

Partners in Caring

2 0 1 2 A N N U A L R E P O R T







A Powerful Partnership

When you want the best answer to a question, you ask an expert. So when Scripps wanted to know how to provide the best possible care for our patients with the highest quality and value — in an environment marked by continuing economic uncertainty and the challenging demands of health care reform — we asked our physicians. We believe no one knows better how to care for our patients.

This is the philosophy behind our innovative co-management structure that brings our physicians and administrative leaders together from the start to jointly make decisions about patient care at Scripps. Working as partners, our physicians and administrators are designing our clinical care lines to improve care and reduce costs. They are identifying and eliminating unnecessary variations and defining the most effective methods of diagnosing, treating and preventing illness among the half-million patients we care for each year.

In addition to defining which tests, procedures and equipment will create the best outcomes, our physicians know where costs can be reduced without sacrificing quality or efficiency. Our administrative leaders know how to manage budgets and infrastructure to best meet the physicians' recommendations. Together, they are setting best practices that will be followed across the system to ensure that our patients receive the highest quality care individualized to their needs. It's a powerful partnership.

This forward-thinking perspective has positioned us to successfully respond to the demands of health care reform and, more importantly, increase the quality and value of our care to our patients. Today, by welcoming our physicians as partners in care, we have already achieved remarkable results across our five Scripps hospital campuses, 24 outpatient centers and our affiliated physicians' offices throughout San Diego County. We've highlighted just a few of the success stories in this year's annual report. There are many more to come, as our 13,500 employees and more than 2,600 affiliated physicians continue to put the patient at the center of everything we do.

A handwritten signature in black ink, reading "Chris Van Gorder". The signature is fluid and cursive.

Chris Van Gorder, FACHE
Scripps President and CEO

Physician Co-management: A Best Practice

When you put patient care first, you'll always be successful.

That's the philosophy behind the physician co-management structure that brings Scripps physicians together with administrative leaders to collaborate on the best ways to improve patient care, boost quality and efficiency, and reduce waste and costs across every aspect of the Scripps system.

Physicians and administrators working together is not a new concept for Scripps. Thirteen years ago, Scripps President and CEO Chris Van Gorder established the Physician Leadership Cabinet (PLC) as an advisory group to strengthen collaboration between administrators and physicians. The PLC includes chiefs of staff, chiefs of staff-elect, chief executive officers from each hospital campus, and the corporate vice president of nursing operations — all focused on what is best for the patient.

In 2011, at the invitation of the Scripps Health Board of Trustees, ScrippsCare was formed to guide efforts to build a fully integrated network of ambulatory and inpatient services. A subsidiary company of Scripps Health, ScrippsCare includes the physician leaders of seven Scripps affiliated medical groups, community representatives, Scripps Senior Vice President of Payor Relations Marc Reynolds, Scripps President and CEO Chris Van Gorder and is chaired by Scripps Chief Medical Officer James LaBelle, MD.

“Physicians are the ones who best know how to take care of our patients. By bringing them to the table from the start of the process, we stay on the right track to transform patient care.”

– James LaBelle, MD, Chief Medical Officer

Juan Tovar, MD, and Ricardo Soltero, MD



James LaBelle, MD



Shawn Evans, MD





Physician Leadership Cabinet
(Member listing on page 28)

“In the 13 years there has been a Physician Leadership Cabinet, we’ve accepted 100 percent of the recommendations from the group.”

– Chris Van Gorder
President and CEO



ScrippsCare
(Member listing on page 28)

“ScrippsCare gives us a way to coordinate our planning for improved patient care with our affiliated physician groups and the Scripps system to bring the best ideas forward in a balanced way. We’re fortunate to have our medical group leaders working with us, and patients will benefit from their efforts.”

– Marc Reynolds
Senior Vice President,
Payor Relations



Physician Leadership Cabinet



Chris Van Gorder



“One successful change generates another. Physicians see this working and are more engaged to address other areas. When you are accountable for the design of the entire system and engineering decisions that are best for the patient, everyone benefits.”

– James LaBelle, MD
Chief Medical Officer

Engineers of Care

From hospitals and cath labs to clinics and outpatient services, physicians and administrators are jointly identifying and implementing best practices designed to deliver maximum value to our patients.

The “engineers” behind those systems include the physician and administrative co-managers of the eight major clinical care lines, and the co-management committee, who together are members of the Scripps Clinical Care Line Council and bring specific expertise to the table.

Dr. James LaBelle and Barbara Price, corporate senior vice president of business and care line development, oversee the clinical care line council and set the framework for physician co-management across the system.

With the care lines working under the co-management model, significant — and impactful — changes are taking place. Many have resulted from reductions in variation that are increasing efficiency, improving care and saving money throughout the organization.

The physician leaders of each care line share information with their steering committees, medical directors at each of the hospitals and ambulatory setting leaders, and together make evidence-based decisions about best practices in patient care. As a result of this systemwide collaboration, Scripps has standardized processes and procedures from admissions orders and lab tests to coronary angioplasty and chemotherapy treatments.

“Our role is to model co-management for the rest of the organization and bring in the people, information and resources to support the decision-makers. Together, we identify what needs to be measured and implemented, and then our physician and administrative leaders decide how it will be done.”

– Barbara Price
Corporate Senior Vice President,
Business and Care Line Development





The eight clinical care lines that are part of the Scripps Clinical Care Line Council include oncology, cardiovascular, behavioral health, diabetes, neurosciences, primary care, ortho/spine/musculoskeletal, and women's and newborn. Leaders pictured (from left, front): William Stanton, MD; JoAnn Beaudoin, RN; Paul Teirstein, MD; Jerry Glassman, MD; Deb McQuillen, RN; Jerry Gold, PhD; Athena Philis-Tsimikas, MD; Chris Walker; (from left, back): Thomas Chippendale, MD; Rebecca Cofinas; Anil Keswani, MD; Barbara Price; Steven Copp, MD; James LaBelle, MD; Matt Cantonis; Kelly Harkey, MD; and Bella Kaufman, RN.



William Stanton, MD, medical director of cancer care at Scripps Mercy Hospital, Michael Kosty, MD, medical director of cancer care at Scripps Green Hospital and James Sinclair, MD, medical director of cancer care at Scripps Memorial Hospital La Jolla, have collaborated with administrative leaders on a variety of services to benefit patient care.

A System Approach

Among cancer care centers, there is no higher honor than receiving network accreditation from the American College of Surgeons Commission on Cancer (CoC). Originally accredited in 2008, Scripps is the first network (multi-hospital) program in California to earn this designation, and one of only 44 in the entire country.

In first earning the accreditation five years ago, Scripps oncologists demonstrated the power of physician co-management that was a model for the rest of the organization. Today, the medical directors of all three hospital-based divisions guide the medical management of oncology services throughout the system with administrative partner JoAnn Beaudoin, RN.

“Our goal is to provide a standard of high quality throughout the system in every aspect of cancer care, from surgery and treatment to physical therapy, survivorship issues and more.”

– William Stanton, MD, Medical Director, Scripps Cancer Care

Redesigning Primary Care

We asked people what they want from their primary care physicians and their responses were consistent: *“The ability to see a physician when I need to.”* *“A physician who knows me.”*
“A physician who is responsive to my questions.”

These are simple, straightforward needs that go a long way in establishing a strong doctor-patient relationship – and a relationship with a health care system. At Scripps, we call it putting the patient at the center of all we do.

So how do physicians and administrators work together to best deliver that patient-centered care? By looking at it completely different, according to Scripps President and CEO Chris Van Gorder, “We are a hospital-based system that needs to change our focus to become an ambulatory-based, patient-care system. We need to be an organization that is exceptional at delivering primary care with a great hospital system attached to it.”

With the charge of being “bold” and “throwing out the rules” if needed, a group of 50 physicians, nurses, technicians, access representatives, and staff from two different ambulatory centers and medical groups at Scripps Clinic and Scripps Coastal Medical Center met with administrative leaders for one week, completely immersed in redefining the patient care experience. It’s called a kaizen, which comes from the Japanese words kai meaning “incremental” and zen meaning “make it better.” Similar strategies have resulted in redesigning how care is delivered to patients in our emergency rooms and in our hospitals.

The ScrippsCare network of affiliated physicians identified these medical groups as the first to develop a new primary care model, which can later be integrated throughout the Scripps system.

“At Scripps, we know we are recognized for providing superior health care, but we know there is more we can do to enhance the service we provide patients throughout the care process. Consistency, efficiency and quality all go hand-in-hand. We are looking how to make incremental changes that lead to operational improvements, and ultimately redesign how we deliver care.”

– Anil Keswani, MD, Corporate Vice President, Ambulatory Care and Population Health Management



Anil Keswani, MD



Siu Ming Geary, MD



With walls from floor to ceiling lined with charts, processes and new ideas, the team at the kaizen started reshaping care from the ground up. Short-term and long-term priorities were set. Some of the first areas of incremental change identified to improve access are developing a centralized same-day prescription refill process, maximizing the team-based staffing model for patient care visits and increasing physician-to-physician communications.

“I gained profound insight into many aspects of primary care delivery and many potential tools, systems, processes and behaviors that can dramatically improve our work. I also gained a greater appreciation of how central primary care is to our medical groups. Our primary care network will serve as the main route by which patients will access Scripps Clinic and is absolutely fundamental to our control of hospital admission, readmission and cost of care.”

– Joel Diamant, MD, Internal Medicine, Scripps Clinic

“Patients need to have confidence that their primary care physician and care team will give them the care they need quickly, easily and reliably. And we see that patients want to access primary care in many ways beyond the traditional office visit. The primary care kaizen was a critical first step in developing new ways of thinking and delivering the best patient experience.”

– Kevin Hirsch, MD, President, Scripps Coastal Medical Group



Joel Diamant, MD



Kevin Hirsch, MD

Big Results

At Scripps, our co-management partnerships between physicians and administrative leaders have yielded big results. From designing new ways to deliver care to our patients, to standardizing protocols and procedures across the system, we are establishing consistent care practices and taking unnecessary costs out. Three years ago, Scripps eliminated \$77 million in operating costs by cutting non-value-added variation. There was another \$66 million saved in 2012 — and we expect to match that figure in 2013.

Inpatient Care Redesign

At Scripps Memorial Hospital Encinitas, teams of clinical and support staff, physicians and executives identified patient-centered goals focused on improving communication with patients and families, and providing seamless care from admission through discharge and beyond. Other goals included reducing system variation that was not adding value to patient care. By reducing variation throughout the network, Scripps could reduce costs, duplication of services and inconsistencies in care.

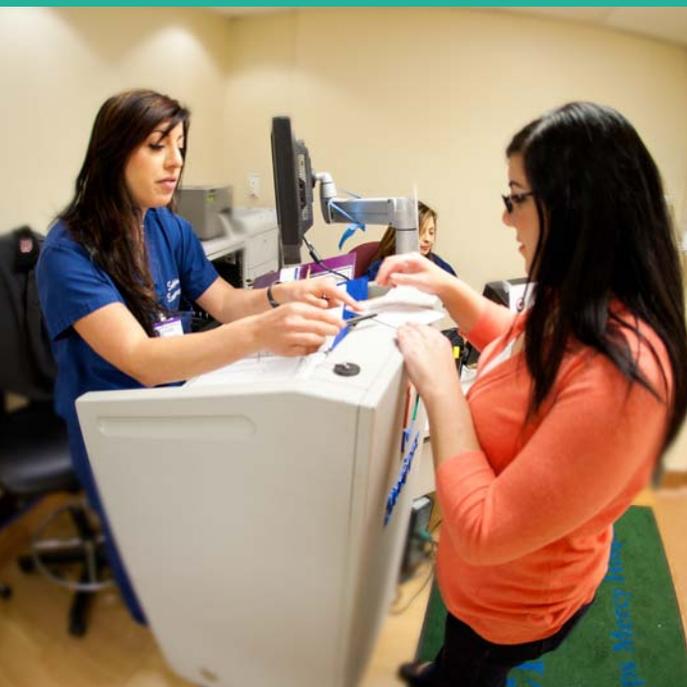
Now, patients receive care from teams of health care providers tailored to meet their individual needs. Each team includes a

pharmacist, physician and registered nurse, and meets during a regularly scheduled time at the patient's bedside. Family and friends are welcome to be with the patient during the meeting to provide support, hear information firsthand and ask questions.

The new patient care teams are supported by care navigators who coordinate patient treatment from before hospitalization through after discharge. Bringing their collective experience and expertise together, this new model is being implemented for inpatient care at our Scripps hospitals.



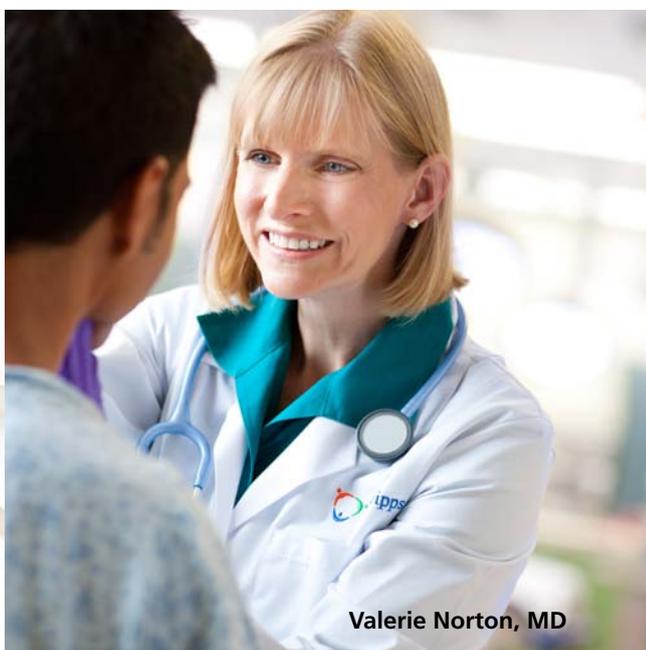
Alexie Nguyen, MD, and team members meet with the patient to coordinate care



Emergency Caring

All Scripps emergency departments have an innovative, patient-focused process that has transformed emergency care and virtually eliminated wait times. The work of a co-management team began in early 2010, when physicians, nurses and technicians partnered with ancillary and support leaders from across the Scripps system on improving the emergency care experience. Among the priorities: streamlining processes, improving “door-to-doctor” assessment times, eliminating the need to send ambulances to a different site, and reducing the number of patients who left without being treated.

First piloted at Scripps Mercy Hospital, now all Scripps emergency department and urgent care centers have adopted the best practice where patients are greeted, quickly registered, and immediately assessed by a nurse to determine whether they will likely be treated and discharged, or admitted to the hospital. A detailed assessment by a physician and nurse team follows, and tests are ordered, if needed. The physician then treats the patient, who is cared for by a team of nurses until discharge. In addition, departments including radiology, laboratory, engineering and information services have made changes to support the new protocol.



Valerie Norton, MD





Ray Lin, MD, and Sue Dastrup, RN, explain treatment to a cancer patient

Scripps Radiation Therapy Center Opens

A team of compassionate and highly skilled health care providers, a physical environment that provides confidence, comfort and reassurance to the patient, and the right technology to deliver the best possible care. At Scripps Radiation Therapy Center, a collaborative team of physicians took the lead in the design of each.

The radiation therapy center combines the skills and experience of three outstanding medical groups. The consolidation provides opportunities for standardizing best practices and exceeding the technology and services available at individual campus programs.

Long before the radiation therapy center opened its doors in October 2012, physicians, nurses and physicists from these programs met regularly for two years to review existing protocols and procedures for treating various types of cancer and adopt a single set of best practices for the center. From these meetings, they established evidence-based, standardized approaches to delivering care that were also individualized to meet the specific needs of the 1,200 patients treated every year.



Donald Fuller, MD; Ken Shimizu, MD; Ray Lin, MD; and cancer survivor Luz Villafana at the grand opening celebration in October 2012

“This state-of-the-art technology is very expensive to acquire, so it makes the most sense to invest in the very best equipment in a single center and then make it available as a systemwide resource.”

– Ray Lin, MD, Medical Director,
Scripps Radiation Therapy Center

Designing Smarter Cardiac Procedures

When a patient can go home rather than spend a night in the hospital, everybody wins. The patient can recover in the comfort of their home, while the hospital reduces care costs and makes more inpatient care available for those who need it.

As part of the systemwide collaboration in cardiovascular care, Scripps cardiovascular physicians have come together to conduct an in-depth analysis of Scripps' percutaneous coronary intervention (commonly known as coronary angioplasty) procedures. The results included streamlined procedures, significant cost reductions, reduced hospital stays for some patients and more targeted care for all patients. As part of this analysis, the committee identified opportunities to eliminate unnecessary variation in care, including the best drug therapies for patients.

Scripps cardiovascular physicians and administrators are applying their successful co-management approach across catheter-based interventional therapies, noninvasive cardiac diagnoses, electrophysiology, vascular procedures, treatment of heart failure and more. The results are evidence-based best practices and continued advancement in cardiovascular care — all to benefit Scripps patients.





Comprehensive Stroke Center Collaboration

In January 2013, Scripps Memorial Hospital La Jolla was one of the first hospitals in the country named a Comprehensive Stroke Center by the Joint Commission. This prestigious designation is awarded to a select few hospitals that have met rigorous standards for treating stroke, and it means people in our community have access to minimally invasive stroke treatments not widely available.

This advanced care is provided by an extensively trained staff of neurologists, neurosurgeons, neuro-interventional and vascular

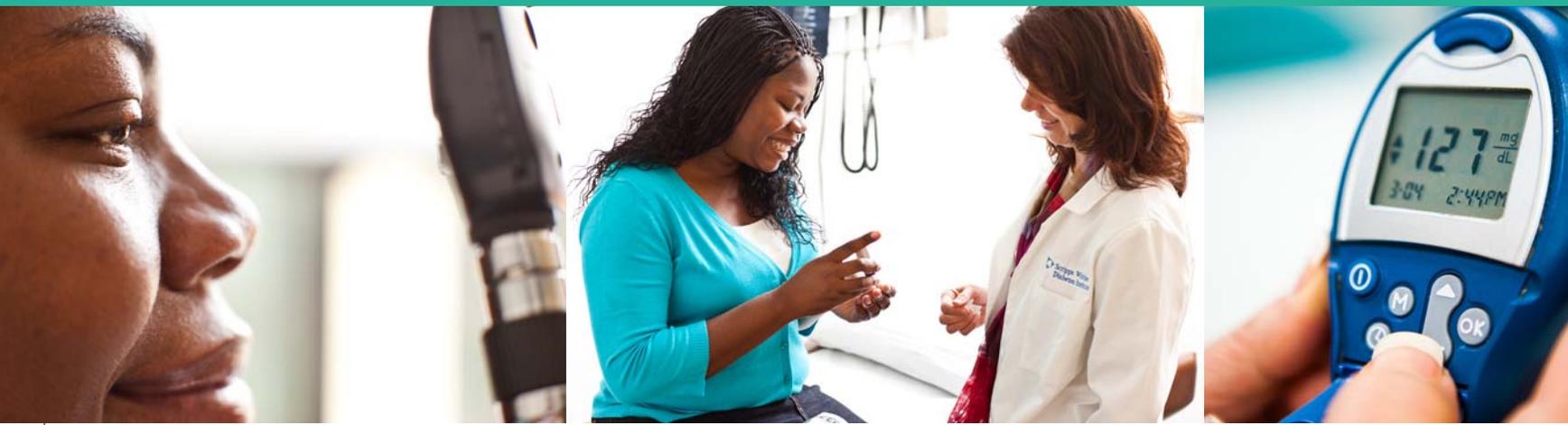
surgeons, advanced practice nurses, and therapists trained in neuro-rehabilitation with the guidance and engagement of the neurosciences clinical care line.

This new certification at Scripps La Jolla provides further evidence of our stroke expertise at Scripps, and confirms stroke patients taken to any Scripps emergency room now have access to a level of stroke care not found in many places in the United States.



“With a Comprehensive Stroke Center, resources and expertise are concentrated in one setting, in order to serve our most critically ill patients at a level that isn’t readily available or easily duplicated elsewhere. Rather than pursue this designation at one location, it was more efficient and cost-effective to pool our expertise and resources at Scripps Memorial Hospital La Jolla. We were lucky to have a strong foundation in place, as a result of stroke experts from every hospital having worked collaboratively for the last several years for a common purpose.”

– Thomas Chippendale, MD
Medical Director,
Scripps Stroke Program



A Continuum of Diabetes Care

Patient Tyeisha Smith with Athena Phillis-Tsimikas, MD

With diabetes now considered a national epidemic, Scripps is fighting back with a systemwide glucose management program that addresses the needs of patients across the continuum of care. Co-managed by Scripps Whittier Diabetes Institute corporate vice president Athena Phillis-Tsimikas, MD, and Scripps Memorial Hospital La Jolla lead hospitalist Bruce Cover, MD, the program aims to ensure that patients with diabetes receive the right care and services both in and out of the hospital.

Scripps has long been a leader in outpatient diabetes care. When patients are first diagnosed at physicians' offices, community screenings or emergency room visits, they are referred to the Scripps Whittier Diabetes Institute. Providing comprehensive educational programs at more than 20 sites from Chula Vista to Oceanside, Scripps Whittier programs help patients learn to take control of their diabetes and prevent complications and unnecessary hospital stays. Any Scripps physician can refer patients to a site that is close and convenient for them.



Binh C. Lieu, MD, patient Linda Selvidio and navigator Lyn Foltz, RN

Preventing Readmissions and Navigating Care

A collaborative new program designed to keep heart failure patients well after they've been discharged from the hospital, has already cut readmission rates by more than 25 percent. Originally developed in partnership with Jewish Family Service of San Diego, the program helps reduce repeat hospitalizations by ensuring patients receive education and practical support to help them stay well.

Offered to all Scripps heart failure patients, the 30-day program begins with a home visit by one of seven outpatient care navigators — Scripps registered nurses who specialize in transitions of care. The navigator completes an initial assessment of the patient's needs, and then develops an individualized care program that includes education, informational materials, telephone follow-up for four weeks and referrals to resources that can facilitate the transition from hospital to home, including referrals to support groups and home-delivered meals.



Joseph Stein, MD; Peter Walther, MD; and Joseph Traube, MD,
reviewing electronic medical record functionality in Scripps Data Center

Looking Forward

Health care delivery is changing, and technology is in full support. When the Patient Protection and Affordable Care Act was signed into law in 2010, it set the pace for health care delivery in the 21st century.

Always looking forward, Scripps physicians and administrators are identifying ways to collaborate on developing electronic tools and technology solutions that make patient care better, safer and more efficient.

From building a hospital of the future to the use of mobile devices and DNA mapping in our efforts to prevent illness and future hospital readmissions, Scripps is a leader in translating the latest medical technologies into high-quality, cost-effective care.

Today, care starts with the use of an electronic medical record (EMR) in hospital and outpatient centers. Scripps has established a digital foundation to enhance patient care and to build capabilities for population health management.

Electronic Medical Record Offers New Functionality

Health care is an information-rich enterprise. With more complete patient information, providers improve their ability to make well-informed treatment decisions quickly and safely. At Scripps, teams of physicians, clinical and information technology staff are working together on enhancements to the current hospital EMR system, for improved orders for patient care, care tracking and support for redesigned systemwide care processes.

Next, and in process, is linking the inpatient (hospital) health record to Scripps new ambulatory (clinic) health record, to enable information sharing and management of patient care at Scripps locations throughout the system.

Ambulatory Electronic Medical Record Goes Live

In the fall of 2012, Scripps launched our ambulatory electronic health record (AEHR) to document care for the 1 million patient visits provided each year by Scripps Clinic and Scripps Coastal Medical Center.

AEHR automates clinical tasks and electronically connects physicians and other health care providers to services, such as laboratories, pharmacies and imaging to enhance patient care. It has created a reduction in paper, manual processes, physical supplies and potential errors. Patients see computers in exam rooms that enable doctors to pull up test results and images to discuss with patients at the point of care.

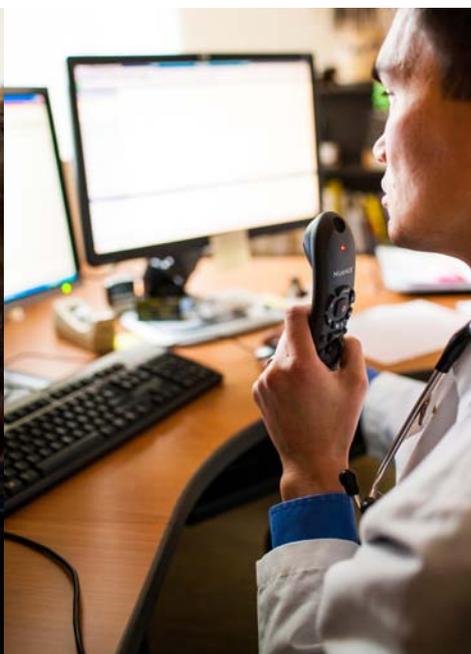
The rollout of the Allscripts software system was the result of more than two years of work by the physicians and administrative leaders from Scripps Clinic and Scripps Coastal Medical Center. Their efforts are continuing in 2013 by adding to the system's functionality and providing even greater value to patients.



Gary Williams, MD; Tracy Chu; David Wetherhold, MD; Lou Hogrefe, MD; and Anthony Chong, MD



Anthony Chong, MD



Prebys Cardiovascular Institute: Building Best Practices

Physicians from across the Scripps system contributed their combined medical expertise, as well as their personal experiences caring for patients, in the planning of the new Prebys Cardiovascular Institute.

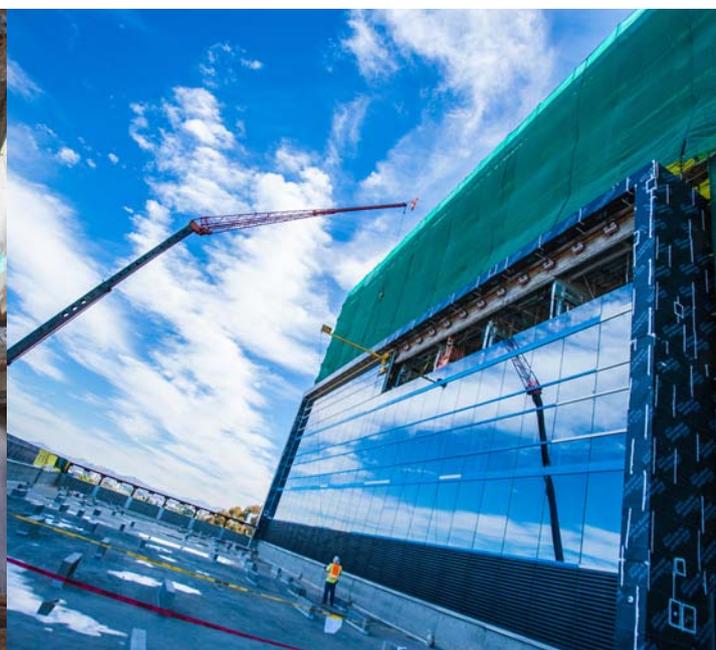
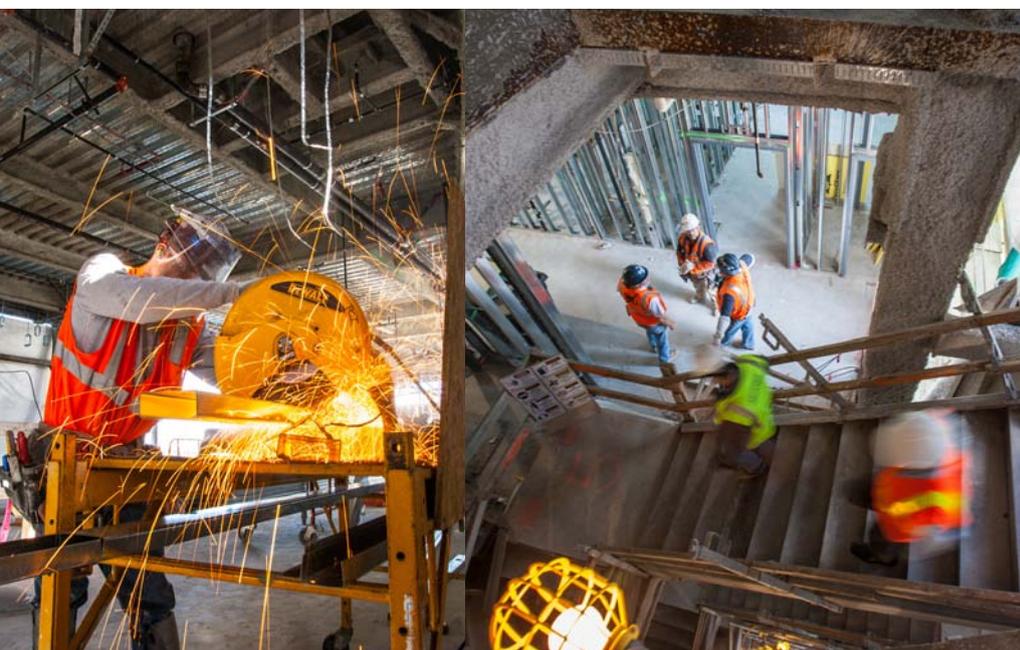
Opening in 2015, the Prebys Cardiovascular Institute will bring the best practices of our cardiac specialists and programs at Scripps Clinic, Scripps Green Hospital, Scripps Memorial Hospital La Jolla, Scripps Memorial Hospital Encinitas and Scripps Mercy Hospital together to offer patients the finest evidence-based care on the West Coast. Within the seven-story building, patients have access to top cardiac experts throughout Scripps, advanced diagnostics and treatments, and “bench-to-bedside” research findings. Input from physicians also drove the institute’s integrated, convenient design, which includes new catheterization labs for angioplasty, electrophysiology and stent procedures, hybrid suites where catheter-based procedures and heart surgery will be performed concurrently, operating rooms that accommodate robotic heart surgery, the latest cardiac imaging equipment and advanced wireless technology.



Prebys Cardiovascular Institute

“We are very proud to be creating a true center of excellence for our patients. Our clinical programs are phenomenal, including our genomics, wireless technology, robotics, electrophysiology, heart failure, valve disease and stent programs. The list will likely triple by the time we open.”

– Paul Teirstein, MD, Medical Director,
Prebys Cardiovascular Institute





Mobilizing Diabetes Management

It's an innovative diabetes management tool that can help patients manage their disease — and avoid hospitalization.

Scripps Whittier Diabetes Institute recently received a \$250,000 grant from The McKesson Foundation's Mobilizing for Health® initiative, which aims to provide a clearer understanding of how mobile applications can be used to improve health outcomes among people with chronic diseases.

Scripps will use the research funds to test the effectiveness of using mobile phones to improve the management of diabetes among low-income Latinos who have recently been diagnosed. Scripps is partnering locally with Neighborhood Healthcare to enroll participants who will receive ongoing text messages for one year regarding medication management and behavior changes.

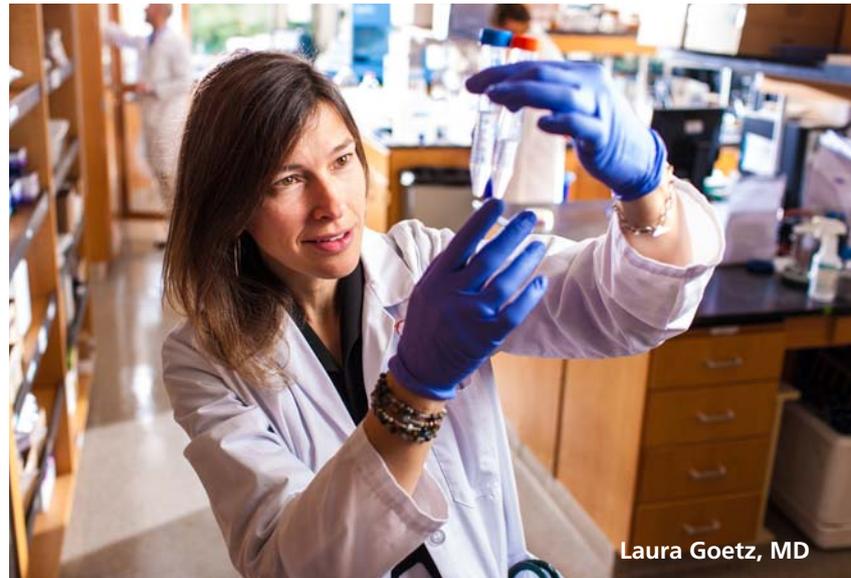
Patients are selected at random to receive text messages and will receive a total of 352 messages during a six-month period, with an average of 14 messages per week. Text messages include healthy lifestyle information, medication use, appointment reminders and blood glucose check information. Patients will be seen at the start of the program and again at three and six months. As patients finish their six-month visits, appointment data will be reviewed to assess the effectiveness of the mobile messaging.

Genetic Research Targets Patient Care

What is the role of genetics in cancer — and how can gene sequencing help improve outcomes?

These and other questions will be the focus of the new Scripps systemwide genomics tumor board. The board was initially proposed by Scripps Mercy Hospital surgical oncologist Paul Goldfarb, MD, who is leading its development with Scripps Green Hospital colorectal surgeon and Scripps Translational Science Institute researcher Laura Goetz, MD. The multidisciplinary board will have physicians from across Scripps working with pathologists, clinicians and genomic researchers.

One such project is a clinical trial for metastatic breast cancer patients who have not responded to traditional chemotherapy treatments. The genomic tumor board will be a way for physicians to present these patients to the oncologists as they come through the study, and also encourage oncologists to enroll their own patients.



Laura Goetz, MD

“The genomics tumor board will bring research and clinical together across the system by translating genomic cancer research into patient care. In addition to presenting new research findings and updating the oncologists on the latest genomic technology and treatments available for their patients, we will promote various research projects that have the potential to become Scripps systemwide initiatives.”

— Laura Goetz, MD, Surgeon and Researcher

Physicians and Philanthropy: A Valuable Partnership

Few things are as rewarding to our physicians, administrative leaders and staff as our patients and their families thanking us for providing quality, compassionate care. We are deeply grateful to all who have shown their appreciation through generous gifts to Scripps.

As a nonprofit health care system, philanthropy is vital to expanding our campuses, supporting research and funding innovative technology — all for the benefit of our patients.

Through their outstanding care and, consequently, building strong, lifelong relationships with patients, families and community members, many of our physicians partner with Scripps Health Foundation to support the organization's fundraising needs.

“Many of our donors are first our patients, grateful for the high quality and compassionate care they’ve received at Scripps.”

– John Engle, Corporate Senior Vice President and Chief Development Officer

The Winning Bid: Quality, Comprehensive Patient Care

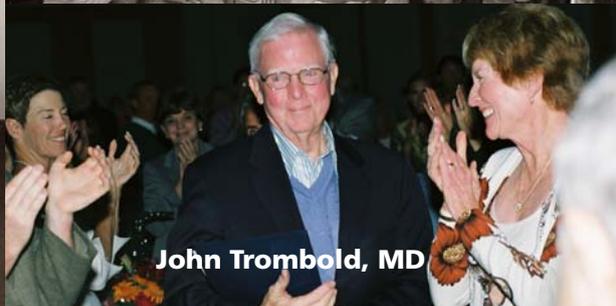
It started off more than 30 years ago as a popular tennis tournament. Several years later, it “spun off” into an auction as well. Today, the Spinoff Auction is the main

event, raising more than \$1 million annually for cancer treatment, services, research and prevention. And since the first tennis ball was served, Scripps oncologist John Trombold, MD, has been the driving force behind its success.

Dr. Trombold was the founding medical director of the Scripps Cancer Center, Stevens Division, at Scripps Memorial Hospital La Jolla. Since its inception, Dr. Trombold has tirelessly been raising funds for cancer care, research and prevention, and has garnered high praise and respect from his patients, Scripps colleagues and the entire San Diego community.

“It’s the quality of the care, the caring attitude that we have and the completeness of the cancer program and everything that we can offer the patients that makes the difference. People want that to continue to make it better. If you treat people correctly and you are caring, it is amazing how often people want to give back to that.”

– John Trombold, MD



A Legacy of Philanthropic Relationships

Scripps cardiologist John C. Carson, MD, has been building a legacy of fundraising successes for nearly 50 years. Dr. Carson has supported fundraising efforts at Scripps since 1965, when grateful patient William H. Black asked how he could be helpful and subsequently gave \$75,000 to set up the William H. Black Cardiovascular Laboratory at Scripps Memorial Hospital La Jolla.

Dr. Carson also cared for La Jolla resident Frances Nunnally Winzer. He initially thought she was someone of very modest means. Dr. Carson later discovered that Frances Nunnally Winzer was, in fact, the daughter of James H. Nunnally, who bought the Coca Cola Company, and first cousin of Robert Woodruff, who gave \$100 million to Emory University. In 1972, when Mrs. Winzer was recovering from hip surgery, she asked for a bedside commode chair. He told Mrs. Winzer that the hospital could benefit from a donation to upgrade facilities. Her lawyer brought the money — the first \$1 million donated to Scripps — the following day. During the next few years there were even more generous contributions, totaling some \$5 million, and the Winzer Tower was named in her honor.

“Patients are usually grateful to their physicians, as we are to them. They ask me how they can help and I put them in touch with Scripps Health Foundation. It’s a team job. It’s all in pursuit of a common goal.”

– John C. Carson, MD

Gratitude, Generosity and Healing

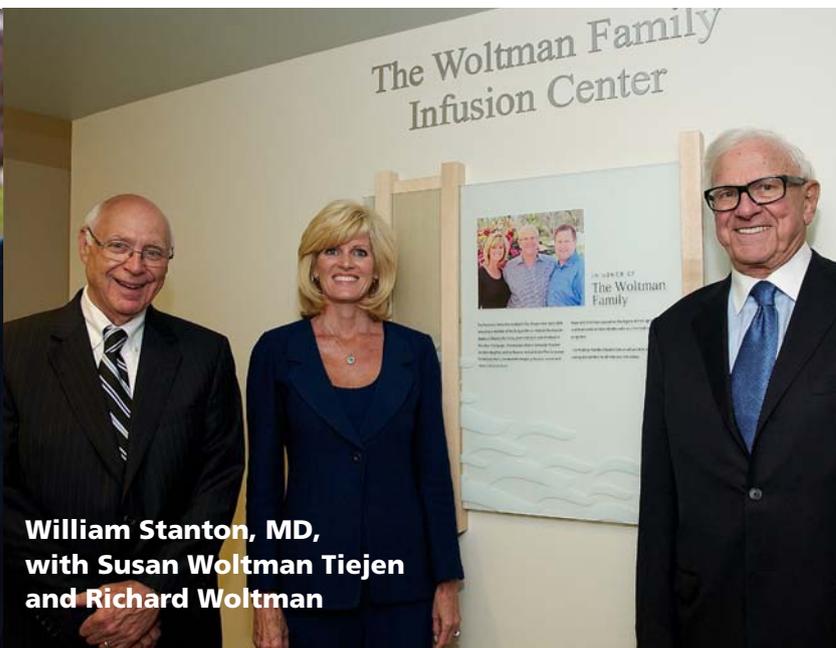
Building caring, long-term patient relationships benefit not just patients and their families, but often the physician and hospital as well.

William Stanton, MD, first met Richard and Kaye Woltman in 2001. Kaye passed away several years ago, but her legacy of generosity continues through the family’s gifts to Scripps Mercy Hospital. The Melisa Reasner McGuire Medical Library is named in memory of the daughter they lost to non-Hodgkins lymphoma, and the Woltman Family Infusion Center opened in October 2012. The couple has contributed to oncology research and made possible the second da Vinci robot at Scripps Mercy when the robotic surgery program was expanding.

Dr. Stanton also notes that a family’s generosity often reflects their personal history. Kaye’s mother, a single parent raising two children during the Depression, studied at night to earn a master’s degree in nursing; as a result, the Woltmans felt a personal connection and established a scholarship fund for nurses at Scripps Mercy Hospital.

“Over the course of time, a physician gets to know families and their health problems. As a consequence, the families become very astute at knowing what we do well and what they could help us do better.”

– William Stanton, MD



**William Stanton, MD,
with Susan Woltman Tiejn
and Richard Woltman**



Scripps Health at a Glance 2012

Inpatient Visits

Inpatient Days of Care Provided	307,660
Average Length of Stay	4.37
Average Daily Inpatient Census	841
Total Inpatient Discharges/Visits.....	70,369

Selected Services

Inpatient Surgery cases	21,524
Diagnostic imaging exams Total	839,562
CT scan.....	136,511
MRI.....	51,587
Vascular	34,232
Nuclear medicine	13,719
Ultrasound.....	101,040
X-ray.....	502,473
Interventional Radiology	10,807
PET	2,054
Cardiac procedures	29,081
Maternity (Number of Newborns)	9,657
Rehab Services (Number of Visits).....	1,016,656
Radiation Therapy Visits	42,670

Philanthropy Revenue

Major Gifts/Capital Campaigns	\$23,721,997
Special Gifts and Tributes	2,560,074
Direct Mail Annual Giving	1,664,886
Special Events	2,181,749
Planned Gifts and Bequests.....	4,061,294

Total Net Contributions **\$34,190,000***

Outpatient Visits

Hospital Outpatients	423,797
Emergency Services.....	145,284
Surgery Cases	19,816
Joint Venture Ambulatory Surgery Cases	8,639
Cardiovascular	1,199
Clinic Urgent Care Visits.....	65,727
Clinic Office Visits	1,133,324
Clinic Ancillary Visits	51,210
Coastal Urgent Care Visits.....	20,103
Coastal Visits	333,308
Total Scripps Medical Foundation Outpatient Visits.....	1,604,871
Surgery Cases (CV and RB ASC)	8,044
Home Health Visits.....	65,598
Total Outpatient Visits	2,102,905

Uncompensated Charity Care

Professional Education and Research	\$34,095,695
Charity Care and Under-reimbursed MediCal and Other Means-tested Government Programs....	65,655,018
Community Health Improvement Service and Community Benefit Operations and Subsidized Health Service and Cash and In-kind Contributions	18,651,796
Total Community Benefits	118,402,509
Bad Debt	17,123,120
Under-reimbursed Medicare Shortfalls	166,422,095
Community Building Activities.....	896,021

Total **\$302,843,744**

*Excludes Bequests

Facilities & Staff

Total Number of Employees.....	13,577
Total Number of Medical Staff.....	2,663
Total Number of Licensed Beds.....	1,397
Total Number of Medical Residents/Fellows	158

Scripps Memorial Hospital Encinitas

Employees	1,258
Licensed Beds	158

Scripps Memorial Hospital La Jolla

Employees	2,290
Licensed Beds	382

Scripps Green Hospital

Employees	1,429
Licensed Beds	173

Scripps Mercy Hospital, San Diego

Employees	2,442
Licensed Beds	501

Scripps Mercy Hospital, Chula Vista

Employees	1,128
Licensed Beds	183

Scripps Home Health Care

Employees	132
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Scripps Health Administrative Services

Employees	1,743
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Scripps Clinic

Employees	1,596
Locations	12

Scripps Medical Lab Services

Employees	368
Locations	1

Scripps Coastal Medical Center

Employees	400
Locations	11

Scripps Medical Foundation

Employees	495
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Scripps Cardiovascular and Thoracic Surgery Group

Employees	12
Locations	3

Scripps Research

Employees	149
Locations	3

Scripps Health Plan Services

Employees	128
Locations	1

Scripps Proton Therapy Center

Employees	7
Locations	1

Scripps Health Financials 2012

Consolidated Statement of Financial Position

As of September 30, 2012 (in thousands)

Assets

Current Assets:

Cash and Cash Equivalents	\$543,298
Patient Accounts Receivable, Net	261,057
Assets Limited As To Use	10,716
Other Current Assets	123,813

Total Current Assets **\$938,884**

Assets Limited As to Use	\$350,528
Investments	1,216,714
Property and Equipment, Net	1,039,929
Other Assets	90,050

Total Assets **\$3,636,105**

Liabilities

Current Liabilities:

Current Portion of Long-term Debt	\$22,167
Accounts Payable	135,637
Accrued Liabilities	243,845

Total Current Liabilities **\$401,649**

Long-term Debt, Less Current Portion	\$877,035
Other Liabilities	114,912

Total Liabilities **\$1,393,596**

Net Assets

Unrestricted:

Controlling Interests	\$2,042,770
Noncontrolling Interests in Subsidiaries	2,335

\$2,045,105

Temporarily Restricted

118,185

Permanently Restricted

79,219

Total Net Assets **\$2,242,509**

Total Liabilities and Net Assets **\$3,636,105**

Consolidated Statement of Operations

Year ended September 30, 2012 (in thousands)

Unrestricted Revenues, Gains and Other Support

Patient Service Revenue, Net of Contractual
Allowances and Discounts..... \$2,198,152
Provision for Bad Debts (71,863)

Net Patient Service Revenue Less Provision
for Bad Debt Before Provider Fee 2,126,289
Provider Fee 128,929

Net Patient Service Revenue 2,255,218
Capitation Premium 230,116
Other 64,612
Net Assets Released from Restrictions
Used for Operations..... 13,888

Total Operating Revenues **\$2,563,834**

Operating Expenses

Wages and Benefits \$1,119,447
Supplies 385,890
Services..... 634,557
Provider Fee 85,696
Depreciation and Amortization 92,714
Interest 11,997
Loss on Impairment..... 339

Total Operating Expenses **\$2,330,640**

Operating Income **\$233,194**

Nonoperating Gains (losses)

Investment Income \$24,109
Unrealized Gain on Trading Portfolio 150,408
Contributions..... 3,932
Market Adjustment on Interest Rate Swaps..... (1,462)

Excess of Revenues Over Expenses 410,181
Less Excess of Revenues Over Expenses
Attributable to Noncontrolling Interests..... (1,524)

Excess of Revenues Over Expenses

Attributable to Controlling Interests **\$408,657**



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Awards and Recognition 2012

Clinical Quality

U.S. News & World Report's 2012-2013 Best Hospitals rankings named the combined heart programs at Scripps Memorial Hospital La Jolla and Scripps Green Hospital among the best in the nation for cardiology and heart surgery.

Scripps Memorial Hospital La Jolla, Scripps Green Hospital, Scripps Mercy Hospital and Scripps Memorial Hospital Encinitas were recognized for high performance in 12 specialties in U.S. News & World Report's Best Hospitals metro area rankings.

U.S. News & World Report named 101 physicians from Scripps Health as Top Doctors.

For the third consecutive year, Scripps Green Hospital was recognized by Thomson Reuters as one of the top teaching hospitals in the nation.

Patients rank Scripps Coastal Medical Group number one in the San Diego region and number two in the state for overall health care, according to the California Cooperative Healthcare Reporting Initiative. Scripps Clinic Medical Group ranked number two in the San Diego region and number nine in the state.

Scripps Memorial Hospital Encinitas and Scripps Green Hospital were among the nation's Top Performers on Key Quality Measures, according to The Joint Commission, the leading health care accreditation agency in America.

Scripps Mercy Hospital's San Diego campus was verified as a Level 1 Trauma Center by the American College of Surgeons.

The Rehabilitation Center at Scripps Memorial Hospital Encinitas was reaccredited by the Commission on Accreditation of Rehabilitation Facilities for the last three years for its inpatient rehabilitation programs.

Scripps Health was recognized as a Leader in LGBT Healthcare Equality by the Human Rights Campaign (HRC) Foundation.

The Breast Care Center at Scripps Green Hospital earned a three-year accreditation from the American College of Surgeons.

Scripps Memorial Hospital La Jolla earned The Joint Commission's Gold Seal of Approval for its work with Ventricular Assist Devices.

Clinical Innovation

The Scripps Translational Science Institute was awarded a \$3.75 million grant from the Qualcomm Foundation to study cutting-edge wireless biosensor systems, create rapid pharmacogenomic diagnostic tests and develop apps and embedded sensors to predict and track heart attacks, Type 1 diabetes and certain cancers.

A review of several studies, conducted over a 15-year period, showed that Scripps Whittier Diabetes Institute's Project Dulce, and other community diabetes programs, reduce health-related costs and deliver higher quality care.

Workplace

Scripps Health was named one of Fortune magazine's 100 Best Places to Work in 2012.

AARP ranked Scripps the top employer in the country for its 50 Best Employers for Workers Over 50, 2011-13.

Scripps Health was named a 100 best company by Working Mother magazine in 2012.

The Elearning! Media Group has named Scripps one of the 60 best corporations in the nation for learning and development programs; ranking number five on the 2012 private sector list.

Leadership

Becker's Hospital Review named Scripps Health's President and CEO Chris Van Gorder one of the 40 most powerful people in health care.

Scripps Health President and CEO Chris Van Gorder was named Volunteer of the Year for 2012 by the San Diego County Sheriff's Department.

Scripps Health Chief Academic Officer Eric Topol, MD, was named the most influential physician executive in health care by Modern Healthcare magazine.

Mimi Guarneri, MD, received the 2012 Linus Pauling Functional Medicine Lifetime Achievement Award, which recognizes a clinician or researcher who has made a significant contribution to integrative medicine.

Mission, Vision, Values

Mission

Scripps strives to provide superior health services in a caring environment and to make a positive, measurable difference in the health of individuals in the communities we serve.

We devote our resources to delivering quality, safe, cost effective, socially responsible health care services. We advance clinical research, community health education, education of physicians and health care professionals and sponsor graduate medical education.

We collaborate with others to deliver the continuum of care that improves the health of our community.

Vision

Scripps Health will continue to be the leading health care delivery system in the greater San Diego community, as evidenced by the highest clinical quality, patient safety, and patient, physician and employee satisfaction. This will be achieved through unending focus on patient-centered and compassionate care, cost-effective operations, research, advanced technology and innovation.

Values

We provide the highest quality of service.

Scripps is committed to putting the patient first and quality is our passion. In the new world of health care, we want to anticipate the causes of illness and encourage healthy behavior for all who rely on us for service. We teach and encourage patients to participate in their care and to make well-informed decisions. We will be their advocate when they are most vulnerable. We measure our success by our patients' satisfaction, their return to health and well-being, and our compassionate care for dying patients, their families and friends.

We demonstrate complete respect for the rights of every individual.

Scripps honors the dignity of all persons, and we show this by our actions toward one another and those we serve. We embrace the diversity that allows us to draw on the talents of one another.

We respect and honor the cultural, ethnic and religious beliefs and practices of our patients in a manner consistent with the highest standards of care. All this is done in a compassionate setting. Our goal is to create a healing environment in partnership with all caregivers who are committed to serving our patients.

We care for our patients every day in a responsible and efficient manner.

Scripps serves as a major community health care resource for San Diego County and, as such, we are accountable for the human, financial and ecological resources entrusted to our care as we promote healing and wholeness. We begin from a base of excellence and collaborate with co-workers, physicians, patients, and other providers to find new and creative ways to improve the delivery of health care services. All members of our community will have access to timely, affordable and appropriate care.



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