“Time has been transformed, and we have changed; it has advanced and set us in motion; it has unveiled its face, inspiring us with bewilderment and exhilaration.”

— Kahlil Gibran
"Commitment is what transforms a promise into reality. It is the words that speak boldly of your intentions. And the actions which speak louder than the words. It is the making of time when there is none. Coming through time after time after time, year after year after year. Commitment is the stuff character is made of: the power to change the face of things. It is the daily triumph of integrity over skepticism."

— ANONYMOUS
Guided by our mission to provide access to a comprehensive continuum of integrated health care services, Meridian Health has invested heavily and creatively in the development of partnerships with other companies in order to provide the highest-quality, patient-centered health care to our growing and diverse communities.

Today, Meridian Health is an integrated academic health care system providing a comprehensive range of quality inpatient, outpatient, in-home, and related health care services. And we are especially proud of the momentous impact our physicians, nurses, and other team members have had on the health and well-being of the residents of New Jersey.

Our momentum as a leading academic health care system continues as we look for more transparent, quality-focused, efficient, and forward-thinking ways to overcome the immense challenges facing health care. As George Bernard Shaw once said: “We are made wise not by the recollection of our past, but by the responsibility for our future.” Moreover, it is our responsibility and our willingness to embrace it that will determine Meridian Health’s next chapter in Taking Care of New Jersey.

Sincerely,

Marc H. Lory
President, Meridian Hospitals Corporation

Richard A. Amdur, Esq.
Chairman, Meridian Hospitals Corporation

John K. Lloyd, FACHE
President, Meridian Health

Gordon N. Litwin, Esq.
Chairman, Meridian Health
Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen’s own challenge, although different, has been equally as arduous. As a consequence of her diabetes, her big toe was amputated in 1991, followed by her left leg below the knee in 2000. A prosthesis has since allowed her to get around fairly well.

But when severe pain in her right knee prompted the need for a cane or wheelchair, she wasn’t sure what to expect next. “I was afraid of another amputation and how that might affect my independence,” she shares. “The more I put it off, the worse it got.”

By the time Maureen saw John Tozzi, M.D., her knee had become severely deformed and was growing increasingly unstable, as the joint was no longer providing any cushion between bones. The risk of Maureen falling was very real. It was apparent that her knee needed replacing, but there were other issues.

“Because of Maureen’s diabetic history, we had to make sure that her body could handle the replacement and the rehab,” explains Dr. Tozzi. “There was an increased risk of infection, and brittle diabetics (those who have difficulty stabilizing their blood glucose) often have trouble getting wounds to properly heal. Despite the high risks, Maureen and I decided together that the potential benefit was worth it.”

The results of the surgery were “tremendous.”

“Our goal was to see Maureen walk with a safe and stable extremity,” clarifies Dr. Tozzi. “The new knee gives her greater mobility and more of a normal, independent life.”

This past March, Maureen was honored at New York City’s St. Patrick’s Day Parade. “What a wonderful way to pay homage to my great-grandmother’s feat.” She finishes tongue in cheek: “Personally, I’m especially fond of my own feet.”

“TEN YEARS TAKING CARE OF NEW JERSEY
JERSEY SHORE UNIVERSITY MEDICAL CENTER

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.

You Can’t Keep a Strong Woman Down

Maureen Peterson uses her great-grandmother’s heritage as a way of illustrating her family’s tradition of determination in the face of adversity. “On January 1, 1892, my great-grandmother arrived here from Ireland as the first documented immigrant to enter through Ellis Island,” she says proudly.
From Imagination to Real Life

Clevette Hill compares her two sons’ medical care to completing a puzzle as she puts together the right pieces for their treatment: the right team of nurses, physicians, and support staff. She found those pieces of the puzzle at K. Hovnanian Children’s Hospital. “You can tell they all love and care about what they do for their patients,” she says.

“My boys play games with the recreational therapist. They actually look forward to seeing everyone at the hospital.”

Clevette’s sons, Khalil, 11, and Salim, 15, were diagnosed at birth with sickle cell anemia, which strikes about 72,000 people (predominantly of African ethnicity) in the United States.

Recently, Khalil and Salim were admitted to K. Hovnanian Children’s Hospital for a week’s stay. Every three months, the boys see pediatric hematologist/oncologist Margaret Masterson, M.D., for monitoring. The boys require regular checkups, special medications and vaccines, nutritional counseling, educational interventions, and pediatric subspecialty referrals. “We teach patients and families how to take control in order to have a longer, better quality of life,” comments Dr. Masterson.

“Sickle cell anemia is an inherited disorder that causes red blood cells to become stiff,” explains Dr. Masterson. “These cells obstruct blood flow to organs, causing pain and organ damage. And sickle cells don’t circulate as long as normal cells do, causing chronic anemia.”

As a result of the care and education they have received, the Hill boys are now able to manage much of their care at home, and they even attend various celebrations, support groups, and a special summer camp with others facing the same illness.

“Dr. Masterson explains everything with such detail and really makes sure we understand what to expect and do,” stresses Clevette.

Fortunately, the brothers, with the help of their K. Hovnanian Children’s Hospital family, can focus on getting good grades and playing like other kids their age. And with such specialized pediatric care available close to home, Clevette is now able to focus on her own longtime goal: earning her social work degree and spreading the compassion she and her sons have received to others.

In 1997, it was merely a dream held by physicians, nurses, support staff, and leaders. Today, K. Hovnanian Children’s Hospital is an evolving mission, bringing incredible, convenient, and often one-of-a-kind pediatric services to Monmouth and Ocean counties. For Jersey Shore, Ocean, and Riverview, the subspecialty services of the Children’s Hospital have become essential in delivering quality, compassionate, specialized care to young patients and their families.

K. HOVNANIAN CHILDREN’S HOSPITAL

| meridian health annual report |
| 2006, 2007 |

K. HOVNANIAN CHILDREN’S HOSPITAL 2006–2007 ACCOMPLISHMENTS

- Increased pediatric inpatient volume by 13% and added pediatric subspecialists to expand programs in asthma, gastroenterology, and emergency medicine.
- Increased ambulance transports from community hospitals for specialty care by 20%, aided by a partnership with Alert Ambulance.
- Played a leadership role in professional development for state and medical professionals, hosting statewide conferences on foster care, child development, and asthma.
- The first and most comprehensive state-designated children’s hospital for Monmouth and Ocean counties was renamed and dedicated on January 6, 2006. The event also recognized Kevork S. and Emily Hovnanian for their gift, the largest in the history of Meridian Health.
- Received more than $500,000 in grants to provide and expand mental health, child evaluation, fitness, and child abuse prevention programs.
- The Pediatric Epilepsy Center launched a collaboration with the Epilepsy Foundation of New Jersey in a multi-state project funded by a three-year grant to improve epilepsy education and access.
- Demonstrated academic and community leadership as pediatricians were published in the Journal of Perinatology, Clinical Journal of Sport Medicine, and Pediatric Annals.
- Provided direct outreach programs to more than 5,000 children and more than 40 groups as part of community partnerships and educational programs.
- The diabetes education program was named a “Recognized Program” and recertified by the American Diabetes Association for meeting the national standards for excellence.
When Jeff Blazewicz talks about his mother’s recent hospital stay at Ocean Medical Center, he is complimentary not only of the medical care she received, but of the entire Ocean team, especially those on the Acute Care of the Elderly (ACE) unit who made his family feel like the focus of their caring ways.

Providing for the Unique Needs of Older Adults

Jeff’s parents, Jane and Edwin, met when they were children, and they’ve been married for 56 years. “There’s no doubt that the bond between them is strong,” says Jeff. Perhaps the greatest test of their collective spirit came five years ago, when Jane was diagnosed with Alzheimer’s. The disease has challenged her mental capacities, and it’s also created added responsibility for Edwin. In fact, by the time Jane was hospitalized for an unrelated issue this past year, her Alzheimer’s had progressed to a point that required almost round-the-clock care by her husband.

Once at Ocean Medical Center, Jane stayed on the hospital’s new geriatric unit, where in addition to traditional treatment for her physical ailments, she received the kind of specialized elder care that only a uniquely designated ACE unit can provide.

“An ACE unit is designed specifically to meet geriatric patients’ requirements for care, comfort, and overall safety,” notes Ellen Barrington, R.N., nurse manager. “Our specially trained nurses who deliver comprehensive care within a comfortable setting accented with a modern décor.

“Every little detail counts,” elaborates James Heacock, M.D., board-certified internist on staff at Ocean and Jane’s primary physician. “From the lighting and the color choices to the design and care of the flooring, our ACE unit offers the optimal healing environment for our elderly patients.”

Whereas the rooms on the unit boast bountiful amenities to enhance the patient experience, critical equipment is discreetly tucked away behind doors and wall hangings. As Ellen explains, “There are high-tech considerations that go into establishing an ACE unit. Certain illnesses and conditions, like dementia, incontinence, and chronic wounds, are more prevalent among an older population, and intentional design of the space allows nurses and physicians to handle those situations with specialized equipment and easy access.”

Ocean’s new advanced ACE unit is just one more way that the hospital is continuing to fulfill its foremost mission to meet the special needs of our community’s older adults, like Jane.

OCEAN MEDICAL CENTER 2006–2007 ACCOMPLISHMENTS

- Celebrated the opening of 4 North, adding 40 medical-surgical beds with special designation as an Acute Care of the Elderly (ACE) unit.
- Completed the $2.5 million Endovascular Surgical Suite, making Ocean’s vascular service the most technologically advanced of its kind in the region.
- Implemented an acute stroke team and achieved Chest Pain Center accreditations, improving access to potentially lifesaving care and featuring collaboration among several departments and disciplines.
- Exceeded state and national targets for clinical indicators, including pneumonia, acute myocardial infarction, heart failure, and surgical infection prevention.
- Ranked by HealthGrades, a national leader in hospital ratings, in its research of top hospitals for patient safety.
- Opened the Pharmacology Institute, a service aimed at helping patients minimize the risks of taking multiple medications both in the hospital and upon discharge.
- Recruited 26 new physicians to the medical staff.
- Activated a rapid response team of hospitalist, intensivist, and nursing and respiratory therapists to reduce codes outside the Critical Care Unit.
- Advanced patient satisfaction scores, as measured by Press Ganey, with inpatient, outpatient, and emergency care all exceeding their targets.
- Implemented the hospital’s first ENT residency program in conjunction with the School of Osteopathic Medicine of UMDNJ, an initiative championed by Thomas E. Brandesky, D.O.
- Welcomed David Boss, M.D., as vice president of Clinical Effectiveness/Medical Affairs, and David Neckritz, D.O., as medical director of Emergency Services.
- Increased inpatient admissions by 5.7% over 2005 and grew outpatient volume in such key services as radiation oncology and diagnostic radiology services.

“Because of the distinctive community we serve — the largest and fastest-growing 55+ population in the state — Ocean Medical Center has always been uniquely positioned to provide long-range vision a decade ago that has now resulted in such specialty services as its new Acute Care of the Elderly unit, which serves as an invaluable resource for geriatric patients and their families.”

W. Peter Danels, FACHE
President

OCEAN MEDICAL CENTER
W. Peter Danels, FACHE
President

OCEAN MEDICAL CENTER
Taking Care of New Jersey

PAGE six
Phillipa Woodriffe, M.D., practices what she preaches. As a surgeon specializing in breast cancer, she knows the fundamental importance of early detection. So every year around her birthday, she’d report for her annual mammogram. In 2004, that traditional visit picked up breast cancer. She approached things factually and was confident she could beat the disease.

Well aware of the statistics and concerned for her future health, Dr. Woodriffe opted to have a double mastectomy to ensure a 100 percent cure.

Dr. Woodriffe has been on staff at Riverview for 26 years and has therefore observed firsthand the phenomenal evolution in medical expertise and advanced technology that has occurred over that span. Given Riverview’s exceptional physicians, dedicated cancer center, and state-of-the-art treatment services, there was no question where she’d receive treatment. “I could have gone to New York City, but I had full confidence in the care that I would receive from my colleagues at Riverview,” says Dr. Woodriffe. “I counted on that exceptional level of care for my fight against cancer, and I count on it for my own patients.”

A year after her own experience, Dr. Woodriffe met Catherine Lauro, a nurse at Riverview familiar with Dr. Woodriffe’s exemplary reputation and her history. Catherine had been experiencing unusual symptoms, but she was in denial about what was wrong and afraid to go to a doctor. When she finally did, cancer was discovered in her breast. She immediately turned to Dr. Woodriffe for help. “I have the utmost confidence in and respect for the doctors at Riverview,” Catherine relates. “I trust them implicitly.”

Catherine considered all of her options, and within six weeks of her diagnosis, she underwent a double mastectomy with Dr. Woodriffe, followed by reconstructive surgery with Peter Hetzler, M.D. Due to other problems, Catherine also required a hysterectomy, chemotherapy, and radiation therapy—all performed by physicians affiliated with Riverview’s Booker Cancer Center.

As breast cancer survivors, both Catherine and Dr. Woodriffe agree: “Listen to your body, commit to an annual mammogram, and if the need arises, the best care can always be found close to home, at Riverview Medical Center.”

Over the past 10 years, Riverview has evolved into a major medical center, offering the kinds of sophisticated services, medical expertise, and continuum of care that used to be found only in large cities. Riverview brings great value to patients by providing quality, advanced medical technology and the ability to seamlessly transition from one type of medical care to another, no matter where a patient accesses Meridian Health.”

Timothy J. Hogan, FACHE
President

RIVERVIEW MEDICAL CENTER

10 YEARS
TAKING CARE OF NEW JERSEY

RIVERVIEW MEDICAL CENTER 2006–2007 ACCOMPLISHMENTS

• Ranked extremely high on quality indicators among all 21 central New Jersey hospitals in the state’s 2006 Hospital Performance Report, tying for first place in the category of heart attack (99%), placing first in the area of pneumonia (98%), and excelling relative to heart failure (88%).
• Achieved an all-time high in patient satisfaction, as evidenced by Riverview’s second “Distinguished Hospital” award from J.D. Power and Associates and by improved performance ratings in Press Ganey surveys.
• Attained Magnet status in Nursing Excellence for the third consecutive time. In concert with this initiative, 5 South was designated as Riverview’s fourth Model of Care unit.
• Earned a number of Joint Commission accreditations and reaccreditations; three-year Approval with Commendation from the ACC’s Commission on Cancer; three-year accreditation from the American College of Radiation Oncology; and reaccreditation of Riverview Rehabilitation Center from CARF, a designation maintained for the past 22 years.
• Recruited a total of 51 physicians to the medical staff in 2006.
• Developed a stroke program with a grant from the N.J. Department of Health and Senior Services, applying the expertise of specially trained response teams to rapidly identify, evaluate, and treat acute stroke patients. The hospital is among the first in the state to receive designation as a Primary Stroke Center.
• Increased inpatient and outpatient admissions in such essential areas as women’s services, diagnostic imaging, and radiation oncology.
When 15-year-old Samantha Raymond, a freshman varsity athlete at Toms River South High School, injured two different cartilages in her knee, she required surgery. Samantha and her parents desired quick, quality care located close to their Beachwood home. Because of this, they turned to Brian M. Torpey, M.D., an orthopedic surgeon affiliated with Riverview Medical Center and the Toms River Surgery Center, one of five area surgery centers that are associated with Meridian Health.

Surgery Centers: Offering New Options

“A few years ago, my husband had knee surgery at the Shrewsbury Surgery Center, so we knew that the physicians and surgery centers associated with Meridian were exceptional,” says Samantha’s mother, Jacqui.

She goes on to talk about how attentive and professional the staff at the Toms River Surgery Center was: “When Samantha had her knee surgery, it was like she was the only one there. The staff treated her wonderfully, and she was discharged after only five hours.”

When asked why the Raymond family chose a surgery center rather than a hospital for Samantha’s procedure, Jacqui replies, “There’s a lot less tension and stress; also, the doctors there have great reputations. We can’t say enough great things about Dr. Torpey, who operated on Samantha’s knee.”

Since its inception 10 years ago, Meridian Health has developed and/or formed partnerships with the Toms River Surgery Center, the Shore Surgery Center in Lakewood, the Northern Monmouth Surgery Center in Manalapan, the Central Jersey Surgery Center in Eatontown, and the Shrewsbury Surgery Center, all with a common goal — to provide the highest-quality surgery in locations that have a reputable medical staff, use advanced technology, and are close to home.

“Since the formation of Meridian Health, some of the organization’s most significant growth has occurred among our invaluable network of partner companies. Whether it’s the development of acute rehabilitation centers, assisted living communities, surgery centers, or enhancements to home care and hospice services, Meridian’s partner companies have followed the patient migration from inpatient to outpatient care and to services designed for older adults. Being innovative and anticipating and planning for the future have been the cornerstones of these companies’ guiding philosophies.”

“Since the formation of Meridian Health, some of the organization’s most significant growth has occurred among our invaluable network of partner companies. Whether it’s the development of acute rehabilitation centers, assisted living communities, surgery centers, or enhancements to home care and hospice services, Meridian’s partner companies have followed the patient migration from inpatient to outpatient care and to services designed for older adults. Being innovative and anticipating and planning for the future have been the cornerstones of these companies’ guiding philosophies.”

SALVATORE R. INCIARDI
Senior Vice President, Business Development

“Of all our surgery centers are specifically focused on meeting the ambulatory needs of our patients and our physician partners,” explains Karla Casano, vice president of Ambulatory Services at Meridian Health. “In addition to their high-caliber doctors, each surgery center offers safe and top-quality services, ease of scheduling, great personal attention, efficient operations, and the convenience of multiple locations.”

There is no question that the surgery centers present an attractive alternative for many individuals. Doctors at the Toms River Surgery Center, where there are over 100 affiliated physicians, perform approximately 4,000 surgeries a year, and doctors at the Shrewsbury Surgery Center perform about 5,000 surgeries annually. Both centers are fully accredited by the Joint Commission.

Physicians at the Central Jersey Surgery Center handled approximately 9,000 cases in just one year, and doctors at the Shore Surgery Center — Meridian’s busiest location — had over 15,700 cases in 2006 alone. At the Northern Monmouth Surgery Center, which just opened its doors in July 2006, surgeons had already performed over 400 surgeries by year-end.

Both Samantha’s experience and these numbers demonstrate the exceptional ability of Meridian’s affiliated physicians to provide quality surgical and procedural care with outstanding customer service outside the traditional walls of the hospital.
MERIDIAN PARTNER COMPANY 2006–2007 ACCOMPLISHMENTS

ALERT AMBULANCE
Robert Davis, President
- Performed 85,000 transports and traveled over 2.4 million miles in 2006
- Maintained 98 vehicles and employed 215 team members
- Operated from three locations: Hamilton, Lakewood, and Metuchen
- Maintained 12 licensed critical care transport units
- Developed and implemented the new Statewide EMS Services, LLC, company, which focuses on billing, collection, and consulting services for municipalities and other private ambulance services
- Increased revenue by 19%

MERIDIAN AMBULATORY CARE
Karla Cuzano, Vice President, Ambulatory Services – Partner Companies
- Handled over 34,000 outpatient surgical cases at five surgery center partnerships in Shrewsbury, Eatontown, Lakewood, Manalapan, and Toms River
- Partnered with 120 physicians at the five surgery locations and also provided support for 60 other, non-partner physicians at these locations
- Launched the Northern Monmouth Surgery Center in Manalapan in July 2006
- Performed over 12,000 exams at the Holmdel Imaging location

MERIDIAN BEHAVIORAL HEALTH
Joseph Miller, Ph.D., Director
- Provided over 128,000 outpatient visits in 2006, which represents a 7% increase over the previous year
- Celebrated the opening of the Booker Behavioral Health Center in Shrewsbury, affiliated with Riverview Medical Center and dedicated to the memory and generosity of Jane H. and John Marshall Booker
- Received a two-year $298,000 grant from Robert Wood Johnson Foundation–New Jersey Health Initiatives to provide behavioral health screening services in pediatric primary care settings, a collaboration between K. Hovanian Children’s Hospital and Meridian Behavioral Health
- Awarded five-year full accreditation from the American Psychological Association for the Jersey Shore University Medical Center Psychology Doctoral Internship Program
- Selected as a core training site to participate in cultural competency training through a grant from the N.J. Department of Mental Health Services
- Collaborated with McLean Hospital, an affiliate of Harvard Medical School, in a study assessing the effectiveness of nutritional supplements in the treatment of bipolar disorder

MERIDIAN MEDICAL SERVICES ORGANIZATION
Frank Goldstein, FACHE, Vice President
- Serviced 57 physicians at 16 locations in Monmouth and Ocean counties
- Logged 236,531 office visits
- Performed billing, collection, and practice management information services for a total of 313 physicians and/or entities
- Awarded a five-year full accreditation from the American Psychological Association for the Jersey Shore University Medical Center Psychology Doctoral Internship Program
- Selected as a core training site to participate in cultural competency training through a grant from the N.J. Department of Mental Health Services
- Collaborated with McLean Hospital, an affiliate of Harvard Medical School, in a study assessing the effectiveness of nutritional supplements in the treatment of bipolar disorder

MERIDIAN OCCUPATIONAL HEALTH
Karla Cuzano, Vice President, Ambulatory Services – Partner Companies
- Conducted over 50,800 visits at its six Monmouth and Ocean County locations, an increase of 15% over 2005
- Provided pre-placement and work-related injury treatment/management to more than 1,000 businesses in the two-county area
- Returned more than 95% of employees with workers’ compensation injuries to work in some capacity within seven days of injury
- Implemented electronic medical records at all locations
- Implemented software to allow clients to view outpatients and easily access their records

MERIDIAN QUALITY CARE
Steve Baker, President & Chief Executive Officer
- Operated more than 650 beds at two nursing homes and four assisted living communities
- Achieved an average occupancy rate of 95% at three assisted living communities and an average occupancy rate of 95% at two nursing facilities
- Completed construction of the 130-bed Meridian Subacute Rehabilitation facility in Wall
- Employed over 200 team members at Meridian’s four assisted living locations, home to more than 300 residents
- Employed over 230 team members and admitted over 1,300 residents at Meridian’s two nursing facilities
- Managed by the Sea, a 120-bed nursing facility, became part of Meridian Health

SHORE CARE
Karla Cuzano, Vice President, Ambulatory Services – Partner Companies
- Licensed by the state of New Jersey to provide temporary staffing services
- Employed a workforce of 300, consisting of professionals, technical, and allied health care personnel
- Provided over 74,000 hours of worked staff time to Meridian and other health care facilities last year
- Saved Meridian Health over $300,000 in agency costs
- Achieved more than $4 million in revenues

SHORE REHABILITATION INSTITUTE
Sandra Clemento, Executive Director
- Served 919 inpatients and 15,147 outpatients
- Provided for 50,627 office visits
- Obtained new equipment and provided expanded clinical programming for patients with Parkinson’s disease, stroke, neurological disorders, and amputations
- Provided new treatment options for patients with spasticity
- Achieved outstanding patient satisfaction scores, with more than 98% of patients reporting that they would recommend SRI to a friend or relative

MERIDIAN AT HOME
Michelle Mendelson, Vice President
- Serviced over 13,000 patients in home care, hospice, and infusion programs
- Achieved national recognition when Meridian Home Care was placed in the top 1% of all providers in the United States based on clinical outcomes and financial performance
- Reorganized home care services and created central intake for all Meridian At Home services, including Health Innovations Unlimited
- Implemented marketing and branding strategy for Meridian At Home
- Obtained Joint Commission status for the Meridian At Home Infusion business
- Expanded hospice inpatient beds to three hospital facilities
- Achieved revenues of $32 million
A former First Lady once said, “Giving frees us from the familiar territory of our own needs by opening our mind to the unexplained worlds occupied by the needs of others.” No truer words could be spoken about Jersey Shore University Medical Center in 2006, an exceptional year in which community generosity overflowed.

Many donors feel a strong sense of commitment not only to their area hospital, but also to the friends and neighbors in the communities where they live. That’s why Tom and Vera Jones have long supported Ocean Care Center and its mission to provide convenient, quality, emergency care and outpatient services.

As 2006 unfolded, Jersey Shore’s $300 million Transforming Care expansion project became a reality with the July 25 groundbreaking ceremony and with the project’s capital campaign continuing in the form of historic philanthropic commitments. Response to and support for Transforming Care exceeded all expectations and hopes as the Medical Center became the recipient of six seven-figure gifts from these tremendously generous donors: the Rosa Trust; Kevork S. and Emily Hovnanian for the K. Hovnanian Children’s Hospital; the Rosa Trust; Sushil K. Mehandru, M.D., for the Mehandru Pavilion; and Richard Amdur, Esq., for the Amdur Ambulatory Care Center.

Additionally, Philip and Marilyn Perricone made a wonderful gift to Jersey Shore to name the new Perricone Center for Gynecologic Oncology. “We should all reach into our hearts to be there for others — in any and every way we can,” voice the Perricons. And the Hovnanians could not agree more. “Helping children gives us the greatest joy,” say Kevork and Emily.

This past year, Jersey Shore team members were also asked to support the expansion, as well as other hospital programs and services, by making contributions to the Transforming Care Team Member Campaign. Hundreds of employees rose to the challenge, not just meeting the campaign’s $425,000 goal, but exceeding it by 175%, contributing an impressive $740,000! Their incredible generosity will benefit Jersey Shore patients for many years to come. In recognition of reaching their goal, team members had the honor of naming the hospital’s new cafeteria.

A sign of good health care is often measured by patients’ preference to return to a health care facility when they require additional medical attention. A measure of excellent care is when patients are interested in giving back to the facility where they’ve been treated. “Ocean Care Center is an important asset for our community, and we’re so happy that we can build upon it,” says Vera. “By donating money, we’re hoping to set an example for others. We want people to see that anyone can improve the community through financial gifts.”

Kind in nature and regular patrons of Ocean Care Center, Tom and Vera Jones are giving back to the Care Center in the field of medicine that means the most to them: cardiac care.

“Ocean Care Center is an important asset for our community, and we’re so happy that we can build upon it,” says Vera. “By donating money, we’re hoping to set an example for others. We want people to see that anyone can improve the community through financial gifts.”

Caring for Ocean County diagnosis and treatment of patients: the i-STAT® 1 and digital radiography equipment.

The i-STAT 1 is a revolutionary handheld analyzer that provides reliable blood test results while the patient waits. This eliminates the extra time needed to send blood work to Ocean Medical Center for results.

The new radiography equipment digitizes x-rays into a downloadable format so they can either be read on an Ocean Care Center computer or electronically sent to another facility for prompt assessment by a specific physician or radiologist.

Tom and Vera Jones’s generous gift is helping the doctors and staff of Ocean Care Center take the best possible care of their community.
The Jane H. Booker Charitable Foundation has had an overwhelming historical impact on the evolution of Riverview Medical Center, making possible a depth and breadth of services and facilities that could only have been imagined a decade ago.

It all started in 1921 when John Marshall Booker married Jane Hurd in New York City. Over the course of their long and prosperous marriage, the Bookers became prominent members of their community and dedicated philanthropists on behalf of many local charitable organizations, with Riverview Medical Center always being one of the family’s favored causes. In fact, their very first gift to the hospital was a modest $25 back in 1964, and since that time, more than $12 million has been donated to the hospital, most notably through the bequests of the Jane H. Booker Charitable Foundation, established upon Jane’s passing in 1994.

“Both John Marshall and Jane H. Booker held Riverview close to their hearts as their community hospital. They would be thrilled by the technology and new facilities their gifts have made possible,” states Milton Mausner, Esq., co-trustee of the Booker Foundation.

Tim Hogan, Riverview president, acknowledges the incredible generosity of the Jane H. Booker Charitable Foundation: “We are truly grateful for the tremendous support the Foundation has seen fit to give the hospital. The first single $1 million gift to Riverview was given by the Booker Foundation, and it acted as a transformational gift, opening the doors for many additional generous donors. It is through these incredible gifts that we have been able to continuously advance the excellent medical care we provide for our community.”

An Ongoing Legacy

These advancements include the Jane H. Booker Pavilion, the renovation and naming of the Booker Cancer Center, and the establishment and naming of the Booker Radiation Oncology Center. In 2003, the Booker Foundation allowed Riverview to relocate and expand what is now known as the Booker Outpatient Dialysis Center; and just a year later, the Foundation funded a significant portion of the CyberKnife® acquisition. The most recent donation was used to relocate and expand the Bookers Behavioral Health Center in Shrewsbury.

The dedication Mr. and Mrs. Booker have shown to Riverview will always be remembered. Many of the Medical Center’s facilities, programs, and services have been made possible by their community spirit, great generosity, and genuine kindness.

An Ongoing Legacy
In 2003, Meridian took the bold step of establishing a strong direction for the medical, surgical, and nursing academic programs and research activities across the organization. This “Academic Vision” would build upon the existing teaching and research programs at our hospitals and drive Meridian toward becoming the best independent academic health system in New Jersey.

**MEDICAL EDUCATION**

“Because of our commitment to academics, Meridian is a magnet for some of the best physicians, nurses, and clinicians in the region,” offers Steven G. Littleson, FACHE, president of Jersey Shore University Medical Center. “As the residency and fellowship programs continue to grow, so does the impressive list of subspecialist physician faculty who are leaders in their respective fields, bringing an incredibly high level of care to our community.”

A teaching hospital for more than two decades, Jersey Shore University Medical Center earned a new designation in 2003 as a university-level teaching hospital affiliate of UMDNJ—Robert Wood Johnson Medical School, a development that served as an exciting foundation for the new Academic Vision.

In recent years, Jersey Shore’s academic programs have expanded to include fellowship programs in neonatology, endocrinology, cardiology, maternal and fetal medicine, and palliative care medicine, and the hospital has welcomed the addition of several new academic leaders, such as David Kountz, M.D., as senior vice president of Medical and Academic Affairs and Charles Francis, M.D., as director of Cardiovascular Research, a new position further bolstering Jersey Shore’s status as a tristate leader in heart care.

Medical education programs also continue to expand throughout Meridian, with a psychiatry residency beginning in 2007 at Riverview Medical Center and a newly launched otolaryngology residency program at Ocean Medical Center in 2006.

“An institution which embraces academics starts to challenge and inspire the entire organization to excel in all areas, and that is certainly the case at Ocean Medical Center and Meridan,” says Thomas E. Brandeisky, D.O., director of the otolaryngology program at Ocean Medical Center. “Extending the residency programs allows all areas of Meridian to participate in and benefit from the academic environment.”

**NURSING**

In addition to pursuing numerous medical and surgical education initiatives, Meridian is expanding on its already impressive offerings in nursing education. Through the Meridian Ann May Center for Nursing and various nursing education and scholarship programs, Meridian hosts extensive programs to recruit new nurses, train nursing students, and enhance the skills and expertise of experienced nurses.

The most recent development in the area of nursing education is the introduction of advanced simulation technology whereby interactive robotic mannequins speak, breathe, and mimic realistic clinical scenarios for nurse training.

**RESEARCH**

Research and clinical trial studies are also increasing at Meridian’s hospitals. With research teams conducting studies examining new clinical practices and therapies, Meridian partners with many of the nation’s leading academic centers in sharing findings with fellow researchers and contributing to greater medical knowledge.

The number of studies Meridian is currently participating in has increased in recent years, resulting in the three hospital institutional review boards (IRBs) — which are comprised of physician and research leaders who monitor and review research activities — working toward combining into one system board, fostering a new level of collaboration and partnership. “Each hospital’s participation in clinical trials and research studies is growing, with potential to benefit through systemwide collaboration,” says Denis B. Fitzgerald, M.D., medical director of the Booker Cancer Center at Riverview Medical Center.

**BENEFITS TO PATIENTS**

Exceptional professionals training the next generation of professionals, in a setting dedicated to academic and clinical excellence, provides patients with tremendous resources of leading-edge research activities, and an academic building at Jersey Shore to house educational and research projects.

In recent years, Jersey Shore’s academic programs have expanded to include fellowship programs in neonatology, endocrinology, cardiology, maternal and fetal medicine, and palliative care medicine, and the hospital has welcomed the addition of several new academic leaders, such as David Kountz, M.D., as senior vice president of Medical and Academic Affairs and Charles Francis, M.D., as director of Cardiovascular Research, a new position further bolstering Jersey Shore’s status as a tristate leader in heart care.

Medical education programs also continue to expand throughout Meridian, with a psychiatry residency beginning in 2007 at Riverview Medical Center and a newly launched otolaryngology residency program at Ocean Medical Center in 2006.

“An institution which embraces academics starts to challenge and inspire the entire organization to excel in all areas, and that is certainly the case at Ocean Medical Center and Meridan,” says Thomas E. Brandeisky, D.O., director of the otolaryngology program at Ocean Medical Center. “Extending the residency programs allows all areas of Meridian to participate in and benefit from the academic environment.”

**NURSING**

In addition to pursuing numerous medical and surgical education initiatives, Meridian is expanding on its already impressive offerings in nursing education. Through the Meridian Ann May Center for Nursing and various nursing education and scholarship programs, Meridian hosts extensive programs to recruit new nurses, train nursing students, and enhance the skills and expertise of experienced nurses.

The most recent development in the area of nursing education is the introduction of advanced simulation technology whereby interactive robotic mannequins speak, breathe, and mimic realistic clinical scenarios for nurse training.

**RESEARCH**

Research and clinical trial studies are also increasing at Meridian’s hospitals. With research teams conducting studies examining new clinical practices and therapies, Meridian partners with many of the nation’s leading academic centers in sharing findings with fellow researchers and contributing to greater medical knowledge.

The number of studies Meridian is currently participating in has increased in recent years, resulting in the three hospital institutional review boards (IRBs) — which are comprised of physician and research leaders who monitor and review research activities — working toward combining into one system board, fostering a new level of collaboration and partnership. “Each hospital’s participation in clinical trials and research studies is growing, with potential to benefit through systemwide collaboration,” says Denis B. Fitzgerald, M.D., medical director of the Booker Cancer Center at Riverview Medical Center.

**BENEFITS TO PATIENTS**

Exceptional professionals training the next generation of professionals, in a setting dedicated to academic and clinical excellence, provides patients with tremendous resources of leading-edge research activities, and an academic building at Jersey Shore to house educational and research projects.
Efforts to improve the quality of health care have always been at the heart of Meridian’s mission, whether that care is delivered in hospital, community, or in-home settings. Health care organizations across the nation continue to step up their efforts to improve patient care by reducing medical errors and hospital-acquired infections and by adopting best practices to achieve better patient outcomes.

During the past 10 years, Meridian has put into place numerous quality initiatives that have had a measurable, positive effect on health care quality in our area. One of the best indicators of the success of our efforts is the 2006 Hospital Performance Report, released by the N.J. Department of Health and Senior Services, which analyzed data from 81 of the state’s acute care hospitals. The report showed that Meridian hospital performance ranked among the best in the state and that our hospitals consistently provide high-quality care in the treatment of heart attack, congestive heart failure, and pneumonia — three critical areas that reflect a hospital’s overall clinical quality and are evaluated by the Centers for Medicare and Medicaid Services.

The measures evaluated as part of the state report are just some of many performance improvement initiatives in which Meridian Health is engaged. Meridian’s Clinical Excellence Committee (CEC) — comprised of physicians, nurses, and clinicians from each of Meridian’s hospitals — regularly reviews clinical performance, applying national evidence-based best practices. The CEC has also led the hospitals in establishing and continually raising the standards of clinical care.

**2006–2007 QUALITY ACCOMPLISHMENTS**

- Participated in the Institute for Healthcare Improvement’s 100K Lives Campaign, the nationwide effort to implement changes in patient care that have been proven to prevent avoidable deaths.
- Implemented rapid response teams, improving the ability of physicians and staff to promptly identify and respond to inpatients exhibiting a dramatic decline in condition.
- Launched the Surgical Care Improvement Project to increase patient safety and reduce avoidable post-operative complications.
- Reduced cases of ventilator-associated pneumonia through the implementation of five interdependent, scientifically grounded steps collectively called the “ventilator bundle.”
- Introduced a new patient label system to improve drug administration and patient safety.
- Launched the New Jersey Hospital Association Quality Institute’s Intensive Care Unit Collaborative, which resulted in improvements to patient care and allowed Meridian to share data and experiences with other hospitals to identify best practices.
- Implemented medication reconciliation, documenting and clarifying patient medications at every transition of care in order to prevent adverse drug events.
- Implemented pharmacy-automated dispensing machines to improve safety and provide more accurate medication and patient information.
- Increased the number of physicians using Computerized Physician Order Entry, thus improving medical record accuracy and patient safety.
- Participated in the Institute for Healthcare Improvement’s 100K Lives Campaign, the nationwide effort to implement changes in patient care that have been proven to prevent avoidable deaths.
- Championed the New Jersey Hospital Association Quality Institute’s Intensive Care Unit Collaborative, which resulted in improvements to patient care and allowed Meridian to share data and experiences with other hospitals to identify best practices.
- Introduced computer screen alerts to help assess risk factors and identify preventive therapies for treating patients susceptible to deep vein thrombosis.
- Implemented rapid response teams, improving the ability of physicians and staff to promptly identify and respond to inpatients exhibiting a dramatic decline in condition.

**Quality Measures**

The Journey Continues

**Human Resources**

Team Members Set the Stage for an Exceptional Health Care Experience

Three hospitals, two nursing homes, multiple home care agencies, and numerous health affiliates — all with different employees, different policies and procedures, and most significantly, different cultures. At the time of the Meridian merger in 1997, the organization had approximately 6,000 employees spread throughout its various facilities in Monmouth and Ocean counties.

So the daunting task in creating the new Meridian Health network was getting everyone “on the same page” in terms of understanding and carrying out a joint mission, a task enthusiastically undertaken by the Human Resources Department and spearheaded by John E. Sindoni, senior vice president. Less than a year later, by January 1998, wage and salary plans, benefit and retirement packages, and HR policies and procedures were all standardized across the unified system.

Over subsequent years, Meridian advanced toward becoming the region’s “workplace of choice” by continuing to develop an innovative array of services and programs to meet the diverse needs of our growing number of team members. Launching such initiatives as The Meridian Way “Culture of Excellence,” the Galaxy Team Member Recognition Program, and the Gallup Team Member Opinion Survey has played a significant role in getting team members actively engaged with their workplace culture.

Today, Meridian Health is the largest employer in the two-county region, with 8,300 team members benefiting from this culture in myriad ways. With a strong emphasis on a work/life balance, Meridian prides itself on taking the best care of its team members so that they in turn can take the best care of our patients and guests. Our Partnership “Total Rewards” Program offers benefits ranging from an HSA (health savings account) and team member EAP (Employee Assistance Program) to a free concierge service and home purchase assistance program.

Perhaps the most meaningful symbol of the way the culture has evolved over the past 10 years was the spring 2006 opening of Team Meridian University, located on Route 34 in Wall. This freestanding building houses the departments of Organizational Effectiveness (which coordinates career development services for team members), Corporate Human Resources, Cultural Diversity, and Physician Recruitment. Also available at the facility are several training rooms, an online application center, and a resource library.

At Team Meridian University, new team members attend the first day of our orientation program, called “Traditions and Beginnings,” where they are introduced to The Meridian Way. By exploring the five elements of The Meridian Way culture, they learn firsthand about what sets us apart from other health care organizations: our outstanding team members, all of whom are dedicated to providing the best health care experience possible.
Meridian Hospitals Corporation

Statement of Operations ($ millions)
Year Ending December 31, 2006

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>$767.7</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$754.3</td>
</tr>
<tr>
<td>Gain from Operations</td>
<td>$ 13.4</td>
</tr>
<tr>
<td>Non-operating Revenues</td>
<td>$ 16.6</td>
</tr>
<tr>
<td>Net Income</td>
<td>$ 30.0</td>
</tr>
</tbody>
</table>

HOSPITAL DATA
Inpatient Admissions          56,131
Births                          4,610
Patient Days                    275,545
Average Length of Stay (in days) 4.91
Emergency Department Visits    162,626
Surgeries                       32,520
Cardiac Surgeries               879
Cardiovascular Lab Procedures   12,807

PARTNER COMPANY DATA
Home Care Visits                 144,426
Shore Rehabilitation Institute  13,362

LONG-TERM CARE: PATIENT DAYS
Meridian Nursing and Rehabilitation at Brick 46,615
Meridian Nursing and Rehabilitation at Red Bank 33,769

CHARITY CARE AND SUPPORT
As a not-for-profit health care provider, Meridian Health is the regional leader in providing innovative and accessible health care programs and services to individuals, families, and communities throughout Monmouth and Ocean counties. Whether it’s providing one of the best cardiac programs in the state, revolutionary oncology treatment technologies, comprehensive orthopedic and rehabilitation services, or an unsurpassed array of pediatric services at Monmouth County’s first children’s hospital, Meridian strives every day to be a “good neighbor” by improving the health of all those for whom we care.

In 2006, Meridian Health invested funds to provide care to those who cannot afford to pay, to pick up the shortfalls of government and managed care programs, and to provide health care screenings and other preventive educational initiatives that improve community health. In total, Meridian provided community benefit, including charity and free care, valued at $89.5 million, representing 11.7 percent of Meridian Hospitals Corporation’s budget. (For more details, refer to the Community Benefit section.)

Community Benefits
Improving the Health of Our Communities

In an increasingly challenging health care environment, Meridian remains committed to strengthening our community through better health and education. Rendering services that offer community benefits is a key component of our mission. In 2006, we greatly furthered that mission as Meridian Health reached beyond the doors of our facilities in countless ways to educate, prevent disease, and improve the health of our neighbors.
FACING HEALTH CARE CHALLENGES

Every day, hospitals face health care challenges head-on, whether treating a patient who presents at the Emergency Department in medical crisis, educating and screening community members to prevent disease, or keeping the hospital open during a time of increased economic pressure. But 2006 was unique in this last aspect. As a new state administration outlined its budget, not-for-profit hospitals like those of Meridian Health not only faced cuts in the state’s charity funding and health grants, but also confronted a proposed $430 million "bed tax." A collective education and lobbying effort by New Jersey’s hospitals and the New Jersey Hospital Association exposed how this tax would endanger hospitals and patients alike, leading to the abandonment of the proposal later that year. But hospitals still face increasing economic threats as they ensure that society's most vulnerable — the low-income and the uninsured — receive the care they need.

Meridian Health is proud that it has been able to consistently overcome these ongoing economic threats to its robust community benefits program. By community benefits, we are referring to those programs and services that would not or could not exist without the support and commitment of our four hospitals: Jersey Shore University Medical Center, Ocean Medical Center, Riverview Medical Center, and K. Hovnanian Children’s Hospital. In 2006, Meridian Health invested nearly $90 million to provide care to those who cannot afford to pay, in order to pick up the shortfalls of government and managed care programs and to provide health care screenings and other preventive educational initiatives that improve community health.

The success and effectiveness of our community benefits program is derived from a committed staff of physicians, nurses, health care specialists, and community educators, along with dedicated community members who help Meridian identify, strategize, and implement initiatives that positively impact the health of the community. Meridian’s three Community Advisory Committees and Partners in Health group meet regularly to develop and execute health programs designed to reach into the heart of our communities. In short, we create programs in response to direct needs and requests from our communities.

IDENTIFYING COMMUNITY HEALTH NEEDS

In 2006, all of Meridian’s community-oriented committees jointly embarked on a strategic process of reassessing our area’s health care needs. Using a nationally renowned research firm, Meridian surveyed 1,080 households via telephone in Monmouth and Ocean counties to gather local residents’ views of their community’s most critical health needs. In addition, focus group feedback and analysis of state and federal health data provided benchmarks and snapshots of local community health dynamics.

Upon completion of the research, the committees convened to review the findings of the 2006 Meridian Community Health Assessment and assist in prioritizing the top community health concerns for Meridian to address over the next few years. Out of 30 community health issues identified in the report, the following four were selected by the advisory committees and endorsed by Meridian’s senior leadership as strategic priorities: (1) cardiovascular disease and stroke; (2) cancer; (3) access to health care; and (4) children’s and youth health (especially in the areas of asthma and obesity). In 2007, the advisory committees and Meridian will unveil plans to tackle these driving health concerns and begin to implement new programs to address them.

These focus areas are not new to Meridian Health; in fact, Meridian has been addressing these common public health concerns for years. Following are highlights of Meridian’s 2006 programs:

Reducing the Impact of Cardiovascular Disease

Heart disease and stroke — the principal components of cardiovascular disease — are the first and third leading causes of death in the United States, accounting for more than 40 percent of all deaths. The good news is that across our two-county region, heart disease and stroke death rates have declined over the past several years, mirroring trends seen statewide and nationwide. With a long history of educating and conducting preventive screenings for cardiovascular disease, Meridian is pleased to see the decline as evidence of our contributions on these fronts ... but more work still needs to be done.

• During Stroke Awareness Month in May, Meridian and the local chapter of the American Stroke Association held an educational luncheon featuring Mary Ida Vandross, mother of late R&B star Luther Vandross, who died from complications of a stroke in 2005. Working with three area churches to publicize the event among their congregations, Meridian drew a crowd of more than 550 community members who were interested in learning about stroke prevention from the first-hand experience of Mrs. Vandross. Having lost her husband, four children, and only grandson to stroke or diabetes, Mrs. Vandross shared a powerful message about steps one can take to prevent stroke and its disabling effects.

• Nearly 100 community members attended “Life After Prostate Cancer,” a symposium featuring presentations by Meridian physicians and prostate cancer advocate and survivor Al Saner. In addition, the hospitals’ oncology teams held free prostate cancer screenings in September. Almost 50 men participated in the screenings, 36 of whom were referred for further medical evaluation. Meridian physicians volunteered their time for the screening, and our laboratory team members provided free phlebotomy and testing services.

• Preventing cardiovascular disease through healthy nutrition and cooking techniques is the focus of Meridian’s “Cooking with Heart” program. The initiative was piloted in 2005 with Whole Foods Market of Middletown and was taken organization-wide in 2006, reaching more than 390 community members. The program was also “mobilized” for seniors in the Shadow Lake Village Active Adult Community, reaching an additional 132 people. Meridian physicians and registered dietitians worked alongside Whole Foods chefs, explaining the health benefits of each recipe ingredient while dishes were prepared in front of the audiences.

Confronting Cancer

“You’ve got cancer” is a diagnosis no one wants to hear. Meridian has consistently confronted cancer through screenings and educational programming. Mindful of the need for further prevention activities, Meridian will continue to address this important public health issue in the future. In 2006, team members presented a variety of cancer topics, including: caregiving for loved ones with cancer; nutrition for cancer survival; breast, uterine, and other cancers affecting women; and lymphoma, prostate, lung, and skin cancer.

• Cancer is the second leading cause of death in our two counties, accounting for nearly 25% of all deaths.

— 2006 Meridian Community Health Assessment
Since our community is situated on the New Jersey shoreline, skin cancer is a concern for both visitors and residents. In fact, 6.3 percent of adults living in the area report having been diagnosed with skin cancer, according to the 2006 Meridian Community Health Assessment. In June, Meridian continued an ongoing alliance with the local chapter of the American Cancer Society to educate bathers at 33 area swim clubs regarding the dangers of skin cancer and sun exposure. Hospital oncology teams also conducted separate skin cancer screenings, reaching approximately 134 community members. More than half of the participants in the hospital events were referred for dermatomic follow-up due to suspicious lesions. Additionally, Meridian physicians screened seniors at health fairs held in active adult and senior communities.

Promoting Access to Health Care
Access to quality health care is a central issue for communities across the country, and Monmouth and Ocean counties are no exception. Access to care can be especially problematic among seniors and low-income residents. Meridian extended two of its programs from 2005 to target seniors with vital information on Meridian’s offerings and to encourage them to enroll in the federal medical benefit program.

In 2005, Meridian launched a new initiative focused on reaching out to one of our largest demographic groups: the active older adults in Monmouth and Ocean counties. Already accounting for nearly 17 percent of the area’s population, seniors compose the fastest-growing group in a region that is marked by many active adult communities and senior residences. As newcomers to the region, many seniors are unaware of Meridian’s offerings or how to access them. Meridian team members have proudly interacted with more than 13,400 community members through health fairs, screening programs, educational seminars, and other special events held on their own turf — in the active adult and senior communities in which they live.

The new Medicare Part D federal prescription drug benefit left many seniors at a loss as to how to enroll and what options to choose. In order to help seniors make educated decisions and to facilitate their online enrollment, Meridian partnered with the Academy of Allied Health and Science to work with local seniors at overcoming the technology hurdles they faced when accessing the Medicare.gov Web site. The unique partnership tapped into the talents of young, Internet-savvy high school students who assisted seniors one-on-one in navigating the Web site, selecting their benefits, and enrolling before the open enrollment deadline in May. Additional seminars were held on all hospital campuses and in the active adult and senior communities.

In June, Meridian supported a unique community effort with the Asbury Park Housing Authority and the Monmouth Council of Girl Scouts to educate about asthma and obesity. Nurse educators conducted asthma and nutritional education seminars, and a Meridian pediatrician conducted height and weight measurements to screen children for obesity while providing expert advice on how to prevent it.

During National Uninsured Week in May and again in August and September, Meridian conducted campaigns to encourage enrollment in NJ Family Care, a federal-and state-funded health insurance program created to help uninsured children and certain low-income parents and guardians access affordable health coverage. In partnership with local school systems, Meridian conducted a series of programs featuring state officials who explained NJ Family Care and its offerings. A total of 681 youth and parents were reached through this outreach effort.

In Monmouth and Ocean counties combined, bike helmet use among children aged 5 to 16 is higher than the national average, according to the 2006 Meridian Community Health Assessment report. Meridian’s ongoing bike safety helmet awareness activities may be partly to credit. To combat this growing trend, Meridian works consistently to educate children and those who spend the most time with them (parents, teachers, school nurses) about topics such as nutrition, physical fitness, pediatric asthma, and the prevention of traumatic injuries.

An alarming 12% of area children aged 6 to 17 are overweight.

— 2006 Meridian Community Health Assessment

COMMUNICATING ACROSS THE COUNTIES
Meridian regularly publishes free consumer magazines — Meridian HealthViews and Wise & Well — that present engaging experiences from local patients coupled with useful information on timely and relevant health topics. The real-life accounts in these publications detail how individuals receive their diagnoses and make important treatment decisions in conjunction with their physicians. More than 400,000 households in Monmouth and Ocean counties are reached through these magazines, which can also be read online. Meridian’s multiple Web sites offer an extensive, free health library and attract 1.5 million people each year. Online visitors can take a health assessment quiz and learn more about diagnostic and surgical procedures, in English and in Spanish, including an overview of any given procedure, reasons for the procedure, risks of the procedure, what to do before the procedure, and what to expect during and after the procedure. Diagrams and animations accompany the entries to assist consumers in learning all they can about a particular health condition. For those who do not have access to the Internet or who prefer a more personalized approach, the Booker Health Sciences Library at Jersey Shore University Medical Center offers in-house use of an extensive consumer health collection, including journals, access to key medical databases on public computers, audio and videotapes, books, and a free health information home delivery program.

Preventing Future Health Problems
One sure way to help reduce the impact of the health issues of today is by teaching our children about prevention for tomorrow. Health concerns such as asthma and obesity are on the rise both nationally and locally. Obesity opens the door to a host of other medical problems as well, such as cardiovascular disease and diabetes. To combat this growing trend, Meridian works consistently to educate children and those who spend the most time with them (parents, teachers, school nurses) about topics such as nutrition, physical fitness, pediatric asthma, and the prevention of traumatic injuries.

Asthma has been diagnosed among 13% of area children.

— 2006 Meridian Community Health Assessment
Meridian Hospitals Corporation

Community Benefit Statement
Year Ending December 31, 2006

<table>
<thead>
<tr>
<th></th>
<th>TOTAL PERSONS</th>
<th>EXPENSES</th>
<th>NET REVENUE</th>
<th>NET BENEFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charity Care/Uncompensated Care</td>
<td>61,446</td>
<td>$40,106,274</td>
<td>$14,855,318</td>
<td>$25,250,956</td>
</tr>
<tr>
<td>Medicare</td>
<td>133,013</td>
<td>$313,093,376</td>
<td>$271,859,544</td>
<td>$41,233,832</td>
</tr>
<tr>
<td>Medicaid</td>
<td>23,104</td>
<td>$31,065,262</td>
<td>$28,300,905</td>
<td>$2,764,357</td>
</tr>
<tr>
<td>Medical Residency Program</td>
<td>110</td>
<td>$25,171,831</td>
<td>$14,450,334</td>
<td>$10,721,497</td>
</tr>
<tr>
<td>Donations/Community Contributions</td>
<td>—</td>
<td>$553,316</td>
<td>—</td>
<td>$553,316</td>
</tr>
<tr>
<td>Community &amp; Senior Services</td>
<td>35,209</td>
<td>$972,110</td>
<td>—</td>
<td>$972,110</td>
</tr>
<tr>
<td>Subsidized Health Services</td>
<td>24,328</td>
<td>$42,500,990</td>
<td>$36,760,240</td>
<td>$8,047,919</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>277,210</strong></td>
<td><strong>$453,463,159</strong></td>
<td><strong>$366,226,341</strong></td>
<td><strong>$89,543,986</strong></td>
</tr>
</tbody>
</table>

Meridian Health’s Community Benefit analysis is based on community benefit reporting standards defined by the Catholic Health Association of the United States and VHA, Inc., for 2006.

**DEFINITION OF TERMS:**

- **Total Persons:** The number of patient visits, discharges, persons served, or participants in an educational program or clinical service.
- **Net Benefit:** The total cost of services that Meridian Health invests in patients’ health after subtracting reimbursements, patient revenue, grants, and other subsidies that may have defrayed the costs.
- **Charity Care/Uncompensated Care:** Charity care reflects the shortfall of services forgiven or discounted for persons who meet specific eligibility criteria for which Meridian receives a partial reimbursement from the state. Uncompensated care includes self-pay patients who cannot afford to pay or can only afford to make partial payment. Meridian receives no reimbursement for self-pay patients who are unable to pay.
- **Medicare/Medicaid:** The net benefit for these categories refers to the shortfall created when a facility receives a payment that does not fully cover the costs of treating persons who are beneficiaries of such programs as Medicaid and Medicare.
- **Medical Assistance Program:** Net community benefit reflects the costs associated with Jersey Shore University Medical Center’s medical resident education program after governmental subsidies that help support medical training.
- **Donations/Community Contributions:** Financial sponsorships and donations made to other community organizations that support the health of our community. Also includes voluntary Payments in Lieu of Taxes (PLUT) for municipal services (such as fire and police, garbage pickup, snow removal, sidewalk or road repairs, etc.).
- **Community & Senior Services:** Reflects the cost for Meridian’s community health education programs and initiatives, health screenings, support groups, community outreach, and non-billed services.
- **Subsidized Health Services:** Reflects Meridian’s net community benefit for clinical health services that are needed by the community but are not fully paid by reimbursements. Subsidized services include obstetrics, family health clinics, behavioral health, neonatal intensive care, dialysis, and HIV treatment.

**Special Note:** Recognized for the need for increased capacity to serve the region’s Medicaid-eligible population, Jersey Shore University Medical Center receives additional state grants and subsidies for providing Medicaid inpatient care due to its eligibility as a DisProporionate Share Hospital (DSH), as designated by the commissioner of the N.J. Department of Human Services. This subsidy significantly offsets Jersey Shore’s net community benefit for Medicaid in relation to its partner hospitals.

**The Spirit of Meridian Award**

Dr. Marchetti’s career has been marked by a lifetime of commitment — to his patients, to his community, and to Jersey Shore University Medical Center and Meridian Health. A highly respected obstetrician, Dr. Marchetti was the first physician to join the administration at Jersey Shore in 1982. He was also the first physician in New Jersey to be appointed to the position of vice president of Medical Affairs. Statewide, his leadership of the New Jersey Health Planning Council helped to launch new health care services across the state through the certificate of need process, and at Jersey Shore, his influence and mentorship contributed significantly to the development of programs, policies, procedures, and new leaders, helping to sculpt Jersey Shore University Medical Center into the leading academic medical center in the region.

One of Dr. Marchetti’s most noteworthy commitments is his lifelong involvement with the Boy Scouts of America. In 2004, Dr. Marchetti was recognized by the Boy Scouts’ National Order of the Arrow, the national honor society of the Boy Scouts, with its highest honor: the Legacy of Servant Leadership Lifetime Achievement Award. This national honor is one of the truest testaments to Dr. Marchetti’s unending generosity of spirit.

Although retired from his position as vice president of Medical Affairs, Dr. Marchetti remains committed to improving patient care and advancing the programs and services Meridian Health offers.

The Spirit of Meridian Award has recognized individuals within the organization who have attained the highest levels of achievement and distinction in their profession and who exemplify the mission, vision, values, and spirit of Meridian Health.

In 2006, this prestigious recognition was bestowed upon an individual who has been described as both a tireless worker and a visionary: Carl M. Marchetti, M.D.

**CARL M. MARCHETTI, M.D.**

To many of those he has worked with over the years, Dr. Marchetti embodies the true meaning of commitment. His attitude and principles continue to inspire, animate, and infuse all facets of Meridian Health.
Riverview becomes only the second hospital in the state and one of only a small number in the nation to introduce the CyberKnife.

Ocean Medical Center opens its new East Wing as part of its $43 million expansion project. The East Wing becomes home to the new and expanded Shore Rehabilitation Institute and a state-of-the-art Intensive Care Unit.

Meridian launched its new brand strategy with new logos and positioning. The brand cultivates strong relationships with communities, emphasizes local delivery of health care, and focuses on the ability to provide a continuum of care through Meridian's hospitals and partner companies.

The Sycamore Assisted Living opens in Toms River.

Meridian Ambulatory Care introduces the Toms River Ambulatory Surgery Center, in partnership with area surgeons.

Meridian Quality Care opens Colts Neck Village Assisted Living, which specializes in the care of Alzheimer's and dementia.

Meridian Ambulatory Care breaks ground for the New View of Riverview, a $63 million expansion project to create a new rehabilitation center, radiation oncology center, emergency care center, critical care unit, parking garage, chapel, and gift shop; the project also improves access, enlarges public spaces, and renovates numerous patient care areas.

Meridian Quality Care opens Colts Neck Village Assisted Living, which specializes in the care of Alzheimer's and dementia.

Riverview becomes only the second hospital in the state and one of only a small number in the nation to introduce the CyberKnife, a revolutionary stereotactic radiosurgery technology that enables physicians to treat previously inaccessible or inoperable tumors and lesions.

Meridian and its physicians receive the prestigious John M. Eisenberg Award for Patient Safety and Quality.

Meridian Ambulatory Care is formed as a joint venture of physicians and proprietary company partners to offer non-hospital-based ambulatory services.

The doors of the Shoreview Surgery Center open, Meridian Ambulatory Care’s first venture.

Meridian Ambulatory Care introduces the Toms River Ambulatory Surgery Center, in partnership with area surgeons.

Meridian Ambulatory Care partners with Coastal Habitat for Humanity to build a house for a local family.

Jersey Shore University Medical Center becomes a university hospital affiliate of UMDNJ–Robert Wood Johnson Medical Center.

Meridian launches its new brand strategy with new logos and positioning. The brand cultivates strong relationships with communities, emphasizes local delivery of health care, and focuses on the ability to provide a continuum of care through Meridian’s hospitals and partner companies.

Meridian team members work with Coastal Habitat for Humanity to build a house for a local family.

Jersey Shore University Medical Center becomes a university hospital affiliate of UMDNJ—Robert Wood Johnson Medical Center.

Ocean Medical Center opens its new East Wing as part of its $43 million expansion project. The East Wing becomes home to the new and expanded Shore Rehabilitation Institute and a state-of-the-art Intensive Care Unit.

Meridian forges Coastal Medical Insurance, Inc., an offshore captive insurance company, to achieve significant insurance savings.

The Specialty Care Transport Unit is implemented for the transportation of critically ill patients from one facility to another.

The Brink Medical Arts Building opens in partnership with Meridian physicians, and Ocean Medical Center's dialysis operations are relocated to the site.

Meridian Occupational Health opens its Middletown office, its fifth site in the two-county area.

The Meridian Way is established, focusing the system's efforts on building a "Culture of Excellence."

All hospital services are transitioned out of Point Pleasant Hospital and consolidated with those at Brick Hospital.


Holmdel Imaging opens, a new venture between Meridian Health and Riverview-affiliated radiologists.

Meridian Occupational Health opens its sixth site, in Toms River.

Meridian acquires interests in the Shore Surgery Center in Lakewood and the Central Jersey Surgery Center in Eatontown.

Shore Rehabilitation Institute celebrates its 10th birthday.

Meridian is named Outstanding Employer of the Year by the New Jersey Business & Industry Association.

Ocean and Riverview Medical Centers receive state approval to establish emergency percutaneous coronary angioplasty programs for heart attack patients.

Ocean Care Center, the state’s first satellite emergency department, opens in Point Pleasant, offering emergency care as well as on-site lab and radiology services.

Jersey Shore marks its centennial year “Caring for the Shore Since 1904.”

Meridian becomes the first and only health care system in the country to achieve Magnet status, the highest recognition bestowed by the American Nurses Credentialing Center for nursing excellence.

Meridian combines all of its home care and hospice services under one management umbrella.

The Northern Monmouth Surgery Center in Manalapan opens.

Meridian provides initial funding to formally launch the development of the Partner Companies. Meridian nurses are honored with the Governor’s Nursing Merit Award, a recognition they will receive 15 times over the next nine years.

The organization’s first five-year strategic plan is introduced.

Meridian combines all of its home care and hospice services under one management umbrella.

The merger becomes effective January 1, 1997.

Meridian Health System becomes the first and only health care system in the country to achieve Magnet status, the highest recognition bestowed by the American Nurses Credentialing Center for nursing excellence.

Meridian combines all of its home care and hospice services under one management umbrella.

The N.J. Department of Health and Senior Services’ Cardiac Surgery Report Card shows that Jersey Shore has the lowest mortality rate in the state for coronary artery bypass graft surgery.

Meridian is named in the top 100 “Most Wired Health Systems” by Hospitals & Health Networks magazine, an achievement it will attain seven consecutive times.

The doors of the Shoreview Surgery Center open, Meridian Ambulatory Care’s first venture.

Alert Ambulance acquires Reliable Transportation Services, expanding ambulance transport services into Middlesex County.

Meridian Ambulatory Care acquires Reliable Transportation Services, expanding ambulance transport services into Middlesex County.

Meridian Ambulatory Care acquires Reliable Transportation Services, expanding ambulance transport services into Middlesex County.

Meridian is named in the top 100 “Most Wired Health Systems” by Hospitals & Health Networks magazine, an achievement it will attain seven consecutive times.

The doors of the Shoreview Surgery Center open, Meridian Ambulatory Care’s first venture.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

As part of its $43 million expansion project to create a new rehabilitation center, radiation oncology center, emergency care center, critical care unit, parking garage, chapel, and gift shop; the project also improves access, enlarges public spaces, and renovates numerous patient care areas.

The doors of the Shoreview Surgery Center open, Meridian Ambulatory Care’s first venture.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.

Riverview Medical Center enters into a five-year strategic plan is introduced.

The Sycamore Assisted Living facility in Shoreview opens.