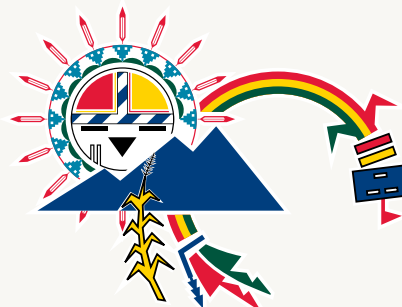


2012 Annual Report



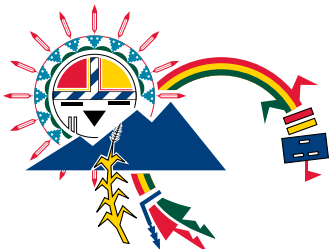
Tuba City
Regional Health
Care Corporation

2012 Annual Report



“Our Mission is to provide
accessible, quality, and culturally
sensitive healthcare.”

“Our Vision is embracing
healthy living to heal,
to respect, to console.”



Tuba City
Regional Health Care Corporation

TCRHCC is Reaching New Heights as a Regional Integrated Health System

On September 29, 2012, Tuba City Regional Health Care Center will celebrate the 100th anniversary of health care services in Tuba City as well as the 10th anniversary of TCRHCC as a Tribal Self-Governance health system.

The TCRHCC Board of Directors, Providers and Staff have truly launched into this new era of health care service with the support of both the Indian Health Service and the Navajo Nation Council as a Title V Tribal Self-Governance Medical Center serving our communities of the Western Navajo Nation, Hopi and San Juan Southern Paiutes. Our community-based Board of Directors now has true direct peer-to-peer standing with the Federal Government via the Indian Health Service (IHS) Office of Tribal Self Governance (OTSG), which is reflected in the continued development of new health services and infrastructure, which include:

- Completion of the 1st five-year self-governance Funding Agreement (FY2013-2018) between the TCRHCC Board of Directors and I.H.S. Office of Tribal Self Governance.
- New "State of the Art" Digital Endoscopic Medical Technology for minimally invasive OB/GYN procedures completely donated by the Karl Storz company.
- Opening the new 5,000 sq. ft. Lechee Mail Order Pharmacy this fall will address the Outpatient Primary Care Center's Pharmacy growing demand, and reduce congestion and patient wait times.
- Continued expansion of Sacred Peaks Health Center in Flagstaff from 10500 sq. ft. to 14500 sq. ft. for more exam rooms and system support services.
- Award in June, 2012 of the HRSA Mobile Community Health Centers for Primary Care and Dental Services which will provide community-based services among our primary Community Chapters.
- Recruitment of a Chief Medical Information Officer (CMIO) to complete integration of the new EMR patient records system.
- Initiating the process of elevating our TCRHCC Trauma System to Level III under the stewardship of Native American trauma surgeon Dr. Zane Kelley.



- TCRHCC's increasing participation in National I.H.S./Tribal Health Policy Development because of the positive initiatives spearheaded with the State of Arizona, CMS, I.H.S. and the Navajo Nation.
- Continued strategic growth in patient services utilization and financial health as presented in this report. Because of the hard work of All Staff, it is noteworthy that, despite 9 months loss of AHCCCS reimbursement for Single Childless Adult, Podiatry, etc. in FY2011-2012, TCRHCC has still maintained a positive margin on overall operations; and this included completion of several sizeable capital projects.

A Patient-Centered Healthcare Team

TCRHCC has initiated a system to transform and empower front-line patient-centered decision making by our dedicated physicians, nurses and allied health staff. This front-line empowerment has become essential so that providers can have the tools and authority they need when they need it to ensure quality patient care processes. This is the highest form of accountable, quality care. This is also what has allowed our 1,000-strong employee team to increase total patient care utilization from 333,000 in 2010 to 378,481 visits in 2011, a 14% increase we can all celebrate even as we

launch into the new federal health changes coming from the federal government under the Accountable Care Act and Indian Health Care Improvement Act.

Transformational Commitment to Excellence

As noted last year, TCRHCC is governed by a community-based Board of Directors, representing the eight Navajo chapters, the Moenkopi Village and the San Juan Southern Paiutes. Each member of the Board of Directors is accessible and available to answer questions and hear your input. This is the core principal of 638 self governance, i.e., to put health care into the hands of the Greater Community we serve and ensure a responsive commitment to excellence.

This core vision directly drives TCRHCC's dual mission of becoming a premier Regional Medical Center and a community-based Integrated Health System. We are mindful of both these priorities as we develop additional health care and preventative services. This proactive approach requires good Board stewardship and strong Community participation. Our Board of Directors hold frequent collaborative meetings throughout the year on strategic priorities and needs at all levels—with Chapter Officials, I.H.S. (OTSG and NAIHS), the Health Committee of the Navajo Nation Council, the Navajo Division of Health and Executive Office.

As stewards of TCRHCC resources, the Board of Directors and Executive Leadership want to thank our dedicated clinical and support staff for the outstanding patient care delivered each day. This commitment to excellence is vital to our successful accomplishment of Mission and builds a sustainable Legacy of Health.

A'he'hee,

Grey Farrell, Jr.
Board President

Grey Farrell, Jr.

Joseph Engelken
CEO

Joseph Engelken

Lynette Bonar
AEO/COO

Lynette Bonar





About Tuba City Regional Health Care Corporation

The Tuba City Regional Health Care Corporation (TCRHCC) is a 73-bed, acute and outpatient regional health system organized as a private nonprofit healthcare organization operating under the Indian Self-Determination Act P.L. 93-638 since September 30, 2002. TCRHCC serves a large geographic area, primarily encompassing over 6,000 square miles on the western Navajo Nation and adjacent Hopi and other communities.

6

Tuba City is the largest community by zip code on the Navajo Nation. Tuba City's Hospital is the primary campus, or hub, for TCRHCC's integrated health system. The hospital and satellite clinics in Flagstaff, Dinnebeto, and Cameron provide primary care services to over 33,000 Navajo, Hopi and San Juan Southern Paiutes.

TCRHCC also serves as a regional referral medical center for over 75,000 residents across the Navajo Nation and adjacent communities.

In FY2011, the TCRHCC health system had 378,481 total patient visits. Building on the legacy of the Navajo Area Indian Health Service, previously as Tuba City Indian Medical Center (TCIMC), the formal incorporation process under P.L. 93-638 for Tuba City Regional Health Care Corporation (TCRHCC) began on January 19, 2001 followed by approval by the Navajo Nation Council as a Title I 638 contractor in 2002. In June 2005, the Navajo Nation Council approved the organization for the purpose of managing and operating contracts with the Indian Health Service for a 15-year period through September 30, 2020.

Today, TCRHCC is in its tenth year of 638 funding and operation, and it continues to grow as a regional, community-based health care system. In July, 2010, TCRHCC was approved as a Title V Compactor under the IHS Office of Tribal Self-Governance by the 21st Navajo Nation Council.

TCRHCC provides hundreds of clinical and patient care support services spanning the medical spectrum. It provides a full range of primary and specialty care preventive health and wellness services. All areas of service incorporate cultural sensitivity and the Navajo philosophy of the four sacred directions.

The condition of TCRHCC is fiscally and operationally sound. The top priority of the Board of Directors,

Executive Leadership, Medical Staff and support staff is the quality of patient care. Patients, families and communities can be assured that TCRHCC adheres to the highest standards of patient care as evidenced by its accreditation by the national accrediting body - The Joint Commission. All areas of the facility meet or exceed national health care standards. All medical service providers are fully credential to practice medicine. TCRHCC has an experience and stable medical staff. Many of the physicians, nurses and allied professional staff have been at TCRHCC for decades.

An audit is conducted each year by an independent accounting firm to assure that TCRHCC is reporting financial information at high level of standards and practices. Fiscal Year 2011 ended with a positive operating margin and reserves. The Clinical and Finance Department team continuously reviews the practices of the corporation in order to capture every dollar that is due to TCRHCC from third-party sources for the improved health care of the community we serve. Every dollar is put back into our healthcare Mission.

TCRHCC is fully compliant with the Navajo Preference in Employment Act (NPEA). Ninety-five percent of all new hires for non-technical positions are Navajo, and the remaining five percent meet a category under the order for Navajo Preference (spouse of Navajo or other Native American). Every effort is being made to encourage, train, mentor and attract Navajo and Native American individuals to health professions for the future, including leadership, technical and professional positions.

TCRHCC has set the goal of being the Employer of Choice in the Tuba City region to attract, retain and promote talented and qualified Navajos and Native Americans residing on the reservation, in Flagstaff, and other accessible areas.

New Medical Equipment Expand the Scope of Women's Health

In March 2011, a new chapter in Women's OB/GYN was written at Tuba City Regional Health Care Corporation (TCRHCC), as KARL STORZ, a global manufacturer of advanced medical technology, exemplified what can be achieved through generous philanthropic support.

TCRHCC Women's OB/GYN received a generous donation of state-of-the-art endoscopic equipment for advanced, minimally invasive gynecologic procedures.

The donation allows TCRHCC to translate vision into reality for women— to provide the highest quality comprehensive Women's care in the most compassionate, supportive environment.

TCRHCC is establishing a Women's Health Center to serve as a training site where surgeons can improve their skills and master innovative technologies. The donation has allowed advanced laparoscopic surgery to be offered at TCRHCC to women on the Navajo Nation and in the Southwest.

The donation is a part of the Women's Health Initiative (WHI) of Dr. h. c. mult. Sybill Storz, chief executive of KARL STORZ. The group seeks to meaningfully increase access to quality healthcare in Native American communities in the U.S.

"The majority of our patients live with extreme poverty, many times with limited running water and electricity, and no telecommunications" said Jennifer Whitehair, MD, FACOG, TCRHCC OB/GYN. "The

ability for them to access high level healthcare without having to go hundreds a miles, is a major step forward. It's critical for their health and welfare to have a first-class medical facility. We are grateful to KARL STORZ for their commitment to women's health worldwide."

The relationship between TCRHCC and KARL STORZ began last year with Paul Gosar, a first-term Congressman from Flagstaff, Arizona. Gosar was instrumental in bringing the needs of the hospital to the attention of Jack Frydrych, a member of the KARL STORZ Global Executive Committee.

The first donation was a C-MAC® Video Laryngoscope. This advanced medical device helps surgeons and anesthesiologists see video insertion of nose or mouth tubes that add or remove fluids or air, which are necessary procedures in anesthesia, intensive care, and emergency medicine.

Providing a clear airway is vital procedure for anesthesiologists. TCRHCC Anesthesiologist, Dr. John Watkins, said that other medical providers can now watch the camera's path on the computer screen "with visuals when they intubate a patient," a procedure for managing the airways of patients.

Watkins believes that such advances in technology enable TCRHCC physicians to save lives during critical times at the hospital.

TCRHCC is setting a high standard for innovative medical care. The hospital prides itself on having



a lower than average Caesarean rate and a higher than average rate of vaginal births among women with a prior Caesarean section (c section). The hospital's c section rate of 13.5 percent is exceptionally low compared to the national rate of 31.8 percent, especially since diabetes and high blood pressure (more prevalent in hospital's patient population than the national population) are usual reasons for higher c section rates.

The company has donated to numerous projects in underdeveloped countries around the world.

The donation to TCRHCC is its first such project in America. According to Jack Frydrych, of KARLSTORZ's Global Executive Committee, "The initial stage was to select a tribally run hospital serving an area with a large expanse of land but a challenging infrastructure, such as limited improved roads and public utility services."

"The donation extends the vision of TCRHCC even beyond our immediate community," shared Joe Engelken, CEO. "It is a wonderful asset for the Medical Center and to the community."



Sacred Peaks Center Health Extending TCRHCC'S Continuum of Care

The Tuba City Regional Health Care Corporation (TCRHCC) continues to expand in big ways in Northern Arizona. The Sacred Peaks Health Center (SPHC), a non-urgent primary health care clinic for Native American beneficiaries, was opened in Flagstaff in 2010 to increase the accessibility to health care for Native American beneficiaries in the Flagstaff vicinity.

Located in the Park Santa Fe Shopping Center on Route 66 in the service area's largest population center, SPHC serves the more than 4,500 Native Americans living in and near Flagstaff. The 10,000-square-foot facility was expanded by an additional 2,000 square feet this past summer to increase the ability to provide primary care, family care, internal medicine and some limited specialties. The number of services and visits continue to grow.

"Expanding the Sacred Peaks Health Center demonstrates TCRHCC's commitment to the region by offering non-emergency, primary care services to the community, as we strive to provide excellent, easily-accessible care, close to home," said Raul Rubio, SPHC director.

Additional space means having more services, with 12 exam rooms, along with additional staff, all which

allow the clinic to serve more patients in Flagstaff. A team of approximately 23 staff members, including three MDs and two full time staff pharmacists, are on site to care for Flagstaff Native Americans.

SPHC takes great pride in its primary care practice and its capacity to integrate comprehensive care models to address the many varied needs of the Flagstaff patient population.

SPHC offers a wide range of services, including health education, nutrition counseling and diabetes management, as well as primary and preventive care, laboratory services, physical therapy, basic radiology, mental health, and some specialty services such as dermatology and neurology. All of these services are provided under one roof, and many are accessible in a single visit.

SPHC was established to address an ever growing need for care among Flagstaff beneficiaries. Previously, TCRHCC's Flagstaff area patients had to make the drive to Tuba City or Winslow for doctor visits or other procedures, or to simply refill prescriptions, spending as much as a day of their busy lives in the process.

Now, beneficiaries can make appointments at SPHC, drop in for prescription refills, and receive professional medical services close to home, taking just a short time off of work or from their busy day. Most patients are seen by appointment, with a few time slots left open each day for same-day care.

According to SPHC Manager Raul Rubio, patient visits and services provided at SPHC are growing each year since it opened. There were 6,532 patient clinic visits in March 2012, as compared to 5,136 in March 2011. In the fiscal year 2011, there were 42,881 patient visits.



Rubio added, "Telehealth programs are being established using state-of-the-art technology to enable TCRHCC providers to provide diagnostic and treatment services for patients at SPHC. By utilizing telehealth, SPHC patients can have consultations in various other specialties available at Tuba City."

SPHC has added several specialty services in recent months. Nutrition Education is offered three times a week on Monday, Wednesday and Thursday. A nutritionist is now available for patients with hypertension, diabetes, kidney problems, and other health matters that involve nutrition.

Once a month, a surgeon sees patients at SPHC. An orthopedist sees patients two days per month. In both cases this is for patients who may have had surgery or treatment in Tuba City and are recovering or need follow-up care.

Other specialty services include obstetrics/gynecology, four days per month, and dermatology, three days per month. Optometry service is also available as a specialty service for diabetic patients and those with acute eye problems.

SPHC serves the Navajo and Hopi populations in Flagstaff, as well as beneficiaries regardless of tribal affiliation. The elimination of co-payments for doctor visits and prescriptions makes SPHC the economical choice for Native Americans and beneficiaries. Native American students at Northern Arizona University are encouraged to take advantage of the services at SPHC, and the clinic advertises its services in NAU campus publications.

SPHC want to make sure their patients are able to get to their appointments, so qualifying patients are offered transportation to doctor visits. The SPHC Patient Benefit Coordinator is available to assist with transportation matters.

Rubio added, "We are also committed to ensuring that our patients receive culturally appropriate service. Navajo translators are available on site for any and all situations."

SPHC has an excellent relationship with the health care team at Flagstaff Medical Center (FMC). Under some circumstances for advanced specialty care, or for patients being discharged from FMC, patients may see SPHC health care providers for follow-up visits. A full time TCRHCC employee serves as a liaison between FMC, TCRHCC and SPHC.

An excellent working relationship also connects the Native American Community Action (NACA) medical staff with SPHC in coordinating referrals between the two facilities.

Sacred Peaks Health Center Hours

Regular hours of operation:

Monday – Friday from 8:00 AM – 5:00 PM

Patients are encouraged to call and make an appointment at 928-864-7333. SPHC offers routine and follow-up appointments that are scheduled for patients by the receptionist.

Pharmacy: Monday – Friday from 7:00 AM – 8:00 PM, and Saturday-Sunday from 9:00 AM–5:00 PM.



First Nations Podiatric Residency Program

Tuba City Regional Health Care

The First Nations Podiatric Residency is a comprehensive and challenging three-year program, based at Tuba City Regional Health Care Corporation (TCRHCC) in Tuba City. The program is part of the tradition of training residents at some of the most interesting and remote geographic locations with a high incidence of challenging surgical pathology. Participating health centers are spread across the Navajo Nation in Arizona, New Mexico and Utah.

TCRHCC and Midwestern University (MWU) at Glendale, Arizona, are program partners. Dr. McQueen Suen (Navajo) is the program's first resident.

Other participating health care centers include Crownpoint Health Care Facility, Crownpoint, New Mexico; Four Corners Regional Health Center (Shiprock Service Unit), Teec Nos Pos, Arizona; Gallup Indian Medical Center, Gallup, New Mexico; Hopi Health Care Center (Phoenix Area IHS), Polacca, Arizona; Tséhoostooí Medical Center (formerly Fort Defiance Indian Hospital), Fort Defiance, Arizona; and Winslow Indian Health Care Center, Winslow, Arizona.

Residents in the First Nations Podiatric Program will work in these wide-ranging health centers and face various cultural and social challenges beyond the demands of their medical specialty, in attempts to achieve optimal treatment outcomes in unique and rewarding training environments.

TCRHCC Podiatrist and Program Director, Keith Goss, has dedicated the past six years to educating students and residents on the Navajo and Hopi Reservations. Podiatrist Justin Faul has been involved in the same for the past two years.

Julie Maloney, physician assistant and Residency Program Administrator, is responsible for coordinating and organizing the various program activities and keeping the program compliant with national counsel standards. Maloney has been working and educating medical students on the reservation for the past four years.

Maloney comments, "Having MWU podiatry students

rotate through our facility every month has been a wonderful way to introduce these young, eager learners to a place where they can truly make a difference with their work. I'm very excited to be involved in making TCRHCC and other medical facilities across the Navajo Nation into medical teaching facilities."

"Many area patients are in crucial need of excellent podiatric specialty care and preventive education. Our students and residents have the opportunity to learn from these patients' extensive pathology from podiatrists who are experienced in this specific medical management, teaching what they know, so a high level of care may be extended across the reservation," Maloney added. "It is our goal that all of our residents will continue to work and provide the much-needed care here on the reservation after they graduate from our program."

First Nations Podiatric Residency Program was co-founded and is co-directed with Midwestern University, a major medical university dedicated to educating Native Americans to the health professions.

Accredited by the Council of Podiatric Medical Education, the program is designed to train future leaders in the profession by providing quality training in all aspects of podiatric medicine and surgery.

"Never let go of your dreams"

Dr. Suen's message to Tuba City students: "Never let go of your dreams"

Dr. McQueen Suen grew up in a hogan with no water



or electricity in Rock Point, Arizona. She slept on a sheepskin and lived nearby as a neighbor to the current Navajo Nation Vice-President's family.

This past spring, just a few weeks before Tuba City Boarding School's 8th Grade Promotion Ceremony, Dr. Suen, Podiatry Resident, and Dr. Letitia Lansing, Hand Surgeon, of TCRHCC, were invited to speak about their childhood on the Navajo Reservation and their jobs as surgeons in Tuba City.

Suen looked up to her childhood friend and neighbor, Mr. Rex Lee Jim. For a Native American with a similar background, she said, "I was very inspired to follow in his footsteps to succeed." She asked the students, "Who are your role models? Everyone should have a role model."

When a student at Rock Point Boarding School, Suen realized her role model was Dr. Anne Waneuka. "Dr. Waneuka visited my school and talked to us," she said. "Even though she wasn't a medical doctor, she made an impression on me."

On a scholarship after high school, Suen attended Cornell University, an Ivy League school in the state of New York. Before Suen could finish, she had a family and put school on hold. She raised two children, now 20 and 22. Her oldest son serves in the United States Army and is currently serving in Afghanistan. Her youngest daughter is taking a break from school and working at a local pizza restaurant.

After raising her family, Suen enrolled at Northern Arizona University (NAU), and then transferred to the University of Arizona. She transferred back to NAU where she completed her undergraduate degree. During these undergraduate years, she knew she still wanted to be a doctor, but didn't know what kind of doctor.

What Suen did know was that diabetes is a problem among her people. Foot problems commonly develop in people with diabetes and can quickly become serious. This led her to the specialty of Podiatry at Northwestern University, so she could help diabetes patients with foot problems.

Suen encourages students to never let go of their dream and to find their place in life.

"The lesson from me is, never let go of your dreams.



Everyone, including yourselves, have skills and talents. Don't let anyone tell you otherwise."

Suen says I'm not young like most students coming out of medical school. "Everyone's dream is a little different. Your dream should be something sacred to you," she told the students.

Another dream Suen had was to come home and work for her people.

"Coming to Tuba City to train on the reservation was part of my dream. I am very lucky to be in a community where I am close to home," said Suen. TCRHCC offers a residency program for podiatry in collaboration with Northwestern University.

"I always wanted to come back to the reservation. I was raised by my grandparents," said Suen. "They didn't speak English. They didn't have any western education."

Her grandmother would say, "Nihe'awee' na haan doodaal." Suen translated, my grandmother wanted me to come home.

Suen left the students with the thought, "What I hope you remember from this presentation, dreams are possible. I wanted to be a doctor for a long time."

This past year, TCRHCC has been reaching out to the young minds in the community as a way to inspire them about possible health careers. TCRHCC has taken that opportunity to encourage, educate, and empower students in the schools.

"The kids in the community mean a lot to the hospital," said Tanya Riggs, TCRHCC Deputy of Human Resources. "We want to introduce the many careers at the hospital."

Operating Revenue and Expenditures

FY 2011 Net Operating Surplus To Use for Vital New Facility/Service Improvements: \$7,751,318

Last fiscal year TCRHCC saw a total of \$129,182,480 in net revenue and \$121,431,162 in expenses. FY 2011 was a period of continued growth to 378,481 total visits for a 13.5% increase over FY10's 333,334 volume/workload visits. Driving the growth and higher level of patient services, \$9.7 million was invested in the purchase of capital property and equipment during FY 2011 compared to \$11.7 million in 2010. This means that more than our net operating surplus was invested back into the facility and modern medical technology.

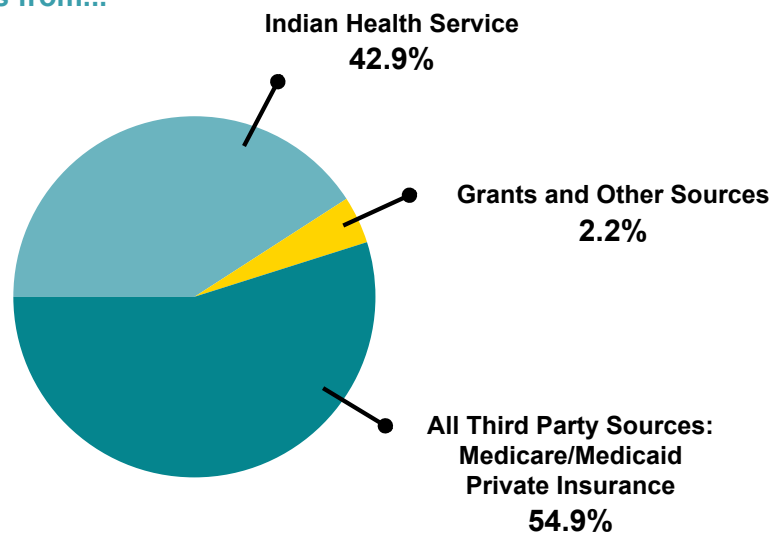
TCRHCC is committed to serving its entire population in all geographical areas. Fiscal year 2011 was a year of further extension and commitment serving these communities as completely as possible, and delivering medical services as efficiently as possible.

TCRHCC projects a need at the present for new capital improvements, expanded services and technology.

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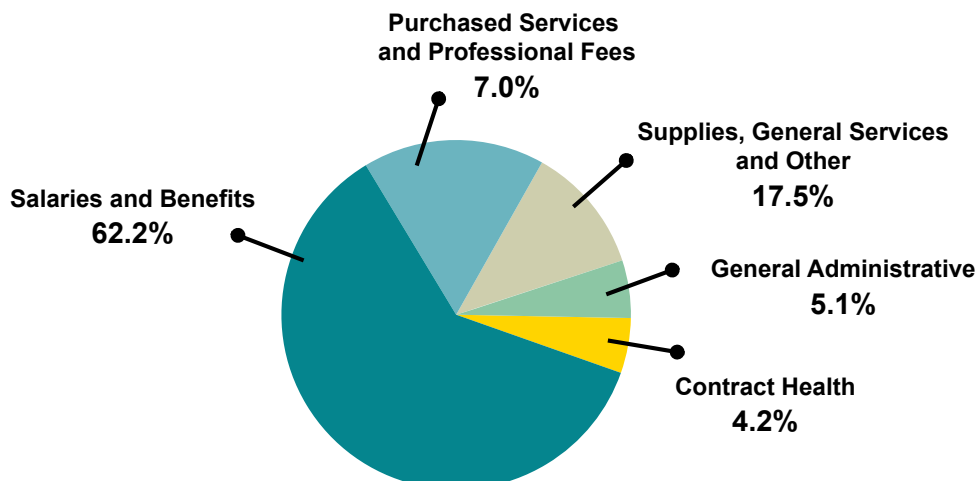
TCRHCC Revenue FY 2011

Where the money comes from...



TCRHCC Expenditures FY 2011

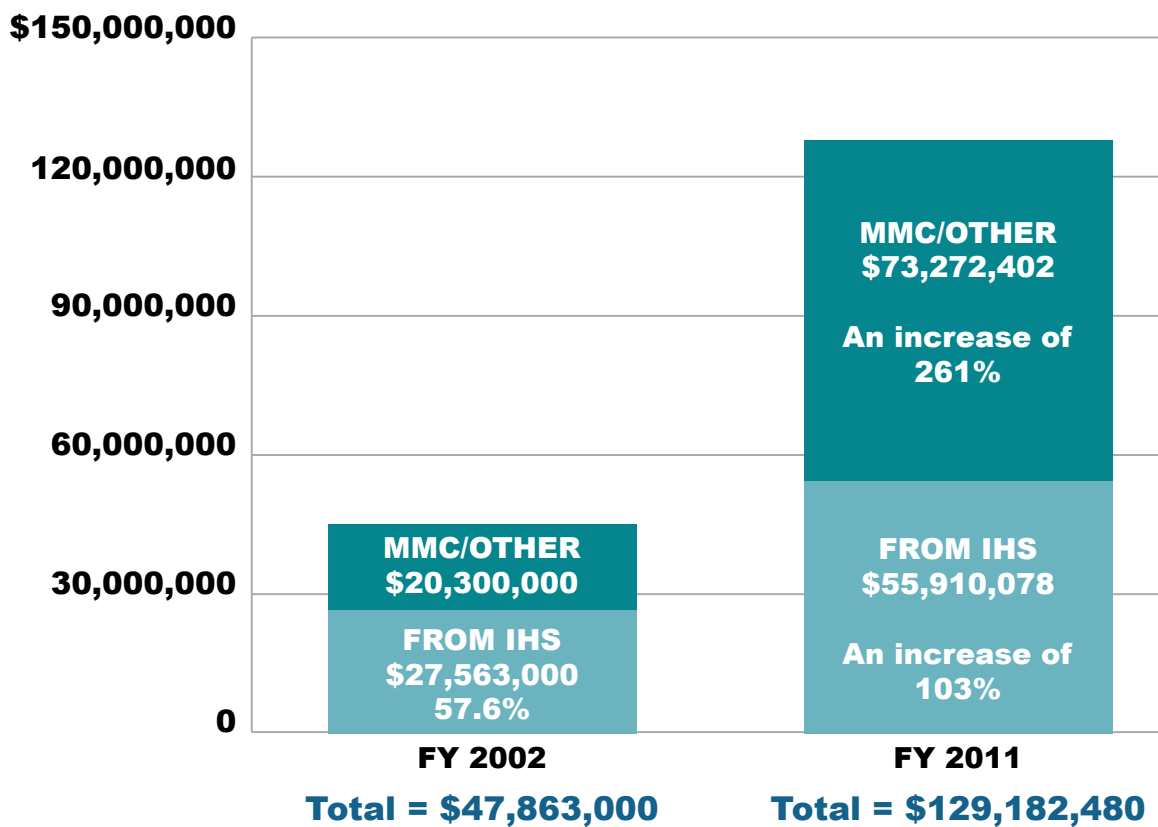
Where the money goes...



Revenue Sources FY 2002 - FY 2011

The chart below (Revenue Sources) compares the Fiscal Year 2002 (FY02) with FY11, is a reflection of the increase in the overall budget of TCRHCC since it became a Self-Governance health system. The nine-year growth is well over double and is indicative of key enhancements in additional health services,

technology and staff. The revenues generated by TCRHCC from third party sources, aside from IHS, have been increased by 261% and this has allowed TCRHCC to grow as a Regional Medical Center.



170%
*Increase
from 2002*

Patient Care Utilization Data -FY 2010

The TCRHCC Inpatient and Outpatient Summary Report displays patient visits by the Navajo Area Indian Health Service (NAIHS). Trends in patient care workload from 2002 to 2011 are readily apparent. This growth helps the hospital's ability to grow and to provide new health services because it helps set reimbursement and funding levels each year. This data includes patient visits, as well.

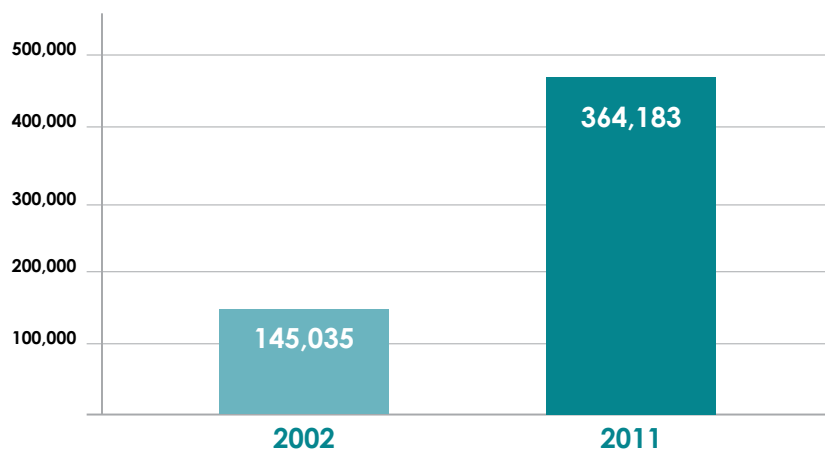
The average rate of total utilization growth has been 26% annually in the period of 2002 through 2011. The majority of growth occurred on the outpatient side, while some also came from inpatient activity, as shown in the tables below.

In FY 2011, total combined hospital inpatient and outpatient visits grew to a total of 378,481 visits. This

represents a +236% increase in total patient visits during the nine year period, growing from 160,134 visits in 2002.

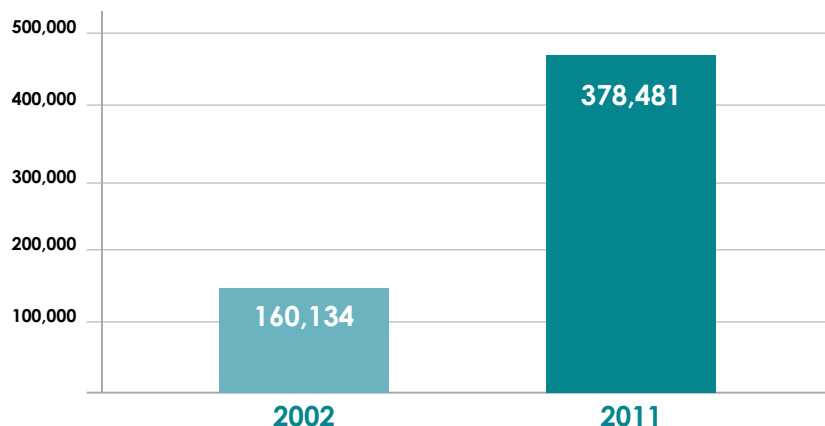
The outpatient visit growth of 14% in 2011 versus 2010 was favorably impacted by the expanded Outpatient Primary Care Center by pharmacy and other new services changes in hospital utilization like continued growth in Surgery Cases. Sacred Peaks Health Center and Cameron Dental also continued to grow. The need for additional housing for clinical staff continues to have a major bearing upon our ability to continue to grow with additional patient services, including inpatient, outpatient and emergency room services and other specialty services needed at TCRHCC as a regional medical center.

Total Outpatient Visits (FY 2011)



251%
Increase

Total Inpatient and Outpatient Visits (FY 2011)



236.4%
Increase

Inpatient and Outpatient Workload FY 2002 - FY 2011

INPATIENT		FY 02	FY 09	FY 10	FY 11	FY 02-11 CHANGE	FY 10-11 CHANGE
Hospital Discharges <i>(ACU, SB)</i>		3,458	3,140	3,334	3,353	-3.0%	0.6%
Inpatient Days		14,153	12,553	12,280	12,590	-11.1%	2.5%
Average Daily Census		38.0	34.4	33.1	34.5	-9.0%	4.2%
Newborns		512	507	508	521	1.8%	2.6%
Newborn Days		946	976	922	980	3.6%	6.3%
Total Inpatient Days		15,099	13,529	13,202	14,298	-5.3%	8.3%
Discharges		3,970	3,647	3,842	3,874	-2.4%	0.8%
ALOS		3.8	3.7	3.4	3.7	-2.6%	8.8%
OUTPATIENT		FY 02	FY 09	FY 10	FY 11	FY 02-11 CHANGE	FY 10-11 CHANGE
Total Outpatient Visits <i>Dental, PCPV's, Other</i>		145,035	257,288	320,132	364,183	251%	13.8%
GRAND TOTAL UTILIZATION		FY 02	FY 09	FY 10	FY 11	FY 02-11 CHANGE	FY 10-11 CHANGE
Inpatient & Outpatient Visits		160,134	285,916	333,334	378,481	236.4%	13.5%
Total Patients		27,115	28,634	28,595	32,200	18.8%	12.6%

Strategic Plan

FY 2012 - FY 2017

Mission

We provide accessible, quality, and compassionate healthcare and promote healthy lifestyles through:

- Courteous and culturally sensitive service;
- Innovation and responsiveness;
- Respect for community needs and values; and
- Shared responsibility for health.

Vision

To Heal. To Respect. To Console.

Seven Strategic Pillars:

- Financial Management
- IS/Data Management
- Quality/Process Improvement
- Facilities/Materials Management
- Staff Development
- Enhancement and Development of Services
- Advocacy

Integrated Regional Health System



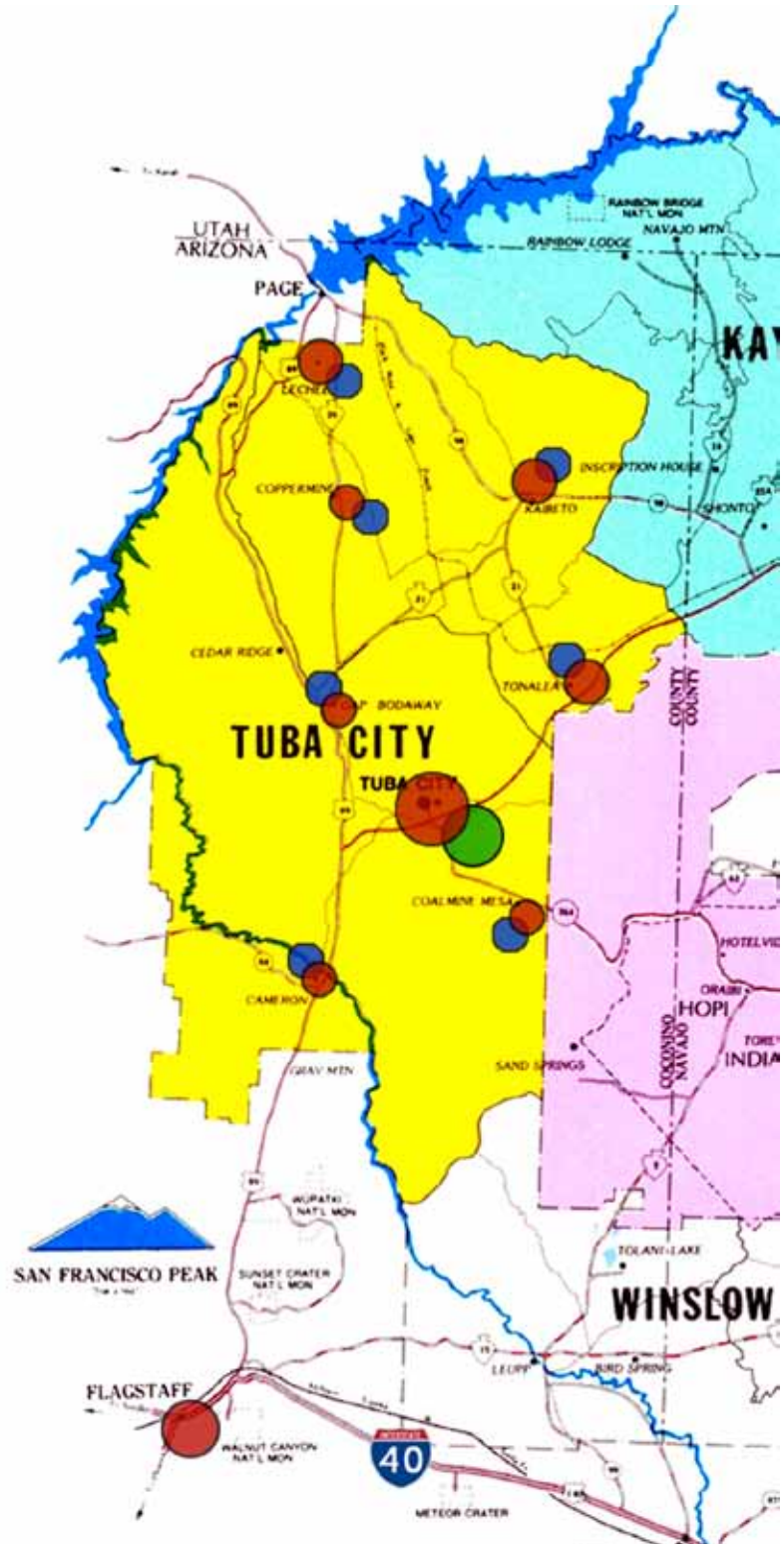
TCRHCC Regional Health System Master Plan (2012-2017)

An Integrated Health System with a Regional Medical Center Hub
and Network of Mobile / Fixed Satellite Health Services

- Lechee
- Kaibeto
- Coppermine
- Bodaway Gap
- Tonalea
- Moenkopi
- Cameron
- Flagstaff
- Coalmine

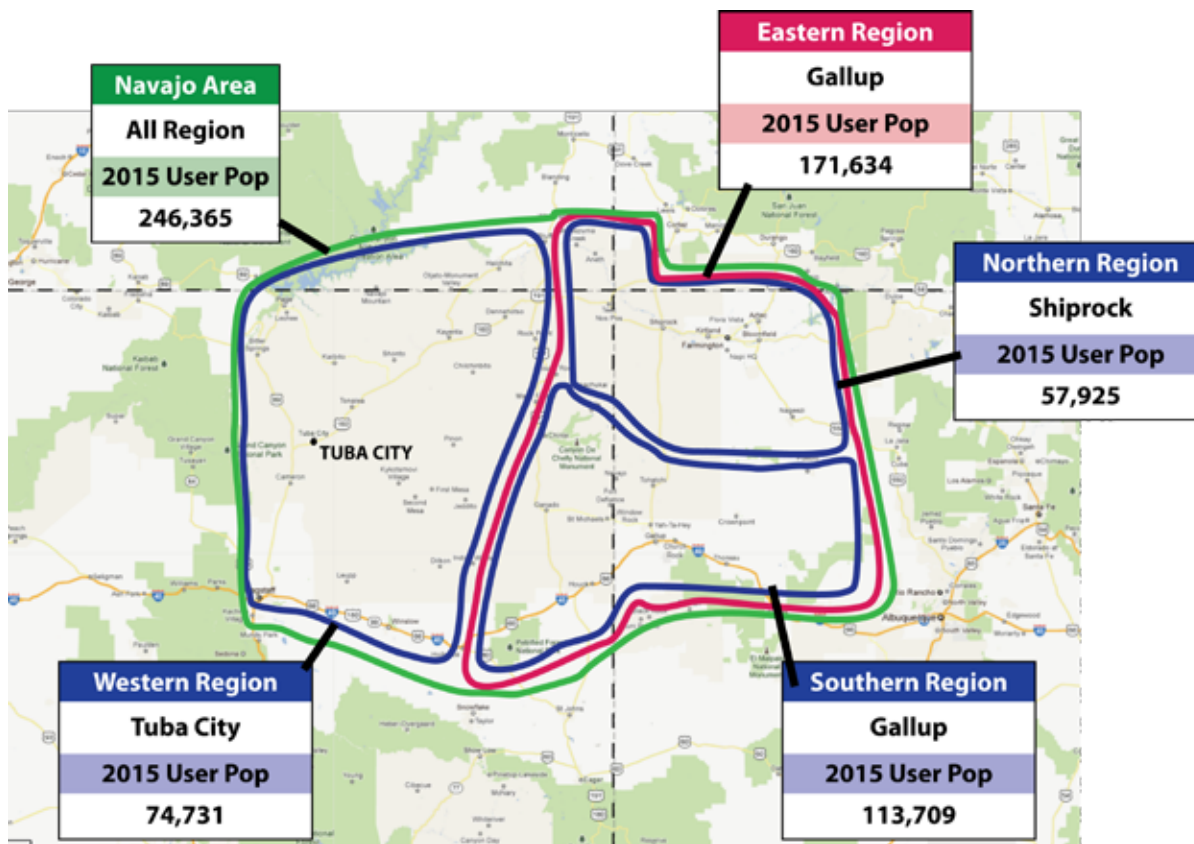
● LTC

● ILC



User Population-Navajo Area Indian Health Services (IHS)

Tuba City Service Unit, Gallup Service Unit, Navajo Area, Shiprock Service Unit





Advocacy Priorities

Tuba City Regional Health Care Corporation

Health Care on the Navajo Nation

The Indian Health Service (IHS), an agency within the Department of Health and Human Services, exists to provide health care to American Indians and Alaska Natives based upon the federal government's trust responsibility under the Commerce Clause of the Constitution, treaties, laws, Supreme Court decisions, Executive Orders and Snyder Act of 1921. The Navajo Area Indian Health Service (NAIHS) is responsible for the delivery of health services to American Indians in and around the Navajo Nation, including members of Navajo, Hopi, and San Juan Southern Paiute tribes. NAIHS facilitates eight service units on the Navajo reservation, including the Tuba City Service Unit.

Health Care at Tuba City Regional Medical Center

Since September 2002, Tuba City Regional Health Care Corporation (TCRHCC) has had a P.L. 93-638 Indian Self-Determination Contract with the IHS through which we essentially step into the shoes of IHS to run the Tuba City Hospital. Our 73 bed regional referral facility is the only regional hospital and health system on the reservation not operated by IHS. Our staff provides health care to 75,000 patients in a 6,000 square mile referral service area that extends from the state of Utah to Flagstaff and the Grand Canyon.

We provide inpatient, outpatient and 24/7 emergency care and trauma services, including clinical and patient support services that span the medical spectrum. Through us, patients can receive a full range of preventive health and wellness services, as well as mental health and dental services. Our doctors, nurses and other medical personnel provide first world medicine on a reservation known for its third world conditions, where residents endure some of the worst infrastructure in the country.

Recent Accomplishments

TCRHCC provides extremely high quality care and is recognized for a number of unique distinctions:

May 2009, TCRHCC was the first tribal reservation-based medical center to receive a Level IV ACS trauma center designation, and we're submitting Level III now.

TCRHCC is one of only two IHS health centers in the United States that performs total joint replacement surgery.

Our Cardiac Rehabilitation Program was the first in any IHS facility to be Medicare certified.

TCRHCC just opened a brand new primary care outpatient facility that was built without relying upon any federal funds. Rather than be placed upon a decades long IHS construction waiting list, we secured a private financing bond to pay for this new building ourselves.

Priority Requests to Congress Cut Red Tape of Land Transfer Approvals

The staff housing available for our doctors, nurses and other health staff on this rural and remote reservation is old employee housing stock inherited from IHS. Adequate staff housing is essential to recruit and retain qualified professional faculty and staff because no other local housing is available. We currently need at least 50 more units. Before we can even begin the building process, we must have the ability for long-term use of these land parcels from IHS and the Bureau of Indian Affairs. Such land transfers now require us to engage in duplicative and inconsistent procedures to satisfy each agency, which takes years.

We ask you to write a letter to the Secretaries of Interior and HHS to inquire what they are doing to cut red tape to avoid costly delays in much needed improvements within tribal communities.

Support Innovative Financing that Saves Time and Money

The IHS Joint Venture Construction Program (JVCP) is a key to entrepreneurship in Indian Country. It supports an innovative partnership, whereby tribes finance and pay to construct new facilities for which IHS provides the ongoing operating and maintenance costs. For example, through this program, we could soon finance the total replacement of our structurally deficient Main Inpatient Hospital Building, whose remediation would otherwise cost the federal government an estimated \$120 million or more, and take decades to realize. In exchange for us financing construction of the new building (which we desperately need due to hospital overcrowding and earthquake seismic damage, both of which are getting worse) IHS would cover ongoing operations staffing and maintenance costs. We estimate this entrepreneurial approach alone would save the federal government at least \$60 million on this critical need.

We ask for your active support and assistance in pursuing a successful JVCP priority project.

We would like to “compact” the Bodaway Gap Health Center which is on the I.H.S. National Priority Facilities list and projected to cost via I.H.S. nearly \$50 million including quarters if built within I.H.S.’s traditional closed procedure. If we could do this ourselves, we could accomplish the same size facility for approximately one half the cost (and save years of wait time) of the national I.H.S. construction rate. As a Title V I.H.S. program, we can also sharpen our pencils, get stronger bids and cut years off the completion.

We ask you to advocate funding of this important program in the FY’12 Interior Appropriation Bill by sending a letter from the Resources to Appropriations Committee.



Include Medicaid Reimbursement Rates in Navajo Medicaid Project Study

The current IHS Medicaid reimbursement rate is based upon agency convenience rather than financial realities. The current reimbursement rate is \$294 per client visit, regardless of whether that visit is for a sore throat or open heart surgery. While this one rate of pay makes it easy for bureaucrats to count, it makes it nearly impossible for us to keep up with the high cost of modern medicine, as \$294 cannot begin to cover the cost of high intensity critical care, which can cost up to \$30,000 per patient.

We ask you to call Secretary Sebelius to request that the newly authorized Navajo Nation Medicaid Agency Feasibility Study include a section that analyzes the true cost of providing modern medical treatment on the Navajo reservation, and considers alternatives to the current one-size-fits-all Medicaid reimbursement rate.



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22



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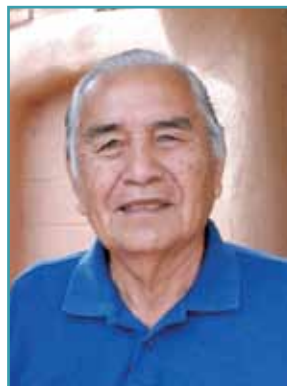
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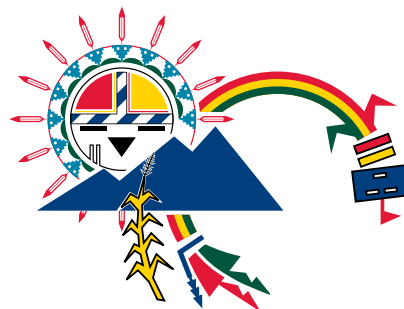
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