The Affiliation of Roger Williams Medical Center and Fatima Hospital Brings Rhode Island Just What It Needs

- World Class Cancer Care and Research
- The Region’s First Fully Integrated Elder Health Program
- Rhode Island’s Most Comprehensive Behavioral Health Program
- An Emerging Center for Digestive Diseases

These are just some of the benefits that the newest health system… one that is community focused …is bringing to Rhode Island.

Look inside and find out why CharterCARE is a name you need to know.
Our Story: Community Centered, Lower Cost and Quality Driven Healthcare

We are pleased to keynote this first annual report of CharterCARE Health Partners, the two-year old affiliation of Roger Williams Medical Center and St. Joseph Health Services of RI.

In an era of widespread consolidation of hospital services and continued growth of urban, tertiary medical centers, CharterCARE has pursued a different goal. We strive to preserve patient access to community-based acute medical and surgical care that is clinical excellence and a network of related acute and non-acute support services.

We are reaping benefits from our affiliation in many ways. For example, the two miles that separate the campuses of our heritage hospitals is no longer the front line of stiff market competition... but rather has become a bridge that has allowed operational expense to date. Roger Williams Medical Center has sustained positive financial performance and Our Lady of Fatima Hospital is improving its financial position and is looking forward to a balanced budget in the near future.

Regarding the separate but now actively collaborating medical staffs of our two hospitals, we are happy to report that cross-privileging between the two staffs is a near-term goal and we look forward to continuing to experience the benefits of bringing two extremely talented groups of community-based, academic physicians and specialists together.

In addition, we are especially proud of our continuously improving, quality performance. In recent months, both of our heritage hospitals have received outstanding reviews by The Joint Commission, the national entity that is charged with monitoring clinical quality and patient safety in America’s hospitals.

We are also pleased to report the establishment of our first Community Advisory Committee. This group of community representatives has come together to provide us with an important window into the health needs of our community and how we can better serve the patients and families who rely upon us.

In the realm of clinical care planning, we are committed to continue our migration to a fully integrated Accountable Care Organization model, wherein we seek collaborative linkages with other organizations for access to services not within our system. This will improve quality, reduce costs and minimize duplication of services.

Despite this excellent progress on so many fronts, we still face significant challenges. On the financial side, we still need to work hard to make sure that our proven ability to manage expenses and deliver lower cost care does not inadvertently penalize our reimbursements so we can achieve the operating margins that are necessary to allow us to achieve financial stability and to reinvest in medical technologies, programs, our facilities and our staff.

In the same vein, it has become clear to us that we need a strong capital partner to be able to complete the development of our planned centers of excellence, continue to acquire new medical technology and to sustain adequate financial reserves. We are currently evaluating expressions of interest from numerous organizations. It is important that whichever partner we choose shares our vision and has the resources to help achieve that vision.

It is an exciting time to be part of Rhode Island’s healthcare system. We share the interest of many in revising statewide health of a multiple provider health system, as long as providers are open to collaborating to improve quality and to manage costs.

Finally, we are immensely proud and privileged to work with the nearly 3,000 dedicated employees across our system and the more than 650 physicians and clinical specialists who rely on our hospital for their patients. Our dedicated trustees, volunteers and generous donors provide the added vision, energy and inspiration that defines our system.

We look forward to the future with confidence and strong commitment to our mission... to preserve access to high quality, comprehensive, community-based healthcare services. We remain ever dedicated to meeting the healthcare needs of the communities we have the privilege to serve.

Ed Santos
Chairman, Board of Trustees

Kenneth H. Belcher
President & CEO

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Fiscal 2011 CharterCARE Facts and Figures

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<tr>
<th>Clinical Data</th>
<th>SJHSRI</th>
<th>RWMC</th>
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<tr>
<td>License Beds</td>
<td>369</td>
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<td>Physicians</td>
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| Economic Impact | | | |
|-----------------|----------------|
| Net Patient Revenue | $152,076,930 | $151,684,141 | $303,761,071 |
| Research Funding Revenue | 0 | $5,429,274 | $5,429,274 |
| Charity Care & Bad Debt | $20,427,467 | $18,297,744 | $38,725,211 |
| Employee Salaries & Benefits | $97,918,034 | $80,321,229 | $178,239,263 |
| Employees | 1,488 | 1,331 | 2,819 |
| Purchases & capital spending | $47,650,795 | $82,063,526 | $109,714,321 |
An engine of economic growth

CharterCARE is proud to be one of Rhode Island’s most important economic engines. Collectively, our hospitals, health centers, nursing home and community sites employ more than 2,800 people, most of whom live in Rhode Island. The salaries and benefits paid to our employees total more than $178 million, much of which ripples through our economy in purchases for housing, cars, groceries, repairs, recreation and more.

Hundreds of other industries receive an economic boost through the purchasing power of CharterCARE and its affiliates. In 2011, we spent more than $42 million purchasing goods and services from a variety of industries, many of which are located in Rhode Island.

A tradition of giving back

In 2011, our hospitals and health centers provided more than $38 million in free care for people without the means to pay. In this way, CharterCARE is a safety net for our neighbors who can’t afford to pay for healthcare.

Some of our most important work is done at the St. Joseph Center for Health and Human Services, located off Broad Street in Providence. Here, children and families receive comprehensive care through our network of primary care and specialty clinics. In 2011, our Health Center was home to more than 31,000 visits. Its companion Pediatric Dental Center provided more than 44,000 dental exams and treatments to disadvantaged children.

These services, which are provided free of charge or at reduced rates, are largely preventative in nature. Accordingly, our clients are less likely to develop more serious ailments later in life, resulting in less cost to our health system.

CharterCARE Affiliate Hospitals

Roger Williams Medical Center, nestled in one of Providence’s oldest neighborhoods, provides some of the most advanced specialty care available today.

Offering treatment in more than 34 clinical specialties – from asthma to women’s health – Roger Williams also operates a round-the-clock emergency room and a wide range of outpatient clinics. Its Cancer Center is Southern New England’s most sophisticated operating room facilities, complete with orbital equipment arrays and advanced surgical technology. Its CareOne unit of recently renovated private rooms is earning an amazing 99.1% patient satisfaction level.

Roger Williams also operates Elmhurst Extended Care, the first Level Two Eden Alternative for long term elder care in the world.

Our Lady of Fatima Hospital, located in a quiet suburban neighborhood in North Providence, offers a complete array of inpatient acute care services and a comprehensive range of outpatient diagnostic, treatment and wellness programs, and provides these services in accord with the principles of the Catholic Church.

Fatima’s Gelineau Surgical Pavilion hosts one of New England’s most sophisticated operating room facilities, complete with orbital equipment arrays and advanced surgical technology. Its CareOne unit of recently renovated private rooms is earning an amazing 99.1% patient satisfaction level.

Fatima also hosts the region’s leading rehabilitation and wound care programs.

An Abiding Commitment to Quality

First and foremost is our commitment to quality. From our hospitals and nursing home to our health center and the homes of our patients, our caregivers and support staff are focused on delivering the best of care.

In 2011, The Joint Commission, which evaluates and accredits more than 18,000 health care organizations throughout the country, conducted its regular survey of our affiliated health care providers, including Roger Williams Medical Center, Our Lady of Fatima Hospital, St. Joseph Center for Health and Human Services, Elmhurst Extended Care, and CharterCARE Home Health Services. All were granted full accreditation by the organization that sets the standard for healthcare quality and safety.

2011 Clinical Highlights

• CharterCARE’s heritage hospitals received more than 16,000 patient admissions, handled over 51,000 emergency room visits, managed over 400,000 outpatient visits and performed over 2 million diagnostic imaging and laboratory tests.

• Roger Williams was named Blue Distinction Center for Spine Surgery and Knee and Hip Replacement by Blue Cross & Blue Shield of Rhode Island for demonstrating better overall quality of care and patient results in these specialties.

• Fatima’s new Care One Unit received Press Ganey award

• Roger Williams was accredited as an Advanced Primary Stroke Center by The Joint Commission

• Roger Williams received almost $5 million in grant funding

• Fatima Vascular Laboratory was granted accreditation through September 2013

• Laboratory at Fatima underwent a successful survey by the College of American Pathologists.

• The Wound Care & Hyperbaric program at Fatima Hospital had a healing rate of 89% in less than 38 days versus a national average of 86% in 41 days. The clinic provided care to almost 750 new patients with a total number of visits exceeding 5,000 at the Fatima and Lincoln campuses.
College of Surgeons Commission on Cancer.

accreditation with commendation from the American
overall cancer program recently received a three-year
at the Alice C. Viola Breast Care Center. Fatima’s
personalized support and guidance which takes place
for its excellent breast cancer care, featuring
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to "train" a cancer patient's own tissue cells to
cancer treatment protocols such as new techniques
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liver and esophagus. And each year, Roger Williams
as well as laparoscopic procedures for the pancreas,
and veins in vital organs such as the kidney and liver,
remove tumors without damaging adjacent nerves
such as the NanoKnife, an amazingly precise tool to
access to new cancer treatment technologies,
such as the Sloan-Kettering Institute in New York.
Roger Williams provides Rhode Islanders with direct
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Clinical Centers of Excellence

CharterCARE has identified four areas of clinical focus – cancer, elder health, behavioral health and digestive diseases – for development of centers of excellence. In each of these areas, CharterCARE has significant market presence coupled with physician expertise, leading edge treatment modalities and advanced technology.

Cancer Care

Given Rhode Island’s density of elderly population, and the fact that several forms of cancer occur more frequently here than nationally, the presence of a world class cancer treatment center at our heritage hospital, Roger Williams Medical Center, is a strategic health asset for our state.

Roger Williams, home to Rhode Island’s only bone marrow transplant service, has the state’s largest, multiple modality and advanced practice cancer center. Offering routine and complex cancer surgery, medical hematology/oncology and radiation oncology, the Roger Williams Cancer Center has attracted leading oncologists and cancer researchers from some of the nation’s most prestigious cancer programs, such as the Sloan-Kettering Institute in New York.

Roger Williams provides Rhode Islanders with direct access to new cancer treatment technologies, such as the NanoKnife, an amazingly precise tool to remove tumors without damaging adjacent nerves and veins in vital organs such as the kidney and liver, as well as laparoscopic procedures for the pancreas, liver and esophagus. And each year, Roger Williams oncologists are receiving millions of dollars in cancer research, giving Rhode Islanders access to emerging cancer treatment protocols such as new techniques to “train” a cancer patient’s own tissue cells to seek and destroy cancerous cells.

Rhode Island ranks eighth in the nation in its percentage of residents who are 65 or older. For these people, access to coordinated healthcare that is tailored to the needs of the elderly is critical. CharterCARE offers the state’s most highly developed system for older patients in a multitude of settings throughout the community.

Both Roger Williams and Fatima participate in the NICHE program, a national effort designed to provide nurses and other staff with the latest in elder care tools and training. In late 2011, Fatima contracted with Dr. Bill Thomas, a geriatrician recognized as a national leader in elder care, to lead training and renovations in the Emergency Department to make it more elder-friendly.

Elmhurst Extended Care, our nursing home affiliate, is the state’s only Eden Alternative facility, providing a place where elders, families, and staff work together to restore choice, joy and dignity to the lives of those who need long-term care. Last year, Elmhurst became the first long-term care facility to achieve Milestone 2, a set of specific personal, organizational and physical transformations prescribed by the Eden Alternative to improve the quality of life and care of elders. CharterCARE also operates a home health service that is a key component to allow elders to remain in their homes for as long as possible.

Elder Care

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Digestive Diseases

Roger Williams and Fatima handle one of the highest volume gastroenterology case loads in the region. Both on an inpatient and outpatient basis, the Gastroenterology (GI) Departments at Roger Williams and Fatima Hospitals are among the busiest in the state.

Using advanced endoscopy technology and clinical protocols, our hospitals can provide non-invasive diagnosis and therapy, while offering many patients an alternative to surgery, or a minimally invasive approach with our surgeons.

While most patients visit for the more routine services like colon cancer screenings and diagnostic procedures, our teams in gastroenterology offer some of the most advanced procedures and technology such as endoscopic ultrasounds, spiral enteroscopy, and esophageal and ano-rectal motility.

In recognition of our present leadership in these areas, CharterCARE is in the early stages of developing our state's first fully integrated center for digestive diseases.

Behavioral Medicine

Poor mental health is a gateway to a wide range of illnesses and injuries resulting from untreated addictions, depressions and psychoses, particularly among the disadvantaged.

Rhode Islanders need access to multi-modality, integrated behavioral health services that are available in both the outpatient and inpatient settings and CharterCARE is proud to be a major provider of quality behavioral health services.

Our two heritage hospitals, which are already providing a surprisingly high percentage of mental health services in Rhode Island, are now working to develop a fully integrated, multi-level behavioral health service. In late 2011, CharterCARE was named by the State of Rhode Island as the hospital-based partner of The Providence Center and Phoenix House in delivery of the RESPECT program, a service targeted to indigent or uninsured Rhode Islanders with acute substance abuse, psychiatric and co-occurring issues.

CharterCARE’s two-fold goal: sustain our historic commitment to behavioral health services for the disadvantaged and develop a set of synergistic mental health treatment platforms that the entire state can rely upon.

www.chartercare.org