



reaching out
to our community



Carolinan HealthCare System

Uncompromising Excellence. Commitment to Care.





Dear Friends,

It has been a while since the phrase “If you build it, they will come” entered the language, through the 1989 baseball nostalgia film *Field of Dreams*.

The healthcare industry has been guided by a similar principle throughout much of its history – building flagship medical facilities in the middle of large population centers and assuming that people would indeed come.

That model is in transition, however, as customers place increasing value on convenience and quality. Accordingly, Carolinas HealthCare System has made substantial efforts to locate new facilities and services in outlying areas, more convenient to where many people live and work, while enhancing the services available in those communities.

This is not to imply that flagship hospitals have diminished in importance; indeed, we continue investments in our hospitals throughout the region. A clear imperative exists, however, to provide as much care as possible at the local level; and our most significant achievements during 2010 reflect this common theme of “community outreach.”

The essence of Levine Cancer Institute, for example, is to enhance care and treatment in communities outside Charlotte. The UNC School of Medicine designated Carolinas Medical Center as its Charlotte campus for many reasons, one of which was our track record in recruiting physicians to practice in rural and other underserved areas.

These and other stories highlight our continued efforts to provide a medical home for all patients, from childbirth throughout their lifetime, based on a unique combination of quality and easier access. They also demonstrate the importance we attach to innovation, both in managing resources and providing state-of-the-art patient care.

A final ingredient in our ongoing success is the dedication and teamwork of our people. We are better together. In the pages that follow, you will experience countless examples of the difference made by our physicians, nurses and staff who are passionate in fulfilling the unique mission that has been entrusted to all of us at Carolinas HealthCare System.

sincerely

Michael C. Tarwater

MICHAEL C. TARWATER

CHIEF EXECUTIVE OFFICER

CHS AT A GLANCE



Entering 2011,
Carolinas HealthCare System
includes

33

affiliated hospitals in
North and South Carolina.

Carolinas HealthCare System is one of the leading healthcare organizations in the Southeast and one of the largest public, not-for-profit systems in the nation.

Carolinas Medical Center

CHS operates more than 30 affiliated hospitals, directly employs more than 1,700 physicians, and serves patients at more than 600 care locations including physician practices, freestanding emergency departments, outpatient surgery centers, pharmacies, laboratories, imaging centers and other facilities. We also operate a large number of nursing homes and other enterprises that provide home care, medical equipment and hospice services.

Altogether, CHS operations comprise more than 6,300 licensed beds and employ more than 48,000 people, with combined annual net revenues in excess of \$6.5 billion.

A significant Carolinas HealthCare milestone occurred in 2010 when Levine Cancer Institute was formed as a result of a \$20 million leadership gift from the Leon Levine Foundation. Institute funding is being used to add new research capabilities and enhance community-based care at our hospitals and practices throughout the Carolinas. In addition, Carolinas Medical Center in Charlotte, which is one of only five Academic Medical Center Teaching Hospitals in North Carolina, was designated as the Charlotte Campus of the University of North Carolina School of Medicine.

One characteristic common to all of CHS is a shared mission that includes commitment to public service and outreach to all segments of the population. Carolinas HealthCare System, with its extraordinary staff and broad variety of high quality services and facilities, provides a medical home available to everyone throughout their lifetime.

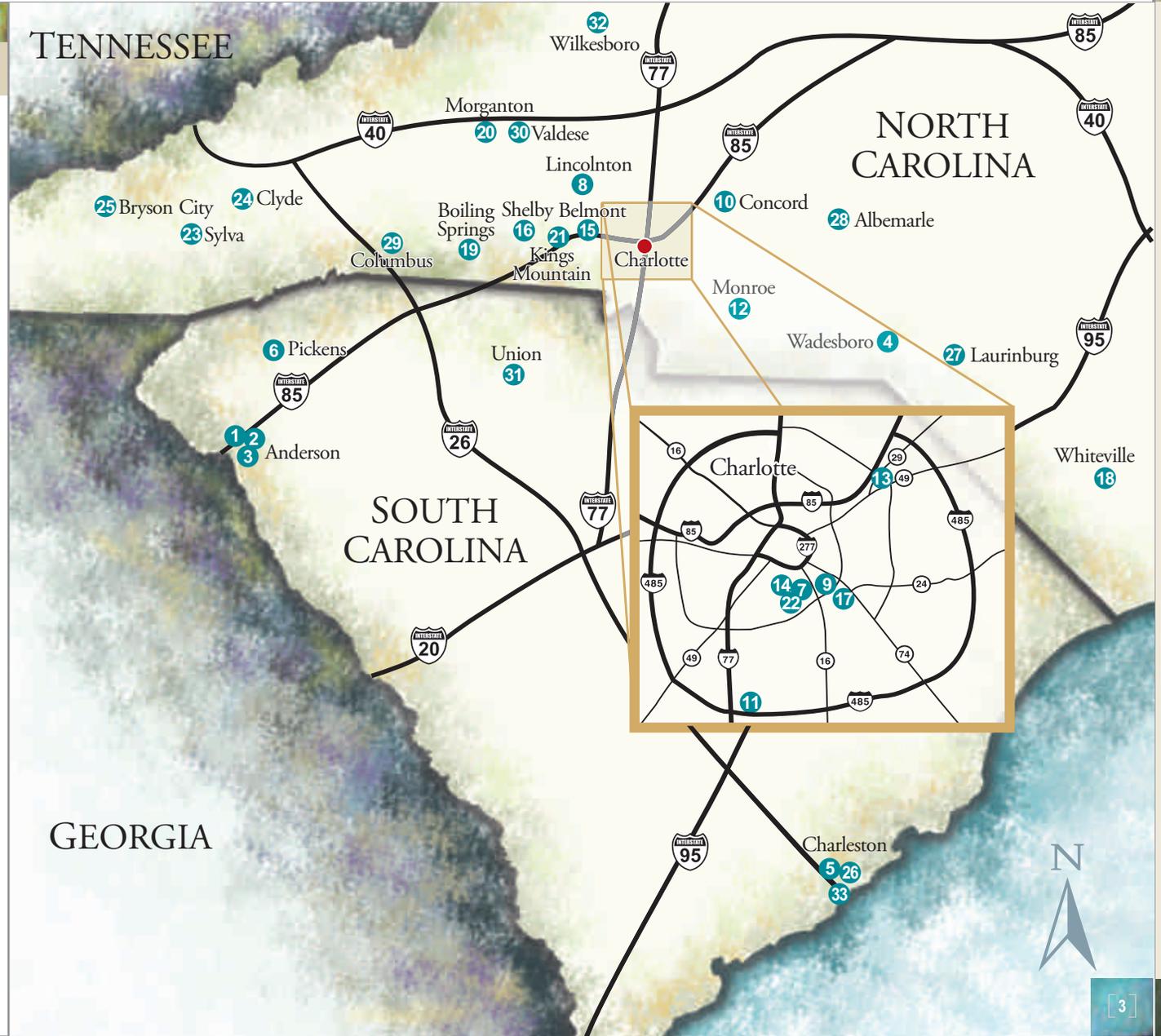
Health System Profile

CEO:	Michael C. Tarwater, MHA, FACHE
Licensed Beds:	6,315
Employees:	48,120
Employed Physicians:	1,712
Residents and Fellows:	317
Physician Services Group	
Practice Locations:	362
Regional Physician Practices:	171
Outpatient Imaging Centers:	18
Mobile Imaging Units:	3
Outpatient Pharmacies:	18
Outpatient Surgery Centers:	9
Endoscopy Facilities:	7
Physical Rehabilitation and	
Therapy Facilities:	19
Cancer Centers:	8
Wellness Centers:	9

CHS Hospitals*

1. AnMed Health Medical Center
2. AnMed Health Rehabilitation Hospital
3. AnMed Health Women's and Children's Hospital
4. Anson Community Hospital
5. Bon Secours/St. Francis Hospital
6. Cannon Memorial Hospital
7. Carolinas Medical Center
8. Carolinas Medical Center-Lincolnton
9. Carolinas Medical Center-Mercy
10. Carolinas Medical Center-NorthEast
11. Carolinas Medical Center-Pineville
12. Carolinas Medical Center-Union
13. Carolinas Medical Center-University
14. Carolinas Rehabilitation
15. Carolinas Rehabilitation-Mount Holly
16. Cleveland Regional Medical Center
17. CMC-Randolph
18. Columbus Regional Healthcare System
19. Crawley Memorial Hospital
20. Grace Hospital
21. Kings Mountain Hospital
22. Levine Children's Hospital
23. MedWest-Harris
24. MedWest-Haywood
25. MedWest-Swain
26. Roper Hospital
27. Scotland Memorial Hospital
28. Stanly Regional Medical Center
29. St. Luke's Hospital
30. Valdese Hospital
31. Wallace Thomson Hospital
32. Wilkes Regional Medical Center
33. Roper St. Francis - Mount Pleasant Hospital

*effective January 1, 2011



LEVINE CANCER INSTITUTE

ADVANCES CARE FOR CAROLINIANS

Innovation in healthcare not only means new discovery, like a breakthrough treatment, but also means improving upon long-established processes and procedures. The development of Levine Cancer Institute, which was announced in the fall of 2010, promises transformational innovations in both areas.

Not only will the Institute perform groundbreaking research on rare and complex cancers, it will improve the way cancer care and treatments are delivered to those who have received that most difficult of diagnoses.

A \$20 million donation by the Leon Levine Foundation positioned Levine Cancer Institute as a major national player in the war on cancer. Carolinas HealthCare Foundation and community volunteers also pledged \$5 million to support the start-up effort. In addition, CHS leaders announced plans to invest an additional \$500 million in research and treatment over the next decade, supplemented by local philanthropy in communities served by Carolinas HealthCare.

A visible manifestation of the new institute will be the addition of five stories to Morehead Medical Plaza II in Charlotte. Clinical activity at that location will focus heavily on rare and complex cancers, in conjunction with extensive research and educational activities.



Construction of Levine Cancer Institute facilities in Charlotte is expected to be completed in late 2012.

Less visible, but equally important, will be the development of programs that permit cancer patients to receive top notch care without having to travel far from home. This will be accomplished by leveraging the achievements of cancer treatment centers already established at CHS-affiliated hospitals and providers throughout the Carolinas. Levine Cancer Institute will facilitate the sharing of preventive strategies and best practices, while fostering easier access to clinical trials and clinical research protocols.



Derek Raghavan, MD, PhD

Equalizing access to cancer treatment, regardless of a patient's location or economic status, is a passion of Derek Raghavan, MD, PhD, who was appointed in late 2010 to take the reins as president. Dr. Raghavan, a world-renowned cancer specialist, served previously as chairman and director of the Taussig Cancer Center at Cleveland Clinic.

Appearing as a guest on the final broadcast of the Larry King show, Dr. Raghavan emphasized that the U.S. has significant disparities in cancer care based on geography and patient demographics.

He noted that people who are elderly, poor or living in isolated communities have trouble getting the level of care that is available to others, and one of his top priorities is addressing this on a comprehensive basis.

Expanding care to more people was a key objective of Leon Levine when he and his wife, Sandra, first contemplated a donation that would become the largest ever from the Levine Foundation. He said the time had come for Charlotte to take a national leadership role in building a cancer research and treatment model that would provide more hope to greater numbers of people.

Instead of focusing on the more traditional model of centralizing cancer services at a flagship hospital, he said, Levine Cancer Institute would do the opposite. "Our objective is to offer compassionate care at convenient locations using state-of-the art equipment and protocols," said Mr. Levine. "This approach positions CHS and its partners among the most innovative providers in the nation."



Dr. Jeffrey S. Kneisl, Medical Director of Blumenthal Center Center, greets one of his patients, Betty Siarnes.

"Our objective is to offer compassionate care at convenient locations using state-of-the art equipment and protocols"

- Leon Levine, Benefactor

UNC SCHOOL OF MEDICINE EXPANDS TO CHARLOTTE

A major highlight for educational programming during 2010 was Carolinas Medical Center's designation as the "Charlotte Campus" of the University of North Carolina School of Medicine.

The goal of this initiative is to address several issues, including a looming physician shortage in North Carolina that is expected to be particularly acute in rural areas.

According to the Association of American Medical Colleges (AAMC), virtually every state in the country will likely experience an acute shortage of physicians in the not-too-distant future. AAMC's projections originally pointed to a national shortage of about 40,000 doctors nationally by 2015. However, current estimates place that number at closer to 60,000, as a result of federal legislation that is expected to put millions of newly insured individuals in the market for healthcare services in coming years.

Dr. William Roper, Dean of the UNC School of Medicine, said the creation of regional campuses "is part of a strategy to not only increase the number of physicians overall, but to encourage graduates to practice in small towns and rural areas."



Dr. John W. Baker, Vice President of Medical Education, talks with pharmacy residents Justin Herbert and Catherine Mason.

Dr. Roper said he was pleased to partner with Carolinas HealthCare System, because its large network of hospitals – with a footprint throughout the Carolinas – will provide students with added exposure to career opportunities in previously underserved communities.

Michael C. Tarwater, CEO at CHS, said the new partnership will also help Carolinas HealthCare advance its own mission, which includes not only comprehensive healthcare services but leadership in medical education and research.

Dr. James McDeavitt, Chief Academic Officer for CHS, noted at the time of the October announcement that CMC has been providing educational support to third- and fourth-year UNC medical students for more than 40 years. UNC students serve clinical rotations at CMC in a wide variety of medical specialties as part of their overall training.

Dr. McDeavitt noted also that the program had recently been upgraded to include 10 third-year students and 12 fourth-year students training at CMC on a full-time basis.

“We appreciate the trust that the UNC School of Medicine and the people of North Carolina have placed in our physicians and facilities.”

- Dr. James McDeavitt

The UNC Board of Governors has formally approved a \$450 million plan for medical school expansion, with \$62 million allocated for a new building in Charlotte. The plan envisions a full complement of 50 third-year and 50 fourth-year students in Charlotte. Until that plan is funded by the state legislature, however, growth will continue on an incremental basis.



UNC School of Medicine, Charlotte Campus



Celebrating the new campus designation are Michael C. Tarwater, CEO; Dr. William L. Roper, Dean, UNC School of Medicine; James E.S. Hynes, Chair, CHS Board of Commissioners; Dr. James T. McDeavitt, Chief Academic Officer; Joseph G. Piemont, President and COO; and Dr. Bryant L. Galusha, CMC's first Director of Medical Education.

As 2010 drew to a close work began on a multi-million CHS-funded project to renovate the Medical Education Building. Those renovations will provide new administrative space, as well as a lounge and expanded library facilities for UNC students. CMC also plans to ramp up student enrollment over the next few years to accommodate several dozen full-time students.

Dr. McDeavitt said CMC “would do everything possible to provide UNC medical students with educational opportunities that are second to none.” He added, “We appreciate the trust that the UNC School of Medicine and the people of North Carolina have placed in our physicians and facilities.”

REACHING OUT ENHANCES SERVICE CAPABILITIES



Carolinas Medical Center-Lincoln opened in summer of 2010

Carolinas HealthCare System observed a major milestone during the summer of 2010 when 101-bed Carolinas Medical Center-Lincoln opened in Lincolnton. This marked the first time in CHS history that a new hospital had been built from the ground up to replace an older facility, the original Lincoln hospital having been built in 1969.

In the course of a single day in July, patients, medical records and staff were transferred to the brand new facility smoothly and safely. This was not altogether surprising, given that planning for the move itself started well over a year in advance.

A \$90 million
182,000
square-foot community hospital.

Indeed, the design and construction of CMC-Lincoln – a \$90 million, 182,000-square-foot community hospital – was so impressive that it garnered a “National Eagle Award.” This honor signifies the “highest level of achievement” in

construction, as judged by the Associated Builders and Contractors of America.

The new hospital anchors a 64-acre medical campus that also includes a 40,000-square-foot medical office building housing surgery, orthopaedic, cardiology, urology and obstetrics/gynecology practices. A new landing pad allows air transport of patients with serious injuries or conditions.

Another highlight of 2010 was the start of construction on a new six-story bed tower at Carolinas Medical Center-Pineville. The tower will add 86 licensed beds to the current total and enhance maternity services, surgical services and intensive care. When completed, this construction initiative will account for six new labor and delivery rooms as well as two additional operating rooms. It also allows the intensive care unit to be expanded from five to 30 beds.

The new hospital anchors a

64

acre medical campus.

The addition of more beds and facilities at CMC-Pineville is part of a larger \$270 million transformation that has been in progress for several years. The enhancements will enable the hospital to become a tertiary care center. This status recognizes a full spectrum of services that are among the most sophisticated available in any hospital. With tertiary status, CMC-Pineville will be staffed and equipped to perform even the most highly complex procedures, such as open-heart surgery and surgical oncology.

Lincolnton and Pineville were not the only communities to see major construction during 2010. In November, Roper St. Francis Healthcare, based in Charleston, opened a new 85-bed hospital in nearby Mount Pleasant. It features 24-hour emergency services, a 10-bed intensive care unit, modern labor and delivery rooms and a broad variety of inpatient and outpatient surgeries.



Roper St. Francis Healthcare opened a new 85-bed hospital in Mount Pleasant that provides added convenience for patients residing in the East Cooper area.



CMC-Lincoln physician Dr. Cammy Benton shares a laugh with Kiomeirys Bonilla, while checking up on her new son Emmanuel.

In center city Charlotte, Carolinas Medical Center and CMC-Pineville made significant enhancements to surgical services. Six new operating rooms were completed at CMC, including a state-of-the-art room for endovascular procedures, a new sterile processing area, and a new post-anesthesia care unit. At CMC-Mercy, innovations included the introduction of several new minimally invasive surgeries for women, as well as a virtual teaching program for surgeons that has an international following.

Work on a new pre-operative care unit and four additional operating rooms continued on schedule at year-end, with openings anticipated in early 2011. Surgical services at CMC continue to expand in volume and sophistication. The number of inpatient and outpatient procedures at CMC during 2010 totaled more than 30,000.

CMC-Pineville is undergoing a
\$270
 million upgrade.



Access ER wait times in real time.

CHS INNOVATIONS

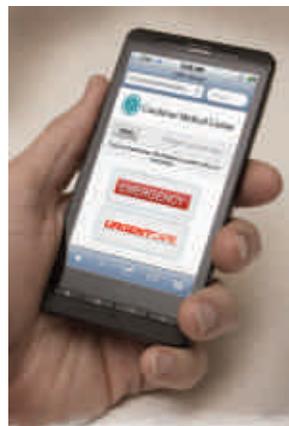
SPUR CONVENIENCE AND EASY ACCESS

Carolinan HealthCare System undertook a number of key initiatives in 2010 to make the delivery of healthcare services more accessible and convenient for patients and employers alike.

Starting in August, CHS hospitals in a five-county area began posting wait times for emergency departments. This information, available on both the Internet and mobile devices, helps patients decide which facility can provide the shortest wait time.

Wait times are updated every 15 minutes, each displaying for the participating hospitals. These hospitals have achieved consistent success in beating wait times monitored by the Centers for Disease Control, which average about 55 minutes nationally. Later in the fall, we enhanced the reporting system to include 17 urgent care centers.

Wait times are updated every **15** minutes.



ER wait times on mobile device

Emergency Wait Times

Download the free iTriage app from your iPhone or Android app store.

00:28 EMERGENCY WAIT TIME	Carolinan Medical Center 1000 South Blvd Charlotte, NC 28203 704-357-2000	01:15 EMERGENCY WAIT TIME	Carolinan Medical Center Lenoir 433 McHenry Road Lenoir, NC 28902 800-512-2000
00:49 EMERGENCY WAIT TIME	Carolinan Medical Center-Mercy 2001 WAI Ave Charlotte, NC 28207 704-704-8100	00:39 EMERGENCY WAIT TIME	Carolinan Medical Center NorthEast 433 Church Street N Concord, NC 28025 704-403-3000
00:58 EMERGENCY WAIT TIME	Carolinan Medical Center Roxboro 10425 Pine Road Charlotte, NC 28219 704-687-1000	00:10 EMERGENCY WAIT TIME	Carolinan Medical Center Dixie Creek 12642 Research Parkway Charlotte, NC 28276 704-612-6000

The new microsite (www.cmcwaittimes.org) displays emergency and urgent care waiting times for more than 25 Carolinan HealthCare facilities.

In addition, emergency department wait times, along with other important medical data, are also available for residents and travelers using wireless devices. The new mobile version of our website (www.carolinanmedicalcenter.org), launched during 2010, supports most commonly used smart phones.

CHS conducted more than **290** health fairs and wellness services.

CHS Corporate Health & Wellness, which works closely with the business community, conducted more than 290 health fairs and wellness services during 2010 in a 14-county area around Charlotte. Services also include the on-site scheduling of physician appointments, providing services to more than 160,000 employees. Other services include occupational health and direct medical care for companies that utilize Carolinan HealthCare to promote on-site clinics and employee wellness.

Carolinan HealthCare continued to expand its Healthy@Home programs, which are designed to keep patients out of the hospital and in the environment best suited for their comfort and well-being – their own home. Healthy@Home services include skilled

nursing; physical, occupational and speech rehabilitation; social work; nutrition; home medical equipment; and numerous therapies including respiratory and infusion therapy.

Healthy@Home continued to expand in 2010. The addition of Blue Ridge Home HealthCare in August gave Healthy@Home a presence in 13 North Carolina counties.

A system-wide effort was launched during 2010 to remind patients that their primary care physician is the key to their “medical home.” When more specialized care is necessary, these CHS physicians refer patients to a convenient, well-coordinated network that includes the region's most experienced and trusted doctors.

The year 2010 also saw extraordinary success at Carolinas HealthCare's first healthcare pavilion, CMC-Steele Creek. Facilities like this make emergency care much more accessible to population bases that don't have a hospital immediately nearby.



Carolinas Corporate Health & Wellness event



The receiving area for CHS' first healthcare pavilion, CMC-Steele Creek, provides triage for patients seeking emergency care. CMC-Steele Creek treated more than 18,000 patients during its first year of operations.

CMC-Steele Creek's innovative design combines a free-standing emergency department with a medical office building, laboratory, X-ray facilities and retail pharmacy.

Within two months of opening in late 2009, CMC-Steele Creek had already met its six-month projection for patient volumes, and the medical practices in its complex were seeing steady growth.

Based on that success, Carolinas HealthCare proceeded to start construction on two additional similar facilities. These include CMC-Kannapolis and CMC-Huntersville. Efforts to complete the development of CMC-Waxhaw continued during 2010, with completion expected in late 2011.

CHS created new urgent care options during 2010. Its first-ever Children's Urgent Care opened in the Cotswold neighborhood of Charlotte. Uptown Express Care opened in a high-rise office building with daytime hours to accommodate office workers in Charlotte's main business district. In Lincoln County, East Lincoln Urgent Care Express in Denver to serve a rapidly growing area near Lake Norman.

RESEARCH

DIFFERENTIATES CAROLINAS HEALTHCARE

Throughout 2010 Carolinas HealthCare System demonstrated its extraordinary commitment to public service through an impressive series of medical advancements and research initiatives.

In February, for example, CHS put the finishing touches on a comprehensive network that provides rapid, advanced treatment to patients suffering an acute stroke. The initiative, called Carolinas Stroke Network, raises the current standards for diagnosis and treatment among participating hospitals. Hospitals have 24/7 access to stroke experts who help determine the best treatment plan for each patient and coordinate rapid transfer to alternate hospitals, as needed, to provide the most appropriate level of care.

Doctors at Sanger Heart & Vascular Institute also became certified during 2010 to implant ventricular assist devices or “VADs.” These are devices that restore heart function for patients who cannot receive transplants and can extend the lives of patients with end-stage heart failure up to eight or 10 years. Before 2010, VADs were implanted in patients as a “bridge” to sustain heart function until a patient could receive a transplant. Patients can now use VADs as a “destination therapy tool” that can actually take the place of a heart transplant.



Ronna Gray and daughter Darien, who underwent a leukemia bone marrow transplant at LCH, celebrate the announcement of Carolinas Kids Cancer Research Coalition with pediatric oncologist Dr. Javier Oesterheld, MD.

CMC is the only facility in the Charlotte region that has obtained the VAD Destination Therapy Gold Seal of Approval by The Joint Commission. It is also one of only three facilities in North Carolina with this certification.

Researchers in CMC's Department of Emergency Medicine, along with colleagues at two other hospitals, published a nationally significant study during 2010 on sepsis, popularly known as blood poisoning.

Their article, published in the prestigious *Journal of the American Medical Association*, identified a less invasive, safer and more cost-effective test to help treat severe sepsis. Previous treatments required an expensive and invasive catheter to be inserted in a neck or chest vein to monitor blood oxygen readings which are crucial to patient treatment and survival. CMC physicians found that a simple blood test can achieve the same result without the special skill and equipment needed for catheter insertion.



VAD Destination Therapy
Gold Seal of Approval by
The Joint Commission

one of only

3

facilities in North Carolina
with this certification

Levine Children's Hospital received

\$5.7

million from eight families and philanthropic organizations in the Charlotte region to create the "Carolinas Kids Cancer Research Coalition."



Twin Twin Transfusion Syndrome patients

Another major advancement occurred when Levine Children's Hospital received \$5.7 million from eight families and philanthropic organizations in the Charlotte region to create the "Carolinas Kids Cancer Research Coalition." The Coalition will fund Phase I and Phase II clinical trials at the newly named Hemby Hematology and Oncology Center. The expansion of clinical research capabilities in Charlotte will give pediatric cancer patients in the surrounding region access to the latest treatments without having to travel to a distant city.

In the area of specialized surgery, CMC's Charlotte Fetal Care Center (CFCC) began offering highly specialized fetoscopic laser ablation procedures to patients with Twin Twin Transfusion Syndrome (TTTS). TTTS is a disease of the placenta in which one of two twins gets inadequate nourishment in utero. It carries a high rate of fatality if the condition is not corrected before birth.

Dr. Courtney D. Stephenson serves as Director of the CFCC.

Dr. Stephenson completed extensive training under a world-renowned fetal care and pediatric surgeon, Dr. Timothy Cromblehome, who heads the Fetal Care Center of Cincinnati. Because of Dr. Stephenson's expertise in the treatment of TTTS and CMC's acquisition of specialized equipment, procedures that were once unavailable in this part of the country are now readily accessible.



Dr. Courtney D. Stephenson (center), Director of Charlotte Fetal Care Center, checks the sonogram of patient Erica Pratt.

Looking back on these and other developments Dennis Phillips, Executive Vice President of the CHS Metro Group, said 2010 was "an exciting and unusually productive year."

He added, "Everyone at CHS should feel a sense of pride in the work being done throughout our organization. Our physicians, researchers and staff have been extremely successful in coming up with innovations that advance the frontiers of knowledge and treatment, in ways that enhance both quality and convenience for those we serve."

ORGAN DONATION

THE GREATEST GIFT YOU CAN IMAGINE

At the end of 2009, Chris Henry, an NFL player with the Cincinnati Bengals, was critically injured in Charlotte as the result of a motor vehicle mishap. As he lay in an intensive care unit at Carolinas Medical Center, his mother, Carolyn Glaspy, faced the most difficult decision of her life.

“I thought I was going in to see injuries. I never imagined in a million years that I was going to see my son for the last time,” she told a national audience of millions who were watching an NFL broadcast nearly a year later, on Thanksgiving Day. Mrs. Glaspy made the choice to designate Chris an organ donor. Thanks to her courage the lives of four people she did not know were changed forever.

“Chris wasn't a registered donor, and it was a hard decision to make,” said Mrs. Glaspy. “But it is a decision I would do again.”

CBS Sports filmed on location at CMC in November 2010 to shoot the dramatic story of the first-ever gathering of Chris Henry's organ recipients. Their emotional meeting, also reported nationally by the *Los Angeles Times*, involved James Benton (liver), Donna Arnold (kidney and pancreas), Brian Polk (kidney), and Thomas Elliot (lungs). All described the imposing health challenges they had faced prior to surgery and highlighted the vastly improved quality of life they now enjoy.



Dr. Lon Eskind, CMC transplant surgeon, transplanted Chris Henry's liver into James Benton of Greensboro.

In this manner, CMC continued its role as one of the fastest growing transplant centers in the Southeast. Nearly 3,800 transplants have been completed since 1970, and survival rates have consistently met or exceeded national averages.

The tragic side of the transplant equation nationally is that 18 people die each day waiting for a donated organ. The CBS broadcast, however, validated the power of a compelling success story. The Chris Henry story resulted not only in an outpouring of interest in organ donation, but also an increase in the number of people registering to become organ donors.



Chris Henry's mother made the difficult decision to donate her son's organs to several chronically ill patients.

18
people die each
day waiting for
a donated organ.

Donor registrations nearly doubled
in North Carolina in the

6

weeks following the CBS broadcast.

LifeShare Of The Carolinas, the organ procurement agency serving the Charlotte region, reported that donor registrations nearly doubled in North Carolina in the six weeks following the broadcast. A national counterpart organization, *Donate Life America*, reported that its website registered more than 5,000 hits over the days following the broadcast, with 2,000 of those occurring on Thanksgiving Day alone.

CBS reports that the network's own website had a record number of views on Thanksgiving and in the days following. In fact, as 2010 drew to a close, more than 400,000 views had been recorded on the CBS website. CMC posted the video on its own YouTube site, and recorded more than 24,000 views during the same period.

Officials at LifeShare Of The Carolinas noted that if only one of those viewers becomes a donor, up to seven lives can be saved, thus perpetuating Chris Henry's legacy.

In the words of Carolyn Glaspy, "Just knowing that I shared a part of my son's life with someone who can keep going on is the greatest gift you can imagine."



Surrounded by organ recipients, their families and medical professionals who assisted in the transplantation process at CMC, Carolyn Glaspy (front center) holds a tapestry of her son's image, former Cincinnati Bengals receiver Chris Henry.

"Just knowing that I shared a part of my son's life with someone who can keep going on is the greatest gift you can imagine."

- Carolyn Glaspy, mother of the late Chris Henry

COMMUNITY BENEFIT

GIVING BACK



MedWest-Haywood's "Life Savers," 185 employees and friends, attended the American Cancer Society's Relay for Life.

"Community benefit" describes a whole range of activities that not only enhance the availability of healthcare services but enrich a community's overall quality of life.

It includes the costs of financial assistance to uninsured patients; the costs of discounts extended to uninsured patients; and underwriting services that fulfill vital needs but do not pay for themselves, including community clinics, research and education. Community benefit also includes the value of in-kind contributions by healthcare personnel.

The collective impact of Carolinas HealthCare's charitable and community outreach activities during 2010 was extraordinary.

For example, employees representing 36 departments at CMC-Union in Monroe, NC, donated 113 bicycles and helmets to the Union County Christmas Bureau, which serves underprivileged families. At Stanly Regional Medical Center in Albemarle, NC, radiologists issued a generous employee challenge during the holiday season, providing a child's bike to Helping Hands for each safety helmet donated by employees.

The total reported value of CHS' community benefit during 2010 was over

\$1 BILLION.

This chart reflects the major categories of community benefit recognized by the North Carolina Hospital Association. Figures are based on actual costs, not charges. The overall total represents the collective value of benefits attributable to Carolinas HealthCare across the entire two-state system and includes Carolinas Medical Center, 10 other CMC hospitals in greater Charlotte, and 22 other affiliated medical centers and hospitals.

CHS Community Benefit

Costs of financial assistance to uninsured patients	\$220M
Costs of discounts extended to uninsured patients	\$41M
Bad debt costs by patients who do not pay for services	\$168M
Losses incurred by serving Medicare patients	\$343M
Losses incurred by serving Medicaid patients	\$115M
Services that meet a strong community need but do not pay for themselves and would typically be cut based on financial considerations alone	\$25M
Costs of medical education and research; plus costs of non-billed medical services, and cash in-kind contributions by CHS to local nonprofits and charities	\$110M
The total value of uncompensated care and other community benefits provided by CHS facilities during 2010 was \$1.022 billion .	

Employees contributed over
50,000
 hours of volunteer service
 to local charities.

In North Carolina's Western region, the annual "Smoky Streak" charity race at MedWest-Harris in Sylva, attracted some 250 participants in October, with proceeds used to help fund new digital mammography units. More than \$23,000 was raised by this year's "Power of Pink" race at MedWest-Haywood in Clyde. The money provides free mammograms to Haywood County women who lack adequate health insurance. In Eastern North Carolina, the pastoral care program at Columbus Regional Healthcare System in Whiteville provided 50 Thanksgiving dinners through Meals on Wheels.

CHS employees also made substantial contributions to community benefit through a combination of individual philanthropy and public service. In 2010, for example, employees in the greater Charlotte area collectively donated nearly \$4 million to local charities through annual giving campaigns, including:

- Arts and culture organizations in Mecklenburg, Cabarrus, Lincoln and Union counties \$507,425
- Children's Miracle Network \$1,043,291
- CMC-NorthEast Foundation \$232,000
- United Way \$2,004,955

Additionally, employees contributed more than 50,000 hours of volunteer service to local charities, an in-kind contribution worth more than \$2 million. Key service projects included collecting 12,000 pounds of school supplies and books for disadvantaged children and collecting 65,000 pounds of food for local organizations in Mecklenburg, Cabarrus, Gaston, Iredell, Lincoln, Rowan, Union and York counties.



Nessan Salmon-Wilson of Corporate Safety shares a smile with fourth grader Alana Davis at Bruns Avenue Elementary School in Charlotte. Nessan is active in a CHS program that encourages healthy lifestyle choices through mentoring and group education.

Other "holiday cheer" projects included serving meals, planning special events, and distributing gifts to children, seniors, and homeless, impacting the lives of some 3,000 families in Mecklenburg, Cabarrus, Gaston, Lincoln and Union counties. More than \$15,000 was donated to Salvation Army, Crisis Assistance Ministry and Second Harvest Food Bank.

CHS worked aggressively in 2010 to match at-risk patients with a continuing source of primary care, thus freeing up emergency departments to handle the most seriously ill and injured patients. The CMC clinic program not only conserves healthcare dollars but promotes public health by preventing routine ailments from becoming more serious.

Employees collectively
 donated nearly

\$4

million to local charities.

COMMUNITY BENEFIT

GIVING BACK

CMC clinics, along with affiliated specialty care clinics, provided medical care to more than 70,000 low-income patients, representing approximately 250,000 office visits. Support services were also provided by care teams consisting of social workers, interpreters, dietitians, pharmacists and health educators.

Community benefit activities reached into area schools as well during 2010. Employees launched Healthy Kids Club, a program to promote healthy lifestyle choices among disadvantaged children through mentoring and group education.

In addition, CHS co-sponsored the third annual *Heart of a Champion Day*. This event allows senior high school students to get free screenings for heart conditions that could cause sudden death during athletic competition. It is one of only a handful of programs of its kind nationally. In Mecklenburg County the program involves some 400 volunteers from Charlotte-Mecklenburg Schools, Levine Children's Hospital, OrthoCarolina, Sanger Heart & Vascular Institute and CMC.



Teresa Bolden, RN, was one of some 400 medical volunteers who helped screen Charlotte-Mecklenburg student-athletes during Heart of a Champion Day 2010.



Blue Ridge HealthCare's Lady Fair provides nearly 2,000 free health screenings to women every year.

Combined, the Mecklenburg and Union County events examined more than 1,100 athletes, of which more than 80 were referred to physicians for follow-up care related to asthma, diabetes, undiagnosed fractures and various cardiac abnormalities.

In a related initiative, CHS announced plans during 2010 to provide certified athletic trainers for all Charlotte-Mecklenburg high schools by the year 2015. The athletic training program is also active in Lincoln County, Union County, and York County, SC. These athletic trainers will intensify ongoing efforts to protect athlete health and safety, with particular focus on concussions and sudden cardiac death.

CHS's commitment to community service was also validated during 2010 by receipt of the *Belk Innovation in Diversity Award* from the Charlotte Chamber. This annual award recognizes exceptional commitment to diversity and inclusion, along with related program initiatives to achieve measurable results.

More than
1,100
athletes from Mecklenburg and Union Counties were examined at Heart of a Champion events.

PERFORMANCE EXCELLENCE

TOTAL ENTERPRISE NET REVENUE AND EXPENSES

For the Year Ended Dec. 31, 2010
(dollars in thousands)

	PRIMARY ENTERPRISE AND THE CAROLINAS HEALTHCARE FOUNDATION (A)		OTHER CHS ENTITIES (B)		TOTAL ENTERPRISE	
	DOLLAR TOTAL	PERCENTAGE OF TOTAL	DOLLAR TOTAL	PERCENTAGE OF TOTAL	DOLLAR TOTAL	PERCENTAGE OF TOTAL
Net Revenue						
Tertiary & Acute Care Services	\$2,388,300	62%	\$2,242,160	83%	\$4,630,460	72%
Post-Acute Care Services	67,200	2%	144,357	5%	211,557	3%
Specialty Services	107,426	3%	5,088	0%	112,514	2%
Physicians' Services	857,173	23%	211,256	8%	1,068,429	16%
Other Services	158,264	4%	46,418	2%	204,682	3%
Non-operating Activities (C)	210,493	6%	64,922	2%	275,415	4%
Totals	\$3,788,856	100%	\$2,714,201	100%	\$6,503,057	100%

	PRIMARY ENTERPRISE AND THE CAROLINAS HEALTHCARE FOUNDATION (A)		OTHER CHS ENTITIES (B)		TOTAL ENTERPRISE	
	DOLLAR TOTAL	PERCENTAGE OF TOTAL	DOLLAR TOTAL	PERCENTAGE OF TOTAL	DOLLAR TOTAL	PERCENTAGE OF TOTAL
Net Expenses						
Wages, Salaries & Benefits	\$2,050,403	54%	\$1,235,667	45%	\$3,286,070	51%
Materials, Supplies & Other (D)	1,185,662	31%	1,181,136	44%	2,366,798	36%
Depreciation & Amortization	175,707	5%	153,871	6%	329,578	5%
Financing Costs	59,013	2%	33,484	1%	92,497	1%
Funding for Facilities, Equipment & Programs	318,071	8%	110,043	4%	428,114	7%
Totals	\$3,788,856	100%	\$2,714,201	100%	\$6,503,057	100%

(A) Only the Primary Enterprise and The Carolinas HealthCare Foundation, collectively known as the Obligated Group, have a direct obligation to pay amounts due with respect to CHS bonds.

(B) Other CHS Entities include all other component units and CHS managed facilities.

(C) Consists primarily of investment results.

(D) Includes provision for uncollectible accounts.

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Willis Frank Dowd IV	* 2010 Executive Committee
May Beverly Hemby	** Appointed Vice Chairman in 2011
Rick Hendrick III****	*** Joined Board of Commissioners in 2011
Thomas T. Long III, M.D.	**** 2010 Board of Advisors
	***** Joined Board of Advisors in 2011

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Division President, Central Division

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*Senior Vice President & System Nurse Executive**

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Division President, Northern Group

W. Spencer Lilly, MBA
Chief Operating Officer, Central Division

Zachary J. Zapack, M. Arch
Senior Vice President, Facilities Management

* New position in 2011

FACILITIES

PRIMARY ENTERPRISE

Behavioral Health Services

- CMC-Randolph
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Vice President

Cabarrus College of Health Sciences

Dianne Snyder, DHA
Chancellor

Carolinas College of Health Sciences

V. Ellen Sheppard, BS, MEd
President

Carolinas Medical Center

Suzanne H. Freeman, RN, MBA
Central Division President

Carolinas Medical Center-Lincoln

Peter W. Acker, MHA
President

Carolinas Medical Center-Mercy

D. Channing Roush, MHA
President

Carolinas Medical Center-NorthEast

Phyllis Wingate-Jones, MHA
Division President

Carolinas Medical Center-Pineville

Christopher R. Hummer, MHA
President

Carolinas Medical Center-University

William H. Leonard, MHA
President

Carolinas Rehabilitation

- Carolinas Rehabilitation
- Carolinas Rehabilitation-Mercy
- Carolinas Rehabilitation-Mount Holly
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Levine Children's Hospital

Martha J. Whitecotton, RN, MSH, FACHE
President

Sardis Oaks

Jamie B. Cicali, MSW
Executive Director

FACILITIES

REGIONAL ENTERPRISE

AnMed Health

- AnMed Health Medical Center
 - AnMed Health Women's and Children's Hospital
 - AnMed Health Rehabilitation Hospital
- John A. Miller Jr., FACHE
Chief Executive Officer

Anson Community Hospital

- Lillie Bennett Nursing Center
- Frederick G. Thompson, PhD
President

Blue Ridge Healthcare System

- Grace Hospital
 - Valdese Hospital
 - Grace Ridge Retirement Community
 - Grace Heights Health & Rehabilitation Center
 - College Pines Health & Rehabilitation Center
- Kenneth W. Wood, FACHE
President & Chief Executive Officer

Cannon Memorial Hospital

Norman G. Rentz, MHA
President & Chief Executive Officer

Carolinas Medical Center-Union

- Jesse Helms Nursing Center
- Michael J. Lutes, MHA
President

Cleveland County HealthCare System

- Cleveland Regional Medical Center
 - Crawley Memorial Hospital
 - Kings Mountain Hospital
 - Cleveland Pines Nursing Center
- Brian D. Gwyn, MBA
President & Chief Executive Officer

Columbus Regional Healthcare System

Henry C. Hawthorne III, MHA, FACHE
President & Chief Executive Officer

MedWest Health

- MedWest-Harris
 - MedWest-Haywood
 - MedWest-Swain
- John Michael Poore Jr., MBA, FACHE
President & Chief Executive Officer

Roper St. Francis Healthcare

- Mount Pleasant Hospital
 - Roper Hospital
 - Bon Secours-St. Francis Hospital
 - Roper St. Francis Rehabilitation Hospital
 - Roper Berkeley Day Hospital
- David L. Dunlap, FACHE
President & Chief Executive Officer

FACILITIES

REGIONAL ENTERPRISE

Scotland Health Care System

- Scotland Memorial Hospital
- Edwin Morgan Center
Gregory C. Wood, FACHE
President & Chief Executive Officer

Stanly Health Services

- Stanly Regional Medical Center
- Stanly Manor
Alfred P. Taylor, FACHE
President & Chief Executive Officer

St. Luke's Hospital

Kenneth A. Shull, FACHE
Chief Executive Officer

Union Hospital District

- Ellen Sagar Nursing Home
- Wallace Thomson Hospital
Robert L. Barber, DHA, FHFMA
Interim Chief Executive Officer

Wilkes Regional Medical Center

J. Gene Faile, FACHE
President & Chief Executive Officer





Carolinus HealthCare System

Uncompromising Excellence. Commitment to Care.

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www.carolinushealthcare.org