

Participating Bond Transaction
Financial, Quality & Service Indicators

UPDATED 5/17/05

50%	Financial Trigger (must be exceeded for any payout to occur) Operating Margin	Tentative value: in excess of 8% for last 12 months, (necessary to avoid effect of seasonality)
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	Patient Satisfaction Triggers	Percent of non-financial trigger:	10%
	Tool: Quarterly Gallup Patient Satisfaction scores:		
	Tools used:		
	1	Inpatient survey	
	2	Emergency department survey	
	3	Outpatient testing & treatment survey (includes Lab, Diagnostic imaging, cath lab, rehab, and cardiac rehab)	
	4	Outpatient surgery survey	
	Questions scored (for each of the 4 surveys):		
	1	Would Return to Hospital	
	2	Overall Satisfaction	
	Goal: To exceed 80th percentile of all Gallup hospitals for these two questions each quarter.		
	Scoring:		<u>Scoring (pct paid out)</u>
	Level A:	10 or more out of 16 above 80th percentile, with others all above 50th percentile (5 out of 8 x 2 quarters = 10 out of 16)	A 100%
	Level B:	8 or 9 out of 16 above 80th percentile, with all others above 50th percentile	B 75%
	Level C:	7 or fewer out of 16 above the 80th percentile.	C 0%

	Clinical Indicator Triggers	Percent of non-financial trigger:	60%
	Tool: National Hospital Quality Measures		
	Indicators to use:		
	1	AMI – Aspirin at arrival	
	2	AMI – Aspirin prescribed at discharge	
	3	AMI – ACE/ARB for LVSD	
	4	AMI – Beta Blocker at arrival	
	5	AMI – Beta Blocker prescribed at discharge	
	6	CHF – ACEI for LVSD	
	7	Pneumonia – Pneumococcal vaccine	
	8	Pneumonia – Initial antibiotic received within 4 hours of hospital arrival	
	9	Pneumonia – Blood cultures performed before first antibiotic received in hospital	
50%	Goal: Intermediate goal is to improve scores each 6 month period (average of 2 quarters, vs. prior 2 quarters) Long-term goal: To be within the top 10% of hospitals (90th percentile) on as many as possible.		

Public benchmarks published: 50th percentile, and 90th percentile

Additional derived benchmark: average of the 50th percentile performance and 90th percentile performance

1 At or above the 90th percentile

2 At or above the average of the 50th and 90th percentiles

3 At or above the 50th percentile

4 Below 50th percentile

Scoring:

Level A: Either (i) 6 out of 9 measures above the 90th percentile and all others above the 50th percentile

OR

(ii) 7 out of 9 measures have improved compared to the prior period (period being 2 quarters)

Level B: Either (i) 6 out of 9 measures above the average of the 50th percentile and 90th percentile and all others above the 50th percentile

OR

(ii) 6 out of 9 measures have improved compared to the prior period (period being 2 quarters)

Level C: Performance below Level B above.

50%

Chart Completion Trigger

Percent of non-financial trigger:

30%

Timely History & Physical Reports (H&P's) and Operative Reports

Standard:

- H&P's within 24 hours of admission, or by time of operative or invasive procedure, whichever is earlier *(dictated or handwritten)
- Operative reports dictated (completed) within 24 hours of conclusion of procedure

Level A: 98% completed within standard

Level B: 95% completed within standard

Level C: Performance below Level B above.

Scoring (pct paid out)

A 100%

B 75%

C 0%

Abbreviations used:

ACEI Angiotensin-converting Enzyme (ACE) Inhibitors (lowers blood pressure)

ARB Angiotensin II Receptor Blocker

AMI Acute myocardial infarction (heart attack)

CHF Congestive Heart Failure

LVSD Left ventricular systolic dysfunction

	Example 1	Interest in Ex. 1	Example 2	Interest in Ex. 2	Example 3	Interest in Ex. 3
Margin Pct of Int to be paid	Met 8.50% 100%	50.00%	Met 9.00% 100%	50.00%	Not Met 6.00% 75%	37.50%
equals	C 0%	0.00%	B 75%	3.75%	B 75%	3.75%
equals	C 0%	0.00%	B 75%	22.50%	B 75%	22.50%
equals	A 100%	15.00%	B 75%	11.25%	B 75%	11.25%
Percent of interest paid out:		65.00%		87.50%		75.00%