

2013
ANNUAL REPORT



northern maine
MEDICAL CENTER



EXCEEDING EXPECTATIONS

A Word From Our CEO



EXCEEDING EXPECTATIONS

The healthcare industry is experiencing unprecedented challenges that can only be transformed through innovative thinking and changing how we pursue quality and efficiency. Looking back and reflecting on all of the accomplishments and changes that have taken place over the past year, the industry is more committed than ever to outperform the expectations of our patients. Northern Maine Medical Center is prepared to embrace these changes with unwavering integrity and a commitment to those we serve.

For more than sixty years, Northern Maine Medical Center has been steadfast in upholding its mission and vision to make quality healthcare accessible close to home for individuals and families of the St. John Valley. We have listened and used your feedback to make needed changes in an effort to exceed your expectations each and every time you seek our services. Our employees have been working hard to develop a strong and innovative series of plans which will go into the implementation phase in the first quarter of 2014 and, in our efforts toward more transparency, we plan to engage members of the community more than ever in making decisions about the services we provide.

The commitment and dedication of Northern Maine Medical Center employees in 2013 resulted in exceeding the national average in various clinical areas, and for receiving clinical quality awards for which we are very proud. In 2013, Northern Maine Medical Center was one of eleven Maine hospitals, and the only one in Aroostook County, to be named to the Harvard Pilgrim Healthcare Hospital Honor Roll for the second consecutive year. We also earned the distinction of Top Performer on Key Quality Measures from the Joint Commission on accreditation of hospitals for attaining and sustaining excellence in the treatment of pneumonia patients. We also maintained our Tier I preferred provider status, we received the Maine CDC Certificate of Excellence in employee vaccination and patient safety, and demonstrated improvements in multiple Get-Better-Maine clinical indicators. This annual report to the community will further highlight these and other important accomplishments.

The accolades, awards and exceeded standards would not have been possible but for the passion, dedication and perseverance of our employees. For these reasons this year's annual report to the communities we serve is dedicated to the hard working employees of Northern Maine Medical Center. These individuals, together, make up a very strong healthcare team who are the heart and core of Northern Maine Medical Center.

Our commitment to you is that we will work even harder in 2014 to become an even better healthcare provider. The continued challenge for Northern Maine Medical Center will be to ensure that we continue to exceed your expectations for your healthcare services, so we may be your provider of choice when it comes to quality of care close to home.

Thank you for choosing Northern Maine Medical Center as your healthcare provider.

A handwritten signature in black ink, appearing to read 'Peter J. Sirois'. The signature is fluid and cursive, with a long, sweeping underline.

Peter J. Sirois
Chief Executive Officer

Dedication

Northern Maine Medical Center (NMMC) employees, numbering 520 strong, are the heart and soul of the organization. These exemplary men and women are the true leaders of NMMC thus it is fitting to dedicate the 2013 annual report to these individuals. It is with great pride that these NMMC employees are presented to you for recognition. The services they provide touch the lives of the people in the Valley in so many special ways each and every day. Whether it is a friendly greeting, ensuring cleanliness, navigating the complexities of insurance coverage or saving a life, these are the many examples of how NMMC's employees truly make a difference.

In the year 2013, sixty five individuals out of 520 employees reached employment milestones totaling eight hundred forty years of service to our patients. This longevity supports consistency and commitment which is critical to organizational success and customer loyalty.

In the past few months, over sixty employees have stepped up to participate in NMMC's innovative service excellence campaign. Together these individuals make up six teams who will lead a three year initiative aimed at exceeding quality standards. You will read more about the specifics of this initiative later in this report.

NMMC celebrates the men and women who place the care of our patients in the highest priority and who do so with compassion, pride and dignity. Special thanks for the vital contributions they make every single day!



Exceeding Expectations with Every

NMMC employees are implementing an exciting grass roots campaign focused on patient satisfaction and value. Six teams, made up of front line employees from across the organization are mobilizing efforts to exceed patient expectations with every experience. Teams will be reaching out to engage community members to participate in this campaign in the coming months.



VALUE TEAM

Fiscal responsibility to ensure affordable services for our community.



PATIENT EXPERIENCE TEAM

Exceeding expectations at each encounter



INNOVATION TEAM

Anticipating the needs of the future and developing systems necessary to meet those needs.

Experience



OUR COMMUNITIES TEAM

Connection to our communities



CARING HANDS TEAM

Employee experience, satisfaction, development and service delivery.



QUALITY TEAM

Clinical quality and excellence in care by ensuring best practices.

Campaign Mission:

- Staff and leadership working toward one mission
- Align quality improvement projects, engage, empower, and enable staff to actively improve the patient experience.
- Create a lean culture that includes: responsibility, accountability, and waste reduction while increasing quality and improving the patient experience.

Direct & Indirect Impact on our Community

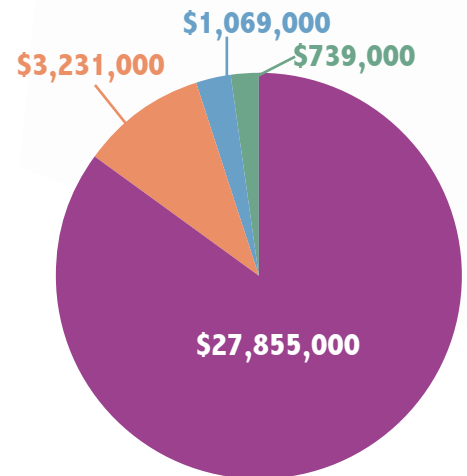
Impact	2012	2013
Jobs	834	941
Economic Impact		
Payroll	\$71,235,293	\$75,868,858
Supply purchases	\$23,435,690	\$19,405,208
Capital Spending	\$396,066	\$19,045,873
Total Impact	\$95,067,049	\$114,319,939

In 2013, Northern Maine Medical Center pumped \$114,319,939 into the local economy. A total of 514 employees were supported with a payroll of \$28,146,000. The money employees earn is spent on groceries, clothing, mortgage payments, rent and many other expenditures. These dollars generate \$75,868,858 in total economic activity for the local economy.

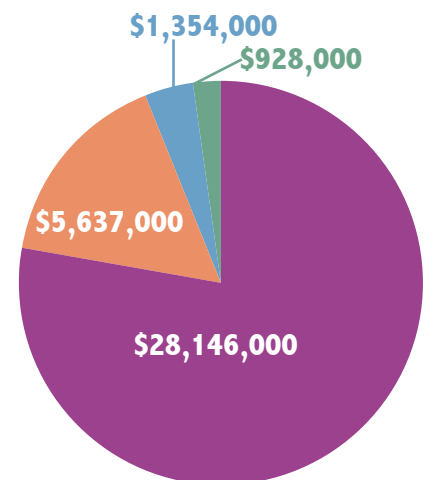
NMMC spends money on the goods and services needed to provide health care, for example, medical supplies, electricity for the buildings, and food for patients. Funds spent to buy goods and services flow from the hospital to vendors and then ripple throughout the local economy for a total direct and indirect impact of \$19,405,208.

Construction activity in our hospital affects the local economy from the convenience store located down the street to the insurance agent providing policies for the contractors and other companies working on the project. The major projects completed last year were the biomass plant and the building extension for the MRI. Projects generate local jobs and revenue and result in improved health care delivery for the community.

Expenses 2012



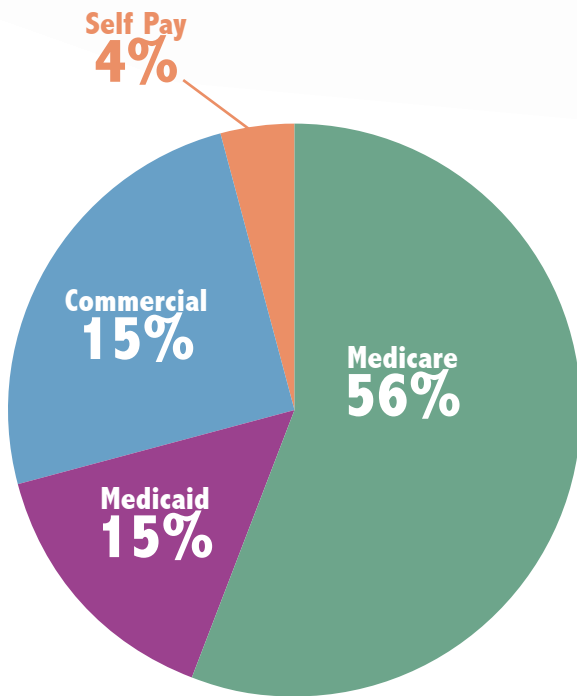
2013



- = Wages & Benefits
- = Capital Expenditures
- = Bad Debt
- = Charity Care

Board of Directors

2013 Payer Mix



2-Year Comparison

	2012	2013
Medicare	55%	56%
Medicaid	14%	15%
Commercial	28%	25%
Self Pay	3%	4%



Robert Bellefleur



Glenn Lamarr,
Treasurer



Mark Chamberland



Mark Morneault



Ronald Daigle



Michael Sullivan, M.D.



John Ezzy,
Vice-President



James Thibodeau,
Secretary



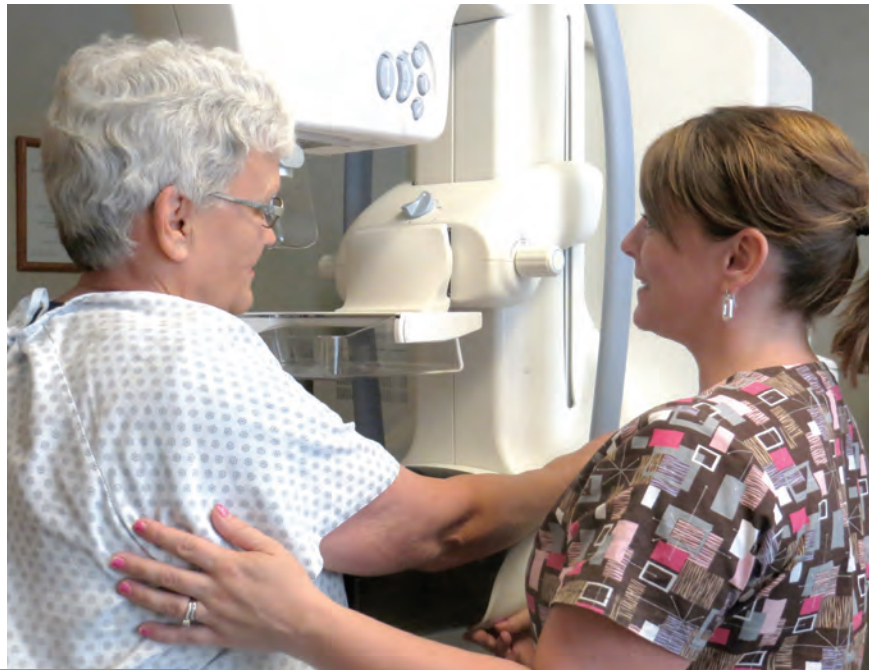
Norman Fournier,
President



Dan Vaillancourt

Improving the Patient Experience

In 2013, NMMC purchased a new digital mammography system as well as a new MRI (Magnetic Resonance Imaging) system. Both were selected not only for the quality of imaging, but also for the ability to provide easier and less stressful exams to our patients.



Digital Mammography

The GE Senographe Essential Mammography System was chosen by NMMC for its top of the line image quality and for the impressively low radiation dose for the patient. The new equipment went on-line in February of 2013.

Benefits for the patient:

- short exam time
- less radiation exposure
- quick appointments
- quick results

Magnetic Resonance Imaging (MRI)

The new MRI is the only one of its kind north of Bangor. The unique features that distinguish it from other MRI units are that it has a larger bore and ultra short system length.

Benefits for the patient:

- more room in the magnet for patient comfort
- feet-first position for many exams
- easier transfer for bed patients
- potential reduction in scan times for most exams
- preferred by patients who experience claustrophobia

Edgar J. (Guy) Paradis Cancer Fund



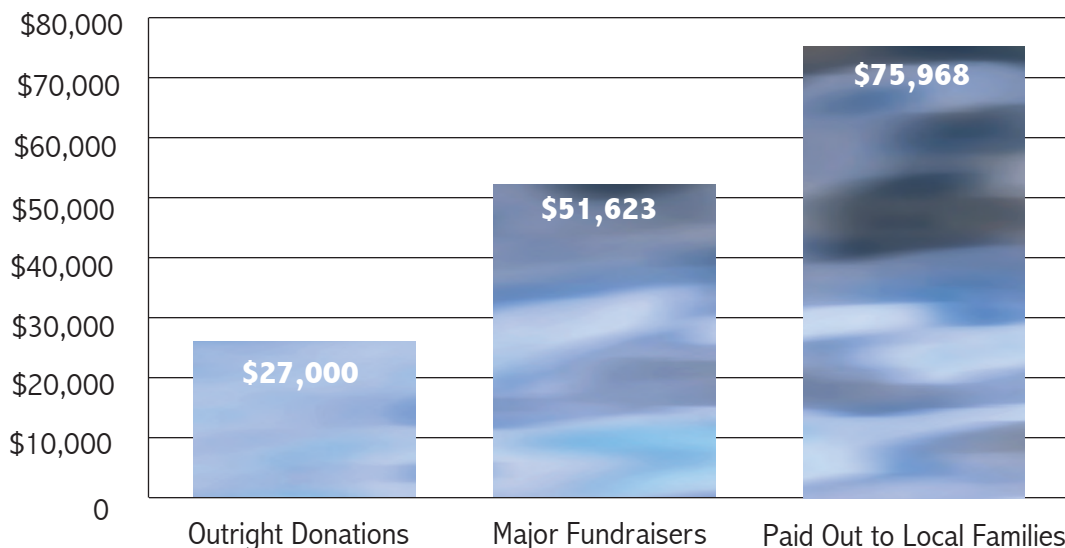
"It's a long process", says Gail. "The journey is never done and you quickly come to realize that it cannot be done alone." People receiving cancer treatment are often left feeling overwhelmed. Occasionally, lifesaving treatment is needed away from home and a person may feel lonely and isolated without support of family and friends.

The Edgar J. Paradis Cancer Fund makes available financial resources for travel to residents of the St. John Valley. Administered by

Northern Maine Medical Center, the Edgar J. Paradis Cancer Fund was instrumental in supporting the Lamarr family by making it possible for Glenn to see his children and grandchildren when he needed them most.

In 2013, 47 families were assisted by the Edgar J. Paradis Fund in the amount of \$75,698. Over the years, St. John Valley families suffering from cancer have benefited from nearly \$750,000 in support from the Edgar J. Paradis Fund.

A Look at the Fund in 2013





What Our Patients



< "I felt like a queen! I have no regrets for having my surgery in Fort Kent. Dr. Hallberg is very down to earth. He takes his time with you and explains everything so you can understand it."

- Frances 'Mickey' Saucier



^ "It's a nice place to be when you need it!"

- Doris Boucher

Providing Quality Care

For over sixty years, Northern Maine Medical Center, (NMMC) has served its communities with compassion, dignity and pride. We understand that what matters most to patients is safe, effective care. While we know much is still needed to consistently exceed your expectations, we are proud of the progress made in 2013. Below are some of our highlights.

TIER I PREFERRED

Northern Maine Medical Center (NMMC) maintained its designated Tier I status and additionally was deemed a preferred provider by the Maine Health Management Coalition. NMMC qualified for both the quality and the cost criterion. The designation recognizes NMMC for improving population health and patient experience at the most affordable cost. High performance was demonstrated in the categories of: effective treatment of heart failure and pneumonia; safety in preventing surgical infections, medication safety, and national safe practices related to prevention of falls; and overall patient experience.

HARVARD PILGRIM HEALTHCARE HOSPITAL HONOR ROLL

For the second consecutive year Northern Maine Medical Center (NMMC), has been named to the Harvard Pilgrim Healthcare Honor Roll. The Honor Roll recognizes adult, acute care hospitals whose performance was among the top 25% of those measured nationally on: clinical quality of care, patient experience and patient safety.

NMMC is one of only eleven Maine hospitals to be named to the Honor Roll, and the only one in Aroostook County. The honor was attained by not only meeting but also exceeding quality measures used during the reporting period.

JOINT COMMISSION ACCREDITATION

Northern Maine Medical Center (NMMC) earned The Joint Commission's Gold Seal of Approval® for accreditation by demonstrating compliance with The Joint Commission's national standards for health care quality and safety in hospitals. The accreditation award recognizes NMMC's dedication to continuous compliance with The Joint Commission's state-of-the-art standards.

Recognition was also bestowed on NMMC by the Joint Commission as a Top Performer on Key Quality Measures for exemplary performance and for sustaining excellence in the treatment of pneumonia.

Are Saying



^"My doctor took the time to sit and talk with me. He cared about me getting better. I would trust my kids with him!"

- Bea Ouellette



<"I never saw such dedicated and delightful people in my life. I never felt alone for a minute when I was in the hospital. When I called, they came every time."

- Lettie Faye Hafford



^"I had one heck of a positive experience. The staff was awesome. The Respiratory Therapist was always asking if there was anything he could do. All the nurses in ICU and ER did a super job! Dr. Sullivan was compassionate and caring and I can't say enough about Dr. Raymond!"

- Judy Gagnon

IMMUNIZATION AWARD

The Maine Center for Disease Control awarded Northern Maine Medical Center (NMMC) with a Certificate of Excellence for employee vaccination and patient safety. The award was received for vaccinating more than ninety percent of employees against influenza. NMMC is the only hospital in Aroostook County to receive the award. Vaccinating doctors, nurses and other patient care staff reduces the risk of influenza transmission to patients. The best way to protect our patients and our employees against the flu is by getting vaccinated.

BEACON HEALTH NETWORK

Northern Maine Medical Center is part of a statewide network that provides an innovative health delivery model to State of Maine employees and their dependents. State employees have access to an integrated health care delivery model known as patient-centered care. This model has a proven track record for improving healthcare outcomes, decreasing hospitalizations and reducing unnecessary costs. The goal is to better coordinate patient care across all types of health services to ensure participants access to healthcare, reduce costs, and help people live as healthy a life as possible.



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Medical Staff Leadership



NMMC's experienced team of physicians, nurse practitioners, physician assistants and CRNA's are dedicated to promoting health and wellness. Acute and chronic illnesses are treated using best practices to ensure the highest quality care and the best patient outcomes. For a complete listing of the medical staff, visit us at www.nmmc.org