

August 22, 2011

*“Direct communication from Baptist Health Care senior leaders to employees to provide meaningful updates about our journey to excellence ”*



**Al Stubblefield**  
President & CEO  
Baptist Health Care

I am pleased to share that Baptist Health Care and Cardiology Consultants are more fully aligning to shape the future of heart and vascular care in our region. Over the next several months, you will see some exciting happenings – more of our expert cardiologists and staff at our facilities having clinic and performing procedures, more services and outreach provided throughout our region. This exciting milestone is due to the success of the relationship we've built with Cardiology Consultants, not just over the past 18 months, but for more than 30 years. They site our quality patient care combined with our culture, honesty, and genuine care for patients and our people as the drivers to their decision to partner with Baptist to provide unmatched heart and vascular capabilities and care to our community. I can't emphasize enough how excited we all are about the positive benefits this will have for Baptist, Cardiology Consultants and the patients we serve.



**Gary Bembry**  
Senior Vice President,  
BHC  
  
President, Lakeview  
Center Inc.

Many Baptist Health Care employees could benefit from a free service that already has helped scores of Northwest Floridians improve their financial security. AmeriCorps Financial Support Services is in its third year with Southeastern Vocational Services, a Lakeview Center program located at 2001 North "E" Street.

Open to anyone whose annual income is \$49,000 or less, these services include Financial Health Assessment, a program in which a certified Money Smart trainer meets with you for a confidential review of your current financial situation, including your standing with all three credit reporting agencies. The trainer will show you how to better manage your money and repair your credit, if necessary. Using specialized software, the trainer will help you develop a budget that can lead you to improved financial health.

More information about this and other AmeriCorps Financial Support Services is available by going to the Southeastern Vocational Services webpage at [eLakeviewCenter.org](http://eLakeviewCenter.org).



**Bob Harriman**

Some of the world's most highly trained athletes are the men and women who make up America's armed forces. When they get hurt in action, it puts more than a game in jeopardy. In an effort to support our military, Baptist Health Care, the Andrews Institute and Athletes' Performance-Florida developed the Eagle Fund, which provides wounded military men and women fast access to the Andrews Institute's continuum of care providing best-in-class restoration, training and education.

We invite you to show your support by registering today for the

Senior Vice President,  
BHC  
  
Administrator,  
Gulf Breeze Hospital &  
Andrews Institute

Eagle Fund Charity Golf Tournament on Thurs., Sept. 1 at Tiger Point Golf and Country Club. All proceeds benefit the Eagle Fund, helping wounded warriors return to the "fight for freedom."

Registration is \$140 per person or \$500 per four-man team.

To register, or for more information about the Eagle Fund Charity Golf Tournament, go online to [TheAndrewsInstitute.com/Events](http://TheAndrewsInstitute.com/Events) or contact LeAnn Lincoln at 850.916.8650 or [eaglefund40.31@gmail.com](mailto:eaglefund40.31@gmail.com).



**Kent Skolrood**  
Senior Vice President,  
BHC  
  
President,  
Baptist Medical Group

In our second year of operation, Baptist's physician team continues to make leaps and bounds for the betterment of our System. The further alignment of our cardiologists, cardiothoracic surgeons and electrophysiologists is a current example of this in action. As a team, we're eager to support these physicians and their staff as they begin transitioning some office operations and patient appointments to our campuses.

I'm pleased to say that the first of these exciting transitions was a big success, as we recently welcomed the three expert cardiothoracic surgeons, Drs. James Nielsen, James Lonquist and William Bailey, Jr., to their new home on our campus. They are now settling in and seeing patients in Baptist Medical Tower 3, Suite 331, their new primary office location. Please join me in giving them a warm Baptist welcome.

To learn more about each physician, I encourage you to visit his or her profile page on either [BaptistMedicalGroup.org](http://BaptistMedicalGroup.org) or [CardiologyConsultants.com](http://CardiologyConsultants.com).



**David Wildebrandt**  
Senior Vice President,  
BHC  
  
Administrator, Baptist  
Hospital

As many of you know, the State of Florida is required by law to balance their budget. One way in which they did this was to reduce Medicaid payments to hospitals.

Medicaid makes up approximately 13 percent of our payor mix at Baptist Hospital. Beginning July 1, 2011, we are being paid 12 percent less to provide our Medicaid patients the same quality of service they are accustomed to receiving at Baptist. For our next fiscal year, that equates to a \$6.5 million reduction in reimbursement or approximately one half of Baptist Hospital's profitability for fiscal year 2011.

As part of the fiscal year 2012 budget process, we had to plan how to offset these cuts. As we discussed in the employee forums, we were able to cover a portion of this payment reduction through growth initiatives, including expected increased volume from our expansion projects. Expense reduction and operational efficiencies are two additional ways in which we need to take action in order to overcome these reimbursement reductions. We need your ideas, participation and support to help achieve our goals in the upcoming fiscal year.



**Sherry Hartnett**  
Chief Marketing &  
Development Officer  
Baptist Health Care

Corporate Marketing is delighted to support Cardiology Consultants in their communications and planning for heart and vascular messaging over the next year. Each area of our team, from planning and design to community events, is focused on communicating this important Baptist Health Care heart and vascular strategic initiative. In the short run, we are developing messages to assist in communicating with patients and staff about changes such as Cardiology Consultants office locations over the next several months. In addition, we are preparing year-long plans to promote our one-of-a-kind heart program throughout the region.

Heart disease and related illnesses are the No. 1 health problem among both men and women and Baptist Health Care is committed to taking care of our community. Our partnership with Cardiology Consultants is an exciting one that we are all proud to share and support.



**Dave Rappa**  
Vice President, BHC  
Administrator, Baptist  
Manor

Nursing facilities throughout the state took an average 6.5 percent cut in their daily rate for a Medicaid resident beginning July 1. On average this is \$13 per resident per day. Since most facilities are 120 beds with a Medicaid census of about 80 residents, each facility will lose an average of \$380,000 in reimbursement annually. On top of this, the Center for Medicare and Medicaid Services (CMS) announced an 11.2 percent reduction in their Medicare rates for skilled residents. Since most facilities average 20 Medicare residents daily, they will see an annual reduction in payment of about \$365,000, starting Oct. 1.

These are huge hits for the nursing home industry. The losses will have to be made up in operations and by working smarter. The Manor has already implemented many system changes and operational costs to reduce the impact. The leadership team is up to the challenge, and we will weather the storm successfully over this new budget year ahead. It will not get easier.



**Wanda Kaye Tillery**  
Vice President  
Quality and Patient Safety  
Baptist Health Care

Changing economic times in health care demand the delivery of safe, cost effective patient care.

According to the Institute of Medicine, up to 40 cents on every dollar in health care is spent on "overuse, underuse, misuse, duplication, system failures, unnecessary repetition, poor communication, and inefficiency." Clearly we must find ways to eliminate unnecessary costs.

Our journey to thriving in health care in the future includes the realization that safe, high quality care is also cost effective care. In order for any treatment or service to be of value to our patients/customers, it must be delivered efficiently and not be cost prohibitive.

In addition to this realization, we need to look for inefficiencies in

our daily routines and remove them to the greatest extent possible. This will not jeopardize patient care, as truly good care is always efficient.

You will be hearing more about Clinical Process Redesign teams throughout BHC in the near future. In the meantime, please give thought to: How can your department work smarter, not harder? What opportunities do you see to improve workflow and reduce waste?