2006 Annual Report

For Our Community's Future

Our Mission

why we exist

NMC exists to provide access to optimal health care in our community.

where we see ourselves in the future

NMC will be at the center of our community's efforts to be healthy.

what we believe in

Quality Service	At NMC, we believe above all else we should provide the best service possible.
Progress	At NMC, we believe it is our responsibility to seek out a better way of doing everything.
Relationships	At NMC, we believe in collaboration and are willing to invest the honesty, openness, and trust in our relationships that collaboration requires.
People As Individuals	At NMC, we believe each individual has unique needs and strive to act accordingly.
Efficiency	At NMC, we believe it is our responsibility to search for improvements to optimize our use of resources.
Community Based Services	At NMC, we believe that the health care system should be a reflection of the needs of the community it serves.

board of directors

Nicholas Hadden
President

John Casavant
Vice President

Harold "Butch" Hebert
Treasurer

Judy Ashley-McLaughlin
Secretary

Melisande "Sandy" Mayotte
Past President

Michael Corrigan, MD

John Edwards

Nancy Hickey, MD

Gregory Mruk

Albert Perry

Peter Rath

Frank Zsoldos, MD

leadership team

Peter Hofstetter
Chief Executive Officer

Ted Sirotta
Chief Financial Officer

Sandra Robinson, RN
Chief Nursing Officer &
Director of Clinical Services

Jonathan Billings
Director of Planning and
Community Services

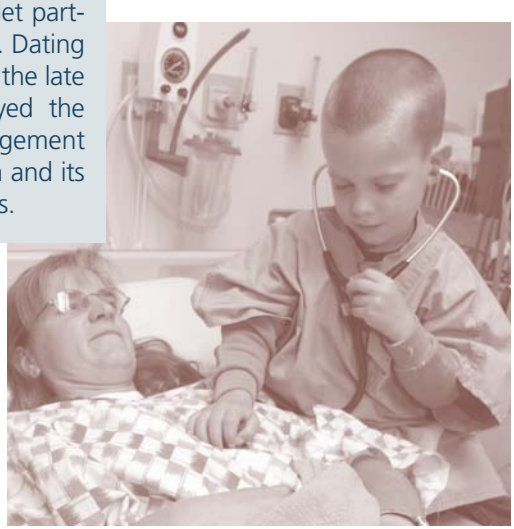
John Johnston
Chief Technology Officer

Jane Catton, RN
Director of Process Improvement

Mary Lou Beaulieu
Director of Human Resources

quorum health resources

QHR is one of the quiet partners in NMC's success. Dating back to the merger in the late 70's, NMC has enjoyed the benefits of a management contract with Quorum and its corporate predecessors.



Our Report to Our Community

For a number of years, NMC has used the phrase "cautiously optimistic" in our report to our community. Despite NMC's years of success, we have repeatedly warned that, eventually, our growth would flatten – and thriving as a vibrant hospital in a rural community would become much more challenging. That time has come.

Fiscal 2006 has been our most challenging year, financially, in the past fifteen. Our staff worked hard to find efficiencies without compromising care. Despite their efforts, due to significant bad-debt levels, lower than anticipated volume, and other factors, NMC closed Fiscal 2006 with our first loss from operations in years.

The challenges we face have not lessened in Fiscal 2007. Medicare and Medicaid under-funding continues to inflate costs for privately insured patients. Vacancies on our Medical Staff in Orthopedics and General Surgery may cause some patients to travel elsewhere for care we can provide here. Regulators continue to create new administrative work for our clinical departments, creating a tug between caring for patients and collecting data. The costs of providing care – salaries in the market place, pharmaceuticals, utilities, malpractice insurance, etc. – all continue to rise, increasing the pressure on hospital costs.

And yet, it has also been a great year in many ways. NMC continues to provide outstanding care; our overall patient satisfaction ratings continue to be very strong; and we continue to maintain our ranking as having the second lowest "costs per adjusted admission" among Vermont's hospitals.

Our staff is focused on the future: actively seeking out better ways of caring for our community and doing what we do. We are finding efficiencies, exploring new services, and working to improve clinical outcomes and community health. This report details many of those efforts – highlighting recent efforts focused on ensuring a brighter future. And what better symbols for that focus on our future than images of local children? They are, after all, our future – and we strive to bring the same joy and energy to our improvement efforts that they bring to everyday life.

Respectfully submitted,

Peter Hofstetter
Chief Executive Officer

Nick Hadden
President, NMC Board of Directors

Process Improvement: The Future Is Now

CT-SCAN WAIT TIME ELIMINATED, ACCESS DOUBLED

What do you do if the CT-Scanner is booked solid and wait times are reaching 7-10 days? Spend a million dollars on a second CT-Scan? Send patients out of the area? Not at NMC! Thanks to the creativity of our Diagnostic Imaging Staff's process improvement work, they were able to essentially eliminate the wait time for CT-Scans and double our capacity — without buying another machine! How? They found that nearly half the time a patient was in the CT room, they were doing things other than being scanned. By converting an adjacent room into a patient-prep room, patient time in the actual CT room was reduced dramatically, freeing up the scanner for more exams. At the same time, the staff expanded their service hours. Combined, the number of slots for a scheduled CT increased from 8 to 17 (a 112% increase) and we have greater flexibility for unscheduled emergent CT service — all without a major capital equipment expense!

PRIVATE ROOMS IMPROVE COMFORT FOR INPATIENTS

Hospitals typically assign roommates to efficiently care for a greater number of patients, although rarely do you find a patient hoping to share a room with a stranger. Over the past six months, NMC has emphasized providing private rooms to our inpatients whenever possible. With 12 birthing and traditional rooms on the Family Birth Center, we are nearly always able to provide private rooms for new moms and pediatric patients. We have 4 dedicated private rooms in the ICU and are nearly always able to provide privacy in that Unit's other 3 rooms. It is more challenging on the Medical/Surgical Unit, with 32 beds shared among 17 rooms. Our emphasis is to provide private rooms for inpatients on Med/Surg whenever possible, compromising that standard only when faced with having to turn away a patient in need of care because of a lack of an open room. Our staff is working on our processes to make this more dependable, including looking at where else within NMC we

Efforts in Progress

Institute of Health Improvement Projects:

- Surgical Site Infection Prevention
- Transforming Care at the Bedside
- Operational Movement in the Emergency Department

System Focus: "The Big 5"

- Private Room Availability
- Registration Streamlining
- "Just In Time" Inventory
- Charging Systems
- Data Collection & Analysis

Department Projects:

- **Chronic Disease:** Length of Stay; No Show Rates; Delays/Wait Times;
- **Community Wellness:** CHIP Appointment Fill Rates;
- **Community Services:** Newsletter enhancement & cost reduction;
- **Diagnostic Imaging:** Increased Patient Access to CAT Scan;
- **Education:** Paper Free Methods;
- **Emergency:** Charging processes;
- **Environmental Services:** Green Seal Certified Chemicals;
- **Facilities:** Work Order System;
- **Family Birth Center:** Pediatric Charges, Online Web Nursery;
- **Human Resources:** Employee Intranet Site Enhancement;
- **ICU:** Patient follow-up calls and charging processes;
- **Lab:** Point-of-Care Testing;
- **Med/Surg:** Patient Education, Charging processes;
- **NOH:** Urgent Care exploration;
- **Pharmacy:** Charging processes;
- **Rehab:** Charging processes;
- **Surgical Services:** Infection Prevention;
- **Volunteer Services:** Wheelchairs.

could provide certain outpatient services (such as blood transfusion) which currently occupy an inpatient bed, and how to accommodate patients in NMC for observation.

CARDIAC REHABILITATION INCREASES PARTICIPATION 200%

Historically, NMC has typically seen 90 visits to our Cardiac Rehabilitation program per month. Given the status of cardiovascular disease as our community's number one cause of death, and the number of heart attack cases cared for in the collaboration between NMC and Fletcher Allen, we knew this service was under-utilized and not providing the maximum community benefit. After six months of process improvement focused on eliminating barriers to referrals and participation, we are now seeing more than 180 visits per month to this vital service — a 200% increase — without adding expenses. Not only does this mean more patients are having stronger recoveries, it means fewer of them are driving to Burlington three times a week to do it!

"GOING GREEN" REDUCES TOXIC CHEMICALS

NMC has converted to new "green seal certified" cleaners for use in general cleaning. These are safer for the environment, safer for staff to use, and safer for our patients and visitors. NMC's Environmental Services staff were able to replace 8 of the "non-green" chemicals used in the hospital — keeping one out of necessity for specific types of cleaning required within a hospital facility. As an added bonus, this safety improvement also saves the hospital money due to the need for fewer products and supplies to use them — amounting to $2,400 to $3,600 a year in chemical costs alone! Priscilla Maxim, a 17-year NMC Housekeeper, says, "I think it's better for the patients and it's better for me. It works for everyone." Since taking this step, NMC has been contacted by other organizations interested in following our lead in safety, efficiency, and cleanliness.

SAVING INVENTORY DOLLARS: "JUST IN TIME"

Sometimes, inventory is a forgotten cost in an organization. Money is tied up in products sitting on shelves, so other money is needed to pay bills. It works the same at a hospital — so NMC's Materials Management staff has been hard at work to implement "Just In Time" inventory. They have worked with departments and vendors to improve a variety of processes — and had measurable success without compromising the availability of necessary items. $130,000 was able to be removed from the supplies of Surgical Services and $30,000 within Materials Management itself. The staff is now working with the Lab and headed to the ICU and Med/Surg next in their pursuit of streamlined efficiency and enhanced cash flow to reduce the cost of providing care.

Core Measures

Using Evidence-Based Strategies to Improve Future Care

In addition to the process improvement efforts active throughout NMC (highlighted on pages 2 & 3 of this report), our physicians and Clinical Services staff are doing a tremendous amount of work to improve how we provide and document patient care to maximize our performance on the "Appropriate Care Measures" also known as "Core Measures."

WHAT ARE CORE MEASURES?

Core Measures track a variety of evidence-based, scientifically-researched standards of care which have been shown to result in improved clinical outcomes for patients. CMS (the Center for Medicare & Medicaid Services) established the Core Measures in 2000 and began publicly reporting data relating to the Core Measures in 2003. Currently, there are 26 Core Measures spread over four areas: Heart Failure, AMI (Heart Attack), Pneumonia, and Surgical Infection Prevention.

HOW DO CORE MEASURES HELP?

"The strength of the Core Measures is that they are really grounded in science," says Jane Catton, RN, NMC's Director of Process Improvement. "They are not just thrown out there with the directive to 'do it because we want you to', but rather they have been carefully researched and have scientifically shown they will improve outcomes." As such, the Core Measures have proven very helpful in NMC's work to improve patient care. They have provided a focus for the development of Clinical Pathways and Standard Orders, both of which assist in the consistent provision of optimal care to our patients.

IS THIS A REPORT CARD ON QUALITY?

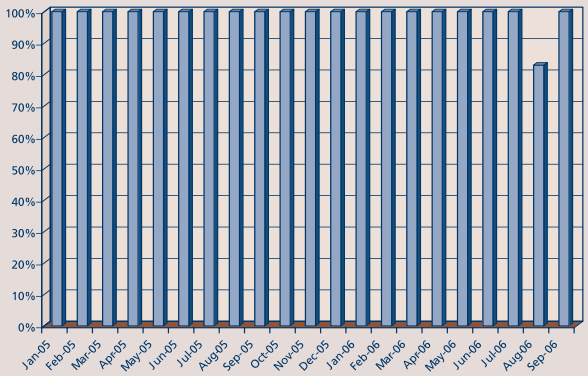
Unfortunately, the scores on the Core Measures can create misleading impressions when used not as an improvement tool, but as a hospital rating tool, particularly for small hospitals such as NMC. Say NMC got an 83% on a Heart Failure indicator. Does that mean that 17% of patients got substandard care or that patients at a hospital which scored 90% got better care? Not necessarily. A small hospital like NMC may well have only 6 patients in a quarter who qualify for that indicator. Say for one of those six, the physician noted the discharge instructions in the "Doctors' Orders" section of the chart rather than in the "Discharge Summary" section. In the mandated abstraction process, that counts as a "miss" because it wasn't documented in the right section. So, only 5 of our 6 patients are counted as appropriate and NMC gets a score of 83% (see graph on page 5). As an improvement tool, that allows us to relocate documentation. As a hospital rating, the temptation is to say, "Oh, 83% - that's a B" and favor the hospital which got the 90% without understanding what is really behind the measure. The other hospital might have 50 patients who qualify for the indicator and have provided non-standard care (or not documented care correctly) on 5 of those. That earns a 90% rating. Which is better? You can't tell without investigation — because the data is designed to assist improvement, not to appear as a grade on a report card.

WHAT IS THE CORE MEASURE PROCESS?

Let's look at a Core Measure in Surgical Care, the prevention of Deep Vein Thrombosis (DVT—blood clots that can occur following surgery.):

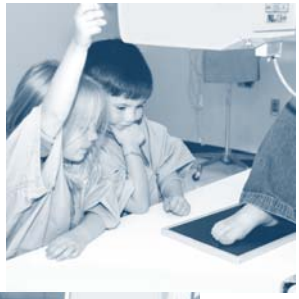
The evidence-based scientifically-researched standard of care says that patients undergoing certain surgical procedures must be treated either with medication (such as Coumadin) or mechanical prevention measures (such as compression stockings) to reduce the risk of DVT

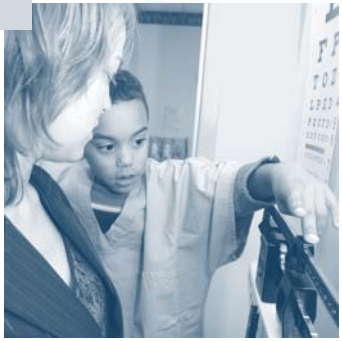
Heart Failure Core Measure:
MEDICATIONS INSTRUCTIONS AT DISCHARGE



To the left is a graph of NMC's performance on the Core Measure of "Medications Instructions at Discharge" for Heart Failure patients.

This data is presented to the NMC Board of Directors as part of their monthly Quality Indicator Report.





(blood clots). What is measured is the percentage of a hospital's patients in a time frame (typically a calendar quarter) who had the specified surgery and whose chart shows the appropriate DVT prevention strategies were used. The goal, clearly, is to provide that "best practice" care for all of the patients, document it thoroughly, and achieve a 100% score on the measure.

Then, after the patient is discharged, a nurse on the hospital staff goes back through the patient chart to determine if the patient was an eligible Core Measure patient, if the appropriate care was delivered, and if the documentation was in accordance with the mandated abstraction process.

The results of this review are then submitted on a quarterly basis to CMS, who publicly reports the data to aid in hospital improvement efforts and transparency with the public. Currently, the State of Vermont re-reports that data as part of the mandated Act 53 Hospital Report Cards.

WHAT DOES THE FUTURE HOLD?

The Report Cards are not the only use of the data which is not directly tied to improvement purposes. We anticipate that in future years, CMS itself will link hospital reimbursement (most likely a factor known as "the market basket adjustment) to each organization's performance on the Core Measures — a strategy known as "pay for performance."

DOES ALL THIS HAVE A COST TO IT?

With the current system, the tracking and reporting of Core Measure performance is a huge amount of work which occupies multiple clinical staff members. "This is another unfunded mandate," says Catton. "It is well intentioned, but there is no funding for the mandate, so the cost of tracking and reporting the data is ultimately passed on to our community. As the number of Core Measures expand (and they are expected to expand dramatically), the workload and cost will increase."

Community Health & Benefits

Improving our Future — by Improving our Community's Future

NMC is committed to our vision of being "at the center of our community's efforts to be healthy." Working for our collective future is part of our role as a health care provider, a major employer, and a tax-exempt organization. Here are some of the ways NMC is working towards our vision and delivering on our promise to the community:

CARING FOR THE UNINSURED & UNDERINSURED

NMC provides approximately $2.5 million in Free Care and Bad Debt Care each year. Free Care is provided to patients who do not have the means to pay for their care. NMC's guideline is 250% of poverty for eligibility, so a family of four earning $50,000 or less per year is eligible for Free Care at NMC. "Bad Debt" is care we provide to a patient who has the resources to pay, but chooses not to. The majority of our community strongly believes in paying for their care and NMC offers as much flexibility as possible to help them. A number of individuals and families have set up payment plans with NMC to reduce the impact of their hospital bills on their household.

IMPROVING COMMUNITY HEALTH

As a partner in "The Center For Health & Wellness," NMC helps people improve their personal health. The Cardiovascular Health Improvement Program (CHIP) now has more than 2,500 people enrolled who meet with a CHIP professional on a regular basis, monitor their health indicators, and have a personal plan for improved health. More than 90% of enrollees have made one or more positive behavior changes and we can see their indicators improve as a result! CHIP and the other wellness programs draw in more than $300,000 in grants each year. However, since insurance companies typically do not pay for wellness services despite their effectiveness, NMC subsidizes the rest of the expense of the wellness programming for the good of our community's health.

Community Priorities

The following priorities were identified by our community through the 2004 Act 53 Assessment process:

- Helping individuals improve their personal health, emphasizing smoking cessation, increased exercise, and improved nutrition;
- Improving prenatal care;
- Improving mental health care and co-occurring disorder care.
- Reducing the abuse of alcohol and substances;
- Improving the self-management of Chronic Disease;
- Reducing the cost of insurance;
- Reducing the impact of geographic isolation;
- Improving access to dental care;
- Reducing abuse and neglect;
- Recruiting physicians, nurses, and other clinicians to expand services and replace retiring professionals.

As these priorities were being established, the importance of three other initiatives became evident:

- The need to address multi-generational poverty & other multi-generational issues;
- The opportunity to build upon strong services currently being provided, promising initiatives already in motion, and the natural collaborative spirit which has blossomed in our community;
- The need to engage a broader segment of our population in proactive community planning and health improvement efforts.

For the full assessment, visit the Act 53 link on the NMC website.

NMC also works closely with individuals suffering from Chronic Disease to help them better manage their conditions. This results in improved health, enhanced quality of life, and reduced strain on the health care system. Our work has demonstrated that strong-self management of conditions like Diabetes and Congestive Heart Failure results in fewer hospitalizations and reduced health care costs for the client. More of these services are being covered at least partially by insurances, but NMC continues to subsidize these services because it is the right thing to do for our community.

STRENGTHENING VITAL PARTNERS

There are many challenges facing our community (see list on page 6) and NMC cannot tackle them all. Rather, NMC focuses on health care while strengthening partners who have the expertise to address other issues.

NMC enthusiastically supports the Franklin Grand Isle United Way. Our staff typically donates $10,000 to $15,000 and NMC makes a yearly corporate donation of another $10,000 to $15,000. Our local United Way is able to multiply the benefit of those dollars through the services of their member agencies, the emerging needs fund, and their creative problem solving efforts. NMC also subsidizes key initiatives in our community that indirectly improve the provision of health care — such as subsidizing the Public Inebriate program of Champlain Drug & Alcohol to ensure clients are seen in the proper setting, rather than within the Emergency Department.

Numerous community organizations have also benefited from technology which NMC has outgrown. "Just because a computer can't handle our newest system doesn't mean it can't do absolutely everything someone else needs it to do," says Dan McCoy of NMC Information Technology. Dan takes a leading role in refurbishing computers NMC can no longer use and working with United Way to get them to organizations who can benefit from their abilities.

DEVELOPING TOMORROW'S PROFESSIONALS

NMC used to suffer passively through shortages of nurses and other clinical professionals. Then, we decided to be proactive and "grow our own." Through the NMC Work Experience Scholarship Program, NMC now sponsors 19 local students in targeted health care college programs. NMC provides the students with a sizeable scholarship, full-time summer employment, and even part-time work opportunities on school vacations. Each year, the program graduates 4-6 new professionals who help fill openings in the NMC family.

GETTING INVOLVED

The impact of NMC as a major employer is also felt throughout the region as our staff members "change hats" and volunteer in our community. NMC'ers serve as Board Members for local non-profits, for schools, and for civic organizations. NMC'ers hold public office, mentor youth, and coach athletic teams. NMC'ers volunteer for their churches, cook for the soup kitchens, participate in fund-raising events, and willingly pitch-in on projects like the United Way's Day of Caring. NMC is very proud of the volunteer efforts of our staff — and we thank each of them for caring about our community as much as we do.

Medicaid cost shift hurts Vermont

By M. Beatrice Grause

Our state lawmakers actively advocated for and approved $16 million in new cigarette and employer taxes to support the new health care reform law, commonly known now as Catamount Health. They argued that these new revenues were essential for expanding coverage for currently uninsured Vermonters and for initiating system-wide improvements – and they are.

Unfortunately, what got left out of the limelight was fixing the Medicaid cost shift.

The Legislature and the administration approved nominal increases to physician and hospital Medicaid reimbursement rates, but these increases did little to shrink the growing gap between what it costs to care for Medicaid beneficiaries and what the state pays. This gap continues to widen every year.

At the hospital budget hearings in August, the Banking Insurance Securities and Health Care Administration (BISHCA) reported that the hidden Vermont tax known as the Medicaid cost shift is projected to reach $90 million in fiscal year (FY) 2007. If on target, this means that the Medicaid cost shift will have increased by more than $32 million in just two years – a whopping 56 percent increase from actual FY 2005.

This $90 million gap will be largely filled by increases in health insurance premiums paid by workers and their employers. As we all know, this growing hidden tax on our health premiums stifles both pay increases and business growth. If left unresolved, it will prevent continued health system improvements and will absolutely threaten the long-term viability of Catamount health and other reform efforts passed last year.

The Medicaid cost shift was the largest single component of hospital rate increases this year.

Put another way, when Vermont businesses and individuals receive notice of their annual health insurance rate increases for next year, a big part of the increase will be caused by the need to make up Medicaid underpayments, not by the actual cost of care.

Compared to national and regional data, Vermont hospital costs are relatively low, but the Medicaid cost shift is the major reason for our hospitals' relatively high charges, or prices.

Both the executive and legislative branches of Vermont government have worked hard over the past two years to improve our health care system. They joined forces this year to enact a health care reform bill with the goals of increasing access to health insurance through premium subsidies for the uninsured and refocusing the care delivery system to pay more attention to the ongoing treatment and management of chronic diseases, such as diabetes and high blood pressure. An overarching goal of the legislation is to make health insurance more affordable.

This work will have been in vain unless the State of Vermont begins to pay for what it promises in the Medicaid program. Even with government subsidies, health insurance premiums will be unaffordable for many Vermonters because of the Medicaid cost shift. And hospitals will be in no position to deliver government-sponsored programs for the management of chronic disease when existing government programs consistently pay less than the cost of delivering health care.

Vermont elected officials in the past have recognized the Medicaid cost shift as a public policy problem and promised to fix it. According to the state's FY 02 Appropriations Act, "The state of Vermont shall adopt a fiscal strategy and appropriations to eliminate, within a period of time no longer than four years, cost shifting and under-reimbursement in the Medicaid program."

It's time to start keeping this promise.

Bea Grause is president of the Vermont Association of Hospitals and Health Systems.

Cost Shift Doubles NMC's Rate Increase

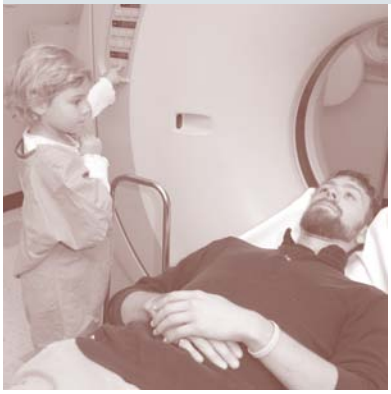
In order to get a real 3.6% increase to cover rising costs of providing health care, NMC had to raise rates 7% because of the cost shift caused by the under-funding of Medicare & Medicaid (as discussed on page 8).

"It's terrible to have to raise rates 7% because some programs won't pay the cost of the care they consume," said Peter Hofstetter, NMC's CEO. "While our 7% rate increase was just below the 7.1% average rate increase requested in the State, it's by far our highest in years."

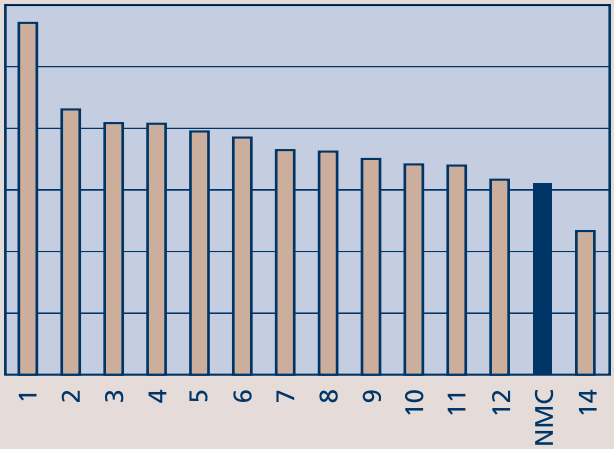
Indeed, over the past seven years, NMC has averaged a 1.37% annual rate increase – thanks to careful attention to costs and growth in services. In fact, NMC continues to maintain its ranking as having the second lowest "cost per adjusted admission" (a measure of hospital activity that combines both inpatient and outpatient care) among all Vermont hospitals.

However, this year, with growth flattening out, the hospital couldn't absorb the rising costs of salaries in the marketplace, utilities, pharmaceuticals, increases in malpractice insurances, etc. That made the impact of the cost shift even more evident.

"We fully understand the impact of health care costs on our community – we feel them too as an employer." said Peter. "We are working with our local Senators and Representatives, the Governor, and the Vermont Association of Hospitals & Health Systems to put an end to the cost shift and achieve meaningful reform in the funding of healthcare."



Costs per Adjusted Admission:
NMC RANKS SECOND LOWEST AMONG VERMONT'S 14 HOSPITALS



Source: Division of Health Care Administration

Budget

	Actual 2005	Actual 2006	Budget 2007
unrestricted revenue & other support			
Patient Services Revenue	$71,033,847	$74,191,287	$80,284,038
Less Subsidies To Medicare and Medicaid	18,760,517	22,458,237	26,308,684
Less Other Contractuals	4,397,546	3,817,188	5,876,750
Less Free Care	733,284	855,552	797,500
Net Patient Revenue	47,142,500	47,060,310	47,301,104
Other Operating Revenue	579,014	541,468	538,160
Total Revenue and Other Support	47,721,514	47,601,778	47,839,264
expenses			
Salary and Wages	20,070,475	20,722,837	21,713,334
Employee Benefits	5,258,244	5,502,712	4,995,380
Supplies	6,201,881	6,290,583	6,248,131
Contracted Services	5,191,687	5,669,388	5,864,755
Travelers Expense	122,845	428,002	168,000
Other Operating	2,721,445	3,116,882	2,566,890
Provision for Bad Debt	3,102,010	3,613,797	1,634,590
Medicaid Tax	651,424	404,161	415,212
Depreciation and Amortization	2,957,411	3,020,396	3,325,410
Interest	664,762	454,843	325,690
Total Expenses	46,942,184	49,223,601	47,257,392
Income from Operations	779,330	(1,621,823)	581,872
non-operating income/ (expenses)			
Net Investment Income	444,227	1,124,574	1,180,000
Other	140,129	127,213	———
Total Non-Operating Income	584,356	1,251,787	1,180,000
Excess of Revenue and Other Support Over Expenses	$1,363,686	$(370,036)	$1,761,872

Statistics

	Actual 2005	Actual 2006	Budget 2007
clinical statistics			
Admissions	2,081	1,944	1,925
Total Patient Days	7,826	7,575	7,937
Average Length of Stay	3.76	3.90	4.12
Emergency Department Visits	24,804	25,183	27,425
Births	505	451	428
Surgeries	3,243	2,963	2,971
Diagnostic Imaging Exams (A)	33,863	35,862	37,914
Laboratory Tests	257,960	266,381	273,800
Respiratory Treatments	31,382	33,817	36,801

(A) These include X-ray, Ultrasound, Nuclear Medicine, MRI, Cat Scan, Bone Density

financial statistics			
Medicare/Medicaid % of Patient Revenue	55%	56%	55%
Days In Accounts Payable	38.5	48.88	29.5
Days In Accounts Receivable, Net	32.4	37.8	34.2
Long-Term Debt to Capital	1.17	1.29	1.76
Age of Plant (Years)	7.6	7.9	8.8
workforce statistics			
Number of Employees	554	546	540
Number of Full-time Equivalents	416	408	425
Number of Scholarship Students	20	19	20
Turnover Rate	9.6%	7.5%	–
community statistics			
Number of Active Volunteers	101	106	–
Number of Volunteer Hours	17,483	18,388	–
Number of Wellness Programs	449	450	420
Number of CHIP Enrollees (Cardiovascular Health Improvement Program)	2,400	3,100	3,565

Gifts from Our Community

GENERAL CONTRIBUTIONS

Bonnie Evans
Franklin County Quilters Guild

In Memory of Lawrence Leonard Lapan, Sr.
Champlain Chevrolet, Inc.

In Memory of Hayley Rae Neilsen
Joyce L. Nielsen

In Memory of Paul Silva
Highgate Elementary School
Cornelius Hogan
Kent & Lida Stoneman

In Honor of Dr. Darin Wright
Dr. Bob Johnston

In Memory of William Sullivan
Lynn Dickinson

JIM BASHAW CANCER AND CATASTROPHIC ILLNESS FUND AND/OR THE RUN FOR JIM

In Memory of John Anderson
Anonymous
John & Lottie Gillen
Anthony & Annawati Liem
David & Wendy Rock
Ricky & Kathy Siddon

In Memory of Joyce Cook
Annette Beard
Edward and Annette Bushway
Rosemary Miner
Anita and Kevin Parah
PBM Nutritionals
Superior Technical Ceramics

In Memory of Ray Devarney
Frances P. Casey
Maple View Acres

In Memory of Douglas Greenia
State of Vermont, Agency of Human Services, Department of Corrections, Probation and Parole

In Memory of Charles W. Scott, Jr.
Susan and Kathryn Lagrow

In Memory of David W. Shedd
Richard Brown
Kenneth Wittlief & Patricia Duchesneau
John A. Gillis
Mary C. Heininger
George & Eugenia Hubbard
IDX Human Resources
Innonnet
Jeanne W. Joslin
Aubrey Kimball
Colleen Kissane
Henry & Rose Lamothe
Mildred Laurie
Michael & Michelle Lewis
Dick & Dolly Mazza
Charlotte McNall
Ralph & Patricia McNall
Carolyn Parsons
William & Margaret Ramus
John & Mary Ellen Shaw
Robert & Kathleen Smith
Sunshine Fund, St. Albans Town Educational Center
W. James & Deborah Walford
Josephine M. Webster
Jim & Laura Woodward

In Memory of Frances Stell
Anonymous
PBM Nutritionals' Matching Grants Program

In Memory of Barbara Sweeny
Employees of the Swanton Post Office
Kathleen Keenan

Other Contributions
Janet & Donald Burt
Citigroup Foundation Matching Gifts Program and Volunteer Incentives Program
Joseph & Mary Durfee

Representatives from the Run for Jim presented a donation to the Jim Bashaw Cancer & Catastrophic Illness Fund in the amount of $14,000. This passionately driven group of community volunteers provides the largest contribution to this important fund for our community each year, and we thank them for all of their hard work and dedication!

Gifts from Our Community

Run for Jim Foundation
James J. Gibson
Janice M. Katchum
Dean Pelkey
UPS Foundation Inc.

The Run for Jim
A. M. Peiche
A.N. Deringer
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R.L. Vallee/Maplefields
Smith Barney
St. Albans Co-operative Creamery
St. Albans Electric
St. Albans Messenger
St. Albans Recreation Department
Swanton Lumber
TD Banknorth
The Tyler Place
Union Bank
UPS-SCS
Dr. Martin H. Wennar
Xtreme Graphix

DIABETES FUND

In Memory of Virginia Gerard
Edna Blaisdell

21ST ANNUAL NMC GOLF TOURNAMENT

Abbey Food Service Group
Access Medical
Bakersfield Country Club
Balsam Acres/Mark Sutton
Baxter
Champlain Collections
Champlain Country Club
Child Travel
Chittenden Bank
Chow! Bella
Classic Imprints/Rick Schreiner
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Corporate Outfitters
Cross Consulting Engineers
David Juaire
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DMC Electric
Drinkwater's Jewelers
Exterus/Xerox
Franklin County Rehab Center
Franklin-Grand Isle United Way
Fuji
GE
Gragil Associates, Inc.
Hackett, Valine & MacDonald
Handy Chevrolet Toyota
Haven Healthcare

Donations to NMC come in many forms, including talent and thoughtfulness. Donna DeGrechie's husband died in NMC's Intensive Care Unit in March. As she looked out of the windows of his room, she had the idea of having school children paint a mural to brighten the view. This summer, her dream became a reality as students involved in the Open Doors program designed and painted a mural on the exterior brick wall outside of the ICU windows. Our thanks to Donna and the children for this special gift!

Gifts from Our Community

Heald Funeral Home
Insights
J.C. Image
Jeff's Maine Seafood
John LeClair Foundation
Keanne, Inc.
Kevin Smith's Sports Connection
Kittell, Branagan & Sargent
LaRhette Manin Beneftis
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Met Life
Mike Swim
Mimmo's Restaurant
Mousetrap Pediatrics
MVP Health CAre
Newton Manufacturing/
Ed & Nancy Christopher
Northern Valley Eye Care
Northwestern Counseling & Support Services
Northwest Orthopaedics
Office Environments
Office Quarters
Paquin's Motors
Paul Poquette Realty Group
Peoples Trust Company
Phillips
Pinnacle Health Group, LLC
Primmer Piper Eggleston & Cramer, PC
Quorum Health Resources
Rail City Salon
RPM Logos/Rene Meilleur
Smith Barney
Smugglers Notch
St. Albans Messenger
Swanton House of Pizza
Swearingen Software
TD Banknorth
Toshiba
TPMS
Tyler Place
Ultramar
Vermont Gas Systems
Workplace Solutions
Yandow/Dousevicz Construction

This past winter, NMC was pleased to receive a gift of $7,500 from the four Radiologists who practice in our Diagnostic Imaging Department. According to Walter Wagenknect, MD, "This contribution is our way of saying thank you to NMC for its strong support of Diagnostic Imaging. We did this fully cognizant of the large amount of time, effort, and funding already put into the new DI department by NMC and of the continuing need for capital expenditures in years to come."

PALLIATIVE CARE FUND

In Memory of Lillian Denault
James L. Levy, P.C.
Lockheed Martin Systems Integration – Owego
Lloyd & Madeline Richard

In Memory of Doris Derry
Janice Benson
Clarence & Dorothy Bocash
Sally Boudreau
Lyndon & Joyce Corey
David & Donna Ducham
Eveready Battery Company
Free Spirit Motorcycle Club
Edith Graves
Larry & Alice Machia
Virginia Minor
Rodolphe and Elizabeth Vallee

In Memory of Theresa Gingras
Mr. & Mrs. Jacques Beaulieu
Joanne Civetti
Mr. & Mrs. Dan Luneau & Mr. Dan Handy
Richard & Claire Roberge
Donald & Joanne Thompson

TREE OF LIFE

In Memory of Shirley E. Abare
Anonymous

In Honor of Dolly MacNeil
NMC Auxilliary

In Thanks to NMC
Northwest Radiology Associates

MARTIN H. WENNAR, MD, HEALTH EDUCATION FUND AND/OR THE HEALTH PROFESSIONS SCHOLARSHIP DINNER

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Dr. Mary Anne Yeatts-Peterson & Mr. Keith Peterson
Dr. & Mrs. Robert Zelazo
Dr. & Mrs. Frank Zsoldos
Mr. & Mrs. Karl Zurn

The gift of time also has an important role at NMC. This year, our Volunteer Services program and its Manager, Dolly MacNeil, celebrated 25 years of service to NMC. Pictured left to right: Peter Hofstetter, CEO; Dot Dussault, Auxiliary President; Dolly MacNeil, Volunteer Services Manager; Frank MacNeil, Dolly's husband and an NMC Volunteer; and Mary Lou Beaulieu, Director of Human Resources. We thank our volunteers for all of their contributions to NMC!

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anesthesiology
Roland Adamsons, MD
Janice Gellis, MD
Thomas Harrison, MD
Stephen Mason, MD
Edward Pomicter, MD
William Roberts, MD, PhD

ear, nose & throat
Darin Wright, MD

emergency medicine
Louis Dandurand, MD
James Duncan, MD
John Dunn, MD
Andrew Felsted, DO
Uwe Goehlert, MD
Edward Haak, DO
Kurt Keogh, MD
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Welcome
to our newest physicians

David Mooney, MD
Psychiatry

Quentin Rose, MD
Radiology

Incorporators

Jennifer Reighley Archambault
Judy Ashley-McLaughlin
Stanley Beauregard
Jeanne Begnoche
Robert Bessette
Fran Bouchard
Charles Boudreau
Joseph Bouffard
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Penny Wright
Frank Zsoldos, MD
J. Brooks Zurn
Jane Zurn

NMC is fortunate to have approximately 150 local residents from throughout Franklin and Grand Isle Counties who have volunteered to serve as our Incorporators, meeting twice a year to elect members of the NMC Board of Directors and approve changes to the hospital bylaws.

"You have a great staff, be very proud of them — I am."

- patient comment

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