Billings Clinic

Billings Clinic is a not-for-profit, physician-led, community governed organization which includes the largest multi-specialty physician group practice in the Northern Rockies, a 272-bed medical center and affiliate sites located throughout eastern Montana and northern Wyoming.

The mission, organizational structure and overall operation of Billings Clinic are inspired by the world renowned Mayo Clinic multi-specialty integrated group practice model – the universal “gold standard” in medical treatment. The integrated approach to care Billings Clinic follows is based on the premise that patients receive the best treatment when their doctors employ a team approach to thoroughly investigate medical problems. The underlying objective of the clinic’s doctors is to provide the finest and most effective health care, education, and research for the benefit of the patients we serve.

Billings Clinic provides comprehensive inpatient and outpatient care to patients from Montana, Wyoming and the western Dakotas. The clinic has over 320 physicians, physician assistants and nurse practitioners in 51 specialties, who offer a full array of medical and surgical treatments at a level that is unusually comprehensive and advanced for a city the size of Billings. In 2012, more than 148,000 individual patients visited Billings Clinic primary and specialty care clinics, with more than 901,000 patient encounters, and we cared for more than 14,200 hospitalized patients.

In fiscal year 2012, Billings Clinic provided over $45 million in community benefit including charity care, Medicare and Medicaid shortfalls, community health improvement services, health professionals’ education, subsidized health services and research. Billings Clinic is the largest provider of charity care (by dollar amount) in the state.

Through formal affiliations with eight rural hospitals located in Montana and Wyoming, Billings Clinic shares its medical and management expertise. Each year, more than 52 Billings Clinic physicians in 18 specialties travel in excess of 275,000 miles to provide outreach clinics in rural and tribal communities across Montana, Wyoming, and North Dakota. They provide more than 97 clinic days of outreach services per month, bringing teams of specialists and sub-specialists to areas of severe physician shortage.

In January of 2013, Billings Clinic proudly became a member of the Mayo Clinic Care Network after passing a rigorous review process. Through this collaboration, patients with very complex health issues will have more efficient access to some of the world’s most highly specialized clinical care at Mayo Clinic, and fewer patients will have to travel out of our region for certain expert care.
Billings Clinic traces its roots back over a century to when Deaconess Hospital was officially incorporated in 1907 and to when Dr. Arthur J. Movius established a general medical practice in Billings in 1911.

As Billings’ population grew, so did the need for additional hospital space. The Reverend Charles D. Crouch was recruited by Methodist Bishop Charles Wesley Burns in 1922 to conduct a community fundraising campaign that yielded more than $75,000. The cornerstone of the new hospital building was laid in 1923, yet its opening was delayed until 1927 due to World War I. The new hospital had 58 beds and a medical staff of 12 physicians and 16 nurses. In 1943, a student nurse residence hall was constructed, and in 1952, the hospital’s north wing was added, increasing bed capacity to 144 and expanding other critical services. In 1961, a south wing was added, increasing the number of beds to 205 and enlarging pediatrics. During the 1960s and 1970s, Deaconess Hospital continued to expand its services and capabilities. In 1972, the hospital conducted Montana’s first open heart surgical operation.

Billings Clinic evolved from the general practice of Dr. Arthur J. Movius. In 1915, Dr. J.H. Bridenbaugh joined Movius to provide obstetrics care and radiology services. By 1939, three additional physicians joined the Movius-Bridenbaugh Clinic with training in general medicine, obstetrics, and “skills in the management of fractures and trauma problems.” As a reflection of their team approach to medicine, the group devised a plan to make its physicians partners in the practice, and changed the practice name to The Billings Clinic. Growth of the clinic after World War II required expanded facilities to accommodate new physicians and their patients. In 1950, construction of a new clinic building began across the street from Billings Deaconess Hospital.

Over the past 100 years, the original Billings Clinic medical group has grown from a single physician into an enterprise that includes the largest multi-specialty group practice in Montana and the northern Rocky Mountain region. In 1993, Billings Clinic and Deaconess Hospital officially merged to become Deaconess Billings Clinic. In 2006, the combined organization was renamed Billings Clinic.
Billings Clinic was named one of the nation's 100 Top Hospitals® by Truven Health Analytics. Truven Health Analytics is a leading provider of unbiased information and solutions to improve the cost and quality of health care. Billings Clinic was evaluated among 2,922 short-term, acute care, non-federal hospitals in the areas of mortality; medical complications; patient safety; average patient stay; expenses; profitability; patient satisfaction; adherence to clinical standards of care; post-discharge mortality; readmission rates for acute myocardial infarction (heart attack); heart failure; and pneumonia. Hospitals do not apply for this ranking, and winners do not pay to market this honor. We are the only hospital within a four-state region to be ranked in the Top 100.

Billings Clinic is unconditionally accredited by the Joint Commission, the nation’s leading hospital approval agency. Billings Clinic is also certified by the Joint Commission as a Primary Stroke Center and has received advanced certification for joint replacements of hips and knees.

Our Quality Journey

Quality is not just another word at Billings Clinic, it is our mantra. The awards, designations and recognitions we receive are the result of our team’s obsessive dedication to patient safety, quality, service and value. This is a journey that has been years in the making and is without end. Noteworthy highlights, such as being ranked number one in the nation for patient safety by Consumer Reports and the “A” rating we received from the Leapfrog Group Hospital Safety Score Program are evidence of our commitment to continuous improvement.

This last year, Billings Clinic was accredited as an Accountable Care Organization (ACO) from the National Committee for Quality Assurance (NCQA). We are one of the first four health care organizations in the nation to receive this accreditation. The NCQA ACO Accreditation program provides guidance and standard for provider-led organizations to demonstrate their ability to improve quality and the patient experience while reducing the cost of care. This milestone achievement signals the progress we are making to achieve our goal to provide coordinated care to all of our patients and provide the best clinical quality, patient safety, service and value.

While Billings Clinic takes great pride in the honors and rankings bestowed on us, we remain forever focused on the individual experience of each of our patients and their positive outcomes. This is the true measure of success and the journey is never ending…
Billings Clinic is designated as a Magnet® hospital by the American Nurses Credentialing Center, a division of the American Nurses Association. This is the second time Billings Clinic has achieved Magnet status, the highest honor an organization can receive for professional nursing practice. Only 6.61% of all registered hospitals achieved ANCC Magnet Recognition status, according to American Hospital Association Fast Facts on US Hospitals, 2011. Billings Clinic is the first and only facility with this distinction in Montana and Wyoming.

U.S. News & World Report recognizes Billings Clinic as one of the Best Regional Hospitals for Diabetes & Endocrinology, Nephrology, Gynecology and Pulmonary care. Billings Clinic’s Transitional Care Unit (TCU) has also received the highest possible overall rating of five stars in U.S. News & World Report’s fifth annual Best Nursing Homes. Our Transitional Care Unit bridges the gap between a patient’s hospital stay and their return home. TCU patients need less intense care than provided in a traditional hospital setting and more intense care than offered in a skilled nursing facility.

Billings Clinic received the Silver Beacon Award for Critical Care Excellence from the American Association of Critical Care Nurses for continuously demonstrating learning and effective systems to achieve optimal patient care. Our Critical Care Unit is the only Beacon designated unit in our five-state region.

This recognition for the second year running from WomenCertified® identifies the country’s best health care institutions based on robust criteria that consider female patient satisfaction and what women say they want from a hospital including quality physician communications, responsiveness of nurses and support staff, cleanliness and trusted referrals from other women.

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Billings Clinic has been designated a Breast Imaging Center of Excellence by the American College of Radiology. Billings Clinic’s Breast Center earned accreditation in mammography, stereotactic breast biopsy and breast ultrasound (including ultrasound-guided breast biopsy).

Billings Clinic is also accredited by the American College of Surgeons-approved Community Hospital Comprehensive Cancer Program and recognized by the Quality Oncology Practice Initiative (QOPI) Certification Program, an affiliate of the American Society of Clinical Oncology (ASCO). Billings Clinic Cancer Center is the only QOPI certified site in Montana and Wyoming.

Billings Clinic has received the Get with The Guidelines® Stroke Gold Plus Quality Achievement award from the American Heart Association/American Stroke Association for four years in a row.

Billings Clinic is a member of the National Cancer Institute Community Cancer Centers Program, one of only 21 cancer centers in the United States. This collaboration extends the latest in clinical research trials, custom-tailored therapies, cancer prevention education and personal assistance through nurse navigation to cancer patients who live in our vast region. We are the only NCCCP site in all of Montana, Wyoming and Idaho.

Billings Clinic has been awarded the honor of being an Accredited Chest Pain Center with Percutaneous Coronary Intervention by the Society for Cardiovascular Patient Care. We are the only accredited center in Montana, Wyoming and North Dakota. Billings Clinic is also accredited by the Intersocietal Commission for the Accreditation of Echocardiography Laboratories. The accreditation recognizes Billings Clinic for its commitment to providing quality testing for the diagnosis of heart disease.

Billings Clinic has been designated a Breast Imaging Center of Excellence by the American College of Radiology. Billings Clinic’s Breast Center earned accreditation in mammography, stereotactic breast biopsy and breast ultrasound (including ultrasound-guided breast biopsy).
Billings Clinic plays a major leadership role in maintaining the health and well-being of hundreds of thousands of people who live and work in the vast multi-state region it serves.

- Billings Clinic’s hospital and clinics serve the health care needs of more than 618,000 people in eastern Montana and northern Wyoming. In 2012, Billings Clinic’s outpatient care clinics provided care in more than 901,000 patient visits.
- In 2012, Billings Clinic’s hospital treated approximately 14,200 inpatients and provided care for more than 87,000 outpatient visits and procedures.
- Billings Clinic’s Emergency Department offers rapid and comprehensive 24-hour-a-day response to virtually any medical emergency. In 2012, Billings Clinic provided emergency medical care in 39,200 patient visits. The Emergency Department is ably staffed by board-certified emergency physicians and certified emergency nurses.
- Billings Clinic’s Level II Trauma Center is one of only two trauma care services in a vast region encompassing 127,800 square miles. In 2012, Billings Clinic’s MedFlight emergency air transport service provided the most advanced life support measures for more than 592 critically ill or severely injured patients.
- Billings Clinic’s Cancer Center offers more than 120 clinical research trials for new therapies and enters nearly ten percent of its cancer patients into clinical trials and in 2012 provided care in 48,700 patient visits.
- Billings Clinic’s Family Birth Center delivered nearly 1,400 babies in 2012 and treated 194 infants in Billings Clinic’s Neonatal Intensive Care Unit (NICU).
- The Billings Clinic Research Center, established in 1988, conducts 40 to 50 ongoing clinical trials annually of new experimental and marketed drugs in diseases such as Alzheimer’s, asthma, pulmonary disease, diabetes, glaucoma, gout, myopia, myocardial infarction, and many more.
- The Billings Clinic Laboratory performs over one million laboratory tests each year and acts as a regional reference laboratory for numerous hospitals and labs in the region.
- More than 500 community volunteers serve the needs of Billings Clinic patients, visitors and staff, sharing their time and expertise in more than 40 different departments and support areas.

Impact on our Region

In fiscal year 2012, Billings Clinic provided a community benefit of more than $45 million in health care services, including:

- $14.7 million in charity care (financial assistance) provided to 5,500 needy patients without medical insurance;
- $9.7 million in subsidized health services;
- $3.2 million in community health improvement such as free health screenings, medication assistance and education;
- $2 million in health professions education to train the next generation of physicians and health care workers;
- $3.4 million in research trials that benefit current and future patients with diseases such as diabetes and cancer;
- $11.7 million in unreimbursed expenses involving Medicare and Medicaid patients.
Billings Clinic is constantly undergoing a thoughtful strategic planning process to achieve our vision of being a national leader in providing the best clinical quality, patient safety, service and value for our patients. A critical part of achieving this vision is comprehensive master facility planning. Just as health care has moved toward the practice of evidence-based medicine in which clinical choices are based on solid scientific research, health care design is increasingly connected to rigorous research linking physical environment to critical factors such as patient safety, healing and emotional well being. As the needs of our patients, advancing medical technology and new methods of health care delivery evolve, compounded with aging facilities, inadequate space and limited resources, Billings Clinic is challenged as an organization to constantly improve our facilities to support the best practice of medicine for the benefit of the patients and families we serve.

With the care of our patients at the forefront and the desire to improve patient care for generations to come, the Board of Directors at Billings Clinic approved the following projects to be prioritized for completion by the year 2015:

- Building a new outpatient Cardiac Center
- Building a new Intensive Care Unit
- Major expansion and renovation of the Operating Rooms
- Building a new Ambulatory Telemetry Unit
- Expansion of the Family Birth Center and Neonatal Intensive Care Unit
- Building an inpatient Pediatric Unit
- Expansion of the Laboratory
- Renovation of the Clinic
The Need for a new Outpatient Cardiac Center

Billings Clinic Cardiovascular Services provides prevention, diagnosis, treatment and rehabilitation of heart disease through the most comprehensive and longest-running heart program in our multi-state region. The vision of our Cardiovascular Team is to be the premier destination center for cardiovascular care in our multi-state region. The core values of accountability, partnership, integrity, commitment, respect and compassion are at the “heart” of every patient interaction.

Billings Clinic’s many cardiac treatment resources together provide heart care that is certainly excellent by regional standards. However, while Billings Clinic possesses many of the medical and treatment service and program elements necessary to be the leading destination cardiac center for the region, we lack the centralized, state-of-the-art facilities needed for cardiac diagnosis and treatment services that are multidisciplinary, integrated and delivered in a seamless manner. Currently, outpatient cardiology is located at the 27th Street Office Complex in a building that was not designed for patient care. Cardiology services are fragmented over three floors, and the current space is poorly designed and inadequate to meet current and future need. The space for cardiac rehabilitation is severely limited, impacting our patients’ ability to start rehabilitation in an optimal time frame.

The Plan for the new Outpatient Cardiac Center

The new Billings Clinic Cardiac Center will be located on the top floor of a two-story addition to the main clinic facility above SameDay Care. To be completed in 2014, the new 20,000 square foot outpatient facility will include additional exam and diagnostic testing rooms and a greatly expanded Cardiac Rehabilitation Suite. Most importantly, the new center will bring outpatient cardiac services back into the main clinic supporting greater interaction between key service lines such as primary care, surgery and the hospital.

The new Cardiac Center will be intentionally designed as a healing environment to minimize stressors – comfortable, efficient and supportive for our cardiac patients and their families, and easily accessible to parking and valet services.

Some of the specific components of the new Cardiac Center facility will be:

- Cardiology Outpatient Clinic
- Electrophysiology Clinic
- Cardiac Device Clinic
- Heart Failure Clinic
- Cardiac Rehabilitation Suite
- Diagnostic Testing Suite
- Nuclear Medicine Imaging Suite
- Patient support programs including palliative care, nutrition education and counseling
The Need for a new Intensive Care Unit

The Intensive Care Unit (ICU) is a progressive 22-bed unit at the heart of critical care services at Billings Clinic. Our ICU has received national recognition for its transformative work in evidence-based practices and patient safety measures. Billings Clinic received a 2013 Silver Beacon Award for Critical Care Excellence from the American Association of Critical Care Nurses for continuously demonstrating learning and effective systems to achieve optimal patient care. Our Intensive Care Unit is the only Beacon designated unit in a five state region.

Built in 1979, the ICU has undergone multiple remodeling efforts to keep pace with the rapidly advancing technology and care practices for the critically ill. While critical care at Billings Clinic remains at the forefront, the existing unit has severe physical limitations that cannot be overcome with remodeling and prevent optimal care delivery. Current physical challenges include: inadequate room size limiting access to our patients and restricting the number of family members that can be at the bedside; no exterior windows in patient rooms adding to a patient’s confusion as they struggle with orientation to day and night; and the absence of private bathrooms affording patients the privacy they need.

The Plan for the new Intensive Care Unit

Billings Clinic plans to construct a 24-bed Intensive Care Unit on the second floor of the building which houses the Emergency & Trauma Center. The new ICU will address the challenges of the existing Intensive Care Unit and support the needs of our critically ill patients. The new Intensive Care Unit features:

- 24 private patient rooms, over twice the size of current ICU rooms. Each room will be equipped with a private bathroom.
- Family waiting areas specifically designed with the needs of family members and friends of a critically ill patient in mind.
- Satellite pharmacy to allow for quick access to all needed drug therapies.
- Conference room for large family meetings, staff education classes and multi disciplinary team meetings.

Patient rooms will have large exterior windows to maximize daylight exposure and those facing north will offer beautiful views of the Rims and the Deaconess Healing Garden. Rooms will have designated areas for the patient’s family allowing for unrestricted visitation. Patient beds will be positioned to allow for full 360 degree access to the patient, and state-of-the-art technology will be incorporated into each room. To help minimize environmental stressors, patient rooms and gathering areas will have comfortable furnishings, soothing colors, peaceful artwork and noise-reducing measures and materials.
The Need for the Expansion and Renovation of the Operating Rooms

Although few have been behind the double doors leading into the operating rooms, they are a critical component of care at Billings Clinic. Over 45 surgical specialists in 14 specialties operate 24 hours a day, seven days a week. Current operating rooms were built over 30 years ago with the last major renovation 12 years ago.

Although the recently completed Outpatient Surgery Center is serving the growing trend toward outpatient procedures, five-year trends show growth in the hospital setting as well. The current lack of operating rooms necessitates routine cases being started late in the day, a less than ideal situation for patients anxiously awaiting surgery. Current operating rooms are inadequate in size to accommodate today’s sophisticated equipment – from robots to lasers to complex video equipment. In addition, space limitations result in patient care being fragmented between two hospital floors.

The Plan for the Expansion and Renovation of the Operating Rooms

Designed in six phases, the Operating Room expansion and renovation will allow for all phases of the surgical experience to take place on the same floor. Planning for the operating rooms includes:

- 13 state-of-the-art operating rooms designed with patient safety at the forefront. All rooms will be appropriately sized to meet the demands of today’s technology. Special attention is being given to the flow and efficiency of the operating rooms with the end result being greater patient safety.

- Moving of all phases of the surgical process to one floor from preoperative check-in and care to recovery. This will greatly enhance the patient experience, prevent disruption in care and decrease presurgical waiting times.

- Expanded family waiting rooms, allowing for dedicated private space for surgeons to visit with family after surgical procedures.
The Need for a new Ambulatory Telemetry Unit

The care of hospitalized patients with cardiac or vascular disease requires physicians and nurses to possess specialized training to provide the broad range of care needed by our patients. Expert treatments include the post operative care of an open heart surgery patient, the complex care of a patient requiring the assistance of a ventilator to breathe, the stabilization and initiation of rehabilitation of a patient suffering a debilitating stroke, or the close observation and education needed for a patient recovering from a significant heart attack.

In addition to their overwhelming physical needs, hospitalized cardiac patients require an expert support system to handle their intense emotional needs after experiencing a major life event. All this is best provided in a dedicated unit where nurses are specifically trained to care for cardiac patients.

While inpatient cardiac care at Billings Clinic is currently clinically appropriate, the existing ATU is far too small and poorly designed to meet the space and care requirements for the seamless delivery of comprehensive cardiac care our patients need and deserve.

The Plan for the new Ambulatory Telemetry Unit

Billings Clinic plans to construct a 29-bed Ambulatory Telemetry Unit (ATU) primarily dedicated to the care of cardiac patients on the third floor of the building which houses the Emergency and Trauma Center.

The new ATU will address the challenges of the existing ATU and support the needs of hospitalized cardiac patients. The new ATU will feature:

- 29 private patient rooms, with handicap accessible bathrooms and walk-in showers
- Family gathering areas
- Dedicated space for patients to engage in physical, occupational and speech therapy
- Private consultation room
- Satellite pharmacy
- Nourishment stations conveniently located throughout the unit for 24-hour access to nutritious snacks and beverages

Each patient room will be approximately 275 square feet in size, almost double the size of current ATU patient rooms. Rooms will have large exterior windows to maximize daylight exposure and lovely views of the Rims and the Deaconess Healing Garden or the Beartooth Mountains.

Designed for patient safety and healing, the rooms will have specific zones for the patient, caregivers and family. Dedicated space for the family will allow them a place to sleep at night so they may remain at the bedside. Patient rooms will feature advanced medical technology including the ability to constantly monitor a patient’s heart rhythm regardless of their location within the ATU.
The Need for the Expansion of the Family Birth Center and Neonatal Intensive Care Unit

Last year, Billings Clinic welcomed over 1,400 new lives into the world at our Family Birth Center. The philosophy of the Family Birth Center is centered on mother and baby together, supported by family and friends. Our Family Birth Center is designed to allow mothers to labor, give birth, and care for baby all in the comfort of a private birth suite. This family-centered care model prevents the discomfort and inconvenience of mothers needing to move from room to room during this very private, important family time.

Our Family Birth Center and Neonatal Intensive Care Unit have experienced significant growth over the past few years. A factor contributing to this growth is our maternal/fetal medicine program which specializes in caring for expectant mothers with high-risk pregnancies or who are experiencing complications of their pregnancy. Providing highly specialized care for these moms-to-be often requires extended hospitalization before the birth of their baby. The goal is to provide mothers with the advanced care they require to allow their unborn babies to continue to grow and thrive as long as possible. If these babies are born too soon or suffer complications, they may require the highly advanced care of the specially trained physicians and nurses in our Neonatal Intensive Care Unit. In addition, our Reproductive Endocrinology and Infertility program is also contributing to the increase in demand we are experiencing in the Family Birth Center.

The expert care of our obstetricians, family medicine physicians, pediatricians, specialists and nurses combined with the popularity of our single room LDRP model of care has led to a situation in which our Family Birth Center and Neonatal Intensive Care Unit is often at capacity. Expectant moms receive all their prenatal care at Billings Clinic, have attended childbirth classes here and have toured the Family Birth Center in anticipation of the arrival of their little one. To be told at the last moment they are unable to deliver their baby at Billings Clinic due to a lack of available rooms creates a difficult and stressful situation for our expectant moms and their families.

The Plan for the Expansion of the Family Birth Center and Neonatal Intensive Care Unit

The relocation of the current ATU will allow for the expansion of Family Birth Center with the addition of six family birth suites. The Neonatal Intensive Care Unit will be able to increase their capacity from caring for 13 babies to 18 babies. This much needed expansion will allow for more families to begin their first days of life's journey at Billings Clinic under the compassionate and skillful guidance of our Family Birth Center staff.
The Need and Plan for the Expansion of the Laboratory

The Laboratory is an essential component to patient care, and as our organization’s service needs grow, the Laboratory must grow to keep pace. Growth was anticipated when the Family Birth Center wing was added in 1999, and 3,000 square feet of shelled space is available for the expansion. Planning and construction for the Laboratory expansion will take place in 2013.

The Need and Plan for the Renovation of the Clinic

The planning process for the clinic is still underway. Multiple departments are experiencing a shortage of clinical space to meet current demand, let alone accommodate for future growth. CTA and the facility planning committee are in the process of evaluating all facility needs in the clinic with recommendations for approval in 2013.

The Need for an Inpatient Pediatric Unit

Every parent hopes to raise a healthy, happy child. Unfortunately, the reality of childhood disease or illness endangers this wish, and the need for specialized care becomes crucial. This is where the children’s care team at Billings Clinic steps in, offering primary care in Pediatrics and Family Medicine as well as specialized care in allergy, cancer, cardiology (beginning in the summer of 2013), dermatology, diabetes, gastroenterology, pulmonology, neurology, neurosurgery, ophthalmology and psychiatry.

The demand to expand services that provide expert, seamless, coordinated care for children confronted with diseases other than the typical childhood illnesses has increased our need to provide state-of-the-art inpatient care. Currently, pediatric patients admitted to the hospital at Billings Clinic are spread throughout our adult inpatient care areas.

The Plan for the Inpatient Pediatric Unit

To be constructed in space formerly occupied by the ATU, patient rooms will be specifically designed to create dedicated space for family members who are essential to the well-being and healing of our young patients. Each room will be equipped with a sleeper sofa allowing parents to comfortably spend the night at their child’s bedside. Plans for the unit include a cheerful treatment room, where all procedures or treatments that may cause a young patient discomfort, will be performed. This allows children to have a sense of security in knowing their patient room is a safe haven.

An “imagination” room will offer children much needed diversion and comfort as they deal with the often frightening experience of being hospitalized. A nourishment center will be stocked with healthy snacks and treats and give families a space to heat up favorite meals from home. State-of-the-art security measures will be incorporated into the unit design, giving parents peace of mind that the safety of their children is ensured if they cannot be at the bedside.
The decision by our Board of Directors to embark on multiple construction projects within the next two years was based on the critical need for each of these projects. Many of these projects were to be completed following the construction of the Cancer Center in 2009, but the fiscal crisis facing our country slowed down the planning and construction of many of these imperative facility expansions. Additionally, access to capital due to frozen credit markets greatly hampered the ability to help finance a significant portion of the cost of construction.

The projected cost to build and equip the needed projects outlined is $42 million. Billings Clinic will pay $33 million through borrowing, leaving a balance of $9 million. With the uncertainty in health care reform, in addition to our routine equipment and technology needs, Billings Clinic is simply not in a financial position to borrow more than $33 million at this time. Nor can we prudently use money from cash reserves. Billings Clinic has asked Billings Clinic Foundation to raise the $9 million needed to complete the projects through philanthropic support.

This is the position of the vast majority of not-for-profit health care organizations across the country today. They are not in a financial position to fund day-to-day operational and equipment needs and undertake large capital projects to expand and upgrade facilities and services without significant philanthropic support.

Billings Clinic Foundation has accepted this challenge, and has launched a fundraising effort to raise the funds necessary to support the building of these vitally needed projects which will improve care for generations to come.
Every health care organization in the country that has achieved advanced levels of excellence has received philanthropic support to help make this possible. There is not a single exception. The same is true for Billings Clinic. Philanthropy has led us to where we are today helping provide our vast region with a level of care previously not available.

The margins of excellence in America’s finest health care organizations have always been funded by visionary individuals, foundations and corporations who understand the need for philanthropy in health care and want to make a difference in the level of care available for their families, friends and communities.

Preparing for the uncertain times ahead…

The health care delivery system in the United States is experiencing one of the most financially challenging and uncertain times in history. Yet, as difficult as this environment already is, the future is going to be considerably more challenging and complex.

A major factor contributing to this crisis is for the past two decades Medicare, Medicaid, other government insurers and private health care insurers have steadily reduced the amount they pay hospitals and physicians for medical services as personnel and supply costs continue to rise. This trend has resulted in a serious under-funding of the actual costs of providing quality care and is expected to not only continue but worsen over time. In fiscal year 2012, government reimbursement to Billings Clinic for caring for Medicare and Medicaid patients was $11.7 million less than the cost of providing the care. In addition, private health care insurers are increasing pressure on health care organizations to also pay for services below actual cost.

Billings Clinic’s modest operating margins run in the 2.5 to 3.0% range. In large part this is a conscious decision driven, above all, by the needs of our patients. Billings Clinic is committed to providing a broad array of services needed by our patients and their families, regardless of the impact those services have on our bottom line. We are steadfast in our belief that all individuals deserve health care, regardless of ability to pay and regardless of the financial return to Billings Clinic.

In these uncertain and challenging times of health care reform, it is impossible to predict the future impact of reform on the operating revenue of health care systems.

In 2008, to address the worsening economic conditions confronting health care, Billings Clinic initiated a Lean Six Sigma methodology focusing on continuous improvement, common problem solving methodologies and eliminating unnecessary waste without sacrificing quality patient care. Billings Clinic’s total benefit at the end of the first four years of this operational excellence initiative has realized $21.9 million in savings, with a fiscal year 2013 target of an additional $7.5 million.

Acknowledging the significant impact of health care costs on individuals, families and businesses, Billings Clinic dedicates itself to providing the highest quality care at optimal and achievable cost levels. In 2010, the Billings Clinic Board of Directors added the cornerstone principle of “value” to our vision statement reinforcing our responsibility in helping to control health care costs.
One of the most serious by-products of the financial pressures facing health care organizations across the country has been the severe shortage of capital funds to establish or expand vital clinical services, to replace obsolete facilities and equipment, and to make the necessary commitment to state-of-the-art information systems that create greater operating efficiencies.

Except in the most unusual situations, health care organizations will be incapable of addressing the need for infusions of capital dollars through projected operating surpluses and debt alone. As a result, more and more community-based, not for profit health care organizations nationwide are depending on philanthropic support to help fund their needs. Industry experts predict that the only communities that will have access to the best health care in the future will be those that provide a strong base of philanthropic support for their local hospitals and clinics.
Donor Recognition

Billings Clinic Foundation’s Board of Directors has launched a fundraising initiative to approach individuals, businesses and foundations for philanthropic support of Billings Clinic’s expansion and renovation plans. Gifts are being sought in the form of signed pledges payable over a period of up to three years. Pledge payments may be made through gifts of cash, stock and other securities, or real estate and other real property that can be liquidated in the near term. Gifts are fully tax deductible as allowed by state and federal laws.

Billings Clinic Foundation was established in 1984 as a not-for-profit corporation to provide philanthropic support for the mission and services of Billings Clinic. The purpose of the foundation is to encourage, receive, administer and disburse donated funds while also fostering volunteerism and positive community awareness of Billings Clinic. Each year, the Foundation receives charitable donations and bequests which provide for new equipment, expansion and renovation of facilities and support for quality health care services. The Foundation is governed by a volunteer board of directors.

Billings Clinic wishes to recognize donors in a manner that will reflect the thoughtful gifts of individuals, families and organizations while inspiring others to follow their generous examples. Accordingly, a Donor Recognition Plan has been developed honoring donors of $5,000 or more for gifts who give to this fundraising initiative in support of the Billings Clinic campus expansion. There will be two forms of permanent donor recognition available.

**Donor Recognition Wall**
All donors of $5,000 or more will have permanent acknowledgment on a Recognition Wall that will identify gifts given to support Billings Clinic’s overall fundraising initiative for the downtown Billings campus expansion. The Recognition Wall will be located on the main floor of the hospital at Billings Clinic.

**Named Gift Opportunities**
Donors of $50,000 or more, in addition to being entitled to permanent recognition on the Recognition Wall, will have the opportunity to name (for themselves, their families, their businesses, or a person or persons of their choice) a room or other functional area within the planned campus expansion. A plaque naming the area will be placed inside or adjacent to the entrance to the space named by the donor.