the stock report A MESSAGE FROM OUR CEO

Our "Focus on the Patient" initiative has been in place for years to help create a great patient experience. We are a clearly recognized leader with regard to service excellence. We have won a number of national awards, and I expect that we will win many more. More importantly, we have won the hearts of many of the patients and family members who have trusted us to provide care for them. This is one of our greatest achievements.

Our "Journey to Excellence" endeavor continues with our desire to achieve "Patient Centered Excellence" by improving already very good clinical outcomes. In conjunction with "Performance from the Heart" (highly personalized, compassionate care), the pursuit continues with our desire to achieve excellence in clinical outcomes.

There are good clinical outcomes and bad clinical outcomes. Achieving excellence means the absence of bad outcomes and the consistent provision of care resulting in optimal clinical outcomes. Examples of bad clinical outcomes include falls, medication errors, surgical mishaps and hospitalacquired infections.

> The Centers for Disease Control and Prevention

estimates that hospital-acquired infections affect nearly 2 million Americans annually, resulting in 99,000 deaths and \$20 billion of additional healthcare costs. For example, ventilator-assisted pneumonia increases the cost of care by \$40,000 per stay. The recovery of a patient is complicated by infections as well, with hospital stays being extended by 2.5 to 10 days on average.

We have declared war on hospital-acquired infections. We are engaging our entire staff in the crusade to eliminate infections. This may be an audacious goal, but we feel confident in our ability to achieve it. For us, average performance is not good enough. We will not rest until we have pursued every avenue available to eliminate infections.

We have deployed Six Sigma, Lean and other advanced process improvement strategies to transform our culture to become centered around patient safety. We are quickly adapting advanced methods to eradicate infections, leveraging information technology and instituting leadership at every level to accomplish this important objective.

It is exciting to be engaged in a great cause as a team of people with similar values and a deep commitment to patient care who choose to make a difference for a community of people served. I look forward to this next challenge with optimism and enthusiasm.

Greg Stock Chief Executive Officer