

FY2018 Year in Review

August 2018



A YEAR OF NEW CHALLENGES AND ENCOURAGING PROGRESS

Hi Team!

The end of June 2018 marked the close of Fiscal Year 2018 (FY18), as well as the completion of the second full year of our strategic plan journey to get healthcare right and move TriHealth from good to great. We've made encouraging progress during a time of unprecedented and unrelenting industry change and challenges, defined by:

- An emerging era of healthcare consumerism
- New, disruptive healthcare delivery models being built by non-traditional players that include innovative giants in technology, finance, insurance, and retail
- A rapid transition to value-based care that brings with it increased financial pressures

Since our transformative journey began in March 2016, when our strategic plan was adopted, we've proactively anticipated and adapted to these major, new industry realities that are quickly changing the face of U.S. healthcare. As a result, we are emerging a stronger, more integrated system and an industry leader that's shaping the model healthcare system of the future. Today, there is growing and meaningful evidence across all five Pillars (Culture/People, Service, Quality/Safety, Finance, Growth) that validates we are on the right track. Highlights of this progress are captured throughout the pages of this FY18 Year In Review.

Looking ahead, TriHealth will continue to take a proactive approach to our strategic plan work. To do so, we've refreshed our strategic priorities for Fiscal Year 2019, with a sharpened focus on closely aligning our FY19 Pillar Goals with today's most pressing new realities of healthcare. In the year ahead, our work will center around the following major areas of focus:

- Patient Safety, Reliability, and Clinical Quality
- Consumerism, Access, and Convenience
- Population Health Management
- Team Diversity and Inclusion
- Financial Strength and Efficiency

I want to thank you for your hard work and dedication in support of our journey from good to great to get healthcare right. FY18 was another encouraging year of strong growth and meaningful progress, despite continued industry challenges and pressures! While our challenges remain great – our opportunities are even greater. I am confident that with your continued support, we will make FY19 our best year yet, as we work together to deliver on our promise to **improve care, improve health, and improve value** for all those we serve.



Sincerely,

A handwritten signature in black ink, appearing to read 'Mark C. Clement', written over a light-colored background.

Mark C. Clement
President & CEO
TriHealth

Where We Started

In March of 2016, we began our new strategic plan journey from good to great guided by:

Our Vision & Strategic Aim

Lead the way in becoming the region's only fully integrated, patient-centered system of care that gets healthcare right for our community – better care, better health, and better value...and the health system where our people and physicians most want to work and practice, and our community increasingly chooses to receive healthcare.

Our work has been focused on three major areas:

- 1. Culture:** Building the TriHealth Way of Leading, Serving, and Delivering Care
- 2. Delivery System Transformation:** Emerging as the region's leading high value, integrated delivery system
- 3. Operational Excellence:** Relentlessly working to achieve high performance in all five Pillars (People/Culture, Service, Quality/Safety, Growth, Finance)

DELIVERY SYSTEM TRANSFORMATION



CULTURE

TriHealth Way Gains Traction through Leadership Development Institute

In July of FY18, we completed our ninth quarterly Leadership Development Institute (LDI) with nearly 1,000 system leaders. The LDIs are central to our work of building a common, high-performing TriHealth culture by developing leaders and engaging team members and physicians through the TriHealth Way of Leading, Serving, and Delivering Care. Hardwiring The TriHealth Way is an essential foundation on our journey from good to great, as TriHealth leads the way in “getting healthcare right” – **better care, better health, better value.**

The work of building the TriHealth Way is intentionally staged – focusing first on creating a high-performing and highly engaged culture through the introduction and adoption of evidence-based leadership and service practices. This has been our priority over the past two years, and we’re now seeing meaningful signs this work is paying off! We’ve seen encouraging improvement and a consistent upward trending in the results of our Employee and Physician Engagement Surveys, our Leadership Effectiveness Assessments (LEA), and our Patient Satisfaction (CAHPS) scores. And our system and hospitals are also increasingly being recognized as national models for quality, efficiency, patient experience, diversity, and workplace and team member engagement practices.

LDI FY16 – FY18 Highlights



- Quarterly LDIs a Great Success – 99% Positive “Met or Exceeded My Expectations”
- Multiple Evidence-Based Leadership Practices Introduced
- All 12,000+ Team Members Trained on our New Realities
- Leader Goals Aligned with System Pillar Goals Through the LEM



Jenny Skinner Wins The National Quint Studer Difference Maker Award

Jenny Skinner is the central force behind our Leadership Development Institute (LDI). Over the past two years, she has helped to design, launch, and manage the highly successful initiative, which is our system engine for introducing, adopting, and embracing The TriHealth Way of Leading, Serving, and Delivering Care. Jenny’s extraordinary efforts were recognized in FY18 with the national *Quint Studer Difference Maker Award*. The award recognizes those who make a difference in their organization and in the healthcare industry, and demonstrate true servant leadership behaviors every day.

Building the TriHealth Way of Leading & Serving

April '16 LDI #1:
TriHealth Way
of Leading

July '16 LDI #2:
TriHealth Way
of Leading

Nov '16 LDI:
New Realities
Training &
Rollout

Jan '17 LDI #3:
Great People
Make a Great
Organization

April '17 LDI #4:
TriHealth Way
of Serving Part 1

Jul '17 LDI #5:
TH Way of
Serving Part 2/
Cultivating High
Performance

Nov '17 LDI #6:
Mastering the
Skills: Leading
the TriHealth Way

Feb '18 LDI #7:
Mastering the
skills 2.0



- Innovation Center & Bright Ideas Program Up & Running (see page 5)
- SOAR Action Councils Established – 500+ Council Members/Bus. Unit Champions (see page 6)
- Hiring & Retaining the Best of the Best Training Complete
- TriHealth's Signature Patient Experience Rolled Out
- Discharge Call Center Improving Care and Patient Experience

CULTURE

TriHealth Way of Leading & Serving Builds Culture of Engagement

An essential contributor to our success in building The TriHealth Way is having a **highly engaged TriHealth Team and Culture**. This work is central to achieving TriHealth's vision to be the place where people want to work, where physicians want to practice, and most importantly, where the community wants to go when they need the best quality, service, safety, and value in healthcare.

Key to engagement is making sure our team members feel **valued** and **appreciated** for their contributions and **empowered** to create positive change that helps us improve care, improve health, and improve value. In FY18, we stepped up our efforts and investments in this area with SOAR, numerous employee appreciation events, and an expansion of our Bright Ideas program.



TriHealth team member, Cherie Ramsey, wins Golden Shovel Ideation System-level Award

BRIGHT IDEAS

13,529

Ideas Submitted

10,517

Ideas Approved

9,600

Team Members Who Submitted Bright Ideas

4,664

Ideas Implemented



Click to learn about some of the many Bright Ideas from team members

\$1,981

Estimated Avg Net Value of a Verified Idea

\$8.2M

Total Value of FY18 Bright Ideas

APPRECIATION



Team members recognized for volunteer efforts with Freestore Foodbank



Click to see how TriHealth's donation – in recognition of team members – aided Hurricane Irma relief efforts



Click to see local media coverage of a TriHealth appreciation event



Busken Bakery delivered cookies to all team members to say, "thank you," for great work

SERVICE



Service Recovery Council

Always HEARD

Empowering YOU to make it right for our patients.

- H = Hear and listen
- E = Empathize
- A = Apologize/Thank you
- R = Resolve
- D = Diagnose

Lasting Impressions



Always Impressions
First Impressions & Lasting Impressions

- Acknowledge
- Introduce
- Duration
- Explain
- Thank

+the PROMISE



Click to hear what patients think about our service

CULTURE

Strengthening Our Commitment to Diversity

Our TriHealth Values drive our commitment to respect all people. We demonstrate this commitment by nurturing an environment that promotes diversity, recognizes differences, encourages personal growth, and enhances the self-worth of each individual. We are proud of the national recognition we've received as a leader in fostering diversity in our workplace. To ensure we continue to create an inclusive environment for all who work with and for us, we have identified leadership diversity as an FY19 System Pillar Goal. In addition, we have set ambitious diversity goals for Leadership and Suppliers by 2020, outlined on the following page.

TriHealth
Among
Top 11
Hospitals
& Health
Systems for
Diversity

DiversityInc
2017 TOP 50
HOSPITALS AND HEALTH SYSTEMS



Click to learn more about our 2020 Commitment to Diversity



“We believe that by **embracing diversity**, we can create a more **positive environment**, and promote continuous improvement to providing **excellent & compassionate care.**”

– Mark C. Clement,
President and CEO

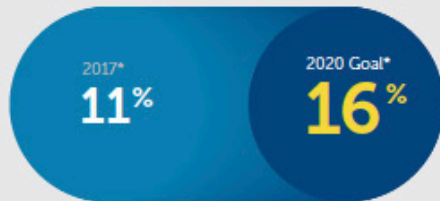
LEADERSHIP

EXECUTIVE LEADERSHIP TEAM



2017 ELT – 1 Minority of 16 Total
2020 ELT – 3 Minorities of 16 Total

DIRECTORS & VPs

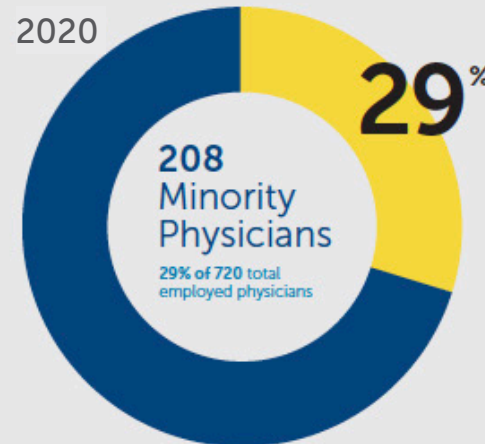
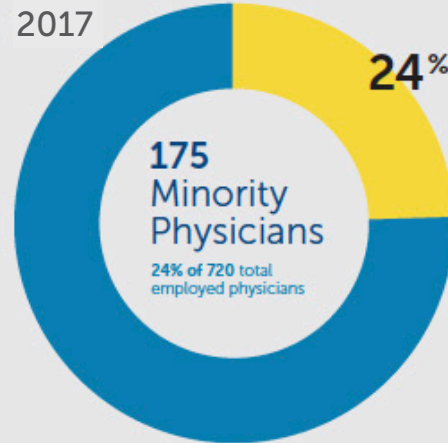


2017 Dir/VP – 14 Minority of 130 Total
2020 Dir/VP – 24 Minorities of 130 Total

*Diversity as a percentage of total leader population for each category

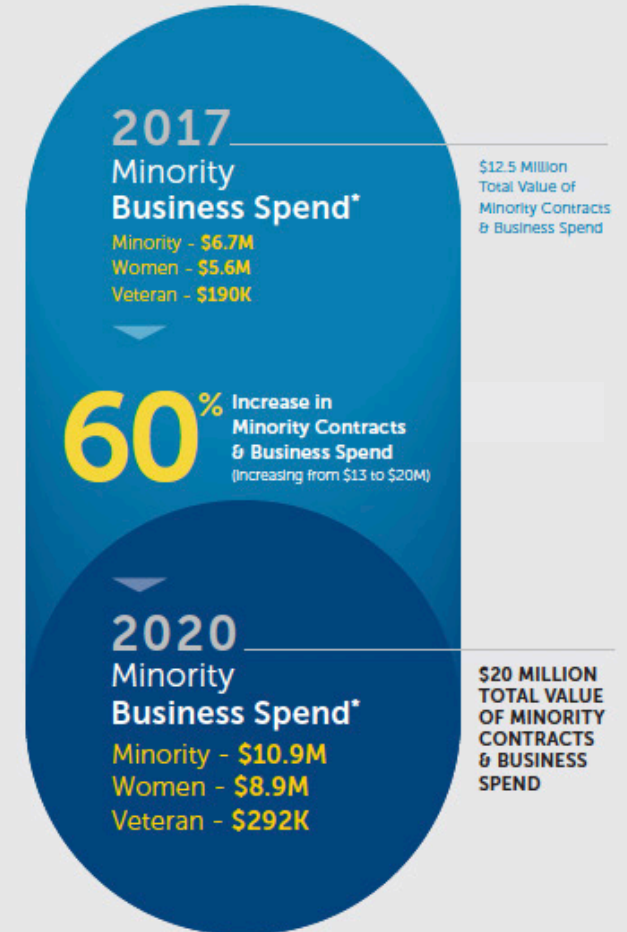
2020 Goal: Increase overall leadership diversity from 16 minority leaders in 2017 to a total of 30 in the year 2020.

PHYSICIAN LEADERSHIP



2020 Goal: Increase physician diversity from 175 minority practitioners to 208 practitioners over the next 3 years.

SUPPLIER DIVERSITY



*Total annual spend = \$662M

2020 Goal: Increase minority owned supplier partnerships by 54%, increasing our annual minority business spend to \$20M.

DELIVERY SYSTEM TRANSFORMATION

TriHealth Way of Delivering Care Launched in FY18

With our high-performing cultural work now well underway – and making a real difference for our team members, physicians, and those we serve – in May of 2018, we advanced to the next phase of the TriHealth Way – Delivering Care and Improving Health. This phase focused on delivering the safest possible care and, ultimately, becoming a “High Reliability Organization” (HRO). Simply put, HRO is about patient safety and doing what it takes to relentlessly and systematically prevent any and all harm to our patients. While we have made good strides to improve safety across the system, we have an enormous opportunity to make even greater and more sustainable progress by adopting proven high-reliability practices consistently throughout all TriHealth sites. We formally launched this effort at our May LDI titled, “Leading the Way to Zero – Zero Patient Harm!”

Day One of this LDI served as the first of what will become our Annual Safety Summit. Our inaugural summit featured sessions on the “Science of Safety,” as well as an introduction to evidence-based safety practices. Administrative, nursing and system physician leaders participated in this important day of interactive learning and discussion.



Click to learn how TriHealth is becoming a high-reliability organization



High Reliability Road Map (2018 – 2019)

MAY LDI Error Prevention Practices

- Attention to Detail
- Communicating Clearly
- Think with Questioning Attitude
- Guidance Use Tools
- Speak up for Safety

JULY LDI Leader Practices

- Safety Messaging
- Huddles
- Integrated Communication Boards
- Top 10 Safety List
- Rounding
- Standard Work

OCT LDI Leader Methods

- Reinforcement of High Reliability Leader Methods

2019



2019

- Safety Coach Training for Team Members & Leaders
- Sustainability

OCT-FEB

- 4 Hour Error Prevention Training for 12,000 Team Members

JULY-SEPT

- Train the Trainer to 80-100 Trainers
- Trainer Validation
- Habit Formation Leader Coaching Begins

DELIVERY SYSTEM TRANSFORMATION

Focus on Population Health Accelerates Our Transition to Value-Based Care

As a country, we spend too much on healthcare and receive too little. And our nation's healthcare delivery system has been traditionally focused solely on treating injuries and sickness versus promoting health and preventing or better managing illness and disease. At TriHealth, we're committed to not simply adopting – but leading – a better way, and that better way is a population health model of financing and delivery of care. Its primary aim is to help our patients live healthier, better lives by providing convenient access to world-class, multi-disciplinary, team-based care and services that result in improved health, enhanced patient experiences, and greater efficiency. In FY19, we will focus on the following Population Health strategic priorities and initiatives:

- Execute ambitious TriHealth Population Health management agenda
- Primary care-led accountable care teams to deliver Triple Aim + one (provider engagement)
- Ambulatory care coordination to enhance care retention, while actively managing care transitions
- Transition to value-based payment models with commercial and government payers to include delegated services and smart risk
- Grow attribution through direct-to-employer contracting and narrow network product offerings through strategic payer partnerships



Click to learn more about Population Health

TriHealth Care and Clinical Outcomes Exceeding National Benchmarks

Anthem.

Among top performing ACOs in U.S. –

Top 20th Percentile:

- Avoidable ED Visits
- Breast Care Screenings
- Child Immunizations
- Well Child Visits



41,238 patients with diabetes exceed NCQA standards for superior control

A1C < 8!



Exceeded all payer and NCQA standards for breast cancer screening for 74,000 adult women over age 50:

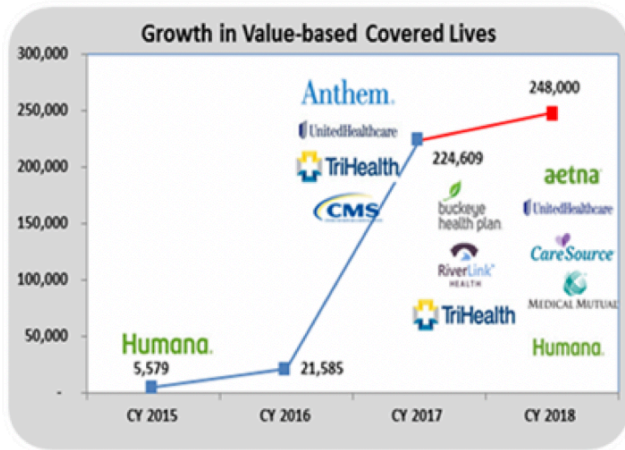
- Early Detection
- Improved Cure Rate
- Lives Saved/Families Positively Impacted

Community Increasingly Choosing TriHealth as Its Trusted Provider!

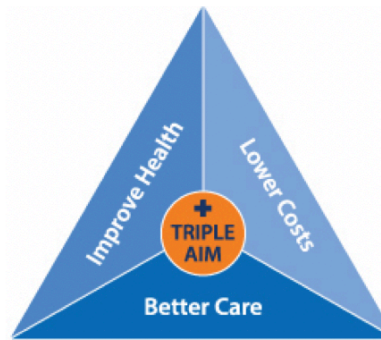
Annually, more than 600,000 Cincinnatians receive care from TriHealth – of which, nearly 400,000 have an ongoing relationship with a TriHealth primary care physician ... and the number is growing!

FY18 Population Health Progress Highlights

Achieved 10% year-over-year growth in attributed lives



Earned 92% of the \$37M in value-based incentive revenue available



Anthem®

#2 Top Performing Commercial ACO in the nation, #1 in the state!



Building "proof of concept" direct-to-employer offering demonstrating superior value:

- 3% year-over-year reduction in PMPM
- 5-year cost trend 30% better than industry average

Launching a narrow network Medicare Advantage product with **Mutual of Omaha** effective Jan 1, 2019



DELIVERY SYSTEM TRANSFORMATION

Ambulatory Network Expansion Progresses in FY18



LIBERTY AMBULATORY CENTER

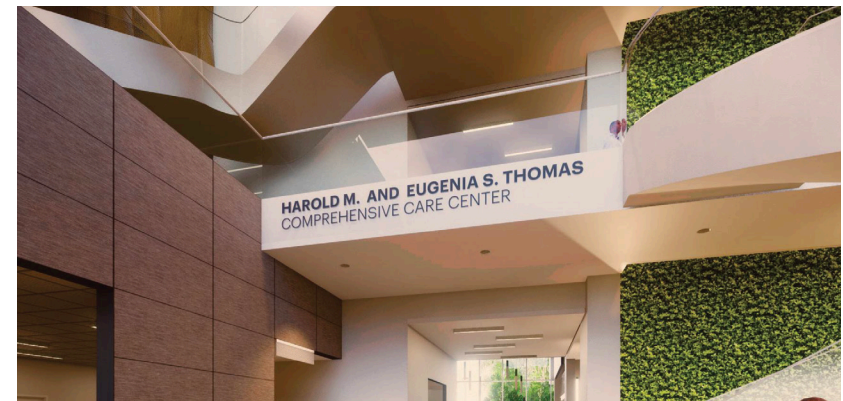
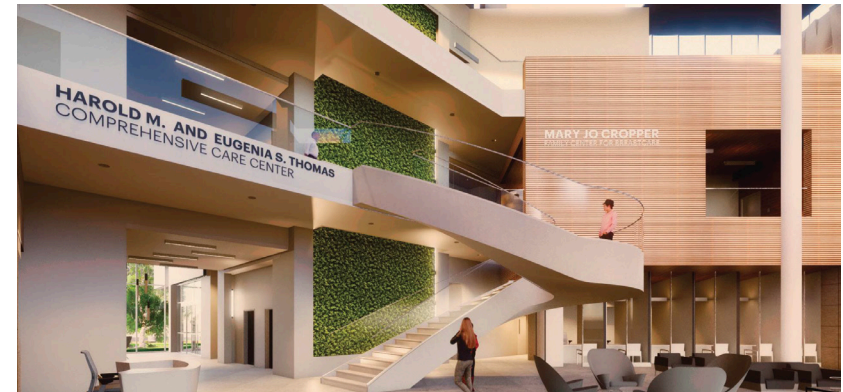
Target Completion – 2019



WESTERN RIDGE COMPREHENSIVE CARE CENTER

Cancer Center, Women's Services, Cardiology
Expansion Approved

- Adding 88,000 sq. ft. for a total of 161,000 sq. ft.
- New Services: Cancer, Cardiology, Endocrinology, Plastic Surgery
- 14 New Primary Care Physicians
- 17 New Specialists



THOMAS COMPREHENSIVE CARE CENTER

Construction underway to create Harold M. and Eugenia S. Thomas Comprehensive Care Center on Bethesda North Campus

Integrating and Aligning Clinical Service Lines to Achieve Population Health, Focus on Safety & Reliability

BUILDING “ONE PHYSICIAN COMMUNITY”: NEW PHYSICIAN LEADERSHIP APPOINTMENTS

As part of our strategic priority to build “One Physician Community”, two new TriHealth physician leaders were appointed to new positions in FY18.



Bryan Strader, MD
Physician Executive
TriHealth Physician
Partners

As TPP Physician Executive, Dr. Bryan Strader will continue to build and strengthen a unified TPP culture, while advancing TriHealth’s vision and strategy to adopt a Population Health model of care.



Steve Cleves, MD
System Chief
Primary Care
Physician Executive,
Primary Care
Institute

Dr. Steve Cleves will lead in the newly created role of System Chief for Primary Care and Physician Executive for the Primary Care Institute, one of our eight system service lines. His role will be vital in helping lead TriHealth’s primary care expansion and Population Health strategies.



LEADING THE WAY TO ZERO: CREATION OF TRIHEALTH INSTITUTE FOR SAFETY, RELIABILITY & CLINICAL TRANSFORMATION

Given the importance of supporting our more than 12,000 team members and physicians in the work of introducing safety and reliability practices, we announced the planned launch of the new TriHealth Institute for Safety, Reliability, and Clinical Transformation. Led by system Chief Medical Officer, Dr. Kevin Joseph, the institute will serve as the organizing structure with the dedicated, new resources necessary to support and sustain our system-wide journey to Zero Harm.



BUSINESS GRAND ROUNDS
a community conversation about health
TriHealth X XAVIER

Tackling the Challenges, Together.



LAUNCHED BUSINESS GRAND ROUNDS TO BRING EMPLOYERS & THE BUSINESS COMMUNITY TOGETHER TO TACKLE HEALTHCARE CHALLENGES

In April 2018, TriHealth and Xavier University launched “Business Grand Rounds,” a new series of roundtable discussions with regional business and community leadership. The Grand Rounds were developed to build and sustain a collaborative working forum to both address healthcare challenges faced by employers and improve health for our community.



Click to see highlights of our April Business Grand Rounds

TriHealth Service Lines

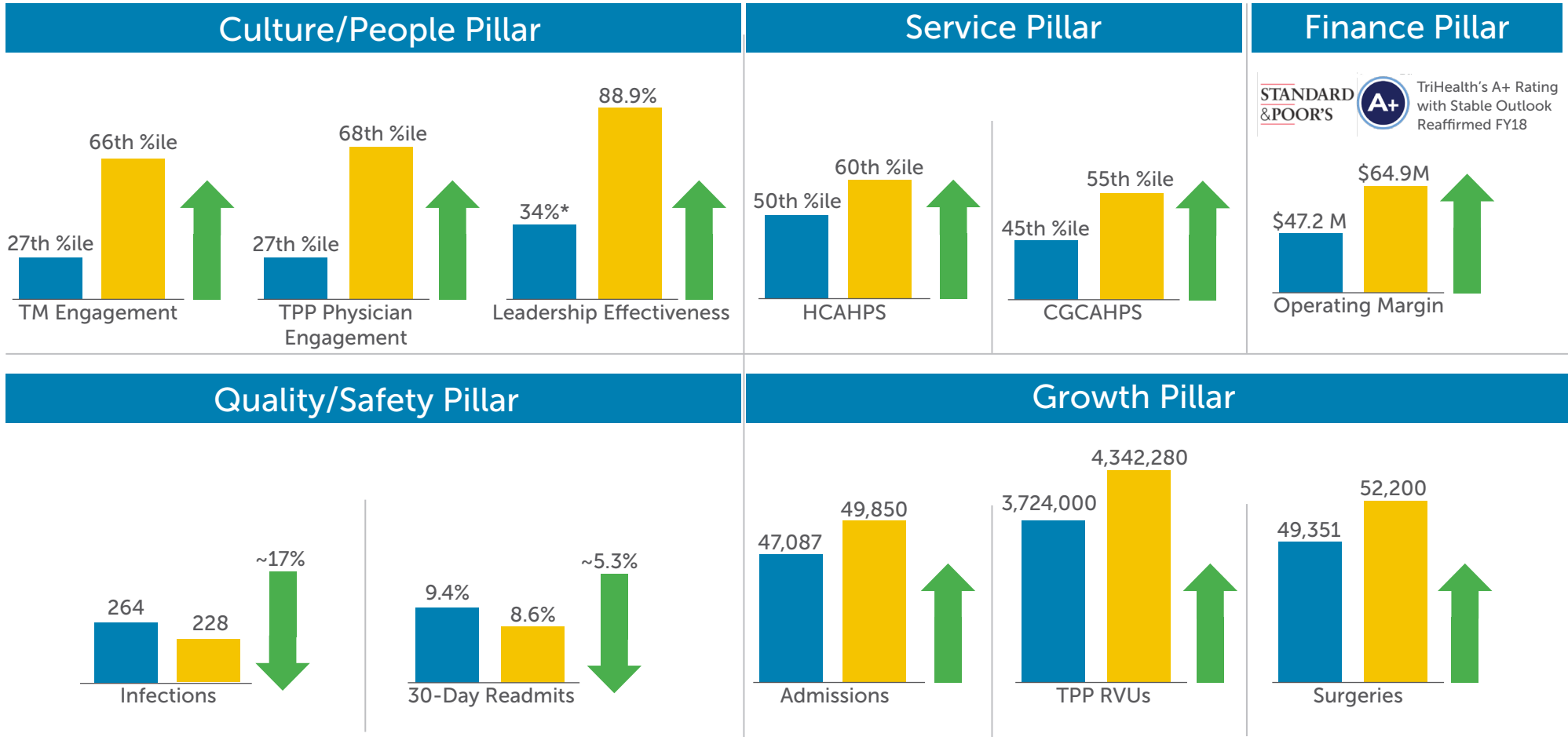
Behavioral Health • Cancer • Cardiovascular • Emergency Department
Musculoskeletal • Neuroscience • Primary Care • Women’s Health

PROGRESS ON OUR JOURNEY FROM GOOD TO GREAT

FY16 – FY18 Performance Metrics

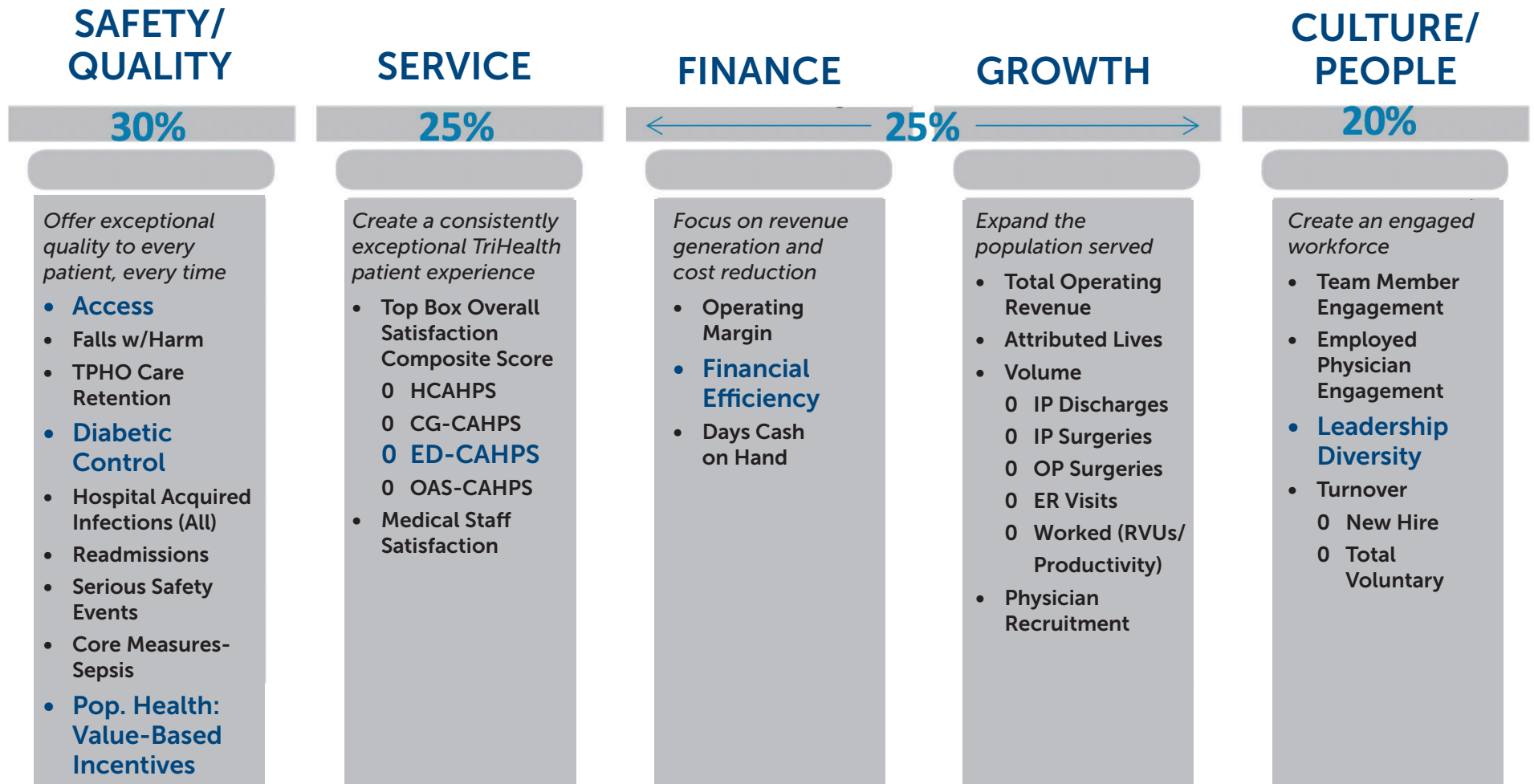
Best Practices + Teamwork = Remarkable Progress!
Better Workplace, Better Care, Better Value

FY16 FY18



*Source Data: 2015 Org. Change Readiness Survey Score on Mgmt. System

FY19 System Pillar Goals



NOTE: New goals in **blue** added to reflect Strategic Plan Refresh and strengthened commitment to Population Health

HIGHLIGHTS OF FY18 NATIONAL RECOGNITION



TriHealth recognized for advanced application of clinical IT to deliver improved health, efficiency, and clinical quality – 1 of only 3 winners in Ohio and among less than 2% nationally



Bethesda North, Good Sam & Bethesda Butler hospitals all receive "A" grade



Bethesda Butler ED
2018 ENA Lantern Award



TriHealth's A+ Rating with Stable Outlook Reaffirmed FY18



Bethesda North/
Bethesda Butler &
Good Samaritan
hospitals all winners



McCullough-Hyde Memorial Hospital earns Excellence in Safety Award – 1 of 27 recognized nationally



Bethesda North Hospital Trauma Program re-verified as Level III Trauma Center



Good Samaritan and Evendale hospitals named 2018 Excellence in Patient Care award winners by Studer Group – recognized at its "What's Right in Health Care" 2018 conference



TriHealth among Top 11 Hospitals & Health Systems in the nation for diversity