

# Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See [www.sec.gov/info/municipal/nrmsir.htm](http://www.sec.gov/info/municipal/nrmsir.htm) for list of current NRMSIRs and SIDs

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**IF THIS FILING RELATES TO A SINGLE BOND ISSUE:**

Provide name of bond issue exactly as it appears on the cover of the Official Statement  
(please include name of state where issuer is located):

\$25,040,000

Garden City Hospital Finance Authority (Michigan)

Hospital Revenue and Refunding Bonds, Series 1998A

Garden City Hospital Obligated Group

Provide nine-digit CUSIP\* numbers if available, to which the information relates:

365128AE7

365128AF4

(originally assigned)

365128AJ6

365128AK3

(new - prerefunded)

365128AL1

365128AM9

(new - unrefunded balance)

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**IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:**

Issuer's Name (please include name of state where Issuer is located): \_\_\_\_\_

Other Obligated Person's Name (if any): \_\_\_\_\_

(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP\* number(s), if available, of Issuer: \_\_\_\_\_

\*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

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**TYPE OF FILING:**

Electronic (number of pages attached) 4  Paper (number of pages attached) \_\_\_\_\_

If information is also available on the Internet, give URL: [www.firstriver.com](http://www.firstriver.com)

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**IF THIS FILING RELATES TO A SINGLE BOND ISSUE:**

Provide name of bond issue exactly as it appears on the cover of the Official Statement  
(please include name of state where issuer is located):

\$46,870,000

Garden City Hospital Finance Authority (Michigan)

Hospital Revenue and Refunding Bonds, Series 2007A

Garden City Hospital Obligated Group

Provide nine-digit CUSIP\* numbers if available, to which the information relates:

365128AG2

365128AH0

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**IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:**

Issuer's Name (please include name of state where Issuer is located): \_\_\_\_\_

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(Exactly as it appears on the Official Statement Cover)

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**WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)**

A.  Annual Financial Information and Operating Data pursuant to Rule 15c2-12  
(Financial information and operating data should not be filed with the MSRB.)

Fiscal Period Covered: \_\_\_\_\_

B.  Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: \_\_\_\_\_

C.  Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- |  |  |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment delinquencies                                 | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the tax-exempt status of the security   |
| 2. <input type="checkbox"/> Non-payment related defaults   | 7. <input type="checkbox"/> Modifications to the rights of security holders                                  |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls   |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties   | 9. <input type="checkbox"/> Defeasances  |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform   | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
|  | 11. <input type="checkbox"/> Rating changes  |

D.  Notice of Failure to Provide Annual Financial Information as Required

E.  Quarterly or Monthly Financial Information and Operating Data  
(Financial information and operating data should not be filed with the MSRB.)

Period Covered: \_\_\_\_\_

F.  Other Secondary Market Information (Specify): Announcement of Engagement of Hospital Consultant

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

**Issuer Contact:**

Name \_\_\_\_\_ Title \_\_\_\_\_  
Employer \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Email Address \_\_\_\_\_ Issuer Web Site Address \_\_\_\_\_

**Dissemination Agent Contact, if any:**

Name Shelley I. Aronson Title President  
Employer First River Advisory L.L.C.  
Address 2640 Override Drive City Ann Arbor State MI Zip Code 48104  
Telephone (734) 761-3624 Fax (734) 761-3614  
Email Address [aronson@firstriver.com](mailto:aronson@firstriver.com) Relationship to Issuer Dissemination Agent

**Obligor Contact, if any:**

Name Timothy M. Iodway Title Vice President and Chief Financial Officer  
Employer Garden City Hospital  
Address 6245 Inkster Road City Garden City State MI Zip Code 48135  
Telephone (734) 458-4642 Fax (734) 422-0273  
Email Address [Tiodway@gchosp.org](mailto:Tiodway@gchosp.org) Obligor Web Site Address [www.gchosp.org](http://www.gchosp.org)

**Investor Relations Contact, if any:**

Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ Email Address \_\_\_\_\_

**GARDEN CITY HOSPITAL OBLIGATED GROUP  
6215 INKSTER ROAD  
GARDEN CITY, MI 48135**

**ANNOUNCEMENT**

**DATED: FEBRUARY 28, 2011**

In the Officer's Certificate dated January 31, 2011 and delivered in accordance with Section 5.10(b)(iii) of the Loan Agreement between Garden City Hospital (the Corporation) and the Garden City Hospital Finance Authority, dated as of February 15, 2007 (the Loan Agreement), the Corporation disclosed that the Obligated Group (of which the Corporation is the sole Member) failed to comply with the Debt Service Coverage Ratio financial covenant, as required by Section 501(b)(ii) of the Amended and Restated Master Indenture and Security Agreement between the Corporation and Wells Fargo Bank, N.A., as Master Trustee, dated as of February 15, 2007 (the Master Indenture), with respect to the Fiscal Year ended September 30, 2010. The Corporation further disclosed that it expected to cure such non-compliance by engaging a Hospital Consultant no later than February 28, 2011, as required by Section 501(c) of the Master Indenture. All capitalized terms used herein are as defined in the Loan Agreement or in the Master Indenture.

The Corporation announces that it has engaged Care Management Solutions, LLC (CMS) as the Hospital Consultant. The Corporation represents that CMS meets the definition of a Hospital Consultant.

**THE CONSULTING ENGAGEMENT**

The overriding goal of the engagement is to assist the Corporation to:

- Ensure patient access to medically necessary inpatient care and services;
- Improve clinical documentation of patient acuity, complexity, and treatment planning;
- Implement patient care progression systems and processes to decrease length of stay for both inpatient and outpatient bed assignments;
- Create a case management model which provides optimal service efficiency and effectiveness; and
- Capture additional compliant revenue.

The engagement will consist of three phases.

## PHASE I - PATIENT ACCESS

In this initial Phase, the Corporation will be assisted to configure case management (CM) roles, goals, and staff labor allocation to achieve the desired outcomes of the function. Leadership responsibility will be determined. CM position descriptions will be aligned with “staff” and “operational” responsibilities.

The goal of this Phase is to assist the medical staff in documentation of medical necessity of inpatient admission and ensure progress notes and summary reports clearly and consistently reflect patient diagnoses, acuity, present on admission (POA) and treatment planning. The patient access system will encompass all points of patient entry to Hospital services.

Inherent to the success of this Phase is Utilization Review Committee (URC) support and oversight. The utilization review plan will be evaluated and modified, if necessary, to bring clarity to the scope and purpose of the URC. The Physician Advisor secondary medical review process, including tools, documentation of case review, and reporting templates, will be established and implemented.

## PHASE II - CONCURRENT CODING

In the second Phase of the engagement, a concurrent coding model which builds upon the successes of the Corporation’s present initiative will be implemented. The feasibility of assigning clinical coders to the care units will be explored. Venues for communication and collaboration between medical, clinical and Health Information Management (HIM) professionals will be determined. Didactic and practicum training will be provided to all process participants and plans for physician education will be established.

Success in this endeavor will improve the Corporation’s external comparative data base performance, optimize compliant revenue, and decrease financial risk in coding audits. Once fully implemented, anticipated length of stay (LOS) for all inpatients will be available to physicians and care providers during each patient’s episode of care. Completion of Phase II will provide a platform for the future LOS management initiative.

## PHASE III - PATIENT CARE PROGRESSION AND LENGTH OF STAY MANAGEMENT

In this final Phase of the engagement, a system for collaborative practice between physicians, nursing staff, HIM, and case management will be established. Shared goals and accountability for outcomes will be defined. Success in this endeavor is dependent upon the outputs of Phases I and II. Achievement of ALOS reduction requires defining the patient’s acute care goal, monitoring milestones to goal attainment, and integrating each patient’s plan for the day within the context of the anticipated LOS duration. While post-hospital care planning is an essential component, the Corporation will need to expand the scope of LOS management to include care progression and patient readiness for discharge. As such, participation of nursing staff and leadership is essential.

## THE CONSULTANT'S CREDENTIALS

CMS is a niche consulting firm serving large and small hospitals nationwide. CMS assists hospitals, clinics and other healthcare professionals prepare, organize, plan, and execute the following strategies:

- Point of Service Care Management;
- Patient Access Management;
- Concurrent Coding Documentation Management (C.C.D.M) and coding initiative; and
- Care Delivery Improvement.

CMS is headquartered in Fenton, Michigan.

Holly Sutton, BSN, RN, MBA, CMAC, is the President of CMS and the principal consultant on this engagement. Prior to entering the consulting field, Ms. Sutton designed, directed and implemented care management services in a wide range of medical settings which included community hospitals, urban teaching hospitals, tertiary medical centers, and multi-hospital healthcare systems. She has experience directing coding professionals, social workers, nurse case managers, quality assurance personnel, data analysts, continuing care coordinators and patient access staffs. In addition to care management, Ms. Sutton also has experience in critical care, home health care, and extended care settings. She has served as the Chief Nurse Executive in both hospital and nursing home settings.

Ms. Sutton's consulting expertise lies in the ability to create customized care management systems and processes specific to the unique needs and environment of each client hospital. She is skilled and experienced in hospital finance and accounting. Through integration of hospital business and clinical functions, client hospitals have realized measurable improvements in reimbursement, clinical resource management, revenue cycle, and clinical quality. Her ability to partner with both medical staffs and hospital executives, aligning clinical and financial expectations, has been key to the achievement of client goals and outcomes.

Ms. Sutton earned her Bachelor of Science degree in Nursing (BSN) from Oakland University School of Nursing. She completed her Masters degree in Business Administration (MBA) with concentration in not-for-profit finance and accounting at Oakland University School of Business Administration. Ms. Sutton is a Certified Case Management Administrator.

Examples of CMS' accomplishments for other clients are attached.

# Care Management Solutions

*Bridging Patient Care and Health Economics*

## **Actual Client Examples**

### **Community Hospital**

*(750 discharges per month)*

#### ***Executive Level Planning***

***Oncology, Pulmonary Medicine and Gerontology “Partners in Care”  
Point of Service Care Management Redesign***

- ❖ Increased Medical Staff Satisfaction
  - ❖ Downward trending ICU ALOS
- ❖ \$400 Decrease in Medical/Surgical Cost per Case
  - ❖ Total Cost Savings \$200,000 per Quarter

### **Urban Teaching Hospital**

*(800 discharges per month)*

#### ***Access Management***

***Concurrent Coding and Documentation  
Medical Staff Education and Relationship Building  
Denial Management***

- ❖ 656 Incremental Admissions
- ❖ \$100K/month Case Mix Impact
  - ❖ \$2.4 Million A/R Impact
  - ❖ +25% Decrease in ALOS
- ❖ \$3,000,000 annualized revenue increase

### **Tertiary Medical Center**

*(3, 000 discharges per month)*

***Concurrent Coding and Documentation,  
Care Management — Care Delivery Integration  
Patient Access Center***

- ❖ Uncoded I Unbilled AIR .8 Days
  - ❖ Inpatient Operating Margin Turnaround
- ❖ 8-10% of Concurrently Coded Cases Optimized
  - ❖ Downward trending ALOS
- ❖ On target for Revenue impact of \$2.5 Million annually