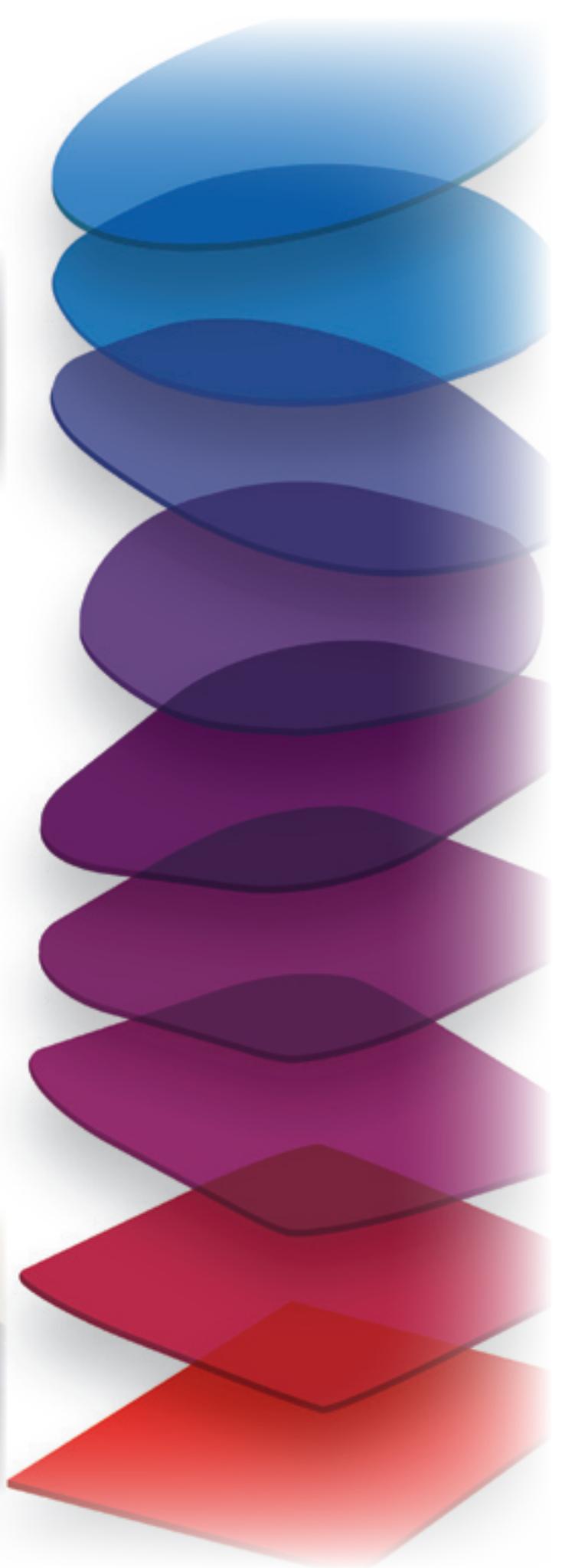




Shaping Tomorrow's Health Care

ANNUAL REPORT 2013



Chairman's Letter



As I prepare to step down as the chairman of the OHA, I have taken some time to reflect on the last two years. It seems they have gone by in the blink of an eye. It has truly been my privilege to serve the board and the membership. I have had the opportunity to work with some of the most intelligent and experienced professionals that any industry has to offer. I have developed relationships with individuals that I would not have enjoyed without my involvement in the association, and I will cherish those relationships for many years to come.

So much has been accomplished in the last two years that there is not enough space in this brief note to memorialize all of our accomplishments. Instead I would like to talk about the “how” behind those accomplishments. The how comes at the hands of a great number of people, starting with our OHA staff. Led by what I believe is one of the finest association executives in the country, we have a phenomenal staff that achieves great things with limited resources.

As good as our staff is, they can't do it alone. The fact is, the association belongs to the membership, and we have a responsibility far greater than just writing our check for our annual dues. I am here to tell you that individually you could not replace the benefits we all derive from the efforts of the association. You would have a hard time measuring in dollars the benefit the advocacy efforts alone bring to your hospital. There is no question, member of the association or not, the hospitals in this state are in a better financial position than they would have been without the collective efforts of the OHA. That being said, the financial health of our hospitals is at risk, and our work is far from being over.

As our conference theme indicates, we all have the ability to “Shape Tomorrow’s Health Care” in our state. That task will take more than just writing a check to the OHA. It will take a commitment of time and engagement from our membership. It will take all of us working together to ensure health care is available to everyone in this state regardless of their geographic location or economic status in life. It is not just our responsibility; it is a sacred trust that was given to us when we chose this profession of service.

I hope to see you at the Annual Convention, and I hope that you will take the time to seek out a board member or a member of the OHA staff and ask how you can become engaged in “your” association. God bless. ■

Charles E. (Chuck) Skillings
Chairman, Board of Trustees

President's Letter

This time last year we were all poised awaiting the outcome of a presidential election – one that promised to shape how or whether elements of the Affordable Care Act would be implemented as prescribed, particularly here in Oklahoma. A year later, we now contend with the lingering reluctance of our political leaders to embrace an opportunity to provide health insurance for tens of thousands of Oklahomans.

Despite the fact that OHA was successful in proactively extending SHOPP for another three years (through the end of 2017) Oklahoma hospitals have and will continue to experience serious cuts in federal payments over the ensuing years. During 2013, the OHA invested considerable time and resources working with its members to change the conversation around whether Oklahoma should accept additional federal funds to help cover more of Oklahoma's uninsured. OHA was pleased to learn the state's commissioned study by the Leavitt Group supported the OHA's position of using the public-private partnership model embodied in Insure Oklahoma to expand the state's premium assistance program for many of Oklahoma's needy. Governor Fallin's successful negotiations with CMS to extend Insure Oklahoma's federal waiver until Dec. 31, 2014, now affords additional time to reshape this program into an "Oklahoma solution." However, we continue to underscore the fact that such a solution is not one Oklahoma can totally fund on its own. We will continue to work with our members to engage business and community leaders in better understanding the economic benefits of this opportunity.

Our success in consistently carrying forth our message has been hampered by the continued turnover we have witnessed among our member hospital CEOs, averaging 23 percent annually for the past three years. A key component in the success of our advocacy efforts is the effective working relationships our CEOs and their staffs have with their elected representatives. The OHA hopes CEOs view this aspect of their jobs as a critical ingredient in gaining understanding and support for issues important to a hospital's ability to effectively serve their community. The OHA is pleased to assist and support our CEOs and other leaders within their organizations in fostering strong relations with their local legislators.

The transitional trends that challenge the coordination and delivery of quality health care throughout Oklahoma will increase for certain as the future unfolds. We are pleased and proud to work alongside our members toward this endeavor. ■

Craig W. Jones, FACHE
President





Sen. Kim David (R), Porter, discusses issues with Bruce Lawrence (left), president and CEO, INTEGRIS Health; and Jimmy Leopard (right), CEO, Wagoner Community Hospital.

OHA's 2013 legislative program was largely focused on funding for health care, in particular on Medicaid, the extension of Insure Oklahoma and building support for accepting federal funds to cover Oklahoma's uninsured as authorized by the Affordable Care Act.

This spring, the OHA publically launched our "Campaign to Accept Federal Funds" with radio and newspaper ads promoting the importance of accepting federal funds. In the summer and fall, OHA staff organized meetings with business and community leaders in at least 14 of 27 planned communities across our state to educate about the impact of the loss of federal funding to local hospitals and the need to accept federal funds. The projected loss of not accepting the funds for hospitals statewide is \$3.6 billion from 2013 to 2022. Accepting federal funds will help the general business community by bringing more than \$8.6 billion in new revenue through 2022 to our state's economy.

Shaping Tomorrow's Health



Jay Johnson (right), president and CEO, Duncan Regional Hospital, with Sen. Don Barrington (R), Lawton.

During the legislative session, several unsuccessful attempts were made to save Insure Oklahoma. However, on Sept. 6 Gov. Mary Fallin announced the state of Oklahoma negotiated a one-year extension for the continuation of the program to Dec. 31, 2014. The program, which provides health insurance for nearly 30,000 working, low-income Oklahomans, is funded by state tobacco tax funds matched with federal dollars.



Left to right: Rep. Glen Mulready (R), Tulsa; Kevin Gross, president, Hillcrest HealthCare System; Nic Gould, Hillcrest Medical Center; and Tyra Palmer, Hillcrest HealthCare System.

OHA also believes Insure Oklahoma can be used as a model for future health care reform considerations, such as accepting federal funds to address the growing number of uninsured Oklahomans, and does not want to see that option eliminated. A preliminary report issued by Leavitt Partners on May 9, 2013, reaches a similar conclusion. All agree the program would need changes, but the basic structure is in place.

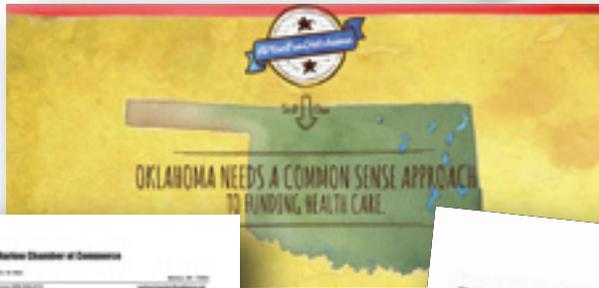
SHOPP extension and state budget

The Supplemental Hospital Offset Payment Program (SHOPP), our provider fee that was enacted in 2011 with a sunset provision of Dec. 31, 2014, was extended through Dec. 31, 2017, providing much needed stability in Medicaid payments for the current program. Additionally, the state's FY 2014 budget included funding for the anticipated cost of people currently eligible but not enrolled in SoonerCare, provided for ongoing costs for the state's Medicaid programs, and included \$17 million in new funding for mental health services.



Rep. Larry Glenn (D), Miami, gets a visit from Joel Hart (right), former president, INTEGRIS Baptist Regional Health Center, Miami.

Care Through Advocacy



Shaping Tomorrow's Health Care Through Education

OHA revamped its Leadership Development Series program in 2013 in partnership with the business development departments at Oklahoma City Community College and Rose State College. The 2013 redesigned program, "Finding Your Way as a Leader," requires a one-year commitment from participants to attend most sessions throughout the year. It was highly successful with 21 committed hospital leaders. The program is designed to help participants make a successful transition from staff person to manager.

The 2013 Leadership Development Series consisted of eight modules focusing on critical leadership skills and competencies. Expert facilitators guided participants through interactive sessions, using multiple learning styles to ensure engagement. Because of the year-long commitment, participants benefit also from building relationships with colleagues from across the state, serving as a resource to each other as they advance their careers.

OHA offered streaming video for most of its live educational programming in 2013. The number of hospitals using this medium continues to increase.

Through the first three quarters of 2013, 1,600 hospital employees participated in OHA webinars and 500 participated in face-to-face events. Eighty-seven OHA member hospitals participated in OHA's educational programs in 2013, with the majority of these participating in anywhere from five to 20 programs throughout the year. Webinars covered a variety of topics including ICD-10, health care reform, physician issues, quality & patient safety, financial issues, compliance issues and HR issues.

The OHA Annual Convention & Trade Show continued to be popular and very well attended. In 2012, the OHA Convention hosted nearly 900 hospital employees from 104 hospitals and systems across Oklahoma, along with attendees from 30 other agencies and companies. This event brings together more health care employees than any other event in Oklahoma. It offers educational opportunities, as well as time for networking and seeing the newest products and services for health care providers.

Leadership Development Series



Health Care Reform
Quality & Patient Safety
Physician Issues
ICD-10
HR ISSUES

Shaping Tomorrow's Health Care Through Improving Quality & Patient Safety

Hospital Engagement Network

Fifty hospitals continue their participation in the OHA Hospital Engagement Network (HEN), "Safe Hospitals. Safe Patients." The OHA HEN, made possible by a grant from the Health Research & Educational Trust (HRET), an affiliate of the American Hospital Association, is part of a national initiative to improve patient safety through use of proven clinical practices in 10 target areas. The goal is to decrease hospital-acquired harm by 40 percent and avoidable readmissions by 20 percent by the end of 2013.



Quality leaders attend the Improvement Leader Fellowship training.

- More than 60 percent of OHA HEN participants have been successful in meeting national benchmarks in reducing hospital-acquired harm by 30 percent in four areas and reducing readmissions by more than 15 percent (as of Sept. 30, 2013).
- 41 OHA HEN hospitals have reduced avoidable all-cause 30-day readmissions by 15 percent.
- 32 OHA HEN hospitals have reduced surgical site infections within 30 days after procedure by 56 percent.
- 28 OHA HEN hospitals have reduced central line-associated blood stream infections by 48 percent.
- 46 OHA HEN hospitals have reduced falls with or without injury by 15 percent.
- 12 OHA HEN hospitals are submitting data in all eligible topic areas (those areas of hospital-acquired harm for which services are provided).
- 28 OHA HEN hospitals have an improvement leader who attended the HRET HEN Improvement Leader Fellowship training program.

For more information on the OHA HEN, or to view the 10 topic areas, go to www.okoha.com/hen.

Every Week Counts

Efforts by Oklahoma hospitals to decrease early elective deliveries continued in 2013. Fifty-two of 54 hospitals that deliver babies in Oklahoma continue to report cumulative progress in this area.

Through the dedicated work of these hospitals, along with grant support from the March of Dimes, the Oklahoma State Department of Health and the Office of Perinatal Improvement at the OU Health Sciences Center, seven less babies every day are delivered early.

An appropriately timed delivery decreases the chance the baby will have low birth weight, be admitted to an NICU, have respiratory difficulties and other adverse conditions.

8
Early Scheduled Births Per Day
(1st Quarter 2012)



2.5
Early Scheduled Births Per Day
(Year One)



65% Reduction

1
Early Scheduled Birth Per Day
(Year Two)



86% Reduction

In July 2013, the Tobacco Settlement Endowment Trust (TSET) awarded the OHA a five-year grant of nearly \$3.3 million to assist patients to quit tobacco by using a brief best practice protocol and to help hospitals improve the health of their employees. The two overlapping programs are: *Hospitals Helping Patients Quit* and *WorkHealthy Hospitals*.



Hospitals Helping Patients Quit

Building upon the past five-year program, OHA will expand hospital support to establish a comprehensive tobacco cessation culture with the goal of improving the health of patients, reducing health care costs, and improving state health status indicators.

Shaping Tomorrow Through Health

Components include:

- Improving/implementing tobacco-free hospital policy and practices.
- Providing brief, best practice nicotine addiction treatment for:
 - Hospital employees;
 - Hospitalized patients; and
 - Outpatients in hospital affiliated clinics.

Key accomplishments:

- Nineteen OHA hospitals have screened thousands of patients, family members and employees for tobacco use and made nearly 6,500 fax referrals to the Oklahoma Tobacco Helpline (OTH) for free Quit Coach counseling and nicotine replacement therapy since the project began.
- Of all referrals, 40 percent accepted services and enrolled in the program, once contacted by the OTH; 35 percent of those have remained quit at seven months.
- That equates to approximately **2,600 quit attempts and nearly 1,000 sustained quits over the course of the project thus far.**
- In 2012 - 2013, Oklahoma's adult prevalence rate for smoking declined to an unprecedented low of 23 percent, in part, through the efforts of OHA hospitals.

Fully implemented

INTEGRIS Baptist Medical Center, OKC
 INTEGRIS Southwest Medical Center, OKC
 INTEGRIS Canadian Valley Hospital, Yukon
 INTEGRIS Health Edmond
 INTEGRIS Bass Baptist Medical Center, Enid
 INTEGRIS Grove Hospital
 INTEGRIS Baptist Regional Health Center, Miami
 INTEGRIS Clinton Regional Hospital
 INTEGRIS Seminole Medical Center
 INTEGRIS Marshall County Medical Center, Madill
 INTEGRIS Health - Employee Wellness
 Choctaw Memorial Hospital, Hugo
 Fairview Regional Medical Center
 Okeene Municipal Hospital
 Sequoyah Memorial Hospital & Home Care
 Wagoner Community Hospital
 Weatherford Regional Medical Center

Implementation Early 2014

Mercy Hospital Oklahoma City
 Mercy Hospital Ada
 Mercy Hospital Ardmore
 Mercy Hospital El Reno
 Mercy Hospital Healdton
 Mercy Hospital Logan County, Guthrie
 Mercy Hospital Marietta
 Mercy Hospital Tishomingo
 Mercy Hospital Watonga
 Arbuckle Memorial Hospital, Sulphur
 Chickasaw Nation Medical Center, Ada
 Norman Healthplex (Women's Health)
 Medical Center of Southeastern Oklahoma, Durant
 Purcell Municipal Hospital

Partially Implemented

Mercy Hospital Ada
 McBride Orthopedic Hospital, OKC
 Integris Health Clinics (Outpatient)

WorkHealthy Hospitals

In partnership with Prevention Partners in North Carolina and the CDC, this new OHA Board initiative is aimed at helping hospital leadership make permanent changes in their environment to support employees in improving their health. Hospitals will be making “the healthy choice the easy choice.”



w's Health Care Improvement

Through an easy-to-use online tool, hospital leaders can complete a baseline assessment of their policies, benefits, environment and infrastructure in four key areas.

- Culture of Wellness
- Tobacco Use and Cessation
- Nutrition and Food Environment
- Physical Activity

Hospitals enroll in the initiative and receive tailored technical assistance and consultation with individualized recommendations and action plan. A cadre of evidence-based tools is available to achieve established health improvement goals.

Key accomplishments:

- Twenty-seven hospitals have created accounts and begun their assessments.
- Seventeen hospitals have completed their assessments.

The TSET grant allowed OHA to hire three staff members who will be providing individual consultation to hospital and physician groups for these projects.

For more information go to: www.okoha.com/healthimprovement, or contact Joy L. Leuthard at (405) 427-9537 or leuthard@okoha.com.



Shaping Tomorrow's Health Care Through Data and Services

Productivity Program

OHA began offering the new Hospital Productivity Management Program to members in late 2012. The program offers quarterly comparative reports to reporting facilities for benchmarking against peer groups, statewide, and multi-state data for staffing productivity in nursing units and other departments.

Because hospital nursing units and other departments vary from one facility to the next and because productivity stats are compiled differently from one facility to the next, the OHA Hospital Productivity Management Program allows flexibility so each facility can enter productivity information that matches their service delivery. During 2013, the program evolved to include executive summary reports and trending reports. In October, a Users' Group conference call provided ideas for the further development of the program. For more information on this program, go to www.okoha.com/productivity.

OHA Preferred Partner Network

The OHA Preferred Partner Network, revamped and renamed in 2012, has grown from eight companies to 19 in 2013 through the efforts of OHA staff. Members can use one or multiple companies in the network, depending on their needs. **The goals of the program are:**

- Save OHA members time and money when looking for companies to provide goods and services needed for hospital operations.
- Deliver quality through ongoing performance reviews of companies included in the program.
- Build powerful partnerships through increased buying power and leverage.
- Provide non-dues revenue to the OHA.

Services provided by OHA PPN companies include:

- Employee benefits
- E-learning for employees
- Competency management
- HR solutions
- Insurance solutions
- Operational support
- Physician relationships
- Physical plant services
- Equipment leasing
- Revenue improvement
- Supply chain improvement
- Pharmacy

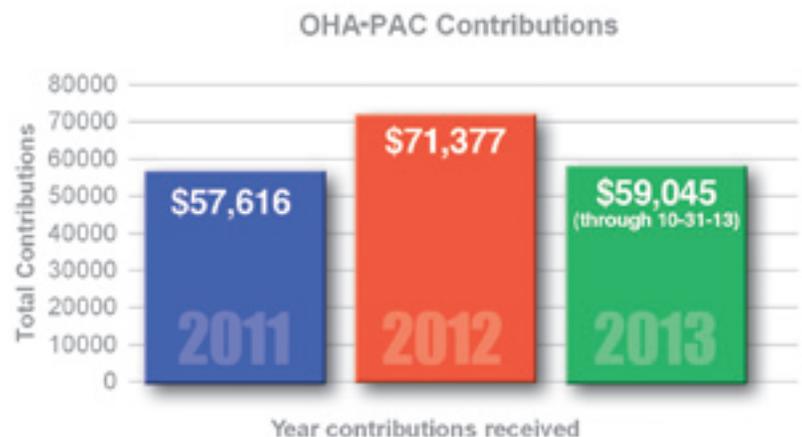


We hope that you will give these companies a chance to present their services to you. For more information on the OHA Preferred Partner Network, go to www.okoha.com/PPN.



OHA-PAC Contributions

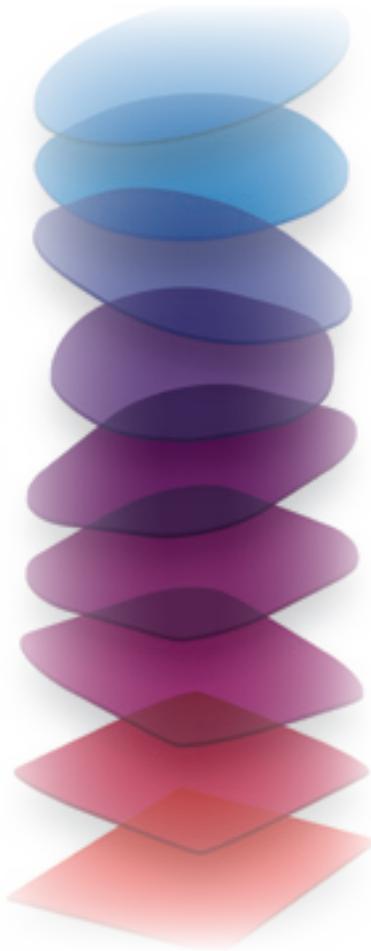
Supporting legislators who support our industry, the OHA-PAC is only as strong as our members' contributions.





Check out the new www.okoha.com.

- Menu options designed to make it easier to find what you need now.
- MyOHA page ... a customized experience for members based on job function by using your personal login.
- “Issues that Matter Now” box on the home page to see the most current hot issues.
- Detailed educational event descriptions.



For more information on OHA products and services, contact:

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