



## OFFICE OF FINANCE

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### **FY2015 Cumulative Enterprise Funds**

**\$-28,680,000.00**

This is the accumulated need as of September 30, 2015 for FY2014 and FY2015, as illustrated in the attached.

### **FY2016 Cumulative Enterprise Funds**

**\$-22,500,000.00**

This is a **worst case scenario forecast** based on all 1<sup>st</sup> quarter collections and expenditures remaining consistent. Collections are forecasted to trend upwards in comparison to first quarter collections and expenditures are expected to trend down. As a result, the true realized need should be less than \$22,500,000.00

### **FY2016 Contract Health Services Funds**

**\$-6,000,000.00**

This is the forecasted amount in regards to funding FY2016 Contract Health Services budgets to cover categories one through eight for the remainder of FY2016.

### **FFE Creek Nation Community Hospital**

**\$-8,500,000.00**

The Creek Nation Community Hospital Construction project has a current projected furniture, fixtures and equipment, (FF&E), cost of 12.5 million of which 4 million has been budgeted. The FF&E list is currently being reviewed to identify areas in which it can be reduced.

### **TOTAL**

**\$-65,680,000.00**

### **BOK Loan**

#### **Creek Nation Community Hospital**

A construction period budget of \$1.3 million has been obligated from MCNDH Investment Funds.

The annual payment for the project is \$4 million dollars for the first 4 years with a balloon payment of \$48 million at the end of this period.

#### **Eufaula Joint Venture**

A construction period budget of \$670 thousand has been obligated from MCNDH Investment Funds.

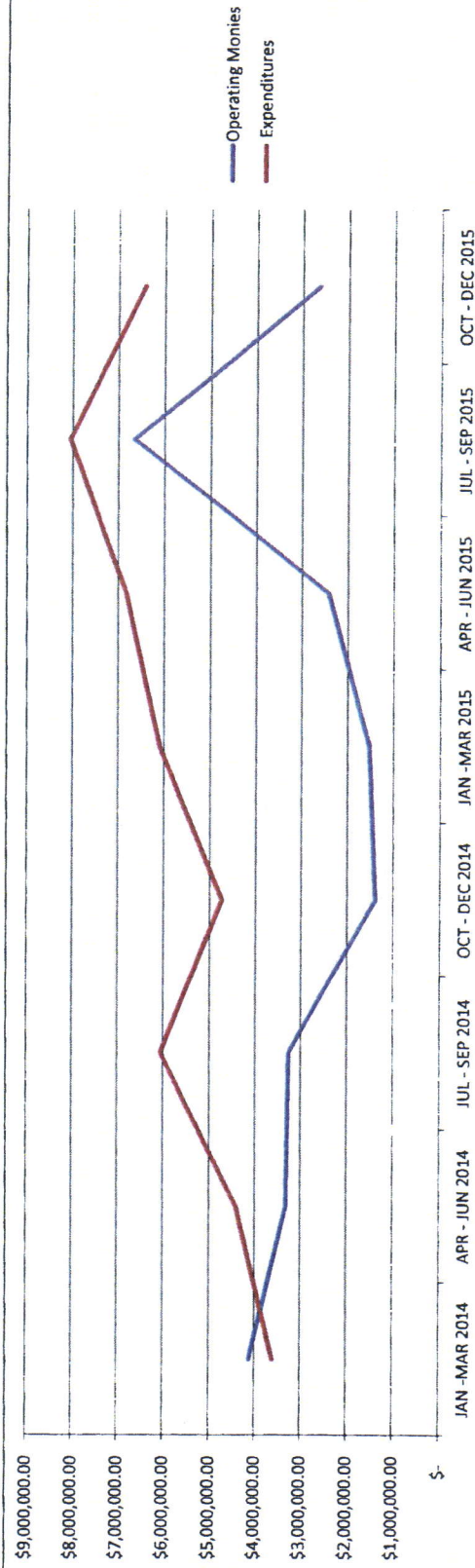
The annual payment for the project is \$2.1 million for the first 4 years with a balloon payment of \$26 million at the end of this period.

# MCN MEDICAL CENTER

## Operating Monies to Expenditure Quarterly Comparison Report

### January 2014 - September 2015

Period	Operating Monies	Expenditures	Surplus / Deficit (-)
JAN - MAR 2014	\$ 4,113,928.26	\$ 3,602,512.12	511,416.14
APR - JUN 2014	\$ 3,311,899.31	\$ 4,413,638.12	-1,101,738.81
JUL - SEP 2014	\$ 3,259,912.91	\$ 6,052,341.61	-2,792,428.70
<b>FY2014 Total</b>	<b>\$ 10,685,740.48</b>	<b>\$ 14,068,491.85</b>	<b>-3,382,751.37</b>
OCT - DEC 2014	\$ 1,396,853.97	\$ 4,733,752.82	-3,336,898.85
JAN - MAR 2015	\$ 1,530,803.00	\$ 6,090,587.87	-4,559,784.87
APR - JUN 2015	\$ 2,418,265.17	\$ 6,822,588.35	-4,404,323.18
JUL - SEP 2015	\$ 6,650,000.50	\$ 8,051,004.71	-1,401,004.21
<b>FY2015 Total</b>	<b>\$ 11,995,922.64</b>	<b>\$ 25,697,933.75</b>	<b>-13,702,011.11</b>
OCT - DEC 2015	\$ 2,620,387.44	\$ 6,419,875.02	-3,799,487.58
<b>FY2016 1st Qtr</b>	<b>\$ 2,620,387.44</b>	<b>\$ 6,419,875.02</b>	<b>-3,799,487.58</b>



The Information and graph include MCN Medical Center.

Operating Monies - Includes Third Party Collections, Transfer-In (Leave Pool, I.H.S and Investment Funds) related to operations cost

Medical Centers Expenditures - Includes expenses related to operations (Salaries, Fees, Supplies, Utilities, etc)

FY2014 is based on audited financials.

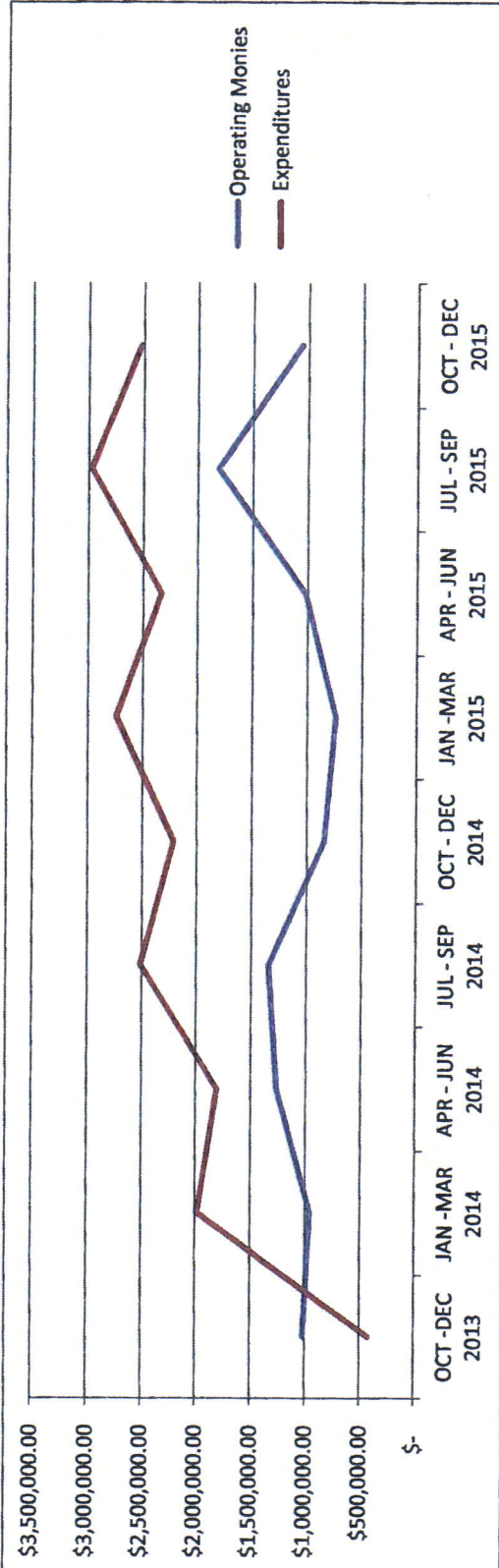


# MCN PHYSICAL REHABILITATION CENTER and LONG TERM ACUTE CARE HOSPITAL

## Operating Monies to Expenditure - Quarterly Comparison Report

### October 2013 - September 2015

Period	Operating Monies	Expenditures	Surplus / Deficit (-)
OCT - DEC 2013	\$ 1,016,550.90	\$ 422,079.98	\$594,470.92
JAN - MAR 2014	\$ 957,907.65	\$ 1,980,187.71	-\$1,022,280.06
APR - JUN 2014	\$ 1,263,052.06	\$ 1,807,896.09	-\$544,844.03
JUL - SEP 2014	\$ 1,339,632.68	\$ 2,515,391.49	-\$1,175,758.81
<b>FY2014 Total</b>	<b>\$ 4,577,143.29</b>	<b>\$ 6,725,555.27</b>	<b>-\$2,148,411.98</b>
OCT - DEC 2014	\$ 840,823.56	\$ 2,211,495.95	-\$1,370,672.39
JAN - MAR 2015	\$ 741,218.15	\$ 2,743,865.78	-\$2,002,647.63
APR - JUN 2015	\$ 1,018,543.40	\$ 2,332,576.75	-\$1,314,033.35
JUL - SEP 2015	\$ 1,812,557.89	\$ 2,976,329.87	-\$1,163,771.98
<b>FY2015 Total</b>	<b>\$ 4,413,143.00</b>	<b>\$ 10,264,268.35</b>	<b>-\$5,851,125.35</b>
OCT - DEC 2015	\$ 1,056,651.87	\$ 2,523,417.76	-\$1,466,765.89
<b>FY2016 1st Qtr</b>	<b>\$ 1,056,651.87</b>	<b>\$ 2,523,417.76</b>	<b>-\$1,466,765.89</b>

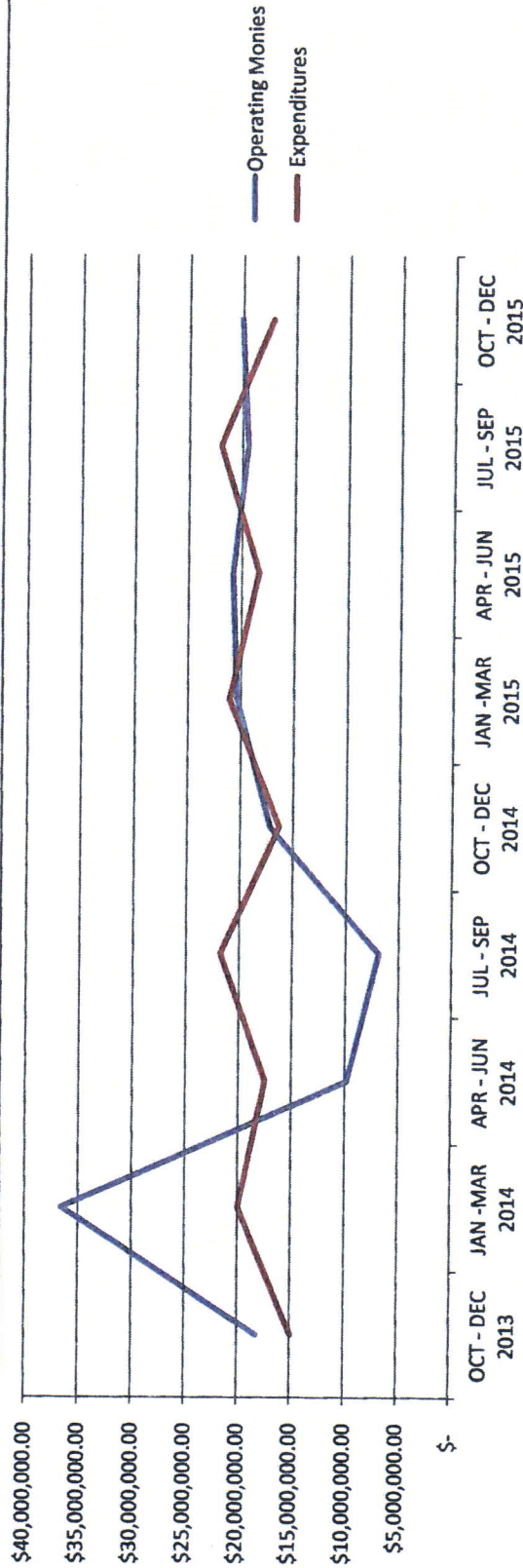


The information and graph include Physical Rehabilitation Center, Skilled Nursing and Long Term Acute Care Hospital. Operating Monies - Includes Third Party Collections, Transfer-Ins (Leave Pool and Investment Funds) Medical Center Expenditures - Includes expenditures related to operations (Salaries, Fees, Supplies, Utilities, etc) FY2014 is based on audited financials.

**I.H.S Programs, Creek Nation Community Hospital and Okemah, Okmulgee, Eufaula, Koweta, Sapulpa, Wetumka, Specialty Clinics**  
**Operating Monies to Expenditures - Quarterly Comparison Report**

**October 2013 - December 2015**

Period	Operating Monies	Expenditures	Surplus / Deficit (-)
OCT - DEC 2013	\$ 18,231,312.76	\$ 14,948,687.85	3,282,624.91
JAN - MAR 2014	\$ 36,593,287.27	\$ 19,995,758.74	16,597,528.53
APR - JUN 2014	\$ 9,810,203.49	\$ 17,491,155.35	-7,680,951.86
JUL - SEP 2014	\$ 6,861,548.68	\$ 21,787,225.51	-14,925,676.83
<b>FY2014 Total</b>	<b>\$ 71,496,352.20</b>	<b>\$ 74,222,827.45</b>	<b>-2,726,475.25</b>
OCT - DEC 2014	\$ 17,172,645.29	\$ 16,298,352.39	874,292.90
JAN - MAR 2015	\$ 20,358,899.82	\$ 21,058,942.25	-700,042.43
APR - JUN 2015	\$ 20,810,654.24	\$ 18,375,798.43	2,434,855.81
JUL - SEP 2015	\$ 19,462,607.87	\$ 21,997,058.33	-2,534,450.46
<b>FY2015 Total</b>	<b>\$ 77,804,807.22</b>	<b>\$ 77,730,151.40</b>	<b>74,655.82</b>
OCT - DEC 2015	\$ 20,060,755.36	\$ 17,115,547.32	2,945,208.04
<b>FY2016 1st Qtr</b>	<b>\$ 20,060,755.36</b>	<b>\$ 17,115,547.32</b>	<b>2,945,208.04</b>



The information and graph include I.H.S, Creek Nation Community Hospital and clinics located in Okmulgee, Eufaula, Sapulpa, Okemah, Wetumka and Operating Monies - include I.H.S funds, collections and transfer-in funds (leave-pool, investment)  
 Expenditures - include expenses/cost related to operations (Salaries, Fees, Supplies, Utilities etc.)  
 FY2014 are based on audited financials.



**Muscogee (Creek) Nation Department of Health  
Investment Obligations Report  
February 29, 2016**

**Account# 4672-3050 MCNDH Okemah Construction:**

<u>Obligations:</u>	<u>Obligated Amount</u>	<u>MTD Withdraws</u>	<u>Sum Cash Withdraws</u>	<u>Remaining Obligation</u>
CNCH Architect	\$2,700,000.00	\$82,237.23	\$2,605,050.99	\$94,949.01
Land Purchase	\$122,000.00	\$0.00	\$116,950.00	\$5,050.00
<b>Total</b>	<b>\$2,822,000.00</b>	<b>\$82,237.23</b>	<b>\$2,722,000.99</b>	<b>\$99,999.01</b>
<b>Current Value</b>				<b>\$449,781.76</b>
<b>Total Unobligated Balance</b>				<b>\$349,782.75</b>

**Account# 4726-1410 MCNDH Operating:**

<u>Obligations:</u>	<u>Obligated Amount</u>	<u>MTD Withdraws</u>	<u>Sum Cash Withdraws</u>	<u>Remaining Obligation</u>
MRI & Improvements	\$4,000,000.00	\$0.00	\$4,000,000.00	\$0.00
EMS Transfer Vehicle	\$176,700.00	\$0.00	\$176,700.00	\$0.00
Behavioral Health	\$600,000.00	\$0.00	\$600,000.00	\$0.00
Koweta Dialysis	\$359,828.80	\$0.00	\$359,828.80	\$0.00
Sub-Total	\$5,136,528.80	\$0.00	\$5,136,528.80	\$0.00
Contract Health Services	\$5,000,000.00	\$0.00	\$4,478,588.07	\$521,411.93
Cerner Software	\$3,000,000.00	\$103,521.32	\$2,525,708.75	\$474,291.25
Sub-Total	\$8,000,000.00	\$103,521.32	\$7,004,296.82	\$995,703.18
<b>Total</b>	<b>\$13,136,528.80</b>	<b>\$103,521.32</b>	<b>\$12,140,825.62</b>	<b>\$995,703.18</b>
<b>Current Value</b>				<b>\$2,008,074.17</b>
<b>Total Unobligated Balance</b>				<b>\$1,012,370.99</b>

**Account# 4672-3048 MCNDH Third Party:**

<u>Obligations:</u>	<u>Obligated Amount</u>	<u>MTD Withdraws</u>	<u>Sum Cash Withdraws</u>	<u>Remaining Obligation</u>
MCN Physical Rehab Center	\$1,510,000.00	\$0.00	\$1,510,000.00	\$0.00
DME	\$335,200.00	\$0.00	\$335,200.00	\$0.00
Okmulgee Memorial Hospital	\$3,000,000.00	\$0.00	\$3,000,000.00	\$0.00
Foundation Buildings	\$836,000.00	\$0.00	\$836,000.00	\$0.00
Lawsuit /settlement	\$60,000.00	\$0.00	\$60,000.00	\$0.00
Physician Building Acquisition	\$285,000.00	\$0.00	\$285,000.00	\$0.00
Eufaula Joint Venture	\$725,000.00	\$0.00	\$725,000.00	\$0.00
Sub-Total	\$6,751,200.00	\$0.00	\$6,751,200.00	\$0.00
Operating, Equipment, Renov	\$2,750,000.00	\$0.00	\$2,000,000.00	\$750,000.00
Eufaula Joint Venture Interest	\$125,000.00	\$0.00	\$80,197.70	\$44,802.30
CNCH Construction	\$1,230,000.00	\$24,129.69	\$115,989.97	\$1,114,010.03
Eufaula Joint Venture	\$670,000.00	\$0.00	\$34,875.45	\$635,124.55
Medical Center ER Expansior	\$3,036,203.00	\$17,736.34	\$120,993.30	\$2,915,209.70
Sub-Total	\$7,811,203.00	\$41,866.03	\$2,352,056.42	\$5,459,146.58
<b>Total</b>	<b>\$14,562,403.00</b>	<b>\$41,866.03</b>	<b>\$9,103,256.42</b>	<b>\$5,459,146.58</b>
<b>Current Value</b>				<b>\$5,890,015.67</b>
<b>Total Unobligated Balance</b>				<b>\$430,869.09</b>

<b>OKEMAH CONSTRUCTION</b>	<b>\$2,822,000.00</b>	<b>Combined Current Value</b>	<b>\$8,347,871.60</b>
<b>OPERATING FUNDS</b>	<b>\$13,136,528.80</b>	<b>Combined Obligated Bal.</b>	<b>\$6,554,848.77</b>
<b>THIRD PARTY FUNDS</b>	<b>\$14,562,403.00</b>	<b>Combined Unobligated Bal</b>	<b>\$1,793,022.83</b>
<b>GRAND TOTAL</b>	<b>\$30,520,931.80</b>		

Muscogee Nation Health Department  
Services and Realignment  
DRAFT OPTIONS  
March 21, 2016

Realignment (Structural/Operational)

1. Close Okmulgee Hospital inpatient unit and emergency room
  - a. Operate as Acute Care Center and Outpatient Surgery Center. Provide care in first floor only.
  - b. Move Okmulgee Urgent Care Center into the Okmulgee Hospital facility and extend hours of operation.
  - c. Move administrative staff from Lackey Hall to 2<sup>nd</sup> -3<sup>rd</sup> floors of Okmulgee Hospital facility.
  - d. Consolidate all other administrative functions to reduce space/rent costs.
2. Discontinue inpatient HOPE Program at Okmulgee Hospital.
3. Close or aggressively market Physical Rehabilitation Center to increase use by Tribal members and private pay patients.
4. Okemah
  - a. Re-finance loan terms of Okemah project to conventional loan.
  - b. Continue with construction of new Okemah facility but only move existing staff into Hospital and Wellness Center.
  - c. Shell in 2<sup>nd</sup> floor of Hospital and Wellness Center but not build-out space at the current time.
5. Eufaula
  - a. Re-finance loan terms of Eufaula project to conventional loan.
  - b. Continue with plans for Eufaula Joint Venture Construction project.
  - c. Re-examine outside design for cost saving options.
6. Review mission and workload of Wetumka Clinic and possibly scale back operations to 3 days per week.
7. Examine Koweta Dialysis Program workload and possibly close or contract out operation to a third-party.

Delivery of Care/Services Options

1. Administration to hold town hall meetings for citizen input.
2. Analyze cost of Specialty Care, compete contracts to improve access in Tribal facilities and lower cost of care.
3. Implement daily Case Management of all patients in hospitals (both direct and contract).
4. CHS
  - a. Streamline Purchased Care (CHS) administration by improved decision processes and communication to patients and providers.
  - b. Track Purchased/Referral Care (CHS) payment times to improve timeliness of claims payment.
5. Evaluate Prescription Drug contracts for better pricing arrangements.



### Management/Leadership/Cost Improvement/Expense Reduction Options

1. Contract with outside Health Department Administrator to lead quality/access/cost-saving initiatives (12 months).
2. Review administrators' roles at each facility; consider reducing number of administrators and increasing responsibilities to multiple sites.
3. Examine prior year financial audits (2013-2015) to recover any improper use of funds.
4. End Cerner Electronic Health Record contract and replace with lower cost record system. .
5. Review possibility of outsourcing Third-Party Billing management to improve collection rates.
6. Reduce overtime costs in all areas.
7. Reduce number of leased and purchased administrative vehicles.
8. Centralize all purchasing and contracting to obtain best pricing.
9. Reduce travel/training costs by brining trainers in-house.
10. Review all provider contracts; tie compensation to patient satisfaction and quality outcomes.
11. Review provider charts to ensure all are signed and closed out and ready for coding/billing.
12. Examine use of Tribal Prosthetics Company to improve utilization and reduce costs of products.
13. Consider consolidation of Information Technology into Executive Branch Department of Information of Technology.
14. Reduce Health Department Governing Board to five members.
15. Integrate Department of Health Human Resources office into Executive Branch Human Resources Department.
16. Examine use of Commissioned Corps officers in Health Department.





## ATTENTION CITIZENS

The Muscogee (Creek) Nation would like to give our citizens the opportunity to help by leaving your comments of solutions for the realignment of the MCN health system. We value your input and we will incorporate your ideas with our decision. Comments can be sent to: [healthbudget@creekhealth.org](mailto:healthbudget@creekhealth.org), or call 918.756.4333 Ext. 271. If there is no answer, please leave a voicemail with your comment, name, and call back number. If you would like to send a letter you may send to: MCN Department of Health ATTN, John Beaver, Chief Legislative Officer, PO BOX 400, Okmulgee, OK 74447. Mvto!