

Comections

VOLUME FIVE

SPRING 2010

ADVANCING our MISSION

FROM DAN SLIPKOVICH



Over the past several months, health reform and the shape it might ultimately take have been a hot topic in our industry and on the national stage. On March 23, the historic legislation was put into law by President Obama as the Patient Protection and Affordable Care Act. While the bill's exact implications

on hospitals are still being determined, we do know that much of the language focuses on quality of care, customer service and cost efficiency.

These are all areas that Capella's hospitals are already focusing on in 2010 - and we are off to a strong start. We continue to implement important measures companywide to meet our goals for this year across our Five Pillars: Quality, Service, People, Finance and Growth.

Some of those initiatives are highlighted in this issue of Capella Connections, including our new Lean Healthcare ER efforts, Physician Leadership Groups, contributions to Haiti Relief and an ongoing emphasis on Studor principles for service excellence.

Let's not forget the tremendous success we have to build on from last year. Capella hospitals are showing great improvements in HCAHPS, physician and employee satisfaction and Core Measures – all key metrics in meeting our goals related to Quality, Service and People. We are truly proud of the dozens of accolades Capella hospitals continue to receive for achieving such outcomes.

Thank you for your ongoing dedication to making your hospitals the provider of choice in your community. 2010 is sure to be a terrific year!

SERVICE & PEOPLE mm

HAITI RELIEF

On January 12, the world was shocked by the devastating earthquake that struck the island nation of Haiti, killing and injuring tens of thousands and leaving much of the country in ruins.

Since then, our country – along with the rest of the world – has responded with an outpouring of generosity, sending several hundred million dollars in cash and thousands of workers to aid in the relief effort. But, there is still much more needed to get this already impoverished nation back on its feet.

In answer to the need and the call from our employees and physicians, Capella is honored to contribute both financially and with medical resources. Capella has offered to match \$25,000 of employee donations given to important relief organizations, including the Clinton Bush Haiti Fund, CARE and World Vision. In addition, we are providing up to twenty hours of PTO relief for employees who have already or would like to participate in these relief efforts during 2010.

The eagerness of Capella employees and physicians to extend our mission beyond the communities we serve to our neighbors in Haiti is what makes our organization special.

For more information about this effort, visit your HR department or administration.



CAPELLA'S HOSPITAL HIGHLIGHTS



CAPITAL MEDICAL CENTER

An army sergeant stationed in Iraq was able experience the birth of his second child, via the Internet using Skype, thanks to the dedicated staff at **Capital Medical Center**. Laurinda Elgin, the hospital's neonatal nurse practitioner and a military wife, spent many hours talking with Army staff and Capital's information technology staff to arrange this feat.

GRANDVIEW MEDICAL CENTER

Grandview's Relay for Life team, the "PT Cruisers", was recently recognized for raising more money than any other medical team in the Chattanooga, TN region. The team raised almost \$21,000 through a variety of fundraising activities, which culminated in a community classic auto show and auction complete with a concert by Elvis tribute artist Bill Brooks.

HARTSELLE MEDICAL CENTER

During the holiday season, Hartselle's employees hosted a "Guys vs. Gals" event to collect needed items for "Caring Place," a community-sponsored organization which helps families that have lost homes due to floods, fires or separations. The group collected more than 1,000 items to spread holiday cheer in their community.

JACKSONVILLE MEDICAL CENTER

The Virginia College Dr. Louis Papps MD Memorial Awards recognized Jacksonville Medical Center as Outstanding Clinical Site, and Randy Cortez RRT, Director of Cardiopulmonary and Diagnostic Imaging Services at Jacksonville Medical Center, as Instructor of the Year. Jacksonville was chosen among 15 Virginia College partnering sites.

MINERAL AREA REGIONAL MEDICAL CENTER

Dr. H.J. Visser, podiatrist and member of Mineral Area Regional Medical Center's surgical staff, recently lectured at the 17th International German Foot Society Meeting in Munich, Germany, which was attended by some 600 surgeons from all over Europe. Dr. Visser has served as Director of the Residency Program in Podiatric Medicine and Surgery based at the hospital since 1985.

MUSKOGEE REGIONAL MEDICAL CENTER

Muskogee Regional Medical Center updated its diagnostic technology, bringing the most up-to-date systems to patients and allowing for faster and more accurate diagnostic imaging. The upgrades include a 64-slice CT scanner, an MRI, and a Picture Archiving and Communication System, which converts X-rays into a digital format.

NATIONAL PARK MEDICAL CENTER

National Park Medical Center Home Touch Healthcare was named to the 2009 HomeCare Elite, a compilation of the top-performing home health agencies in the U.S. based on quality outcomes, quality improvement and financial performance. NPMC Home Touch Healthcare is one of only six organizations in Arkansas to receive the designation, which places NPMC Home Touch Healthcare in the top 5% of home health agencies nationwide.



National Park's Home Touch Healthcare was named to the 2009 HomeCare Elite.

PARKWAY MEDICAL CENTER

Parkway Medical Center announced the opening of North Alabama Worker's Care and the addition of Dr. Julie McKibben, a board certified Occupational Medicine physician and a U.S. Navy veteran relocating from Cincinnati, Ohio. Dr. McKibben will lead Worker's Care, a comprehensive occupational and environmental medicine program to foster collaboration between local businesses and healthcare providers.

RIVER PARK HOSPITAL

River Park Hospital's Diabetes Center hosted a free diabetes education Lunch and Learn Class at their local Civic Center. Several vendors were present to offer advice, information and screenings. Chief Clinical Dietician Brandy Cox, along with Diabetes Nurse Educator M'liss Miller presented to the group. River Park will host additional free diabetes education classes throughout the year.

SAINT MARY'S REGIONAL MEDICAL CENTER

Saint Mary's Regional Medical Center and Saint Mary's Home Health helped bring cheer to seniors with the annual "Be a Santa to a Senior" program. The program provides gifts to senior adults who otherwise might not be remembered during the holiday season.

SOUTHWESTERN MEDICAL CENTER

Southwestern Medical Center Sleep Services is the first and only program in SW Oklahoma to receive program accreditation from the American Academy of Sleep Medicine (AASM). To receive a five-year accreditation, a sleep center must meet or exceed all standards for professional health care as designated by the AASM.

WHITE COUNTY COMMUNITY HOSPITAL

On February 15, White County Community Hospital launched its first hospitalist program, with two well-known local physicians, Dr. Rocky Talley and Dr. Chet Gentry, leading the effort. This program is another way White County is striving to meet the ever-changing healthcare needs of its community.

WILLAMETTE VALLEY MEDICAL CENTER

Dr. Margaret J. "Peg" Miller, chief of staff at Willamette Valley Medical Center and the medical director at the Juliette's House Child Abuse Intervention Center, was named 2010 Citizen of the Year by the Oregon chapter of the National Association of Social Workers. Dr. Miller was honored for embodying the group's goals and standards and providing outstanding service.

OUR FIVE PILLARS



Quality, Service, People, Finance and Growth. As you know, these key areas are the five pillars of our company and our hospitals. These pillars are the guiding light around which we set goals and make decisions. As featured in this

issue and in coming issues of Capella Connections, every story highlighted represents the initiatives, investments and successes related to one or more of our five key pillars.

HAVE IDEAS FOR STORIES?

Send us an email at connections@capellahealth.com



MRMC EMPLOYEE CELEBRATES PEOPLE IN 50 YEARS OF SERVICE

On January 27, employees and leadership from **Muskogee Regional Medical Center**, and Capella recognized Bertha Horn, LPN with a surprise celebration to honor her 50 years of service at the hospital.

Horn originally began working at the medical center as a nurse aide on the Surgical Floor in 1960, earning just \$100 per month! In 1980, she became licensed as an LPN, and today, she serves as an LPN on MRMC's Pediatric Unit.

At the surprise celebration, Capella COO, Mike Wiechart, and Division President, Robert Hammond, were on hand to read a letter of congratulations from Dan Slipkovich and to present Horn with a plaque commemorating her 50 years of service. In addition to the plaque, she was presented with a dozen roses, a vacation to Branson, Missouri, and a standing ovation from proud co-workers.

According to Aimee Marion, RN, Team Leader of Pediatrics, "Bertha is responsible, caring, compassionate and dependable – and patients certainly notice! It is an honor to have her as part of this hospital and our Pediatrics Unit. We are proud to call her a co-worker, peer and friend."

Congratulations to Ms. Horn and thank you for your continued service to our patients!



Mike Wiechart, Chief Operating Officer of Capella Healthcare, and Bertha Horn, LPN.

PEOPLE 🏛

INTRODUCING: PHYSICIAN LEADERSHIP GROUPS



Input from physicians on our medical staffs is a critical component not only to clinical decision-making, but also to the overall strategic direction of each Capella hospital. In an effort to hear more from our physicians, Capella has recently introduced the Physician Leadership Group initiative.

Each hospital now has a Physician Leadership Group (PLG), comprised of 6-10 physicians representing a cross-section of the medical staff. The PLG is tasked with providing input to hospital Senior Management on strategic development, key initiatives, medical staff concerns, quality issues, etc. The PLG will meet on a regular basis – joined periodically by a Capella Division President – to provide valuable input and perspective.

In addition, a representative from each hospital PLG will serve as a delegate to Capella's National Physician Leadership Group (NPLG). The NPLG will get together with physician peers from other Capella hospitals at least twice annually, as a means to share information between hospitals and to provide feedback directly to Capella Senior Management. The first meeting was held February 24th and 25th in Park City, Utah, with 16 physicians attending.

We hope the enhanced dialogue with our physicians will lead to improved satisfaction and a clearer understanding of how we can work together both to meet physicians' needs and to fulfill the mission and vision of Capella.

PEOPLE IIII

CAPELLA ADOPTS LEAN HEALTHCARE

We are constantly striving to improve our processes so that we can better treat the patients in the communities we serve. As part of this ongoing effort, last November, Capella assembled a task force to attend a weeklong course on "Lean Healthcare" to learn how we can apply Toyota's "lean" philosophy in our hospital ERs to increase efficiency and patient satisfaction.



Teresa Williams, Vice President and Chief Quality Officer of Capella Healthcare (standing), leads the Muskogee Regional team in a discussion about LEAN. Sitting from left to right are: Mona Ridge, Clinical Information Systems: Diane Fulton, Chief Nursing Officer; James Tolbert, Director, Information Systems: Chris Embry, Director, Materials Management, Cindy Skinner, Laboratory; and Charlotte Branchcomb, Director, Business Office.

Lean Healthcare is an organization philosophy with the aim of meeting the needs of the patient by providing efficient, quality care in a timely fashion through the elimination of waste. Through this process, we hope to decrease patient wait times, increase productivity and use existing capacity better.

We will look to ER employees to evaluate currently processes and identify anything that is currently happening that does not add value to the service they provide our patients. This process could result in, for example, the reorganization of a supply closet or perhaps the eliminating a step in admitting a patient. In short, we are looking to those on the front lines to help us find ways to become more efficient, which will result in a better patient experience, and make our ER's a better place to work.

Lean Healthcare is currently being piloted at Muskogee Regional, one of our larger and more complex Emergency Rooms. We hope to rollout Lean Healthcare to other Capella hospitals throughout 2010. We will keep you posted on implementation dates at your hospital and success stories from all across the system, as we embark on this new way of thinking.

PROFILE ON DENISE WARREN, CFO

As a hospital employee or physician, you may not interact with her on a daily basis, but Denise Warren plays an integral role at Capella.

As SVP and Chief Financial Officer, Denise is not only a self-described "finance geek" and the woman behind the balance sheet, but she is also responsible for making sure each hospital and the company-at-large are operating efficiently and are positioned for a strong future. Denise is deeply involved in the strategic direction of the company, helping to review and evaluate strategic plans for each hospital as well as for the corporate office.

According to Dan Slipkovich, "Denise's expertise in business finance paired with her optimism and desire for excellence make her an integral part of our leadership team."

Her list of accomplishments is long, since joining Capella in 2005. Of note, Denise is credited with leading the company through the successful financing of the \$535 million acquisition of nine hospitals in February 2008. Following large endeavors, such as this one, Denise works with the operations team to help ensure a seamless transition and integration of the new facilities.

Additionally, Denise is responsible for the financial aspect of physician joint ventures and on-going communication with physician partnerships.

Denise is also a great representative of Capella in the communities we serve. In Muskogee, she is a regular contributor at community events, acting as a speaker at the Muskogee Chamber and giving the key note address at the Women's Leadership Conference.

In 2009, Denise was recognized for her contributions with two distinguished awards given by the Nashville Business Journal – "CFO of the Year" in the Large, Private Company Category and the Annual Women of Influence, Corporate Executive award.

"Denise knows the value of strong relationships, and she puts an extraordinary amount of time into continually reaching out to industry organizations to make sure our company and our hospitals are well-positioned and well-resourced," adds Slipkovich.

ABOUT DENISE:



HOMETOWN: Wendell, North Carolina

FAMILY: Married to Michael Warren for 26 years; 8 year old daughter, Madeleine.

INTERESTS: Running with Team Capella, beading and cooking

LITTLE KNOWN FACT: While in high school in Smithfield, North Carolina, she served as the president of the North Carolina Association of Future Homemakers of America.

COMMUNITY INVOLVEMENT:

Member of the Board of Directors for the American Heart Association, Middle Tennessee; 2011 Chair for Go Red! For Women Campaign