

What
it means
to serve



Hamot Health Foundation
COMMUNITY BENEFIT REPORT 2009



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MISSION

Our mission is to serve our patients and community in the Hamot tradition of quality, health, healing and education. To put it simply, "to serve."

Community Benefit

Hamot has always identified and implemented services that meet the unique and diverse needs of those in our community. We strive to help in ways that reach far beyond the walls of our facilities. These efforts are both consistent with our mission and vital to our status as a non-profit organization.

During fiscal year 2009, Hamot provided more than \$41 million in community benefit programs and unreimbursed care. Though this number is substantial, it does not capture the extent to which Hamot is impacting the health, well-being and vitality of our community.

Our mission has charged us with the responsibility to serve the members of our community. We fulfill this obligation daily, not only as a healthcare provider but also as an employer, educator and civic partner. This report reflects our progress in these roles and highlights how Hamot is making a difference in the community we serve.

MESSAGE FROM BOARD CHAIR



During my first year as chair of the Hamot Board of Trustees, I have developed a greater appreciation for the extensive service provided by the organization. Hamot's commitment to its mission and vision for community health and strength are truly inspiring.

As a member of the Board of Trustees, I am privileged to sit among a group of distinguished community leaders who are dedicated to the health and prosperity of the Erie community. The Board works in partnership with Hamot's executive leadership, administration and physicians. With foresight and imagination, this team has worked tirelessly to position the organization for success. Their diligence, together with the talent of Hamot's dedicated physicians and staff, complement and facilitate the Board's service.

Serving an organization such as Hamot in any capacity is certainly rewarding; I can only imagine the sense of accomplishment that is experienced by Hamot physicians and staff every day, as they treat and care for so many people in our community. At Hamot, sincere care and compassion are not attributes limited to just the clinical staff, but are representative of the character of the entire organization, driven in its mission to serve our community as a provider of quality healthcare.

Hamot is further committed in its service to the Erie region as a chief employer, educator and civic partner. Erie's health and economic vitality are significantly affected by Hamot's leadership in these areas. This impact is far reaching and extends to all those who have been treated, trained, employed or supported in some way by the organization. Most of us have felt its influence.

Here in the Erie region, we are the beneficiaries of Hamot's success. Our families can feel secure and comfortable in the knowledge that an organization such as Hamot is here.

My role on the board provides me with great satisfaction. At the same time, it has assigned to me a responsibility that I share with my board colleagues, Hamot leadership, physicians and employees.

With mounting economic challenges and the continuing national debate over healthcare reform, the future of healthcare, how it will be provided and paid for, has never been more uncertain. In the face of these challenges, it is our duty to assure that Hamot remains a sustainable community resource that provides the best care available to its patients.

The Erie community, with a share in Hamot's continued success, is also obligated. Through the loyalty, support and generosity of the region, Hamot will continue to thrive.

On behalf of the Hamot Board of Trustees, I would like to express sincere appreciation to Hamot physicians and employees whose service to the organization has contributed to its standing as a nationally recognized 100 Top Hospital. We also remain grateful for the continued generosity of the Hamot Aid Society and Hamot's many volunteers and donors who offer countless hours and critical financial support, and who truly recognize the importance of Hamot to the community.

As a board member, I am proud to be affiliated with Hamot. As a citizen, I am grateful to be a part of the community it serves.

Sincerely,

A handwritten signature in red ink that reads "B. Scott Kern". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

B. Scott Kern
Chair, Hamot Board of Trustees

MESSAGE FROM PRESIDENT AND CEO

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When Hamot Hospital Association was created more than 125 years ago, it was charged with protecting the health of the Erie community. Since that time, meeting the needs of those we serve has become the tradition of health and healing for which Hamot, and our people, have become known. Within the pages of our 2009 Community Benefit Report, we highlight some of the many ways in which we are serving our community. Our role as a healthcare provider, employer, educator and civic partner helps measure and define our success in fulfilling our mission **to serve**.

Healthcare Provider

As a healthcare provider, our commitment to providing relationship-based care emphasizes that caring for patients is a privilege and is an attitude shared by all employees. We are nationally recognized for our high-quality patient care, highly developed practices and systems, sophisticated technology and safe and compassionate healing environments. These are achieved by a team of expert physicians and caregivers whose commitment to excellence is confirmed by our quality outcomes, continuous focus on improvement and resolve to advance and expand Hamot services.

As part of our mission, Hamot provides care regardless of an individual's ability to pay. During this past fiscal year, Hamot's uncompensated care grew to an unprecedented \$31 million. This number is troublesome because it indicates that many in our community forego preventive and primary treatment and seek help only when their conditions decline and require more

extensive care. Formidable issues surround the tens of millions of uninsured and underinsured patients in our country. Soaring industry costs and declining reimbursement rates for healthcare providers have shaken an already weakened system and signaled the need for comprehensive reform. Our hope is that the attention being given to this critical issue will enable us to invent better ways to address healthcare quality and accessibility for those most vulnerable.

Employer

Our 3,100 employees, 400-member medical staff and 200 volunteers are dedicated to the organization's mission and are driven by a commitment to safety, service and stewardship. The exceptional skill and commitment of our entire workforce combined with a patient-focused work environment contribute to outstanding patient care and are proven assets when recruiting new individuals and families to the area. At Hamot, we are incredibly proud of the work we do and the service we provide to our community. As Hamot grows, new jobs are created both internally and throughout the community. It is rewarding to recognize Hamot's positive impact on the economic health and well-being of our community.

Educator

Enhancing the skill and expertise of our caregivers and associates is an ongoing focus of our continuous improvement efforts. As a teaching hospital, we offer numerous medical residency programs, as well as nursing and clinical instruction. Additionally, we are engaged in several partnerships with area colleges and universities to support students pursuing medical or other health degrees. Hamot provides structured programs to train and mentor new employees. We support employees who are securing advanced degrees or additional education, and have in place our own curricula to facilitate career training and advancement.

Instruction from Hamot's expert professionals helps to train and support the area's future physicians, clinicians, leaders and workforce and results in the continuity of quality care for our community. Additionally, Hamot people throughout the organization reach-out far beyond the walls of the Medical Center and into classrooms, community centers, formal and informal gatherings, health fairs and screenings to promote and support health education throughout the community.

Civic Partner

As members of the communities we serve, everyone at Hamot plays a significant part in our role as a civic partner. Thousands of volunteer hours are accumulated annually by Hamot people. Numerous health awareness events and screenings are organized and staffed by individuals from Hamot, many in conjunction with partners throughout the community. Additionally, Hamot subsidizes several health organizations throughout the area to ensure a quality continuum of care, and also has in place numerous programs designed to advance the health and quality of our community. We support the City of Erie, our schools, police and fire departments, Erie County and numerous area non-profit organizations. Hamot leaders and employees volunteer on community boards and committees and partner with Erie organizations, the government and its citizens to ensure a safe and healthy community.

Strategic Vision

Today at Hamot, our commitment to provide community benefit plays a significant role in our plans for growth and the future enhancement of our services. The Hamot Women's Hospital, projected to open in early 2011, is being built to meet the healthcare needs of women and babies in our community through advanced obstetrical

and gynecological services, state-of-the-art technology and the region's most sophisticated neonatal intensive care unit. The most advanced team of obstetrical and gynecological physicians, as well as expert neonatologists and pediatricians, will offer quality compassionate care to our patients within a first-class healing environment.

The Hamot Women's Hospital represents a \$50 million community investment. While under construction, it has generated hundreds of jobs and will also require an increased workforce to sustain once we begin seeing patients there. It is with pride and great anticipation that we look forward to the completion of this world-class facility — the fulfillment of one step in Hamot's vision for the health and safety of our region.

It is important to note that it was the Hamot Aid Society who made the first pledge to the Hamot Women's Hospital, an ambitious \$1 million commitment. On behalf of everyone at Hamot, I extend sincere appreciation to the Hamot Aid Society whose volunteerism and tireless support help advance the organization every day in many ways.

I also would like to convey my gratitude to the talented and compassionate people who embody the Hamot organization. These include members of Hamot's Board of Trustees and Board of Corporators whose leadership steers the organization to new levels of success, and to all Hamot physicians and employees for contributing their professional and clinical expertise toward positive outcomes for our patients.

Finally, I would like to express my respect and admiration for the members of our community whose continued generosity toward Hamot makes possible much of what we do every day.

Several years ago, Hamot's board and leadership committed to an emerging strategic vision that states *Hamot will, in partnership with its physicians, create a comprehensive healthcare delivery system that advances the health and wellness of the communities we serve.* I believe that after reading our community benefit report and viewing the accompanying video featuring Hamot employees, patients and members of our community, you will agree, this is what it means **to serve.**

Sincerely,



John T. Malone, Hamot Health
Foundation President & CEO

HAMOT AS A HEALTHCARE PROVIDER

To serve our community as the foremost provider of quality healthcare.

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John Evankovich, 72, recently traveled 100 miles to Hamot from Karnes City, Pa., for a minimally invasive cardiac procedure. A week later, he again journeyed to Hamot to undergo an extensive back surgery. John chose Hamot for his care because he is confident in the hospital's quality and service.

As a leading healthcare system in Erie, Hamot provides superior patient care through a highly skilled clinical team and an experienced professional staff, all committed to offering compassionate treatment at the highest levels of quality and service.

Hamot, a 351-bed community-focused tertiary care center, provides healthcare services to the tri-state region, meeting both the acute and chronic needs of 700,000 inpatients and outpatients each year.

At Hamot, we support healthcare transparency and encourage patients to research provider quality information to make informed decisions. Through the use of evidence-based medicine and our emphasis on service excellence, we make every effort to ensure that our patients will find Hamot well prepared to meet their needs.

We gauge our organization's quality outcomes against national benchmarks. In determining the effectiveness of our processes regarding complex disease states including pneumonia, heart attack, heart failure and stroke, our core measurements serve as monitoring tools that indicate when practice interventions are required for optimal care.

Patient safety and quality at Hamot are also elevated by the organization's investment in, and dedication to, health information systems. The use of electronic medical records, computerized physician order entry processes, nursing informatics applications and medication administration systems by Hamot clinicians help to standardize care processes and reduce the risk of clinical errors.

The quality of our services is consistent throughout the entire health system. In the case of an emergency, Hamot patients can receive quality treatment in our emergency department or in the John E. Britton Family Shock Trauma Center, northwest Pennsylvania's only accredited Level II Trauma Center. When more specialized care is required, patients benefit from our 24-hour neurological, cardiac and orthopaedic coverage.

Recently, Hamot enhanced its neuroscience services with the addition of a neurointerventional radiology program. This highly specialized field has amplified Hamot's already sophisticated Primary Stroke Center and increased the scope of its interventions with regard to cerebral aneurysms.

The new addition to the Leslie Cardiovascular Diagnostic and Treatment Center is nearing completion. Upgrades to the state-of-the-art cath lab will centralize Hamot's quality cardiology program and improve its efficiency and technology. The new lab also will help to expand our vascular program and its studies. This expansion was made possible by the recent generosity of the Hamot Corporators.

At the Hamot Orthopaedic Institute, a total joint coordinator program has advanced our quality patient care. A total joint coordinator provides patients undergoing joint replacement surgery with a dedicated nurse navigator to serve as an educational resource and a support system throughout the patient's preoperative, postoperative and tailored rehabilitation program.

Currently, Hamot's total joint coordinator is working with 50 patients each month.

Our women's service line continues to grow. Recent advancements within Hamot Breast Health Services, including enhanced breast imaging modalities and an expanded team of experienced radiologists, accompanied by skilled surgeons and nurse navigators, provide breast cancer patients with expertise and innovation.

Upon its completion, the community's new Hamot Women's Hospital will offer its patients elevated obstetrical and gynecological services and access to specialty services. This new, free-standing hospital will serve as the hub for comprehensive women's healthcare, uniting medical expertise, dedicated programs and up-to-date technology and offering women access to coordinated and convenient quality services. We fully expect that Hamot's commitment to improved women's healthcare and our investment in the Hamot Women's Hospital will invite new women's health and disease management programs to our community.

Hamot's pediatric and newborn patients are now benefiting from the new Inpatient Pediatric Service program. This service now offers children at Hamot more readily available and intimate pediatric care.

The outpatient service area is increasing, especially with regard to Hamot's primary care. Made up of 15 offices throughout Erie and its surrounding areas, Hamot's primary care team currently serves 100,000 individuals, up from 85,000 in 2008. Hamot also continues to build specialty programs to support the community's healthcare needs, including recent advancements to our bariatric, cancer, plastic and same-day surgery, rehabilitation, sleep and wellness programs.



Brian Hammer has been the director of Safety and Regulatory Compliance at Hamot for eight years. For the past five years, he has served as president of Hamot United Charities, an internal fund supported by employees and used to benefit Hamot people in times of need, as well as help other community organizations.

HAMOT AS A HEALTHCARE PROVIDER (CONT.)

To serve our community as the foremost provider of quality healthcare.

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Since 1981, John Lubahn, MD, has practiced as an orthopaedic surgeon at Hamot and currently serves as the department's chairman. Dr. Lubahn also is the director of Hamot's prestigious Orthopaedic Surgery Residency and Hand Surgery Fellowship programs.

When healthcare is required outside the hospital, patients in our community benefit from the wide array of services and treatment plans offered by the professional and experienced staff at Hamot's Great Lakes Home Healthcare and Hospice. Hamot's home-care programs and medical services continue to expand, advancing the healthcare received by our patients in the comfort of their homes.

Hamot is a vital link in the region and considered a leading provider of quality healthcare, demonstrated by our large number of regional referrals. Currently, more than 30 percent of Hamot inpatient services stem from these types of referrals. Hamot is also a regional leader in the utilization of telemedicine. Fortifying partnerships and increasing Hamot services throughout the region strengthen our current business model and propel the organization's advancement and success.

In order to offer new services to the community and enhance our current programs, Hamot physicians and staff must be effective stewards of Hamot resources. Currently, as part of an ongoing operational excellence initiative, numerous performance improvement teams have been established to tackle priority areas within Hamot and determine areas of excess or redundancy. Efforts like these have already generated \$12 million in organizational savings and are helping to raise awareness about the importance of continuous improvement.

Recognizing that Hamot patients are often in the midst of difficult situations and need to be treated with special consideration, we strive to offer both clinical and service excellence while creating positive Hamot experiences. Accordingly, we have adopted Relationship-Based Care, a new model of care that is achieved through collaborative relationships, inviting patients and family members to become part of the patient care team. By asking patients to actively participate in their care and share in the decision making, we lessen their worries, customize their care and personalize their experiences. This process enables patients to become informed and to feel safer and more satisfied.

Recently, in an effort to improve communication between caregivers and patients, we introduced bedside reporting. Twice a day, care teams and patients meet to review each patient's condition and care plan, fostering patient empowerment, education and greater staff accountability.

We have also established a new way for patients to communicate with friends and families regarding their status while at the hospital: CaringBridge® is a free patient support Web site that patients or family members can update on a regular basis while at Hamot.

Consistent with our service excellence initiatives, another method introduced to help increase patient satisfaction is our newly created Patient Advisory Board. This group, led by Hamot's director of Patient Services, is made up of former Hamot patients who meet on a quarterly basis to share experiences, both positive and negative, about the organization. The group identifies key opportunities for improvement and helps develop appropriate solutions. To date, the Patient Advisory Board has influenced changes to the admission process and within Nutritional Services.

Our stance as the leading community provider is regularly validated by consistent designations, but most importantly is confirmed by loyalty and support from our community. According to National Research Corporation data, the Erie community has chosen Hamot as Erie's leading provider for the past seven years.

HAMOT ACCOLADES

American College of Surgeons'
Commission on Cancer
Three-Year Accreditation
with Commendation

American Heart Association
Get with the GuidelinesSM
Bronze Performance
Achievement Award

American Heart Association
Get with the GuidelinesSM Silver
Performance Achievement Award

Amerinet Healthcare
Achievement Award

Highmark Blue Distinction
Center for Cardiac Care

Highmark
2009 QualityBlueSM Perfect Score

National Research Corporation
Consumer Choice Award

Society of Chest Pain Centers
Chest Pain Center Accreditation

Thomson Reuters
100 Top Hospital

HAMOT AS AN EMPLOYER

To serve our community as an employer of choice.

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As Erie's second largest employer, Hamot's workforce comprises more than 3,100 community members. These highly trained physicians, clinicians, professionals and support staff all are fundamental to the delivery and advancement of patient care.

High standards of patient safety and quality, service excellence and financial stewardship are incorporated into daily operations at Hamot. Each day, these standards are demonstrated by employees and embodied within the organization's success.

One true testament of a well-run organization is its number of lifelong employees. Hamot has nearly 600 employees who have been with the organization for more than 20 years, as well as two staff members who have been working at Hamot for almost 47 years, all reflections of Hamot's quality work environment.

Hamot also is an organization with many recent hires, coming from both within and outside Erie. Hamot currently employs about 1,400 individuals who have been with the organization for fewer than five years.

Hamot has always closely examined and assessed our community's healthcare needs, matching them with skilled doctors. We are proud of our physician recruitment success, a major mark of a quality hospital and a quality community.

Our current medical staff consists of more than 400 physicians who include both employed and independent practitioners. These qualified physicians, specialists and surgeons are the keystones of our hospital. Recently, physician recruitment at Hamot has been ramped up. To date, 44 physicians from a range of specialties joined the Hamot Physician Network, Hamot's employed physician group. Many other independent physicians became members of our medical staff this past year.

Attracting highly skilled physicians to new locations is not always easy, but Hamot sells itself. A visit to the Medical Center reveals a consistently nationally ranked hospital with high standards of quality patient care and best practices, up-to-date facilities, an engaged staff and room for future growth. Also attractive is the Erie community where a physician recruit of any age or at any point in a career can find a quality life.

Currently, Hamot's employs 700 direct-care nurses and consistently maintains high nurse-staffing levels to uphold its stringent standards of safety and service, as well as to offer more personal and receptive patient care. This nationally recognized best practice advances quality and improves both patient and nursing satisfaction.

Hamot recognizes that nursing is foremost to the care of our patients and that advancement in nursing is of great benefit to the overall quality of our organization. Hamot administration and nursing leadership have recently determined new ways to optimize nursing through a renewed commitment to education and professional development.

A new compensation system has been implemented that rewards nurses for pursuing and achieving advanced degrees and specialty credentialing. A redesigned clinical ladder also has been established to foster professional development. The new system creates a career path that recognizes and rewards nurses for achievements that advance their clinical quality and professionalism, including clinical certifications, community service, leadership and governance, research and education, mentorship and teaching and evidence-based practice activities.

Hamot's management team has been enrolled in a new program to support leadership development and define growth opportunities. Hamot managers work directly with supervisors in completing individualized leadership development plans to determine centers of interest and career goals, motivations and personal strengths, and opportunities for growth. Hamot also often invites managers to attend Gannon's highly regarded Leadership Erie Program as an additional outlet for continued education and professional development.

Leadership training and career development are taken seriously by the organization, and are among many factors reviewed when determining an employee's engagement. On an ongoing basis, Hamot surveys its employees and physicians to identify levels of engagement with the organization. Hamot is very proud that 90 percent of those who most recently completed the survey agreed they would refer a friend or family member to Hamot.

We see this indicator of employee satisfaction as a measure of organizational success and verification that the Hamot values of quality patient care and service are aligned. Furthermore, a high score in this area signifies an institution confident to progress and advance healthcare services for its community.

Through the Hamot Ambassador Program, Hamot employees have the opportunity to recognize colleagues who consistently demonstrate Hamot's core values of quality, respect, service, compassion, cooperation, integrity and teamwork. Each month, Ambassadors are chosen and celebrated by the organization. This past year, 27 employees were nominated by their colleagues and honored by Hamot as Ambassadors, three of them as Ambassadors of the Year.

Jim Fiorenzo has risen through the ranks at Hamot since 1973—holding several key positions including founder and president of Great Lakes Home Healthcare Services, vice president and senior vice president of Hamot Outpatient Services and, most recently, chief operating officer at Hamot. This past year, Jim led a charge of operational efficiency resulting in \$12 million in organizational savings.



Ongoing employee recognitions, such as the Ambassador Program, demonstrate the camaraderie and fellowship that are evident throughout the organization and that contribute to satisfaction within the work environment.

Acknowledgments that come from outside the organization are also very rewarding. Hamot's Guardian Angel Program provides patients and their family members an opportunity to recognize the services of any Hamot employee or physician via small donations to the Hamot Second Century Fund. This past year, 235 contributors honored 111 employees and 80 physicians as Guardian Angels. Many of these employees were recognized by multiple patients or family members. Such accomplishments reveal how Hamot employees impact the lives of so many in our community.

As an employer, Hamot's impact was recently recognized by the Dr. Gertrude A. Barber National Institute for the vital role Hamot plays in helping to fulfill

the employment potential of all valued members of our community. In partnership with the Dr. Gertrude A. Barber National Institute, the Hamot Nutritional Service Department currently employs individuals with specific disabilities, providing them with fulfilling work.

One other way that Hamot impacts the workforce in this community is through outsourcing. Hamot employs a great number of outside vendors and workers who allow the organization to operate most effectively. This is most apparent when Hamot is engaged in construction. This past year, work on the Hamot Women's Hospital, the Bayview Centre and other projects produced hundreds of jobs and generated more than \$16 million in materials and labor.

Hamot appreciates its employees and is consciously aware that they are its greatest asset. The Erie community can feel confident that Hamot will continue to support a quality staff and remain one of the top employers in the region.

AMBASSADORS 2008-09

John Barnett

Randy Bish

David Carrick

Dr. Brian Dalton

Bonnie Desko

Ruth Fries

Dr. Matthew Gutierrez

Chasidy Highfield

Mary Kendra

Rose Kobel

Theresa McGaughey

Jennifer McHenry

Jason Morey

Michelle Morey

Patty Oakley

John Presor

Carol Rodgers

Larry Russell

Scott Salter

Stephanie Saul

Dr. Asif Shakoor

Don Schmidt

Chris Slabic

Michelle Troutman

Bert White

Pam Yates

Ann Yaworski

AMBASSADORS OF THE YEAR 2008-09

Jennifer McHenry

Dr. Asif Shakoor

Don Schmidt

HAMOT AS AN EDUCATOR

To serve our community as a primary teacher of medical and clinical instruction and health education.

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Driven by our mission to deliver high-quality care and service to the Erie community, Hamot fulfills its role as educator through medical, clinical and professional training and support, scientific research, and patient and community health instruction.

As a teaching hospital, Hamot extends numerous programs to those pursuing careers in medicine. Students of medical or osteopathic schools benefit from a wide variety of clinical rotations. In particular, Hamot has a formal affiliation with the Lake Erie College of Osteopathic Medicine (LECOM). On an annual basis, hundreds of LECOM students are provided both core and elective rotations at Hamot.

Hamot has established five graduate programs. Physician specialties, directed by qualified and dedicated medical staff members, are highly respected and include an orthopaedic hand-surgery fellowship, orthopaedic surgery residency, osteopathic neurology residency and an osteopathic emergency medicine residency. Hamot also sponsors a highly sought after pharmacy residency led by an experienced Doctor of Pharmacy.

Hamot supports continuing medical staff education. Hamot's Continuing Medical Education Department, accredited by the Pennsylvania Medical Society, enables Hamot physicians, as well as physicians outside the organization, to receive required educational credits through department-sponsored conferences, courses, enduring materials and other offerings. Recently, the department's annual report showed more than 3,500 physician participants.

Nursing education is a priority at Hamot. This past year, in partnership with academic nursing programs that include Gannon University, Mercyhurst College, Edinboro University, Tri-State Business Institute and the Great Lake Institute of Technology, 535 nursing students came to Hamot to receive clinical experience.



Lu Bobrowicz has been a Hamot employee for 35 years. In addition to her executive administrative responsibilities, Lu serves as a translator for the organization, helping its large population of Russian-speaking employees and patients to better understand essential components of their work and care.

Once hired at Hamot, a nurse is required to complete a thorough orientation process. Hamot also provides newly hired graduate nurses, as well as those nurses entering new clinical specialties, a highly structured mentoring program. Unit-specific nurse educators also are available to offer clinical education and guidance.

Nurses interested in attaining management positions can apply to participate in the newly established nurse leadership residency program. This three-month program is structured to educate future nurse leaders about the roles and responsibilities of clinical management and to assist in the development of leadership skills.

Hamot also supports nursing education through its investment in simulation learning. The Hamot Simulation Lab serves to train and educate nurses, as well as other clinicians, and acts as a bridge between the classroom and true-to-life healthcare situations. Through imitated clinical experiences ranging from simple to complex, simulation students become safer and more effective and efficient healthcare workers. Hamot recently

received a grant to expand simulation services to include maternal and neonatal nursing. This new service will enhance current staff education and training, but also will offer certification courses to regional nurses and physicians.

Hamot has received accreditation from the American Nurses Credentialing Center's Commission on Accreditation as a provider of continuing nursing education. On a regular basis, Hamot nurses earn continuing education units through numerous clinical as well as disciplinary-specific courses.

Hamot is very proud of its long-established and recognized School of Anesthesia. Participants earn a graduate degree in nursing with a concentration in anesthesia. The program is accredited by the Council on Accreditation of Nurse Anesthesia and offers a unique learning opportunity through Hamot and Gannon University. Last year, 17 students graduated from the Hamot School of Anesthesia, and 40 students are currently enrolled in the program.

In collaboration with several area institutions, Hamot offers other clinical instruction programs for students pursuing certified nurse practitioner and physician assistant licenses, and for those becoming respiratory therapists and X-ray technicians.

Hamot is greatly invested in the educational needs of all its employees. Hamot University serves as an internal school for the organization, offering employee programs designed to meet general staff and managerial education needs. Hamot University also provides specialized classes, taught by field experts that increase knowledge about healthcare business and operations. These courses are intended to build intrapersonal skill and improve employee communication and performance.

In 2008, Hamot University hosted 834 training events that consisted of 2,698 hours of education. Nearly 8,000 participants attended these programs.



Lynn Weissert, RN, has been a hospice nurse with Great Lakes Home Healthcare and Hospice for the past eight years. Along with a team of experts, Lynn offers compassionate care and support to Erie County hospice patients and their families.

HAMOT AS AN EDUCATOR (CONT.)

To serve our community as a primary teacher of medical and clinical instruction and health education.

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All of Hamot's educational partnerships and programs, whether medical, nursing, clinical or professional in nature, develop the knowledge and competence of its participants, and in doing so, elevate the quality of care offered to our community.

Equally important to our healthcare quality are advancements in science. Hamot's numerous research initiatives are contributing to new findings and outcomes for healthcare. Currently, Hamot coordinates and assists in clinical trials for drugs and devices in final stages of testing. Basic science research also being conducted at Hamot includes rodent, hormone and biomechanical studies. Physicians, residents and nurses work closely with our research team, as well as with outside institutions.

Hamot also provides financial support for education in the community. The Hamot Margaret Eckerd Brown Scholarship was established by Hamot and Mercyhurst College North East six years ago. This past year, three nursing students in the RN associate degree program at Mercyhurst North East were each awarded two-year scholarships in the amount of \$8,000.



Not long ago, in collaboration with Gannon, Hamot created the Partners on Patient Care program. Undergraduate Gannon students in the fields of pre-med or physician assistant are trained at Hamot to be Patient Care Advocates. Currently, nine students are enrolled in the program, gaining exposure to the hospital environment and assisting in patient care.

This year, the Hamot Nursing Excellence Fund awarded a total of \$6,000 that was shared by six employees who are currently in school to become registered nurses. Also, two registered nurses at Hamot who returned to school to become certified nurse practitioners received \$500 scholarships. Scholarships within this fund include the annual Elinor George Jeffrey Scholarship, the Edna A. Malone Scholarship and the Patricia S. and Walter J. Yahn Nursing Scholarship. As these scholarships are awarded, we are always reminded of the generosity extended to Hamot by individuals and families who fund nursing education and excellence.

The Hamot Aid Society is consistently philanthropic in its support of education. The auxiliary recently awarded \$20,000 to eight Hamot nurses who have returned to school for bachelor's or master's degrees.

Hamot itself is a contributor. Each year, the organization awards \$250,000 in tuition assistance for employees pursuing new or additional degrees.

As a community educator, Hamot serves as a cardiopulmonary resuscitation (CPR) training center for the Erie area. In 2008, 186 classes were conducted and 1,271 community members became CPR certified. Hamot employs trained professionals to educate community and regional nurses and physicians about neonatal resuscitation and post-neonatal-resuscitation practices. Hamot also recently created a mentorship program for emergency medical responders.

Denise Hammann, RN, has worked at Hamot for the past 40 years. In her most recent position as the Hamot Orthopaedic Institute's new total joint coordinator, Denise works closely with patients undergoing total joint surgeries by offering education and support prior to surgery and throughout the rehabilitation period.

TARGETED COMMUNITY HEALTH INITIATIVES



Russell Bieniek, MD, has been a Hamot employee for two years, serving as the regional coordinator of Emergency Medical Services. Dr. Bieniek also fulfills managerial responsibilities for Hamot's sophisticated disaster and emergency preparedness plans.

The Hamot Health Connection serves the community as a source for comprehensive health and wellness education. The Health Connection has more than 9,000 members who have access to an expert health educator as well as health, wellness and nutritional coaching, various prenatal classes and an extensive health library.

Hamot also offers all community members free subscriptions to *My Healthy News*, a customized, monthly e-newsletter. Subscribers pick from a wide-array of health topics and create a personalized newsletter that includes valuable and up-to-date information. Another e-newsletter, *My Baby Expectations*, is an educational publication Hamot offers to pregnant women in our region.

The organization consistently identifies areas throughout our community where health and educational needs are not being met. In response, Hamot has implemented numerous targeted community health initiatives to build education and awareness, to provide low- or no-cost health screenings and to enable individuals in our community to make healthy decisions.

Consistent with our mission, Hamot's many efforts to provide and support education in Erie advance the quality of patient care and service. The results are better physicians and clinicians, and healthier members of our community.

Car Seat Safety Services

Community Vaccination Services

Hamot Aid Society
Children's Health Fair

Hamot Aid Society
Healthy Woman Seminar

Hamot for Women
Membership Program

Hamot Heart for Women Program

Hamot Physician Network
Pediatric Obesity Initiative

Hamot Shock Trauma
ATV Safety Training

Hamot Shock Trauma Preventing
Animal Attacks with Education

Lactation Consulting Services

Let Me Call You Sweetheart

MammoMarathon

Peripheral Artery Disease
Detection Program

Sibling Classes

Speakers Bureau and Lecture Series

Stork Support
Prenatal Education Program

The Breastival/Testival™

Wear Red

HAMOT AS A CIVIC PARTNER

To serve our community as a steward of its needs and a provider of essential resources.

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Heather Stempka, 34, has recently started the support group Linked by Pink for young women who have had, or are currently undergoing, breast cancer treatment. The group meets at the Hamot Breast Health Center, where many of its members receive breast health imaging services. Heather is a strong supporter of Hamot and has been a breast health patient since 2003.

In fulfillment of our charitable mission, Hamot provides quality care to all its patients regardless of insurance coverage or ability to pay. Often, patients who lack coverage or do not carry suitable insurance cannot afford their medical bills. Hamot has in place specific programs to assist these patients.

Hamot employs outside experts to act as advocates for Hamot's uninsured patients. These services assist our patients in determining eligibility for federal programs like Medicare, Medicaid and Social Security. The organization pays \$110,000 each year to offer this patient service.

When a patient receives medical assistance or Medicaid, healthcare providers such as Hamot are reimbursed at rates lower than those representing recognized costs for patient care. This creates a shortfall, which the organization experiences as a financial loss. In fiscal year 2009, Hamot's Medicaid shortfall was more than \$10 million.

When a patient does not qualify for medical assistance, Hamot offers a charity care option. Hamot is proud of its charity care program that relieves patients who meet set criteria of parts, or often, whole sums, of medical debt. The organization, under the direction of the Hamot Board of Trustees, annually commits millions of dollars to its charity care program. Offering charitable care to the underserved of our community is part of the fundamental framework of the organization and demonstrates effective executive leadership.

Patients' medical bills often go completely unpaid, and Hamot is left with uncompensated care. This past year, Hamot provided nearly \$31 million in uncompensated care.

Hamot's monetary contributions are often extended to patients even when their care at Hamot is complete. Hamot recently contributed thousands of dollars to cover the cost of prescriptions for patients discharged without means to pay for medications, provided car seats to many low-income families and supplied proper emergency and safety equipment to indigent patients requiring home healthcare.

Recognizing that companionship can greatly impact any treatment or healing process, Hamot funds and makes contributions to many community support groups. Recently, the organization extended more than \$20,000 in funds to support groups, including those for Parkinson's disease patients and breast cancer survivors.

Hamot firmly believes that healthcare in Erie depends on the quality and cooperation of all community health systems. Hamot continues to look for ways to collaborate with existing organizations in enhancing the continuity of care and creating innovative treatment paths for patients of all ages in our community.

This year, a new partnership was formed between Hamot and the Erie Center on Health and Aging. This regional resource focuses on expanding community-based care programs and creating a wider range of community outreach opportunities for adults over the age of 50 in the Erie region.

HAMOT LEADERSHIP ON COMMUNITY BOARDS

ACES (Americans for the
Competitive Enterprise System)

Achievement Center

Advisory Board for the Hamot
Health Connection

American Red Cross

Bayfront Eastside Task Force

Boys and Girls Club

Children's Advocacy Center

Community Blood Bank

Community Health Net

EmergyCare

Erie Center on Health and Aging

Erie County Historical
Society and Museums

Erie Downtown Partnership

Erie Philharmonic

Erie Regional Chamber
and Growth Partnership

Estate Planning Council of Erie

Hamot Surgery Center

Jefferson Educational Society

John Kanzius Cancer
Research Foundation

Local Emergency
Planning Committee

Methodist Towers

Rich Jensen-Jeffrey Landis, Jr.
Memorial Fund for
Children's Charities

Rotary Club of Erie

Safe Harbor Behavioral Health

Therapeutic Riding
Equestrian Center

United Way of Erie County

VHA Pennsylvania

Hamot offers partnerships and subsidies to facilitate and ensure successful operation at the Regional Cancer Center, EmergyCare, Associated Clinical Labs, the Community Blood Bank of Erie, the Mobile Mammography Unit and the Therapeutic Riding Equestrian Center.

In cooperation with area health systems and other organizations, Hamot fosters community collaboration to prepare proper responses in the event of a local emergency or disaster. Internally, Hamot's multidisciplinary disaster preparedness team, comprising infectious disease and emergency planning experts, meets regularly to determine both Hamot-specific and community plans. Among many other things, Hamot stockpiles emergency medications and supplies, is developing a comprehensive medical command center, participates in regional planning activities and is present at the local emergency planning committee.

Hamot's community stewardship is not limited to healthcare. On an annual basis, Hamot financially supports the Erie School District, the City of Erie and Erie County by means of a payment-in-lieu-of-tax agreement. Most recently, Hamot's assistance to these groups equaled close to \$900,000. The Erie School District also received Hamot resources through its established Adopt-a-School partnership with Hamot.

Through a long-standing partnership with the Metro-Erie Meals on Wheels program, Hamot's clinical and culinary staffs collaborate to prepare nutritionally balanced meals for individuals who are unable to obtain meals because of age and disability. The Nutritional Service Department prepares 500 meals a week.

Keeping Erie a safe and vibrant community is a priority of the organization and is demonstrated by Hamot's strong and continued support of non-profit organizations that include the Children's Advocacy Center, the Bayfront Eastside Taskforce, the Erie Fire Department, the Erie Police Department and the Erie Downtown Partnership.

Hamot administrators and executives also lend their leadership and business expertise to countless community boards, all focused on improving the health and economic vitality of Erie.

Each year, Hamot and Hamot employees make contributions, by way of Hamot United Charities as well as other programs, worth hundreds of thousands of dollars to a long list of charitable organizations. These include the United Way, the American Heart Association, the American Cancer Society, the Juvenile Diabetes Research Foundation, the Second Harvest Food Bank, the Salvation Army and the March of Dimes.

As healthcare professionals, Hamot employees volunteer at Hamot's many health events and screenings, local health fairs and other community functions to provide vaccinations, blood pressure and other screenings, disease-specific and general health education and awareness, first aid, and nutritional and wellness guidance.

In fulfillment of our mission of health and service, and motivated by our vision for a healthy community, Hamot demonstrates ongoing benevolence toward patients, community members and local and regional non-profit organizations, and in doing so, is a responsible and faithful partner to the Erie region.

FINANCIALS

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Condensed Balance Sheet at June 30, 2009

(numbers in millions)

Cash & Investments	\$130
Receivables	46
Plant & Equipment, Net of Depreciation	157
Other Assets	<u>53</u>
Total Assets	<u>\$386</u>
Long-Term Debt	\$111
Current Liabilities	46
Other Liabilities including Malpractice Reserve	47
Community Fund Balance	<u>182</u>
Total Liabilities & Fund Balance	<u>\$386</u>

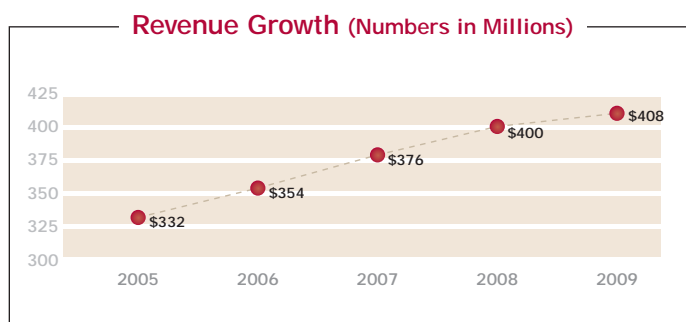
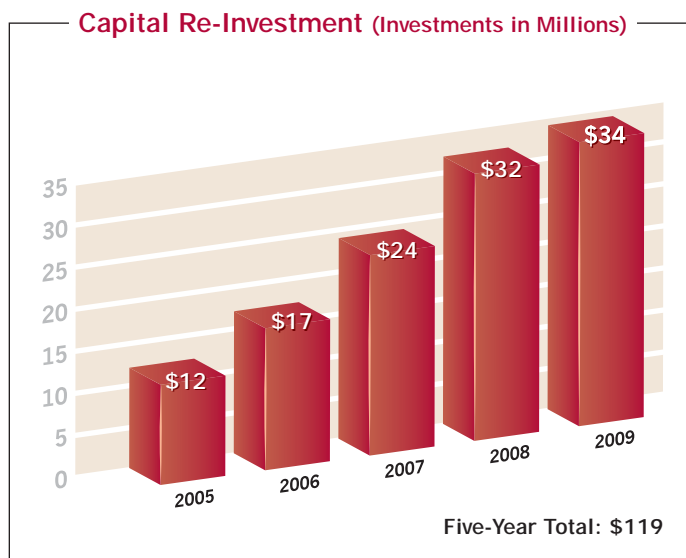
Operating Results for the year ended June 30, 2009

(numbers in millions)

Revenue	\$408
Expense	
Salaries, Supplies, Other	374
Uncompensated care*	<u>31</u>
	<u>405</u>
Net before unrealized investment losses	3
Unrealized investment losses**	<u>(4)</u>
Net after unrealized investment losses	<u>(1)</u>

*Uncompensated care has tripled since 2003

** FAS 159 was adopted in 2009, which reflects unrealized losses and gains versus realized gains, losses & income only on a historical basis.



Statistics (in thousands)	2005	2006	2007	2008	2009
Adult Admissions	18	17	18	19	18
Outpatient Visits	<u>460</u>	<u>492</u>	<u>542</u>	<u>568</u>	<u>582</u>
Total Patients Served	<u>478</u>	<u>509</u>	<u>560</u>	<u>587</u>	<u>600</u>

2008/2009 HAMOT HEALTH FOUNDATION

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 Donald K. Inderlied, Secretary, SVP Corporate Services
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2008/2009 HAMOT CORPORATORS

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Gary Brown	Kevin Gearity	F. Brady Louis	Mark Raimy	James Walczak
Harry Brown	Gordon Gebhardt	Michael Lubowicki	Paul Rankin	Everett Walker
Jeremy Brown	Mike Geiger	James Lynch	Michael Rathers	Richard Walker
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Leo Brugger	Colleen Gildea	Dennis Marin	Thomas Reams	Lisa Watkins
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Shelane Buehler	Timothy Glass	John "Jack" Martin	Russell Robison	Richard Weaver
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James Dible	John Johnson	Al Messina	Peter Smith	
Elsie Dickson	Danny Jones	Joseph Messina	Dorothy Smith-Frazier	

PROVIDER

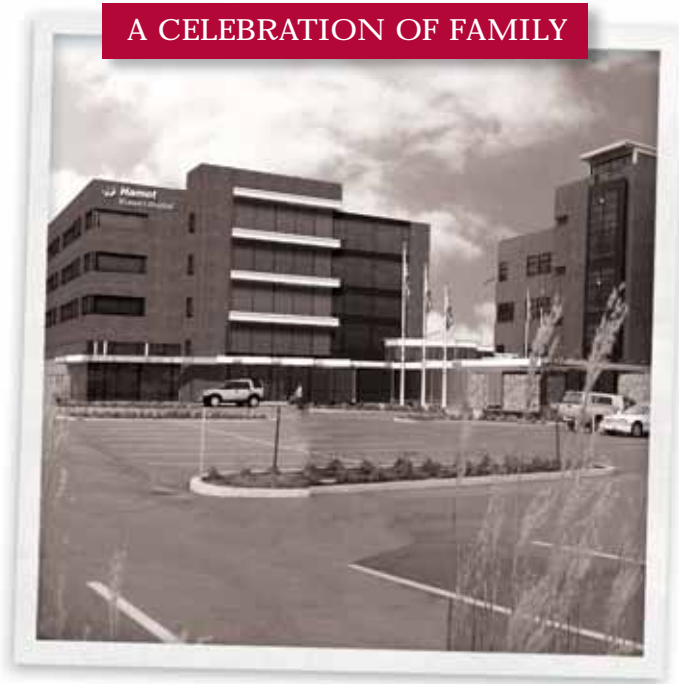
EMPLOYER

EDUCATOR

PARTNER



A CELEBRATION OF FAMILY



The Hamot Women's Hospital, opening in early 2011, represents a \$50 million community investment.

This 125,000-square-foot, one-of-a-kind facility is being built to meet the comprehensive healthcare needs of the women and babies in our region.