

Commitment.
Compassion.
Community.

St. Luke's Annual Report 2011



2011
FEATURES

Raising the bar
throughout our
organization.



From redesigning inpatient dining to adopting innovative surgical technologies, 2011 was shaped by our commitment to continuous improvement.

“We wanted to offer a truly remarkable inpatient dining experience as personalized as our patient care.”

Mark Branovan,
St. Luke's Hospitality Services Director

New Perspectives on Patient Dining

A year of research, planning and development paid off with the successful launch of Perspectives Dining, a radical departure from traditional hospital food service programs and the first of its kind in the Northland area. “We wanted to offer a truly remarkable inpatient dining experience as personalized as our patient care,” says Mark Branovan, St. Luke's Hospitality Services Director. What makes Perspectives Dining unique is the program's inherently patient-centered focus. Patients order what they want, when they want it, choosing from a wide selection of fresh, healthful, made-to-order meals and snacks. Orders are delivered within 45 minutes by special Ambassadors.

St. Luke's also implemented a special health care nutrition software program that cross-references menu items with individual patient needs. “If a patient orders something that exceeds their allotted carbohydrate or fat grams, we can help them find something that fits within their plan,” says Paula Bursch, St. Luke's Clinical Nutrition & Diabetes Care Supervisor. “With Perspectives Dining, every patient interaction becomes a coaching opportunity.”

Funding for Perspectives Dining is provided in part by St. Luke's Foundation.

“We can perform even the most intricate procedures with far less impact on the patient.”

Dr. Thomas O'Connor,
St. Luke's Urology Associates

Art and Science of da Vinci® Technology

Minimally invasive surgery, while offering significant advantages over traditional surgery, has not been able to meet the demands of complex urological and gynecological procedures. In 2011, St. Luke's addressed those limitations with the robot-assisted da Vinci® Surgical System, an innovative technology that produces less post-operative pain, fewer complications, decreased blood loss and shorter recovery periods. And St. Luke's is one of the few medical centers in the country to offer the da Vinci simulator, a training tool that uses operative scenarios to improve dexterity and skills.

According to Dr. Thomas O'Connor, St. Luke's Urology Associates, the da Vinci system's magnified, 3-D perspective significantly enhances precision, flexibility and control. “We can perform even the most intricate procedures involving the kidneys, bladder and prostate with far less impact on the patient,” he says. Dr. Susan Goltz of Northland OB-GYN Associates is equally enthusiastic. “For complex hysterectomies and selected gynecologic procedures, da Vinci is the most effective, least invasive treatment option available today.”

da Vinci is a registered trademark of Intuitive Surgical, Inc.



St. Luke's reputation in the community and region is reflected in our mission to put patients first.

In 2011, we conducted a region-wide review to better understand how St. Luke's impacts the people of our region. Survey results verified that St. Luke's is important to the health care of our region, that St. Luke's mission is meaningful to the people who receive our services, and that our patients believe in our promise to put them first.

The patient experience

Staying true to our mission means always looking at ways to improve the patient experience. In 2011 we launched Perspectives Dining, a new inpatient food service program, and transformed how we provide birthing and pediatric care services. We also added new technologies, including the minimally invasive da Vinci® Surgical System which reduces pain and shortens recovery time.

Quality standards

Our focus on quality is present in everything we do, from our existing services to new clinics and specialty areas. In 2011 The Joint Commission, the nation's premier health care standards-setting accrediting organization, once again reaccredited St. Luke's and St. Luke's Home Care for achieving compliance standards.

Exceptional staff

As always, meeting our patients' expectations and satisfying quality standards would not be possible without our amazing team. From the Bay Area Medical Clinic staff in Silver Bay, Minnesota, to the Chequamegon Clinic staff in Ashland, Wisconsin; from the nurses who care for patients at the emergency department, in the intensive care unit and in their homes, to the physical therapists who help patients regain their strength so they can rejoin their families, our staff live St. Luke's mission every day. This is the St. Luke's we know.



Sincerely,

John Strange
President and CEO

Dale Moe
Board Chair

Our Mission

The Patient Above All Else.

Our Values

The patient comes first.

Quality is our expectation.

People make it happen.

Everyone is treated with respect.

YEAR IN
REVIEW

The Year in Review

New Radiology Team



St. Luke's welcomed a new team of radiologists through Consulting Radiologists, Ltd. (CRL), a Minnesota-owned, physician-led radiology practice of 75 radiologists representing all diagnostic imaging subspecialties.

Eduardo Ehrenwald, MD, PhD	Interventional Radiology
Subbarao Inampudi, MBBS	Interventional Radiology
Stanley Kurisko, MD	Diagnostic Radiology
Richard Levey, MD	Diagnostic Radiology
Thomas Matson, MD	Diagnostic Radiology
Jason Mehling, MD	Interventional Radiology
Karla Myhra-Bloom, MD	Diagnostic Radiology/Teleradiologist
Jeffrey Peterson, MD	Diagnostic Radiology
Robert Pollock, MD	Diagnostic Radiology
Paul Rust, MD	Diagnostic Radiology
Lisa Schneider, MD	Breast Imaging
Clark Schumacher, MD	Interventional Radiology
Matthew Stone, MD	Diagnostic Radiology/Teleradiologist

Accreditations and Recognitions

St. Luke's Inpatient Rehabilitation Unit (8 West) received a three-year reaccreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF). This achievement is an indication of St. Luke's dedication and commitment to improving the quality of our patients' lives.

The Joint Commission Resources recognized St. Luke's with a Bronze Award for The Flu Vaccination Challenge. St. Luke's achieved recognition for its employee vaccination rate.

St. Luke's received a Certificate of Appreciation from LifeSource and the Minnesota Hospital Association (MHA) for "supporting the gifts of organ and tissue donation."

Laurentian Medical Clinic laboratory was reaccredited by COLA, a national health care accreditation organization. Accreditation is given only to laboratories that apply rigid standards of quality in day-to-day operations, demonstrate continued accuracy in the performance of proficiency testing and pass a rigorous on-site laboratory survey.

St. Luke's Hospital and St. Luke's Home Care Services each received reaccreditation from The Joint Commission. The accreditation covers compliance with standards and other requirements and verifies improvement activities and is designed to help hospitals continuously provide safe, high-quality care, treatment and service. The Joint Commission is the nation's oldest and largest health care standards-setting and accrediting body.

New Services



St. Luke's Inpatient Rehabilitation Unit opened the doors to its new transitional apartment. Located on 8 West, the apartment simulates a home environment, enabling patients to test their skills before returning home. Funding for the apartment was provided, in part, by St Luke's Foundation.



St. Luke's formed a new Maternal Child Health Department including pediatrics, labor and delivery, nursery and Level II nursery. This new service offers continuity of care for new parents and children.



St. Luke's launched Perspectives Dining, a new patient food service program unique in the hospital food service industry. The program allows patients to choose what they want and when they want to eat from a heart-healthy menu that meets the 2010 Dietary Guidelines for Americans. Funding for this program was provided, in part, by St. Luke's Foundation.



St. Luke's welcomed Valentini's Deli, a convenient new option for meals and snacks located next to St. Luke's Gift Shop. Valentini's offers a variety of different pastas each day, as well as salads, sandwiches, soups, desserts and beverages.

Under Construction



Construction of a new medical office building on St. Luke's medical campus began in March 2011, on the corner of Second Street and 10th Avenue East. It is scheduled to open in late summer of 2012. The new building will offer expanded space for offices and specialty clinic practices, including St. Luke's Plastic Surgery Associates, St. Luke's Pediatric Associates, St. Luke's Orthopedics & Sports Medicine, St. Luke's Physical Medicine & Rehab Associates, St. Luke's Neurosurgery Associates and St. Luke's Gastroenterology Associates.

Pilot Project



In collaboration with the Human Development Center, St. Luke's Pediatric Associates is carrying out a pilot project involving Depression in Children and Adolescents. The project addresses the needs of children ages six to 17 who are patients at St. Luke's Pediatric Associates. Information from the pilot will be used to develop an integrated system of pediatric depression care management in the Duluth area. The collaboration is one of only two funded by the Minnesota Department of Human Services, Children's Mental Health Division. It is administered and staffed by St. Luke's Research Department, the Whiteside Institute for Clinical Research.

Volunteer Milestone



In 2011, St. Luke's Volunteer Service Guild celebrated its 60th anniversary. Each month 135 adult volunteers and 35 college students volunteered in more than 35 areas throughout St. Luke's hospital and clinics, and 44 youth volunteered in the summer program.

New Technology



St. Luke's introduced the da Vinci® Si™ Surgical System to our operating rooms and to our community. The da Vinci Si offers unique features that provide clinical benefits and efficiency in the operating room which, in turn, benefit our patients. The system can be used for myriad procedures, including prostatectomy, hysterectomy, myomectomy, coronary artery bypass, mitral valve repair and colorectal surgery. St. Luke's is the first hospital in Minnesota to receive the da Vinci Skills Simulator, a state-of-the-art computer that acts like a flight-simulator for surgeons.

New Leadership

Susan Hamel accepted the Chief Nursing Officer (CNO) position. Hamel, a graduate of St. Luke's School of Nursing, is a long-time St. Luke's employee. In her 30 years, she has served as a staff nurse and held management roles in Intensive Care and Surgical Services.

Jo Ann Hoag, who held the CNO position most recently since 2005, transitioned to Vice President, Network Development to focus efforts on health reform, outreach activities and to strengthen regional relationships.

Elizabeth Weinman, MD, St. Luke's Physical Medicine & Rehabilitation Associates, was named director of St. Luke's Inpatient Rehabilitation Unit. Dr. Weinman joined St. Luke's in 2004.

Nicholas Van Deelen, MD, was named Medical Director and Emergency Department Chair. Dr. Van Deelen joined St. Luke's in 1997.

Board of Directors

Gail Baldwin, MD

Lisa Bodine

Ray Christensen, MD

Marlene David

Mark Emmel

Vice Chair

Susan Goltz, MD

Secretary

Melinda Machones

Past Chair

Dave McMillan

Dale Moe

Chair

Kathleen Nelson, EdD

Del Prevost

Brian Ryks

Treasurer

Kristi Stokes

John Strange

Executive Team

John Strange

President and Chief Executive Officer

Sandra Barkley

Vice President, Clinics

Ron Franzen

Vice President of Support Services

Jo Ann Hoag

Vice President of Network Development

James Wuellner

Vice President, Finance and

Chief Financial Officer

Gary Peterson, MD

Vice President, Medical Affairs and

Chief Medical Officer

Brian Carlson

Vice President and CEO

Lake View Memorial Hospital

Two Harbors, Minnesota

Susan Hamel

Chief Nursing Officer

Medical Staff Organization

Paul Sanford, MD
Chief of Staff

Stephen Hadley
Secretary

Elisabeth Revior, MD
Chief of Staff Elect

Medical Staff Department Chairs

Brian Bergeron, MD
Emergency Medicine

Maria Kundel, MD
Pediatrics

Mary Boylan, MD
Surgery

Jennifer Boyle, MD
OB/GYN

David Kirby, MD
Family Medicine

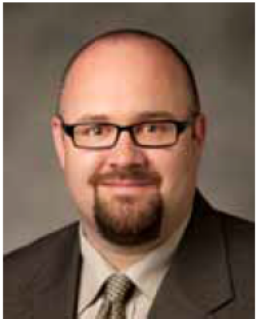
Juan Colareta, MD
Psychiatry

Timothy Kleinschmidt, MD
Medicine



NEW
MEDICAL
STAFF

Expanding our medical staff to advance the quality of patient care



Jarrod Buresh, DO
St. Luke's Pavilion Surgical Associates



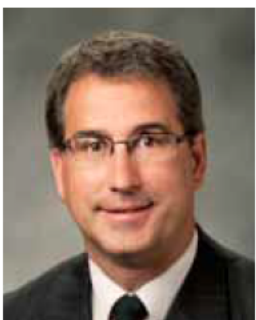
Michael Butner, MD
Laurentian Medical Clinic



John Chang, DO
St. Luke's Internal Medicine Associates



Eric Enberg, MD
Denfeld Medical Clinic

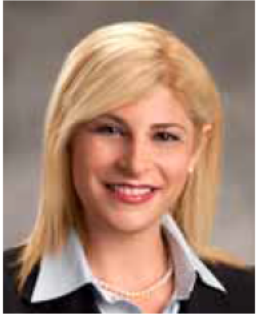


Joseph Howard, MD
St. Luke's Internal Medicine Associates



Jason Johnson, MD
St. Luke's Anesthesia Associates

NEW MEDICAL STAFF



Andrea Katz, MD

St. Luke's Oncology &
Hematology Associates



Jessica Krog-Breeuwer, MD

St. Luke's Internal Medicine Associates



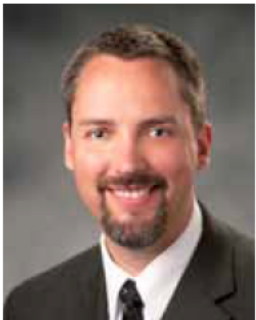
Addie Licari, MD

P.S. Rudie Medical Clinic



James MacNutt, DO

St. Luke's Neurosurgery Associates



James Mohn, MD

St. Luke's Cardiology Associates



Thomas O'Connor, MD

St. Luke's Urology Associates



Kimberly Pettinelli, CNP

Laurentian Medical Clinic



John Redmond, MD

St. Luke's Orthopedics &
Sports Medicine

NEW MEDICAL STAFF



Anne Riddle, MD
Mariner Medical Clinic



Brian Riddle, MD
Mariner Medical Clinic



Aundria Rigger, PA-C
St. Luke's Orthopedics



James Rigger, PA-C
St. Luke's Pavilion Surgical Associates



April Swartz, CNP
St. Luke's Psychiatry Associates



Kristen Walsh, PA-C
St. Luke's Orthopedics &
Sports Medicine



Cynthia Weaver, MD
St. Luke's Rheumatology Associates



Diagnostic, therapeutic and specialty services to better serve the growing needs of our community

Regional Centers

St. Luke's Regional Cancer Center

St. Luke's Regional Heart & Vascular Center

St. Luke's Regional Trauma Center

Medical and Surgical Services

-
- Acute Inpatient Rehabilitation
 - Acute Renal Dialysis
 - Allergy and Immunology
 - Anesthesiology
 - Cardiology
 - Cardiothoracic Surgery
 - Colorectal Surgery
 - da Vinci® Surgical System
 - Dermatology
 - Emergency Medicine/Trauma Care
 - Endocrinology
 - Family Medicine
 - Gastroenterology
 - General Surgery
 - Infectious Disease
 - Internal Medicine
 - LASIK Surgery
 - Maternal Child Health
 - Mental Health
 - Nephrology
 - Neurology
 - Neurosurgery
 - Obstetrics/Gynecology
 - Occupational Medicine
 - Oncology/Hematology
 - Ophthalmology
 - Oral and Maxillofacial Surgery
 - Orthopedic Surgery
 - Otolaryngology
 - Pathology
 - Pediatrics
 - Physical Medicine and Rehabilitation
 - Plastic Surgery
 - Podiatry
 - Pulmonary Medicine
 - Radiation Oncology
 - Radiology
 - Rheumatology
 - Sports Medicine
 - Urology
 - Vascular Surgery
 - VATS (Video Assisted Thoracoscopic Surgery)
 - Weight Loss Essentials (Medical and Surgical)
-

Diagnostic and Therapeutic Services

- Anticoagulation Clinic
- Biofeedback/Neurofeedback
- Breast Center
- Capsule Endoscopy
- Cardiac Angioplasty
- Cardiac Diagnostics
- Cardiac Rehabilitation
- Cardiology Device Clinic
- Chemotherapy
- Coronary CT Angiography (Computed Tomography)
- CRRT (Continuous Renal Replacement Therapy)
- CT Scanning
- Diabetes Care
- Electrophysiology
- Endoscopic Vein Harvesting
- Endoscopy/Proctoscopy/Colonoscopy
- EECP® (Enhanced External Counterpulsation)*
- Guided Imagery
- Hand Therapy
- Heart Failure Clinic
- IMRT (Intensity-Modulated Radiation Therapy)
- Infusion Therapy
- Laboratory
- Lithotripsy
- Lymphedema Services
- Mammography (Digital and BSGI)
- Mental Health
- MRI (Magnetic Resonance Imaging)
- Neurological Screening/Diagnostics
- Neuromuscular Electrical Stimulation (NMES)
- Nutrition Counseling
- Occupational Therapy (Adult and Pediatric)
- Osteoporosis Screening (DEXA Scan and Heel Ultrasound)
- Ostomy/Continence/Wound Care
- PACE (Professionally Assisted Customized Exercise)
- Pain Management
- PET Imaging (Positron Emission Tomography)
- Pharmacy
- Physical Therapy (Adult and Pediatric)
- Psychological Services
- Pulmonary Rehabilitation
- Radiation Therapy
- Radio-Frequency Ablation
- Radiology
- Rehabilitation (Inpatient and Outpatient)
- Respiratory Therapy
- Saebo Rehabilitation (Stroke and Neurological Injury)
- Sleep Disorders Center
- Speech Therapy (Adult and Pediatric)
- Stereotactic Radiosurgery
- Stroke Program
- TMJ Services
- Ultrasound
- Vascular Services
- Vestibular Rehabilitation Therapy
- Vision Rehabilitation Program
- VNUS Closure for Varicose Veins
- Women's Heart Clinic

* EECP is a registered trademark of Vasomedical, Inc.

Community and Regional Services

-
- Childbirth Education
 - Child Car Seat Safety Clinics
(Partnership with the Duluth Fire
Department and Northland's NewsCenter)
 - Clinical Experience Affiliations
 - Community Health Education
 - Continuing Education Programs (Health
Professionals, Physicians and EMS)
 - CPR Training
 - Diabetes Education
 - Employee Assistance Program
 - Fall Prevention Program
 - Family Practice Residency Program
(Joint Sponsorship)
 - First Aid Classes
 - Home Health Care
 - Home Telemonitoring
 - Hospice Duluth®
 - I Can Cope
 - Injury Prevention Programs
(TraumaRoo, EN CARE, Think First)
 - Kids Can Cope
 - Life Link III Air Medical Transport
 - Medical Home
 - Osteoporosis Program
 - Outpatient Surgery Center at Mariner
Medical Clinic
 - Outreach Education
 - Pavilion Surgery Center
 - Physician Outreach Education
 - Physical Therapy & Fitness Center
(Partnerships with Mount Royal Pines
and St. Ann's Residence, Duluth, MN, and
William Kelly High School, Silver Bay, MN)
 - Pilates
 - St. Luke's Driving Evaluation and
Training Program
 - St. Luke's International Travel Health Center
 - Speaker's Bureau
 - Support Groups
 - Whiteside Institute for Clinical Research
(In collaboration with the University of
Minnesota Medical School, Duluth)
-

Family Medicine

- Bay Area Medical Clinic, Silver Bay, MN
- Chequamegon Clinic, Ashland, WI
- Denfeld Medical Clinic, Duluth, MN
- Hibbing Family Medical Clinic, Hibbing, MN
- Lake View Clinic, Two Harbors, MN
- Laurentian Medical Clinic, Mountain Iron, MN
- Lester River Medical Clinic, Duluth, MN
- Mariner Medical Clinic, Superior, WI
- Miller Creek Medical Clinic, Hermantown, MN
- Mount Royal Medical Clinic, Duluth, MN
- P.S. Rudie Medical Clinic, Duluth, MN

Specialty Care

Specialty clinics are located in Duluth, Minnesota. In addition, many of our specialists provide consulting services to St. Luke's family medicine clinics.

- St. Luke's Allergy & Immunology Associates
- St. Luke's Anesthesia Associates
- St. Luke's Cardiology Associates
- St. Luke's Cardiothoracic Surgery Associates
- St. Luke's Dermatology Associates
- St. Luke's Duluth Internal Medicine Associates
- St. Luke's Emergency Services
- St. Luke's Endocrinology Associates
- St. Luke's Gastroenterology Associates
- St. Luke's Infectious Disease Associates
- St. Luke's Internal Medicine Associates
- St. Luke's Neurosurgery Associates
- St. Luke's Occupational Health Clinic
- St. Luke's Oncology & Hematology Associates
- St. Luke's Orthopedics & Sports Medicine
- St. Luke's Pavilion Surgical Associates
- St. Luke's Pediatric Associates
- St. Luke's Physical Medicine & Rehab Associates
- St. Luke's Plastic Surgery Associates
- St. Luke's Psychiatry Associates
- St. Luke's Pulmonary Medicine Associates
- St. Luke's Radiation Oncology Associates
- St. Luke's Rheumatology Associates
- St. Luke's Surgical Associates
- St. Luke's Urology Associates

Urgent Care

-
- St. Luke's Hospital, Duluth, MN
 - Denfeld Medical Clinic, Duluth, MN
 - Mariner Medical Clinic, Superior, WI
 - Miller Creek Medical Clinic, Hermantown, MN
-

Q Care

St. Luke's Express Clinic

Q Care, located in the Duluth Cub Foods, offers convenient, walk-in care for minor health concerns for people of all ages. Staffed by a physician assistant or nurse practitioner, the clinic provides basic diagnostic services and prescriptions for treatment, as well as some on-site lab testing.

Summary of Revenues

(in thousands)

	St. Luke's	Lake View
Patient Services Revenue	\$696,839	\$18,210
Deductions from Revenue:		
Contractual/Other	\$382,628	\$5,298
Patient Financial Assistance	\$7,012	\$108
Bad Debt	\$6,621	\$239
Other Revenue	\$16,403	\$152
Total Revenues Received	\$316,981	\$12,717

Summary of Revenue Uses

(in thousands)

	St. Luke's	Lake View
Salaries/Benefits	\$199,211	\$6,356
Depreciation & Interest	\$12,025	\$1,307
Other Operating Expenses & Reinvestment	\$105,745	\$5,054
Total Revenue Uses	\$316,981	\$12,717

2011 Statistical Highlights

	St. Luke's	Lake View
Admissions	11,424	226
Births	956	–
Patient Days	48,833	2,033
Emergency/Urgent Care Visits	63,471	3,314
Outpatient Registrations	157,420	5,483
Occupancy Percentage	50.10%	31.10%
Number of Surgeries	10,202	37
Home Health/Hospice Visits	18,588	–
Clinic Visits	442,373	23,109
Assisted Living Resident Days	–	3,163
Occupancy Percentage Assisted Living	–	87.00%