



**RIVERTON
MEDICAL**



***Never doubt that a small group
of thoughtful, committed
citizens can change the world;
indeed, it's the only thing that
ever has.***

Margaret Mead

WEDNESDAY
MAY 8

7:00 PM at RMS



**RIVERTON
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DISTRICT



hear the very exciting news at the
COMMUNITY MEETING

WELCOME

Riverton Medical District
Statement of Financial Position - Tax Basis
As of May 7, 2019

May 7, 19

ASSETS

Current Assets

Checking/Savings

 WCB-Riverton Med District

32,306.35

Total Checking/Savings

32,306.35

Other Current Assets

 Cash on Hand

86.28

Total Other Current Assets

86.28

Total Current Assets

32,392.63

TOTAL ASSETS

32,392.63

LIABILITIES & EQUITY

Equity

 Unrestricted Net Assets

87,398.31

 Net Income

-55,005.68

Total Equity

32,392.63

TOTAL LIABILITIES & EQUITY

32,392.63

Riverton Medical District
Statement of Activities - Tax Basis
August 22, 2018 through May 7, 2019

	<u>Aug 22, '18 - May 7, 19</u>
Ordinary Income/Expense	
Income	
Direct Public Support	
Individ, Business Contributions	142,211.27
	<hr/>
Total Direct Public Support	142,211.27
Fundraiser Expenses	-2,000.00
Interest Income	25.96
	<hr/>
Total Income	140,237.23
Expense	
501c3 Application Cost	600.00
Advertising Expenses	2,769.48
Conference, Convention, Meeting	106.14
Feasibility Study	
Travel Exp - Feasibility Study	2,538.12
Feasibility Study - Other	101,031.25
	<hr/>
Total Feasibility Study	103,569.37
Outside Contract Services	100.00
PayPal / GoFundMe Fees	111.75
Postage, Mailing Service	26.42
Printing and Copying	345.52
Supplies	215.92
	<hr/>
Total Expense	107,844.60
	<hr/>
Net Ordinary Income	32,392.63
	<hr/>
Net Income	<u><u>32,392.63</u></u>

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STROUDWATER FEASIBILITY STUDY PROCESS & PROGRESS



Feasibility Study Begins

RIVERTON INTERVIEWS, FEB 6

Strengths:

ER: stabilize/ship, good docs
Excellent Primary docs
Reasonable facility
Strong Community
Existence of Riv hospital
New MRI, Sleep Lab

Opportunities:

ER: expand
Urgent Care
OB & Orthopedics
Inpatient Care
Skilled Nursing/swing bed
Relationships with tribes

Threats:

Lack of trust
Corporate ownership
Loss of services
Lacking some specialties
Pricing
Hot Springs replacing
Employee morale

Essential Riv Services:

Enhanced ER/ED
Primary/Family Medicine
Urgent & Acute care
24/7 Surgery
Ortho & OB/GYN
Diagnostics – Lab, MRI,
Dialysis

Strategic Priorities:

Fully functioning ER
Stable system
Locally based providers
Affordability
Improved access
Improved quality

Strategic Partnership Criteria:

Local Control
Grow clinical services
Trust
Competence
Flexibility



Eric Shell



John Downes



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Dan Givens
Group



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Mission: To ensure

access to safe, high

quality primary and

secondary

healthcare facilities

in Riverton.

PRELIMINARY

RESULTS

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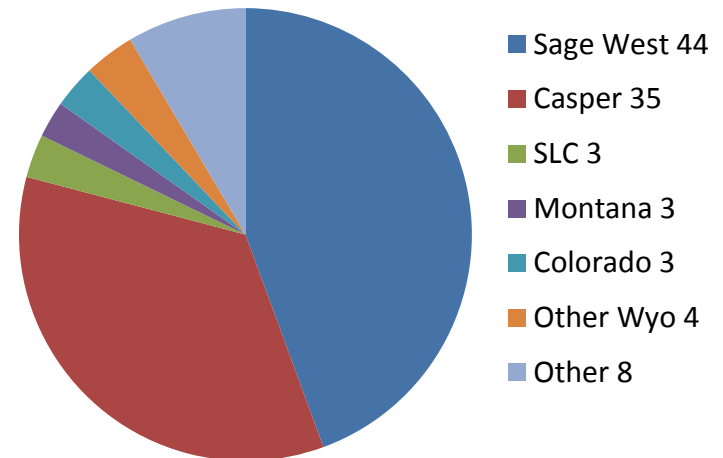
ATLANTA | NASHVILLE | PORTLAND, ME
STROUDWATER

Highlights Meeting Feb 7

Determined Primary Service Area to include Riverton, Shoshoni, Crowheart, Pavillion, Kinnebar. Secondary area: Dubois, Arapahoe, Fort Washakie, Lander (USPO)

- SageWest owned less than 50% share of primary market based Inpatient Medicare cases in 2017.
- From a high of 60% share in 2013, SW's share dropped to 44% four years later – 16 points or about 27%.
- In 2013, SW's share was comprised of 46% Riverton and 14% Lander (in limited PSA). Of Lander resident cases, 2% used Riverton services, 61% Lander.
- Looked at specific in- and out-patient service lines to determine demand and establish physician need.

Medicare Primary Market Share 2017





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Four Options – Pros & Cons

1. Do Nothing
2. Collaborate with LifePoint
3. Acquire (or cause acquisition of) current facilities
- 4. Build New Facility**

***Decision: Continue feasibility build-out
using option #4***

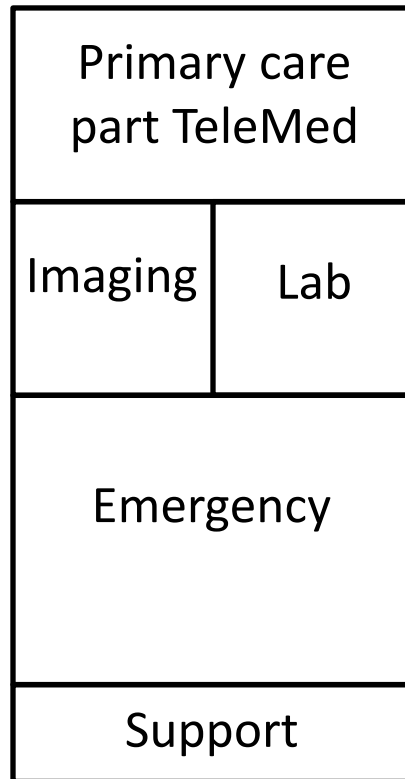


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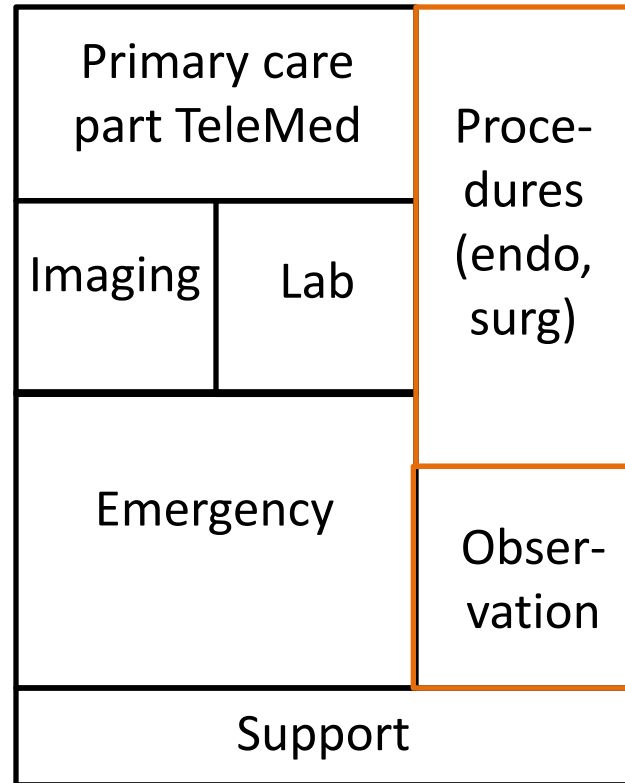


Build Facility Models 1 & 2

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24,000 sq ft
\$14 million



36,000 sq ft
\$23 million

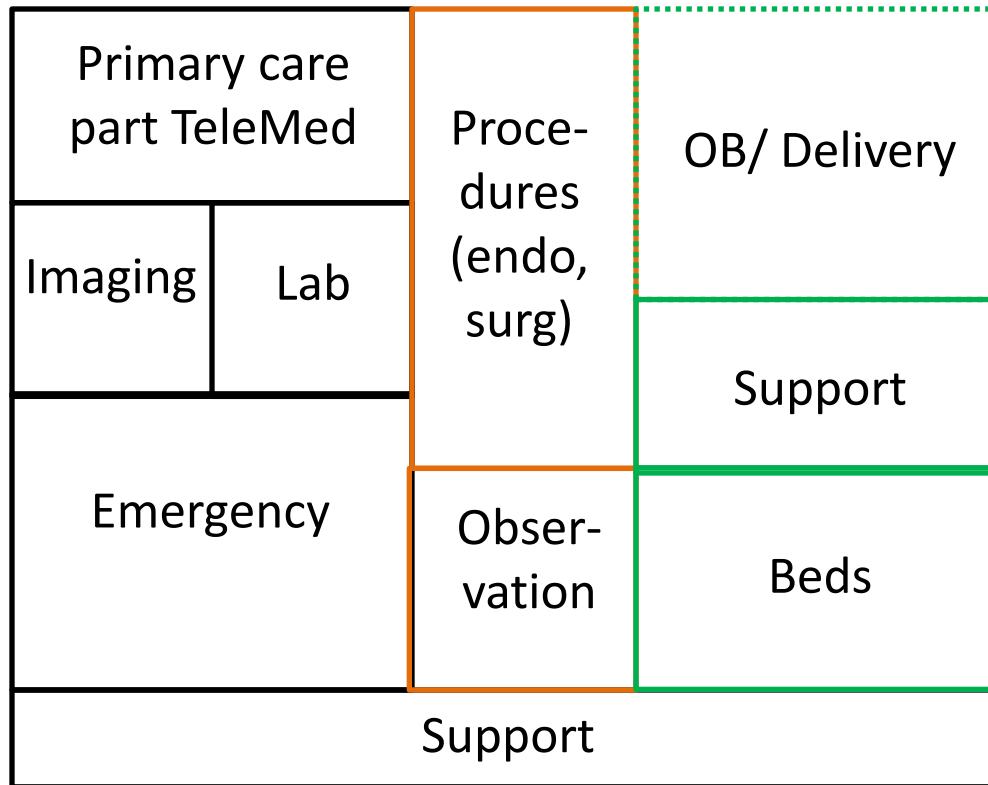
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Build Facility Model 3



48,000 – 51,600 sq ft
\$32-35 million

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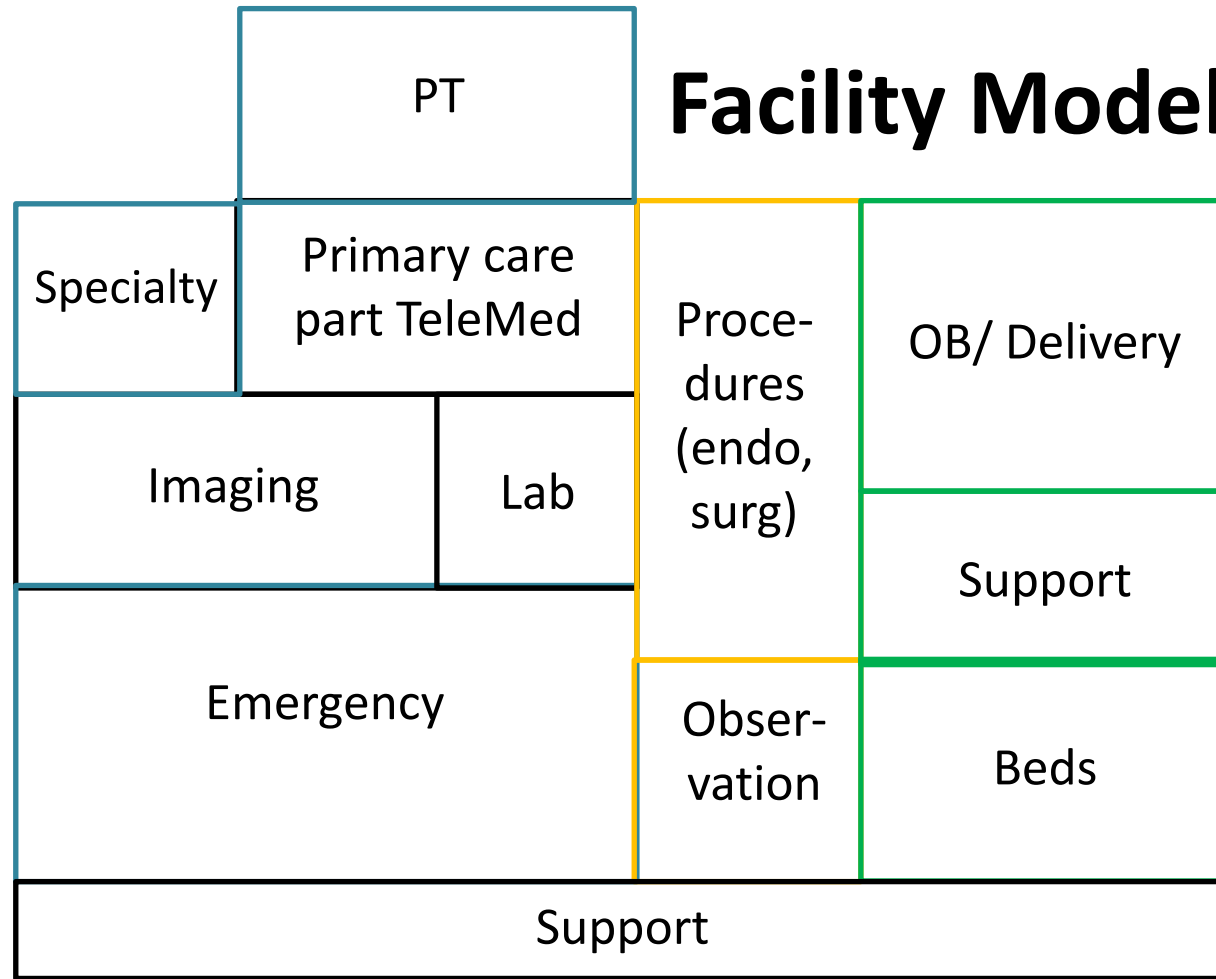


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Facility Model 4

69,000 sq ft **\$48 million**



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PART ONE QUESTIONS?

On to Part Two



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Online Group Meeting Apr 16

First peek at just 1 business model build out – about 16 pages of data drive the financial statement

Full build out to include 4 scenarios:

- Primary hospital with no competition
- Primary hospital with competition
- Critical Access hospital with no competition
- Critical Access hospital with competition

In 4 facility sizes - \$14 million, \$23 million, \$32/35 million, \$48 million

That's A LOT of data. Critical that the foundational assumptions the data is based on are as accurate as possible.
The assumptions drive the calculations to the bottom line.



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Assumptions like... (just to name a few)

- Wyo avg prices and reimbursements for variety treatments
- Local average bad debt (8%)
- Payer mix: Insurance, Medicare/caid, self pay, etc.
- Projectable pharmaceutical expenses
- Determination of available services by facility size
- Number of beds/day
- Salary ranges for nurses, CNAs, all employees
- Doc recruitment costs, ETC

***Back to Stroudwater for
tweaks & fine tuning***

Inpatient	\$14M Facility	\$23M Facility	\$32M Facility	\$35M Facility	\$46M Facility
Med / Surg / Peds (CMI<1.5)	No	No	Yes	Yes	Yes
Swing Bed SNF	No	No	Yes	Yes	Yes
Nursery	No	No	No	Yes	Yes
Obstetrics	No	No	No	Yes	Yes
Outpatient					
Observation	No	Yes	Yes	Yes	Yes
Emergency Department	Yes	Yes	Yes	Yes	Yes
Emergency Department	Yes	Yes	Yes	Yes	Yes
X-Ray	Yes	Yes	Yes	Yes	Yes
CT Scans	Yes	Yes	Yes	Yes	Yes
MRI	No	No	No	No	Yes
Ultrasound	Yes	Yes	Yes	Yes	Yes
Mammography	Yes	Yes	Yes	Yes	Yes
Dexa	Yes	Yes	Yes	Yes	Yes
Gastro	No	Yes	Yes	Yes	Yes
OP Surgery	No	Yes	Yes	Yes	Yes
IP Surgery	No	No	Yes	Yes	Yes
IP + OP Physical Therapy	No	Yes	Yes	Yes	Yes
IP + OP Speech Therapy	No	Yes	Yes	Yes	Yes
OP Lab	Yes	Yes	Yes	Yes	Yes
OP Respiratory Therapy	No	No	Yes	Yes	Yes
Pulmonary Function Test	No	No	Yes	Yes	Yes
EKG	No	No	Yes	Yes	Yes
OP Echo	No	No	No	No	Yes
Office Medical Visits	Yes	Yes	Yes	Yes	Yes



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Online Group Meeting Apr 22

Big Headline:

Riverton is a viable healthcare market

Based on Greater Riverton area as primary market with
50% market share, providing **comprehensive services**,
profit is projected at about \$2 million per year.

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Primary vs Critical Access

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\$35m Primary service hospital without competition

	Yr 1	Yr 2	Yr 3
Revenue	\$15m	\$25m	\$25.5m
Expense	\$16.5m	\$23m	\$23.5m
Income	(\$1.6m)	\$2m	\$2m

\$35m Critical Access hospital without competition

	Yr 1	Yr 2	Yr 3
Income		\$6.6m	\$7m



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ADDITIONAL QUESTIONS?

501 (c) 3 Status



HB0001 From 2019 General Session 2/28/19

\$230,000 to (less \$20,000 for dept use)

Wyo Health dept. will contract with qualified persons to provide studies, analyses and reports ... to assemble, reproduce and distribute the reports and to convene working groups to...

- Identify public/private hospitals at risk of economic viability
- Identify health risks to residents from lack of services
- Strategies/opportunities to maintain quality and range of services using existing private/public hospitals
- Determine duplication of services within a geographic range based on population
- Recommend efficient distribution of services, feasible specialized centers for economic viability and methods to sustain and grow efficient, cost-effective services from private/public hospitals

Working group minimum reps

- Medical Services Community
- Patient Groups
- Insurance Companies
- Appointed Legislators
- Hospital Board Members
- Health Policy Experts
- Health Dept personnel
- Others available



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**Where do we go
from here ?**