Together, Changing Lives and Growing Opportunities for Western North Carolina
The 2017 Annual Report is made possible by Mission Health’s more than 12,000 team members who devote themselves to nurturing, encouraging, healing and supporting the nearly one million people who call western North Carolina home; and whose untold stories of care and compassion continue the legacy of the Ladies of the Flower Mission and make a difference in the lives of their patients, colleagues and neighbors every day.

MISSION HEALTH
A Message from the CEO

In 1885 a group of Asheville women formed “the Little Flower Mission” and opened a small hospital in a rented five-room house to help meet the healthcare needs of their local mountain community. A few days later, their first patient, an expectant mother, was admitted and gave birth to the first baby to be delivered at what we know today as Mission Hospital.

Those founding mothers could little imagine the ways Mission Health would grow and change over the intervening 130-plus years. And while Mission has expanded both geographically and technologically, the spirit of these founders continues to guide us each and every day.

Ever since those humble beginnings, in times of war and peace, through economic hardship and periods of social upheaval, Mission has been a constant, healing presence in western North Carolina – dedicated to serving the people of our beloved mountains.

It hasn’t always been easy, but whether it’s navigating changes to the economy, vacillating healthcare policy, caring for our aging population or adjusting to the ever-shifting winds of political change, Mission Health has not only adapted, but become one of the very best and most respected health systems in the nation.

With this, our 2017 Annual Report, we are proud to share how Mission Health is continuing its more than 130-year legacy of service and caring. And within these pages you’ll read some familiar and perhaps not-so-familiar stories about how we continue to establish partnerships and invest in our community in remarkable ways.

Today, Mission Health is delivering on its original promise through the work of more than 12,000 healthcare professionals and team members who provide all forms of care – from preventive care to critical lifesaving procedures, to rehabilitative and hospice services – and the associated support services that contribute to the vitality of our community.

Beyond clinical care, consider for a moment the economic impact that Mission’s new construction in Buncombe, Macon, Mitchell, McDowell and Transylvania counties is having on each local community. These projects not only hold the promise of exceptional care in the most up-to-date facilities, but also provide meaningful work for local companies and new career opportunities for men and women eager to put newly found construction skills to work.

Mission also partners in important ways with local businesses and agencies – from law enforcement and social services, to educational institutions like A-B Tech, MAHEC and Western Carolina University, to community nonprofits like Green Opportunities, Project SEARCH, Haywood Street Respite and Homeward Bound. We also join with others to pioneer new care models, new technology and new approaches to wellness, including innovative partnerships with GE and Cerner to improve the patient experience and save lives.

Mission Health has been ranked as one of the nation’s Top 15 Health System by IBM Watson Health six times in the past seven years, and Mission Hospital has been ranked No. 1 by Business NC magazine, a top source of business and commerce information for the state, for the second year in a row.

Sustaining the viability of Mission is crucial to us; as the largest employer and healthcare provider in western North Carolina, we care deeply for our friends, our neighbors, our families and our colleagues.

We thank all our team members and our community partners, and look forward to the next 130-plus healthy years serving western North Carolina together.

Ronald A. Paulus, MD
President and CEO
Mission Health
Making Good

Definition: A colloquial American phrase meaning to fulfill, accomplish or succeed in doing.
“Mission Hospital is not the sum of its many buildings, its state-of-the-art technology or its endowment. The real value of Mission is its employees. It’s a value that cannot be captured in a cost-benefit analysis or displayed on an Excel spreadsheet.”

Brad Campbell | patient

Look past the jackhammers, cranes and iron girders soaring to new heights above Biltmore Avenue in Asheville, and you’ll find untold stories of Mission Health. These stories reveal the compassion and commitment to outstanding patient care that have earned Mission Health recognition as a national leader in healthcare quality, care and innovation.

How can a community partnership change lives? Just ask patients discharged to the Haywood Street Respite. Before Mission invested in this place of compassion and care for homeless individuals, these patients left the hospital and returned to a life on the streets of Asheville only to find themselves back in the emergency department, often sicker than before.

What difference does investing in technology make to a patient’s care and recovery? Our team members and patients can tell you.

This annual report tells the untold stories about Mission Health’s community partnership, community investment and how we are working tirelessly to improve health and wellness for our western North Carolina region.

201 Million
Total Community Benefit Investment

In 2017, Mission Health’s community investments to help serve the needs of the people in the 18 westernmost counties of North Carolina totaled more than $201 million. The stories of these partnerships and community investments rarely make the headline newsfeed, yet they are at the heart of what Mission Health does 24 hours a day, 365 days a year. Our mission – to improve the health of the people of western North Carolina – made by the Ladies of the Flower Mission more than a century ago, continues in new and innovative ways. Health and healing is an ongoing journey. We value your support and partnership as we continue changing lives and growing opportunities.
Community

Definition: n 1: A group of people living in the same place or having a particular characteristic in common. 2: A feeling of fellowship with others, as a result of sharing common attitudes, interests and goals.
Community Needs Assessment
Meeting Our Community’s Health Needs

Mission Health member hospitals partner with local public health agencies and community organizations to identify, prioritize and plan how to best address health needs across the region. This process, called the Community Health Needs Assessment, is coordinated across western North Carolina through a unique and collaborative process led by WNC Healthy Impact.

Through WNC Healthy Impact, communities across western North Carolina, regardless of size, are able to perform meaningful community health assessments and create targeted health improvement plans. One of the main benefits of this collaborative is shared data collection, which helps to reduce task duplication and increase impact. This collaborative process also ensures strategic alignment in each county and across the region. The priority health needs determined in this process guide Mission Health’s strategic partnerships and investments with a confidence that the priorities are grounded in both data and community input for prioritization.
Our Community’s Health Needs:
Numbers to Know

More Than 70 %
During the 2015 Community Health Needs Assessment, more than 70 percent of key stakeholders across the region identified social determinants of health as a “major contributor” to local health issues. (2015 PRC Online Key Informant Survey, Western North Carolina)

Between 20-34 %
In 2017, between 20-34 percent of western North Carolina families were cost-burdened, spending more than 30 percent of their family budget on housing and utilities. (North Carolina Housing Coalition)

More Than 200,000
The food insecurity rate in western North Carolina is 14 percent for the 10th and 11th Congressional Districts, which means that more than 200,000 individuals and roughly 22 percent of the region’s children are food insecure. (Feeding America, 2018)

Learn more about Our Community’s Health Needs.

A Promise Made
For more than a century, Mission Health has been making good on a promise made by a small group of persistent women with a big vision, the Ladies of the Flower Mission. Back in 1885 not everyone in Asheville, then a rough and tumble frontier town, thought their vision was a good one. There were legal battles that went all the way to the North Carolina Supreme Court. But in the end, those Ladies prevailed - and so did their belief that healthcare for the good of all should be an integral part of life in Asheville and western North Carolina.
Our Mission
To improve the health of the people of western North Carolina and the surrounding region

Our MERIT Values
Mercy, Excellence, Respect, Integrity, Trust and Teamwork

Our BIG(GER) Aim
To get every person to their desired outcome, first without harm, also without waste and always with an exceptional experience for each person, family and team member.

Investing in Community Health
Mission Health cares for all patients, regardless of their ability to pay. More than 70 percent of Mission Health’s hospital patients are either uninsured or are insured through Medicare or Medicaid, which do not fully cover the actual cost of their care. The result is a significant financial gap that Mission Health absorbs each year, which is referred to as charity care. **In 2017, Mission provided more than $118 million in charity care, under-reimbursed and subsidized government care.**

Uncertainty over the future of the Affordable Care Act, North Carolina’s decision not to expand Medicaid and the closure of state-funded mental health beds have only exacerbated these significant problems. Despite this economic uncertainty, Mission Health continues to partner with and invest in communities to continue with our mission to improve the health and well-being of our communities.

**$118,462,000**
Mission Health Total Value of Charity and Unreimbursed Care in 2017
## Mission Health Systems, Inc., and Affiliates

### Consolidated Balance Sheets

September 30, 2016 and 2015 (in thousands)

<table>
<thead>
<tr>
<th>Assets</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$97,557</td>
<td>112,341</td>
<td>97,479</td>
</tr>
<tr>
<td>Investments</td>
<td>36,228</td>
<td>31,983</td>
<td>13,303</td>
</tr>
<tr>
<td>Current portion of assets limited as to use</td>
<td>19,689</td>
<td>18,786</td>
<td>17,288</td>
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<tr>
<td>Accounts receivable, less allowance for uncollectible accounts of $113,967 in 2016 and $100,145 in 2015</td>
<td>254,494</td>
<td>245,628</td>
<td>220,464</td>
</tr>
<tr>
<td>Other receivables</td>
<td>52,250</td>
<td>37,736</td>
<td>27,369</td>
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<tr>
<td>Inventories</td>
<td>23,891</td>
<td>23,428</td>
<td>23,143</td>
</tr>
<tr>
<td>Prepaid expenses and other</td>
<td>35,872</td>
<td>30,512</td>
<td>22,766</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td><strong>519,981</strong></td>
<td><strong>500,414</strong></td>
<td><strong>421,812</strong></td>
</tr>
<tr>
<td>Assets limited as to use</td>
<td>991,615</td>
<td>940,676</td>
<td>941,212</td>
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<tr>
<td>Property and equipment, net</td>
<td>1,015,804</td>
<td>901,115</td>
<td>864,726</td>
</tr>
<tr>
<td>Other assets</td>
<td>55,904</td>
<td>47,069</td>
<td>51,934</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$2,583,304</strong></td>
<td><strong>2,389,274</strong></td>
<td><strong>2,279,684</strong></td>
</tr>
</tbody>
</table>

| Liabilities and Net Assets | | | |
| Current liabilities: | | | |
| Current portion of long-term debt | $19,525 | 21,208 | 13,022 |
| Lines of credit | ------ | 15,500 | 500 |
| Accounts payable | 53,760 | 48,172 | 42,129 |
| Accrued payroll and other expenses | 145,678 | 134,779 | 134,702 |
| Due to third-party payors | 58,749 | 57,367 | 50,816 |
| **Total current liabilities** | **277,712** | **272,953** | **241,169** |
| Long-term debt | 568,112 | 549,813 | 563,333 |
| Other long-term liabilities | 42,818 | 38,841 | 45,339 |
| **Total liabilities** | **889,642** | **865,680** | **849,841** |

| Net assets: | | | |
| Unrestricted | 1,660,710 | 1,498,824 | 1,405,826 |
| Temporarily restricted | 26,313 | 18,289 | 17,908 |
| Permanently restricted | 6,160 | 6,148 | 5,848 |
| **Total net assets attributable to Mission Health System, Inc.** | **1,693,183** | **1,523,261** | **1,429,582** |

| Noncontrolling interests | 479 | 333 | 261 |
| **Total net assets** | **1,693,662** | **1,523,594** | **1,429,843** |
| **Total liabilities and net assets** | **$2,583,304** | **2,389,274** | **2,389,274** |
Operational Statistics and Trends
Hospital Operating Statistics for Year Ending September 30, 2016

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discharges</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicare</td>
<td>26,079</td>
<td>24,551</td>
<td>24,493</td>
<td>24,327</td>
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<tr>
<td>Medicaid</td>
<td>11,172</td>
<td>11,502</td>
<td>11,666</td>
<td>11,614</td>
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<tr>
<td>Commercial</td>
<td>13,269</td>
<td>14,164</td>
<td>13,349</td>
<td>12,562</td>
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<tr>
<td>Self pay</td>
<td>2,146</td>
<td>1,953</td>
<td>1,862</td>
<td>2,100</td>
</tr>
<tr>
<td><strong>Total Discharges</strong></td>
<td>52,666</td>
<td>52,170</td>
<td>51,370</td>
<td>50,603</td>
</tr>
<tr>
<td>Licensed beds</td>
<td>1,049</td>
<td>1,049</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average daily census</td>
<td>677</td>
<td>651</td>
<td>645</td>
<td>638</td>
</tr>
<tr>
<td>Average length of stay</td>
<td>4.67</td>
<td>4.68</td>
<td>4.64</td>
<td>4.69</td>
</tr>
<tr>
<td>Case mix index</td>
<td>1.6765</td>
<td>1.6621</td>
<td>1.6177</td>
<td>1.5851</td>
</tr>
<tr>
<td><strong>Surgery</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operative cases</td>
<td>46,150</td>
<td>47,290</td>
<td>46,421</td>
<td>48,695</td>
</tr>
<tr>
<td><strong>Hospital-based Outpatient</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charged hospital ambulatory visits</td>
<td>757,459</td>
<td>720,853</td>
<td>708,482</td>
<td>699,909</td>
</tr>
<tr>
<td>Emergency visits</td>
<td>142,655</td>
<td>138,216</td>
<td>131,127</td>
<td>134,462</td>
</tr>
<tr>
<td><strong>Total hospital outpatient visits</strong></td>
<td>900,114</td>
<td>859,069</td>
<td>839,609</td>
<td>834,371</td>
</tr>
</tbody>
</table>
Making Good. Together.

At Mission Health, we understand both the promise and complexity of collective impact and the necessity for communities to work together to build programs, systems and support to enable all people in western North Carolina the opportunity to achieve health and wellness. Mission Health is pleased to work alongside many organizations and agencies that share our vision and goals of improved health for the people of western North Carolina.

Goal: To prevent intimate partner violence

- Grant Recipient: Helpmate
- Community Spotlight

Helpmate Provides Services to Victims of Intimate Partner Violence

As a result of the collaborative work to open the Buncombe County Family Justice Center (FJC) in 2016, a greater awareness of intimate-partner violence was created in our region. In Buncombe County alone, there were nearly 18,000 domestic violence-related services provided in 2016. The FJC’s coordination of services from law enforcement, legal services, social services and forensic medical exams is designed to provide wrap-around services in one location to help survivors begin their journey to safety and hope. It is a collaborative effort of many community partners including Mission Health.

Helpmate, one of the partners in the FJC, recognized the importance of building upon community awareness of intimate-partner violence with education and prevention programming in an effort to prevent future violence. Their idea of developing and implementing a prevention campaign was supported by a grant from Mission Health’s Community Investment program.

“Helpmate’s mission is to eliminate abuse and fear by providing safety, shelter and support for people who have been victims of intimate-partner violence,” said April Burgess-Johnson, Executive Director, Helpmate. “With Mission’s help, we are working to change the community and prevent violence before it happens.”

Through a 2017 grant from Mission Health, Helpmate is educating youth in the community as well as medical providers, law enforcement and other first responders. The focus is on healthy relationships, what risks to look for and the questions to ask to help determine if someone is a victim of intimate-partner violence; they also provide information about lifesaving community services.

Helpmate takes more than 3,500 crisis calls per year and serves more than 2,600 survivors every year, numbers they hope and pray will fall as a result of their prevention efforts.

Learn more about how Helpmate and Mission Health partner together to build a community where everyone is safe.

Helpmate served more than 7,000 people through prevention education programming and training, including more than 700 individuals in high-risk populations, as well as students in local schools, healthcare providers and community members.
Haywood Street Respite Helps People Who Are Homeless after Hospital Stays

Imagine becoming ill and hospitalized, but then knowing you have no place to go once you are ready to go home except for a spot under a bridge or in a dark alley. Haywood Street Respite provides a safe place for people who are homeless to rest, recover and stabilize after discharge from the hospital.

A part of Haywood Street Congregation since 2014, the Haywood Street Respite helps more than 150 homeless men and women each year. Under the direction of Laura Kirby, Executive Director, and Michael Platz, Program Director, the Haywood Street Respite welcomes patients as “friends” needing to heal after their hospital stays, ensures they get to their doctor appointments and gives them a better chance of getting well.

The friends who make their way to Haywood Street Respite get more than a roof over their heads. Haywood Street Respite ensures a safe, clean place for them to recover and provides regular meals, and a place to shower and wash their clothes. There, they also find a family who supports them and helps them heal.

Respite staff work to reconnect patients with supportive friends and family during their stay and work closely with Homeward Bound case managers to find housing options so that patients can go to a stable place after they leave. As a result, more than 91 percent of those served went somewhere other than the streets after leaving Haywood Street Respite.

Former Haywood Street Respite friends often stay engaged in the Haywood Street community as volunteers or “companions.” These companions then make the friends who are there healing feel like part of the Haywood Street Respite community.

Mission Health is proud to be a part of this cycle of healing and community.

Learn more about Mission Health’s partnership with Haywood Street Respite.

Goal: To provide a stable, healing environment that will contribute to improved health and reduced hospital readmissions for recently discharged homeless patients.

- Grant Recipient: Haywood Street Respite
- Community Spotlight

Haywood Street Respite served more than 200 individuals in 2017

90% of participants attended their first follow-up appointment with a primary care provider

More than 91% of participants had improved housing status after departure
Homeward Bound and Mission Health Partner on Permanent Supportive Housing

In Buncombe County, more than 500 people experience homelessness on any given night, and more than 2,000 people experience homelessness at some point over the course of a year. Forty-three percent are veterans. Eleven percent are children.

Mission Health is proud to partner with Homeward Bound to help our most vulnerable neighbors achieve housing stability and help anyone who becomes homeless access housing as quickly as possible. In the last 12 years, more than 1,800 people were housed through the permanent supportive housing program. Eighty-nine percent of Homeward Bound’s clients achieve housing stability and do not return to homelessness.

“Our partnership with Homeward Bound and the permanent supportive housing program is providing a path to stability for some of our community’s most vulnerable people,” said Sonya Greck, Senior Vice President of Community Investment, Behavioral Health and Safety Net Services for Mission Health. “We are proud to be partners in this work to create a stronger safety net and pathway to wellness for those in our community who need it most.”

“Our partnership with Mission Health means that we can help to improve the health and wellness of our most vulnerable by ensuring they have a place to heal and recover when they’ve been ill,” said Emily Ball, Strategic Initiatives Director, Homeward Bound. “Housing is a basic human right.”

Mission Health and Homeward Bound partner together on the commitment of “no one left outside” and finding a housing solution for every person experiencing homelessness in our community. Everyone in our community benefits when we help our most vulnerable find housing.

“Homeless individuals lack access to healthcare and often have chronic illnesses, made worse by tough living conditions: sleeping outside in all weather, eating low-quality foods and being in crowded places with others whose health may be compromised,” said Mary Jo Powers, Executive Director, Homeward Bound. “When we end homelessness, our whole community benefits because we see resources freed up to meet other needs, local businesses and tourism fare better, and our neighbors and most vulnerable are restored to lives of wholeness and dignity.”

Learn more about Mission Health’s partnership with Homeward Bound.

Goal: To improve health and wellness in Buncombe County for our most vulnerable neighbors by supporting housing stability

- Grant Recipient: Homeward Bound
- Community Spotlight

Permanent Supportive Housing

- Homeward Bound served more than 300 people in the program, with 96 percent of those housed achieving housing stability with increased case management support 90 days after move-in.
- Participants saw a 52 percent reduction in emergency department visits compared to the year prior to their move-in.
Closing the Gap. Achieving Health Equity.

More than 100 million American adults are living with diabetes or prediabetes. In Buncombe County, the diabetes mortality disparity between African-Americans and white adults is 3.4, meaning African-Americans die from the disease at 3.4 times the rate of white people.

To address this disparity, the Asheville Buncombe Institute for Parity Achievement (also known as ABIPA) developed a community-driven program to leverage the connectivity of churches to improve health knowledge and behaviors in Buncombe County’s communities of color. Their PRAISE program (Preventive Health Education Resulting in Action Inspiring Success for Everyone) provides technical support for church volunteers to lead their congregations in health promotion and policy change activities.

Throughout the year, the ABIPA staff work with over 50 churches of color in Buncombe County on activities ranging from screenings so congregants “Know Their Numbers,” to disease-specific programming on topics such as diabetes, colorectal cancer screening and heart disease. Through increased health awareness and cultivation of church health champions, ABIPA tracked congregations’ evolution from willingness and readiness to change to activities that offer measurable results.

Churches conducted pre- and post-health surveys, improved healthy food choices at gatherings, hosted 6-week Chronic Disease Self-Management (CDSM) classes and held physical activity/exercise classes on-site – all of which work together to build a healthy community.

More importantly, the PRAISE program supports a healthy culture change within each church environment that offers a strong path for individuals to achieve sustainable behavior change with the support and commitment of their congregation. Through the PRAISE program, church members hold each other accountable and offer support in their journey to wellness. Mission Health is proud to be a partner in this transformative work through a grant from Community Investment.

![Participating Church Member](Quote.png)

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ABIPA (Asheville Buncombe Institute on Parity Achievement) and UNC Asheville

Preventive Health Education Resulting in Action Inspiring Success for Everyone (PRAISE), Year 3

- 1,107 individuals served
- 50 local churches of color in Buncombe County
- 65% of participants know their glucose levels

- 60% of churches provide healthier foods at events
- 44% of participants are physically active for at least 30 minutes on 5+ days/week
- 47% of participants eat 5+ fruits/vegetables per day on 5+ days/week
Our Commitment to You

Why does Mission invest in the communities it serves? Mission Health is a part of this community and has been for more than 130 years. We care deeply about our neighbors and the people we serve. Investing in and partnering with our community is central to our mission and the ethos of our health system. When counted in just dollars, our total Community Investment last fiscal year was over $200 million.

The Mission promise – to improve the health of the people of western North Carolina – made by the Ladies of the Flower Mission more than a century ago, continues in new and innovative ways. In 2015, we redesigned our community benefit program to Community Investment to symbolize and articulate the investment we make in the communities we serve. Our grants program was transformed as part of this effort to align directly with the priority health needs of the communities in our 18-county region. As a result, we focus on creating intentional partnerships with nonprofits and governmental agencies who share our vision and goals of improved health for the people of western North Carolina.

By conducting standardized, systematic assessments throughout western North Carolina, community leaders and healthcare providers are able to jointly develop strategies and priorities that address the most pressing health needs in each county. The community needs assessment process also engages front-line community opinion and input to ensure that the priorities are grounded in the data and what the community sees as most negatively impacting their health. It is this personal connection with the community that is key to the success of this work. The results guide Mission’s community investment decisions.

In 2017, we partnered with 17 organizations to impact the community-defined priority areas of Behavioral Health/Substance Use, Food Security and Interpersonal Violence.

In 2017, Mission Health granted more than $869,000 to 17 agencies to help western North Carolinians to be well, get well and stay well.

- All Souls Counseling Center
- Asheville Buncombe Institute of Parity Achievement (ABIPA)
- Bountiful Cities
- CARING for Children, Inc.
- Children First/Communities In Schools of Buncombe County
- Haywood Street Congregation
- Helpmate, Inc.
- Homeward Bound of Western North Carolina, Inc.
- Madison County Health Department
- MANNA FoodBank
- MemoryCare
- Mountain Child Advocacy Center
- Pisgah Legal Services
- REACH of Macon County
- The Council on Aging of Buncombe County, Inc.
- YMCA of WNC
- YWCA of Asheville and WNC

$201 Million
Total Community Benefit Investment
“We are made wise not by the recollection of our past, but by the responsibility for our future.”

George Bernard Shaw

Our Community Investment

<table>
<thead>
<tr>
<th></th>
<th>2017 (in millions)</th>
<th>2016 (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated costs of treating charity care patients</td>
<td>$42,095</td>
<td>$29,577</td>
</tr>
<tr>
<td>Unreimbursed medical education and research costs</td>
<td>$5,450</td>
<td>$4,924</td>
</tr>
<tr>
<td>Other direct community investments</td>
<td>$77,200</td>
<td>$73,733</td>
</tr>
<tr>
<td>Estimated unreimbursed costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Medicare patients</td>
<td>$77,514</td>
<td>$64,323</td>
</tr>
<tr>
<td>• Medicaid patients</td>
<td>($1,147)</td>
<td>$10,869</td>
</tr>
<tr>
<td>Total community investments and unreimbursed costs of government healthcare programs</td>
<td>$201,112</td>
<td>$183,426</td>
</tr>
</tbody>
</table>

Working together to achieve better health
Partnerships come in many forms. Some are reflected in the stories and data related to our 2017 Community Investment grants. Other partnerships are within an organization, or between organizations, seeking to shed new light on an old process, or to bring different concepts together in creative and innovative ways.
Beyond our Community Investment grants, Mission Health continued to seek and cultivate partnerships within and outside of our walls in 2017. Our quest: always to reach higher and do more to improve the health of our community. Here are some of our success stories.

**Goal: Improving behavioral health care for our community**

**Telemedicine and Psychiatry**

A shortage of psychiatric professionals in western North Carolina has created the need to discover creative ways to ensure patients receive the care they need, when and where they need it. Mission Health offers telemedicine programs at all hospitals and even in primary care offices to help fill that need. Jim Hartye, MD, Medical Director of Ambulatory Behavioral Health, noted that approximately 125 patients use tele-behavioral health services monthly.

Telepsych programs ensure that patients get the care they need even if they live in a rural area or during a time when practices are closed. **This program is available 24 hours a day to all Mission Health system hospital emergency departments.**

The Mission Behavioral Health telepsych program offers crisis services for any patient presenting in an emergency department with behavioral health needs. This allows each patient to be evaluated by a mental health clinician and a psychiatrist to ensure that a correct and safe treatment plan is developed.

Intolerable inpatient psychiatric bed shortages in North Carolina result in patients often spending days in an emergency department awaiting an open bed. Telepsych allows these patients in need to receive daily therapy from a mental health clinician and medication management by a psychiatrist. Dr. Hartye noted an amazing outcome – the telepsych care provided during the waiting period sometimes results in the patient no longer needing to be admitted to an inpatient facility.

Telepsych is another example of Mission Health utilizing new technology to provide high quality care to all of western North Carolina.

**Behavioral Health**

- 20% improvement in volumes in behavioral health urgent care
- Psychiatric intervention earlier in the process
- FY17 ED length of stay for behavioral health decreased more than 50%
Psychiatric Residency

Across the nation, there is a shortage of psychiatrists, and even more so in rural areas like western North Carolina. According to National Public Radio, Inc. (NPR), there are approximately 28,250 psychiatrists practicing in the US but there is a significantly uneven distribution of psychiatrists across the country. For example, NPR cited that "there are more than 3,800 psychiatrists in California, but only 34 in all of Wyoming."

So what does this mean for western North Carolina? Since most of our region is rural, patients can experience difficulty accessing psychiatrists. In order to bring more psychiatrists into our community, Mission Health has partnered with Mountain Area Health Education Center (MAHEC) to offer a Psychiatry Residency Program as a solution to the long-standing need for psychiatrists in our rural areas.

This new four-year program began in July 2017. The residency program hosts four residents per year and provides opportunities to work in tandem with psychiatrists and providers at inpatient facilities, such as Mission Health’s inpatient behavioral health unit Copestone, outpatient facilities and even via telemedicine. One innovative aspect of the MAHEC Psychiatry Residency Program is its emphasis on collaborative care. The psychiatry residents will work in primary care settings longitudinally over two to three years. This extended time in primary care gives residents the opportunity to build relationships with providers and patients alike.

Like most physicians, psychiatrists tend to live and practice where they train. Medical residency programs encourage residents to remain in western North Carolina and continue their work in the rural areas where there are the greatest shortages of psychiatrists. Richard Zenn, MD, Medical Director of Behavior Health at Mission Health, who also works as psychiatry faculty for the Psychiatry Residency Program, said, "Programs and partnerships such as the Psychiatry Residency Program are paving the way for a healthier future for all of western North Carolina."

Western Carolina University

There was a time when registered nurses wanting to pursue advanced degrees had to travel long distances. In 2017, that’s no longer true. Programs are as close as Western Carolina University’s (WCU) main campus in Cullowhee, its satellite campus in south Asheville, and distance learning programs that bring education into your home via a computer.

Working together, Mission and WCU have successfully secured significant federal grant funding focused on increasing the number of highly skilled nurses working in the region’s rural and underserved communities.

For Vallire Hooper, PhD, RN, CPAN, FAAN, and Nurse Scientist Scholar at Mission Health, this financial support is critical. "We know that one of the best ways to improve health outcomes for the people of western North Carolina is to have a highly educated nursing workforce. With the help of federal grants, we are able to expand career opportunities that will attract and keep nurses in our region," said Hooper.

WCU currently offers a four-year BSN degree, as well master’s degrees in Nursing Education, Nursing Leadership, Nurse Anesthesia and Family Nurse Practitioner, and a doctorate in Nursing Practice.
Project SEARCH

Since fall 2016, Mission has been the employment host for Project SEARCH, an international program with about 400 sites around the world. A partnership between Mission Health, The Arc of North Carolina, A-B Tech, NC Vocational Rehabilitation, Vaya Health and the NC Council on Developmental Disabilities, Project SEARCH is a one-year internship program for students with intellectual or developmental disabilities. Its goal is to help the students, who range in age from 18 to 30, achieve their goal of securing meaningful, competitive employment.

Participants are selected through a rigorous application process and then begin the program with a three-week "boot camp" at A-B Tech as they complete the onboarding process to work at Mission. Several departments throughout Mission Hospital and the Mission Health home office serve as job sites, and a number of the program graduates have secured steady employment at Mission or at other local businesses as a result of the skills and connections gained during their internships.

Learn more about Project SEARCH and one participant's story.

Mission Possible

Mission Possible is a collaboration between Mission Hospital, Asheville City Schools, Buncombe County Schools and private schools located in Buncombe County. Mission Possible provides academic enrichment and career exploration opportunities in a healthcare setting for students entering 11th and 12th grades (rising juniors and seniors). For the last decade, it’s been just one of the many ways in which Mission’s community partnerships address the region’s growing need for skilled healthcare professionals while also providing careers that strengthen the economy.
Buildings and Region

People are the heart and soul of Mission Health, while capital investments – buildings, equipment and information technology – provide the framework. After years of faithful service, even the strongest buildings begin to show their age and require attention or replacement to meet the needs of all those who rely on them. Just like the civic-minded Ladies of the Flower Mission dared to believe the community deserved a hospital, so Mission’s board and leadership believe western North Carolina deserves 21st-century facilities that provide the right care in the right place at the right time, now and for years to come.

Mission Future Ready: Bricks and Mortar and Much More in Western North Carolina

New buildings are one of the most visible examples of Mission Health’s commitment to community investment. Look deeper, however, and they reveal profound changes in the way care is delivered. “Mission Future Ready is about transforming healthcare, continuing to improve our high quality medical treatment and anticipating the future needs of those we care for before, during and after they visit any one of our facilities,” said Mission Health President and CEO Ronald A. Paulus, MD.

Less obvious, but equally important are investments in programs and new technologies, such as systemwide electronic medical records, which make it possible for information to flow freely between hospitals and physician practices, a key component in providing safe and effective care. Today, patients cared for at Mission Health hospitals are more than 40 percent less likely to die than those cared for in other hospitals around the country.

MISSION HEALTH: The Story of IT

- Electronic documentation percentage 96.79%
- 650+ mobile, web and enterprise applications
- Managed 769 cybersecurity warnings
Mission Hospital for Advanced Medicine

More than 130 years of caring for western North Carolina

Mission Hospital has served our community for more than 130 years. The new Mission Hospital for Advanced Medicine will position us to provide care for our friends, families and neighbors for the next 130 years and beyond.

From the first patient carried on a pallet to Mission Hospital in 1885, to patients brought in by the MAMA helicopter today, Mission Health continues to make advances and change along with our community’s needs. More than 500 team members, patients, families and community members were involved in the planning, design and construction process for the Mission Hospital for Advanced Medicine and are a part of Mission Hospital’s story today – advancing high quality and compassionate care for western North Carolina.

21st-Century Technology Supporting Excellent Patient Care

The Mission Hospital for Advanced Medicine will be equipped with all the necessities for exceptional care for everyone living in western North Carolina. Integrated care areas, larger spaces for patients and families and cutting-edge technology, often available only in large urban areas, will result in state-of-the-art care and a better Mission Experience for patients, families, team members and the community.

The emergency department will more than double in size, providing the ability to care for more patients as well as a separate area for pediatric emergency patients. The new Mission Hospital for Advanced Medicine also will be equipped with mobile technology to help navigate inside the hospital to help patients and families find their way.

Keep watching our progress at missionfutureready.org.

- At the end of 2017, the project was supporting 362 jobs, generated $46.9 million of new economic activity and increased tax revenues by $9.7 million in Buncombe County.

- Our community is a large part of the building of the Mission Hospital for Advanced Medicine with 25 subcontractors and 300 construction workers from the western North Carolina region.
Partnering on Opportunities

For Asheville-based nonprofit Green Opportunities, Mission Health has been much more than a funding organization.

Green Opportunities (GO) offers a combination of technical training, life-skills training, industry-recognized credentials and personalized support services to unemployed and underemployed residents of Asheville and Buncombe County. Their training and employment programs are designed to empower members to overcome both personal and systemic barriers to employment. Now celebrating its 10-year anniversary, GO’s mission is “to train, support and connect people from marginalized communities to sustainable employment pathways.”

GO Executive Director J Hackett explained that beyond being a reliable employment site for GO members, Mission Health provided $100,000 in gap funding to get GO’s YouthBuild program started. That seed money led the way for GO’s successful application for $1 million in grant funding from the US Department of Labor for YouthBuild’s second year.

“Our relationship and partnership with Mission Health is much more than that of funder and recipient,” Hackett said. “It’s a true partnership.” Members of Mission’s Community Investment team and Department of Philanthropy have continued to serve as resources for GO, including ongoing monthly meetings to provide guidance, serving as a sounding board and even reviewing grant requests before they go out to other funding sources.

“Oftentimes, especially in a minority-led nonprofit, we can be overlooked,” said Hackett. “Agencies like ours don’t always have the capacity to do more. We have great ideas, but not the resources to implement them.”

“Our annual budget grew from $1.4 million to $2.3 million in one year,” said Hackett, “and we are sustaining that due to Mission Health’s involvement.” Hackett added that the team at Mission has helped extend GO’s capacity, ranging from providing a series of classes on communication when GO couldn’t have afforded to do this on their own, to referring new board members for the community-based nonprofit.

But Mission didn’t stop there. Hackett said Mission approached his agency about how its team could help support the mental health of GO’s students. In the wake of a shooting that injured a student, Mission helped with what Hackett called “a full wrap-around of services.”

Hackett marveled that as a partner, Mission’s team members and leaders are actively engaged with the community. “They come to our community meetings – they ask to be included,” he said. “Any time we are thinking about what groups to include in our efforts, we think of Mission.” Mission’s involvement may not always be highly visible, Hackett explained; often it’s in a behind-the-scenes role, such as providing education on diabetes and nutrition at community events.

And, Hackett is quick to point out that the partnership and involvement work both ways. “When Mission announced they were planning to join with HCA, I was invited to a community meeting with Dr. Paulus,” he said. “Mission is taking seriously the need to address the social determinants of health, and they are open to what we have to say. They are never more than a phone call away.”

Hackett summed it up: “We’re a grassroots agency, really small compared to Mission, but they are a consistent resource for us. It’s so important for our GO community to see Mission as a neighbor, and vice versa. Mission has been a neighbor, friend and partner in our community, and their involvement adds capacity to nonprofits like ours.”

Goal: To provide training and support to people from marginalized communities who are seeking sustainable employment opportunities.

- Workforce Development Collaboration: Green Opportunities
On the Job

Meet Greg Lynch, recent graduate, Green Opportunities

Greg had one job after another with no stability until graduating from Green Opportunities’ construction training program.

Now, Greg is a valued employee at Brasfield & Gorrie and works as a carpenter on the Mission Hospital for Advanced Medicine project.

This job is, he said, life changing. He’s very proud of his job working on the new tower and said, “This job gives me the opportunity to create something for my family, follow my dreams and goals and establish stability.”

What does his boss have to say?
“We value the opportunity to change lives with the Green Opportunities’ program.”
- Bob Williford, Project Director, Brasfield & Gorrie

Bringing Smart Room Technology to McDowell County

In 2017, Mission Health prepared to open a new hospital in McDowell County. For the staff and patients, the anticipation was palpable. The new hospital would replace a 35-year-old facility that was failing and stretched to capacity.

For President Carol Wolfenbarger, MSN, RN, FACHE, there was much more to the new facility than meets the eye. "The game changer about our new facility would be that we designed it around our patients, rather than our patients having to search and travel for the services, specialists and clinicians they need. This is truly the definition of patient-centered care," said Wolfenbarger.

Opened early in 2018, the new hospital includes an expanded emergency department with more patient bays (11 to 15 as needed) and space designated for patients with behavioral health needs. The 30 larger inpatient rooms, including five dedicated labor and delivery suites, provide patients and families the space they need to heal.

The Untold Story: Imagine a patient room in which a new mother, with the push of a button, can let team members and visitors know that she doesn’t want to be disturbed; or technology that enables her nurse to automatically see how much of her all-important new mother education she has completed. At Mission Hospital McDowell, patients and nurses won’t need to imagine – the smart room technology already exists in the Birthing Center.

The technology, which was first piloted at Mission Hospital in Asheville, transforms the patient’s in-room television into a care-delivery, education, communication and entertainment hub from which the mother can adjust temperature and lighting, order meals and adjust the bed. Outside the room, an electronic display mounted by the door feeds information between the mother and her care team. Mothers will use these tools every day on the new, dedicated five-bed mother-baby unit.

Security is also enhanced by the smart room. Before entering the room, team members and visitors are required to scan their badge, which allows the new mother to see who is entering her room. When a team member enters the room, the new mother immediately receives a picture and a name on her monitor.

“There will be an added benefit,” said Wolfenbarger. “The display’s lights change to indicate what the mother needs. At a glance, the nurse will be able to see the light and respond quickly, creating improved communication and reducing the need for speaking over a nurse call device.”
Changes in Transylvania Regional Hospital’s Emergency Department Drive Success

As western North Carolina’s population has grown, so has the need for larger and better-equipped emergency departments. This is particularly true for rural and Critical Access Hospitals where trauma and critically ill patients are assessed and stabilized before being transported to Mission Hospital by MAMA or Regional Transportation.

For Transylvania Regional Hospital, Mission Health’s $7.8 million investment in the construction of a 10,700-square-foot addition and renovations to the existing emergency department had an immediate benefit to patients. Just ask Brad Campbell.

In July 2017, Campbell, an Asheville resident and avid cyclist, found himself in a county EMS vehicle headed for Transylvania Regional Hospital’s new emergency department following a serious bicycle crash. “The last two things I remember were my rear wheel fishtailing and then a hard hit to the head,” said Campbell.

From his neck-braced, limited field of vision, he saw care team members swirled around him. From the latest equipment and experienced care teams at Transylvania Regional Hospital’s new emergency department, Campbell was diagnosed with a laundry list of injuries that could only be cared for at Mission Hospital’s Level II trauma center.

For Campbell, who had never had a serious injury or an extended hospital stay, the coordination required by so many people across multiple disciplines left a lasting impression. “Now, nearly a year after my accident, I want to say thank you again to Mission Health and, most importantly, to the caregivers who helped get me back on my feet,” said Campbell.

Learn more about Brad Campbell’s story.
A New Emergency Department for Highlands-Cashiers Hospital

Like its sister hospitals in Brevard and Marion, the emergency department serving the adjoining towns of Highlands and Cashiers needed help. The new, expanded emergency department at Highlands-Cashiers Hospital is the culmination of the hard work, commitment and shared vision of so many, including the hospital's generous donors and board, Highlands and Cashiers civic leaders, the design and construction teams, Highlands-Cashiers Hospital Facilities and Operations staff and Mission Health leaders and expert clinicians.

Mission Health and Highlands-Cashiers Hospital held a ribbon cutting and grand opening celebration for the hospital’s new emergency department in May 2017. The $6.7 million project supporting a major expansion and enhancement represented an important investment in the future healthcare needs of Macon and Jackson counties. This is yet another component of Mission Health’s Future Ready initiative, an unprecedented plan for the future of healthcare across western North Carolina that exceeds half a billion dollars in investments.

Emergency department improvements for Highlands-Cashiers Hospital included: 6,800 additional square feet, a dedicated behavioral health patient treatment area, special space for trauma or sexual assault victims, separate space for patients with contagious diseases, private consultation rooms and a spectacular waiting area with architectural features that make the most of the beautiful mountain scenery surrounding the hospital.

The focus on meeting the region’s future healthcare needs was the overarching goal throughout the project’s development and implementation, as was ensuring that Highlands-Cashiers Hospital builds upon its status as a top rural Critical Access Hospital. The new emergency department will contribute measurably to the compassionate, safe, effective and high quality experience that patients of Highlands-Cashiers Hospital have come to know and enjoy.

“Highlands-Cashiers Hospital’s new emergency department is just one community-facing representation of the match between our team’s clinical skills, compassion and patient focus, and the hospital environment. This new space will support the unprecedented level of thoughtful, customized, patient-focused care for our community for many years to come. Because of the hard work, sacrifice and vision of so many, we now celebrate this transformed facility – another gem in our beautiful and vibrant mountain community and in the Mission Health network of care,” said President and Chief Nursing Officer Jacqueline Medland, PhD, RN.
Mission My Care Now: A New Model of Care

Goal: Improve access to everyday, preventative and nonurgent care by increasing convenience of essential and affordable healthcare resources and services.

UNTOLD STORY

Remember when you could only address your banking needs on weekdays between 8 am and 5 pm? In a world where face time has become FaceTime, you probably can’t imagine living without the convenience of online banking or depositing checks with your phone.

Just like banking had to adapt to the modern consumer, healthcare is doing the same. One way Mission Health has done this is by launching Mission My Care Now – making care more convenient, accessible and affordable to more people when, where and how they want it.

Our growth as a healthcare system isn’t only new facilities, but also growing and evolving the care model – the evolution of care. “All Mission My Care Now locations across the system are adopting and utilizing the same practices and standards of care,” said Jessica Patrino, Physician Assistant and Advanced Practitioner Team Lead, Mission My Care Now McDowell.

As one of the early adopters of the Mission My Care Now model, Patrino said it has improved teamwork and communication among care teams within their practice and practices across the system. “We have several providers from various backgrounds who can give insight to any questions other providers may have, or cases they come across in the acute-care setting they are not familiar with or have never seen before,” she said.

Patrino said many of the patients they see are developing their own “sixth sense” for when they should seek different types of care – and they’ve learned that Mission My Care Now providers can educate their patients on the reasons for each. “Some patients would rather be seen for their chronic medical conditions at an acute-care facility due to the convenience and easy access. Part of our job includes educating these patients on the importance of having a primary care provider and preventative care, and we’re working on helping patients while they’re here to get established with a high quality, local provider,” said Patrino.

“We work hard to treat the whole patient,” said Courtney Mull, MD, medical director of Advanced Access, who works out of the McDowell and Mitchell county My Care Now clinics. “This means dealing with both the immediate problem and any underlying issues that may not have been identified yet.”

The My Care Now team also offers preventive health services, occupational health (including pre-employment physicals) and even virtual care. Dr. Mull is particularly excited about the emerging role her teams are playing with recently hospitalized patients who don’t yet have a primary care home. “Given the shortages in our rural communities, it can sometimes takes weeks for a patient who has just returned home to find a primary care physician. That’s where we come in. We serve in that role until they can get established with a local physician practice,” said Dr. Mull.
Just a few years ago, the idea of seeing a doctor “virtually” was something you saw happen only in science fiction. Through innovation and evidence-based practice, however, Mission Health began offering a Virtual Clinic option to patients with specific symptoms in 2016, and it has become increasingly popular among patients – especially when there are highly contagious illnesses spreading quickly throughout our community.

Last winter, the Henderson County Health and Human Services Department reported approximately 90 cases of pertussis in Henderson County presenting a very difficult challenge to properly assess and screen a large number of patients in a short period of time. Not to worry – Mission’s Virtual Clinic filled the gap!

How can a virtual clinic help during a pertussis outbreak? It’s simple! A patient starts a visit by engaging with the Mission Virtual Clinic online portal and answering several questions based on their symptoms. From there, the “clinic” triages the patient to an appropriate provider who decides next steps for that patient, whether that be a prescription or home remedies to help them feel better, without the patient ever having to leave home.

“In the early days, everyone – providers and patients alike – were skeptical of how effective it could be to treat patients virtually,” notes Marc B. Westle, DO, FACP, Senior Vice President of Innovation at Mission Health. “That’s not the case anymore. What we treat virtually are ailments that are very protocol- and evidence-driven. Infections such as pertussis and influenza have a distinct set of symptoms and an exposure history that allow providers to quickly identify and treat them.

The Virtual Clinic is a convenient, affordable option for patients, but from a broader perspective, it also serves as a way to prevent the spread of contagious illnesses and infections. “If we can treat those patients from their homes, instead of having them travel to the emergency department or a doctor’s office, it’s safer for both the patient and the public,” Dr. Westle explains, adding that outbreaks begin when people with these illnesses travel outside of their homes and germs are spread to others that they contact, causing an outbreak.

“The Virtual Clinic is not only convenient and more affordable than a doctor’s visit for patients, it also decompresses walk-in clinics and helps to eliminate the spread of contagious illnesses,” Dr. Westle notes. By offering a Virtual Clinic option, patients can access the care they need from the safety and convenience of their home.
Safest, Highest Quality Care

Care Process Models

Care process models (CPMs) positively impact patient care by ensuring that evidence-based best practices are applied to every patient, every time. Mission is now implementing one new CPM every 10 days (improved from one every 38 days), for conditions ranging from Chronic Pain, to Depression, to Total Knee Replacement, to Hypertension. In just one seemingly small example, compliance with our Rib Fracture CPM rose substantially, resulting in $366,000 in savings and seven lives saved.

Quality and Safety

In just the past five years, we have improved quality and reduced length of stay by 40 percent for our sickest babies in the Neonatal Intensive Care Unit (NICU).

Patient Experience

Implementing iRounds (real-time, electronically enabled leadership rounding across our inpatient and emergency department settings across the region) has been transformative. At fiscal year-end, more than 1,700 patients per week were meeting directly with nursing leaders systemwide while still in their hospital beds. That provides the opportunity for real-time interventions to address any concerns with care. This, in turn, has a positive impact on multiple Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) domains, which are made publicly available and impact our reimbursement.

Recognition

Mission Hospital ranked the No. 1 hospital in the state of North Carolina by Business North Carolina magazine.

Mission Health named a Truven/IBM Watson Top 15 Health System for 2017 (that makes five times in six years - 2012-2017 - something never achieved by any other health system and never achieved even in one year by any other North Carolina health system).

Mission Heart named one of America’s Top 50 Cardiovascular Hospitals by Truven Health Analytics for 2017, for an extraordinary eleventh time since 2000.

Mission Hospital received Comprehensive Stroke Center designation by The Joint Commission, one of only 130 such designated centers in the US.

Critical Access Recognition

Angel Medical Center and Transylvania Regional Hospital earned coveted places on 2017’s Top 100 Critical Access Hospital list. They were the only North Carolina hospitals named to the list, which is created annually by the National Rural Health Association’s Rural Health Policy Institute, iVantage Health Analytics and the Chartis Center for Rural Health.
Growing and Managing Our At-Risk Population

Mission Health Partners

Mission Health Partners (MHP) is western North Carolina’s local Accountable Care Organization (ACO) comprised of more than 555 independent physicians from across the region, as well as physicians from MAHEC, Mission Health and Pardee. The MHP network includes every Mission Health hospital, every Mission Health clinic and every Mission Health physician currently serving more than 90,000 patients – that’s more than one in every ten western North Carolinian! And with 60,000 Medicare beneficiaries, it is now the largest Medicare ACO in North Carolina and one of the largest in the nation.

MHP’s care coordination and medical cost management efforts are producing results. In the emergency department, a pilot program for the uninsured reduced utilization by 27 percent. Using MHP’s medication adherence program, we reduced ED visits from complex behavioral health patients by 42 percent. And in the last half of fiscal year 2017, we lowered the readmission rates by 8 percent for 449 patients enrolled in our Transitions of Care program.

Together, we’re making a financial impact for our own employee health plan; the plan’s net spending trend is up only 2.6 percent, meaning we are far more effective than others with the national trend at 6.5 percent.

MHP ranks among the nation’s best with a 2016 Medicare Shared Savings Program Quality Performance Score of 97 percent, up from 95 percent in 2015.

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<tr>
<th>MISSION HEALTH PARTNERS 2016 ACO PERFORMANCE</th>
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<tr>
<td><strong>2016 Benchmark</strong></td>
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<td><strong>$407,918,444</strong></td>
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<tr>
<td><strong>2016 Spending Target per Beneficiary per Year</strong></td>
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<td>*<em>$8,500</em> **</td>
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<tr>
<td><strong>Required Savings</strong></td>
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<td><strong>$9,023,076 (2.2%)</strong></td>
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<tr>
<td><strong>Actual Savings</strong></td>
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<td><strong>$11,236,413 (2.75%)</strong></td>
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<tr>
<td><strong>Improved Medicare Shared Savings Program (MSSP) Quality Performance Score</strong></td>
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<td><strong>97% (up from 95% in 2015)</strong></td>
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<td><strong>Earned a $5.3 million gain share.</strong>**</td>
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*In 2015 Mission had the 28th lowest spending target out of 400 ACOs.

**Half of this will be allocated to Mission Health, and the other half will be distributed among MHP physicians, including MMA physicians.
Innovation

As a nationally recognized leader in innovation and quality, Mission Health continues to break down barriers that impede access to care for the people of western North Carolina. In some cases, this means investing in medical education and recruiting healthcare professionals to underserved communities. In other cases, it means equipping community hospitals with technology that makes it possible for specialty physicians miles and hours away to consult directly with local providers and patients. It also includes the Mountain Area Medical Ambulance (MAMA) helicopters that travel as “the crow flies” to shave minutes off the time it takes to deliver patients of all ages across the Blue Ridge Mountains to Asheville for lifesaving procedures.

“A great accomplishment shouldn’t be the end of the road, just the starting point for the next leap forward.”
Harvey Mackay | entrepreneur and author

Beyond Dollars and Cents

Because of western North Carolina’s demographics and our unique safety-net role, we have more Medicare and Medicaid patients than most other health systems, creating perpetual financial challenges. In 2017 alone, Mission was negatively impacted by numerous financial hits, including:

- **Additional governmental reimbursement cuts** ($6 million)
- **Drug, supply, wages and other input inflation** ($52 million)
- **Year-to-date charity care higher than forecast** ($20 million)

**The net result?** Mission started $64 million worse off than 2016 – and Mission’s entire 2016 operating margin was $54 million (3.3 percent). Despite those headwinds, Mission has achieved remarkable outcomes:

- **Approximate achieved/projected savings from Year 1 of outcomes-based innovation collaboration with GE Healthcare**
  - **$1.5 million**
- **Identified and implemented cost reductions / FY17**
  - **$66.7 million**
- **Identified and implemented cost reductions / FY18**
  - **$68 million**

The combined members operating margin trend has risen steadily from a negative $16.4 million in FY10 to a projected positive $11.7 million for FY17 – showing improvement of $28.2 million over this time.

**Bad Debt/Charity Care**

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<th>2016</th>
<th>2017</th>
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<td>$158,689,354</td>
<td>$192,060,826</td>
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The Untold Story
Mission Community Caramedic Program

Hear the word “paramedic” and what probably comes to mind are sirens, ambulances or fire trucks. Increasingly important to coordinate care in rural and underserved areas are Mission’s community paramedics or, as they are known at Mission Health, community caramedics.

These highly trained men and women are at the forefront of solving some of western North Carolina’s most complex health population problems by:

- Helping individuals and communities overcome barriers that prevent them from accessing and benefiting from needed healthcare services.
- Serving as advocates, facilitators, liaisons, community brokers and resource coordinators for our most needy patients and community members.
- Providing basic, preventative, emergency and advanced levels of care throughout the community, wherever our most vulnerable patients call home.

This innovative program, the first in the nation to have all of its members certified by the International Board of Specialty as community paramedics, does more than help high-risk patients. It also improves overall community health and saves money. Current estimates are that the Caramedic Program, launched August 2015, will save $910,000 – money that can be reinvested in people, places and technology each year.

“Without a sense of caring, there can be no sense of community.”

Anthony J. D’Angelo | writer
One Team. Improving Health and Wellness for Western North Carolina.

Making good, together. Surely this phrase sums up not just the stories contained in the pages of this report, but the stories Mission Health team members create day in and day out across this region we call home. Our definitions of “community” and “investment” are what drive us to work relentlessly for the health and well-being of our families, friends and neighbors.

The brick-and-mortar buildings are not “excess,” they provide the framework and the platform needed to care for our community. But the real stories happen at the bedside, in patients’ homes, in medical office buildings, in our cafeterias, churches, businesses and behind the scenes. These are the stories of caring people who together create the Mission Experience in each life we touch, in every conversation we have and in each investment we make to improve the health and wellness of our community.

Thank you for the privilege of serving western North Carolina for the past 130-plus years. We look forward to continuing our high quality compassionate care for 130 years more and far into the future.