

CENTRAL FLORIDA HEALTH ALLIANCE

Leesburg Regional Medical Center
The Villages Health System

Remarkable people. Remarkable care.

2009-2010 COMMUNITY BENEFIT REPORT





Lee S. Huntley, FACHE, President & CEO
David L. Sustarsic, MD, Chairman of the Board

OUR MISSION TO THE COMMUNITY

Improve the health and quality of life of the individuals and communities we serve.

To fulfill our mission, Central Florida Health Alliance is recognized as meeting each of the following pillars of excellence:

- ✓ **GROWTH:** Provider of choice
- ✓ **PEOPLE:** Employer of choice
- ✓ **SAFETY:** Safest hospital
- ✓ **SERVICE:** Highest in satisfaction
- ✓ **QUALITY:** Exceed standards of care
- ✓ **FINANCIAL:** Most cost effective

Leading the way as a not-for-profit healthcare organization, the remarkable care provided at Central Florida Health Alliance touches the lives of many throughout Lake, Sumter, Marion Counties and beyond.

Our physicians, team members, volunteers, and donors are committed to fostering service excellence at our hospitals – Leesburg Regional Medical Center and The Villages Health System -- and the many related health services we provide.

We are proud of our partnerships in the community and the outreach programs in which we participate. Our dedicated medical professionals and volunteers contribute countless hours to the community outside of our hospitals and participate in many different preventive health events.

As we highlight the significant initiatives from the past year in this report, we also look ahead to how we can improve the future health and wellness of our community.

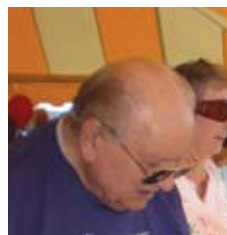
Our efforts to offer award-winning healthcare as one of the only regional providers in cardiovascular, orthopedics, neurosurgery, and stroke care highlights our commitment to promote health throughout the community.

From our support and involvement in the Community Medical Care Center and free screenings, to volunteering in our community, wellness events and educational classes, the Alliance sustains these activities because of their value to our community.

In Good Health,

Lee S. Huntley, FACHE
PRESIDENT & CEO

David L. Sustarsic, MD
CHAIRMAN OF THE BOARD



“DOC TALK” PREVENTIVE HEALTH EDUCATION SERIES

An ongoing series of free health seminars are held throughout our surrounding communities and designed to educate residents on topics ranging from heart care and women’s health to hip pain and numerous other health topics.

HEALTH SCREENINGS & EVENTS

The Alliance promotes good health through free community health screenings and assessments.

In addition, we provide free or reduced cost screenings ranging from peripheral arterial disease and blood pressure checks, to heart health and colorectal cancer prevention.

SUPPORT GROUPS

We proudly host several local support groups at our hospital facilities. Participants are invited to come together with people who are facing similar challenges and learn better ways to manage their health.

DEAF & HARD OF HEARING SERVICES

To make hospital visits more efficient and convenient for hearing-impaired patients, we have Sorenson Videophones throughout our hospitals.

COMMUNITY WELLNESS

The Wellness Center at Leesburg Regional Medical Center has been helping community members stay healthy for 20 years. Staffed by degreed exercise specialists, the Wellness Center participates in community health fairs teaching participants how to incorporate fitness and wellness into their lives.

As a way to encourage physical wellness in the community, our Wellness Center hosts a series of 5K and 10K races in the Leesburg area throughout the year.

BENEFITING OUR COMMUNITY

Central Florida Health Alliance provides many preventive health opportunities and programs to area residents, which helps fulfill our mission to improve the health and quality of life of the individuals and communities that we serve.

MARATHON SCHOLARS PROGRAM

The Marathon Scholars Program was awarded a \$5,000 grant from the Track Shack Foundation to assist with challenging local students to read 26 books and run/walk 26 miles.

SAFE SITTER® PROGRAM

Leesburg Regional Medical Center hosts the summer-time Safe Sitter® Program to teach local children safe babysitting skills.

SPREAD THE WORD, NOT THE GERMS

The Alliance launched the “Spread the Word, Not the Germs” handwashing campaign during National Infection Prevention Week, leading the way in educating the public during the H1N1 and flu outbreak.



Leesburg Regional team members raise money and participate in the annual March of Dimes March for Babies each year. Leesburg Regional welcomed 1,411 babies into the world in 2008 and 1,337 in 2009.

REACHING OUT TO OUR NEIGHBORS

Providing quality care to those in need.

“There is a good feeling at the end of the day to do a job that has some value, that you are really making a difference,” said Tamara Halsey, director of the Community Medical Care Center. She is grateful for the center’s staff, which includes volunteer doctors, nurses and community volunteers. Some of the doctors are retirees and others have active practices.

CARING FOR THE UNINSURED SICK, PROMOTING HEALTH

As a community-centered not-for-profit healthcare system, we reach out to our neighbors with a wide range of medical and educational services that help patients who need care.

The Community Medical Care Center (CMCC) is a not-for-profit clinic that offers primary care for uninsured adults and children over the age of three and specialist referrals when necessary at no cost. The clinic had more than 6,600 patient visits in fiscal year 2009/2010.

Annually financially supported by Central Florida Health Alliance, First Baptist Church of Leesburg, the State of Florida Department of Health and the Lake County Health Department, the center is staffed by four local physicians. More than forty additional doctors volunteer at the center alongside nurses and non-clinical volunteers.

The center has a newly operating dental facility in the CMCC building on Main Street in Leesburg and we have recruited over a dozen dental professionals from all over Central Florida to give their time at the Community Medical Care Center.



LEESBURG REGIONAL MEDICAL CENTER



Leesburg Regional Medical Center has been successful in 2009/2010 with national quality measures for patients admitted with Heart Attacks, Heart Failure, Pneumonia, undergoing surgery and numerous quality measures relating to the quality and safety in their care. In addition, the hospital received a Bronze Award for Stroke Care and received its re-certification from the Joint Commission as an Advanced Primary Stroke Center.

Leesburg Regional Medical Center, part of Central Florida Health Alliance, has been serving our community's healthcare needs for almost 50 years. A 316-bed acute care hospital that offers world-class services close to home in Lake, Sumter and Marion Counties, Leesburg Regional has grown from a small community hospital built in 1963 to a comprehensive medical center. To take us into the next 50 years, we recently invested \$3.8 million in renovations to the exterior of the building by adding a new metal roof that is hurricane-rated, installing energy efficient windows and making exterior walls water resistant. An additional \$3.1 million has been designated for improvements to patient rooms and interior areas. Most of the construction costs were spent with local contractors and companies.

Leesburg Regional offers progressive cardiovascular services, including minimally invasive heart valve replacement and repair surgery. Our Heart Institute performs more open heart surgery procedures than any other hospital in the region and has the third highest volume in the state with superior results.

Home to some of the System's most specialized services, Leesburg Regional Medical Center includes the region's first Designated Stroke Center, neurosurgery, total joint replacement, Ohme Inpatient Rehabilitation (the only comprehensive acute care facility of its kind in the region), Alliance Day Surgery, Wound Healing and Hyperbaric Center, and state-of-the-art Life Center for Women, offering high quality and comprehensive services in gynecology, obstetrics and pediatrics.

QUALITY, SAFETY AND SERVICE

Leesburg Regional Medical Center continually improves hospital performance of key functions of patient care that promote:

- Elimination of unnecessary risks and hazards to assure safety at all levels of care
- Appropriate utilization of resources
- Provision of the same standard of care for like populations across the integrated delivery system
- Improvement in operational efficiencies
- Promotion of "best practice"
- Improvement in customer service

TAKING SERVICE TO THE NEXT LEVEL

- ✓ *Lake-Sumter EMS partnered with the Alliance as one of the Nation's first to implement induced hypothermia in the field before transferring patients to our hospitals. Lowering the body's temperature can improve the chances of surviving sudden cardiac arrest without brain damage.*
- ✓ *Announcement of partnership between Central Florida Health Alliance and Moffitt Cancer Center to build cancer centers in Leesburg and The Villages in 2011-2012.*
- ✓ *Transradial heart catheterization for patients, which uses the wrist to gain access to arteries that lead to the heart, was launched.*
- ✓ *Leesburg Regional Medical Center introduced Digital Mammography, a leading-edge technology in the fight against breast cancer.*
- ✓ *The Ohme Inpatient Rehabilitation Center expanded with 7 additional patient beds.*
- ✓ *The Alliance Urgent Care Center underwent a "makeover" and was renamed "Alliance First Care at Tavares." The facility offers trusted, high quality primary walk-in medical care by board certified physicians.*



Artist's rendering of the new cancer center at Leesburg Regional Medical Center. Completion date is scheduled for late 2011 to early 2012.



WORKING TOGETHER TO IMPROVE OUR COMMUNITY

As part of our mission to enhance the quality of life in our region, Central Florida Health Alliance partners with numerous other non-profit organizations whose services strengthen the social, physical and economic health of our communities.

OUR VOLUNTEERS

The Alliance is proud to partner with members of our community to fill a very special need in our hospitals. Volunteering is a way of life at Leesburg Regional Medical Center and The Villages Health System. Whether the volunteers are auxiliary members, teenagers, or local residents looking to make a difference, their work forms an integral part of the web of support for the patients under our care.

OUR AUXILIARY

The Leesburg Regional Medical Center Auxiliary was created in 1963 and is now made up of over 250 dedicated volunteers. They work throughout the hospital, in our gift shop and thrift store, raise funds for new medical equipment, and contribute thousands of service hours annually. Recently they surpassed three million hours since their inception.

During the summer months, Leesburg Regional Medical Center sponsors a Teenage Volunteer program for students interested in the medical field or those who wish to earn service hours for their schools.

The Villages Health System Auxiliary was founded in 2002 and has over 700 volunteers. In addition to its regular service providing front desk support, delivering meals, and visiting patients, the volunteers work diligently to raise funds for new hospital programs and services. Combined, our hospital volunteers dedicated more than 163,900 hours in our hospitals in FY 2009 alone.

MENDED HEARTS VOLUNTEERS

Mended Hearts is a group of passionate volunteers who have been previous heart patients and offer hope and encouragement to new heart patients, their families and caregivers. These volunteers work hard at both of our hospitals to facilitate a positive patient-care experience and emotional support.



Leesburg resident Michele Klaben (right) survived a heart attack at age 56 and is now encouraging others to keep a positive attitude by volunteering with the Mended Hearts group. She and her husband speak with new patients every week and share their inspirational story.

COMPASSIONATE COMPANIONING

More than 70 volunteers comprise the Compassionate Companions program that was established to ensure that no one dies alone. The volunteers are on standby to sit with patients during their last moments and comfort patients who have no family members.

HEART-2-HEART CARDIOVASCULAR SYMPOSIUM

The Alliance Heart Institute hosted its 6th Annual Heart-2-Heart Cardiovascular Symposium. This annual event educates nurses and clinical professionals on the latest heart care techniques and procedures from across the country.

More than 400 nurses attend this 2-day educational event, which is supported by industry-leading medical centers, including St. Jude's, cardiac support groups such as Mended Hearts, and nationally-known pharmaceutical companies.

MEDICAL MISSION TRIPS TO HAITI

Every few months, a group of Central Florida Health Alliance team members travel to Haiti on medical missions to transform lives. They provide medical treatment to Haitians in desperate need of care and conduct over 70 surgeries in just 2-1/2 days. In addition, this year The Alliance matched team member donations to earthquake victims in Haiti for a total of \$20,000.

OUR PARTNER ORGANIZATIONS

- American Cancer Society
- Beacon College
- Boys & Girls Clubs of Lake and Sumter Counties
- Boy Scouts of America
- Christian Social Services
- City of Fruitland Park
- City of Tavares
- City of Wildwood
- Cornerstone Hospice Foundation
- Deaf and Hearing Services of Lake and Sumter Counties
- Educational Foundation of Lake and Sumter Counties
- Eustis Chamber of Commerce
- Florida Junior Golf, Inc.
- Kiwanis Club of Leesburg
- Knights of Columbus
- Lady Lake Chamber of Commerce
- Lake County Board of County Commissioners
- Lake County Schools
- Lake Eustis Area Chamber of Commerce
- Lake Sumter Children's Advocacy Center
- Lake Sumter Community College Foundation
- Lake Sumter EMS
- Lake Sumter Medical Society
- Lake Technical Center
- Leadership Lake County
- Leesburg Center for the Arts
- Leesburg Area Chamber of Commerce
- Leesburg Lightning Dugout Club
- Leesburg Partnership
- Lifestream Behavioral Center
- March of Dimes
- New Vision for Independence, Inc.
- Rotary Club of Lady Lake
- Rotary District 6980
- Sunrise Arc
- Sumter County Chamber of Commerce
- Sumter County Sheriff's Office
- Tavares Chamber of Commerce
- The Villages Diabetes Support Group
- Thomas E. Langley Medical Foundation
- West Leesburg Community Development Corp.
- ... and many others.



Our medical volunteers offering treats to Haitian children



The Alliance medical team volunteers on their trip to Haiti to provide medical care.

• Awards and Accolades •

The Alliance was named the #3 company for Working Families in Central Florida by the Orlando Sentinel.

The AARP named the Alliance the #14 company in the 2009 healthcare category for their "Best Employers for Workers over 50" award.

Alliance Wound Healing & Hyperbaric Center was awarded a Certificate of Distinction by the Joint Commission for disease-specific certified wound care program.

Leesburg Regional Medical Center received the American Stroke Association's Bronze Performance Award.

Leesburg Regional Medical Center was awarded a three-year term of accreditation in Digital Mammography as a result of a survey by the American College of Radiology.

The Villages Health System joined Leesburg Regional Medical Center in earning the Joint Commission's Gold Seal of Approval.

We are a Center for Excellence in minimally invasive heart valve surgery, teaching CV surgeons across the country heart valve techniques.

THE VILLAGES HEALTH SYSTEM

In May, The Villages Regional Hospital became The Villages Health System to reflect that we are not just a hospital but are growing into a system of care with a comprehensive range of health services. At the center of our growing health system is a 198-bed acute care hospital located in the heart of The Villages, a nationally known adult retirement community.

The Villages Health System is committed to providing quality care and service excellence, with state-of-the-art surgical suites, intensive care unit, and a radiology department featuring filmless computer imaging, pharmacy, clinical laboratory and a full service emergency department. The Villages Health System is home to one of the world's first Philips Ambient Experience Catheter Labs designed to improve the experience during heart catheter procedures. We recently earned the Joint Commission's Gold Seal of Approval by demonstrating compliance with the Joint Commission's national standards for healthcare quality and safety.

QUALITY, SAFETY AND SERVICE

The Villages Health System continually improves hospital performance of key functions of patient care that promote:

- Elimination of unnecessary risks and hazards to assure safety at all levels of care
- Appropriate utilization of resources
- Provision of the same standard of care for like populations across the integrated delivery system
- Improvement in operational efficiencies
- Promotion of "best practice"
- Improvement in customer service

The Villages Health System has continued to appreciate growth and promote quality and safety as demonstrated with ongoing improvement in national quality measures.



TAKING SERVICE TO THE NEXT LEVEL

- ✓ *Announcement of partnership between Central Florida Health Alliance and Moffitt Cancer Center to build cancer centers in The Villages and Leesburg.*
- ✓ *Lake-Sumter EMS partnered with The Villages Health System to implement induced hypothermia in the field before transferring patients to our hospitals. Lowering the body's temperature can improve the chances of surviving sudden cardiac arrest without brain damage.*
- ✓ *The Villages Health System began offering the trans-radial heart catheterization for patients, which uses the wrist to gain access to arteries that lead to the heart.*
- ✓ *The Villages Health System launched world-class joint replacement services.*
- ✓ *The first Neurosurgery procedure was performed in 2010.*
- ✓ *Plans and the state approval process for a new hospital to be built off Route 44 in the southern end of The Villages was announced. This hospital will be located near a new town center to be named Brownwood and will anchor the southern boundary of the growing Villages, Wildwood community and west Lake County.*



Artist's rendering of The Villages new cancer center. Completion date is scheduled for late 2011 to early 2012.

THINKING OUTSIDE THE BOX

GO GREEN EFFORTS

Leesburg Regional Medical Center is helping the city of Leesburg save more than \$1 million in electric costs by using generators during peak hours to reduce the amount of wholesale electricity purchased from power plants. The hospital joined with the city in this initiative in December 2009.

Additionally, Leesburg Regional Medical Center partnered with the City of Mount Dora to offer rain barrels to team members to promote water conservation.

PROJECT SOS

The Villages Health System and Leesburg Regional Medical Center launched a unique program with the Villages and Leesburg Rotary Clubs called Project SOS - Support Our Soldiers, Inc. Unopened products from patient rooms are collected once the patient is discharged, are disinfected by the Rotarians and are shipped overseas to soldiers in Iraq and Afghanistan. Troops appreciate the supplies, especially baby wipes because they use them to keep cool when it is 120 degrees outside. The program is expected to go national, and we are honored to be the first hospitals participating in the project.



GO GREEN EFFORTS:

Leesburg Regional Medical Center received an award from the City of Leesburg for its numerous "Going Green" initiatives.

ALLIANCE HEALTHCARE FOUNDATION BUILDING ON A FOUNDATION OF GIVING

As a not-for-profit philanthropic organization supporting the mission of Central Florida Health Alliance, the Foundation enhances the quality of care provided at our hospitals by providing financial resources that support hospital services, programs, capital projects and technology.

In the past year, The Foundation engaged team members and leaders to participate in an annual giving campaign, resulting in contributions of \$75,000 per year. They created the Center for Excellence in Nursing, which provides recognition and scholarships to Alliance team members, and had five successful community events, raising more than \$100,000 and securing more than \$2.7 million in Planned Gifts.

The Foundation is dedicated to developing resources for our hospitals and ensuring a healthier future for our community. If you would like to learn more about the Foundation, please call (352) 751-8812.



Kathy Perfumo, Chief Nursing Officer for Leesburg Regional Medical Center, with Gary Kadow, the project's founder, and Al Ragona and Don Trombley, Leesburg Rotary



Phyllis Baum, RN, MBA and Chief Executive Officer of Leesburg Regional Medical Center with Lee S. Huntley, FACHE, President & CEO of Central Florida Health Alliance.

OUR ECONOMIC IMPACT

Leesburg Regional Medical Center, like most hospitals, is a key component of the local economy. We are committed to excellence and also driving economic development within our communities. A healthy community not only affects the capability of workers and consumers, but also location decisions of both businesses and households.

Leesburg Regional Medical Center commissioned a study that shows our impact on the local economy both directly and through related aspects of the economy.

Leesburg Regional Medical Center has a large impact on the economy of Lake County. We generate two types of economic impact to the communities we serve: (1) ongoing impacts, which are measured as the average annual impact of our business activities (including our annual operating budget, out-of-county patients and visitors to the hospital, and physicians' offices effects), and (2) one time impacts (such as our capital improvement program).

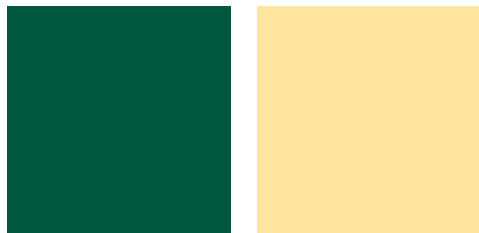
A SUMMARY OF LEESBURG REGIONAL'S ANNUAL IMPACT ON THE LAKE COUNTY ECONOMY:

- ✓ Our business activities are responsible for generating \$178.2 million in **direct** economic output annually within the Lake County economy.
- ✓ This amounts to 2,624 jobs **directly** created and sustained annually from Leesburg Regional related expenditures.
- ✓ When the "ripple" effect is accounted for (which occurs as a result of local business owners hiring employees and purchasing supplies for products and services), Leesburg Regional creates nearly 3,422 jobs annually and almost \$128 million in annual earnings.
- ✓ Overall, our business activities have a total annual economic output on the Lake County economy of just under \$287.7 million.

HOW CAPITAL IMPROVEMENTS HELP THE LOCAL ECONOMY

In addition to the on-going impacts above, our capital improvements programs (such as building and construction) also greatly impact the local economy. From 2000 to 2010, capital improvements totaled \$128 million in **direct** local spending, which is estimated to have had a "ripple" effect of \$203 million. Our capital improvements programs were also responsible for supporting a total of 1,335 jobs during this time period.

** Study performed by Fishkind & Associates, August 2010.



OUR INVESTMENT IN OUR COMMUNITY

LEESBURG REGIONAL MEDICAL CENTER	
Charity Care ²	\$6,115,901
Indigent Care (Uninsured care at CMCC)	\$340,000
Medicaid Shortfalls ³	\$8,559,137
Total Community Benefit	\$15,015,038
<i>Costs We Incur in Excess of Reimbursement</i>	
Medicare Shortfalls ³	\$7,474,344
Bad Debt ⁴ (unable to receive reimbursement)	\$7,327,308
Total Costs in Excess of Reimbursement	\$14,801,652
<i>Total Value to the Community</i>	<i>\$29,816,689</i>

CENTRAL FLORIDA HEALTH ALLIANCE'S INVESTMENT IN THE COMMUNITY	
Health fairs, speakers' bureau services, Community Medical Care Center services, support groups, wellness activities, clinical screenings, women and senior initiatives, community board commitments, sponsorships, school initiatives and donated meeting space	
<i>Community Outreach Value</i>	<i>\$2,633,453</i>

SUPPORT FROM THE NORTH LAKE COUNTY TAX DISTRICT AND LIP TO LEESBURG REGIONAL MEDICAL CENTER	
Tax District Support	\$4,855,523
Low Income Pool Program (LIP)	\$1,137,171
Distribution of Tax Proceeds to Lifestream	(\$242,776)
<i>Total</i>	<i>\$5,749,918</i>

THE VILLAGES HEALTH SYSTEM	
Charity Care ²	\$2,092,618
Medicaid Shortfalls ³	\$960,658
Total Community Benefit	\$3,053,276
<i>Costs We Incur in Excess of Reimbursement</i>	
Medicare Shortfalls ³	\$1,456,942
Bad Debt ⁴ (unable to receive reimbursement)	\$4,257,979
Total Costs in Excess of Reimbursement	\$5,714,921
<i>Total Value to the Community</i>	<i>\$8,768,197</i>

Leesburg Regional Medical Center is the second largest employer in Lake County, employing more than 1900 employees with an annual payroll of \$81.9 million. The Villages Health System has 880 team members (\$40.1 million payroll). Combined, Central Florida Health Alliance provided jobs for 2,825 people in the communities we serve.

While other local and national companies downsized staff during the recent recession, Central Florida Health Alliance consciously improved efficiencies but refrained from cutting jobs due to the economy.

1. Based on Community Benefit Reporting: Guidelines and Standard Definitions for the Community Benefit Inventory for Social Accountability, Voluntary Hospitals of America (VHA) and the Catholic Healthcare Association (CHA) of the United States, 2005.

2. Charity care is the total cost of services incurred by Central Florida Health Alliance to provide medical services to those patients who have demonstrated their inability to pay. Charity care does not include bad debt.

3. The Medicare and Medicaid programs pay Central Florida Health Alliance less than it costs the organization to provide care to its Medicare and Medicaid patients. The amounts shown are the actual costs to provide these services above reimbursement.

4. Bad debt is the total cost of services incurred by Central Florida Health Alliance for services provided to patients who have not paid their bills and who have not demonstrated their inability to pay.

Support from the North Lake County Hospital Tax District and funds from the Low Income Pool Matching Program helps cover the unfunded care and other unfunded costs to provide care to the community by Leesburg Regional Medical Center. **The Villages Health System does not receive tax district or LIP funding.**

* Numbers listed are 2009-2010 unaudited financial numbers.



CENTRAL FLORIDA HEALTH ALLIANCE

Leesburg Regional Medical Center
The Villages' Health System

Remarkable people. Remarkable care.

LEESBURG REGIONAL MEDICAL CENTER

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THE VILLAGES HEALTH SYSTEM

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