

COMMUNITY VITAL SIGN



COVER PHOTOS FROM LEFT:

EMT Maria Wilson explains ambulance equipment to Maggie Bijeau during the annual Backus Hospital Safety Camp. The community education event, which attracts several hundred people per year, features a wide range of summer safety tips and free bicycle helmet giveaways.

Sometimes kids need more than medicine to get well: the involvement of their family and relatives, and the helpful cousin who provides a touch of lip gloss before the photographer snaps the picture. (Photo by Jeff Yardis for Connecticut Children's Medical Center)

The Hospital of Saint Raphael's Smiles 2 Go program, recipient of the 2001 Connecticut's Hospital Community Service Award, has provided oral healthcare to thousands of low-income children since 2000.

Luz Guzman-Restrepo and Ma Ying-Ying (l-r) of Danbury Hospital's Praxair Regional Heart and Vascular Center perform a free vascular screening for a Ridgefield resident – one of the hospital's many community benefit activities.

A young family welcomes a new addition at the Childbirth Center at Griffin Hospital in Derby.

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PRESIDENT'S MESSAGE

This year's Annual Meeting theme, depicting hospitals as vital to their communities, builds on Connecticut hospitals' long-standing commitment to providing quality care 24 hours a day, 7 days a week, 365 days a year. Hospitals are certainly a lifeline within their communities, but they are so much more.

For years, Connecticut's not-for-profit hospitals have gone above and beyond providing acute care services, extending additional benefit to their communities through community health services, subsidized health services, community building initiatives, health professions education, donations, research, and other initiatives.

In addition to providing vital healthcare services in critical care areas such as emergency and trauma services, neonatal intensive care, or mental health services where the cost of providing such care often far exceeds the payment hospitals receive, our hospitals provide caregiver training, consumer health libraries, disease education, health promotion and wellness programs, health fairs, community-based clinical services such as free clinics and screenings, and support groups.

Connecticut hospitals offer healthcare support services such as enrollment assistance in public programs, self-help programs such as smoking cessation and weight-loss programs, mentoring programs, neighborhood groups, coalition building, pastoral outreach programs, community-based chaplaincy programs, community spiritual care, and social services programs for vulnerable populations in the community.

Our hospitals provide subsidized outpatient services and primary care centers and mobile units. They provide support system enhancements such as disaster readiness, community disease surveillance and reporting, environmental improvements such as efforts to reduce environmental hazards, neighborhood revitalization projects, and economic development.



Our hospitals lead efforts for community health improvement advocacy and workforce enhancement such as job creation and training programs, recruitment of underrepresented minorities, and partnerships to address workforce shortages.

Soon Connecticut hospitals will be better able to identify and quantify the many contributions they make to their communities, providing individual hospital and statewide reports through the recently launched CHA Connecticut Hospital Community Benefit Reporting initiative.

We also know that Connecticut residents are very concerned about access to care and believe all patients, including the uninsured, should have access to medical care when they need it. This year CHA acute care hospital members took the unprecedented step of adopting a voluntary statewide hospital discount policy for the uninsured – offering free care to uninsured patients with income up to 200% of the Federal Poverty Level, and substantial discounts to uninsured patients with income up to 400% of the Federal Poverty Level. This groundbreaking initiative underscores Connecticut hospitals' deep commitment to providing care to those who need it in their communities, regardless of patients' ability to pay.

CHA is proud to be part of these initiatives and the leadership role Connecticut hospitals play in the areas of quality, performance reporting, and community focus. CHA is privileged to serve hospitals and their related healthcare providers and is committed to continuing to provide the highest levels of advocacy and service to its members.

A handwritten signature in black ink that reads "Jennifer Jackson". The signature is fluid and cursive, with the first name "Jennifer" written in a larger, more prominent script than the last name "Jackson".

Jennifer Jackson
President and CEO
Connecticut Hospital Association

CHA OVERVIEW

Since its founding in 1919, CHA has been dedicated to representing and serving Connecticut's hospitals. During that time, the Association's membership has expanded to other health-related member organizations and has undergone myriad changes, but CHA's core focus has remained hospital advocacy, representation, and service.

CHA's more than 170 institutional members include all 30 of Connecticut's not-for-profit acute care hospitals. The Association's services encompass both traditional advocacy activities and a wide variety of member services that have been developed and enhanced over time in response to membership needs. This unique structure, combined with the Association's proud history of innovation and service to its members, makes CHA one of the most diverse and respected hospital associations in the nation.

As a member-driven organization, CHA is structured to provide multiple opportunities for member involvement in the Association's governance, the determination of its advocacy priorities, the pursuit of its advocacy initiatives, and the development of relevant member services. This active and direct member participation ensures that CHA's activities truly reflect the needs and concerns of its membership.

The 2006 CHA Agenda, developed with substantial membership input under the guidance of CHA's Board Committee structure, is a comprehensive articulation of CHA's priorities and objectives in areas of critical importance to hospitals: enhancing quality and patient safety, ensuring coverage and access, creating a more efficient healthcare delivery system, strengthening hospitals' financial health, reforming the mental health system, building a stronger workforce, and strengthening public support for Connecticut hospitals. CHA works to advance the interests of its members in these areas through advocacy and member services activities, which are described in the pages that follow.

ADVOCACY

*Advocacy remains
CHA's primary and
most critical function,
and entails interfacing
with state and federal
legislative, regulatory,
and industry leaders to
advocate for CHA's
positions on various
healthcare issues. CHA's
2006 Agenda, Board
Committee work plans
and the 2006 Legislative
Agenda were developed
by the CHA
Committees on Hospital
Finance, Patient Care
Quality, Human
Resources, and
Government.*

CHA's activities at the State Capitol during the 2006 legislative session covered a broad spectrum of hospital-related issues and focused particularly on the financial health of hospitals, healthcare workforce issues, and infection reporting.

Integral to this year's success was CHA's continued active participation in broad-based coalitions presenting a united front on key issues. Specifically, the SAGA-Medicaid coalition, comprising organizations advocating for improvements to the SAGA (State-Administered General Assistance), HUSKY and Medicaid programs, and a coalition of employers and businesses concerned with ensuring an adequate and flexible workforce, collaborated on a number of activities that helped to bring about positive results.

Advocacy efforts were strengthened by the active participation of hospital CEOs and other senior leaders in response to CHA's various calls to action. Members attended key meetings with state legislators and the Connecticut Congressional delegation; sent letters and e-mails and made calls to legislators to support CHA positions; and testified on specific bills. Once again, these contributions proved instrumental to CHA's success on several fronts and sent a strong and unified message to lawmakers.

Successes this year included new funding for all Connecticut hospitals and substantial modification of proposed legislation on infection reporting to ensure that, when passed, it met the goals of improving patient safety and providing consumers with meaningful information. CHA was also successful in modifying or defeating various proposed legislative initiatives that would

*Governor Rell
attends CHA
CEO Forum,
pictured here with
Hartford Hospital
President/CEO
John Meehan,
(middle) and
CHA President
and CEO,
Jennifer Jackson,
(left).*



have created an undue administrative or operational burden on hospitals or would have interfered with hospitals' ability to provide optimum patient care.

In addition to its advocacy efforts in Hartford with both the legislative and the executive branches, CHA met repeatedly with members of Connecticut's Congressional delegation, advocating to protect and enhance federal Medicare and Medicaid funding to hospitals.

CHA's advocacy efforts, which generally fall into the four primary areas of Hospital Finance, Patient Care Regulation, Quality and Performance Reporting, and Human Resources, are described in greater detail in the sections that follow.

HOSPITAL FINANCE

While Connecticut hospitals did see modest improvement in their combined operating margins for fiscal year 2005, many of the state's hospitals continued to struggle to achieve break-even bottom lines and CHA devoted much time and effort to securing fair and adequate reimbursement for the services Connecticut hospitals provide.

With the oversight and direction of the CHA Board Committees on Hospital Finance and Government, CHA advocated for the protection of healthcare coverage and access for Connecticut's most vulnerable citizens and opposed state and federal funding cuts that would have had a devastating effect on the financial health of Connecticut hospitals.

CHA continued to participate in the activities of a coalition of providers, patient advocates, and religious organizations in calling for the restoration of funding to the State-Administered General Assistance (SAGA) program and the expansion of the HUSKY program to provide more Connecticut residents with healthcare coverage.

While increases made to SAGA funding this year were lower than what CHA advocated, hospitals were clearly viewed by legislators as a priority. Additional funding was added for all hospitals in Medicaid inpatient and outpatient rates, and additional funds were earmarked for a Hospital Hardship Fund.

VOLUNTARY DISCOUNT POLICY FOR ASSISTING UNINSURED PATIENTS

Connecticut's not-for-profit hospitals provide more than \$500 million a year in free care to low income and uninsured patients in Connecticut and to patients covered by under-funded state, federal, and private insurance programs. While long-term solutions are being developed to address this problem, hospitals remain committed to providing assistance to all Connecticut patients regardless of their ability to pay, and remain committed to treating all patients with compassion, dignity, and respect – from the bedside to the billing office.



Member hospitals participate in the 2006 Health Fair at the Capitol.

In addition to helping shape legislation and regulation in the area of reimbursement, CHA introduced two major initiatives early in 2006: a community benefit reporting system and a statewide sliding scale discount policy for the uninsured. CHA's statewide community benefit reporting system will enable all CHA hospitals to inventory, quantify, and publicly report their individual community benefit programs, and will serve as an effective tool for "telling the hospital story."

Connecticut hospitals also recently adopted the "Connecticut Not-for-Profit Acute Care Hospital Voluntary Principles and Guidelines for Assisting Uninsured Patients," a statewide income-based discount policy for the uninsured that codifies hospitals' long tradition of providing charity care and financial assistance to patients in need. This effort further demonstrates Connecticut hospitals' dedication to their charitable mission and underscores that hospitals are doing their part in addressing this growing problem of the uninsured. CHA will continue to ask policymakers at both the state and federal levels to do the same, by providing appropriate funding for hospitals treating the state's most vulnerable citizens.

PATIENT CARE REGULATION

In an effort to keep pace with the ever-changing regulatory climate, CHA, with oversight by the CHA Board Committee on Patient Care Quality, took action this year on a variety of issues facing hospitals. This work entailed assisting members in complying with statutory, regulatory, and accreditation requirements governing patient care delivery, providing testimony and related legislative support, and cultivating strong working relationships with relevant state and federal agencies.

Much effort over the last year has focused on working with the Connecticut Department of Public Health (DPH) to transform the hospital oversight and investigations process into an effective, consistent regulatory process focused on patient safety and systems improvement. Toward this end, CHA has collaborated with DPH specifically to revise regulations, provide surveyor guidelines, and provide two-way assessment and feedback in the survey and investigation process.

CHA also has taken a lead role in fostering improvements to the state's mental health system by being an active participant in each state forum in which progress can be made in the area of mental health. These forums have included the Lieutenant Governor's Mental Health Cabinet, the Behavioral Health Partnership Oversight Council, the Committee to Examine Hospital Inpatient Behavioral Health Bed Capacity for Children, and the Department of Mental Health and Addiction Services Mental Health Transformation Work Group.

Through these various channels, CHA has worked toward the goals of placing patients with mental health needs in the appropriate treatment settings and securing fair reimbursement for mental health services.

On a related note, the problem of general emergency department overcrowding continues to be a priority issue for hospitals. With oversight from the CHA Subcommittee on Emergency Department Access and Coverage, CHA testified in March before the state legislature's Public Health Committee and continues to work on many levels to address the complex problem of ED overcrowding.

This year, CHA successfully advocated to protect against erosion of the recently enacted Certificate of Need (CON) law that subjects outpatient surgical facilities to CON requirements and DPH oversight. CHA also increased its focus on scope of practice issues, as Connecticut's statutory and regulatory scope of practice framework is becoming increasingly inconsistent with the evolving nature of the healthcare workforce. CHA's efforts are directed at ensuring maximum flexibility for hospitals in relation to licensure, certification, and regulation.

QUALITY AND PERFORMANCE REPORTING

Connecticut hospitals are dedicated to providing the highest quality care to every patient and have a long-standing commitment to public accountability for the care they provide. As part of this commitment, Connecticut hospitals measure and report meaningful quality information, in a standardized manner, to allow patients to accurately compare hospitals both within and outside Connecticut. This information includes clear, non-technical explanations, reflects the latest advances in science, and is useful in improving patient care in hospitals.

Among the challenges hospitals face are sicker patients with a wide array of pre-existing conditions that make treatment more complicated. For instance, the number of hospital patients who have diabetes has skyrocketed 118% from about 40,000 in 1996 to nearly 98,000 in 2005.

(source: Connecticut Hospital Association, ChimeData, 2006)

Connecticut hospital emergency departments treated more than 1.4 million (1,430,288) patients in fiscal year 2005, an increase of 22% compared to the 1.1 million (1,116,625) patients treated in 1999.

(source: Connecticut Hospital Association, ChimeData, 2006)

Through CHA activity, Connecticut hospitals demonstrate their commitment to public accountability through other action as well, including collaborations with state and federal government and other public and private organizations, in addition to ongoing voluntary publication of the most current information. As a result, Connecticut hospitals have developed a national reputation for leadership in this area.

In the past year, CHA's activities have included expanding CHA's performance reporting website to include additional quality measures; conducting additional pilot-testing of the standardized patient satisfaction survey (HCAHPS) that will be used for the next phase of national public reporting; serving as the designated state coordinator for the Institute for Healthcare Improvement's 100,000 Lives Campaign; and launching a three-part infection prevention initiative that will help reduce infections and provide meaningful information to consumers. CHA also continues to be an active participant in the National Quality Forum (NQF), and was selected to serve on two national NQF panels this year related to HCAHPS and to the NQF list of serious reportable events.

HUMAN RESOURCES

While addressing the healthcare workforce shortage remains a top priority, CHA's Human Resources advocacy efforts, overseen by the Committee on Human Resources, were expanded to include the development of strategies to address the healthcare work environment, staffing legislation, unionization, recruitment and retention, compensation and benefits, human resources metrics, and policies and procedures.

CHA's activities in the Human Resources area this year again involved ongoing collaboration in the development of initiatives to address the healthcare workforce shortage, as well as advocacy and member services to assist hospitals with workforce and labor relations issues.

CHA, through its appointed seat on the Allied Health Workforce Policy Board, participated in the development of the Board's first report to the legislature this year with recommendations to address Connecticut's healthcare workforce shortage. Among the recommendations were initiatives to expand current programs that provide the pipeline for future

healthcare workers, establishment of a state data system to aid workforce planning, and projects to clearly identify specific ways to address barriers to the preparation of nurses and allied healthcare workers, such as faculty shortages and clinical placement capacity.

As a member of the Career Ladder Advisory Committee, CHA is participating, in collaboration with the Connecticut League for Nursing and Charter Oak State College, in the development of an online perioperative course that is slated for a pilot run in late 2006, which will assist hospitals in preparing nurses to work in perioperative services.

With a goal of maintaining adequate flexibility for hospitals to deliver high quality patient care, CHA successfully advocated for members on several workforce-related bills this legislative session. CHA presented testimony on several bills, supporting legislation to increase the healthcare workforce supply and opposing bills that would create operational impediments or otherwise interfere with effective human resources management.

CHA conducted its annual vacancy rate survey and a variety of other surveys to assist members with workforce management and planning. This year CHA took steps to enhance its human resources data collection and reporting capabilities by beginning the process of integrating such reporting with CHA's quality, administrative, and finance data to provide additional relevant benchmark information to members.

CHA's 2006 Healthcare Heroes essay contest, based on the theme, "Connecticut Hospitals: Connected to Community, Committed to Caring," showcases stories and poems about hospital staff whose dedication and generosity extend far beyond the bedside and into the larger community. Excerpts from these essays, which once again promote the unique rewards and challenges of healthcare careers, are included in this Annual Report and featured in their entirety on the CHA website.

Over 50,000 more patients were admitted to Connecticut hospitals in 2005 than in 1996, representing a 14% increase over the 10-year period.

(source: Connecticut Hospital Association, ChimeData, 2006)

MEMBER SERVICES

In response to specific member needs, CHA has developed over many years a number of member services, which complement CHA's core advocacy function and provide members with reliable and cost-effective alternatives. Overseen by the Diversified Network Services (DNS) Board of Directors, CHA's member services include: education, quality (TEIC), patient safety (CHREF PSO), data collection and analysis (ChimeData), data networking services (ChimeNet), group purchasing (CHA Shared Services Program), energy conservation loans (through the CHA Trust, or CHAT), and insurance services (DNS).

EDUCATION

CHA's educational services, offered through the Connecticut Healthcare Research and Education Foundation (CHREF), provided over 80 educational programs during the past year, and more than 3,100 staff from CHA members took advantage of these educational opportunities. CHA continued to expand upon its course offerings in the following core areas: Leadership, Management Skills Building, Quality and Patient Safety, Coding and Billing, JCAHO, Regulatory Compliance, and Emerging Issues.

CHA also hosted the third annual Patient Safety Summit, featuring powerful presentations by several national patient safety experts, including Atul Gawande, MD, MPH, and Robert Wachter, MD. CHA also hosted its second annual Healthcare Executive Summit, a well-attended and acclaimed program featuring presentations by leading futurists and healthcare strategists.

This year, CHA conducted a comprehensive Web-based member education needs assessment to clarify what members want and need from CHA in the way of education services, and the means by which they prefer these programs to be delivered. Nearly 400 healthcare leaders and professionals responded to the survey and the insights they provided will be used to enhance Education Services programming in the coming year.



CHA's third annual trade show, *Healthcare 2006*, brought together more than 250 healthcare professionals and 90 exhibitors.

Lowell Catlett, PhD, inspired participants during his Keynote address at CHA's 2006 Healthcare Executive Summit.

Renowned speaker and author Fred Lee, in his keynote address, challenged conventional approaches to customer service. The trade show's vendor exhibits provided attendees with an opportunity to view a wide variety of healthcare products and services and learn about state-of-the-art technology and solutions. Information from the trade show including contact information for all of the participating exhibitors, can be accessed year-round via the "virtual trade show" posted on CHA's website.

In addition to its comprehensive program of educational offerings, CHA hosted hundreds of member meetings through its meeting group structure, which provides a regular forum for members with similar management and leadership responsibilities to exchange ideas and information and receive updates from CHA. This interactive structure allows for vital member input that is incorporated into the development of CHA's activities, priorities, and positions.

TEIC

CHA's Toward Excellence in Care (TEIC) program provides acute care hospitals with a comprehensive array of services and tools to support their quality improvement activities through data collection and analysis of clinical processes and outcomes.

TEIC is an approved Joint Commission on Accreditation of Healthcare Organizations (JCAHO) performance measurement system and also submits core measures data to federal and state agencies, including the Centers for Medicare and Medicaid Services (CMS), on behalf of TEIC member hospitals, for inclusion on the CMS Hospital Compare website.

This year, in order to respond to the increasing complexity and heightened financial implications of quality data collection mandates, TEIC developed a Web-based data collection and reporting tool for hospitals. The tool streamlines data collection and reporting, offers enhanced editing and error detection functionality, and continues to enable hospitals to "drill down" into the data in clinically relevant ways. The Web-based nature of this new



Robert Wachter, MD, presented at CHA's 3rd Annual Patient Safety Summit, an event co-hosted by the patient safety organizations (PSOs) of the Connecticut Healthcare Research and Education Foundation (CHREF), an affiliate of the CHA, and Qualidigm, the state's quality improvement organization. The program drew more than 225 attendees.

Patient satisfaction continues to be a commitment of Connecticut hospitals, which performed better than the national benchmarks in six of seven domains of patient satisfaction.

(source: HCAHPS data)

tool also reduces the IT burden on hospitals, as they will no longer have to load new versions of the software on multiple computers as JCAHO and CMS specifications change.

CHREF PSO

The Connecticut Healthcare Research and Education Foundation Patient Safety Organization (CHREF PSO) is one of three organizations designated by the Connecticut Department of Public Health as a patient safety organization and is the PSO to which all 30 of CHA's not-for-profit acute care hospitals belong, as well as other providers. The mission of the CHREF PSO is to promote patient safety by identifying and disseminating reliable information that can be used to reduce adverse events and enhance the quality of healthcare.

Recent CHREF PSO activities include developing a sophisticated online data collection and reporting system for adverse events, near misses, and prospective risk assessments; offering a four-part patient safety curriculum for front-line staff; hosting the third annual Patient Safety Summit featuring nationally recognized patient safety experts during National Patient Safety Awareness Week; and developing a plan in conjunction with the Minnesota Hospital Association for joint patient safety efforts.

The CHREF PSO also initiated a Patient Safety Literacy Project, a collaborative statewide effort involving the Department of Public Health, Qualidigm, and other organizations, designed to educate and empower consumers to take a more active role in their healthcare, using a series of targeted public health messages. The PSO Medication Reconciliation Subgroup, in conjunction with the literacy project partners, designed a wallet medication card for consumers that will be promoted statewide.

CHIMEDATA

Housing one of the oldest and most comprehensive patient encounter-level databases in the nation, CHA's ChimeData program is an invaluable asset for CHA members, providing them with actionable information about hospital service utilization.

An aging population continues to present challenges to Connecticut hospitals. In 2005, 28% of those requiring an inpatient stay were 70 and older compared to 23% in 1996, similarly, 19% were 80 and older compared to 14% in 1996.

(source: Connecticut Hospital Association, ChimeData, 2006)

This vast repository of historical data, combined with ongoing data collection and analysis efforts, enables ChimeData to contribute vital information to support CHA's individual members, enhance the Association's advocacy positions, bolster legislative testimony, and complement various other advocacy activities. This year ChimeData completed its conversion to Web-based reporting, providing comprehensive administrative discharge and financial information via a Web-enabled discussion support tool. This year ChimeData made the tool available to additional hospital users and began work to develop a standard hospital dashboard for members to conduct comparative benchmarking on utilization, financial, quality, and workforce indicators.


Traditional ChimeData publications, such as the annual Patient Census Report (PCR) Trend Summary and monthly PCR data, are used by hospitals to compare and monitor volume trends across general utilization indicators such as inpatient admissions and emergency department visits, as well as more specific, procedure-level information on cardiac catheterizations, gastroenterology, and chemotherapy visits.

The data used for these publications are also used in CHA advocacy materials to illustrate how hospital utilization is trending steadily upward, and provide the basis for more specific analysis of emerging trends. ChimeData Fact Sheets present Chime data with information from other sources, such as the Centers for Disease Control and Prevention, and continue to focus on topics of interest that impact hospitals. ChimeData Fact Sheets are distributed to hospital leaders and posted on CHA's website. This past year, ChimeData published Fact Sheets on mental illness, ED utilization, firearm-related injuries, vaginal birth after cesarean (VBAC), and cesarean sections.

ChimeData has undergone a significant transformation, moving from the provision of routine reports into the realm of using data to predict future



Former Senator and U.S. Presidential candidate Bob Dole engaged attendees during his keynote address at the 2005 CHA Annual Meeting.



**Connecticut's hospitals
and health systems
employ nearly 45,000
people with a total
annual payroll of more
than \$3 billion.**

trends and needs. While maintaining its basic reporting functions, ChimeData continues to refine its data analysis and delivery to continue improving the way information is provided to its members.

CHIMENET

ChimeNet's managed network and securities services, which deliver secure, private electronic connections between hospitals, physician offices, payors, and other business associates, continued to grow this year and received acclaim for its commitment to excellence in customer service. Now ChimeNet is being recognized by organizations outside of healthcare as a reputable, dependable service provider. As such, ChimeNet is well positioned to pursue significant growth in a wide range of areas.

While implementing communications solutions for hospitals will remain a core function of ChimeNet, its reach already has widened to include larger healthcare systems, school systems, and towns – virtually any entity that has more than one location where business takes place.

Simultaneously, ChimeNet continues to enhance its portfolio of service offerings to include the most sophisticated and state-of-the-art technologies available. Most notably, ChimeNet now provides private dark fiber connections to hospitals and other clients, allowing two or more locations to share substantially higher volumes of data and images at multi-gigabit speeds. This increased bandwidth supports applications such as patient archival communication systems (PACS), allowing the transfer of high-resolution digital images.

The expansion of services offered by ChimeNet has significantly elevated ChimeNet's profile – making it a recognized alternative for hospitals and other entities requiring state-of-the-art data communication services and support. At the same time, ChimeNet remains unique in its commitment to customizing solutions to fit client needs, rather than attempting to retrofit the customer with a prescribed, standardized solution.

Hospitals' ability to access critical information in a timely and effective manner plays a major role in ensuring the provision of high quality care in

CHA member hospitals. ChimeNet, in keeping with the larger mission of CHA, takes pride in helping to make this possible.

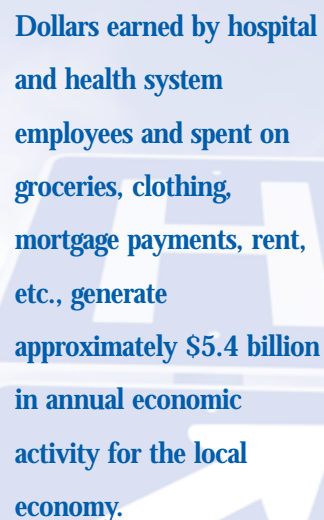
CHA SHARED SERVICES PROGRAM

The CHA Shared Services Program (CHA SSP), a regional Group Purchasing Organization (GPO) with members in Connecticut and throughout New England including all CHA member hospitals, has provided a wide variety of cost-saving alternatives to its members for over 30 years. CHA SSP provides a full range of products and services through locally developed contracts, as well as partnerships that support and complement members' arrangements with national GPOs. CHA SSP provides members with access to contracts for various products and services at discounted prices through group buying power.

CHA SSP's affiliation with MAGNET, a regional GPO focused on capital equipment such as beds, patient furniture, and telemetry, and MedAssets, the nation's largest independent GPO, gives its members access to a complete contract portfolio with pricing that is competitive with national GPOs. Members can select contracts on an a la carte basis or participate in more committed programs such as those for Laboratory, Medical/Surgical, and Pharmacy. At the same time, CHA SSP's local focus allows it to maintain close contact with members and respond quickly to individual hospital needs.

CHA SSP continues to develop "niche" programs for services that are not typically part of GPO programs, utilizing a best practices approach focusing on opportunities for hospitals to collaborate on initiatives and share information, as well as offering price discounts. CHA SSP is committed to providing members with the best value and service in the industry, and helps healthcare providers improve patient care, reduce operating costs, and strengthen financial viability through customized, flexible programs tailored to members' individual needs.

The program is open to members at no charge, offering a cost-saving alternative to the national GPOs.



Dollars earned by hospital and health system employees and spent on groceries, clothing, mortgage payments, rent, etc., generate approximately \$5.4 billion in annual economic activity for the local economy.

CHAT

The CHA Trust (CHAT), funded through gifts from Connecticut Light & Power (CL&P), provides Connecticut hospitals with interest-free loans to finance energy conservation projects that reduce the cost of electricity. This innovative energy conservation loan program also provides technical expertise to help hospitals design and implement conservation measures to improve their energy efficiency.

Since its inception in 1988, CHAT has distributed \$9.8 million in loans to 21 Connecticut acute care hospitals, helping them install new lighting, energy management, and HVAC systems that have achieved more than \$17.4 million in electrical cost savings statewide.

INSURANCE SERVICES

Through its affiliate, Diversified Network Services (DNS), CHA continued to provide various insurance services, such as Property and Casualty and Life and Health insurance products.

DNS also provided management and administration services to Health Connecticut, a limited liability managed care contracting company that negotiates on behalf of its 22 hospital members. Since 1995, CHA's management of this venture has produced dividends for the Health Connecticut owners totaling more than \$16.5 million, favorable rate deals with a value greater than the dividends, and a positive return for CHA that was used to defray dues increases. Using any measure, CHA's managing and servicing Health Connecticut has been highly successful for CHA and its members. After a productive ten-year relationship, the management needs of Health Connecticut differ from CHA's available services and CHA's services in support of Health Connecticut will end in 2006.

CHA involvement in the insurance area continues as DNS searches for opportunities to bring to the membership quality products offered by leading firms.

Connecticut hospitals and health systems spend about \$2.2 billion per year on the goods and services they need to provide healthcare -- for example, medical supplies, electricity for buildings, and food for patients.

2005-2006 CHA BOARD OF TRUSTEES

EXECUTIVE COMMITTEE

Chairman:

Patrick A. Charmel
President and Chief Executive Officer
Griffin Hospital
Term Expires: 6/08

Vice Chairman: (Vacant)

Term Expires: 6/06

Immediate Past Chairman:

Robert G. Kiely
President/CEO
Middlesex Hospital
Term Expires: 6/08

President and CEO:

Jennifer Jackson
Connecticut Hospital Association
Ex Officio

Secretary:

Patrick A. Charmel
President and Chief Executive Officer
Griffin Hospital
Term Expires: 6/07

Treasurer:

Robert J. Lyons Jr.
Board Member
Gaylord Hospital
Term Expires: 6/06

Chairman of the DNS Board of Directors:

John H. Tobin, D.Man.
President/Chief Executive Officer
Waterbury Hospital
Ex Officio
(also AHA Delegate)

At Large:

Richard E. Pugh
President/CEO
New Milford Hospital
Term Expires: 6/07
(Executive Committee Term Expires: 6/06)

At Large:

Robert J. Trefry
President/CEO
Bridgeport Hospital
Term Expires: 6/07
(Executive Committee Term Expires: 6/06)

TRUSTEES

David W. Benfer
President & CEO
Hospital of Saint Raphael
Term Expires: 6/08

Judith A. Carey, RSM, Ph.D.
Vice President for Mission Integration
Saint Francis Hospital and
Medical Center
Term Expires: 6/06

Geoffrey F. Cole
President and CEO
Norwalk Hospital
Term Expires: 6/08

**The Rev. Monsignor
James G. Coleman**
Board Member
Saint Mary's Hospital
Term Expires: 6/06

Richard Davidson
President
American Hospital Association
Ex Officio (AHA Senior Executive)

Susan L. Davis, R.N., Ed.D.
President and Chief Executive Officer
St. Vincent's Medical Center
Term Expires: 6/08

Frank J. Kelly
President & CEO
Danbury Hospital
Term Expires: 6/08

Gerard J. Lawrence, M.D.
Corporator and Former Board
Chairman
Windham Community
Memorial Hospital
Term Expires: 6/08

Rolando T. Martinez, MSW, LCSW
Board Member
Hartford Hospital
Term Expires: 6/07

Daniel J. McIntyre
President & Executive Director
The Charlotte Hungerford Hospital
Term Expires: 6/07

John J. Meehan
President/CEO
Hartford Hospital
Term Expires: 6/07
Ex Officio (Chairman of CEO Forum)

Thomas P. Pipicelli
President and Chief Executive Officer
The William W. Backus Hospital
Term Expires: 6/06

Joel J. Reich, M.D.
Senior Vice President for
Medical Affairs
Eastern Connecticut Health Network
Term Expires: 6/08

Linda Berger Spivack
Vice President of
Patient Care Services
MidState Medical Center
Term Expires: 6/06

Steven L. Strongwater, M.D.
Hospital Director
John Dempsey Hospital
Term Expires: 6/06

2006 CHA AWARDS

*CHA is proud to
acknowledge the
following annual
award recipients:*

T. STEWART HAMILTON, M.D. DISTINGUISHED SERVICE AWARD

The 2006 recipient of the T. Stewart Hamilton, M.D. Distinguished Service Award, Robert J. Lyons, Jr., has dedicated many years of service to CHA and to Connecticut's healthcare community. Appointed to the CHA Board of Trustees in 1999, Mr. Lyons was elected Treasurer the following year, and has served in this capacity for the past six years. Mr. Lyons also serves as chairman of the Financial Oversight Committee and is a member of the Diversified Network Services (DNS) Board of Directors, which oversees CHA's fee-based services.

Mr. Lyons's leadership in strengthening financial oversight, planning, and controls has been exemplary, and his commitment to the organization and its governance has been critical to CHA's success.

Consistent with his demonstrated dedication to community service, Mr. Lyons, President and Chief Executive Officer of The Bilco Company (a manufacturing firm based in West Haven), has served on numerous other boards in the Greater New Haven Area. Prominent among these is his longtime service on the Gaylord Hospital Board of Directors, where he has served for thirteen of the past fourteen years, chaired its Board and Executive Committee for five years, and currently serves as Chairman of its Strategic Options Committee.



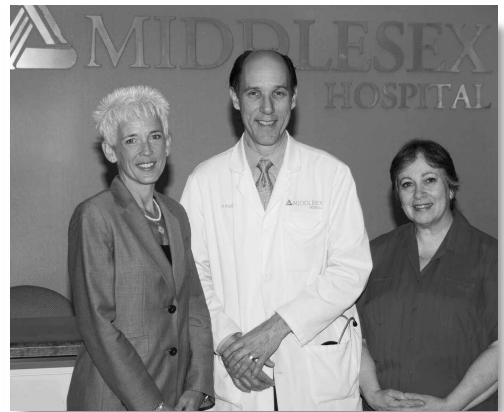
In addition to this, Mr. Lyons serves on the Board of Directors of NewAlliance Bank where he also serves as Chairman of the Audit Committee. He has also served on the Board of Directors of the United Way of Greater New Haven; served on advisory boards for the New Haven Habitat for Humanity; and devoted time to coach/manage the Guilford Youth and the South Central District Soccer Leagues.

His thoughtful, informed stewardship and counsel have played an enormous part in making CHA what it is today. This distinguished service award recognizes the vast time and talent Robert J. Lyons has graciously donated toward improving the health of Connecticut residents.

JOHN D. THOMPSON AWARD FOR EXCELLENCE IN THE DELIVERY OF HEALTHCARE THROUGH THE USE OF DATA

Middlesex Hospital is the recipient of the 2006 John D. Thompson Award for its Safe Order Program, an initiative that has significantly reduced the medication error rate at the hospital.

This two-year initiative (December 2002-December 2004) stemmed from the hospital's review in early 2002 of data on medication error rates, which revealed a low but relatively steady medication error rate over the previous 11 years (ranging between 1.0 and 1.6 errors per 100 patient discharges). The greatest single cause of error, it was discovered, was miscommunication at the beginning of the process, where physicians write orders and staff transcribe them. From 1997 to 2002, transcription failure was the root cause of an average of 30.5% of medication errors.



(Left to right) Claire Davis, Michael Kazakoff, M.D.; Mary Flannery (team member not in photo – Marge Faraci)

A multidisciplinary Continuous Quality Improvement (CQI) team developed a detailed set of criteria to ensure that all orders were legible, clear, and contained complete information, free of abbreviations and other elements that could be misinterpreted. A new medication order procedure was also implemented, requiring physicians to present orders directly to an RN, pharmacist, or unit secretary, and to remain present at the unit until the receiving staff person determines whether the criteria have been met. If the order does not meet all of the criteria, the physician rewrites the order.

As a result of this initiative, the hospital reduced the number of all medication errors by 40% over the two-year project period. In 2005, only one medication error stemmed from the root cause of transcription failure, equivalent to less than 0.1 per 100,000 doses. Adherence to the new criteria and procedure has been a key to the success of this initiative – the compliance rate was 97% by the project's end in December of 2004, and largely held steady at 92% in 2005.

“The success of this initiative demonstrates that simple, ‘low tech’ changes in processes can result in significant improvements in patient safety,” said Claire Davis, Director of Quality at Middlesex Hospital. “Better communication, improvement in hand-offs, and a willingness to take a strong stand can make a big difference in preventing errors.”

CONNECTICUT'S HOSPITAL COMMUNITY SERVICE AWARD



*(Left to right seated, front row)
Eileen Rice, Elizabeth DePierro,
Andrew Degling, Lori Korn,
Kathleen McKimmon, Piper Tobler
(Standing, back row, left to right)
Elizabeth Roman, Denice Mucke,
Pat Burke, Katherine Schneider,
M.D., Veronica Mansfield, Paula
Salafia, Shelby Santangelo*

Middlesex Hospital also is the recipient of the 2006 Connecticut's Hospital Community Service Award, co-sponsored each year by CHA and the Connecticut Department of Public Health (DPH). This award recognizes a Connecticut hospital that has made an outstanding contribution to the health of its community.

The 2006 Community Service Award recognizes Middlesex Hospital's chronic disease programs, which currently focus on asthma (pediatric and adult),

diabetes, and heart failure. The programs target members of the community who are struggling to manage one of these three conditions for any reason, including being un- or under-insured, having educational or health literacy deficits, co-morbid conditions, or environmental triggers. This model requires a close partnership between the patients, care managers, and the physician, also connecting patients to community resources, such as school nurses, public health departments, health centers, and homecare.

The hospital opened Air Middlesex, a program focused on adult asthma, in 1999. Little Air (for pediatric asthma) and Diabetes Care followed in 2001, and the program for heart failure was added in 2005. Together these programs have enrolled approximately 1,000 individuals, providing intensive, face-to-face disease management services.

Measured outcomes have included better disease control in diabetic patients, lowered incidence of hospitalization for children with asthma, and a low hospital readmission rate for heart failure patients. In addition, Middlesex Hospital's care managers served as local "expert resources" for the community, providing education to the public and providers, and serving on many local and statewide task forces.

The chronic disease programs are administered through public and private funding and there is no charge to participants for the services they receive.

Middlesex Hospital was the first provider-based organization in the country to receive National Committee for Quality Assurance (NCQA) accreditation for disease management in 2003. This program has been viewed as a national model by groups such as The Urban Institute, the California Health Foundation, the RAND Corporation, the U.S. Department of Health and Human Services, and MedPAC.

OUR MISSION

The mission of the Connecticut Hospital Association (CHA) is to advance the health of individuals and communities by leading, representing, and serving hospitals and their related healthcare organizations that are accountable to the community and committed to health improvement.

CHA ACHIEVES THIS MISSION THROUGH:

- Public policy and advocacy on behalf of the interests of hospitals and their related healthcare organizations.
- Leadership and innovative services to further community-based healthcare delivery.
- Strengthening ties and collaborative efforts with other organizations that have common values and aims.
- Innovative research and education in the delivery and financing of healthcare services.
- Leadership in fostering an environment within which integrated delivery systems can be created and thrive.
- Assistance to the membership in ensuring quality, increasing efficiency and effectiveness, containing costs, and enhancing revenue.

*Adopted by CHA Board of Trustees, May 13, 1996
Amended by CHA Board of Trustees, January 10, 2000*



Connecticut Hospital Association and Affiliates

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CHA's 2006
"Healthcare Heroes"
Essay Contest Winners

CHA is proud to profile the 10 winners of its 2006 Healthcare Heroes essay contest, and excerpts from their winning submissions – as well as the colleagues they wrote about – in this annual report.

The theme for this year's contest was, "Connecticut Hospitals: Connected to the Community, Committed to Caring." Every day the healthcare professionals in our hospitals care for patients and provide support to patient families. Often, their commitment to caring extends well beyond the walls of the hospital into the larger community. This award is in acknowledgement of these inspired individuals – our 2006 Healthcare Heroes.

Frances A. Gibbons-Clarke

Pediatric RN

Charlotte Hungerford Hospital



Almost a year after his death, Herschel's thick German accent haunts me, comforting me like a warm blanket. Herschel's reputation preceded him. I had heard of the old man that turned Medical-Ambulatory upside-down with his temper tantrums. As he entered, I shakily introduced myself and escorted him to a room, gathered my IV equipment, and took his hand.

My eyes wandered to his forearm. Bluish-black blurry numbers were emblazoned on his skin. As he caught my glance, he looked down. "Concentration camp," he said. My heart sank – and I knew during that brief moment that our paths had crossed for a reason, and this collision would be life-changing.

Herschel's continued visits for cancer treatments weakened his blood counts. We talked a lot when he came, but mostly I listened...about how he survived the holocaust, painting pictures of the Nazi officers and their children, in exchange for survival; how his entire family died in the gas chambers...about the day he was liberated...about how he painted his way onto the landscape of American Impressionism...about his art, his studio, his travels...and his loneliness.

I took care of him as I would have my own father. I advocate every day on a smaller scale, validating human existence – just by listening. It's the one thing we bring to nursing that really makes a difference.

Deb Feigenbaum

Social Worker, John Dempsey Hospital

Submitted by Jane Sullivan, RN, ICU (on left)
John Dempsey Hospital



A young man of only 37 years who had just been diagnosed with a terminal brain tumor came into the ER with bleeding in the brain and seizures, with his wife and two young girls, ages 5 and 7. He was admitted to the ICU on a ventilator to die. There was nothing that could be done.

Although I had never met Deb Feigenbaum before, I knew after this day how gifted she is and how much of an impact she had on this family in this most difficult situation. Although the wife of this patient did not intend to bring her girls in to see their dad before he died, Deb encouraged her strongly to do so. Deb reassured her that she would help her and that these beautiful little girls needed a chance to say goodbye, and to tell their daddy they loved him.

Deb was here for hours assisting this family. She knew just the right thing to do and took the time and special skill to help make a difference in this family's life.

Rhonda Forristall, RN

Middlesex Hospital

Submitted by Catherine Wade, BSN, RN, BC,
Co-Nurse Manager (on left)
Middlesex Hospital Shoreline Medical Center



Rhonda Forristall is extremely active, not only in her role as a staff nurse in the Emergency room, but with creating and carrying out programs for the community. Rhonda has always had a focus on people within the local community, especially children and teenagers.

Several years ago, Rhonda felt compelled to do something herself to help with the anticipated nursing shortage. She created “Career Day,” a day where high school students could come to learn about the healthcare field. This 4-hour event consists of a staged scenario of a patient in a trauma situation where the MD and ED nurses describe what they would do for the patient. Students receive hands on experience in as many aspects as possible – allowing them the maximum exposure to get a good feel for what it is like in the real world of healthcare.

The program has been so successful that it has been publicized in *Advance for Nurses*, *Nursing Spectrum*, and *Journal for Emergency Nursing* as well as in several local papers.

Derri Hamilton, RN, BSN

Assistant Nurse Manager
Saint Francis Hospital and Medical Center



The patients in behavioral health arrive with hearts, minds, and spirits filled with pain, fear, rejection, neglect, trauma, and grief.

The 7 West Healing Cart is a powerful vehicle to support our patients' experiences of being valued and accepted during their stay. Twice a week, patients purchase items ranging from books, magazines, toys, and games – to toiletries, jewelry, and candy – even donated clothing, shoes and other basic need items.

Patients receive Healing Cart money and can make choices, negotiate deals and have good old-fashioned fun! This process affirms our patients' core sense of self, dignity, and personal empowerment to make decisions.

As psychiatric nurses we constantly strive to enter our patients' world and find ways to communicate hope and appreciation of each human being's unique value.

Mary Marrocco
Clinical Nurse Manager
New Britain General Hospital

Submitted by Lucille Taylor, Nursing Director (on right)
New Britain General Hospital



Catherine, a travel nurse from Kenya, is one of my nurses. Catherine's dedication and compassion have endeared her to both patients and staff. On March 16th, while working, she received word from Kenya that her husband had been shot in the robbery of his business.

Mary Marrocco, our nurse manager, realized that Catherine, a mother of seven (5 of whom were with their father) needed to return to Kenya. However, Mary was aware of Catherine's limited funds. Mary was able to collect money towards Catherine's plane fare home, and meantime became caretaker of Catherine's two other children.

Tragically, Catherine was en route to Kenya when her husband died. Mary rallied the staff and did an "extreme makeover" for Catherine's newly purchased house, which would soon be home to 7 children. Staff donated furniture, curtains, rugs, dishes, and linens. They scrubbed floors and walls, spackled and painted to make this house into a home.

I am both humbled and proud of my staff's ability to come together as a community and reach out to a nurse from a community across the world. They transformed their grief and sense of helplessness into actions from the heart.

Anthony S. Morgan, M.D.

Submitted by Katherine J. Smith, Ruthann Mandelbaum,
and Julia Bromley
Saint Francis Hospital and Medical Center



From Left: Ruthann Mandelbaum, Administrative Coordinator, Dept of Surgery; Julia Bromley, Secretary III, Dept. of Surgery; Anthony S. Morgan, MD, Interim Chairman Dept of Surgery; Katherine J. Smith, MSW, Program Manager, Violence & Injury Prevention Program

Dr. Anthony Morgan is a healthcare hero, not because of a singular act, but because of a lifelong commitment of compassion and kindness to those from all walks of life. He regularly demonstrates mock traumas to high school students that attend the “Let’s Not Meet By Accident Program” to help them make healthy choices in risky situations. Dr. Morgan bravely shares his own experience of violence growing up, speaking of his gang involvement and how he himself has been both shot and stabbed.

Dr. Morgan donates microscopes to schools to foster a love for medicine and science in inner city Connecticut students; he is a tireless advocate for the KISS-CT car seat program that offers free car seats to low-income families; and he is a volunteer presenter for President Bush’s anti-gun violence program Project Safe Neighborhood.

Dr. Morgan has found the inner strength to be an example to those in healthcare, those in the community, and children and adolescents who live in violence.

Joanne Neumann, RN

John Dempsey Hospital

Submitted by Lea Gostyla, Nursing Supervisor (on left)
UConn Health Center/John Dempsey Hospital



I believe there are angels among us.

In June 2005, while at work as a nurse in the operating room at UCONN Health Center, I suffered a very minor stroke. I spent several days in ICU and a few more on the floor.

On the evening of the day I was scheduled to go home, my youngest daughter was graduating from middle school – an event I did not want to miss. As the minutes turned to hours and no doctors appeared to discharge me, I began to get more and more anxious. As 6 p.m. approached, my angel appeared.

Joanne Neumann, RN, a case manager at the hospital, walked in and noted that I was upset. Joanne took my doc by the arm and gently led him straight to my room, chart and discharge papers in hand. She never stopped smiling and gave me a hug before I was whisked off in time to hear my daughter's speech and to see her receive an unexpected award. Joanne delivered the best nursing care I needed.

Concetta Savino, RN

Yale-New Haven Hospital



It's not about living and dying, it's about enjoying every second of life.

It's about crying so hard and laughing even louder.

It's not all about doctors and nurses, it's about clowns too you know!

It's about leaving your stethoscope outside the room so that you can play Nintendo.

It's about knowing when to hold out your hand just so four tiny fingers can squeeze one of yours until it goes numb.

It's about those things we can fix like dehydration or a broken bone, and things we can't fix like cancer and cystic fibrosis.

It's about heaven and God and knowing he will watch over those children we can no longer see.

Maria Frassinelli Sierra

Cancer Program Coordinator/Oncology Social Worker
Johnson Memorial Hospital



Although my education and training had been in oncology social work, I was, in 1999, working in a brain injury program. That year, my friend Keith was diagnosed with cancer.

Keith died in June of 2000. It was a sad day for a whole community. Throughout Keith's ordeal, I felt drawn to oncology again. Being reminded of the heart-wrenching struggle that it creates for a person, a family. I realized how vital it is to have an advocate for that journey.

The year following Keith's death, I returned to oncology social work. The incredible patients and families who have allowed me along on their journey...the dedicated and caring staff from whom I have witnessed great things...I have Keith to thank for leading me to where I know I should be.

Patty Veronneau, RN, MSN

Hartford Hospital

Submitted by Lee Monroe, Director, Public Relations
Hartford Hospital



Patty Veronneau, RN, MSN, spends her “leisure” time doing for the community what she does for her patients. The distinction between caring for people in the hospital and caring for neighbors and friends was long ago blurred for this dedicated nurse.

Patty has organized blood drives all around the state. She located a group of women “stitchers” who are now creating baby items for the nursery. Patty connected with the Matchbox Association, and distributes matchbox cars in the ED both at Hartford Hospital and at CCMC. Through the Friends of Assisi Food Pantry, she helps to coordinate food drives, coats for the poor and Thanksgiving baskets for more than 250 people.

Patty connects with her patients and always acknowledges the day-to-day acts of her colleagues. She’ll notice a thoughtful act or an above-and-beyond response to a patient’s needs and she’ll make sure that those in charge hear about it.

To read the 2006 CHA
“Healthcare Heroes”
essays in their entirety,
go to the Healthcare Career Center
section of CHA’s website at
www.cthosp.org.