Mission Still the Heart of it All

Everyone who works at PeaceHealth is called a caregiver. That’s because each of us – whether providing support services or ministering at the bedside or exam table – plays an important role in providing the competent and compassionate care that people expect of us. Your health and well-being are the reasons we exist. You are at the core of our mission.

In this report we share a lot of numbers that summarize activity over the past year, but they tell just part of the story. PeaceHealth touches lives of people in our community in many ways:

- With approximately 6,000 caregivers in Lane County, PeaceHealth is the region’s largest employer. At a time when unemployment is hovering stubbornly around 10 percent, we are pleased we were able to hire 635 people last year, grow our workforce slightly, and continue to provide family-wage jobs and benefits.
- PeaceHealth is the county’s 6th largest property taxpayer, contributing $1,247,756 to local schools and government.
- Through our hospitals, medical groups and related health services, PeaceHealth is the largest provider of health care services in our community, and by far the primary source of care for the poor and uninsured. In 2010, PeaceHealth provided $92 million in uncompensated care.

This last year was marked with recession-related challenges, quality improvement successes and service enhancements. As happens every year, we welcomed and rejoiced in new life, and mourned the loss of loved ones. Nowhere is the circle of life more apparent than within our hospital and clinic walls.

Looking ahead, we will celebrate our 75th year in Lane County in 2011. Medicine has changed over the years; our mission has not. It is my privilege to help carry on the healing ministry of the Sisters of St. Joseph of Peace, along with all the exceptionally dedicated caregivers of PeaceHealth.

To your health,

Mel Pyne
CEO and Chief Mission Officer
PeaceHealth Oregon Region
What Is PeaceHealth?

PeaceHealth traces its origins to Bellingham, Wash., in 1890, when the Sisters of St. Joseph of Peace arrived to establish a hospital to serve the loggers and fishermen of the Pacific Northwest. Hospitals in Ketchikan, Eugene and Longview were added, and in 1976 the Sisters formed a nonprofit company, then known as Health and Hospital Services, to bring them together under one organization. The name was changed to PeaceHealth in 1994.

For fiscal year 2009-2010, PeaceHealth has one hospital in Alaska, two in Washington (with two being added), and four in Oregon, all in Lane County. Other PeaceHealth services include clinics and PeaceHealth Laboratories, also based in Lane County.

PeaceHealth Oregon Region encompasses hospital and clinic services located in the Eugene-Springfield metropolitan area:

- Sacred Heart Medical Center at RiverBend
- Sacred Heart Medical Center at University District
- Cottage Grove Community Hospital and Clinics
  - Cottage Grove Community Hospital
  - South Lane Medical Group
  - Cottage Grove
  - Creswell
  - Dexter

- PeaceHealth Medical Group
  - Barger Medical Building
  - Downtown Eugene
  - Junction City
  - RiverBend Pavilion
  - Santa Clara
  - South Eugene
  - University District
  - Nurse Midwifery Birth Center
  - PeaceHealth Check-up
  - 4J Wellness Clinic

PeaceHealth Laboratories and Peace Harbor Hospital, while based in Lane County, are separate business entities with their own leadership teams and boards of directors.

For more information, visit [www.peacehealth.org](http://www.peacehealth.org).
While the number of people with commercial—or private—insurance continues a recession-fueled downward trend, commercial payers remain our primary source of revenue, simply because government programs—Medicare and Medicaid—pay less than the cost of providing care. The number of people without any insurance at all has gone up almost 30 percent in the past five years.

PeaceHealth is in the business of people caring for people, so it’s no surprise that our single biggest expense is for our caregivers. Compensation and benefits account for 46 percent of our expenses, followed by supplies and related expenses at 35 percent. With 5,065 caregivers, PeaceHealth is the region’s largest employer. PeaceHealth paid $1,247,756 in taxes on property that is not exempt to help fund local schools and government.

Widely recognized for prudent fiscal management, PeaceHealth will continue to focus both on good stewardship and quality improvement so that everyone we touch receives the care they deserve. Value—the best quality possible for every dollar spent—is the watchword for the coming era of health care reform.

**Value for your Dollar**

One of the most important ways PeaceHealth provides value to the community is by keeping our costs low. Our RiverBend and University District facilities have consistently ranked above comparable regional and national hospitals when it comes to providing value for the health care dollar. The trend continues based on the most recent data.

*Data Source: OR Hospital Discharge Database 2011: 2010 data is partial calendar year ending September 30, 2010.*
## PeaceHealth Oregon Region

### By The Numbers

**JULY 1, 2009 – JUNE 30, 2010**

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2009</th>
<th>FY 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of licensed beds:</strong></td>
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<tr>
<td>Sacred Heart Medical Center, RiverBend</td>
<td>338</td>
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<tr>
<td>Sacred Heart Medical Center, University District</td>
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<td>Cottage Grove Community Hospital</td>
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<td><strong>Total</strong></td>
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<td><strong>Annual admissions:</strong></td>
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<tr>
<td>Sacred Heart, RiverBend</td>
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<td><strong>Number of babies born annually:</strong></td>
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<td>Sacred Heart, University District</td>
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<td><strong>Total</strong></td>
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<td><strong>Number of clinic visits:</strong></td>
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<td>Cottage Grove Community Hospital/South Lane Medical Group</td>
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<tr>
<td><strong>Total</strong></td>
<td>436,060</td>
<td>439,612</td>
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</table>

### Employment Data

- Number of PeaceHealth Oregon Region employees: **5,065**
- Number of PeaceHealth System employees based in Lane County: **250**
- Number of registered nurses: **1,621**
- Number of new hires in past year: **635**
- Average annual turnover rate: **11%** (industry average: 16%)
- Average annual salary (excluding executive and physicians): **$56,716**
Providing care to all in need, regardless of their ability to pay, is the heart and soul of PeaceHealth’s mission. Known as “uncompensated care,” this includes provisions for charity care for those who cannot pay; bad debt for those who could pay but do not; and write-offs under the government programs Medicare (for older citizens) and Medicaid (for the poor and disabled), which don’t pay enough to cover our costs.

This year PeaceHealth provided a record level of uncompensated care to people in need in our community: $92 million. In charity care alone, PeaceHealth provided $52.5 million* in care through our Bridge Assistance program. Other ways PeaceHealth gives back to the community are detailed here.

*Based on charges.

With the completion of Sacred Heart at RiverBend and with the renovation of the University District campus delayed, capital spending is down.
A Bridge to Hope and Health

E
verything changed for 63-year-old Paula Dean of Eugene on Feb. 17, 2010, with a single phone call.

“The doctor said I had an aneurysm in my brain, and that I most likely had cancer in my lung and left kidney,” she said. A week earlier, Paula had gone to her doctor’s office complaining of headaches. She had been feeling run down and tired, but thought it was related to her emphysema. Instead, her life suddenly hung in the balance.

For Paula, who had been on disability since 2003 due to arthritis and degenerative disk disease, the diagnosis hit especially hard. Although she worked part time for a local nonprofit agency, she is one of 75,000 residents of Lane County with no health insurance. She was facing bankruptcy on top of a life-threatening illness. The stress only made matters worse. That was before someone at Volunteers in Medicine told her about the Bridge Assistance program offered by PeaceHealth.

Bridge Assistance is the PeaceHealth charity care program which provides medically necessary and preventive services for our patients at PeaceHealth facilities at a reduced cost or without charge when payment cannot be obtained through all other available financial resources.

In Paula’s case, her coverage was approved and applied retroactively to a bill that eventually approached half a million dollars.

Secure in the knowledge that her care would not leave her financially ruined, Paula was able to concentrate on the most important thing: her health. Doctors started with the aneurysm in her brain.

“The doctor said that in the past, he would have to send me up to Portland, but he said a new doctor named Erik Hauck was coming to Sacred Heart, and that he could help me,” Paula recalled. “When I found out that I could have the procedure done close to home, I was so relieved. I felt blessed.”

Paula was the first patient with this specific type of aneurysm that endovascular neurosurgeon Dr. Erik Hauck treated after he arrived at Sacred Heart Medical Center at RiverBend. The complex procedure was successful, and Paula’s symptoms were completely relieved.

Next, the focus shifted to beating her lung cancer. In July, Dr. Paul Koh surgically removed the cancer from the upper lobe of Paula’s right lung using minimally invasive techniques. The cancer was completely removed, but a common post-surgical complication – known as a lung leak – turned her anticipated week-long stay into a month-long one, as she waited patiently for her lung to heal.

At that time, Dr. Khuram Ameen, a pulmonologist, was being trained at Sacred Heart to use a new device that recently received FDA approval to close post-surgical lung leaks. Dr. Ameen was the first physician in Oregon to complete the advanced training required to use the device, and Sacred Heart was one of only 30 hospitals in the country approved to offer the procedure. Paula was the first patient at Sacred Heart to undergo this new procedure.

Another first, another success. In August, nearly a month after Paula entered the hospital for the lobectomy, Dr. Ameen inserted the device, called an IBV valve, into the affected airways in Paula’s lung, allowing her lung to start healing properly. It worked. She left the hospital three days later.

“I’m doing wonderful!” she says today. “Sacred Heart at RiverBend has the best doctors in the world. Our community is really blessed. What are the odds that they were all here when I needed them?”

“For information about Bridge Assistance, call 1-800-873-8253.

Those doctors are the miracles in my life.”
Monthly Milestones  Fiscal Year 2010

July 2009
Occupancy at Sacred Heart Medical Center, RiverBend, hits a record 93% on July 17, due in part to the H1N1 flu outbreak. Mary Anne McMurren becomes administrator at Cottage Grove Community Hospital and Clinics.

August 2009
Sacred Heart at RiverBend celebrates its first anniversary. On Aug. 14, surgeons at Sacred Heart begin using the new surgical robot, the da Vinci® Si, for minimally invasive surgery.

September 2009
Sacred Heart posts Emergency Department wait times online. Wait times – the average amount of time before patients are taken to a room to be seen by a physician – are updated every five minutes.

October 2009
The H1N1 influenza epidemic reaches its high point. A record 143 patients were treated for flu in our emergency departments and clinics on a single day, Oct. 14.

November 2009
PeaceHealth Check-up opens inside the Market of Choice at Woodfield Station in Eugene. The 300-square-foot facility is the first of its kind in Oregon.

December 2009
The new Neonatal Intensive Care Unit transport vehicle, purchased with $250,000 in funds from the Children’s Miracle Network, arrives and goes into service.

January 2010
A team of PeaceHealth caregivers led by Haiti native Dr. Snell Fontus departs on a medical relief mission following the devastating earthquake in that country. Dr. Erik Hauck joins Sacred Heart’s medical staff and becomes the only endovascular surgeon in the region who is trained to perform a specialized stroke treatment.

February 2010
A new website, PartnerforQualityCare.org, allows Oregonians to compare the quality of primary care provided in most of the doctors’ offices across the state. PeaceHealth Medical Group’s performance in nine of the 11 items measured meets or exceeds the 90th percentile.

March 2010
The family of the late Randy Papé establishes an Endowed Chair for Surgery in the name of Papé and Dr. David R. DeHaas, Jr., the surgeon Susie Papé credits with extending her husband’s life by 11 years following a serious illness.

April 2010
Sacred Heart ranks in the top 5% of hospitals in the United States for patient safety, according to HealthGrades, a Colorado-based hospital rating company. Only 238 hospitals nationally receive this recognition.

May 2010
The new PeaceHealth Medical Group Nurse Midwifery Birth Center opens to patients on May 3. The facility, at 353 Deadmond Ferry Road in Springfield, offers two birth suites, two exam rooms, and specialized tubs for water births.

June 2010
Sacred Heart Medical Center Foundation and the University of Oregon announce that they will fund seed grants totaling $60,000 for six health-related research projects involving collaborators from the UO and the local medical community under a new Translational Research Award Program.

And the pneumatic tube system at Sacred Heart, RiverBend, marked a major milestone when it reached its 2 millionth transaction this month. The 2.2-mile tube network moves canisters carrying an average of 3,000 lab samples and supplies daily within the hospital and to the RiverBend Annex six-tenths of a mile away via an underground connection.