



2009 Annual Report



Building Relationships



Building Relationships with Shared Goals



New York State officials approved our plan to launch a state-of-the-art Ambulatory Surgery Center in new space on the Wilson Medical Center campus. And in October, the Department of Health approved our proposal to integrate



At United Health Services, we are building stronger relationships across our health care system through the creation of a common vision and direction for our organization. We are also working to enhance the availability of providers, ensuring that all patients have access to the best medical care and improving our strategic position in the region. Through these actions, we are achieving our clinical, market and financial goals.

Ensuring cooperation and collaboration through the building of relationships is vital to everything we do. We are continually seeking to share ideas, standardize services and find new ways to cooperate, so that all branches of the UHS system can work more smoothly toward common objectives. As always, our ultimate goal is to ensure that a patient who receives care anywhere in our system finds that the experience is outstanding — and recommends us to family members, friends and neighbors.

Rather than trying to coordinate a wide variety of member strategies, our three-year strategic plan now deploys all of our resources with a single-minded purpose — to be the best health care system in the region. During 2009, we took some giant steps toward that goal. Early in the year,

United MedManagement into UHS Hospitals, with United Medical Associates continuing as our affiliated medical group. This unified our efforts to expand primary and specialty medical care to residents of Broome and surrounding counties.

In addition, we finished combining a number of clinical and support areas that previously had been operating separately under the UHS Hospitals and UMA and UMM banners. This covered functions ranging from pharmacy, radiology and laboratory to accounts payable, payroll and human resources. A much-needed step, it allows us to align our efforts, reduce expensive duplication of services and operate more efficiently as a truly united system.

All across our organization, nurses, doctors, therapists, technicians and other specialists are finding new ways to work together to provide services to the patients who come through our doors. One of these steps is a system nursing council working to standardize practices and ensure patient safety system-wide. Another is a unified approach to physician recruitment, which builds relationships between doctors seeking practice opportunities and patients seeking quality care. Through these and other efforts, we are well on our way toward the fulfillment of an integrated system.

Advancing in care: UHS made a number of advances to expand patient care and service in 2009. Wilson became the only local hospital to offer a new cooling therapy called therapeutic hypothermia for the care of certain heart attack patients, minimizing

brain damage. In addition, work was completed on the Emergency Room at Wilson, and progress was made in the development of the Center for Advanced Wound Care, which opened at Binghamton General in 2010.



By nearly any measure, UHS is a thriving organization. Our leadership position is clear. We have a dedicated and engaged workforce, a talented and committed medical staff, and facilities and technologies that have served us remarkably well. Our clinical outcome indicators place us among the best health systems nationally. As we integrate even more fully across the system, we are more empowered, wherever we work in the organization, to make a difference, to ensure quality and to build the kinds of relationships that really matter for the people we serve.



Michael A. Scullard
Chairman of the Board

Matthew J. Salanger
President and
Chief Executive Officer

Caring Connection

A walk in the park

After two rounds of cardiac catheterization didn't clear 47-year-old Christine Goodrich's blocked arteries, she faced a double bypass operation. So she sought the advice of Kenneth Wong, M.D., cardiovascular surgeon at UHS.

Dr. Wong explained the advantages of the latest type of minimally invasive bypass. With the new approach, the surgeon doesn't have to open the breastbone and use a heart-lung machine. Instead, Dr. Wong performs the surgery using a three-inch incision on the patient's side, and views the surgical field directly, with no need for a camera. There is less trauma to the body and a faster healing time.

Dr. Wong says: "The advantage is that we do not open the sternum, so the patient experiences less pain and bleeding and saves a day or two of hospitalization."

This new approach is an example of how a good relationship between the patient, the physician and the health care system's latest technologies can really benefit care.

And while no surgery is a walk in the park, Christine sees the speedy recovery from her operation as very close to it. She says: "I chose the minimally invasive option and I made the right choice."



Heart patient Christine Goodrich

Techniques with heart: Several new clinical techniques were introduced at UHS during the year, including those that improve cardiac care. These advances help place UHS at the forefront of high-tech medical care in the region. Doctors at UHS became the first in Broome County to use transeptal ablation,

a new surgical approach for correcting an abnormal heartbeat. And surgeons here began using minimally invasive coronary artery bypass grafting, allowing them to operate on the beating heart through a small incision.

Building Relationships in Clinical Excellence



Clinical excellence means using the latest medicine and technologies to improve people's lives. It means bringing together professionals with exceptional training, experience and skill to provide patient care. It also means ensuring that each patient has the same quality experience, no matter where they enter the United Health Services system.

In 2009, clinicians worked together at an unprecedented level of cooperation to make that patient experience convenient, comfortable, safe and satisfying. To accomplish this, they built relationships across the system that are models of problem-solving and collaboration.

In January, the chief nursing officers formed the System Nursing Practice Council, a unique group that meets on a monthly basis to discuss nursing policies and procedures, education and credentialing, patient safety goals, regulatory compliance and best practices. The result has been a new standardization of nursing practice.

"By coordinating nursing practice across the system, we are able to streamline communication, be more consistent in how patients are cared for,

prepare for new regulations and requirements, and share resources," said Kay Boland, R.N., vice president for Patient Care Services at UHS Hospitals. "The collaboration has been phenomenal, like nothing we've done before. And the patient is the real beneficiary. They are seeing the results, in a smoother transition from one system member to another."

Another way UHS ensures clinical excellence is by being well-prepared to meet the standards of care that are demanded by the state Department of Health, federal Centers for Medicare and Medicaid Services, Health Care Quality Council, Hospital Consumer Assessment of Health Care Providers and Systems, and the Joint Commission.

"UHS has developed system-wide groups that are looking at clinical core measures, so that patient safety, patient identification, privacy and confidentiality, the electronic medical record and patient relations are all uniform," said Nancy Rongo, R.N., vice president for Care Management and Clinical Information. Hospitals, nursing homes and other health care institutions are judged on how well they perform in many areas, such as treating or preventing congestive heart failure, heart attacks, pneumonia, pressure ulcers and infections among patients, and even on how well they time the ad-



ministration of antibiotics and regulate blood sugar during surgery.

Because the expectations placed on health care organizations are so high,

Top-level service: Chenango Memorial Hospital opened a new Medical/Surgical Unit on the facility's third floor. The major renovation created a 5,371-square-foot area that includes patient rooms, two nurses' stations, a medication room, secretarial

station, dictation area, staff break room and utility rooms. As a result, patients in Norwich and Chenango County now enjoy a modernized medical/surgical area, and the community is pleased with the new unit and its services.

and because the health care team is so committed to doing what's right for the patient, cooperation across the system is vital, Ms. Rongo said. "We look at the area on which we're being measured, and study how it affects our patients and the science behind it," she said. "Clinical excellence is something we're determined to deliver to our patients, and by working together we can ensure their safety and their best possible chance for healing."

In 2009, UHS joined the Navy — as well as the Mayo Clinic, Johns Hopkins and New York-Presbyterian Hospital — in adopting Lean Six Sigma, a proven method of eliminating waste, inefficiency and steps in any process that don't add value. Used by many leading companies and health care organizations around the world, LSS creates better results and more value with less work. During the year, the LSS team held "Clean Sweep Days," a highly successful effort to reduce clutter at UHS Hospitals, eliminating some 20 tons of unneeded "stuff." Using techniques such as a value stream analysis, employees, administrators and physicians have worked together to make measurable progress in improving care and service in such areas as the treatment of congestive heart failure, patient discharges to the Transitional Care Unit, and the Laboratory, Radiology and Emergency departments.

Clinical excellence means putting the patient first and building a lasting relationship with everyone who comes to UHS for care. Increasingly, it also means using the best resources possible to solve problems, improve interdepartmental cooperation and treat every individual like a deserving and very important customer. ■

Caring Connection

Sam's legacy

Samuel Rowe was always the first to help and the last to take credit. A volunteer firefighter with the Northern Wayne Fire Company in Lakewood, Pa., and a nursing student at SUNY-Delhi, he was a fun-loving guy who always cared about others. In 2008, Sam's life changed at age 21 when he was diagnosed with testicular cancer and learned it had spread elsewhere in his body.

UHS doctors provided him with personalized therapy and constant care, consulting with colleagues across the Northeast to find the right treatment options. Yet Sam eventually lost his battle. He was unknowingly at high risk for testicular disease because he had had surgery as an 8-year-old to correct an undescended testicle.

For his mother, Beverly Burleigh, Sam's spirit of relating to people and caring about them will live on in the fight against cancer. She has worked with James Hayes, M.D., UHS' cancer liaison physician, in taking her son's story



Sam's mom, Beverly

to others. They emphasize the importance of self-examination and early detection, especially among men who have had an undescended testicle (surgically corrected or not), a testicular trauma or a family history of testicular malignancy.

"I want to get the message out," Beverly says. "No matter how embarrassing it may be to your son, grandson or nephew, tell him about the importance of self-examination and encourage him to get a full physical checkup."

Clearly better: Women in Walton and surrounding areas gained access to a modern new option in the diagnosis of breast cancer, thanks to the arrival of digital mammography at Delaware Valley Hospital. The advancement provides the clearest, most useful

images yet of breast tissue, enabling doctors to diagnose breast disease in its early stages, when it's most treatable. The mammography service, part of Radiology at the hospital, provides digital mammograms for about 80 patients per month.

Building Relationships for Market Growth



To maintain our leadership in providing convenient access to quality medical services in the Southern Tier, United Health Services is committed to the recruitment of physicians, the further development of primary care and the creation of innovative programs and services.

Moreover, we are working to expand our market, even with increasing competitive pressure and declining inpatient demands. Through the development of projects such as the new Ambulatory Surgery Center on the Wilson campus, the continued success of CyberKnife and the expansion of a number of clinical services, we are strengthening our performance in the growing outpatient market and other areas.



From many locations around the Southern Tier — at hospitals, skilled nursing facilities, primary care offices, outreach sites and patients' homes — UHS serves its region of upstate New York. A major goal is to ensure that every person in the Southern Tier is no farther than 30 minutes from a primary care physician. We want our office practices to remain viable and strong so they can furnish excellent care for years to come. And, in these difficult economic times, we're working to make these centers more efficient, productive and cost-effective.

System leaders want to make certain that the community has a ready supply of qualified new physicians when long-established doctors retire. So we maintain a highly valued medical residency program and actively recruit physicians from all across the country. In Greater Binghamton, a variety of medical settings, the latest equipment, a university-affiliated health care system and a high quality of community life combine to create exceptional practice opportunities.

The Physician Services office recruits doctors for all system members, from United Medical Associates to Delaware Valley Hospital. The demand for physicians in the Greater Binghamton region mirrors that in many other parts of the

Real cool: Ideal Senior Living Center completed some especially "cool" projects during the year. The first was a \$3 million upgrade to its facilities, including installation of a new electrical generator

and much-needed air conditioning with a cooling tower. In addition, the center adopted some cool new technologies to enhance medication administration and resident care.



country, where there are active opportunities for both family doctors and specialists in certain areas, such as urology or gastroenterology.

“One of the advantages of UHS is that ours is an academic medical system, affiliated with Upstate Medical University and operating long-standing primary care residencies,” said Nadene Bradburn, director of Physician Services.

Working with recruiters at system locations such as Chenango Memorial and Delaware Valley hospitals, Ms. Bradburn keeps tabs on the specific medical needs in each community so that she’s prepared when a medical resident or a prospect from out of town expresses an interest in a particular type of practice.

“By maintaining close connections between our various sites and good candidates, we’re able to know who might be a good fit in a particular community,” she said. “If we can bring in a practitioner who stays in the area for 20 years, that’s quite a relationship.” ■

Caring Connection

Expecting more

For Kara and Lance Dopp, the birth of their baby boy, Lee Daniel Dopp, was made all the more special because of the outstanding relationships they had with caregivers at UHS. From the classes they took at Stay Healthy at the Oakdale Mall, to the caring connection provided by nurse-midwife Tamara Burger, to the expert physician care which Kara received when her blood pressure became high in her ninth month, they felt confident about Lee’s approaching arrival.

“We take care of both low-risk and high-risk pregnancies,” said Hasmik Stepanyan, M.D., an obstetrician/gynecologist with United Medical Associates, P.C. When a patient develops complications, Dr. Stepanyan can consult with Iskandar Kassis, M.D., perinatologist at Wilson Medical Center.

Says Preeti Jhaveri, M.D., of the UMA Circle office in Johnson City:

“The staff at UHS is exceptional. They are well-trained, have congenial personalities and pull together in emergencies.” If a newborn needs special medical



Kara with son Lee

assistance, Wilson maintains a Level 3 Neonatal Intensive Care Unit. And Professional Home Care offers care at home for moms and babies who need close follow-up, such as apnea monitoring for infants with breathing problems.

Lee was born July 28, 2009, hale and hearty. Says Kara: “Everyone was very kind and open to answering questions. I knew I was in good hands and my baby was too. I like their outlook on maternity.”

Elite in health: Twin Tier Home Health was selected for the 2009 HomeCare Elite, an award for being one of the most successful home health care providers in the United States. This annual recognition identifies the top 25 percent of agencies in the

country. The award demonstrates a commitment on the part of Twin Tier to give patients the best possible care while performing at the highest level. This is the fourth year in a row that it is in the top 10 percent among 500 home care agencies nationally.

Building Relationships through Financial Strength



In 2009 United Health Services maintained a steadfast, disciplined approach to ensuring the long-term financial strength of the organization, while developing new programs, services and facilities. The system also invested in its infrastructure, particularly by adding new clinical space with a view to current and future patient needs.

To stay ahead of the national trend toward free-standing ambulatory facilities, UHS partnered with a physician group in the development of Wilson Place, which houses the new UHS Pre-Admission Testing Center, as well as a state-of-the-art Ambulatory Surgery Center, opening in 2010.

UHS Hospitals alone performs over 10,000 ambulatory procedures a year, accounting for half of all ambulatory cases in the community. Within UHS Hospitals' 20 operating rooms, the elective, ambulatory cases compete with more than 4,500 inpatient surgical cases a year for space, time and resources. The new center alleviates much of that competition, and greatly enhances UHS' ability to respond to the growing physician and consumer demand for outpatient surgical options.

The exterior of Wilson Place, at 52 Harrison St. in Johnson City, was completed in 2009, with work beginning on the new ambulatory space, located on

the third and fourth floors of the building. These floors house the latest in operating suites, with equipment that comes to the surgical team and the patient, rather than the other way around. The facility is designed to make the best use of space, improving the flow and efficiency of all aspects of the outpatient experience.

By investing in new facilities to meet new patient and practitioner needs, UHS assures its financial viability, even given the economic challenges faced by hospitals and medical care today.

Throughout 2009, we maintained our leadership in key service areas, furnishing care to more than 21,900 hospital patients and 78,600 emergency patients, and performing over 18,500 surgeries. Through the region's largest network of primary care offices and clinics, we recorded 649,997 patient visits.

During the year we provided \$30.5 million in uncompensated and charity care, up from \$29 million the previous year. We held scores of health screenings, fairs, displays and disease management classes and made hundreds of physician referrals, reaching over 70,000 individuals. Our 2009 financial report shows a positive bottom line of \$10.9 million on revenues of \$586.8 million.

We have 5,522 employees and a \$247 million payroll, with \$79 million in employee benefits. Our purchased services and supplies from vendors amounted to \$194.7 million.

The Board of Directors and senior management are committed to investing in the resources necessary to ensure that our community can count on UHS. Meeting this challenge allows us to reinvest in our people, expand services, enhance facilities and purchase the best technologies. ■

Home run: Professional Home Care has achieved the Award of Accreditation from the Healthcare Quality Association on Accreditation. The award is achieved when home medical equipment companies demonstrate a high level of quality practices in their

business operations and patient care techniques. PHC earned the award after demonstrating outstanding patient care, financial stability and quality operations, something to inspire confidence and peace of mind among its many home care patients and medical equipment purchasers.

2009 Financial Profile

UHS System Revenue and Expenses*

(in thousands)

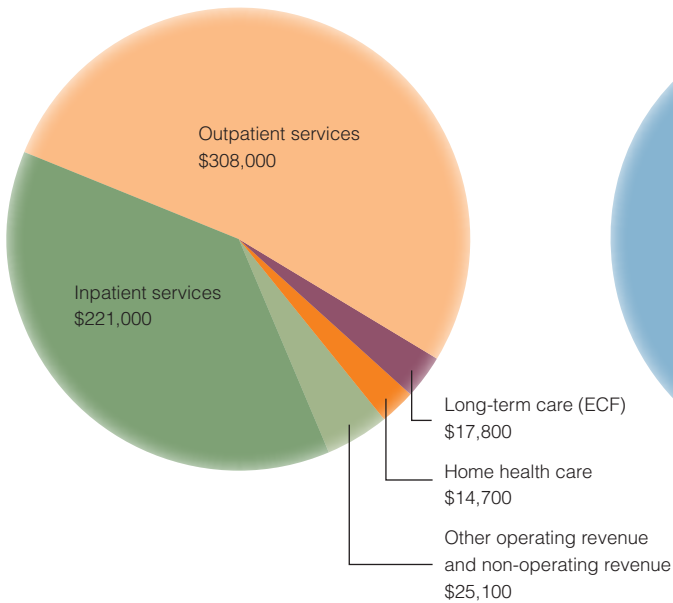
Total Revenue	\$ 586,800
Total Expenses	\$ 575,900
Net Surplus	\$ 10,900
Net Uncompensated and Charity Care	\$ 30,500



* The information here is a preliminary financial draft for the year 2009. Final numbers are not expected to change substantially.

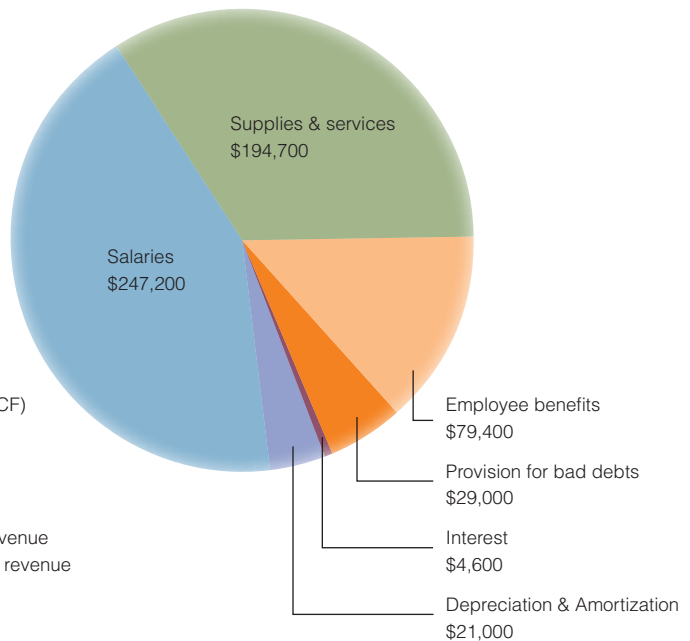
Revenue

Total Revenue (in thousands) \$586,800



Expenses

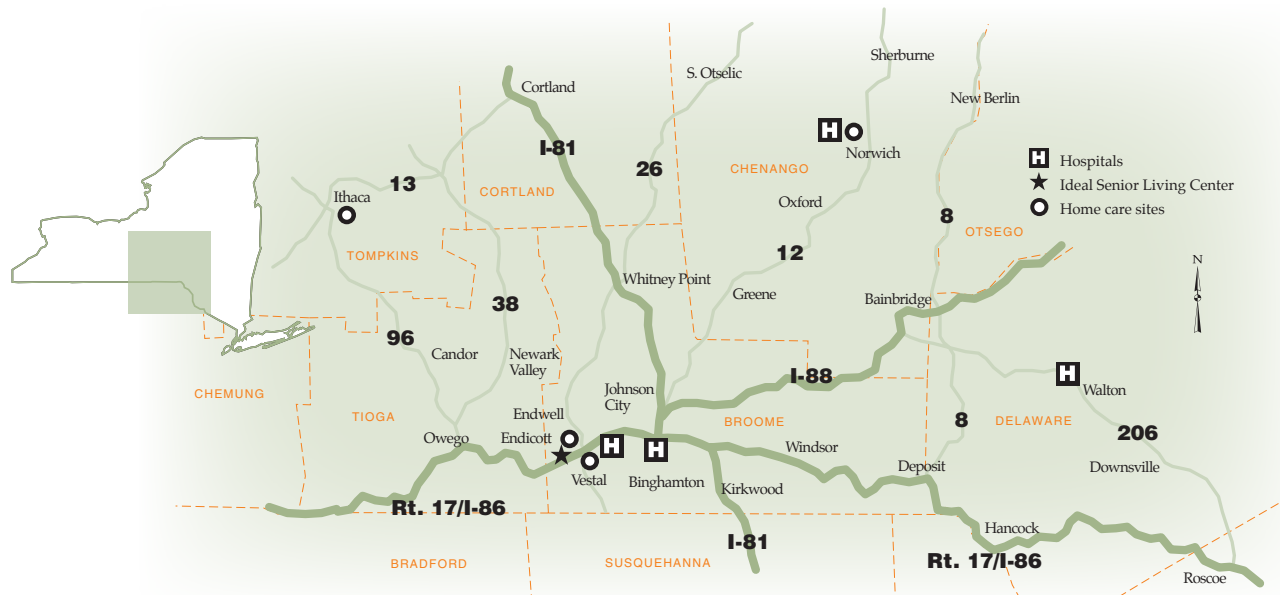
Total Expenses (in thousands) \$575,900



Lean and clean: To eliminate waste and inefficiency in the organization, UHS Hospitals in 2009 adopted the principles of Lean Six Sigma. The approach is based on ideas developed at Motorola and other companies, and used in health care by

the Mayo Clinic and the U.S. Navy Hospitals. To launch the program, UHS held a Clean Sweep Day, encouraging departments to reduce paper and clutter by using the 5S's of a tidier workplace: Sort, Straighten, Shine, Standardize and Sustain.

Building Relationships with System Governance



United Health Services is a locally owned, not-for-profit health care system serving the Greater Binghamton, N.Y., region.

Board of Directors

2009 CHAIRS

United Health Services: *Michael Scullard*

United Health Services Hospitals: *Michael Scullard*

Chenango Memorial Hospital: *Thomas Emerson, Esq.*

Delaware Valley Hospital: *Edward Schott*

Ideal Senior Living Center/Ideal Senior Living

Center Housing Corp.: *Ann McNichols*

Professional Home Care and Twin Tier

Home Health: *Diane Brown*

United Medical Associates, P.C.: *James Jewell, M.D.*

United MedManagement: *Sean Brady*

United Health Services Foundation: *Robin Mead*

A complete list of board members is available at www.uhs.net.

Mission

United Health Services is a comprehensive regional health system whose mission is to improve the health of those we serve through our commitment to excellence in all that we do.

Vision

By 2011, United Health Services will be a tightly integrated health care system, recognized as the leading provider of health care services in our region and distinguished for superior quality in clinical care and service.

Getting together: System integration took a major step forward as UHS Hospitals and United MedManagement finished combining a number of clinical and support areas. These included the

Pharmacy, Radiology, Laboratory, Nephrology, Plastic Surgery, Accounts Payable, Payroll, Human Resources, Materials Management, Community Relations and the Mailroom, greatly streamlining the entire organization.

Caring Connection

Playing a strong hand

Frank Mirabito was strong and healthy for a man of 93. An avid cardplayer, he was holding a straight in a friendly poker game at the Norwich VFW one Friday night when his head went down on the table. Frank's fainting spell was the result of a temporary pacing problem with his heart. The electrical impulses that provide rhythmic cues were slowing down and he required decisive, immediate medical attention.

That's where Chenango Memorial Hospital's relationship with UHS' major medical facilities enabled Frank to win his most high-stakes game yet. Quickly shuttled to Chenango Memorial in Norwich, he received rapid diagnostic testing, medication and a temporary pacemaker. He was sufficiently stabilized to be transported to Wilson Medical Center, where he had a permanent pacemaker implanted.

John Brereton, M.D., who helped install the temporary device at Chenango Memorial, says the connections across the UHS system pave the way for good continuity of care. And the trained first responders and web of services offered by UHS give patients in the counties surrounding Broome County great emergency care, says Michael Waters, M.D., chief of emergency services at Chenango Memorial.



Frank, right, with cardiologist Richard Ryder, M.D.

For Frank, the journey between facilities may well have saved his life, and his daughter, Kathy Coates, was impressed with the staff's commitment to his treatment, recovery — and keeping everyone informed. Frank says they're all aces: "The nurses did a great job and it was a lot of fun staying there. The care was very good, and they went out of their way for me."

Generous friends: Contributions to the UHS Foundation, including donations from the community, physicians and staff, increased by more than 10 percent during 2009. Allocations totaling \$988,032 were provided for the new Pre-Admission Testing

facility at Wilson, upgrades to X-ray areas at Binghamton General and Wilson, and other programs and enhancements at UHS Hospitals, Ideal Senior Living Center and Twin Tier Home Health.



www.uhs.net

"Building Relationships," the 2009 Annual Report of United Health Services, is a publication of the Community Relations Department, United Health Services, 10-42 Mitchell Ave., Binghamton, NY, 13903. Christina Boyd, Vice President; Jon Tooley, Director of Community Relations; William Michael, Communications Editor. For information, call 607-762-2336 or visit www.uhs.net.