



Longmont United Hospital



2006
Annual
Report

Changing The *Caring* Experience...

A nighttime photograph of a building entrance. The building features a prominent entrance with two large, cylindrical columns. Above the columns, a horizontal band contains the text "LONGMONT UNIVERSITY" in a serif font. The building is illuminated from within, and the entrance area is lit by recessed ceiling lights. The foreground shows some landscaping with bushes and a paved walkway. Two tall, thin poles are visible in the foreground, framing the scene.

LONGMONT UNIVERSITY

Caring
about keeping you inf

The *Caring* Experience... Changing The



Dear Friends of the
Communities We Serve,



Our success, past, present and future, continues to be dependent upon our dedicated employees, medical staff, and volunteers at Longmont United Hospital. From creative scheduling to flexible benefits, we conscientiously demonstrate our appreciation and commitment to our staff so they can concentrate on providing unique options and extraordinary care for all of our patients and communities we serve.

All of us on the Board of Longmont United Hospital are very proud of the achievements made in the past. We will continue to strive to provide high-quality health services in a caring, safe, and cost-effective manner. We will also remain flexible and adaptive to the ever-changing environment around us.

We are proud of the accomplishments and dedication of the employees, medical staff and volunteers of Longmont United Hospital. We look forward to the years ahead by continuing to improve the health of our communities and putting our patients first.

Linda Henry, Chairperson
2006 Board of Directors

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Caring Experience... Changing The Caring



Expansion Projects

Emergency Department

On October 20th of 2006 a ground breaking was held for the Hospital's new 28,927 square foot Emergency Department that is expected to open the second quarter of 2008. The current fifteen treatment rooms will expand to thirty with four private trauma rooms. To streamline operations at the door, there will be three triage rooms to direct the appropriate levels of care from minor ailments to serious conditions. The new department will also house x-ray equipment and a 64 - slice CT scanner.

MRI

In November of 2006 construction was completed to accommodate the installation of a new "state of the art" MRI. The "short bore" accommodates patients with claustrophobia, as they are not totally enclosed in the tube. The high resolution MRI is faster with improved image quality and a reduction in scan time.

Cardiopulmonary Department (Heart and Lung Services)

A remodel of the former Intensive Care Unit for the Cardiopulmonary Department began November 1, 2006. When completed, the Department will move from their current 2,100 square foot space into the newly remodeled 3,660 square foot space.

The *Caring* Experience... Changing The



Caring about the future.

Patient Tower 5 South Wing

In November the buildout of 18 beds on 5 South completed the Patient Tower. The wing is a mirror image of the other patient floors in the Tower. Plans to open this telemetry unit will be based on community need and patient volume.

Cardiac Catheterization Lab

A 2,077 square foot addition for a second Catheterization Lab should be completed in July 2007.

Other Expansion Projects

A Central Utility Plant Expansion will provide the necessary utilities for the expansions and is essential to the infrastructure of the hospital. This expansion will consist of a two-story structure. The 4,807 square foot first floor will expand the utility plant to include two 300 ton chillers, one 600 ton cooling tower, one 250 horsepower steam boiler, one additional emergency generator, new paralleling gear, main transformer, 10,000 gallon fuel tank and the auxiliary equipment. The existing 1,500 gallon oxygen tank will be replaced with a 3,000 gallon tank. The 4,063 square foot second floor will be the Building Services, Safety, and Construction Offices. An approximate 2,400 square foot utility corridor and mechanical room will be constructed to connect the Central Utility Plant to the new Emergency Department addition.

In late October 2006, a 7,400 square foot loading dock was completed. The Environmental Services linen, infectious waste, supplies, and medical gas storage are located in the dock. Materials Management now receives hospital supplies at their new location at 410 South Sunset.

Caring about doing



Distinctions for 2007

Best in Region* - Cardiac Services

Longmont United Hospital was recognized for 2007 as Best in Region for Overall Cardiac Care and Cardiology services. HealthGrades® is an independent health rating company that evaluated data from 5,000 hospitals across the country. Longmont United Hospital also received the Highest Possible Star Rating for Treatment of Heart Failure.

The Cardiology Department provides a full spectrum of cardiac care - from diagnosis to open heart surgery in a friendly and comfortable environment. In 2006 the hospital began offering Minimally Invasive Ablation, a new treatment for atrial fibrillation. Other services include cardiac catheterization, angioplasty, cardiac stents, pacemakers and defibrillators, stress testing, telemetry, echocardiology, atherectomy, and interventional radiology. There is also a specialized cardiac rehabilitation program, including an on-site fitness facility.



*Region as defined on www.healthgrades.com.

Top 10 in Colorado - Orthopedic Services

Longmont United Hospital was also recognized for 2007 as among the Top 10 in Colorado for Overall Orthopedic Services and Five Star Rating for Total Hip Replacement by HealthGrades.

Orthopedics offers a variety of comprehensive services including the latest surgical procedures such as total joint replacements, Charite'™ Artificial Disc surgery, and kyphoplasty for vertebral compression fractures. Diagnostic equipment is state-of-the-art, including MRI/CAT, digital x-ray, and electrodiagnostics. Stealth three-dimensional surgical imaging and fluoro - navigation technology support state-of-the-art surgical interventions. Pre-operative Total Joint Classes are offered to the community. Physical therapy and rehabilitation are available at an on-site fitness center complete with a warm water therapy pool.



The *Caring* Experience... Changing

our best.





Caring about each patient

Our Services

The BirthPlace

The BirthPlace enables women to have their labor, delivery and recovery all in the same room, thereby helping women to feel more relaxed and secure during the birth process. Operating rooms for C-Sections are located in The BirthPlace along with adjacent recovery rooms. A Level II Nursery for premature infants (34 weeks gestation and up) is available to handle most situations, such as providing special care for babies who need antibiotics or bilirubin lights for jaundice. For parents who have an infant in the Special Care Nursery, The BirthPlace has a Family Transition Room where nurses can teach the parents about how to provide special care for their baby. Our BirthPlace nurses are highly knowledgeable and specialized professionals; they give exceptional care and know how to empathize with a woman's emotional journey through the birth process.

Hope Cancer Care Center

Hope Cancer Care Center is a state-of-the-art facility providing the most advanced technology available in a warm, soothing atmosphere. The team of clinical experts are specialists in the utilization of radiation therapy as a treatment of cancer; in addition, we offer massage therapy, nutritional consultation, and social work consultation. Hope Cancer Center offers IMRT (Intensity Modulated Radiation Therapy), a form of radiation in which computers create a three-dimensional picture of the tumor so that multiple radiation beams can be shaped exactly to the contours of the area. IMRT also varies the intensity of the radiation across the treatment field, sparing adjacent cells from receiving the full dose. Chemotherapy services are also available in our Day Surgery department.

Emergency Department

Longmont United Hospital's Emergency Department is a Level III trauma center that treats approximately 26,000 patients each year. ED physicians are board-certified specialists and subspecialty physicians are available for immediate consultation. A cardiac catheterization lab is accessible for diagnosis and intervention 24 hours a day, seven days a week.

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Caring about

Financial Statements and Overview

In 2006, Longmont United Hospital continued to work to maintain and improve the level of services for which it has become known and to sustain its value as a significant community resource. We were successful in meeting our goal of providing and enhancing our sophisticated services to keep healthcare local and to optimize the healing experience of our patients.

For the year ending December 31, 2006, your community hospital ended the year with a margin of 3% or \$4.1 million. Revenue increased over the prior year by approximately 6% due a price increase. Volume was lower for both inpatient days and outpatient visits. Outpatient visits were slightly lower than prior year due to increases in the “out of pocket” payments for deductibles and co-pays that individuals were required to pay to use these services. Expenses increased 6.2 % as a result of increasing labor, employee benefits, supply, and pharmacy costs. Over \$190 million of care was provided for charity, bad debt and contractual discounts, up considerably from the previous year due to the increase in the uninsured and/or underinsured.

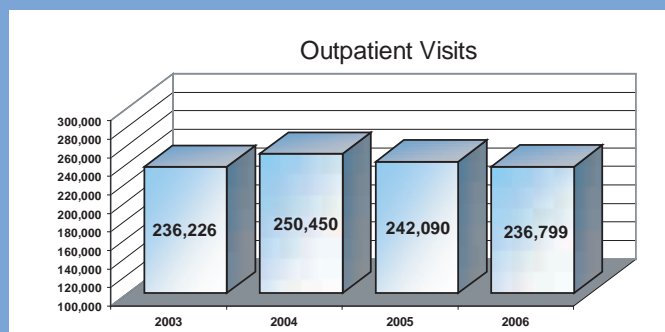
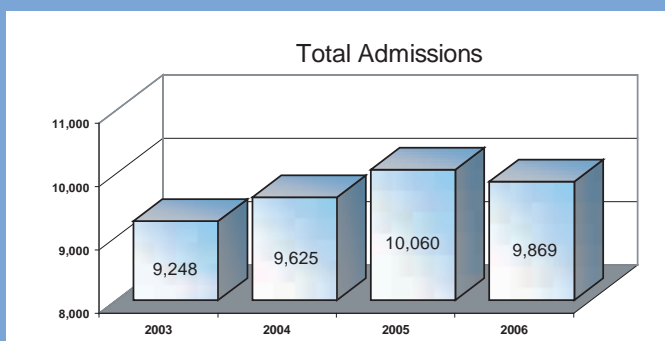
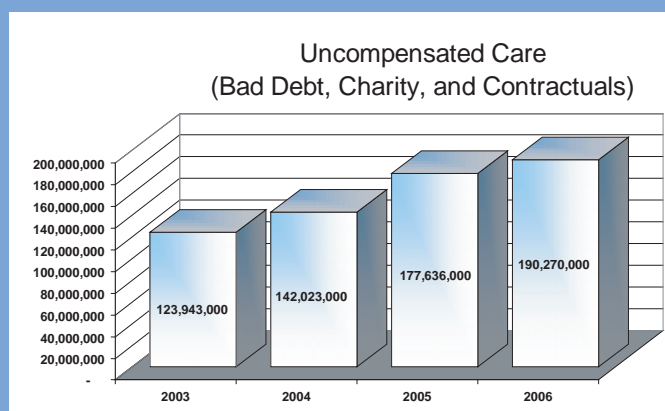
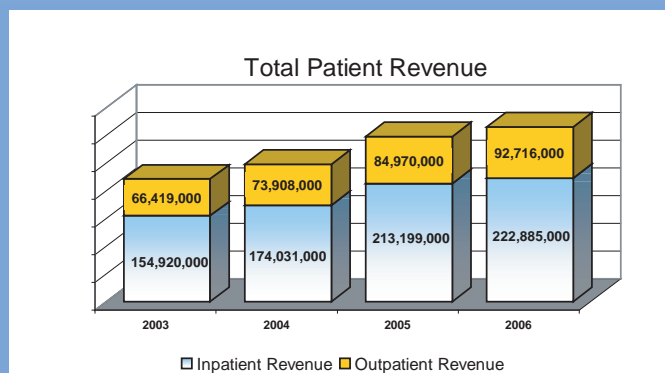
As a nonprofit community hospital, we are continually challenged to manage rising healthcare costs and falling reimbursement. We also seek to achieve and maintain a profit margin, of which 100% is utilized for reinvestment in our services, equipment and facilities to ensure we meet the needs of our communities for today and the future. We are currently constructing a new Emergency facility, a second Cardiac Cath Lab, and 18 additional patient rooms to respond to the future growth of our community. We are proud of our caring staff and physicians who continually meet these challenges while providing extraordinary care and optimum patient satisfaction.

Neil Bertrand, Chief Financial Officer

out our financial health.

Statement of Operations

	2006	2005
	(In thousands)	
Revenue		
Gross Patient Revenue	315,601	298,169
Less Contractual Allowances	(165,470)	(156,340)
Charity	<u>(13,311)</u>	<u>(12,421)</u>
Net Patient Revenue	136,820	129,408
Other Operating Revenue	<u>2,901</u>	<u>2,918</u>
Total Operating Revenue	139,721	132,326
Expenses		
Salaries and Benefits	65,054	61,572
Supplies and Other Expenses	44,466	43,015
Professional Fees	2,620	1,931
Depreciation	8,016	8,116
Interest Expense	3,216	3,443
Provision for Uncollected Patient Accounts	<u>11,488</u>	<u>8,875</u>
Total Operating Expenses	<u>134,860</u>	<u>126,952</u>
Income from Operations before loss on bond refinancing	4,861	5,374
Loss on bond refinancing	<u>(2,986)</u>	<u>0</u>
Income from Operations	1,875	5,374
Interest and Other Non-operating Income	<u>1,990</u>	<u>1,242</u>
Excess of Unrestricted Revenue Over Expenses	3,865	6,616
Assets Released from Restriction	<u>198</u>	<u>51</u>
Net Change to Total Assets	<u>4,063</u>	<u>6,667</u>





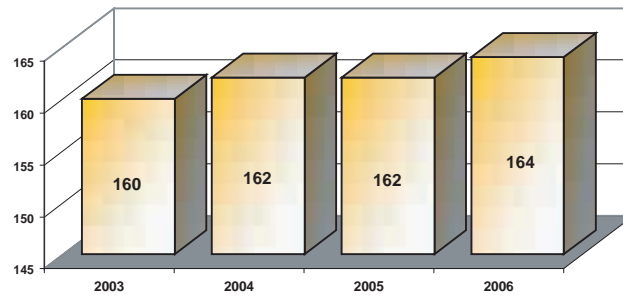
Condensed Balance Sheet

	2006	2005
	(In thousands)	
Assets		
Cash	11,017	11,329
Net Patients Accounts Receivable	21,760	20,442
Inventories	3,120	2,519
Other Current Assets	<u>3,208</u>	<u>3,805</u>
Total Current Assets	39,105	38,095
Board Designated Funded Depreciation	33,759	24,951
Bond Indenture Funds	<u>38,638</u>	<u>5,327</u>
Total Assets Limited To Use	72,397	30,278
Net Property, Plant, Equipment	89,970	85,302
Other Assets	<u>4,804</u>	<u>4,421</u>
Total Assets	<u>206,276</u>	<u>158,096</u>
Liabilities and Net Assets		
Current Liabilities	18,234	15,738
Long Term Debt	102,495	60,900
Unrestricted Net Assets	84,752	80,702
Restricted Net Assets	<u>795</u>	<u>756</u>
Total Net Assets	<u>85,547</u>	<u>81,458</u>
Total Liabilities and Net Assets	<u>206,276</u>	<u>158,096</u>

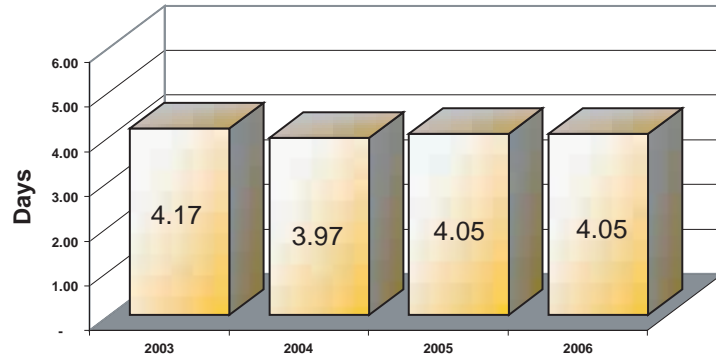
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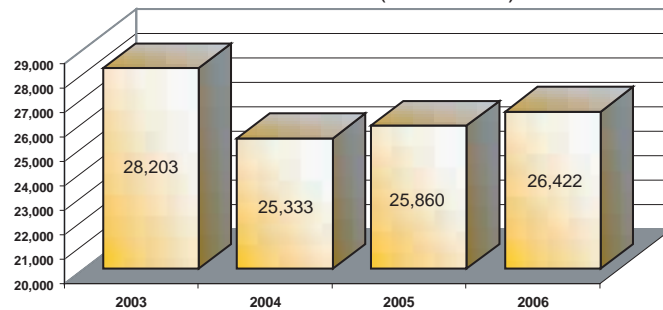
Total Staffed Beds



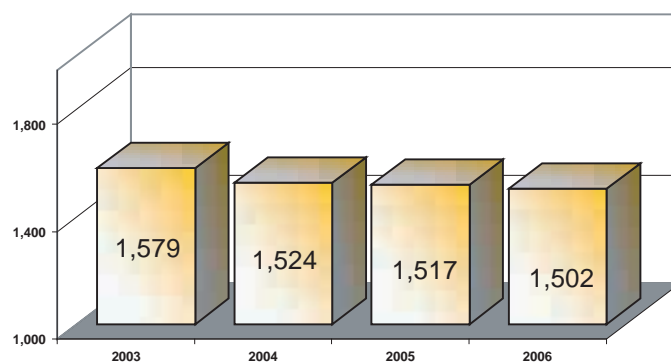
Average Length of Stay



ER Visits (IP and OP)



Total Births





Caring to be successful



LONGMONT
UNITED
HOSPITAL
www.lubcares.org

Dear Patients, Families and Friends,

Longmont United Hospital has been a valuable member of your community for almost 50 years serving patients who reside in Boulder, Larimer and Weld Counties and our approach to healthcare is timeless and evolving. It is through our dedicated staff and the evolution of the care we provide that allows us to contribute to *"Changing The Caring Experience..."* for all of our patients and families.

In 2006, we continued to combine the best technology, the finest equipment and most balanced treatment plans with the healing powers of human touch and respect. As we move forward into 2007 you will continue to see changes in and around our facility that will have a positive impact on your experiences with Longmont United Hospital. These changes include focusing on the National Patient Safety Goals established by The Joint Commission, the emergency department construction project, and striving to maintain a transparency of our daily operations to the communities we serve.

The Joint Commission establishes National Patient Safety Goals on an annual basis which is an integral part of our operations. Ultimately, your safety as a patient is of the greatest importance. During your visit with us you may see references to these goals which we monitor closely. In addition, as we find these goals to be such an important part of your safety, we will be posting these goals on our website for you to review and access important health maintenance information.

In October of 2006 we broke ground on the new emergency department at Longmont United Hospital. This state of the art emergency department was designed with your community in mind. The current emergency department is approximately 9,800 square feet with 15 treatment rooms and our new emergency department will be in excess of 24,000 square feet with more than 29 treatment rooms. The intent of this project is to address the future needs of the communities we serve and is designed to see up to 45,000 patients a year.

Finally, we will also be looking to expand our efforts in transparency. The intent of this process is to provide the community with information pertaining to the daily operations of Longmont United Hospital. One of the first changes you will see to this end is the publication of our tax form 990s on our website. This information will be published on an annual basis as it is completed and available for publication.

As we look forward to these exciting changes, I welcome you to join us in our dedication to *"Changing The Caring Experience..."*

Mitchell C. Carson
President and CEO

The *Caring Experience...* Changing The



Successful.

2006 Accomplishments

Received 4-Star Customer Award from PRC for Overall Quality of Care in 3 West (Cardiology/Telemetry)

Longmont United Hospital Volunteers donated 70,046 hours of service and donated \$165,719. From 1957-2006, the Volunteers have donated 1,194,252 hours and \$1,960,235 to Longmont United Hospital.

Leapfrog determined we had fully implemented their twenty-seven Safety Practices.

Patient visits:

Health Center for Integrated Therapies	8,760
Homestead Adult Day Program	2,684
Longmont United HomeCare	14,672
Summertree Cares	19,156
United Medical Center of Lyons and Berthoud	11,601

Completed update of the Master Facility Plan, Five-Year Plan for Information Systems, Strategic and Quality Plan, and the Medical Staff Development Plan.

Received the "Making Medicine Mercury Free Award" from H2E and the "Most Outstanding Recycling Program for a Large Facility in Boulder County" from Eco-cycle

Achieved Accreditation/Designations/Certifications

- American College of Surgeons for Cancer Program/Services*
 - College of American Pathologists for Laboratory Services
 - Homestead Adult Day Program
 - Joint Commission on Accreditation of Healthcare Organizations
 - Level III Trauma Facility
 - Transitional Care Unit Survey
- *with commendations

Longmont United Hospital Volunteers celebrated fifty years of service

Longmont United Hospital Foundation purchased LeDeauville Apartments



2006 Sponsorships

9HealthFair

American Cancer Society-Relay for Life Event

Aging Services Foundation

Aging With Dignity

American Heart Association

Born to Read Program

Boulder County Coalition for Early Childhood Immunization

Boulder County Aging Services

Boulder County Civic Forum

Boulder Valley Women's Health Center

Center for Personalized Education for Physicians

Citizens for a Safe Longmont

Colorado Cancer Research Program

Colorado Nurses Foundation

Colorado Perinatal Care Council

Colorado Physicians Health Program

Community Food Share Bank

Education Foundation of St. Vrain Valley

Foothills United Way

Front Range Community College

HospiceCare of Boulder and Broomfield Counties

Imagine! Foundation

Leukemia and Lymphoma Society

Longmont Community Foundation

Longmont Council for the Arts

Longmont Theatre Company

Newspaper in Education

OUR Center

Ed & Ruth Lehman YMCA

RSVP of Boulder County

Salud Clinic

Safe Shelter of St. Vrain Valley

Special Transit

Caring for



Community Relations

American Cancer Society - Relay for Life Event
 Board Member of **Colorado Cancer Research Program**
 Board Member of **Community Food Share**
 Board Member of **Education Foundation of St. Vrain Valley**
 Board Member of **HospiceCare of Boulder and Broomfield Counties**
Latino Health Task Force
 Board Member of **Longmont Area Chamber of Commerce**
 Board Member and Vice Chairperson of **Longmont Area Economic Council**
 Board Member and Chairperson **Longmont Area Economic Council**
Human Resources Roundtable
Longmont Early Care and Education Task Force – “Bright EYES”
Longmont Housing Opportunities Team
Northern Front Range Healthcare Consortium
 Board Member and Chairperson of **Special Transit**
 Advisory Board Member for **Salud Clinic**
St. Vrain Valley School District/Business Partnership
 Board Member and Chairperson of the **Ed & Ruth Lehman YMCA**

2006 Community Benefit Value

Charity Care Costs	\$ 5,814,000
Community Building and Benefit Activities	45,000
Community Health Services	484,000
Financial Contributions	285,000
Health Professions Educations	684,000
Unreimbursed Cost of Medicaid	3,216,000
Unreimbursed Cost of Medicare	10,330,000
Subsidized Health Services	6,454,000

Community Benefit provided by

Longmont United Hospital \$27,312,000

for our community.



Longmont United Hospital Foundation

The Longmont United Hospital Foundation is devoted exclusively to supporting Longmont United Hospital through philanthropy. The Foundation pursues its mission through: 1) fundraising for Longmont United Hospital to enhance its services and programs offered to the community 2) Healthcare Career Scholarships to encourage individuals interested in the healthcare field and service to others to follow their dream.

Your Gifts Touch Many Lives

We gratefully acknowledge your gifts which enable the Longmont United Hospital Foundation to realize its important mission of helping Longmont United Hospital continue its proud tradition of healthcare excellence and service to the community.

Capital Campaigns	Hope Cancer Care Center	\$1.65 million
	Patient Bed Tower	\$2.6 million
Ongoing Campaign	Emergency Department	\$1.45 million as of December 31, 2006
Foundation Assets	Le Deauville Apartments	\$6.2 million
	Permanent Endowment Fund	\$3.1 million as of December 31, 2006

Your Gifts Making a Difference

Two Rowing Machines - Therapy Gym	Care Assist Bed - Pediatric Unit
Recumbent Exercise Machine - Therapy Gym	Digital Camera - Pediatric Unit
Belt Exerciser - Physical Therapy	Pet Therapy Training Classes - Volunteers
SAEBO Glide - Physical Therapy	Neonatal Resuscitation Baby - BirthPlace
Roll about- Physical Therapy	Bereavement Program Supplies - BirthPlace
Computer Desks - Physical Therapy	Doppler Fetal Heart Tone Monitor - BirthPlace
Staff Training - HCIT	Disposable Dosimeters - Hope Cancer Care Center
High Speed Document Scanner - Hope Cancer Care	Spirometer - Cardiopulmonary
Web Site Design and Development - Library	Bedside Storage Baskets - 3 South
Laptop Computer - Library	Grill - The Homestead
Health Resource Books - Library	Ultra Sound Equipment - Longmont United Home Care
Springfield Crib - Pediatric Unit	Patient Assistance Fund - Business Office
Infusion Syringe Pump - Pediatric Unit	General Endowment Fund - Foundation

2007 Foundation Board of Trustees

Chairman	John C. Flanders	Member	Ed Kanemoto
Vice-chairman	Douglas J. Staver	Member	Herbert Ogden, M.D.
Secretary	Mitchell C. Carson	Member	C. L. Rowley, D.D.S
Treasurer	Carol Oswald Yoakum	Member	Virginia Shaw
LUH Board Representative	Martin Plaster	Member	Brent Wahl, M.D.
Member	Frank Bigelow	Director	Bryan D. Bowles
Member	Eric E. Doering	Administrative Assistant	Donna J. Yates

The Foundation is a 501(c) (3), not-for-profit, charitable organization, established in 1981 exclusively for the benefit of the Longmont United Hospital. The control and management of the Foundation is vested in a Board of Trustees. The Foundation's Trustees are dedicated community leaders who share a common interest in ensuring quality healthcare programs and services in Longmont and surrounding communities. Each Trustee volunteers their time, resources, and vision which has been responsible for the Foundation's financial stability and continued growth and success.

Invest in preparing for growth.

Please contact us at 303.651.2273 or visit www.luhcares.org.

Caring
to invest for
growth and
technology.



Our Leadership *Cares.*



2006 Board of Directors

Chairperson	Linda Henry
Vice-Chairperson	Tom Beckmann
Secretary	John Caldwell
Treasurer	John Shetter
Assistant Secretary Treasurer	Martin Plaster
Member	James Britton, MD
Member	Mitchell Carson
Member	Dan Gust
Member	Mark Hinman, MD
Member	Richard Lyons
Member	Leona Stoecker

Linda Henry
Chairperson

2006 Medical Staff

Chief of Staff	Brent Wahl, MD
Chief of Staff-Elect	Mark Schane, MD
Treasurer	Richard Bindseil, MD
Immediate Past Chief of Staff	Samuel E. Smith, MD
Diagnostic Imaging	Mark S. Asay, MD
Emergency Medicine	Herbert Ogden, MD
Family Practice	Hans Elzinga, MD
Medicine	Jonathan Jensen, MD
OB/GYN/PEDS	Amy Johnson, MD
Pathology	Todd DeBoom, MD
Surgery	Sean Manion, MD

Brent Wahl, MD
Chief of Staff

Leadership Council

President and CEO	Mitchell C. Carson, MHA, FACHE
Chief Financial Officer	Neil Bertrand
Chief Nursing Officer	Sharon Rominger, RN, BS, MS
Vice-President of Patient Care Services	Nancy Driscoll, RN, MHA, FACHE
Vice-President of	
Strategic Planning and Physician Services	Matt E. Hartzler, MBA, CHE
Vice-President of Clinical/Support Services	Rebecca Herman, PT
Vice-President of Human Resources	Warren Laughlin
Vice-President of Information Systems	John Peterson
Vice-President of	
Legal and Regulatory Affairs	Carol E. Smith, JD, BSN, CPHRM

Mitchell C. Carson, MHA
President and CEO



FACHE



Tom Beckmann
Vice Chairperson



John Caldwell
Secretary



John Shetter
Treasurer



Martin Plaster
Asst. Secretary Treasurer



James Britton, MD



Mitchell C. Carson, MHA, FACHE



Dan Gust



Mark Hinman, MD



Richard Lyons



Leona Stoecker



Mark Schane, MD
Chief of Staff Elect



Richard Bindseil, MD
Treasurer



Samuel E. Smith, MD
Immediate Past Chief of Staff



Neil Bertrand
Chief Financial Officer



Sharon Rominger RN, BS, MS
Chief Nursing Officer



Nancy Driscoll RN, MHA
Vice President of Patient Care Services



Matt E. Hartzler, MBA, CHE
Vice President of Strategic Planning and Physician Services



Rebecca Herman, PT
Vice President of Clinical/Support Services



Warren Laughlin
Vice President of Human Resources



John Peterson
Vice President of Information Systems



Carol Smith
Vice President of Legal and Regulatory Affairs

Longmont United Hospital Services

Longmont United Hospital... 303.651.5111

Adult Day Care - The Homestead	303.772.9152
The BirthPlace	303.485.4224
Business Office	303.651.5011
Cardiac Catheterization	303.651.5151
Consumer Medical Library	303.651.5122
Day Surgery	303.651.5308
Emergency Department	303.651.5000
Health Center for Integrated Therapies . . .	303.651.5188
HomeCare Services	303.651.5225
Hope Cancer Care Center	303.651.5252
Human Resources	303.485.4136
Intensive Care Unit	303.651.5190

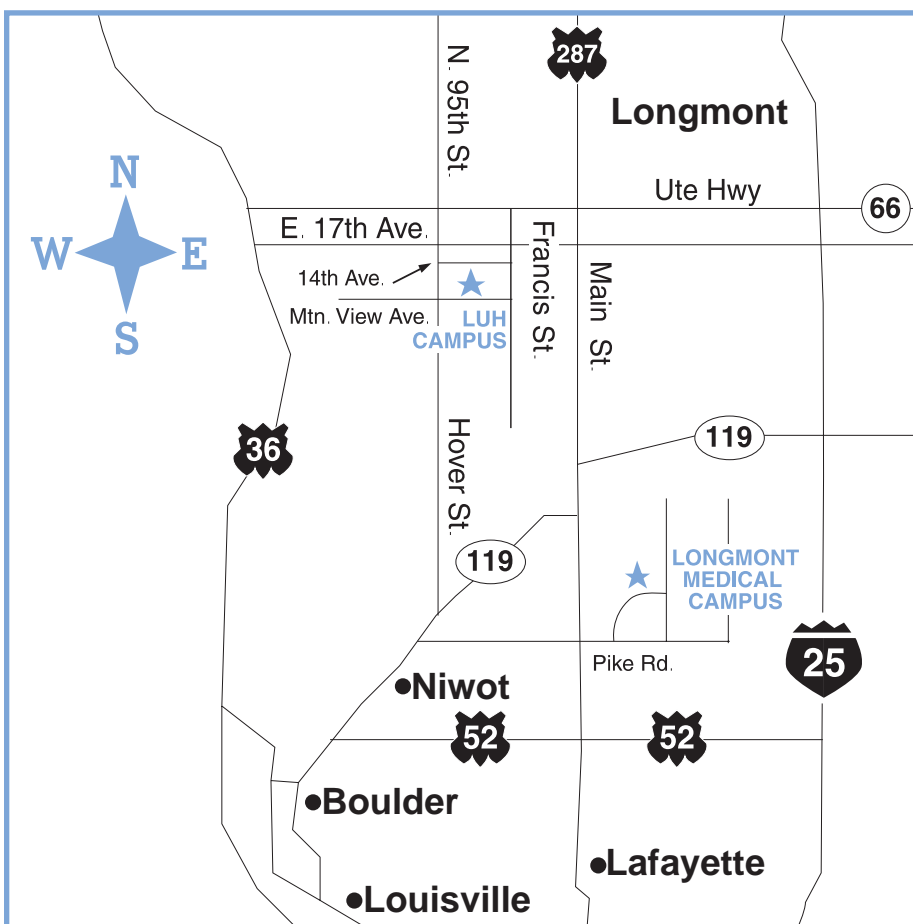
Physical Medicine - Health Ambitions	303.485.4163
Program Registration	303.485.4184
Summertree Cares	303.651.5224
Senior Services - PrestigePLUS	303.651.5080
Transitional Care Unit	303.651.5156
United Imaging Center	303.651.5160
United Medical Center of Berthoud	303.651.5100
United Medical Center of Lyons	303.651.5326
Volunteer Services	303.651.5205

Longmont United Hospital Foundation
..... 303.651.2273

Directions to Longmont United Hospital

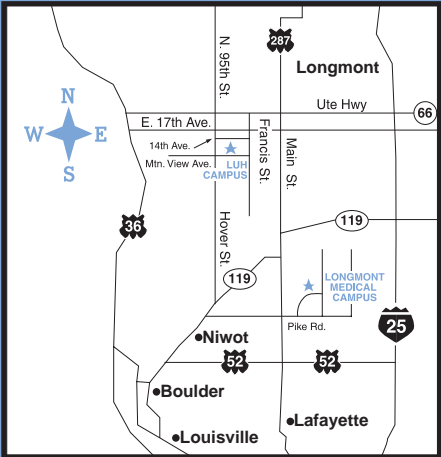
Distance to Major Cities

Boulder	15 . . miles
Colorado Springs ..	105 . . miles
Denver	35 . . miles
Estes Park	30 . . miles
Fort Collins	40 . . miles
Greeley	40 . . miles
Loveland	18 . . miles
Grand Junction . . .	276 . . miles





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1950 Mountain View Avenue
Longmont, CO 80501
www.luhcares.org