

The Corazon Report

A special briefing from the Heart Experts

Volume 2, Issue 1 - March 2003

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TAKE THESE WORDS TO HEART...

"To understand the heart and mind of a person, look not at what he has already achieved, but at what he aspires to do."

—Kahlil Gibran

CORAZON
The Heart Experts

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Uniontown Introduces Angioplasty Program

Susan Heilman,
Director, Clinical Services

In July 2002, Uniontown Hospital received approval from the Pennsylvania Department of Health for a demonstration project to initiate angioplasty with off-site surgical back-up. Corazon assisted with all facets of program implementation, including facility design, equipment selection, protocols, and staff education. This program will complement the existing non-invasive and diagnostic cardiac cath capabilities already offered to Uniontown-area residents.

The performance of coronary interventions has traditionally required on-site open heart surgery services. However, recent clinical trials have suggested that treatment with primary angioplasty offers better outcomes than thrombolytic therapy. Furthermore, 60% of patients with acute MI present to community hospitals without cardiac surgery programs. Many of these patients are transferred to tertiary centers, and may incur delays in treatment and consequently, poorer outcomes. Offering local residents immediate treatment for acute coronary events will likely increase the area's heart attack survival rate.

Uniontown Hospital has been serving the southwest region of Pennsylvania since 1904 and, as of this year, will be one of the few in the nation to be outfitted with the technology and equipment to perform angioplasty without on-site open heart surgery services. The American College of Cardiology estimates that only 135 hospitals in 28 states perform this procedure.

At a recent press event, Paul Bacaharach, Uniontown's CEO, was joined by Dr. Thomas Wharton, Chief of Cardiology at Exeter Hospital in New Hampshire and a seasoned expert on this emerging trend. Dr. Wharton discussed his experience with many such programs and believes, "Increasing the availability of centers that can offer angioplasty (PCI) can be accomplished safely and effectively at qualified non-surgical hospitals."

Uniontown also plans to implement aggressive education and prevention programs in hopes of lowering the overall risk of heart disease and death in the county. We congratulate the staff at Uniontown as they strive for the highest level of cardiovascular care and quality improvement for the surrounding area.



During the tour of the Uniontown cath lab, where both primary and elective angioplasty are now performed 24 hours a day, 7 days a week, Corazon Director Susan Heilman poses here with Dr. Yadagani, Dr. Wharton, Uniontown President and CEO Paul Bacharach, and Dr. Murello. The day's events offered both hospital staff and community constituents the opportunity to see the new facility and learn more about the benefits of angioplasty in the community hospital setting.



The 2003 Corazon National Survey

Benchmarking Cardiac Program Performance



Corazon and Axis Form Alliance

At Corazon, we recently partnered with Axis Clinical Software, Inc. to foster mutual new business developments. We will be launching this partnership with The 2003 Corazon National Survey for benchmarking cardiac program performance. Together we will apply cardiovascular expertise and clinical and statistical analysis to produce survey findings that will add a new and much needed value to the industry.

Axis designs, develops, provides, and installs clinical software for hospitals and healthcare providers, and also performs consulting and maintenance services related to the software. According to Scott Page, President of Axis, "Combining Corazon's expertise in cardiovascular operations and business with Axis' expertise in clinical outcomes management should prove synergistic in empowering healthcare providers to proactively impact delivery of care."

Over 2,000 hospitals across the country that provide cardiac catheterization and open heart surgery services will be invited to participate. Participants will be solicited beginning in February and results will be compiled and reported this fall.

Corazon is pleased to partner with Axis in this business alliance, which will integrate our companies' clinical and operations benchmarks for cardiovascular services to assist with achieving best practice for the financial and operating performance of cardiovascular programs across the nation.

A FOCUS ON FIVE IMPORTANT AREAS

- > Operations Management
- > Quality Management
- > Information Management
- > Fiscal Management
- > Patient Care Delivery Models

WE NEED YOUR INPUT

Join your industry colleagues and participate in The Corazon National Benchmarking Survey. As thanks, you'll receive a free customized "report card." We will be taking submissions throughout March 2003.

IF YOU'D LIKE TO PARTICIPATE

Please call us at 412-364-8200 or e-mail research@corazon-consulting.com.



THE RESULTS

The Survey results will be presented at The Annual Corazon Conference in October 2003, and will be made available immediately following the event.

CORAZON
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AXIS CLINICAL SOFTWARE INC.



The **Corazon** Conference / Pittsburgh



“The Best in the Field”

Strategies to lead your market in Cardiovascular Services



Pascal Goldschmidt, MD
Chief of Cardiology
Duke Medical Center
“Charting the Future of Cardiology”



Jackie Johnson
President
Corazon Consulting
“Getting to the Heart of It”



Louis Samuels, MD
Artificial Heart Program
Director - Hahnemann
University Hospital
“Breakthroughs in Artificial Heart Technology”



Fred DeGrandis
President
St. John West Shore
“Aligning with Cardiologists in a Highly Competitive Market”



John Jeter, MD
President
Hays Medical Center
“Growing Cardiovascular Services in a Rural Market”



Susan Heilman
Clinical Director
Corazon Consulting
“Vascular Centers without the Turf Battles”

Corazon The Heart Experts *Pittsburgh Conference*

April 23-24, 2003
Pittsburgh, Pennsylvania

- > Gain from the experiences of experts in the field
- > Share “Lessons Learned” in your cardiovascular service line
- > Learn the latest approaches to branding your heart center
- > Enjoy networking events with attendees
- > Take in a Pittsburgh Pirates’ game in one of the country’s most beautiful ballparks

THERE’S STILL TIME TO REGISTER, visit www.corazon-consulting.com

A message from the Heart...



Jackie Johnson
President
Corazon Consulting

“Up Close and Personal”

I recently found myself on the other side of assessing cardiac program performance. In December, my husband and our CFO at Corazon, Jerry Johnson, underwent quadruple bypass surgery after a surprise diagnosis in the cath lab. We arrived in the Cardiology Department for a routine evaluation meant to give the go-ahead for a sinus procedure and found ourselves facing his open heart surgery the very next day. Luckily, Jerry had avoided any damage to his heart, but nonetheless, the seriousness of heart surgery hit both of us very squarely. Jerry, who has a keen understanding of the financial issues inherent to cardiac programs, was obliged to learn the patient experience firsthand—with a lot of help from his clinically astute co-workers.

For me, Jerry’s hospital stay was an eye-opening experience in many ways. First, I am grateful to a fine surgeon and several superb cardiologists, an expert team, and a committed staff. The multitude of statistics on the impact of heart disease often fails to mention its effect on the patient’s spouse, family, and friends, for the disease does not affect the victim alone. These statistics do not communicate how much we rely on the skills and dedication of the physicians and nurses we entrust to provide excellent cardiovascular care to our loved one or ourselves. I am now even more keenly aware of the importance of the choice of an expert team as well as the value of the ‘behind the scenes’ staff—the volunteers, nuns, chaplains, aides, and others who provided so much comfort and encouragement throughout Jerry’s hospitalization.

Second, after experiencing the impact of a semi-private room and several transfers between patient care units, I am even more firmly committed to the concept of the universal bed for optimum cardiac care—this concept offers a private room, limits the downside of transfers, and provides a consistent and expert team of highly specialized cardiovascular nurses and ancillary staff who are attuned to advanced care protocols.

Third, I am now more acutely aware of how much we need to radically change the standard operating systems of acute care hospitals if we are to manage within today’s reimbursement challenges and manpower shortages. We accept delays in testing, treatment, and results reporting as standard practice. This need to ‘blow it up and start over’ in cardiac care delivery forms the premise for the number of heart hospitals springing up throughout the country today. It would behoove any nurse leader or hospital executive to observe the patient care process firsthand to fully appreciate the outdated systems that are in place and to take bold steps to invest and reinvent the system of care. And finally, the hassles and wasted time and energy spent dealing with complicated prescriptions, incorrect bills, and managed care restrictions would daunt anyone just home from the hospital. I can only imagine the stress this must place on the elderly or novices to the health care system.

Our story has a happy ending. Jerry has recovered and is back to work with enrollment in a solid cardiac rehab program. But this experience has been enlightening and life altering for both of us. It will certainly add a new dimension to my understanding of living with heart disease and what it takes for a cardiovascular program to be truly outstanding—in the eyes and spirit of its patients, doctors, nurses, technical staff, support team, and the family. There is still much we need to do.

Jackie Johnson



Back to work and fast on the path to a full recovery from his December open heart surgery, Corazon’s Director of Finance and Information, Jerry Johnson, poses here with Jackie during the company’s Founders Day celebration on February 14.



News Pulse

Updates from Corazon and our clients



Corazon Clients Named 'Top 100'

Our client, **St. Clair Memorial Hospital** in Pittsburgh, PA recently received Solucient's 'Top 100 Hospital' award for 2002 in recognition of outstanding overall performance in their hospital category. Corazon has assisted St. Clair on multiple occasions, from establishing their five-star heart center, to developing their most recent strategic plan.

DuBois Regional Medical Center in DuBois, PA also achieved 'Top 100' status in the Large Community

Hospital category. Corazon worked on both the feasibility and implementation for the new Heart Center at DRMC, and recently conducted an educational session for the executive team and management staff.

We extend our congratulations to these facilities, which have time and again demonstrated outstanding performance. Benchmarks set by these 'Top 100' facilities help lead others in the industry toward excellence.

Blessing Receives CON Approval

After completing a comprehensive feasibility study and business plan with Corazon, **Blessing Hospital** received Certificate of Need approval to perform open heart surgery from the Illinois Health Facilities Planning Board. Work on this 18-month expansion project began in January, and the facility is scheduled for completion in early 2004. With plans to expand the Emergency Department and implement a \$21 million cardiac surgery program, Blessing's future holds much promise for innovative care delivery and better community access. We appreciate the opportunity to work with the Blessing team from planning through implementation.

Service Excellence at Conemaugh

As a result of inpatient satisfaction scores in the 92nd percentile and three appearances on Solucient's 'Top 100' list, **Conemaugh Memorial Medical Center** in Johnstown, PA earned the "Spirit of Excellence Award for Service" in December 2002. Corazon completed an assessment of the cardiac surgical program as a part of Conemaugh's efforts to improve outcomes. We praise their continuing efforts to provide the best in patient care.

ACHE Tribute to Leadership

Alan Channing, President of **St. Vincent Charity Hospital** in Cleveland, a part of the CSHHS/UHHS Health System, was awarded Northeastern Ohio's Senior-Level Healthcare Executive Award. This award recognizes ACHE affiliates experienced in the CV field

who have significantly contributed to the advancement of healthcare management excellence. Corazon worked with Alan and the St. Vincent team to develop a strategic plan for the cardiovascular program and we congratulate him on this great achievement.

"At the Heart of Success"

Look for Corazon's Director of Clinical Services, Susan Heilman, at the podium during the 2003 Cardiovascular Managers Conference, March 27-29 in Chicago, IL. She will be speaking to the audience on the next generation of heart centers and discussing the impact of the Cardiac Universal Bed Model as a winning strategy in CV care.

For more information on attending, visit www.acp-online.org.

SPOTLIGHT

ON NORTHEAST GEORGIA MEDICAL CENTER

NGMC Dedicates Heart Center

The dedication of **Northeast Georgia Medical Center's** newly opened **Ronnie Green Heart Center** took place on December 3, 2002 at the facility in Gainesville. The bronze plaque pictured below serves as a permanent memorial at the entrance to the Center and depicts the unit's namesake and benefactor, a Gainesville local who died suddenly of heart disease in 2001. The celebration showcased the state-of-the-art facility and highlighted the continued success of the cardiovascular service line. NGMC has performed over 300 open heart surgeries and 400 angioplasties since opening in August 2002.



Corazon Endorsed by PONL as a 'Preferred Provider'

As a part of the “Consultant Referral Service,” The Pennsylvania Organization of Nurse Leaders (PONL) recently named Corazon a Preferred Provider of cardiovascular consulting based on several endorsements from its members across the state.

The “Consultant Referral Service,” which started in October 2002, serves PONL members by offering a list of consultants that provide advice or expertise that the organization’s members endorse to others in the industry. This service for the nurse executives of Pennsylvania, and elsewhere in the six affiliated regions the organization serves across the United States, puts highly recommended consultant information at the fingertips of those who need it most.

According to Corazon’s President and Founder Jackie Johnson, “We are pleased and proud to accept this prestigious endorsement and look forward to the opportunities that this honor presents.”

Since receiving this preferential status, Corazon appears on the PONL website at www.ponl.org as a firm that can help nurse leaders be more effective. Through the collaboration of PONL members and the consulting providers they stand behind, this initiative creates a dynamic and useful website service that can benefit industry leaders and the patients they serve.

Pat Hillebrand, 2002 President of the organization, states, “PONL’s mission is to foster nursing leadership for advancing the profession and to achieve excellence in health care delivery. The Consultant Referral Program is one service that helps us achieve the goals of the organization, and we are happy to have Corazon as a participant.”

The referral service began as an effort to spread the good word about consultants whom members feel provide excellent service to hospitals and care providers.

The PONL endeavors to shape health care policy while connecting nursing leaders for the achievement of high quality, innovative practice in care delivery.

Denise Lucas, also a former PONL President and the member who spearheaded the formation of the referral service, believes that nursing leaders are often confronted with serious needs for outside assistance on a regular basis, yet it is often difficult to find the right one that will “fit” into the hospital’s culture and be a worthwhile investment. She feels, “Since hatching the idea for the service, I sought to recommend top quality consultants that provide effective support; and, due to the success of our working relationship with Corazon, I felt compelled to tell my nursing colleagues about the experience because they will not be disappointed.”



The Reid Hospital Team

Front row (l-r): Jeannette Sullivan, Cath Lab Manager; Debbie Eckhoff, Nursing Research Director; William Ducey, M.D., Vascular Surgeon; Dodie Preston, Vice President; Carol Cairns, Critical Care Educator; Sally Stohler, Nursing Service Director; and Elaine Floyd, Patient Registration Manager. Back row: Jon Ford, Board President; Kent Spear, Controller; and Marilee Crosby, Quality Review.

Reid Hospital is 'All Heart'

Reid Hospital and Health Services recently held a celebration to commemorate the expansion of CV services already underway at the Richmond, IN facility. Last year, Corazon partnered with Reid to examine the feasibility of adding open heart surgery to their cardiac service offerings and is currently helping the Hospital develop and implement a high-quality, cost-competitive, and well-structured interventional cardiology and open heart surgery program. Reid tentatively plans to complete the facility expansion and begin open heart services by Summer 2003.

Several members of the Reid heart services expansion team pose together at a recent hospital event. The team members wore white lab coats and red shirts to stand out in the crowd and answer questions about the future plans for the cardiac program.

Corazon Invited to SwedishAmerican

Jackie Johnson, President of Corazon, recently spoke about the latest thinking and achievements in top performing vascular centers at the Heart Seminar Committee, a conference sponsored by **SwedishAmerican Health System** in Rockford, IL. The event, “Cardiology in the New Millennium,” focused on the changing roles of cardiology and related practices as new industry developments constantly emerge and significantly impact cardiovascular care delivery. Corazon worked with SwedishAmerican recently to develop a business plan and facility design for a cardiovascular service expansion.



Financial Update

Making Dollars and Sense of the Cardiovascular Industry



CMS will increase outlier payments

In December 2002, CMS announced plans to increase the outlier payment threshold to \$33,560 in 2003, which is an increase of over \$12,000 from 2002 reimbursement. Further instructions on the scrutiny of the outlier payment system is planned for the new year.

APC Changes for 2003

As of January 1, 2003, APCs (outpatient PPS codes) will change. The following are some highlights of those changes:

- New APC 0656 for transcatheter placement of drug eluting stents (DES)
- New APC 0670 for Intravenous and Intracardiac Ultrasound
- Many APC payments were reduced from 2002 levels to align more with true costs of care
- CMS reiterated the importance of appropriate coding for all procedures as this is the tracking mechanism that they use to adjust payment rates in future years
- CPT codes 92986, 92987, and 92990 (all for revision of valves) have been added to APC 0083, Angioplasty
- Blood and Blood products will now be paid under their own APC

APCs will now change each year on January 1 to coincide with yearly changes in CPT codes.

Release of Drug Eluting Stents Delayed

There has been a delay of the much-anticipated FDA approval of the Cordis company's drug eluting stent (DES), called Cypher. The green light that was anticipated in December or January will now, most likely, come in the fall. But, with the release still certain to occur, hospitals remain focused on the effect this new device will have on their bottom lines. While the DES could prevent up to 150,000 re-do angioplasties, the list price of this new technology could cost upwards of \$3,000 per stent, according to recent Wall Street Journal reports. The high cost coupled with the average stent use rate of 1.4 stents per case, will cause supply costs to skyrocket. And, with such successful outcomes, many patients will undergo angioplasty with DES as opposed to the more profitable bypass surgery option.

Based on Corazon's methodology, the following chart shows the impact of DES on a sample program as follows:

	OHS/non-valve	PCI	Net Revenue	Supply Costs	Supply Cost %
Baseline	500	950	22,808,379	7,629,755	33%
After DES	450	1000	24,353,929	10,341,654	42%

This scenario assumes a 10% reduction in OHS cases due to DES and allows for an overall growth in PCI cases, despite decreasing PCI re-do cases.

Quality Reporting Initiative Unveiled

The AHA and the Association of American Medical Colleges held a press conference in December on the new "Landmark Quality Reporting Initiative," a government-supported voluntary initiative to collect and report standardized quality care in hospitals. It will allow hospitals to compare performance on the 10 measures of quality for heart attack and congestive heart failure, and a pilot project in three states is already underway. Summarized below are the approved measures:

- For acute heart attack, the measures will examine whether:
 - A patient received aspirin when admitted to a hospital
 - Aspirin was prescribed upon a patient's discharge,
 - A beta blocker was given upon admission
 - A beta blocker was prescribed upon discharge, and
 - An ACE inhibitor was given to the patient.
- For congestive heart failure, the measures will examine whether:
 - A patient received an assessment of heart function, and
 - An ACE inhibitor was administered.

CMS will begin posting the hospital quality data this summer. Look for updates in the next issue of The Corazon Report.

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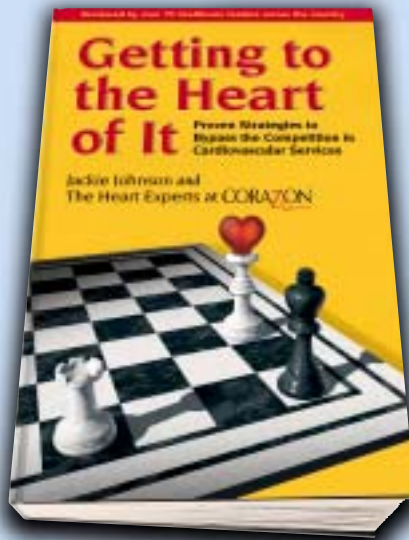
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The only industry resource of its kind ...

Getting to the Heart of It: Proven Strategies to Bypass the Competition in Cardiovascular Services includes comprehensive practical strategies and guidance on all aspects of cardiovascular program development and expansion. The detailed chapters highlight ideas to successfully brand and market your CV program, describe the playbooks for innovative facility designs and lucrative partnership opportunities, explain models for business planning and services line management, and emphasize CV industry trends, statistics, projections, and their impact on your program and others across the country.

The information and insight in this volume has helped numerous Corazon clients bypass their competition and become leaders in the markets they serve.

Now you can have access to the game-winning moves that can put your industry opponent in checkmate!

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