

VITAL SIGNS 2011:

Current State of Crouse Hospital's Financial, Operational & Quality Health



Operating Margin

	2005	2006	2007	2008	2009	2010
Operating Revenues	\$262,256,502	\$271,771,300	\$288,638,820	\$313,321,216	\$331,930,368	\$349,720,306
Operating Income	5,355,075	8,135,647	10,022,212	6,988,944	3,324,002	3,063,843
EBIDA*	17,414,179	19,678,468	23,852,825	22,260,735	19,472,908	19,017,702
Bottom Line	\$6.2 mil	\$9.2 mil	\$11.7 mil	\$7.5 mil	\$5.4 mil	\$4.7 mil

*EBIDA: Earnings Before Interest, Depreciation and Amortization

DID YOU KNOW?

Crouse Hospital ...

- ➔ Is the New York State-designated REGIONAL REFERRAL CENTER for PERINATAL & NEONATAL INTENSIVE CARE (NICU) SERVICES
- ➔ Is the first area hospital to support the SAY YES TO EDUCATION initiative, providing two educational scholarships to the Crouse Hospital School of Nursing
- ➔ Is one of 11 nationally accredited CHEST PAIN CENTERS in New York State
- ➔ Has the largest OUTPATIENT SURGERY program in Central New York
- ➔ Operates the region's only PEDIATRIC CARDIAC CATHETERIZATION SERVICE
- ➔ Is a New York State-designated REGIONAL STROKE CENTER (and the only area hospital to achieve 'Gold Plus' quality performance status from the American Heart/Stroke Associations)

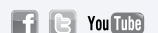
2010 At a Glance

Emergency Services Visits (includes Emergency Department & PromptCare)	62,585
Inpatients Treated	24,034
Outpatient Visits	248,522
Inpatient/Outpatient Surgeries	18,081
Births	4,138
Employees	2,700
MDs on Staff (Active & Courtesy)	927



Your care. In our hands.

crouse.org



OUR MISSION

To provide the best in patient care and to promote community health.

FOCUS ON COMMUNITY

2,839

Families assisted in applying for financial assistance programs in 2010 (up from 2,334 in 2009).

\$7,567,733

Amount of charity care Crouse Hospital provided in 2010 (up from \$5,928,500 in 2009).

71%

Percentage of patients applying for charity care who received free or significantly reduced cost of care in 2010 (up from 65% in 2009). Nearly all of the remaining 29% received a discount on their hospital bill based on economic need and circumstances.



\$16,926,011

Medicaid subsidized healthcare services (difference between actual cost to deliver care and government reimbursement to the hospital).

\$9,911,555

Amount of bad debt service Crouse provided to patients in 2010. Bad debt is the dollar amount of healthcare services provided to self-pay patients that was not paid and therefore not received by the hospital.

2,244

Number of people who attended Crouse's free community health education seminars in 2010.

1,390

Number of people who took advantage of free Crouse health screenings in 2010.

Supporting Charitable Organizations

Each year Crouse Hospital invests in the work of numerous charitable organizations in our community that are aligned with our mission, vision and values. We look for programs that address issues critical to those in need and provide financial and other forms of support to those we believe can help make a real difference. Community-based organizations that benefitted from Crouse support this past year include:

<i>American Cancer Society</i>	<i>Jim & Juli Boeheim Foundation</i>
<i>American Heart Association</i>	<i>McMahon/Ryan Child Advocacy Site</i>
<i>American Red Cross</i>	<i>Mental Health Association of Onondaga County</i>
<i>Catholic Charities</i>	<i>MS Resources of CNY</i>
<i>Francis House</i>	<i>Ronald McDonald House of CNY</i>
<i>Hiawatha Seaway Council</i>	<i>Sarah House</i>
<i>Hillside Work-Scholarship Connection</i>	<i>Susan G. Komen for the Cure</i>
<i>Hospice of CNY</i>	<i>Syracuse City School District</i>
<i>Hughes Magnet Elementary School</i>	<i>United Way of CNY</i>
<i>Interfaith Works/InterReligious Council of CNY</i>	<i>Vera House</i>

IMPACT ON AREA ECONOMY

In addition to enhancing the health and well being of the community we serve, Crouse Hospital is a major economic anchor in Central New York.

- 2010 Salaries: **\$145,228,610**
- 2010 Benefits: **\$48,958,555**
- 2010 Expenditures for goods & services (i.e., medical supplies, electricity): **\$153,370,096**
- Dollars earned by Crouse Hospital employees and spent on groceries, clothing, mortgage payments, rent, etc., generate approximately **\$297,157,000** in economic activity for our local economy.

Source: Healthcare Association of New York State Economic Impact Report, June 2010; Crouse Hospital

A Top CNY Employer

<i>Employer</i>	<i># Employees</i>
1. SUNY Upstate Medical University	7,935
2. Syracuse University	6,504
3. Wegmans	4,100
4. St. Joseph's Hospital Health Center	3,142
5. Crouse Hospital	2,700
6. Loretto	2,427
7. Lockheed Martin MS2	2,350
8. National Grid	1,856
9. Raymour & Flanigan	1,400
10. Syracuse VA Medical Center	1,400

Source: Centerstate Corporation for Economic Opportunity

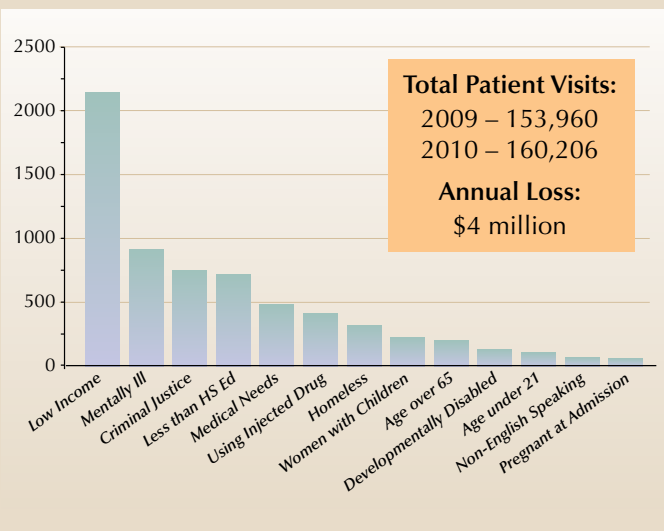
ONONDAGA COUNTY'S 'SAFETY NET' HOSPITAL

% Medicaid Discharges – 2010

Crouse Hospital	37.0%
University	29.4%
St. Joseph's	25.1%
Community General	8.5%

Source: Hospital Executive Council

Chemical Dependency Treatment Services – 2010 Admissions of Patients with Special Needs



OUR VISION

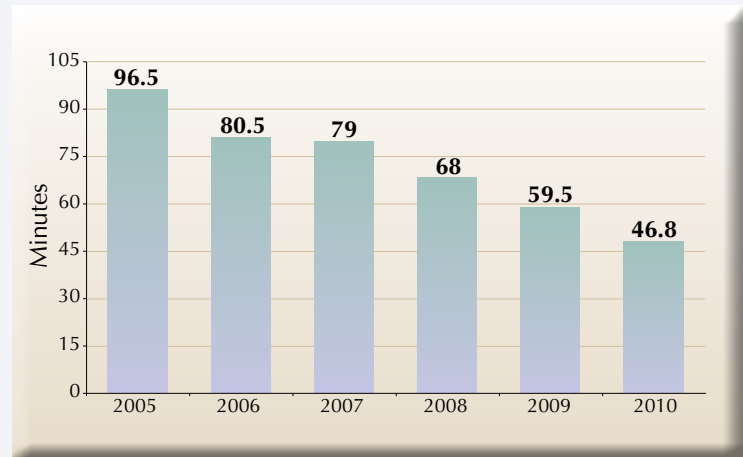
To be a leading healthcare provider in Central New York by:

- being committed to excellence in all areas of our organization by anticipating and exceeding the expectations of those we serve: our patients and their families, physicians, employees, volunteers and other partners;
- building a dynamic work environment where all are valued, respected and are provided the opportunity for personal and professional growth;
- developing and building on centers of excellence that support our mission;
- strengthening relationships with other community providers to enhance the continuum of care for those we serve;
- operating in a fiscally responsible manner that allows us to provide the best in patient care and technology.

FOCUS ON QUALITY

Median Door to Cardiac Intervention Time

National Goal = <90 minutes



Source: Crouse Hospital Cardiac Care Services

DID YOU KNOW?

Crouse Hospital ...

- ➔ Delivers MORE BABIES than any other hospital in Central New York
- ➔ Operates the only HOSPITAL-BASED SUBSTANCE ABUSE TREATMENT SERVICE in Central New York
- ➔ Has GRADUATED MORE THAN 4,500 STUDENTS from the Crouse Hospital School of Nursing since its founding in 1913
- ➔ Is the first – and only – U.S. hospital to receive the OPTIMAS AWARD FOR GENERAL EXCELLENCE from *Workforce Management* magazine (for sustained financial, operational and employee satisfaction performance)

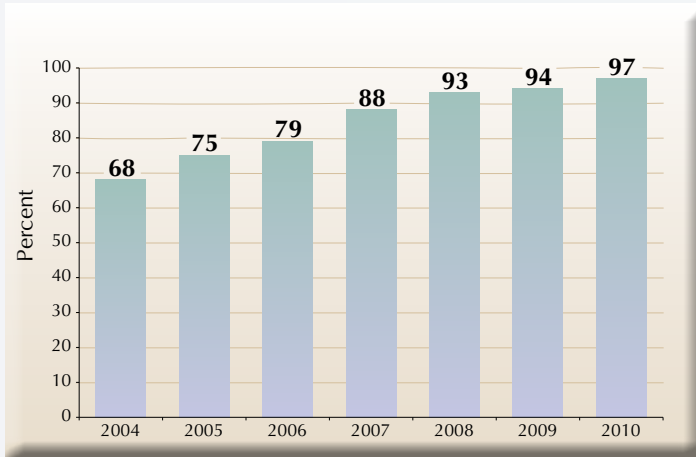
Crouse Utilization 2005 - 2010

Year	Discharges	Outpatient Cases	ER & Urgent Care Visits
2005	21,983	227,687	55,067
2006	21,904	229,408	55,862
2007	22,927	232,175	57,737
2008	24,017	231,921	62,462
2009	23,716	245,548	66,722
2010	24,034	248,522	62,585
5-Year Growth	9.3%	9.2%	13.7%

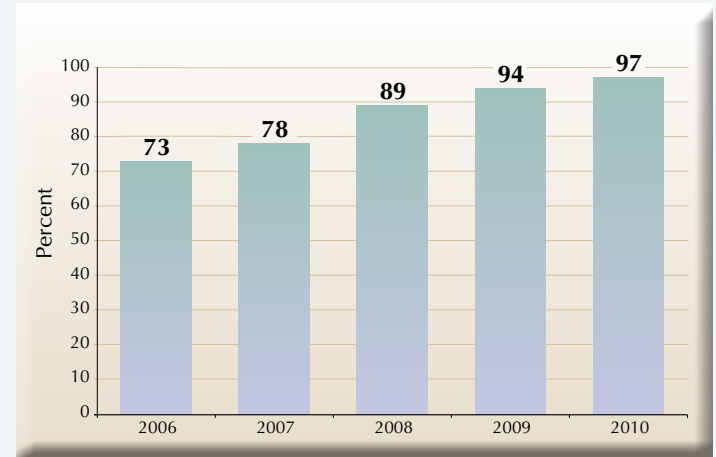
Source: Crouse Hospital Finance

FOCUS ON QUALITY

Appropriate Antibiotic Selection for Community-Acquired Pneumonia



Surgical Services – Antibiotic Discontinued Within 24 Hours



Crouse Hospital continues to earn national and regional recognition for our dedicated focus on improving quality and the overall patient care experience. The following designations have been received in the past three years.

2011

- Exemplary Outcomes Designation – American College of Surgeons**
For being one of 26 hospitals in the U.S. to achieve above benchmark performance in surgical care.
- Quality Respiratory Care Recognition – American Association for Respiratory Care**
For ensuring patient safety by adhering to strict quality criteria governing the hospital's respiratory care services. Only 15% of U.S. hospitals have received this designation.



2010

- Chest Pain Center Accreditation – Society of Chest Pain Centers**
For exceeding national heart attack care and treatment standards.
- Get With the Guidelines Gold Plus Award – American Heart/Stroke Association**
For performance excellence in stroke care and treatment.
- Top 25 Connected Healthcare Facilities Award – Health Imaging & IT magazine**
For progress integrating imaging and information technology systems throughout the organization.



2009

- Exemplary Outcomes Designation – American College of Surgeons**
For exceeding National Surgical Quality Improvement Program performance measures.
- Pinnacle Award – Healthcare Association of New York State**
For best practices in glycemic control in adult medical/surgical care.
- The Leapfrog Group**
For earning high marks in several patient safety measures, including appropriate ICU staffing; managing serious errors; reducing ICU infections; and reducing hospital injuries. Crouse remains the only participating Syracuse hospital.
- Get With the Guidelines Gold Award – American Heart Association**
For continued excellence in cardiac care.
- Exceeding Patient Expectations Award – Avatar Patient Satisfaction**
For continuous improvements in overall patient satisfaction (2007 – 2009).
- Most Improved & Best Practices – Avatar Physician Satisfaction**
For continuous improvements in overall physician satisfaction.
- Excellence in Innovation Award – The Advisory Board Company**
For improving performance in supply chain utilization and efficiency.



FOCUS ON COST/EFFICIENCY

Adult Medicine/Adult Surgery Length of Stay (LOS)

January – December 2009 vs. 2010

	# Discharges		Mean LOS		Severity Adjusted National Benchmark		LOS Difference From Benchmark		Patient Days Difference Based on Severity of Illness	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
	Adult Medicine	8,234	8,926	4.73	4.68	4.73	4.78	0.00	-0.10	0.00
Adult Surgery	4,544	4,506	4.92	4.81	4.94	4.98	-0.02	-0.17	-90.88	-766.02

Source: Hospital Executive Council

Cost Per Case

Syracuse Hospitals: Jan. – Dec. 2009

Hospital	Cases	Observed Avg Cost	Expected Avg Cost	% Diff Avg Cost
Crouse Hospital	22,468	\$9,021	\$10,428	-15.12%
Hospital B	21,747	\$10,560	\$14,203	-25.65%
Hospital C	16,983	\$19,244	\$16,235	18.53%
Hospital D	8,903	\$8,489	\$11,029	-23.03%

Source: Treo Solutions

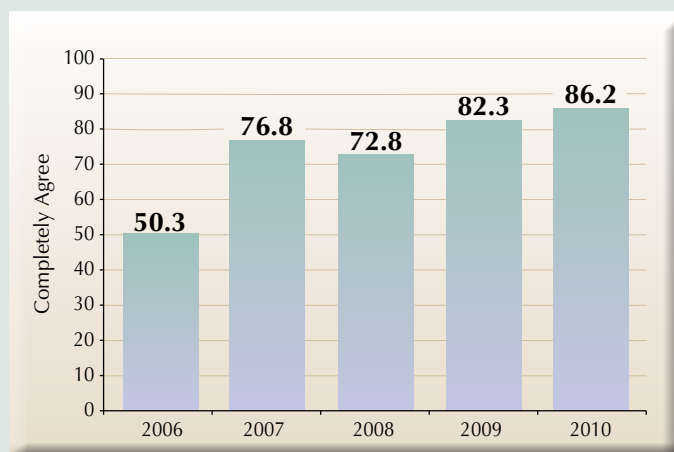
Supply Expense Reduction Taskforce/ Value Analysis Team Results

Year	Team	Expense Reduction
2003	SERT	\$ 1,789,289
2004	SERT	\$ 997,931
2005	SERT	\$ 1,670,628
2006	SERT	\$ 2,004,891
2007	SERT	\$ 2,600,501
2008	SERT	\$ 2,122,924
2009	SERT/VAT	\$ 4,009,238
2010	SERT/VAT	\$ 3,625,270
TOTAL		\$16,574,618

Source: Crouse Hospital Materials Management

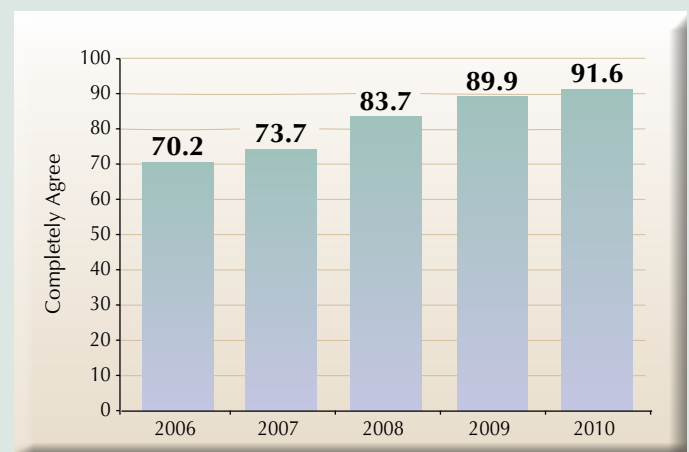
FOCUS ON TEAMWORK

Employees Who Would Recommend Crouse as a Place to Work



Source: Avatar Employee Satisfaction

Employees Who are Proud to Work at Crouse



FOCUS ON INNOVATION

Innovation is a key element of Crouse Hospital's cultural and operational success. Current examples include:

- **Six Sigma & SU/RIT** – Crouse has partnered with Syracuse University's Martin J. Whitman School of Management and Rochester Institute of Technology to implement Six Sigma strategies that support the hospital's overall performance improvement initiatives. In healthcare, Six Sigma is used to address many common challenges, including patient safety, resource utilization, length of stay and patient throughput. Working with Whitman and RIT graduate students, Six Sigma at Crouse has been used to improve administration of antibiotics, shorten delays in the OR and improve health outcomes for patients with respiratory illness.
- **Medicare Innovations Collaborative (Med-IC)** – Crouse is one of six U.S. hospitals/health systems to be invited to take part in this collaborative to implement best practices in geriatric care, share expanding knowledge and influence national health policy. Mount Sinai and Johns Hopkins Schools of Medicine are the Med-IC sponsors.
- **Lung Partners** – This Crouse program puts the care of COPD patients in the hands of a primary respiratory care team to provide more efficient, personalized care and increase compliance with post-discharge care.
- **Diabetes Care** – Crouse Hospital has joined the Society of Hospital Medicine's Glycemic Control Mentored Implementation Program to hone our process and workflow, which will continue to optimize glycemic control for patients throughout the hospital.
- **Care Transitions** – Crouse is the only area hospital with a dedicated Transition Coach, an RN who works with cardiac patients in the hospital and during the transition home to enhance confidence in patients' self management. Crouse transition team leaders have mentored colleagues regionally and nationally on the implementation of this program.
- **National Surgical Quality Improvement Program (NSQIP)** – An initiative of the American College of Surgeons, NSQIP is a risk-adjusted data collection mechanism that collects and analyzes clinical outcomes data. Participating hospitals use their collected data to develop quality initiatives that improve surgical care and enhance patient safety. In the past two years, Crouse has received the ACS's Exemplary Outcomes Award for exceeding national surgical care benchmarks.

FOCUS ON THE FUTURE

Guided by our five strategic vision statements, Crouse Hospital will continue to build on our success while anticipating the challenges – and opportunities – brought about by healthcare reform. We will...

- Build on and enhance key clinical service areas, such as surgical services, OB/NICU care and outpatient services;
- Develop an integrated delivery system through closer alignment with physicians who want to affiliate with Crouse;
- Reduce cost and waste, improve workflow and patient throughput and increase efficiencies in every area of our operation;
- Continue our focus on improving the overall healthcare experience for our patients.

OUR VALUES

- C**ommunity – working together
- R**espect – honor, dignity, trust
- O**pen, honest communication
- U**ndivided commitment to quality
- S**ervice to our patients, physicians and ourselves
- E**xcellence through innovation and creativity