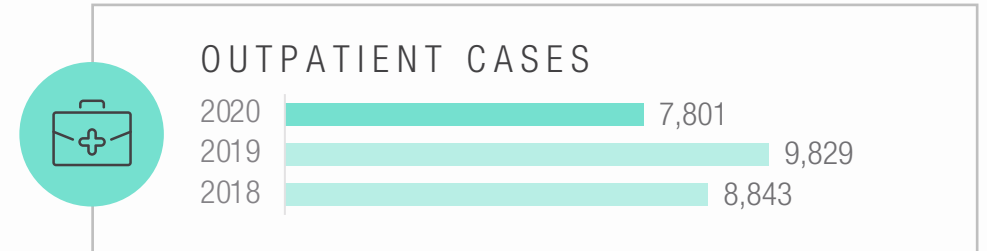
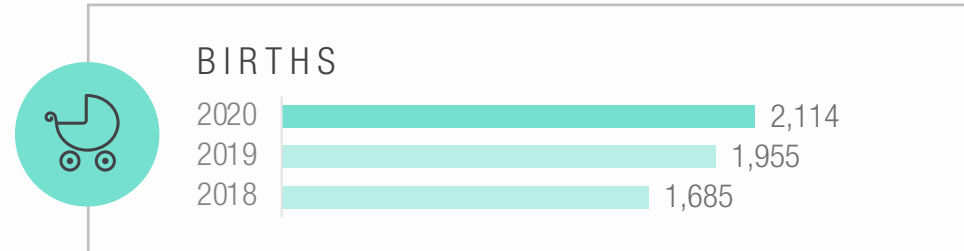
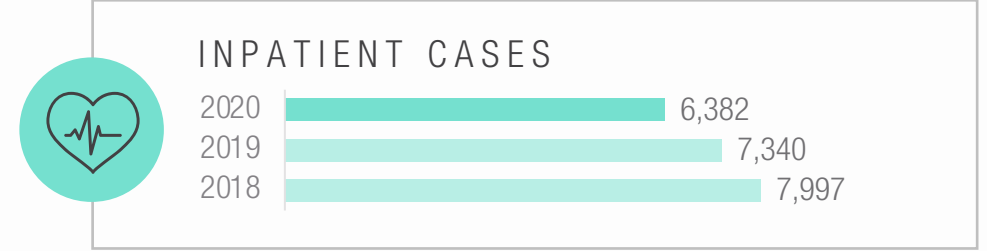
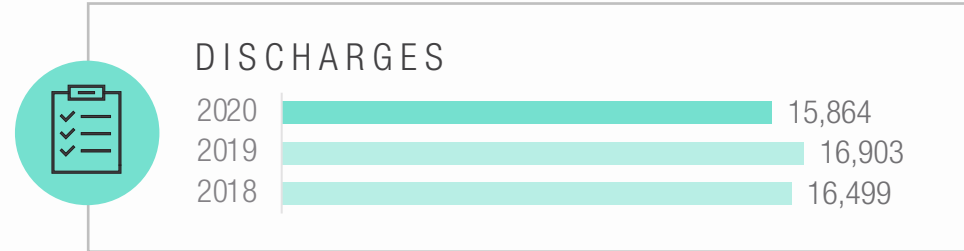
"We looked at non-traditional care spaces such as family waiting rooms, conference rooms and office space and fabricated plans to transform them into viable places for patient care," said Jenn Clark, a Value Improvement Practice manager for the health system.

At the same time, the team worked to secure necessary and scarce supplies. Ultimately, the surge planning process included all the key components that enable St. Charles to deliver safe and effective care, including food services and linens, demands on the health system's laboratory and pharmacy, and, of course, staffing.

"Through all this, we wanted to make sure our patients would feel like they were getting the same high-quality service and care that they would get on a normal day at St. Charles," Clark said. "Our passion is our communities' health, and it was inspiring to see our team come together to serve them in the face of an emergency."



# CLINICAL STATISTICS



# St. Charles REDMOND

Licensed beds: 48 | Employees: 488

Because all COVID-19 positive patients have been treated at the Bend hospital throughout the pandemic, the Redmond, Prineville and Madras hospital campuses have taken many additional non-COVID patients to help with the load.

In Redmond, one whole area of the hospital had to be quickly converted to accommodate an influx of patients.

“When all our beds started filling up and we had that extra 20 rooms to use for our patients, it was good for the community and us,” said Gary Sawyer, a Facilities building specialist and groundskeeper in Redmond. “To do what we did in such a short amount of time was amazing. And when I saw patients in there for the first time, it made me feel good.”

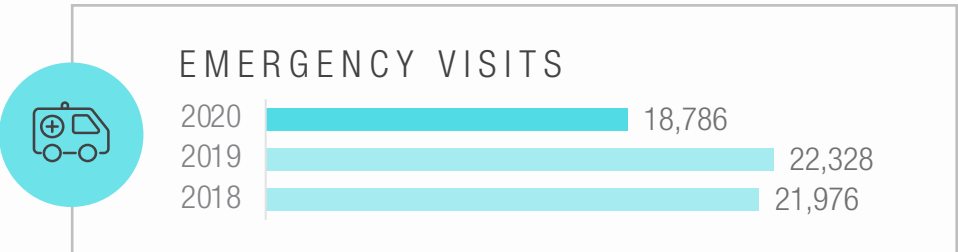
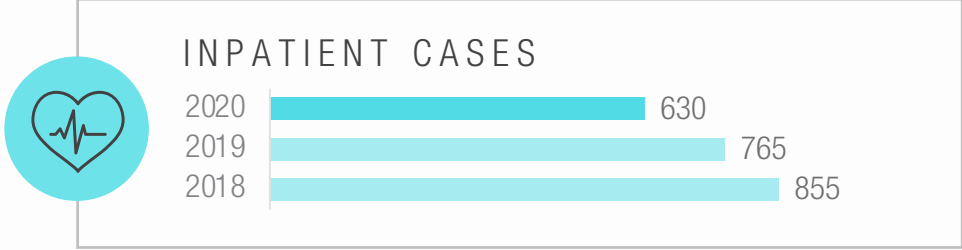
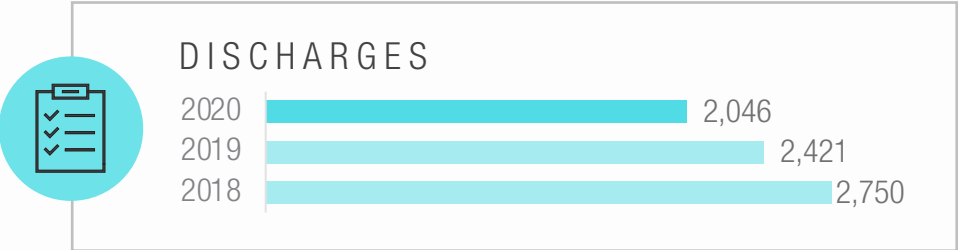
The Redmond ICU has been full regularly throughout the pandemic and many team members have had to take on responsibilities outside of their normal roles to fill critical needs. The teams have covered extra shifts to ensure caregivers and patients remain safe and have access to care.

“From those who work in an office to those who work in scrubs, I think we all pulled together and did an extraordinary job in extraordinary circumstances and the effort is ongoing,” said Dr. David Barnett, a hospitalist in Redmond.

In addition to providing incredible care at the Redmond hospital, Redmond also became the site for the tri-county mass vaccination effort at the Deschutes County Fair & Expo Center. Hundreds of St. Charles caregivers have worked alongside county public health partners and the Oregon National Guard to quickly vaccinate more than 100,000 people and counting against COVID-19.



# CLINICAL STATISTICS





# St. Charles PRINEVILLE

Licensed beds: 16 | Employees: 199

To help tell the COVID-19 story, many St. Charles providers stepped up to share their experiences and their voice with their local communities. In Prineville, Dr. Natalie Good, a family practice provider and medical director for Crook County, took the lead.

“We can control the spread of infection without completely shutting things down, if we work together,” Good said in one of several messages she shared with the Prineville community. “I challenge you to get creative. Get that meal to go. Limit indoor events and travel. Wear a mask.”

When the time came, Good chronicled her COVID-19 vaccine experience in order to encourage others.

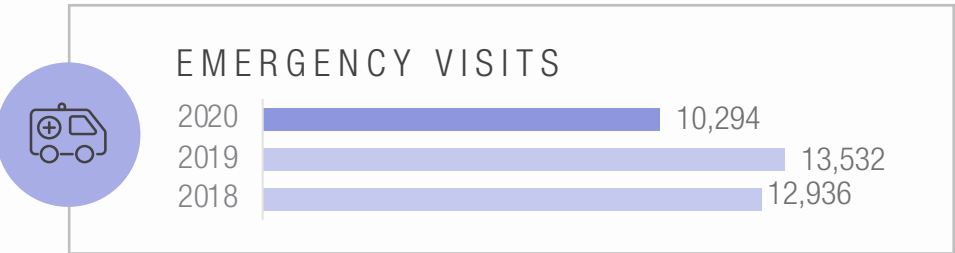
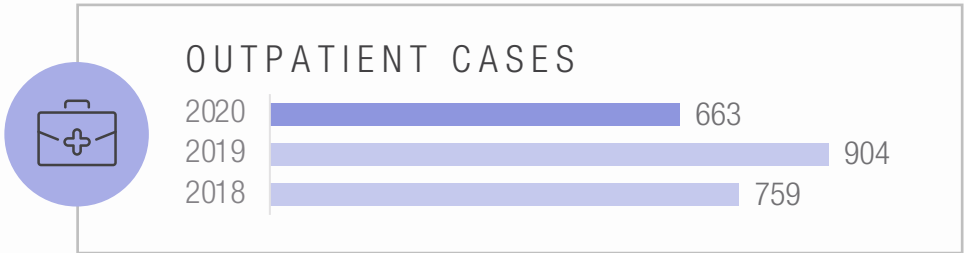
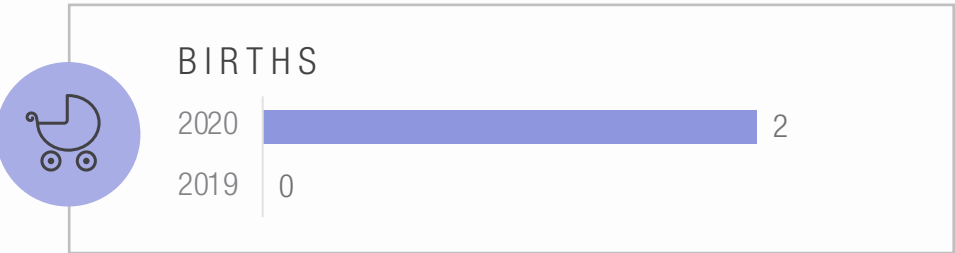
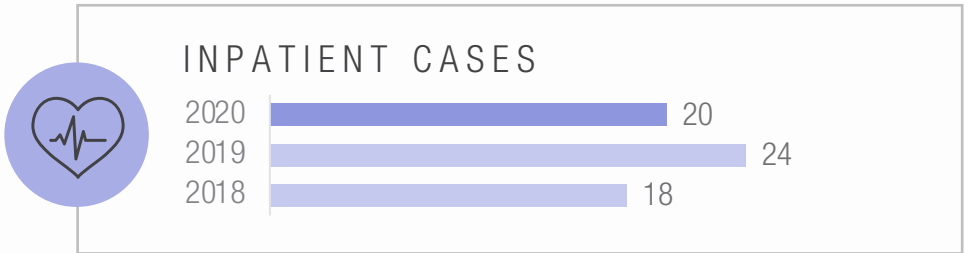
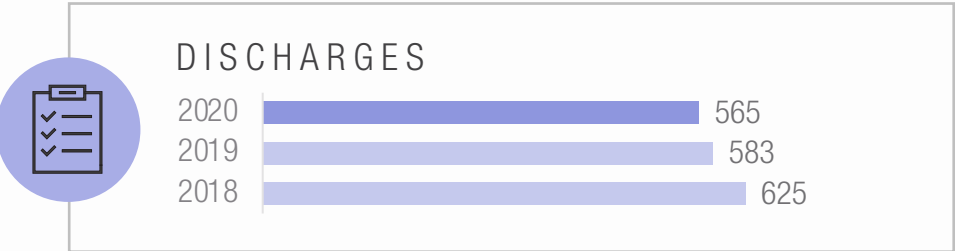
“It’s official. I got my COVID-19 vaccine,” Good said in a self-recorded video. “I’m walking out of St. Charles Bend after my first Pfizer COVID-19 vaccine with a great feeling of hope. It has been a rough several months, but this pandemic is coming to an end.”

And Good’s colleagues also added their voices to the chorus encouraging St. Charles patients to stay strong and not to forget about important preventive care.

“Social distancing is an important part of battling COVID-19, but please don’t distance from your doctor,” said Dr. Jenna Thiele, a family care provider in Prineville. “Staying up-to-date on preventive check-ups and screenings not only keeps you healthy, it can save your life. We certainly don’t want a pandemic of preventable diseases after this one is over.”

She encouraged and reminded patients that it is still safe to receive regular and routine care. Before the pandemic hit, St. Charles opened a newly expanded family care space and immediate care clinic at its Prineville facility – making it possible for the first time ever for patients with urgent health care needs to walk in for a same-day appointment.

# CLINICAL STATISTICS





# St. Charles MADRAS

Licensed beds: 25 | Employees: 176

When COVID-19 first arrived in Central Oregon, St. Charles faced not only a scary new infectious disease, but also a worldwide shortage of critical personal protective equipment for health care workers. Luckily, the Central Oregon community stepped up to the challenge and filled in many important gaps through incredibly generous donations.

One story that stands out is that of Loretta Cummings, a 96-year-old Madras resident who joined a local group of women sewing masks for health care providers. At the time, Cummings said the effort reminded her of WWII when people banded together to help in times of shortages and need.

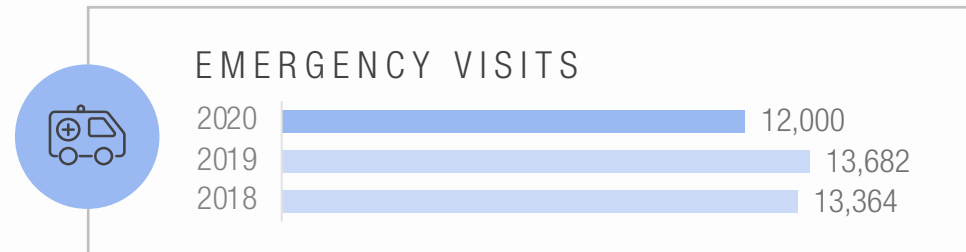
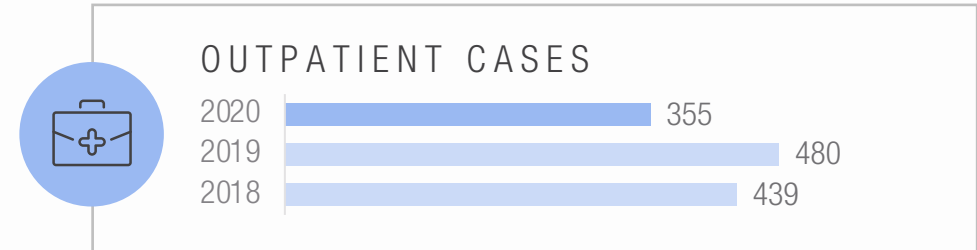
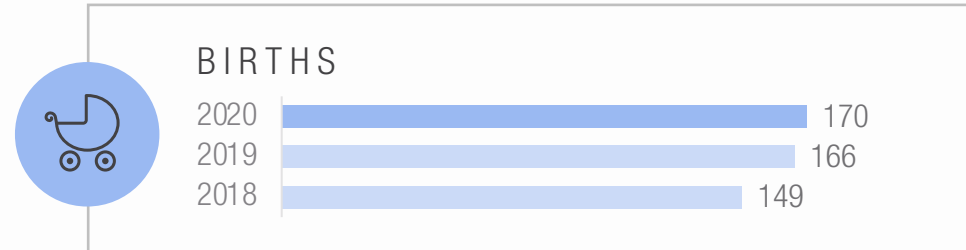
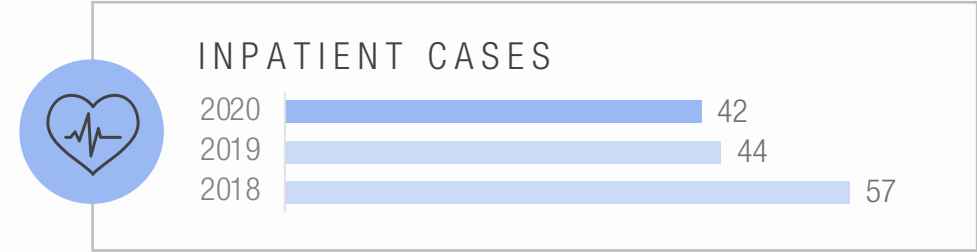
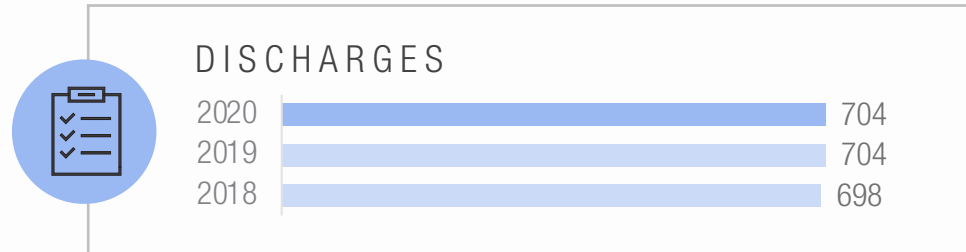
Cummings is just one of many talented people who sewed and donated more than 10,000 masks to St. Charles in those early days. Others creatively made face shields with their 3D printers or cleaned out their cabinets to provide whatever medical supplies they had on hand.

Keith Manufacturing Co. President Mark Foster dropped off a box of 2,000 surgical masks at St. Charles Madras in April 2020 – thanking the caregivers for all that they do and encouraging them to stay safe.

“We continue to be overwhelmed by the community’s generosity,” said Rod Marchiando, senior vice president of improvement and strategy, when St. Charles launched its 10,000 mask campaign. “At a time when we need medical supplies most, individuals, families, schools and businesses are stepping forward to support our mission. We couldn’t be more thankful.”



# CLINICAL STATISTICS





# St. Charles MEDICAL GROUP

In response to the COVID-19 outbreak, St. Charles Health System's outpatient clinics transformed the way they care for patients essentially overnight.

Caregivers from the health system and its provider network, St. Charles Medical Group, worked around the clock to implement the changes designed to protect patients and caregivers, preserve critical medical supplies and conserve space in facilities.

"Given the highly infectious nature of this virus, we were trying to limit any exposures and interactions between patients and providers by delivering services at curbside or remotely whenever possible," said Dr. Robert Ross, who was serving as medical director for St. Charles Medical Group at the time. "That means registering, getting a history and updating information in advance over the phone, then determining what interaction is absolutely necessary."

As part of this work, the team rolled out e-visits, phone visits, video visits and set up surge tents in many of its clinic parking lots to provide COVID-19 testing and other services outdoors whenever possible.

"There were trials and errors at the testing tents at all different locations, and we had patients come in different doors from entrances to exits. We needed door screeners and had to get them hired and trained," said Kelly Sawyer, supervisor of ambulatory access for the medical group. "It's really been all about the collaborations of the different departments. We have worked together to figure out the best processes, the best patient care and have had to be flexible and think outside the box."

Overwhelmingly, patients have shared positive experiences with the new array of virtual visit options and many plan to keep using the new services once the pandemic ends as another, more convenient way to access care.

# 2020 PATIENT VISITS

Advanced Illness Management	1,722
Anticoagulation	20,983
Behavioral Health	13,733
Psychiatry	1,914
Center for Women’s Health	12,356
Heart and Lung Specialists	65,818
Home Health	30,914

Hospice	17,278
Hospitalists in Bend, Madras, Redmond and Prineville	24,080
Immediate Care in Bend and La Pine	18,855
Medical Oncology	19,779
Neonatology	1,045
Preoperative Medicine	1,167
Pulmonology	5,823

Radiation Oncology	13,803
Rheumatology	2,684
Family Care in Bend, Redmond, Prineville, Madras, Sisters and La Pine	113,768
School-based Clinic in Sisters	342
Sleep Centers in Bend and Redmond	13,835
Surgical Specialists	10,380
Trauma and Acute Care	5,808



# ACTIVITY GOALS\*

St. Charles Bend	\$2,220,775
St. Charles Redmond	\$604,066
St. Charles Prineville	\$274,544
St. Charles Madras	\$361,824
<b>Total Community Benefit</b>	<b>\$3,461,209</b>

# COMMUNITY BENEFIT DOLLARS\*

Charity Care at Cost	\$18,726,399
Medicaid Shortfall	\$40,404,782
Medicare Shortfall	\$91,333,968
Other Public Program	\$10,373,956
Total Un-Reimbursed Care	\$160,839,105
Total Community Benefit	\$3,461,209
<b>Total Benefit</b>	<b>\$164,300,314</b>

\*These figures are from fiscal year 2019