



# 2006 Annual Report

## St. Joseph Health Services of RI 2006 Annual Report

### Financial Summary 2006

|                                |                    |
|--------------------------------|--------------------|
| Inpatient Revenue              | 103,877,097        |
| Outpatient Revenue             | 63,344,177         |
| Total Patient Revenue          | 167,221,274        |
| Other Operating Revenue        | 10,593,385         |
| <b>Total Revenue and Gains</b> | <b>178,364,985</b> |
| Less Expenses                  | 168,604,323        |
| <b>Net Gain</b>                | <b>(550,326)</b>   |

### Activity Report: Selected Highlights

|                                 |           |
|---------------------------------|-----------|
| Number of Patients Treated      | 222,169   |
| Admissions                      | 11,535    |
| Patient Days                    | 87,131    |
| Emergency Room Visits           | 32,444    |
| Health Center Visits            | 51,836    |
| Surgeries                       | 18,315    |
| X-ray and Ultrasound Procedures | 61,147    |
| Laboratory Tests Performed      | 2,158,493 |
| Hyperbaric Medicine Treatments  | 1,236     |
| Oncology Services               | 6,349     |
| Medication Doses Administered   | 2,149,595 |

### Operational Profile

|   |       |
|---|-------|
| Licensed Beds                           | 386   |
| Average Medical/Surgical Length of Stay | 5.61  |
| Employees – Full and Part Time          | 2,074 |
| Medical/Dental Staff                    | 350   |

### Positive Impact on Local Economy

|                                |                    |
|--------------------------------|--------------------|
| Employee Salaries and Benefits | 102,284,690        |
| Purchasing                     | 55,167,682         |
| Uncompensated Care             | 15,080,582         |
| <b>Total Impact</b>            | <b>178,149,501</b> |

\*Which benefit our community: free care, uncollected accounts and uncollectible Medicaid, absorbed costs

## RISING TO THE CHALLENGE

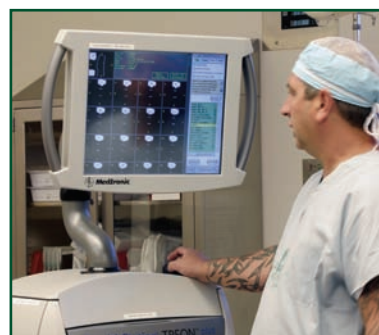
Our fiscal year that ended on September 30, 2006 began amidst a budget and volume climate that was, at times, uncertain and our organization faced a crisis in nurse staffing. Despite these and other challenges, we are proud to report the results of a year that, on balance, was a net success. Let's review a few key areas:



### Technology Improvements

No organization can survive today without continually investing in its supporting technology. In the past year, we made some amazing strides in acquiring technology that improves quality of care and patient safety. These included:

- A new state-of-the art MRI Center, the centerpiece of our multimillion dollar investment in diagnostic imaging.
- We introduced mobile PET services and implemented a Radiology Digital Dictation System.
- We placed a digital radiology unit in the Emergency Department to provide high quality real time imagery to our emergency physicians.
- We implemented a major IT conversion to the MediTech platform to integrate data functions and to lay the foundation for an eventual electronic medical record capability.



### Personnel and Programs

In the past year, we made significant progress in lowering our nurse vacancy rate. Through a combination of advertising and innovative recruitment techniques, we were able to reduce our vacancy rate by nearly half, from 19.3% to 11.3%.

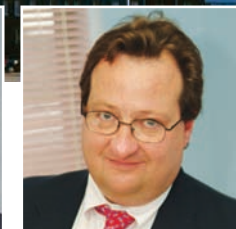
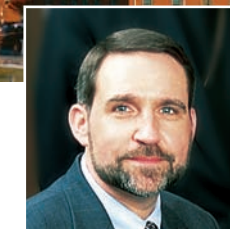
Our clinical programs continued to thrive and advance in ways too numerous to detail here. Suffice it to say that, between our two campuses, we offer a range of clinical specialties and sub-specialties that is unrivaled by any other independent community hospital in our state.

We are especially proud of the progress and growth in our acclaimed pediatric dental program. An initiative where our Catholic health ministry intersects with our clinical strengths, this program saw a continued growth in patient volume, opening two new dental operatories. Our pediatric dental residency also saw the number of residents increase from 6 to 8.

H. John Keimig  
President & CEO

The Most Reverend  
Thomas J. Tobin  
Bishop of Providence  
Chairman of the Board

Steven M. Colagiovanni, M.D.  
Medical Staff President



### Here, Quality is Still "Job 1"

In an era where hospital performance is increasingly open to public scrutiny, our quality indicators shone brightly. We received a new JCAHO accreditation, the "gold standard" for health providers, and also received accreditations from:

- The College of American Pathology (for our clinical lab department)
- The American Cancer Society, Cancer Program Certification
- The College of American Rehabilitation Facilities, for our Southern New England Rehabilitation Center
- The American College of Radiology, Mammography Re-accreditation

### The Financial Performance

As the accompanying chart of financial highlights shows, we weathered a year of extreme financial challenge by posting a small net loss from operations. Despite the continued aggressive reimbursement policies of government and private health insurers, the collaborative efforts of our physicians, managers and employees were able to minimize what otherwise might have been a more serious loss.

### Thank You

To our trustees, donors, physicians and employees, we extend our sincere thanks for another job well done in the most trying of financial and regulatory climates. We are proud to be associated with each and every one of you.