



An Historical Overview of the Daughters of Charity

A 21st century American might recognize many of the social ills of 17th century France: crime, poverty, unemployment, child abuse, crowded cities, illiteracy, hunger and illness. One man was determined to make a difference in that world – Saint Vincent de Paul (1581-1660) – who dedicated his life to caring for the poor.

The third of six children born to a hard-working peasant farm couple, Vincent de Paul was ordained a priest in 1600. For the next two decades, he served as chaplain to Queen Marguerite of France and tutor to the children of the wealthy de Gondi family, but he never ceased to be touched by the plight of the poor.

A GREAT WORK BEGINS

On November 29, 1633, Saint Vincent, working with the widowed Louise de Marillac, began the great work whose influence would spread around the world. Several young peasant women gathered in Louise's home, expressing their commitment to live in community and to serve Christ in the person of the poor.

From the beginning, the concept of religious women going out into the community to care for the sick and the poor in their homes was revolutionary. Prior to this time, women religious were cloistered – sheltered from the world behind convent walls. Father Vincent had his Daughters of Charity dress in the garb of peasant women, not in religious habits. He called them sisters, rather than nuns. They were part of a company, not an order.

Initially the Daughters cared for people in their homes. Within a year, however, they began to care for the sick in Hotel-Dieu, the public hospital of Paris, for the hundreds of children abandoned in Paris each year, for the mentally ill, soldiers and galley slaves.

Soon these courageous women were founding schools and hospitals across Europe.

THE DAUGHTERS IN AMERICA

In 1809, the Daughters' American community began as Elizabeth Ann Seton, a widow and convert to Catholicism, founded the nation's first group of women religious – and the first parochial school – in Emmitsburg, Maryland. The daughter of a successful surgeon, Mother Seton was always supportive of the health ministry, and just two years after her death, the managers of the Baltimore Infirmary (later the University of Maryland Hospital) requested her Sisters' help in caring for patients.

Soon after, small groups of pioneering sisters took their ministry of healing throughout America, founding and working at hospitals in St. Louis (1828), Baltimore (1833), New Orleans (1834) and Detroit (1844). The early Daughters were also known as "Angels of the Battlefield," and cared for victims of the Civil War, the Spanish American War and World War I, giving emergency care at the front and staffing battlefield hospitals.



Daughters of Charity Health System

ANNUAL REPORT
Fiscal Year 2002 -2003

Nature causes trees

to take root

down deep in the soil

before they bear fruit,

and even then,

they do so

very gradually...

DCHS MISSION

In the spirit of our founders, St. Vincent de Paul, St. Louise de Marillac, and St. Elizabeth Ann Seton, the Daughters of Charity Health System is committed to serving the sick and the poor. With Jesus Christ as our model, we advance and strengthen the healing mission of the Catholic Church by providing comprehensive, excellent healthcare that is compassionate and attentive to the whole person: body, mind and spirit. We promote healthy families, responsible stewardship of the environment, and a just society through value-based relationships and community-based collaboration.



VINCENTIAN VALUES

In the spirit of the founders of the Daughters of Charity, St. Vincent de Paul, St. Louise de Marillac and St. Elizabeth Ann Seton, the Daughters of Charity Health System is committed to serving the sick and the poor. Our Vincentian Values, modeled on the service of these founders, include:

RESPECT: Recognizing our own value and the value of others

COMPASSIONATE SERVICE: Providing excellent care with gentleness and kindness

SIMPLICITY: Acting with integrity, clarity and honesty

ADVOCACY FOR THE POOR: Supporting those who lack resources for a healthy life and full human development

INVENTIVENESS TO INFINITY: Being continuously resourceful and creative

Brian Connolly



Dear Friends and Associates:

We're pleased to share with you the first annual report of the Daughters of Charity Health System (DCHS).

Our system began on January 1, 2002, but we are not newcomers to the healthcare scene. The history of the seven DCHS hospitals reaches back more than a century and a half into California's past, when our sponsors, the Daughters of Charity, began the first hospitals to serve this state. In this mission, they were following an older path – walking in the steps and in the example of their 17th century founders, St. Vincent de Paul and St. Louise de Marillac.

Our mission as DCHS is unique. We believe that Catholic healthcare is a ministry, not a business. And we believe that the soul of that ministry is our mission: providing quality, compassionate, holistic care for all who come to us, helping to heal them body, mind and spirit. In the tradition of our founders, we have a special focus on providing care to the poor and advocating on their behalf – being a voice for the voiceless.

Our ministry involves far more than caring for the physical needs of our patients with the latest high-tech equipment, although our DCHS hospitals take great pride in their state-of-the-art healing technology.

The real success of our ministry rests in our dedicated associates, physicians and volunteers who live our core values, treating patients, families and community members with respect and compassion. In the pages of this annual report, you'll see how those shared values fuse with our technological expertise for the benefit of our patients and our communities.

You'll also see the results of our first year as a system as we deepen our roots; implement our vision for our system and for our local health ministries; and continue to enhance our responsiveness and connectivity with the many communities we serve from the Bay Area to Los Angeles.

Sincerely,

Brian Connolly

Brian Connolly
President
and Chief Executive Officer

What Is DCHS?

The Daughters of Charity Health System (DCHS) was formed on January 1, 2002, as a regional healthcare system of seven hospitals and medical centers spanning the California coast from the Bay Area to Los Angeles. It seeks to support the mission of our sponsors, the Daughters of Charity of St. Vincent de Paul, by providing holistic, spiritually centered care to the sick and to those in need.

Although DCHS is a newly formed organization, its hospitals and sponsors have a long and rich heritage that reaches back more than 150 years in California history. The Daughters' health ministry in California began in 1856 when they established the Los Angeles Infirmary, now St. Vincent Medical Center. In 1889, they founded the San Jose Sanitarium – today's O'Connor Hospital. In 1893, they began Mary's Help Hospital, now Seton Medical Center.



"Come now, let us engage ourselves with even seek out the poorest

Sister Margaret Keaveney, DC

Dear Friends and Associates:

What a joy it is to highlight for you the accomplishments of our first full fiscal year of ministry as the Daughters of Charity Health System.

During the period from the late 1960s to 1995, the Daughters joined forces with four other Daughters of Charity Provinces in the United States to share cost-effective services and strengthen their mission through what became the Daughters of Charity National Health System. In 1995, the Daughters' California hospitals merged with Catholic Healthcare West (CHW), responding to market pressures and the perceived opportunity to strengthen the wider Catholic health ministry in California.

In 2001, after careful reflection, the Daughters of Charity of the Province of the West began a process to withdraw from CHW and, once again, directly sponsor their seven health ministries as the Daughters of Charity Health System.

Other ministries of the Daughters of Charity Province of the West are an education ministry with nine schools, and social and other ministries, which range from daycare centers to senior services.

Since we reunited our seven hospitals as the Daughters of Charity Health System, we have spent a great deal of time praying, thinking and planning for the future of our health ministry. Several themes keep recurring as we talk with our hospital leaders, associates, physicians and volunteers. Among them are: how good it is to be returning to the strength of our roots; how we treasure our Vincentian heritage; and how our mission and values unite us with a unique and special focus on restoring our patients to physical, emotional and spiritual well-being.

These positive feelings certainly face mounting challenges each day, as we look at the ever-changing state of healthcare in California and in our nation. It is our task – and our privilege – to meet these challenges and to provide compassionate care, not only to our brothers and sisters who are sick, but also to those who are poor and vulnerable.

Each of us commits to being a part of this healing and life-giving mission. Our ministry demonstrates that care of the poor is not poor care. In every room and every hallway of our hospitals and health centers, our words and actions tell our patients and their families that they are welcome, that they will be helped and heard, as well as healed with kindness, respect and the best technology we can offer.

In the months and years ahead, we will work together to vision, create and sustain a future to assure the continuance of our healthcare ministry.

May God bless you and your loved ones abundantly,

Sister Margaret Keaveney DC

Sister Margaret Keaveney, DC
Board Chairperson
Daughters of Charity National Health System

renewed love to serve the poor, and let us and most abandoned of all.”



Building on a Century of Caring



Vision For O'Connor Hospital

O'Connor Hospital opened in 1889 with a mission so simple – yet so enduring – that it has not changed to this day: providing comprehensive, excellent healthcare that is compassionate and attentive to the whole person, body, mind and spirit.

It is this values-driven mission that distinguishes us from other healthcare providers. We are about more than excellent clinical outcomes and state-of-the-art technology. We are about people – about the people who come to us for healing and hope, and about the committed people who work here – many of whom have dedicated their entire professional careers to serving at O'Connor.

In the coming years, we will enhance that engagement between the O'Connor family and our community by fostering a culture demonstrating that O'Connor is the best place to work; creating an environment where physicians want to practice; and ensuring that our associates and physicians provide exceptional, caring and committed service to every patient and family.

Robert Curry
President and Chief Executive Officer

O'Connor Hospital is committed to helping make Santa Clara County a healthier community. Responding to an assessment of the health and social needs of the county, the 358-bed acute care hospital has further enhanced its comprehensive range of services.

Highlights include:

- Expanding its **Emergency Department** – the “front door” to the hospital – with more and specialized treatment rooms; a dedicated pediatric care area; chest pain clinic; urgent care facilities; and an expanded waiting area.
- Replacing one of its two **cardiac catheterization labs** with enhanced diagnostic and treatment capabilities. O'Connor Hospital's Heart Center offers comprehensive cardiac services, and has been a leader in cardiology and cardiovascular surgery since the 1970s.
- Developing a **Vascular Center** emphasizing less invasive treatment options for peripheral vascular disease. O'Connor was the first hospital in the South Bay Area to use stent grafts to repair life-threatening abdominal aortic aneurysms.
- Installing a new **gamma camera** that provides high-resolution, computer-generated scans of various parts of the body. The camera is equipped with a nationally recognized software program, allowing it to more accurately diagnose heart attacks.
- Offering a full range of oncology services in its **Cancer Care Center**; adding a multi-leaf collimator – a computer-driven system for the linear accelerator that replaces customized blocking for patients undergoing radiation therapy cancer treatments; and providing two cancer resource centers, one staffed by a Cantonese-speaking staff member that is a collaborative effort with the Chinese Unit of the American Cancer Society.
- Continuing to provide a wide range of **support groups and community health education programs**, ranging from child-birth preparation and parenting classes, to diabetes education, joint replacement and arthritis.
- Providing improved access to care for families and seniors, by offering comprehensive maternal and child services through its **Family Center**, the outpatient **Pediatric Center for Life**; a **Wound Care Clinic** for patients with difficult-to-heal wounds; **VISTAS Senior Mental Health Services**; and a new **Home Care Telemonitoring Program** that allows the hospital's home health care agency to monitor patients' vital signs at home, noting early indications of potential problems, and intervening before a serious illness occurs or rehospitalization is required.

O'Connor Hospital's new gamma camera, funded by the O'Connor Hospital Foundation, will provide physicians with improved body scans and enhanced capabilities to diagnose heart attacks.



A LIFE RETURNED: *Tom Prewett's Story*

*W*illiam T. (Tom) Prewett doesn't remember very much about November 22, 2002, or the two weeks that followed. But he's "eternally grateful" that he was in the right place at the right time.

Tom had just left the medical building near O'Connor Hospital after having x-rays on his injured shoulder. As he maneuvered his car out of the parking lot, he went into cardiac arrest. Larry Sullivan, MD, an anesthesiologist at O'Connor, saw the car hit a parked truck and realized Tom wasn't breathing, so he broke out the window behind the driver's seat, pulled Tom out and immediately began mouth-to-mouth resuscitation. A few minutes later, Tom was being resuscitated in O'Connor's Emergency Department. Unable to breathe on his own, he was stabilized, put on a ventilator and sent to O'Connor's intensive care unit.

Tom's wife, Carol, remained at his bedside and recalls how wonderful the staff was throughout his entire stay: "Everyone was so supportive and helpful. When things were looking pretty grim in Emergency, one of the nurses stayed with me even after her shift was over. And one night as I was leaving the hospital, exhausted and sobbing, the lady in the Gift Shop went out of her way to call the chaplain to come and talk with me."

Seventeen days after his admission, Tom had made remarkable progress and was ready for the next step on his road to recovery – a short stay in Pleasant View, a rehabilitation facility. After a week of physical and occupational therapy, and work to sharpen his memory skills, Tom was literally back on his feet and walking short distances on his own. "I went home the Friday before Christmas," Tom says. "That was my Christmas treat."

On December 29, 2002, the IBM retiree who traveled the world setting up training programs for the company, celebrated his 73rd birthday. A few weeks later, he returned to the hospital to have a defibrillator put in – an insurance policy against his heart stopping again.

But the Prewetts weren't quite done with O'Connor: from March through June, both Tom and Carol attended the hospital's outpatient cardiac rehabilitation program, and experienced more of O'Connor's warmth and support. Each time associates saw Tom, they remembered and greeted him: "Tom's really recognizable. He looks just like Santa Claus with his long white beard," Carol explains.

Today, the future is looking bright for the San Jose couple, "thanks to everyone at O'Connor." And Tom's celebrating one final step in his return to health: "Five months and one day after my heart stopped, I got my driver's license back."



Tom and Carol Prewett benefited from the outpatient cardiac rehabilitation program at O'Connor Hospital.

*"Have no doubt
that God works
in and by you."*

St. Vincent de Paul



Making a Difference in Our Community



Vision For Robert F. Kennedy Medical Center

At Robert F. Kennedy Medical Center (RFKMC), we are committed to the belief that the poor in our community deserve a values-centered hospital that provides holistic care.

Our vision for RFKMC is to survive and become self-sufficient, as we continue to serve in the tradition of the Daughters of Charity, who have been our sponsors since 1996. At RFKMC, we understand this tradition because, for more than 76 years, we have held similar values: respect, courtesy, and a profound sense of spirituality rooted in the tension-free diversity of our RFKMC family, scores of whom have been with us for 15 years or more.

We continue to draw inspiration, also, from a quote by Robert F. Kennedy: "Our future may lie beyond our vision, but it is not completely beyond our control... the work of our hands, matched to reason and principle, will determine our destiny."

That work of our hands... and our hearts... will continue to yield positive results as we expand our services, improve our physical facilities and build a new patient tower to better serve our community.

Joan Bero
President and Chief Executive Officer

Robert F. Kennedy Medical Center (RFKMC) is a 246-bed acute and general care hospital serving communities of the South Bay, including Hawthorne, Inglewood and Gardena.

The only Catholic, not-for-profit hospital remaining in the area, RFKMC focuses on treating every patient with dignity and respect.

RFKMC offers a comprehensive range of services, including a 24-hour, seven-day-a-week Emergency Department; cardiac and neurology services; gastrointestinal and vascular laboratories; inpatient, partial hospital and outpatient behavioral health programs; a comprehensive Medi-Cal-approved Outpatient Alcohol and Drug Recovery Program; a Diabetes Treatment Center; the Center for Wound Management and Hyperbaric Medicine; and a 34-bed Transitional Care Unit providing skilled nursing care.

In 1999, responding to community need, RFKMC – which began its history as a maternity hospital in 1923 but discontinued childbirth services in the 1970s – reintroduced those services with its Babies First® Family Life Center. In Fiscal Year 2002-2003, 1,237 babies were born at RFKMC.

In the past year, RFKMC has:

- Consistently **improved average daily patient census** and achieved a **financial turnaround**.

- Added the area's only Medi-Cal-approved **Outpatient Alcohol and Drug Recovery Program** to its comprehensive behavioral health services, focusing on identifying, preventing, intervening, treating and eliminating the use of alcohol and drugs for individuals, families and expectant mothers in this traditionally underserved area.
- Planned and broke ground for a 67,500-square-foot, three-story **patient tower**, scheduled for completion in spring 2005. The tower will provide state-of-the-art facilities for operating rooms, intensive care and maternity services.
- With a grant from the Daughters of Charity Foundation, remodeled the **Emergency Department** lobby and treatment areas to improve efficiency and make the area more patient friendly.
- **Improved the appearance and comfort** of public and patient areas throughout the hospital.

When RFKMC's patient tower is completed in 2005, it will house new operating rooms, intensive care, the medical/surgical department and the Babies First® Family Life Unit.



EXCEPTIONAL KINDNESS AND CARE:

Healing Bob Ellertson

Bob and Marian Ellertson of Hudson, Wisconsin, were looking forward to spending some time with their 15-year-old grandson, Sam, last December as they accompanied the youngster on a hockey trip to Los Angeles. Sam plays hockey with the son of the LA Kings' coach, and the youngster's team had been invited to meet the pros.

Bob – who's enjoyed playing hockey all his life – and Sam laced up their skates on December 18, 2002, for a little time on the ice at the Kings' El Segundo training center. Fifteen minutes into the skate, Bob fell while trying to stop, hitting the back of his head.

An ambulance rushed him to the Emergency Department at Robert F. Kennedy Medical Center (RFKMC). A CT scan revealed a subdural hematoma that required delicate surgery to relieve the swelling in his brain – a procedure made more dangerous because Bob was taking the blood thinner Coumadin.

For about two weeks after surgery, Bob was in a coma. "It was touch and go," daughter Sonja Hellen remembers, noting that her dad turned 70 while at RFKMC. Just as the family had completed arrangements to have Bob flown home to United Hospital in St. Paul, Minnesota, he started moving on command. On January 2, 2003, as the nurses were checking Bob's eyes for dilation, he kept them open long enough to see some of his family gathered around his bed in the intensive care unit.

With Bob in the hospital so far away from home, the Ellertson clan soon found they'd acquired an extended family: the RFKMC staff of nurses, therapists and physicians. Marian recalls wonderful care and exceptional kindness: "Even in the midst of a very busy intensive care unit, everyone was so helpful, and the care was so personal that we felt like Bob was the only one there. They kept us informed of everything that was happening with his care. When things were rough, a couple of the nurses said prayers with us...and let us know they were praying for us. And when we left to take Bob home on January 9, we all cried. We got to be like family."

A month at United Hospital was followed by a stay at a rehabilitation facility. Bob then progressed to an interim care facility, and on April 12, he came home. Bob and Marian are looking forward to getting back to a more normal lifestyle. They're planning to spend the winter in Arizona, as they have done for the last dozen years since Bob retired at age 58 from Andersen Windows. "We're just so grateful to everyone for the excellent care Bob received at RFKMC. Thanks to the staff there, he's doing extremely well today."



Bob and Marian Ellertson head out to celebrate his recovery with friends.

*"If a work is from
God it will succeed
and endure."*

St. Vincent de Paul



Providing Health and Healing



Vision For St. Louise Regional Hospital

As we developed our strategic plan for St. Louise Regional Hospital, one main idea kept recurring to all who participated in the process. We wanted to be *the* center for health and healing in our community. To accomplish this goal in a tangible way requires several things.

First, we must put to best use all of our assets – physical, human and financial – to identify and meet community needs.

Second, we must grow our services and technology as the population in our area increases.

Third, we must look to partner with our medical staff and the community.

Finally, we will continue to work with O'Connor Hospital as we put the Morgan Hill campus to work to meet community needs.

As we work to accomplish our goals, we will remain focused on our values and grounded in the healing mission and vision of the Daughters of Charity.

Ted Fox
President and Chief Executive Officer

There are real feelings of caring, compassion and community at 93-bed St. Louise Regional Hospital (SLRH). You can feel it in the warm greetings from associates who welcome visitors; in the compassionate care patients receive; in the volunteers who give of their time to brighten patients' days; and in the calming words from the Daughters of Charity who serve at SLRH as they stop to talk with patients and families throughout the hospital.

But living the compassionate mission of the Daughters of Charity also has another dimension at SLRH: providing excellent care. This dimension is visible as the hospital focuses on enhancing and upgrading not only its technology, but also its human resources. In the past year, SLRH has:

- Replaced its mobile MRI available to area residents only two or three days a week with a **permanent MRI** that offers enhanced capabilities to diagnose disorders ranging from cardiac problems to carpal tunnel syndrome.
- Purchased state-of-the-art **ultrasound equipment** that offers improved image quality and reduces the time patients have to wait for an exam.
- Added a **bone-density screening machine** through a grant from the Daughters of Charity Foundation, and will focus especially on providing screenings and education for the older individuals who are poor, underserved and at risk for bone fractures.
- Installed new **mammography machines** in its BreastCare Center (named a GE Showsite) which offers the community not only mammography but also advanced methods of cancer detection, including ultrasound and stereotactic needle biopsy.
- Completed groundwork to reopen the Medical Office Building in **Morgan Hill** to meet the needs of the growing community.
- Recruited new specialists and primary care **physicians**.
- Increased its **community health education** offerings with diabetes classes, offered in Spanish and English.
- Networked with **RotaCare** to provide health services to area residents with no medical insurance or other means of obtaining care.

New state-of-the-art equipment at St. Louise Regional Hospital measures bone density to help identify individuals – especially the poor and elderly – who are at risk for osteoporosis.



**A GRATEFUL DAUGHTER
GIVES BACK:
*Marie Perkins' Story***

Marie Perkins will never forget the nine weeks her mother, Jennie Benetti, spent in St. Louise Regional Hospital last year. Mrs. Benetti was visiting Marie in Gilroy when the 93-year-old suffered a stroke. "All the time my mother was there, she received such wonderful care. The people at St. Louise cared for her out of love, not because they had to, but because they wanted to."

During Marie's daily visits to her mom, she frequently brought in roses – for her mother, for the staff and for other patients – sharing the beauty and abundance of flowers from the 38 bushes she nurtures in her yard. "Everyone at St. Louise calls me 'Rose' Marie," she smiles.

Marie has continued her visits to St. Louise and her sharing of those beautiful roses, even though her mother passed away in November 2002. Marie's support of the hospital extended even further when she asked family and friends to donate to the hospital instead of sending flowers to her mother's funeral. Their generous outpouring resulted in more than \$2,000, which went to purchase a wide-screen television, a VCR and some medical equipment for St. Louise's Transitional Level of Care (TLC) Unit. This 21-bed unit provides short-term, skilled nursing care to patients who are transitioning from the hospital's acute-care setting back home, to a nursing home or to a rehabilitation facility.

Marie – who for the past 25 years has enjoyed a busy career as a costume supervisor for a professional theater company based in San Francisco – also makes time each week that she's not on the road with a show to give back to the hospital. The 63-year-old dedicates every available Tuesday to patients in the TLC. "Tuesday is St. Anthony's day, and there is Mass said at the hospital. So I take TLC patients to Mass – sometimes it's just one or two people, and sometimes it's six or eight who want to go. Afterwards we may watch a video." Marie admits to having a huge supply of Lawrence Welk shows on tape that she often shares. She also gives TLC patients manicures, while another volunteer comes in to do facials and hair. And of course, whenever her signature roses are in bloom, "Rose" Marie brings them to patients and staff.

While her Tuesdays at St. Louise may be exhausting, it's all worth it, she says: "It's just the most wonderful thing to hear laughter and happiness rather than tears coming from these rooms. Even if I'm tired, I always go home filled with joy."



Volunteer Marie Perkins shares a bouquet of her signature roses with St. Louise patient Mary Ann Perino. At right, Marie is shown with her mother, Jennie Benetti, on Mother's Day 2002.

*"If charity were
a tree, its leaves
and fruit would
be cordiality."*

St. Vincent de Paul



Caring Is Powerful Medicine



Vision For Seton Medical Center

We at Seton Medical Center are on a journey – a journey to the heart of our mission of caring for the sick and the poor.

It's a journey that looks outward to our diverse communities, as well as inward at our physicians, associates and volunteers. We are a values-driven organization, committed to ministering to those we serve with compassion and dignity. We believe in partnering with the community to improve health, and we recognize that healthy communities begin with healthy families.

At Seton Medical Center, we champion a culture of clinical excellence and continue to invest in our future, providing our physicians, nurses and caregivers with the best technology, while empowering our associates through opportunities to grow, develop and advance in their careers.

Our faith, our values and our heritage distinguish us and contribute to our spirit of optimism and dedication, as we demonstrate each day that *Caring Is Powerful Medicine.*

Bernadette Smith
President and Chief Executive Officer

Seton Medical Center (SMC) blends the best of high-tech and high-touch care. SMC, a 357-bed facility, named one of the nation's Top 100 Cardiovascular Hospitals in 2001, is also the largest provider of inpatient care to Medi-Cal patients in San Mateo County.

Over the past year, Seton Medical Center has:

- Opened **The Saint Elizabeth Ann Seton New Life Center** in May 2003, to provide all-inclusive perinatal services for low-income women in the community, with staff physicians dedicated to the program; health education and counseling on prenatal and post-partum care; as well as nutritional, social and support services.
- Continued to strengthen one of SMC's exemplary key service lines by expanding **The San Francisco Heart and Vascular Institute** into a comprehensive heart and vascular program providing a full range of diagnostic and treatment services, including cardiac valve repair or replacement; beating-heart (off-pump) coronary artery bypass surgery; and percutaneous repair of aortic aneurysms with stents. The San Francisco Heart Institute at SMC was the first in the Bay Area to pioneer advances in angioplasty, laser treatment, interventional technologies, brachytherapy implants to slow clogging cell growth in arteries, and stented grafts for aneurysms. As SMC physicians remain at the forefront of their field, they actively contribute to multiple medical publications and present at international forums.
- Recognized the nationally renowned **San Francisco Spine Institute** as a "West Coast Center of Excellence" that was featured as the cover story in the July/August 2002 issue of "Orthopedic Technology Review." The Institute's interdisciplinary staff is dedicated to accurately diagnosing, treating and rehabilitating patients with chronic back and/or neck pain or previously unsuccessful spine surgeries, as well as to research and education. Institute physicians were innovators in using spinal cord stimulators that emit electrical impulses to block pain. The Spine Institute engages in clinical trial research and original outcome studies that have significantly expanded spine treatment options and dramatically impacted spine surgery with techniques including artificial disc technology.
- Enhanced **Orthopedic Services** with a multi-disciplinary focus on preventive, diagnostic and therapeutic treatment and rehabilitation, including state-of-the-art hand, foot, arthroscopic, joint replacement and trauma-surgical procedures.
- Built on the success of **The San Francisco Wound Center**, with its national reputation for unprecedented healing outcomes exceeding 90 percent, as well as a drastic reduction in days to healing for its holistic inpatient and outpatient programs.
- Established a home tele-monitoring program that allows clinicians with SMC's **West Bay Home Health** to monitor vital signs, provide care instructions and maintain more frequent and consistent communication with frail, homebound patients. This system, funded through a grant from the Daughters of Charity Foundation, allows clients to remain living at home safely and independently, while improving their overall treatment and care.



The physicians in Seton Medical Center's comprehensive heart and vascular program are leaders in their field, managing high-risk patients, and performing many leading-edge and minimally invasive procedures.

SETON'S SUBACUTE UNIT: *Reuben's Caring Home*

There's a very special place on the fourth floor of Seton Medical Center: the 44-bed Subacute Unit – the first of five in the Bay Area. This unit's dedicated and compassionate interdisciplinary team provides care for residents who require a higher level of long-term care than is usually available in a skilled care facility. Residents, whose average length of stay on the unit is seven years, may have breathing or feeding tubes, or rely on ventilators to help them breathe.

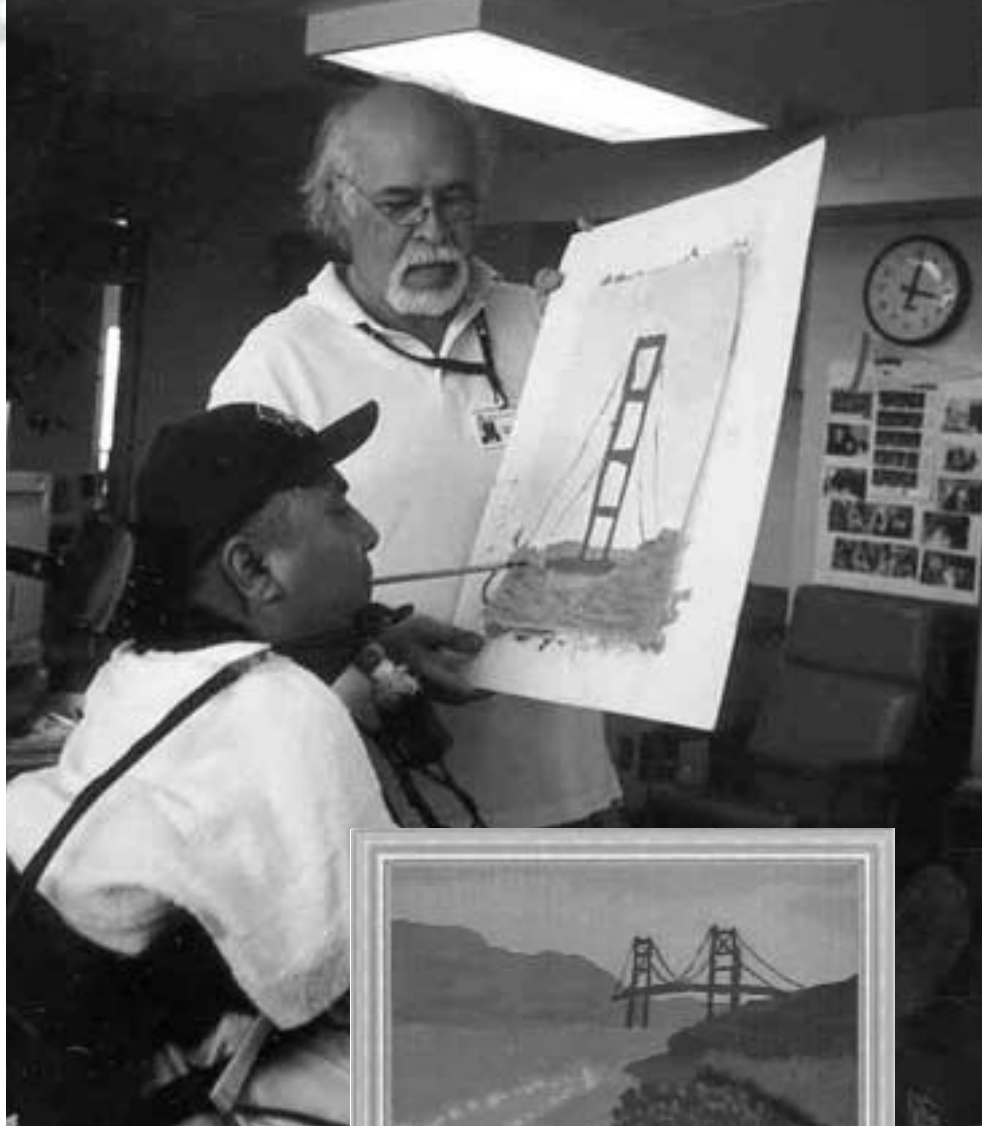
One of those residents is Reuben Toggai. Confined to a wheelchair and dependent on a ventilator, Reuben has become a hospital celebrity and ambassador. When he's not painting – holding a brush in his mouth – Reuben's buzzing around the hospital in his wheelchair, going to a Giants game with tickets provided by the unit's medical director, Thomas Hazelhurst, MD, or visiting the county fair with his family, nieces and nephews.

At 17, Reuben was diagnosed with Arnold-Chiari Malformation, a rare congenital brain condition. Surgery to alleviate the intense headaches he suffered left him a quadriplegic, paralyzed from the neck down. That didn't stop Reuben. He graduated from college and then, in 1984, from Hastings Law School in San Francisco, where, to keep up with all the material he had to learn, he taught himself to write outlines, holding a pen in his mouth.

As Reuben was preparing to take a job at the Public Defender's Office in Honolulu, his lungs collapsed and he needed a ventilator to breathe. Since his health continued to deteriorate at home, he came to live at Seton in 1994.

Marlene Strick, a medical social worker for the Subacute Unit, says "Reuben's ability to cope with his situation is amazing. He's an inspiration to many of our families and residents."

Reuben says his faith keeps him from depression: "I try to focus on good things. I think of how fortunate I am to be able to talk and communicate, because many of my friends can't even do that. I've learned to enjoy the simple things in life like looking out a window, talking to family and friends, or just enjoying a meal."



With a brush in his mouth and friend Steve Thomas to hold the canvas, Reuben Toggai enjoys a painting session. His favorite painting, the Golden Gate Bridge, was challenging since he painted the cables "six or seven times. In the end, it was the painting and repainting that gave the picture texture and ultimately the reason it was my favorite." With a sparkle in his eye, Reuben adds, "Now I just tell people I intended for it to come out that way."

*"When we serve the
poor, we are serving
Jesus Christ."*

St. Vincent de Paul



Inventiveness to Infinity



Will Retouch People
Out Of Background

Vision For Seton Coastside

In every hallway and room at Seton Coastside, our associates, physicians and volunteers live the values and the healing ministry of the Daughters of Charity. Their unique blend of skill, compassion, creativity and respect has made Seton Coastside a model for long-term care facilities.

Envisioning the future for Seton Coastside includes providing opportunities for our staff members – many of whom have been with us for 15 years or longer – to grow and develop. We will also recruit new associates who share our commitment to outstanding service.

Our future includes enhancing our facilities, and maintaining the highest quality for our adult acute-care medical unit, standby emergency department and ancillary services. We will continue to foster a caring, compassionate environment for our long-term residents, and remain careful stewards of our resources.

In addition, Seton Coastside plans to provide occupational health services to area business and government entities, and to expand involvement in the community events and outreach efforts that offer vital assistance to our local and underserved populations.

Bernadette Smith
President and Chief Executive Officer

There isn't a sign at the front door of Seton Coastside that reads "inventiveness to infinity practiced here," but there should be. This facility, which consistently receives high scores in all its resident satisfaction surveys, is many things to many people.

It offers a five-bed, adult acute-care medical unit; a seven-bed stand-by emergency department staffed around the clock by a physician and a nurse – the only such facility on the Pacific Coast between Daly City and Santa Cruz; ancillary services including rehabilitation, radiology, mammography and laboratory; a Touch Program and Rosen Method Movement Therapy programs for inpatients and outpatients; and a wide range of immunization, screening and health education programs.

Seton Coastside is also home for 116 elderly or chronically ill residents in its long-term, skilled care unit, which – along with the facility's other services – received high marks during its 2002 survey by the Joint Commission on Accreditation of Healthcare Organizations. This unit provides each resident with an individualized plan of care and special services such as:

- An **Advocacy Program** to ensure that residents enjoy an environment that is as homelike as possible, and have staff members who act as personal advocates.

- A stellar **Activities Department** that creates a wealth of daily and special activities that include bingo, crossword puzzles, discussions about world events and politics, birthday parties and holiday celebrations.

During the last fiscal year, Seton Coastside implemented a number of quality enhancements to the facility, and to patient and customer services, including:

- Installing new external signage.
- Upgrading security and nurse call systems.
- Enhancing the environment of care in resident rooms.
- Winning for a second consecutive year – along with Seton Medical Center – recognition in the state's Waste Reduction Award Program (WRAP).

A firm commitment to collaboration with the community has always been a Seton Coastside hallmark with programs such as the weekly RotaCare Clinic, the nonprofit Sonrisas Dental Clinic and the annual Teddy Bear Clinic to introduce youngsters to the hospital.



As a result of the dedication of its physicians, staff and volunteers, Seton Coastside's skilled care unit is recognized as a model for long-term care.

A SETON COASTSIDE MIRACLE:
Jim Jensen

When Jim Jensen arrived at Seton Coastside in December 1997, he'd had a rough nine months. In fact, says Cathy Bowman, RN, who cared for Jim six years ago when he was admitted, it's "a minor miracle Jim's alive today."

In March 1997, Jim experienced bleeding in the brain and was admitted to Stanford Hospital. When his condition stabilized, he went to a subacute facility at another hospital, only to find himself back at Stanford as other medical conditions complicated his recovery.

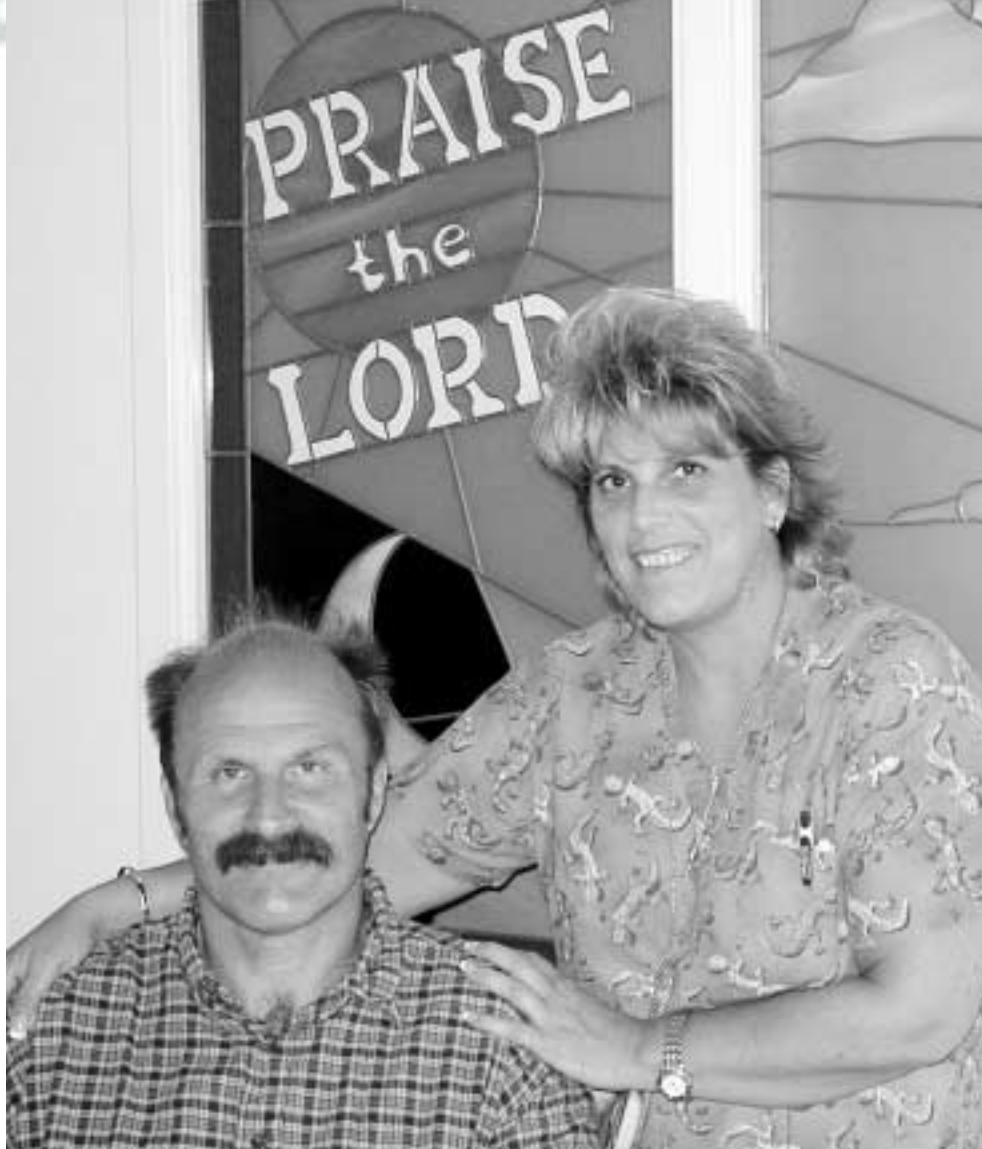
Jim's condition gradually improved to the point that he was able to benefit from an aggressive inpatient rehabilitation program.

He was ready to come to his new home in Seton Coastside's skilled nursing unit. Physicians from around the county regularly refer chronically ill and elderly residents to this 116-bed facility where they receive excellent long-term care.

Jim, now 49, says he really likes living at Seton Coastside: "They take very, very good care of me here. I just thank God I am here. The people are so dedicated, and I get along with everybody."

Jim's ready smile and hearty laugh can be heard up and down Seton Coastside's corridors as he makes the rounds of the day's activities and meals, either using a walker or his wheelchair. He'll gladly tell you about the many outings residents enjoy – thanks to the extraordinary dedication of staff, volunteers and physicians – picnics in the courtyard, birthday parties for residents, the air hockey tournament that left him \$10 richer, the golf contest on Seton Coastside's own "putting green" and heavy-duty afternoons of bingo. "I'm a bingo freak," Jim laughs. "I keep two cards going at once and use a lot of bottle caps to cover up those numbers." He'll also practice his memory exercises on visitors, using face and word associations to remember names and improve his short-term memory.

"This is a wonderful place," Jim says. "Their motto here is that they do more with less. They really do know how to do that, and they take such good care of everyone here."



Cathy Bowman, RN, has seen Jim Jensen make tremendous progress since he came to Seton Coastside in 1997.

*"How happy are they
who spend every
moment of their lives
in the service
of God."*

St. Vincent de Paul



Care That's Always There



Vision For St. Francis Medical Center

Our vision for St. Francis Medical Center (SFMC) is complex but clear: to provide quality, compassionate and respectful care to every man, woman and child who comes to us.

Located in one of southern California's most densely populated and poorest communities, SFMC is among the top 10 percent of hospitals in the nation to serve the medically indigent. Since more than 80 percent of our patients are covered by Medi-Cal and Medicare, we must work vigorously to maintain our public reimbursement streams while increasing the philanthropic support of our Medical Center.

Realizing our vision of continued service to the community requires a conscious commitment to programs that foster healthy children and families; increase access to healthcare; promote self-sufficiency; and provide opportunities for advancement to our associates and to our community.

This commitment must be supported by excellent staff, facilities and technology, particularly in our areas of renewed strategic focus – Obstetrics; Heart and Vascular Services; Surgical Services; and Emergency/Trauma Services.

Gerald Kozai
President and Chief Executive Officer

Saint Francis Medical Center (SFMC), a 384-bed acute care hospital, focuses on providing excellent care – with a unique spiritual dimension – to its community.

That spiritual dimension permeates SFMC, where every patient is seen by one of the SFMC chaplains, who serve as spiritual advisors and patient advocates. It is further enhanced through collaborative programs, such as Loyola Marymount University's Bioethics Institute, which provides SFMC with educational programs and consultation resources.

Responding to the health needs of the community, SFMC continues to enhance its comprehensive range of services including:

- Hospital- and community-based care for women, children and families, including the **Family Life Center; The Children's Health Center; Healthy Community Initiatives** that include six community-based health clinics; and **The Children's Counseling Center**, which offers mental health services for children, adolescents and families.
- Leading-edge cardiovascular treatment and care at the **Center for Heart and Vascular Medicine**.
- A **Cancer Care Center** offering a full range of inpatient and outpatient diagnostic and treatment services.
- The largest and busiest private **Emergency Department (ED) and Trauma Center**

in Los Angeles County. SFMC's ED physicians and associates have pioneered a "Family at the Bedside Initiative" that allows families to remain at their loved one's side during resuscitation and witness the extraordinary efforts of SFMC clinicians.

To help area residents access health care and become more self-sufficient, SFMC has implemented many programs, including:

- A **Health Care Benefits and Resource Center** offering one-stop assistance for health benefits enrollment, as well as referrals to physicians, community services and health education programs.
- The **Healthy Children, Bright Futures School-Based Collaboration**, begun in 2002, and expanded into the Lynwood Unified School District in 2003, to provide health benefit enrollment assistance, health screenings, immunizations, health education, behavioral health services and counseling.
- The **St. Francis Career College (SFCC)**, which has helped more than 7,000 people in the community prepare for successful healthcare careers. In 2001, SFCC received "The Achievement Citation," the Catholic Healthcare Association's highest national award for community service.



St. Francis Medical Center is committed to providing excellent care – including comprehensive cardiovascular services – to its community.

TINY MIRACLES IN THE NICU: *The Velasquez Triplets*

Last year, among the 5,596 babies born at St. Francis Medical Center (SFMC) there were some very special miracles – especially for 750 of the tiniest and most fragile among them who were cared for by the dedicated staff of SFMC’s 29-bed Neonatal Intensive Care Unit (NICU). Triplets Maryelva, Marisol and Jesus Javier Velasquez were three of those miracles.

Sonya and Javier Velasquez of Lynwood had hoped to begin a family for a long time. When the couple found out about the pregnancy, they were determined to do everything right: regular doctor visits, exercise, proper nutrition and childbirth preparation classes.

A surprise lay in store for Sonya and Javier, however, when Sonya had her first ultrasound. The couple learned that they were expecting three children rather than the one baby they had anticipated. Sonya was guided through the pregnancy by her obstetrician and his staff. The babies’ development was monitored regularly at St. Francis’ Perinatal Diagnostic Testing Center that provides services to mothers with high-risk pregnancies.

When Sonya’s labor pains began two months early, her obstetrician arranged for her to be admitted to St. Francis that same day. Both Sonya and Javier were frightened as they approached the entrance to the Family Life Center. Both had so many questions: “Are we ready?” “Will everything be all right?” They were greeted at the door...not only by the most advanced technology available today, but by nurturing surroundings and a reassuring staff ready to meet their needs.

A few hours later, Maryelva, Marisol and Jesus Javier were welcomed into the world, delivered by cesarean section. They spent the first few weeks of their lives in the NICU under the watchful eyes and caring hands of St. Francis’ team of neonatologists and NICU nurses. While the triplets faced some challenges, they all progressed steadily, gaining weight and growing stronger every day.

Sonya says, “There are no words to describe the wonderful care we received. You don’t have to go that extra mile every time, but the physicians, nurses and clinicians at St. Francis certainly did. They told us what was happening every step of the way. It seemed that absolutely everyone introduced themselves to us and assured us that everything would be all right. From the moment our babies were born, the doctors and nurses were there for us. They cried with us, they laughed with us, they became part of our family, too.”



The Velasquez family

*“Souls
who seek God
find Him
everywhere,
but particularly
in the poor.”*

St. Vincent de Paul



Healing With Compassionate Care



Vision For St. Vincent Medical Center

As the first hospital in Los Angeles, we at St. Vincent Medical Center remain dedicated to our original mission – to provide excellent and compassionate health care to all those in need.

We also feel that an important part of that mission is to stay at the leading edge of healthcare by continuing to develop programs and projects that demonstrate our commitment to providing extraordinary care. Such projects include the enhancement and expansion of our Los Angeles Cancer Institute, the opening of our standby emergency room, and the development of our Acute Rehabilitation Center.

Our pledge to heal and care for those in need doesn't stop there. It also involves reaching out to our diverse populations with education, prevention and early detection screenings. In addition, we serve the community through programs such as Community Health Ministry, Casa de Amigos to help at-risk youngsters, Meals on Wheels, and the Hotel Dieu, which will provide safe housing for 114 of our community's most-in-need elderly poor.

William Parente
President and Chief Executive Officer

For more than 150 years, St. Vincent Medical Center has been recognized as a place of healing and hope. Today, the hallmarks of this 347-bed acute care and specialty hospital remain its broad range of services, compassionate staff and continued commitment to its mission.

These strengths provide a successful base for St. Vincent's five Centers of Excellence – the Multi-Organ Transplant Center; The Los Angeles Cancer Institute™; the Los Angeles Heart Institute™; the House Ear Institute and House Ear Clinic; and the Los Angeles Spine Surgery Institute™. Other innovative programs include the Center for Health and Healing™, which offers services to help patients overcome a variety of conditions through the blending of alternative therapies and modern medicine.

During the past year, St. Vincent's specialty programs have marked several major accomplishments. They include:

- Opening the **Los Angeles Spine Surgery Institute™** whose multidisciplinary staff specializes in surgical and nonsurgical treatments and in advanced rehabilitation for patients with spine injuries and disorders. One of the Institute's areas of expertise is spinal arthroplasty, the surgical implantation of artificial discs into the spine. This represents a major step forward in the surgical treatment of certain spinal disorders.
- Receiving five-star quality ratings in cardiac care for the third year in a row by HealthGrades, a national healthcare quality ratings organization. **The Los Angeles Heart Institute** at St. Vincent Medical Center offers leading-edge interventional

procedures such as intravascular coronary brachytherapy, where tiny radioactive seeds are implanted in arteries to keep them open after angioplasty, as well as advanced surgical techniques, including beating-heart (off-pump) coronary artery bypass surgery.

- Performing 264 kidney transplants, making its **Multi-Organ Transplant Center** the fifth busiest kidney transplant program in the country, according to 2002 United Network for Organ Sharing (UNOS) data. In addition, St. Vincent Medical Center is a leader in kidney/pancreas, liver and heart transplantation. This has led to the appointment of Diana Lugo, Vice President of Specialty Services at St. Vincent, to the Advisory Committee on Transplantation for the Secretary of the U.S. Department of Health and Human Services, Tommy Thompson. As part of this committee, she advises on all aspects of organ donation, procurement, allocation and transplantation.

The Los Angeles Spine Surgery Institute™ offers St. Vincent Medical Center's patients the latest techniques in spine surgery and rehabilitation.



WAITING FOR A MIRACLE:

Sean Bryant

Sean Bryant was waiting for a miracle. Unknowingly, Karen Bristow was on a mission to make that miracle happen. And St. Vincent Medical Center brought them together.

In 1998, Sean, a 29-year-old shipping supervisor and father of two, was diagnosed with kidney failure and put on dialysis three times a week. A year later, he was placed on the kidney transplant list – along with 55,000 other Americans – and then waited for three years, enduring dialysis and deteriorating health. He watched as his life with his girlfriend Ruth and their children slipped by.

Enter Karen Bristow, a 60-year-old Tustin, California, homemaker, mother and wife of Reverend Dudley Bristow, pastor of the First Baptist Church of Irvine/Tustin. When Karen had been told years ago that she was born with a third kidney, she felt compelled to pursue the idea of organ donation. However, after further testing she learned that she, like everyone else, had only two kidneys. But this did not deter Karen from her mission. As she puts it, “God laid it on my heart [to donate a kidney].” And so she began her journey toward giving someone the gift of life.

After six months of fruitless exploration, Karen made one more call, this time to St. Vincent Medical Center – one of the top five busiest kidney transplant centers in the nation. It was the only place that would allow Karen to anonymously donate a kidney, she says. After extensive testing and months of waiting, the long-awaited call came: “I was told there might be a match. I hoped it would be a young person with a family, and it was,” Karen remembers.

The transplant was successfully performed on December 13, 2001. Although it was Karen’s original wish to remain anonymous, when informed of Sean’s desire to meet his angel, Karen whole-heartedly agreed. That day was not just the meeting of donor and recipient, it was the union of two families.

Sean, Ruth and their two children are now members of the Bristows’ church, and attend with the family every Sunday. Recently, on June 7, 2003, Sean and Ruth were married. Reverend Bristow officiated at the ceremony and Ruth walked down the aisle in a wedding gown made by Karen. Before the ceremony began, a recorded message from Ruth was played, thanking Karen for being their “Angel from God.”

Although Sean has recently experienced some signs of rejection – a common side effect of transplantation – and is receiving dialysis, he says he’s held on to his positive attitude and just keeps on praying.



Karen Bristow (center) has truly become part of Sean and Ruth Bryant’s family since donating a kidney to Sean in 2001. Sean and Ruth were married on June 7, 2003.

*“Now if ever there
were good work,
it is that of nursing
the sick.”*

St. Vincent de Paul

Committed to Our Communities



The Daughters of Charity Foundation: Caring for People in Need

The Daughters of Charity Health System (DCHS) is indebted to the generosity of the Daughters of Charity Foundation whose grants have made possible the development of many programs and services, as well as the purchase of equipment, for the seven DCHS hospitals. Begun in 1983 by Sister Teresa Piro, DC, and Sister Andrea Hickey, DC, the Daughters of Charity Foundation provides financial support for the many ministries of the Daughters in the Province of the West. Working with a group of influential lay women in California, the Foundation has grown over the past two decades. Its fundraising efforts and the generous support of its board members, allow the Foundation to make hundreds of grants each year that reach out to help the needs of the sick, the hungry, the abandoned, the hopeless and the homeless.

The Daughters of Charity have a long history of caring for those in need – body, mind and spirit. This holistic approach means focusing not only on healthcare but also on community service – a commitment takes many forms and uses many hands to reach into the community.

Outreach activities that are an important part of the healing ministry of the Daughters of Charity Health System include health screenings, health education and parish nurse programs; meal delivery to homebound seniors; programs for at-risk children; primary care services for mothers and children; and services that assist eligible individuals to enroll in insurance programs and access other community services.

The Daughters of Charity Health System has provided more than \$100 million of charity care, as well as services to the poor and to the communities in which its hospitals serve. A few of those activities are highlighted on the following pages.



O'CONNOR HOSPITAL'S PEDIATRIC CENTER FOR LIFE (pictured), established in 1991, provides culturally sensitive, comprehensive pediatric medical care for more than 50 children a day, regardless of their family's ability to pay. Services include well baby exams; immunizations; health education; case management; pregnancy testing; counseling; assistance with enrollments for Medi-Cal, Healthy Families and Healthy Kids programs, as well as referrals to other necessary services. A Congregational Health Ministries Program expanded in Fiscal Year 2003 to provide parish nursing services, health screening and education to six churches and two community centers, all of which have members at risk for health, social and other needs. O'Connor Career Academy, in its 10th year of partnership with the San Jose Unified School District, offers an innovative alternative school program for at-risk teens that combines classroom work with on-the-job training in patient care and support departments.



THE O'CONNOR HOSPITAL FOUNDATION. O'Connor Hospital, an integral part of San Jose for more than 100 years, is dedicated to serving the needs of the community with compassion and commitment. The O'Connor Hospital Foundation helps make this continued mission of service possible in diverse ways: by funding community benefit efforts – such as the Pediatric Center for Life and parish nursing programs – that take health care, education and advocacy out to the community, and by providing grants to expand facilities or enhance technology. Recent grants from the O'Connor Foundation have helped purchase a new gamma camera and dose calibrator for the Nuclear Medicine Department and a multi-leaf collimator that enhances radiation therapy treatments for cancer patients.

ROBERT F. KENNEDY MEDICAL CENTER'S (RFKMC) Health Benefits Resource Center is a busy place that helps patients, families and community members learn about available services and enroll in medical coverage programs such as Medi-Cal and Healthy Families. The Center also coordinates RFKMC's community benefit activities: immunization programs for children and adults; community health fairs – such as the Kids Care Fair (pictured) – and health screenings; community health education programs at local parishes; and Healthy Children programs at two elementary schools. In addition, the RFKMC Health Benefits Resource Center provides programs for pregnant women, including Baby Showers and Maternity Teas that introduce mothers-to-be to RFKMC's comprehensive Babies First® program.



THE BOOK AFFAIRE. For more than a quarter of a century, the Robert F. Kennedy Medical Center Foundation has sponsored an annual special event, The Book Affaire, raising hundreds of thousands of

dollars for the medical center's community outreach programs. While The Book Affaire has taken a brief hiatus, the Foundation plans to bring it back again, providing the community with a unique opportunity to meet many famous authors gathered in one location to autograph copies of their latest works.



ST. LOUISE REGIONAL HOSPITAL is committed to being the center for health and healing for the communities it serves by meeting the health needs of diverse groups. In 2003, the hospital began a Diabetes Education series (pictured), with classes offered in English and Spanish. This program joins many other health education and support groups the hospital offers. Through a grant from the Daughters of Charity Foundation, St. Louise further enhanced its outreach services to the Gilroy community, implementing an osteoporosis education and bone-density screening program focused on the poor, the elderly and the underserved.

Giving Generously to Help Others



SETON MEDICAL CENTER'S many community benefit programs address the needs of people of all ages. The Saint Elizabeth Ann Seton New Life Center (pictured), which opened in May 2003, offers comprehensive prenatal and post-partum care, as well as support services for low-income women in the community. Seton physicians and associates volunteer to staff a free weekly RotaCare clinic in Daly City, providing urgent care services to those in need. "Every 15 Minutes," a joint presentation of Seton and other community service organizations, demonstrates the dangers of drinking and driving to area junior and senior high school students. Community health screening and education programs at venues, including the Serramonte Center and the Fil-Am Friendship Celebration, help promote healthy lifestyles. And innovative efforts such as "Walk About/Talk About," a collaborative effort with the Doegler Senior Center, Stonestown YMCA and Serramonte Center, provide exercise and education opportunities for area seniors.

SETON COASTSIDE'S COMMUNITY ADVISORY COMMITTEE has welcomed some very special patients to the facility during the annual Teddy Bear Clinic (pictured) held for the past 15 years. This event, designed to take the fear out of a child's visit to the hospital, encourages youngsters to bring in their teddies, plastic snakes, or other favorite stuffed animals in need of a little medical attention. Doctors and nurses sew on buttons and ears, apply bandages, give "shots" and take "x-rays" on the copy machine. Seton Coastside provides many other services to low-income and uninsured residents of Half Moon Bay and Moss Beach: the 10-year-old RotaCare Clinic, where Seton Coastside volunteers provide urgent care for an average of 25 individuals each Wednesday, and the Sonrisas Dental Clinic, now a community collaborative effort, and the only nonprofit dental clinic in San Mateo County. Seton Coastside also participates in Movin' On the Coast, a community collaborative to enhance physical fitness, and entered a float in Half Moon Bay's annual Fourth of July Parade.



TOP HAT AND CORNETTE CHARITY BALL. The Seton Health Services Foundation hosted its 15th annual Charity Ball in October 2002, honoring the Daughters of Charity for 150 years of service to the community and raising money to benefit charity care and community service programs at Seton Medical Center and Seton Coastside. In addition to dinner, dancing and entertainment, the night honored Dr. Gerald Murphy, Sr., and Dr. Edgar Nolan, who have each given more than 50 years of service to Seton. Other Foundation fundraising events include the annual summer golf outing to benefit Seton Coastside. In 2002, the golf outing was preceded by a special event, the Spirit of Service, which honored Seton Coastside's staff, volunteers and donors for their special dedication to the mission of the Daughters of Charity.



ST. FRANCIS MEDICAL CENTER'S (SFMC) community benefit programs focus on three major areas: nurturing healthy families and children; fostering self-sufficiency; and enhancing individual and community well being. One new program, begun in 2003 with a start-up grant from the Daughters of Charity Foundation, is the Career Advancement Program (CAP), that helps entry level SFMC associates advance their healthcare careers. In the 20/40 CAP (pictured) program, associates receive full-time pay while working half time and attending school full time, studying to become vocational nurses, coders, radiology or surgical technicians, or billing specialists. Three CAP specialty programs help RNs "fast-track" into nursing positions in critical care, emergency, and labor and delivery. Other SFMC community benefit programs include health screening and immunization programs such as Healthy Sundays and the Kids Care Fair; Healthy Children/Bright Futures school-based services; and monthly Senior Dinners that include health screenings and wellness seminars.

A MOMENT OF GRACE CHARITY BALL.

The St. Francis Medical Center Foundation is committed to helping the medical center build a healthy community. Special events – such as an annual Golf Classic, the BMX Invitational and the gala Charity Ball – help raise significant funds each year. The 2003 Charity Ball benefited The Children's Circle, founded in 1991, to help meet the needs of infants and children through SFMC programs including the Family Life Center; the Neonatal Intensive Care Unit; Footprints, which has provided more than 7,000 pairs of shoes, new and used clothing, and toiletries to area youngsters; the Naseau Reading Program, a remedial program for elementary school children; the Children's Counseling Center; the Baby Anthony Program for mothers considering abandoning their babies; the Children's Fund; Rehabilitation Services; the Emergency/Trauma Unit; and the Leavey Maternal and Child Health Center.



ST. VINCENT MEDICAL CENTER'S CASA DE AMIGOS COMMUNITY CENTER

comes alive every weekday afternoon with the sounds of 85 to 100 youngsters, enjoying a variety of recreational and educational programs. Casa programs have grown since the center opened in 1995, and now include youth and family programs such as after-school tutoring, computer training, arts and crafts, counseling, parenting and English language classes, and gang-prevention seminars. Twice a year, Casa kids stage an art show (pictured), displaying their works in St. Vincent's cafeteria. In addition to Casa de Amigos, St. Vincent Medical Center sponsors many other community benefit activities,



including a Community Health Ministry Program where parish nurses and health educators provide health screenings and education at health expos, in churches and in schools; the nation's largest privately funded Meals on Wheels operation, that delivers more than 820,000 meals annually to frail, homebound elderly clients; and Hotel Dieu, scheduled to open in 2004, which will provide 114 apartments for elderly, low-income individuals, as well as new kitchen facilities for St. Vincent's Meals on Wheels.

ST. VINCENT GOLF CLASSIC. The St. Vincent Foundation was formed in 1989 to help develop the additional resources necessary to keep St. Vincent Medical Center at the forefront of patient care and service to the community. Proceeds from special events, such as the annual Golf Classic - along with generous donations from individuals, corporations and foundations - benefit St. Vincent's programs of medical excellence and projects that help those in need in the community. The Foundation also undertook a capital campaign, raising \$30 million to build Hotel Dieu.

Financial Summary

STATISTICS FOR FISCAL YEAR 2003

Number of associates (FTEs) 7,000

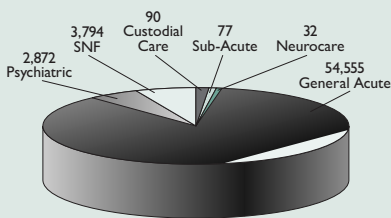
INPATIENT

Number of patients discharged 61,420
 Number of births 10,939
 Number of inpatient surgical cases 15,211

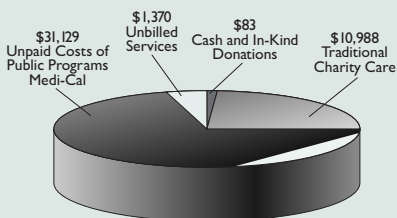
OUTPATIENT

Number of outpatient surgical cases 18,462
 Number of emergency/urgent care visits 149,937
 Number of other ancillary service encounters 647,403

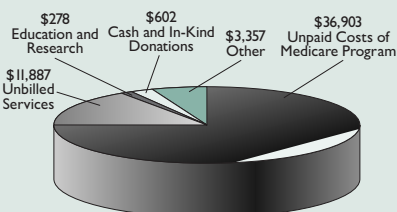
Discharges By Type



Benefits for the Poor (000s)



Benefits for the Broader Community (000s)



CONSOLIDATED BALANCE SHEET, JUNE 30, 2003 (IN THOUSANDS)

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$133,154
Patient accounts receivable, net of allowance for doubtful accounts of \$54.3 million	108,834
Due from government agencies	134
Other current assets	52,060
Total current assets	294,182

ASSETS LIMITED AS TO USE

Marketable securities	145,775
Under bond indenture agreements for capital projects	12,447
Total assets limited as to use	158,222

PROPERTY AND EQUIPMENT, Net 428,981

OTHER LONG-TERM ASSETS 37,777

TOTAL ASSETS \$919,162

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$35,509
Accrued liabilities	71,870
Current portion of long-term debt	7,768
Due to government agencies	19,627
Due to related organizations	0
Total current liabilities	134,774

PENSION OBLIGATIONS 23,669

ADDITIONAL MINIMUM PENSION LIABILITY 39,149

OTHER LIABILITIES 4,792

LONG-TERM DEBT, Net of current portion 446,177

Total liabilities 648,561

NET ASSETS

Unrestricted	246,283
Temporarily restricted	19,513
Permanently restricted	4,805
Total net assets	270,601

TOTAL LIABILITIES AND NET ASSETS \$919,162

CONSOLIDATED STATEMENT OF OPERATIONS, JUNE 30, 2003 (IN THOUSANDS)

UNRESTRICTED REVENUES AND OTHER SUPPORT

Net patient service revenue	\$808,565
Premium revenue	30,359
Other revenue	21,571
Contributions	21,689
Total unrestricted revenues and other support	882,184

EXPENSES

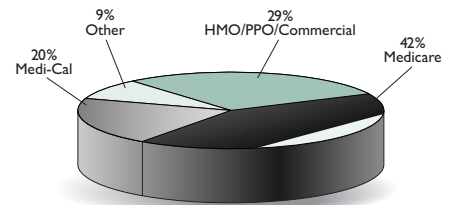
Salaries and benefits	440,035
Supplies	125,180
Provision for doubtful accounts	27,272
Purchased services and other	181,502
Depreciation	46,255
Interest, net	33,836
Total expenses	854,080

OPERATING INCOME 28,104

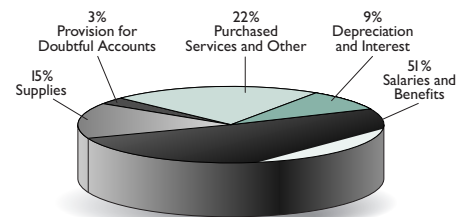
INVESTMENT INCOME 6,750

EXCESS OF REVENUES OVER EXPENSES \$34,854

Fiscal Year 2003 Total Gross Revenues



Fiscal Year 2003 Expenses



DCHS BOARD OF DIRECTORS

(from left to right)

- Sister Joan Gibson, DC (seated)
- Sister Christena Papavero, DC
- Sister Margaret Keaveney, DC, Chair (seated)
- Sister Arthur Gordon, DC
- Sister Mary Hale, DC
- Sister Mary Ann Tippett, DC (seated)



*Daughters of Charity Health System
Leadership Team:*

**Local Health Ministry
Presidents and Chief Executive
Officers
Fiscal Year 2003**

Joan Bero

Robert F. Kennedy Medical Center, Hawthorne, CA

Robert Curry

O'Connor Hospital, San Jose, CA

Ted Fox

St. Louise Regional Hospital, Gilroy, CA

Gerald Kozai

St. Francis Medical Center, Lynwood, CA

William Parente

St. Vincent Medical Center, Los Angeles, CA

Bernadette Smith

*Seton Medical Center, Daly City, CA
and Seton Coastside, Moss Beach, CA*

Brian Connolly

President and Chief Executive Officer

Father George Hazler

Vice President, Leadership Formation

Robert Issai

*Executive Vice President
and Chief Financial Officer*

Sister Carol Padilla, DC

Vice President Mission Services

Vannessa Coats

Vice President, Financial Services

John Omel

Vice President, Human Resources

Robert Cook

Vice President, Risk Management

Robert Walter

*Vice President, Facilities Planning
and Development*

Richard Hutsell

*Vice President
and Chief Information Officer*



LOCAL HEALTH MINISTRY BOARDS

BOARDS OF DIRECTORS 2003-2004

O'CONNOR HOSPITAL

San Jose, CA

Sister William Eileen Dunn, DC, Chair
Director, Mission Services,
Seton Medical Center
Daly City, CA

Jeffrey J. Anderson, MD
San Jose, CA

Brian Connolly
DCHS President/CEO
Los Altos Hills, CA

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Heritage Bank of Commerce
San Jose, CA

Lynn Gardner-Lockett
Hewlett-Packard
Cupertino, CA

Sister Arthur Gordon, DC
Health Councillor,
DOC Province of the West
Los Altos Hills, CA

Sister Eileen Kenny, DC
Mount St. Joseph – St. Elizabeth
San Francisco, CA

Sister Lois Lapeyre, DC
Our Lady of the Visitation Sisters' Home
San Francisco, CA

Robert K. Lin, MD
Santa Clara, CA

Linda Salter
West Valley/Mission Community College
(Retired)
Saratoga, CA

Sister Mark Sandy, DC
All Saints Parish Sisters' Home
Hayward, CA

Sister Judith Schomisch, DC
Vincentian Service Corps West
Seton Medical Center
Daly City, CA

Observers

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Rendu Sisters' Home
East Palo Alto, CA

Sister Theresa Marie McDermott, DC
Rendu Sisters' Home
East Palo Alto, CA

ST. LOUISE REGIONAL HOSPITAL Gilroy, CA

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Seton Provincialate
Los Altos Hills, CA
Sister Marion Bill, DC
All Saints Parish Sisters' Home
Hayward, CA

Sister Josephine Burns, DC
Seton Provincialate – Marillac Residence
Los Altos Hills, CA

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President, Chiala Properties
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DOC Province of the West
Los Altos Hills, CA

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New York Life Insurance
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John Saranto, MD
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Observers

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Rendu Sisters' Home
East Palo Alto, CA

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St. Joseph Interprovincial Seminary
Seton Provincialate
Los Altos Hills, CA

Sister Milagros Federico, DC
Our Lady of the Visitation School
San Francisco, CA

SETON MEDICAL CENTER/ SETON COASTSIDE

Daly City, CA / Moss Beach, CA

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St. Vincent de Paul Sisters' Home
Phoenix, AZ

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DCHS President/CEO
Los Altos Hills, CA

John Ralston Crew, MD
Daly City, CA

Sister Camille Cuadra, DC
Emergency Services Patient/
Family Advocate
St. Louise Regional Hospital
Gilroy, CA

Sister Margaret Ann Gainey, DC
Archivist, Seton Provincialate
Los Altos Hills, CA

Sister Joan Gibson, DC
DOC Province of the West
Los Altos Hills, CA

Sister Arthur Gordon, DC
Health Councillor,
DOC Province of the West
Los Altos Hills, CA

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Financial Consultant
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Colman Ryan, MD
San Francisco Heart Institute
Seton Medical Center
Daly City, CA

Sister Rachela Silvestri, DC
Vice President, Mission Services
O'Connor Hospital
San Jose, CA

Eugene B. Smith
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Observers

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Patient Visitor, St. Louise Regional
Hospital
Gilroy, CA

Sister Margaret McDonnell, DC
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Laboure Residence
Los Altos Hills, CA

ROBERT F. KENNEDY MEDICAL CENTER

Hawthorne, CA

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Lynwood, CA

Brian Connolly
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Mark Wayne Dundee
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Sister Patricia Geoghegan, DC
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Observer

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Rosemead, CA

Sister Patricia Miguel, DC
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Family Program, Maryvale
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ST. VINCENT MEDICAL CENTER Los Angeles, CA

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Frederick McKnight
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Reavis & Pogue
Los Angeles, CA

Sister Caridad Tatayon, DC
Three Rivers Sisters' Home
Three Rivers, CA

Sister Cecilia VanZandt, DC
St. Vincent's School
Santa Barbara, CA

Michael Stefan, MD
Los Angeles, CA

Observers

Sister Martha Garcia, DC
Our Lady of the Miraculous Medal
Parish School
Montebello, CA

Sister Adella Armentrout, DC
Our Lady of Talpa School
Los Angeles, CA

THE DAUGHTERS IN CALIFORNIA

The request for Daughters of Charity to come to California came from Joseph Alemany, later Archbishop of San Francisco. On July 6, 1852, seven Sisters – Frances McEnnis (leader of the group), Fidelis Buckley, Sebastian Doyle, Honorine Goodman, Ignatia Green, Corsina McKay and Bernice Williams – set out for California, an arduous journey by stage-coach, steamer and rail. As they crossed the Isthmus of Panama on muleback, Sister Honorine and Sister Ignatia died of cholera; the remaining five boarded a steamer to San Francisco to found an orphanage and a school. In 1889, funds were bequeathed to establish Mary's Help Hospital in San Francisco and the Daughters also agreed to be administrators for the new San Jose Sanitarium in Santa Clara Valley.

In 1856, six more Daughters arrived in Los Angeles to found an orphanage and a day school for girls. Within a few months, they also began to care for the sick, opening the first hospital in Los Angeles in a small adobe home.

That same year, the Daughters founded an English-speaking school and orphanage in Santa Barbara.

Over the past 150 years, the many ministries of the Daughters of Charity have grown and flourished in California, even surviving the devastating earthquake and fire that decimated San Francisco in 1906. Today those ministries include nine schools, an equal number of social ministries, and the Daughters of Charity Health System, reborn under the Daughters' sponsorship on January 1, 2002.



OUR THEME AND COVER DESIGN WERE INSPIRED BY A TREE AND A QUOTATION.

The tree, shown in this photograph, is a magnificent specimen, estimated to be more than 800 years old, which still stands in front of the boyhood home of Saint Vincent de Paul in Pouy, France.



The quote from Saint Vincent de Paul seems especially appropriate for the Daughters of Charity Health System, formed in 2002, as we focus on deepening our own roots, by drawing on the time-honored mission, values and traditions of the Daughters of Charity, founded by St. Vincent de Paul in 1633:

*“Nature causes trees to take root
down deep in the soil before they bear fruit,
and even then, they do so very gradually.
Our Lord acted in this manner in
His mission upon earth, for he led a hidden life
for a very long time before He manifested Himself
and devoted Himself
to the work of our redemption.”*

The stylized roots of the tree end in photos of the physicians, associates and volunteers at the seven Daughters of Charity Health System facilities – the people who are the heart and soul of our healing mission.

Photo courtesy of Father Ronald J. Hoye, CM, Vocation Team Works

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