

CommunityConnections



"Patient care comes first at Cleveland Clinic. But care doesn't stop at our doors. Cleveland Clinic hospitals are active members of their communities. They offer outreach programs and special initiatives that complement our medical services."

 Delos M. Cosgrove, M.D.
 Chief Executive Officer and President Cleveland Clinic









Dear Friends,

Cleveland Clinic is proud to serve Northeast Ohio. More than 90 percent of our patients come from Cuyahoga County and its surrounding counties.

Patient care comes first at Cleveland Clinic. But care doesn't stop at our doors. Cleveland Clinic hospitals and family health centers are active members of their communities. They offer outreach programs and special initiatives that complement our medical services. Our programs include community partnerships, educational outreach programs, and efforts to assist those with special health needs. Our goals are to strengthen community life, enhance our neighborhoods, and make our region a better and healthier place to live.

The 2005 edition of *Community Connections* provides an overview of Cleveland Clinic's community outreach over the year past. In these pages, you will meet our neighbors who have been helped by Cleveland Clinic community programs. You will see the Cleveland Clinic doctors, nurses and employees whose passion for helping goes far beyond their jobs.

This *Community Connections* also includes our second annual report on our community benefits. I am proud to report that in 2005, we contributed \$350 million in community benefit. This substantial commitment reflects our long-standing mission to meet the continuing healthcare needs of our communities.

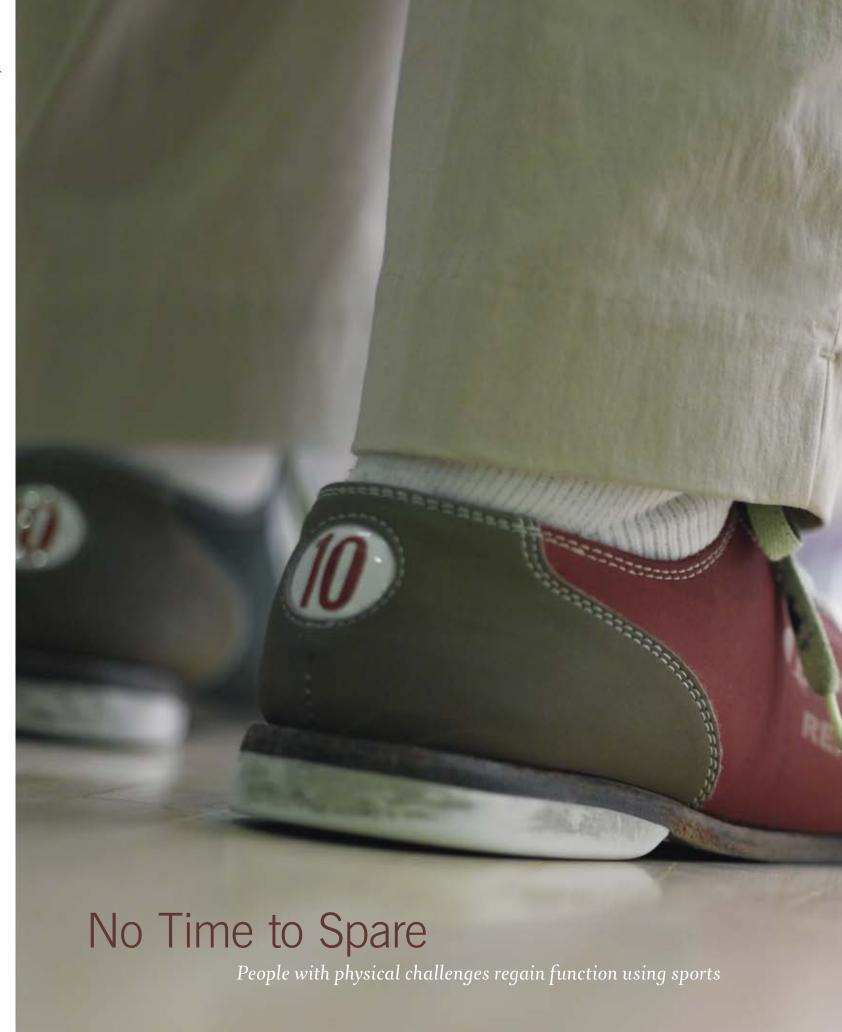
Thomas Edison said, "There's a way to do it better – find it." Our hospitals are never satisfied. We are finding new ways to serve the community every day. We are especially committed to enhancing educational opportunities. Education is not only the key to individual success in the knowledge economy, but it also will open the door to greater prosperity for the region as a whole.

We hope you will enjoy our 2005 *Community Connections*. We look forward to even greater community outreach in 2006.

Sincerely,

Delos M. Cosgrove, M.D. Chief Executive Officer and President

Cleveland Clinic









More than three years later, Ms. Nichols continues to recover, working to regain strength and flexibility in the left side of her body. "My arm came back pretty good, but my leg is still not moving," says Ms. Nichols, 70, who uses a cane. "I have no flexibility in the lower part of my leg and foot."

These days, Ms. Nichols continues to head to the bowling alley, and the trip continues to change her life. But today, that change is for the better. Ms. Nichols is working to improve her flexibility and coordination by participating in Euclid Hospital's "Strike Zone" program.

The unique program, offered to the community since 2005, lets people with physical challenges incorporate bowling into their rehabilitation. The program is overseen by recreational therapists at Euclid Hospital, including Noelle Jennrich, CTRS.

"Our program is available to anybody whose life has been affected by a medical condition or disability," Ms. Jennrich says. "Our goal is to help people adapt the game of bowling to their current needs."

To help Strike Zone participants, Ms. Jennrich says, therapists use devices such as a bowling ball pusher – a shuffle-board-like stick used to propel the ball down the lane. They also use a bowling ball with a retractable handle to assist people with weak or arthritic hands, and a gait belt to help those with balance issues. The belt fits around a bowler's waist and is held from the back by a therapist or "bowling buddy" to prevent falls.

Like Barbara Nichols, many Strike Zone participants are recovering from strokes. That common bond is just one more reason why she looks forward to the group bowling sessions, held from January to May.

"It helps you to gain a little more confidence in getting up on the lanes again to bowl, and your strength builds up again," Ms. Nichols says. "Plus everybody's nice there, and you get to meet other people in the same boat you are. We encourage each other. You have to encourage one another."

In the spring, Euclid Hospital swaps bowling balls for golf clubs and offers a rehabilitation-focused golf program called "Even Par."

For more information on either program, please contact the Euclid Hospital Recreational Therapy Department at 216.692.7468.









Who doesn't like a party? When the Fairview/Lutheran Foundation teamed up with more than 20 community organizations to host the first-ever WestFest in October 2005, nearly 4,000 people filled Cleveland's Michael J. Zone Recreation Center to take part in the celebration.

"Our goal was to celebrate the West Side of Cleveland," says Peter Schindler, Community Liaison for the Fairview/Lutheran Foundation, a nonprofit group committed to advancing the health and well-being of area residents. "We wanted to focus on the numerous cultural influences that come together to enrich everyone's lives."

The day long event featured ethnic music, dancing and food, but WestFest also supported the foundation's mission of improving lives. As part of WestFest, Cleveland Clinic's Fairview, Lutheran and Lakewood hospitals worked with the foundation to create a "health village," where free medical information and screenings were provided.

"I had more than 200 Cleveland Clinic employees assisting at the event," says Meg Duffy, R.N., one of WestFest's lead organizers and Director of Nurse Recruitment and Retention for the three community hospitals. "I actually had to shut down the sign-ups for volunteers. The response was overwhelming, but not surprising."

Serving the community is a cornerstone of Cleveland Clinic's mission of providing world-class care to every patient. To promote community involvement – such as assisting with WestFest – Fairview, Lakewood and Lutheran hospitals have pioneered a program called "Hands and Hearts in the Community."

"All our employees are encouraged to volunteer as a way to give back to the communities that support our organizations," says Fred DeGrandis, President and CEO of the three hospitals. "Our Hands and Hearts program is meant to remind us just how much good we can do if we give selflessly of our time, talents and energy."

More than 500 WestFest attendees were screened for conditions ranging from heart disease and hearing loss to cholesterol and oral cancer. In all, more than 25 health-related booths were staffed continuously throughout the 13-hour event.

"It took the combined effort of all three hospitals to have that kind of outcome," Ms. Duffy says. "It was really a way to go out and do what we do best, which is caring for the people in the community."

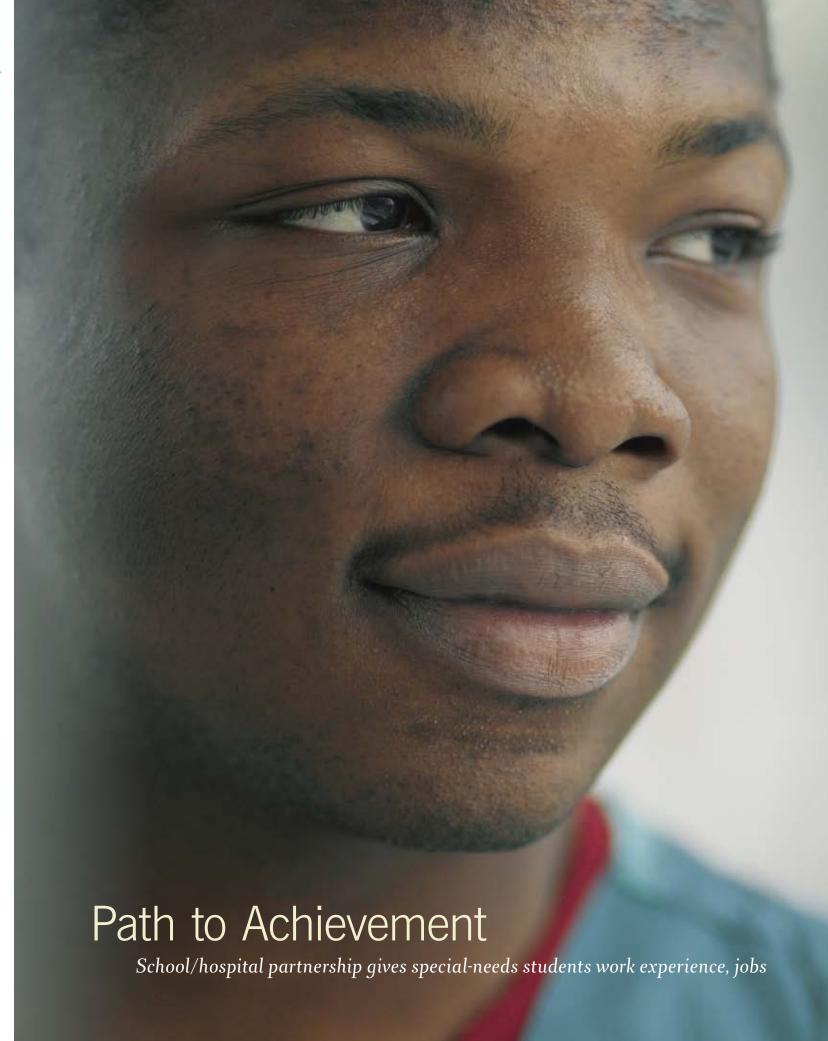
For more information, please call Community Relations at 216.476.4811.



It Takes a Village

Volunteers offered their hearts and hands to celebrate Cleveland's West Side











IF YOU SEE A BLUR SPEEDING DOWN THE HALLS OF HILLCREST HOSPITAL, CHANCES ARE IT IS ANTOINE LEWIS. THE 18-YEAR-OLD BRUSH HIGH SCHOOL SENIOR IS A MAN ON THE MOVE AT THE MAYFIELD HEIGHTS MEDICAL FACILITY.

As one of the newest hires in the hospital's Central Processing Department, Mr. Lewis is responsible for transporting medical equipment throughout the 424-bed community hospital. Although he joined the department full time in January, he has been working at the hospital since 2003.

Mr. Lewis joined Hillcrest through its affiliation with the Cuyahoga East Vocational Education Consortium, a job training and placement program for high school students with special needs. Hillcrest has been participating in the CEVEC program for 20 years. Although it initially hosted only one or two students per school year, today Hillcrest Hospital has as many as 30 CEVEC students working each weekday.

Although the students are not paid for their efforts, they gain valuable experience working in the hospital's food service, mailroom, central transportation and other areas. For some, like Mr. Lewis, the experience even leads to paid full-time employment.

Margaret Nocero, R.N., Clinical Manager of Hillcrest Hospital's Central Processing Department, says she knew soon after meeting Mr. Lewis that she wanted the likeable, energetic young man on her team.

"He did a nice job," Ms. Nocero says, "and he was quickly embraced by the staff. Everybody was very supportive when Antoine came on board.

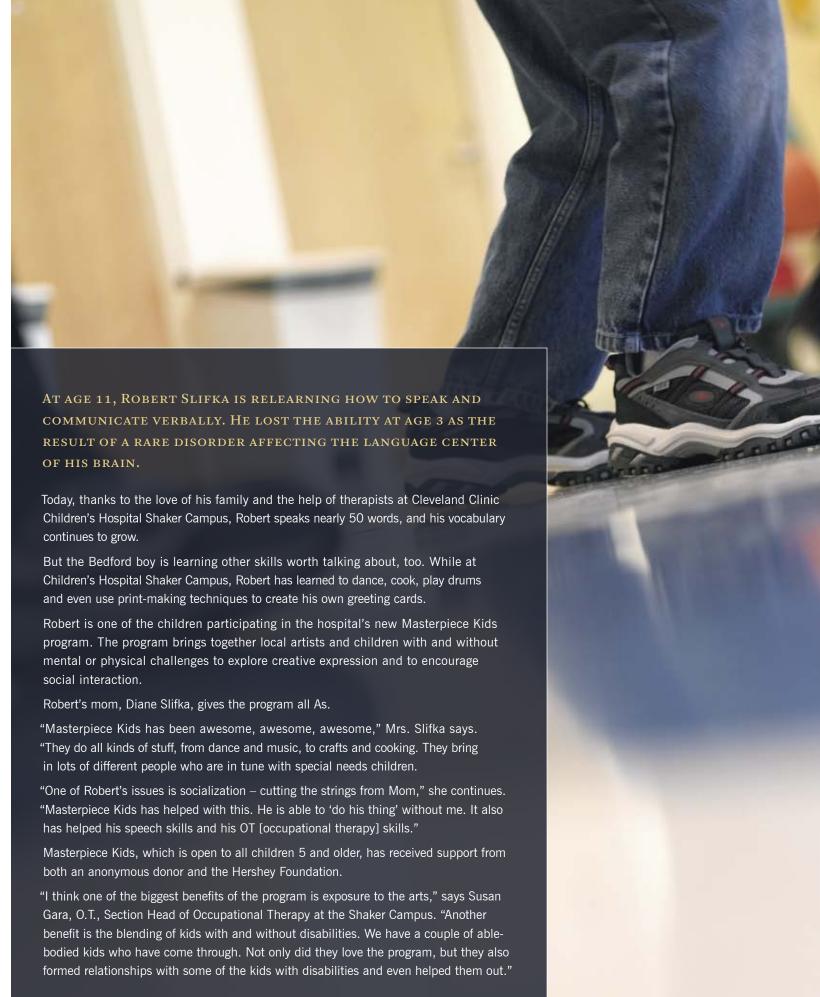
"I like that I'm able to help someone in the community through this vocational education program to find a career," she adds. "This has worked out great."

Mr. Lewis is quick to agree. With his future looking bright, the South Euclid resident is ready to graduate and dedicate himself to Hillcrest Hospital and his new job.

"It makes me feel great working with so many wonderful people who are so supportive," he says, slowing down just long enough to answer a few questions. "I knew it would be a wonderful opportunity to train at the hospital because of the different opportunities it offers."

For more information, please call the Hillcrest Hospital Community Service Department at 440.312.4784.





For more information, please contact Cleveland Clinic Children's Hospital Shaker Campus at 216.721.7150.











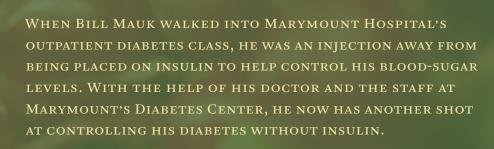
Just a Shot Away

Education makes it possible to live — and live well — with diabetes









The Macedonia resident began using a new type of medication and paying more attention to his diet. He learned how to use the drug as well as how to improve his eating habits during the Diabetes Center's four-day series of classes.

"The diet was the main thing," says Mr. Mauk, 59. "It was an eye-opener. The shocking part was the carbohydrates and what you are allowed to eat. I learned there are good carbohydrates and bad carbohydrates as far as blood sugar is concerned."

As a result of his newfound wisdom, Mr. Mauk is feeling healthier and losing weight.

Carb counting is just one of the skills people learn during the diabetes education classes, says Laurel Burns, R.N., Diabetes Center Coordinator at Marymount Hospital.

"We teach them everything they need to know to manage their diabetes so they are able to problem solve, know what their numbers mean when they check their blood sugar, know when to call their doctor, and know how to check their feet," Ms. Burns says. "We go over all the long-term complications that can accompany diabetes and how to avoid them."

Marymount began providing outpatient diabetes classes in March 2005. Just seven months later, the program was recognized by the American Diabetes Association for meeting all the standards required for high quality outpatient instruction. These requirements include having both a registered nurse and a registered dietitian teach the classes and collaborating with other caregivers to ensure the best possible outcomes for every patient.

"We make this a positive experience for people," Ms. Burns says. "We let them know that you can live well with diabetes as long as you are educated, you have the tools and you know what to do. You can live long and well with diabetes."

For more information, please call Marymount's Diabetes Center at 216.587.8246.



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Making Sense of Medicare

Program beneficiaries are tutored in the new prescription drug plan

EMPLOYEES AND VOLUNTEERS THROUGHOUT CLEVELAND CLINIC'S NETWORK OF HOSPITALS AND FAMILY HEALTH CENTERS HIT THE BOOKS IN FALL 2005 TO STUDY THEIR MEDICARE A, B, C AND DS.

When the government's Medicare Part D program was unveiled in September, Cleveland Clinic officials knew they wanted to provide community education and outreach to help people understand the prescription drug benefits plan. What they didn't realize was just how many seniors and other Medicare recipients would need help.

"It's been a massive, massive undertaking," says Alice Palmer, M.S.W., Director of Social Work at Cleveland Clinic. "This has been the most difficult policy change I've had to explain to people in all my years in social work. There are many nuances, many complexities and hundreds of plans to choose from. And not everyone is able to navigate the Web site used for enrollment."

Among the people once confused by the new program is East Cleveland resident Mary Smith. Mrs. Smith, 67, not only had to make decisions for herself, but also for her brother, who is partially blind. Luckily, she found help through one-on-one counseling with Linda Robinson, Huron Hospital Business Development Coordinator.

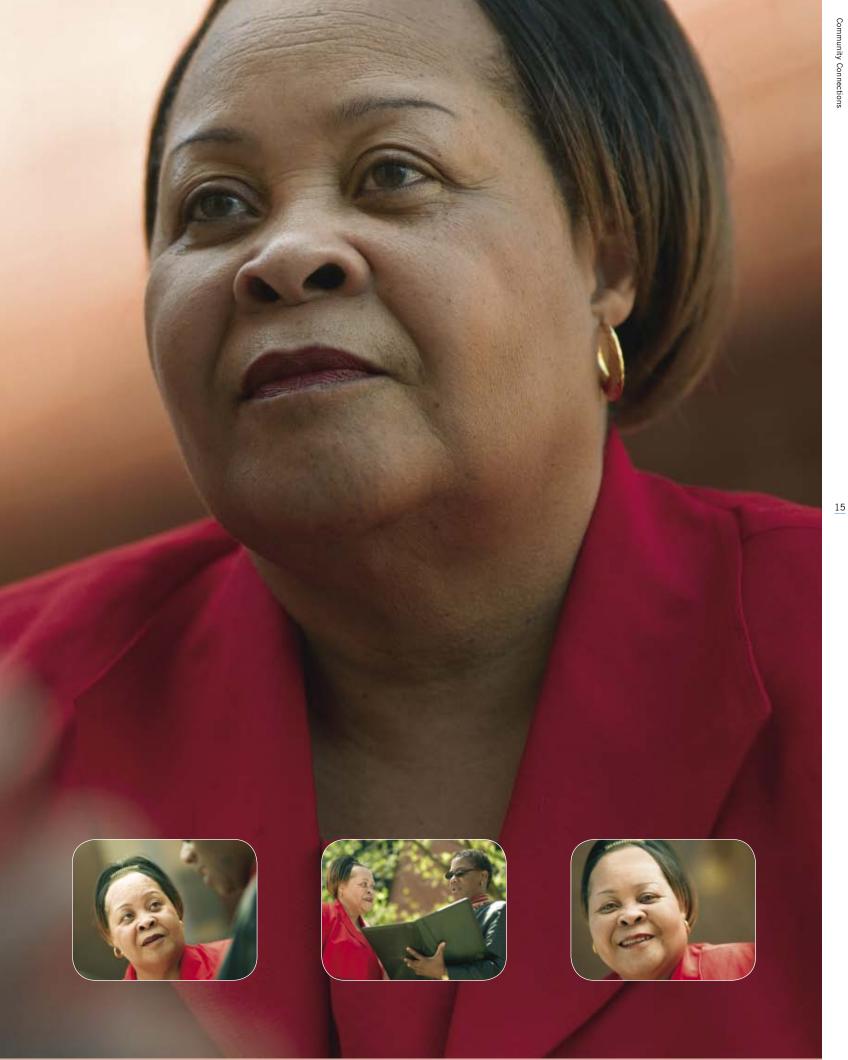
"I had a lot of problems when I went in to see Linda," Mrs. Smith says. "But she's so patient. No matter what, Linda would always say, 'That's why I'm here."

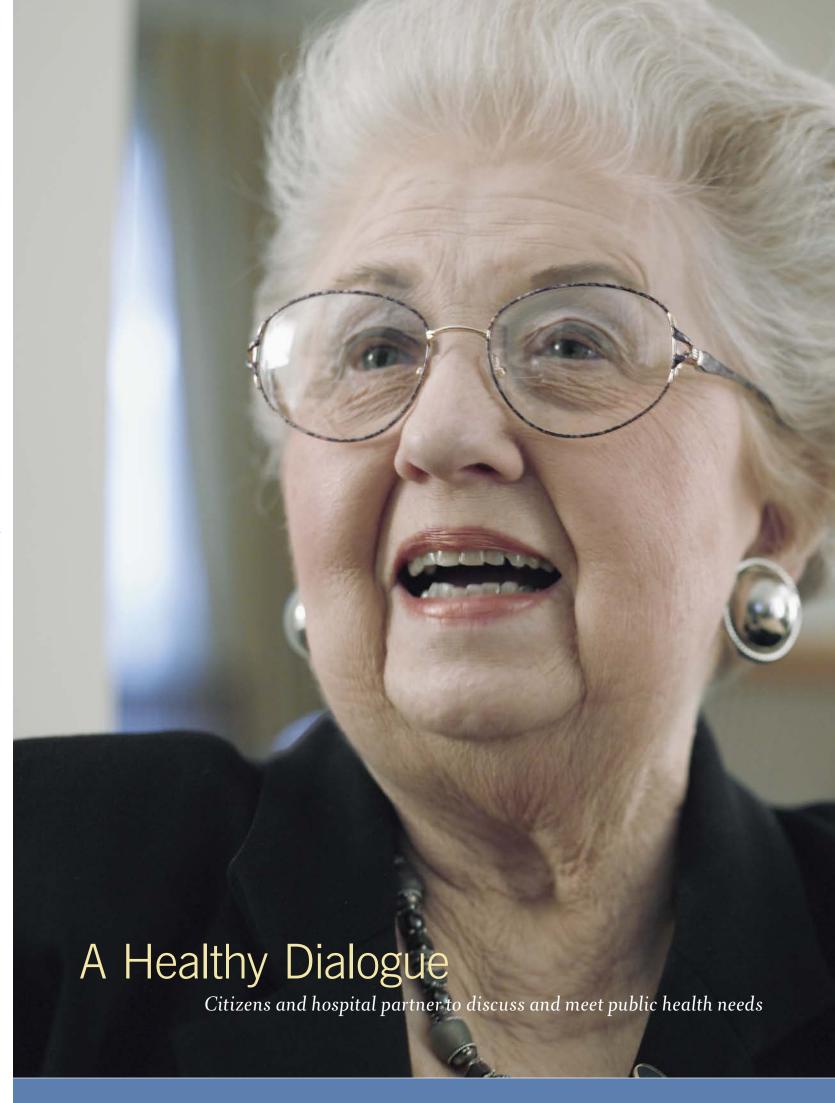
Ms. Robinson, a certified volunteer counselor for the Ohio Senior Health Insurance Information Program, says her goal is to help people overcome their fears and take action.

"It takes some personal attention, time and patience to work through their issues," she says, "but it just opens their eyes. I believe they walk out of this office feeling empowered. They know what they need to do and how to do it."

At Cleveland Clinic's main campus, several volunteers – all former business executives – also trained to provide counseling. The need for their help was so great, the volunteers received requests from Cleveland Clinic patients in other states.

Information sessions also were held at many Cleveland Clinic community hospitals and family health centers. Cleveland Clinic's Senior Circle Plus program helped educate its members, and Cleveland Clinic pharmacists prepared educational materials, which remain available at cchs.net/seniorcircle/news.











THERE'S A LOT OF HEALTHY DIALOGUE TAKING PLACE AT FAIRVIEW HOSPITAL, AND THE CONVERSATIONS ARE OCCURRING IN MORE THAN JUST PATIENT-CARE AREAS. HEALTHY DIALOGUE IS HAPPENING IN THE HOSPITAL'S ADMINISTRATIVE OFFICES, AND THE TALK IS CHANGING THE WAY THE HOSPITAL IS MEETING PUBLIC HEALTH NEEDS.

Jeff Leimgruber, Chief Administrative Officer of the Cleveland-based hospital, convenes quarterly meetings of a unique Community Advisory Board that represents all segments of local society, ranging from school superintendents, firefighters and clergy, to parents, healthcare providers and politicians. Every member of the 80-person board is appointed.

"The board started out as a way for the hospital to communicate with community leaders and residents," Mr. Leimgruber says, "but we quickly realized it was a great way for us to collect information. If we're really here to meet community needs, we need this constant exchange to always know what those needs are and how they are changing."

Marilyn Gesing, R.N., B.S.N., Director of Community Outreach for Fairview Hospital, says the volunteer board's efforts are making real differences in people's lives.

"One of the issues raised was that we needed to help educate elderly women about the importance of continuing to have mammograms, and we needed to make it easy for them to get screened," Ms. Gesing says. "When one of our breast surgeons confirmed that she was seeing a lot of older women with advanced breast cancer, we knew we needed to do something."

To help residents get to the exam sites, Fairview Hospital has collaborated with area senior citizens centers to arrange group transportation. The hospital even provided boxed lunches at a recent screening to make the experience more pleasant.

Among those who have benefited from this outreach is Marilyn Johnson, 80, of Bay Village. Although she drove herself to the screening appointment, she applauds Fairview Hospital for its caring attitude.

"There are certain tests that nobody ever looks forward to," Ms. Johnson says. "This one was so different though. I didn't realize that this one was going to be a luncheon." Ms. Johnson says she's willing to talk about her screening experience because, "I beat the drum for anything that's being done to make things better."

For more information, please call Fairview Hospital's Community Outreach Office at 216.476.7324.

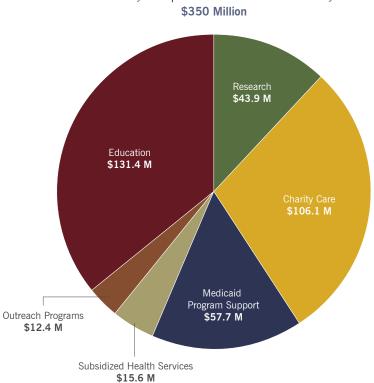




COMMUNITY BENEFITS REPORT

2005 Highlights

- The Cleveland Clinic health system provided more than \$350 million in benefits to the community.*
- · The Cleveland Clinic health system provided or contributed to more than 300 community outreach programs for a community benefit of \$12.4 million.
- · Cleveland Clinic has a strong history of supporting education in the community. Education is now our No. 1 giving priority. In January 2005, we dramatically increased our support of education by committing \$10 million over five years to enhance educational opportunities at Cleveland-area public schools.
- The cost of charity care provided by the Cleveland Clinic health system increased 24 percent in 2005 from 2004, from \$85.7 million in 2004 to \$106.1 million in 2005.
- · The Cleveland Clinic health system is the largest provider of Medicaid services in Ohio, treating more than 20,000 Medicaid inpatients in 2005, or 7.7 percent of all Medicaid discharges in the state.
- The Cleveland Clinic health system's dedication to training future generations of physicians, physician-scientists and other allied health professionals is demonstrated by the \$131.4 million of internal funds we devoted to education in 2005. Our commitment to education benefits patients and providers throughout Ohio as graduates from health system residency programs establish and operate practices in the state.
- Cleveland Clinic subsidized research activities in 2005 at a cost of \$43.9 million. This research brings about substantial improvements in patient care, greatly benefiting the people of Northeast Ohio where the majority of our patients reside.



Cleveland Clinic Health System | Breakdown of Total Community Benefits (2005)

Note: The \$350 million total community benefits include the numbers noted in the chart above minus an offset of \$17 million in net HCAP assessment.

^{*}Includes all health system operations in Ohio and Florida except the Weston hospital.

Introduction

Cleveland Clinic has a long tradition of meeting the needs of the citizens of Cleveland and the surrounding communities. We were founded in 1921 as a not-for-profit group practice with a mission to serve the community, care for the sick and improve that care through research and education. We have remained true to that mission for more than 85 years.

We were founded as a not-for-profit organization, and we remain one today. While we have grown from a small clinic opened by four physicians to an integrated health system that includes 11 hospitals, affiliate hospitals, 14 family health centers and five outpatient surgical centers, we remain a community asset with no owners, investors or stockholders. Any and all extra funds from operations are invested back into the system to fund new initiatives and to continue our longstanding research, education and charitable efforts.

The community benefits we provide are wide-ranging, from providing healthcare for the neediest among us to funding innovative medical research that leads to new treatments and cures. As a whole, the Cleveland Clinic health system offers a comprehensive array of services, including outreach programs, education initiatives, community partnerships, charity care, employee volunteerism and community contributions – all designed to continue our longstanding tradition of serving others.

What is a "Community Benefit"?

The term "community benefit" is not always well understood. Some equate it only with charity care for clinical services provided to the needlest residents of the community. While the Cleveland Clinic health system has one of the most generous charity care policies in the region, the services we provide the community go far beyond the \$106 million we provided last year in free or discounted clinical services.

Currently, there is no universally accepted model for reporting community benefits. We believe, however, that the Catholic Health Association (CHA) community benefit model is the emerging standard in community benefit reporting. Our first comprehensive community benefits report published in 2005 used the CHA Community Benefit Reporting guidelines. We continue to follow these guidelines in this new report.

Under the CHA model, we look at the three primary ways not-for-profit hospitals that operate academic medical centers and community hospitals benefit their communities: clinical services, education and research. To determine whether a program or cost is a community benefit, the CHA model asks us to consider the following questions:

- Does the activity address an identified community need?
- Does the activity support an organization's community-based mission?
- Is the activity designed to improve health?
- · Does the activity produce a measurable community benefit?
- Does an activity require subsidization?

Striving to continually improve reporting accuracy, we reviewed the methodology and approach that was used for last year's report. This review resulted in a restatement of some of the amounts reported in last year's report. This restatement included more accurate methodologies for calculating costs and improved reporting consistency. The chart on page 21 contains the restated amounts for 2004 as well as the new amounts for 2005.

Our goal is always to present the most accurate reporting of our community benefit numbers. As the community benefit reporting evolves, we expect to improve our reporting by adopting more comprehensive tracking systems and increasing our periodic review of community benefit programs and costs.

The Cleveland Clinic Health System Community Benefits Summary (2004-2005)

Total	\$329.3	\$350.1	
Subtotal: Education & Research	\$165.2	\$175.3	
Research Deficit	\$47.2	\$43.9	
Education	\$118.0	\$131.4	
Subtotal: All Clinical Services	\$164.1	\$174.8	
Community Outreach Programs	\$12.8	\$12.4	
Subsidized Health Services	\$19.4	\$15.6	
Subtotal: Medicaid Shortfall	\$52.0	\$57.7	
Physician services	\$24.1	\$25.1	
Hospital services	\$27.9	\$32.6	
Medicaid Shortfall			
Net HCAP Assessment	(5.8)	(17.0	
Subtotal: Charity Care	\$85.7	\$106.1	
Physician Charity Care	\$14.3	\$22.6	
Hospital Charity Care	\$71.4	\$83.5	
Clinical Services	2004	2000	
	2004	200!	
COMMUNITY BENEFIT CATEGORY	NET COMMUNITY BENEFITS (\$ IN MILLIONS)		

CLINICAL SERVICES

Charity Care

A primary component of clinical services is the charity care provided by the Cleveland Clinic health system's hospitals, family health centers, outpatient surgery facilities and doctors. Charity care is the amount of free or discounted medically necessary care provided to patients unable to pay some or all of their bills. Charity care does not include "bad debt," which is the amount not paid to the health system by patients deemed able to pay their bills. The health system has one of the most generous charity care policies in Northeast Ohio, and we treat all patients with dignity and respect, regardless of their ability to pay.

To affirm our commitment to care for the neediest among us, we updated and expanded our Charity Care and Financial Assistance Program guidelines for all health system facilities in 2004. As with most financial aid programs in the United States, our charity care guidelines use the income levels set each year by the federal government to define poverty. We broadened our eligibility threshold to provide assistance on a sliding scale to both insured and uninsured patients with family incomes up to four times the poverty level set by the federal government.

Under our charity care policy, free care is provided to patients whose incomes are at or below 200 percent of the federal poverty level. A health system patient whose income exceeds 200 percent of the federal poverty level receives a discount, ranging from 75 percent to 35 percent of charges, depending on income level up to 400 percent of the federal poverty level. In addition, some elective procedures – including breast biopsies, mammograms, colonoscopies and physicals that may not be covered under commercial insurance policies – are treated as medically necessary services when ordered by a physician. These procedures may be provided free or on a discounted basis under the charity care policy.

This means that, in 2005, assistance was provided for single persons with household incomes up to \$38,280 and for families of four with household incomes up to \$77,400.

The health system's charity care policy also extends consideration to patients with exceptional living situations, such as a terminal illness or excessive medical bills, even if their family income exceeds 400 percent of the federal poverty level threshold. Special consideration also is available for patients whose inability to pay for medical treatment would create undue hardship. All patients, regardless of income, are eligible for charity care for medically necessary services if their out-of-pocket liability for medical bills exceeds 25 percent of their annual income; if payment would adversely affect the well-being of the patient and family or result in undue hardship; or if the patient has supplied information regarding exceptional living circumstances.

Under the CHA model, we calculate the value of charity care on the basis of cost. The cost of charity care provided by the Cleveland Clinic health system increased 24 percent in 2005 from 2004, from \$85.7 million in 2004 to \$106.1 million in 2005.

Accessibility of Charity Care

Informing the public that charity care is available is an important element of a hospital's charity care program. At the Cleveland Clinic health system, information about our charity care policies is posted on Cleveland Clinic's Web site (clevelandclinic.org) and is available to patients at registration, during the billing process and throughout the collection process. Financial counselors are present on-site at all health system hospitals and at family health centers to assist patients in qualifying for governmental assistance programs and charity care. All self-pay patients, as well as insured patients who express concern about their ability to pay for healthcare services, are referred to financial counselors or financial services representatives. Patients who do not qualify for assistance can work with a financial counselor or a financial services representative who may set up a payment plan.

We continually strive to improve communications with patients on the availability of charity care. We have updated patient statements to include detailed information regarding the health system's charity care policy, and a summary description of our charity care policy is available in patient registration areas. Our hospitals also distribute a patient-friendly billing brochure that describes the charity care policy and provides a contact telephone number. Key information is available in multiple languages.

Ohio HCAP Program

In 1988, Ohio created the Hospital Care Assurance Program (HCAP) to financially support those hospitals that service a disproportionate share of low-income patients unable to pay for care. Specifically, HCAP funds basic, medically necessary hospital services for persons who are not eligible for Medicaid and whose family income is at or below the federal poverty level.

HCAP is financed by a mix of dollars provided by Ohio hospitals and the federal government. The state assesses a tax on hospitals and receives 60 cents from the federal government for every 40 cents received from the hospitals. The funds then are distributed back to Ohio hospitals based on the amount of care each provides to low-income, uninsured individuals.

In 2005, the Cleveland Clinic health system contributed 9.9 percent of total state HCAP dollars and received 7.1 percent of distributed funds. On a dollar basis, the health system was assessed \$21 million for HCAP and received \$38 million, for an offset of \$17 million, which is reflected in our community benefit calculations (see chart, p.21).

Medicaid Program Support

The Cleveland Clinic health system is the largest provider of Medicaid services in Ohio, treating more than 20,000 Medicaid inpatients in 2005, or 7.7 percent of all Medicaid discharges in the state. The Medicaid program, which provides healthcare coverage for low-income families and individuals, is funded by the state and federal governments.

In many states, including Ohio, Medicaid payments have not been sufficient to cover the cost of treating Medicaid beneficiaries. In 2005, the health system's unpaid Medicaid costs were more than \$57 million. The shortfall was particularly high at Huron Hospital, where Medicaid accounted for almost 40 percent of the hospital's discharges. Both Huron Hospital and Cleveland Clinic place in the top 20 hospitals in Ohio when ranked by share of Medicaid inpatients. Since 2003, the health system's Medicaid discharges have grown by 15 percent, increasing each year by more than 1,200 discharges.

Top Ohio Medicaid Providers (2005)

HEALTH SYSTEM	TOTAL OHIO MEDICAID DISCHARGES	PERCENT OF OHIO MEDICAID DISCHARGES	RANK	
Cleveland Clinic Health System	20,806	7.7%	1	_
University Hospitals Health System	18,170	6.7%	2	_
Health Alliance	14,799	5.5%	3	_
Mercy Health Partners	14,610	5.4%	4	_
Premier Health Partners	14,310	5.3%	5	_
OhioHealth	13,482	5.0%	6	_
Mount Carmel	12,001	4.4%	7	_
OSU Health System	11,996	4.4%	8	_
MetroHealth System	10,993	4.1%	9	_
Forum Health	8,222	3.0%	10	_
TriHealth, Inc.	8,083	3.0%	11	_
Summa Health System	7,805	2.9%	12	_

Source: Internal analysis of Ohio Hospital Association discharge data.

Subsidized Health Services

In addition to charity care and costs not covered by Medicaid payments, another clinical community benefit category is "subsidized health services." These services yield low or negative margins but are needed in the community. They frequently include trauma centers, pediatric programs, ambulatory services, mental health and substance abuse treatment, adolescent and adult care services, and health maintenance and education classes.

The Cleveland Clinic health system provided 60 different subsidized health services in 2005 at a cost of more than \$15.6 million. This dollar value excludes any charity care costs or Medicaid shortfalls.

Examples of subsidized health services within the health system include: adolescent and adult psychiatry at Cleveland Clinic; the Congestive Heart Failure Clinic at Euclid Hospital; the Anticoagulation Clinics at Hillcrest and South Pointe hospitals; the Community Health Center clinics at Huron Hospital; the Center for Family Medicine at Fairview Hospital; the Senior Care and Teen Health Center at Lakewood Hospital; acute rehabilitation services at Lutheran Hospital; and women's services at Marymount Hospital.

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Community Outreach Programs

The Cleveland Clinic health system is actively engaged in a broad array of community outreach programs, including numerous initiatives designed to serve the vulnerable and at-risk populations in our communities. Our outreach programs range from free blood pressure and cholesterol screenings to providing meeting rooms for community groups.

Community outreach programs typically fall into three categories: community health services, cash and in-kind donations, and community building.

- Community health services include activities carried out to improve community health.
 These activities extend beyond patient care measures and are free of charge, though for certain programs a small fee may be assessed. Benefits counted in this category include community health education, community-based clinical services, support groups, healthcare support services, self-help programs, community spiritual care and social service programs.
- Cash and in-kind donations represent funds and services donated to individuals and/or
 the community at large. Benefits counted as in-kind services include hours donated
 by staff to the community during scheduled work time, overhead expenses of space
 donated to not-for-profit community groups for meetings, and donation of equipment
 and supplies.
- Community-building activities include cash, in-kind donations and budgeted expenditures
 for the development of community programs and partnerships. Physical improvements
 in the community are one type of community building activity. Economic development is
 another.

In 2005, the health system provided or contributed to more than 300 community outreach programs for a total net community benefit of \$12.4 million. Not included in this total is Cleveland Clinic's commitment made in 2005 to donate \$10 million over five years in support of Greater Cleveland public schools.

The Cleveland Clinic Health System Community Outreach (2004-2005)

NET BENEFIT (\$ millions)	2004	2005	
Community Health Services	\$9.4	\$9.9	
Cash and In-Kind Donations	\$2.6	\$2.1	
Community Building	\$0.8	\$0.4	
Total	\$12.8	\$12.4	

EDUCATION

Cleveland Clinic was founded on four pillars: patient care, research, education and community involvement. Given our long-time commitment to education, it is not surprising that we take pride in sponsoring a wide range of high quality medical education, including accredited training programs for residents, physicians, nurses and other allied health professionals. With more than 1,000 interns, residents and fellows, the Cleveland Clinic health system maintains one of the largest graduate medical education programs in the United States.

In addition to our graduate medical education program, we are committed to both post-graduate and undergraduate medical education. On the postgraduate level, our Center for Continuing Education has developed one of the largest and most diverse continuing medical education programs in the world. On the undergraduate level, in 2002 we entered into a historic partnership with Case Western Reserve University to create a unique medical school program dedicated to the teaching of physician-scientists. Two years later, Cleveland Clinic Lerner College of Medicine of Case Western Reserve University opened.

In 2005, 332 students in 31 allied health education programs rotated through Cleveland Clinic. Allied health professionals are important members of the healthcare team and include occupational and physical therapists, radiation therapists, audiologists and

social workers. Cleveland Clinic allied health programs are affiliated with a broad range of institutional sponsors including Cuyahoga Community College, Kent State University, John Carroll University and The Ohio State University. Health system hospitals also sponsor a wide range of allied health programs affiliated with such institutions as Cleveland State University, Lakeland Community College and Ursuline College.

Educating the community continues to be a priority at Cleveland Clinic. The Department of Patient Education and Health Information distributes health-related information to patients and the public through printed material and electronically through its own Web site, which offers information on more than 900 health topics.

The health system devotes substantial resources to education programs. In 2005, the health system provided a community benefit of \$131.4 million through its subsidy of medical education programs. Our commitment to education benefits patients and providers throughout Ohio as graduates from health system residency programs establish and operate practices in the state. These are talented new physicians trained by the nation's leaders in academic medicine. The ultimate beneficiaries are the citizens of Ohio who receive better healthcare.

RESEARCH

Cleveland Clinic's leading-edge research has earned us the reputation of being an international leader in scientific and clinical advances. Research is embedded in many of the daily activities occurring at Cleveland Clinic. In fact, nearly every physician on staff is involved in research in some way. This sets Cleveland Clinic apart from most hospitals in the country. Our physicians have a passion for performing the research designed to uncover the cures to many diseases. They are pre-eminent in their fields of expertise and pursue careers at Cleveland Clinic specifically for the opportunity to be involved in cutting-edge research with some of the brightest minds in medicine.

Basic and clinical biomedical research conducted at Cleveland Clinic bring about substantial improvement in patient care, both by providing direct patient care to individuals and by refining the practice of medicine through the development and promulgation of new techniques, devices and treatment protocols. For example, Cleveland Clinic's Genomic Medicine Institute, which is housed in the new Center for Genomics Research building, was established to encourage the development of new gene-based therapies that will enable physicians to customize treatments to the specific genetic/genomic characteristics of any patient. This research will allow for more targeted therapies and better outcomes for our patients, most of whom live in Northeast Ohio.

The value to society of basic and clinical research is recognized in federal tax policy, which includes research activities in the guidelines used by charitable organizations in qualifying for tax exemption. Cleveland Clinic devotes substantial resources to research and operates at a loss on these activities. From a community benefit standpoint, "research" includes basic, clinical and community health research, as well as studies on healthcare delivery. For 2005, Cleveland Clinic's total investment in research was \$193 million, partially offset by more than \$149 million in grants and other funding, yielding a net cost of \$43.9 million.

Net Cost of Research Activities (2004-2005)

RESEARCH DIVISIONS (\$ MILLIONS)	2004	2005
Expenses		
Direct Costs	\$140.2	\$162.5
Overhead Costs	\$32.8	\$30.8
Total Expenses	\$173.0	\$193.3
Revenues		
Grants (Direct and Indirect)	\$124.8	\$ 148.1
Departmental/Endowment Funds	\$1.0	\$1.3
Total Revenues	\$125.8	\$149.4
Community Benefit (Costs in Excess of Revenues)	\$47.2	\$43.9

Other Community Benefits

In addition to the \$350 million in quantifiable benefits provided in 2005, the Cleveland Clinic health system continually benefits the community in numerous ways not included in the 2005 calculations.

Commitment to Education

Cleveland Clinic has made support of our schools our No.1 giving priority, and we are pursuing a multifaceted approach to help promote education that ranges from student internships, to tutoring and mentoring, to financial contributions.

In January 2005, Cleveland Clinic committed \$10 million over five years to support and enhance educational opportunities at Cleveland-area public schools. A portion of the money has already been used to connect Cleveland schools to OneCleveland, a high-speed Internet system created to service not-for-profit organizations. OneCleveland connects Cleveland's schools to the Cleveland Clinic health system and Cleveland's universities, libraries and cultural institutions. The students gain digital access to multiple centers of information and learning, as well as to resources within the entire school system.

Additionally, in 2005 the health system developed a new summer internship program that provided 41 junior and senior high school students in Greater Cleveland with the opportunity to learn about science firsthand – both at Cleveland Clinic and at other locations within the health system. The nine-week session is the first program of Cleveland Clinic's new Office of Civic Education Initiatives, created in June 2005 to develop educational programs with local schools in the areas of science, math, health and wellness, reinforcing Cleveland Clinic's commitment to investing in Northeast Ohio's future.

Cleveland Clinic also is linking the gap between science and the arts with its eXpressions program, which combines these high school students' medical research with creative interpretations. After returning to their respective schools, the 41 high school summer interns presented their scientific findings to art classes. The art students then created interpretations of the research through paintings, sculptures, photographs and videos. The program was awarded the Distinguished Business/Organization for Art Education Award by the Northeast Ohio Art Education Association.

Through all of these educational initiatives, we are contributing to what we consider our most precious resource and our best and brightest hope for the future.

Donations from the Community to the Cleveland Clinic Health System

Donors believe that Cleveland Clinic has a charitable purpose that deserves to be financially supported. Every donation made to Cleveland Clinic helps meet the healthcare needs of our community.

Certain fundraising activities are targeted for programs that provide proper medical care to indigent patients. Donations to the Cleveland Clinic Children's Hospital, for example, help children of families who cannot afford care, while donations to the Minority Men's Health Center are used not only for treatment of urological diseases and disorders but also to guide this underserved population to other healthcare services. The Partnership for Families was established to further the health system's charitable purposes by providing a second cycle of in vitro fertilization at no cost to infertile couples for whom a second cycle is not financially feasible. This program is funded by gifts to Cleveland Clinic.

Support Provided to Other Not-for-Profit Healthcare Organizations

Cleveland Clinic has entered into partnerships with other not-for-profit hospitals in Northeast Ohio to ensure that needed healthcare services are provided. For example:

- Cleveland Clinic physicians provide professional services in cardiology and pediatric endocrinology, as well as other specialties, to the MetroHealth System.
- When the Ashtabula County Medical Center (ACMC), which serves a rural community about 50 miles northeast of Cleveland, was in financial distress in 1988, Cleveland Clinic invested \$15 million to support the operations of ACMC. Cleveland Clinic's investment and its ongoing relationship with ACMC ensured the ongoing care that ACMC is able to deliver to its patients.
- Through a partnership between the Cleveland Clinic health system and EMH Regional Healthcare System, the Hospital for Orthopaedic and Specialty Services provides residents of Lorain County with comprehensive medical and orthopaedic care, inpatient and outpatient physical therapy, and emergency department services.
- Cleveland Clinic has provided financial assistance to Grace Hospital, located in an inner-city neighborhood of downtown Cleveland. These funds must be used to enhance benefits to the surrounding communities.

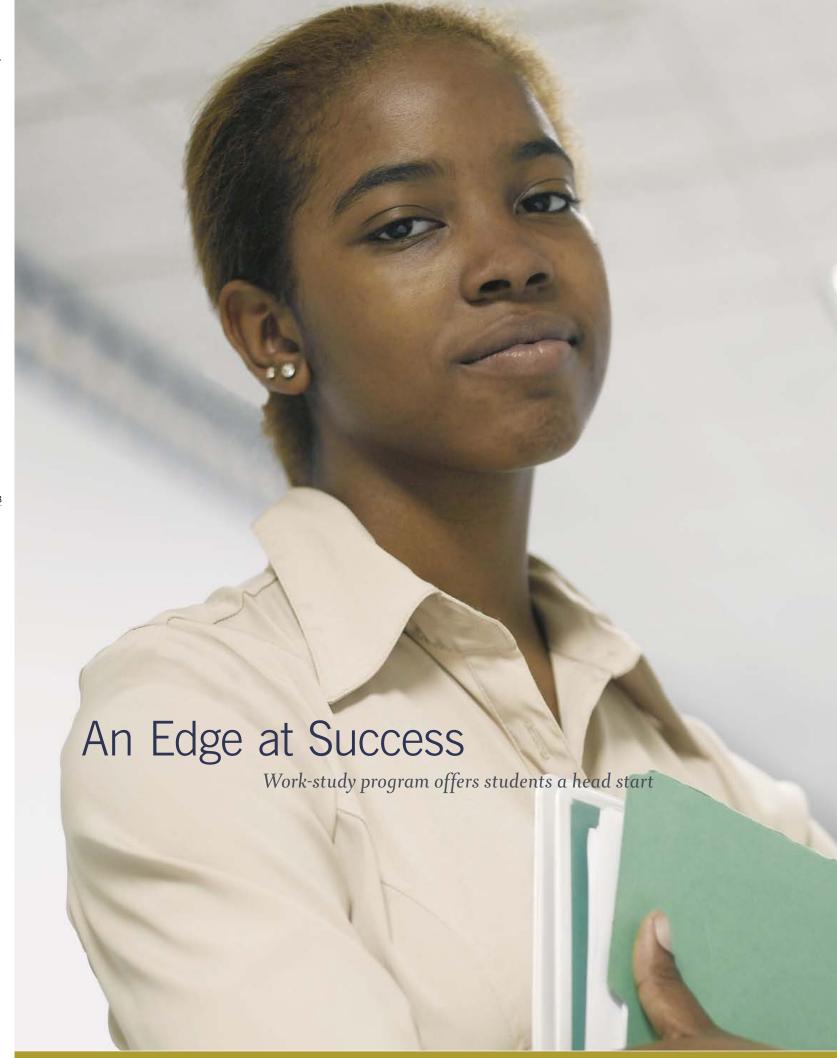
Serving our Community

Cleveland Clinic is a not-for-profit healthcare system dedicated to the communities we serve. It is the mission of each of our hospitals and family health centers to provide compassionate, high-quality healthcare to all who need it, and to support programs and initiatives that improve the health and well-being of our neighbors and our neighborhoods.

The community benefits we provide include charity care, community outreach programs, subsidized health services and other community contributions. We sponsor many research and educational programs that greatly enhance the care we provide to patients, the vast majority of whom live and work in our local communities.

Through our charity care efforts and as the largest Medicaid provider in the state of Ohio, we provide care to those who need it most but who otherwise could not afford it. In addition, we work closely with community officials to address the priority healthcare needs of underserved populations.

Every day, we are making a difference. Through the extraordinary efforts of our 34,000 employees, we are reaching out to our communities in ways that make a tremendous and positive impact on the lives of the people we touch.









KEVHONNA ROBERTS HAS BIG PLANS FOR HER FUTURE. ASK THE 14-YEAR-OLD CLEVELAND GIRL WHERE HER LIFE IS HEADED, AND SHE'S LIKELY TO REPLY WITH ONE OF HER FAVORITE SAYINGS: "SEE YOU AT THE TOP!"

Kevhonna dreams of becoming a psychologist. She envisions a career spent helping families, especially children, deal with divorce and other emotional issues. "I like talking to people and listening to their problems and giving them advice," says Kevhonna, a freshman at St. Martin de Porres High School in Cleveland. "I like helping them."

Lutheran Hospital likes helping people, too. That's why in 2005 the Cleveland-based community hospital began offering employment opportunities to Kevhonna and other St. Martin de Porres students as part of a unique work-study program.

The students use their earnings to help pay for their high school tuition. The Catholic high school opened in 2004 specifically to provide high quality, college-preparatory classes to low-income students. The school does not accept students whose families can afford traditional private-school educations.

Jennifer Minks, M.B.A., P.H.R., Human Resources Generalist at Lutheran Hospital, supervises the students. "This is such a fantastic program because it not only helps us, but it really helps them, too," she says. "It helps them to secure their futures with tuition funds, and it helps them to develop in the work area. We hope their goal is a career in healthcare, but even if it's not, they get the social skills and the interpersonal skills they need to succeed in any environment."

While at Lutheran Hospital, Kevhonna and her classmates spend their time helping to prepare patient information packets, file medical charts, answer telephones, and greet and escort visitors.

"They are learning to interact with so many types of departments and different people," says Ms. Minks. "We've watched them develop quite a bit since they've been here. We love having them around."

And that feeling is mutual. Kevhonna says she hopes to continue her climb to the top with the help of her new colleagues at Lutheran Hospital. "I would like to stay there for as long as they would like me to be there," she says.

For more information, please call Lutheran Hospital's Community Outreach Office at 216.363.2019.









TO HELP NOURISH THE RESIDENTS IN THE HOUGH, FAIRFAX AND UNIVERSITY CIRCLE NEIGHBORHOODS THAT SURROUND IT, CLEVELAND CLINIC HAS COLLABORATED WITH THE INTERACT CLEVELAND HUNGER CENTER TO PROVIDE THE FOOD PANTRY WITH 3,175 SQUARES.

That's 3,175 square feet of building space – a new home for the Hunger Center, which had been located at Church of the Transfiguration, at East 86th and Euclid Avenue, for more than 30 years. The Hunger Center moved to its new location, just a block from the church, in March.

Cleveland Clinic is leasing the building at 8520 Carnegie Ave. to the Hunger Center for \$1 per year for three years. The lease then may be renewed for an additional two years, also for \$1 per year. Jean Ohlenbusch, Executive Director of the hunger center, says the new one-floor building allows her to provide the community with more than food.

"Part of what made it so imperative that we move is that folks who are mobility-impaired couldn't get into the old hunger center," Ms. Ohlenbusch explains. "The old site had six treacherous steps, a door and another two steps before you got in. For people who were tottering on their feet or people in wheelchairs, it just wasn't feasible for them to come in and get their food. With the new hunger center, not only can they come in, but they can come in with dignity."

The Hunger Center, renamed the Community Food Pantry in conjunction with the move, serves between 700 and 1,000 people each month. The pantry also provides a three-to five-day supply of food to low-income residents living within its service boundaries.

Pamela Marshall Holmes, Cleveland Clinic's interim Director of Community Relations, says Cleveland Clinic is pleased to have helped make the new Community Food Pantry a reality. Many Cleveland Clinic employees volunteered to help clean and paint inside the building, and additional employees have volunteered to assist with outdoor projects as weather permits.

Cleveland Clinic employees also will provide nutritional counseling, blood pressure and cholesterol checks, and other health and wellness information at the new site as part of its Community Health Education program.

"It's a great partnership," Ms. Holmes says. "We wanted to do more than just provide space. The Cleveland Clinic family wants to engage in hands-on opportunities like this one to help in the community."

For more information, please call 216.445.2009.





A Square Deal

Hunger center gets a brand-new home











JOE KUNZELMAN, THE MAINTENANCE MAN FOR LAKEWOOD'S SENIOR CITIZENS CENTER, WAS JUST ABOUT TO TAKE HIS DINNER BREAK WHEN HE LEARNED THAT A GENTLEMAN PLAYING CHESS DOWNSTAIRS WAS HAVING A HEART ATTACK. WITHOUT HESITATION, MR. KUNZELMAN LEAPED INTO ACTION.

"I was standing right by the defibrillator, so I grabbed it and ran downstairs," says Mr. Kunzelman, a 28-year employee of the city's west-side Lawther Center. "I was expecting to find the person sitting in a chair, holding his chest, but when I got down there, he was actually on the floor.

I started mouth-to-mouth, but I realized at that point his heart had stopped."

Undaunted, Mr. Kunzelman switched on the center's automated external defibrillator (AED), a machine that delivers small electrical shocks to restore normal heart rhythms in people having a heart attack. After analyzing the victim's condition, the AED reported that a shock was necessary to restart the man's heart. Once the treatment had been delivered, the AED reported that no further shocks were required.

The patient recovered and is playing chess with his friends again at the senior center

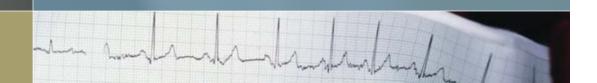
"After I used it, I realized how fortunate we are to have the unit here," Mr. Kunzelman says "The machine really is a lifesaver."

The AED was provided by the Lakewood Start-A-Heart program, a joint effort between the city of Lakewood and Lakewood Hospital. Last year, the hospital purchased 10 additional defibrillators for use in public buildings, emergency vehicles and police cruisers. Today, nearly 30 machines are available throughout the community.

Jack Gustin, Chief Administrative Officer of Lakewood Hospital and a former paramedic, knows the importance of immediate intervention when heart emergencies arise. "Lakewood has a very, very good emergency response time, but it's so important – especially when somebody goes into pulmonary or cardiac arrest – that you do something immediately. And because you can't post a paramedic or an emergency room doctor at every site in the city, the best thing we could do was place AEDs in high-volume, high-concentration, high-density areas."

Lakewood Hospital recently purchased 10 AEDs for a defibrillator program in Rocky River.

For more information, please call the Lakewood Community Outreach Office at 216.529.7020.







TECORA GRAY WAS USED TO WALKING THREE MILES EVERY WEEK-DAY TO HELP KEEP HER MUSCLES AND BONES STRONG. BUT WHEN SHE LEARNED THROUGH CLEVELAND CLINIC'S NEW NEIGHBOR TO NEIGHBOR PROGRAM THAT EXERCISE ALSO COULD HELP TO CONTROL HER BLOOD PRESSURE, MS. GRAY ADDED AN ADDITIONAL THREE MILES TO HER MONDAY-THROUGH-FRIDAY REGIMEN.

"I've done that for the last two days and, believe me, I feel it today," Ms. Gray said in March after beginning her new routine. "I do three miles in the morning and three in the afternoon, and I am worn out. But I've noticed a difference in my blood pressure."

Ms. Gray, 74, says she can complete each of her three-mile treks in about 50 minutes, except on Monday. "If it's Monday," the Clevelander says with a smile, "I can do it in 45 minutes because I've had two days to rest."

Besides adding more walking, Ms. Gray also has begun using salt-free seasonings to flavor her food, which helps keep her blood pressure and cholesterol in check. She learned about the seasonings in the Neighbor to Neighbor program, which held its first series of classes in February. The six-week series, titled "A Healthy You: Taking Care of Your Heart," also provided free health screenings and recipe makeovers for those in attendance at the Fatima Family Center on Cleveland's near east side. Additional sessions are being scheduled at churches, community centers and other sites throughout the Cleveland area.

Elizabeth Fiordalis, M.A., Community Education Manager for Cleveland Clinic's Community Relations Department, oversees the program.

"We created Neighbor to Neighbor to reach out to people with programming and information to help improve their lives," Ms. Fiordalis says. "We not only address heart care but also provide CPR training, information for at-risk teens, computer-use workshops and much more.

"Our goal is to provide intergenerational information that really makes a difference," she adds. "Part of Cleveland Clinic's mission is to educate people about their health and wellness, and Neighbor to Neighbor is designed to be a key component of those efforts."

For more information, please call Cleveland Clinic Community Relations at 216.445.2009.







SOUTH POINTE HOSPITAL HAS A MESSAGE FOR THE YOUNG MEN LIVING IN CLEVELAND'S SOUTHEAST SUBURBS: WE CARE ABOUT YOU.

Family medicine specialist Rita Beckford, M.D., and other South Pointe Hospital physicians are helping to deliver that message by going into the community to talk with young men about the need to preserve and protect their health before problems arise.

The doctors' efforts are part of the hospital's Men's Health Talks initiative, a program created in 2005 with support from the Cuyahoga County Family and Children First Council.

"We want to help empower a population that is not always part of the healthcare system," says Dr. Beckford, who also is a fitness expert. "Young men can be minimizers. They don't want to complain. They don't want to be 'babied.' But we want them to understand how important it is to be connected.

"Often we see patients after the stroke, after things have gone too far," she continues. "We need to see these men while they are young, while there's still time to treat their high blood pressure, look at their family histories and help them prevent health emergencies.

"We want to reach out to a segment that may not always believe the community cares about them. We want to send a statement, a very powerful message: We do care about you."

Dr. Beckford spoke recently to men enrolled in University Settlement's Healthy Fathers program, which is designed to help men better their own lives as well as the lives of their children. Scott Holland, a father of four from Cleveland, attended the program and says one of the things he learned was the importance of exercise to relieve built-up tension and stress.

"She showed us a 20-minute workout that we could do everyday to relieve stress," says Mr. Holland. "She also talked a little bit about stress factors, high blood pressure and things like that."

Greg Sanders, Director of Development for South Pointe Hospital, says a key component of the outreach effort is to help men find a consistent provider for medical care, whether it be South Pointe, South Pointe's Fleet Medical Center, Cleveland Clinic's Minority Men's Health Center or another source.

"We want to help them find a 'medical home," Mr. Sanders says. "We want them to know help is available and how to find it."

For more information, please call South Pointe Hospital at 216.491.6432.

Just for Men

Showing young men how to stay healthy...and that someone cares











ON DAYS THAT SADIE HATCHER PARTICIPATES IN HURON HOSPITAL'S AEROBIC LINE DANCING CLASS, THE CLEVELAND HEIGHTS RESIDENT HAS A LITTLE MORE SWING IN HER STEP – AND A LITTLE MORE SCUFF, SCOOT AND ELECTRIC SLIDE, TOO.

"I love it!" says Ms. Hatcher, 68. "I'm the first one at the class. I'm always there ready." The creative class, taught by Sherron Dotson-Sowell, combines traditional exercise moves, such as jumping jacks and other calisthenics, with the fun and energy of line dancing. Ms. Dotson-Sowell jokes that the program provides "exercise in disguise," but Ms. Hatcher isn't fooled.

"We get exercise," she admits. "We get our blood pumping and all of that. The class is fun, but I know it helps keep me fit, too."

In addition to aerobic line dancing, Ms. Hatcher walks three times a week to help keep her blood pressure and cholesterol under control. The regular exercise also helps to maintain her strength and mobility.

"All my friends say, 'Oh, Sadie, I can't keep up with you. You walk too fast,'" Ms. Hatcher says. "Exercise really helps you if you stay at it. A lot of my friends say, 'I can't exercise, I can't stoop down, I can't this and that.' But if you start early and keep it up, then you will stay in pretty good shape."

And that's exactly the right attitude to have, says Ms. Dotson-Sowell, a certified fitness professional and creator of the Get Healthy! Get Fit! aerobic line dancing program. "These are our bodies. We have to make the most of them. My goal is to make you a healthier you than you are now. I want to encourage you and motivate you," she says.

Jerry Sims, R.N., Wellness Coordinator at Huron Hospital, says the hospital began sponsoring aerobic line dancing on a trial basis in October 2005. The program was such a hit that it now is scheduled indefinitely.

"Research shows that exercise is important to help control and even prevent diabetes, heart disease, high blood pressure and other illnesses prevalent in our community," says Ms. Sims. "Aerobic line dancing helps people to get moving and to learn that exercise doesn't always have to be hard work."

For more information, please call the Huron Hospital Community Service Department at 216.761.7464.



Partners in Healthcare

Cleveland Clinic is dedicated to better healthcare through partnering. All our hospitals are united under the leadership of Cleveland Clinic. By combining our strengths and resources, the Cleveland Clinic health system is enhancing healthcare throughout the entire region. Cleveland Clinic and its hospitals are not-for-profit hospitals and together form the largest equal opportunity employer in Northeast Ohio.

Cleveland Clinic

9500 Euclid Avenue Cleveland, OH 44195 216.444.2200

Cleveland Clinic Children's Hospital

9500 Euclid Avenue Cleveland, OH 44195 216.444.KIDS (5437)

Children's Hospital Shaker Campus

2801 Martin Luther King Jr. Drive Cleveland, OH 44104 216.721.5400

Euclid Hospital

18901 Lake Shore Boulevard Euclid, OH 44119 216.531.9000

Fairview Hospital

18101 Lorain Avenue Cleveland, OH 44111 216.476.7000

Hillcrest Hospital

6780 Mayfield Road Mayfield Heights, OH 44124 440.312.4500

Huron Hospital

13951 Terrace Road East Cleveland, OH 44112 216.761.3300

Lakewood Hospital

14519 Detroit Avenue Lakewood, OH 44107 216.521.4200

Lutheran Hospital

1730 West 25th Street Cleveland, OH 44113 216.696.4300

Marymount Hospital

12300 McCracken Road Garfield Heights, OH 44125 216.581.0500

South Pointe Hospital

20000 Harvard Road Warrensville Heights, OH 44122 216.491.6000

Community Connections

The stories featured in this book represent a few of the many community programs supported by Cleveland Clinic and its community hospitals. We are proud to highlight these programs and the people dedicated to improving the quality of life in our communities through culturally diverse health services, education, prevention and research.

For more information, please visit clevelandclinic.org.

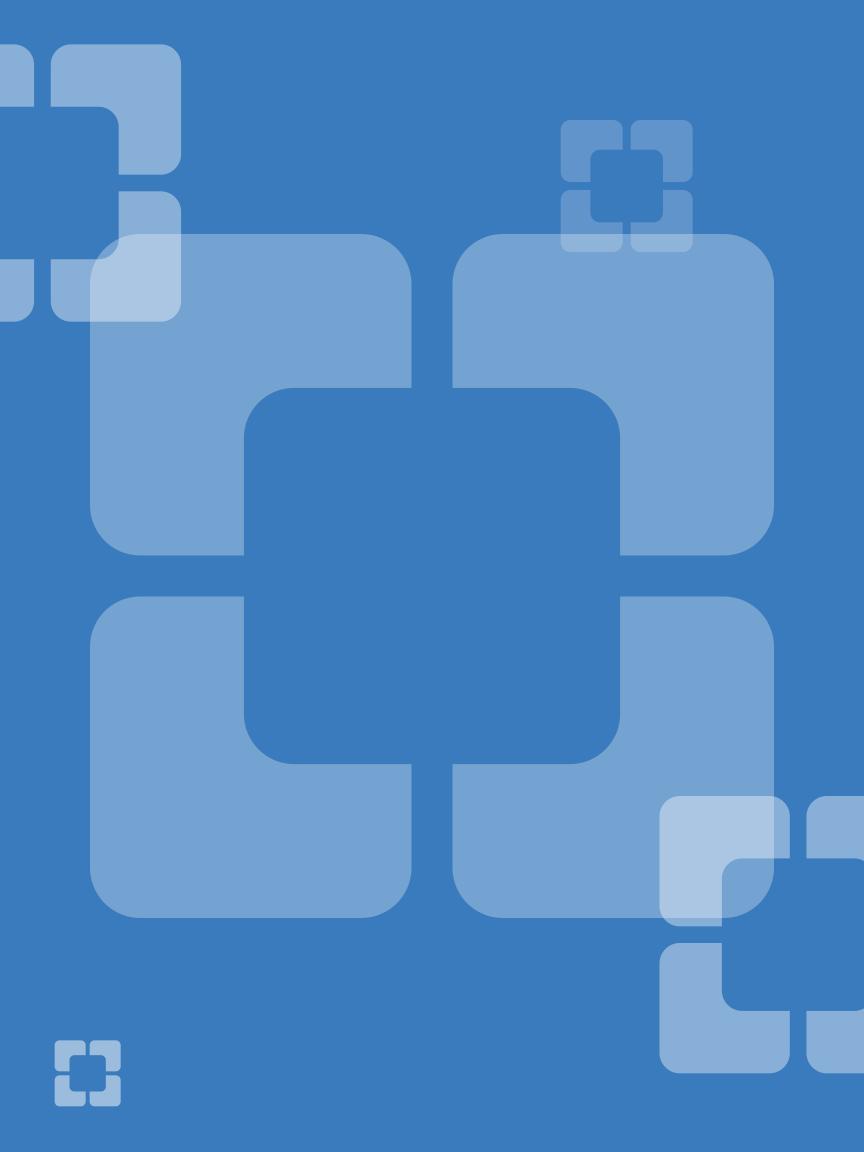
Managing Editors: Glenn Bieler, Laura Greenwald

Graphic Design: Michael Viars

Contributing Writers: Cole Hatcher, Steve Szilagyi

Photography: Russell Lee

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