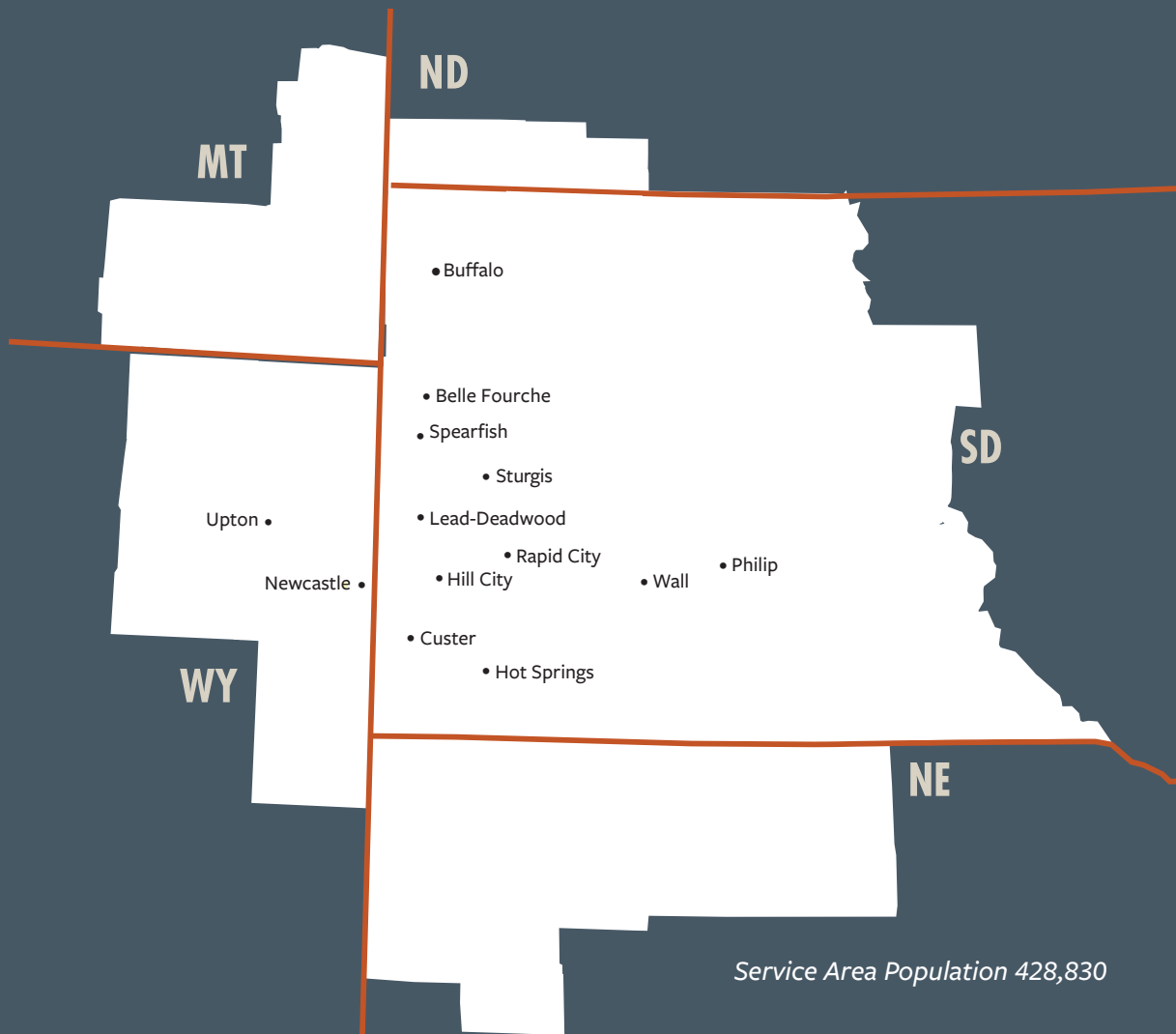




IT STARTS WITH **HEART**

2017-2018 ANNUAL REPORT



LARGEST HEALTH CARE SYSTEM IN WESTERN SOUTH DAKOTA

5 hospitals | 2 managed hospitals

24 clinic locations

1 assisted living facility | 2 care centers

6 urgent cares

7 specialty treatment centers:

John T. Vucurevich Cancer Care Institute,
 Heart & Vascular Institute, Rehabilitation Institutes (2)
 Behavioral Health Center, Dialysis Centers (2)
 Surgery Center

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VISION

It starts with heart.

Our vision is to be one team, to listen, to be inclusive,
and to show we care.

To do the right thing. Every time.

VALUES

Trust
Respect
Compassion
Community
Excellence

PRIORITIES

Deliver high quality care
Provide a caring experience
Be a great place to work
Impact our communities
Be here for generations to come

MISSION

Make a difference. Every day.



A LETTER FROM
PAULETTE DAVIDSON,
REGIONAL HEALTH PRESIDENT AND CEO

Dear Friends,

On behalf of more than 4,500 caregivers and physicians who serve the health care needs of the West River region, I am proud to present the Regional Health Annual Report. In these pages, you will see that we have accomplished a great deal in the past year. You will also see a glimpse into what we have planned for the year ahead.

Most annual reports talk about new buildings, technological advances, professional awards and personal recognition. Indeed, we've won awards, and we've introduced exciting new technology. We also have major construction projects underway. However, what really matters is our laser-sharp focus on the needs of our patients and the good of the communities we serve.

Our new Regional Health mission, vision and value statements shown on the adjacent page have helped us reconnect with the things we have always held close to our hearts.

"It starts with heart" represents the warmth, compassion and empathy that we bring to work. As caregivers, we can't personally feel the pain and fear that our patients and their families are experiencing. However, we empathize with what they're going through. We feel a deep personal commitment to easing their burden, and we have the tools at hand to do so.

"Do the right thing" guides our day-to-day work. Some decisions are easy. Others are difficult with no perfect answer. But I believe we all know in our hearts what is right, and by following our hearts we can keep Regional Health, and the communities we serve, moving in the right direction.

"Make a difference. Every day," speaks to the cumulative value of doing good. The old saying, "helping one person might not change the world, but it could change the world for one person" applies to the care we provide at Regional Health. As we set out every day to make things better for people, we will make extraordinary progress over time.

Next year, when you hold the 2019-20 Annual Report in your hands, you will feel even greater progress as we apply our new roadmap and vision.

Thank you for your continued support of Regional Health.

A handwritten signature in black ink that reads "Paulette Davidson". The signature is fluid and cursive.

PAULETTE DAVIDSON
Regional Health President and CEO



RAPID CITY MARKET

In 1979, when Rapid City’s new hospital opened just south of Rapid City, the 10-story tower seemed so large and modern that it was assumed it would meet the needs of the community forever. However, our community has outgrown our existing hospital.

Over the past four decades, Rapid City Hospital has been updated, remodeled and expanded a number of times. And in 2018, two projects comprising the most significant construction year in Rapid City medical history, are underway. The \$62 million Regional Health Orthopedic & Specialty Hospital is set to open January 2019, and the \$208 million addition to Rapid City Hospital will open its first phase, the Emergency Department, in August 2019. (See related story on page 8.)

Regional Health also has clinics, surgical centers, office buildings, warehouses and retail shops throughout Rapid City. Inside the hospital, new technology, new equipment and new partnerships continue to drive health care into the future.

LEVEL II TRAUMA CENTER

Regional Health Rapid City Hospital was verified in 2018 as a Level II Trauma Center by the Verification Review Committee of the American College of Surgeons (ACS). Victims of serious accidents and other traumatic events from throughout the region are transported to Rapid City for treatment.

Rapid City Hospital is western South Dakota’s only Level II Trauma Center and one of just three in the state. The hospital has 24-hour coverage by critical care specialists. The hospital’s verified designation also shows that Regional Health provides continuing education for hospital staff and employs a quality assessment program.



ROBOTIC SURGERY

Surgeons at Rapid City Hospital expanded the robotic surgery program in 2018 with an upgrade to the advanced da Vinci Xi system.

“With introduction of the da Vinci Xi, we will better serve our patients and grow the robotics program across the Black Hills,” said Patrick Kenney, D.O., M.A., F.A.C.S., Robotics Surgery Program Director. “Operating on the new Xi robot is taking surgery to the next level in our region, representing the latest in robotics technology.”

Modern robotic surgery, in the hands of a skilled surgeon, can perform complex procedures with more precision, flexibility and control than is possible using conventional surgery. And because of the tiny incisions and precise surgery, patients experience less trauma to the body, minimal scarring and faster recovery time.



ADVANCED CT SCANNING

Rapid City Hospital installed a new advanced CT scanner in late 2017, bringing the number of CT scanners in the hospital's diagnostic arsenal to three. The third device, a Siemens Somatom CT, produces clear images, delivers lower doses of radiation and reduces the turnaround time for patients, especially those who undergo CT-guided biopsies for suspected cancers in the lungs, liver and kidneys.



NEW HOSPITALITY FOCUS

A major partnership came to Regional Health in February 2018 when Compass One Healthcare, a leading health care culinary and support services company, began providing the dining, intra-hospital transportation, environmental and laundry services at Rapid City Hospital. More than 200 caregivers transitioned to the new company.

For caregivers, providers and the public, the most visible change was in the hospital cafeteria and food service. Changes included a new design for the restaurant, room service for visiting family members and a broader menu for patients and restaurant patrons.

The restaurant, now named Nourish, became more of a bistro-style eatery with lots of light, natural stone, wood trim and green plants to bring the outdoors inside.

PROFILE

LATOYA PHILLIPE



After a short conversation with LaToya Phillipe, it's easy to see why she was chosen by Black Hills Parent magazine as one of its 2018 Nurses of Distinction.

"I wanted a change, and I wanted to help people. That's why I went into nursing," she told the magazine. "I love that my job is not a job."

She works at Rapid City Hospital in Orthopedics, Neurology and Surgery. She makes it her mission to find something about each patient that has nothing to do with their diagnosis, and then do what she can to help them forget why they are in the hospital.

LaToya was also instrumental in creating the first annual First Responders Appreciation Event at Rapid City's Memorial Park. The celebration included food, activities, educational booths, a 3K walk/run and a "Day in the Life of a First Responder" obstacle course. Money raised during the event went to Midwest Honor Flight, a non-profit organization dedicated to providing veterans with honor and closure with an all-expense paid trip to our nation's capital.



BUILDING FOR THE FUTURE

Two construction projects in Rapid City will transform the health care landscape in our region for years to come. The addition to Rapid City Hospital, will greatly expand emergency services as well as parking and medical clinic space. The Regional Health Orthopedic and Specialty Hospital will add four state-of-the-art surgery suites, private patient rooms and the Sports Performance Institute Powered by EXOS.



RAPID CITY HOSPITAL EXPANSION

Rapid City Hospital operates the busiest Emergency Department in South Dakota and North Dakota. As demand for emergency medicine increases, the need for more space – and more efficient use of space – is a priority at Regional Health.

The new addition to Rapid City Hospital will greatly expand space for the Emergency Department. It will also create a rooftop helipad and a drive-through ambulance garage with space for six ambulances which will provide more immediate access to the Emergency Department from transport services. In addition, the Heart and Vascular Institute will move on campus to provide integrated outpatient and clinic space connected to the inpatient hospital.

For families who visit patients, there will be more space for family meetings, including a circular spiritual room. Two parking garages will have space for 1,300 vehicles, more than half of them covered with direct hospital entry to protect from snow and rain.



RAPID CITY HOSPITAL EXPANSION

ORTHOPEDIC & SPECIALTY HOSPITAL

Located at Catron Boulevard and U.S. Highway 16, the new hospital will help meet the region’s growing need for musculoskeletal services. By 2025, a third of the people living in the three primary counties of the Black Hills will be 50 or older. And the total population here is predicted to jump by 10 percent over that same period. This demographic shift will require greater specialty services.

Patients will have access to orthopedic and musculoskeletal care, sports medicine, therapies, pain management, rehabilitation and sports enhancement all at the same location. This will improve clinical efficiency for providers and result in increased clinical collaboration.

Rapid City Economic Development Partnership estimates that the hospital will directly add 177 jobs and \$11.8 million in payroll to the Black Hills economy. As that money circulates through the community, the total impact could be more than \$17 million a year.



ORTHOPEDIC & SPECIALTY HOSPITAL



SPORTS PERFORMANCE INSTITUTE



CUSTER MARKET

The first thing visitors notice at the new Regional Health Custer Hospital and Clinic are the tall pine timbers that flank the main reception area. Large windows offer views of the beautiful Black Hills. Inside they will find walls clad with layered stone that resembles the natural shale, schist and other rock.

These architectural touches serve as a tribute to Custer's history as a center for wood products, mining and tourism. The new Regional Health Custer Hospital and Clinic is western South Dakota's newest healing environment, a model for rural hospitals everywhere. The spacious new medical center opened its doors in early May, replacing the aging hospital in Custer that had served the community since 1962.

For Regional Health, building the \$22 million hospital and clinic in partnership with the City of Custer was an important community partnership demonstrating the importance of the full range of community health care services, including Regional Health assisted living and senior care.

"We have the full continuum of care in Custer, and that's important for patients whose health care needs change over time," said Mark Schmidt, President of the Custer Hospital and Market.

The 44,000-square-foot hospital and clinic has ample room for privacy and separation for inpatient care, clinic care, walk-in clinic services, emergency medicine, physical therapy, occupational therapy, hospice care and other services. In addition, five of the eight large patient rooms are private rooms.

NEW CLINIC ADDITION IN HOT SPRINGS

Fiscal year 2018 also brought important changes to the medical landscape in the Southern Hills. Longtime physician David Steele, M.D., Nurse Practitioner Sarah Schryvers and caregivers joined the Regional Health family. This integration was a great opportunity to join Regional Health's Heather Preuss, M.D., into one collaborative health care practice – increasing efficiencies, visibility and patient access while maintaining high quality care. In May 2018 the community celebrated an open house for the renovated Regional Health Clinic at 1100 Highway 71 South in Hot Springs. The Hot Springs Clinic is a full service clinic providing health care services in family medicine, women's health, prenatal and acupuncture.



HOSPITAL AND CLINIC GRAND OPENING

MAMMO OR BUST

In the fall of 2016, a volunteer committee spearheaded by Joni Hill, Radiology Services Director at Regional Health Custer Hospital and Clinic, organized the first Mammo or Bust Run/Walk to support the new digital mammography service in Custer. The run was a big hit, drawing 75 participants from four states. Mammo or Bust is now an annual event to raise money for Custer Mammography and raise awareness on the importance of breast cancer and mammography exams. The event has grown and during the 2018 Mammo or Bust, 115 participants registered.

In March 2018, Regional Health Custer celebrated its 1,000th mammogram milestone just two years after the new digital system was introduced.



MAMMO OR BUST PARTICIPANTS

PROFILE

KELLY PHOMMAHAXAY, M.D.



For Dr. Kelly Phommahaxay, Custer is far from her Southern California roots, but the family medicine physician is fine with that. She loves her new life in the Black Hills.

She grew up in San Diego, and completed college and medical school in the Los Angeles area. From there, her path in life took a fairly drastic turn, geographically. She completed her residency in Duluth, Minn., where she learned to love the change of seasons and Midwestern friendliness.

“California is great and I do love it, but there are seasons here and it’s a whole other world for me,” she told the Custer County Chronicle. “Being around other people you are like, ‘Wow, these people are nice, they don’t just ignore you!’ I lived in LA for med school where you can live there for years and still not know your neighbors.”

One of the reasons she chose family medicine is that she wants to follow her patients throughout their lives. “I think to be a really good doctor you have to really know your patients, and not just medically,” she said.

Also, as a child of immigrants, Dr. Phommahaxay understands how language and cultural distrust can make it more difficult for some families to get adequate health care. By overcoming those barriers, a physician can make a very big difference in the lives of their patients.



LEAD-DEADWOOD MARKET

The lobby of Regional Health Lead-Deadwood Hospital has a display of black-and-white photos, old surgical tools and other reminders of the long history of health care in the Northern Hills. Lead-Deadwood opened the Black Hills’ first hospital back in 1897.

Now, Lead-Deadwood has launched what could be another first. Its new pilot program, called the Lead-Deadwood Community Paramedicine Program, is expanding the role of paramedics to help medically vulnerable patients stay at home and out of the hospital.

When a patient is a part of the program, a specially trained senior paramedic goes to the patient’s home after discharge from the hospital. The paramedic evaluates the patient to be sure prescriptions are correct and to see if additional resources are needed. It could be handrails in the bathroom, a more accessible phone, home health care service or reliable transportation. Then, the paramedic puts the patient in touch with NeighborWorks, Home+ Home Health and other agencies that can help.

“Regional Health’s Community Paramedicine Program is intended to provide a clear picture to primary care providers of their

patients’ life at home,” said Roy Goben, Operations Manager for the Lead-Deadwood Hospital Ambulance Service. The program is designed to fill the gap in the continuity of quality care after discharge from the hospital. That is especially important in rural areas. Eventually, Goben said, community paramedicine services could be offered by rural hospitals throughout South Dakota.



NEW PARAMEDICINE RAPID RESPONSE UNIT



ROY GOBEN AND HOSA STUDENTS

HOSA FUTURE PROFESSIONALS

The future of health care in Lead-Deadwood is promising, in part because of an active partnership between Regional Health and Lead-Deadwood School District via the HOSA Future Professional program, which introduces high school students to health care professions.

In January 2018, eight students from Lead-Deadwood High School graduated from the semester-long program. The students were provided training beyond basic technical skills to develop leadership skills that are needed in the rising health community.

HOSA, formerly known as Health Occupations Students of America (HOSA), is a national career and technical student organization endorsed by the U.S. Department of Education.

SAFE DISPOSAL OF DRUGS

The Regional Health Lead-Deadwood Hospital Physical Therapy Department teamed up with local officials to educate the public on the safe disposal of prescription drugs. Unused prescription drugs, especially opioids, must be disposed of safely and securely. If not, they may end up in the wrong hands, contributing to the alarming increase in opioid abuse.

In addition, physical therapists had another message -- physical therapy can be a good alternative to pain medications. Therapists treat pain through movement, helping patients improve strength, flexibility and range of motion.

PROFILE

THOMAS GROEGER, M.D.



In 1974, when Thomas Groeger was 19, he bought a 1936 Chevy pickup truck. Although it was hardly new back then, the truck was in great shape.

Incredibly, the Deadwood doctor still has the truck, and it looks like it just rolled off the 1936 showroom floor. In the early 2000s, he tore it down to the frame and rebuilt it with a more powerful engine, a better transmission and other changes. In the summer, he drives his '36 Chevy to work every day at Lead Deadwood Hospital and Clinic.

Market President Mark Schmidt said Dr. Groeger's pickup is a great recruiting tool for potential providers and an ice breaker for new caregivers and visiting Regional Health officials. It's also good for morale. "Sometimes he will say to me, 'Rough day -- let's go for a ride,'" Schmidt said.

During his 30-year medical career in Lead-Deadwood, Dr. Groeger has seen a number of changes in medical technology and in the Northern Hills economy. But driving a mint-condition 1936 Chevy through Deadwood on a bright summer morning keeps him grounded. That's important in a place that values its history.



STURGIS MARKET

The Sturgis community had a lot to celebrate in 2018. The year's highlight was in February when we opened our doors to the new \$10 million Regional Health Sturgis Clinic. The 20,000 square-foot clinic has 36 exam rooms used to provide acute family medicine, preventative care and urgent care. In August 2018, a modern physical therapy rehabilitation gym opened in the same building.



The new clinic adjoins the Regional Health Sturgis Hospital, which improves the efficiency and convenience for physicians, nurses and other health care professionals who used to travel regularly between the hospital and the Massa Berry Clinic, 12 blocks away.

"This is a culmination of a dream that I quickly recognized when I first came to town four years ago," said Sturgis Hospital and Market President Mark Schulte. "I knew people in the community had a desire to have health care on one campus. To be able to achieve that is really fulfilling."

Charles Lewis, D.O., Sturgis Community Medical Director, said it has long been a dream of the medical community in Sturgis to get

everything on the same campus. "It's beyond my expectations. It's a state-of-the-art facility that is going to propel us forward for many years," he said.

URGENT CARE

Before the new Sturgis Clinic opened, urgent care services were provided year-round at the Massa Berry Clinic in downtown Sturgis, right in the middle of Sturgis Motorcycle Rally activities. In past years, Massa Berry had to close during the rally because of traffic and congestion.

Now, with the clinic part of the Sturgis Hospital campus, Regional Health could offer a full slate of inpatient, emergency and urgent care services during the 2018 rally. The staff saw 580 total patients in the Urgent Care and Emergency departments over the eight days of the 2018 rally.

Sturgis Urgent Care has expanded its hours to accommodate the increasing year-round need for its services. Patients can now stop in between 7 a.m. and 7 p.m. Monday through Thursday, 7 a.m. to 5 p.m. on Fridays and 8 a.m. to noon on Saturdays for convenient walk in care.

NOLIN MONUMENT

In 1876, gold prospectors and fortune seekers streamed into the Black Hills, often clashing with Native American inhabitants – and each other. On Aug. 19, a young horseback mail carrier named Charles "Red" Nolin was killed very near the site of present day Sturgis Hospital. In 1932, the Sturgis community erected a stone



NOLIN MONUMENT

monument on the site. However, by 2017, the monument was sinking and falling apart.

Regional Health joined with the Meade County Historical Society, Ainsworth-Benning Construction, the Deadwood Historic Preservation Commission and others to rebuild the monument. The project included a concrete pad, landscaping, new electrical service and 10 ton of rock.

CARE CENTER RENOVATION

Eight rooms in the Regional Health Care Center, the attached nursing home, were renovated to provide private rooms for residents. The center is an 84-bed facility for long-term care and rehabilitation to meet the needs of the community.



HOME MEDICAL EQUIPMENT GRAND OPENING

HOME+ PILOT PROJECT

When you buy furniture, clothing, or other consumer products, you want to touch, feel and try out the items before you buy them. The same should be true for home medical equipment. That's the idea behind the new Sturgis Home+ Home Medical Equipment store, a pilot project that opened in the summer of 2018.

The store's 3,600-square-foot showroom offers customers a chance to try out the wheelchairs, wheelchair-accessible home furnishings, bath safety modifications, Smart Home features and other products designed to allow people with mobility problems to stay in their homes.

PROFILE

HOLLY CHRISTENSEN



Each summer, Black Hills Parent magazine names the Nurses of Excellence in the Black Hills, honoring those who go above and beyond their job description. For the second year, a Sturgis nurse was among the honorees. Holly Christensen, RN, works at Regional Health Sturgis Hospital.

"Holly is one of the most compassionate and empathetic nurses I have ever met," said Rikki Plaggemeyer, who is Holly's nurse manager and herself a 2017 Nurses of Excellence honoree.

Holly was born and raised in Rapid City. After serving in the U.S. Air Force, she returned to the Black Hills and served as a nurse at United Blood Services. She is now an RN on the Medical-Surgical team at Sturgis Hospital. She lives with her husband and their three children on a ranch east of Sturgis.

She became a nurse because she wanted to make a difference in people's lives and connect personally with her patients. "Some patients are here a day or two and sometimes they are here for a month," she told the magazine. "These people become part of your family, and you have to treat them like they are your own."



Spearfish enjoys a vibrant medical community. The city of 11,500 has nearly 60 physicians and advanced practice providers offering a full complement of services including obstetrics/gynecology, emergency medicine, pediatrics, orthopedics, heart and vascular care, medical imaging and more.

To prepare for the future, Regional Health is developing a master space plan for a new health care campus just north of Interstate 90 at exit 10. The new campus would consolidate health care services that are currently scattered throughout the city at eight locations. In addition, it would draw patients from as far away as Montana, Wyoming and North Dakota.

The Queen City has a robust economy and a dynamic, entrepreneurial business community. Spearfish is in a position to become a destination for a wide variety of health care services.

In July, Worsley was named the permanent President of the Spearfish Hospital with additional responsibilities over the Hills markets of Custer, Lead-Deadwood and Sturgis. “We really appreciate the work that Thomas has done in the Northern Hills, especially after Larry’s passing,” said Paulette Davidson, President and CEO of Regional Health. “Thomas had some big shoes to fill, and he’s done a tremendous job.”



NEW PRESIDENT

THOMAS WORSLEY
President
Spearfish Hospital and Hills Markets

Tragedy struck the Northern Hills on Nov. 4, 2017, when Market President Larry Veitz was killed in an ATV accident. As the health care community struggled with the loss, Regional Health executive Thomas Worsley stepped in to keep Spearfish health care moving in the right direction.



3D MAMMOGRAPHY

Regional Health Medical Clinic on North 10th Street in Spearfish introduced Genius 3D Mammography for patients throughout the Northern Hills. The new technology improves early detection and treatment of breast cancer.



One in eight women will develop breast cancer. However, if the cancer is caught early, the five-year survival rate is almost 100 percent. Using this three-dimensional technology, radiologists can better detect breast cancer even deep within the tissue, where it might be hidden during a traditional two-dimensional mammogram. The Genius 3D Mammography exam finds 20 to 65 percent more of the invasive breast cancers, where early detection is critical to recovery.

LACTATION CONSULTANT SERVICES

A newly expanded Lactation Consultant Services program at Regional Health Spearfish Hospital provides one-on-one instruction and support for new mothers following delivery. In addition, Kristen Prescott, M.D., was named the new South Dakota Breast Feeding Coordinator by the American Academy of Pediatrics. She has focused her medical practice on infants, children and adolescents.

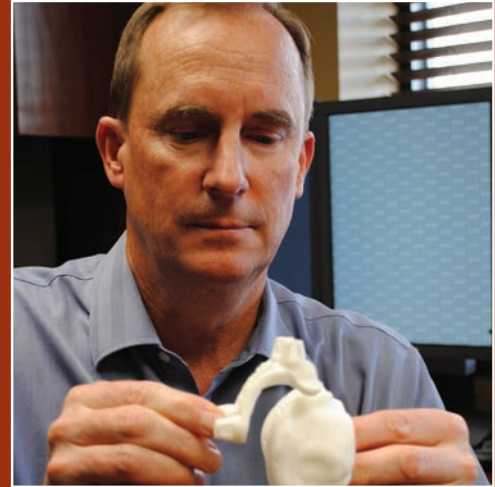
SASQUATCH BASEBALL

When the Spearfish Sasquatch baseball team began its first season, Regional Health's Orthopedics physicians and caregivers signed on as the Sasquatch's official sports medicine team. The Sasquatch is one of eight teams in the Expedition League, a newly launched collegiate wood-bat baseball league in the four-state region.

Regional Health Orthopedics is a good fit for the Sasquatch. The team works closely with athletic teams from both Black Hills State University and South Dakota School of Mines & Technology, as well as rodeo cowboys competing in the Days of '76 Rodeo in Deadwood.

PROFILE

RICHARD LITTLE, M.D.



Orthopedic Surgeon Richard Little, M.D., began performing surgery in Spearfish part-time while completing his Air Force commitment at Ellsworth Air Force Base. At the time, the Minnesota native did not plan to stay in the Black Hills after the Air Force. "I was pretty sure I didn't want to be here," Dr. Little said with a chuckle.

However, the Black Hills offered ample opportunities for outdoor sports, and people were friendly. He and his wife, Lori, also found Spearfish to be a great place to raise their daughters. Spearfish offered a chance to build a top-notch orthopedics team that today includes three surgeons and six advanced practice providers.

Today, Dr. Little sees all types of orthopedic patients and performs several knee replacements a week. His method, called Patient Specific Instrumentation (PSI), creates a customized blueprint before the surgery takes place. First, a technician produces an MRI scan of the knee. The images and data are sent to a specialized 3-D printer – either in Indiana or Belgium – where a three-dimensional scale model of the knee is produced. Dr. Little uses the model to plan each step of the procedure, plotting the predetermined implant size, position and rotation.

"Before I go into the operating room, I know what to expect," he said. "No surprises."

FIVE PRIORITIES: Regional Health has a new strategic plan that identifies our top priorities, which are outlined on the following pages.

1. DELIVER HIGH-QUALITY CARE

In the hands of top-notch physicians and caregivers, medical technology can help patients in ways we could only have imagined in decades past. Regional Health works tirelessly to bring the newest equipment and recruit the most skilled professionals to assure the best possible outcomes for our patients.

The task of recruiting physicians is made easier because the Black Hills of South Dakota offer a combination of lifestyle and professional opportunity found in few other places. WalletHub.com named South Dakota the No. 1 place to practice medicine in 2018. The state has the second-highest wage compared with cost of living for doctors, the second-least expensive malpractice insurance and the third-lowest malpractice award payout amount. The Black Hills offer year-round outdoor recreation, scenic beauty, good schools and a good environment for families.

EPIC ELECTRONIC HEALTH RECORD SYSTEM

Regional Health physicians and caregivers have utilized a variety of electronic health records systems in the past. Some have been cumbersome and difficult to navigate. In Fiscal Year 2018, Regional Health consolidated all of our health records into one information technology platform called Epic. The system went live in October 2017. An important feature of Epic is the patient portal, MyChart. Patients can check test results, review appointment schedules, ask questions and

communicate with their medical teams on their computers or smartphones.

In September 2018, Epic named Regional Health a Gold Star Hospital for its success in adopting the new electronic health records system. Less than a year after Epic went live at Regional Health, more than 85 percent of Epic's features were being used to engage patients, enhance physician satisfaction and get more value from the data.

With more than 190 million users worldwide, Wisconsin-based Epic is one of the largest providers of health information technology in the United States.

MyCHART

In October 2017, when Regional Health went live with its new electronic health records system, Epic, a patient-facing component was part of the package. MyChart is an online portal that offers patients a completely new level of access and engagement in their own health care.

Patients can see test results, send messages to their care team or make appointments at any time of the day or night through the secure website or on the MyChart smartphone app. Regional Health's goal was for 20 percent of its patients to sign up and create MyChart accounts by the end of June, the goal was achieved with signups of 26 percent by June 30.

ADVANCED PROCEDURES

Regional Health physicians and caregivers are bringing new advanced treatment techniques and processes to western South Dakota.



The Regional Health Heart and Vascular Institute has earned recognition from the American Heart Association and other professional organizations. Heart and Vascular Institute physicians and caregivers are also involved in dozens of clinical trials and medical research projects. In recent years our cardiologists have introduced procedures such as leadless pacemakers and the Watchman device.

Regional Health introduced therapeutic plasma exchange (TPE), also known as plasmapheresis, to Regional Health. It is a process in which blood is cleansed of autoantibodies that can wreak havoc on patients who suffer diseases such as lupus, Guillain-Barre and Goodpasture's Syndrome. In the past, patients had to travel outside the region to receive this treatment.



FAMILY MEDICINE RESIDENCY

The Family Medicine Residency program was created 25 years ago to leverage the teaching expertise of the medical staff, enhance the quality of care for Rapid City residents and provide more family practice physicians for rural areas. The program has done all of that, and more.

On any given day you will find Family Medicine Residency doctors working in the inpatient tower, delivering babies, caring for newborns and children on our pediatric floors and seeing patients in their busy clinic on Monroe Street. Residents see

about 1,000 patients a month at the clinic, which provides much needed care to one of the most underserved neighborhoods in Rapid City. Since it began in 1993, the program has produced 117 Family Medicine Specialists – 40 percent of them practicing in South Dakota.

MAYO PARTNERSHIP

Regional Health and Mayo Medical Laboratories announced an agreement in April 2018 that makes Mayo Regional Health's primary reference laboratory.

The agreement provides Regional Health physicians and caregivers access to Mayo Clinic's menu of more than 4,000 laboratory tests in every subspecialty of medicine. Also, Regional Health laboratory staff and practitioners throughout the system can speak directly with Mayo physicians and scientists.

Regional Health performs more than 1.75 million lab tests each year, with exceptional turnaround times, and it performs 98 percent of tests in-house. Mayo Medical Laboratories work closely with Regional Health to expand the test menu and provide consultative and support services for the remaining 2 percent.



**DANIEL PETEREIT, M.D.
RADIATION ONCOLOGIST**

WALKING FORWARD

Daniel Petereit, M.D., a radiation oncologist at the Regional Health John T. Vucurevich Cancer Care Institute, has been active in professional associations and research to improve cancer outcomes. In 2019, he is set to become president of the American Brachytherapy Society. The group is a key advocate in a national campaign to promote brachytherapy seed implants to treat prostate cancer. In addition, Dr. Petereit is the principle investigator in Walking Forward, a program that has been working to increase lung cancer screening rates for high-risk smokers in western South Dakota since 2002.

AWARDS AND RECOGNITION

Regional Health received several prestigious recognitions based on patient experience and high-quality care in the last fiscal year. Specifically, Same Day Surgery Center and the Heart and Vascular Institute were recognized for providing high-quality patient care. The American Heart Association and American Stroke Association acknowledged Rapid City Hospital's commitment to finding the most appropriate treatments for stroke patients. Additionally, the extraordinary volunteer program at Rapid City Hospital was congratulated during National Volunteer Week.

REGIONAL HEALTH RECEIVES PLATINUM PERFORMANCE ACHIEVEMENT AWARD

Regional Health Heart and Vascular Institute received the ACTION Registry Platinum Performance Achievement Award in June. The award recognized Regional Health's teamwork and commitment to delivering the highest quality in cardiovascular care. Regional Health was one of only 203 hospitals in the nation to receive this honor.

HEART/STROKE GROUP HONORS REGIONAL HEALTH

Regional Health Rapid City Hospital received the American Heart Association/American Stroke Association's Get With The Guidelines® Stroke Gold Plus Quality Achievement Award. The award recognized the hospital's commitment to ensuring stroke patients receive the most appropriate treatment based on nationally recognized, research-based guidelines.

REGIONAL HEALTH RECEIVES TOP HONORS FROM LIFESOURCE

Regional Health was selected by LifeSource to receive the Hospital Impact Award during its annual Donate Life Day celebration in Minneapolis. Regional Health was awarded for a remarkable year of donation at the hospital, supporting grieving families and extending the generosity and lifesaving gifts of donation from 9 organ donors and 13 tissue donors in 2017. Regional Health currently partners with LifeSource to provide best-in-class donor services to meet the needs of the health care community, patients and donors.

REGIONAL HEALTH RAPID CITY HOSPITAL DESIGNATED A BLUE DISTINCTION CENTER FOR MATERNITY CARE

Wellmark Blue Cross® and Blue Shield® has designated Regional Health Rapid City Hospital as a Blue Distinction® Center for Maternity Care, part of the Blue Distinction Specialty Care program. Blue Distinction Centers are nationally designated hospitals that show expertise in delivering improved patient safety and better health outcomes, based on objective measures that were developed with input from the medical community.

SAME DAY SURGERY CENTER RECEIVES 5-STAR RATING FROM CMS

Same Day Surgery Center in Rapid City, a surgical specialty hospital owned by physicians in partnership with Regional Health, was awarded a 5-star rating from the Centers for Medicare & Medicaid Services (CMS) for the unwavering commitment from providers and caregivers to enhancing the patient experience. Same Day Surgery Center is one of only 13 HealthStream clients to receive this rating out of 936 Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) eligible clients within their database.

REGIONAL HEALTH HOME+ HOME HEALTH IN SPEARFISH RECEIVES BEST SUPERIOR PERFORMER AWARD

Regional Health Home+ Home Health in Spearfish was awarded the Strategic Healthcare Programs (SHP) Best Superior Performer award for achieving an overall patient satisfaction score that ranked in the top 20th percentile of all SHP clients during the 2016 calendar year. The annual SHP Best program was developed to recognize home health agencies across the country that consistently provide high-quality service to their patients.

BELLE FOURCHE CLINIC'S LAB EARNS NATIONAL ACCREDITATION

COLA, a national health care accreditation organization, announced in March that the laboratory at the Regional Health Medical Clinic on 13th Avenue in Belle Fourche earned COLA Laboratory Accreditation. Accreditation is given to laboratories that apply rigid standards of quality in day-to-

day operations, demonstrate continued accuracy in the performance of proficiency testing, and pass a rigorous on-site laboratory survey. The accreditation process took almost 11 months, including an onsite inspection in January 2018.

REGIONAL HEALTH WINS ENERGY STAR CERTIFICATION

Regional Health Rapid City Hospital earned the U.S. Environmental Protection Agency's ENERGY STAR certification, honoring the hospital as a leader in energy efficiency. Buildings that earn the ENERGY STAR use 35 percent less energy and generate 35 percent fewer greenhouse gas emissions than similar buildings across the nation. Regional Health has taken a number of steps to reduce its impact on the environment. Hospital lighting was upgraded to efficient LED power. Occupancy sensors were installed to automatically turn off lights when rooms are empty. The hospital also reduced water consumption and undertook other measures to save energy and preserve resources.

REGIONAL HEALTH URGENT CARES BECOME STATE'S FIRST ACCREDITED CENTERS

Regional Health Urgent Care North and Regional Health Urgent Care West, both in Rapid City, were the first urgent care centers in South Dakota to earn the Accredited Urgent Care designation from the Urgent Care Association of America. The designation is the highest level of distinction for urgent care centers. Accreditation demonstrates that the Regional Health Urgent Care locations have met the association's standards and criteria for quality of patient care, safety and scope of services.

THREE REGIONAL HEALTH HOSPITALS EARN 4-STAR RATING

Regional Health Rapid City Hospital was rated a four-star hospital by the Centers for Medicare & Medicaid Services (CMS), up from last year's three stars. Regional Health Spearfish Hospital retained its four-star rating for this year, and Regional Health Sturgis Hospital was also rated four stars, its first-ever star rating from CMS. CMS, the federal agency that administers Medicare and works with state governments to administer Medicaid, combines more than 50 measures into a single rating, which is listed on the CMS Hospital Compare website.



2. PROVIDE A CARING EXPERIENCE

To see the world through the eyes of another person. To understand what it's like to hear your words through their ears. To feel in your heart what you know your patients must be feeling. Some call this empathy. Others call it basic humanity. At Regional Health, we call it a day at the office.

Health care is much more than medical knowledge, surgical skill and high technology. Our mission is to make a difference in the lives of our patients, our families and our communities. Every day. Regional Health physicians and caregivers are constantly looking for ways to improve patient experience. We have launched a number of new initiatives and programs to make sure we are doing everything we can to assure our patients have the best possible outcomes.

COMMUNITY OF EXCELLENCE

Regional Health's Community of Excellence program started in January 2018. It involves a series of online classes and in-person sessions, some of which involve role-playing scenarios. More than 100 sessions have been completed, and more are scheduled. The goal is to bring a hospitality and caring focus to everything we do.

COMMUNITY PARTNERSHIPS

In the weeks before the official opening of Custer Hospital and Clinic, two members of the Custer Market's Patient-Family Advisory Council went to work writing stories about the new hospital's features, the history of health care in Custer and other topics.

That is just one example of the role that the Patient-Family Advisory Councils and Community Advisory Boards play in making sure Regional Health continues to impact our communities. In February 2018, Regional Health launched the newest Patient and Family Advisory Council.



There are councils and boards in each of the five markets that we serve. The councils are groups of patients, family members and caregivers who work together to ensure patients receive the highest level of care. The advisory boards serve as liaisons between the community and the healing environment.

PATIENT EXPERIENCE WEEK

In April 2018, Regional Health celebrated Patient Experience Week. It's an annual event to honor health care workers who have a direct impact on patient experience every day. Inspired by The Beryl Institute, the week provides focused time to celebrate accomplishments and reenergize and honor caregivers. Members of the patient experience team visited



KRISTY AND DUSTIN SCHUMACHER

every Regional Health location during the week to recognize and honor caregivers and physicians who care for our patients every day.



REGIONAL HEALTH CAREGIVERS CELEBRATING PATIENT EXPERIENCE WEEK



CONTINUING CARE AND COMPASSION

Often the bond between caregiver and family is so deep that it survives after tragedy. When tiny Kamryn Schumacher lost her battle with brain cancer in May 2017, her family could not forget the care and compassion they experienced during her time at the John T. Vucurevich Cancer Care Institute.

During Kamryn's illness, Kamryn's mom, Kristy Schumacher, painted cartoon characters on the wall at Cancer Care Institute to cheer her daughter. Later, when a remodeling project meant the cartoon characters would be demolished, caregivers and the contractor, Ainsworth-Benning, were determined not to let that happen. They moved the section of wall to a different hallway, where it's safe from demolition.

In February 2018, Kristy and Kamryn's dad, Dustin Schumacher, returned to Cancer Care Institute for a tearful reunion with caregivers and to dedicate Kamryn's wall.

PRESS GANEY

In July 2018, Regional Health began a new strategic business partnership with Press Ganey, an industry leader in helping health care organizations transform the patient experience and create continuous improvements. This change was the result of an acquisition of our previous patient survey partner, HealthStream, being acquired by Press Ganey. This partnership provides Regional Health with award-winning advisory services as well as nationally recognized health care solutions. Press Ganey conducts patient experience care surveys on behalf of Regional Health.



3. BE A GREAT PLACE TO WORK

With 4,500 physicians and caregivers serving patients in 20 communities, Regional Health is the largest employer in western South Dakota. While health care is a competitive field, Regional Health works hard to attract and retain caregivers and physicians with the talent, training, compassion and desire to make a difference in the lives of our patients and our communities.

RECRUITING NURSES AND OTHER PROFESSIONALS

Nationwide, there is a critical need for registered nurses. Regional Health has made it a priority to attract enough full-time nurses to staff all of its healing environments. From January to July, 284 nurses were recruited.

One of the ways we retain nurses is through a student loan forgiveness program for those who commit to staying for a specified time period. In addition, Regional Health will pay for credit hours for those pursuing a Bachelor of Science Degree in Nursing in exchange for service after graduation.

Sometimes the best recruiters are caregivers who are already part of Regional Health. We give monetary referral bonuses to caregivers who refer friends and colleagues to Regional Health in positions in such high demand as Patient Care Technicians and Nurse Aids, Medical Technologists, Registered Nurses, and Advanced Practice Clinicians.

MITCHELL TECH PARTNERSHIP

In 2018, Regional Health and Mitchell Technical Institute (MTI) combined their Radiologic Technology education programs into a single program that allows students to complete clinical studies on both sides of the state and earn an associate degree from MTI in as little as 21 months. Demand for Radiological Technicians is increasing. MTI has a 98 to 99 percent job placement rate within six months of graduation.

“Regional Health is proud to partner with a forward-thinking school like MTI. Our students will be well-trained and ready to start their careers in less than 2 years,” said Jamie Madden, Senior Director of Medical Imaging at Regional Health.

PaYS PARTNERSHIP

Regional Health and the U.S. Army’s Third Medical Recruiting Battalion signed an agreement to provide priority hiring status to qualified soldiers participating in the Partnership for Youth Success (PaYS) Program.

The PaYS program supports the Army’s recruiting mission through partnerships with corporate, federal, state and local agencies. It provides the nation’s employers with a pool of highly-skilled, motivated and responsible candidates from which they may fill their personnel needs. Soldiers who participate in the program gain leadership, valuable professional and technical skills, experience and feel confident in their career opportunities with their chosen PaYS partner.



DRESS FOR SUCCESS

Regional Health is committed to improving our patient and family experience. One way to do that is to clearly communicate to patients and family members who are the members of their care team. In February, we instituted a systemwide dress and appearance policy to help identify caregivers by the color of their uniforms or scrubs.

Registered Nurse -- Navy Blue

Patient Care Champion -- Gray

Imaging -- Black

Physical Therapy -- Pewter

Laboratory -- Red

Patient Transport -- Teal

In addition, Regional Health also set appearance standards that include grooming, hair color, tattoos, piercings, appropriate footwear, jewelry, clothing cut/length and badges. The purpose is to deliver a consistent, professional image to patients and their families.

CAREGIVER EVENTS

Keeping the atmosphere light, especially when health care work can sometimes be emotionally taxing, is important.

Every month there is a fun social caregiver event, often related to a community cause. For example, caregivers participate in United Way Day of Caring events in Custer, Rapid City and the Northern Hills. The Dunk a Dock event in Spearfish raised money for the Spearfish Community Food Bank.

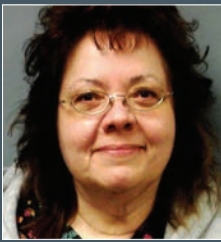


One annual function that has been gaining popularity is the Trunk-or-Treat Halloween events in Rapid City and Spearfish. Caregiver teams dress in costumes and decorate cars, each with its trunk open and full of candy for kids. Children make the rounds among the cars to collect the goodies. The purpose is to offer a safe, well-lit Halloween experience for local children.

THANK YOU FOR 40 YEARS

At Regional Health, we pride ourselves on being a great place to work, and we have a number of caregivers who have been with us for decades.

In 2018, seven caregivers celebrated their 40th anniversary and joined the 40+ years club with Regional Health. We honor their service and dedication to meeting the health care needs of communities in the Black Hills.



DEBRA GILLELAND
NICU-Nursing
Rapid City Hospital



JAYNE DECASTRO
MIS General
Flormann St. Clinic



JANICE KUCH
CS Record Storage
Rapid City Hospital



RENEE SKROCH
Home+ Specialty Home
Care Services
Regional Health Center



DIANE COON
Cancer Care Institute Clinic
Rapid City Hospital



SANDRA LOCKWOOD
CS Patient Financial Services
Health Sciences Center



BONNIE WAREJCKA
Cancer Care Institute
Rapid City Hospital

BEYOND 40 YEARS

These caregivers have been with Regional Health for 41 years or longer.

Mary Buum, Rapid City Hospital
Rhonda Diane Chihak, Lombardy
Colleen DeRosier, Spearfish Hospital
Jeanne Galbraith, Rapid City Hospital
Fay Herrington, Rapid City Hospital
Joyce Hoyer, Rapid City Hospital

Lowell Husman, Rapid City Hospital
Deborah Kelly, Lombardy
Lana Likness, Rapid City Hospital
Janet McArthur, Spearfish Hospital
Bergetta Osterloo, Rapid City Hospital
Dorothy Sauter, Rapid City Hospital

Wanda Schummer, Rapid City Hospital
Francis Shepersky, Rapid City Hospital
Lynn Sogge, Rapid City Hospital
Marcia Taylor, Rapid City Hospital
Cynthia Townsend, Rapid City Hospital

NEW PROVIDERS



Patricia Fogarty, MD
Hospice & Palliative Medicine
Regional Health Medical Clinic
North 10th Street, Spearfish



Irony Sade, MD
General Surgery
Regional Health Medical Clinic
5th Street, Rapid City



Alexandria Nowaczyk, DO
Hospital Medicine
Regional Health Rapid City Hospital



Hunter Moyer, MD
Plastic Surgery
Regional Health Medical Clinic
5th Street, Rapid City



Lisa Castaneda, MD
Hospital Medicine
Regional Health Spearfish
Hospital



Kelly Phommahaxay, MD
Family Medicine
Regional Health Custer Hospital
& Clinic



Mark Ptacek, MD
Family Medicine
Regional Health Medical Clinic
Lead-Deadwood



Drew Moss, MD
Family Medicine
Regional Health Medical Clinic
North 10th Street, Spearfish



Guy Domm, MD
Family Medicine
Regional Health Sturgis Hospital
& Clinic



Nadia Tymkowych, MD
Family Medicine
Regional Health Medical Clinic
Lead-Deadwood



James Gilbert, Jr. MD
Emergency Medicine
Regional Health Spearfish
Hospital



Natalie Tymkowych, MD
Family Medicine
Regional Health Sturgis Hospital
& Clinic



Peter Ostler, MD
Family Medicine (Faculty)
Regional Health Family Medicine
Residency Clinic, Rapid City



Barbara Merriman, DO
Neurology
Regional Health Neurology &
Rehabilitation, Rapid City



Angelina Trujillo, MD
Endocrinology
Regional Health Medical Clinic
Flormann Street, Rapid City



Kyle Adams, DO
Family Medicine (Faculty)
Regional Health Family Medicine
Residency Clinic, Rapid City



Kathryn Arrambide, MD
Hematology, Medical Oncology
Regional Health John T. Vucurevich
Cancer Care Institute



Cynthia Weaver, MD
Rheumatology
Regional Health Medical Clinic
Flormann Street, Rapid City



Matthew Anderson, MD
Critical Care Medicine
Regional Health Rapid City
Hospital

4. IMPACT OUR COMMUNITIES



FIT IN THE SQUARE PARTICIPANTS

FIT IN THE SQUARE

Even as the first rays of sunlight crept into the Rapid City's Main Street Square, dozens of men and women of all ages were already on their feet, moving to the music and getting their heart rates up. Saturday morning at 6:30, it turns out, is a great time to get fit.

Fit in the Square, the free outdoor exercise program sponsored by Regional Health, was a popular workout for all kinds of participants. High school athletes, 70-year-old tourists, young mothers and middle age men all worked out together on the lawn at Main Street Square. One morning, a uniformed Rapid City police officer kicked off his shoes and joined the group.

Trainers from Regional Health's Sports Performance Institute, EXOS, led the Saturday morning sessions.

KIDSHAPE 2.0

The best time to battle adult obesity is long before adulthood. Kidshape 2.0 is an evidence-based program to teach children ages 6 to 12 and their families about healthy nutrition, physical activity and lifestyle behaviors. Regional Health Rapid City Hospital received a Kohl's Cares grant for the program.

Group classes meet weekly for two hours over the course of six weeks. Activities include hands-on nutrition sessions and cooking demonstrations, tools to change behaviors, and fun physical activity.



CAREGIVERS PARTICIPATING IN THE NATIVE AMERICAN DAY PARADE

NATIVE AMERICAN DAY PARADE

The region's Native American communities are steeped in a rich tapestry of music, food, art, language and culture. Regional Health physicians and caregivers have been avid students of the Lakota traditions and customs. That is



CCI MURAL DESIGNED AND PAINTED BY SUZIE CAPPA ARTISTS

especially true each October during back-to-back celebrations in Rapid City. The annual Native American Day Parade in downtown Rapid City kicks off the Black Hills Powwow at the Rushmore Plaza Civic Center.

SUZIE CAPPA ARTISTS

Rapid City caregiver, Rich Karsky, noticed a few years ago that the windows at the Cancer Care Institute overlooked the hospital loading dock – a not-so-attractive view for patients spending hours receiving chemotherapy. Rich reached out to the Suzie Cappa Art Center, an artistic outlet for adults with disabilities. Using supplies donated by Regional Health, the Suzie Cappa artists created a series of colorful paintings to form a mural facing the CCI windows. The mural’s theme, appropriately, is “hope.”

UNITED WAY DAY OF CARING

As western South Dakota’s largest employer, Regional Health is a major supporter of United Way of the Black Hills and the community agencies that are funded through United Way. To kick off the annual United Way campaign, the nonprofit hosts United Way Day of Caring events in Rapid City, the Southern Hills, the Northern Hills and Sturgis. Regional Health caregivers and other volunteers fanned out across the communities to weed public gardens, fill food packages, paint houses and clean up trash.



UNITED WAY DAY OF CARING



MAKING A DIFFERENCE WITHIN AND BEYOND OUR BORDERS

Regional Health's commitment to community does not stop at the South Dakota state line. Our physicians and caregivers are making a difference in Africa, Central America and other parts of the United States. A few examples:



MARTIN DIGLER

Martin Digler has come a long way from the hunger, disease and violence of his former life in Liberia, the West African nation where he grew up. Today, he lives in Rapid City and works as an advanced practice provider at the Regional Health Heart and Vascular Institute. He's living the American Dream in Rapid City with his wife and family.

But Martin has not forgotten where he came from. He's been actively involved in starting, maintaining and raising money for New Hope Village, a Liberian orphanage and school. He supports Phebe Hospital, the facility that gave his family refuge during the Liberian civil war. In the fall of 2017, Martin returned to Liberia for two weeks of mission work at Hope Village and Phebe Hospital.



DR. STEPHANIE LAHR

In September 2017, Hurricane Harvey pummeled southeast Texas, drenching the region with 40 inches of rainfall and causing an estimated \$125 billion in damage. Dr. Stephanie Lahr, who had done her medical training and residency in Galveston -- and who had once nearly lost her own home to a hurricane -- knew exactly what these Texans were going through.

"It was very important to me to be able to help others in an area close to my heart in their time of need," said Dr. Lahr, who is Chief Information Officer and Chief Medical Information Officer at Regional Health.

At a makeshift clinic in Freeport, a hard-hit coastal town, she and a physician friend tended to the health care needs of displaced residents. They also worked with Operation Blessings to gut homes in Beaumont.



ERYN O'CONNELL

For two weeks in September 2017, Registered Nurse Erin O'Connell helped tend to the medical needs of Florida residents displaced by Hurricane Irma. Many had left prescriptions, oxygen tanks and other essentials behind. "We did everything and anything they needed. I used more of my nursing training than I thought I would," she said.

She arrived in Florida before Irma did, riding out the storm with 800 displaced residents in a Middle School shelter. She was so focused on her work that she barely noticed the wind and rain outside. Working around the clock, Eryn and other volunteers tended to the needs of the clients at several shelters in central Florida.

"A piece of my heart will always be in Florida," she said.



DR. TERRY GRABER

For the past three years, Terry Graber, M.D., who practices at the Regional Health Medical Clinic in Hill City, has accompanied students from the University of South Dakota Sanford School of Medicine to a mission in San Lucas Toliman, Guatemala.

Guatemala, on Mexico's southern border, is one of the poorest countries in Latin America. The medical school students meet with patients from various communities and make initial evaluations. "My role has been to supervise their work and give feedback and teaching, but the students really take the lead," Dr. Graber said. "It's a great opportunity to give them a great practical experience, as well as serving a needy group of people."



A CULTURE OF GIVING



REGIONAL HEALTH FOUNDATION

PRISCILLA ROMKEMA, PH.D.

President
Regional Health Foundation

Trust. Respect. Compassion. Community. Excellence.

These are the values of Regional Health, and they serve as guideposts for the Regional Health Foundation as we support Regional Health's purpose of making a difference - every day.

I am proud of the work that the Foundation staff does to support Regional Health and the important services it provides to the communities of Western South Dakota and beyond. And I am extremely grateful for the generosity and compassion shown by our donors.

From the person who buys a duck for the Children's Miracle Network Great American Duck Race to the family that leaves a memorial donation to Hospice of the Northern Hills, the people of our region exemplify the culture of giving that is so important for the quality of life we enjoy.

The Regional Health Foundation strengthens the health of our communities by building a culture of generosity. In partnership with Regional Health, the Foundation aspires to excellence in health care through gifts of engagement and generosity.

The Regional Health Foundation is responsible for all fundraising programs and serves as the liaison between Regional Health and our family of benefactors. Gifts to the Foundation allow Regional Health to provide families with the comfort and care they need along with the leading-edge technologies they deserve. All donations are used for programs, patient care environments or equipment.



CMN CHAMPION - CAMI

CHILDREN'S MIRACLE NETWORK

In its 29th year, Children's Miracle Network – a program dedicated to supporting ill and injured children treated at Regional Health Rapid City Hospital – has achieved a fundraising landmark by surpassing \$500,000 raised in a fiscal year.

Every year, thousands of children enter our hospital for treatment. Some are battling cancer. Some are suffering from a traumatic injury. Others require constant care because they were born too early or have a childhood illness. Regardless of why someone is here, our Children's Miracle Network hospital always has its doors open. The community's support enables us to invest in life-saving medical equipment and provide a wide range of services that might not otherwise be possible.



BLACK HILLS DUCK RACE

Because of your philanthropy, the annual Great Black Hills Duck Race, the Children's Miracle Network Radiothon and other direct fundraisers, we are able to ensure that our youngest, most fragile patients continue to receive the most advanced care possible in a comforting environment.

JOHN T. VUCUREVICH CANCER CARE INSTITUTE

Since opening in 1993, the Regional Health John T. Vucurevich Cancer Care Institute has provided care for thousands of patients with oncology services, supportive laboratory and imaging services, as well as services for related clinical research trials. The Cancer Care Institute physicians and caregivers work to continually review and update techniques and technologies to provide leading-edge cancer therapies. Community support and participation in foundation events throughout the year help with the cost of these technologies and serve as a thoughtful way to honor those members of our community whose lives have been impacted by cancer.



**TOUGH ENOUGH TO WEAR PINK
BLACK HILLS STOCK SHOW**

Fundraising events include Tough Enough to Wear Pink, which has raised nearly \$1.43 million since 2007; the CCI Golf Tournament, which raised \$55,000 this year; and Paint the Rock Pink, a ladies golf event that raised more than \$22,000 this year. Events like these help the Institute treat more than 1,000 newly diagnosed patients and 3,500 previously diagnosed patients each year.

HOME+ HOSPICE

Regional Health Home+ Hospice programs provide compassionate, palliative and supportive care for terminally ill people with an end-stage disease process and limited life expectancy. Hospice offers physical, emotional and spiritual care for patients and families. The Regional Health Foundation supports hospice programs through the annual Hospice of the Northern Hills Benefit Ball, the Tree of Lights holiday programs, memorial gifts and individual donations.

Through continued community support, the Foundation has been able to provide patients and families with the comfort and care they need, along with the leading-edge health care technology they deserve.

EVERY GIFT **MAKES A DIFFERENCE**

MAKING AN ENVIRONMENTAL DIFFERENCE

Health care, by its very nature, uses a lot of resources – electricity, paper, metal, water and other materials – to meet the needs of its patients and communities. Therefore, any efforts to conserve resources will have a substantial impact.

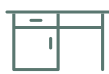
Regional Health has taken a number of measures to reuse, recycle and reduce use of everyday materials. In addition, Regional Health's efforts have improved the economy through locally purchasing.



Improving energy efficiency by using new HVAC controls, LED lighting, energy-efficient replacement motors and other initiatives, resulting in annual savings of \$432,000, while maintaining comfortable working and patient care environments.



Switching from disposable wipes to reusable microfiber cloths, which saves an estimated \$24,000 per year, reduces landfill waste and improves disinfecting capabilities.



Reusing and repurposing equipment and furniture in the current hospital construction project.



Donating, rather than discarding, outdated/expired medical supplies, furniture and equipment to the nonprofit Convoy of Hope, which distributes them to impoverished communities around the world.



Buying produce and other foods from local vendors for use in food services, as well as growing food, flowers and herbs in raised beds and a greenhouse near Rapid City Hospital to capitalize on the many benefits of farm-to-table eating.



Maintaining beehives on Regional Health property to provide bee habitat, pollinate Regional Health gardens, and produce honey to share with patients and their families.



Installing solar arrays at Regional Health's two Rapid City Urgent Care clinics, which will provide over 70 percent of the clinics' electricity needs.



FARM-TO-TABLE EATING: PRODUCE AND BEEF PURCHASED FROM LOCAL VENDORS



5. BE HERE FOR GENERATIONS TO COME

Service Data

	FY 2018	FY 2017
Hospital Admissions	22,695	23,160
Patient Days	94,742	105,514
Visits to Emergency Department	68,905	72,371
Surgery Cases	10,570	10,531
Babies Delivered	2,756	2,607
Hospital Beds	517	517
Long-term Care Resident Beds	160	160
Medical Staff Members	588	580
Clinics	25	25
Clinic Visits	320,921	302,527

Community Benefits in (000's)

Payroll and Benefits	\$369,241	\$361,453
Charity Care, Unreimbursed Medicaid & Bad Debt at Cost	\$59,156*	\$58,050
Other Community Benefit and Community Building Expenses	\$20,001*	\$17,364
Regional Health Cost to Operate Per Day	\$2,049	\$1,963
Local, State, and Federal Taxes Paid	\$24,926	\$22,047

* Preliminary - subject to change

FINANCIAL SUMMARY | Regional Health Financials

Statement of Operations (in 000's)	FY 2018	FY 2017
Revenue and Expenses		
Net Patient Services Revenue	\$649,466	\$642,917
Other Operating Revenues	\$40,190	\$28,404
Net Operating Revenues	\$689,656	\$671,321
Operating Expenses		
Payroll and Benefits	\$369,241	\$361,453
Medical Supplies	\$133,309	\$130,078
Purchased Services	\$89,675	\$93,474
Other Operating Expenses	\$39,684	\$47,265
Information Technology Implementation Costs	\$14,899	\$5,145
Depreciation	\$39,239	\$33,587
Interest	\$3,258	\$3,226
Total Expenses	\$689,305	\$674,228
Net Income from Operations	\$351	\$(2,907)
Net Operating Income Before Implementation Costs	\$15,250	\$2,238
Balance Sheet (in 000's)		
Current Assets		
Funds for Building, Equipment Replacement and Debt Repayment	\$267,076	\$145,354
Other Restricted Use Investments	\$463,735	\$489,155
Land, Building, and Equipment	\$39,111	\$34,462
Other Assets	\$410,961	\$317,823
Total Assets	\$1,206,670	\$1,009,174
Current Liabilities		
Long-term Debts	\$81,048	\$72,529
Other Liabilities	\$285,286	\$123,963
Unrestricted Fund Balance	\$57,488	\$52,173
Restricted Fund Balance	\$759,965	\$737,370
Total Liabilities and Fund Balance	\$1,206,670	\$1,009,174

Regional Health has invested and will continue to invest in our people, in new equipment and facilities and in a new electronic health record system. These investments will help Regional Health serve our patients for generations to come.

Furthermore, we have deliberately worked with our medical staff to reduce the length of patient's stay in our hospitals which has resulted in fewer Patient Days. Our goal is that each patient receives the appropriate level of care and returns back to their home to heal as quickly as possible.

BOARDS OF DIRECTORS

Regional Health Board of Directors

Lia Green (Chair)
Paulette Davidson
Glenn Fosdick
Steven G. Frost, M.D.
Terry M. Graber, M.D.
Ross W. McKie
Dusty Pinske
Paula Santrach, M.D.
Heidi Strouth, M.D.
Lewis Trowbridge
Richard A. Tysdal
Donald Warne, M.D.
Mike Wordeman

Regional Health Network Board of Directors

David M. Thom (Chair)
Richard A. Tysdal (Vice-Chair)
Lee B. Bailey, M.D.
Paul J. Bisson
Paulette Davidson
Christopher C. Gasbarre, D.O.
Robert A. Haivala
Dusty J. Pinske
Clinton P. "Pat" Walker

Unless otherwise noted, these individuals served on their respective boards for the Fiscal Year 2018.

*Ex-Officio/Non-Voting

Regional Health Rapid City Hospital Board of Directors

Jack Lynass (Chair)
Brad Archer, M.D. (Vice-Chair)
Mike Statz, M.D. (Chief of Staff)
Andrea Baier, M.D.
(Vice Chief of Staff)*
Alex Schabauer, M.D.
(MS Secretary/Treasurer)*
Deidre Budahl
Paulette Davidson
Tim Frost, M.D.
(Medical Staff Representative)
Srinivas "Sri" Gangineni, M.D.
Lia Green
Richard Kinzley
Kelly Manning, M.D.
Robert "Rob" Mudge
John Pierce*
Tom Rau

Regional Health Foundation Board of Directors

Pat Burchill (Chair)
Robert "Rob" Mudge (Vice-Chair)
Linden Evans
Susan Hincey
Joe Jorgensen
Wayne Klein
Sharon Lee
Gary Lipp
JD Williams
Paulette Davidson
Priscilla Romkema



A LETTER FROM

LIA GREEN

REGIONAL HEALTH BOARD OF DIRECTORS CHAIR

These are exciting times for Regional Health.

Custer and Sturgis are home to South Dakota's newest healing environments.

The Regional Health Orthopedic & Specialty Hospital, which will also house the Sports Performance Institute Powered by EXOS, will bring fundamental changes to the way we think about health.

Next year, the expanded Rapid City Hospital will be better equipped to meet the health care needs of our growing region.

However, the true excitement is in the attitudes of the physicians, caregivers and executives who serve the needs of the West River community. Our commitment is reflected in the Regional Health Mission: Make a difference. Every day.

This new mission represents our deep commitment and primary responsibility to deliver high-quality care, provide a caring experience, be a great place to work, impact our communities and be here for generations to come.

This commitment manifests itself in ways that are not always visible from outside the hospitals, clinics and other healing environments, but the changes we're making will be felt throughout our region.

I am excited about the journey ahead.

LIA GREEN

Chair, Regional Health Board of Directors



PO Box 6000
Rapid City, SD 57709-9910

IT STARTS WITH **HEART**