

Lancaster General Health
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Delivering on the promise of a healthier future

ANNUAL REPORT 2015

Our Mission –

To advance the health
and well-being of the
communities we serve.

Our Vision –

Delivering on the
promise of a
healthier future.

Contacting Lancaster General Health

For more information on our programs
to improve community health, visit
LancasterGeneralHealth.org and click
on About Us. There, you'll find additional
details on our community commitment, as
well as electronic versions of our monthly
newsletter, Community Benefit Update.

Please contact us with any suggestions
or questions about our community health
programs.

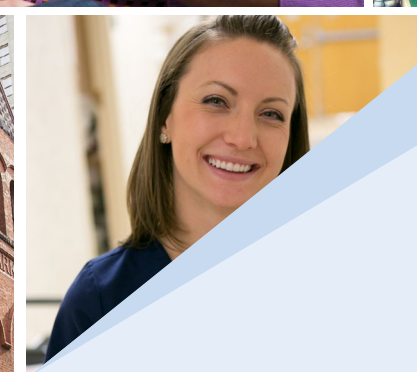
This Annual Report to the Community is
published by the Lancaster General Health
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Communications.

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Innovative Leadership

Lancaster General Health is a not-for-profit health system led by community and business leaders from throughout Lancaster County. They volunteer their time and expertise, and provide vision to ensure that the healthcare services we deliver reflect the values and traditions of the communities we serve.



Lancaster General Health Board of Trustees from left to right. Front row: Thomas E. Beeman, PhD, Ralph W. Muller, Jan L. Bergen, C. Clair McCormick, Philip R. Wenger, Joanne B. Ladley. Middle row: Kim R. Smith, Keith R. Kuhlengel, MD, Lori Pickell, John M. Anderson, PhD, Carolyn F. Scanlan. Back row: D. Michael Wege, Frederick C. Beyer, III, MD, Patrick D. Whalen

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MESSAGE TO OUR COMMUNITY

This is a time of unprecedented change in healthcare. Under the Affordable Care Act, healthcare providers are rewarded for keeping people well rather than just treating those who are sick. Government, payers and employers want healthcare organizations to keep people out of hospitals, to enhance our quality, and to become more efficient and lower our costs. Today, our business is to keep people healthy.

Lancaster General Health has made strides in the past year to move toward this model of care. We have built new partnerships and strengthened existing ones, because sharing ideas and expertise improves care and services for all. We have offered meaningful support to some of our most vulnerable populations, and have created facilities where our medical professionals can collaborate and offer a broad range of services to patients of all ages.

This past year, we became proud partners with the University of Pennsylvania Health System (Penn Medicine). As a member of Penn Medicine, we enhance our region's access to high-quality, cost-effective healthcare, while maintaining our strong roots and proven record of success in the Lancaster community – a community we have proudly served for nearly 125 years.

In the pages of this report, you will learn more about our partnership with Penn Medicine and the ways it enhances our ability to serve the community. You also will learn about other major accomplishments, including how:

- We are enhancing the health and well-being of our community by working with partners to identify and comprehensively address health priorities.
- We continually enhance patient care and reduce costs through initiatives such as Care Connections, an award-winning program that empowers our community's most vulnerable patients to take a holistic approach to their health.
- We strengthen our culture of quality and safety by investing in the latest medical technologies and offering distinctive services and facilities such as our new Women's Specialty Center in Lancaster and our new Lancaster General Health Center in Lebanon.

At LG Health, we take a strategic, forward-thinking approach to keeping the community well. Our focus is grassroots and we have one driving force: to ensure that our community is healthy and strong.

C. Clair McCormick
 Chairperson, Board of Trustees
 Lancaster General Health

Jan L. Bergen
 President and CEO
 Lancaster General Health

We're proud to partner with Penn Medicine

LG Health joined the University of Pennsylvania Health System (Penn Medicine) on August 1. Penn Medicine and LG Health began working together nearly 30 years ago, when LG Health became one of the first members in the Penn Cancer Network. Today, our partnership spans every aspect of care and offers our communities the expertise of more than 4,000 affiliated physicians and advanced-practice clinicians.



“Lancaster General Health is an exceptional organization, providing the highest levels of care for patients and a leader in population health management,” said

Ralph W. Muller, CEO, University of Pennsylvania Health System. “Uniting with LG Health offers powerful opportunities to connect

medical teams and experts to improve care for all patients we serve and find solutions to healthcare delivery challenges ahead. A shared mission of innovation in all facets of healthcare is what brought us together and empowers us going forward as we embark on new discoveries to improve lives in our communities and across the Commonwealth.”

With Penn Medicine, our community has seamless, coordinated access to nationally recognized advanced treatments at one of America's top medical centers. The complementary resources of Penn Medicine and LG Health – our combined primary-care networks, LG Health's nationally recognized Family Medicine Residency Program, and Penn Medicine's world-renowned medical education and research capabilities – strengthen our ability to keep people in our region well.

Penn Medicine is committed to LG Health's mission and the Lancaster community.



Thomas E. Beeman, PhD, who led LG Health for the past decade, is now Chief Operating Officer, Regional Operations, for the University of

Pennsylvania Health System. He leads the management, coordination and integration of Penn Medicine services outside of Philadelphia, including LG Health. In his new role, he is focused on developing approaches that result in seamless coordination of care and strategic growth.



Jan L. Bergen, who joined LG Health more than 15 years ago, serves as LG Health's President & Chief Executive Officer. In collaboration with our local Board of Trustees, business

and community leaders who volunteer their time and expertise to LG Health, Ms. Bergen provides strategic leadership of the health system.

In addition to our mutual commitment to medical excellence, LG Health and Penn Medicine both are not-for-profit organizations dedicated to supporting charity care, community health programs, and efforts that improve the health of the most vulnerable individuals among us.

Furthermore, both are equally committed to continuing the historic investments made in our people, our facilities and services to achieve our Vision of Delivering on the Promise of a Healthier Future.



In 2015, the Perelman School of Medicine held its 20th annual White Coat Ceremony for its 156 incoming students, who arrived from 25 states and 65 colleges from around the country. This is the 250th class to enter Perelman, but the first to begin its training in the new Henry A. Jordan Medical Education Center.

Penn Medicine

PENN MEDICINE IS: The Raymond and Ruth Perelman School of Medicine and the University of Pennsylvania Health System.

RESEARCH

Penn Medicine is consistently among the nation's top recipients of funding from the National Institutes of Health. Faculty from dozens of institutes, centers and departments at Penn Medicine work with their colleagues from the 11 other schools of the University of Pennsylvania in many areas, including bioengineering and health policy.

EDUCATION

Established in 1765 as the nation's first medical school, the Perelman School of Medicine celebrated its 250th anniversary this year. Ranked among the top five medical schools in the U.S. for nearly 20 years, the School provides students an innovative, comprehensive curriculum that prepares them to become leading physicians and scientists in a broad array of fields.

PATIENT CARE

Penn Medicine physicians, nurses and staff deliver nationally recognized, personalized care to patients with a wide range of medical conditions, including cancer, heart and lung disease, neurological disorders, diseases of aging, and orthopaedics.

\$4.9 BILLION

Annual Operating Revenue

\$409 MILLION

National Institutes of Health Awards

COLLABORATIVE RESEARCH BY THE NUMBERS

1,400+ Students and Postdocs

5,200+ Faculty and Staff

28 Basic and Clinical Departments

24 Interdisciplinary Centers and Institutes

EXCEPTIONAL CANCER CARE

Each year, Penn Medicine delivers ...

63,000+ Chemotherapy treatments

101,000+ Conventional radiation treatments

14,000+ Treatments in the Roberts Proton Therapy Center

2,000+ Cellular vaccines administered to more than 700 patients (Since 1999)



EFFECTIVELY MANAGING OUR COMMUNITY'S HEALTH

Reaching out to our most vulnerable patients

LG Health strives to develop innovative ways to educate and empower individuals so they can proactively manage their health. Our Care Connections program is an excellent example of this approach, called “population health.” Care Connections enrolls chronically ill Medicaid patients who benefit from medical, behavioral

LORRAINE'S STORY: The whole team is connected to my care

Lorraine McGill is extremely busy these days. As she addresses serious health issues that include end-stage congestive heart failure and kidney disease, Lorraine has medical appointments almost every day — some at her home, and others in various LG Health offices.

“I think the biggest thing they have taught me is that good health is not just about addressing one medical issue. Everything is connected.”

Lorraine McGill
Care Connections patient



Care Connections patient Earl Marshall with Nurse Practitioner Maribeth LeBreton during one of his follow-up visits that occur every two weeks.



Care Connections patient Lorraine McGill with her Care Connection team members Justin Cook and Audrey Martin.

health and socioeconomic services coordinated under one care umbrella. The program has been a success thanks to the collaborative efforts of all involved, including state and local government and our numerous community partners. Working together, we address not only patients' medical and behavioral health, but also barriers to care — such as lack of transportation or food. Patients enrolled in Care Connections show significantly reduced hospital and emergency room use, decreased lengths of stay in inpatient units, and increased patient satisfaction. In July, LG Health received The Hospital & Healthsystem Association of Pennsylvania's prestigious “Living the Vision Award” for Care Connections' comprehensive and innovative approach to care.

She is grateful to be enrolled in Care Connections, which provides a team of professionals who help address not only her medical needs but also her emotional and spiritual needs and scheduling logistics. The name Care Connections fits perfectly, because the whole team is connected to my care,” Lorraine said. “The staff is really caring and genuine, and they make each of their patients feel like a priority.”

Handling the rigors of serious medical conditions can be trying, and Lorraine said she felt depressed before enrolling in Care Connections in June. In addition to a primary care physician, specialty physicians and nurses, Lorraine's Care Connections team includes a social worker, counselor and chaplain who have helped strengthen her emotional and spiritual health, and care navigators and care managers who have helped schedule appointments, make referrals, explain medications, and handle logistics such as

arranging rides.

“I think the biggest thing they have taught me is that good health is not just about addressing one medical issue,” she said. “Everything is connected, and when I don't take care of one aspect of my health, it impacts other areas of my health. They helped me realize that I need to take care of every aspect of my life to be as healthy as possible.”

In July, LG Health received The Hospital & Healthsystem Association of Pennsylvania's prestigious “Living the Vision Award” for Care Connections' comprehensive and innovative approach to care.

PROVIDING PROACTIVE AND INNOVATIVE CARE



Dr. Andrea Stern is one of the more than 300 LGHP physicians devoted to keeping our community well.

worker, a care manager, a customer-support representative, and a certified medical assistant. Other Be Well Team members may include a pharmacist, and physical, occupational and speech therapists.

All 24 LGHP primary-care practices are recognized as Patient-Centered Medical Homes by the National Committee for Quality Assurance.

A focus on keeping people well

Lancaster General Health has always been committed to advancing the health and well-being of the communities we serve. Over the past several years, as we work together as a nation to improve overall health, our mission has taken on heightened importance.

We continue to transform how care is delivered to enhance quality, patient satisfaction and overall value. One of many approaches the health system pursued is establishing Patient-Centered Medical Homes and Be Well Teams at all LG Health Physicians primary-care practices.

This team approach aims to keep patients well, rather than just treating them when they are sick or injured. Each practice has a multidisciplinary group, called a Be Well Team, dedicated to coordinating care and engaging patients so they can make the best choices to stay healthy.

Teams can include an advanced-practice provider, a nurse, behavioral-health counselors, a social

“The medical home model is a proactive approach to keeping patients healthy, rather than being reactive when they get sick,” explained Brian Young, MD, who leads the Medical Home initiative at LG Health, and who also practices at Twin Rose Family Medicine. “The goal is to enhance the quality of care and lower healthcare costs by avoiding emergency department visits and hospitalizations.”

In addition to the care patients receive from LGHP physicians, care managers make sure they have appropriate educational information. Nurses provide important follow-up, and social workers are available to help remove barriers like transportation problems or insurance issues that might prevent patients from receiving needed care.

While all LGHP patients are cared for by Be Well Teams, particular emphasis is placed on those with chronic conditions like diabetes and hypertension.

A cutting-edge treatment for a common heart condition

The Heart Group of Lancaster General Health now offers MitraClip®+ Transcatheter Mitral Valve Repair, a cutting-edge treatment for a common heart valve disorder.

Nearly 1 in 10 people age 75 or older can have severe mitral regurgitation (MR), or a leaking heart valve. If left untreated, this condition can lead to heart failure, or death.

To treat MR, open heart surgery (such as mitral valve repair or replacement) is an option, but this procedure can be too risky for patients who are very sick. Earlier this year, physicians from The Heart Group began offering a minimally invasive nonsurgical option with MitraClip Therapy – the first and only transcatheter approach to repairing the mitral valve.

During the procedure, physicians use cardiac imaging and a catheter inserted into a vein in the patient’s leg to reach the heart and place the MitraClip device. The small clip helps the valve close more completely. This improves and sometimes eliminates the leak, leading to better heart function.

THG physicians currently offer MitraClip to patients at high or prohibitive risk for open-heart surgery. So far all patients who’ve had the MitraClip procedure experienced significant improvement to their leaking heart valve, with no mortality.

The Heart Group expects to begin offering MitraClip to a growing number of patients. An option for minimally invasive mitral valve replacement is currently under clinical investigation.



MitraClip® System

Image courtesy of Abbott

GIVING BACK TO IMPROVE THE HEALTH OF OUR COMMUNITY

Community benefit activities improve everyone's health

LG Health is committed to improving the health and well-being of the communities we serve. Together with strong community partners, we identify the community's most-pressing health concerns and implement solutions that address these critical needs. Our community benefit activities have the potential to reach every citizen in our area.

Together with our partners, we have identified three current community health improvement priorities:

- Increasing the number of people at a healthy weight
- Reducing the use of tobacco
- Improving mental health with a focus on depression and anxiety

As a founding member and facilitator, we continue to partner with the Lighten Up Lancaster Coalition, a community-led coalition that today includes over 1,000 individuals, schools, organizations and businesses working together to heighten awareness of obesity issues, bring about behavioral change through programming, and create environmental change by promoting access to healthy food, opportunities for physical activities, and more walkable and bike-friendly communities.

We also are a key driver of the Tobacco Free Coalition of Lancaster County, a multi-sector partnership that has helped reduce the number of adult smokers in the county and led to 18 municipalities adopting tobacco-free parks and playgrounds. We have major initiatives in the works on the behavioral health front.

Through partnerships large and small, we are working on policies, systems and environmental changes that will have a long-lasting and broad influence on the health and well-being of our community.

Increasing the number of people at a healthy weight

64%

of Lancaster County adults are overweight or obese

38%

of youth in Lancaster County are overweight or obese

20

corner store and bodega owners in Lancaster City worked with LG Health to add a minimum of four healthy items to their retail offerings

40

school buildings throughout the county have gardens where students have hands-on education as well as access to fresh fruits and vegetables

1,000

people have participated in one of LG Health's Healthy Weight Management programs

14

Lancaster County municipalities joined LG Health in completing walkability audits of their communities' offerings

Reducing the use of tobacco

18%

of Lancaster County adults smoke

10.3%

of Lancaster County youth used cigarettes in 2013; 10.2% used other tobacco products such as E-cigarettes

1,300

families living in 22 Lancaster County multi-unit housing properties are protected by adopting a smoke-free policy

350,000

people breathe cleaner air in local parks because 27 Lancaster County municipalities have adopted a Young Lungs at Play resolution

5,700

students in 36 Lancaster County schools received LifeSkills prevention curriculum provided by LG Health educators

Improving mental health with a focus on depression and anxiety

34%

of Lancaster County adults report that their mental health was not good for one or more days in the past month

100

people contributed to the vision for mental well-being in Lancaster County through the Let's Talk, Lancaster Collaborative, which is dedicated to improving the mental health and well-being of our community

150

community partners are engaged in Action Teams for Let's Talk, Lancaster, to address the evolving mental health needs in the workplace, community, schools and among providers

10

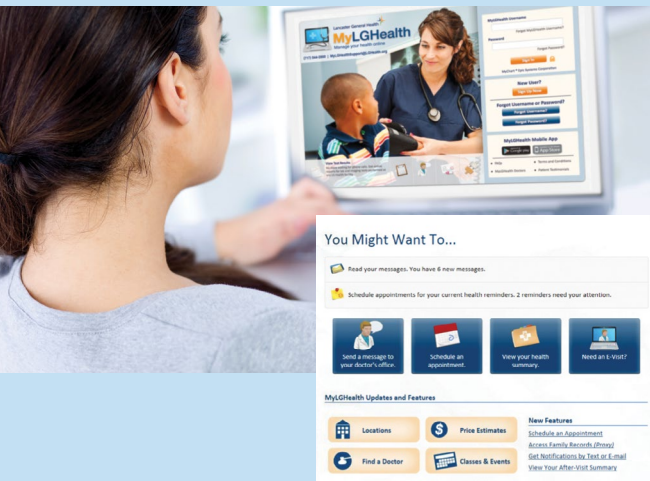
Lancaster County businesses have committed to tracking and increasing use of Employee Assistance Programs, to increase access to behavioral health services



HELPING PEOPLE TAKE CHARGE OF THEIR HEALTH

Engaging patients to be active participants in their healthcare

LG Health's patient portal, MyLGHealth, enables patients to be active participants in their healthcare. MyLGHealth has more than 110,000 subscribers who use the program's website or smartphone application to more directly engage in their care.



MyLGHealth enables patients to:

- Request an appointment or prescription refill online
- Access recent lab or imaging results and their full medical history
- Email their doctor with a non-urgent question
- Keep track of their appointments and medications in one central location

More patients are signing up for MyLGHealth every day, because it enables them to be engaged in their care. We continue to look for ways to enhance MyLGHealth, and we have plans to increase mobile health options in the future.

Wellness leader at the U.S. Women's Open

Lancaster County was on an international stage when it hosted the U.S. Women's Open golf championship in July. During the weeklong tournament, LG Health staff and clinicians greeted spectators in our Wellness Pavilion at the entrance to the Lancaster Country Club. As the Wellness Sponsor for the tournament, LG Health also provided medical services, hosted guests in our hospitality suite and offered healthy lifestyle tips to tournament patrons. Through these efforts, we helped educate our local community and visitors about the benefits of a healthy lifestyle. LG Health served as a wellness leader in our community, thanks to the 250 volunteers who supported our efforts at the tournament.



LG Health Hub helps patients choose well, be well

Knowledge is power. That's why in May, we launched the LG Health Hub — a vibrant new website filled with blogs, videos, recipes, patient stories and risk assessments designed to help you choose well and be well.



At www.LGHealthHUB.org, our community of experts shares timely health and wellness information on a broad range of topics, clearly organized and available on any device—laptop, tablet or smartphone. Our doctors, therapists, educators and dietitians address everything from the latest recommendations on cancer screenings to healthy meals you can prepare for your family. Learn about each new entry posted in the Health Hub by following us on Facebook: www.facebook.com/LancasterGeneralHealth.

RECIPES



BLOGS



VIDEOS



PATIENT STORIES



RISK ASSESSMENTS



GROWING TO SERVE OUR REGION



Excellent care and community support in new facility in Lebanon

The Lancaster General Health Center opened in Lebanon, in November, in partnership with Orthopedic Associates of Lancaster. The center offers a broad range of services, including primary care and specialty care, urgent care, and outpatient services, and it utilizes some of the most-advanced technology in the region.

The LG Health Center offers urgent care integrated with orthopedic care provided by Orthopedic Associates of Lancaster. LG Health practices The Heart Group and Quentin Family Medicine practice in the facility. Quentin Family Medicine physicians offer a unique integrative approach to medical care that focuses on patient wellness. The family physicians work with patients to evaluate what behaviors or habits

may be influencing their health, and consider holistic alternatives to pharmaceuticals and other traditional medical options.

Committed to providing integrated, comprehensive community support in Lebanon, LG Health also has incorporated a demonstration kitchen and conference room that can be used for education and community gatherings.



Offering women's specialty services in one location

LG Health recently opened the Women's Specialty Center – the only center in the region where female physicians and staff offer both primary and specialty care to women at every stage of life. The unique specialty center, located at our Women & Babies Hospital Outpatient Center, is a prime example of our focus on quality. At the center, every patient has a nurse navigator who guides her to set personal health goals and connects her with a primary care physician. The navigator also coordinates other medical care the patient may need, including internal medicine, cardiology, gastroenterology, behavioral health counseling, or urogynecology and pelvic reconstructive surgery — all offered on site.

Additionally, the center's all-female staff offers education, nutritional counseling and access to holistic therapies such as yoga and massage to help manage stress. This high-quality specialty care ensures that women receive the healthcare attention they need in a comfortable and convenient location.



As the Women's Specialty Center's dedicated nurse navigator, **Phyllis Hennessy, BSN, RN** can coordinate care across the spectrum of services – primary care, cardiology, gastroenterology, urogynecology and physical therapy services that support pelvic issues. She can also help you set health goals, schedule appointments and recommend additional services to maintain overall health and wellness.

REINVESTING IN OUR COMMUNITY THROUGH GROWTH AND COLLABORATION



Investing in our community and the future of healthcare

Pennsylvania College of Health Sciences pursued a historic opportunity to establish a single, unified campus that builds far more than walls. Next year, the College will relocate to a new 24.7-acre campus in the Greenfield Corporate Center in East Lampeter Township. The new campus includes a 148,000-square-foot warehouse that will be renovated into state-of-the-art classroom and lab facilities.

This large center for learning will allow the entire College to be ideally positioned in one location, fostering a sense of college unity and community.

The new campus infuses technology and design that supports collaborative learning and easily reconfigurable spaces that allow for creative use of space. Cutting-edge technology will be woven into the new environment – from computers and cameras to simulation and learning arts laboratories, examination rooms and operating suites.

A health suite will be constructed for student and employee wellness exams, immunizations and screenings. A multi-tiered, 400-seat auditorium will adjoin to a conference-style corporate education space. A wellness area will include a fitness center and rejuvenation space for learners and staff to “practice what we preach” in embracing mind-body wellness.



Enhancing pediatric specialty care in your backyard

LG Health has joined with The Children's Hospital of Philadelphia (CHOP) to provide nationally renowned pediatric care in our community. Penn Medicine and CHOP are close affiliates, so our collaboration with CHOP is a logical choice. CHOP now provides inpatient pediatric care to our pediatric unit and pediatric support to our Emergency Department, and CHOP physicians offer inpatient and outpatient pediatric cardiology services. This collaboration enhances the level of very specialized care we are able to provide children and their families in our community. We are exploring additional opportunities to jointly expand pediatric services in Lancaster County.



CHOP's groundbreaking care is available to Lancaster County's children. CHOP continued its long tradition of historic milestones when, in July, 8-year-old Zion Harvey of Baltimore, MD, became the first pediatric bilateral hand transplant recipient in the world. Led by Dr. L. Scott Levin, Chairman of the Department of Orthopaedic Surgery at Penn Medicine, the landmark surgery lasted 10 1/2 hours, with 40 people – including 10 attending surgeons – collaborating. To learn more about Zion's amazing journey, visit: chop.edu/stories/zion-s-story-gift-hands



REINVESTING IN OUR COMMUNITY THROUGH GROWTH AND COLLABORATION

Investing in our hospital to improve quality and safety

Lancaster General Health continued investing in the future of healthcare in downtown Lancaster by breaking ground on a six-story expansion of Lancaster General Hospital. The \$60 million project will enable the hospital to provide all private patient rooms.

Single-patient rooms have become the industry standard in new construction of acute-care facilities in the United States. Private rooms reduce the possibilities for infection, facilitate nurses' and healthcare workers' ability to do their jobs efficiently, provide adequate spaces for family members to participate in the healing process of the patients, and afford a greater measure of privacy for the delivery of bedside treatments and for sensitive discussions with healthcare personnel.

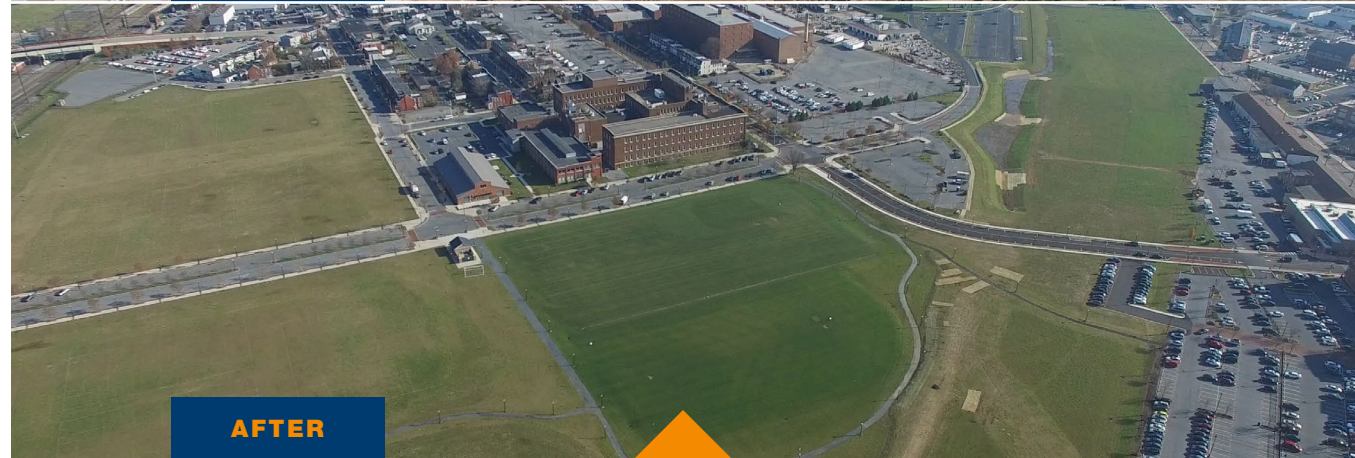
Private-room design also reduces noise levels and traffic in and out of patient rooms and contributes to a reduction in patient stress levels, which in turn results in faster healing time for patients.

Among LGH's current 533 inpatient beds, 142 are located in semi-private rooms. LG Health will expand onto the northeast corner of the hospital, near Lime and Frederick streets.

As medical technology advances, hospital rooms must be larger to accommodate larger equipment, advanced technology and family-centered care. Larger rooms also make it easier and more convenient for visitors and can provide space for overnight guests.

The new patient wing, which will rise a total of eight stories, will contain 66 new private inpatient rooms and space for additional rooms for future use as demand requires. As these rooms become available to patients, the current 71 semi-private rooms in other hospital buildings will be converted to private rooms or other facilities. The overall number of beds at LGH will remain the same as today.

LGH will gain space for offices and other medical uses, and there will be additional space ready for 63 new beds as needed in the future.



Investing in our community via the Northwest Gateway

The Northwest Gateway, the historic urban redevelopment project spearheaded by Lancaster General Health and Franklin & Marshall College and a consortium of public and private partners, made significant progress in 2015.

The 50-acre, \$90 million project north of Harrisburg Avenue in Lancaster City, occurred in two phases over more than a decade. The first entailed a 47-acre tract that once housed an Armstrong World Industries flooring plant, demolishing the plant and cleaning up the site. That phase was completed in October 2009.

This year marked the completion of the project's second phase, which involved the relocation and environmental remediation of an adjacent 30-acre section of a Norfolk Southern rail yard along Harrisburg Avenue, creating a contiguous parcel for future development.

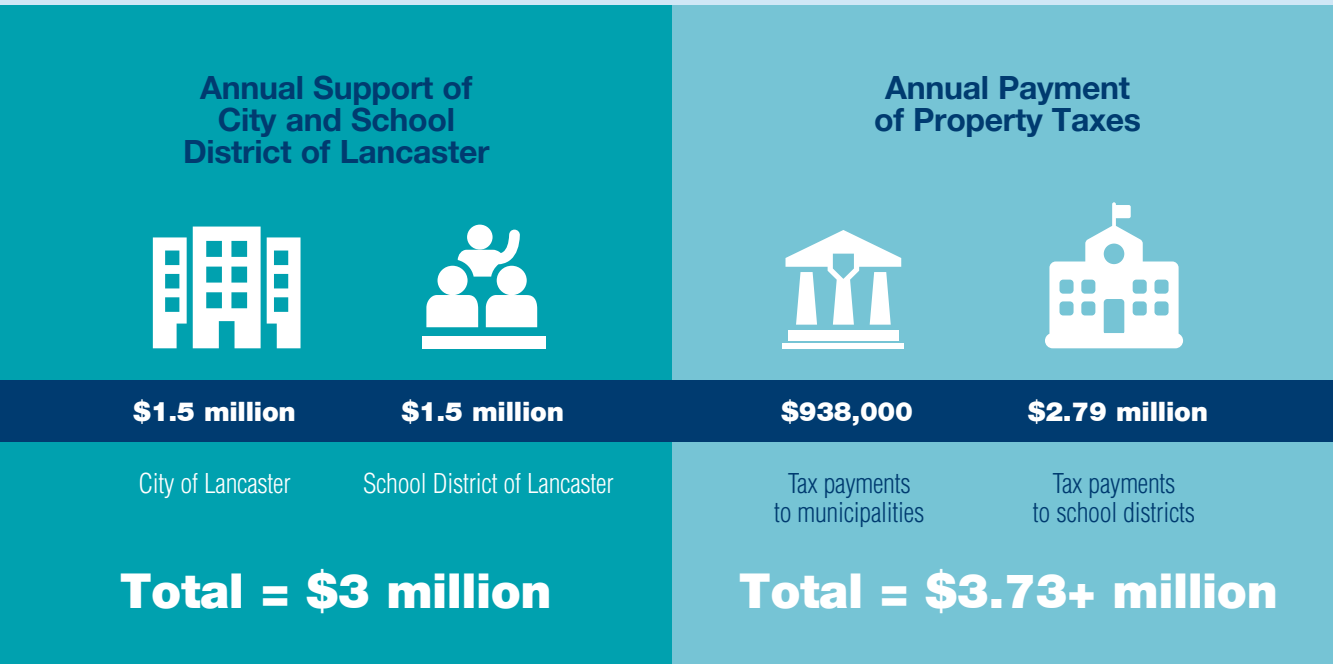
A street linking Liberty Street with College Avenue opened in late 2015, establishing an essential traffic connection between the city's northern and western neighborhoods. High-voltage power lines that traversed the former rail yard were buried underground to facilitate development.

LG Health plans to use a portion of the property for future long-term development of health services for the region. The remaining portion will be used by the F&M College to enhance student life by creating, relocating and upgrading athletic venues and recreation spaces. The F&M College plans to establish an athletic precinct that eventually will become home to Shadek Stadium, a multipurpose facility expected to see action for Diplomats football, soccer and lacrosse.



SUPPORTING OUR COMMUNITY'S HEALTH AND FINANCIAL NEEDS

Building a healthy community extends beyond providing healthcare. We support local governments, school districts and community improvement initiatives in addition to caring for those who are medically underserved.



Supporting the City of Lancaster and the School District of Lancaster

The provision of cash and services is in addition to what we pay in city property taxes and property taxes to the school district.

Payment of property taxes

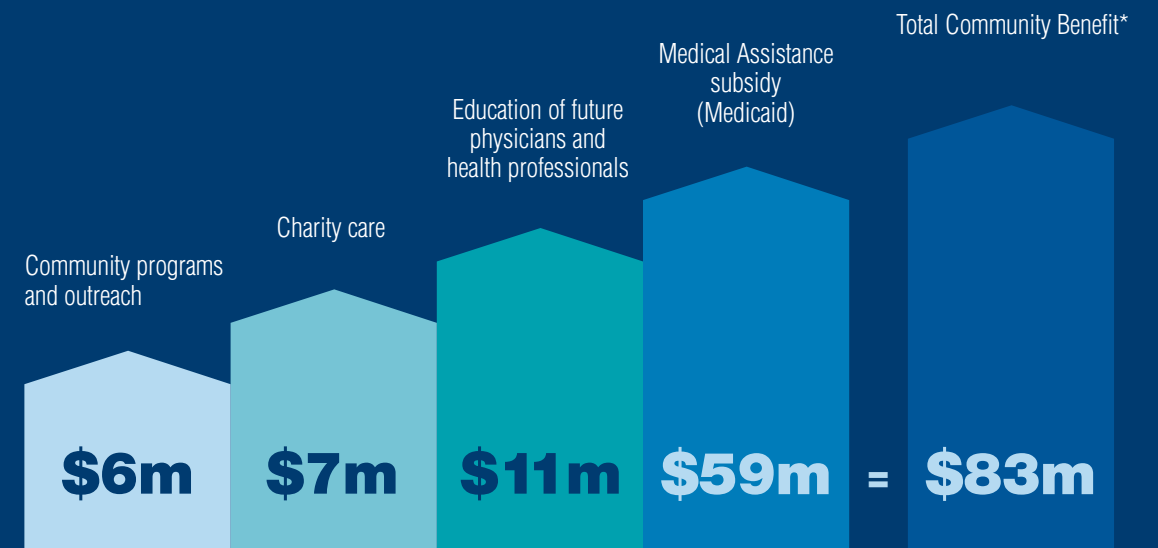
Most properties within the city and county owned by LG Health and its affiliates (excluding Lancaster General Hospital at 555 N. Duke St., Lancaster, and Women & Babies Hospital at 690 Good Dr., Lancaster) are fully maintained on the tax rolls – even when such properties are used to further our charitable mission, rendering them legally tax-exempt.

This ensures that LG Health pays more than \$3.73 million in additional tax revenue to several local municipalities and school districts.

To see payments itemized by school district, please visit LGHealth.org/LGH/AnnualReport/2015

Caring for all in the community

LG Health provides care to anyone, regardless of their financial means or insurance coverage. The following summary describes our costs during our last fiscal year to provide healthcare services to people with little or no ability to pay:



LG Health also provided more than \$74.7 million in care that was not reimbursed by Medicare (not considered “Community Benefit”) Total based on actual cost of care.

* Financial figures based on Lancaster General Health's fiscal year, which started July 1, 2014, and ended June 30, 2015. All items listed as community benefit and based on categories, definitions and reporting guidelines outlined in “Guidelines and Standard Definitions for the Community” published by the Catholic Health Association of the United States and VHA Inc.

Lancaster General Health Consolidated Statement of Operations and Changes in Net Assets

Fiscal Years Ended June 30, 2015, 2014 and 2013 (in thousands of dollars)

Unrestricted net assets	2015	2014	2013
Unrestricted revenue and other support			
Net patient service revenue	\$1,029,372	\$964,235	\$914,301
Provision for bad debt	(47,305)	(43,875)	(41,425)
Net patient service revenue, less provision for bad debt	982,067	920,360	872,876
Medical services	10,704	10,604	10,031
Capitation revenue	—	587	1,523
Other revenue	42,122	35,424	31,019
Net assets released from restrictions for operations	2,184	1,769	3,980
Contributions	507	450	317
Total unrestricted revenue and other support	1,037,584	969,194	919,746
Expenses			
Operating expenses	926,013	858,735	832,004
Depreciation and amortization	54,206	54,976	51,232
Interest	9,401	9,388	7,932
Provision for bad debts	103	136	112
Total expenses	989,723	923,235	891,279
Operating income	47,861	45,959	28,467

This statement encompasses the financial performance of all members of the Lancaster General Health system, including Lancaster General Hospital, Women & Babies Hospital, Lancaster General Health Physicians and Lancaster General Health Outpatient Facilities. As a not-for-profit organization, any profits realized at year-end are reinvested in new technology, our employees and facilities to better serve our community.

Note: The annual net operating revenues associated with joint-venture companies for which LG Health is a significant business partner, is approximately \$90-95 million per year. For these entities, LG Health reports approximately 49 percent of its share of the net earnings of these joint ventures through non-operating income. When these are taken together with operating revenues and expenses shown above, the approximate and effective annual operating revenues associated with LG Health is approximately \$1 billion, and its effective annual operating income is approximately \$35 million in 2013, \$54 million in 2014, and \$57 million in 2015.

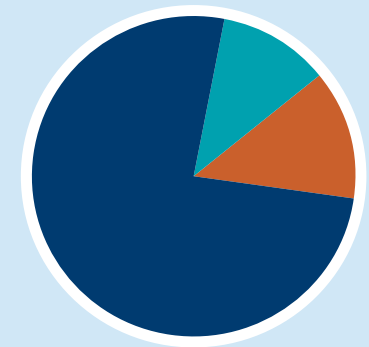
Government Affairs & Grants Program 2014-2015

The Lancaster General Health Government Affairs & Grants Program connects LG Health's knowledge and expertise with federal, state and local leaders to support and advance our mission to the community.

In the last fiscal year, the program generated almost \$3 million in grant awards for medical research, capital improvements, patient services and prevention throughout the system.

Funders included the federal government (13%), state government (76%) and foundations (11%).

The Grants Program also supported compliance for 35 active grants in collaboration with the project directors and the related departments.



2014-2015 Grant Awards \$2,939,412

- Federal \$367,703
- State \$2,238,479
- Foundation \$333,230

Government Affairs provided an additional \$1.2 million to support a new care delivery initiative.

Recognitions



U.S. News Best Hospitals

Lancaster General Hospital was ranked nationally as one of the best hospitals for 2015-16 in three specialties: Orthopaedics, Diabetes & Endocrinology, and Gastroenterology & GI Surgery. The hospital also ranked fifth among all hospitals in Pennsylvania.

Magnet Designation

Lancaster General Hospital has been recognized three consecutive times by the American Nurses Credentialing Center's Magnet Recognition Program®, the highest honor an organization can receive for excellence in nursing practice.



Baby-Friendly®

Women & Babies Hospital is the first PA hospital designated as Baby-Friendly®. The international award recognizes birth facilities that offer breastfeeding mothers the information, confidence and skills needed to successfully initiate and continue breastfeeding.

Baby-Friendly USA, Inc. is the U.S. authority for the implementation of the Baby-Friendly Hospital Initiative and sponsored by the WHO and the United Nations Children's Fund.

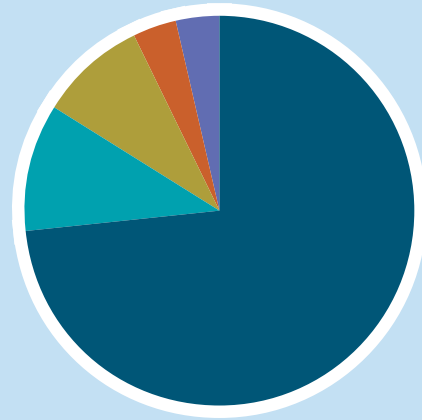
LANCASTER GENERAL HEALTH FOUNDATION

The Lancaster General Health Foundation is dedicated to supporting excellence in patient care by providing oversight of the fundraising activities for LG Health and its affiliates.

Philanthropy from our community plays a critical role in helping to advance strategic priorities within the health system, which translates into better health outcomes for our overall community. In fiscal year 2015, \$5,198,763 was contributed to the LG Health Foundation.

Quite often, philanthropy comes in the form of gifts accompanied by notes of gratitude from grateful patients. For Ana McKenna, her gift of gratitude was directed to The Heart Group of LG Health, cardiothoracic surgeons, ICU nurses and the 5 East nursing staff, "You saved my life. For this I am most grateful. No words can express my gratitude."

Gratitude expressed through philanthropy helps provide vital funds to benefit our patients, advance research and increase the margin of medical excellence in our region. Gifts made to the LG Health Foundation will stay local to help ensure quality healthcare in our community. LGHealth.org/Foundation



2014-2015 Contributions by Donor Type: \$5,198,763

● Individuals	\$ 3,823,711
● Foundations	\$ 546,076
● Corporations	\$ 460,969
● Organizations	\$ 191,086
● Government	\$ 176,921

 Penn Medicine
Lancaster General Health Foundation



Pictured: Dr. Randy Oyer; Nikolas Buescher; Patti Inama Roda; Steven L. D'Amato, BSPharm, CBOP, ACCEC President; Jennie R. Crews, MD, FACP, ACCEC President-Elect; and Christian Downs, JD, MHA, ACCEC Executive Director.

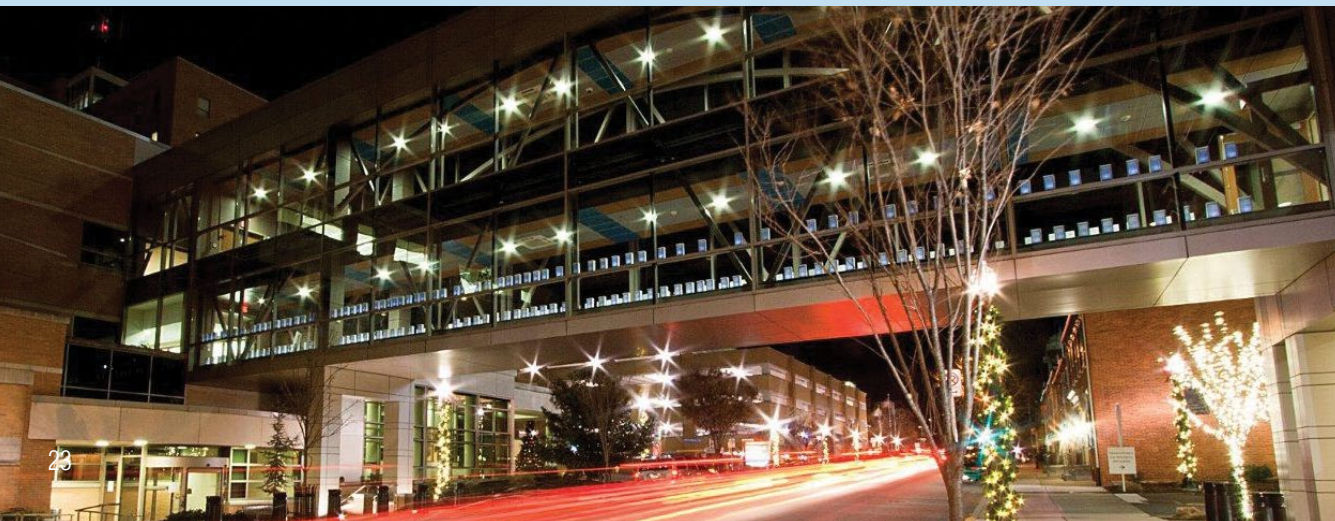
Ann B. Barshinger Cancer Institute recognized for helping patients reduce financial distress

The Ann B. Barshinger Cancer Institute (ABBCI) was recognized with the Innovator Award from the Association of Community Cancer Centers (ACCC) in October. Now in its fifth year, the Innovator Award recognizes forward-thinking organizations that present case studies of their experience running a new program, implementing a new technology or fostering innovations that aim to change the way oncology care is delivered.

ABBCI was recognized for the implementation of Cancer Patient Assistance program. Working with the local community, ABBCI created the program for patients experiencing financial distress. Oncology supportive services providers and members of the Lancaster General Health Foundation developed comprehensive funding guidelines and tools, including a financial tracking spreadsheet and process map.

"The philosophy at the Ann B. Barshinger Cancer Institute is to take care of the whole person, not just addressing their clinical problems or issues," said Patti Inama Roda, Oncology Clinical Support Manager, in a video submitted to the ACCC. "It's really looking at them as a person, (as well as) their family or significant others and taking care of them also."

To view the video that the ABBCI team submitted for the award, check out the featured videos on the LG Health YouTube Channel.



LG HEALTH BY THE NUMBERS

689
BEDS IN SERVICE AT 3 HOSPITALS

970+
PHYSICIANS ON MEDICAL & DENTAL STAFF

7,500+
EMPLOYEES

547,500
LG HEALTH PHYSICIANS OFFICE VISITS

38,340
SURGERIES

\$1 billion+
ANNUAL HEALTH SYSTEM REVENUES

35,282
INPATIENT DISCHARGES
(INCLUDES BIRTHS)

1 million+
OUTPATIENT REGISTRATIONS

116,300
EMERGENCY DEPARTMENT VISITS

49,370
URGENT CARE VISITS

4,381
BIRTHS

\$83 million
COMMUNITY BENEFIT
(CARING FOR OUR COMMUNITY)

\$1.8 million
RESEARCH EXPENDITURES

\$48 million
CAPITAL INVESTMENTS MADE
THROUGHOUT HEALTH SYSTEM IN FY 15

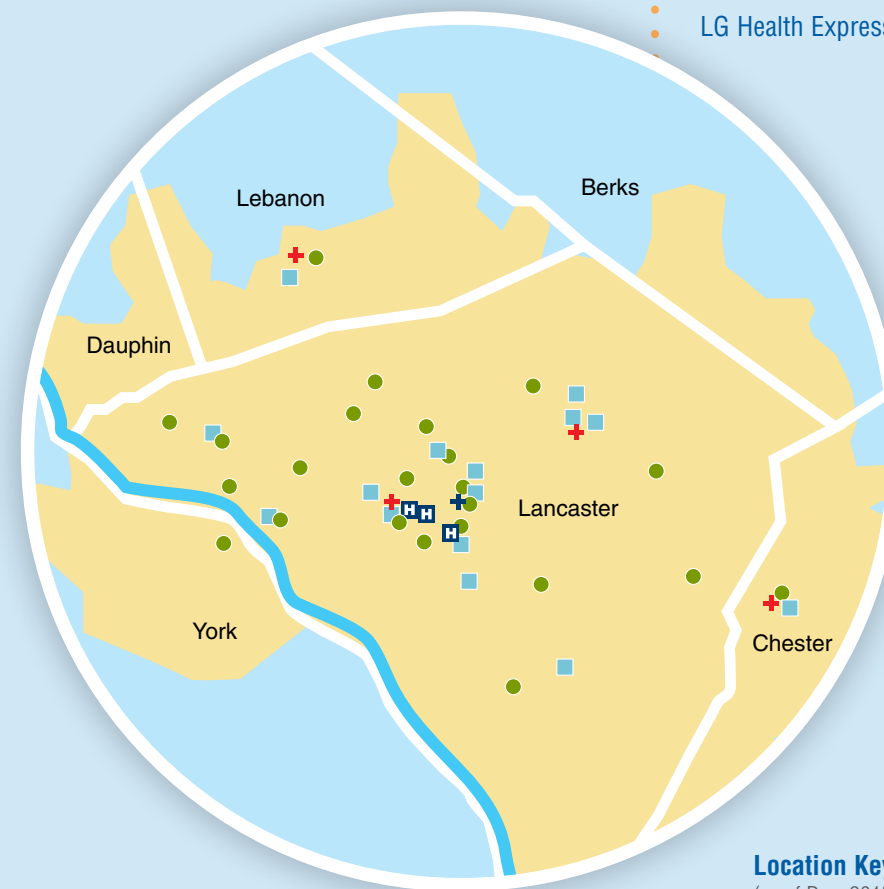
1,400+
PA COLLEGE STUDENTS

110,000+
MYLGHEALTH ONLINE MEDICAL
RECORD PARTICIPANTS

As demonstrated on the pages of this report, Lancaster General Health is providing the tools, skills and connections to meet ever changing healthcare needs. By leveraging the benefits of Population Health Management, LG Health strives to improve the health of the population and provide quality, efficient and effective care for all in our community.

Lancaster General Health

- Outpatient centers **15**
- Primary care practices **24**
- Specialty care practices **23**
- Urgent Care **4**
- LG Health Express **1**



Location Key
(as of Dec. 2015)

- H** Hospital
- Outpatient center
- Physician practice
- +** Urgent Care
- +** LG Health Express

Note: Some outpatient locations include multiple physician practices. For detailed information, go to LGHealth.org/locations