

Denver Health

2009



Annual Report

Denver Health receives Colorado Performance Excellence Award

In 2009, Denver Health once again was recognized for its outstanding commitment to high quality health care and its leadership in the health care field. The prestigious Colorado Performance Excellence (CPEX) “Timberline” Award for continuous performance improvement – the highest CPEX award granted in 2009 – was presented to Denver Health.

CPEX is a statewide nonprofit that helps organizations improve performance and achieve results. The Colorado Performance Excellence program honors organizations of all types, not just health care, that are seeking performance excellence based on the Baldrige National Quality Award criteria.

“Quality in patient care and continuous quality improvement are our most important focus,” said Patricia Gabow, M.D., CEO.

“Winning this award has been not just a reason for celebration but also strong motivation for pushing our quality agenda forward with even greater energy and enthusiasm.”

The criteria for performance excellence for both CPEX and the national Baldrige program focus on leadership; strategic planning; customer and market focus; measurement, analysis and knowledge management; work force development and management; process management; and organizational performance results.

The Colorado Performance Excellence Award recognizes an organization’s sustained approaches and widespread deployment to performance excellence and the resulting bottom-line results realized by the organization.



Of the 107 hospitals in the University HealthSystem Consortium (UHC) database, Denver Health is one of the highest ranking academic hospitals with regard to patient safety and quality.

Another Turning Point for Denver Health

The year 2009 was an exciting one, and another turning point in Denver Health's long history of service to Denver, Colorado and the Rocky Mountain region. In the face of the deepest financial recession in decades, we kept our heads above water financially even as thousands of newly uninsured patients crossed our doorstep. Our ability to survive was partly due to major strides in our LEAN initiative, which at the end of 2009 had provided \$42 million in financial benefit to the organization in four years.

During 2009, while we celebrated the many achievements and awards that you will read about in this annual report, we remained true to our commitment to care for the underserved. This commitment placed huge demands on Denver Health's facilities and staff throughout 2009, as each month throughout the year more than 1,600 new uninsured patients sought services, bringing the tally of charges for uninsured care up to more than \$30 million a month.

Most of these new patients were among the 50,000 metropolitan Denver citizens who had lost their jobs, and thus their health insurance. They turned to Denver Health when they needed medical care. Uncompensated care was \$362 million in 2009, up from \$318 million in 2008.

A good deal of credit for our success in remaining financially viable this year goes to our LEAN initiative, which, through process improvement efforts, has reduced waste in every corner of our health care delivery system. Using the principles of LEAN, employees throughout the enterprise joined together in three to five cross-departmental groups twice each month, and focused attention on specific areas in which waste can be removed. In 2009, the initiative gained significant momentum, and \$24 million of the \$42 million total financial benefit occurred in this year alone.

One significant source of pride emanating from our transformation project is our unique development of an internal corps of LEAN Black Belt experts – the only one of its kind in the nation. We have trained 200 employees, from surgeons to mid-level managers, in the principles of LEAN. They then look to reduce waste every day in their departments. Black Belt projects accounted for \$8.8 million of the total \$42 million in financial benefit.

I am pleased to send you this report on Denver Health, our achievements in 2009, and the role we play in changing the face of health care.



Patricia A. Gabow, M.D., CEO

Patricia A. Gabow, M.D.
Chief Executive Officer



A Leader in National Health Care Reform

Throughout 2009, as the health care debate raged on, Denver Health was quietly serving as a model for the nation, an example of how to deliver high quality health care efficiently and effectively, touching millions of lives every year.

Patricia A. Gabow, M.D., CEO, conveyed the accomplishments of the integrated organization and its effective delivery system in and out of the halls of Congress during the year-long debate.

Dr. Gabow also had the opportunity to testify before Congress, extolling the virtues of an integrated health care delivery model. Here are excerpts from Dr. Gabow's testimony before members of the House Committee on Energy and Commerce, which has jurisdiction over Medicaid issues:

"...as a safety net physician leader, I see every day that America is failing to meet people's health care needs in a coordinated, high quality, low cost way. The number of uninsured at our door and the cost for their care increases every year. In 2007 our uninsured care was \$275 million; last year it was \$318 million and is projected to be \$360 million this year. This is not sustainable. Moreover, not every American city has a Denver Health. As a doctor, I ask myself: Why should where you live in America determine if you live?"

"We support your goal to ensure affordable, quality health care for all. . .Costs can be reduced by developing integrated systems that get patients to the right place, at the right time, with the right level of care, with the right provider and the right financial

incentives. . . . Integrated systems are cost efficient. Our charges per Medicaid admission are thirty percent below our peer hospitals.

"As a public entity, we believe in the power of the public sector to meet the needs not only of those patients on public programs but also private patients. We are the major Medicaid provider for our state but our HMO also serves private patients—including Denver's mayors. We and other safety net systems would welcome the opportunity to continue to be a plan of choice.

"In summary, as a physician and a CEO of a public safety net system, I urge you to continue this effort to substantially reform our delivery system, our payment model, and to provide care to all Americans. Our current system cannot and should not be sustained. America deserves better."

Throughout the year, Denver Health was highlighted for the quality of care it provides, as well as for its educational role in teaching other health care organizations how an integrated health care delivery system can be a model for the nation, especially when it comes to health care reform.

Denver Health continues to be a part of the national discussion on health care. At the end of December, Gene L. Dodaro, Acting Comptroller General of the United States and head of the U.S. Government Accountability Office (GAO), announced the appointment of Dr. Gabow, one of 17 members, to the new Medicaid and CHIP Payment and Access Commission (MACPAC).



50 Years in Medicine

A product of tiny Sheldon, Wisconsin, population 199, Dr. William Brown first came to Denver Health as an intern in 1959.

He completed his residency at the Veterans Administration Hospital (VA) and the University of Colorado School of Medicine, followed by a fellowship in Gastroenterology.

With the exception of a few years working out of state and studying at the University of Singapore's International Center for Medical Research and Training, Dr. Brown has spent his entire career practicing medicine in Colorado — at Denver Health, the VA and the University of Colorado Hospital.

“I like teaching and I like the diversity of patients,” he said.

Brown has seen and experienced many changes during his 50 years in medicine, some good, and some not so good.

On health care reform he says, “There still is no adequate system for care. Our system is inadequate, costly and fragmented. The problem is too much

paperwork, different tests and medical records. We need to be much better at preventive medicine.

“Medicine is technologically advanced, which enables us to do our job better. At Denver Health, the biggest change has been in the buildings and the technology. No more open wards. We now have all private patient rooms. Also, we're very technologically advanced. Before we looked at the colon through a long pipe which was not very comfortable for the patient; now we have technology to look at all angles of the colon with very little, if any, discomfort.

“It's easy to mark things off a list and enter information into a computer, but, just like 50 years ago, the most important thing is listening to the patient and having that one-on-one contact. A simple conversation can often provide answers without costly drugs or studies.

“I'm still here practicing medicine because it is intellectually stimulating, I enjoy my patients, and I enjoy teaching. That is what keeps me going.”



Leading the Way Through the H1N1 Pandemic

Spring 2009 brought increased national vigilance around a new strain of flu called H1N1, the outbreak of which the Centers for Disease Control and Prevention eventually elevated to the status of pandemic.

Denver Public Health (DPH) and Denver Health Department of Infectious Diseases were on the vanguard, informing the public about the importance of prevention, treatment and control. Numerous media appearances by Denver Public Health's Director Chris Urbina, M.D., and Denver Health's Director of Infection Control Connie Price, M.D., put Denver Health in the spotlight and reinforced its role as a national leader.

"It was crucial that DPH, in conjunction with Denver Health physicians, work closely with state health officials to inform the public about both seasonal and H1N1 virus," said Urbina. "Our common goal is to serve as the public's watchdog to protect the public's health."

Denver Health, DPH and the Colorado Department of Public Health and Environment collaborated throughout the H1N1 pandemic in communicating the importance of prevention.

"Because of our integrated system, we had a unique opportunity to take the lead on H1N1 for many in the Denver area and across the state," said Price. "As soon as we heard of the outbreak in Mexico, we began monitoring and preparing as a coordinated group representing all areas of the Denver Health system. This afforded us the opportunity to be two steps ahead throughout both waves of the pandemic."

As summer began and the seasons changed to colder weather in South America, the H1N1 virus began to spread around the globe. DPH remained on alert as the virus, which persisted in some sections of the country, was expected to be more widespread and return in

greater force across North America in the fall.

Plans to address how best to inform the public about preventing the flu and H1N1 continued throughout the summer, and, as fall arrived, DPH launched a media blitz to deliver awareness and prevention messages. This included a series of appearances on morning television news shows in which a DPH nurse gave the news anchors seasonal flu shots while Dr. Urbina reinforced awareness and prevention.

Meanwhile the CDC was working on a vaccine that would be available free of charge to the general public. However, public health departments were charged with dispensing the vaccine, and distribution (a new role for DPH).

"We had a new charge from the CDC and CDPHE – to work closely with our partners in the health care community to ensure that those who wanted it had access to the H1N1 vaccine. This was a new role for us," explained Urbina.

DPH had the responsibility for ensuring that limited amounts of early vaccine were directed to priority groups. The process of tracking and distributing this limited supply allowed DPH to establish important partnerships with more than 200 different health care providers throughout Denver.

Partnering with Denver Environmental Health, DPH held public H1N1 vaccination clinics in late fall, immunizing thousands of children and adults against H1N1.

"We had a charge and it was our duty to fulfill it," said Urbina. "I think everyone – our 200 plus community partners, Denver Environmental Health and the staff of DPH and Denver Health – pulled together, placing the health of our community first and foremost, and ensuring that the prevention message, along with the vaccine, got to those most in need."



**16,602 doses of
H1N1 vaccine**

**56,719 doses
of Seasonal
Flu vaccine**

**228,048 doses of
all vaccine types**

**35,659 COHelp
Line calls**

A Coordinated Response

The Denver Center for Public Health Preparedness works with Denver Public Health, Denver Health and the entire Denver community to effectively and efficiently plan for, and respond to, public health emergencies, large scale events and disasters.

The entire Denver Health response to the H1N1 pandemic, which spanned more than eight months, was led by Drs. Connie Price from the Denver Health Infection Control Department, and Chris Urbina from Denver Public Health. Thanks to the assistance of hundreds of employees from across the Denver Health system including those who work in the hospital, DPH, Community Health, the Pharmacy, the Laboratory, the Center for Occupational Safety and Health, Respiratory, the Denver Health Paramedic Division and even those in Denver Environmental Health, the health of Denver's neighborhoods and communities was never in danger.

The Denver Center for Public Health Preparedness was instrumental in bringing together partners to plan and carry out numerous H1N1 and seasonal flu vaccination clinics in which more than 3,000 children and adults

received these important vaccines. The logistics behind planning and executing the mass vaccination flu clinics for the public was an arduous task, involving meticulous coordination among hospital and city agencies including Denver Health, Denver Public Health, Denver Environmental Health, Denver Health Paramedic Division and the Denver Police Department as well as several community partners and neighborhood associations.

“In Denver we are very lucky that we have a close knit community that we can call upon when needed,” said Urbina. “With these H1N1 mass vaccination clinics, we saw groups from every facet of our community pull together to ensure that our citizens were receiving the information and care that they needed.”

In addition to the clinics hosted by Denver Health, more than 110,000 vaccines were allocated through partnerships the Denver Public Health department established with hundreds of health care providers throughout the City and County of Denver.



Photo courtesy Danny Kirsic Images.

Thankful for the Expertise Found at Denver Health

While eagerly preparing for a hunting expedition in Alaska, Tred Barta, famed hunter and long-bow aficionado, felt numbness in his left leg. He tried to walk but had difficulty doing so. His wife was out of town and he was alone.

Barta made his way to the garage and was able to get in his car and drive to his doctor's office in Vail. Enroute, he had difficulty driving and had to pull off the road. Eventually he made the drive to Vail from Eagle, and by the time he reached his doctor's office the numbness spread to both legs and he couldn't walk.

His doctor took him to Vail Valley Medical Center's emergency department, where he was put into an ambulance and rushed to Denver Health.

"The doctors in Vail told me the best place for me to get the expert care needed to figure out what was going on was Denver Health," said Barta.

By the time Barta arrived in Denver he was completely numb below the waist.

Mike Earnest, M.D., a retired Denver Health neurologist who happened to be helping out as an attending physician that fateful Sunday afternoon, met Barta

upon his arrival at Denver Health. After numerous examinations, consultations and tests it was determined that Barta suffered a stroke in his spinal column.

"I could be one of the luckiest men alive," said Barta. "I had my stroke on a day when one of the best, most experienced neurologists came back to the hospital from retirement to help out."

Miraculously, Dr. Earnest was able to quickly pinpoint the problem and reduce the spread of the paralysis which enabled Barta to immediately begin the rehabilitation process.

Barta has returned to his ranch in Eagle, and continues as host of one of the most popular hunting and fishing television shows, "The Best and Worst of Tred Barta." This show, which is seen by more than 41 million viewers on the Versus channel, aired a special segment highlighting Barta's care at Denver Health.

"Today, I am learning how to do things without the use of my legs. I am hunting, fishing, horseback riding, and still producing my TV show," said Barta. "I am grateful that I met Dr. Earnest, and thankful to him and all the people at Denver Health who helped me in my time of need."

1,772 Trauma Patients
112,958 Emergency and Urgent Care Visits
83,187 Paramedic Calls for Emergency Medical Assistance



U.S. Army Calls on Denver Health for Experts

Throughout history, the U.S. military has called upon the expertise of Denver Health staff to assist in times of war.

Ernest “Gene” Moore, M.D., chief, Trauma and Surgery Services, recently was called upon to share his skills with Army doctors in providing care for wounded soldiers. Dr. Moore spent time at the U.S. Army’s Landstuhl, Germany base where he and military surgeons shared techniques on how best to care for injured soldiers. Moore is the most cited academic trauma surgeon in the world, and his expertise is highly sought after.

In 2009, Behavioral Health Services Director Robert House, M.D., and Lynette Moore, RN, a nurse practitioner in Behavioral Health, were called to active duty in Iraq. Both are members of the U.S. Army Reserve’s 1835 Medical Detachment. This was the third deployment for Dr. House, and a total of 12 months overseas since the start of the Iraq War.

In addition, Lynette Moore went to Ft. Hood to help with those who were affected by the November mass shooting.

While stationed abroad, both House and Moore made observations of their tours of duty:

“There is little color on the base, mainly a tan colored dust everywhere. Every building is surrounded by 8 - 12 feet high concrete walls for safety. We are near the Tigris River so outside the wire it is fairly green.”

“The nickname of this base is ‘Mortaritaville’ because of the mortar rounds that are fired at us. The good news is that most are duds and the others miss.”

“Travel is safest by helicopter; driving is a little more of a challenge. One only drives as a part of a convoy. The trucks that do ‘route clearance,’ i.e., look for improvised explosive devices and other weapons, are amazing, as are the soldiers who do this work.”

— Robert House, M.D., Colonel, U.S. Army Reserve

“No doubt Denver Health prepared me well for what I would be dealing with in a war zone. The stressors that our soldiers experience while deployed include a lot of family issues – marital problems, custody, financial crisis, family illness, etc. These problems are compounded by combat issues.”

“The soldiers who come to Combat Stress often have been involved in gunfire, rocket blasts, mortars or seeing friends wounded or killed. When they show up at Combat Stress they are often at their limit of stress management.”

“We are seeing many soldiers who are on their second, third, and fourth deployments. The Iraq war has been ongoing since 2003 and numerous soldiers have spent less than a year at home before returning to Iraq or Afghanistan.”

— Lt. Lynette Moore, RN

Denver Health Employees Called to Active Duty Since 2001

Ann Andis, RN • Brian Benis • Tanya Cannon, RN • Mark Chandler, M.D.

Anthony Dwyer, M.D. • LaVonna Heath, RN • Robert House, M.D.

Lynette Moore, RN • Samnang Prark • Noel Rieder, RN • Guadalupe Sojo

Gregory Thress • Wally Warner, Paramedic • Lashanda Weston • Fatima Young, RN



Providing a Medical Home

The health care reform debate has brought the need for health information technology (HIT) to the forefront. Once again, Denver Health is a leader in HIT for the nation.

The need for a medical home for patients has been identified as key to the success of health care reform. Denver Health is a medical home for thousands of individuals.

In 2009, Denver Health's Community Health Services was chosen to participate in a special project conducted by The Commonwealth Fund, Qualis Health and the MacColl Institute for Healthcare Innovation. Denver Health was selected to share and teach primary care safety-net practices because it is a high-performing, patient-centered medical home for thousands.

The project will use Denver Health as a model for the provision of primary care for children, adolescents and adults at a health center or other health care facility, thereby fostering a partnership between the patient and his/her health care provider.

Denver Health's eight community health centers, and 12 school-based health centers are prime examples of providers and patients maintaining a strong, coordinated health care relationship in an integrated system.

Denver Health is the perfect place for the medical home initiative, as its integrated system offers patients coordinated care and access to many clinical areas not found within a stand-alone hospital or health care system.

Denver Health providers strive to make their patients partners in their care in order to improve their overall health.

The medical home project's goal is to help clinics across the nation to become models of excellence and help create policy changes by benchmarking the efficiencies and patient experiences that can be replicated.



Patient Visits

40,315 at *Gipson Eastside Family Health Center*

20,806 at *La Casa-Quigg Newton Family Health Center*

20,868 at *Lowry Family Health Center*

12,216 at *Montbello Family Health Center*

13,971 at *Park Hill Family Health Center*

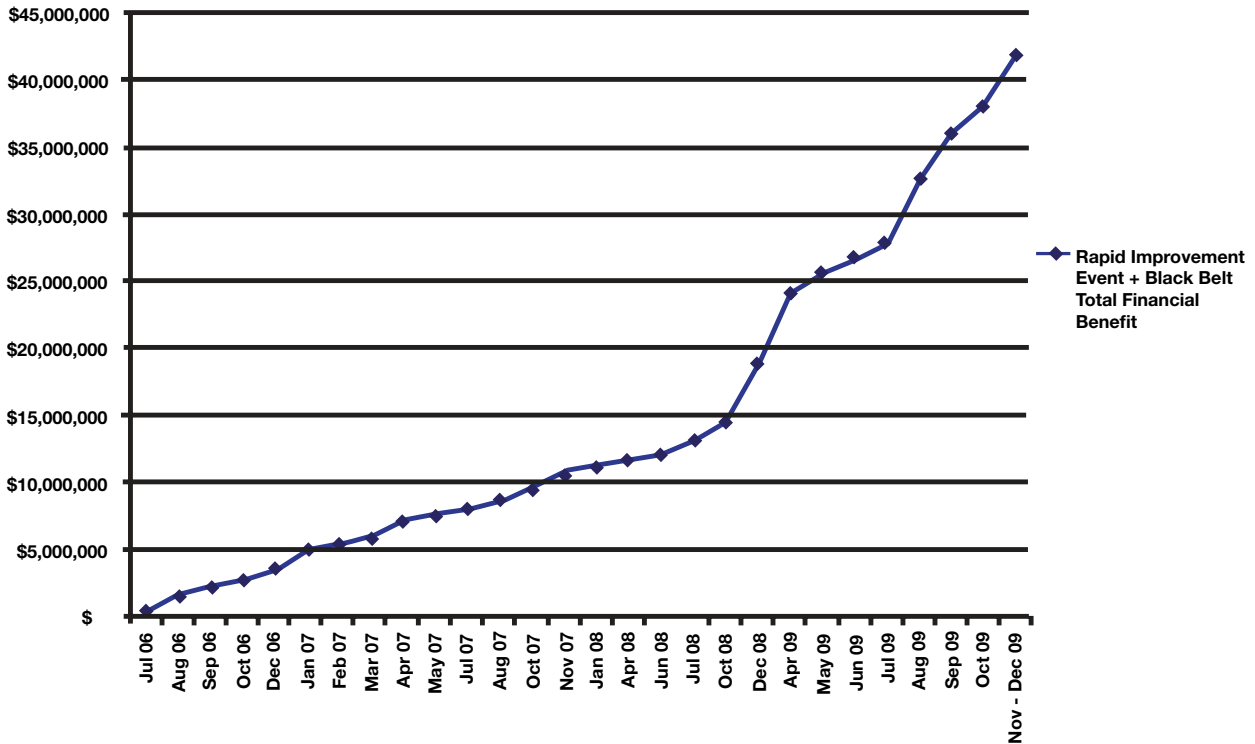
52,786 at *Wellington E. Webb Center for Primary Care*

57,564 at *Sandos Westside Family Health Center*

13,311 at *Westwood Family Health Center*



Rapid Improvement Event + Black Belt Combined Total Financial Benefit



Changing the Delivery of Health Care

Denver Health received a great deal of national and local attention in 2009 because of its innovative project aimed at improving efficiency through reduction of waste. As the nation watched the changing face of health care in action, Denver Health persisted in applying the principles of “LEAN” to reduce waste throughout the entire system.

June marked the fourth anniversary of the first Rapid Improvement Events (RIEs), a key component of LEAN activity, at Denver Health. Those first RIEs were the beginning of a journey that has gradually been transforming the culture of Denver Health.

By the end of 2009, Denver Health had garnered \$42 million in financial benefit for the organization, a

cumulative total since the inception of the first exercise in 2005. Demonstrating the momentum achieved, a full \$24 million of that occurred in 2009.

Denver Health is the only hospital in the U.S. that has intensively trained more than 200 employees in LEAN processes so that waste-reduction activities can occur in every department on a daily basis. These employees include doctors, nurses, administrators and are called “Black Belts,” and their contribution alone accounts for more than \$8.8 million of the \$42 million.

The achievements of Denver Health in cutting costs and streamlining processes will continue into 2010 and subsequent years, and will expand to include savings of space within facilities.

LEAN Areas of Focus for Denver Health

- Access to Care
- Behavioral Health Services
- Clinical Processes
- Emergency and Urgent Care Services
- Human Resources
- Information Technology
- Managed Care Services
- OB/GYN
- Operating Room Services
- Paramedic Division
- Pharmacy Processes
- Revenue Enhancement
- Rocky Mountain Poison and Drug Center
- Supply Chain Management

2009 Denver Health Awards and Accomplishments

STARs

In 2009, Denver Health presented **2,382 STAR (Special Treatment and Action Reward) awards** to 1,626 employees for their commitment to patients, visitors and co-workers, as demonstrated in specific actions that illustrate Denver Health Dozen standards of behavior. Each award is \$50, the total distributed in 2009 was \$185,116.14. Employees from every division, department and discipline received STAR awards, including doctors, nurses, technicians, professionals and hourly employees.

TEAMs

In 2009, several teams of employees came together to ensure that Denver Health operates at peak performance by implementing cost-effective LEAN processes. Because of these successful cost saving process changes, each team shared in the financial benefit. **More than \$75,000 was awarded to members of 29 teams and a total of 355 employees.**

Beginnings

The new **Park Hill Family Health Center at Dahlia Square** opened January 23. The new facility features more patient care areas than the previous clinic, includes ample parking, and is close to several RTD bus lines.

The newly renovated **Good Day Café** opened in May. The kitchen and serving area has expanded to nearly 24,000-square-feet, and includes a 350-seat dining room. It was the first major renovation of the cafeteria since the hospital opened in 1970.

Milestones

Colorado **Governor Bill Ritter** held a news conference at Denver Health to announce the Colorado Healthcare Affordability Act, which would

allow Colorado to leverage state funds to draw down additional federal funds for coverage of more than 100,000 uninsured Coloradans. The proposal also would help stem the rising cost of health insurance for businesses and families by addressing cost-shifting, one of the key drivers of rising costs, without increasing the burden on taxpayers.

U.S. Rep. Diana DeGette hosted a public Congressional Health Care Forum at Denver Health in June, that included questions and remarks from small businesses, nurses, health care administrators, consumers and foundations.

U.S. Senator Michael Bennet held a roundtable discussion with Denver Health physicians, nurses and administrators in August, to gain insight on the health care reform debate.

Former **U.S. Senator Gary Hart**, vice chair of a new group advising Janet Napolitano, Secretary, Homeland Security, spoke to a crowd of Denver Health employees and board members June 30 about preparedness and homeland security.

Denver Health's **Center for Complex Fractures and Limb Restoration (Cfx)** was selected as one of only 12 clinical centers in the U.S. to participate in a newly established Extremity Trauma Clinical Research Consortium funded by the Department of Defense.

Arthur Davidson, M.D., Denver Public Health, was appointed to a two-year term on the Health Information Technology Policy Committee, part of the U.S. Government Accountability Office. The Committee is a new advisory body established by the American Recovery and Reinvestment Act to make recommendations on creating a policy framework for the development and adoption of a nationwide health information technology infrastructure, including standards for the exchange of patient medical information.

Special VIP Visitors

Melanie Bella, Senior Vice President for Policy and Operations, Center for Health Care Strategies

Janet Corrigan, Ph.D., President and CEO, The National Quality Forum

Suzan Dentzer, Editor-in-Chief, Health Affairs

Lynn Etheredge, Health Consultant, Rapid Learning Project, George Washington University

Len Nichols, Ph.D., Director, Center for Health Policy Research and Ethics, George Mason University

Margaret O'Kane, President, National Committee for Quality Assurance

Nick Wolter, M.D., CEO, Billings Clinic, Montana

The Colorado Department of Public Health and Environment and the National Association of County and City Health Officials recognized **Denver Public Health (DPH)** for its ability to respond to public health emergencies. DPH is one of only four health departments in Colorado to receive this recognition.

Denver Public Health and Denver Environmental Health released “The Report on the Health Status,” a summary on the health status of Denver residents. The report covers obesity, cardiovascular disease, diabetes, tobacco use, cancer, substance abuse, mental health, maternal and child health, responsible sexual behavior, injury and violence prevention, environmental quality, immunization rates, and access to health care. The executive summary and full report is available on Denver Health’s Web site at www.denverhealth.org.

Denver Health’s **eHealth Services** was named as an Electronic Medical Record Adoption Model Stage Five Hospital by the Healthcare Information and Management System Society. Stage Five hospitals have accomplished a significant milestone in clinical application implementations integrated with bar coding and/or radio frequency identification (RFID) technologies to dramatically improve patient safety.

Paul Limberis, RPh, served as the 2009 president of the State Board of Pharmacy.

Governor Bill Ritter appointed **Philip Mehler, M.D., CEDS**, to the Colorado State Board of Health, a nine-member board that adopts, and/or revises standards, rules and regulations to administer the state’s public health laws.

Governor Bill Ritter appointed **Paul Melinkovich, M.D.**, Director, Community Health Services, to serve as one of 22 Coloradans on the new Center for Improving Value in Health Care Steering Committee. The multi-disciplinary steering committee will facilitate and implement strategies to improve quality and contain health care costs in Colorado.

“Safe in The City,” an HIV and STD prevention intervention video developed and evaluated by **Cornelis Rietmeijer, M.D.**, Denver Public Health, was chosen for inclusion in the Centers for Disease Control and Prevention’s (CDC) Compendium of Evidenced-based HIV Prevention Interventions. The video is one of only eight new interventions added by the CDC in 2009.

The American College of Surgeons’ (ACS) Committee on Trauma accredited the **Rocky Mountain**

Regional Trauma Center at Denver Health as a Level I Trauma Center for the sixth consecutive time. ACS verification confirms that a trauma center has demonstrated its commitment to providing the highest quality trauma care for all injured patients.

Stephanie Thomas, Chief Operating Officer, participated in a discussion panel on integrated health care delivery at the Colorado Health Symposium, with Len Nichols, Ph.D, Director, Health Policy Program, New America Foundation; Uwe Reinhardt, Ph.D, Professor, Economics and Public Affairs, Princeton University.

Awards

11 Denver Health physicians were named Top Doctors by *5280* magazine:

Katie Bakes, M.D., Director, Denver Emergency Center for Children

Daniel Bessesen, M.D., Chief, Endocrinology

Ivor Douglas, M.D., Chief, Pulmonary and Critical Care

Kennon Heard, M.D., Assistant Director, Rocky Mountain Poison and Drug Center

Robert House, M.D., Director, Behavioral Health

Stuart Linas, M.D., Chief, Nephrology

Philip Mehler, M.D., Chief Medical Officer

Ernest E. (Gene) Moore, M.D., Director, Surgery and Trauma Services

John Ogle, M.D., Director, Pediatrics

John Peterson, M.D., Chief, Child and Adolescent Psychiatry Services

Robin Yasui, M.D., Chief, Geriatric Medicine

51 Denver Health physicians were named to the 2009 - 2010 Best Doctors in America list.

Jennifer Adams, M.D., Westside Family Health Center

Irene Aguilar, M.D., Westside Family Health Center

Richard Albert, M.D., Director, Internal Medicine

Mark Anderson, M.D., Pediatrics

Alicia Appel, M.D., Westside Family Health Center

Holly Batal, M.D., Director, General Internal Medicine

Daniel Bessesen, M.D., Chief, Endocrinology

Joshua Blum, M.D., Internal Medicine

Patricia Braun, M.D., Pediatrics

Jeff Brown, M.D., Pediatrics

William Brown, M.D., Obstetrics and Gynecology

Bill Burman, M.D., Medical Director, Infectious Diseases Clinic

J. Christopher Carey, M.D., Director, Obstetrics and Gynecology

Mark Chandler, M.D., Anesthesiology

David Cohn, M.D., Associate Director, Public Health

David Collier, M.D., Chief, Rheumatology

Richard Dart, M.D., Director, Rocky Mountain Poison and Drug Center

Ivor Douglas, M.D., Chief, Pulmonary and Critical Care

Raymond Estacio, M.D., Internal Medicine

Henry Fischer, M.D., Internal Medicine

Patricia Gabow, M.D., CEO

David Hak, M.D., Orthopedic Surgery

Simon Hambidge, M.D., Director, General Pediatrics

Rebecca Hanratty, M.D., Internal Medicine

Richard Hughes, M.D., Chief, Neurology

Fernando Kim, M.D., Chief, Urology

Richard Kornfeld, M.D., Lowry Family Health Center

Lela Lee, M.D., Chief, Dermatology

Stuart Linas, M.D., Chief, Nephrology

John Lockrem, M.D., Director, Anesthesiology

Carlin Long, M.D., Chief, Cardiology

Jeremy Long, M.D., Internal Medicine

Kathryn Love-Osborne, M.D., Pediatrics

Thomas MacKenzie, M.D., Chief Quality Officer

Jody Maes, M.D., Pediatrics

Vincent Markovchick, M.D., Director, Emergency Medical Services (retired)

Philip Mehler, M.D., Chief Medical Officer, Internal Medicine

Lora Melnicoe, M.D., Pediatrics

Howard Miller, M.D., Anesthesiology

Ernest E. (Gene) Moore, M.D., Director, Surgery and Trauma Services

Steven Morgan, M.D., Orthopedic Surgery

Karen Mulloy, M.D., Chief, Occupational Health

John Ogle, M.D., Director, Pediatrics

James Packer, Jr., M.D., Anesthesiology

Ricardo Padilla, M.D., Internal Medicine

Katherine Pehl, M.D., Internal Medicine

Randall Reves, M.D., Medical Director, Denver Metro Tuberculosis Control Program

Jeanne Rozwadowski, M.D., Internal Medicine

Philip Stahel, M.D., Director, Orthopedic Surgery

Steve Vogler, M.D., Pediatrics

Robin Yasui, M.D., Chief, Geriatric Medicine

Jennifer Adams, M.D., internal medicine, received the 2009 Elaine Cleary Award from the University of Colorado Hospital's medical and house staff for her empathy and compassion in caring for her patients as well as her educational excellence.

Dan Bessesen, M.D., Chief, Endocrinology, received the Distinguished Achievement Award from the University of Colorado School of Medicine for his contributions to the field of endocrinology/metabolism/diabetes.

Elbert "Dean" Brown, retired chairman, Denver Community Health Services Board of Directors, was awarded the Community Health Association of Mountain Plains States (CHAMPS) Exceptional Board Leadership Award in recognition of his 17 years of service to Denver Health and to the community.

Denver Health's Audio Visual team of **Cortney Casson, John Carroll and Phil Wortham**, received the International Ava Award for producing Denver Public Health's Sexually Transmitted Disease Clinic video. The team also received a Distinction Award and two Awards of Excellence in the 2009 Videographer Competition for the Denver Health interactive map.

Denver Health received a University HealthSystem Consortium (UHC) Star in Safety and Quality Award for significant improvement in the UHC's 2009 rankings in quality and safety in academic medical centers.

The University HealthSystem Consortium also recognized **Denver Health** as one of five Top Performers in its 2009 Supply Chain Performance Excellence Collaborative Study for demonstrating excellence in supply chain management.

Denver Health received the 2009 National Association of Public Hospitals (NAPH) Chair Award — the highest honor bestowed by NAPH — for its Clinical Triggers Rapid Response System (RRS).

Denver Health received the Top 100 Most Wired Hospitals Award for information technology use by *Hospitals & Health Networks* magazine, the journal of the American Hospital Association. This is the fourth

time Denver Health was named to this prestigious list.

Denver Health was recognized as a Triple Gold Recognition award winner in the *U.S. News and World Report* America's Best Hospitals issue for its quality improvement efforts.

Denver Health received the Patient Safety and Clinical Pharmacy Services Award from the Health Resources and Services Administration (HRSA) in recognition of improvements in the integration of clinical pharmacy services.

HealthLeaders Media named **Denver Health's Executive Staff** one of the Top Leadership Teams in Healthcare for 2009.

Denver Public Health received the 2009 Davies Award from the Healthcare Information and Management Systems Society for implementing and using health information technology, specifically electronic health records.

Denver Public Health's poster "Implementation and Utilization of a Point-of-Care Coronary Heart Disease Risk Score in a Large Public Healthcare Setting" earned a Model Practice Award from the National Association of County and City Health Officials. It was one of only 23 public health programs selected nationally from 116 applications.

The American College of Physicians (ACP) selected **Patricia Gabow, M.D.**, as a Master of the College. This is the highest honor bestowed on ACP members. Of the ACP's 119,000 members, only 546 have attained the distinction of Mastership within the College.

Patricia Gabow, M.D., was named to *Modern Healthcare's* list of Top 25 Women in Healthcare. Gabow was the only Coloradan named to the list. She joined notables such as Kathleen Sebelius, secretary of the U.S. Health and Human Services Department, and Nancy-Ann DeParle, director of the newly-created White House Office of Health Reform, on the list. This was the second time Gabow had been named to the list.

Patricia Gabow, M.D., was honored by the Denver Rescue Mission as one of five Women Who've Changed the Heart of the City.

Patricia Gabow, M.D., was recognized as one of the top 100 most powerful people in health care by *Modern Healthcare* magazine. Others named to the list include President Barack Obama, Secretary of Health and Human Services Kathleen Sebelius, Senator Max Baucus and Bill Gates.

Patricia Gabow, M.D., received a Champions in Health Care Lifetime Achievement Award from the *Denver Business Journal* for her contributions to health care.

Joel Garcia, M.D., Director, Interventional Services and Catheterization Laboratory, was named one of only 25 international winners of the 2009 Cardiovascular Research Technologies' Emergent Young Leadership Award.

Paramedic **Bill Henderson** received the Paramedic of the Year award from the Denver chapter of the National Association of Elks.

Eric Lavonas, M.D., Associate Director, Rocky Mountain Poison and Drug Center, was appointed to the Undersea and Hyperbaric Medicine Examination Committee of the American Board of Emergency Medicine. Lavonas will help write the examinations for physicians who want to become board certified in hyperbaric medicine.

Vickie Lesnansky, RN, Nursing Director, Community Health Services, received the Excellence in Administrative Ambulatory Nursing Practice Award from the American Academy of Ambulatory Care Nursing for mentoring peers and colleagues, her willingness to share expertise, promoting interdisciplinary collegial working relationships and for demonstrating effective management.

Paul Limberis, RPh, Director, Inpatient Pharmacy, received the Distinguished Coloradan Award from the University of Colorado School of Pharmacy.

Philip Mehler, M.D., Chief Medical Officer, received the Silver and Gold Award from the University of Colorado School of Medicine (UCSOM), for his contributions to the field of medicine. It's the highest honor the alumni association bestows on an alumnus.

Ernest E. (Gene) Moore, M.D., Director, Surgery and Trauma Services, received an honorary membership in the American College of Emergency Physicians (ACEP) for his groundbreaking work with emergency medicine physicians. This is the first time ACEP has awarded a membership to a surgeon.

Jessica Sanchez, RN, Clinical Quality Coordinator, Community Health Services, received the National Association of Community Health Center's Henry Fiumelli Patient Advocate Award.

Kathy Uran, RN, Women and Children, and **Doug Warnecke**, Nurse Anesthetist, were named 2009 Denver Health Bosses of the Year.

Denver Health Financials

DENVER HEALTH AND HOSPITAL AUTHORITY Balance Sheets December 31, 2009 and 2008

Assets	2009	2008
Current assets:		
Cash and cash equivalents	\$55,326,955	49,427,795
Patient accounts receivable, net of contractual allowances of approximately \$62,910,000 and \$73,061,000, respectively, and estimated uncollectibles of approximately \$31,578,000 and \$36,211,000 in 2009 and 2008, respectively	61,184,606	72,854,282
Due from other governmental entities	26,549,956	20,905,402
Due from City of Denver	853,660	534,959
Estimated third-party payor settlements receivable	1,644,134	5,445,884
Other receivables	10,894,027	12,431,882
Interest receivable	978,882	1,215,017
Due from discretely presented component unit	—	2,527,501
Inventories	9,702,554	9,635,064
Prepaid expenses and other assets	2,952,706	1,644,204
Total current assets	<u>170,087,480</u>	<u>176,621,990</u>
Noncurrent assets:		
Due from discretely presented component unit	409,371	500,000
Estimated third-party payor settlements receivable	11,665,388	5,273,748
Restricted investments	38,944,319	54,164,088
Capital assets, net of accumulated depreciation	401,362,773	400,033,555
Long-term investments	79,817,677	47,040,484
Other assets	2,807,121	2,581,845
Total noncurrent assets	<u>535,006,649</u>	<u>509,593,720</u>
Total assets	<u>\$705,094,129</u>	<u>686,215,710</u>

Denver Health Financials

DENVER HEALTH AND HOSPITAL AUTHORITY Balance Sheets December 31, 2009 and 2008 Liabilities and Net Assets

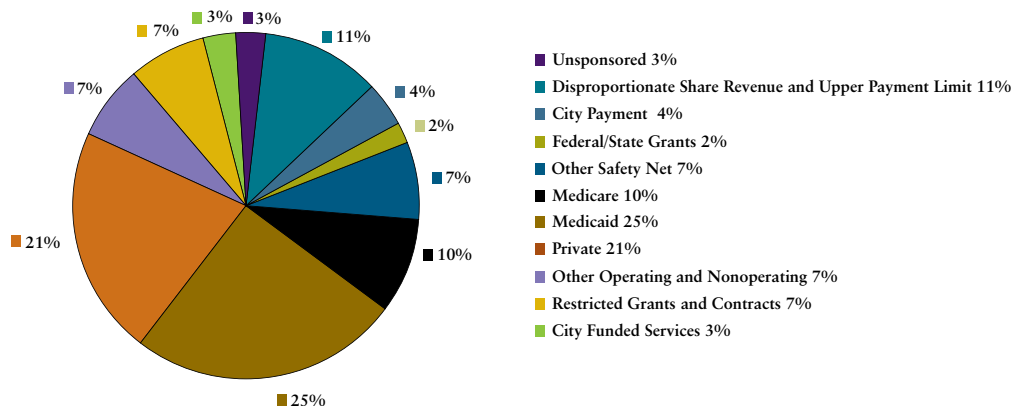
Current liabilities:	2009	2008
Current maturities of bonds payable	\$3,710,000	3,620,000
Current maturities of capital leases	139,175	24,972
Current maturities of notes payable	165,000	155,000
Current portion of liability for estimated third-party payor settlements	7,292,826	245,921
Accounts payable and accrued expenses	32,006,428	19,205,381
Accounts payable – construction	3,309,244	3,242,010
Accounts payable from restricted investments	288,333	2,903,554
Accrued salaries, wages, and employee benefits	17,208,383	14,837,753
Accrued compensated absences	20,871,320	21,295,957
Deferred revenue	205,266	90,705
Accrued claims	4,783,000	5,099,000
Total current liabilities	<u>89,978,975</u>	<u>70,720,253</u>
Long-term liabilities:		
Long-term portion of liability for estimated third-party payor settlements	13,093,133	18,194,686
Long-term portion of compensated absences	582,745	568,509
Bonds payable, less current maturities net of deferred loss on refunding of \$6,360,291 in 2009 and \$8,495,728 in 2008 respectively	191,257,198	194,311,095
Capital lease obligations, less current maturities	236,682	—
Other long-term debt, less current maturities	4,949,271	4,404,396
Other post employment benefits	1,006,435	482,697
Total long-term liabilities	<u>211,125,464</u>	<u>217,961,383</u>
Total liabilities	<u>301,104,439</u>	<u>288,681,636</u>
Net assets:		
Invested in capital assets, net of related debt	235,350,255	250,600,189
Restricted	5,016,155	6,152,376
Unrestricted	163,623,280	140,781,509
Total net assets	<u>403,989,690</u>	<u>397,534,074</u>
Total liabilities and net assets	<u>\$705,094,129</u>	<u>686,215,710</u>

Denver Health Financials

DENVER HEALTH AND HOSPITAL AUTHORITY Statements of Revenues, Expenses, and Change in Net Assets Year ended December 31, 2009 and 2008

Operating revenues:	2009	2008
Net patient service revenue	\$292,080,802	291,505,029
Capitation earned net of reinsurance expense	106,359,477	102,999,592
Medicaid disproportionate share and other safety net reimbursement	100,052,835	65,966,009
Primary care funds	4,658,498	6,318,194
City of Denver payment for hospital services	27,977,303	27,542,700
Federal and state grants	33,864,134	33,091,031
Other grants	18,487,267	18,680,208
City of Denver purchased services	16,752,905	16,576,937
Poison and drug center contracts	24,555,374	23,081,767
Other operating revenue	17,912,524	16,537,354
Total operating revenues	642,701,119	602,298,821
Operating expenses:		
Salaries and benefits	389,729,066	368,137,617
Contracted services and nonmedical supplies	109,782,568	107,312,504
Medical supplies and pharmaceuticals	63,587,700	57,811,332
Managed care outside provider claims	34,711,238	33,615,154
Depreciation and amortization	35,302,656	31,990,462
Total operating expenses	633,113,228	598,867,069
Operating income	9,587,891	3,431,752
Nonoperating revenues (expenses):		
Distribution from discretely presented component unit	1,250,000	—
Investment income	5,018,416	6,836,693
Interest expense	(9,292,660)	(9,930,888)
Net increase (decrease) in fair value of investments	(535,291)	231,523
Loss on disposition of capital assets	(905,641)	(75,271)
Total nonoperating expenses, net	(4,465,176)	(2,937,943)
Income before capital contributions	5,122,715	493,809
Capital contributions		
Increase in net assets	1,332,901	6,623,115
Total net assets, beginning of year	397,534,074	390,417,150
Total net assets, end of year	\$403,989,690	397,534,074

Denver Health Net Revenues 2009



A Message from the Chairman of the Board

On behalf of the Denver Health and Hospital Authority Board of Directors, I want to express my pride in the remarkable achievements of this exemplary health care system in 2009. This year was another characterized by energy and innovation, resulting in positive momentum as we approached the end of the decade. Somehow we continue to meet the challenge of managing more than a million patient contacts a year – many of them uninsured, poor, or otherwise vulnerable – operating in the black, and navigating through the mazes of government regulations and decisions while providing top quality health care.



In 2009, the national focus on health care reform placed Denver Health in the spotlight, as the advantages of our integrated system were recognized by Congress and the White House. Denver Health's performance became a real-life example of a successful safety net health care system. The creative and entrepreneurial way in which we manage the enterprise was recognized and appreciated at the highest levels of government.

Our innovative approach to increased efficiency through the application of LEAN principles was lauded, particularly as the financial benefit exceeded \$42 million. LEAN is a process improvement tool aimed at reducing waste. Our use of this LEAN process-change tool throughout the organization is a key to achieving cost containment, high quality, and service to needy patient populations.

In 2009, we were successful in managing nearly 350,000 visits in our primary care clinics; 113,000 emergency and urgent care visits; 265,000 calls to our Rocky Mountain Poison and Drug Center; 150,000 calls to our NurseLine; 83,000 calls for emergency medical help from Denver Health Paramedics; and 60,000 Public Health clinic patient visits.

The challenge of managing more than a million patient contacts per year, while facing ever-changing and often decreasing reimbursements when 46 percent of our patients have no insurance, is a constant at Denver Health. But thanks to our carefully managed integrated system, we do it, thereby serving as a model for the nation.

But efficiency is not the only aspect of Denver Health deserving of recognition. As part of our commitment, and a major priority of the Board, we have created a scorecard on quality of care, reviewed regularly, to track and improve quality of care at Denver Health. This program was another reason for the nation's policy-makers to look in our direction in 2009 during the health care debate.

Also in 2009, despite the significant decline in government reimbursements for vulnerable populations and the huge influx of newly-uninsured patients, Denver Health continued its track record of being in the black since leaving city government and operating as an Authority. Denver Health's leadership, accustomed to the ups and downs of safety net revenues, is proud of all employees for this excellent performance.

The Board applauds the unwavering commitment to the mission, the high level of efficiency, and the consistently high quality health care that makes Denver Health an outstanding safety net organization. I am proud to quote the Commonwealth Fund's Commission on a High Performance Health Care System: "Denver Health possesses many of the essential components of a high performing health system. . .Its best practices and the lessons learned from the significant barriers it has overcome, can form a learning laboratory – a potential model – from which other states and the nation may benefit."

Congratulations again.

Bruce Alexander
Chair, DHHA Board of Directors



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Denver Health Medical Center	Rocky Mountain Regional Trauma Center	Denver Health Paramedics	Denver Public Health
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Correctional Care	Denver CARES	Denver Health Foundation	Denver Health Medical Plan