

Hospital employee wage cut reinstated

(KNZA)--With an improvement in its financial position, the Hiawatha Community Hospital Board of Trustees has voted to reinstate the 2 percent wage reduction for employees implemented in January.

Hospital CEO John Broberg told the Hiawatha City Commission Monday evening the Board of Trustees took the action when they met last week, which is effective July 1. “ Part of our plan that was in our budget this year was to give back that 2%. Our board approved that, based upon our financial performance.”

Broberg said a reinstatement of employee fringe benefits, also cut in January, will continue to be reassessed.

He said the hospital’s financial picture continues to improve. “The hospital has continued to be very busy. [For the] third month in a row we’ve exceeded \$4 million in our gross billings, which is high for the hospital, so we’re seeing improved revenue. Our expenses, with all the initiatives that have been taken...are down about 18% compared to last year. The patient volumes have been up, and operating margin has improved. I think through March we were break even. For us, that would be very good, and we’re continuing to see improvements in our revenue cycle with our billing process and our collections.”

Brown County voters, during a May 21 special election, defeated by a 29-vote margin a proposed 10-year half-cent countywide retailers sales tax for health care services in the county. 80 percent of the proceeds would have gone to the Hiawatha Community Hospital and 20 percent to the city of Horton for health care services in the southern Brown County community.

After such a close vote, Broberg said the hospital is completing an assessment and will be forth coming with Plan B.

Broberg said the need for tax support to aide in meeting the hospital’s capital improvement needs and paying off its debt continues.

He also met Monday with the Brown County Commission and Horton City Commission to provide a financial update.

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