MASTER FACILITY PLAN LAUNCHED
Cardiac Cath Lab & Helipad

WAYNE MEMORIAL HOSPITAL
An Affiliate of Wayne Memorial Health System, Inc.

FISCAL YEAR 2016 ANNUAL REPORT
July 1, 2015 - June 30, 2016
Service & Facility Growth  
**July 1, 2015 – June 30, 2016**

*“Our new Heart & Vascular Center has far surpassed expectations, but most importantly it’s saved lives.”*
- David L. Hoff, CEO

Fiscal Year 2016 was in some ways a roller coaster year for your community hospital, but one we rode out safely and confidently. While we did not achieve our projected financial results, we launched many new and exciting projects that bode well for the future. Our revenues were up, but due to several non-reoccurring expenses, such as the use of a temporary hospitalist group, the year closed out with a deficit of .2%.

In June, we opened a cardiac catheterization laboratory, the **Heart & Vascular Center at Wayne Memorial Hospital** with two full-time interventional cardiologists: Raymond Resnick, MD, FACC, FSCAI/Medical Director and Khalid J. Manzar, MD, FACC. Accredited and approved by Corazon, the certifying body for the Pennsylvania Department of Health, by early fall the facility had treated more than 125 patients and is expected to wind up the calendar year with close to 200 patients—as many as was projected for Year Five! Close to 10% of the patients seen to date were experiencing serious heart attacks, and having care close to home, within minutes of the Emergency Department, lives were saved.

The cath lab is part of the **Phase I of the hospital’s $35-million Master Facility Plan**, which also includes development of a new **3-story addition** housing two floors of private patient rooms. In preparation for the groundbreaking, WMH purchased additional parcels of land and razed houses to make way for more parking spaces. The new tower, expected to be built in the next two to five years, will abut the main hospital, off what is now the Outpatient Services entrance.

Wayne Memorial’s plans for a **helipad** also became reality this past year. The helipad at 1839 Fair Avenue, Honesdale, was constructed to support the hospital’s application for Level IV trauma status, a designation anticipated in 2017.

As the hospital has grown, so has our clinical affiliate, **Wayne Memorial Community Health Centers (WMCHC)**. In **FY 2016**, WMCHC acquired two large physician practices, **Highland Physicians** and **Pinnacle Health Partners**, bringing an additional five physicians, three physician assistants and six certified registered nurse practitioners. Together the two practices serve more than 20,000 patients in our area.

Much of what WMH and WMCHC have accomplished in recent years was a response to **Community Health Needs Assessment** studies, the latest of which was completed in 2016. Specialty provider services—particularly in cardiology and behavioral health—continue to surface as a critical need in our region. A new center for behavioral health was built at our Pike County facility in 2014, and the hospital is now also looking at additional mental health services such as an inpatient geriatric psychiatric unit.

The hospital continues to work with the community on outreach efforts such as **Rachel’s Challenge**, now in its fourth year, the **Together for Health School Program** and the **In-School Winter Walking Program**.

On all fronts, Wayne Memorial is poised to embrace whatever “ride” FY 2017 brings to our doorstep.
Wayne Memorial Hospital  
Fiscal Year Ended June 30, 2016

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>$89,827,902</th>
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<tbody>
<tr>
<td>Net Patient Services Revenue</td>
<td>$86,771,789</td>
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<tr>
<td>Employee Pharmacy, Cafeteria &amp; Other Operating Income</td>
<td>1,808,858</td>
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<td>Contributions &amp; Net Assets Released From Restrictions</td>
<td>19,791</td>
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<tr>
<td>Interest &amp; Investment Income (Realized &amp; Unrealized)</td>
<td>1,227,464</td>
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<tr>
<td><strong>Total</strong></td>
<td>$89,827,902</td>
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<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
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<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>$33,354,158</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>9,218,303</td>
</tr>
<tr>
<td>Supplies &amp; Other Expenses</td>
<td>35,814,782</td>
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<tr>
<td>Provision for Uncollectible Accounts</td>
<td>5,490,836</td>
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<tr>
<td>Professional Fees</td>
<td>2,355,297</td>
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<tr>
<td>Depreciation &amp; Amortization</td>
<td>3,530,318</td>
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<tr>
<td>Interest Expense &amp; Loss on Refinancing Debt</td>
<td>529,241</td>
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<tr>
<td>Operating Contribution to Net Assets</td>
<td>(1,692,500)</td>
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<tr>
<td>Investment &amp; Other Contributions to Net Assets</td>
<td>1,227,467</td>
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**Operating Results**

**Uses of Net Revenue for the Year Ended June 30, 2016**

- **Supplies & Other Expenses**: 35,814,782, 38%
- **Salaries & Wages**: 33,354,158, 36%
- **Employee Benefits**: 9,218,303, 10%
- **Depreciation & Amortization**: 3,530,318, 4%
- **Professional Fees**: 2,355,297, 2%
- **Provision for Uncollectible Accounts**: 5,490,836, 6%
- **Interest Expense & Loss on Refinancing Debt**: 529,241, 1%
- **Operating Contribution to Net Assets**: (1,692,500), -2%
- **Investment & Other Contributions to Net Assets**: 1,227,467, 1%
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