



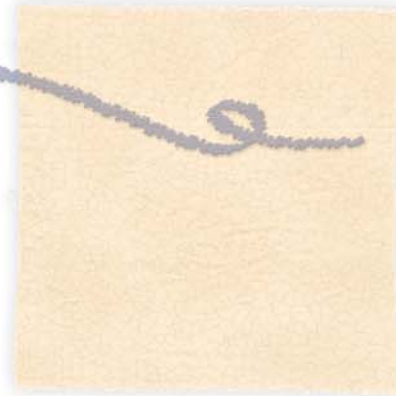
A REPORT TO THE COMMUNITY 2007

Striving for health and wellness
for the individual...
as a family of healthcare providers...
as a community...
is a common thread
that runs through all our lives.

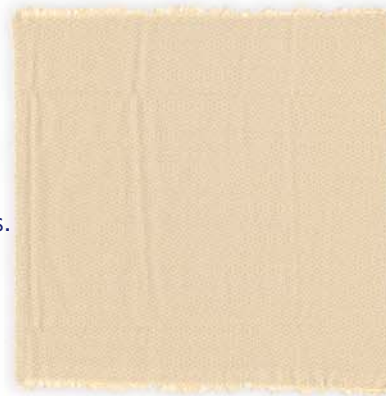


We rely on our experts to
relieve us in times of distress...
provide when we are overwhelmed...
rescue in time of need...
and help us heal.

Fulfilling this role takes compassionate care
from many skilled and dedicated people...
threaded throughout the community.



We link our families ...
our neighbors...
and all those who depend on us
to life-saving and essential services.



Health First weaves together many connections.
These are the threads that join us all.

Threads

A Message from Health First's President/CEO and the Health First Chairman of the Board

For over a decade Health First has strived – through its integrated healthcare system – to provide the highest quality healthcare services for this community, regardless of a person's ability to pay. We accomplish this task by combining the efforts of many individuals and groups. Certainly top of mind is our clinical staff, including some of the nation's finest physicians, our talented nurses, and the dedicated support staff, who perform miracles for our patients every day. Without their expertise and devotion to what they do, superior health care would not be possible.

Alongside that group of front-line individuals, we also have excellent leaders in place, providing direction, guidance, and oversight for the organization's 6,000-plus associates who deliver numerous services from three hospitals, several off-site outpatient facilities, and our administrative offices.

Health First is also fortunate to have nearly 2,000 outstanding volunteers serving in many capacities from Board membership, to Auxiliary functions, to various committees. These men, women, and young people give of their time, talent, and money to ensure that Health First continues to deliver the best possible health care to Brevard County residents.

Health First works closely with many local agencies and organizations through various collaborative efforts, helping to meet unique needs within the community. In this report, you'll read about several recent programs that are making a positive difference in people's lives.

Finally, we are blessed to have numerous donors who provide financial gifts that enable this organization to respond to community needs by helping to underwrite much-needed resources, such as the new Heart Center and Birth Suites at Holmes Regional Medical Center, which you'll read about in this report.

As a not-for-profit healthcare system, Health First assimilates each of these components, or threads, into an expansive piece of fabric – one that safeguards the uninsured, the minority, and medically underserved members of our community. We serve every person. Every time.

We at Health First consider it a privilege to provide health care to our community. Each year we work to fortify our clinical and nonclinical capabilities, add the latest technological resources, and broaden and strengthen our partnerships within the county. We believe this past year has been no exception. On the following pages we have highlighted the many accomplishments that our Health First team, working with dozens of groups and hundreds of individuals, has achieved. We'll also share how our organization responds to individuals and families who face challenging financial circumstances.

With warmest regards,

Mike Means
President/CEO
Health First

William P. Brennan
Chairman
Health First Board of Directors



Mike Means

William Brennan

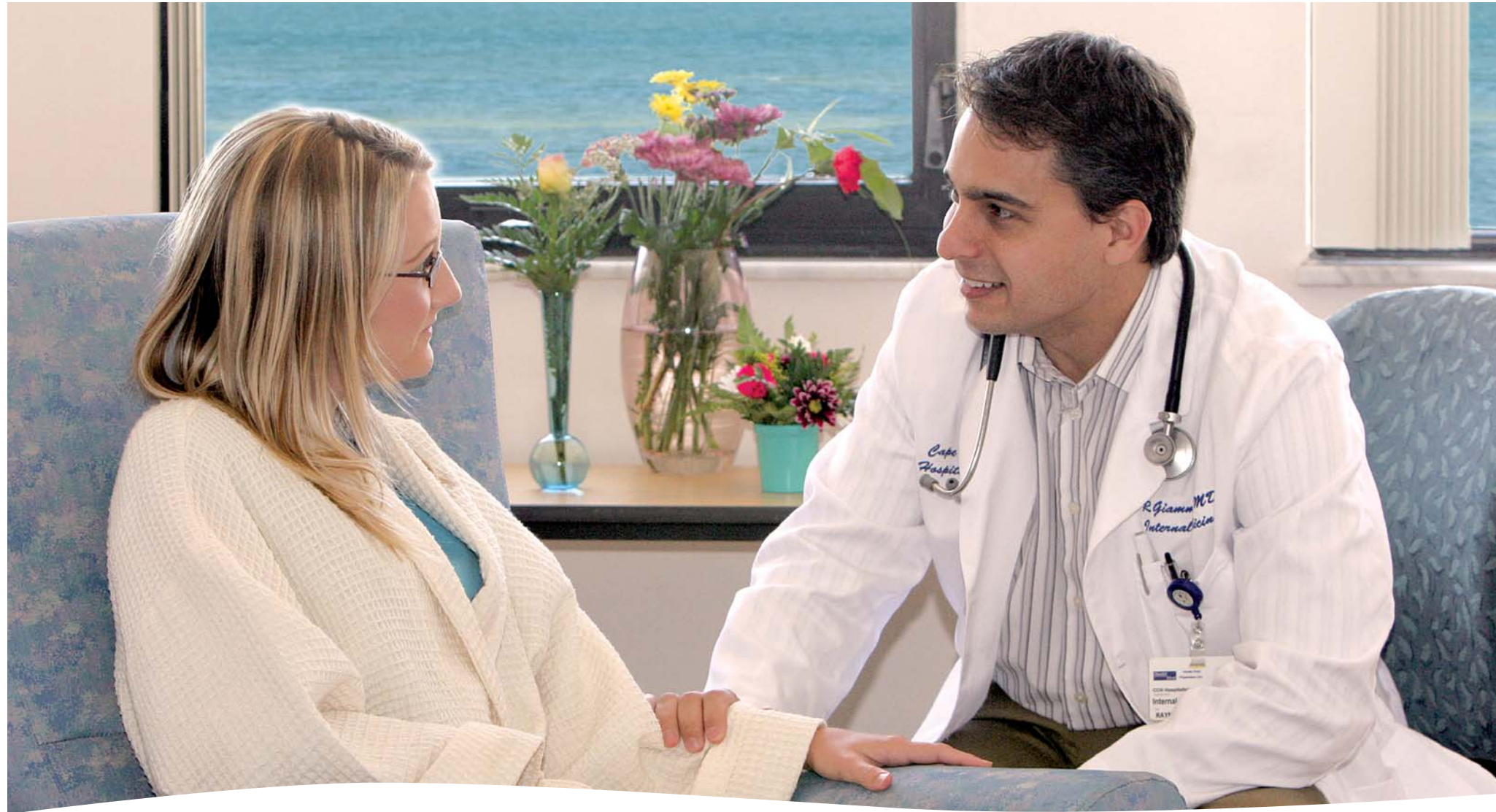
Connecting People and Expert Care

Skilled and dedicated people. Whether bringing a critically injured motorist back to health, stabilizing a premature baby with respiratory issues, or treating an elderly woman with the flu, Health First, through its team of multi-specialty physicians, nurses, and staff, has consistently demonstrated its ability to deliver excellent and compassionate health care.

Health First Physicians is comprised of more than 60 men and women specializing in more than 20 diverse disciplines, ranging from Family Practice and Internal Medicine, to specialties such as Cardiology and Orthopedic Surgery. In addition to our own network of physicians, Health First depends on many local physicians and physician groups to provide healthcare options

for our patients, taking the total number of hospital medical staff members to more than 1,000 physicians. These professionals have worked countless hours this past year to ensure a healthier community.

Last year, Health First recorded nearly 40,000 hospital admissions, more than 21,000 surgeries, nearly 122,000 Emergency Department visits, and treated 1,200 trauma patients. Each patient cared for, regardless of payment ability, was met with a team of skilled and dedicated people working together to improve physical and emotional well-being.



Dr. Raymond Giammanco, one of the Hospitalists on staff at Cape Canaveral Hospital, and Jessica Lariviere.

*Our world-class
doctors and nurses
understand that healing
encompasses the body,
mind, and soul.*

Community Benefit

We provided more than 3,200 hours of continuing education to our Medical Staff members and supported this effort with a contribution of **\$86,555.**



wherever
You need
us



ARNP Deborah Yesowitch with a patient at Wickham Park.



Dr. Lynette Graff with patient Milton Portlock.

Bringing Care to You

Brevard Health Alliance. People in need of medical care cannot always travel to a doctor's office or hospital. So Health First brings care to them. We understand that there are times and circumstances when healthcare services are best offered to families in alternative locations.

Brevard Health Alliance (BHA) is Health First's response to providing health care to individuals who have limited or no means to pay. BHA is our county's only federally-funded medical program created to provide healthcare access free or at reduced costs to individuals who would otherwise go without medical care. BHA works with a network of volunteer physicians and nurses to enable Brevard County citizens

access to primary health care, dental health, mental health, and medications, as well as healthcare education and preventive health services.

Funded by Health First and other Brevard healthcare providers, BHA operates from fixed-site clinics in the cities of Cocoa, Palm Bay, and Melbourne. BHA also operates a mobile health unit that provides on-site primary care to such locations as Daily Bread, a homeless food pantry and shelter; Resurrection Ranch, a family restoration ministry; safe houses for abused women and their children; and the campgrounds in Wickham Park where individuals are temporarily living while they get back on their feet.



Community Benefit

Health First provides **\$1.2 million** in cash annually and another **\$1 million** in lab, diagnostic, and technology services to Brevard Health Alliance, which provides primary care to more than 11,000 patients who might otherwise go without medical care.

Treating Patients With Dignity

Health First associates are among the most dedicated individuals in our community, especially when it comes to being in tune with the needs of our patients. As a not-for-profit organization, Health First provides care to every patient, regardless of their ability to pay. Sometimes patients may be admitted to our hospitals with only the clothes on their backs. Perhaps they come from homes that were destroyed, or were victims of a violent crime, or are homeless and literally have no other clothing.



Mary Hart, a nurse manager at Palm Bay Community Hospital, observed that there have been times when patients were discharged from the hospital and only had their hospital-issued gown to wear. To help, she and her colleagues asked associates and friends to donate clothing and shoes so that the hospital could collect and store these items in what is called the “Discharge with Dignity” closet. From shirts, to dresses, to coats, socks, and shoes, the closet is now well stocked with men’s, women’s and children’s clothing. When a patient is in need, a nurse goes to the closet and selects a set of clothing for the patient to wear when leaving the hospital.

Donna Crossland, a wound ostomy continence nurse at Cape Canaveral Hospital, along with other certified nurse assistants who comprise the Pressure Ulcer Prevention (PUP) team, met this need in a similar fashion. Last year they wanted to make scrubs available



Clinical Charge Nurse Penny Walker and Clinical Nurse Educator Mary Hart at Palm Bay Community Hospital.

to individuals needing clothes when discharged. They started the “PUP Tubs”, a set of tubs where donated scrubs and other clothing items are stored until needed. To date more than 40 associates have donated to the PUP Tub program. Clinicians provide the donated clothing two to three times every week to patients being discharged.

Donating clothing is one way Health First associates go beyond their professional responsibilities to deliver high-quality, patient-centered health care to improve the lives of our patients.



with
Excellence

From left to right:
Kbalid Sheikh, MD, FACC, FACP, Director of Cardiology;
Linda Masucci, Cardio-Invasive RN Specialist;
and Ralph Rayner, MD, FACC, Director of Nuclear
Cardiology at Cape Canaveral Hospital.

Centered Around Cardiac Care

When a patient suffers a serious heart condition, he or she wants to be cared for by leaders in the field of cardiac care. That means going where physicians are experienced in caring for such medical emergencies. Health First and its physicians have achieved that distinction in this county and beyond. The team provides comprehensive, sophisticated procedures ranging from open-heart surgery to cardiac catheterization.



Health First operates one of the busier cardiac surgery programs in Florida. Last year we treated more than 38,500 heart-related emergency patients at all three hospitals, which is roughly one-third of our total emergency visits. We operate the third busiest angioplasty program in the state. These impressive statistics mean our patients benefit from high success rates and quick recoveries.

To further solidify that position, Health First opened the new 375,000-square-foot Heart Center at Holmes last year, featuring a brand-new 43,000-square-foot Emergency Department and Trauma Center. This expansion gives our community state-of-the-art heart and trauma technology, 12 additional private rooms exclusively dedicated to cardiac-related emergencies, six new operating rooms devoted to cardiovascular surgery, seven state-of-the-art Cardiac Catheterization Suites, and an expanded full-service Level II Trauma Center and a larger Emergency Department. This new facility is designed to improve the patient experience through expanded and streamlined services and increased capacity.

Numerous national awards and distinctions have been bestowed on Health First hospitals, including being rated as Number 1 in Florida for overall cardiac care according to Health Grades® last year. All Health

First hospitals are also certified by The Joint Commission as Primary Stroke Centers.



Community Benefit

Health First provided **\$131 million** to fund the new Heart Center.



And
Technology

And Great Technology

Health First has been named for the third consecutive year as one of the nation's top 100 "Most Wired" health systems. This distinction was made as a result of the *2007 Most Wired Survey and Benchmarking Study* released in the July issue of *Hospitals & Health Networks* magazine every year. Last year Health First was the only Central Florida health system chosen, and was one of only three chosen in the entire state of Florida.

The Most Wired Survey and Benchmarking Study asks hospitals to report on their use of Information Technology in five key areas: business processes, customer service, safety and quality, workforce, and public health and safety. Health First has been an innovator of technology in all five areas.

Some of the Health First technology innovations include voice recognition for medical transcription, wireless technology for physician access to patient records, Voice-Over Internet Protocol for communications, systemwide electronic health records for hospital and ambulatory patients, electronic medical records, and the use of server virtualization for infrastructure efficiency.

By aggressively using technology to deliver Health First's healthcare services, patients can expect improved quality, satisfaction, and patient care. This investment in technology enables us to streamline the business process and clinical practices, reduce medical errors, and improve clinical outcomes.

VitalWatch eICU Program

One innovative, high-tech application that Health First has implemented enhances the level of patient care provided in the Intensive Care Units (ICUs) at each of our hospitals. To assist clinical staff in monitoring vital signs and other key indicators of ICU patients in all of our 78 ICU beds, our unique program, called VitalWatch, remotely provides an extra set of eyes focused on our sickest patients. Health First VitalWatch eICU program – more commonly called an electronic intensive care unit – combines telemedicine, software, and 24/7 electronic monitoring technology. The eICU system located in Rockledge allows a small core group of e-Intensivists and Critical Care-trained nurses who check real-time vital signs, laboratory results, and complete electronic medical records of all ICU patients at the three Health First hospitals.

If needed, the VitalWatch staff can direct a patient's care on the spot via live audio and video connections to the patient's room. If a member of the VitalWatch staff detects something about a patient that may signal a potential problem, they can contact nurses and physicians at the hospital. This proactive approach to preventing complications, or treating them immediately if they develop, is key to patients recovering more quickly.

During VitalWatch's first 33 months of operation, the eICU doctors and nurses provided oversight of more than 4,500 patients and conducted at least 25,000 remote interventions. The program has achieved major reductions in cardiopulmonary arrests, decreasing time patients spend on the mechanical ventilator, and most importantly, reducing ICU mortality.

The eICU* system installed in the Health First hospitals is the first eICU program in the southeastern United States, and only the ninth operating eICU system in the country.

* eICU is a registered trademark of VISICU, Inc.

Community Benefit

Health First provided **\$7 million** in 2006 to purchase and support the latest technology to provide the best care and safety for our patients. VitalWatch was supported by Health First contributions of more than **\$2 million** for the eICU program.



Emergency Department & Trauma Center

Health First offers a wide range of life-saving services that make it an excellent choice in the community for emergency and trauma care. The Emergency Departments (EDs) at Cape Canaveral Hospital, Holmes Regional Medical Center, and Palm Bay Community Hospital offer a broad scope of services, from treating heart attacks, to minor cuts, to gastrointestinal bleeding.

When a patient's life is in jeopardy, seconds count. In the case of severely injured patients, Health First can accommodate their immediate needs at its Level II Trauma Center located in Holmes Regional Medical Center. Holmes Regional Trauma Center, an affiliate of the University of Florida Health Sciences Center-Jacksonville, serves a three-county radius and is one of only 21 hospitals in Florida with a trauma center.

Our Holmes Regional Trauma Center offers 24-hour-a-day commitment by the medical staff, including trauma surgeons, emergency physicians, anesthesiologists, neurosurgeons, and orthopedic specialists. Other critical support is provided by ED staff and associates in departments such as Surgery, Respiratory Services, Laboratory, Radiology, Nursing, Pastoral Care, and Rehabilitative Services.



Specific features of the new 43,000-square-foot ED and Trauma Center at Holmes include:

- 12 dedicated beds for stroke and cardiac patients.
- 5 acute resuscitation Trauma rooms that can each support two patients and features advanced life-saving technology.
- A larger ambulance dock with off-loading for 5 ambulances and waiting space for 10.
- 3 dedicated OB/GYN exam rooms in our 12-bed Faster Care area, plus a dedicated eye exam room and an ear, nose, and throat exam room.
- 2 treatment rooms immediately behind the triage area for early intervention.

First Flight

First Flight, the only air ambulance serving East Central Florida and the Space Coast, is Health First's emergency helicopter transport service, based at Holmes Regional Trauma Center. When responding, First Flight provides service to all of Health First's three hospitals, as well as other hospitals in the region.

The First Flight team is among the first responders in medical emergencies and traumas for Brevard, Indian River, and portions of Osceola and Orange counties. Once First Flight's communications center receives a call, its communication specialist evaluates the flight request and immediately notifies the flight team. The helicopter can be dispatched and enroute to the scene within minutes, saving precious moments of a patient's "Golden Hour" following traumatic injury.



As part of the new Trauma Center and ED at Holmes, the First Flight air ambulance lands on a new rooftop helipad on top of The Heart Center, and has dedicated elevator access from the helipad to the operating rooms, Cardiac Catheterization Labs, or Trauma care areas. The helipad has also been reinforced so heavier Black Hawk helicopters used by the U. S. military, Kennedy Space Center, and off-shore rescuers can land safely.

The flight crew of First Flight includes medical personnel with backgrounds in emergency medicine, critical care, flight, and pre-hospital nursing care. Additionally, each registered nurse (RN) is a state-certified paramedic. Many of First Flight's RNs and paramedics are also board-certified in Emergency and Critical Care Medicine, and Nursing. First Flight pilots are military-trained with thousands of flight hours logged on rescue missions. First Flight's medical directors are board-certified in Emergency Medicine and are integrally involved in Emergency Medical Services (EMS) education in Brevard.



Community Benefit

To ensure care is available in an emergency when seconds count, Health First funded our Trauma program with a budget of **\$6.8 million**. For this life-saving service, Health First provided **\$2.3 million** in 2006.



*For you
and your
Family*

The Birth Suites

One of the most important decisions a family makes is choosing the best place to deliver their baby. Recognizing the importance of this decision, Health First opened the new Birth Suites mother/baby wing at Holmes Regional Medical Center, where 1,854 babies were born this past year. This dedicated unit is designed to be especially warm and cozy with all the comforts of home, plus it offers the technology and high-quality medical care necessary to support moms and babies through labor, delivery, and recovery.

The all-new Birth Suites feature private, exquisitely appointed post-partum rooms with a magnificent view of the Indian River. With its grand, exclusive entrance — an elevator rising directly to the spacious fourth-floor lobby — the Birth Suites offer many special touches designed to enable new moms and dads the opportunity to enjoy their new family addition. The Birth Suites also boast seven special care rooms, eight labor/delivery rooms, as well as 13 Nursery beds.

To ensure peace of mind for our newborns and their families, the new Birth Suites wing offers a four-bed labor evaluation unit, high-risk special care rooms, C-section rooms, and an infant security system. Health First also provides parents birthing facilities at Cape Canaveral Hospital, which is designated as a Baby-Friendly Hospital™ by the World Health Organization and UNICEF for its commitment to supporting breast-feeding mothers. More than 3,000 babies were born across Health First last year.



Neonatal ICU patients Parun and Raiden Snyder.

Caring for the Tiniest Newborns

Neonatal Intensive Care Unit (ICU). To support our new mother/baby wing, Health First offers a Level II Neonatal Intensive Care Unit (ICU), giving new parents peace of mind to know that additional services are available at a moment's notice should the need arise. The Neonatal ICU at Holmes Regional Medical Center provides advanced specialty care to premature babies or babies who suffer severe health conditions that impede their ability to thrive. During the past year, 333 babies were cared for in our Neonatal ICU Nursery.

Twin brothers Parun and Raiden Snyder were prematurely born at only 28 weeks last September, weighing less than two pounds each. Fortunately, they were expertly cared for during the next two months in our Neonatal ICU, Brevard's first facility to provide 24-hour coverage by a staff of specialized nurses, respiratory and support professionals, and two board-certified Neonatologists.

Thanks to the professional services provided by the Neonatal ICU staff, the Snyder twins, as well as dozens of other babies who were cared for there last year, are now healthy, active infants.



Community Benefit

*To provide this specialized care to our tiniest patients, Health First provided **\$1.6 million** to fund the Neonatal ICU in 2006.*



Healthy Living

Health First is not only about treating the sick and injured. We also place a strong emphasis on wellness education. Our mission encourages our team of associates to make positive changes in the health and well-being of our community members. As an integral part of our services, Health First operates fitness centers on Merritt Island, Melbourne, and Palm Bay, with a fourth scheduled to open in Viera next year.

These Pro-Health & Fitness Centers offer a wide range of cardiovascular and strength-training equipment for members, as well as numerous classes to train and motivate members toward healthier lifestyles. Features include swimming pools, racquetball courts, basketball and volleyball courts, and indoor tracks. In addition to the exercise opportunities, the centers provide counseling with nutritionists, personal training sessions, and weight management classes for members.

Additionally, in partnership with our physicians and clinical staff, Health First has launched a new program called "Healthy Happenings." Every month our hospitals host several educational lectures and events on health issues that impact the community, such as stroke risk factors, heart-healthy cooking, as well as free screenings for peripheral artery disease. These events are open to the public free of charge.



From left to right: Rosmarie Woodworth, Wayne Rauscher, Chef Mark Whitley, Fil Ganio, and Doris Carrington during one of Health First's healthy cooking demonstrations.



To learn more about our "Healthy Happenings" visit www.health-first.org and select the 'Events and Classes' option. Or call 434-4335.

Partnerships

As the Health First vision states, we view our role as doing all we can to improve the lives and well-being of all residents living in Brevard County. In addition to the wide range of healthcare services and programs provided by the Health First system, we work in conjunction with many organizations throughout the community, such as Brevard Health Alliance, to assist in health-related activities and programs.

This community has many wonderful organizations dedicated to educating and improving the lives of their specific audiences, from cancer patients, to students, to

potential healthcare providers. We continually look for ways Health First can partner with these various groups to ensure that our health-related efforts make the maximum impact. We have highlighted here a few of the many Health First partnership programs that are making a difference in the community.



Heart-Ready Brevard. In an effort to help save lives in Brevard County, the Health First Heart Institute and the American Heart Association, through a collaboration



Holding portable automated external defibrillators: Brevard County Sheriff Jack Parker, Health First VP of Marketing and Communications Keith Lundquist, VP of the Health First Heart Institute Dr. Chris Finton, and Brevard County Sergeant Brandon Lanza.

called *Heart-Ready Brevard*, awarded 11 Brevard law enforcement agencies with portable automated external defibrillators (AEDs) and training funds. An AED is a small, portable device that can send an electric shock to the heart and restore a patient's heart rhythm to normal levels before emergency crews arrive on the scene.

Each year sudden cardiac arrest claims more than 600 lives in Brevard County. The American Heart Association estimates that numerous lives could be saved if AEDs were more widely available. An estimated 95 percent of individuals who suffer cardiac arrest die before reaching the hospital without interceding treatments such as use of an AED.



Through the *Heart-Ready Brevard* program, more than 64 AEDs were given to area police departments, including those in Cocoa, Cocoa Beach, Indialantic, Indian Harbour Beach, Melbourne, Melbourne Beach, Palm Bay, Rockledge, Satellite Beach, Titusville, and West Melbourne. More than 20 AEDs were also given to community organizations, including the Brevard School Board. Funding covered the training of all these groups on proper AED use. The *Heart-Ready Brevard* initiative was made possible through a \$150,000 Health First Foundation commitment.

Community Benefit \$150,000

Project SEARCH. One unique collaborative effort for Health First is Project SEARCH, a one-year program that provides on-the-job training for developmentally or physically-disabled students. Partnering with the Brevard Workforce Development Board, Brevard Public Schools, Brevard Achievement



Career Coach Amy Rogers, left, with Project SEARCH student Ashley Buescher.

Center, and Brevard Business Leadership Network, Health First has been a key partner in making this work-site based, school-to-work program a reality.

In October 2006, the Brevard Workforce Development Board received a \$175,000 grant from Workforce Florida, Inc. to implement the first Project SEARCH Florida. Project SEARCH combines two highly effective curriculums—the Adult Employment Program and the High School Transition Program.

The first Project SEARCH classroom in Florida is located in a Health First facility across from Holmes Regional Medical Center. Students attend classes from 8 am to

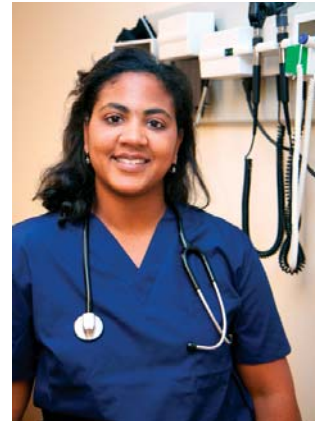


2 pm for the first part of the curriculum. Eventually these students move into job rotations in several of the hospital's departments.

These students are filling entry-level positions that are sometimes vacant because they may be considered by some as stepping stones to other positions.

Community Benefit \$75,000

Brevard Community College Mentoring Program. Brevard's nursing shortage, coupled with an aging nursing workforce due to retire with the next decade, will have a significant impact on the delivery of excellent and timely healthcare services in our community. Health First has chosen to be proactive in helping to educate, recruit, and retain nurses for this community's nursing workforce needs now and into the future.



Brevard Community College (BCC) serves as an excellent resource to this community through its very successful Health Sciences program where numbers of Nursing graduates are trained as highly skilled and competent nurses who can then enter the local workforce. Health First has joined BCC as one of its Founding Community Visionary Partners to support the Nursing



Associate of Science Degree program as it is expanded to BCC's Palm Bay campus.

Health First has committed nearly \$2 million through January 2013 to support the expansion of this Nursing education program. The dollars that Health First and other area partners are contributing is being matched by state grants from Jobs for Florida's Future. Health First monies will be used to cover the cost of instructional personnel, while grant funds will be used to purchase specialized healthcare equipment.

In FY2006, Health First donated more than \$200,000 towards this program. In addition to funding, Health First provided 22,071 staff hours in clinical practicums for BCC Nursing students.

Community Benefit \$200,000

Health First Health Plans

Health First



Health First Health Plans

As a complementary addition to the Health First healthcare system, Health First Health Plans was created in 1995 to make local, quality health insurance available for our community. That goal is more than being accomplished. The “America’s Best Health Plans 2006” study published by *US News & World Report* and the independent, not-for-profit organization National Committee for Quality Assurance (NCQA) ranked our Medicare Advantage plans 24th in the nation. And for both Medicare and commercial group plans, only one organization in Florida scored higher than Health First Health Plans.



Last May, Health First Health Plans received an accreditation status of “Excellent” – the highest possible level – from NCQA. The Excellent status was based on a voluntary review of how a health plan ensures its members are receiving high-quality care.

Health First Health Plans designs benefits to assist individuals of all ages, from young people to seniors. One of the most popular benefits for Medicare members is the SilverSneakers® Fitness Program – a nationwide program designed to encourage senior citizens to get and stay fit. Through SilverSneakers™ members can use any of Health First’s Pro-Health & Fitness Centers, where they can

Health First Health Plans Customer Service Representative Darlene DeRoy with a member.

Health First Health Plans member Joseph Malespini with trainer Judy Gray at Pro-Health & Fitness Center in Merritt Island.

access all types of equipment, as well as participate in numerous programs and classes at no extra cost. Health First Health Plans is proud to have the highest SilverSneakers’ participation rate of any health plan in the country.

One way Health First Health Plans is ensuring its members with diabetes receive excellent screening and treatment is through its *Practice Excellence* program. Through *Practice Excellence*, 41 primary care physicians and endocrinologists have enrolled in the American Diabetes Association/NCQA Physician Diabetes Recognition Program. Many more physicians have also participated in similar NCQA programs through Health First Health Plans, proving they meet stringent guidelines for providing customer service and treating heart/stroke conditions. Completing these programs means these physicians not only provide the highest levels of care for Health First Health Plans members, but their expertise also benefits the other patients they treat in our community.

Enhancing the quality of overall treatment and care for patients with illnesses that require close monitoring and rapid reaction when problems develop, Health First Health Plans invests significant resources into disease management programs to help members cope with potentially debilitating illnesses. Primary areas of focus include diabetes and obesity/weight management.

From its start with 10 employees and a choice of only two HMO plans, Health First Health Plans now employs 155 associates, offers access to more than 750 physicians, and includes a choice of more than 70 HMO, Point-of-Service, and high-deductible health plans along with pharmacy and vision riders for local employers, plus four Medicare Advantage Prescription Drug plans that include the new Part D Medicare prescription drug benefits. Serving nearly one out of every eight Brevard residents, Health First Health Plans membership reached 73,500 in 2006.



Above: Health First Health Plans’ associates from left to right: Director of Customer Service Amy Reid; Vice President of Sales and Service Angela Handa; Manager of Operations Robin Pittman; Vice President and Medical Director Joseph Collins, MD; and Manager of Financial Services Steve Lewis.

To learn more about
Health First Foundation,
call 434.7353.

Health First Foundation

As a not-for-profit healthcare system, Health First depends on our community for financial support and volunteer assistance to strengthen our outreach. In recent years, the advances in technology and the robust population growth in Brevard have fueled the need for capital improvements and expansion of our healthcare facilities at a time when lower reimbursements and shrinking margins are the reality. Philanthropic support for health care has become more important than ever before.

The mission of the Foundation Board is to lead Health First's fund development efforts by our own example, as well as by reaching into our community as ambassadors to build awareness and support for organizational needs. Thanks to the participation of many friends and supporters, we continue to be successful in these critical endeavors and we encourage your continued support.

The Foundation Board of Directors thanks each of our caring volunteers and benefactors whose generosity has helped Health First to provide superior health care for the Brevard community.



Patrick T. Biddix, Chairman
Health First Foundation Board of Directors



*The Health First Foundation Board of Directors:
Seated, left to right: Patricia Pruitt, Evelyn Foster, Linda Coleman, and Debbie Cherin. Middle row, standing left to right: Dale Dettmer, Nancy Taylor, Mindy Thompson, Jean Turner, Larry Garrison, and Catherine Ford. Back row, standing left to right: Mark Hobbs, John Stark, Rick Theisen, Mike Chaplin, Carl Coddington, Jr., and Mike Means.
Not pictured: Patrick Biddix, Gene Bjerning, Wendy Brandon, Pam Gatto, Emmee Harmon-Hanna, Rhonda Lee, Robert Mandel, Gene McCarthy, Tibor Menyhart, Christopher Norton, Charles Ragland, Turmy Lum Sieveking, Kevin Steele, and Elting Storms.*

The Foundation Board of Directors

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Chairman
Dale A. Dettmer
Vice Chairman
Gene Bjerning
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Evelyn Foster
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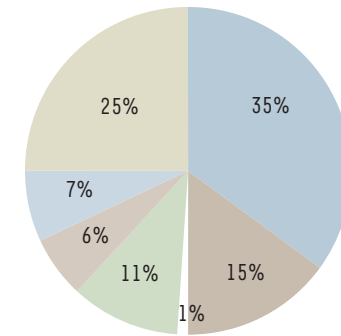
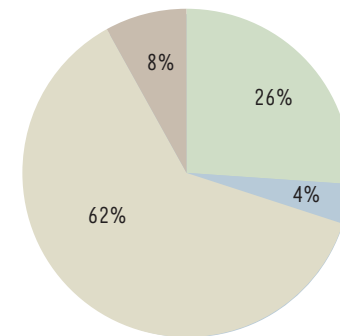
Wendy Brandon
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Christopher Norton
Patricia Pruitt
Charles Ragland
Turmy Lum Sieveking
John Stark
Kevin Steele
Elting Storms
Nancy Taylor
Rick Theisen
Mindy Thompson
Jean Turner

Health First Foundation Report on Giving

Health First Foundation raised more than \$2.25 million in fiscal year 2006 in support of organizational healthcare needs. This total represents an aggregate of cash and pledges. Included in this sum is \$227,400 or 10%, received from our hospital auxiliaries and Health First associates. Gifts of \$1,000 and up totaled \$1,727,909, or 77% of funds received. We thank all those who supported these efforts to help Health First bring the very best health care to Brevard County.

Revenue by Benefactor Group

Businesses – 26%
Foundations – 4%
Individuals – 62%
Organizations/Other – 8%



Revenue by Fundraising Activity

Annual Giving – 15%
Capital Campaign – 25%
Grants – 1%
Major Gifts – 11%
Memorial Gifts – 7%
Planned Giving – 6%
Special Events – 35%



Philanthropy Enhances the Health First Community Commitment

Through the generosity of local residents and caring individuals like Harry and Wendy Brandon, Health First is able to improve the patient experience with expanded and streamlined services. The Brandons recently made a philanthropic donation for the new Heart Center at Holmes Regional Medical Center that was one of the single largest cash gifts received by the hospital's fund-raising arm, the Health First Foundation.

To recognize the couple's generosity, the Harry & Wendy Brandon Atrium in the new Heart Center is named in their honor. When making the gift, Harry Brandon said, "This community has been very good to us and we feel very fortunate to be able to give back to the community by helping to fund The Heart Center."

The Brandons have a family history of heart disease, making them acutely aware of the need for quality medical care. Both Harry and Wendy lost their fathers to heart disease, and they learned the value of getting early diagnosis and treatments nearby. Wendy, an attorney, serves on the Board of the Health First Foundation where she keeps up to date on community medical needs and issues. "About one third of the patients coming into the hospital through the Emergency Department suffer from heart problems," she said. "Furthermore, hundreds, if not thousands, of people living in Brevard County do not have medical insurance and are still provided with quality medical services at Holmes. We want to help ensure that this high quality of medical care will continue."

The Brandon's commitment and devotion to our community's health will be a lasting legacy. The Health First system depends on community support to ensure the best health care possible. We extend a heartfelt thanks to the Brandons, as well as all of our donors, for their kindness and caring.



President of Holmes Regional Medical Center Chris Kennedy with Harry and Wendy Brandon.



Committed Health First Foundation donors paved the way to build The Heart Center. The Harry & Wendy Brandon Atrium is shown above. Today, the proposed Palm Bay Community Hospital expansion (artist's rendering at left), awaits the next wave of Foundation support to propel it from a vision to reality.



and Special Gifts

A Tie to Our Future

At the Health First Foundation, we are committed to our organization's core values and mission. Philanthropic partners are crucial to accomplishing Health First's vision and growth for the century ahead.

In 2006, we saw an increase in estate and charitable gift-planning revenues. Contributing to this important area of giving are grateful patients, volunteers, family foundations, and friends, whose long-standing relationships with our organization have inspired them to leave a legacy that will continue providing quality health care for future generations.

Through our Living Legacy Society, we are proud to honor benefactors whose gifts through wills, bequest intentions, or other planned-giving vehicles, help to ensure the future excellence and positive impact of Health First in our community.

"We believe that the quality of life in our community is directly related to the health care available to our citizens. That's why we decided on a planned gift to Holmes Regional Medical Center. We know that Health First will be providing compassionate care for our local residents for many years to come."

— Warren and Evelyn Foster

If you have included us in your will or estate plan or you would like additional information on how to make a planned gift, please contact Director of Individual Giving Jeanene Donilon at 321.434.7386 or by email at jeanene.donilon@health-first.org.

Health First Foundation Making a Difference

Summary of Funds Raised and Projects Supported
from October 1, 2005, through September 30, 2006

\$179,583 received in unrestricted gifts were used to:

- Fund Health First Aging Institute services, including Health First Leeza's Place
- Provide funds for staff education, facility enhancements, and equipment purchases at all three Health First hospitals

\$650,734 received in restricted support of programs at Cape Canaveral Hospital, Holmes Regional Medical Center, and Palm Bay Community Hospital were used to:

- Purchase life-saving equipment and enhance Cardiology services at all three hospitals
- Support trauma education outreach and awareness programs
- Provide patient education materials for new mothers
- Purchase equipment for the newborn Nursery
- Provide wheelchairs at Cape Canaveral Hospital and Holmes Regional Medical Center
- Support Pastoral Care programs at each hospital
- Purchase supplies and toys for Pediatric patients
- Provide scholarships for area high school seniors pursuing medical careers

\$85,864 was given by Health First EAGLES (Every Associate's Gift Leaves Everlasting Spirit) to:

- Expand organ and tissue donor awareness through support of the Tiger Teams at each hospital
- Sponsor Health First associates on medical missions to El Salvador
- Renovate the Center for Child Development
- Provide scholarships to children attending Bright Star Center for Grieving Children & Families, a Hospice grief counseling center
- Establish an "Arts in Medicine" Music Therapy Program at Holmes Regional Medical Center
- Provide diabetic testing supplies for community members in need

\$575,076 received for Hospice of Health First as memorials to loved ones or as unrestricted gifts in support of Hospice initiatives and outreach programs were used to:

- Provide in-home Hospice care, medical supplies, and indigent care
- Provide grief counseling to families and children who lost a loved one
- Help build a new wing at The William Childs Hospice House, adding eight additional patient beds to the current eight-bed facility

\$757,469 raised by special Health First events across the county included:

- Holmes Regional Medical Center's Benefit Ball proceeds were designated to support the hospital's Stroke Program.
- Proceeds from Grape Escape V helped enhance Cardiology services at The Heart Center and purchase defibrillator devices in partnership with the American Heart Association for cardiac emergencies throughout Brevard County.
- Revenue from Grand Prix events helped purchase equipment, patient education materials, and provided staff training for the Cancer Care Program at Cape Canaveral Hospital.
- Proceeds from the Jaguar Invitational Golf Tournament benefited Women's and Children's Services and were also used for equipment, renovation, and staff education at Cape Canaveral Hospital.
- The Palm Bay Golf Classic revenue helped provide a Special Procedures room for medical diagnostics and treatment at Palm Bay Community Hospital.



Revenue from Grand Prix events helped fund the Cancer Care Program at Cape Canaveral Hospital.



The Palm Bay Golf Classic revenue helped provide a Special Procedures room at Palm Bay Community Hospital.



Health First associates served in El Salvador on medical missions.



From left: Volunteers Pat Simons and Jessie Whiteman.

Volunteer Frances DiLiberto.

Volunteer Al Hansen.

Hospital Volunteer Force

The Auxiliary volunteers at all three hospitals

total more than 1,800 men and women, and provide a significant benefit to our healthcare system and patients. These volunteers represent diverse experiences from a CIA retiree, to a welding instructor, NASA engineer, bank president, and trauma survivor. They assist with duties such as newspaper delivery to patient rooms, wheelchair repair, in-house transport, information desk assistance, and flower delivery.

The core of our hospital Volunteer Services takes place through the Cape Canaveral Hospital Auxiliary and the Holmes Regional Medical Center/Palm Bay Community Hospital Auxiliary. Some volunteers also provide assistance off-site, making baby hats or mending blankets.

These volunteers give much more than their time. They also raise and donate significant monies

to the hospitals. Last year the Cape Canaveral Hospital Auxiliary purchased life-saving equipment and donated more than \$20,000 to the hospital's general funds. Cape Canaveral Hospital Auxiliary volunteers also donated more than \$12,000 for the purchase of Neonatal Unit ventilators and Nursery equipment.

The Holmes Regional Medical Center/Palm Bay Community Hospital Auxiliary purchased three people-mover carts, provided \$15,000 to purchase newspapers that are distributed every day to patients, and made a ten-year pledge of \$1.5 million that will be used to fund the corridor linking The Heart Center with the main hospital building. The Auxilians from Holmes Regional Medical Center and Palm Bay Community Hospital also awarded \$1,000 scholarships to 20 area students pursuing careers in the healthcare field.



From left: Volunteers Adam Ramkissoon, Deborah Hisey, and Auxiliary President Flora Kelly.



Community Benefits – Fiscal Year 2006

Health First has a long tradition of improving the health and well-being of all our citizens. Through our family of not-for-profit community-based hospitals and healthcare services, we execute our responsibility of improving people's lives and the community we serve.

For the purpose of reporting our true value to the community, this year's annual report reflects the cost to deliver charity care, community health improvement initiatives, and community benefit activities.

| | |
|---|---------------------|
| Total Value of all Health First Community Benefits to the Community: | \$83,538,334 |
| Mission-driven Benefits¹ | |
| Charity Care Based on Costs ² | \$14,953,751 |
| Community Health Services (Health services, health profession education, subsidized health services, and clinical research) | \$ 6,657,467 |
| Community-building Activities (Community health improvement advocacy and support) | \$3,413,088 |
| Value of Mission-driven Benefits to the Community Based on Costs | \$25,024,306 |
| Costs in Excess of Payments | \$14,509,062 |
| Medicaid Shortfalls ³ | \$14,509,062 |
| Costs in Excess of Payments to Deliver Care to our Community | |
| Medicare Shortfalls ³ | \$31,333,913 |
| Bad Debt ⁴ | \$12,671,053 |
| Total Costs in Excess of Payments to Deliver Care | \$44,004,966 |

¹ Based on: *Community Benefit Reporting: Guidelines and Standard Definitions for the Community Benefit Inventory for Social Accountability*, VHA and the Catholic Healthcare Association of the United States, 2005.

² Charity care is the total cost of services incurred by Health First to provide medical services to those patients who have a demonstrated inability to pay. Charity care does not include bad debt.

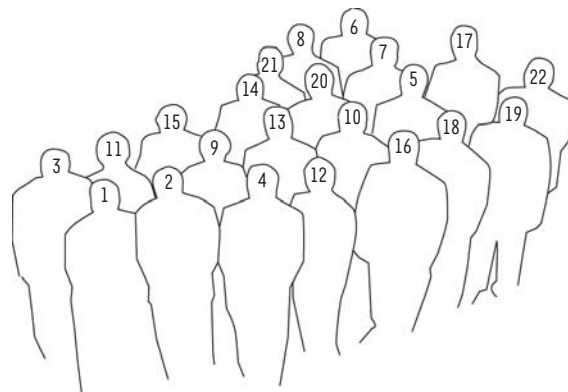
³ The Medicaid and Medicare programs pay Health First less than it costs the organization to provide care to its Medicaid and Medicare patients. The amounts shown reflect the cost of services that exceeded reimbursement.

⁴ Bad debt is the total cost of services provided by Health First to patients who have not paid their bills in part or in full.



Health First Board of Directors

- | | |
|--|--|
| (1) William T. Brennan <i>Chairman</i> | (11) Pamela A. Gatto |
| (2) Russell E. Fischer <i>Vice Chairman</i> | (12) Judith A. George |
| (3) Allen S. Henry, PhD <i>Secretary</i> | (13) Tony Hernandez III, Esq. |
| (4) James C. Shaw <i>Treasurer</i> | (14) A. Thomas Hollingsworth, PhD |
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| (7) Eugene S. Cavallucci, Esq. | (17) Michael D. Means <i>ex officio</i> |
| (8) Harry L. Deffebach, PhD | (18) Nicholas E. Pellegrino |
| (9) Catherine A. Ford | (19) William C. Potter, Esq. |
| (10) Larry F. Garrison <i>ex officio</i> | (20) Kevin S. Pruett |
| | (21) Kevin B. Steele |
| | (22) Walter T. Rose, Jr., Esq. |
- Jeffrey C. Stalnaker, MD (*not pictured*)



Mission

Our team
positively changing the health and well-being
of you and your family
through excellent and compassionate health care.

Vision

Skilled and dedicated people
delivering high quality,
patient-centered health care
that improves lives and communities.

Every person. Every time.

Values

- Integrity
- Compassion
- Accountability
- Respect
- Excellence

Health First Is . . .

**More than 6,000 caring professionals
putting your health first.**

Three not-for-profit hospitals:
Cape Canaveral Hospital
Holmes Regional Medical Center
Palm Bay Community Hospital

Including:

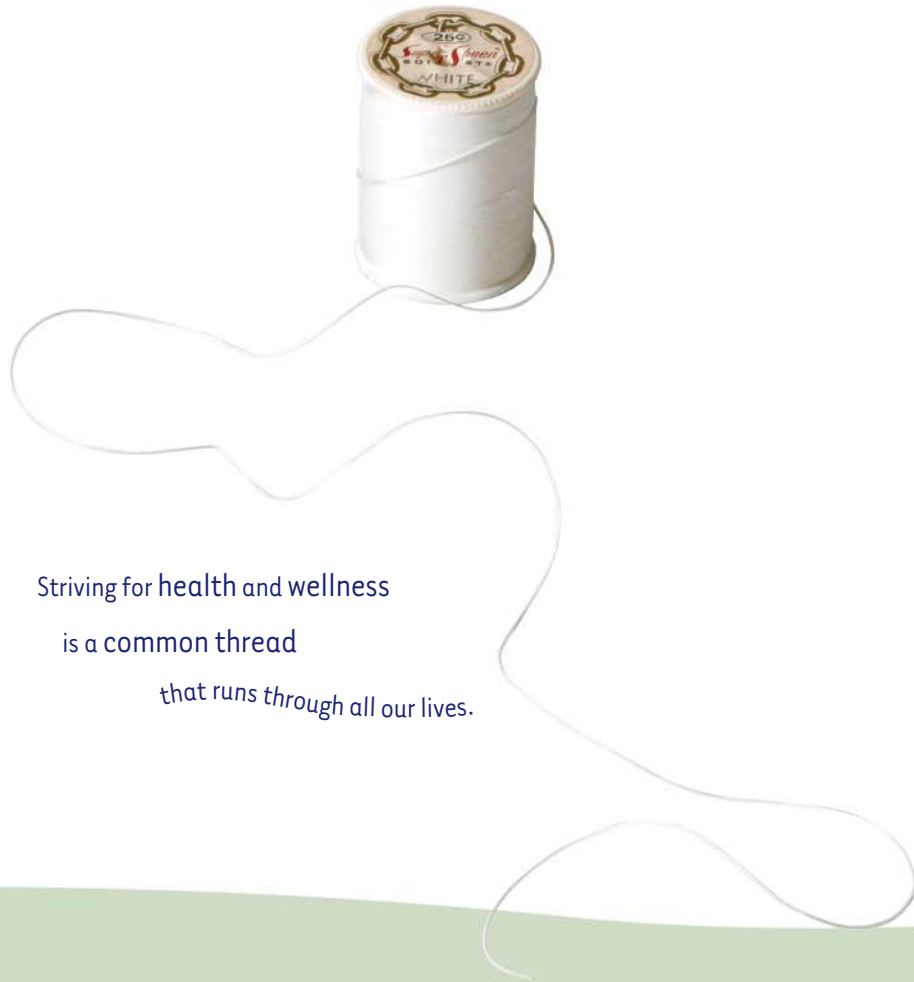
- The Heart Center
- The Birth Suites
- Mother/Baby Suites – Baby-Friendly™ USA
- Neonatal Intensive Care
- Holmes Regional Trauma Center
- First Flight Air Ambulance
- VitalWatch eICU Program

And these special healthcare and support services:

- Health First Diagnostic Centers
- Pro-Health & Fitness Centers
- Silver Sneakers™ senior fitness program
- Medical Rehabilitation Services
- Health First Occupational Medicine
- Health First Heart Institute
- Health First Aging Institute
- Obesity in Children joint initiative
- Hospice of Health First
- William Childs Hospice House
- Bright Star Center for Grieving Children & Families
- Health First Leeza's Place (Alzheimer's support)
- Cancer Care programs
- Health First Sleep Center
- Health First Wound Management & Hyperbaric Center
- Pain Management Clinics
- Healthy Happenings* lectures and events
- The Spa* at Pro-Health & Fitness
- Health First Home Care
- Health First Medical Equipment
- Health First Private Duty Nursing
- Health First Physicians
- Health First Health Plans
- Health First Foundation

And many affiliate partnerships within the community and with nationally recognized organizations and experts.





Striving for health and wellness
is a common thread
that runs through all our lives.

Health
First

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