

2016 ANNUAL REPORT



25 Years



St. Maarten Medical Center
We Care Together!

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INTRODUCTION

THIS REPORT HIGHLIGHTS THE MAIN GOALS AND ACHIEVEMENTS OF THE ST. MAARTEN MEDICAL CENTER (SMMC) PER DEPARTMENT. THE GOALS WERE DETERMINED BASED ON TARGETS ESTABLISHED BY THE BOARD OF DIRECTORS AND THE MANAGEMENT TEAM FOR 2016.



THIS YEAR SMMC CELEBRATED ITS 25TH ANNIVERSARY, AND SEVERAL INITIATIVES WERE HELD TO COMMEMORATE THIS MILESTONE, BOTH INTERNALLY AS EXTERNALLY.

The Medical Staff Board was appointed and has as main objective to promote transparency between the Medical staff and Management.

The Medical staff was strengthened with one Gynecologist, one Surgeon and one ER doctor who joined the team of medical specialists in 2016. An Ear Nose Throat (ENT) specialist also came in service of SMMC after working independently for decades.

For continuity of care and improvement to the medical services offered at SMMC, business cases have been prepared for the introduction of several specialties (such as Urology, Ophthalmology, Neurology and Orthopedics) despite constraining factors that were presented during the year. Also, the Cardiology Center became a reality for the Outpatient department.

Due to spatial constraints, several renovation solutions were necessary to maintain the operations of the medical center. A considerable example of these renovations includes the Medical Archives department, which has been relocated to a nearby facility. Further, expansions were made to the Dialysis Clinic, which increased to SMMC's capacity, to be able to dialyze up to 78 patients via three shifts a day.

Patient Care introduced evening shifts for its nurses and ward clerks that contributed to a decrease in overtime hours. Our Hygiene and Infection Control (HIC) Department introduced the protocol that all newly hired staff by SMMC should get vaccinated against the varicella virus and all staff with direct patient contact should be vaccinated against MMR (measles, mumps, and rubella).

A monthly financial reporting on production statistics, cash flow-, profit & loss statements and HR dashboard are also now in place.

Negotiations for a new Collective Labor Agreement (CLA) have started, in preparation for the ending of the existing CLA, which is valid until mid-2017. Additionally, groundwork has been executed for

the implementation of the ARBO physician who will play a significant role in the future sick leave policies of the hospital.

Additional improvements were made to safety and security, wherein a new ID badge protocol had been introduced to improve the safety of patients and staff at the medical center.

Royal Haskoning DHV was selected as the engineering consultant for the construction and the monitoring of the construction process for the new Sint Maarten General Hospital building.

Lastly, as part of the Tripartite cooperation (VSA, SZV and SMMC), during the latter part of 2016 a contract was signed between SMMC and the contractor organization INSO to develop the turnkey project for the new Sint Maarten General Hospital. Towards the end of the year, there have been challenges regarding the project. However, it remains a priority of SMMC to provide the people of Sint Maarten and neighboring islands with an improved, high-quality general hospital.

These are merely a few developments. To get a complete overview of all the developments we encourage you to read the report.

EXECUTIVE SUMMARY

In 2016, St. Maarten Medical Center (SMMC) celebrated its 25th anniversary and several initiatives were held to commemorate this milestone, both internally as externally. During the year, many new developments have occurred. Negotiations for a new Collective Labor Agreement (CLA) started, in preparation for the ending of the existing CLA. Additionally, groundwork has been executed for the implementation of an occupational health and safety physician (ARBO physician) who will play a significant role in the future sick leave policies of the hospital.

Due to spatial constraints, several renovation solutions were necessary to maintain the operations of the medical center. The Medical Archives department has been relocated to a nearby facility and the Dialysis Clinic has been expanded, which increased SMMC's capacity to dialyze patients.

For continuity of care and improvement to the medical services offered at SMMC, business cases have been prepared for the introduction of several specialties, despite constraining factors that were presented during the year. Also, the Cardiology Center became a reality for the Outpatient department.

Lastly, as part of the Tripartite cooperation (VSA, SZV and SMMC), a contract was signed between SMMC and the contractor organization INSO to develop the turnkey project for the new St. Maarten General Hospital. Towards the end of the year, there have been challenges regarding the project. However, it remains a priority of SMMC to provide the people of St. Maarten and neighboring islands with an improved, high-quality general hospital.



MISSION & VISION

The mission of the St. Maarten Medical Center is:

SMMC provides high quality, accessible and affordable hospital care in the best interest of the patient, by closely cooperating with strategic partners, within a safe environment with motivated, qualified and competent staff.

The Vision of the St. Maarten Medical Center is:

SMMC is the general hospital that guarantees high quality hospital care based on patients' needs, to residents and visitors of St. Maarten and her surrounding islands, close to home.



INDEPENDENT AUDITOR'S REPORT

A. Report on the abbreviated 2016 consolidated financial statements

Our opinion

The summary (hereafter: 'abbreviated') 2016 consolidated financial statements of St. Maarten Medical Center Foundation (hereafter: 'the foundation'), based in St. Maarten, are derived from the audited consolidated financial statements of St. Maarten Medical Center Foundation for the year ended December 31, 2016.

In our opinion the accompanying abbreviated 2016 consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of St. Maarten Medical Center Foundation for the year ended December 31, 2016, in accordance with the principles described in the notes.

The summary consolidated financial statements comprise:

1. the summary consolidated balance sheet as at 31 December 2016;
2. the summary consolidated income statement for the year then ended; and
3. the notes comprising a summary of the applicable accounting policies and other explanatory information.

Abbreviated consolidated financial statements

The abbreviated consolidated financial statements do not contain all the disclosures required by Generally Accepted Accounting Principles in the Netherlands. Reading the abbreviated consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of St. Maarten Medical Center Foundation including our auditor's report thereon. The abbreviated consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The audited consolidated financial statements and our disclaimer of opinion

We did not express an opinion on the consolidated 2016 financial statements of the foundation in our report dated January 14, 2019. Because of the significance of the matters described in the 'Basis for our disclaimer of opinion' paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for our disclaimer of opinion

The following matters were noted during the audit:

1. There was no internal control system in place regarding the accuracy, including valuation of the inventory balances during 2016. We were unable to obtain sufficient audit evidence by alternative means concerning the inventory quantities and value as held at December 31, 2016 as well as the accurate recording of the related cost of sales during 2016.
2. The internal control system regarding the completeness and accuracy of invoicing of medical treatments and related income sources is inadequate. We were unable to obtain sufficient audit evidence by alternative means concerning the completeness and accuracy of revenue and accounts receivable. We therefore did not obtain sufficient evidence to determine whether recorded revenues and related accounts receivable are completely and accurately recorded.

As a result of these matters, we were unable to determine whether any adjustments might have been necessary in respect of recorded or unrecorded inventories, accounts receivable and the elements making up the consolidated income statement.

Responsibilities of Management and the Supervisory Council for the abbreviated consolidated financial statements

Management is responsible for the preparation of the abbreviated consolidated financial statements in accordance with the principles described in the notes.

The Supervisory Council is responsible for overseeing the foundation's financial reporting process.

Our responsibilities

Our responsibility is to provide an opinion if the abbreviated consolidated 2016 financial statements are consistent, in all material respects, with the audited consolidated financial statements of St. Maarten Medical Center Foundation for the year ended December 31, 2016, based on our audit, in accordance with Dutch Standard on Auditing 810, 'Engagements to report on summarized consolidated financial statements'.

St. Maarten, 18 April 2019

For and on behalf of BDO St. Maarten B.V.,

Signed by M.J. Illidge CPA



1.1 ABBREVIATED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016

Before result appropriation

ASSETS	2016		2015	
	Amounts in NAF (ANG)		Amounts in NAF (ANG)	
Fixed assets				
Tangible fixed assets		20,337,346		23,715,257
Current assets				
Inventories		5,658,700		5,858,598
Receivables		22,407,302		19,942,346
Cash and cash equivalents		3,424,250		1,599,977
Total assets		51,827,598		51,116,178
EQUITY AND LIABILITIES				
Foundation equity		34,564,928		32,911,089
Provisions		4,041,337		4,527,113
Short-term liabilities		13,221,333		13,677,976
Total liabilities		51,827,598		51,116,178

1.2 ABBREVIATED CONSOLIDATED INCOME STATEMENT FOR THE YEAR 2016

	2016		2015	
	Amounts in NAF (ANG)		Amounts in NAF (ANG)	
Revenues	49,159,768		44,136,873	
Cost of sales	-15,478,752		-13,495,876	
Gross margin	33,681,016		30,640,997	
Other operating income	11,895,469		23,752,658	
		45,576,485		54,393,655
Salaries and wages	31,492,760		30,470,689	
Depreciation	4,575,243		2,483,721	
Other operating expenses	7,272,178		3,342,782	
Total operating expenses		43,340,181		36,297,192
Operating result	2,236,304		18,096,463	
Financial income and expense	-304,606		-194,074	
Result on ordinary activities before taxation	1,931,698		17,902,389	
Profit tax	-277,859		-102,530	
Result after taxation		1,653,839		17,799,859

1.3 NOTES TO THE ABBREVIATED CONSOLIDATED FINANCIAL STATEMENTS

General

The general principle for the valuation of assets and liabilities, as well as the determination of results, is the historical purchase price.

Unless otherwise stated, assets and liabilities are stated at the values at which they were acquired. Revenues and expenses are recorded in the period to which they relate.

Standards applied

The consolidated financial statements have been prepared in accordance with the Civil code applicable on St. Maarten and accounting principles generally accepted in the Netherlands, excluding specific guidelines for care institutions applicable in the Netherlands. The consolidated financial statements are denominated in Netherlands Antillean Guilders (ANG).

Activities

Sint Maarten Medical Center Foundation (hereinafter 'SMMC') was incorporated on March 26, 1990. SMMC operates as a general hospital located at Welgelegen Road #30, Unit #1, Cay Hill, St. Maarten. SMMC is a non-profit organization with the goal to manage and operate a financially viable general hospital on St. Maarten in the broadest sense. It is increasing the number of specialties in order to reduce the cost of health care on the island.

The supervisory board and the board of directors in agreement with the Minister of VSA (Minister of Public Health, Social Development and Labor) have decided that the name of the foundation will be changed to Stichting Algemeen Ziekenhuis Sint Maarten or in english Foundation Sint Maarten General Hospital. This was agreed on February 23, 2018 and notarized on November 30, 2018 in the amended articles of incorporation. This name will be used for the new hospital that will be build next to the current premises.

Consolidation

SMMC owns 100% of the shares of St. Maarten Medical Center Pharmacy N.V. also known as Cay hill Pharmacy and therefore the balance sheet and income statement have been consolidated. Intercompany transactions and balances between the company and SMMC are eliminated upon consolidation.

St. Maarten Medical Center Pharmacy N.V. was incorporated on September 27, 1991 in St. Maarten. The entity's main objective is to conduct and sell pharmaceutical supplies operating as a public pharmacy on the Dutch side of St. Maarten. The entity commenced its operations in March 1991.



Corporate Governance Code

The Corporate Governance Code is applicable to the Foundation. The organization is currently in the process of implementing the requirements of the Corporate Governance Code. Once this has been completed a compliance report will be prepared using the comply or explain principle.

Use of Judgment and Estimates

In preparing the consolidated financial statements, the Supervisory Council and Management of SMMC, in accordance with accounting principles generally accepted in the Netherlands, have to make certain estimates and assumptions that contribute to the amounts recorded in the consolidated financial statements. Actual results can deviate from these estimates.

Translation of foreign currency

Monetary assets and liabilities denominated in foreign currencies have been converted to ANG at the rates of exchange prevailing at balance sheet date. Revenue and expense transactions have been converted at the rates prevailing on the date of the transaction. Any gain or loss on foreign currency translation is credited or charged to the income statement which is referred to as Translation Exchange Rate Differences.

Accounting policies in respect of the valuation of assets and liabilities

Tangible fixed assets

Tangible fixed assets are stated at cost, net of accumulated depreciation. Depreciation is computed based on the estimated useful lives of the assets using the straight line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts and any resulting gain or loss is reflected in the income for the period. The cost of maintenance and repairs is provided for in a maintenance provision. Significant improvements are capitalized and depreciated over its economic lifetime. Information Technology and Hospital Information Systems are further abbreviated in these financial statements as IT and HIS. Capitalized fixed assets are tested for impairment periodically or upon identification of impairment triggers. A fixed asset is impaired when the recoverable amount is lower than the carrying value.

Inventory

Inventory is stated at FEFO method (first-expired, first-out), taking into account a provision for obsolete inventory for SMMC.

Accounts receivable

Accounts receivable are shown after deduction of a provision for bad and doubtful debts where appropriate.

The accounts receivable have a maturity date due within one year.

Provisions for other post-employment benefits

The foundation provides for payments in addition to pension payments of retired employees. The provision is calculated by an actuary under the actuarial cost method using the projected unit credit method and specific assumptions.

Cash at bank

Cash and bank balances are freely disposable, unless stated otherwise.

Equity

Equalization reserve donations

SMMC has formed an equalization reserve for donated equipment and certain designated monetary donations. These monetary donations received will remain reserved until the equipment has been purchased and received. The amounts are amortized in line with the straight line depreciation of the related assets.

Pension plan

The employees of the foundation are entitled to a pension which is ensured at an insurance company. The pension plan is a so-called defined contribution plan. The foundation's liability is limited to the employers' part of the pension premium.

Current liabilities

The short term liabilities are due within one year.

Accruals and deferred income

The accrual method of accounting is used in recording liabilities with respect to accounts payable. Current year's costs or purchases for which invoices were received in the subsequent year are booked to accrued expenses.

Accounting policies in respect of result determination

General

The net result is determined as the difference between the recognized revenue and the expenses relating to the reporting period. Costs are determined in accordance with the accounting policies applied to the balance sheet.

Revenue is realized in the year in which the services rendered are recognized. Losses are taken upon recognition. Other income and expenses are allocated to the periods to which they relate.

Revenue

Revenue comprises of fees for medical treatments chargeable to patients and insurance companies and budgeted amounts as agreed with SZV and other social security institutions. Revenue also includes sales of pharmaceutical products to customers.

Profit tax

SMMC is a non-profit foundation, therefore no profit tax is due. St. Maarten Medical Center Pharmacy N.V. is subject to profit tax at the standard 34.5% rate.



CORPORATE SOCIAL RESPONSIBILITY

The SMMC plays an important, exemplary role to the community of St. Maarten and neighboring islands. As part of the public domain and healthcare ecosystem, corporate social responsibility is a requisite for the hospital.

To SMMC, corporate social responsibility is about acting with due care and performing with respect for patients, employees, environment and resources. This goes hand in hand with our strife for transparency through clear reporting on activities and their consequences. Additionally, SMMC makes it a point to work closely with partners within the health system, and other health-related institutions on St. Maarten. Together the flow of care services is consolidated and solutions are found on all domains (i.e. patients, employees, environment and resources). The process to a corporate social responsible approach is at times constrained, but within the capabilities of SMMC the eye remains on a sustainable future.

TRIPARTITE

In 2016, structural meetings continued with the Tripartite (VSA, SZV and SMMC), mainly with regards to the building of the new general hospital and the financial situation of SMMC.

NEW HOSPITAL BUILDING

In February, out of the three parties, Royal Haskoning DHV (RHDHV) was selected as the engineering consultant for the construction of the new hospital building and the monitoring of the construction process. RHDHV accepted the assignment to prepare within two months the total package for the tender procedure, which in cooperation with the Tripartite and KPMG was successfully completed.

Five teams from RHDHV, KPMG, VSA, SZV and SMMC evaluated the three bids that came in. INSO was selected as winning bidder based on the unanimous outcomes of the five independent evaluation teams that reviewed the bids based on the main criteria, which included price, quality, timing, local involvement and financing.

INSO scored high on price for design, building and maintenance cost, quality, timing and local involvement. INSO is an international company based in Italy with extensive experience in the construction of hospitals globally and in the region. They came out with the best overall ranking, a final score of 165.4 out of 200 points. In September, the contract for the design,

build and maintenance (DBM) was signed with INSO.

HEALTH BUS

Another important Tripartite topic that started in 2016, was Preventive Care, and as part thereof the 'Health Bus'. To get the project restarted and the Health Bus on the road again to perform health screenings, SMMC was asked to arrange staffing for the Health Bus and to provide payroll services. In coordination with SZV and SMMC's HR and Patient Care departments, a pool of nurses and a doctor were contracted on call-up basis and a service level agreement was drafted.

AMBULANCE BILLING

After it was decided by the Tripartite in the first quarter of 2016, SMMC took over the collection of the Ambulance fees. This will assist in increasing revenues of the Ambulance Department, which falls under the Ministry of VSA. The collected amount increased from ANG 2.7K in May to ANG 7.7K in June. In the second half year the collected amounts accumulated to ANG 55.1K.



CONTINUITY OF MEDICAL CARE

Strengthening the SMMC Medical Care Organization and communication structure is crucial to enabling the continuity of care at SMMC. Maturation of peer communications through multidisciplinary medical specialist staff meetings led to a multidisciplinary approach for the care of critical patients, but also to an improved structural and transparent collaboration in 2016.

Due to financial constraints, the plan for expanding Medical Specialties has been put on hold. However, the business cases for the introduction of the following medical specialties have been prepared: Urology, Ophthalmology, Neurology and Orthopedics. St. Maarten as a whole has certain medical care demands that momentarily are unavailable at SMMC. The volume of care and the capital invested therein merits bringing in these new specialties to SMMC. This is not only desirable from a financial aspect, but also a necessity to offer these specialties as part of a full range of care services available at SMMC.

A general specialist at SMMC provides basic care of sub-specialties whereby all patients can be stabilized. Once the patients have been stabilized, but require specific care that is unavailable at SMMC, they are then transferred to institutions abroad.

Improvements have been ongoing in order to cope with the increased number of emergency room patients. This is in relationship with the fact that the emergency room clientele consist of General Practitioner clientele visiting SMMC during after-office-hours during the week, during the weekends and the holidays. This development has made it necessary to expand the number of FTEs from 6 to at least 7.5. This expansion in Emergency Room doctors guarantees the ER to be manned by two doctors during the weekends.

Medical Professionals	Government policy 2008 (FTE)	Government policy 2012 (FTE)	Needed in SMMC (FTE) 2016			Current situation of SMMC (FTE) 2015				Vacancies ¹ SMMC (FTE)
			Permanent*	Rotation	Total	Private	In service	Rotation	Total	
Anesthesiologist	4.0	4.0	2.0	0.5	2.5	0.0	2.0	0.3	2.3	0.2
Cardiologist	1.3	1.58	1.0	1.3	2.3	1.0	0.0	1.3	2.3	0.0
Dermatologist	0.6	0.78	1.0	0.3	1.3	0.4	0.7	0.0	1.1	2.0
General Surgeon	3.0	3.61	3.0	0.0	3.0	0	3.0	0.0	3.0	0.0
Gynecologist*	3.4	3.6	4.0	0.0	4.0	1.0	2.6	0.0	3.6	4.0
Hematologist**	-	-	0.5	0.3	0.8	0.0	0.0	0.0	0.0	0.8
Internists***	3.0	3.2	3.0	0.0	3.0	1.0	2.0	0.0	3.0	0.0
Midwife****	1.7	1.16	3.0	0.5	3.5	1.0	1.0	0.6	2.6	0.9
Nephrologist**	-	-	1.0	0.3	1.3	0.0	1.0	0.0	1.0	0.3
Neurologist	1.4	1.37	1.0	0.3	1.3	0.0	0.0	0.0	0.0	1.3
Oncologist**	-	-	1.0	0.3	1.3	0.0	0.6	0.0	0.6	0.7
Ophthalmologist	2.3	2.23	1.0	0.3	1.3	0.0	0.0	0.0	0.0	1.3
Orthopedic Surgeon	1.2	1.51	1.0	0.3	1.3	0.3	0.0	0.0	0.3	1.0
Otolaryngologist (ENT)	1.0	1.21	1.21	0.0	1.8	0.5	1.0	0.0	1.5	0.3
Pediatrician	2.8	4.54	4.54	0.5	2.5	1.0	1.0	0.0	2.0	0.5
Psychiatrist	2.5	3.12	3.12	0.3	1.3	2.0	0.0	0.0	2.0	-0.7
Pulmonologist	1.1	1.09	1.09	0.0	0.5	0.0	0.0	0.0	0.0	0.5
Radiologist	1.5	2.0	2.0	0.5	2.5	0.0	1.0	1.0	2.0	0.5
Urologist	0.7	0.73	1.5	0.3	1.8	0.0	0.0	0.0	0.0	1.8
Total	31.5	35.73	31.3	6.0	37.3	8.2	15.9	3.2	27.3	10.0

* Including private practices

** Internal Medicine in Government's manpower planning

*** General and Gastroenterologist

**** Midwife with private practice not affiliated with SMMC

QUALITY AND SAFETY

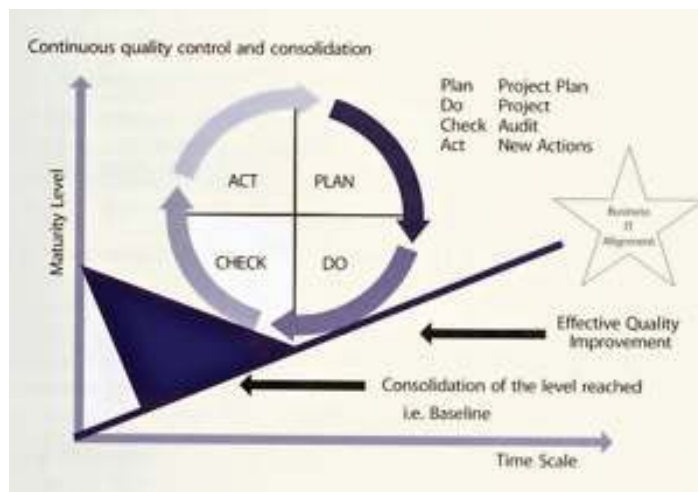
Patient and employee safety is the cornerstone of high-quality healthcare. This means that at SMMC everything is done to prevent patients from having any injuries, accidents, and infections during their care at the hospital, as well as to create a safe work environment for our employees.

To realize high quality and safe care, the hospital is required to develop protocols and guidelines for all their medical procedures. The process for developing organization-wide protocols and guidelines has been on the go. These guidelines are used by doctors and nurses to give the best possible care. Another example regarding quality and safety is the use of checklists by the staff. These are used as an evaluation tool.

Part of quality and safety at SMMC relates to making sure that the patients are satisfied. Patient Satisfaction surveys have been used for this. In these surveys, patients are asked for their opinions and whether they have any recommendations for the hospital. The data is then analyzed so we can improve our healthcare provision and make their stay more pleasant.

Quality management is making sure that everything in the hospital occurs in the most efficient and safest way possible. Everything we do in quality management, we do according to the Deming (plan-do-act-check) circle.

This system stipulates that it is not enough to simply make an improvement plan. Rather, there must also be a check to determine if the devised plan is working. Additionally, once the plan is working, a strategy needs to be determined to specify how improvements can be made to the plan and the organization's operations to make it even better.



Overall, patient safety at SMMC is about ensuring the virtual absence of the likelihood that physical and/ or psychological harm happens to the patient through the lack of professional standards of workers and/or failings in the healthcare system. Thus, in 2016, focus continued to be placed on patient safety. This is also reflected in the hiring of a proficient Quality Officer who intends to continue improving patient and employee safety at SMMC.





INPATIENT CARE

The Inpatient Care of SMMC is composed of several patient care wards and units, namely: Obstetrics/Gynecology (Ob/Gyn) and Nursery ward, Pediatric ward, Medical/Surgical (Med/Surg) ward, the Intensive Care Unit (ICU) and the Daycare Unit, which admits patients who require less than 24 hours admission for a surgical procedure.

Critical Care training courses have been ongoing for senior and junior critical care nurses (registered nurses on Emergency Room, Operating Room and Intensive Care Unit). The complexity of care on the Med/Surg ward has prompted the Education Department to provide the High Acuity nursing course. 80% of the Registered Nurses have completed the course and have received a certificate. The Accelerated Registered Nursing Course is in the making and the target date is February 1st, 2017. Roughly 12 Licensed Practical Nurses from SMMC will be taking part in this 2.5-year course. This course is of utmost importance, seeing that the new hospital is becoming a reality, with its extra beds and services, which warrant the need of extra general and specialized nurses. Additionally, 16 students from other institutions on the island and from Saba, St. Eustatius and French St. Martin have enrolled for the course.

The total admissions to the inpatient wards and units (excluding transfers between wards) were 3,797 in 2016, which represents 91 admissions more than the previous year (2015: 3,706). The greater number of admissions can be ascribed to a general increase in patients and the provision of ENT (Ear Nose Throat) services, which started at the beginning of 2016.

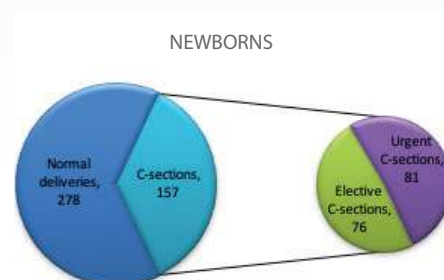
In contrast to the increase in number of admissions, the number of hospital days decreased in 2016 (16,592) compared to the year before (2015: 17,437). Patients in need of medical care visit the hospital at a much earlier stage in their symptoms, which contributes to less hospital days.

The division of admissions and hospital days per specialty are listed in the table below. It has to be taken into account that some changes were made to improve the reporting per specialty in the course of 2016, resulting in less registration in the 'Other' category and more on the relevant specialties.



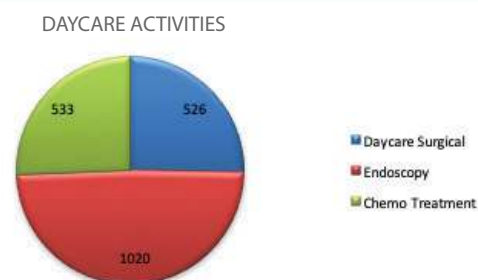
NEWBORNS

The number of newborns decreased in 2016 (435) compared to 2015 (482). In 2016, 278 babies were born via normal delivery and 157 babies (36%) were born by cesarean section of which 81 were emergency C-sections. In 2015, 190 cesarean sections were performed at SMMC, of which 85 urgent.



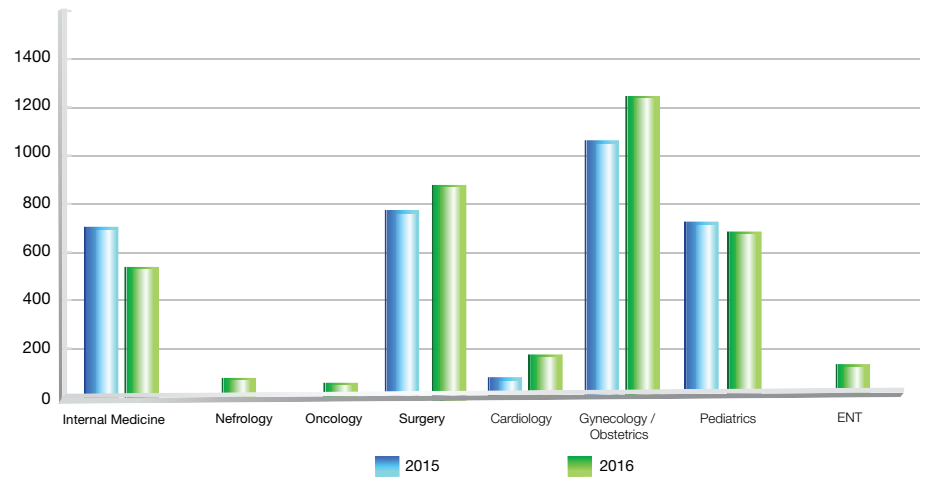
DAYCARE ACTIVITIES

The number of Daycare activities has slightly increased in 2016 (2,079) compared to 2015 (2,079). Daycare activities consist of daycare admissions for surgical procedures, endoscopies and chemotherapy treatments.

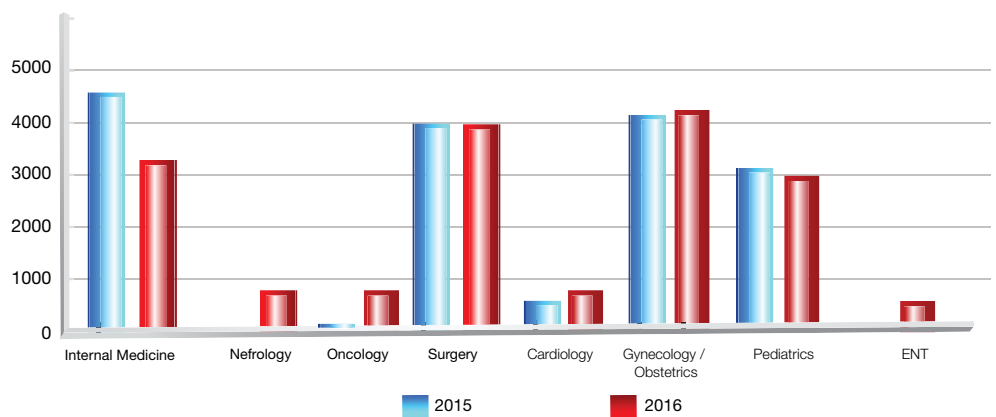




HOSPITAL ADMISSIONS

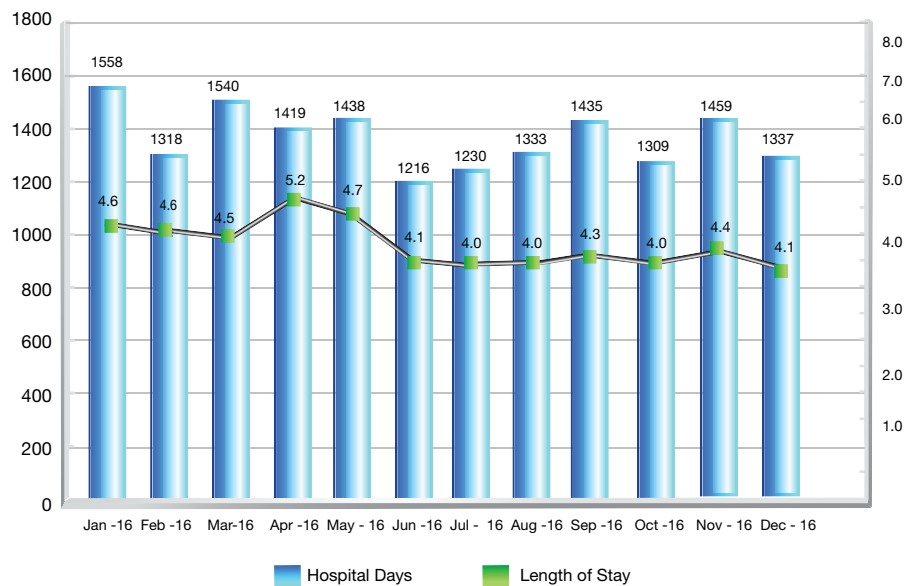


HOSPITAL DAYS



The development of the total numbers of hospital days and length of stay per month for the past year can be seen in the following graph:

HOSPITAL DAYS AND LENGTH OF STAY

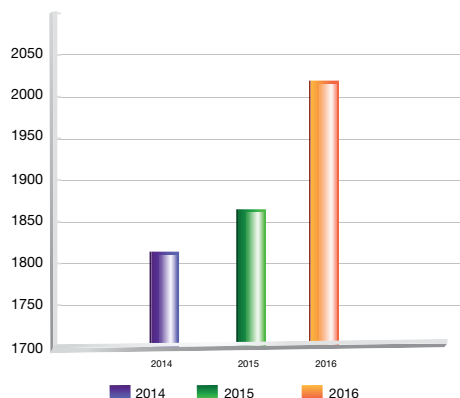


OPERATING ROOM

The Operating Room (OR) department consists of the Operating Room division and the Sterilization division.

In 2016, a total of 2039 patients were attended to in the Operating Room. This shows a consistent increase regarding OR services since 2014 and an increase of 8.9% compared to 2015 (1872). 18% of the operations was marked as urgent, whereas 82% of the total were elective procedures.

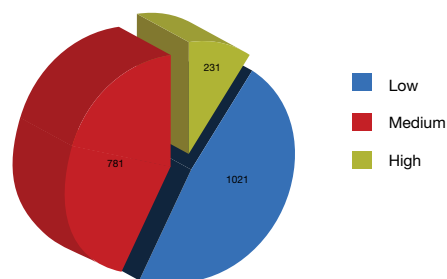
ATTENDED PATIENTS OR



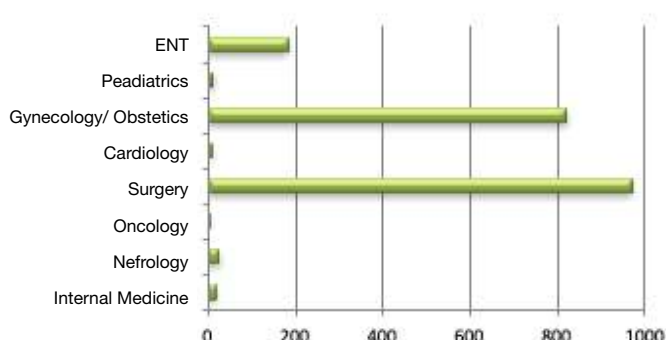
The majority of the surgeries were low complexity procedures, which accounted for 1021 cases. Procedures are considered low complexity if they are done either under local anesthesia (unless it involves gaining access to major blood vessels), or under anesthesia (general or regional) that lasts 30 minutes or less with the exception of abdominal surgery.

There were 781 procedures that were categorized as medium complexity. These are surgeries that last longer than 30 minutes, but no more than 1.5 hours from the start of anesthesia until the end of surgery. Also, ascribed as medium complexity are abdominal surgeries that last no more than 1.5 hours from the start of anesthesia until the end of surgery. Lastly, surgeries that involve gaining access to a major blood vessel that lasts no longer than 1.5 hours from the start of anesthesia until the end of surgery are considered medium complexity procedures. Further, in 2016 there were 231 high complexity procedures in the OR. These are surgeries that last longer than 1.5 hours from start of anesthesia until the end of surgery.

COMPLEXITY SURGERY



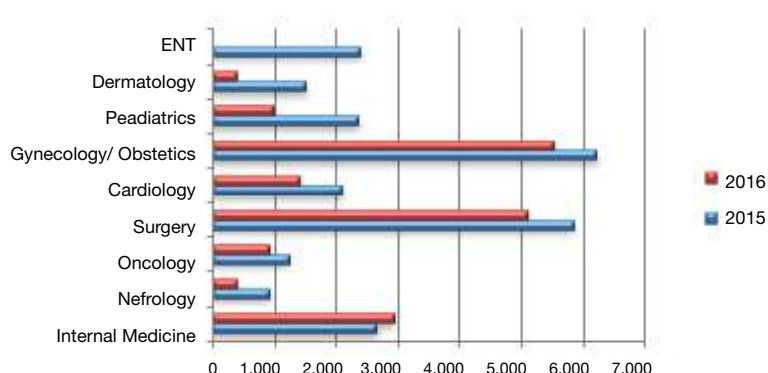
SURGICAL PROCEDURES per treating specialty



OUTPATIENT DEPARTMENT

The number of regular consultations has increased in 2016 to 25,576 compared to the previous year (2015: 19,433), which reflects a 32% increase. The reasons for this increase can be attributed to the addition of an ENT specialist, a Surgeon, a Pediatrician and a notable increase in the number of consultations in Gynecology.

OUTPATIENT CONSULTATIONS





DIALYSIS DEPARTMENT

In 2016, extra dialysis stations were created to accommodate the increase of patients. The Dialysis canteen and nursing office were changed into three patient stations. The former storeroom container adjacent to the department was used for relocation of the canteen and nursing office. One room on the Medical/Surgical ward will also be used for dialysis purposes. This room will accommodate tourist dialysis patients until a provision is made for the Dialysis Department. For 2017, the department has to continue with its expansion to be able to accommodate the fast growing patient population.

The Dialysis department serviced 73 patients in 2016, of which 18 were new patients. A total of 9240 dialysis treatments were conducted this year, of which 906 were treatments given to patients from Saba and St. Eustatius and 30 were treatments given to tourists that visited the island.

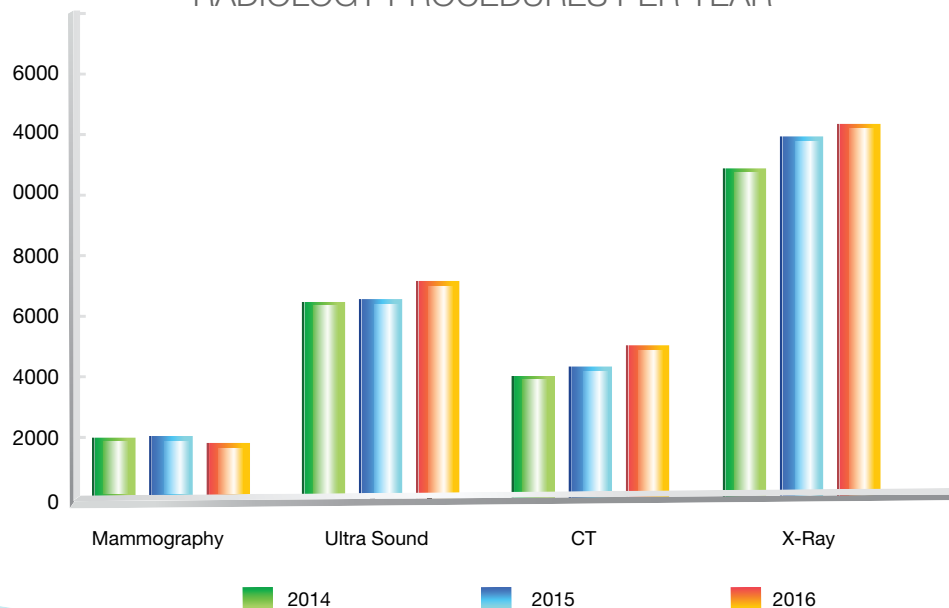
RADIOLOGY AND DIAGNOSTICS

The Diagnostic Department was strengthened with a second Echo Cardiographer. This experienced technician has placed the department in a positive position. The department is now able to function optimally with two technicians.

The number of radiology procedures increased overall with 5.8% from 22,846 in 2015 to 24,169 in 2016 mainly due to an increase in CT scans and ultrasounds. This increase is aligned with the increase in consultations and ER visits.



RADIOLOGY PROCEDURES PER YEAR





CARDIOLOGY CENTER

The Cardiology Center within the Outpatient Department is now a reality. The two cardiology offices and the diagnostic units are now all situated in the same location. Cardiologists now have easier and quicker access to observe and/or treat patients undergoing tests in the diagnostic units. Patients no longer have to crisscross the corridors when looking for the Cardiologist and/or Diagnostic Unit. To house the current Diagnostic Department, the Blood bank had to be relocated to one of the rooms in the SLS lab.

In light of the extra specialists who will be joining our services, plans are made to build additional offices alongside the existing Outpatient Department building.



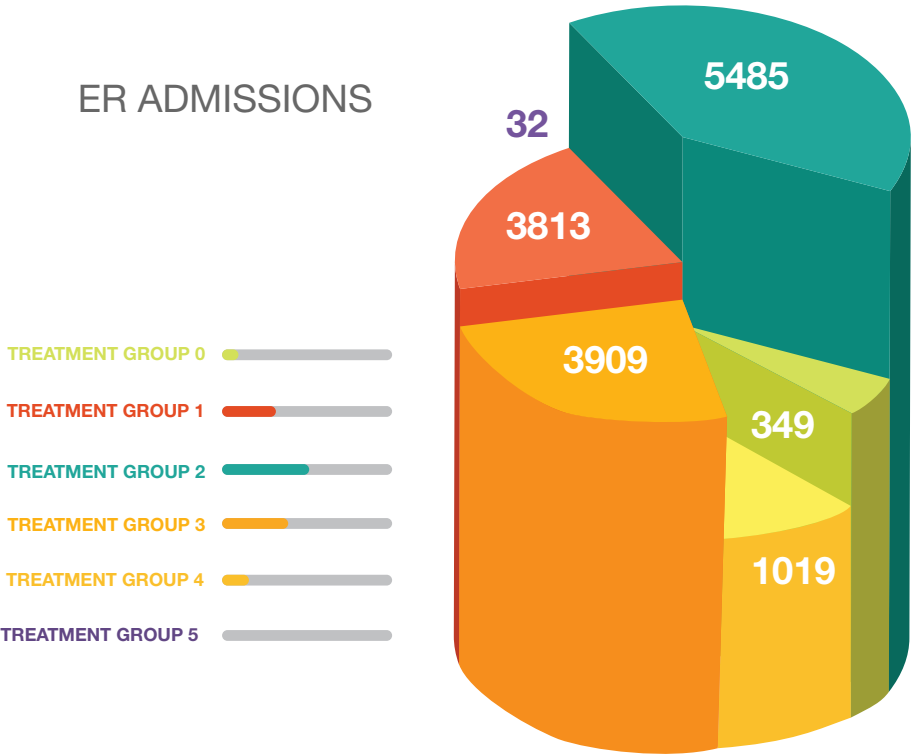
EMERGENCY ROOM

The total admissions to the Emergency Room were 14,607 in 2016, with an average admission per day of 40. The department makes use of the Manchester Triage system, which utilizes a grouping system to increase the management of patient flow and provide a quality solution to patient care in the department. The categories are prioritized based on the complexity of the cases, and this helps to create a balance in the services giving in an Emergency department.

The year 2016 has shown an increase of the number of ER visits compared to 2015 of 8.2%. A shift within the treatment groups can also be noticed, where more patients fall in the higher, more complex groups (treatment groups 3, 4 and 5) compared to the year before.

In 2016, 66% of the cases fell in the lower, less complex part of the scale (treatment groups 0, 1 and 2), of which 42% can be considered general practitioner care. The smallest admission group fell into treatment group 5, wherein 32 admissions were made. These are considered to be patients that need immediate responses such as CPR, trauma patients, and patients assessed as high fatality risk.

ER ADMISSIONS



HYGIENE AND INFECTION CONTROL

Reducing and preventing infections remains a high priority for SMMC. The Hygiene and Infection Control (HIC) department's goal is to prevent and combat hospital infections by implementing quality guidelines for Infection Prevention and Control in the hospital. These guidelines are established by the Dutch Society of Infection Control (VIHC) and the Dutch Society of Medical Microbiologist (NVMM).

The HIC has gained two new persons on staff with the acquisition of two new Microbiologists for the SMMC, who together fill 0.5 FTE by visiting SMMC twice a month for 3 days each time and work from Curacao for the remainder of the time available. One Infection Control Practitioner (ICP) successfully completed an online course on Effectively Using Data Analysis. Another ICP completed a training session for the use of the Global Public Health Intelligence Network (GPHIN).

The SMMC, through the HIC Department, is one of the sentinel sites reporting to CPS, and regularly receives current, timely updates from GPHIN on emerging diseases and outbreaks occurring globally, thereby enabling the ICP's to remain current on changing trends in Infection Control, as well as giving them access to global information.

GPHIN, developed by Health Canada in collaboration with the World Health Organization (WHO), is a secure Internet-based multilingual early-warning tool that continuously searches global media sources such as news wires and websites to identify information about disease outbreaks and other events of potential, international public health-concern.

The Infection Committee continued to meet on a structural basis in 2016 and has ratified surveillance figures, outbreak reports and new Infection Prevention and Control policies and procedures. The implementing of a new system for testing MRSA by SLS Lab is to be initiated whereby screening results would be received within 70 minutes of taking the swabs. This new method of testing would have a great impact on the turnover time and special issues faced by SMMC when screening patients for MRSA.

Collective Preventive Services (CPS,) in collaboration with the Pan American Health Organization (PAHO), has been working on structuring event-based surveillance. CPS was recommended to also include their sentinel sites (stakeholders submitting data) in the surveillance, by listing them as part of the group to receive access to GPHIN.



SOCIAL WORK

Within the SMMC, the Social Work Department plays a pivotal role in supporting patients and their relatives, as well as the organization's employees, as they directly or indirectly experience various life-influencing circumstances. The focus of the department is to give supportive care to patients and their family on request of the specialists or nurses from the various departments in the hospital. Another objective of the Social Work Department is to provide support and give advice to the staff of the Medical Center, not only with private problems but also with work-related problems.

The most prevalent topic brought forward during consultations is the lack of insurance coverage. Secondly is locating next of kin. Families often need assistance in being linked to outside resources to aid with the care of the ill and the Social Worker is then brought in to be the liaison between the families and the organizations.

INFORMATION & COMMUNICATION TECHNOLOGY

For the ICT Department, the installation of the fiber optic cable for data network communication, linking SMMC and the Care Complex, was completed in mid-2016. The purpose of this was to connect the new physician clinics in the Care Complex with the SMMC network. Purview, an external consultancy company specialized in OsiriX and PACS, was brought in to assess our organizational needs and recommend improvements.

A new OsiriX server as well as a new PACS data server was purchased and configured for improved reliability of retrieving radiological images and reports. With the implementation of ICD10 coding in the Medical Archives, the coding assisting software named Optum was selected and installed. This software went hand in hand with ICD10 training of the staff by a consultant provided by TruBridge.

Lab results for patients are retrieved via the SLS lab software called SchuyLab. The necessity of an interface directly from SchuyLab into Evident is a priority. This will also facilitate the physicians' work, as currently they access Evident for patient documentation, OsiriX for PACS images, and reports and SchuyLab for lab results. The interface connection between SchuyLab and SMMC is being worked on and tested by interface technicians of the software providers. Due to the lack of unique identifiers this process may perhaps be completed towards the latter half of 2017.

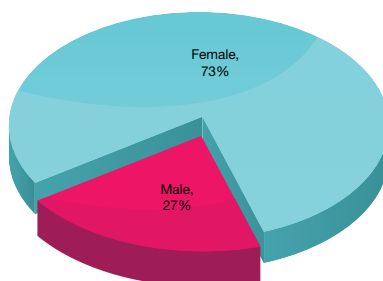
A PLACE TO WORK



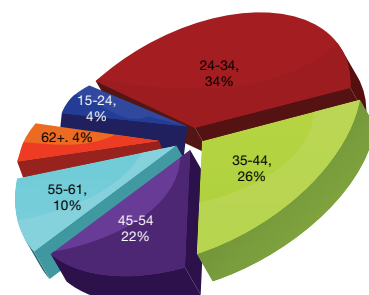
Providing quality care at SMMC is possible through the hard work of our personnel. Therefore, maintaining a good work environment for SMMC staff is crucial to the organization. In October 2016, the payroll administration was outsourced to Baker Tilly. The purpose of this is to ensure that all payroll elements are correctly structured and taxed, as well as to ensure payroll security with it being handled by an external organization.

Per the end of 2016, SMMC staff consisted of 73% females and 27% males of which 4% fall into the pension age.

MALE / FEMALE

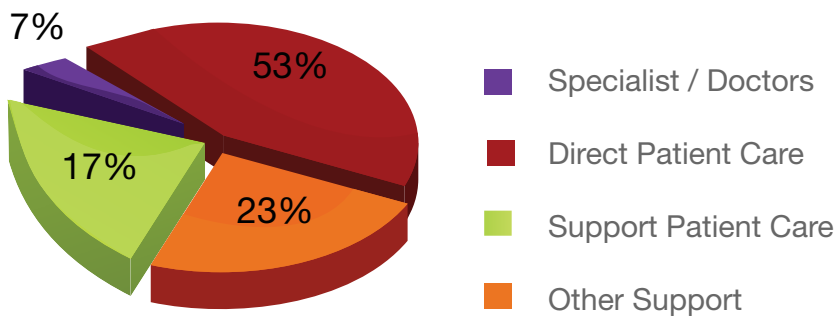


AGE DISTRIBUTION



By the end of 2016, the total number of employees was 299 excluding call-up staff. Over the year, the FTE (full time equivalent) total was 304.7 of which 4.8 FTE was attributed by call-up staff. A total of 46 employees were hired during year of 2016, while 44 left. Critical positions where vacancies were created with staff resignations and subsequently filled by new candidates were: Legal counsel, Social Worker, Directorate Assistant, Communications Officer, and Internist. New positions filled were: Cardiologist, Interim Finance Manager (due to maternity leave of the previous Finance Manager). 60 % (184) FTE of SMMC's workforce consisted of employees working in direct patient care, including specialists and doctors (20.4 FTE). 17% (51.4 FTE) worked in support patient care positions and 23% (69.3 FTE) performed other support.

WORKFORCE



The sickness percentage was 6% in 2016, compared to 5.4% in 2015. 58% of the sick leave under staff was accounted for by sick leave longer than 10 days. 20% of the total sick leave pertained to sick leave between 3 and 10 days and 23% was sick leave of 3 days and shorter.

COLLECTIVE LABOR AGREEMENT NEGOTIATIONS

The current Collective Labor Agreement (CLA) is valid from June 1st, 2014 to June 1, 2017. In order to ensure that a new CLA is in place by mid-2017, preliminary meetings with the WIHCUA union were started in July 2016. Over the balance of 2016 the CLA was reviewed for possible textual changes and both the union and SMMC put forward their points for negotiation. Negotiations and the new CLA should be finalized by early 2017. Negotiations also commenced with the Emergency Room (ER) physicians in July 2016 regarding the creation of a CLA for this group.

SMMC SICK LEAVE CONTROL

Contracts of two staff members who were on sick leave for (over) two years were terminated; one with mutual agreement and the other with approval of the Labor Office. This process as well as the high percentage of sick leave in certain departments highlighted the need for SMMC to have an occupational health specialist. Corporate Health Solutions (CHS) was contacted and the process started to implement new policies and controls for sick leave. Completion of this project is slated for the beginning of 2017.

PENSION

With the new pension contract signed and corrections applied to the pensionable contributions, after an absence of many years, ENNIA provided the employees with yearly pension statements dating from 2005 to 2015. These statements were distributed to the relevant staff by HR.

CONTINUED EDUCATION PROGRAM

In line with the goal of keeping our staff informed on topics of interest to them, the following lectures were given by HR staff: ENNIA Pension Information Sessions and Explanation of your Pay slip.

FACILITIES

Improving safety and security is one of the key responsibilities of the Facility Department. Several protocols are being worked on to maintain and improve security and safety at the hospital. In 2016, an ID badge protocol was implemented as well as a primary version of a Security Task Plan, as we notice an increase of incidents over the years. Also, the contract with the existing security company has been under review. The expansion of the dialysis clinic, with three stations, including delivery of the purchased dialysis machines and additional dialysis chairs was also completed in 2016.



RELOCATION OF MEDICAL ARCHIVES

The staff of the Medical Archives operated in a small, cramped, two-room space adjacent to the Ob/Gyn ward, with no room to add an additional staff member. Patient documentation and files were spread over three locations, with some patient files being kept under very unhygienic conditions. As a solution, a modern, roomy facility was rented at walking distance of the SMMC, and staff and most files were transferred and structured into the new facility. An official open house of the new location was held in May 2016. Staff was invited to visit and become acquainted with the new location.

DONATIONS

In 2016, SMMC received a donation of wheelchairs by the Rotary Club St. Martin Sunrise. A total of 8 wheelchairs were donated, both adult and children sizes.

Additionally, a baby scale was donated to the SMMC Pediatric Ward by Loumi Administration N.V. owner Michelette Boasman. The Christmas monetary donation was used to order the equipment. At the same time, renovations were being made on the ward for an additional baby room.

The giving spirit of the community adds communal value to the work done at SMMC. Donations are always appreciated by the SMMC and can also be made through <http://smmc.sx/Family-Visitors/Donate> section of the SMMC website where more information is available about giving to SMMC and the medical equipment needed most.



RENOVATIONS/ PROJECTS COMPLETED IN 2016

- Cardiology: a second doctor's office was created in the former waiting area from SLS to facilitate the 2 FTE cardiologists.
- SLS Area: SLS returned the m2 from their storage room at Outpatient Department back to SMMC of which we created the new location of the Blood bank.
- Diagnostics: due to the relocation of the Blood bank, Diagnostics was able to move closer to the Cardiology Department and since the office is a bigger than the previous room, 2 tests can be done at the same time, which creates an increase of their capacity.
- Outpatient: an assessment room and registration/cashier office was created in a section of the waiting area of the Pharmacy.
- Dressing rooms: a start was made with creating dressings rooms for kitchen and nursing staff. A section of the Laundry Department was made available for this.
- Multi-purpose Room: at Medical/Surgical our former canteen was changed into a Multi-purpose room.



A PLACE TO LEARN

The St. Maarten Medical Center is a learning environment that keeps the community abreast of medical developments and encourages staff to remain up-to-date and educated in their field. During 2016, SMMC welcomed 93 interns into the organization of varying studies.

In 2016, there were 12 students who interned from the Instituto pa Formashon den Enfermeria (IFE) in Curacao and 26 students interning from the Netherlands. Licensed Practical Nursing (LPN) students were also part of SMMC's internship program in 2016. There were a total of 11 interns from the LPN program coming secondary schools such as Milton Peters College (MPC), Learning Unlimited (LU) and Academy PSVE. The hospital also catered to 24 LPN students from the National Institute for Professional Advancement (NIPA).

The Education Department also organized external educational opportunities for the community. In 2016, a total of 6 lectures for schools in the community were hosted by the department. In-house the department offered 46 lectures to SMMC staff and 3 orientation visits were made by secondary school students to the medical center. SMMC covered all costs for continuous education for the following trainings/workshops in 2016:

- Nephrology Conference (SXM): 38 staff members attended.
- Lung Conference: (SXM): 40 nurses attended.
- Leadership workshop by Victoria living Foundation (SXM): 12 staff members attended.
- Lifestyle in medicine by NASKHO (SXM): 28 nursing/medical staff members attended.

Through the Education Department, SMMC seeks to contribute to the advancement of the community and of SMMC staff. This advancement leads the future to a better, higher quality of care.





25 Years



St. Maarten Medical Center

We Care Together!