



# HOFFMAN HEALTH PARTNERS

TIMOTHY J. HOFFMAN, D.O.  
380 York Avenue  
Towanda, PA 18848  
Telephone (570) 268-4096

June 14, 2000

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA. 17105-3265

RE: A-00117028

Dear Commissioners,

This verified statement is provided in support of the application of Memorial Hospital, Inc. docket number A-

Our names are Dr. Timothy Hoffman and Dr. Karen Hoffman we are the owners of Hoffman Health Partners. We are located on US route #6 in Towanda, PA 18848.

Our business position is structured as follows: We render family health care to a large elderly population in Bradford County. Frequently we have patients who are wheelchair bound and or are unable to ambulate well enough to get into a private vehicle to be transported from their residence to our office.

We would be able to use this service to transport our patients to and from our office, from anywhere in Bradford. We would use this service 12-20 times a year.

The following deposes and says that he/she is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that false statements are made subject to the penalties of 18 pa. C.S. section 4909 relating to unsworn falsification to authorities.

Sincerely,

Timothy Hoffman, D.O.

Karen Hoffman, D.O.

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TRANSPORTATION & SAFETY  
2000 SEP -5 AM 11:29

5702682244  
**CHILDREN & YOUTH**  
220 Main St  
Towanda, PA 18848  
(570) 265-2154 or 1-800-326-8432  
FAX #: (570) 265-7066

# BRADFORD COUNTY HUMAN SERVICES

**DAY CARE**  
P.O. Box 189  
Towanda, PA 18848-0189  
(570) 265-4420  
FAX #: (570) 265-1729

**MENTAL HEALTH/MENTAL RETARDATION DRUG & ALCOHOL PROGRAM**  
R.D. #1, Box 179A  
Towanda, PA 18848-9762  
(570) 265-2211 or 1-800-588-1828  
FAX #: (570) 265-8541  
E-MAIL ADDRESS: bchs@epix.net

**ELEANOR H. SMITH, M.S.W.**  
DIRECTOR

**THOMAS GUINANE**  
DIRECTOR

**KATHY S. SMITH, L.S.W.**  
ADMINISTRATOR

June 12, 2000

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA. 17105-3265

RECEIVED  
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TRANSPORTATION & SAFETY  
2000 SEP -5 AM 11:29

Dear Commissioners,

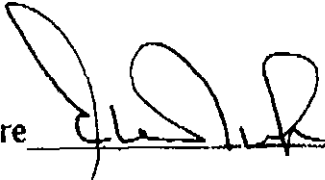
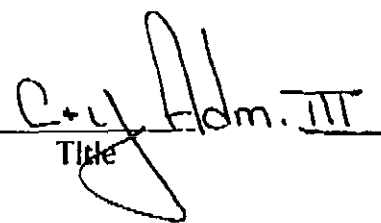
This verified statement is provided in support of the application of Memorial Hospital, Inc. docket number A-00117028

My name is Eleanor H. Smith. I am the Director of Bradford County Children and Youth Services. We are located at 220 Main St., Towanda, PA. 18848.

Our business position is structured as follows: we are the public child welfare agency serving children and youth between the ages of 0 to 18 years old. It is our mandate to protect these children. In order to perform this mandate we must frequently provide transportation to appointments and other services. Our consumers require transportation to all points in Bradford County. The services include counselling, school appointments, doctors and dentists appointments, service planning meetings.

We would use the Medi/Wheelchair Van at least 8 times a year. Since we transport consumers in our personal automobiles and none are equipped for wheelchairs, we would use this van for those transports that require this specialized service.

The following deposes and says that she is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of her knowledge, information, and belief. The undersigned understands that false statements are made subject to the penalties of 18PA. C.S. section 4909 relating to unsworn falsification to authorities.

Dated: June 12, 2000 Signature  Title  C+Y Adm. III



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

August 16, 2000

MEMORIAL HOSPITAL INC  
ONE HOSPITAL DR  
TOWANDA PA 18848

In re: A-00117028 - Application of The Memorial Hospital, Inc., of Towanda,  
Pennsylvania.

To Whom It May Concern:

The above referenced application has been assigned for review without oral hearing. In order to reach a determination on the application, you are being required to file verified statements in accordance with 52 Pa. Code Section §3.381(e)(1). You will be required to file:

- A. VERIFIED STATEMENT OF APPLICANT
- B. VERIFIED STATEMENT(S) IN SUPPORT OF THE APPLICATION.

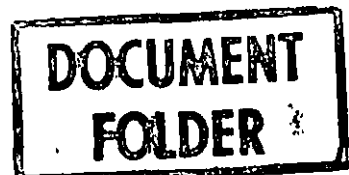
The verified statements should be in paragraph form. Each heading contained in the attached minimum outline should be a separate section or paragraph.

You should be aware of the fact that the verified statements will be reviewed based on the Commission's decision in the Application of Blue Bird Coach Lines, Inc., (A-00088807, F. 2, Am-K) 72 Pa. P.U.C. 262 (1990), which indicates: (1) the supporting witnesses must give evidence which is probative and relevant to the application proceeding; (2) the supporting witnesses must identify Pennsylvania origin and destination points between which they require transportation and those points must correspond with the scope of the operating territory specified in the application, including requests for vice versa authority; and (3) the number of witnesses which will represent a cross section of the public on the issue of need will vary with the breadth of the intended territory and commodity description.

You are being granted an initial thirty (30) days to file verified statements. They will be due on or before September 15, 2000.

**DOCKETED**

AUG 15 2000



If additional time is required, it may be requested by telephone but must be followed in writing with the reasons for the extension stated. Questions about the application should be directed to David Ehrhart at 717-783-5945.

Very truly yours,

David Ehrhart, App Spec.  
Compliance Office - Technical Unit  
Bureau of Transportation & Safety

cc: Document Folder



COMMERCIAL TRANSPORTATION  
CONSULTANTS, LLC

RR #1, BOX 16911  
ROME, PA 18837

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TRANSPORTATION & SAFETY

2000 SEP -5 AM 11:27

CTC

From the desk of *Marlene Morgan*, Representative of Carrier

570-247-7177

(Fax) 570-247-2474

August 31, 2000

PA PUC  
1<sup>st</sup> FLOOR  
BARTO BUILDING  
231 STATE STREET  
HARRISBURG, PA 17101  
Attn: TIM ZIEGLER

SUBJECT: MEMORIAL HOSPITAL, INC. of Towanda, PA  
ONE HOSPITAL DRIVE  
TOWANDA, PA 18848

RE: PARATRANSIT VERIFIED STATEMENTS  
A-00117028

Dear Mr. Ziegler,

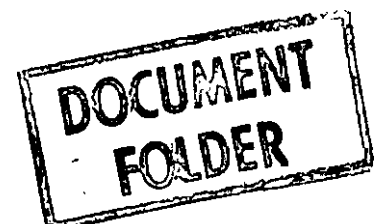
Enclosed is the Verified Statement of above subject carrier's application for Paratransit Carrier and all attachments.

As carrier's representative, I am requesting that all correspondence or questions be directed to my office at the above address and telephone number. Your cooperation is greatly appreciated.

Thank you and have a good day!

Sincerely,

Marlene Morgan  
Representative of Carrier



VERIFIED STATEMENT OF APPLICANT  
PA PUBLIC UTILITY COMMISSION

RECEIVED  
BUREAU OF  
TRANSPORTATION & SAFETY

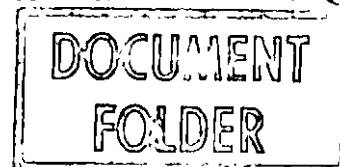
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for THE MEMORIAL HOSPITAL, INC., OF TOWANDA, PENNSYLVANIA  
Application for Paratransit

1. Name of applicant: THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PENNSYLVANIA  
ONE HOSPITAL DRIVE  
TOWANDA, PA 18848
- Docket number: A-00117028
2. Identity and Qualifications: GARY A. BAKER, President of The Memorial Hospital, Inc., of Towanda, PA, at One Hospital Drive, Towanda, PA 18848, telephone 570-265-2191, ext: 2234, has been authorized to speak for the Corporation by the Board of Directors.
3. Affiliations: I, Gary A. Baker, president of Memorial Hospital, am not affiliated with any other carriers either by ownership or interest management.
4. Authority Sought: As in the Pennsylvania Bulletin of July 15, 2000.
5. Authority Summary: NOT APPLICABLE.
6. Duplicating Authority: NOT APPLICABLE.
7. Terminal facilities and communications network: Vehicle will be housed at Memorial Hospital Ambulance garage located at One Hospital Drive, Towanda, PA 18848, in North Towanda Township, Bradford County. The garage is a three bay, that is 45' wide and 38' deep, with an adjacent office that measures 12' wide by 20' deep. The Ambulance garage is secured and all doors are locked 24 hours a day. Mechanical repairs that need to be done will be done at Jack Williams garage in Wysox, PA. Telephone system consists of 2 main lines and a fax line.
8. Equipment - Medi/Wheelchair Van - Dodge B-350, 1997 - owned by applicant.  
GVW - 8510 Lbs.
- To be acquired: Within 12 to 16 months it is possible a second Medi/Wheelchair Van will be purchased. It will carry the same amount of passengers as the original Van.
9. Safety Program: SEE ATTACHMENTS: I - Emergency Vehicle Driver Training  
II - Equipment Check List III - Maintenance Policy  
IV - Wheelchair Van Check List V - Driver Qualifications

**DOCKETED**  
SEP 21 2000

72



for

THE MEMORIAL HOSPITAL, INC., OF TOWANDA, PENNSYLVANIA

Application for Paratransit

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(Continued)

10. Description of Service for Supporting Witness - Exempt : The Memorial Hospital Inc., of Towanda, Pennsylvania, is operating its own Ambulance Service for Bradford and Sullivan Counties.
11. Type of service offered: Passenger: Paratransit
12. Financial data: **SEE ATTACHMENT VI - FINANCIAL REPORT**
13. Other information: The Memorial Hospital, Inc. has been running an Ambulance Service for 11 years.

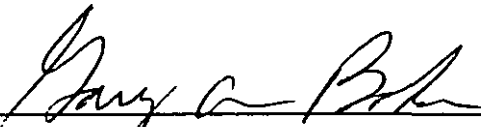
**ATTACHMENTS**

- I. - EMERGENCY VEHICLE DRIVER TRAINING
- II. - EQUIPMENT CHECK LIST
- III. - MAINTENANCE POLICY
- IV. - WHEELCHAIR VAN CHECK LIST
- V. - DRIVER QUALIFICATIONS
- VI. - FINANCIAL REPORT
- VII. - VERIFICATION OF SUPPORT STATEMENTS

**VERIFICATION OF STATEMENTS**

The undersigned, deposes and says that he/she is authorized to, and does make this verification and that the facts set forth therein are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that false statements herein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

Dated: 8/31/2000

Signed:   
Gary A. Baker, President

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2000 SEP -5 AM 11:28

ATTACHMENT I.

EMERGENCY VEHICLE DRIVER TRAINING



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TRANSPORTATION & SAFETY

**MEMORIAL HOSPITAL  
TOWANDA, PENNSYLVANIA**

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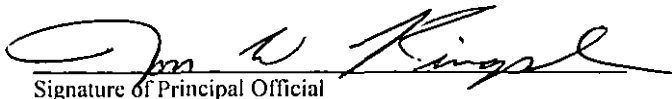
**DRIVER'S  
STATEMENT**

Each ambulance/wheelchair van driver, as identified on the ambulance service personnel roster, who operates ambulances for:

Memorial EMS  
One Hospital Drive  
Towanda, Pennsylvania 18848  
affiliate #08014

meets the following qualifications:

- A. Is at least 18 years of age.
- B. Holds a valid driver's license.
- C. Will observe relevant traffic laws.
- D. Is not addicted to, or will not drive under the influence of drugs or alcohol.
- E. Is free from any physical or mental defect or disease that may impair his/her Ability to drive an ambulance.
- F. Has not been convicted, within the last four (4) years, of driving under the influence of alcohol or drugs; and within the last two (2) years has not been convicted of reckless driving, or had a driver's license suspended under the point system.
- G. Any ambulance/wheelchair van driver convicted as stated in "F" above will successfully complete an emergency vehicle operator's course of instruction after the conviction.

  
Signature of Principal Official

Jon W. Kingsley  
Printed Name of Principal Official

8-30-2000  
Date

Memorial Hospital, Inc.  
Towanda, PA 18848

I. SUBSTANCE ABUSE POLICY

Memorial Hospital, Inc. is committed to providing a safe work environment and to fostering the well-being and health of its employees. While it is not our intent to intrude in the personal lives of individuals subject to substance abuse testing, we do expect compliance with this program. That commitment is jeopardized when any Memorial Hospital, Inc. employee illegally uses drugs on the job, comes to work under the influence of illegal drugs or alcohol, or possesses, distributes or sells drugs in the workplace. Therefore, Memorial Hospital, Inc. has established the following policy:

1. It is a violation of Memorial Hospital, Inc. policy for any employee to possess, sell, trade, or offer for sale illegal drugs or otherwise engage in the illegal use of drugs on the job.
2. It is a violation of Memorial Hospital, Inc. policy for anyone to work under the influence of illegal drugs or alcohol.
3. It is a violation of Memorial Hospital, Inc. policy for anyone to use prescription drugs illegally. (However, nothing in this policy precludes the appropriate use of legally prescribed medications.)
4. Violations of this policy are subject to termination.

It is the responsibility of Memorial Hospital, Inc.'s supervisors to counsel employees whenever they see changes in performance or behavior that suggest an employee has a drug or alcohol abuse problem. Although it is not the supervisor's job to diagnose personal problems, the supervisor will encourage such employees to seek help and advise them about available resources for getting help. Everyone shares responsibility for maintaining a safe work environment.

Any provisions of this substance abuse policy statement that may not be in compliance with any local, state, or federal laws will be applied by Memorial Hospital, Inc. so as to be in compliance with such local, state, or federal laws.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive and drug-free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that substance abuse is incompatible with employment at Memorial Hospital, Inc..

Memorial Hospital, Inc.  
Towanda, PA 18848

III. PROHIBITED ACTIVITIES CONT.

The unauthorized use, sale, transfer, possession, or purchase of the following substances on Memorial Hospital, Inc. premises while on duty, or while performing Memorial Hospital, Inc. business: Illegal drugs, controlled substances, prescription drugs, or alcohol contrary to doctor's instructions.

Refusal to participate in and successfully complete a qualified rehabilitation program on the part of any subject individual who recognizes that he/she has a substance addiction or dependence problem.

Refusal to comply with Memorial Hospital, Inc. substance abuse testing schedules or instructions.

Conviction of an illegal drug related offense, whether committed on or off the premises will result in termination of employment.

IV. SCOPE

All job applicants at this Memorial Hospital, Inc. will undergo testing for the presence in their system of illegal drugs or alcohol as a condition of employment. Any applicant with a verified positive test result will be denied employment. Memorial Hospital, Inc. will not discriminate against applicants for employment because of a past history of drug abuse.

Memorial Hospital, Inc. has adopted testing practices to identify employees who use prohibited substances either on or off the job. It shall be a condition of employment for all employees to submit to substance abuse testing under the following circumstances:

- . When there is reasonable suspicion to believe that an employee is influenced by illegal drugs or alcohol on the job.
- . On a random selection basis.
- . When employees are involved in on-the-job accidents resulting in lost work time or OSHA recordable injuries or causes injury to another employee or damage to Memorial Hospital, Inc. property or equipment occurs.
- . As part of a follow-up program of voluntary treatment for substance abuse.

Memorial Hospital, Inc.  
Towanda, PA 18848

VII. SUBSTANCE ABUSE AWARENESS TRAINING/EMPLOYEE ASSISTANCE PROGRAM (EAP)

Memorial Hospital, Inc. will provide education and training program for supervisors on the effects and consequences of substance abuse on personal health, safety, and work environment; and manifestation and behavioral causes that may indicate substance abuse. This training will be documented.

Memorial Hospital, Inc. will display and distribute a community-service Hot-Line phone number for individual assistance; and will display and distribute this Substance Abuse Policy Statement regarding the use of illicit drugs and alcohol.

Individuals with laboratory confirmed positive test results, as verified by the MRO, will be provided with substance abuse treatment and rehabilitation facility information upon discharge.

Individuals who feel that they may have developed a substance addiction or dependence may voluntarily participate in a substance abuse treatment and rehabilitation program prior to being chosen for random testing.

All referrals for rehabilitation treatment will be kept confidential. Participation in a rehabilitation treatment program not covered by Memorial Hospital, Inc. insurance programs is at subject individuals own expense.

VIII. SUBSTANCE ABUSE TESTING

Memorial Hospital, Inc. Substance Abuse Policy Statement contains the following testing requirements:

PRE-EMPLOYMENT TESTING

Pre-employment testing will be conducted for all applicants for employment with Memorial Hospital, Inc.. All subject new applicants will undergo a urine drug screen test for illegal drugs and breath alcohol as part of Memorial Hospital, Inc. employment process. Applicants whose test results are negative will have successfully completed the test and are eligible for hire.

Applicants whose tests are confirmed as positive by the laboratory and are verified as positive by the Medical Review Officer (MRO) will not be eligible for Memorial Hospital, Inc. employment, but may reapply for employment in six (6) months.

Memorial Hospital, Inc.  
Towanda, PA 18848

#### POST ACCIDENT TESTING

Post-accident testing for covered individuals will be conducted under the following circumstances, or as otherwise required by Memorial Hospital, Inc.:

Any employee who is injured resulting in lost work time, or OSHA recordable injury, or causes injury to another employee or damage Memorial Hospital, Inc. property or equipment.

Individuals refusing to test, or who test positive and are verified by the MRO as positive for prohibited substances will be subject to Memorial Hospital, Inc. action up to and including termination of employment.

#### AFTER REHABILITATION TESTING

A person who is permitted by Memorial Hospital, Inc. Substance Abuse Policy to return to duty after voluntary rehabilitation must pass Memorial Hospital, Inc. drug test before returning to duty, and will be subject to a reasonable program of follow-up substance abuse testing without prior notice for not more than 60 months after return to duty.

Individuals who refuse to submit to testing, or who fail an after rehabilitation drug test will be immediately terminated.

Memorial Hospital, Inc.  
Towanda, PA 18848

EXHIBIT B

SUBSTANCE ABUSE TESTING PANEL

<u>DRUG GROUP</u>	SCREEN DETECT. LEVEL * <u>NG/ML.</u>	GC/MS CONF. LEVEL * <u>NG/ML</u>
Amphetamines	1000	500
Cocaine Metabolites	300	150
Marijuana Metabolites	50	15
Opiate Metabolites	2000	10**
Phencyclidine	25	25
Barbiturates	300	200
Benzodiazepines	300	200
Methadone	300	200
Methaqualone	300	200
Propoxyphene (Darvon)	300	200
<hr/>		
Alcohol	≥ .02 BrAC	≥ .02 BrAC

\* NG/ML is nanogram per milliliter

\*\* Confirmation will be performed for 6-MAM

**PROBABLE CAUSE**

- Based on your observation
- Obvious
- Immediate
- Little doubt

May utilize "A Checklist For Supervisors"

↓  
Two managers (one to be HR Director if on duty) that have completed "Supervisors Reasonable Suspicion Training" will interview employee.

↓  
Wellness or HR Director and manager/supervisor talks to employee regarding: need for testing – breathalyzer and drug screen utilizing only the facts

<b>Employee Agrees to Testing</b>	<b>Employee Refuses Testing</b>
<ul style="list-style-type: none"><li>1. Manager calls OH/Wellness nurse or lab tech to do testing.</li><li>2. Employee Tested.</li><li>A. Breathalyzer positive:<ul style="list-style-type: none"><li>1. Offer to call someone to take employee home</li><li>2. Immediate termination</li><li>3. Contact Director of Human Relations</li></ul></li><li>B. Drug Screen positive:<ul style="list-style-type: none"><li>1. Human Resource Director notifies employee immediately and employee is terminated.</li><li>2. Human Resource Director will notify manager of termination</li></ul></li></ul>	<ul style="list-style-type: none"><li>1. Have employee sign refusal testing form (attached).</li><li>2. Terminate immediately.</li><li>3. Contact Human Resource director and Administrative Designee.</li></ul>

- **CONTACT APPROPRIATE LICENSING AGENCY WHEN NECESSARY**

**REASONABLE SUSPICION**

- Based on employee's work related behavior
- Long term in nature
- Requires documentation

↓  
Document the suspicions

- Narrative notes regarding reasons
- May use "A Checklist for Supervisors"

↓  
Review documentation with:  
Manager

Administrative Designee  
Human Resource Director  
(Copy is provided for medical file in HR office)

↓  
Decision to test the employee

← YES

→ NO

↓  
Manager and one other management person  
(OH/Wellness nurse, HR Director, Administrative designee)  
Talk to employee regarding need for testing stating only the FACTS  
and the policy (never labels) and utilizing the documentation

<b>Employee Agrees to Testing</b>	<b>Employee Refuses Testing</b>
<ol style="list-style-type: none"> <li>1. Manager calls OH/Wellness nurse or lab tech to do testing.</li> <li>2. Employee Tested.</li> </ol> <p>A. Breathalyzer positive:</p> <ol style="list-style-type: none"> <li>1. Offer to call someone to take employee home</li> <li>2. Immediate termination</li> <li>3. Contact Director of Human Relations</li> </ol> <p>B. Drug Screen positive:</p> <ol style="list-style-type: none"> <li>1. Human Resource Director notifies employee immediately and employee is terminated.</li> <li>2. Human Resource Director will notify manager of termination</li> </ol>	<ol style="list-style-type: none"> <li>1. Have employee sign refusal testing form (attached).</li> <li>2. Terminate immediately.</li> <li>3. Contact Human Resource director and Administrative Designee.</li> </ol>

- **CONTACT APPROPRIATE LICENSING AGENCY WHEN NECESSARY**



**RANDOM:**

↓  
List generated monthly

↓  
Human resources Director notifies manager or supervisor or employee directly

↓  
If employee unavailable within 15 days, the alternate list will be utilized.

↓  
Once employee notified, testing must be done that day

↓  
Employee registers at front desk

<b>Employee Agrees to Testing</b>	<b>Employee Refuses Testing</b>
<ul style="list-style-type: none"><li>1. Employee registered.</li><li>A. Breathalyzer positive:<ul style="list-style-type: none"><li>1. Offer to call someone to take employee home</li><li>2. Immediate termination</li><li>3. Contact Director of Human Relations</li></ul></li><li>B. Drug Screen positive:<ul style="list-style-type: none"><li>1. Human Resource Director notifies employee immediately and employee is terminated.</li><li>2. Human Resource Director will notify manager of termination</li></ul></li></ul>	<ul style="list-style-type: none"><li>1. Have employee sign refusal testing form (attached).</li><li>2. Terminate immediately.</li><li>3. Contact Human Resource director and Administrative Designee.</li></ul>

• **CONTACT APPROPRIATE LICENSING AGENCY WHEN NECESSARY**

# A CHECKLIST FOR SUPERVISORS

## DRUG AND/OR ALCOHOL CHECKLIST

(Instructions: Please indicate with an "X" as appropriate.)

QUESTIONS	YES	NO
1. Smell of alcohol on breath of person?	_____	_____
2. Speech: Slurred? Confused? Fragmented? Slow? Unusually soft? Unusually loud?	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
3. Disorientation: Is employee confused about:  Where he or she is? What day it is? What time it is?	_____ _____ _____	_____ _____ _____
4. Apparent inability to focus on work?	_____	_____
5. Unusual or unexplained resistance to authority or refusal to follow reasonable directions?	_____	_____
6. Lack of motor coordination?	_____	_____
7. Mood: Belligerent? Moody? Ecstatic? More nervous than usual? Giddy? Talkative? Drowsy?	_____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____
8. Skin Color: Pale? Flushed?	_____ _____	_____ _____
9. Excessive Perspiration?	_____	_____
10. Excessive trips to rest room?	_____	_____
11. Bloodshot eyes?	_____	_____
12. Dilated pupils?	_____	_____
13. Pinpoint pupils?	_____	_____
14. Traces of alcohol in any containers?	_____	_____
15. Confession of employee that he or she was drinking alcohol? Ingesting drugs?	_____ _____	_____ _____

QUESTIONS	YES	NO
16. Confirmation by other employees?	_____	_____
17. Presence of substances with the appearance of drugs?	_____	_____
18. Presence of drug paraphernalia?	_____	_____
19. Smell of marijuana?	_____	_____
20. Congregation of employees in remote areas of the company's facilities or in areas not usually frequented by employees?	_____	_____
21. Weariness, fatigue or exhaustion?	_____	_____
22. Deteriorating physical appearance?	_____	_____
23. Yawning excessively?	_____	_____
24. Blank stare or expression?	_____	_____
25. Sudden and/or unpredictable change in energy level?	_____	_____
26. Unusually energetic?	_____	_____
27. Shaking or trembling of hands?	_____	_____
28. Sunglasses worn at inappropriate times?	_____	_____
29. Changes in appearance after lunch break?	_____	_____
30. Withdrawal and avoidance of peers?	_____	_____
31. Complaints from co-workers?	_____	_____
32. Excessive absenteeism, especially Mondays, Fridays and days before or after holidays or paydays?	_____	_____
33. Unauthorized or unscheduled absences?	_____	_____
34. Unusually high incidence of colds, flu, upset stomachs and headaches?	_____	_____
35. Breathing or swallowing difficulties?	_____	_____
36. Unusual sneezing/nasal congestion?	_____	_____
37. Needle marks on arms?	_____	_____
38. Prolonged lunch hours?	_____	_____
39. Tardiness?	_____	_____
40. Unexplained departures from work or disappearances from the job area?	_____	_____
41. More than average number of job related mistakes, injuries or accidents?	_____	_____

QUESTIONS	YES	NO
42. Decrease in efficiency or productivity?	_____	_____
43. Careless operation of equipment?	_____	_____
44. Careless performance of job?	_____	_____
Other comments or explanations: _____ _____ _____ _____		
_____ Signature of Manager or Supervisor		_____ Date

**Memorial Hospital, Inc.  
Occupational Health and Wellness Center  
One Hospital Drive  
Towanda, PA 18848**

**Refusal Form**

**I acknowledge that I refuse to submit to a**

- Random**
- Post-accident**
- Reasonable suspicion**
- For cause drug/alcohol testing**

**as outlined in Memorial Hospital of Towanda's Substance Abuse Policy.**

---

**Signature of Employee**

---

**Date**

ATTACHMENT II

EQUIPMENT CHECK LIST

**MEMORIAL HOSPITAL, TOWANDA, PENNSYLVANIA - POLICIES/PROCEDURES/PROTOCOLS**

<b>UNIT TITLE:</b> Emergency Medical Services		<b>PAGE</b> 1	<b>REVIEW/ REVISED DATE AND INITIALS</b>
<b>TITLE:</b> Equipment checklists		<b>FILE/DISK</b> C:check:	
<b>ORIGINATING AUTHORITY:</b> Jon W. Kingsley, EMT-P, EMS Coordinator		<b>DATE</b> 8/2000	
<b>COMPETENCIES:</b>	<b>PERSONNEL:</b> EMS staff	<b>DATE</b>	
<b>REFERENCES:</b>			
<b>APPROVING AUTHORITY:</b> Standards of Care Committee			
<b>POLICY:</b> It is the policy of Memorial EMS that a vehicle and equipment check will be done at the start of each shift.			
<b>PURPOSE:</b> The purpose of this policy is to ensure that the wheelchair van is stocked and all equipment is in working order so as to provide quality care.			
<b>EQUIPMENT</b>			
<b>PROCEDURE/PROTOCOL</b>		<b>KEY POINTS/RATIONALE</b>	
EMS personnel will check the wheelchair van and wheelchair for possible mechanical problems or safety issues and are responsible for filling out the appropriate check sheet.			
<b>EVALUATION/DOCUMENTATION:</b>			
<b>PATIENT OUTCOMES:</b>			

ATTACHMENT III

MAINTENANCE POLICY



**MEMORIAL HOSPITAL, TOWANDA, PENNSYLVANIA - POLICIES/PROCEDURES/PROTOCOLS**

<b>UNIT TITLE:</b> Emergency Medical Services		<b>PAGE</b> 1	<b>REVIEW/ REVISED DATE AND INITIALS</b>
<b>TITLE:</b> Wheelchair van Maintenance policy		<b>FILE/DISK</b> C:PPP:	
<b>ORIGINATING AUTHORITY:</b> Jon W. Kingsley, EMT-P, Paramedic Coordinator		<b>DATE</b> 8/2000	
<b>COMPETENCIES:</b>	<b>PERSONNEL:</b> EMS Staff	<b>DATE</b>	
<b>REFERENCES:</b>			
<b>APPROVING AUTHORITY:</b> Standards of Care Committee			
<b>POLICY:</b> It is the policy of Memorial EMS that mechanical or structural problems related to the wheelchair van be immediately reported to the vehicle maintenance officer, and the vehicle be removed from service until the malfunction has been corrected.			
<b>PURPOSE:</b> To assure the safety of our patients as well as employees.			
<b>EQUIPMENT</b>			
<b>PROCEDURE/PROTOCOL</b>		<b>KEY POINTS/RATIONALE</b>	
Upon finding a mechanical or structural problem with the wheelchair van, the operator shall take the unit out of service and inform the maintenance officer immediately and the unit shall not return into service until the appropriate repairs have been made.			
The maintenance officer will assess the malfunction and determine if it can be repaired in house or if it needs to be referred out to Jack Williams Garage.			
<b>EVALUATION/DOCUMENTATION:</b>			

ATTACHMENT IV

WHEELCHAIR VAN CHECK LIST

### Memorial EMS Wheelchair Van Check Sheet

	Monday	Tuesday	Wednesday	Thursday	Friday		Monday	Tuesday	Wednesday	Thursday	Friday
Date						Date					
Crew						Crew					
Inside Clean						Inside Clean					
Out Clean						Out Clean					
<b>Fluids</b>						<b>Fluids</b>					
Engine Oil						Engine Oil					
Trans.						Trans.					
Brake						Brake					
Steering						Steering					
Washer						Washer					
Fuel						Fuel					
<b>Lighting</b>						<b>Lighting</b>					
Interior						Interior					
Exterior						Exterior					
Brakes						Brakes					
Parking Brakes						Parking Brakes					
Tires						Tires					
Lift						Lift					
Safety restraints						Safety restraints					
Wheelchair						Wheelchair					
<b>Charging</b>						<b>Charging</b>					

**Comments:**

ATTACHMENT V

**DRIVER QUALIFICATIONS**

FSC 235



# OFFICE OF THE STATE FIRE COMMISSIONER

## MINIMUM STANDARD FOR ACCREDITATION

Revised March, 1999

*New - Revised Course #*

**Course Title:** Emergency Vehicle Driver Training (EVOC)

**Length of Course:** 16 hours

**Lecture/Lab Breakdown:** 8/8

**Prerequisites:** None

**Course Goal:** The goal of this program is to stimulate the thought processes of the students and to make them aware of the potential tragedy, financial loss, legal, and moral responsibilities that they have when operating emergency vehicles. The program will verify proficiency in both the knowledge and understanding of, as well as, the practical application to emergency vehicle driving.

**Description of Course:** Sadly, a large proportion of emergency responder deaths and injuries occur as a result of motor vehicle accidents involving emergency response vehicles. This course is suitable for both novice and veteran emergency vehicle operators. Consisting of 8 hours of classroom and 8 hours of driving on a competency course, it will teach, reinforce, and review those issues and skills needed by anyone who operates a motor vehicle in responding to an emergency.

**Description of Methodology to be used:** (Brief) Classroom lecture - practical application of skills on driving course on Day 2. Each student will drive the course a minimum of three times.

**Student Equipment/Supply Needs:** Student workbook, pencil; 1 copy Participant Manual

**Equipment/Audiovisual/Supply requirements:** Overhead projector - TV - VCR(VHS) - Screen; AV Kit for course in question; 1 copy PM for each student. Video Tapes ( Emergency Vehicle Driver Training Competency Course) Overheads, Test ( Supplement Videos - EZ EVOC for Fire and EZ EVOC for EMS), CD ROM available for Powerpoint® presentation. Driving course requirements in Instructor Guide.

### Course Outline - Classroom Session

#### Day One

- Introduction - 30 minutes
- Extent of the Problem - 60 minutes
- Personnel Selection - 60 minutes
- Necessity of SOG's - 30 minutes
- Legal Aspects - 60 minutes
- Vehicle Dynamics - 60 minutes
- Vehicle Inspection and Maintenance - 60 minutes
- Vehicles Operations/Safety - 60 minutes
- Competency Course - 30 minutes
- Written Examination - 30 minutes

**Course Title: Emergency Vehicle Driver Training (EVDT)**

Page 2

**Course Outline (con't.)****Day Two**

Competency Course; Hands - On Driving - 8 hrs

**Important Note to Instructors and Education Training Agencies** -- To allow for the minimum of 3 times per student on the practical driving course, **a maximum class size of 25 students has been set by the course developers.** This maximum can only be exceeded with permission from the SFA Field Education Specialist on a case-by-case basis.

**Competency Evaluation Mechanism** - Classroom - Pass written test; Competency Course - Score Sheet**Course Objectives (Specific):**

Upon completion of this course, the student will be able to correctly:

1. identify the elements of a comprehensive Emergency Vehicle Driver Training program.
2. identify the problems facing the operators of emergency vehicles and recognize the factors that contribute to the incidence of accidents involving emergency vehicles.
3. identify the personnel selection procedures that are the first steps in the developing an effective emergency vehicle driver program.
4. define the personal qualities and attributes of a candidate for operating an emergency vehicle.
5. identify the reasons why standard operating guidelines are important and necessary to an effective .
6. identify the primary legal principle which affect emergency vehicle drivers and recognize their implications upon emergency vehicle operations.
7. describe the physical forces which act upon vehicles and their impact upon vehicle handling.
8. explain the value and importance of regular inspections, how to perform pre and post-trip inspections and the importance of preventative maintenance and record keeping.
9. describe the factors, tasks, and maneuvers involved in emergency response driving.
10. safely perform, to the satisfaction of the instructor, "hands-on" operation of a motor vehicle with which the student is familiar through a designated driving course as specified in the instructor material for the course.

ATTACHMENT VI

FINANCIAL REPORT

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 1999 AND 1998  
AND  
INDEPENDENT AUDITORS' REPORT



PARENTE, RANDOLPH, ORLANDO,  
CAREY & ASSOCIATES

CONSTITUENTS OF THE STATE OF PENNSYLVANIA



TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	2
FINANCIAL STATEMENTS:	
Balance Sheet	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7-17

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PARENTE • RANDOLPH • ORLANDO •  
CAREY & ASSOCIATES  
CONSULTANTS & ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The Memorial Hospital, Inc. of Towanda, PA.:

We have audited the accompanying balance sheet of The Memorial Hospital, Inc. of Towanda, PA. (the "Hospital") as of June 30, 1999 and 1998, and the related statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Memorial Hospital, Inc. of Towanda, PA. as of June 30, 1999 and 1998, and the results of its operations, changes in net assets and cash flows for the years then ended in conformity with generally accepted accounting principles.

*Parente, Randolph, Orlando, Carey  
& Associates*

Wilkes-Barre, Pennsylvania  
July 27, 1999

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

BALANCE SHEET  
JUNE 30, 1999 AND 1998

	1999	1998		1999	1998
	<u>ASSETS</u>			<u>LIABILITIES AND NET ASSETS</u>	
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and cash equivalents	\$ 1,111,009	\$ 1,594,363	Current maturities of:		
Accounts receivable, patients (net of estimated allowance for doubtful collections of \$315,000 in 1999 and \$395,000 in 1998)	3,354,581	3,017,718	Mortgage note payable	\$ 3,816	\$ -
Inventories of drugs and supplies	410,438	406,643	Hospital revenue notes	391,352	285,563
Prepaid expenses and other current assets	93,094	136,041	Accounts payable	901,936	919,227
Pledges receivable (net of estimated allowance for collection of \$47,000 in 1999 and 1998)	<u>19,646</u>	<u>105,833</u>	Estimated third-party payor settlements	894,847	838,005
			Amounts withheld from employees for taxes, etc.	24,808	30,775
Total current assets	4,988,768	5,260,598	Accrued expenses:		
ASSETS WHOSE USE IS LIMITED	6,540,587	6,377,315	Vacation pay	449,905	448,178
CHARITABLE GIFT ANNUITY TRUST	45,450	-	Salaries and wages	406,509	395,743
PROPERTY AND EQUIPMENT, Net	9,412,211	6,673,777	Interest	<u>23,923</u>	<u>25,305</u>
PREPAID PENSION COST	264,756	258,756	Total current liabilities	<u>3,097,096</u>	<u>2,942,796</u>
DEFERRED FINANCING COSTS, Net	80,416	86,419	ACCRUED PENSION COST	-	-
			CHARITABLE GIFT ANNUITY TRUST, PAYAB	<u>10,413</u>	-
			Mortgage note payable	44,333	-
			Hospital revenue notes	<u>7,799,427</u>	<u>5,945,456</u>
			Total long-term debt	<u>7,843,760</u>	<u>5,945,456</u>
			Total liabilities	<u>10,951,269</u>	<u>8,888,252</u>
			NET ASSETS:		
			Unrestricted	9,087,741	8,518,538
			Temporarily restricted	1,228,178	1,185,075
			Permanently restricted	<u>65,000</u>	<u>65,000</u>
			Total net assets	<u>10,380,919</u>	<u>9,768,613</u>
TOTAL	<u>\$ 21,332,188</u>	<u>\$ 18,656,865</u>	TOTAL	<u>\$ 21,332,188</u>	<u>\$ 18,656,865</u>

See Notes to Financial Statements

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

STATEMENT OF OPERATIONS  
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	1999	1998
<b>UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT:</b>		
Net patient service revenues	\$20,329,417	\$18,507,450
Other operating revenues	174,070	156,563
Charitable Gift Annuity Trust	35,037	-
(Loss) gain on sale of equipment	<u>(23,543)</u>	<u>(2,020)</u>
 Total unrestricted revenues, gains and other support	 <u>20,514,981</u>	 <u>18,661,993</u>
<b>EXPENSES:</b>		
Salaries and wages	8,802,007	8,100,991
Supplies and expenses	6,384,734	5,952,722
Employee benefits	1,409,292	1,025,111
Depreciation	965,172	894,859
Professional fees	1,130,499	1,033,852
Provision for doubtful collections	906,554	533,614
Interest	339,443	285,079
Insurance	<u>256,469</u>	<u>245,707</u>
 Total expenses	 <u>20,194,170</u>	 <u>18,071,935</u>
 OPERATING INCOME	 320,811	 590,058
 OTHER INCOME, Investment Income	 <u>303,180</u>	 <u>273,997</u>
 REVENUES IN EXCESS OF EXPENSES	 623,991	 864,055
 CHANGE IN NET UNREALIZED GAINS AND LOSSES ON INVESTMENTS OTHER THAN TRADING SECURITIES	 (79,133)	 79,584
 NET ASSETS RELEASED FROM RESTRICTIONS USED FOR PURCHASE OF PROPERTY AND EQUIPMENT	 <u>24,345</u>	 <u>8,095</u>
 INCREASE IN UNRESTRICTED NET ASSETS BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	 569,203	 951,734
 CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	 <u>-</u>	 <u>-</u>
 INCREASE IN UNRESTRICTED NET ASSETS	 <u>\$ 569,203</u>	 <u>\$ 951,734</u>

See Notes to Financial Statements

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	1999	1998
UNRESTRICTED NET ASSETS:		
Revenues in excess of expenses	\$ 623,991	\$ 864,055
Change in net unrealized gains and losses on investments other than trading securities	(79,133)	79,584
Net assets released from restrictions used for purchase of property and equipment	<u>24,345</u>	<u>8,095</u>
Increase in unrestricted net assets before cumulative effect of accounting change	569,203	951,734
Cumulative effect of a change in accounting principle	<u>-</u>	<u>-</u>
Increase in unrestricted net assets	<u>569,203</u>	<u>951,734</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Contributions	33,762	47,149
Investment income	55,330	50,246
Net realized and unrealized gains on investments	(21,644)	21,234
Net assets released from restrictions	<u>(24,345)</u>	<u>(8,095)</u>
Increase (decrease) in temporarily restricted net assets	<u>43,103</u>	<u>110,534</u>
INCREASE IN NET ASSETS	612,306	1,062,268
NET ASSETS, BEGINNING	<u>9,768,613</u>	<u>8,706,345</u>
NET ASSETS, ENDING	<u>\$ 10,380,919</u>	<u>\$ 9,768,613</u>

See Notes to Financial Statements

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	1999	1998
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 612,306	\$ 1,062,268
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	965,172	894,859
Amortization	6,003	18,542
Loss (gain) on sale of equipment	23,543	2,020
Change in net unrealized gains and losses on investments other than trading	(100,777)	(100,818)
Restricted contributions and investment income	(89,093)	(97,396)
Changes in assets and liabilities:		
Accounts receivable, patients	(336,863)	(361,237)
Inventories of drugs and supplies	(3,795)	(11,843)
Prepaid expenses and other current assets	36,947	(309,513)
Pledges receivable	86,187	90,587
Accounts payable	(17,291)	232,043
Estimated third-party payor settlements	56,842	262,363
Annuity payable	(35,037)	-
Amounts withheld from employees for taxes, etc.	(5,967)	8,035
Accrued expenses	11,111	28,804
Net cash provided by operating activities	<u>1,209,288</u>	<u>1,718,714</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(3,756,215)	(831,918)
Change in assets whose use is limited	(62,495)	(3,256,448)
Proceeds from sale of equipment	<u>29,066</u>	<u>2,051</u>
Net cash used in investing activities	<u>(3,789,644)</u>	<u>(4,086,315)</u>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES:</b>		
Proceeds from long term debt	2,350,000	6,231,020
Repayment of long-term debt	(342,091)	(3,764,253)
Proceeds from restricted contributions and investment income	89,093	97,396
Payment of financing costs	-	(88,418)
Net cash used in financing activities	<u>2,097,002</u>	<u>2,475,745</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(483,354)</b>	<b>108,144</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<b><u>1,594,363</u></b>	<b><u>1,486,219</u></b>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<b><u>\$ 1,111,009</u></b>	<b><u>\$ 1,594,363</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION,</b>		
Cash paid during the year for interest	<u>\$ 340,825</u>	<u>\$ 280,445</u>

See Notes to Financial Statements

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.

NOTES TO FINANCIAL STATEMENTS

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1. NATURE OF OPERATIONS AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The Memorial Hospital, Inc. of Towanda, PA. (the "Hospital") is a not-for-profit acute care and long term care hospital located in Towanda, Pennsylvania. The Hospital provides inpatient, outpatient and emergency care services to residents of Towanda, Pennsylvania and surrounding communities in Bradford County, Pennsylvania.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

INVENTORIES

Inventories of drugs, medical and surgical supplies are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis.

INVESTMENTS AND INVESTMENT RISK

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheet. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in revenues in excess of expenses income unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from revenues in excess of expenses unless the investments are trading securities.

The Hospital's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported in the balance sheet are exposed to various risks including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying financial statements could change materially in the near term.

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
NOTES TO FINANCIAL STATEMENTS

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ASSETS WHOSE USE IS LIMITED

Assets whose use is limited includes designated assets set aside by the Board of Directors for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes and certain investments restricted by donors for capital improvements.

DONOR-RESTRICTED GIFTS

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions.

PROPERTY AND EQUIPMENT

Property and equipment acquisitions are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful life of each class of depreciable asset.

Gifts of long-lived assets such as land, buildings or equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are those whose use by the Hospital has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity.



THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
NOTES TO FINANCIAL STATEMENTS

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DEFERRED FINANCING COSTS

Costs incurred in connection with the issuance of long-term debt have been deferred and are being amortized over the term of the debt using an effective interest method. Amortization amounted to \$6,003 in 1999 and \$18,542 in 1998.

NET PATIENT SERVICE REVENUES

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments. Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. It is reasonably possible that the estimates used could change in the near term.

CHARITY CARE

The Hospital provides care to patients who meet certain criteria without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenues. The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges forgone for services rendered and supplies furnished under its charity care policy. The level of charity care provided by the Hospital amounted to \$237,184 in 1999 and \$182,551 in 1998.

INCOME TAXES

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on its exempt income under Section 501(a) of the Internal Revenue Code.

PENSION PLAN

Effective June 30, 1999, the Hospital adopted Statement of Financial Accounting Standards No. 132, "Employers' Disclosures About Pensions and Other Postretirement Benefits" ("SFAS No. 132"). SFAS No. 132 revised employers' disclosures about pension plans. It does not change the measurement or recognition of these plans. Prior year disclosures have been restated to conform to SFAS No. 132 requirements.

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
NOTES TO FINANCIAL STATEMENTS

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REVENUES IN EXCESS OF EXPENSES

The statement of operations includes the determination of revenues in excess of expenses. Changes in unrestricted net assets which are excluded from revenues in excess of expenses, consistent with industry practice, included unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include investments in highly liquid debt instruments purchased with original maturities of three months or less, excluding amounts whose use is limited.

ESTIMATED MALPRACTICE COSTS

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported and unreported claims and claims incurred but not reported.

RECLASSIFICATIONS

Certain reclassifications were made to the 1998 financial statements to conform with the 1999 presentation.

2. NET PATIENT SERVICE REVENUES

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A significant portion of the Hospital's net patient service revenues are derived from these third-party payor programs. A summary of the principal payment arrangements with major third-party payors follows:

- Medicare Inpatient acute and extended care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge or per day. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Certain outpatient services related to Medicare beneficiaries are paid based on a cost reimbursement methodology subject to various limitations. The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospital. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through June 30, 1995.

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
 NOTES TO FINANCIAL STATEMENTS

- Medical Assistance Inpatient acute and extended care services rendered to Medical Assistance program beneficiaries are paid at prospectively determined rates per discharge or per day. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors.
- Blue Cross Inpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Outpatient services, extended care services and defined capital costs related to Blue Cross subscribers are paid based on a cost reimbursement methodology plus a contract allowance. Total inpatient prospective payments are subject to payment limitations. The Hospital is tentatively reimbursed on an interim basis at contract rates, with final settlement determined after submission of annual cost reports to Blue Cross and audits thereof. The Hospital's Blue Cross cost reports have been audited through June 30, 1994.

The Hospital also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, or prospectively determined daily rates.

3. ASSETS WHOSE USE IS LIMITED

The composition of assets whose use is limited at June 30, 1999 and 1998, is set forth in the following table:

	<u>1999</u>	<u>1998</u>
By Board for future capital improvements:		
Cash and cash equivalents	\$4,929,691	\$4,816,770
Marketable equity securities	<u>337,170</u>	<u>416,311</u>
Total	5,266,861	5,233,081
By donors for future capital improvements,		
Cash and cash equivalents	1,208,726	1,079,234
Restricted under trust agreement,		
Cash and cash equivalents	<u>65,000</u>	<u>65,000</u>
Total	<u>\$6,540,587</u>	<u>\$6,377,315</u>

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
 NOTES TO FINANCIAL STATEMENTS

Investment income and gains for assets whose use is limited and cash and cash equivalents are comprised of the following for the years ended June 30, 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Investment income:		
Other income:		
Interest and dividend income	\$274,684	\$136,309
Realized gains on sales of investments	<u>28,496</u>	<u>137,688</u>
Total	<u>\$303,180</u>	<u>\$273,997</u>
Other changes in unrestricted net assets,		
Unrealized gains on other than trading securities	<u>\$(79,133)</u>	<u>\$ 79,584</u>

4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of June 30, 1999 and 1998 are as follows:

	<u>1999</u>	<u>1998</u>
Land and land improvements	\$ 251,704	\$ 236,696
Buildings	6,999,702	6,999,702
Fixed equipment	2,182,100	2,162,153
Major movable equipment	7,118,965	6,690,848
Equipment under capital lease	3,600	3,600
Construction in progress	<u>3,169,158</u>	<u>22,071</u>
Total	19,725,229	16,115,070
Less accumulated depreciation	<u>10,313,018</u>	<u>9,441,293</u>
Property and equipment, net	<u>\$ 9,412,211</u>	<u>\$ 6,673,777</u>

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
 NOTES TO FINANCIAL STATEMENTS

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5. HOSPITAL REVENUE AND PROJECT NOTES

In 1984, the Municipal Hospital Authority of the Township of North Towanda (the "Authority") issued \$3,895,000 of tax-exempt project notes and \$1,200,000 of tax-exempt hospital revenue notes (collectively the "Notes") to finance the Hospital's construction/renovation project. In consideration for the proceeds of the Notes, the Hospital leased substantially all Hospital property and equipment to the Authority for a term ending July 1, 2004. Concurrently, the Authority subleased its leasehold interest in the Hospital facilities to the Hospital for a term ending July 1, 2004.

In 1986, the Hospital refinanced \$3,895,000 of tax-exempt project notes.

In 1998, the Authority issued a \$6,300,000 tax-exempt hospital revenue note (the "Note") to refinance the Hospital's mortgages payable and tax-exempt hospital revenue notes and to finance capital expenditures.

In 1999, the Authority issued a \$2,300,000 tax-exempt project note to finance the construction of a new 62-bed personal care facility located next to the Hospital.

Under the terms of the financing agreements, the Hospital is obligated for annual payments which are structured to meet the principal and interest payments due on the Note. As of June 30, 1999 and 1998, Hospital Revenue and Project Notes are as follows:

	<u>1999</u>	<u>1998</u>
Hospital revenue notes, due in monthly installments of \$51,711 including interest at a fixed rate of 5.49%, with final payment due March 3, 2013	\$5,897,751	\$6,231,019
Hospital project note due in monthly installments of \$18,368 including interest at a fixed rate of 5.15%, with final payment due June 18, 2014	<u>2,300,000</u>	<u>-</u>
Total	8,197,751	6,231,019
Less current maturities	<u>391,352</u>	<u>285,563</u>
Long-term debt	<u>\$7,806,399</u>	<u>\$5,945,456</u>

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
 NOTES TO FINANCIAL STATEMENTS

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Scheduled principal repayments at June 30, 1999 are as follows:

YEARS ENDING JUNE 30

2000	\$ 391,352
2001	430,852
2002	454,722
2003	479,914
2004	506,503
Later years	<u>5,934,408</u>
Total	<u>\$8,197,751</u>

To secure its required payments, the Hospital granted the Authority a mortgage on the Hospital and its property, plant and equipment.

6. MORTGAGE NOTE PAYABLE

Mortgage note payable at June 30, 1999 is as follows:

5% mortgage note dated January 18, 1999, payable in monthly installments of \$530 including interest to January 2009	\$48,149
Less current maturities	<u>3,816</u>
Long-term debt	<u>\$44,333</u>

Scheduled principal payments at June 30, 1999 are as follows:

YEARS ENDING JUNE 30

2000	\$ 3,816
2001	4,030
2002	4,257
2003	4,497
2004	4,750
Later years	<u>26,799</u>
Total	<u>\$48,149</u>

To secure its required payments, the Hospital granted the Central Bradford Progress Authority a mortgage on the Hospital's property, plant and equipment.

THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA.  
 NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN

The Hospital sponsors a defined benefit pension plan for its employees. The following is a summary of the plan's funded status at June 30, 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Fair value of plan assets	\$6,821,828	\$6,596,790
Benefit obligation	<u>5,458,153</u>	<u>5,506,765</u>
Funded status	<u>\$1,363,675</u>	<u>\$1,090,025</u>

Net periodic pension cost, benefits paid and contributions to the plan are as follows for 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Net periodic pension cost	<u>\$ 89,626</u>	<u>\$(142,654)</u>
Employer contributions	<u>\$ 96,000</u>	<u>\$144,000</u>
Participant contributions	<u>\$ NONE</u>	<u>\$ NONE</u>
Benefits paid	<u>\$ 440,777</u>	<u>\$ 272,639</u>

Prepaid pension cost of \$265,130 and \$258,756 has been recognized in the balance sheet at June 30, 1999 and 1998.

Assumptions used in the measurement of the Hospital's benefit obligation at June 30, 1999 and 1998 are as follows:

	<u>1999</u>	<u>1998</u>
Weighted average assumptions:		
Discount rate	6.0%	6.0%
Expected return on plan assets	9.0%	9.0%
Rate of compensation increase	4.36%	4.36%

8. MEDICAL MALPRACTICE INSURANCE COVERAGE

The Hospital's medical malpractice insurance coverages are provided under the provisions of three insurance arrangements as follows:

Primary coverage - Primary coverage is provided under the terms of an insurance contract which covers losses, if any, which are reported during the period the contract is in force, "claims made coverage."

Catastrophic coverage - Catastrophic loss coverage is provided under the terms of an insurance contract which covers losses in excess of the primary coverage reported during the period the contract is in force.

Umbrella coverage - The Hospital has umbrella liability insurance coverage which insures against losses in excess of the primary or catastrophic coverage reported during the period of policy coverage.

The Hospital participates in the Pennsylvania Medical Professional Liability Catastrophe Loss Fund ("CAT Fund") to purchase excess medical malpractice insurance coverage. The cost of such insurance coverage is recognized as expense in the period incurred. Recent increases in annual surcharges and concerns over the CAT Fund's ability to manage and pay claims resulted in proposals to reform, restructure or terminate the CAT Fund. Depending upon the ultimate resolution of this matter, the Hospital may incur additional insurance costs.

The Hospital believes it has adequate insurance coverages for all asserted claims and it has no knowledge of unasserted claims which would exceed its insurance coverages.

9. CONTINGENCY

As a not-for-profit corporation in the Commonwealth of Pennsylvania, the Hospital is an organization which presently qualifies for an exemption from real property taxes; however, a number of cities, municipalities and school districts in the Commonwealth of Pennsylvania have challenged and continue to challenge such exemption. The possible future effects of this matter, if any, are not presently determinable.

10. CONCENTRATIONS OF CREDIT RISK

The Hospital grants credit without collateral to its patients and other third-party payors, primarily Medicare, Medical Assistance, Blue Cross and various commercial insurance companies.



THE MEMORIAL HOSPITAL, INC. OF TOWANDA, PA:  
NOTES TO FINANCIAL STATEMENTS

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The Hospital maintains its cash accounts in several commercial banks. Accounts at each bank are insured by the Federal Deposit Insurance Corporation up to \$100,000. The remaining bank balances are fully collateralized with securities pledged by Keystone Financial Services up to \$6,000,000.

11. FUNCTIONAL EXPENSES

The Hospital provides general acute care and related services to individuals within its geographic location. Expenses related to providing these services for the years ended June 30, 1999 and 1998 approximate the following:

	<u>1999</u>	<u>1998</u>
	(Thousands of dollars)	
Healthcare and other related services	\$19,911	\$17,812
General and administrative	<u>290</u>	<u>260</u>
Total expenses	<u>\$20,201</u>	<u>\$18,072</u>

12. YEAR 2000-RISKS (UNAUDITED)

Like virtually every organization, the Hospital is subject to risks associated with the Year 2000 Issue (the "Issue"). The Issue is the result of shortcomings in electronic data processing systems which affect computer software and hardware, transactions with customers, vendors and other organizations; and equipment dependent on microchips. The Hospital is in the process of assessing and implementing necessary changes related to the Issue but has not completed the process of identifying and remediating potential year 2000 problems. It is not possible for any organization to guarantee the results of its own remediation efforts or to accurately predict the impact of the Issue on third parties with which the Hospital does business.

Because of the unprecedented nature of the Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Hospital is or will be year 2000 ready, that the Hospital's remediation efforts will be successful in whole or in part, or that entities with whom the Hospital does business will be year 2000 ready. If the Hospital's efforts or those of third parties with which it does business are not successful, the Issue could adversely affect the Hospital's operations and financial condition.

ATTACHMENT VII

VERIFICATION OF SUPPORT STATEMENTS



**MEMORIAL HOSPITAL**

*We Treat You Like Family*

ONE HOSPITAL DRIVE  
TOWANDA, PA 18848

570-265-2191

FAX: 570-265-5763

April 28, 2000

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
PO Box 3265  
Harrisburg, PA 17105-3265

Dear Commissioners,

RE: STATEMENT OF NEED FOR WHEELCHAIR/VAN PERMIT

*A-00 117028*

I am executing this formal statement to be placed in our file as the Statement of Need for Memorial Hospital to obtain permit for wheelchair/van carrier.

Due to the changes in healthcare reimbursement and changes in patient's needs we found that to better serve the community we need to offer timely, cost effective transportation for residents of Bradford and Sullivan Counties who require transportation to and from medical care but do not require or cannot afford ambulance transportation.

Sincerely,

Lynn Dibble, RN, MSN  
Vice President of Patient Care Services

LD/hjc

**FORMAT FOR PUC SUPPORT LETTER**

**FILL IN** - (In your own words describe your business with the guidelines and examples provided.)

The numbers in front of each paragraph are for your benefit, not to be included in your letter.

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Dear Commissioners,

This verified statement is provided in support of the application of Memorial Hospital, Inc., docket number A-00117028 (This is not known at this time. Will be filled in at the time a request for support is required)

My name is Paul Grula I am Director of Outpatient Services, and we/ are located at RR 1 Box 137  
Yowanda

1. My/our business position is structured as follows: (explain what your business/function is)

NYC in Non-Profit Community MH & O/A

2. Medi/Wheel Chair Van service would be required for transportation to: (explain why and where this Van would go- i.e.- Our residents require transportation to all points within Bradford and Sullivan Counties, to hospitals, & doctors offices). Please name all potential places this type of Medi/Wheel Chair Van might or will be asked to go).

See letter

3. I/We would use Medi/Wheel Chair Van at least \_\_\_\_\_ Times a year. [also describe the need for the frequency of this service]

4. The following deposes and says that he/she is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of his/her knowledge, information and belief. The undersigned understands that false statements are made subject to the penalties of 18 PA. C. S. section 4909 relating to unsworn falsification to authorities.

Dated: 6/9/00 Signature: [Signature] Title: Director O.P. Services

# COUNSELING

**Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265**

**Dear Commissioners,**

*Re: A-00117028*

**This is a general letter of support for Memorial Hospital, Inc. The current application process which they are involved in to get a Medi/Wheel Chair Van service would be of great asset to our very rural community. My name is Paul Grula of Northern Tier Counseling. I act as the director of all Outpatient Mental Health services as well as the Crisis and Drug and Alcohol services. We are the community service provider for both Bradford and Sullivan counties. We have had various clients that could have benefited from this type of convenient transportation. We have clients that suffer from severe mental illness and need to see our doctor or one of our nurses for medication management. These clients are sometimes very weak and in need of assistance.**

**We would be able to use this service across both Bradford and Sullivan counties. We have six different offices located across the two counties. The van would largely be needed in our North and South Towanda offices as well as our office in Athens. We would use this type of service for about 8 to 12 clients a year. The frequency of use would depend on how stable they are on their medications. On average each client would be seen once every one to three months.**

**Please consider Memorial Hospital for this van, we have a need for one.**

**Sincerely,**



**Paul Grula, M.S.  
Director of Outpatient Services**

RECEIVED  
BUREAU OF  
TRANSPORTATION & SAFETY  
2000 SEP -5 AM 11:29

- Board of Directors
- Ray Depaola
- Francis Douglas
- Henry C. Dunn
- Jack Fox
- Rev. Harry Ferguson
- Frank McShane
- Patricia Myers
- Larry Sharer
- Cheryl Wood-Walter
- RR#1, Box 137
- Towanda, PA
- 18848
- 570-265-0100
- Toll Free
- 1-888-322-1682
- Fax
- 570-265-6741
- Athens
- Dushore
- LaPorte
- North Towanda
- Downtown Towanda
- Troy
- Wyalusing

**Mental Health Services**  
**Drug & Alcohol Services**



# AREA AGENCY ON AGING

for the Counties of Bradford, Sullivan, Susquehanna and Tioga

220 MAIN STREET, UNIT 2, TOWANDA, PENNSYLVANIA 18848-1822

570 - 265 - 6121 • 800 - 982 - 4346

May 22, 2000

RECEIVED  
BUREAU OF  
TRANSPORTATION & SAFETY  
2000 SEP -5 AM 11:29

**BRADFORD COUNTY  
COMMISSIONERS**

John M. Sullivan  
Janet Lewis  
Tina Pickett

**SULLIVAN COUNTY  
COMMISSIONERS**

Betty Reibson  
James C. Rogers  
Pamela Kravitz-Arthur

**SUSQUEHANNA COUNTY  
COMMISSIONERS**

Lee Smith  
R. Calvin Dean  
Joan Stalter

**TIOGA COUNTY  
COMMISSIONERS**

Walter G. Barnes  
Erick J. Coolidge  
Charles E. James

**EXECUTIVE DIRECTOR**

William Farley

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
P. O. Box 3265  
Harrisburg, PA 17105-3265

Dear Commissioners:

This verified statement is provided in support of the application of Memorial Hospital, Inc., Docket Number A-00117018 (unknown at this time).

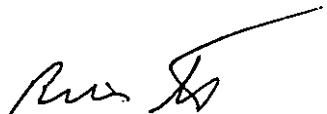
My name is Bill Farley and I am the Executive Director of the Area Agency on Aging for the Counties of Bradford, Sullivan, Susquehanna, and Tioga, and my office is located at 220 Main Street, Unit 2, Towanda, PA 18848.

1. My business position is structures as follows:  
Designated by the Commonwealth of Pennsylvania as the agency to receive state and federal funding for the provision of social services for senior citizens in Bradford, Sullivan, Susquehanna, Tioga Counties.
2. Medi/wheel chair van service would be required for transportation throughout Bradford and Sullivan Counties to hospitals and doctors' offices, as this is a vast rural area with many miles between consumers' homes and medical facilities. Over 20 percent of our population is 60 years of age and older, and our 85 and older population has grown by 60 percent from 1990 to 2000 (approximately 43 percent of this population needs assistance on a daily basis with services such as transportation).
3. The medi/wheel chair van would be used on a daily basis to provide medical service transportation, as most of our townships and boroughs are located many miles from the nearest doctors' offices, hospitals, and dialysis unit.

Commonwealth of Pennsylvania  
Pennsylvania Public Utilities Commission  
May 22, 2000  
Page Two

4. The following deposes and says that he is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of his knowledge, information, and belief. The undersigned understands that false statements are made subject to the penalties of 18 PA C.S. Section 4909 relating to unsworn falsification to authorities.

Dated: May 22, 2000

  
\_\_\_\_\_  
Signature

Executive Director  
\_\_\_\_\_  
Title

BF/dgm  
05/22/00  
99-0012.7  
99-0022.11  
LTRFRMBF.WPD