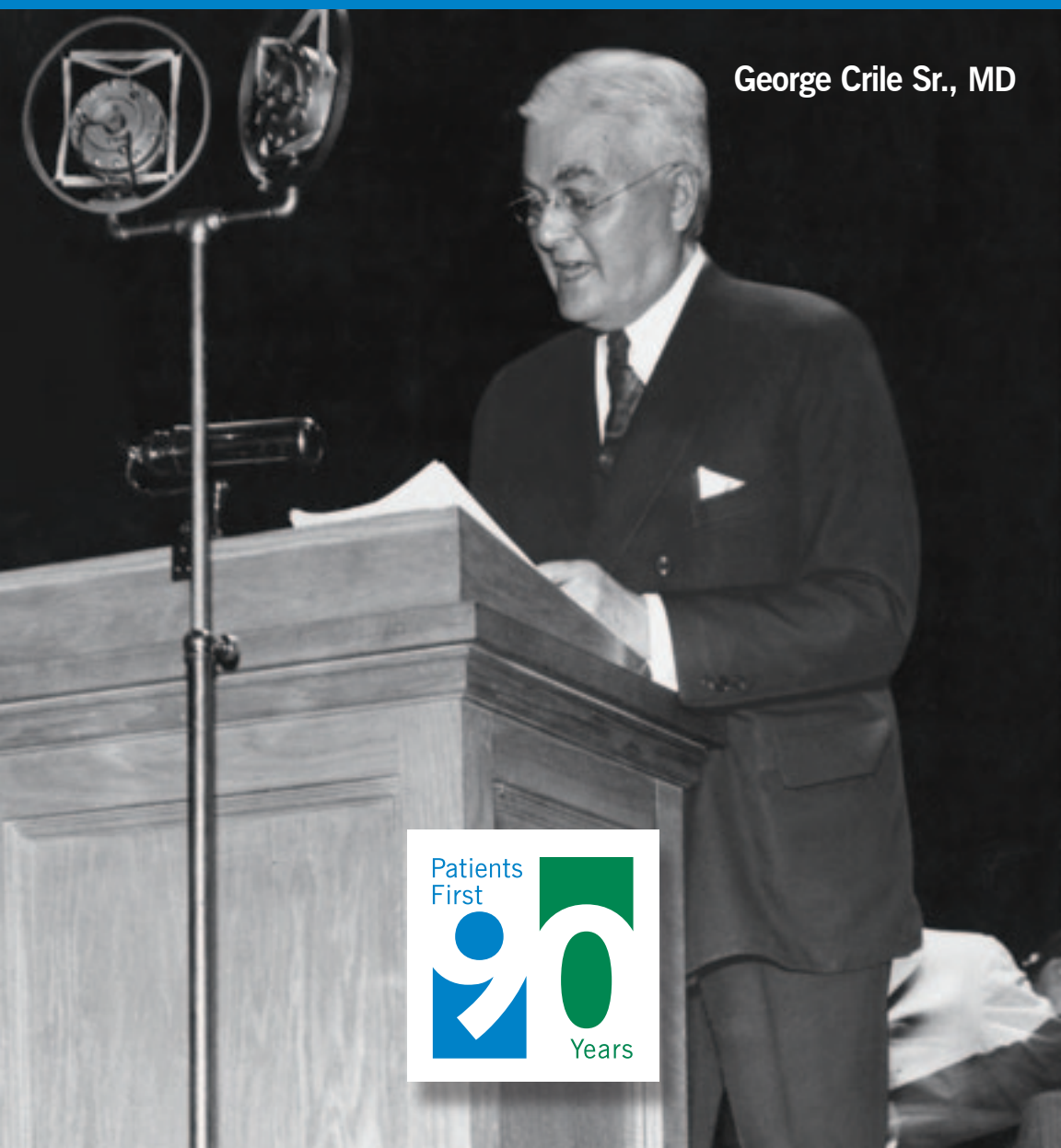


STATE OF THE CLINIC **2010**

George Crile Sr., MD



INSIDE

2	Professional and Support Staff
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CEO'S ADDRESS

Dear Colleagues:

Welcome to the 2010 State of the Clinic Annual Report. It is a document of our collective efforts in patient care, research and education. It reflects our drive for transparency and full disclosure. It is the record of your hard work on behalf of our patients over the course of a successful year.

2010 was a year of international economic recession. Yet Cleveland Clinic caregivers continued to see a high volume of patients. They treated the highest CMS case mix index in the nation, caring for more of the sickest patients than any other center. They worked together across a multiplicity of sites and facilities, and acted as a unit to give every patient the best outcome and experience.

The pace of innovation did not slow in 2010. We continued to achieve breakthroughs and discoveries. We found new ways to enhance safety, improve quality, provide access and use technology to improve patient care.

2011 marks the 90th anniversary of the Cleveland Clinic. Our founders left us a unique model of medicine that continues to inspire the world with its effectiveness, economy and patient focus. Thank you for your contribution to this great legacy, this year and always.

Sincerely,

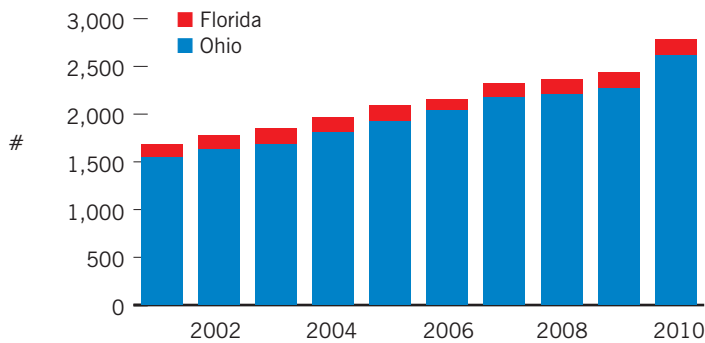
A handwritten signature in black ink, appearing to read 'DMC', with a stylized, flowing script.

Delos M. Cosgrove, MD

CEO and President

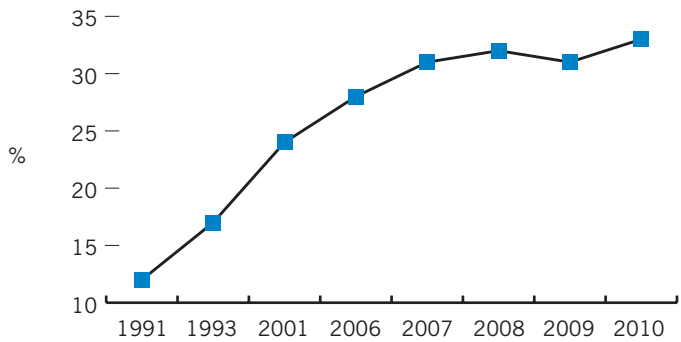
PROFESSIONAL STAFF

Ohio and Florida



Staff physicians and scientists at all locations now number 2,789.

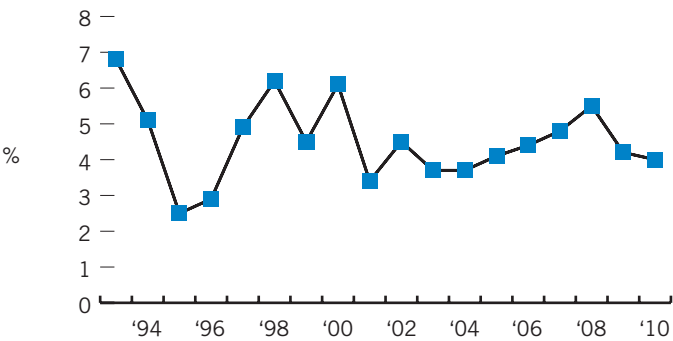
Women on Staff



The percentage of female staff has steadily grown and was at 33% in 2010.

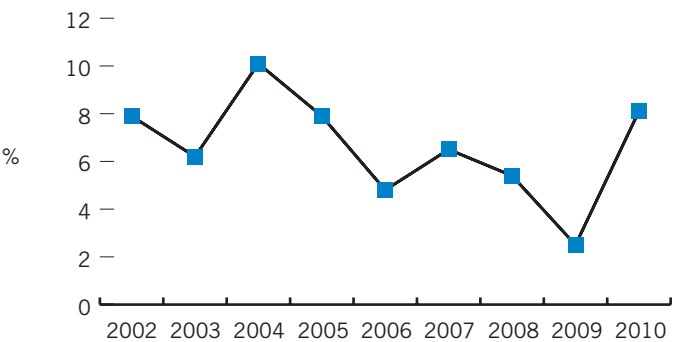
PROFESSIONAL STAFF

Turnover – Ohio



In 2010, staff resignations remained at 4%.

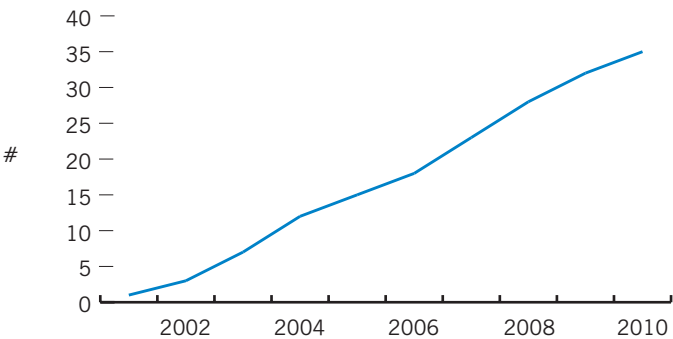
Turnover – Florida



In 2010, 14 staff members in Florida left resulting in an increased turnover of 8%.

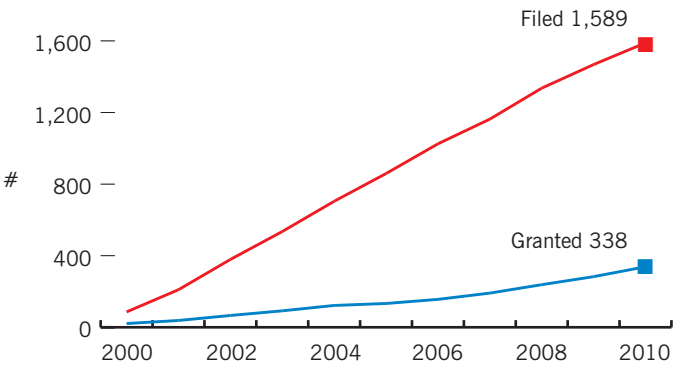
PROFESSIONAL STAFF

Spin-Off Companies



The number of companies that have been spun off through leveraging our innovations continues to grow and is currently at 35 total companies in 2010.

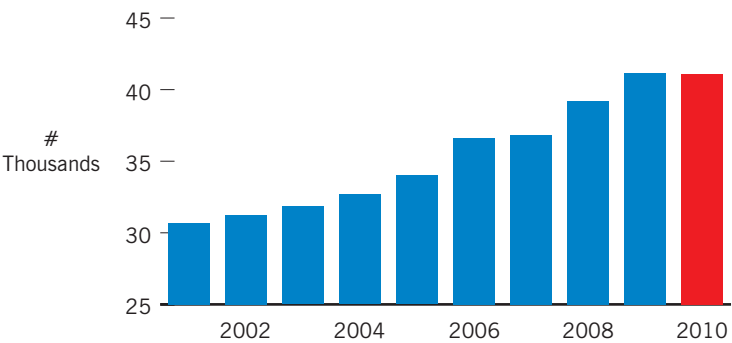
Patents



In 2010, 1,589 cumulative patents were filed and 338 have been granted.

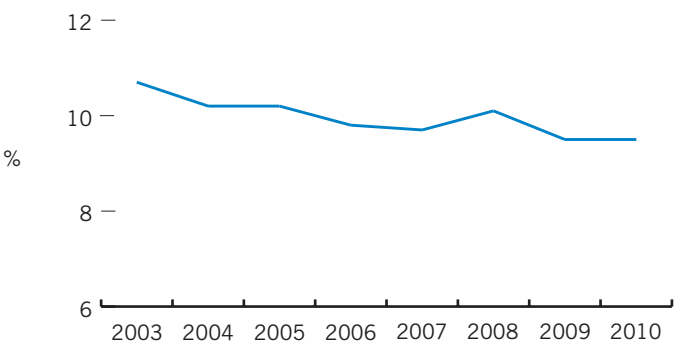
SUPPORT STAFF

Support Staff Growth



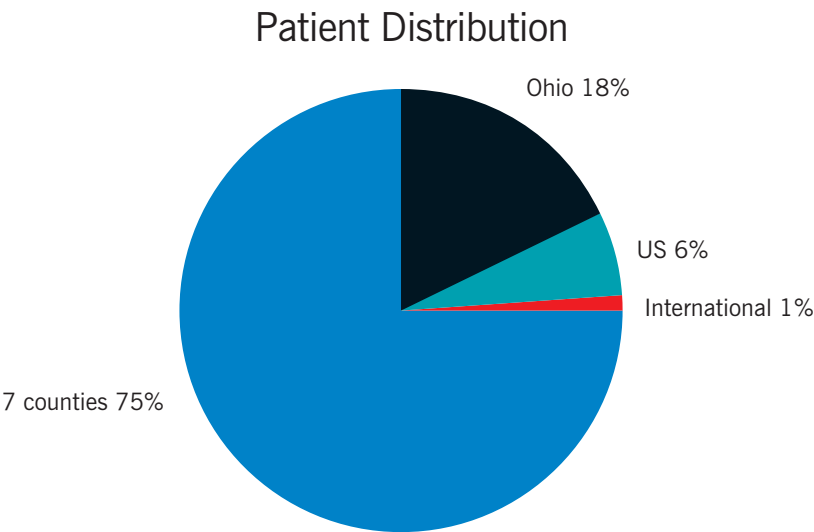
In 2010, the total number of employees remained flat at 41,077.

Support Staff Turnover

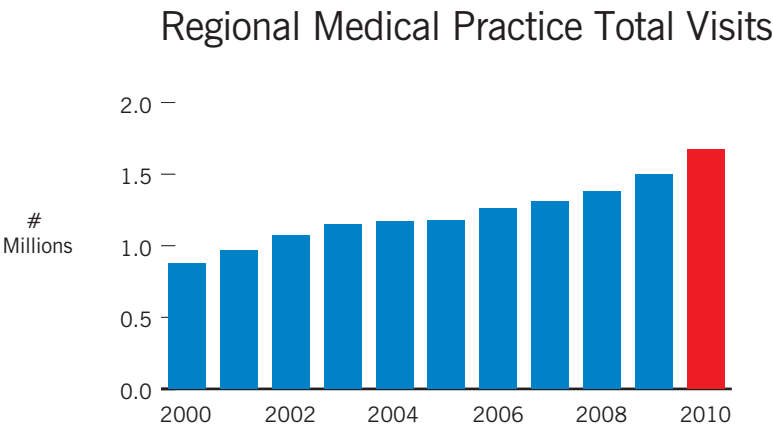


The average employee turnover for 2010 was 9.5%. This included voluntary and involuntary terminations and is below the national average of 11%.

CLINICAL ACTIVITY



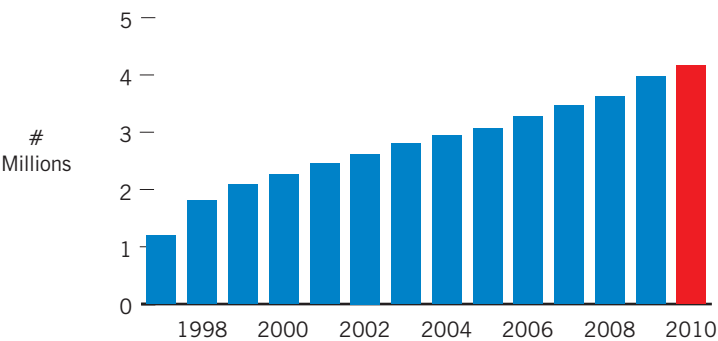
75% of the patients in 2010 came from Cleveland’s adjacent 7 counties. This distribution has remained constant for the past several years.



The visits at our Family Health Centers increased by 4% in 2010 to close to 1.7 million.

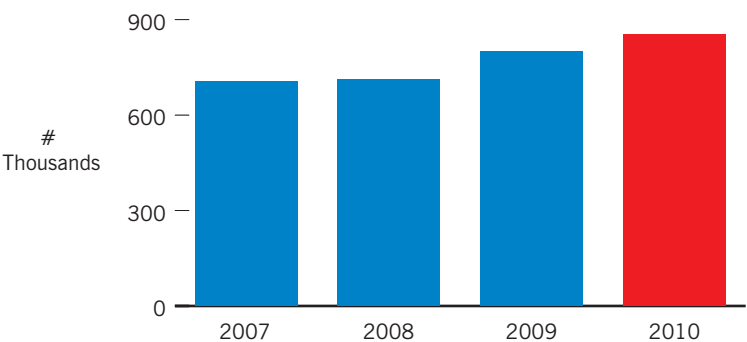
CLINICAL ACTIVITY

Outpatient Visits



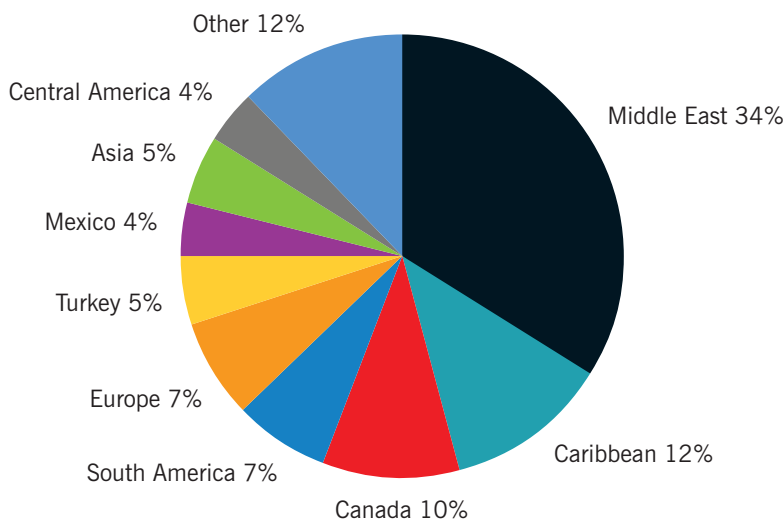
The total number of outpatient visits for Cleveland and Florida increased by 5% in 2010 to over 4 million.

Same-Day Visits



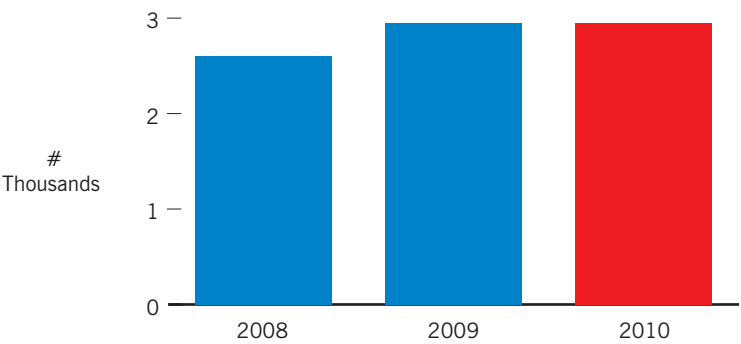
The total number of same-day visits increased by 7%.

International Patients – Distribution



Currently, 34% of international patients are from the Middle East.

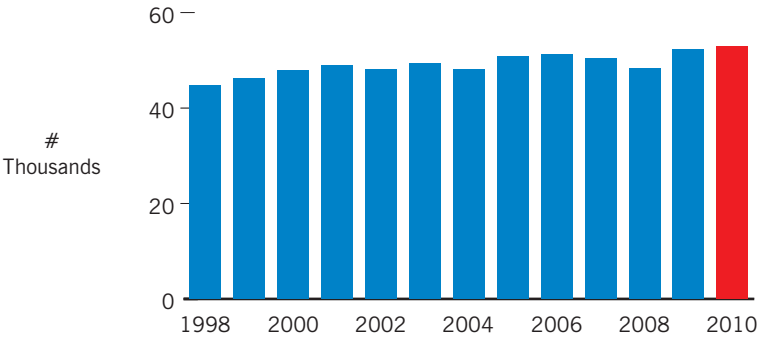
International Patients – Volume



International patient volume remained flat in 2010.

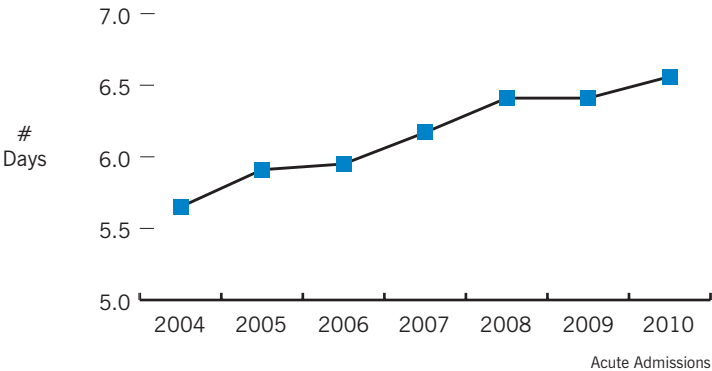
CLINICAL ACTIVITY

Acute Admissions



The number of acute admissions at the Main Campus increased by 1% in 2010 to 52,900.

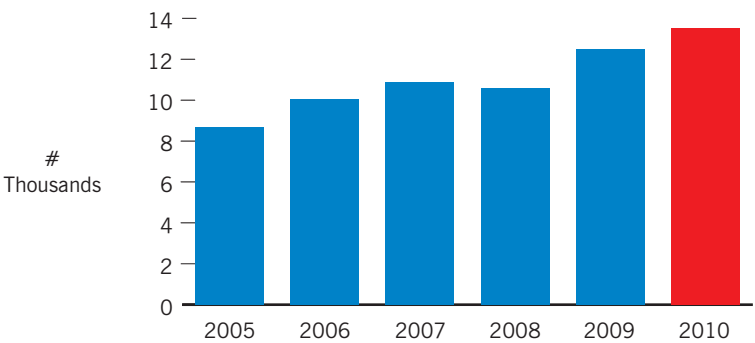
ALOS



The average length of stay increased slightly to 6.6 days. This corresponds to an increase in case mix.

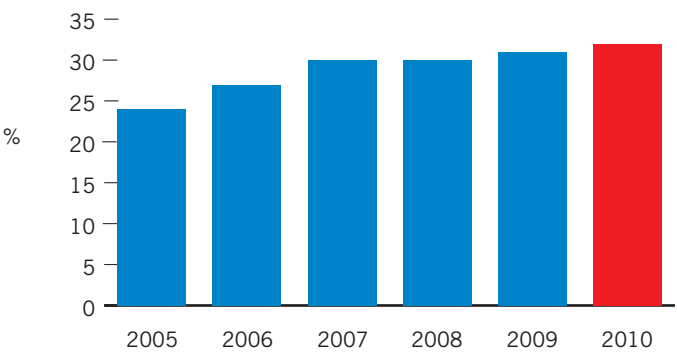
CLINICAL ACTIVITY

Hospital Transfers



In 2010, hospital transfers increased 8% to over 13,500.

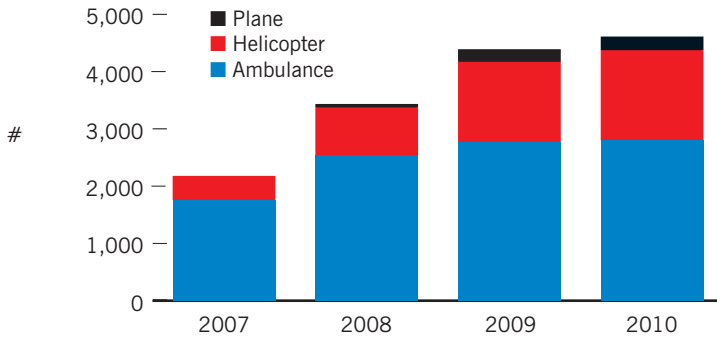
Hospital Transfers: % of Total Census



In 2010, transfers into Cleveland Clinic accounted for 32% of our total census.

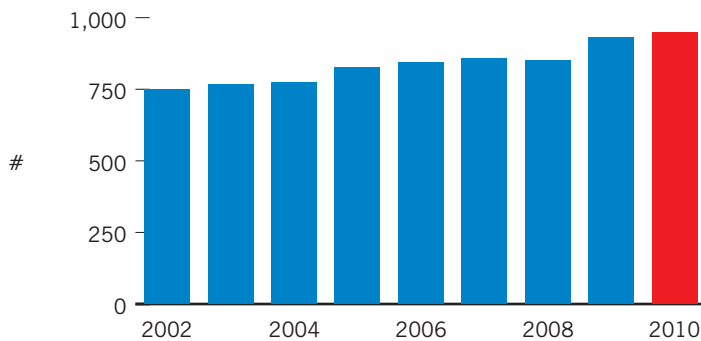
CLINICAL ACTIVITY

Critical Care Team Transports



The critical care transport team continues to increase patient transfers into Cleveland Clinic by all methods.

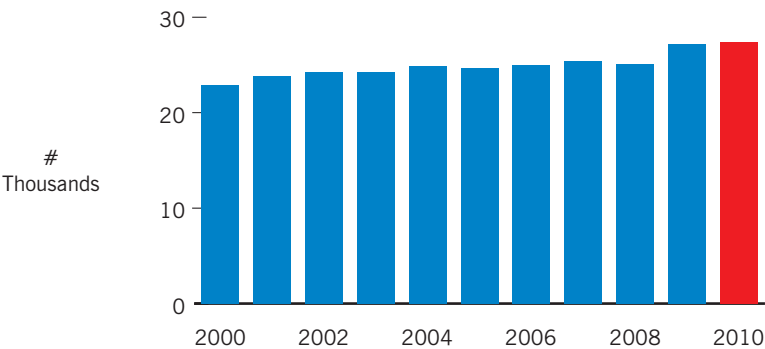
Average Daily Census



The average daily census increased to 948 days in 2010.

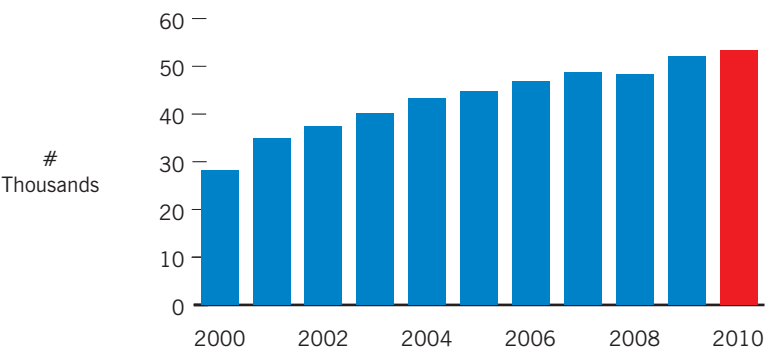
CLINICAL ACTIVITY

Surgical Cases – Inpatient



Inpatient surgery at Cleveland Clinic has slowly risen and increased 1% in 2010.

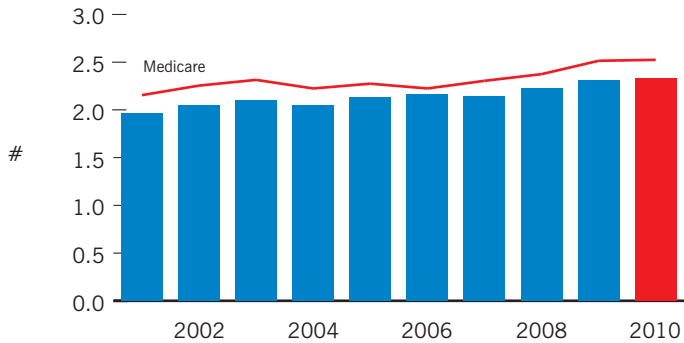
Surgical Cases – Outpatient



Outpatient surgical cases continue to rise. Cleveland Clinic performed over 53,000 outpatient surgeries in 2010, which represents a 2% increase.

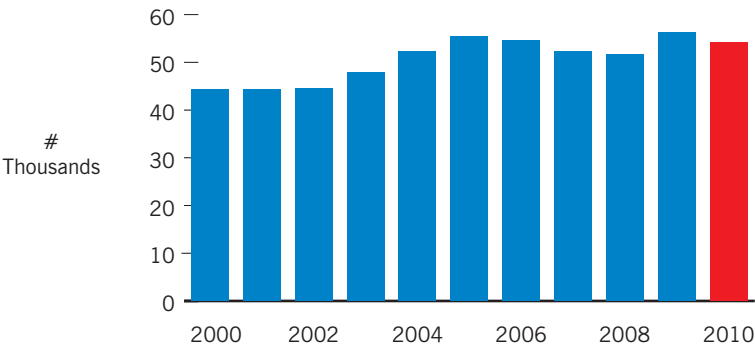
CLINICAL ACTIVITY

Case Mix



The average case mix increased to 2.33 and the Medicare case mix was 2.52. Cleveland Clinic has one of the highest Medicare case mix indexes in the United States for hospitals over 500 beds.

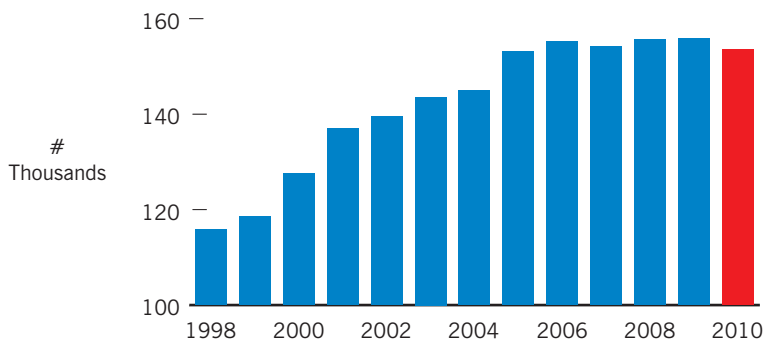
Emergency Room Visits



Emergency room visits decreased in 2010 by 4% to 54,138.

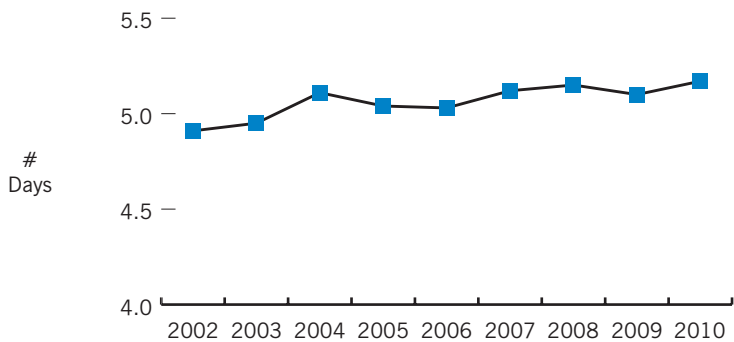
CLEVELAND CLINIC HEALTH SYSTEM

Acute Admissions



Adult acute admissions across the system decreased by 1% in 2010 to 153,500.

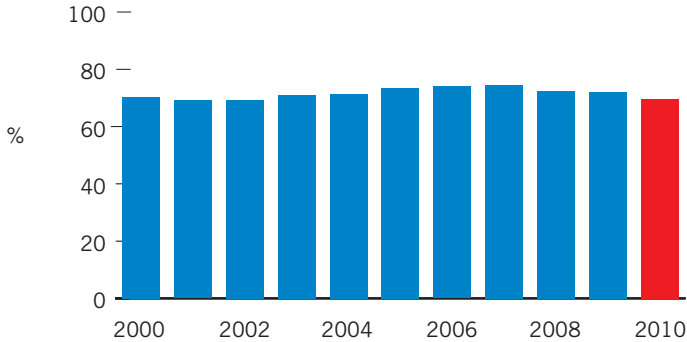
ALOS



Health system average length of stay has remained stable at close to five days.

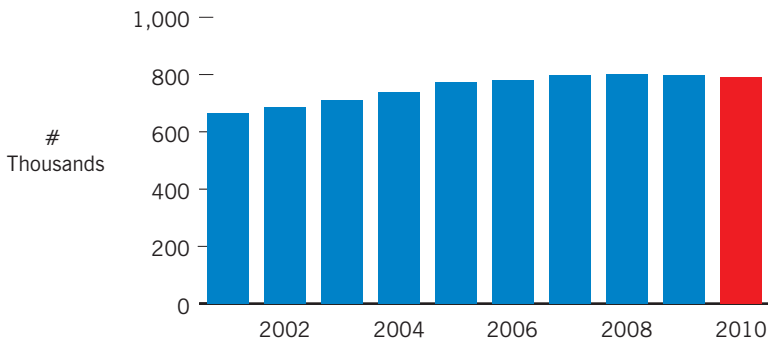
CLEVELAND CLINIC HEALTH SYSTEM

Occupancy



The combined system occupancy rate continues to decrease and was at 69% in 2010.

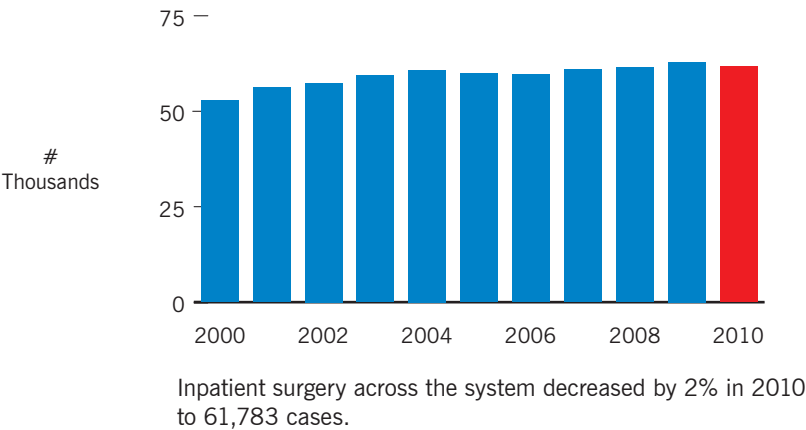
Acute Patient Days



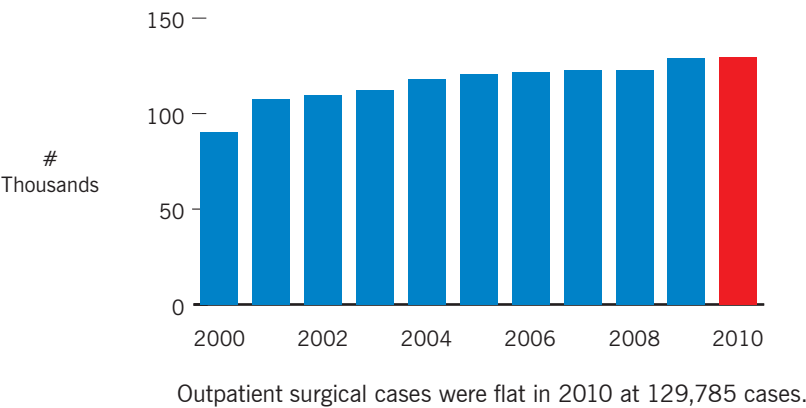
The number of acute patient days across the system decreased slightly from the prior year.

CLEVELAND CLINIC HEALTH SYSTEM

Surgical Cases – Inpatient

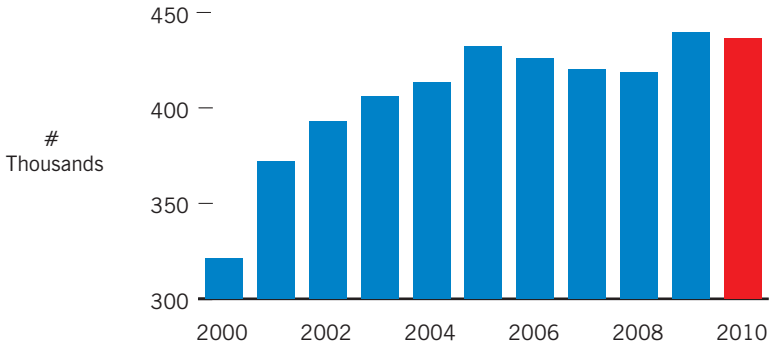


Surgical Cases – Outpatient



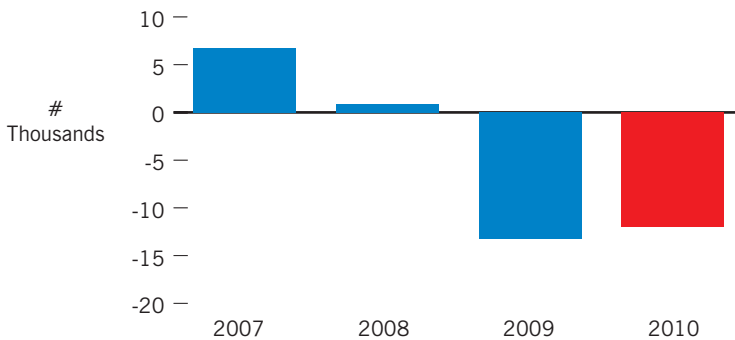
CLEVELAND CLINIC HEALTH SYSTEM

Emergency Room Visits



Emergency room visits across the system decreased by 1% in 2010 to 436,204.

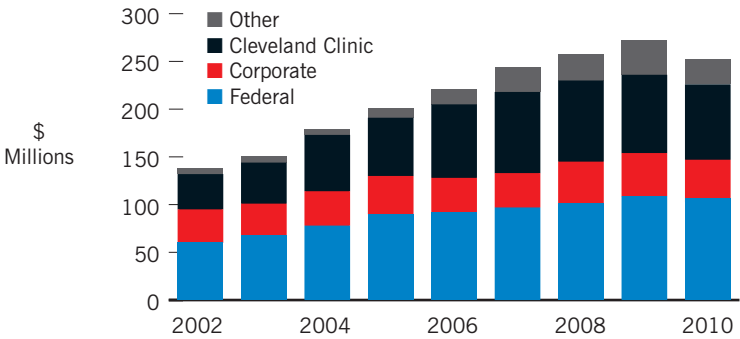
Opportunity Days



Continued focus on length of stay in the face of increasing case mix has maintained the negative opportunity days.

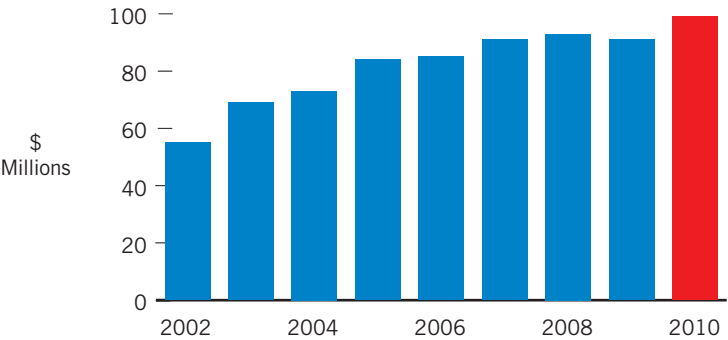
RESEARCH

Total Research Funding



Total research funding from all sources was \$252 million. This represents an 8% decrease over prior year primarily in corporate and non-NIH funding.

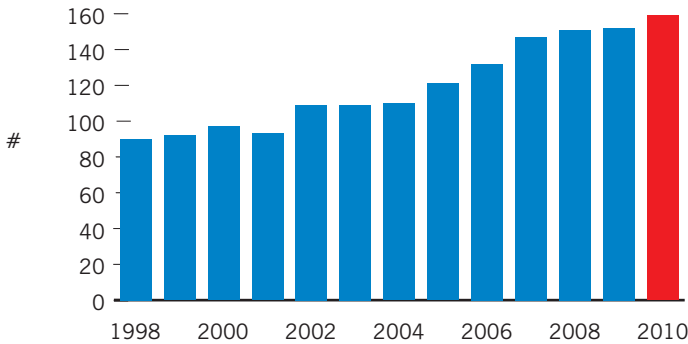
NIH Funding



NIH funding increased by 9% to \$99 million in 2010.

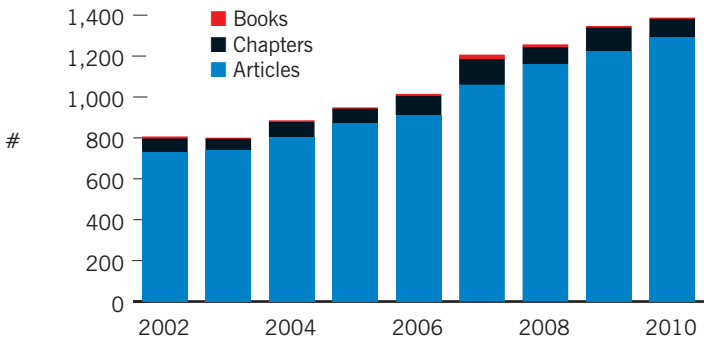
RESEARCH

Research Staff



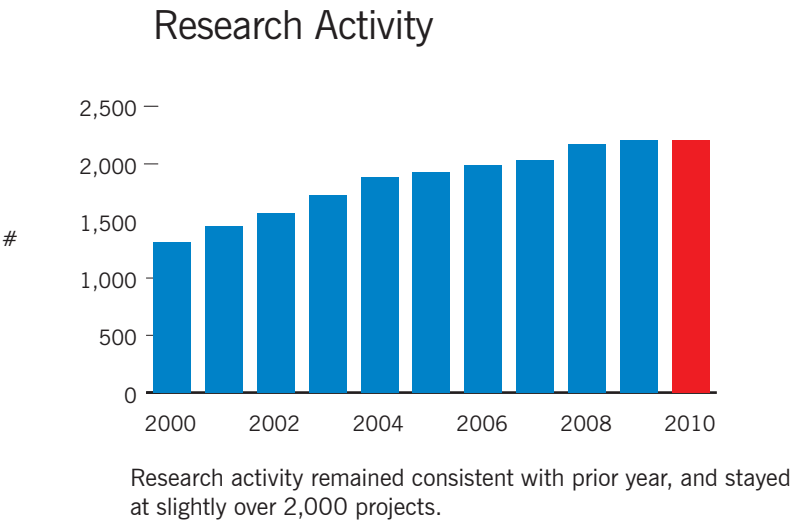
Research staff in Lerner Research Institute increased slightly from prior year to 159.

LRI Publications



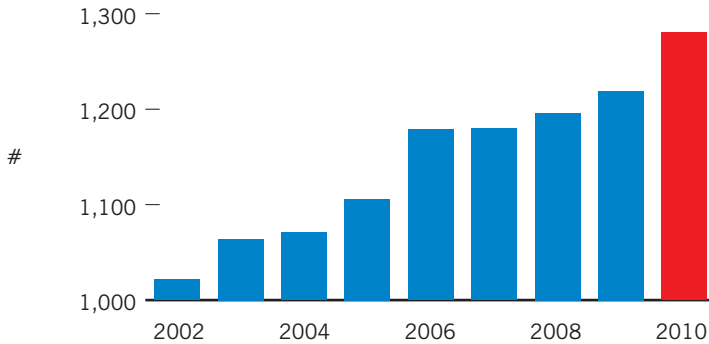
Lerner Research Institute staff produced 1,388 publications in 2010, representing a 6% increase over prior year.

RESEARCH



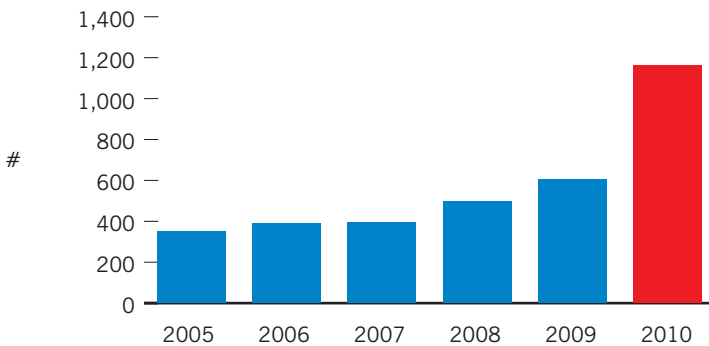
EDUCATION

Cleveland Clinic Health System Residents & Fellows



There were 1,280 residents and fellows across the system in 2010.

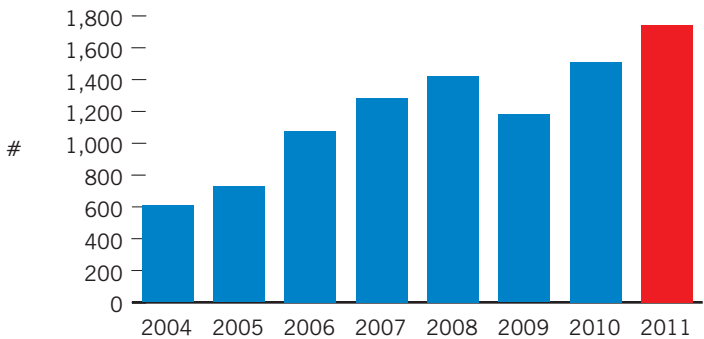
CME Activities



The CME activities sponsored by the Education Institute continue to grow in 2010.

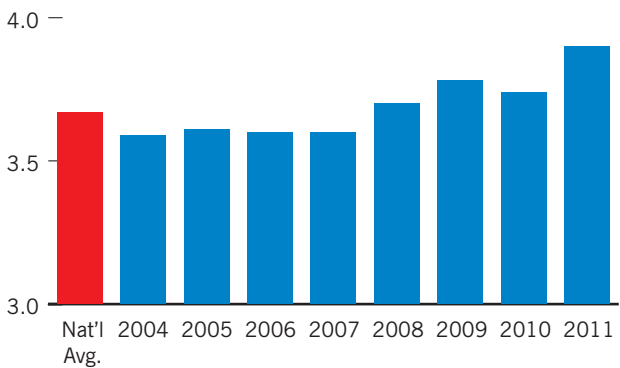
EDUCATION

Lerner College of Medicine Applications



The Lerner College of Medicine has received 1,745 applications to date, for 32 positions for the incoming 2011 class.

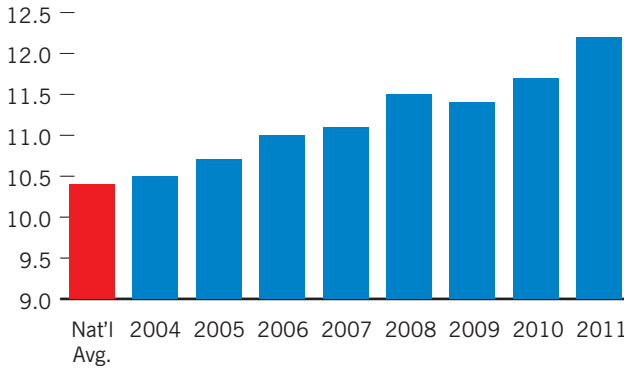
Lerner College of Medicine GPA



The average grade point of the applicants accepted into the 2011 class is currently at 3.9, well above the national average of 3.67.

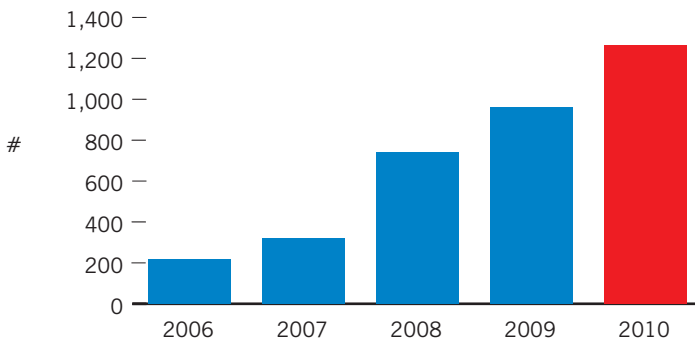
EDUCATION

Lerner College of Medicine MCAT Scores



MCAT scores of accepted applicants continue to exceed the national average.

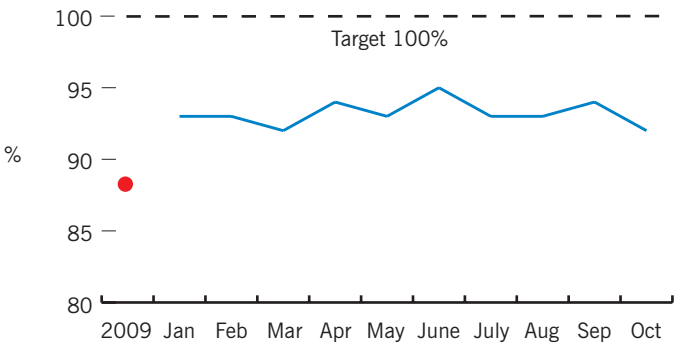
Cleveland Clinic Academy Participants



The attendees to classes at Cleveland Clinic Academy increased by 32% in 2010 to over 1,200 people.

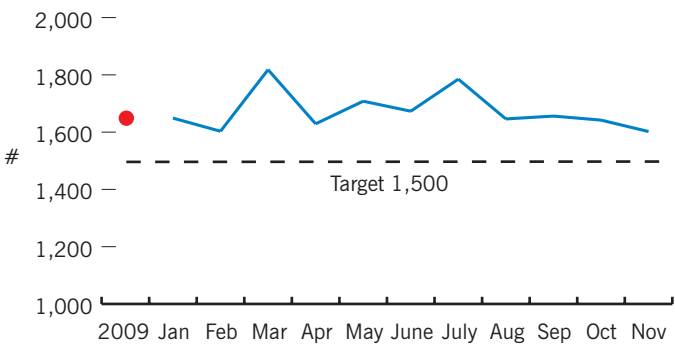
QUALITY

CCHS Core Measures



The appropriateness of care core measures remains close to 95% in 2010. The 2011 goal is to reach 100% across the system.

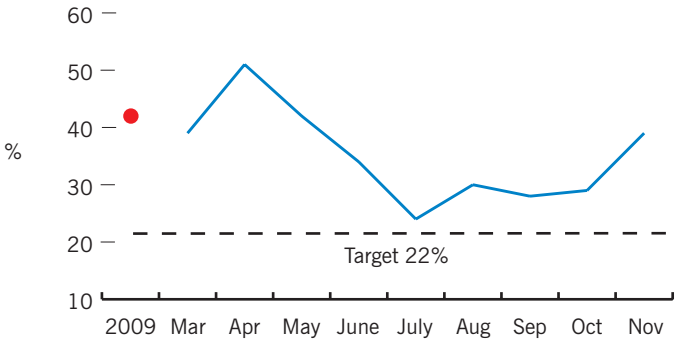
CCHS Readmissions



2010 showed no improvement in readmission rates as a system. Reducing avoidable readmissions will be a focus in 2011 with a goal to reduce readmissions by 20% for heart failure, acute myocardial infarction and pneumonia.

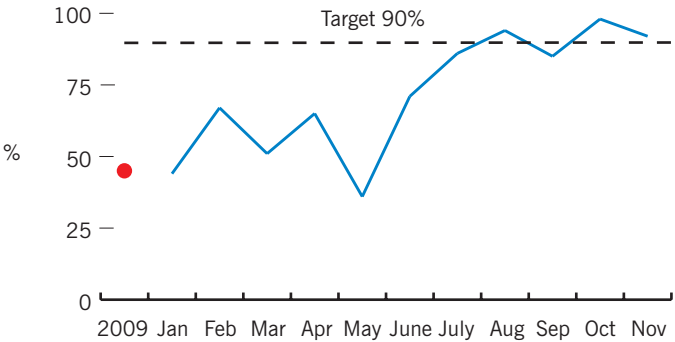
QUALITY

Central Line Associated
Blood Stream Infections



Central line associated blood stream Infections have improved across the system, in particular in the ICUs. The goal for 2011 is to reduce these infections by 50%.

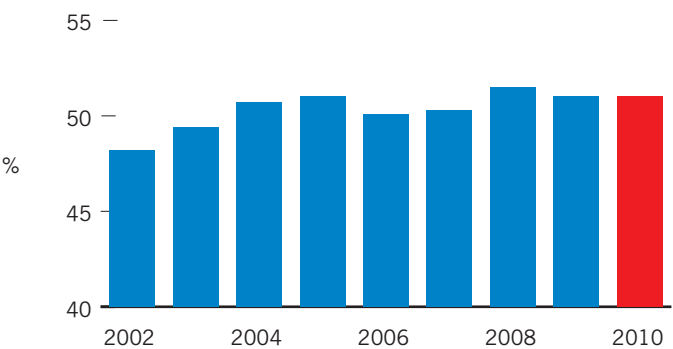
Mortality Reviews – CC



There was a dramatic increase in the percent of mortalities that were reviewed locally within 30 days in 2010. In 2011, the goal will be for the observed-to-expected ratio to be at the 90th percentile nationally.

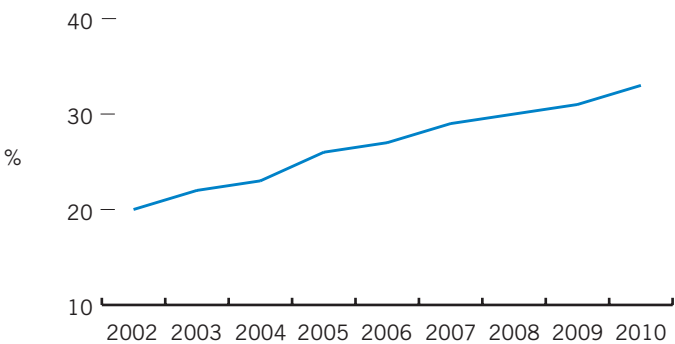
MARKET ANALYSIS

Cleveland Clinic Health System Market Share – Cuyahoga County



Market share in Cuyahoga County remained constant in 2010.

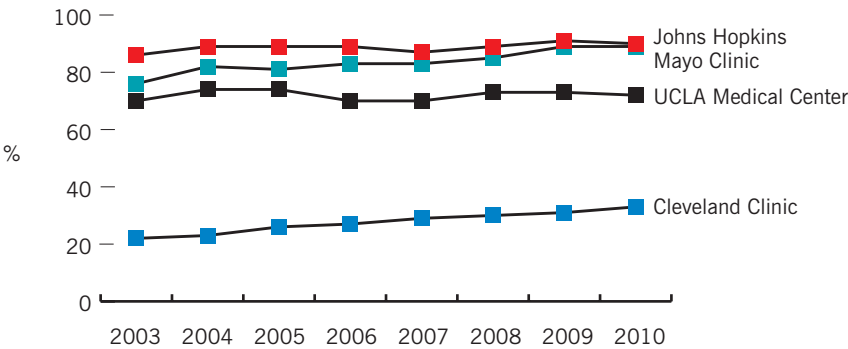
National Brand Awareness



Brand awareness is determined utilizing a survey that measures name recognition. In 2010, the percentage of people that responded positively increased to 33%.

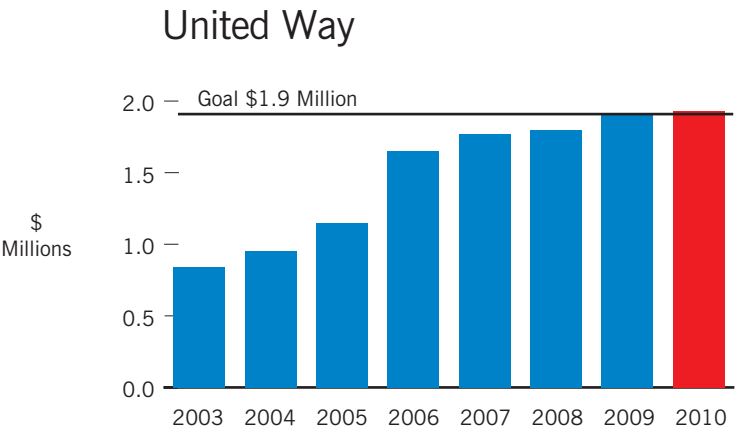
MARKET ANALYSIS

Competitive Brand Awareness

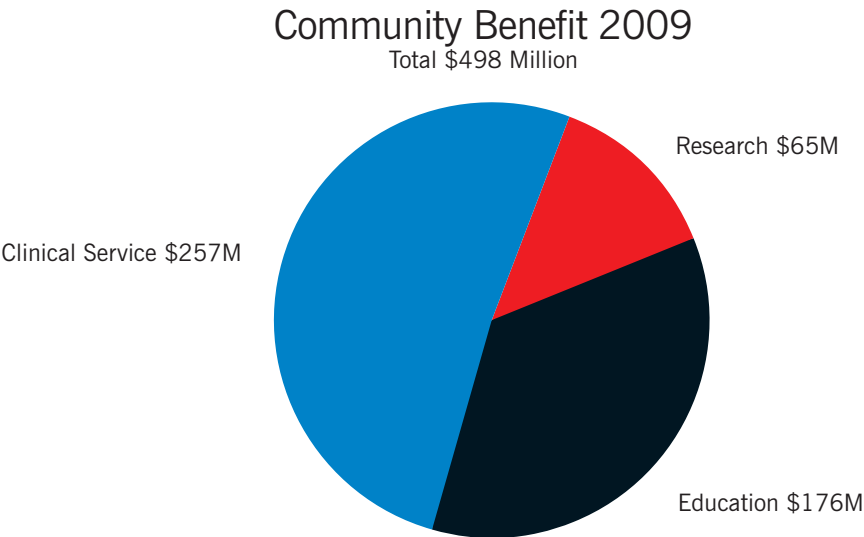


While there has been a steady increase in Cleveland Clinic name recognition, it remains substantially behind industry leaders.

OUTREACH



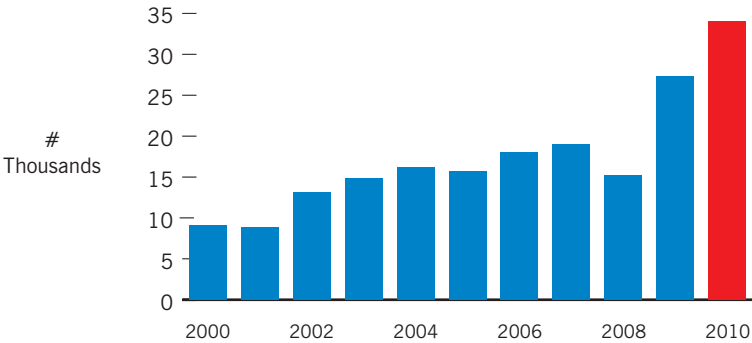
In 2010, Cleveland Clinic contributed over \$1.93 million to the United Way, exceeding our goal of \$1.9 million.



Cleveland Clinic provided over \$498 million in community benefit, including \$257 million in clinical services in 2009. Data for 2010 is not yet available.

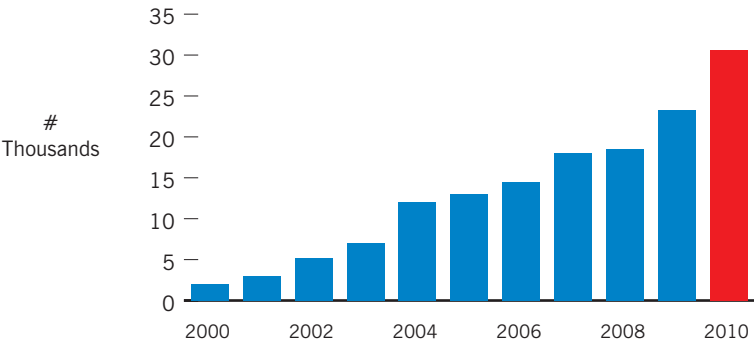
PATIENT EXPERIENCE

Web Contact Requests



The number of people visiting and requesting additional information from our website continues to grow.

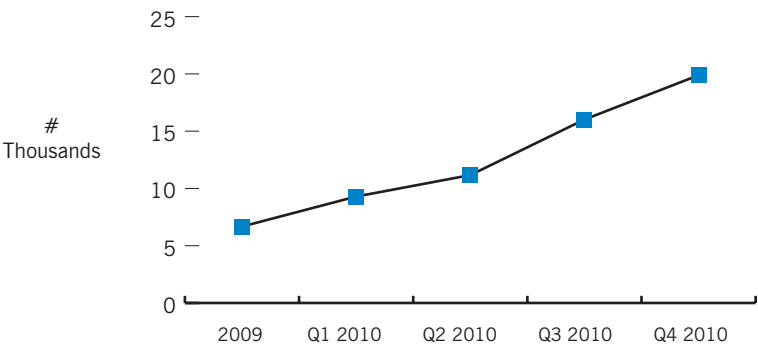
Online Appointment Requests



Appointment scheduling requests via the Internet reached 30,609 in 2010, a 31% increase from prior year.

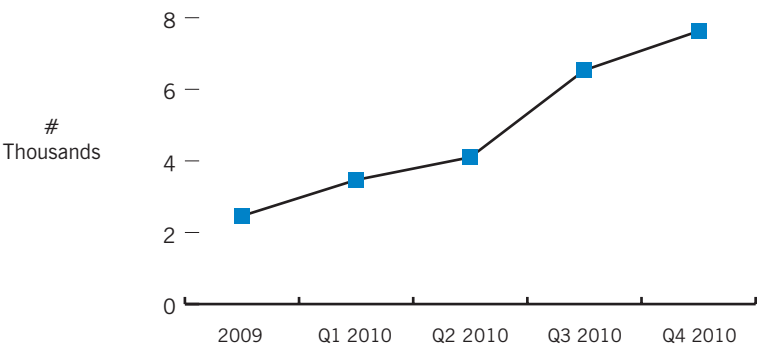
PATIENT EXPERIENCE

Social Media – Facebook



Increasing numbers of people are interacting with Cleveland Clinic through social media. Cleveland Clinic Facebook fans increased by almost 200% in 2010 to near 20,000.

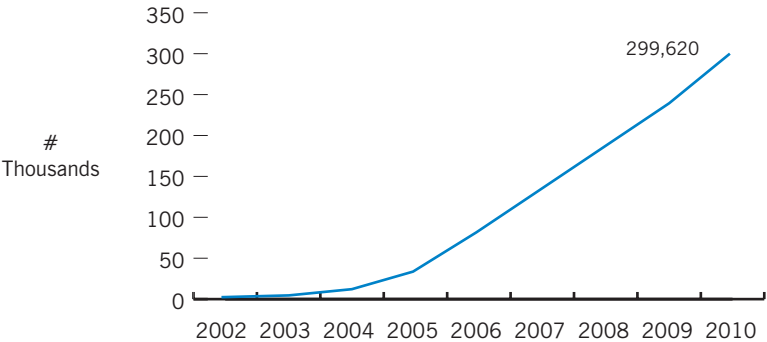
Social Media – Twitter



Twitter chats have proven to be successful this year. The total number of followers is at 7,625, which represents only 6% of the healthcare market.

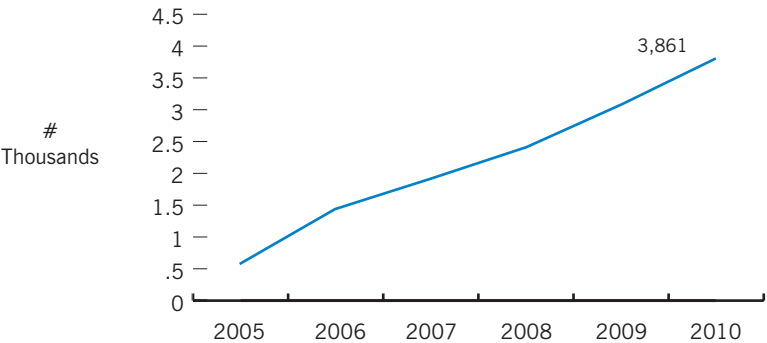
PATIENT EXPERIENCE

MyChart



MyChart enables patients to have an active role in monitoring their healthcare. Almost 300,000 patients utilize this tool.

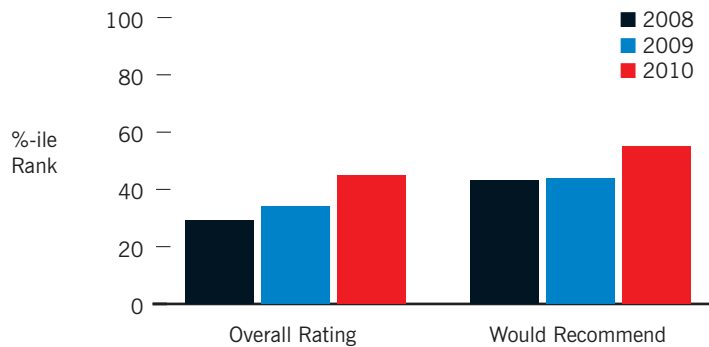
DrConnect



DrConnect provides referring physicians with access to data on their patients referred to Cleveland Clinic.

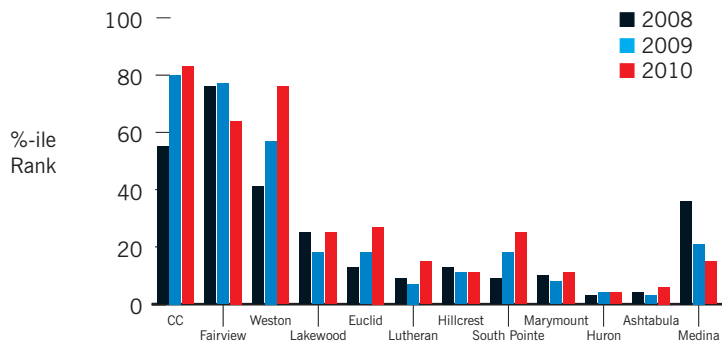
PATIENT EXPERIENCE

CCHS Patient Satisfaction



The percentage of patients rating Cleveland Clinic Health System hospitals in the top categories continues to rise, but is still well below the 90th percentile, which is our continuing goal in 2011.

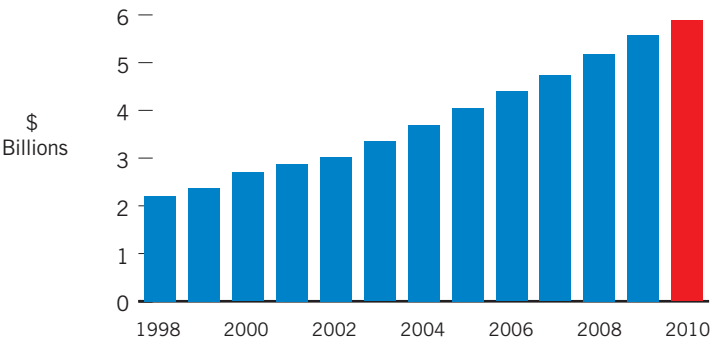
CCHS Patient Satisfaction – Hospital Rating



The HCAHPS domain scores continue to rise, but are still well below the goal of 90th percentile.

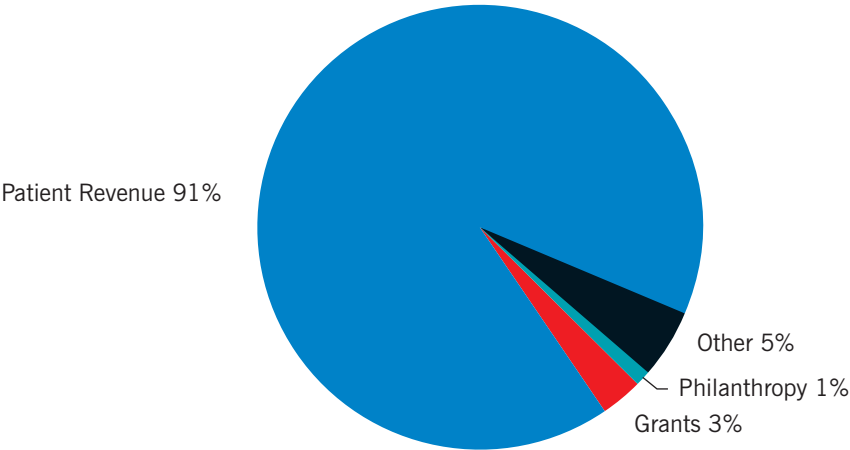
FINANCIAL

Total Operating Revenue



The total revenue increased by 5% in 2010 to \$5.88 billion.

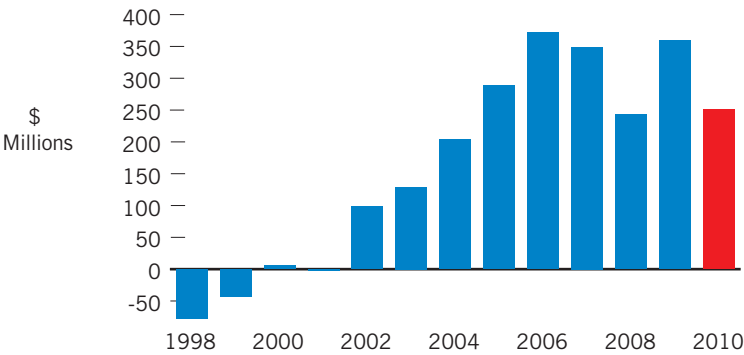
Operating Revenue Allocation



Ninety-one percent of revenue comes from patient care.

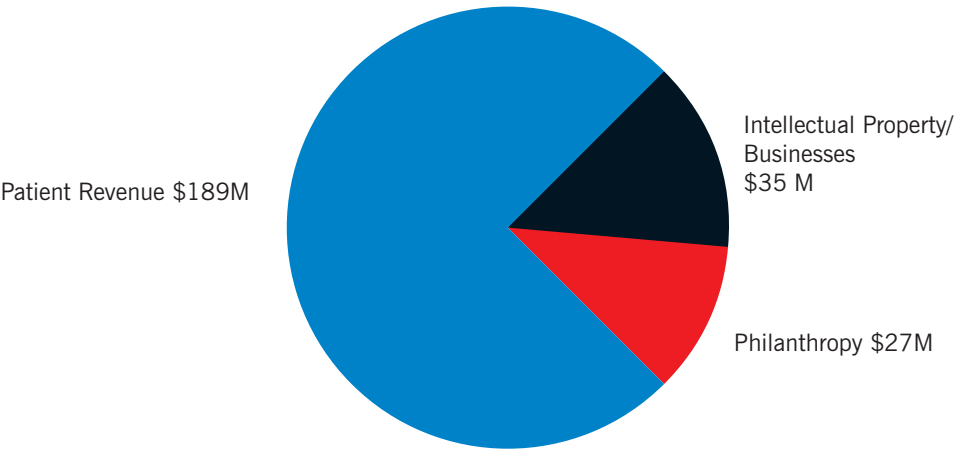
FINANCIAL

Operating Income



Total operating income decreased to \$251 million in 2010.

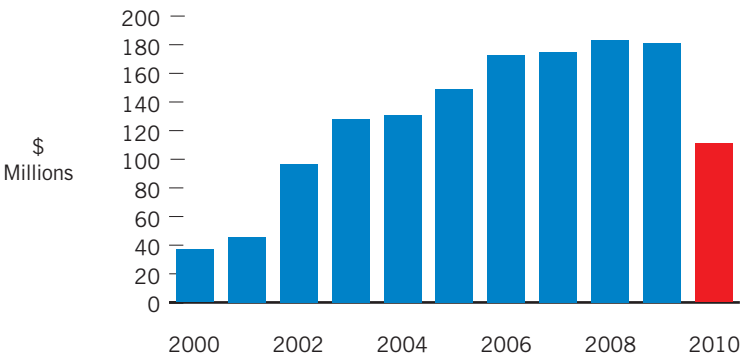
Operating Income



Of the \$251 million in total income, \$189 million came from operations.

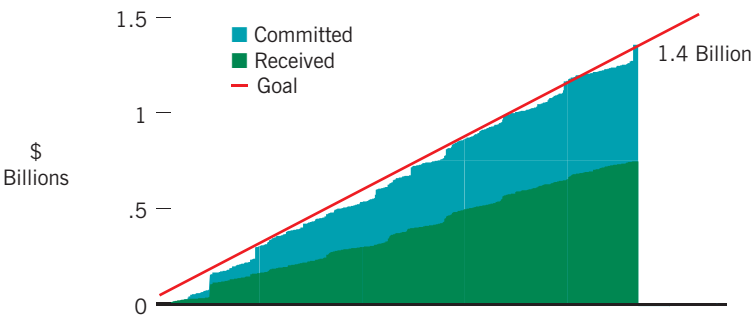
FINANCIAL

Philanthropy



Pledges and gifts in 2010 totaled \$111 million.

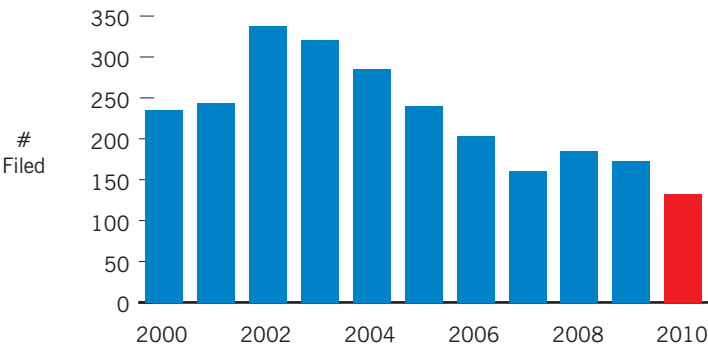
Campaign



At the end of 2010, \$1.4 billion had been raised, surpassing the goal of \$1.25 billion.

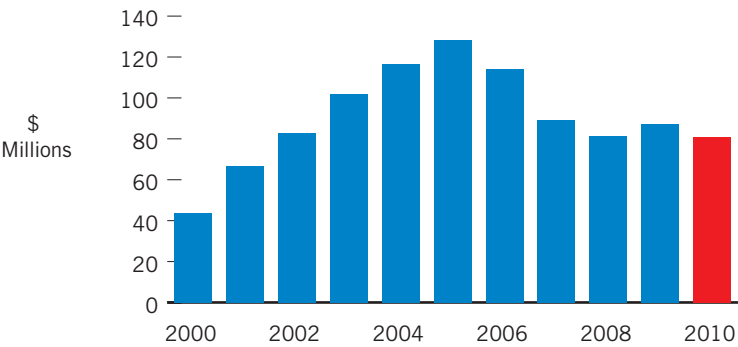
FINANCIAL

Malpractice Suits



The number of suits filed in 2010 decreased again to 133.

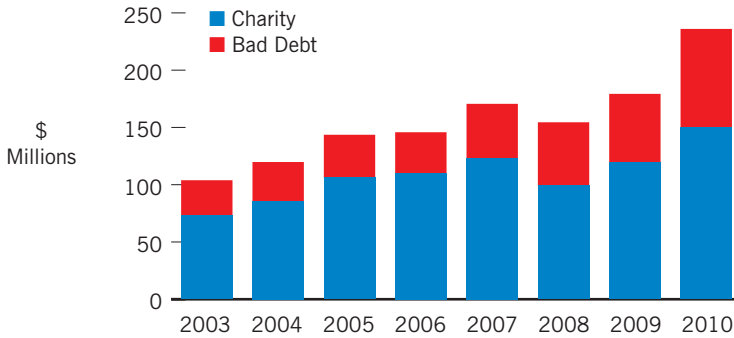
Malpractice Costs



Malpractice costs declined in 2010 to \$81 million.

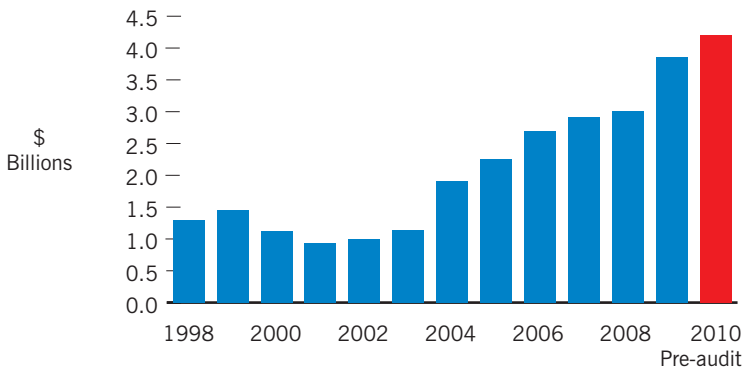
FINANCIAL

Uncompensated Care



Uncompensated care totaled \$236 million in 2010. This represents a 32% increase over prior year.

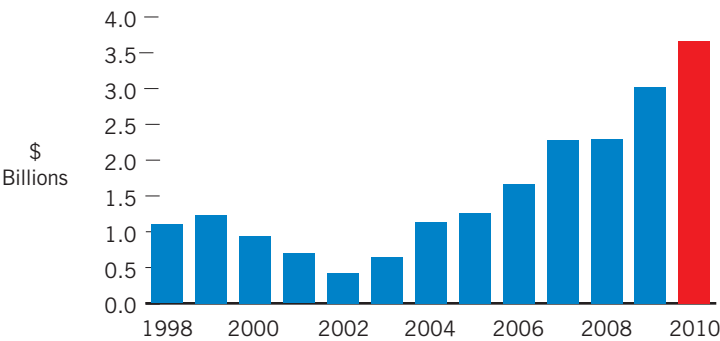
Cash and Investments



Total cash and investments increased to \$4.2 billion in 2010.

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Long-Term Investment Pool



The long-term investment pool rebounded in 2010 with a 11.5% return. The continued focus of the investment strategy is to balance risk and reward and to exceed industry benchmarks.

FUTURE

Twinsburg Family Health & Surgery Center



This facility is scheduled to open in July 2011 and will include a 24/7 emergency department, ambulatory surgery center and medical office building.

Avon Family Health & Surgery Center



This facility is scheduled to open in December 2011 and will include a 24/7 emergency department, ambulatory surgery center and medical office building.

FUTURE

Huron Community Health Center



This facility is scheduled to open in late 2011 and will include a number of primary and specialty outpatient services as well as health education programs with a strong emphasis on chronic disease management.

Cleveland Clinic Laboratories



The expanded laboratories at Main Campus are scheduled to be completed in December 2011 and will be phased in over several months.

FUTURE

Data Center



As the needs for computing power and data storage grow, the upgraded data center is scheduled to be completed in January 2012.

Marymount Operating Suites



The new operating rooms are scheduled to be completed by March 2012 and the renovation of the existing operating rooms completed in 2nd quarter 2013.

FUTURE

Fairview Emergency Department and Intensive Care Units



The new emergency department and ICUs are scheduled for completion by the end of 2012.

Cleveland Clinic Abu Dhabi



The medical office building and outpatient clinic are scheduled to open in late 2012 with the balance of the facility scheduled to open in late 2013.

NOTES

2010 SONES INNOVATION AWARD RECIPIENT



Vincent K. Tuohy, PhD

Vincent K. Tuohy, PhD has been awarded the 2010 F. Mason Sones, MD, Innovation Award for his work on the development of an experimental breast cancer vaccine.

About the Award

The award is named for the distinguished Cleveland Clinic cardiologist and researcher, whose discovery of moving cine-coronary arteriography revealed the natural history of myocardial infarction and launched the modern era of cardiovascular care. The award was established to recognize achievements that reflect the spirit of Dr. Sones, and honor the Cleveland Clinic tradition of innovation for better patient care. It comes with a \$50,000 prize.



F. Mason Sones, MD, discovered moving cine-coronary angiography at Cleveland Clinic in 1958.



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