

2015

HEALTHIER  
COMMUNITIES

COMMUNITY  
BENEFIT

FAITH-BASED  
VALUES

EXCELLENT  
PATIENT  
EXPERIENCE



# BAPTIST HEALTH®

Corbin | La Grange | Lexington | Louisville  
Madisonville | Paducah | Richmond  
*Managed hospital in Elizabethtown*

WELLNESS

## COMMUNITY REPORT

ECONOMIC  
IMPACT

COORDINATED  
CARE

PHYSICIAN-  
LED

RESEARCH

### MISSION

Baptist Health demonstrates the love of Christ by providing and coordinating care and improving health in our communities.

### VISION

Baptist Health will lead the transformation to healthier communities.

### FAITH-BASED VALUES

Integrity, Respect, Excellence, Collaboration, Compassion and Joy.

# “B2C:” BAPTIST HEALTH’S SECOND CENTURY

Healthcare continues to change in dramatic ways. For one thing, providers will now be rewarded for **keeping people well** rather than for the number of treatments patients receive. It’s a new, more proactive approach to healthcare, and one we fully support.

To meet these changes head-on, we have created the Baptist 2nd Century plan (B2C for short), a 10-year strategic framework that will guide us up to and beyond our 100th anniversary in 2024. The plan ensures not only that Baptist Health is securely positioned for the future, but also that the communities we serve will grow healthier than they are today.

The B2C plan includes five major strategic objectives:

- Improving the overall health status of communities we serve
- Valuing people and culture
- Improving the patient experience
- Stewarding of system resources
- Leading the transformation of healthcare delivery

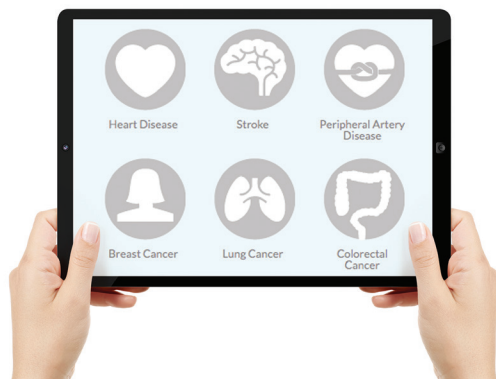
This effort will require extensive engagement with community partners, close coordination of healthcare services, customized health planning for individuals, and thoughtful use of data to make sure we stay on track to achieve the best possible health outcomes.



## IMPROVING THE OVERALL HEALTH STATUS OF COMMUNITIES WE SERVE

*For the sixth year, Kentucky ranks toward the bottom of the list in rates of smoking, cancer, obesity and other health metrics. At Baptist Health, we feel we have an opportunity and a responsibility to make a difference and raise Kentucky’s standing by engaging others, embracing best practices and taking action.*

**Assessing and addressing the health needs of our communities.** Working in concert with partners, such as local health departments and school officials, Baptist Health gauges the health of its communities in a triennial assessment. Strategies are then adopted to meet identified needs, such as battling obesity and diabetes. In the larger picture, Baptist Health is partnering with organizations such as Shaping Our Appalachian Region (SOAR), aimed at improving the quality of life in Eastern Kentucky, to explore ways that Kentuckians can thrive and live longer.



**Living life with a Flourish.** To offer practical and expert advice about living a healthier life, free copies of *Flourish* magazine are mailed to more than 325,000 people in our communities. For a copy, email [Flourish@bhsi.com](mailto:Flourish@bhsi.com).

**Check out your health.** Map your journey to a better life. Be a healthier you – check your risk for heart disease, cancer, stroke and peripheral artery disease at [FindYourHealth.com](http://FindYourHealth.com). It’s free.

**Community outreach.** Learn to stop smoking, gain better control of your diabetes, prepare for a new baby and more with free or low-cost educational classes offered at Baptist Health facilities. For more information, visit [BaptistHealthKentucky.com](http://BaptistHealthKentucky.com).





## IMPROVING THE PATIENT EXPERIENCE

With a goal of being among the top 10 percent in patient experience ratings, Baptist Health hospitals and physician offices are focused on a number of initiatives to ensure that patients are safe and well cared for at all of our facilities.

**Recognitions and culture of excellence.** Baptist Health boasts two of the state's four adult hospitals that have earned Magnet® recognition for nursing excellence. Its other five owned hospitals are seeking Pathway to Excellence recognition, which champions high-quality nursing practice. National recognition for stroke, heart and cancer care (among others) has been earned by dedicated teams focused on providing the best possible care to their communities.



take a more active role in decision-making. Teaching patients to care for themselves once they leave the hospital is vital to helping them stay at home and recover – and in preventing readmissions.

### Research underway.

Sixteen shared cancer clinical trials will be underway as of July 2015 at six Baptist Health facilities – five owned and one managed. The Phase II and Phase III trials – for a variety of cancers, including breast and lymphoma – are offered through the newly expanded Baptist Health Cancer Research Network. For years, Baptist Health hospitals in Lexington and Louisville offered clinical trials. With the network in place, many of the same large National Cancer Institute-sponsored trials can now be offered in Paducah, Madisonville,

Corbin and Elizabethtown. This will allow patients in those communities to stay close to home while receiving cutting-edge treatment. (Baptist Health hospitals in Richmond and La Grange offer infusion services to cancer patients.)

Some 230 research studies are ongoing at Baptist Health hospitals, focusing on cardiology, orthopedics, neuroscience, pulmonary conditions, diabetes, epidemiology, cosmetic procedures and more. Learn more at [BaptistHealthKentucky.com](http://BaptistHealthKentucky.com).



**Drive for patient safety.** Teams are at work to ensuring that consistent safe (and best) practices are employed at each Baptist Health facility. Prevention is key and includes regularly checking on patients, communication between caregivers in coordinating care, and empowerment of patients to



## STEWARDING OF SYSTEM RESOURCES

**Epic investment.** Baptist Health's investment in an all-new, award-winning electronic health record system, Epic, will simplify our processes and provide higher quality healthcare to our patients. Epic, which will be fully implemented in early 2017, will combine all patient information – from clinical information to registration, patient scheduling and billing – into a single database, allowing caregivers throughout the system to improve their ability to review data and treat patients.



The seamless integration will:

- Improve communication within and between physician offices and hospitals
- Help nurses organize their tasks
- Cut down on inefficient paperwork
- Improve patient safety and quality of care with a single secure electronic record
- Provide timely routing of diagnostic testing results to the appropriate caregivers and patients
- Allow for secure communication with patients about lab results and medication refills and help in scheduling appointments



# VALUING PEOPLE AND CULTURE

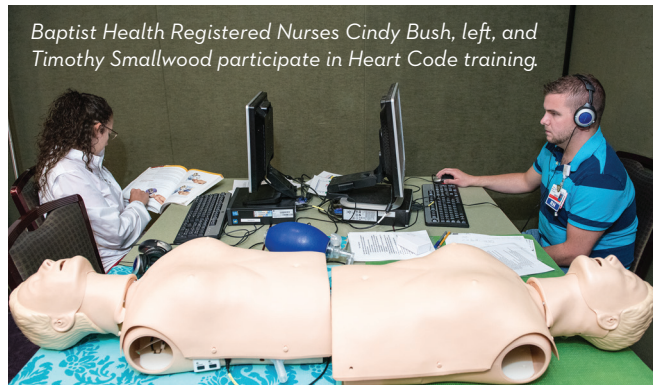


Baptist Health takes pride in maintaining a culture where people are first, and our employees thrive. Whether it's through a benefits package, wellness incentives or the celebration of a job well done, we want our employees to know they are our most valued resource.

**Employee engagement.** Baptist Health is listening to our employees and celebrating our successes as we strive to be a place where people want to work. In 2014, we sponsored our first system-wide Employee Engagement Survey, which showed overwhelmingly that Baptist Health employees are proud to work for Baptist Health and would recommend it to others. Teams are carrying out action plans, including new benefits and programs, based on the feedback. In 2015, Baptist Health also celebrated being named one of the Top 15 Best Places to Work in Kentucky among large companies (500 or more employees) by the Kentucky Chamber of Commerce and the Kentucky Society for Human Resources Management.

**Training and development.** From our physicians, providers and clinical staff, to our support services staff, Baptist Health believes in hiring and developing a talented workforce. We know our patients expect to be cared for by the most qualified, highly skilled professionals; therefore, we provide training and development opportunities and financial assistance to support continuous learning.

**Healthier together.** Baptist Health believes that improving the health of our communities starts with our Baptist Health family. Our Healthier Together wellness programs provide a variety of convenient opportunities and resources to motivate employees to become and stay healthier. These include lifestyle initiatives focused on physical, emotional, spiritual and financial health, and more targeted programs, such as smoking-cessation classes, biometric screenings, health coaching and condition management.



Baptist Health Registered Nurses Cindy Bush, left, and Timothy Smallwood participate in Heart Code training.



35

average pounds lost in weight-management program



65%

quit rate among those in 1st quarter smoking-cessation classes



1,233

biometric screenings performed

## Physician-led growth.

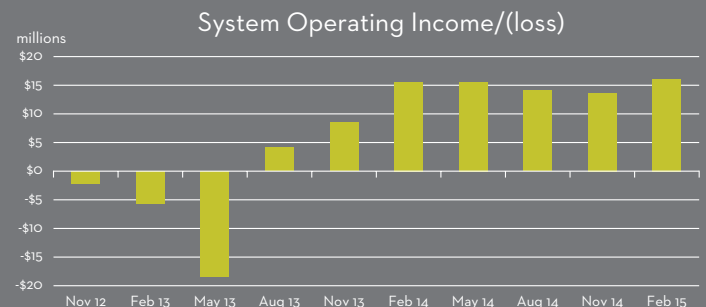
Baptist Health has brought together its employed physicians under a single, statewide medical group of more than 720 providers, including more than 460 physicians and more than 250 advanced practice clinicians. The physician-led, professionally managed group maintains regional leadership teams to address each community's specific needs and continuously works toward high performance. Consolidating the practices into one organization has encouraged numerous administrative efficiencies, including a combined Central Business Office for billing and purchasing functions, and standardized policies and procedures. It also presents Baptist Health Medical Group as a single, recognizable brand across the state.



**BAPTIST HEALTH**  
MEDICAL GROUP

## Financial strength.

Baptist Health remains financially sound. System operating income for the quarter ended February 28, 2015, was \$16.1 million – compared with \$15.6 million for the same quarter a year earlier – representing a margin of 2.6 percent. The positive results were primarily the result of an increase in patient volumes, continued staffing efficiencies and supply cost control measures. The system has now earned positive operating margins for seven consecutive quarters.








# LEADING THE TRANSFORMATION OF HEALTHCARE DELIVERY

Baptist Health has long been known throughout Kentucky for our commitment to provide quality care and improve the health of our communities, treating our patients like family. In April 2015, we took a giant step toward fulfilling this mission as we celebrated the official opening of **Baptist Health Community Care**.

Baptist Health Community Care represents a new way of delivering healthcare that aims to improve the health of the entire population. Patients with complex care needs will be targeted with extra attention and resources to help them get well, while those with less urgent needs will be guided through proactive strategies to keep them from getting sick in the first place. Under one new program, a nurse **care advisor** will collaborate with primary care physicians to assist patients with multiple medical conditions in setting - and attaining - goals that allow them to better manage their health.

**Baptist Health Plan (formerly Bluegrass Family Health).** For more than 20 years, Baptist Health Plan has provided health insurance, managed care services and administrative services to employers, employees and their dependents throughout Kentucky and surrounding states. Baptist Health Plan's role will be to help identify members who are managing a difficult health condition and ensure they get the right care at the right time in the right setting.

## POPULATION HEALTH BENEFITS

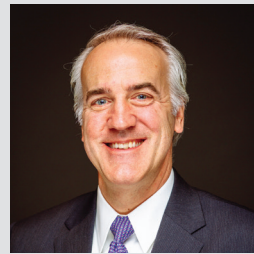
BENEFITS TO PATIENTS	BENEFITS TO PROVIDERS	BENEFITS TO HEALTH SYSTEMS
 <ul style="list-style-type: none"> <li>• Improved quality &amp; outcomes</li> <li>• Improved, more convenient access</li> <li>• Higher satisfaction</li> </ul>	 <ul style="list-style-type: none"> <li>• Coordinated care</li> <li>• Increased efficiency</li> <li>• Streamlined communications</li> </ul>	 <ul style="list-style-type: none"> <li>• Lower costs</li> <li>• Coordinated management</li> <li>• Proactive care</li> </ul>

## LED BY PHYSICIANS



Physicians will play a key role in our transformation, just as they do in other Baptist Health endeavors. Our Physician Cabinet, chaired by Sidney Hopkins, MD, and composed of both employed and independent doctors, provides direct input to the CEO on strategic and tactical decisions.

**SIDNEY HOPKINS, MD**  
*Chairman, Physician Cabinet*

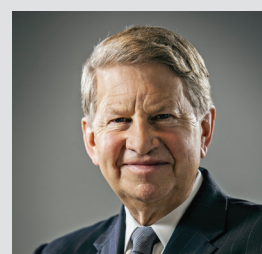


**R. CHRISTIAN HUTSON**  
*Chairman of the Board*

As we embark upon the Baptist 2nd Century strategic plan, we will continue to emphasize the highest standards for all who receive care through Baptist Health.

We will constantly strive to improve the health of our commonwealth, combining the compassion and respect for which we are widely known with new methods aimed at making a meaningful difference.

At Baptist Health, it shall remain our mission to consistently demonstrate the love of Christ through improvement of the health and wellness of all communities we serve.



**STEPHEN C. HANSON**  
*Chief Executive Officer*

Changes to the healthcare industry are in the air - from the federal government, from the marketplace, and from within. Simply treating the sick isn't enough. Prevention is the new mantra.

Baptist Health is taking a leadership role to improve Kentucky's consistently low rankings in such health issues as smoking, cancer, obesity, heart disease and diabetes. We are working with partners across the commonwealth to find solutions. We look forward to working with you, too, as we create healthier communities throughout Kentucky.

# ANNUAL STATISTICS: AT-A-GLANCE

## PATIENT CARE

- 2,500 Licensed beds
- 91,000 Inpatients
- 1 Million Outpatients
- 300,000 Emergency room visits
- 1,200 Open heart surgeries
- 12,000 Births
- 310,000 Cancer treatments

## RESEARCH

- 230 Clinical research studies

*Patient Care figures include both owned and managed hospitals.*

## ECONOMIC IMPACT

- SYSTEM**
- \$2.3 Billion Total revenue
  - \$1 Billion Wages & benefits
  - \$396 Million Local purchases
  - \$42 Million State & local taxes
- EMPLOYEES**
- \$278 Million Local purchases
  - \$50 Million State & local taxes

**TOTAL LOCAL PURCHASES & TAXES: \$766 MILLION**

## COMMUNITY BENEFIT

- \$63 Million Charity care for those unable to pay
- \$30 Million Medicaid costs not reimbursed
- \$20 Million Care provided for those who have not paid their bill
- \$12 Million Services provided at a loss
- \$5 Million Health improvements, education & research

**TOTAL: \$130 MILLION**

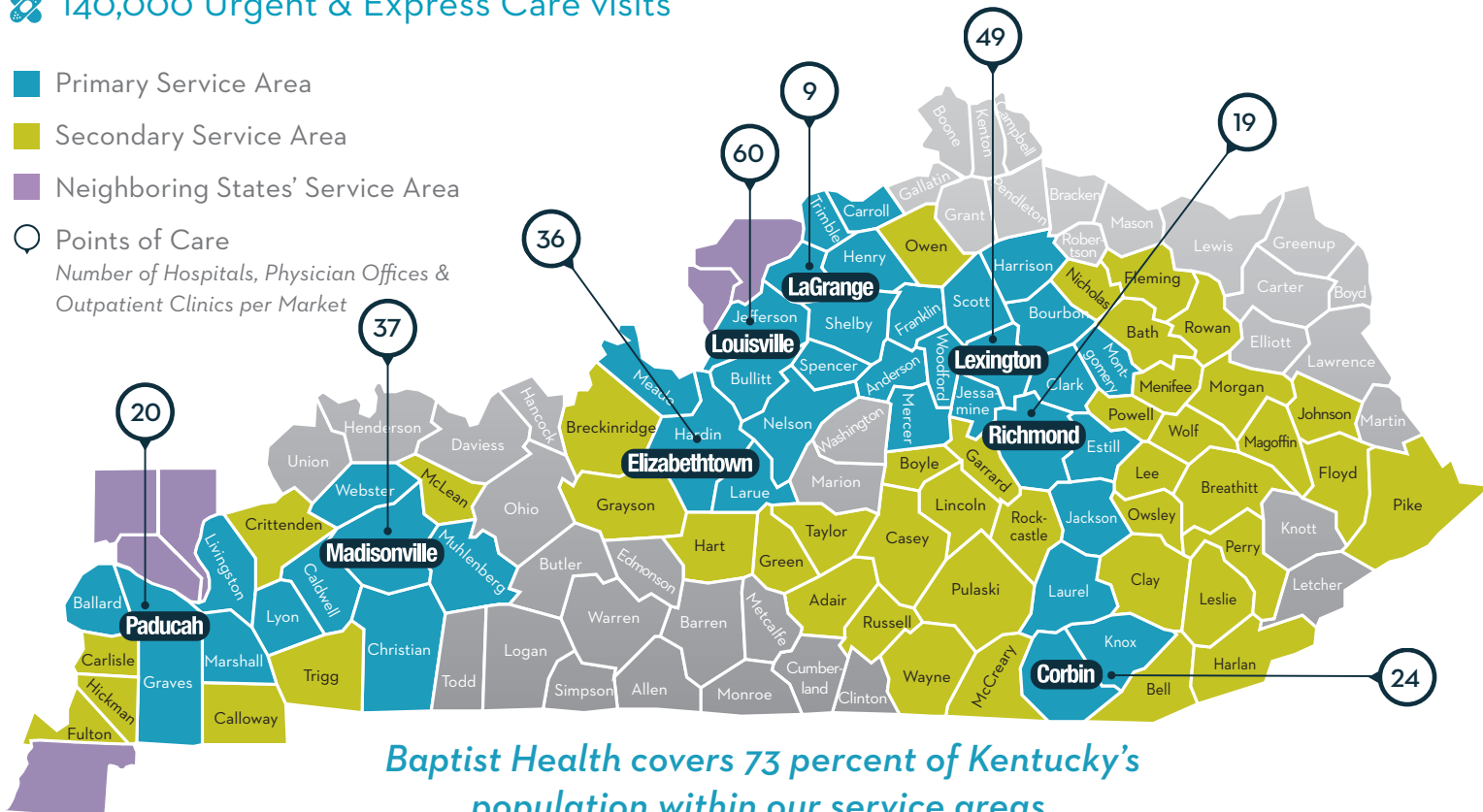
**TOTAL ANNUAL REVENUE: \$2.3 BILLION**

- 18,000 Employees
- 3,000 Providers in network
- 1 in 4 Kentucky births
- 1 in 5 Open heart surgeries
- 1 in 4 New cancer patients
- 140,000 Urgent & Express Care visits



Baptist Health facilities received numerous accolades over the past year, including the state's top two hospitals in Kentucky (Baptist Health Lexington and Baptist Health Louisville) as ranked by U.S. News & World Report.

- Primary Service Area
- Secondary Service Area
- Neighboring States' Service Area
- Points of Care  
Number of Hospitals, Physician Offices & Outpatient Clinics per Market



**Baptist Health covers 73 percent of Kentucky's population within our service areas.**