



 Holland Hospital

Report to the Community 2008
Realizing our Vision

Realizing our Vision of Excellence

In order to be successful, any business must have a vision of what it wants to accomplish, and how to get it done. At Holland Hospital, our vision is to be the pre-eminent hospital along the Lakeshore measured by benchmark patient service, clinical excellence and solid financial performance. Numerous organizations have recognized the outstanding quality of care and commitment to service our staff provides.

On December 17, 2007, we received the much-anticipated news that Holland Hospital had earned Magnet™ Designation, a first-in-class distinction awarded by the American Nurses Credentialing Center to hospitals that demonstrate the highest degree of patient-care excellence.

For Lakeshore-area residents, our Magnet insignia is assurance that the care you and your loved ones receive at Holland Hospital is the very best – among the top 3 percent of clinical programs in the nation. For our nurses,

physicians and staff, it affirms a culture of competence, integrity, compassion and teamwork demonstrated in everything we do.

Transforming Patient Care

Although the health care landscape continues to change, Holland Hospital remains ahead of the curve with fiscal discipline, efficient use of resources, and wise investment in new technologies. Many Lakeshore residents are benefiting from our recent facility improvements as well as such cutting-edge technologies as daVinci robot-assisted surgery, digital mammography and interventional radiology.

Even the way health care is delivered is being transformed. Our in-house hospitalists – physicians who work full time in the hospital in collaboration with your primary care physician – are available to provide immediate, uninterrupted care admission through discharge.

And more programs and services are reaching beyond hospital walls

into the community, whether at schools, neighborhoods or businesses.

An Eye to the Future

While hospitals in many parts of the country are experiencing staff shortages, Holland Hospital has a consistently low vacancy rate, attributed largely to a positive culture that empowers caregivers to do their best. To ensure that top medical expertise continues to be available, Holland Hospital is playing an increasingly active role in recruiting physicians and collaborating with

Our promise to you is our ongoing commitment to be your provider of choice for the best care available in our region.



Dale Sowders
President and CEO
Holland Hospital



IN DECEMBER, HOLLAND HOSPITAL BECAME THE THIRD HOSPITAL IN THE STATE AND THE FIRST IN WEST MICHIGAN TO ACHIEVE MAGNET™ STATUS, SIGNIFYING THE HIGHEST DEGREE OF PATIENT-CARE EXCELLENCE.

established medical groups in our area. The hospital has also acquired new parcels of land which will position us to continue to provide convenient access for the communities we serve.



Offering the Latest Technology and Treatments

Holland Hospital has a longstanding commitment to provide the very best care for Lakeshore residents. An important aspect of that is staying on top of medical advancements and investing in the technologies and treatments that can offer the most benefit for our patients. Following are a few examples of new capabilities Holland Hospital has recently added to do just that.

Behavioral Health Services New Inpatient Unit

Holland Hospital is unique among

conditions, recently moved to all-new facilities on the hospital's sixth floor. There, our highly skilled and compassionate team of psychiatrists, nurses, occupational therapists and social workers help patients learn constructive ways to cope with life's challenges and gain practical tools for leading satisfying, productive lives.

Calcium-Scoring CT

Because heart disease remains the top health concern today, Holland Hospital is committed to using the

arteries, which may signal the onset of heart disease. The quick and painless screening procedure, performed with our state-of-the-art 64-slice CT scanner, is a potentially life-saving technology that helps cardiologists identify at-risk patients before they have major blockage resulting in a heart attack.

Digital Mammography

Our conversion to all-digital mammography allows us to provide patients with more accurate screening results for early detection

to detect even the most subtle changes and abnormalities, aiding in diagnosis.

Interventional Radiology

With the introduction of our new Interventional Radiology (IR) Services, IR specialists can use advanced imaging tools to perform minimally invasive procedures through a small incision in the skin. IR is performed to open blocked vessels, dissolve blood clots, place stents and stop blood flow to certain vessels to treat a number of heart, lung, liver and vascular conditions. Patients benefit from fewer complications, less pain and a shorter recovery time than with traditional surgery.

Robot-Assisted Surgeries

Holland Hospital is among select leading hospitals that now use the da Vinci® Surgical System to treat prostate cancer. Featuring a 3-D camera and micro-instruments for precise movements, the robot-assisted system enables our highly skilled surgeons to perform complex surgeries through tiny laparoscopic

incisions that result in less pain and faster recoveries for patients. Plans are underway to expand our use of this leading-edge technology for hysterectomies.

Special Care Nursery

Of the 1,800 babies born at Holland Hospital each year, some arrive earlier than expected or need specialized care. Our new Special Care Nursery allows us to treat premature infants born as early as 32 weeks or those with heart, lung or other conditions. Two new breathing interventions now available include CPAP and artificial surfactant, both of which help infants with labored breathing. Since its September 2007 opening, our pediatric hospitalists and team of neonatal specialists have nurtured more than 160 infants in the Special Care Nursery, giving area newborns the best possible start in life, close to home.

Psychiatrist Joyce Gregory, MD, makes rounds on the new, inpatient Behavioral Health unit on the hospital's 6th floor.

Joyce Gregory, M.D.
Holland Hospital
Psychiatry

| 2008 VITAL STATISTICS |

CONTINUITY OF CARE

Our hospitalists – physicians who work full time in the hospital – are available to give patients immediate care from admission through discharge.

area acute-care hospitals in offering inpatient mental-health care right in our facility. The 12-bed Behavioral Health unit, which provides intensive treatment for depression, personality disorders and other mental health

very latest technology for early detection and intervention. Our recent introduction of the Calcium-Scoring CT allows cardiologists to identify even the smallest calcium and plaque deposits in the coronary

and treatment of breast cancer – a critical tool for fighting the disease. By converting the breast X-rays to digital images instead of film, our experienced radiologists can electronically enhance images

A Culture of Healing

Our major facilities expansion is the result of collaboration with architects and engineers to create a safe, effective environment that contributes not only to the healing of the body, but to the restorative powers of the mind and spirit. An example of the latter is the new Healing Garden (left), where patients and visitors can stroll or sit to reflect and renew.

Patients Give High Marks

Patients are our top priority, so their opinion of the care they receive at

Most recent results give us an outstanding 97 percent patient-satisfaction score, with nearly all patients (99.3 percent) stating they would recommend Holland Hospital to others.

Additionally, in a new federal survey focusing on inpatient satisfaction, our scores consistently surpassed national results. (See complete scores at hospitalcompare.hhs.gov.)

'100 Best Places to Work'

In September, Holland Hospital was named one of the "100 Best Places to

These honors are consistent with results of recent third-party surveys in which nine out of 10 Holland Hospital employees stated they feel positive, or very positive, about their employment. Our employee satisfaction ratings were at benchmark levels in all categories – most likely contributing to our low staff vacancy rate of just over 2 percent.

Our positive work environment starts at the top with leaders who are passionate about the values and vision of Holland Hospital and who

be attributed to our many selfless volunteers. This year, 625 volunteers logged 54,080 hours serving 40 different areas of the hospital. Whether they're wheeling discharged patients to waiting cars, delivering meals or staffing the Coffee Cove or Gift Shop, volunteers play a valuable part in creating a patient-focused culture. Many who volunteer say they get back what they give, knowing that they have, in some small way, enriched the lives of patients and caregivers.

"I OWE A LOT TO YOU ALL FOR MY POSITIVE RECOVERY RATE AND FOR MY POSITIVE ATTITUDE. THANK YOU SO VERY MUCH FOR LIVING UP TO YOUR MAGNET REPUTATION!" | A SURGERY PATIENT

Following surgery and a three-day hospital stay this year, Alan Parkes (left) wrote to express his gratitude "for your collective giving attitude and your striving towards excellence in the care and treatment of your patients." His wife Kathy, a retired registered nurse, continues to help patients by volunteering at Holland Hospital.

Holland Hospital says a lot about how well we're doing our job. Thousands of patients are surveyed each year by an independent hospital-rating organization to evaluate their experience here.

Work in Healthcare" by the magazine Modern Healthcare. This national recognition follows six consecutive years of being listed among "West Michigan's 101 Best & Brightest Companies to Work For."

understand that employees are their greatest asset, thus empowering them to do their very best.

Volunteer Force 625 Strong
Part of our success in creating positive patient experiences can

| 2008 VITAL STATISTICS |

OVERALL PATIENT-SATISFACTION SCORE

97%

BEST PLACES TO WORK MODERN HEALTHCARE

First-Rate Quality

Our strong standing in hospital quality indicators is a direct result of our culture of excellence. The following outlines our accomplishments in setting national quality benchmarks.

'Top 100' Three Years and Counting

This year was the third consecutive year that Holland Hospital was ranked among the nation's 100 Top Hospitals® by Thomson Reuters, which identifies and recognizes hospitals setting benchmarks in clinical outcomes, patient safety, financial performance and efficiency.

The 100 Top Hospitals distinction is based on an independent, data-driven review of more than 3,000 hospitals nationwide. Hospitals don't apply to be on this list; rather, the study rates them based on a balanced, unbiased comparison of quality outcomes and operational performance. Only those that demonstrate superior performance are considered, and only the best 100 make the list.

The hospitals that achieve 100 Top ranking have been shown to have lower patient mortality rates, better patient safety and lower expenses. Being among this impressive group three years in a row validates the high quality of care Holland Hospital offers – and works daily to achieve.

Top 3 Percent for 'Best Practices'

"Process of care measures" (or "core measures") are proven best-practice standards for treating patients with certain medical conditions. How well each hospital applies these

How does Holland Hospital compare? Year-to-date data place us at the 97th percentile – meaning we're in the top 3 percent of hospitals nationwide in meeting process of care measures. As a result of our leading performance, the Voluntary Hospital Association has selected Holland Hospital to create a "Leading Practice Blueprint" for one core measure (see chart at far right) to serve as an example for other hospitals.

Leaders in Innovative Practices

Holland Hospital is positioned at the

including the use of checklists, to intensive care units – our physicians, nurses, pharmacists and other staff continue to lead the way in patient safety. Patient-care excellence is also the impetus behind increased collaborations between hospital leaders and physicians.

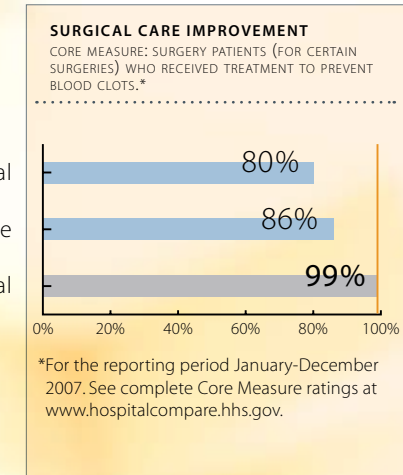
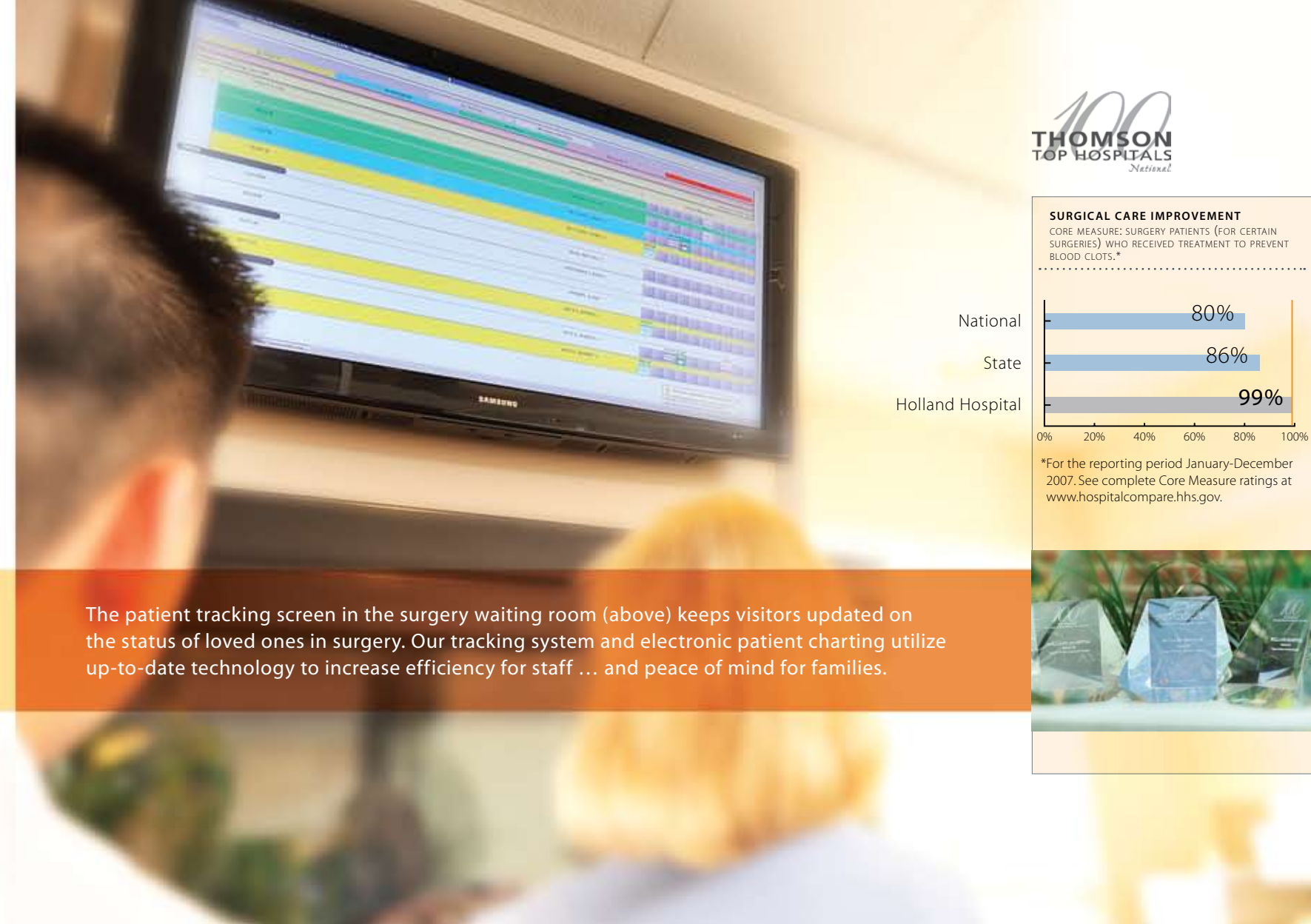
In October 2008, Holland Hospital was presented with the 2007 Governor's Award by MPRO, Michigan's Quality Improvement Organization. Specific areas awarded were Appropriate Care Measure,

"THE FOCUS ON BOTH HIGH QUALITY AND COMPASSIONATE CARE WAS OBVIOUS ... KNOW THAT HOLLAND HOSPITAL HAS GIVEN A SPECIAL BLESSING TO OUR FAMILY WITH THE LIFE-GIVING CARE IT GAVE TO MY DAUGHTER." | EMERGENCY DEPARTMENT AND ICU PATIENT

life-saving measures is tracked by the U.S. Department of Health and Human Services and posted for the public to view at www.hospitalcompare.hhs.gov.

forefront of other quality initiatives as well. One of the first hospitals to participate in Keystone ICU – an innovative statewide partnership with Johns Hopkins University to bring best-practice interventions,

Surgical Care Improvement and Emergency Department.



The patient tracking screen in the surgery waiting room (above) keeps visitors updated on the status of loved ones in surgery. Our tracking system and electronic patient charting utilize up-to-date technology to increase efficiency for staff ... and peace of mind for families.



NICOLE WILSON

Nicole Wilson (at right and on cover) was only 10 when she was diagnosed with type 1 diabetes. The charter school she was attending didn't have a school nurse, so her mother, Cecilia Gonzales, transferred her to a school with a nurse funded by the Holland Hospital Foundation. The nurse not only helped Nicole with her injections, but "went out of her way" to educate Nicole and her classmates about diabetes. "It made us feel safer knowing a nurse was there," says Gonzales.

'Serving the Underserved' with the **FACE** of Holland Project

Maybe it's your neighbor. Some day it could be you. The reality is that more Americans are falling through the cracks and failing to receive the health care they need because paying for it has become a financial hardship. In Ottawa County, the challenging economic times have left some 30,000 adults and children with no or insufficient health insurance to cover their family's medical expenses.

In response to this growing need, the Holland Hospital Foundation has

will support programs that bring health care services to our friends and neighbors in need," says Executive Director Sue Ann Culp. "We intend to bridge the gap for those under- or uninsured."

The Foundation is the sole source of funding for the School Nursing Program, investing \$50,000 per school yearly, and contributes \$850,000 to the operation of the Community Health Center. Last year, the contributions of 750 donors made this possible.

to pay. In 2007, the Community Health Center served more than 3,000 patients, nearly half of them children; this year it served that many patients in just the first six months. Most of these visits focused on women's and children's health care needs, diabetes management and elder care. Growing areas of need also include prenatal care, well-baby checks and childhood immunizations.

The School Nursing Program
Our school nurses provide health

The school nurse is often a child's only access to health care. In a typical year, school nurses handle 15,000 student visits, make 500 physician referrals, administer 10,000 medications, and help youngsters manage chronic illnesses such as asthma and diabetes. They conduct vision and hearing checks and counsel children and their families dealing with trauma, grief or abuse. They also partner with school staff to provide education on diet, exercise and making healthy lifestyle choices.

The Foundation's goal is to eventually fund this service in every school in the districts Holland Hospital serves.

Won't You Help?

One hundred percent of donations from community members and businesses go directly toward funding these services that increase access to health care. To find out how you can help, please contact the Foundation at (616) 355-3973 or foundation@hollandhospital.org.

To engage community support, the Foundation recently launched a widespread campaign called "The **FACE** of Holland Project" – **F**unding **A**ccess to **C**are for **E**veryone.

intensified its efforts to "serve the underserved" by focusing financial support on two vital programs: the Holland Community Health Center and the School Nursing Program. "All future gifts to the Foundation

Holland Community Health Center
Demand is rising dramatically for services of the Community Health Center, which provides health care for people traditionally underserved due to lack of insurance or inability

care services and education to students in eight schools in the Holland and West Ottawa public school districts. Many of the children they serve fall below the poverty line.



Helping Hands

Having been a waitress for 30 years, Marybeth Apple Garcia's hands were in "terrible shape" from carpal tunnel syndrome and trigger finger. She then developed stomach problems and found that her blood pressure was soaring.

With no health insurance, Garcia turned to the Holland Community Health Center for help. After a thorough evaluation, physicians there treated her high blood pressure and referred her to the

"WITH TODAY'S ECONOMY, WHAT HAPPENED TO ME COULD HAPPEN TO ANYONE. I'M THANKFUL HELP WAS THERE WHEN I MOST NEEDED IT."

appropriate medical resources for her other ailments.

Today, after hand surgery and multiple visits to Holland Hospital's Ambulatory Treatment Unit to treat a serious, unrelated staph infection,

Garcia is feeling well. She credits the Community Health Center medical staff for their "extraordinary" care and intervention.

"They are top notch," she says. "They don't work there for the money; they do it because that's where their heart is."

Garcia, 49, now directs the tutoring program at a Holland church, ministers to teens in recovery, and is organizing a basketball league for at-risk boys. She points out that being faced with health care needs

while uninsured is frightening, but, unfortunately, it's not uncommon.

"With today's economy, what happened to me could happen to anyone," she says. "I'm thankful help was there when I most needed it."

Innovative Outreach Programs

Improving the health of the communities we serve is our mission at Holland Hospital. Increasingly, that means taking our services into the community to offer residents convenient access to health programs and education. It also calls for an investment in community benefit programs that enable people to get the health care services they need. Holland Hospital finds innovative ways to accomplish both.

Health Education and Services

Recognizing that men and women have unique health needs, Holland Hospital has responded to the community's request for programs that address gender-related health concerns.

Our Women's Midlife Services is devoted entirely to addressing the physical and emotional issues of mature women. Created by women for women and directed by a certified menopause practitioner, Women's Midlife Services offers the latest information on and treatment

of menopause and related issues. Women can receive thorough assessments and discuss their concerns openly.

Likewise, our Men's Health Series was designed to educate, inform and raise community awareness of health issues facing men. Free public presentations on kidney stones, erectile dysfunction and prostate cancer were given by area physicians specializing in these areas, focusing on everything from symptoms and diagnosis to treatment options.

Diabetes Education

Diabetes has become a major health epidemic that we continue to address through our Diabetes Self-Management Education program. We assist those in our community with the diagnosis of the disease and its management by offering individual consultations as well as group classes. Participants learn about diet and nutrition, how to test their blood sugar, and managing the disease with medication. While diabetes is not curable, it is manage-

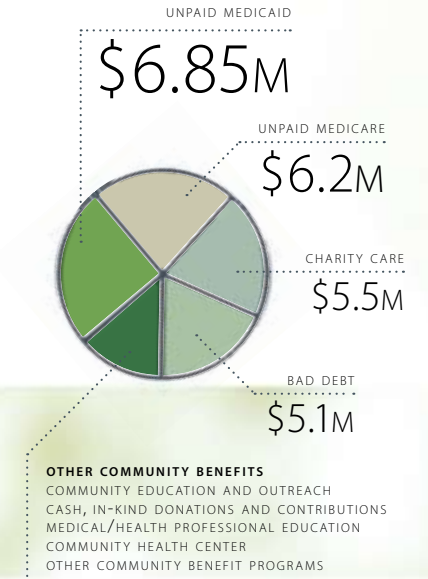
able, and we give patients the tools they need to lead full lives.

Community Outreach Programs

One of the areas in which we can have the greatest impact on the health of our community is by offering a wide range of educational classes and presentations for children, adults and seniors through our Center for Good Health. In fiscal year 2008, the center offered 484 classes and events with 11,458 participants. Recently, in response to today's emphasis on improving worker health to boost effectiveness and reduce health care costs, the center joined forces with many area businesses to take its Worksite Wellness program directly to employees.

In October, Holland Hospital was presented with the Corporate Leadership Award by the Holland Area Chamber of Commerce. The award was created in 2008 to recognize businesses providing leadership in areas of growth, job creation and commitment to community.

2008 Contributions to the Community: \$27.3 Million



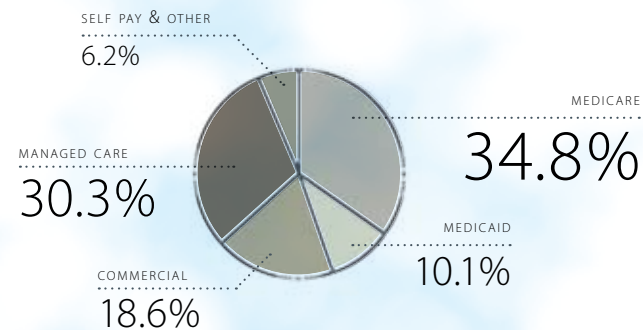
OTHER COMMUNITY BENEFITS
COMMUNITY EDUCATION AND OUTREACH
CASH, IN-KIND DONATIONS AND CONTRIBUTIONS
MEDICAL/HEALTH PROFESSIONAL EDUCATION
COMMUNITY HEALTH CENTER
OTHER COMMUNITY BENEFIT PROGRAMS

2008 Vital Statistics

PERIOD FROM APRIL 1, 2007-MARCH 31, 2008

Payer Mix

| Sources of patient revenue |



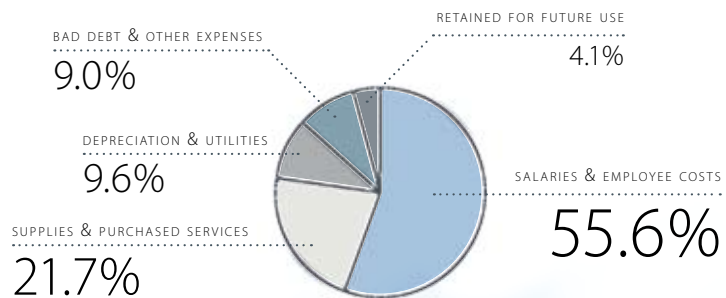
Excerpts from patient letters to Holland Hospital appear throughout this report. Read complete letters at hollandhospital.org > our services > from our patients.

Caregivers

Physicians	310
Employees	1,750
Volunteers	625

Operating Costs

| Operating costs and margin as a percentage of operating revenues |



Patient Visits & Procedures

Patient Discharges	7,800
Patient Days	27,600
Births	1,800
Surgeries	9,200
Emergency Room Visits	43,100
Urgent Care Visits	28,600
Outpatient Visits	367,400
Home Health Visits	43,300
Lab Tests	572,100
Radiology Procedures	118,100

Financial Statement

Operating Revenue	\$153 million
Operating Expenses	\$147 million
Operating Income	\$6 million
Operating Margin	4.1%

Source: Holland Hospital FY 2008 audited financial statement

Holland Hospital Board of Directors



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