

Divine Providence Hospital - Muncy Valley Hospital The Williamsport Hospital & Medical Center Ralph Nardi, Jr. Chairman of the Board

Richard W. DeWald Vice Chairman

Kirby O. Smith President & CEO

December 6, 2002

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

Dear Mr. Volavka:

Susquehanna Health System is pleased to be a participant in *The Hospital Performance Report* for the 2001 reporting period. We thank the Council for their continued efforts in gathering this information and making it available for public use, thereby providing a standardized tool for assessing the effectiveness of healthcare providers in our Commonwealth.

Since the last reporting period, Susquehanna Health System has continued to use data rich sources such as PAHC4 to help improve overall performance, maximize operational efficiency and enhance clinical quality. This effort has been an important component of our ongoing consolidation of duplicative clinical services and creation of singular medical Centers of Excellence, which draw on the best resources within our System. The results of this process have been the delivery of excellent medical care and increased savings to our community in the form of continued low costs and free services.

We recognize The Hospital Performance Report as a valuable component of Susquehanna Health System's ongoing, comprehensive quality control program. We hope the report will encourage the public to be proactive in learning more about the relative performance of Pennsylvania hospitals with respect to both cost and quality.

Sincerely, Kirby O. Smith

President/CEO

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