

Washington Healthcare News

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Clarification: It was reported in the November 2006 issue that Great-West Healthcare had left the Washington State Health Insurance Industry “market”. Although Great-West no longer sells insured products, it is an active and on-going competitor marketing self-funded PPO health plans.

Puget Sound’s Leading Spine Surgery Center

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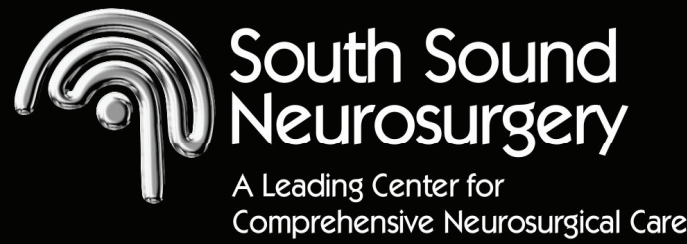


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Annual Washington State Innovations in Healthcare Edition



Washington Healthcare News

Articles, Interviews and Statistics for the Healthcare Executive

Volume 2, Issue 3 March 2007
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Washington Healthcare Innovations Feature “High Tech” and “High Touch”

In mid January, the Washington Healthcare News announced plans to profile and publish healthcare innovations in Washington State. We asked our readers to tell us what innovations were featured in their organizations and were very pleased when we received many different responses. We have compiled these responses and published *all* that were submitted.

We received both “high tech” and “high touch” responses. For example, Franciscan Healthcare System, with hospitals and other facilities in the Tacoma area, submitted information on their “Heart Reshaping” surgery. The actual procedure is called “Left Ventricular Remodeling Surgery” and has been pioneered by Cardiothoracic Surgeon Wendel Smith, MD. The surgery improves the heart’s pumping action, is minimally invasive and requires just a single three-inch incision between the ribs.

South Sound Neurosurgery, LLC,


with offices in Tacoma, Puyallup and Gig Harbor, submitted a profile on their spine surgery center.

The physicians there are providing less-invasive spine surgery with a quicker recovery and at a lower cost. This combination of improvements has reduced patient angst and trauma.

The innovations submitted weren’t limited to “high tech”. In a “high touch” response, Pullman Regional Medical Center earned a customer service ranking in the top 1 percent of hospitals by Press Ganey, an independent national healthcare surveyor. Pullman earned this ranking despite having only 25 hospital beds. The hospital focuses on the importance of customer service in every interaction with new and current staff and it’s paying off in their customer service rankings.


The products, services and procedures profiled in this issue clearly demonstrate the innovation resident in Washington State.

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Dr. Larry Holly with a few of his grandchildren
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Plan and Hospital Financial Information

YTD Net Income and Members through 09/30/06 for the Largest Health Plans in Washington State (1)

Plan Name	Net Income	Members	Plan Name	Net Income	Members
Health Plans:			Columbia United Providers	(\$502,235)	34,975
Regence BlueShield	\$77,525,937	924,802	LifeWise Health Plan of AZ. (3)	(\$5,346,512)	22,395
Premera Blue Cross	\$65,486,471	712,018	Arcadian Health Plan	(\$284,746)	11,896
Group Health Cooperative	\$188,406,430	402,085	Timber Prod. Manuf. Trust	(\$667,457)	10,704
Molina Healthcare of WA	\$34,586,378	279,865	Aetna Health, Inc.	\$2,081,429	9,935
Community HP of WA	\$4,072,178	220,535	Vision or Dental Plans:		
Group Health Options	\$2,360,912	103,814	Washington Dental Service	\$20,083,648	862,213
LifeWise Health Plan of WA	\$6,376,334	87,408	Vision Service Plan	\$4,823,279	514,673
Asuris Northwest Health	(\$1,384,806)	64,557	Willamette Dental	\$466,030	68,955
Pacificare	\$30,794,810	62,735	Dental Health Services	(\$167,719)	22,593
KPS Health Plans	\$4,284,231	42,856	Pacific Visioncare	(\$15,422)	4,825

YTD Margin and Days through 09/30/06 for the Largest Hospitals in Washington State (2)

Hospital Name	Margin	Days	Hospital Name	Margin	Days
Swedish Medical Center	\$62,222,968	112,331	St. Joseph Hospital Bellingham	\$8,181,458	43,164
Sacred Heart Medical Center	\$28,906,825	107,650	Good Samaritan Comm Health	\$12,738,532	37,997
Harborview Medical Center	\$15,194,000	98,252	Valley Medical Center	\$10,999,458	37,415
University of WA Med Ctr.	\$17,429,950	79,670	Evergreen Hospital Med Center	\$11,068,118	36,236
Providence Everett Med Ctr.	\$29,269,041	70,985	Yakima Valley Memorial	\$9,368,142	35,712
St. Joseph Medical Center	\$38,552,878	68,183	Highline Community Hospital	\$3,668,582	35,491
Southwest WA Med Ctr.	\$13,302,158	64,927	Kadlec Medical Center	\$1,093,239	30,661
Virginia Mason Medical Ctr.	\$13,341,784	61,718	Swedish Providence Med Ctr	(\$6,289,847)	30,402
Providence St. Peter Hospital	\$25,718,595	60,520	Central Washington Hospital	\$8,702,854	29,414
Tacoma General Allenmore	\$36,122,987	59,641	Northwest Hospital	\$3,354,077	29,366
Children's Hospital	\$18,795,003	51,376	Holy Family Hospital	\$9,853,919	28,861
Deaconess Medical Center	\$5,463,130	51,270	Peacehealth St. John Med Ctr	\$16,889,055	27,603
Harrison Medical Center	\$7,812,368	46,559	Stevens Healthcare	(\$694,113)	25,106
Overlake Hospital Med. Ctr.	\$15,692,431	46,399	North Valley Hospital	(\$343,544)	22,483

1. Source: WA State OIC. 2. Source: WA State DOH 3. LifeWise Health Plan of AZ's enrollment is in Arizona.

Career Opportunities

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Contact: Nancy Buckner
Olympic Medical Center
939 Caroline Street
Port Angeles, WA 98362
Call: 360.417.7231
Fax: 360.417.7307
Email:nbuckner@olympicmedical.org



Chief Financial Officer

Community Health Center (CHC) of Snohomish County, a 501(c)(3) non-profit health-care organization, seeks a dynamic Chief Financial Officer to provide financial leadership for our rapidly growing and highly successful practice network of medical clinics, dental clinics and on-site pharmacies. As a member of the Senior Leadership Team, the CFO will contribute to the successful achievement of CHC's mission and strategic initiatives by providing leadership, direction and oversight for Accounting, Payroll, Patient Accounts, Purchasing and Information Systems.

Requirements: Bachelor's degree in Business, Finance, Accounting or related field, with CPA credentials. Must have 6+ years progressive experience, including 3 years in a senior leadership position.

Preferred: Experience in a community health center, medical group practice or other healthcare organization, knowledge of Federal/State non-profit auditing, tax and reporting requirements, experience with federal grant reporting requirements, familiarity with Microsoft Dynamics Great Plains accounting system.

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Annual Washington State Innovations in Healthcare Edition

EMR and EPM Software Reduces Patient Risk of Negative Drug Interaction

Information Requested	Information Provided
Organization Name:	NextGen Healthcare Information Systems, Inc.
Locations:	NextGen has operations in Horsham, PA and Atlanta, GA.
Annual Revenues:	Annual revenues are approximately \$119,000,000.
CEO Name:	Lou Silverman
Number of Employees:	4 (in Washington)
Innovative Product, Service or Procedure:	NextGen EMR and NextGen EPM are a fully integrated suite of ambulatory healthcare IT solutions. NextGen EMR lets physicians document electronic medical records at the point of care, reducing risk and improving patient care. NextGen EPM is an enterprise practice management system that shares a single database with NextGen EMR and handles an ambulatory practice's registration, scheduling, billing and reporting needs.
Patient Benefit:	They reduce risk through drug interaction checking, improve health maintenance through the use of follow-up alerts and promote proactive disease management through standardized care management protocols. Additionally, charts are never lost and office staff can follow up with patients much more rapidly compared to a paper-based environment.
To Learn More:	Contact Duane Peck, Marketing Communication Specialist at (215) 657-7010 or visit their website at www.nextgen.com/WHN .

Small Hospital with 25 Beds Ranks in the Top 1% in Patient Satisfaction

Information Requested	Information Provided
Organization Name:	Pullman Regional Medical Center
Locations:	Pullman Regional Medical Center has facilities in Pullman, WA.
Annual Revenues:	Annual revenues are approximately \$56,000,000.
CEO Name:	Scott Adams
Number of Employees:	320
Innovative Product, Service or Procedure:	Despite having only 25 beds, Pullman Regional Hospital was ranked in the top 1 percent out of 1,499 hospitals nationwide in overall satisfaction. Customer service is stressed and common lexicon is "What exceeds the expectations of today becomes the expectations of tomorrow".
Patient Benefit:	The patient's perception of quality and value is directly related to customer service.
To Learn More:	Contact Megen Guido, Director of Community Relations at (509) 336-7390 or visit their website at www.pullmanregional.org .

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Neurosurgeons Provide Less Invasive, Expensive Surgeries

Information Requested	Information Provided
Organization Name:	South Sound Neurosurgery, PLLC
Locations:	South Sound Neurosurgery, PLLC has operations in Federal Way, Tacoma and Puyallup.
CEO Name:	Hiroshi Nakano
Number of Employees:	40
Innovative Product, Service or Procedure:	Minimally invasive spine surgeries in its Brain and Spine Center in Puyallup, WA. Offering high quality patient services and excellent outcomes with one-stop convenience and coordination of care for back and neck pain patients. The Center has on-site spine surgery, clinical evaluation, interventional pain management, diagnostics and physical therapy in one location.
Patient Benefit:	Many spine surgeries can be performed with same day discharge, quicker recovery and return to work, and is generally less expensive than an inpatient stay in the hospital.
To Learn More:	Contact Hiroshi Nakano, President and CEO at (253) 841-8939 or visit their website at www.southsoundneurosurgery.com .

Cancer Survivorship Program Unique to Washington State

Information Requested	Information Provided
Organization Name:	Fred Hutchinson Cancer Research Center Survivorship Program
Locations:	The program operates in Seattle, Spokane and Anchorage, AK.
Annual Revenues:	Grants and donations fund this program.
CEO Name:	Debra L. Friedman, MD
Number of Employees:	5
Innovative Product, Service or Procedure:	The Fred Hutchinson Cancer Research Center Survivorship Program is a unique program available to cancer survivors to augment the clinical care they are currently receiving from their oncologist or other health care providers. Patients may be referred by any healthcare provider or may be self-referred. All cancer survivors are eligible, regardless of their age, diagnosis, place or type of cancer therapy, provided they have completed their active cancer therapy, with the exception of ongoing hormonal therapy.
Patient Benefit:	The Program provides a comprehensive evaluation for cancer survivors with a focus on patient education surrounding the potential long-term non-oncologic medical and psychosocial issues facing cancer survivors.
To Learn More:	Contact Emily Jo Rajotte, Project Manager at (866) 543-4272 or visit their website at www.fhcrc.org/patient/support/survivorship

Annual Washington State Innovations in Healthcare Edition

Deep Brain Stimulation Treats Parkinson’s Disease

Information Requested	Information Provided
Organization Name:	Northwest Hospital & Medical Center
Locations:	Northwest Hospital and Medical Center has facilities in Seattle.
Annual Revenues:	Annual revenues are approximately \$400,000,000.
CEO Name:	C.W. “Bill” Schneider
Number of Employees:	1,654
Innovative Product, Service or Procedure:	In Deep Brain Stimulation treatment, a permanent wire electrode is implanted into the brain and connected to a battery that sends constant electrical signals. These electrical signals shut off certain brain cells that are thought to become overactive in Parkinson’s disease and Essential Tremor, as well as the involuntary movements of Dystonia.
Patient Benefit:	Deep Brain Stimulation has become the most advanced surgical approach to Parkinson’s disease available to patients worldwide. It is for Parkinson’s patients who have previously had good symptom control through medication but continue to experience tremors, stiffness, slowness, abrupt off/on fluctuations, or difficulty with walking, balance or medication-caused dyskinesias.
To Learn More:	Contact Karen Peck, Director of Marketing and Public Relations at (206) 368-1609 or visit their website at www.nwhospital.org .

Telemedicine Network Links Care to Distant Locations

Information Requested	Information Provided
Organization Name:	Inland North Health Services—Northwest TeleHealth
Locations:	INHS is located in Spokane and serves hospitals, health care providers and emergency responders throughout the Northwest.
Annual Revenues:	Annual revenues are approximately \$117,000,000.
CEO Name:	Tom Fritz
Number of Employees:	INHS has more than 1,000 employees.
Innovative Product, Service or Procedure:	Northwest TeleHealth is a robust video-conferencing network that links nearly 70 locations throughout the Northwest, allowing for live interaction between two or more locations for such activities as patient consults, rural medicine, health education and medical training.
Patient Benefit:	This unique telemedicine network allows a patient in need of a specialist’s treatment to access this care from a distant location and allows for live interaction between patient and care provider through the use of video monitors, cameras, microphones and diagnostic equipment.
To Learn More:	Contact Nicole Stewart, Director of Communications & Marketing at (509) 232-8131 or visit their website at www.inhs.org

Annual Washington State Innovations in Healthcare Edition

Heart Failure Clinic Monitors Patients at Home Using Blue Tooth Technology

Information Requested	Information Provided
Organization Name:	Franciscan Health System—St. Joseph Heart Failure Clinic
Locations:	Franciscan Health System has facilities in Tacoma, Federal Way and Lakewood.
Annual Revenues:	Annual revenues are approximately \$741,000,000.
CEO Name:	Joseph Wilczek
Number of Employees:	6,000
Innovative Product, Service or Procedure:	Use of Blue Tooth wireless technology that enables cardiologists to remotely monitor their most at-risk heart failure patients from home.
Patient Benefit:	With this technology, the patient has a “virtual” visit at the doctor’s office every day. His/her vital signs—blood pressure, heart rate, etc. are electronically monitored from the patient’s home by the medical staff. This enables doctors to quickly detect and assess any significant changes in the patient’s health status that, left unaddressed, could result in a medical emergency.
To Learn More:	Contact Gail Robinette, Manager of Media Relations at (253) 426-4349 or visit their website at www.fhshealth.org

Data Warehouse and Decision Support System Helps to Improve Quality

Information Requested	Information Provided
Organization Name:	Milliman, Inc.
Locations:	Milliman, Inc. is a worldwide consulting and actuarial firm.
Annual Revenues:	Annual revenues are approximately \$400,000,000.
CEO Name:	Brad Smith
Number of Employees:	Milliman, Inc. has approximately 400 employees in Washington State.
Innovative Product, Service or Procedure:	MedInsight is a healthcare data warehouse and decision support system. The product is licensed annually depending upon volume. There are six different modules available: (1) medical utilization and cost (2) disease and case management (3) administrative performance (4) claims audit (5) provider management and (6) health plan management.
Patient Benefit:	Organizations that can understand and measure their business operations can improve their business operations and quality.
To Learn More:	Contact Jeff Hays, MedInsight Sales Manager at (206) 504-5725 or visit their website at www.medinsight.milliman.com.

Annual Washington State Innovations in Healthcare Edition

Information Resource Management Links Hospitals, Clinics and Physicians

Information Requested	Information Provided
Organization Name:	Inland Northwest Health Services (INHS) Information Resource Management
Locations:	INHS is located in Spokane and serves hospitals, health care providers and emergency responders throughout the Northwest.
Annual Revenues:	Annual revenues are approximately \$117,000,000.
CEO Name:	Tom Fritz
Number of Employees:	INHS has more than 1,000 employees.
Innovative Product, Service or Procedure:	INHS’ Information Resource Management (IRM) network is one of the nations most advanced health information technology networks, enabling more than 3,200 physicians in 38 hospitals and more than 450 clinics and offices to securely access over 2.6 million electronic medical records.
Patient Benefit:	By networking hospitals, clinics and physicians, IRM enables hospitals throughout the region to securely share patient information electronically, which ultimately improves patient care and lowers costs. By linking rural and urban hospitals, IRM enables physicians who are receiving patients due to a referral or an emergency access to patients’ medical records from across the region.
To Learn More:	Contact Nicole Stewart, Director of Communications & Marketing at (509) 232-8131 or visit their website at www.inhs.org.

“Heart Reshaping” Surgery Offers Less Pain, Scarring and Quicker Recovery

Information Requested	Information Provided
Organization Name:	Franciscan Health System—St. Joseph’s Medical Center
Locations:	Franciscan Health System has facilities in Tacoma, Federal Way and Lakewood.
Annual Revenues:	Annual revenues are approximately \$741,000,000.
CEO Name:	Joseph Wilczek
Number of Employees:	6,000
Innovative Product, Service or Procedure:	Led by cardiothoracic surgeon Wendel Smith, MD, St. Joseph Medical Center was one of the first, and remains one of the few, hospitals in the US to offer a minimally-invasive procedure for restoring the left ventricle that has been weakened by a heart attack. This has been coined “Heart Reshaping” surgery. For many patients, this procedure can be an alternative to the traditional “chest-cracking” surgery in which surgeons cut through the breastbone to reach the heart.
Patient Benefit:	The benefits to the patient of minimally invasive “Heart Reshaping” Surgery include much less pain, less scarring and a much quicker recovery time.
To Learn More:	Contact Gail Robinette, Manager of Media Relations at (253) 426-4349 or visit their website at www.fhshealth.org.

Another Solid Year Forecast for Puget Sound Real Estate

By Nick Papa, Research Manager at Grubb & Ellis Company (e-mail: nick.papa@grubb-ellis.com)

Robust job growth, well above the national average, will continue to buoy the Puget Sound office market in 2007. Rents will rise and vacancies will fall across most submarkets in the coming year.

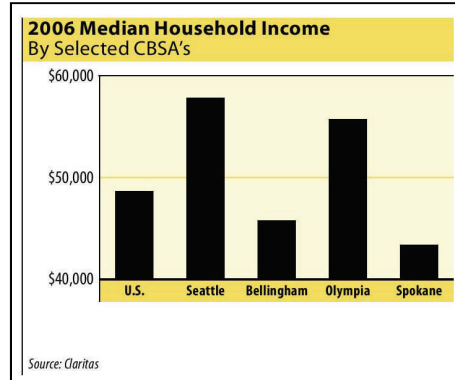
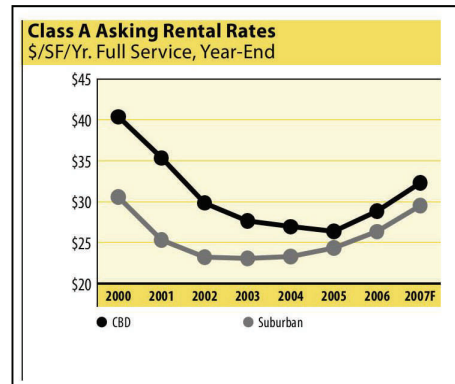
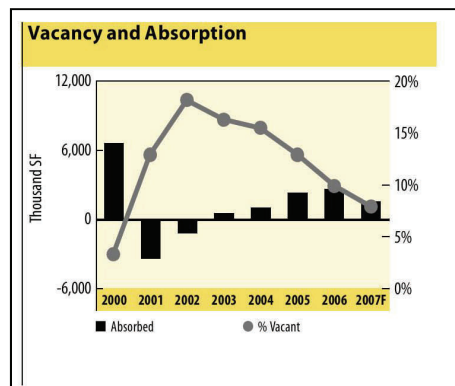
Job growth to outpace the nation

After peaking at the beginning of 2006 at around 5 percent, Puget Sound region job growth still remains among the highest in the nation. Employment growth is expected to be 2.5 percent in 2007 and 2.3 percent in 2008. Both rates are more than twice the projected national average. Office space will be in demand as companies continue to expand and venture capital-fueled startups enter the marketplace. With only one significant delivery of new construction scheduled for 2007, the fully preleased tower at Lincoln Square, the market will get even tighter. This solid demand coupled with a lack of new supply will push rental rates higher and vacancy rates into the single digits in Seattle and on the eastside.

Development boom

Retail development in the Puget Sound region is booming and

rents have increased 25 percent over the past three years as the economy has improved and local consumer spending power has increased.



A number of prominent retail projects are in various stages of development and will add substantial amounts of space to the retail inventory.

Bellevue center of construction

Downtown Bellevue remains the

center of office construction activity in the region; over 2 million feet of space will be under construction in 2007. The Bellevue CBD has one of the lowest vacancy rates among similarly sized markets in the nation and has had the largest increase in asking rates as well. Other eastside submarkets will see reductions in vacancy in the coming year. Microsoft's purchase of the Safeco campus will keep it out of the competitive inventory and limit availability in Redmond and the 520 Corridor. Vacancy in the northend and the southend has decreased and rents have remained flat. Any increases in asking rents will likely be small and tenants will still be able to command favorable rates and terms.

Seattle CBD will tighten further

Expect downtown Seattle to tighten further in 2007. A lack of new office space will push the vacancy rate below 8 percent and asking rates will rise between 5 and 10 percent. These increases are much more sustainable than what occurred in the last major run up of asking rates in 2000 when the annual increase in Class A rents approached 15 percent before falling dramatically in 2001.

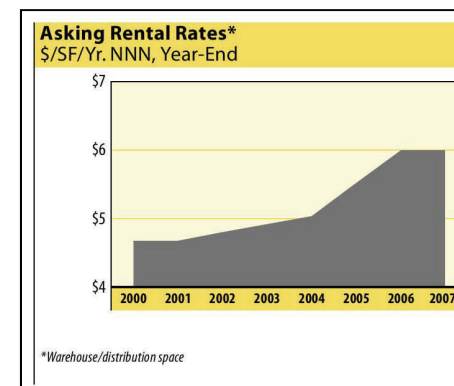
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West 8th will begin construction in the first quarter of 2007. The 510,000-square-foot property, located behind the Denny Regrade neighborhood, will be completed in late 2008 or early 2009. Seattle's recent zoning changes have opened the door for higher density projects, but most office developers are still exercising caution, waiting for a tenant to anchor any new space.

Industrial space

Home furnishings retailer IKEA said it plans to build a massive distribution center near Tacoma in the Frederickson Industrial area. The first phase of the

project calls for an 843,000-square-foot distribution facility that will supply stores across the U.S., but primarily in the Pacific Northwest.

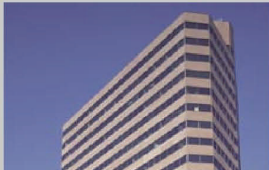
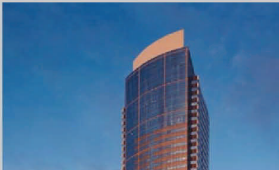



Rents for warehouse/distribution space will level off in 2007. The R&D/flex market remains soft and has never fully recovered from the recession.

Tenants seeking R&D/flex market space will find favorable conditions. Tenants seeking warehouse/distribution space will find a glut of new space on the market to choose from.

On the horizon

In the coming year, the Puget Sound will experience strong retail growth, population growth and fluctuating gas prices will drive consumer spending. A slowdown in the housing market could hamper retail spending, but most experts expect the Puget Sound Region to weather the downturn better than most other areas of the country, muting its effect on the regional economy.

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<p>WE'RE THERE FOR YOU. AND WE'RE HERE FOR YOU.</p>									
<p>For more information contact:</p> <p>Charlie Hampton, III Vice President 601 Union St., Suite 1400 Seattle, WA 98101 (206) 388-3000 www.grubb-ellis.com</p>	 <p>Skyline Tower 10900 NE 4th St., Suite 908 Bellevue, WA 98004</p>	 <p>Two Union Square 601 Union St., Suite 1400 Seattle, WA 98101</p>	<p>We have over 180 employees in the Puget Sound region. Client services include:</p> <ul style="list-style-type: none"> - Transactions - Property Management - Corporate Services - Project Management - Asset Management - Consulting <div data-bbox="2685 1554 2958 1612">  <p>Grubb & Ellis. Property Solutions Worldwide</p> </div> <p>Grubb & Ellis (NYSE-GBE) is one of the most recognized full service commercial real estate services firms in the U.S. With over 5,000 employees in 112 offices around the country, we combine local market knowledge with a national service network to provide innovative, customized solutions.</p>						
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