DEAR FRIENDS AND COLLEAGUES,

Hospital Sisters Health System continues to build on the foundation of compassionate Catholic health care begun by the Hospital Sisters of St. Francis more than 135 years ago. As we build upon our rich heritage of healing, we take inspiration from the story of St. Francis of Assisi who heard the call of God to rebuild His Church. After hearing God’s call, St. Francis took the words literally and grabbed a brick and started filling holes in the walls of the San Damiano church. While St. Francis eventually came to understand that God’s message was really about reforming 13th century Catholicism, he took the initiative and addressed an immediate need. In many respects St. Francis began his ministry of caring for the sick and poor by grabbing one brick, and then another, and making a difference in his community.

This story of St. Francis reminds us that we are called to continue to build upon the healing ministry of the Hospital Sisters to meet the challenges before us. His story reminds us that we cannot wait for the implementation of national health care reform, nor can we wait for our state and national governments to balance their budgets. We have to assume responsibility today to address the needs of our patients. The bricks that we add to our healing foundation come in many shapes. Our “bricks” may be a collaborative initiative to reduce readmissions, a medical home to better manage our patients’ chronic conditions, a better process to improve quality, or an innovative curriculum to teach the nurses of tomorrow. Brick by brick we are transforming our health care ministry. In doing so, we are creating new opportunities to make a positive difference in the lives of those whom we are called to serve.

In this annual report, we celebrate our accomplishments and give thanks for our Franciscan values that inspire and guide us daily. We invite you to grab a brick, and then another, and help us to continue the rich legacy of service of the Hospital Sisters of St. Francis.

Sincerely,

Mary Starmann-Harrison
President and CEO

Sister Mary Ann Minor, OSF
Chair, Board of Directors

THE MISSION OF THE HOSPITAL SISTERS HEALTH SYSTEM

The primary mission of the Hospital Sisters Health System is to provide a structure and the means whereby the Hospital Sisters of St. Francis continue their healing mission in the Roman Catholic Church. Hospitals and other institutionally-based programs are the primary means of responding to those in need. Service is regarded as a ministry of healing which exemplifies the Gospel values of compassion, justice and reverence for life throughout its continuum.
A small central staff of specialists was developed by the Hospital Sisters in 1962 to provide consultation and support services for their local ministries. This was further refined by the incorporation of Hospital Sisters Health System in 1978.

The System Office, located adjacent to St. Francis Convent in Springfield, Illinois acts as the unifying element between all System affiliates. The primary function of the System Office is to provide leadership for on-going System development, long-range planning, and the implementation of the System’s mission. The services offered by System Office colleagues ensure the effective operation of each of our 13 hospitals and integrated physician network and the unified strength of the System.

HSHS maintains a number of shared service programs which are coordinated through the System Office including accounting/financial services; materials management; human resources; employee benefit programs; information systems; philanthropy development; and facilities/construction management.

The ability to share innovative ideas and approaches to the provision of health care services and sharing the administrative expense of many specialized programs are sound reasons for working as a System. Through affiliation with HSHS, our hospitals and integrated physician network gain not only a collective strength but also in many cases, an individual advantage. From the standpoint of mission, working as a System presents an opportunity to keep a common orientation and focus and to gain inspiration from one another.
COLLABORATING TO IMPROVE QUALITY AND REDUCE COSTS

Hospital Sisters Health System is partnering with Bon Secours Virginia and Geisinger Health System to seek support from the federal government to create a Rapid Cycle Learning Community. The proposed pilot program will test innovative health care delivery models by demonstrating how to improve care coordination and efficiency across rural, mid-sized communities as well as urban areas. The HSHS-Bon Secours-Geisinger Collaborative believes the lessons learned from the pilot program would benefit the nation’s health care delivery system.

“We’re looking to bend the cost curve by testing the scalability of three care delivery models for national replication. The Collaborative wants to share with other providers how to best coordinate care for Congestive Heart Failure patients, implement protocols for Coronary Bypass surgery, and deploy advanced Medical Homes in different geographic locations,” explained Dr. Frank Mikell, Chief Physician Executive, HSHS.

The Collaborative intends to demonstrate how higher quality and lower costs can be achieved in settings where health care is delivered by community hospitals and by varied sizes and types of physician groups – from solo practitioners to small groups to large multi-specialty groups. If the pilot program can demonstrate value across these varied settings, it will likely succeed nationwide.

MEDICAL HOMES LEAD TO BETTER PATIENT OUTCOMES

“I had an instant reality check as well as a ‘cheerleader’ rooting me on. I followed her ‘take small steps’ mentality by decreasing portions and walking around the block. Each day I would go further and further. After dropping 30 plus pounds I was able to eliminate all diabetic medications. I am still motivated and successful in my new lifestyle.”

This is just one of the many success stories of patients who participate in the HSHS Medical Home pilots at the Litchfield and Macoupin Family Practices. The program provides patients who are living with diabetes or Congestive Heart Failure with one-on-one counseling and ongoing care management. A nurse navigator works alongside the patient’s primary care physician to build a long-term healing relationship that extends beyond visits to the doctor’s office. The program has been so successful in eliminating readmissions and increasing patient compliance that we are expanding HSHS Medical Home to more of our communities in Illinois and Wisconsin.
EXPANDING CARE, IMPROVING LIVES

In 2011 Prairie Cardiovascular Consultants (PCC) of Springfield, Illinois partnered with Cardiology Consultants, Ltd. of Belleville to bring a new level of heart and vascular care to southern Illinois.

“This is indeed a rare opportunity to make a real difference in how heart and vascular care is delivered in our region and within the new national vision for health care,” said Dr. Atul Shah, Cardiology Consultants. Both cardiology groups have a long-standing relationship with Hospital Sisters Health System that includes St. Elizabeth’s Hospital in Belleville. The partnership strengthens the collaboration between health care professionals who share the same commitment to exceptional quality and furthers Hospital Sisters Health System’s Care Integration strategy.

“The dedication of both groups to the needs of our patients and their physicians has always been of paramount importance and is a common thread that binds us and makes this partnership possible,” explained Dr. Marc Shelton, President, Prairie Cardiovascular Consultants.

One of the biggest benefits of the partnership is the ease and convenience for patients to access care close to home. “Nearly 30% of residents in southern Illinois have chosen to seek heart care in Missouri. One of our goals is to communicate that the quality of heart care in our region is equal to or better than across the river in Missouri. Access to quality health care is as close as a Prairie Cardiology Consultant cardiologist,” said Jim Zito, CEO, Prairie Heart Institute of Illinois. The combination of outstanding heart and vascular care delivered in a setting that is convenient not only for the patient but also for their family is the best of both worlds.

MANAGING CHALLENGES IN THE HEALTH CARE ENVIRONMENT

With the support of its colleagues, Prairie Cardiovascular Consultants is successfully managing the many challenges that have arisen due to changes in the health care environment such as reductions in Medicare and Medicaid reimbursement. Over the last year, they have worked on many substantive projects to expand cardiac care in Illinois. Project highlights include the addition of 24/7 percutaneous coronary intervention (PCI) at St. Mary’s Hospital in Decatur; the transition of the Prairie Diagnostic Center (PDC) Cardiac Catheterization Lab and Echo/Vascular services to St. John’s Hospital in Springfield; the completion of Professional Services Agreements with the Southern Illinois Healthcare System in Carbondale and Sarah Bush Lincoln Health System in Mattoon to improve cardiovascular care for inpatients and outpatients; and the recruitment of six new cardiologists. No matter what happens in Washington, DC, Prairie Cardiovascular Consultants is positioned to provide excellent cardiac care to patients throughout Illinois and nimbly meet the challenges of the health care environment.
HSHS MEDICAL GROUP UNITES PROVIDERS

In 2008, the decision was made by Hospital Sisters Health System leadership to unite health care providers – hospitals, physicians, nurses, technologists, etc. – in order to provide a better and more efficient health care delivery system.

To that end, HSHS Medical Group was launched in January 2009 with three colleagues and a charge to deliver health care in a way that truly placed the patient at the center of all that we do.

In fiscal year 2011, HSHS Medical Group welcomed 65 new providers, initiated the Press Ganey patient satisfaction tool within our practices, began the implementation of the Allscripts practice management system and electronic medical records, and launched an introductory advertising campaign.

To date, HSHS Medical Group has grown to 63 practices, 195 providers and well over 700 colleagues – all dedicated to providing quality care with a focus on service excellence and achieving outstanding patient satisfaction.

In keeping with HSHS Medical Group’s physician-led culture, a local medical council in each of the four HSHS Divisions where we have practices helps shape how HSHS Medical Group delivers that care.

HSHS Medical Group not only focuses on the emotional and physical health of our patients but also on their spiritual health. By doing so, we honor our healing Mission and the legacy of service of the Hospital Sisters of St. Francis.

LIVING OUR MISSION

Dr. Linda Camp, a plastic surgeon with New Dimensions Plastic and Reconstructive Surgery in Belleville, exemplifies the HSHS mission of embodying Christ’s healing love for all people, especially those who are less fortunate.

Through Central American Medical Outreach, Dr. Camp volunteers each year in Santa Rosa de Copan, Honduras and treats patients with cleft lip, cleft palate, ear deformities and burns.

In addition to bringing the expertise and equipment to treat patients, Dr. Camp and her fellow volunteers bring compassion, hope and faith.

ST. JOHN’S COLLEGE CELEBRATES 125 YEARS

St. John’s College, Department of Nursing, has a long and proud tradition that was highlighted in 2011 during a year-long celebration of its 125th anniversary. The College, which has been cited as the oldest Catholic hospital-based school of nursing in the United States, has undergone many changes over the years.

Founded in 1886 by the Hospital Sisters of St. Francis, the school was created as a two-year diploma program to educate members of the religious order. In 1912 the school accepted the first lay women and sought approval from the Illinois Department of Registration and Education. In 1952, when the National League for Nursing (NLN) first began its accreditation program for schools of nursing, the College was among the first to accept this new challenge. Today, St. John’s College students earn a Bachelor’s of Science in Nursing degree. Throughout its history, the College has remained dedicated to the education of professional nurses whose practice exemplifies excellence in health care.
INVESTING IN OUR COLLEAGUES

Recognizing that an engaged and healthy workforce provides excellent care to all whom we are privileged to serve, Hospital Sisters Health System invests in our colleagues’ development and health and well-being.

HSHS seeks to fully engage our colleagues in our health care ministry. In 2010, HSHS partnered with the Advisory Board to develop a Colleague Engagement Survey to yield accurate measures of colleague engagement levels across the System. Working in coordination with the System People Department and the Local System People leaders, participation in the 2010 Survey was 90.6% overall. A huge success for our first effort and the best that the Advisory Board has ever experienced!

Presented in early 2011, the Colleague Engagement Survey findings for the Services Centers, HSHS Medical Group and Local Systems highlighted the strengths and opportunities for improvement within each organization. Opportunities for improvement were ranked and priorities were filtered based on available resources at each organization. Action plans were created to implement organizational-wide and department-level initiatives to improve colleague engagement such as feedback and recognition, skills training and staffing. Tracking progress and holding managers accountable for change is the next step in the 12 to 18 month engagement survey cycle.

The Colleague Engagement Survey is the means, but certainly not the end. At HSHS, we are driving colleague engagement 365 days per year to create a culture of opportunity and community - a community of colleagues who live our mission and values and who will carry Hospital Sisters Health System confidently into the future.

ENGAGED WORKFORCE

In Eastern Wisconsin, colleagues indicated that being kept informed of the organization’s future plans and goals would improve engagement. Focus groups to assess colleagues’ needs were conducted at St. Mary’s Hospital Medical Center, St. Nicholas Hospital, and St. Vincent Hospital. Overall, colleagues want to know if and how change will impact them. In response, steps such as Colleague Forums with Therese Pandl, President and CEO, HSHS Division (Eastern Wisconsin) were taken to keep colleagues informed.

In Southern Illinois, colleague engagement focused on improved communications in the hospital. “Senior Leader Rounding” was implemented quarterly to provide a platform for leaders to address concerns in an informal setting at St. Joseph’s Hospital in Breese, in addition to daily huddles in departments.

At St. Joseph’s Hospital in Highland, In the Know, a colleague e-newsletter, is distributed on Monday mornings. Department managers meet daily with colleagues to review In the Know. Administrator On Call Huddle Rounds are utilized by members of the hospital’s Senior Leadership Team (SLT) to get the pulse of department activity and colleague morale. After rounds, a report is distributed via email to the hospital’s SLT members for review and follow-up.

HSVS COLLEAGUE HEALTHY HOME

Through HSHS Colleague Healthy Home, we provide colleagues with programs and resources such as health risk assessments, wellness programs, preventive care benefits, and personalized support for chronic conditions. Annually colleagues may participate in free, confidential online Health Risk Assessments (HRA) as well as free onsite health screenings. Once the HRA and health screening are completed, colleagues receive a Personal Health Report from Healthways, the HSHS designated wellness provider. The report provides an easy to understand explanation of the colleague’s health status, any risk factors and a comparison to national norms. In 2011, 22.5% of our colleagues System-wide participated in the HRAs and health screenings, including Lisa Rusciolelli, HSHS Supply Chain Services. Between her HRA in 2010 and 2011, Lisa lost 42 pounds and successfully reduced her cholesterol levels and triglycerides to a normal range. “I achieved these results through diet modification, increased activity, conversations with my Healthways coach and medication. I would not have made these changes without HSHS Colleague Healthy Home - my HRA was a wakeup call. I have more energy and am happier and feel healthier.”
IMPROVING HEALTH IN OUR COMMUNITIES

As part of our mission to provide healing and hope to the three million people we serve, Hospital Sisters Health System has developed Community Benefit initiatives that expand access to health care, enhance overall health status and promote medical education in our communities.

In the fiscal year that ended June 30, 2011, HSHS hospitals provided $166.1 million in Community Benefit (or 8.7% of total expenses), an increase of $15.7 million over fiscal year 2010. Of this amount, $37.1 million was provided for Charity Care and $99.8 million was the amount of unreimbursed care provided under the Medicaid program.

In addition, HSHS hospitals committed significant resources in serving the Medicare population. The cost of providing services to primarily elderly beneficiaries of the Medicare program, in excess of governmental and managed care contract payments, was $183.8 million during fiscal year 2011. HSHS hospitals also recorded $103.9 million in uncollectible accounts.

HSHS strengthens the health of its communities by continually reinvesting any surplus revenue from operations and investments into new medical technology, facility infrastructure and health care services. These investments ensure that our hospitals continue to provide high quality, compassionate care to our patients.

The Community Benefit that Hospital Sisters Health System provides in our communities reflects our commitment to our healing ministry and our patients and their families.

COORDINATING ACCESS TO COMMUNITY HEALTH CARE

St. John’s Hospital is partnering with Memorial Medical Center, Southern Illinois University School of Medicine and other community partners to support the Coordinated Access to Community Health (CATCH) initiative. The free program is being made available to uninsured adults in Sangamon County in central Illinois to help them access routine medical care, specialty doctors and affordable medicine. Launched in May 2011, CATCH enrolls patients as they visit social service agencies or when they leave hospital emergency departments. Enrollees are then referred to Springfield’s federally funded primary care clinic, Capitol Community Health Center, or participating doctors’ private offices.

The goal of the program is to enroll up to 6,000 uninsured patients within the next few years. By making it easier for uninsured residents to get preventive health care services, CATCH organizers believe uninsured patients’ medical problems will be addressed early and, in turn, improve their quality of life.

*HSHS has elected to exclude Medicare shortfalls and bad debt expense from the Community Benefit calculation.
A TAPESTRY OF CARING

The stories behind the 11,000 donations made to HSHS hospitals are as meaningful and diverse as the people who made them. In Belleville, Betty Renth and her brother WE. Renth each made a generous year-end gift to the Friends of St. Elizabeth’s Hospital. Their support provided the funds to purchase a new 840 Mechanical Ventilator. These gifts from the Renths illustrate a legacy of support which spans decades of commitment to St. Elizabeth’s Hospital.

In Sheboygan, the Frank and Frieda K. Brotz Family Foundation has contributed for many years to the Charity Care Endowment Fund at St. Nicholas Hospital to provide financial assistance to patients. In January 2011, the Foundation donated $50,000 to strengthen this Fund. By creating the Charity Care Endowment, developing the Domestic Violence Center, and renovating the Genesis Center, the Foundation has given more than $3.8 million to St. Nicholas Hospital.

In Springfield, the Friends of St. John’s Hospital received a bequest of $1.4 million from the estate of Helen “Sis” Lauters. The outstanding treatment Mrs. Lauters received at St. John’s motivated her donation. After an auto accident, St. John’s caring staff helped her recover. Later in her life, St. John’s supported Mrs. Lauters when she was diagnosed with cancer. She also experienced St. John’s care and dedication through her in-hospital stays, home health services and hospice.

In Green Bay, St. Vincent Hospital radiologist Henry Feider, MD, and his wife Denise pledged $100,000 over the next decade to endow a new scholarship for hospital colleagues who wish to advance their education in Radiology Technology or Nursing. And in Eau Claire, former Sacred Heart Hospital chief administrator Matt Hubler and his wife Carol established the Hubler Family “One More Day” Endowment to assist the hospital in providing care to the poor and needy in the spirit of St. Francis.

Numbers, while impressive, cannot come close to telling the whole story of philanthropy at HSHS. At its core, philanthropy is the tangible demonstration of a person’s commitment and devotion to an organization’s mission. The contributions and bequests that our donors make are the material expressions of their values and beliefs, values and beliefs that continue to be realized through the healing ministries of the Hospital Sisters of St. Francis.

Competence • Joy

These wonderful gifts and thousands more like them are woven into a tapestry of caring that spans three centuries.

Throughout that time, the Hospital Sisters of St. Francis have turned to our communities for support, and our communities have responded.

Gifts of time and treasure, large and small, from individuals and institutions have enabled us and inspired us to transform the delivery of health care and embody Christ’s healing love for all people.

Eleven thousand donations
More than nine million dollars in contributions and bequests
More than nine million dollars in grants disbursed to our hospitals
RESPECT • CARE •

HOSPITAL SISTERS HEALTH SYSTEM

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THE PRAYER OF ST. FRANCIS

Lord, make me an instrument of Your peace.
Where there is hatred, let me sow love;
where there is injury, pardon;
where there is doubt, faith;
where there is despair, hope;
where there is darkness, light;
and where there is sadness, joy.

O Divine Master,
grant that I may not so much seek
to be consoled as to console;
to be understood as to understand;
to be loved as to love.
For it is in giving that we receive;
it is in pardoning that we are pardoned;
and it is in dying that we are born to eternal life.

Amen

DEVELOPING LEADERS IN THE FRANCISCAN TRADITION

Continuation of the health care ministry of the Hospital Sisters of St. Francis and the integration of Mission in all we do depends upon leaders formed in the Franciscan tradition.

Annually leaders from throughout the System convene at the Chiara Center in Springfield to participate in Franciscan Formation. The program is designed to build a community of committed leaders and to expand their knowledge base and competencies in spirituality, operations, quality and service.

QUICK FACTS FY2011

Population Served
3.0 million in two states

Inpatient Admissions
83,135

Emergency Department Visits
309,030

Inpatient Surgeries
21,847

Outpatient Surgeries
43,372

Physicians on Medical Staff
2,001

Total Colleagues
13,929

Volunteers
4,226

Operating Revenue
$1.9 billion

Community Benefit
$166.1 million