Message from Our President & CEO ........................................ 3
Message from Our Chairman of the Board .......................... 4
Message from the Chairman of our Medical Staff ................. 5
2005 Year in Review .......................................................... 6
On the Horizon: New Programs & Services ......................... 8
Preemie Gets Good Start on Life at TMH NICU ................. 10
Stroke Survivor on the Road to Recovery .......................... 11
Birthday Holds Special Meaning for Heart Attack Survivor .... 12
Good Things Can Come From a Cancer Diagnosis .............. 13
Persistence Leads To Complete Recovery ........................... 14
Medical Emergency Team is National Leader in Improving Care 15
Nurses Are the Backbone of TMH .................................... 16
Quality Report ............................................................... 18
Foundation Report ......................................................... 20
Financial Report ............................................................ 22
IN LAST YEAR’S ANNUAL REPORT, I focused on TMH’s Vision to become a recognized world-class community healthcare system. A year later, I am pleased to report that we have made significant progress on our journey. Much of that progress is outlined in the pages of this Report To Our Community.

But as important as this Vision is in guiding us on the path of excellence, it is our Mission Statement that reminds us every day that we are here to serve our community and to act as trusted stewards of this valuable community asset. We recognize that a reasonable level of financial performance is necessary so that we can appropriately reinvest in our colleagues, our facilities and our technologies. We realize that TMH requires a strong financial model in order to offer much needed but unprofitable services that others might not. But most importantly, we understand that healthcare is more than a business. Healthcare, at its core, is a sacred trust between the caregivers who provide it and the patients who receive it.

Our mission statement says, “With caring hearts and hands we will honorably serve our community, maintaining collaborative relationships by providing compassionate, leading edge, patient centered healthcare for all. We pursue perfection in a trusting and learning environment thus enhancing the quality of life of those we serve.” This statement reminds us of the sacred trust you grant to us just by choosing TMH for your healthcare needs.

For this reason, we closely monitor many facets of our performance including clinical outcomes, patient satisfaction and operational measures. From this information, we are taking actions to improve the care we provide to you. It is our desire to “delight” our patients and it is the expectation of every TMH colleague to provide this level of service. Not only is it essential to TMH achieving recognition as a World-Class Community Healthcare System, it is the right thing to do.

We would not be able to succeed in our journey to World-Class status without the continued commitment of our TMH colleagues, medical staff, volunteers, donors and our Board of Directors to advance our mission of healing the sick and improving lives in our community. It takes us all to make it happen.
A MESSAGE FROM OUR
Chairman of the Board

SERVING AS CHAIRMAN OF THE BOARD OF DIRECTORS at Tallahassee Memorial HealthCare is a job that gives me great pleasure, because it gives me the opportunity to play an important role in helping TMH achieve its vision of becoming a recognized World-Class Community Healthcare System. This vision is important because we all want superior healthcare to be available right here in the Big Bend region.

During the last year, TMH has made many strides toward achieving that vision, including certification as a primary stroke center, accreditation as a chest pain center, continued improvements in our Hospital Standardized Mortality Rate and many other significant gains in quality measures. We’ve also established several partnerships that bring us steps closer to being recognized as a World-Class healthcare organization. These include our affiliation with the H. Lee Moffitt Cancer Center & Research Institute in Tampa and our land grant to establish a Health Education Campus adjacent to TMH where local colleges and universities will train future generations of healthcare professionals.

Making these achievements possible are the colleagues of Tallahassee Memorial HealthCare — a caring and highly qualified staff, superb administrators, gifted physicians, devoted volunteers, generous donors and my fellow board members who serve with me to advance the mission and vision of TMH. It is a privilege to be part of such an exceptional group of people.

As we continue on our journey toward recognized World-Class healthcare, I would like to thank you, our community, for placing your trust in us. We will remain dedicated to our goal of providing the best possible care to residents of the Big Bend.

MICHAEL M. FIELDS, CHAIR
TMH BOARD OF DIRECTORS
A MESSAGE FROM THE 
Chairman of Our Medical Staff

DURING THE LAST FEW YEARS AT TALLAHASSEE MEMORIAL, I have been pleased to witness first-hand how Medical Staff and TMH colleagues are working together to optimize the care that patients receive at our hospital. With the support of a strong, committed Board of Directors, TMH has established an environment where everyone is working toward the goal of becoming a World-Class institution that delivers World-Class care.

This is evidenced by significant improvements in several key national quality measures including impressive reductions in our inpatient mortality ratios for heart attack and our rate of ventilator associated pneumonia cases.

However, what impresses me most is an attitude of continuous improvement that I believe has become part of the culture of TMH. The environment is not one of merely fixing the problems that surface but of constantly benchmarking our progress with other institutions to see how we can provide even better patient care.

Through these efforts, TMH continues to achieve clinical excellence for the benefit of our patients. It is an honor and a privilege to serve alongside such dedicated professionals.

On behalf of the entire Medical Staff at TMH, I would like to affirm our commitment to lead the way in providing innovative and compassionate care to the residents of the Big Bend region.
HIGHLIGHTS OF 2005
New Partnerships, New Services & Recognition for Excellence in Care

CANCER CENTER AFFILIATES WITH MOFFITT
In January, the Tallahassee Memorial Cancer Center and the H. Lee Moffitt Cancer Center & Research Institute in Tampa signed an affiliation agreement aimed at enhancing the delivery of cancer treatment services in North Florida. The affiliation means that residents of our Big Bend region can continue to receive comprehensive cancer care from Tallahassee Memorial while having access to Moffitt for a broader range of clinical trials, specialized treatments and advanced research and technology.

LAND GRANT TO TCC FOR HEALTH EDUCATION CENTER
In February, TMH made its first land grant to an educational organization as part of its plan to develop a Health Education Partnership Campus on a portion of the 84 acres of undeveloped land it owns behind the hospital. The first land grant, estimated to be worth approximately $3.5 million was awarded to Tallahassee Community College for its new Center for Health Education. Plans call for the estimated 60,000 square-foot facility to house classrooms, laboratory space, simulated environments and administrative offices for all of TCC’s healthcare programs.

MOODY’S PUTS TMH BACK ON STABLE LIST
In April, Moody’s Investors Services removed Tallahassee Memorial HealthCare from its list of organizations with a “negative” future outlook. Instead they placed TMH on their stable list and kept the hospital’s rating for its $148 million in bonds debt at Baa2.

TMH CERTIFIED AS A PRIMARY STROKE CENTER, RE-CERTIFIED AS AN ACUTE CARE BRAIN & SPINAL CORD INJURY PROGRAM
In May, TMH became the first hospital in the Big Bend region to be awarded certification as a Primary Stroke Center by the Joint Commission...
on Accreditation of Health Care Organizations (JCAHO). Primary Stroke Center Certification means that TMH has demonstrated it follows national standards and guidelines that can significantly improve outcomes for stroke patients. A month later, TMH was recertified by the Florida Department of Health as an Acute Care Brain and Spinal Cord Injury Program, and it remains the only such certified program within a 100-mile radius.

TMH GRANTED ACCREDITATION AS A CHEST PAIN CENTER
In August, TMH received notice from the Society of Chest Pain Centers that it was granted full accreditation as a Chest Pain Center. To earn accreditation status, hospitals must meet or exceed a wide set of stringent criteria including the ability to access, diagnose and treat patients for chest pain quickly.

WOUND HEALING CENTER OPENS ON SIXTH AVENUE
In September, the Tallahassee Memorial Wound Healing Center opened at 1305 East Sixth Avenue for the treatment of chronic non-healing wounds. The Wound Healing Center offers Hyperbaric Oxygen Therapy and employs certified wound ostomy continence nurses.

CENTER FOR PAIN MANAGEMENT OPENS ON MAHAN DRIVE
Also in September, the Tallahassee Memorial Center for Pain Management opened at 2824 Mahan Drive, Suite 2. The Center, which is offered in cooperation with Tallahassee Neurological Clinic, is an ambulatory surgery center that specializes in procedures to provide relief of chronic pain, including pain of the back, neck and legs.

BARIATRIC & WEIGHT MANAGEMENT CENTER OPENS
In October, the Tallahassee Memorial Bariatric & Weight Management Center opened to patients at 1981 Capital Circle Northeast. The Center helps people who are struggling with obesity find long-term success to weight management. It shares office space and professional staff with the Tallahassee Memorial Diabetes Center, which has helped patients with diabetes develop and maintain healthy lifestyles for more than 15 years.

TMH RECEIVES CONSUMER CHOICE AWARD
Also in October, TMH received the National Research Corporation’s 2005/06 Consumer Choice Award. The award identifies hospitals which healthcare consumers have chosen as having the highest quality and image in 180 different markets throughout the United States.

HOME HEALTH CARE RECOGNIZED AS BEST PRACTICE AGENCY
In November, Tallahassee Memorial Home Health Care was recognized by the National Association for Home Care as a National Best Practice Agency in the National Home Care Quality Improvement/Hospital Reduction Program. Home Health Care serves a nine county area in the Big Bend region.
ON THE HORIZON

2006 To Bring More New Programs & Services to Tallahassee Memorial

TMH OPENS COMPREHENSIVE BREAST HEALTH CENTER
In April 2006, the Sharon Ewing Walker Breast Health Center opened at 1401 Centerville Road, Suite 700, which is one of the professional office buildings adjacent to the hospital. It is the only breast health center in the Big Bend region to provide a full array of diagnostic and support services for the detection and treatment of breast cancer, including image recovery. The Center is named in memory of Tallahassee resident Sharon Ewing Walker who was an inspiration to all who knew her during her battle with breast cancer.

PLANS UNDERWAY FOR TMH TO BECOME A DESIGNATED TRAUMA CENTER
Tallahassee Memorial is planning to open a trauma center for our region. This effort is the result of a study, by the Florida Legislature released in Spring 2005, which reported that five of the six counties with the highest mortality rate for non-burn trauma patients were located in the Big Bend area. The new Center will be staffed by a specially trained trauma surgeon and a clinical staff who will focus on the care and treatment of trauma patients.
NEW PROGRAMS AND SERVICES TO OPEN THROUGHOUT THE REGION

TMH isn’t just growing in Tallahassee. We continue expanding throughout the Big Bend region, bringing more convenient and accessible services for residents of outlying communities.

In February, Tallahassee Diagnostic Imaging opened an MRI Scanner at Tallahassee Memorial Family Practice – Wakulla. In mid-2006, TMH will begin providing routine x-ray services at this office. The services are not just for patients of Doctors Lutz, Plagge and Van Troil. Anyone with a physician’s prescription may utilize the x-ray services at Tallahassee Memorial Family Medicine – Wakulla.

Expanded services are also growing into Gadsden County. Tallahassee Memorial is now offering Rehabilitation Services in Quincy including physical, occupational and speech therapy, and stroke rehabilitation.

NEW HEART & VASCULAR CENTER TO OPEN ON HOSPITAL’S SECOND FLOOR

Construction of the new Tallahassee Memorial Heart & Vascular Center is currently underway on the second floor of the hospital. This state-of-the-art Center will provide ease of access and a beautiful environment for patients who are undergoing cardiac diagnostic care and treatment. The Center’s design was created in a manner that will optimize communication between TMH staff, physicians, patients and families. It will feature a new cardiac catheterization suite, a new electrophysiology lab and private patient rooms. The new Heart & Vascular Center is expected to open to patients in 2007.

The Design Team for the new Heart & Vascular Center opening in 2007.
PREEMIE GETS GOOD START ON LIFE
Thanks to TMH’s Neonatal Intensive Care Services

YOUNG PARENTS FROM Thomasville, Georgia, never anticipated that their new family would need the services of the Neonatal Intensive Care Unit (NICU) at Tallahassee Memorial Hospital, but today, Brent and Hope Taylor credit the physicians and nurses at TMH with saving the life of their infant son, Cason.

Cason was born in a Thomasville hospital, nearly six weeks before his due date. His doctors quickly realized that Cason would require critical care and contacted the staff at the Women’s Pavilion.

The Tallahassee Memorial Neonatal Transport Team was ready. Consisting of a paramedic, respiratory therapist and neonatal nurse, this team works with staff at other area hospitals to assess a newborn, stabilize the baby and provide transport to the neonatal unit at TMH. Cason was taken by ambulance to Tallahassee Memorial’s Level III NICU where his parents and extended family waited by his side.

Pulmonary hypertension, pneumonia and a collapsed lung were the obstacles baby Cason fought during his first days. He made progress each day he spent in the NICU and on his ninth day of life, Hope was able to hold her son for the very first time. After 17 days in the hospital, Cason was finally able to go home to Thomasville with his family.

Nine months later, watching Cason play in the park with his parents, one would never know that his life got off to such a rocky start. The healthy little boy loves being outside and when he is excited his face lights up in a big grin that reveals two tiny teeth.

Brent and Hope know that without the skilled staff in the NICU, their story might not have had a happy ending. They are still grateful to the physicians and colleagues in the NICU for providing compassionate care during the hospitalization of their son. “I feel like the NICU experience has made us even more appreciative of the fact that each little baby truly is a miracle,” says Brent.

Brent and Hope Taylor with son Cason.
STROKE SURVIVOR ON THE ROAD TO RECOVERY

Thanks to the TMH Colleagues

“HE’S COME A LONG WAY from the time he entered the Emergency Center until he got out of Outpatient Rehab,” says Marian Bevis of her husband of 57 years, Russell.

In May of last year, as they were preparing to celebrate Mother’s Day, with little warning, Russell collapsed in the kitchen and went into cardiac arrest. Marian immediately called 911. EMS personnel responded quickly, performed lifesaving measures and rushed him to the Bixler Emergency Center at Tallahassee Memorial Hospital.

Doctors at TMH placed two stents in his heart. Russell then suffered a massive stroke. He spent his first week of recovery in the Vogter Neurological Intensive Care Unit where members of the TMH Stroke Team monitored his progress. Russell then moved to 4-North, the neurology unit, for an additional week. Upon discharge from the hospital, he spent two months in the Tallahassee Memorial Rehabilitation Center.

Russell has no memory of the two weeks he spent in the hospital, but recalls that once he moved to the Rehabilitation Center the staff kept him busy, working constantly in the gym and with physical and speech therapists. He says he even asked his occupational therapist for “extra credit assignments.” Marian feels like it is this type of motivation that has helped her husband recover. “He’s a very strong person,” she says. “He could do anything a young man could do until that one day. I am sure it helped in his recovery that he is so determined. We’ve been married 57 years and I haven’t won an argument yet!”

The Bevis family is quick to commend TMH and its colleagues for the compassionate care they received during the last year. “The staff at TMH became like part of our family,” says granddaughter Jennifer Walker. “Especially when our family was going through this with Papaw and we were always there, wanting more information. They were all so patient and nice — they still hug his neck when he goes back there.”

Marian and Russell Bevis
GREGG MCKENZIE, OWNER of M & M Automotive Services in Tallahassee, considers it a miracle that he celebrated his 47th birthday on February 17, 2006. That’s because one month earlier — January 17 to be exact — he experienced one of the biggest challenges of his life, a heart attack.

He doesn’t remember anything at all about that day or anything about that week. But Pam McKenzie, office manager in her husband’s shop, does. “His stomach had been bothering him over the weekend,” she explains. “We came to work on Tuesday, and his stomach was still bothering him a little bit.” Shortly after 12 p.m., Pam who had left the office to run some errands, got a call from Gregg saying he needed to go to the doctor.

Pam headed back to the shop and helped her husband into the car. She recalls, “A mile down the road at the corner of Orange Avenue, right in front of Super Lube, all of a sudden he sat up and yelled a loud noise, touched his chest and fell back. Then his eyes rolled back. I pulled into Super Lube, opened the door and screamed, “Call 911!”

Pam, a nurse, says she got out of the car, ran around to her husband and checked his pulse. “He still had a pulse and was gasping for air,” she explains. “Then, he took a big breath and just quit breathing. So I started doing mouth-to-mouth resuscitation.”

“It seemed like it was only two or three minutes before a police officer arrived on the scene. They pulled me aside and took over, performing CPR. Then the fire truck arrived and they hooked up the defibrillator. The paramedics showed up next.” Pam remembers crying hysterically as they were all working to save her husband. After about 10 minutes or so, they whisked Gregg away in the ambulance and headed to TMH.

At the Tallahassee Memorial Bixler Emergency Center, Gregg was revived by a team that included Emergency Physician William Miller, M.D. He was then taken to the Cardiac Catheterization Lab, where he received three stents. Cardiologists Frank Gredler, M.D. and David Tedrick, M.D. of the Southern Medical Group performed the surgery. “We’re grateful to all of them,” she says.

Gregg doesn’t recall the events of that week, but he remembers what he gave his wife for Christmas and he remembers their New Year’s vacation just two weeks earlier in Snowshoe, West Virginia when he skied circles around their kids, ages 15, 19 and 21.

Gregg admits that as an auto mechanic and business owner, he has a stressful job. “I’m a perfectionist,” he laughs. “I want your car to be well.” One month after the heart attack, he returned to work. “Like it never happened,” he smiles.

“All I can say is I’m grateful for everybody involved who saved my life. I know what everybody tells me, he says, with watery eyes. “I shouldn’t be here. Everything fell into place that day and to me, it’s a miracle.”
GOOD THINGS CAN COME
From a Cancer Diagnosis

IT WAS OCTOBER 2004, and Eleanor Dietrich was excited about traveling to Chicago to see daughter Theresa, her husband Chris, and their soon-to-be born daughter. Then she got the kind of news that turns your life upside down. Following a routine mammogram, Eleanor learned that she had a possibly malignant lump. A short time later, a biopsy confirmed that she did indeed have early stage breast cancer.

The next few months were filled with trips to Chicago to visit her new granddaughter and pre-treatment procedures. “I was diagnosed with early stage breast cancer before I flew up to Chicago for the birth of my first grandchild on Nov. 1,” Eleanor recalls. “Then I came home and had a biopsy, flew back to Chicago for Thanksgiving, flew back to Tallahassee for an excision of the flawed tissue, and then back to Chicago for Christmas.” In January, Eleanor began seven weeks of radiation treatment at Tallahassee Memorial Cancer Center.

“When you first learn you have cancer, you’re in shock, and it’s difficult to absorb the information. It can be a pretty vulnerable and confusing time, but good things can come out of it,” she says. For Eleanor, some of the good things included making friends with other women who were undergoing radiation treatment at the same time, and eventually joining the Cancer Center’s Patient Family Advisory Council.

“When you have radiation treatment, you go in at the same time every day for about a half-hour, and you see the same people who are also there for their treatments,” she explained. “I met a group of wonderful women and we formed friendships. We still get together about once a month for lunch.”

According to Eleanor, a second positive outcome was that she was invited to join the Cancer Center’s Patient Family Advisory Council, a group that works to help ensure cancer patients at TMH receive comprehensive patient-centered care. As part of that group, Eleanor is working on a project to create an audio and video library for the Angie Deeb Cancer Unit, which is located on the seventh floor of the hospital.

Eleanor says that the Radiation Oncology staff at TMH made her cancer treatment experience a good one. “My radiation technicians, John (Hourigan), Craig (Pate) and Dutch (Alberto) were terrific, always so courteous and caring. Dr. (Timothy) Bolek, my radiation oncologist, was so knowledgeable and was great about answering all my questions. Dr. Robert Snyder and Sue Fischera (his Advanced Registered Nurse Practitioner) of Southeastern Surgical Group were also great.”

A little over a year later, Eleanor reports that she is doing well and is back to enjoying her garden and taking delight in her granddaughter Reagan, who she sees as often as possible. “My experience was a sobering one that really got my attention, but I was fortunate that it was caught early and I learned that out of bad can come good.”
Lisa Robinson had just finished washing her car. After returning to her house and coming back outside, she slipped on a watery step and fell awkwardly to the ground. “It was a freak accident,” she said. “I lost my balance and fell on my right hand – palm down. It really hurt, so I sat for a minute. My shoulder was sore, but nothing else hurt so I finished what I was doing and cleaned up.”

After a painful night, Lisa went to her primary care physician who ordered X-rays, but the results were negative and she was given pain medication for a bruised shoulder. A couple weeks later, Lisa was still not able to raise her hand above shoulder level, so she was referred to the Tallahassee Memorial Outpatient Orthopedic Therapy Clinic where she started working with Physical Therapist Chris Stavres.

Lisa recalls, “After several sessions, Chris noticed that I was not developing any strength in my shoulder. He contacted my primary care physician’s office and suggested an MRI because he thought my problem could possibly be a rotator cuff injury.”

Next, Lisa found herself at the office of Dr. David Bellamy of the Tallahassee Orthopedic Clinic. Dr. Bellamy confirmed that Lisa had a massive rotator cuff tear, and two months later he performed surgery to repair it. Just three weeks after the surgery, Lisa went back to the TMH for more physical therapy with Chris.

For the first few weeks, Chris had to move her arm for her, but Lisa got stronger over the next four months of therapy. “A big part of physical therapy is the exercises Chris would give me to do at home,” Lisa explained. “I always did them – four times a day – and they helped me get better.”

In addition to her physical therapy exercises she continued to work out on her own, keeping up with daily walks and “running” in the water at the same pool she swam in prior to the accident. Friends encouraged her to stay as active as possible and Lisa was motivated to keep in shape during her treatment, noting that daily exercise helped her feel better about herself while recovering from her injury. Chris also knows the difference a positive attitude makes. “Lisa is very self motivated and easy to motivate, as well. I never had a question about her compliance or her commitment to a speedy and complete recovery.”

Lisa says she is very pleased with the treatment she received. “I was very fortunate. Chris and the entire staff were terrific. They answered all my questions, and they really cared about my rehab. I am doing really well now – still doing my exercises on my own. It wasn’t easy, but I feel like I can do almost anything that I could do before the accident – and that was my goal all along.”
TALLAHASSEE MEMORIAL HOSPITAL has gained national recognition for the success of its Medical Emergency Team (MET), which is saving lives by providing early assessment and intervention for hospital patients who show the earliest signs of a potential cardiac arrest.

Although hospitals have Code teams that respond when a patient goes into cardiac arrest, until recently, few in the United States had a MET Program designed to bring critical care expertise to the patient’s bedside at the first signs of trouble, explains Cathy Pfeil, R.N., Director of Critical Care Nursing at TMH.

Studies indicate that patients who arrest show early warning signs such as changes in breathing or heart rate, low blood pressure or reduced blood oxygen levels, according to Pfeil. "For some patients, the signs are less obvious, but the nurse has a sense that a patient is declining. By intervening early, we can help prevent codes in some cases and in others we can get the patient transferred to a critical care unit, the best location for those who do code."

TMH’s Medical Emergency Team is composed of an experienced Critical Care nurse and a respiratory therapist who usually arrive at the bedside in four minutes or less. More than 60 serve on the Medical Emergency Team, including Critical Care nurses from the Medical Surgical Intensive Care Unit, the Pediatric Intensive Care Unit, and the Vogter Neurological Intensive Care Unit.

Once they arrive, the team helps the bedside nurse assess and stabilize the patient, provide education and support and assist with the patient’s transfer to another unit if necessary. The result at TMH has been a 46 percent reduction in the number of codes that occur outside of the ICU, and a 44 percent reduction in all codes.

Because of these early successes, Pfeil, who led the development of TMH’s Medical Emergency Team, has been making presentations at healthcare conferences across the country showing others how a MET program can be successfully implemented. TMH has also been featured in articles and presentations by the Institute for HealthCare Improvement, and VHA, a national alliance of not-for-profit healthcare organizations. Pfeil regularly receives phone calls and e-mails from other hospitals requesting information about the MET Program, and she is delighted to help them. "We are all here for the same reason — to save lives."

These are a few of the members of TMH’s Medical Emergency Team, which is composed of more than 60 registered nurses and respiratory therapists.
NURSES
Are the Backbone of TMH

AT EVERY LEVEL of the organization, from the bedside to Administration, nurses are involved in assuring that our patients receive skillful and compassionate care. Our nurses are clinicians, teachers, mentors, researchers, problem solvers, decision-makers and advocates. At Tallahassee Memorial, the Nursing Division includes approximately 1,000 colleagues who joined with colleagues from other departments to care for almost 200,000 patients last year.

"Shared Governance gives nurses at every level of the organization a strong voice in how Tallahassee Memorial makes decisions that affect patient care.”
— Barbara MacArthur, RN
Vice President/Chief Nursing Officer

TMH is privileged to have an exceptionally high number of nurses with advanced education and national certifications in their field, according to Barbara MacArthur, RN who is Vice President/Chief Nursing Officer at TMH. This includes clinical nurse specialists who focus their knowledge and skills in specific areas such as cardiac care, cancer, pulmonary disease and pain management. TMH’s ability to attract such nurses is a result of our commitment to helping them grow in their careers by offering programs that reward them for meeting certain practice standards. “Our clinical nurse specialists and other nurses with national certifications not only

"Nobody comes to the hospital unless they are in pain,” says Kathy Barnett, RN, MSN.
Kathy is the Clinical Nurse Specialist for Pain Management at TMH. She works with patients and their physicians to provide the appropriate pain relief while they are in the hospital.

Jasper Williams, RN is a Critical Care Nurse who works on the Inpatient Diabetes Unit at Tallahassee Memorial and serves as the Shared Governance Quality Council Floor Representative. He feels that having Shared Governance at TMH will "give nurses a more active voice and allow nurses to be involved in all aspects of decision making in all areas of the hospital.”
benefit our patients and families, they are valuable resources for their fellow practitioners as well,” she explains.

During 2005, one of the most exciting developments at TMH was implementation of the Shared Governance Model of Nursing. “Shared Governance opens the lines of communication between Administration and the bedside nurse and gives nurses at every level of the organization a strong voice in how Tallahassee Memorial makes decisions that affect patient care,” MacArthur says. “If you have decisions about the environment, equipment and processes of care coming from those who are involved on a daily basis, you are more likely to have an organization where people have pride of ownership and a system of care that works in the real world.”

Shared Governance is being accomplished at TMH through the work of unit-based teams and four hospital-wide Nursing Councils, which are Education, Practice, Research and Quality Management. For each Nursing Council, more than half of their members are bedside Registered Nurses. Licensed Practical Nurses, Certified Nursing Assistants, Technicians and Administrative Coordinators are also included. “Not every decision in an organization can be shared,” says MacArthur, “but when you are talking about what the nurse needs and what patients and families need, we need to hear from the professionals who are providing the care.”

“The community has trusted their care to us. It’s a sacred trust that we hold, and that trust is for kind, compassionate care that is efficient and scientifically based.”

Alana Wohlrab, RN, BSN works on the Cardiac Progressive Care Unit and is a Progressive Care Certified Nurse (PCCN). PCCN certification is achieved by nurses who pass an examination and demonstrate a high level of critical thinking skill.

Patricia Hyler, RN, BS, MSHA is the Nurse Manager for the Angie Deeb Cancer Unit – Inpatient and Outpatient Care. She has 20 years of experience in oncology nursing, is a Certified Provider of Chemotherapy (CPC) and has a Master of Science in Health Administration.
Generous Donors
Fund New Programs & Services for TMH in 2005

Tallahassee Memorial Healthcare Foundation, Inc. (TMHF) exists and operates exclusively for the benefit of Tallahassee Memorial Healthcare (TMH) through charitable, medical, scientific, educational and research funding. TMHF encourages community involvement with TMH and promotes the general health of the public through TMH educational training and research programs. TMHF champions TMH’s vision “to be a recognized world-class community healthcare system” and it functions as an integral part of the hospital’s operational structure. Highlighted here are three of the new TMH programs and services established during 2005 with generous charitable contributions.

Neurolinguistic-Neurocognitive Rehabilitation Research Center
Dr. Lou Bender, a retired Florida State University professor, and his wife Betty, established an endowment that will allow two TMH-FSU partnerships to receive permanent annual incomes. The Elizabeth Plescia Bender Program for the Visually Impaired will benefit the Neurolinguistic-Neurocognitive Rehabilitation Research Center, a partnership of the Tallahassee Memorial Neuroscience Center and the FSU College of Medicine and College of Communication Disorders. The Center serves the dual purpose of researching the effects of cognitive dysfunction and then taking the results of the research and immediately putting it into practical applications for patients.

Visual Arts in Medicine
The Benders also established the Mario J. Plescia Program for Visual Arts in Medicine, which is designed to bring together the rich resources of FSU’s arts programs, the Tallahassee arts community and clinical programs at TMH and FSU for the benefit of patients and families.

Sharon Ewing Walker Breast Health Center
Friends and family of Sharon Ewing Walker, who died of cancer in 2005, have established a breast health center in her memory. It is the only breast health center in the Big Bend Region that provides a full array of diagnostic and support services for the detection and treatment of breast cancer, including digital screening mammography and image recovery for breast cancer survivors. Opening in April 2006, the effort was spearheaded by Sharon’s husband Claude Walker and her mother-in-law Maye Walker.

For more information about the Tallahassee Memorial HealthCare Foundation or to make a gift, contact the Foundation at 850-431-5389. To make a secure online contribution, go to www.tmhfoundation.org

Donors Lou and Betty Bender (seated) are joined by Mark O’Bryant, (left) President & CEO of TMH and Paula Fortunas (right), President & CEO of the TMH Foundation.

In memory of this Tallahassee wife, mother and civic volunteer, The Sharon Ewing Walker Breast Health Center was established to provide digital mammography and complete breast care services to women of the Big Bend region.
OUTRIGHT GIFTS & GRANTS

<table>
<thead>
<tr>
<th></th>
<th>Operations Unrestricted</th>
<th>Operations Restricted</th>
<th>Endowments Unrestricted</th>
<th>Endowments Restricted</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$643,944.34</td>
<td>4,648,181.38</td>
<td>0.00</td>
<td>131,168.00</td>
<td>$5,423,293.72</td>
</tr>
</tbody>
</table>

DEFERRED GIFTS & GRANTS

<table>
<thead>
<tr>
<th></th>
<th>Operations Unrestricted</th>
<th>Operations Restricted</th>
<th>Endowments Unrestricted</th>
<th>Endowments Restricted</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>1,700,000.00</td>
<td>$1,700,000.00</td>
</tr>
</tbody>
</table>

GRAND TOTAL: $7,123,293.72

GIFT & GRANT DESIGNATIONS

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behavioral Health Center</td>
<td>$4,256.00</td>
</tr>
<tr>
<td>Bixler Emergency Center</td>
<td>8,778.50</td>
</tr>
<tr>
<td>Cancer Center – Outright</td>
<td>804,090.83</td>
</tr>
<tr>
<td>Cancer Center – Deferred</td>
<td>850,000.00</td>
</tr>
<tr>
<td>Heart &amp; Vascular Center</td>
<td>1,618,589.33</td>
</tr>
<tr>
<td>Medicine Services</td>
<td>250,300.05</td>
</tr>
<tr>
<td>Orthopedic &amp; Neuroscience Centers – Outright</td>
<td>599,984.12</td>
</tr>
<tr>
<td>Orthopedic &amp; Neuroscience Centers – Deferred</td>
<td>850,000.00</td>
</tr>
<tr>
<td>Surgical Services</td>
<td>300.00</td>
</tr>
<tr>
<td>Women’s &amp; Children’s Services</td>
<td>464,561.85</td>
</tr>
<tr>
<td>Hospital-Wide Services</td>
<td>3,129,163.44</td>
</tr>
</tbody>
</table>

GRAND TOTAL: $7,123,293.72

THE TMH FOUNDATION BOARD OF TRUSTEES

LEFT TO RIGHT
FRONT ROW
E. Ray Solomon, Ph.D., Immediate Past Chair
M.T. Mustian
R. Randy Guemple, Assistant Treasurer
L. Gary Wright, Chair-Elect
Virginia A. Glass, Chair
Thomas J. Bixler, M.D., Secretary
J. Jeffry Wahlen, Treasurer
Paula S. Fortunas, TMHF President/CEO
G. Mark O’Bryant, TMHF President/CEO

MIDDLE
Todd Patterson, D.O.
John Mahoney, M.D.
Elora B. Haywood
Maria Yealdhall
Carol Hair Moore
Renee Tucker
Sam Leter
Thomas Haney, M.D.
Charlotte Maguire, M.D.
Mary Call Proctor

BACK
Roger Champion
Frederick Carroll, III
Van Champion
Timothy J. Warfel
Racy Bevis
John A. Rudolph, Jr.
Sam Childers
Claude R. Walker

NOT PICTURED
Les Akers
Linda Alexionak
Kathy Alkins-Gunter
Robert T. Carnes
Bryan Desloge
Mike Fields
Linda Figg
Walt Haley
DeVoe Moore
Robert H. Smith
Paul Sullivan
Glenda Thornton
Carol Winchester
AT TALLAHASSEE MEMORIAL, we know that in order to achieve our vision of becoming a recognized World Class community healthcare system, we must demonstrate the quality of our care in ways that are objective and measurable.

One of the ways we are accomplishing this is by improving the quality measures that are reported to the public through organizations such as the Centers for Medicare & Medicaid Services (CMS), the American Hospital Association (AHA) and the Joint Commission on Accreditation of Healthcare Organizations.

The information reported by these groups not only informs the public about the quality of care available at hospitals, but it also helps hospitals like ours understand how we are performing over time so that we can continue to perfect our delivery of care.

The tables on these pages explain how TMH’s performance compares with other hospitals across the country using quality measures that are reported by the Hospital Quality Alliance (HQA) a national public-private initiative that encourages hospitals to voluntarily collect and report hospital quality performance information. CMS, AHA and the Joint Commission participate in HQA, along with other national health care organizations, including more than 4,000 hospitals currently sharing data through this initiative.

This information comes from quality data submitted for reporting periods ending in March 2005. Read more about this data on the Hospital Quality Alliance’s website, www.HospitalCompare.hhs.gov.

ABOUT THESE QUALITY MEASURES
The following set of quality measures have been selected by the Centers for Medicare & Medicaid Services because they relate to three medical conditions that are common among people in the Medicare population, and because they are considered best practices for treating people with these conditions.

HEART ATTACK (AMI) CARE

<table>
<thead>
<tr>
<th>Measure</th>
<th>Compare to State Average</th>
<th>Compare to National Average</th>
<th>TMH Ending June 2004</th>
<th>TMH Ending March 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aspirin at arrival</td>
<td>Above</td>
<td>Above</td>
<td>97%</td>
<td>98%</td>
</tr>
<tr>
<td>Aspirin at discharge</td>
<td>Above</td>
<td>Above</td>
<td>99%</td>
<td>98%</td>
</tr>
<tr>
<td>Beta Blocker at arrival</td>
<td>Above</td>
<td>Above</td>
<td>95%</td>
<td>97%</td>
</tr>
<tr>
<td>Beta Blocker at discharge</td>
<td>Above</td>
<td>Above</td>
<td>95%</td>
<td>96%</td>
</tr>
<tr>
<td>Ace Inhibitor for left ventricular systolic dysfunction</td>
<td>Above</td>
<td>Above</td>
<td>85%</td>
<td>94%</td>
</tr>
</tbody>
</table>

Heart attack patients who receive the following treatments have better outcomes than those who do not:

- Patients who are given aspirin within 24 hours of arriving at the hospital, unless aspirin is harmful to the patient (for example, if the patient has an ulcer.)
- Patients who are prescribed aspirin when discharged from the hospital, unless it would be harmful to the patient.
- Patients who are given a beta blocker (a medicine used to treat heart problems) within 24 hours of arriving at the hospital.
- Patients who are prescribed a beta blocker when discharged from the hospital.
- Patients who have their heart checked to see if the left chamber is pumping. (This is called a left ventricular function assessment.)
- Patients who are prescribed an ACE inhibitor when leaving the hospital.
HEART FAILURE CARE

<table>
<thead>
<tr>
<th>Quality Measure</th>
<th>Compare to State Average</th>
<th>Compare to National Average</th>
<th>TMH Ending June 2004</th>
<th>TMH Ending March 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACE inhibitor for left ventricular systolic dysfunction</td>
<td>Higher</td>
<td>Higher</td>
<td>79%</td>
<td>94%</td>
</tr>
<tr>
<td>Assessment of left ventricular function</td>
<td>Higher</td>
<td>Higher</td>
<td>96%</td>
<td>93%</td>
</tr>
</tbody>
</table>

TMH ranks Above “most other providers with JCAHO accreditation” in the care of these Patients.

Heart failure patients who receive the following treatments have better outcomes than those who do not:

- Patients who have their heart checked to see if the left chamber is pumping. (This is called a left ventricular function assessment.)
- Patients who are prescribed an ACE inhibitor when leaving the hospital.

PNEUMONIA CARE

<table>
<thead>
<tr>
<th>Quality Measure</th>
<th>Compare to State Average</th>
<th>Compare to National Average</th>
<th>TMH Ending June 2004</th>
<th>TMH Ending March 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Antibiotic Timing</td>
<td>Below*</td>
<td>Below*</td>
<td>57%</td>
<td>63%</td>
</tr>
<tr>
<td>Oxygenation assessment</td>
<td>Above</td>
<td>Above</td>
<td>99%</td>
<td>100%</td>
</tr>
<tr>
<td>Pneumococcal vaccination</td>
<td>Above</td>
<td>Above</td>
<td>20%</td>
<td>69%</td>
</tr>
</tbody>
</table>

*TMH has formed a Community Acquired Pneumonia Performance Improvement Team, which has established a stringent time frame to improve the quality measures for pneumonia care. Specific to the Initial Antibiotic Timing, some of the strategies the team has implemented include the following:

- Redesign of processes in the Bixler Emergency Center to improve the timeliness of diagnosing and treating pneumonia patients.
- Identification of interdepartmental communication issues to improve the timeliness of administering antibiotics to pneumonia patients in the hospital.

Pneumonia patients who receive the following treatments have better outcomes than those who do not:

- Patients who have the oxygen levels in their blood measured within 24 hours of arrival at the hospital (This is called an oxygenation assessment.)
- Patients who are given an antibiotic or combination of antibiotics to treat pneumonia as soon as possible, unless they are allergic to antibiotics.
- Patients who are given a pneumonia vaccine, if they have not already had one, before they leave the hospital.

SURGICAL INFECTION PREVENTION

<table>
<thead>
<tr>
<th>Quality Measure</th>
<th>Compare to State Average</th>
<th>Compare to Average of Nation</th>
<th>TMH Ending March of 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Antibiotic Timing within one hour</td>
<td>Above</td>
<td>Above</td>
<td>80%</td>
</tr>
</tbody>
</table>

Why is this important?

Antibiotics are medicines used to prevent and treat infections. Research shows that surgery patients who get antibiotics within the hour before their operation are less likely to get wound infections. Getting an antibiotic earlier, or after surgery begins, is not as effective. This shows how often hospitals make sure surgery patients get antibiotics at the right time.

This information is available at www.medicare.gov.
DURING FISCAL YEAR 2005, Tallahassee Memorial HealthCare reached a milestone on our financial road map by closing the year with a positive bottom line for the first time in five years. This was accomplished by managing costs and enhancing our revenue cycle.

As with any healthcare system, our single largest expenses are compensation and benefits for our TMH colleagues who invest their lives serving others every day of the year. We strive to hire and retain caring and highly competent colleagues who staff the hospital in a manner which allows them to perform in a highly productive manner, providing patient centered care with a concentration on service excellence.

Our positive operating margin has enabled us to reinvest in our TMH colleagues in several ways, including improved life, dental, long term and short term insurance programs, whereby we enhanced coverage and reduced costs.

We also transformed our compensation plan from an antiquated step program to a grade and range plan that provides the opportunity to easily reference the market rates for positions and adjust our ranges to be more market competitive. As a result, multiple wage increases have been dispersed to a variety of positions, including but not limited to Registered Nurses, Respiratory Therapists, Radiological Technologists, Electricians, Plant Engineers and many others.

During the past year, TMH focused on benchmarking with other hospitals known to provide high quality care in order to improve our productivity. This has involved taking a look at all aspects of our delivering of care to determine what factors contribute to positive outcomes for our patients. With this information we have been able to realign duties, and reduce or eliminate unnecessary or duplicative tasks.

Other strategies we’ve pursued during the past year include renewed focus on the revenue cycle to improve the collection of charges and amounts owed for services rendered; improvement in our supply chain management processes that have resulted in savings for supplies, drugs and other materials used to render care; and participation in a government program designed to lower the cost of drugs for hospitals, such as TMH, that provide a disproportionate share of care to indigent patients. We continue to focus our efforts to bring efficiency to the operations so that TMH can achieve vibrant financial performance which is essential to its long-term success.

Tallahassee Memorial believes that having an operating margin between 4 and 5 percent will provide us with the financial resources we need to continue investing in leading-edge technologies, to recruit and retain the most competent professional staff, and to expand our services for the benefit of our community. We are not at the 4 percent level yet, but this year’s operating surplus is an encouraging step toward that goal. We are optimistic that through continued diligence, we will be able to improve our operating margin so we can appropriately reinvest in the people, technologies and facilities that will deliver the World-Class healthcare that our community deserves.
BALANCE SHEET AS OF SEPTEMBER 30, 2005

Cash and short term investments .................. $61,958,000
Accounts receivable, net* .......................... 60,299,500
Inventories ........................................... 3,565,500
Prepaid expenses and other assets .................. 15,441,500
Facilities and equipment, net ....................... 197,734,000
Bond funds, unexpended construction fund ........ 25,830,500
Other long term investments ....................... 4,549,000

Total assets ........................................ $369,378,000

Accounts payable and accrued expenses ............. $29,126,000
Accrued wages and leave time ..................... 14,371,000
Notes and bonds payable ........................... 146,982,000
Self insurance reserves ............................ 27,078,500
Accrued pension liabilities ......................... 83,124,000
Other liabilities .................................... 11,503,500
Net assets ........................................... 57,193,000

Total liabilities and net assets ................... $369,378,000

EXPENSE DOLLAR:

Salaries, wages and benefits ....................... $160,013,300 .... $0.48
Supplies ............................................ 51,540,000 .... 0.15
Drugs ................................................. 13,953,500 .... 0.04
Insurance ............................................ 12,170,500 .... 0.04
Bad debts ............................................ 33,434,500 .... 0.10
Depreciation and interest ......................... 26,108,000 .... 0.08
Other expenses .................................... 37,551,000 .... 0.11

Total operating costs ............................. $334,770,800 .... $1.00

Charity care ......................................... $21,675,000

ADMISSIONS PATIENT DAYS

Adult and pediatrics ................................ 17,809 80,133
Obstetrics ............................................ 4,315 12,985
Neonatal and newborns ............................. 4,008 17,311
Behavioral health .................................. 1,830 10,445
Rehabilitation ....................................... 795 13,146

Total admissions ................................... 28,757 134,020

surgeries 19,680
emergency center visits 69,441
births 3,911
laboratory tests 1,066,440
radiological procedures 121,441
EKGs 42,628
number of employees 3,070