



ASPEN VALLEY HOSPITAL

2012 Annual Report



Our mission

To deliver extraordinary healthcare in an environment of excellence, compassion, and trust.



In this issue

Opening remarks	3
Noteworthy accomplishments	4-6
Staff reactions	7-9
Patient feedback	10-11
Medical staff	12-13
Longtime employees	14
Nurse of the year	14
Financial statement	15
Hospital volunteers	16
Calendar of events	16

Board of Directors

David Eisenstat

Chuck Frias

Barry Mink, MD

Mindy Nagle, MD

Lee Schumacher

Opening remarks

By John Sarpa,
Former AVH Board President
and Current Interim CEO



Aspen Valley Hospital (AVH) is one of Aspen's largest employers and a significant economic driver for the community. We employ a large number of residents, and we invest millions of dollars in capital projects and community programs. But at the end of the day, what really matters most are the patients and their families who trust their lives to us.

At AVH, we have never lost sight of this objective. In fact, our mission — to deliver extraordinary healthcare in an environment of excellence, compassion, and trust — reflects our commitment to our patients and the community at large.

One of the contributors to our mission is a state-of-the-art hospital that rivals any medical facility in the state. In the past year, we were pleased to hold a grand opening for the Phase II (A) project, which included a new inpatient unit, oncology/infusion services, rehabilitation services, cafeteria, parking garage, and medical office space. Completion of Phase II — which will include other enhancements such as a new ICU, cardiopulmonary rehab, nuclear medicine, respiratory therapy, and additional medical offices — is expected to be finalized by year's end.

To bring a long expansion process closer to completion, we received final approval from the Aspen City Council in May for the final third and fourth phases. Phases III and IV address equally important areas for patient care including the emergency department, surgery, diagnostic imaging, lab, specialty clinics, and registration/admissions.

During the public approval process, we received a great deal of community input, as we have on other matters of late. As your community hospital, we value the opinions of those who live and work here, and we look forward to more dialogue in the future.

While modern facilities and state-of-the-art equipment help us offer a high level of care, most important is our staff of dedicated and talented professionals that actually **deliver** the care to our patients and their families. See pages 10 and 11 for more about patient satisfaction and engagement.

Recently we were named one of the Top 100 Critical Access Hospitals in the United States — and one of only four in Colorado — by iVantage Health Analytics. The top 100 are considered to be the nation's best rural institutions. iVantage uses a comprehensive scorecard to identify the best performers based on market conditions, clinical and operational performance, and financial and qualitative outcomes. We are always honored by awards and recognitions, and we will continue to strive to raise the bar for quality healthcare delivery.

I'd like to take this opportunity to publicly thank Dave Ressler, our former CEO, who has moved on after nine years of dedicated service to AVH. Dave guided our hospital through a financial turnaround, numerous community initiatives, technological advances, approval of our master facilities plan, and two of the four phases of our expansion — all with poise and humble leadership. He is truly a remarkable leader. We thank you for your service and wish you the best, Dave, in your new endeavors.

Finally, I would like to welcome David Eisenstat to the board of directors and extend my appreciation to Dr. Barry Mink, Dr. Mindy Nagle, Lee Schumacher, and Chuck Frias with whom I worked in a governing role for the past 11 years. I am proud of our shared achievements, and I feel privileged that you selected me as the interim CEO. I believe my past experience with AVH will enable continuity and ongoing progress on the strategic initiatives that support our hospital's mission.

It was a year of noteworthy accomplishments

In the past year, Aspen Valley Hospital (AVH) experienced significant forward motion, ranging from new services to planning for the future to leadership changes.

Valley Health Alliance

As healthcare reform gained momentum and the need to reduce healthcare costs throughout the country became more apparent, AVH — in partnership with our physicians and four other large local employers — began to explore ways in which our community could address the issues.

We are all aware that both the quantity and intensity of healthcare services are increasing due to a combination of an aging population and the increasing incidence of chronic diseases. Therefore, our biggest opportunity is to address the health status of our local population and attempt to reduce the demand for services. In addition, we would like to increase quality and value for the dollar spent. By working together as a medical community, we can reduce the number of tests and prevent duplication of services through the adoption of standardized protocols that reduce variation in practice.

These efforts are being tackled by a new non-profit organization called Valley Health Alliance. The purpose of this collaboration is to achieve a sustainable system that can enhance the entire community's health status, improve the manner in which care is delivered, and reduce costs in the process. We consider this initiative to be one of the most important endeavors in which we are currently involved. Stay tuned!

Getting healthy at AVH

In sync with the goals of the Valley Health Alliance, AVH has stepped up its efforts to create a healthy workforce. A confidential health questionnaire and health screenings — for blood pressure, waist circumference, body mass index, and blood and glucose levels — set the stage for identifying AVH employee health risks last fall.

Not unlike the rest of the country, we found that weight management is a challenge for many of our employees, along with improving physical activity, managing cholesterol levels, and reducing cancer and coronary risks. The good news, though, was that our average health score is 89, already four points higher than what our wellness consultant considers to be a good target.

Armed with information, efforts are now underway to reinforce existing healthy behaviors, as well as develop new ones. Programs for AVH employees include:

- Access to physical therapy equipment when not in use by patients
- Discounted health club memberships, yoga and other fitness classes
- Customized wellness reports that explain risks and help identify needed lifestyle changes
- Private consultations with a dietitian, exercise specialist, or physician assistant

These programs link health, fitness, nutrition, and overall lifestyle management to help employees achieve their wellness goals.

Also offered are comprehensive assessments of strength, flexibility, aerobic capacity, and body composition with the subsequent development of an individualized exercise plan. Finally, "Lunch & Learn" programs offer information on a variety of topics ranging from sleep disorders to stress management to various aspects of good nutrition, including samplings of a variety of healthy foods.



Aspen Valley Hospital Foundation

With a major capital campaign on the horizon, AVH formed its own hospital foundation with the sole purpose of raising money for the hospital. Deborah Breen from Rhinebeck, New York was hired as president of the new foundation and, since coming on board in

January, she has been getting to know the hospital and community, developing policies, meeting with potential donors, and gearing up for the next lead gift phase of the campaign.

One of the first major lead gifts to be recognized was from the Lauder family and, in January, the Evelyn H. Lauder Patient Care Pavilion was dedicated in honor of Mrs. Lauder. Two other lead gifts from Lynda and Stewart Resnick and Nancy and Richard Rogers have also been secured. In addition, several foundation board members have been identified, and the foundation has set its sights on fully rounding out the board by the end of the year.

Above: Deborah Breen, Aspen Valley Hospital Foundation President

MAKOplasty® — The latest in robotic and 3D surgery for partial knee resurfacing and hip replacements

One of our goals at AVH is to bring the most innovative surgical procedures to our patients and the community. This past year we begin offering MAKOplasty®, a revolutionary system used for partial knee resurfacing, as well as total hip replacement.

Tom Pevny, MD, performs a knee replacement with MAKOplasty technology.

During the MAKOplasty procedure, an orthopaedic surgeon uses 3D modeling and a highly advanced Robotic Arm Interactive Orthopaedic System called RIO® to concentrate on the diseased area of the joint, leaving healthy bones and tissues alone. In addition, RIO gives our specially-trained surgeons freedom to make precision adjustments for the best possible implant positioning and placement for individual patients.

Because MAKOplasty is less invasive than traditional surgical procedures, there is usually less downtime and fewer complications for patients. Many who have been suffering from pain associated with degenerative osteoarthritis are able to return to a more active lifestyle with less pain.

AVH is one of only three hospitals in Colorado to offer this state-of-the-art procedure. For more information about MAKOplasty partial knee replacement or total hip replacement, ask your doctor or call Aspen Orthopaedic Associates for a consultation at **925.4141**.



Master Facilities Plan progress

The new wing opened and now houses the inpatient care unit (Evelyn H. Lauder Patient Care Pavilion); rehabilitation services for physical therapy, speech therapy, and occupational therapy; infusion/oncology services; and Aspen Orthopaedic Associates. Later this year, two additional medical offices will move into the space, and cardiopulmonary rehabilitation will open in its permanent location.

Finally, approval was granted by the City of Aspen for Phases III and IV of the expansion/renovation. Once completed, the hospital will have modern facilities for the remainder of the hospital, including emergency, surgery, diagnostic imaging, admissions, and specialty clinics.



Orthopaedist Leelee von Stade, MD, and Tim McCall, PT, care for a patient. With adjacent offices in the new building, “joint” care is facilitated.

Community Collaboration — Pitkin County Detox Services

What do Aspen Valley Hospital’s ER and the Pitkin County Jail have in common? On a regular basis, both care for intoxicated individuals that have neither a medical problem nor have committed a crime. Instead, they are intoxicated to the extent that they need assistance, and they have nowhere to go — except the hospital or the jail.

With the closure in late 2012 of the Garfield County Detox services and the Right Door, an excellent opportunity presented itself for co-located, comprehensive detox **and** case management services. AVH was happy to be a participant with the Aspen Counseling Center, Colorado West Mental Health Services, Pitkin County Sheriff’s Department, and the Aspen Police Department to bring this concept to fruition.

An “on-call” model was developed, with staff from the Aspen Counseling Center providing oversight and monitoring during the sobriety process. Hospital paramedics are also on call, in case a medical evaluation is needed.

But, it doesn’t end there. Counseling Center staff helps clients determine a course of action to address their substance abuse issues and avoid future visits to the ER or jail, as well as prevent the multitude of health and social problems associated with excessive drinking.

Kudos to all involved for a creative solution to a difficult problem!

“The entire experience was by far the best care
I have ever received.”

Our staff speaks out about the hospital renovations

Here's just a sampling of what Aspen Valley Hospital staff had to say about the recent approval of Phases III and IV of the hospital's Master Facilities Plan. Needless to say, we are collectively grateful for the support received, excited about the future, and anxious for the project to begin!



Paula Hebbard, RN
Emergency Department

We're very pleased. It will allow us to provide even better care for our patients. It's been a long time coming!



Michael DeLeon
Lab Assistant

Thank you! When it's finished (and you need to use our services), you'll be appreciative too!



Debbie DeMeulenaere, RT
Mammographer

Someday we will have dedicated space to provide complete women's imaging services in a private, professional setting. Thank you!



Katie McManus, PT
Physical Therapy

I couldn't be happier with our new rehab department, and I'm excited for all the other hospital departments to enjoy the same benefits of new and modern facilities!



Judy Wilson, RN
Cancer Patient Navigator

We are absolutely, totally thrilled!



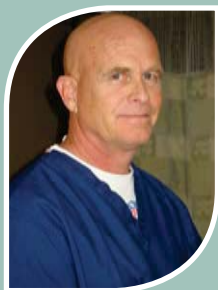
Josh Meyer, MT
Laboratory

Huzzah!



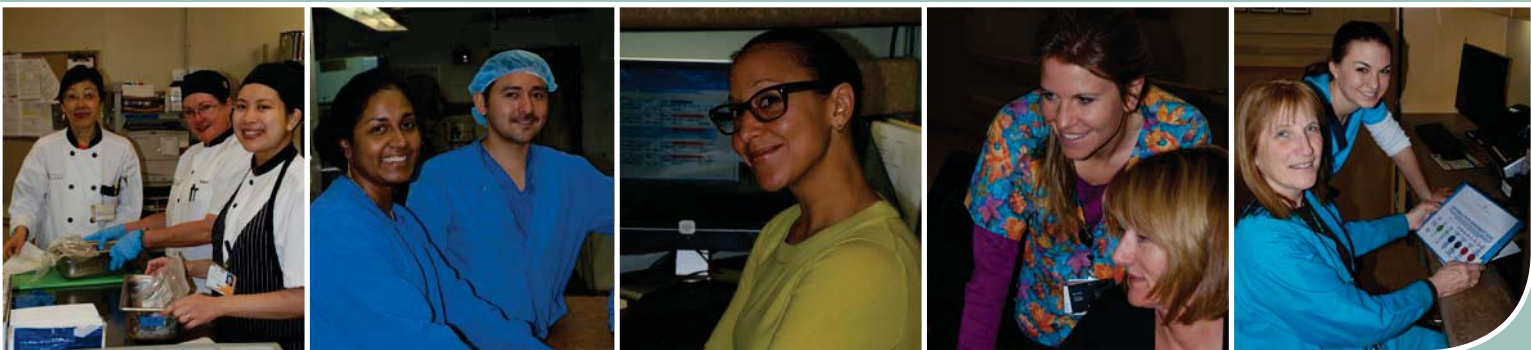
PJ Wallace, RN
Same-Day Surgery

Yea! It's fantastic. I can't wait to have a fully modernized hospital to take care of our community.



Bud Glismann, MD
Emergency Medicine

There are three certainties in life: death, taxes, and the ER. This isn't for us — this is for the community. It's about taking better care of our patients, and we couldn't be happier!



Gary Holbrook
Maintenance Supervisor

This building has served us well, but its days are numbered! In recent years, 90% of our maintenance repair issues have been age related. We very much look forward to a completely new building.



Bart Outzen, RT
Diagnostic Imaging

It can't come soon enough! Our patients deserve the best, and now we will be able to give it to them.



Linda Spada-Magill, RN
Surgery

I'm really excited that we'll get new operating rooms and recovery rooms. They are very much needed!



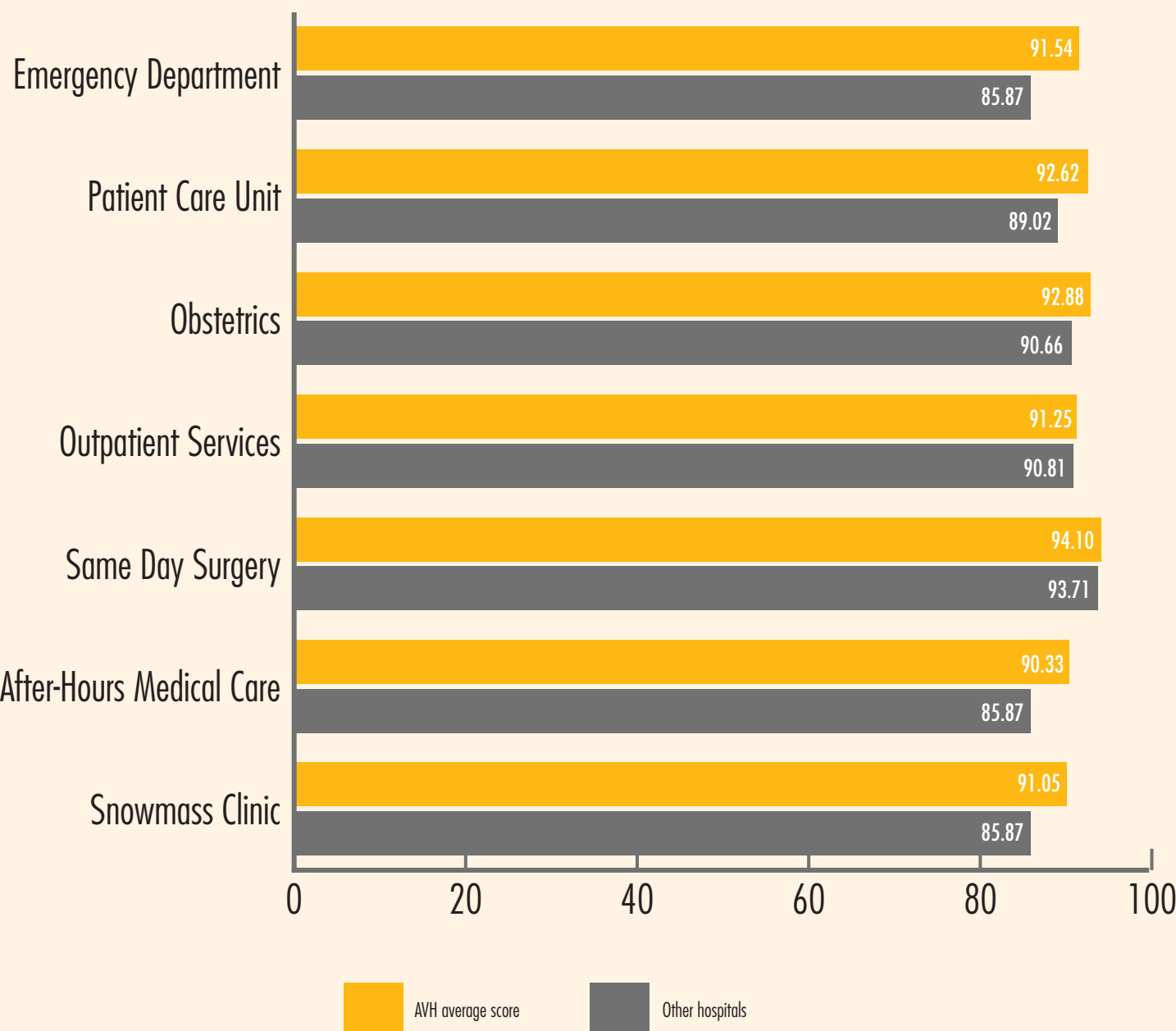
Jeff Wold, RT
Cardiopulmonary
Diagnostics

This will make the environment much better for patients and staff. And since I plan to be working here for a long time to come, I'm very happy!

Patient feedback — exceeding expectations

Aspen Valley Hospital (AVH) takes great pride in the personalized care provided to its patients. It has been particularly difficult to achieve and maintain high scores in our severely crowded and outdated facility which also is in the midst of a variety of construction projects!

But, we are pleased to report that we continue to exceed our patients’ expectations, and when compared to hundreds of other hospitals in the nation, we’ve also fared well. Following are comparative data for the past year. The average scores noted are based on responses to a five-point scale ranging from strongly disagree to strongly agree.



A “drill-down” of responses shows particularly high scores in the areas of general care, meals, nursing care, pain management, physician care, problem resolution, and visitor/family interactions.

Rave reviews from our patients

*"Thanks to **all** AVH staff. You made my accident less traumatic with your caring spirit and prompt medical attention."*

"What could have been a nightmare experience was certainly alleviated at AVH. The staff is 100% top-notch professionals."

"The doctor was the most compassionate I've ever met, with great attention to detail and a high level of care. Your hospital is #1!"

"We had quite a scare during our family vacation. Being a physician myself, I knew what to anticipate. I must say that our visit surpassed my expectations!"

"From the time I arrived and was diagnosed via X-rays and other tests, I was confident that I was in good hands. My surgery was positive, and I thank the staff for the excellent service on my behalf."

"I travel to Aspen every year, and I cannot find the words to tell you how wonderful your staff treated me during my recent hospitalization. I am not surprised that Aspen would be home to such a wonderful hospital."



Ryan Curry, RN, cares for a patient in the new Evelyn H. Lauder Patient Care Pavilion.



Aspen Valley Hospital Medical Staff



Allergy/Immunology

Robert McDermott, MD

Anesthesiology

Chris Beck, MD

Erin Flaherty, MD

Eric Willsky, MD

Betsy Bridger, CRNA

Amy Engelmann, CRNA

Kathleen Mitchell, CRNA

Phyllis Whitman, CRNA

Anesthesiology/ Pain Management

Giora Hahn, MD

Cardiology

Morris Cohen, MD

Gordon Gerson, MD

Dermatology

Karen Nern, MD

Ear/Nose/Throat

Matthew Goodstein, MD

Emergency

Steve Ayers, DO

Greg Balko, MD

Catherine Bernard, MD

Scott Gallagher, MD

Bud Glismann, MD

Kim Levin, MD

Chris Martinez, MD

Christina Miller, MD

Robert Orman, MD

Amy Covington, PA-C

Nancee Dodge, FNP

Dawn Kopf, PA-C

Sean Nevin, PA-C

Amber Valenti, PA-C

Family Medicine

Jenny Connery, MD

Kelly Locke, MD

Dewayne Niebur, MD

Kim Scheuer, MD

Gastroenterology

Gerard Tomasso, MD

General Surgery

William Rodman, MD

Gynecology

Gail King, MD

Hospitalist

Mike Goralka, MD

Internal Medicine

David Borchers, MD
Paula Kadison, MD
Ann Mass, MD

Neurology

Brooke Allen, MD

Neurology — Telemedicine

Blue Sky Neurology

Obstetrics/Gynecology

Natasha Knight, MD
Mindy Nagle, MD
Nancy Bacheldor, CNM
Elizabeth Weisenborn, NP

Oncology

Doug Rovira, MD

Orthopaedics

Lindsay Harris, MD
Tom Pevny, MD
Mark Purnell, MD
Leelee von Stade, MD
Karen Campbell, PA-C
Lyndsey Haynie, PA-C
Rachael Wymer, PA-C

Ophthalmology

Matthew Ehrlich, MD

Pathology

Frank Holmes, MD
Robert Macaulay, MD
Jerry Steinbrecher, MD

Pediatrics

Harvey Fahy, MD
Charlene Guggenheim, MD
William Mitchell, MD
Claudia Nelson, MD

Plastic Surgery

Dennis Cirillo, MD
Peter Fodor, MD
Jason Martin, MD

Podiatry

Noel Armstrong, DPM

Pulmonology

Gary Cott, MD

Radiology

Radiology Imaging Associates

Urology

Jeff Fegan, MD

Jamie Lowe, MD

Brian Murphy, MD

Affiliate Staff

Bruce Bowen, MD
Amy Brown, MD
Michael Check, MD
Jon Gibans, MD
Anne Goyette, MD
Brian Grade, MD
Glenn Kotz, MD
Melissa Orman, MD
Susie Zimet, MD

Honorary Staff/ Internal Medicine

Barry Mink, MD
Carl Schiller, MD

Honorary Staff/ Oral Maxillofacial

Daniel George, DMD

Honorary Staff/ Orthopaedics

John Freeman, MD

Decades of service

Aspen Valley Hospital has long been known as a great place to work, as evidenced by the tenure of many of its employees. The following employees were recognized for their decades of service this past year at a special dinner in their honor at the Roaring Fork Club.

10 years

Lana Carlson, MT Laboratory
 Lucretia Donovan, RN Emergency
 Jose Garcia Nutrition Services
 Steve Knowles, RN Compliance
 Alicia Miller, SPHR Human Resources
 Katie McManus, PT Physical Therapy
 Juan Osorio Surgery
 Flor Paz-Pastrana QA/Risk Management
 Scott Shapiro Materials Management

15 years

Terry Larson, RN Inpatient Nursing
 Elizabeth Mercatoris, RN Inpatient Nursing
 Julie Puchkoff, MS, CSCS Cardiopulmonary Rehab
 Li Zhu Nutrition Services

20 years

Jennifer Andres Health Information
 Maxine McCowan, RN Outpatient Clinics
 Sally Owen, RN Aspen Birth Center
 Linda Spada-Magill, RN Surgery
 Lisa Vantine, RT Diagnostic Imaging



From left: Jaclynn DeRosier, PT; Jan Alling, PT; Linda Spada-Magill, RN; Melody Duham, RN; and Julie Puchkoff, MS.

25 years

Jan Alling, PT Physical Therapy
 Melody Durham, RN Cardiopulmonary Rehab
 Melissa Helser Emergency
 Mary Fran Powell, RN Inpatient Nursing
 Terry Sharp, MT Laboratory

30 years

Jaclynn DeRosier, PT Physical Therapy

35 years

Debra Demeulenaere, RT Diagnostic Imaging



Nurse of the Year

Registered nurse Paula Hebbard was named "Nurse of the Year" during Aspen Valley Hospital's (AVH) celebration of National Nurses Day earlier this year. She has worked at the hospital since 1989, mostly at the bedside in the emergency department.

Paula was selected because she exemplifies everything Florence Nightingale — the founder of the first educational training program for nurses — envisioned. It was noted that Nightingale had a "profound influence on the profession of nursing, and Paula has had a profound influence on both patients and fellow nurses here at AVH."

Where does the AVH dollar go?

For the 2012 fiscal year



Salaries and wages — \$.32

Medicare, Medicaid, and
insurance discounts — \$.16

Reserves for future equipment,
construction, and clinical
programs — \$.16

Maintenance, utilities,
equipment, etc. — \$.08

Employee benefits — \$.07

Medical, surgical, and drug costs — \$.06

Depreciation and amortization — \$.05

Other operational expenses — \$.04

Bad debt expenses — \$.02

Charity care — \$.02

Interest expenses — \$.02



Aspen Valley Hospital experienced many changes in the past year, with the most significant change being construction both inside and outside the hospital. Despite these temporary conditions, 2012 was a good year, and through continued diligence in cost management and responsible fiscal restraint, the hospital continues to be well positioned for the future challenges in the healthcare industry. We continue to appreciate the community support that gives us the resources to continue providing excellent healthcare to both local residents and our many visitors each year.

— Terry Collins, CFO

The auditing firm of BKD conducted the AVH 2012 audit in accordance with district law and auditing standards generally accepted in the United States.



ASPEN VALLEY HOSPITAL

0401 Castle Creek Road Aspen CO 81611 (970) 925-1120

PRSRT STD
U.S. POSTAGE
PAID
PROGRESSIVE
IMPRESSIONS
INTERNATIONAL
61701

2012 Annual Report

Volunteers play a vital role at AVH

They may not treat patients, mend broken bones, or dispense medical drugs, but our 85 volunteers are the unsung heroes at Aspen Valley Hospital (AVH).

Contributing approximately 20,000 hours of labor and love, these unpaid volunteers bring flowers, books, nourishment, or a warm blanket to patients. They comfort families with information, coffee, or a hug. They escort those unfamiliar with hospital services and locations. They assist behind the scenes by posting mail and compiling charts. They run the in-house Sally's Gift Shop (re-opening early next year!). And some bring their dogs to cheer up patients and staff as part of our popular pet therapy.

In a nutshell, our volunteers help enrich the lives of our patients, families, and staff every day of the year — and we couldn't be more thankful for their kindhearted services! If you are interested in making a difference, call **544.1296** to learn more about volunteering at AVH.



Virginia Morrow has been an ER volunteer for more than 10 years.

Calendar of Events

Midvalley Health Fair

Saturday, October 12

8:30 - 11:30 a.m.

El Jebel Community Center

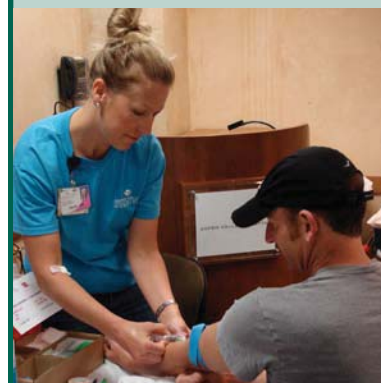
Senior Health Fair

Friday, November 1

8:30 - 10:30 a.m.

Aspen Valley Hospital

Call **544.1296** for more information.



Trudi Olson, RN, was one of over 100 volunteers to help out at the spring health fair.