May 5, 2007

PINNACLEHEALTH Hospitals

Marc P. Volavka Executive Director Pennsylvania Health Care Cost Containment Council Suite 400, 225 Market Street Harrisburg, PA 17101

Dear Mr. Volavka:

Thank you for the opportunity to respond to your "2005 CABG and Valve Surgery Report." PinnacleHealth System recognizes the importance and value of PHC4 and supports the intent of the Council in publishing this information.

PinnacleHealth System's mission is to be a charitable organization dedicated to maintaining and improving the health and quality of life for people of central Pennsylvania. Accountability for quality of care and patient safety are two core values supporting our vision to be the most caring, innovative, disciplined and trusted health System in central Pennsylvania. We are disciplined in monitoring the care we provide every day and the satisfaction of each of our patients. By closely reviewing quality, we continually strive to improve the care our patients receive.

As part of our commitment to quality, we participate in The Society for Thoracic Surgery (STS) database. The Adult Cardiac Surgery Database is the largest cardiothoracic surgery outcomes and quality improvement program in the world with more than 2.9 million patient records reported. PinnacleHealth Hospital's overall mortality for Coronary Artery Bypass Graft (CABG) in calendar year 2005 was not significantly different from the expected mortality in this database. We would also like to note that five surgeons, whose results are included in this PHC4 report, no longer practice at the PinnacleHealth Hospitals. Collectively, these five surgeons accounted for four CABG deaths at PinnacleHealth Hospitals in calendar year 2005.

As part of PinnacleHealth System's commitment to our patients, we proactively monitor our performance and seek ways to improve our care. The Open Heart Surgery Quality Initiative, a multi-disciplinary committee was formed in April 2005. The goal of the committee was to standardize and optimize patient care from pre-op to discharge. The committee used comparative data from the STS database to identify improvement opportunities, set goals and evaluate the results of practice and process changes. The committee's progress was shared with hospital administration and caregivers involved with the cardiac surgery process. We are pleased to report that as a result of these efforts, CABG in-hospital mortalities decreased from 3.7% in 2005 to 1.9% in 2006. Postoperative complications such as pneumonia, infection and renal failure also decreased along with length of stay.

The Open Heart Surgery Quality Initiative has been selected as a recipient of the 2007 Hospital and Healthsystem Association of Pennsylvania's Achievement Award in the Patient Care category. This improvement demonstrates that standardization of care and communication among team members will result in better patient outcomes. By applying continuous quality improvement methods and encouraging collaboration among the multiple physicians, departments and health care staff, we have been able to improve the quality of care we provide to our patients.

Again, we thank you for the opportunity to comment on and to update the information included in your latest report and to demonstrate our commitment to improving the care we provide.

Sincerely,

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Roger Longenderfer, MD President and CEO PinnacleHealth System