



# 2009 Annual Report



## Dear Friends,

Every day, Aurora caregivers are improving the health and quality of life of people in the communities we serve. Our unique model of coordinated care provides value to each community in three ways: measurable quality, affordable care, and an excellent patient experience.

Data proves that high-quality care can drive down costs, improve outcomes and build healthier communities. In 2009, we were for the second year recognized by the Centers for Medicare and Medicaid Services Hospital Quality Incentive Demonstration Project as the best performing health care system in the country. We remain focused on our commitment to creating value and being good stewards of the community resources entrusted to us.



This past year, more than ever, the caregivers of Aurora rose to the challenge of these difficult economic times. By focusing first on our patients, we improved satisfaction scores across all points of contact. We enhanced our already best-in-class employee engagement and continued our legacy of innovation. From the opening of the Midwest's largest hyperbaric chamber, the biorepository, and the rooftop healing garden at Aurora St. Luke's

Medical Center, improving patient care was always our chief priority. With a relentless commitment to cost control, we also managed to keep our costs down and experienced one of our best financial years ever.

We believe we are well positioned to meet the challenges ahead of us regardless of the results of federal health care reform or the nation's economy. Our 2009 report provides a snapshot of our efforts.

Nick Turkal, MD  
President and CEO



## The value of integrated care

At Aurora, we believe that coordinated care is better care. Our integrated model provides value in three ways: measurable quality, affordability and the patient experience. Beginning with a family doctor or general practitioner, Aurora patients have access to a myriad of programs and services that are all working together on their behalf. Clinics, hospitals, pharmacies, lab and home care are all part of the model that is improving outcomes and building healthier communities.



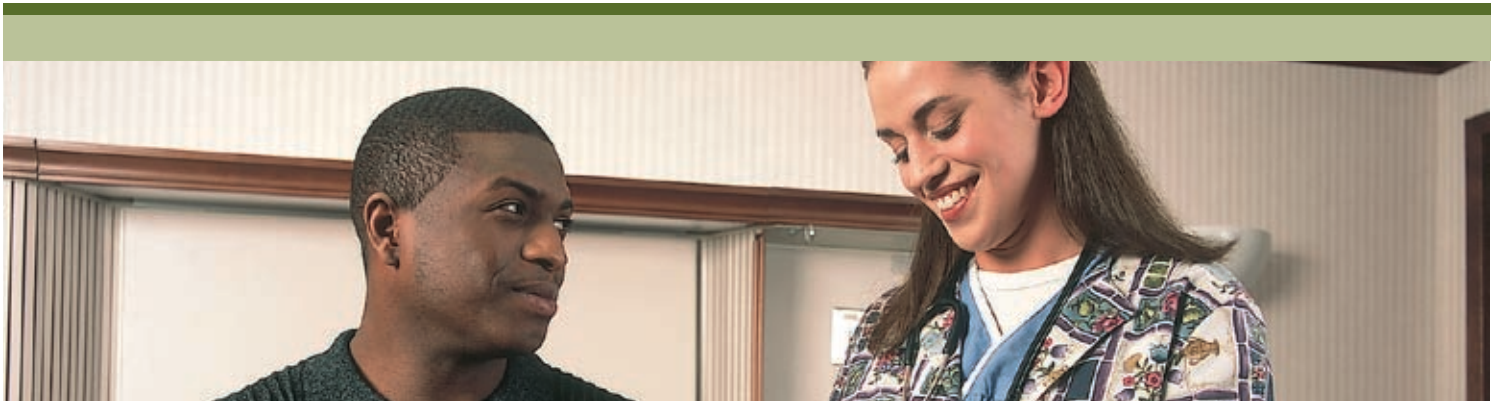
## Measurable quality

Providing high-quality patient care is the cornerstone of what we do. Our quality initiatives are continually measured and reported through national projects or agencies and compared to national standards.

One of the most significant quality studies we have been involved in is the Hospital Quality Incentive Demonstration (HQID) launched in October 2003 by the Premier health care alliance and the Centers for Medicare and Medicaid Services (CMS). The project is comprised of approximately 250 hospitals in 36 states. The first national project of its kind, the HQID project was designed to determine if economic incentives to hospitals are effective at improving the quality of inpatient care. All Aurora hospitals are participating in the study, and for the second year in a row, Aurora was **the top performing health care system in the U.S.** in 2009.

Four-year results have shown significantly improved quality among the study participants. Reductions in complications, mortality and length of stay have resulted in reduced health care costs of **\$1 billion among the 250 participants**. As the top performer in the country, Aurora has contributed significantly to these results.

Also in 2009, five Aurora hospitals were recognized by the QUEST: High-Performing Hospitals initiative. Aurora hospitals were top performers in this national quality and safety initiative, further evidencing the impact of our quality improvement efforts to save lives while reducing costs.



## The value of integrated care *continued*

### Affordable care and cost efficiency

Aurora Health Care is proud to be Milwaukee’s most cost-efficient health care provider.

In 2008, HCTrends released its first community-wide comparison of the cost-efficiency of hospital systems serving the Milwaukee metropolitan area. The analysis, conducted by The Benefit Services Group, looked at a variety of public and private resources to approximate the cost of receiving health care from each health system. The analysis measured how expensive and efficient a health system would be if it provided all of the health care in the Milwaukee area. Aurora Health Care continued to be the most efficient system, with an 11% better than the community average.

That efficiency is the result of hard work throughout our entire organization. By focusing on Care Management, our core philosophy of improving patient care through prevention, disease management and acute care, we are able to coordinate care across the health care spectrum.

In 2009, we analyzed 27 specific initiatives involving more than 750 Aurora physicians and documented the following impact.

**Lives benefited: 984,398    Deaths prevented: 1,443**

Initiative	Medical Expense Savings
Influenza vaccination for high-risk patients	\$18.4 million
Cholesterol management for coronary artery disease patients	\$ 4.2 million
Antibiotic treatment for pneumonia patients	\$ 7.1 million
Other	\$ 600,000
Total 2009 medical expense savings to the community	\$30.3 million
<b>10-year total medical expense savings to the community</b>	<b>\$229.5 million</b>

### The patient experience

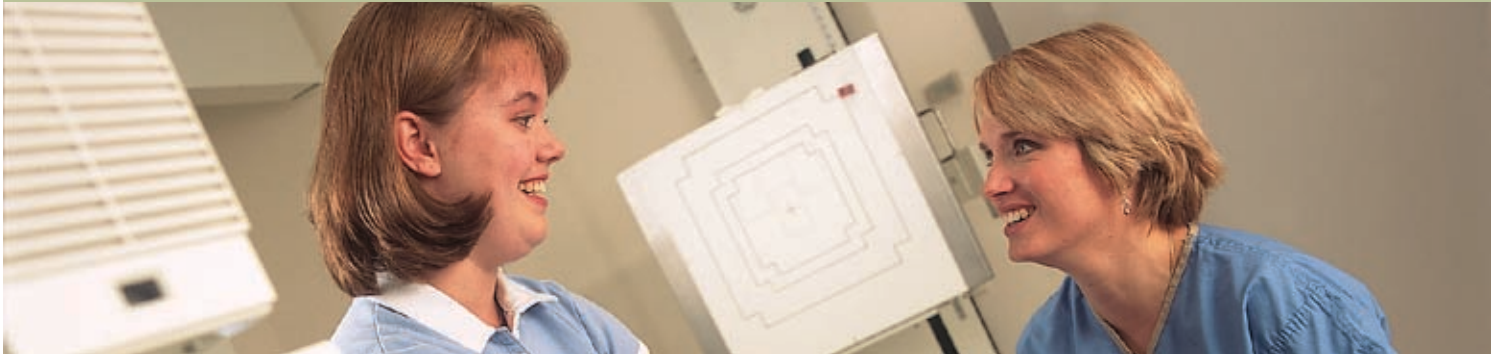
At Aurora we strive to give each patient care that is simplified, coordinated and personalized.

Even though much of this care is dictated by personal interaction, we know that in order to improve and always offer our patients more, we need to measure our results and change accordingly. We measure our patient satisfaction scores against other hospitals and sites within our own system, and with other health systems nationwide so we can get the widest view of what works.

As an integrated health care system, Aurora can offer patients unique care options. Our network of pharmacies, rehab centers and home care are all available if and when patients need them, and our caregivers know how to access these services for the patients. Electronic medical records make it easier than ever before for patients to travel between health care settings, needing only to worry about themselves rather than paperwork. And care coordinators help our patients set up and navigate appointments when time and diagnoses are critical.

These efforts have not gone unnoticed. Aurora Medical Group and Aurora Advanced Healthcare both enjoy patient loyalty results above 90% when patients are asked if they would recommend us to others. And, our satisfaction scores improved in every area we measure (inpatient, medical groups, home care and emergency department) in 2009.

Patients put their trust in us at very vulnerable times of their lives. We take that trust seriously and strive to provide not only outstanding clinical care, but integrated, seamless, personal care that patients would recommend to a friend.



## Aurora in the community

As a community-based, not-for-profit integrated health care system, we take seriously our responsibility to invest our resources and energies into understanding and responding to the diverse health care needs within our communities.

As the leading not-for-profit health care provider in eastern Wisconsin, we recognize our role in addressing concerns about the accessibility and affordability of health care. We also recognize that we are accountable to our patients and communities, and that our initiatives to support our communities must be cost-effective, stretch-limited financial resources, and fit our role as a not-for-profit organization. To help local health departments focus their resources on areas of greatest need and enable us to align our outreach partnerships with them, we underwrite an annual community health needs assessment. View the report at [www.Aurora.org/CommHealth](http://www.Aurora.org/CommHealth).



### Aurora is not-for-profit

Aurora Health Care is a not-for-profit charitable organization. All revenues in excess of expenses are reinvested in improving health care services.

### Community outreach

Every year, Aurora provides without charge, a variety of services in communities throughout eastern Wisconsin.

### Community benefits programs

Community health education and outreach	\$3,362,237
Transportation for indigent patients	\$364,308
In-kind services and sponsorships	\$6,555,251
Counseling	\$1,071,842
Free clinics	\$5,951,703
Health screenings and immunizations	\$1,059,758
Support groups and self help	\$272,022
Health professional education	\$13,725,988
<b>Total community benefits programs</b>	<b>\$32,363,109</b>



## 2009 awards and recognition

Aurora Health Care continues to be recognized by local and national organizations for providing high-quality care, lowering costs and improving the patient experience. From “most wired” to “best hospitals” and “best performing

health care system in the nation,” the recognition is a reflection of our commitment to serving patients and communities throughout eastern Wisconsin and northern Illinois.



### **Top Performing Health System in the Nation**

Aurora Health Care  
CMS, Premier Quality Initiative

### **Top Performing Hospital in the Nation**

Aurora BayCare Medical Center  
CMS, Premier Quality Initiative

### **Four “Top Performer” Awards**

Aurora Sheboygan Memorial Medical Center  
CMS, Premier Quality Initiative

### **Top Performer in Quality**

Aurora Medical Center in Washington County  
Aurora Lakeland Medical Center  
CMS, Premier Quality Initiative



### **Top Hospitals**

Aurora West Allis Medical Center  
Aurora Sheboygan Memorial Medical Center  
Thomson Reuters 100 Top Hospitals

### **Everest Award**

Aurora West Allis Medical Center  
Aurora Sheboygan Memorial Medical Center  
Thomson Reuters Award for National Benchmarks

### **5 Years Consistent Improvement**

Aurora Medical Center in Manitowoc County  
Thomson Reuters 100 Top Hospitals



### **Quest Year One Top Performer**

Aurora Medical Center in Kenosha  
Aurora Medical Center in Oshkosh  
Aurora St. Luke’s Medical Center  
Aurora St. Luke’s South Shore Medical Center  
Aurora Sheboygan Memorial Medical Center  
Premier Healthcare Alliance

### **Most Cost-Efficient Health System in the Milwaukee Area**

Aurora Health Care  
The Benefit Services Group



### **Most Wired**

Aurora Health Care  
Hospitals & Health Networks Magazine



### **Top Milwaukee Workplace Award**

Aurora Health Care  
Milwaukee Business Journal

### **“A-Category” Bond Ratings**

Aurora Health Care  
Fitch Ratings – Moody’s Rating

### **Outstanding Wellness Programs**

Aurora Health Care  
The Wellness Councils of America

### **Excellence in Healthcare Collaboration**

Aurora Health Care  
St. Croix System

### **Energy Saving Green Efforts**

Aurora Health Care  
American Medical News

### **Top Security Services**

Aurora Health Care Loss Prevention  
2008 Security 500

### **38th in Geriatric Care**

Aurora St. Luke’s Medical Center  
US News & World Report

### **50th in Digestive Disorders**

Aurora St. Luke’s Medical Center  
US News & World Report

### **Nation’s First Emergency Center of Excellence**

Aurora BayCare Medical Center  
Emergency Excellence



## 2009 awards and recognition *continued*

### **Wisconsin's Only Certified Hip & Knee Program**

Aurora Medical Center  
in Manitowoc County  
*The Joint Commission*

### **Top Hospital to Work For**

Aurora St. Luke's Medical Center  
*Nursing Professionals Magazine*

### **Best Hospital**

Aurora St. Luke's Medical Center  
*Consumers' Checkbook*

### **Top-ranked Hospital**

Aurora St. Luke's Medical Center  
*AARP Magazine*

### **Organ Donation Medal of Honor**

Aurora St. Luke's Medical Center  
*U.S. Department of Health and Human Services*

### **Governor's "Gift of Life" Medal**

Aurora BayCare Medical Center  
*State of Wisconsin*  
Governor Jim Doyle

### **Bariatric Center of Excellence**

Aurora Sinai Medical Center  
*American Society for Metabolic and Bariatric Surgery*

### **Level III Trauma Certification**

Aurora Medical Center  
in Washington County  
*State of Wisconsin Department of Health Services*

### **Supporting of Our Military**

Aurora Health Care  
Aurora Medical Center in Kenosha  
Aurora Health Center –  
22nd Avenue, Kenosha  
*National Guard & Reserve Statement of Support*

### **Excellence for Clinical Trial Participation**

Vince Lombardi Cancer Clinic  
in Sheboygan  
*National Cancer Institute*

### **Commitment to the Community**

Aurora West Allis Medical Center  
*City of West Allis Community Partnership Award*

### **Outstanding Community Commitment**

Aurora Behavioral Health Services  
*Grand Avenue Club – Corporate Honoree*

### **Recognition for Delivering Patient-centered Care**

Aurora Health Center in Plymouth  
*National Committee for Quality Assurance*

### **Nationally Accredited Breast Centers**

Aurora BayCare Medical Center –  
*First Site Wisconsin*  
Aurora Medical Center in Oshkosh  
Aurora Memorial Hospital of Burlington  
Aurora St. Luke's Medical Center  
Aurora Sinai Medical Center  
Aurora West Allis Medical Center  
*National Accreditation Program for Breast Centers*

### **Magnet-Recognized Nursing Program**

Aurora St. Luke's Medical Center  
Aurora St. Luke's South Shore  
Aurora Sinai Medical Center  
Aurora West Allis Medical Center  
*Magnet Designation – American Nurses Credentialing Center*

### **Outstanding Cancer Programs**

Aurora BayCare Medical Center  
Aurora Medical Center in Kenosha  
Aurora Lakeland Medical Center  
Aurora Medical Center in Manitowoc  
Aurora Medical Center in Oshkosh  
Aurora Memorial Hospital of Burlington  
Aurora West Allis Medical Center  
*American College of Surgeons Commission on Cancer*

### **Excellence in Stroke Care**

Aurora BayCare Medical Center  
Aurora Medical Center in Kenosha  
Aurora Medical Center in Manitowoc County  
Aurora Sheboygan Memorial Medical Center  
Aurora West Allis Medical Center  
*The Joint Commission*

### **High Standards in Cardiac or Stroke Care**

Aurora BayCare Medical Center  
Aurora St. Luke's Medical Center  
Aurora Sinai Medical Center  
*American Health Association*



### **Improved Patient Loyalty**

Aurora Lakeland Medical Center –  
Ambulatory Surgery  
Aurora Medical Center in Oshkosh –  
Emergency Department  
Aurora Medical Center in Washington County –  
Emergency Department  
Aurora Medical Center in Washington County –  
Inpatient  
Aurora Medical Center in Washington County –  
Outpatient  
Aurora Medical Center in Washington County –  
Ambulatory Surgery  
Aurora Memorial Hospital of Burlington  
Aurora Sheboygan Memorial Medical Center –  
Ambulatory Surgery  
Aurora Health Center in Delafield  
Aurora Health Center in Watertown  
Aurora Medical Group  
Aurora UW Medical Group  
Aurora Advanced Healthcare  
*Press Ganey*

### **Journey of Improvement Award for Patient Satisfaction**

Aurora Psychiatric Hospital  
Aurora St. Luke's South Shore  
Aurora Sheboygan Memorial Medical Center  
The Dewey Residential Facility  
*Press Ganey*



## Aurora at a glance

Below is a brief statistical overview of Aurora Health Care.

### Care Management impact

Aurora Health Care is a national leader in developing and implementing best practices in clinical improvement and disease management. In 2009, Aurora's efforts documented the following impact:

Lives benefited	984,398
Deaths prevented	1,443

### Medical expense savings for patients, employers and other payers

Influenza vaccination for high-risk patients	\$18.4 million
Cholesterol management for coronary artery disease patients	\$4.2 million
Antibiotic treatment for pneumonia patients	\$7.1 million
Other	\$600,000
<b>Total medical expense savings for the communities Aurora serves</b>	<b>\$30.3 million</b>

### The people of Aurora Health Care

Total employees	29,642
Registered nurses	6,021
Physicians on staff	3,067
Residents and fellows	146

### Charity care

Aurora provides a large amount of charity care for people who are uninsured or are otherwise unable to pay for the care they need. In 2009, Aurora's costs for providing this care totaled \$25,066,000. The General Assistance Medical Program ended December 31, 2008.

Charity care charges	\$65,332,000
Charity care costs	\$25,066,000

### Other unreimbursed care

Bad debt	\$161,894,000
----------	---------------

### Service statistics

Inpatient discharges	91,960
Inpatient days – Adult	407,407
Length of stay (days)	4.43
Births/Deliveries	12,322
Surgical procedures	95,260
Ambulatory care visits	3,829,628
Emergency care visits	239,401
Hospital outpatient visits	1,364,561
Home care nursing visits	260,597
Family service visits	68,026
Hospice benefit days	88,037
Home-delivered meals	364,472
Retail pharmacy prescriptions	5,013,517



## Financial summary

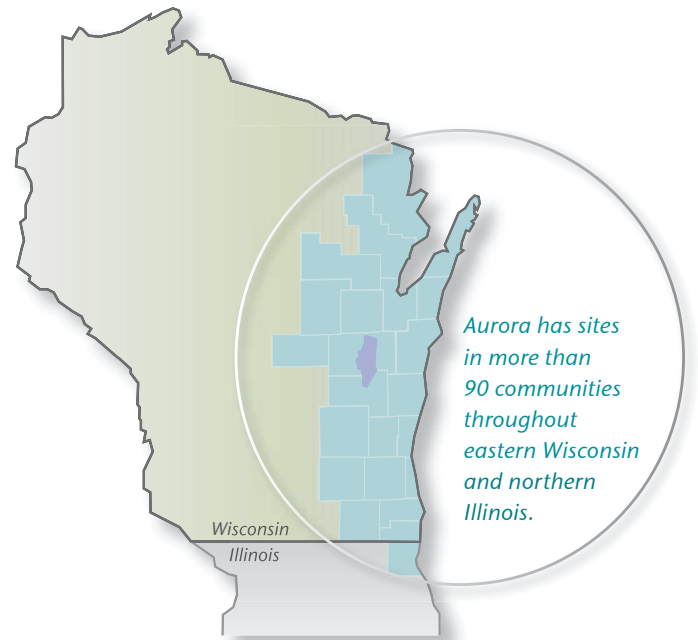
Aurora's total net services revenue grew from \$3.1 billion in 2008 to \$3.6 billion in 2009. Revenue from inpatient services rose 12.7% while revenue from outpatient hospital visits and visits to clinics rose 15.2%.

### Sources of funds

Inpatient service	\$1,230,641,123
Outpatient & ambulatory services	\$2,342,909,900
Other services	\$453,576,000
<b>Total net services revenue</b>	<b>\$4,027,127,023</b>
Other sources	\$180,134,836
<b>Total</b>	<b>\$4,207,261,859</b>

### Uses of funds

Salaries, fees and fringe benefits	\$2,145,803,000
Supplies	\$768,613,000
Net building, equipment and working capital	\$297,256,120
Maintenance, rental, insurance, utilities and other business expenses	\$853,217,000
Other payments	\$142,372,739
<b>Total</b>	<b>\$4,207,261,859</b>





To view the complete 2009 annual report, including video segments, visit us at [www.Aurora.org/AnnualReport](http://www.Aurora.org/AnnualReport)

*Aurora Health Care is a not-for-profit health care provider and a national leader in efforts to improve the quality of health care.*

3000 W. Montana Street  
Milwaukee, WI 53215

[www.AuroraHealthCare.org](http://www.AuroraHealthCare.org)

