



Euclid Hospital **Lakewood Hospital**
Fairview Hospital **Lutheran Hospital**
Hillcrest Hospital **Marymount Hospital**
Huron Hospital **South Pointe Hospital**

Fred M. DeGrandis
President and Chief Executive Office
Cleveland Clinic Regional Hospitals

Affiliate
Ashtabula County Medical Center

July 23, 2007

Dear Friend of Lakewood Hospital,

On behalf of Cleveland Clinic Regional Hospitals and Lakewood Hospital President Jack Gustin, I am pleased to summarize significant Lakewood Hospital accomplishments and activities from the last year. As we celebrate our 100th anniversary and “A Century of Touching Lives,” we are especially appreciative of the unique and historic working relationship between the City of Lakewood and Lakewood Hospital. I hope you will take a moment to review our progress and share our pride in the achievements you helped to make possible.

Leadership. In October 2006, the Cleveland Clinic took the next step toward its long-term goal of more tightly integrating the Cleveland Clinic health system and combined the former eastern and western regions under a single administration. I have the great honor to now serve as president and chief executive officer of Cleveland Clinic Regional Hospitals, which consist of Euclid, Fairview, Hillcrest, Huron, Lakewood, Lutheran, Marymount and South Pointe hospitals and our affiliate partner, Ashtabula County Medical Center, which includes Glenbeigh Hospital and outpatient centers. Under united leadership, Cleveland Clinic Regional Hospitals will have the opportunity to provide better care, more efficiently for the good of the communities we serve. Lakewood and the other regional hospitals will continue to maintain their unique identities and to tailor programs to meet their community’s needs.

People, of course, are our most important asset. We appreciate the dedication of our staff, physicians and volunteers; the leadership and guidance we receive from our Board of Trustees led by Board Chair *Mousab Tabbaa, M.D.*, and the ongoing support of our Community Advisory Board. In line with our strategic initiatives and with the support of Medical Staff President *William Riebel, M.D.*, and our physician leaders, some notable appointments were made to our medical staff in the specialties of primary care, emergency services, endocrinology and neurosurgery:

Lakewood Medical Associates, Rockport

Charles J. Garven, M. D., Family Medicine, Medical Director
Nidhi Aggarawal, M.D., Internal Medicine
Janelle L. Henning, M.D., Family Medicine

Lakewood Medical Associates, Beachcliff

David Brill, D.O., Family Medicine, Medical Director
Cory Fisher, D.O., Family Medicine

Westlake Medical Campus

Roger Mansnerus, M.D., Internal Medicine

Diabetes Center

Sanjit Bindra, M.D., Endocrinology
Vikramjeet Kumar, M.D., Endocrinology

Neurological Institute

Samuel L. Borsellino, M.D., Neurosurgeon
Atef A. Eltomey, M.D., Neurosurgeon

Emergency Services

Laura Dollison, D.O., FACEP, Medical Director

Nathan Kelly and *Thomas Kilbane* were appointed to our Board of Trustees. Nathan is the business development manager for the Center for Health Affairs and is serving on our Finance Committee. Tom, a partner at Reminger & Reminger, serves on our Patient Care Committee.

William Baddour, who most recently served as regional vice president of Operations/Operational Improvement for Fairview, Lakewood and Lutheran hospitals and prior as Operations Division administrator at Cleveland Clinic, was appointed chief operating officer. *Victor Hall*, former executive director of Cardiovascular Services for two ProHealth Care hospitals and three outreach clinics, was named vice president of Cardiac Services for Lakewood, Fairview and Lutheran hospitals.

Financial Strength. In 2006, Lakewood Hospital enjoyed a positive, although slender, operating margin. We anticipate improvement in this area and results through May 2007 indicate we will finish 2007 in a good financial position. We continue to be challenged by the steady increase in self-pay revenue. As of April 2007, self pay revenue, which is an indicator of uncompensated care, escalated to 9 percent and negatively impacted April year-to-date performance by \$500,000. Our community stewardship duties require our hospital to continue its long standing tradition of providing service regardless of one's ability to pay. The amount of uncompensated care provided by Lakewood Hospital in 2007 through May is \$8.5 million.

Our A-1 bond rating was recently affirmed by Moody's Investor Services. Citing a stable outlook based on linkages to Cleveland Clinic, Moody's said, "Lakewood continues to benefit financially and strategically from its relationship with the Cleveland Clinic health system..." and also noted the "full integration into financial and strategic planning of the Cleveland Clinic health system as well as Lakewood's participation in a number of centralized functions of the health system, including managed care contracting, purchasing (including insurance), investment management and strategic planning." Earlier this year, Standard & Poor's upgraded the hospital's long-term bond rating to "A+" from "A."

Facility Renovations, Service and Market Expansion. We began implementing a multi-year renovation plan about 18 months ago with the Heart Center expansion and hospital lobby and cafeteria renovations. Continuing with our reconstruction projects, in January we dedicated the \$2.65 million 11-bed Coronary Care Unit (CCU) which features technological and comfort upgrades and annually cares for more than 2,000 patients. Enhancements include a new critical care waiting room, family consultation room, intensivist office and Neuro Integrated Care Unit entrance. The opening of the CCU marked the completion of the first phase of a three-year critical care renovation project which includes plans to renovate the Neuro Integrated Care Unit in fall 2007 and Intensive Care Unit in 2008.

We began \$4.7 million in renovations that include upgrades to the Admitting Office, Neuro Integrated Care Unit, Obstetrics Suites, Diabetes Center and also the construction of two new outpatient facilities: Lakewood Medical Associates, Rockport which opened in January and Lakewood Medical Associates, Beachcliff, which is scheduled to open by year's end. Establishing the Rockport and Beachcliff primary care facilities enable us to expand our primary care services to previously underserved areas at the eastern and western borders of the city.

We were proud to stand with our partners to celebrate the opening of the new 50,000 square foot YMCA building. Not only is this the premier community activity center for Lakewood residents, it's also the primary home of the hospital's outpatient physical and occupational therapy department (with its second location at Westlake Medical Campus). Lakewood Hospital provided a multi-year pledge of \$500,000 to support the new YMCA project.

The Lakewood Hospital Diabetes Center, scheduled to open in August, will be the first of its kind on Cleveland's west side. It will focus on disease management, education, nutrition and prevention as well as the treatment of other endocrine disorders.

Lakewood Hospital has a well-established reputation in the community and beyond for providing superior neurological care. Neurological patients are transferred to Lakewood from the Cleveland Clinic, our sister hospitals on the east side and also from outlying communities, such as Youngstown. Building on our clinical strength and on our partnership with the Cleveland Clinic, Lakewood will be the first regional hospital to implement the Institute model of care which will offer enhanced services and greatly benefit patients and physicians. A key component to this unique model is community physicians. In addition to Cleveland Clinic and Lakewood Hospital administrators, instrumental in the project's development were *Drs. Arthur Dick, Rami Hachwi* and *Sagarika Nayak* along with Cleveland Clinic physicians.

Technology and Innovation. In recent clinical achievements, Lakewood Hospital was one of the first in Greater Cleveland to implant a new, state-of-the-art defibrillator in a cardiac patient. The device is used in conjunction with an innovative, in-home device that detects how well the patient's defibrillator is working and can be monitored by physicians at the hospital while the patient is still at home, all by means of telephone lines.

The Lakewood Hospital neurological team, which is comprised of Cleveland Clinic and community physicians, was the first in Ohio and second in the nation to use an innovative, new microcoil to successfully treat a cerebral aneurysm (an abnormal widening or ballooning of a portion of an artery in the brain).

The Digestive Health Center became home to the newest and most advanced ultrasound equipment in the area. We are the only facility in Northeast Ohio – and one of only a handful of hospitals in the nation – to have this technology, called the endoscopic ultrasound system (EUS). A low-risk diagnostic procedure, EUS uses ultrasound to evaluate and diagnose both upper and lower digestive tract disorders. The procedure is done on an outpatient basis in only about two hours or less.

Electronic medical records (EMR) are a future standard of care and Cleveland Clinic is one of the largest organizations in the world using a single electronic system across multiple sites. "MyPractice" is an EMR system connecting every Cleveland Clinic hospital through shared information and common clinical and administrative tools. This is being rolled out in phases at all regional hospitals.

Quality. We continually assess processes and services to identify areas for improvement. One area of focus was the Emergency Department. A task force of several multi-disciplinary teams worked together to develop and implement process improvements in the ED to increase patient access. In July 2006, the rate of patients who left the ED prior to receiving treatment was 6.7 percent. For the first quarter of 2007, the rate decreased to 2 percent (lowest of the regional hospitals) and the ED staff treated an additional 150 patients. We have reduced wait time, increased patient visits and also increased patient satisfaction. Patient satisfaction in the ED has increased from 82 percent to 94 percent.

We also implemented a patient survey program whereby all patients are contacted by telephone upon discharge to assess their satisfaction with the services they received. The calls allow us to quickly spot and correct service shortcomings. In the first quarter of 2007, Lakewood Hospital lead all of the regional hospitals with a 96 percent affirmative response to the query "would you recommend the facility to a family member or friend?"

Clinical areas throughout the hospital stand ready to receive unannounced, rigorous on-site surveys throughout the year. I am proud to let you know that the hospital has passed all accreditations and licensures. The Stroke Center once again earned the Gold Seal of Approval™ and certification as a Primary Stroke Center from the Joint Commission on Accreditation of Healthcare Organizations. The hospital earned this distinction after the Joint Commission conducted a stringent, comprehensive, on-site review.

A visit from the Committee on Trauma of the American College of Surgeons resulted in our Emergency Department being recertified as a Level II trauma center. We have one of the busiest emergency departments in western Cuyahoga County, treating approximately 38,000 patients annually.

The Lakewood Hospital Diabetes Education Program, with affiliated outpatient education programs at Fairview and Lutheran hospitals, was once again awarded the prestigious American Diabetes Association (ADA) Education Recognition Certificate for a quality diabetes self-management education program. The programs at Fairview and Lutheran Hospitals were recognized as additional sites under the umbrella of the Lakewood Hospital Diabetes Education Program.

Our patients who need to be transferred quickly to Cleveland Clinic for tertiary care can now be airlifted by Cleveland Clinic's new transport service. The service includes not only a dedicated helicopter and other aircraft, but new ambulances as well.

Caring for our Community. Our community involvement takes many forms including volunteerism, philanthropy and community partnerships. Our employees hold leadership positions in 25 Lakewood organizations and in 2006, our west-side leaders provided 11,740 hours of community service. Lakewood Hospital provided nearly \$42,000 in monetary gifts of support to community and non-profit health care organizations serving the Lakewood area. [Jack Gustin](#) has been appointed chairman of the 2007 American Diabetes Association's "Step Out to Fight Diabetes" walk for Greater Cleveland, which will raise money for research, advocacy and projects to help battle this increasing epidemic.

Last August, the hospital partnered with the Lakewood Arts Festival to hold the inaugural “Starry Night,” a patron benefit event to raise funds for the Lakewood Arts Festival Scholarship Fund and the Lakewood Hospital Diabetes Center. More than 300 people attended the fun-filled event which kicked off the annual Lakewood Arts Festival and was billed as “the biggest block party” ever in the city. This year’s event to be held on August 3 promises to be even bigger and better.

Lakewood, Fairview and Lutheran hospitals hosted the third annual “Straight from the Heart” gala in 2007. The gala and raffle have netted more than \$400,000 to better respond to the cardiovascular needs of the community, including efforts to acquire new techniques, technologies and services, and to expand community outreach programs to promote healthy-heart living. This year’s campaign was the most successful to date and some of the proceeds have been earmarked for the development of a women’s heart center.

Our community partnerships also take many forms and include supporting our physicians, collaborating with community organizations and working with the local schools to help educate and mentor. We have on-going dialogue with physician leadership to identify areas where we can provide services for our community physicians. We have implemented a discharge summary service, a pre-certification service, and a 24/7 admitting phone. We also have worked with an outside insurance company to offer physicians malpractice insurance at substantially reduced premiums.

We have strengthened our partnership with North Coast Health Ministry (NCHM), which annually provides primary health care to approximately 2,000 adults and children lacking health insurance – 48 percent of whom live in the City of Lakewood. In 2006, Lakewood and Fairview hospitals provided NCHM with more than \$3.4 million in patient care services. Recently, in response to a needs assessment conducted by NCHM Medical Director *Phil Tomsik, M.D.*, Lakewood Hospital collaborated with NCHM and helped to establish a NCHM mental health clinic to meet the growing patient need.

We continued our work with the City of Lakewood and the Lakewood Schools on the development of a Youth Master Plan and conducted a health risk assessment for obesity, one of the risk factors for diabetes, on all fourth-grade students. We also provided education and nutrition counseling and continue to actively work to further the Youth Master Plan.

Lakewood Hospital has also partnered with the local schools to provide health-related programs and mentoring initiatives. The hospital provides the classroom and lab for the Health Careers Technology Program - a two-year program that promotes the ongoing development of careers in the medical field. We also adopted Harrison Elementary School as our own and recently purchased an age-appropriate book for every student.

Centennial Year. There will be numerous activities throughout the year to commemorate the 100 year anniversary of the founding of Lakewood Hospital. And as I reflect on the many changes that have occurred in those 100 years and in my 27 year relationship with the hospital, it is apparent that the history and traditions of Lakewood Hospital have never changed and that is truly something to celebrate. Your life *is* our life’s work.

In the months ahead, I look forward to guiding Lakewood Hospital to even more significant achievements in clinical care, community involvement and patient satisfaction. We will reinforce our commitment to empathy, compassion and patient service, and address operational efficiencies across the board.

I thank you for all that you do to advance the spirit and mission of Lakewood Hospital. I hope to have the opportunity to personally express my gratitude to you at some point in the very near future. Lakewood Hospital has been described as “The Jewel of the Community.” With your continuing help, we will keep it shining for a long time to come.

Sincerely,



Fred M. DeGrandis
President and Chief Executive Officer
Cleveland Clinic Regional Hospitals