

NEWS RELEASE

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Catholic Healthcare West Among First Hospital Systems Selected for National Quality Initiative

San Francisco, CA – December 15, 2011 – Catholic Healthcare West (CHW), the fifth largest health care system in the nation, has been named one of the first federally designated Hospital Engagement Centers as part of a national initiative to improve health care quality and reduce costs.

The designation, announced yesterday by Health and Human Services Secretary Kathleen Sebelius, will provide CHW with \$8 million to help it meet the goals of the Partnership for Patients pledge. CHW was one of the first hospital systems in the nation to sign the pledge, which calls for a 40 percent reduction in preventable hospital-acquired conditions and a 20 percent reduction in preventable readmissions over a three year period.

"We are honored by this recognition and are committed to meeting the patient safety and quality care goals called for in the Pledge," said Lloyd Dean, president/chief executive officer of CHW. "Our goal has always been to be part of the solution to the nation's health care crisis."

Dean said all 40 of CHW's hospitals will participate in the program, which will focus on evidence-based practices, transitions in care from acute settings, investments in information technology, and partnerships with other community providers.

"At some point in our lives many of us are going to need hospital care and we need to be confident that no matter where we live, we're going to get the best care in the world," said HHS Secretary Kathleen Sebelius. "The Partnership for Patients is helping the nation's finest health systems share their knowledge and resources to make sure every hospital knows how to provide all of its patients with the highest quality care."

CHW has already achieved notable successes in its efforts to improve quality and reduce costs:

Accountable Care: An accountable care organization in Sacramento brought together CHW hospitals
with Blue Shield of California and Hill Physicians to care for area CalPERS members. After one year
of operation, the pilot program has resulted in an estimated \$15.5 million in savings, along with a 17
percent reduction in patient re-admissions, a half-day reduction in the average patient length of stay, a
nearly 14 percent drop in the total days patients spend in a hospital, and a 50 percent reduction in the

number of patients who stay in a hospital 20 or more days. The model for this project has recently been expanded to City and County of San Francisco employees.

- **Sepsis Program:** Additionally, CHW's severe sepsis program saved nearly 1,000 lives and reduced costs by \$36.5 million over a three-year period. Dr. R. Phillip Dellinger, a leader in the international Surviving Sepsis Campaign and the director for critical care at Cooper University Hospital, called CHW's sepsis program groundbreaking. "CHW's caregivers have demonstrated the power of a well-organized quality program that both reduces morbidity and mortality while also achieving significant cost savings," he said.
- **Preventable Admissions:** Through the innovative use of its groundbreaking Community Need Index (www.chwHEALTH.org/cni), CHW hospitals invested \$5.7 million between 2008 and 2010 in preventive and disease management programs for patients who had been hospitalized for asthma, diabetes, or congestive heart failure. A total of 8,917 individuals participated in disease management programs, and 86 percent of these patients avoided hospitalization.

About Catholic Healthcare West

Catholic Healthcare West (CHW), headquartered in San Francisco, CA, is a system of 40 hospitals and medical centers in California, Arizona, and Nevada. Founded in 1986, it is one of the nation's largest not-for-profit health care systems and the largest private hospital system in California. CHW is committed to delivering compassionate, high-quality, affordable health care services with special attention to the poor and underserved. The CHW network of nearly 10,000 physicians and approximately 54,000 employees provides health care services to more than five million people annually. In 2011, CHW provided more than \$1.4 billion in charity care, community benefit, and unreimbursed patient care. For more information, please visit our website at www.chwHEALTH.org.

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