

December 4, 2008

Dear Friends and Colleagues:

**Transparency** is a 21<sup>st</sup> century term that has come to mean sharing information, openly and willingly.

In that spirit, when we began *Straight Talk* in July 2007, I promised to share with you the results of “Board Week,” the bi-monthly meeting of the 28-member NCH Healthcare System Board, so that everyone is fully informed on our progress and plans. Here’s what was discussed at our meeting over the past three days.

First, the Board resolutely believes that **quality** should remain our number one focus. As I have stated before, either poor quality or bad finances can sink a hospital. Fortunately, we have continued to make progress on both. To stress the importance of quality, as always, we began the Board meeting with an NCH clinical vignettes relating to medication reconciliation to remind us that we aren’t perfect and need, continuously, to improve our service to patients.

- The Board Quality Committee focused on avoidance of medication errors. Chief Medical Officer Dr. Aurora Estevez and Dr. Tracey King directed an agenda, which included error prevention; Quality Scorecard review; CPOE (computerized provider order entry) update, where we have about 30% of orders entered using the computer, as well as hospital, hospitalist and Board Quality Scorecards; ongoing physician performance; and the progress of the Clinical Quality Committee, composed of physicians, nurses and administration. Ultimately, we plan to post much of this information on our website, so that any interested patient or family can see how we’re doing and “shop” for quality.
- The Finance Committee, led by Chief Financial Officer Vicki Hale and her team, shared fiscal year 2008 results along with October’s performance. Fiscal year results indicated a small decline in admissions from the year before, reflecting our growing reputation for quality. However, hospital operations incurred a full-year loss, reflecting the combination of higher costs (supplies were up 18%) and added revenue pressure from the growing number of uninsured and underinsured. The NCH balance sheet, however, remains strong, thanks to diligent control of expenses, one-time gains from the sale of non-core assets, and steps taken to avoid losses on our investments. All of this means we’ve provided ourselves the financial foundation to give us the time to weather the current financial storm and work our way back to more reasonable revenues, without sacrificing quality in the process.

Operationally, again in challenging circumstances, we continue to improve on our budget. We are about 2.7 % busier than we were during the same period last year. This translates into less of a loss in hospital operations. Specifically, while operations still lost \$321,000 in October, this was \$1.5 million better than our budget projection. Like many other businesses in southwest Florida, NCH earns the bulk of its income during the peak winter months. This effectively offsets losses during the rest of the year. Therefore, as we continue to minimize losses in this “off season,” we improve our overall financial picture for the year.

We concluded the Board meeting yesterday with a report on my recent, one-on-one “listening sessions” with Board members to gain their insights and suggestions. Over the past three years, I have found these sessions—especially combined with employee suggestions received at Around the Clock Forums—immensely helpful in charting the road ahead. This give-and-take with the Board and the staff helps yield true “*transparency*.”

Respectfully,



Allen S. Weiss, M.D.

P. S. Feel free to share *Straight Talk* and ask anyone to email me at [allen.weiss@nchmd.org](mailto:allen.weiss@nchmd.org) to receive a copy.