NorthShore
University HealthSystem

ORGANIZATIONAL CAPABILITY STATEMENT

NorthShore is a not-for-profit corporation principally formed to provide quality healthcare services for the communities it serves. The organization's primary service area includes Chicago's "north shore," northern suburbs, and its environs. In support of its primary mission of patient care, the corporation engages in a wide range of academic activities in medical education and research.

The core mission of NorthShore is to preserve and improve human life. This mission is achieved through the provision of superior clinical care, academic excellence, and innovative research. NorthShore is a comprehensive, fully integrated, healthcare delivery system that serves the greater North Shore and northern Illinois communities. NorthShore includes four Hospitals – Evanston Hospital, Glenbrook Hospital, Highland Park Hospital and Skokie Hospital, the NorthShore Research Institute, the NorthShore Foundation, and the NorthShore Medical Group. The system has more than 2,000 affiliated physicians, including a multi-specialty group practice with over 85 office locations under NorthShore Medical Group, the largest medical group in metropolitan Chicago.

Further, NorthShore is committed to excellence in its academic mission and supports teaching and research as the principal affiliate of The University of Chicago Pritzker School of Medicine. NorthShore has been named to the Top 15 Major Teaching Hospitals® by Thomson Reuters a record 13 times, more times than any hospital in the United States. With more than $100 million in external grant awards, NorthShore Research Institute focuses on human clinical research, wet lab translational research, and clinical research informatics. The NorthShore Research Institute is currently 10th nationally among its peer group of comprehensive independent hospitals in NIH funding.

NorthShore has a staff of more than 9,000, and has significant capabilities in a wide spectrum of clinical programs, including cancer, heart, orthopedics, high-risk maternity and pediatrics. NorthShore is a national leader in the implementation of innovative technologies, including electronic medical records (EHRs). In 2003, NorthShore was among the first in the country to successfully launch a system-wide, fully integrated EHR with demonstrable benefits in quality, safety, efficiency and service to patients. NorthShore has been recognized by multiple national organizations for this notable achievement as summarized in the following table.

Awards and Recognition	Description
2009 HIMSS Analytics Stage 7 Award	NorthShore was honored for being one of the first two organizations to have hospitals that have reached "Stage 7" of HIMSS' EMR Adoption Model. This award honors hospitals that operate in a paperless environment and represent best practices in implementation of the EMR.
2004 HIMSS Davies Award of Excellence	NorthShore (then known as ENH) was honored with this prestigious award for being "the first integrated healthcare system…to implement an EHR throughout its entire inpatient and ambulatory care setting."
2009 Gold Medal Award - American College of Healthcare Executives	Mark Neaman, President and CEO, received the ACHE's highest honor, the Gold Medal Award, for his work in building one of the nation's first systemwide electronic health-record systems that demonstrably improved quality, safety, and efficiency.
2004 CHIME Collaboration Award	Tom Smith, CIO, received the CHIME collaboration award in recognition of the successful relationship and joint efforts displayed during NorthShore's installation of Epic's applications.
2005 CEO IT Achievement Award - Modern Healthcare and HIMSS	Mark Neaman was honored for demonstrating superior levels of leadership and commitment to using information technology for the advancement of NorthShore's strategic goals.
Leapfrog Group - 2007	Evanston Hospital was named to the "Leapfrog Top Hospitals" list for the second year in a row.
100 Most Wired Hospitals - Hospitals and Health Networks	NorthShore was ranked in the 2009 Most Wired Survey and Benchmarking Study for the 6th year in a row.
2007 & 2008 Top 100 Most Highly Integrated Healthcare Networks - Verispan	NorthShore ranks in the top 100 in the nation.
KLAS Recognition - 2004	NorthShore received special recognition following KLAS' 2004 CPOE Digest Survey for demonstrating the highest value rating from physician and nurse usage of healthcare IT systems.
Learning in Practice Award - Chief Learning Officer Magazine	Jane S. Dowd received a Bronze Award for Leading Business Change to recognize her role in leading NorthShore's massive training effort to prepare doctors, nurses, pharmacists and other professional to move from paper patient records to electronic ones.
2004 CUBIC Award, Corporate University Best in Class - International Quality and Productivity Center	A prestigious panel of corporate university experts gathered to evaluate the true effectiveness of world-class corporate universities. Evanston's HospitalU Healthcare e-Learning Collaborative won the organization first place as the most innovative industry resource.
2005 CIO Managerial Award - Top 100 Bold Ones	NorthShore received this award for selecting and quickly installing an EMR system that removed patient charts across its three hospitals and its 68 physician office locations.
2005 Award for Excellence in Medication-Use Safety - ASHP Foundation	ASHP recognized NorthShore's pharmacy professionals for promoting safety in medication-use through the implementation of an inpatient and ambulatory EMR. The implementation resulted in a 100% elimination of transcription-related medication errors.

NorthShore 2009 Annual budget and sources of income

For the Years Ended September 30 *($ in Thousands)*	2009*	2008
Unrestricted revenues and other support:		
Net patient service and premium revenue	$1,401,069	$1,186,034
Investment earnings to support current activities	34,000	28,250
Net assets released from restrictions used for current activities	8,751	18,083
Other revenue	86,761	69,935
Total unrestricted revenues and other support	1,530,581	1,302,302
Operating Expenses:		
Salaries and benefits	724,591	624,597
Supplies and services	519,851	450,279
Depreciation and amortization	95,618	82,120
Insurance	54,286	46,,656
Provision for uncollectible accounts	63,820	38,933
Interest expense	7,299	8,762
Total operating expenses	1,465,465	1,251,347
Income from operations	$65,116	$50,955

**Unaudited*

Previous experience with EHR implementation

Since 2003, NorthShore has implemented EpicCare ambulatory EHR systems in four hospitals totaling over 1000 staffed beds and in 85 employed practice locations as well as 20 independent practice offices. The system encompasses 60,000 annual admissions and over 1,000,000 encounters per year including 4 emergency departments with over 125,000 annual visits.

In 2005, NorthShore launched the first interactive online patient portal in the State of Illinois. NorthShoreConnect currently provides over 100,000 patients access to their medical records, and offers them the ability to renew prescriptions, communicate with physicians, receive test results, schedule appointments, manage chronic conditions and much more. All such encounters are live on the system, with a common database for all encounters.

As part of its implementation project, NorthShore converted five years of clinical repository data and over one million patient records from its legacy systems. The project also involved deploying several real-time HL7 compliant interfaces, including an outgoing charges interface and bi-directional registration interfaces with McKesson's Medipac, NorthShore's hospital registration and billing system; outgoing orders and incoming results interfaces with multiple

ancillary systems; and outgoing orders and incoming dispense interfaces that connect Willow Inpatient with Pyxis.

The majority of the organization's patient-related documentation and orders are now paperless, and all 2,900 physicians, nurses and other clinicians can work from an integrated data repository. For clinicians, the Epic systems have streamlined both the orders process and patient testing. Time to first antibiotic dose has decreased from 160 minutes to 68 minutes, the time for general blood work results has decreased from one day to same day, and the time for cardiographics results has dropped from five days to one day.

Because Epic has been installed in both offices and hospitals, 60% of patients that present to the Emergency Department have complete records in the EHR. CPOE has allowed checking for allergies at the time of medication ordering resulting in physicians removing the order 33% of the time the allergy alert displayed. Inpatient length of stay has decreased by 11%; Care Plan usage has increased from 53% to 93%; eligible pneumovax administration increased from 17% to 57% in one month; facility acquired pressure ulcers stage 2 or more decreased from 4.3% to 1.5% (benchmark 3.8%).

On the financial, cost-savings side, the organization's billing denial rate dropped to 10%, with the denial rate due to registration errors moving from 18% to 3%; co-pay collections increased to 92%. In August 2005, NorthShore began an ambitious project to combat the spread of methicillin-resistant Staphylococcus aureus (MRSA) infections in the hospital. A new molecular test for MRSA enables the lab to process tests within three hours and those patients that test positive are then closely monitored by infection control managers. NorthShore uses EpicCare Inpatient to alert nurses and technicians to test each patient when admitted. Using this functionality, MRSA Screenings increased from 30% to 93% in one month. MRSA infections are very expensive to treat, and by preventing the spread of the bacteria, at least one million dollars each year has been saved.

Training as part of the EHR implementation process is one of NorthShore's strengths. In its initial implementation in 2003, NorthShore trained over 8000 users, encompassing more than 12,000 training encounters in the initial 18 months. NorthShore's leadership in training/education and assistance in EHR adoption is clearly evidenced by the awards received:

- 2009 Workforce Chicago Award for "Best Practice Learning and Development"
- 2004 Chief Learning Officer magazine Bronze Award for "Leading Business Change."
- 2004 1st place Corporate University Best in Class (CUBIC) Award for "Most Innovative Industry Resource" for co-founding HospitalU, a healthcare e-learning collaborative.