2014-2015 BOARD OF DIRECTORS
EXECUTIVE COMMITTEE
Lawrence H. Chewning, Nash Health Care Systems, Chairman
Steven E. Eblin, Randolph Hospital, Inc., Vice Chairman
Charles W. Elliott, Jr., Treasurer/Secretary
Donald R. Gintzig, WakeMed Health & Hospitals, Member-at-Large
Vacant, Ex-Officio

SAHA STAFF
Bill Bedsole, Chief Executive Officer
Swati Bhardwaj, Director of Operations
Carl Gryczynski, Strategic Services Manager – Contracts
Marilee Johnson, Strategic Services Manager
Cindy Nobling, Executive Assistant/Office Manager
Connecting the dots . . . . That’s the theme of this year’s Southern Atlantic Healthcare Alliance Impact Statement. From my perspective as a hospital CEO and a charter member of the SAHA Board of Directors, “connecting the dots” is a great description of what goes on behind the scenes at SAHA. The analogy, of course, refers to the many different “dots” that exist in today’s healthcare environment, and the role that SAHA plays in helping us pull them all together.

For SAHA, these aren’t just dots on a map representing each SAHA member facility. Instead, these dots are a representation of the intricate network that forms the core of SAHA. Within each of our member facilities there are many internal dots – dots in financial statements that represent targets for various financial indicators, dots in strategic plans that represent goals and objectives; and most importantly, dots in mission statements that represent each member’s mission, vision and values. Each SAHA member hospital has its own unique set of strengths. These strengths serve as the backbone of SAHA.

SAHA works as a connector, connecting these strengths in a number of ways. SAHA connects our member facilities by providing exceptional networking opportunities. SAHA’s team approach brings together members of the various disciplines from each of our member hospitals to a shared forum, either face-to-face or through the use of list-servs. All this improves communications and facilitates sharing of best practices, both between and within member hospitals. SAHA also helps its members by connecting the dots among vendors, suppliers, and providers to provide best-in-class, cost-effective solutions for common needs. This effort was greatly enhanced this past year with the formation of the Illucient Purchasing Alliance, a joint venture between SAHA and the Coastal Carolinas Health Alliance (CCHA). Under Illucient, the purchasing volumes of the members of both alliances are aggregated to help members of both alliances hit higher savings tiers. Lastly, the educational programs offered through SAHA College help our employees remain compliant with the many rules and regulations that we operate under, as well as prepare them to meet the many challenges that lie ahead.

Healthcare continues to change and evolve. SAHA’s flexibility, adaptability, and resourcefulness in coping with these changes will keep it positioned to continue to connect the dots moving forward. By working together and strengthening these connections, we can continue to foster a spirit of teamwork and collaboration. Connecting the dots . . . .

With best regards,

LAWRENCE H. CHEWNING
2015-2016 Chairman of the Board
Cone Health
Greensboro, NC
GUILFORD AND ROCKINGHAM COUNTIES
President & CEO: Terrence B. Akin
(336) 832-7000
www.conehealth.com

Halifax Regional Medical Center
Roanoke Rapids, NC
HALIFAX COUNTY
President: William Mahone
(252) 535-8011
www.halifaxmedicalcenter.org

Harnett Health System
Dunn, NC
HARNETT COUNTY
CEO: Kevin Jackson
(910) 892-7161
www.harnetthealth.org

Johnston Health
Smithfield, NC
JOHNSTON COUNTY
President & CEO: Charles W. Elliott Jr.
(919) 934-8171
www.johnstonhealth.org

Lenoir Memorial Hospital
Kinston, NC
LENOIR COUNTY
President & CEO: Gary Black
(252) 522-7000
www.lenoirmemorial.org

Morehead Memorial Hospital
Eden, NC
ROCKINGHAM COUNTY
President & CEO: Dana Weston
(336) 623-9711
www.morehead.org

Nash UNC Health Care
Rocky Mount, NC
NASH COUNTY
CEO: Lawrence Chewning
(252) 443-8000
www.nhcs.org

Onslow Memorial Hospital
Jacksonville, NC
ONSLOW COUNTY
President & CEO: Ed Piper, PhD
(910) 577-2345
www.onslow.org

Randolph Hospital
Asheboro, NC
RANDOLPH COUNTY
CEO: Steven E. Eblin
(336) 625-5151
www.randolphhospital.org
Sampson Regional Medical Center
Clinton, NC
SAMPS ON COUNTY
CEO: Dr. Shawn Howerton
(910) 592-8511
www.sampsonrmc.org

VCU Community Memorial Hospital
South Hill, VA
MECKLENBURG COUNTY, VA
President & CEO:
W. Scott Burnette
(434) 447-3151
www.cmh-sh.org

WakeMed Health & Hospitals
Raleigh, NC
WAKE COUNTY
President & CEO:
Donald R. Gintzig
(919) 350-8000
www.wakemed.org

Wayne Memorial Hospital
Goldsboro, NC
WAYNE COUNTY
President & CEO:
J. William Paugh
(919) 736-1110
www.waynehealth.org
RETURN ON INVESTMENT (ROI)

For the fiscal year 2014-2015, SAHA members achieved a 7.25 return on investment (ROI), the highest ROI since SAHA was founded 11 years ago. The formation of the Illucient Purchasing Alliance last year played a major role in increasing contract utilization for members, which produced additional savings.

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<tr>
<td>$5.5M</td>
<td>$4.4M</td>
<td>$5.5M</td>
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<tr>
<td>$5,536,871</td>
<td>$4,407,793</td>
<td>$5,511,559</td>
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"Being a part of the SAHA group allows us to purchase employee benefits at rates much more favorable than if we were in the market as a standalone employer."

Jimmy Person
HR Director
Lenoir Memorial Hospital
Soriant Healthcare, Inc.

Soriant Healthcare specializes in improving the operational efficiency of hospitals, with special expertise in departments that are typically outsourced. These departments include Clinical Engineering, Environmental Services, Facilities Management & Engineering, Food & Nutrition, Laboratory, and Laundry & Linen. Soriant’s recommendations help identify improvement opportunities both internally and externally, utilizing their experience and knowledge of best practices. Their services are easily customized to meet the unique needs of all sizes of facilities. Under the Illucient contract, Soriant’s market rate of 25% of realized savings was reduced to 20%.

Jvion

Under the Illucient agreement, SAHA members receive a 30% discount from market pricing. Jvion’s RevEgis is a predictive analytics solution that foresees adverse patient conditions in real time. It was voted the #1 Predictive Analytics Provider by the 2015 Black Book Market Research Survey. Jvion’s highly accurate and scalable solutions help providers target preventive measures that are low cost, non-invasive, and easy to apply. These solutions improve patient outcomes and reduce resource waste. They can also help reduce length of stay, hospital-acquired infections and readmissions, enabling hospitals to remain CMS compliant and prevent loss of revenue.

PracticeLink and Practice Match

Currently, WakeMed, Cone Health, Lenoir Memorial, and Randolph Hospital are working with these vendors. Both companies provide job banks and candidate management databases that facilitate physician recruitment. Rates for SAHA members were discounted at 20-50% off customary rates. Both vendors design hospital-specific search tools to improve hospital recruiting efforts by identifying appropriate candidates, and improving communication with job-seeking physicians and other practitioners. Each participating hospital has its own specifically designed accounts with which to post physician, physician assistant, nurse practitioner, and other open positions.

ProModel and Simul8

ProModel and Simul8 are new additions to our contract portfolio. They provide simulation software that allows hospitals to test “what-if” scenarios in a risk-free environment. Hospitals can then use that information to identify potential bottlenecks and improve the flow of processes. Application of this software helps model and evaluate potential changes, both operational and financial, as well as their impact before changes actually occur. This greatly reduces the cost and risk of implementing ineffective initiatives for an extended period before realizing their potential negative impact. The products support operational process improvements, Lean and Six Sigma, spatial layout efficiency, Population Health planning and health economics.

CONTRACT HIGHLIGHTS

SAHA continues to find opportunities to bring value to member hospitals. Here are some of SAHA’s newer contract opportunities.
EDUCATION & KNOWLEDGE SHARING

27 education sessions
57 contact hours
489 attendees from SAHA organizations

Educational Highlights

As healthcare organizations worked to keep up with the Affordable Care Act (ACA) in a year that saw a greater focus on transitions in care – more robust enforcement of regulations from CMS and the convergence of cost versus quality – timely, pertinent, and relevant information for providers was critical.

Education sessions offered through SAHA were focused on helping members understand the impact of the ACA and on providing them with needed resources to be compliant with the changing landscape of regulations in healthcare. The transition to ICD-10, CMS’s focus on documentation, and electronic submission of clinical quality measures were some of the key areas covered during the various sessions offered through SAHA College.

As always, keeping in mind the ease of access for members, education was offered via in person sessions as well as providing members access to on-demand resources. Expertise of both national and local speakers was tapped into to provide education both for clinical and non-clinical areas.

Some of the in person sessions offered this year:

“Strategies for Achieving Meaningful Use”
“SGR Reform and the MACRA Legislation”
“Electronic Clinical Quality Measures”
“Joint Commission Updates”
“Palliative Care and Hospice Continuum”
“NHSN Updates for Infection Control”
“Communicating with your Hispanic Patient”
While regulatory compliance is a big focus of our education sessions, SAHA also focuses on making sure our members are equipped to meet the changing needs of their patients while building strong working relationships to enhance patient safety and improve outcomes. Team building, leadership and patient engagement sessions offered through the SAHA College were very well received. Elaine Owens, Director of WakeAHEC presented, “Enhancing Team Communication with True Colors,” a session focused on learning to work well with different personalities. This session was very popular and brought back a second time by popular demand!

SAHA continues to work with various organizations across the country to purchase pertinent on-demand education sessions at a discount, and provides them at no charge to membership. These on-demand sessions are applicable to various areas of a healthcare facility, including but not limited to HIM for coding updates; rehab for rules and regulations around therapy billing and charges; the two midnight rule; plus issues related to pharmacy, radiology, laboratory, food services, and risk management to name a few. A total of 110 online/on-demand webinars were provided last year. Participating members had unlimited access to these sessions for a year after their “live” broadcast. SAHA’s relationship with the Athena Forum for case management, nursing, and social work professionals continues to provide value to our members. Members have access to over 500 continuing education contact hours that can be applied towards their case management certification.

“Helping Members Meet the Changing Needs of our Dynamic Industry”

“One of the best sessions I have ever attended. So enthusiastic and passionate about his topic. If he is here for other topics, I will definitely be there.”

About “Believe in the Power of Caring,” presented by returning national speaker Eli Pagonis

“Awareness of the natural styles of those I work with will enhance my ability to interact with and communicate with them.”

From “Enhancing Team Communication with True Colors,” presented by Elaine Owens, Wake AHEC

“I find that web site (Athena Forum) invaluable and used it to pass the ACM for certification.”

Mary Lou Faucette BSN, Manager, Case Management, WakeMed Health & Hospitals
In an attempt to elevate the multi-disciplinary approach and to further breakdown silos, networking through SAHA took on an “inter-professional” approach by encouraging and facilitating enhanced communication within different departments in the healthcare delivery system. Networking is offered for members through listservs; in-person team meetings; and webinars for knowledge sharing, building relations, sharing best practices, and tackling regulatory updates. In the past, team meetings were usually restricted to one department; however, a greater number of SAHA’s networking meetings are starting to involve multiple disciplines. These joint team meetings are educational, informative, and collaborative – not only enhancing working relationships, but also helping members understand each other’s perspectives and limitations. SAHA has essentially created a stage to collaborate inter-professionally, all in the interest of the patients our members serve.

An interesting combination this year was the joint meeting between the HIM and Rehab teams, which came together to learn from each other and be better prepared for transition to ICD-10.

Another example of an inter-professional meeting that SAHA facilitated was a conversation on “Clinical Leadership through Physician Advisors & UR: Balancing the Big Picture of Quality, Compliance and Fiscal Responsibility Goals with the Details of Patient Status and the Two Midnight Rule.” It brought together members from five teams – Patient Financial Services, Case Management, RAC Coordinators, Clinical Documentation, and Corporate Compliance.

“SAHA provides clinical nurses and nursing leaders current and pertinent education topics that are a benefit to nursing practice and to improving patient outcomes. I appreciate the collaboration between organizations that SAHA fosters.”

Dianna D. Knight, MSN, RN, NE-BC
Director, Adult Surgery and Neurology
WakeMed Health & Hospitals
To measure how well we’re doing, SAHA conducts an annual survey of the membership to help us not only
gauge our performance, but to also identify the needs of our members and solicit their feedback on ways we can
better meet those needs. The survey provides input and feedback critical to our goal of providing value-added
services to our membership by identifying and meeting member needs in a timely and relevant manner.

On the whole, participants gave SAHA an overall average score of 4.601 out of 5. The scale was broken down
with 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree. SAHA’s overall average
score compared favorably with last year’s average score of 4.621.

**Highest Ranked Statements 2014-2015**

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>AVERAGE SCORE</th>
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<tbody>
<tr>
<td>SAHA staff is professional, courteous, and respond in a timely manner</td>
<td>4.83</td>
</tr>
<tr>
<td>SAHA effectively advertises upcoming programs through multiple online forums</td>
<td>4.78</td>
</tr>
<tr>
<td>SAHA staff facilitates meetings and educational seminars well</td>
<td>4.72</td>
</tr>
<tr>
<td>SAHA is a valuable resource for its members</td>
<td>4.72</td>
</tr>
<tr>
<td>SAHA communicates relevant information for my team(s) in a timely manner</td>
<td>4.70</td>
</tr>
</tbody>
</table>

In order for SAHA to grow and continue to deliver the value our members have come to expect, it is extremely
important for us to look for areas to improve. A look at where we scored below 4.5 in this survey will be the focus
of our attention going forward to make sure we fill in the gaps. There were two areas that continued to score
below 4.5.

**Lowest Ranked Statements 2014-2015**

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>AVERAGE SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>My leadership encourages me to attend SAHA Education sessions</td>
<td>4.42</td>
</tr>
<tr>
<td>The SAHA team meetings are highly beneficial</td>
<td>4.44</td>
</tr>
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</table>
While leadership at member facilities is supportive of SAHA initiatives, enhanced internal communication would be beneficial. As for team meetings with constrained travel, time, and budget resources, members are unable to participate in team meetings as often as they had in the past.

Survey feedback indicated that SAHA members continue to be satisfied with the Alliance, and an overwhelming majority of members agree that SAHA adds value to their organization. A quick glance at a comparison of our member satisfaction scores over the past three years shows SAHA continues to score highly in every attribute. SAHA is committed to serving our members with the same high level of professionalism as we have in the past, and we will work on those areas suggested for improvement by team members. With the continued support of our members, SAHA will continue serving as a knowledge and networking resource, as well as a conduit for exploring new opportunities that will benefit both member hospitals and the communities they serve.

The staff at SAHA is grateful to the team members for their feedback and participation in the survey. We look forward to serving our members for the coming 2015-2016 fiscal year.

Member Satisfaction Survey Trends (FY 2013-15)

“I think the staff is SAHA’s greatest asset. I am mostly familiar with Swati, Marilee and Bill Bedsole. These folks reach out and continually seek our needs and how they can provide us education on what we need. And the follow up to the same is excellent. If I need assistance contacting another rehab team member, I know I can always count on them to help me. During team meetings and other on-site sessions, the staff is always so personable, making everyone feel comfortable, remembering personal preferences and presenting a positive outlook at all times. I thoroughly enjoy their professionalism and personal caring.”

Nancy Thagard
Rehab Department
Sampson Regional Medical Center
VALUE.

That single word summarizes the reason for the continued success of the Southern Atlantic Healthcare Alliance. As I enter my 5th year as SAHA’s CEO, I think back to 2011 when I was being interviewed for the position. At the time, the healthcare industry was on the cusp of a surge of merger and acquisition activity. This potential sea change in the structure of SAHA’s membership resulted in much discussion at the Board level about SAHA’s “shelf life,” i.e., how long would there be a need for SAHA to continue? During my interview, I was asked my thoughts on the shelf life issue. My response was simply, “SAHA will continue to exist as long as it provides value to its members.”

Obviously, as they say, the proof is in the pudding, and now, almost 5 years later, my response to that “shelf life” question has proven to be accurate . . . SAHA has continued to exist because it has continued to provide value to its members. This has occurred even with the trend over these past 5 years of SAHA’s member facilities partnering with other providers. Additionally, not only has SAHA continued to exist, our membership has grown. We did lose a few of our members as a result of mergers and acquisitions, but at the same time, a larger number of new members have joined.

In the preceding pages of this Impact Statement, you’ve seen many examples of the value that SAHA brings to its members. Today, SAHA’s value proposition remains focused on three primary areas – networking, education (through SAHA College), and cost savings through contract negotiation. This last focus is the most quantifiable of the benefits of membership that SAHA provides. The positive cost-savings generated from participating in SAHA’s contracts, which now come via the Illucient Purchasing Alliance contract portfolio, have continued to grow. As most of you know, Illucient was formed last year as a joint venture between SAHA and the Coastal Carolinas Health Alliance (CCHA) with the purpose of aggregating the purchasing volumes of both alliances to drive greater savings for our members. The Illucient portfolio now includes over 100 contracts. Some of these contracts came from renegotiating existing SAHA contracts, some came from renegotiating CCHA’s existing contracts, and some are with vendor partners that were brought to the table after the formation of Illucient. In any event, the expanded SAHA / Illucient contract portfolio will enable our members to reap even greater savings.

Going forward, SAHA will continue to provide value for its members. It’s what we do!

Thank you for your continued support of SAHA!

BILL BEDSOLE
Chief Executive Officer
**SAHA Mission**
To support and strengthen our member hospitals.

**SAHA Goals**
- To build collaborative relationships between hospitals in the region with the purpose of improving the quality and delivery of healthcare for the patients we serve
- Support and strengthen our member hospitals through collaborative efforts, networking and educational opportunities
- Create value for members by providing validated savings or operational/quality improvement opportunities

**Southern Atlantic Healthcare Alliance**
125 Edinburgh South Drive, Suite 200
Cary, North Carolina 27511
919.350.2004
www.sahalliance.org