



A New Day

Annual Report 2005



**ERIE COUNTY MEDICAL CENTER
CORPORATION**

Western New York's Hospital of Choice





462 Grider Street, Buffalo, New York 14215
716-898-3000 * www.ECMC.edu

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ECMC Corporation Mission Statement

The Erie County Medical Center (ECMC) Corporation is dedicated to being the hospital of choice through excellence in patient care and customer service.

ECMC Corporation Board of Directors

Officers

Joseph A. Zizzi Sr., M.D.
Chairperson

Sharon L. Hanson
Vice-chairperson

Samuel L. Shapiro, Esq.
Vice-chairperson

Michael A. Young, M.H.A., F.A.C.H.E.
President and Chief Executive Officer

James T. Keefe, C.P.A.
Treasurer

Ronald A. Chapin
Secretary

Voting Members

Pastor Michael A. Badger

Douglas H. Baker

Richard F. Brox, R.L.A.

Kevin E. Cichocki, D.C.

Anthony M. Iacono

John J. Kaczorowski

Jody L. Lomeo

Non-voting Members

Kevin M. Hogan, Esq.

Michael W. Mullins



ECMC Corporation Executive Administration

Michael A. Young, M.H.A., F.A.C.H.E.
President and Chief Executive Officer

Sue J. McCarthy
Chief Financial Officer

Karen M. Maricle, R.N., M.S., C.N.A.A.
Senior Vice President of Operations

Kenneth A. Richmond
Senior Vice President of Operations and Process Improvement

John R. Fudyma, M.D.
Chief Medical Officer

Debbie Cancilla
Chief Information Officer

Richard Cleland, M.P.A.
Director of Post-Acute Care and Erie County Home

Thomas J. Quatroche Jr., Ph.D.
Executive Director of Institutional Advancement

William Gajewski
Executive Director of Physician Relations / Physician Liaison

ECMC Corporation Medical-Dental Staff Officers

David G. Ellis, M.D.
President

James T. Evans, M.D.
President-elect

Kevin Pranicoff, M.D.
Immediate Past-president

Yogesh Bakhai, M.D.
Secretary

Joseph Mylotte, M.D.
Treasurer

Barbara Majeroni, M.D.
Geographic Full-time Staff Representative

Joseph R. Gerbasi, M.D.
Voluntary Staff Representative

Richard E. Hall, D.D.S., Ph.D., M.D.
Voluntary Staff Representative



ECMC Corporation Message from the President and Chief Executive Officer



Michael A. Young, M.H.A., F.A.C.H.E.
President and Chief Executive Officer
Erie County Medical Center Corporation

The transition of Erie County Medical Center from a department of Erie County to a Public Benefit Corporation has been the County of Erie's most significant cost saving decision in 2005. The Erie County Medical Center Corporation reduced its projected subsidy by \$20 million in 2005, and has provided over \$100 million to the County since 2004. In addition, the Medical Center has agreed to eliminate its subsidy by 2008.

This dramatic financial turnaround has been accomplished with our continued focus on quality of care. ECMC is a leader in quality care initiatives and results, with some of the best outcomes in Western New York. ECMC...

- is the fastest growing Hospital in Western New York.
- is the hospital with the best open-heart surgery outcomes in Western New York.
- is the hospital with the best kidney transplant survival rates in all of Upstate New York.
- maintains the highest nursing standards in its Intensive Care Unit in Western New York.
- provides Western New York's only designated regional Adult Trauma and Burn Treatment Centers.
- serves the Western New York region through the only Comprehensive Psychiatric Emergency Program (CPEP) and Adolescent Psychiatry Program in Western New York.
- operates the area's only comprehensive 24/7 angioplasty program, with a 24/7 team on staff.
- operates the only Designated Adult Aids Center.
- operates the only Designated Regional Spinal Cord Injury Unit.

In addition to providing quality care leadership, ECMC also provides tremendous economic and social benefit to our community. The Healthcare Association of New York State estimates the economic impact of ECMC to be over \$400 million per year to this community. For those less fortunate in our community, the Medical Center also provided \$13 million in charity care in 2004. Finally, as an affiliate of the University at Buffalo, ECMC plays a significant role in medical education to our community by providing one third of the University's medical education.

I am happy to report that ECMC's focus on quality care has resulted in an unprecedented number of patients choosing ECMC for medical care in 2005. We invite you to come see what so many other Western New Yorkers have discovered – quality care matters.

Please take a moment to visit our web site at www.ECMC.edu. If you would like to tour our facility, just send an e-mail to AskeCMC@ECMC.edu, and you will be contacted shortly.

Sincerely,

Michael A. Young, M.H.A., F.A.C.H.E.
President and Chief Executive Officer
Erie County Medical Center Corporation



About Erie County Medical Center (ECMC) Corporation

The Erie County Medical Center (ECMC) Corporation is the area's leading health care provider and one of the country's most modern, functional, and efficient health care delivery systems. ECMC encompasses on- and off-campus health centers, over 40 outpatient specialty care clinics, an advanced academic medical center (with 550 inpatient beds and 156 skilled nursing home beds), and the Erie County Home, a (586-bed) skilled nursing facility. The Medical Center serves as the regional center for trauma, burn, and rehabilitation, and a major teaching facility for the State University of New York at Buffalo. Most ECMC physicians, dentists, and pharmacists are dedicated faculty members of the University. The ECMC Corporation is Western New York's hospital of choice through excellence in patient care and customer service.

ECMC Corporation Staff

During 2005, ECMC Corporation employed approximately 2,900 staff members.

ECMC Campus Location

462 Grider Street, Buffalo, New York 14215

716-898-3000 * www.ecmc.edu

Erie County Medical Center is situated on a 67-acre campus in the heart of the Western New York region, in Buffalo, New York. The Medical Center is easily accessible from all areas of Western New York, and is located right off Route 33 (the Kensington Expressway) at the Grider Street interchange. Ample and convenient parking is available for patients and visitors, just steps away from the main entrance.

ECMC Corporation Code of Ethics

ARTICLE XVII CODE OF ETHICS AND CONFLICTS OF INTEREST

Section 1. Compliance: The members of the Board agree to comply with all applicable local and state regulations and laws regarding conflicts of interest.

Section 2. No Forfeit of Office or Employment: Except as provided by law, no officer, member, or employee of the state or of any public corporation shall forfeit his or her office or employment by reason of his or her acceptance of appointment as a director, nonvoting representative, officer, or employee of the Corporation, nor shall such service as such a director, nonvoting representative, officer or employee be deemed incompatible or in conflict with such office or employment; and provided further, however, that no public officer elected to his or her office pursuant to the laws of the state or any municipality thereof may serve as a member of the governing body of the Corporation during his or her term of office.

Section 3. Influence of Decision-Makers: No member of the Board shall use his or her position to influence the judgment or any decision of any Corporation employee concerning the procurement of goods or services on behalf of the Corporation.

Section 4. Disclosure of Personal Interest and Abstention: It is the responsibility of every Board member to disclose to the Chairperson of the Board any personal or business interest in any matter that comes before the Board for consideration. Each member of the Board shall abstain from voting on any matter in which he or she has a personal or business interest.

Section 5. Self-Dealing: The Corporation shall not engage in any transaction with a person, firm, or other business entity in which one or more of the Board members has a financial interest in such person, firm or other business entity, unless such interest is disclosed in good faith to the Board, and the Board authorizes such transaction by a vote sufficient for such purpose, without counting the vote of the interested Board member.



ECMC Corporation Operations/Accomplishments

Erie County Medical Center Awarded Accreditation from Joint Commission



January 2005: Erie County Medical Center (ECMC) Corporation is pleased to announce that the Joint Commission on Accreditation of Healthcare Organizations has awarded ECMC with the Joint Commission's Gold Seal of Approval™ for meeting and exceeding the national standards for health care quality and safety. The award of accreditation to Erie County Medical Center is for a three-year period ending in August of 2007.

“We sought accreditation for our organization because we want to demonstrate our commitment to patient safety and quality care,” said Michael A. Young, M.H.A., F.A.C.H.E., President and Chief Executive Officer of ECMC Corporation. “The Joint Commission accreditation is recognition of ECMC’s excellence in providing the highest level of care to the Western New York community.”

“Joint Commission accreditation means the Erie County Medical Center complies with the highest national standards for safety and quality of care,” said Karen Maricle, R.N., M.S., Senior Vice President of Operations Officer for ECMC Corporation, who coordinated the accreditation visit.

“The national standards are intended to stimulate continuous, systematic and organization-wide improvement in an organization's performance and the outcomes of care,” says Kurt Patton, executive director, Hospital Accreditation Program, Joint Commission. “The community should be proud that Erie County Medical Center is focusing on the most challenging goal—to continuously raise quality and safety to higher levels.”

Founded in 1951, the Joint Commission on Accreditation of Healthcare Organizations seeks to continuously improve the safety and quality of care provided to the public through the provision of health care accreditation and related services that support performance improvement in health care organizations. The Joint Commission evaluates and accredits more than 15,000 health care organizations and programs in the United States, including 7,800 hospitals and home care organizations, and more than 7,300 other health care organizations that provide long term care, assisted living, behavioral health care, laboratory and ambulatory care services. The Joint Commission also accredits health plans, integrated delivery networks, and other managed care entities. An independent, not-for-profit organization, the Joint Commission is the nation's oldest and largest standards-setting and accrediting body in health care. This award excludes skilled nursing and nursing home services.



Regional First at Erie County Medical Center...

Implantation of medical device to manage heart failure with thoracic fluid status monitoring procedure conducted in EP Lab at ECMC

Heart failure hospitalizations due to thoracic fluid buildup are common and could be prevented with better information enabling physician intervention

January 11, 2005: Erie County Medical Center (ECMC) implanted the region's (within Buffalo-Rochester area) first implantable medical device with automatic fluid status monitoring in the thoracic cavity (the chest area encompassing the lungs and heart).

Chee Kim, MD, Cardiology Electrophysiologist, Buffalo Medical Group (BMG) / ECMC Corporation, implanted the Medtronic InSync Sentry™ cardiac resynchronization therapy (CRT) defibrillator system in a 68 year-old woman on January 11, 2005, utilizing the advanced Electrophysiology (EP) Lab at ECMC to perform the procedure. The following day, the woman was evaluated and discharged.

The new implantable therapy is expected to provide a critical advantage in managing heart failure, since thoracic fluid accumulation is a primary indicator of worsening heart failure and often results in patient hospitalization. The U.S. Food and Drug Administration, in November 2004, approved the InSync Sentry system.

Heart failure afflicts 5 million Americans and is the number one cause of hospital admissions, with most of these admissions due to fluid accumulation in the thorax. This fluid buildup often goes undetected until the patient is critically ill, and it is not unusual for patients to require hospitalization or urgent treatment at an emergency room for severe respiratory distress. With approximately 1 million hospitalizations each year for heart failure at a cost of an estimated \$40 billion annually, heart failure management is a tremendous cost burden to the country's health care system.

"We are excited to offer this advanced implantable device for many of our patients who have heart failure. In addition to providing important therapies to treat heart failure and fast heart rhythms, this is the first time we'll be able to have early notification about fluid accumulation in the lungs, which may signal future worsening of heart failure symptoms. This will allow us to alter patient medications and hopefully keep patients out of the hospital," said Dr. Kim.

According to the American Heart Association, patients with heart failure are six to nine times more likely to suffer an episode of sudden cardiac arrest than the general population. InSync Sentry is an ideal therapy option for the 400,000 Americans with heart failure who have dysynchronous beating in the heart's lower chambers and low blood output that places them at risk for sudden cardiac arrest.

Trauma / Burn Outreach:

As the Regional Trauma Center for WNY, the Erie County Medical Center has been designated as the Resource Center for Bioterrorism Preparedness. As part of this effort, ECMC participates in the "Burn Surge Initiative" which seeks to prepare for the care of multiple burn victims in the event of a bioterrorist attack. In general, in most traumatic events, approximately 25% to 30% of the victims will require burn care treatment. As part of this initiative, ECMC is preparing hospitals throughout the WNY region to care for burn victims in the first 24 hours after injury. To do this, ECMC offers the Advanced Burn Life Support Course (A.B.L.S.). This course teaches doctors, nurses, physicians' assistants, nurse practitioners, and paramedics to assess and care for burn victims within the first 24 hours of injury.

On Monday, August 29, 2005, the Trauma Center at ECMC held an Advanced Burn Life Support Course. The course was attended by 35 physicians and nurses from throughout the WNY region. The "mouled victims" were local high school and college students who earned community service hours for their participation. The response to the course from all who attended was very positive. This is an example of how the Trauma Program at ECMC reaches out to provide trauma/burn care education to the Western New York community.



Dr. Viscardo honored at ECMC Lifeline Foundation Springfest 2005 dinner dance

On May 7, 2005, The ECMC Lifeline Foundation held Springfest, the Foundation's annual black-tie dinner dance. Each year, in preparation for Springfest, a nominating committee composed entirely of colleagues selects a physician honoree. The Erie County Medical Center (ECMC) Corporation physician honoree for Springfest 2005 was Dr. William M. Viscardo.

Dr. Viscardo is an Associate Clinical Professor in the Department of Oral Diagnostic Sciences at the State University of New York at Buffalo School of Dentistry. An Attending Dentist in the Department of Dentistry at ECMC, Dr. Viscardo has helped to develop the department, and recruit resident dentists. The department has grown into one of the busiest outpatient clinics at the Medical Center. Dr. Viscardo has also been instrumental in developing and maintaining dentistry for the Hemophilia Center of Western New York.

All proceeds from Springfest 2005 benefit the ECMC Department of Dentistry, the ECMC Employee Education Fund, and the Foundation.

ECMC recognized by U.S. Health and Human Services for Raising Organ Donation Rate in 2004

June 1, 2005: The U.S. Department of Health and Human Services (HHS) recently honored Erie County Medical Center—one of only 184 of the nation's hospitals—for substantially raising the organ donation rates of eligible donors who died in their facilities in 2004.

Executives of the hospitals, together with their partners in 49 organ procurement organizations (OPOs), were given the department's first annual Medals of Honor for Organ Donation by Elizabeth M. Duke, Ph.D., administrator of HHS' Health Resources and Services Administration (HRSA), during a ceremony on May 19, 2005, in Pittsburgh, Pennsylvania. Hospitals and OPOs were cited for raising their donation rate to 75 percent of eligible donors. By contrast, the national average donation rate in all hospitals was 55 percent last year.

Fifty-eight U.S. OPOs coordinate organ procurement in designated service areas and work to preserve organs and arrange for their distribution according to national policies.

"The work of these hospitals and OPOs helped make possible 1,400 more life-saving transplants than occurred in 2003," Dr. Duke said. "Their achievements demonstrate that we can improve systems to boost donation rates and save many more lives in the future."

Hospitals with eight or more potential organ donors in any consecutive 12-month period between September 2003 and March 2005 were eligible for the Medals of Honor. A total of 532 hospitals had eight or more potential donors during the award timeframe.

Organ donation increased by an unprecedented 10.8 percent in 2004, reaching a new annual record of 27,033 transplant operations. Results so far for the first four months of 2005 are breaking each of the monthly records established in 2004.

The record increases in 2004 donation rates followed the launch in 2003 by HRSA officials of the Organ Donation Breakthrough Collaborative. That initiative brought together donation professionals and hospital leaders to identify and share best practices to maximize organ donation rates from people who die in their facilities. The aim was to achieve organ donation rates of at least 75 percent at participating hospitals. Staff from HRSA and the OPOs helped participating hospitals identify, adapt, test, and implement practices known to produce high donation rates.

Additional information on the Department's donation initiatives and the Organ Donation Breakthrough Collaborative is available at <http://www.organdonor.gov>.



ECMC Blood Bank/Hematology Lab earns AABB Accreditation

September 9, 2005: Erie County Medical Center (ECMC) Corporation has been granted accreditation by the AABB (American Association of Blood Banks). Accreditation follows an intensive on-site assessment by specially trained AABB assessors and establishes that the level of medical, technical, and administrative performance within the facility meets or exceeds the standards set by AABB. By successfully meeting these requirements, Erie County Medical Center joins only 1,700 facilities across the United States and abroad that have earned AABB Accreditation.

“The AABB’s Accreditation procedures are voluntary,” explained ECMC Corporation President and Chief Executive Officer Michael A. Young. “Erie County Medical Center has sought AABB Accreditation because this program assists facilities around the country in achieving excellence by promoting a level of professional and medical expertise that contributes to quality performance.”

“Accreditation by the AABB represents the continued commitment on the part of our Department of Laboratory Medicine in the delivery of the highest standards of quality,” stated Daniel Amsterdam, Ph.D., Director of Laboratory Medicine at ECMC. “The efforts of Dr. Leorosa Lehman (Medical Director of the Blood Bank/Hematology Laboratory at ECMC) and her staff need to be acknowledged for achieving this recognition.”

Since 1958, AABB has been engaged in the accreditation of blood banks and transfusion services. Today, its Accreditation Program assists blood banks, transfusion services, cellular therapy facilities, parentage testing laboratories, immunohematology reference laboratories and perioperative services in determining whether methods, procedures, personnel knowledge, equipment and the physical plant meet established requirements. The minimum requirements for accreditation are based primarily on a set of specific standards for the area in which accreditation is being sought. These standards not only reflect the level of professional proficiency for blood banks and transfusion services in the United States, but also provide the basis for practice in similar facilities around the world.

AABB Accreditation is the designation of choice for blood banking, transfusion medicine, blood management and cellular therapies because it demonstrates an organization’s commitment to advanced learning, continuous improvement and innovation by striving to sustain the highest possible level of patient and donor care. AABB-accredited organizations are recognized by their peers as leaders in the field and as pivotal voices in the dialogue through which consensus-based, voluntary standards are developed and implemented.

ECMC demolishes old hospital building on campus to enhance facility and community

September 16, 2005: ECMC Corporation President and Chief Executive Officer Michael A. Young, M.H.A., F.A.C.H.E., addressed media representatives and guests and operated a back-hoe to initiate the demolition of “the old E.J. Meyer Hospital Building” on the ECMC campus to enhance the campus and community. Other news conference participants included 141st Assembly District Representative Crystal D. Peoples; Civil Service Employees Association President Joan Bender; ECMC Corporation Board of Directors Chairperson Joseph A. Zizzi Sr., M.D; and Board of Directors Vice-chairperson Sharon L. Hanson; ECMC Corporation attorney Anthony J. Colucci III, Esq.; ECMC Corporation Senior Vice President of Operations Karen Maricle, R.N., M.S.; and Executive Director of Institutional Advancement Thomas J. Quatroche Jr., Ph.D.

ECMC holds successful fall 2005 Health Fair on campus

September 30, 2005: Area residents attended an ECMC Health Fair, enjoyed music and some beautiful fall weather while accessing free health screenings and information during: blood pressure checks, glucose and “rapid HIV testing.” Also offered were consultations with a dietitian (about weight control and nutrition) and a pharmacist regarding prescriptions. Information and instruction to complete a Health Care Proxy was also offered. Free Tai Chi demonstrations were conducted, while healthy foods were available to all visitors.



WNY Police Officers / ECMC Trauma Survivors are “5K Run & Healthwalk” Honorees

October 5, 2005: The ECMC Lifeline Foundation held its ninth annual 5K Run & Healthwalk fund-raiser in Delaware Park, Buffalo, New York, on Saturday, October 8, 2005.

5K Run & Healthwalk law enforcement returning honorees and run competitors for 2005, were Lockport Police Officer Steven D. Ritchie, Lockport Police Captain Lawrence M. Eggert, and Jamestown Police Detective David Mitchell.

Eggert and Ritchie were injured in the line of duty in February of 2003, during a gun battle with a man they pursued for shooting a Lockport bar patron and riddling a building with bullets with a semi-automatic weapon. Both officers were injured and treated by ECMC emergency/trauma teams. Ritchie was brought to ECMC in critical condition. As returning honorees, both Ritchie (for second consecutive year) and Eggert (for third consecutive year) competed in the 5K event.

In September of 1999, after sustaining life-threatening injuries when shot in the line of duty, Mitchell was transported to ECMC for emergency, trauma care, and follow-up care. Jamestown Police Detective David Mitchell participated in the run as a returning honoree for the sixth consecutive year.

Officers Ritchie, Eggert and Mitchell express their gratitude to emergency and trauma physicians, nurses, therapists and support staff for the care they received at ECMC. When asked to be involved in the 5K event to benefit ECMC, each of the officers agreed without hesitation to participate again.

ECMC’s Cleve-Hill Family Health Center Reopened

New Facility Renovations and Service Enhancements Introduced

October 26, 2005: Officials from the Erie County Medical Center (ECMC) Corporation and area dignitaries participated in a news conference announcing the reopening of an all new Cleve-Hill Family Health Center primary care medical facility.

Medical staff members have been added to enhance and expedite service provided at the Cleve-Hill Center. Attending physicians Dr. William Fiden and Dr. Gregory Snyder are now on staff. Fifteen resident physicians from the University at Buffalo School of Medicine are now on hand on a regular basis. Dr. Barbara Majeroni is the Health Center’s medical director. Other medical staff members include: attending physicians Dr. Alicia Lisak, Dr. Emmanuel Packianathan, Dr. Richard Pretorius, Dr. Antonia Redhead, and specializing in geriatrics Dr. Larisa Meras. Physician assistant Josie Caruana and nurse practitioner Theresa Winkelman, specializing in pediatric medicine, round out the medical staff to provide comprehensive primary care services for the entire family. Practice manager Maureen Miller, MBA, is responsible for overseeing the office and coordinating the expansion. Vice president Sanjay Chadha, MBA, oversees all ECMC ambulatory services.

Cleve-Hill Health Center new, more patient-friendly features include flexible evening and Saturday hours. The Health Center is now open Mondays, Wednesdays, and Fridays, from 8:30 A.M. to 4:30 P.M., Tuesdays and Thursdays, from 8:30 A.M. to 8:00 P.M., and two Saturdays per month, from 8:30 A.M. to 12:00 P.M. A doctor is now on-call 24-hours each day. A nurse is available to answer patient questions by telephone. Same-day appointments for “urgent need” patients are now available. A triage nurse is now on staff to help evaluate illnesses, make treatment suggestions, and arrange emergency consultation (when necessary). The Health Center also includes new laboratory facilities on premise for patients with a prescription for blood work. The lab is open Monday through Friday, 8:30 A.M. to 4:30 P.M.

The newly remodeled facility includes a significant increase in functional space. Although square footage is increased, functional space gains were made through the creative reconfiguration of existing space. The number of patient exam rooms have been increased from 14 to 21 and a business office is now on-site for faster responses to questions and paper processing. The patient waiting area has also been remodeled to increase comfort.

Comprehensive services offered at the Cleve-Hill Family Health Center include: quality health care for the entire family, including newborns, children, adults; well-child exams, obstetric and gynecological services, flu vaccines and immunizations, preventative and wellness care (such as routine physicals, annual exams, health counseling related to sexually transmitted diseases, and screenings for cancer, high blood pressure (continued)



and blood glucose determinations); evaluation and treatment for acute problems (such as coughs, flu, sore throats, abdominal pain, bladder infections, minor musculoskeletal injuries, and other common medical problems); ongoing evaluation and treatment for chronic illnesses (such as allergies, asthma, diabetes, high blood pressure, migraine headaches, skin conditions, and depression); minor procedures (such as stitches, skin biopsy, and wart removal); physicals for such purposes as U.S. Citizenship and Immigration Services (USCIS) and the Federal Aviation Administration. Access to the full resources of the Erie County Medical Center continues to be easily accessible.

NYS Department of Health report shows ECMC Heart (CABG) Surgeries with *best survival rates in WNY*

November 4, 2005: Of the 37 hospitals in New York State that are approved to perform heart surgeries on adult patients, Erie County Medical Center (ECMC) Corporation takes a top ranking position in Western New York, and high ranking positions in New York State. The data appears in the recently released New York State Department of Health (NYSDOH) report, [Adult Cardiac Surgery in New York State 2001-2003](#), dated October 2005.

Included in the report are statistics on: coronary artery bypass graft (CABG) procedures, combined heart valve/CABG surgeries, heart valve replacement/repair, multiple valve surgeries, and various other combinations of these procedures, as well as such data by surgeon.

For coronary artery bypass graft (CABG) surgery alone, ECMC takes a Western New York lead with a high survival rate [interpreted as a low, 0.88 risk adjusted mortality (death) rate in WNY]. ECMC's rate is lower than the 1.61 percent New York State average (death) rate for CABG procedures across all 37 hospitals. For valve or valve/CABG surgeries, ECMC performed better than the average risk adjusted mortality rate of 6.43 for these hospitals, with a score of 4.07.

ECMC medical director John R. Fudyma, M.D., stated, "We are pleased with our mortality results, but the real winners are the patients who need to undergo these procedures. It should also be noted that it is the quality initiatives we have in place that drive the program, and the surgical teams of nurses, perfusionists, anesthesiologists, physicians, and others who efficiently perform their roles, that enable us to achieve these results."

ECMC's Heart Care Center is staffed by many of the finest cardiac physicians and clinical personnel in New York State. In addition to ECMC's top-notch cardiac surgery program, ECMC offers comprehensive cardiac services, including cardiology care for evaluation and management of patients with heart conditions, electrophysiology laboratories (EP Labs) with the latest technology to study and correct irregular electrical activities of the heart, and advanced cardiac catheterization laboratories (Cath Labs) to perform such procedures as angioplasties to open blocked arteries. ECMC operates the area's first 24/7 emergency cardiac care program.

For the complete NYSDOH report, log on to: www.health.state.ny.us/nysdoh/heart/pdf/2001-2003_cabg.pdf.

[DEFINITION IN BRIEF: Risk-adjusted mortality rate (RAMR) is the best estimate, based on the statistical model, of what the provider's mortality rate would have been if the provider had a mix of patients similar to the statewide mix.]



WNY State Farm Agents raise \$76,931 for ECMC

November 18, 2005: Representatives of a volunteer committee of eleven WNY State Farm (Insurance) Agents presented a check in the amount of \$76,931 to Erie County Medical Center (ECMC) Corporation administrators and physicians. The funds were raised, during the summer of 2005, by the State Farm Agents during their 13th Annual Charity Golf Outing.

Each year, the WNY State Farm Agents identify a worthwhile charity to benefit from the funds raised through this event. For 2005, ECMC was selected as the recipient. The funds, donated to the ECMC Lifeline Foundation, Inc., are being used to support the operations of the ECMC Emergency Department and Trauma Center.

WNY State Farm Agent Dick Robinson Sr. presented the check to ECMC Corporation Chief Executive Officer Michael A. Young, M.H.A., F.A.C.H.E., and ECMC Clinical Director of Surgery Roger W. Seibel, M.D. Other event participants included: ECMC Corporation Board of Directors Chairperson Joseph A. Zizzi Sr., M.D.; ECMC Corporation Medical-Dental Staff President and Director of the Division of Telehealth David G. Ellis, M.D.; ECMC Director of the Trauma Intensive Care Unit William J. Flynn Jr, M.D.; and ECMC Director of Emergency Services Dietrich Jehle, M.D.; ECMC Lifeline Foundation Director Mark Robinson participated as the event emcee.

This is the first time a major benefit was held for ECMC by an outside community group. Over the past twelve years, the State Farm Agents committee has raised almost \$500,000 for not-for-profit corporations. This year, the golf outing generated considerably more funds than have ever been raised at this event in any previous year.

ECMC manages the busiest Emergency Department in Western New York and is the Regional Adult Trauma Center, serving critically ill and injured patients from all eight Western New York counties and beyond. Every patient is treated with the same top-level care regardless of their condition, their ability to pay, or their socio-economic status.

Health Care Career Day at ECMC: “Touch Lives - Be A Nurse”

On December 2, 2005, students and teachers from Grover Cleveland High School, D'Youville College faculty, and ECMC Clinical & Administrative staff participated in a Health Care Career Day entitled, “Touch Lives – Be A Nurse.” This event enabled area high school students to experience first-hand, emergency medical care provided by ECMC and partnering Emergency Medical Service providers. ECMC physicians, nurses, clinicians, EMTs, and D'Youville College faculty were on hand to inform and guide students regarding health care career opportunities. The participants went on a tour for observation and instruction in various emergency/trauma care environments, including the rooftop heliport, Emergency Department, Trauma Operating Rooms, Radiology, Trauma Intensive Care Unit, Cardiac Catheterization Laboratories, Cardiac Care Unit, and the Medical Examiner's Office, among other locations.



Report ranks ECMC Kidney Transplantation *First in Upstate New York*

December 27, 2005: According to the *Hospital Comparison Tool* from Health Share Technology, Inc., a WebMD company, used to evaluate the latest (2003) New York Medicare data, Erie County Medical Center (ECMC) Corporation ranks first of all Upstate New York hospitals performing kidney transplantation.

The overall ranking reflects the combined performance of the ECMC Transplant Program in a number of individual categories, including mortality rate, number of complications, average length of stay, and relative cost for treatment.

Rocco C. Venuto, M.D., Medical Director of Renal Transplant and Director of the Nephrology Division for ECMC stated, “Our quality initiatives drive these processes, while our kidney/pancreas transplantation team of surgeons, nephrologists, physicians, nurses, anesthesiologists, clinicians, and support staff enable us to achieve such remarkable results. As pleased as we are about the results of this comparison report, we are very excited about the results thus far with a new steroid-free drug regimen to prevent transplant rejection and to decrease complications. We reported at the recent meeting of the American Society of Nephrology a further reduction in length of stay and better kidney function at the time of initial hospital discharge. Therefore, I expect that ECMC will continue to fare well in future comparison reports, with further positive results in kidney transplantation.”

ECMC Corporation manages the leading Western New York End Stage Renal Disease (ESRD) program. Services provided through the ECMC ESRD program include hemodialysis and peritoneal dialysis (two types of blood cleansing methods), and renal (kidney) transplantation. Renal/hypertension clinical services are conducted on a weekly basis. Specialty services are provided for individuals with difficult to control high blood pressure, blood or protein in urine, kidney stones or infections, and poor kidney function.

ECMC is a primary State University of New York at Buffalo site for the training of future nephrologists. The Renal Services Unit at ECMC is nationally-recognized for research with particular concentration in the causes and consequences of high blood pressure in pregnancy, the causes of progressive kidney failure, the management of viral illness in kidney transplants, and the metabolism of drugs in patients with impaired kidney function and those post-transplant.

DEFINITIONS IN BRIEF: “Rank” is the overall rank of each hospital in this group of hospitals. “Index” is a point score used to calculate the ranks. This is the average rank across all measures, weighted by the rank given to each measure. “Mortality” is the rank based on the percentage of patients who died while being treated. “Complications” is the rank based on the percentage of patients who develop problems while being treated. “Length of stay” rank is based on the average number of days people stay in the hospital for treatment. “Cost” rank is based on the hospital’s relative cost for treatment (not what you pay).

Employees of ECMC make Significant Donation to *Food Bank of Western New York*

December 2005: ECMC Corporation President and Chief Executive Officer Michael A. Young challenged ECMC employees to contribute toward a holiday fund-drive for the Food Bank of Western New York. Mr. Young committed to matching (up to \$5,000) the total contribution made by ECMC staff. Through the help of many generous ECMC staff members, the total contribution to the Food Bank amounted to \$10,085. Food Bank of Western New York President and Chief Executive Officer Clem Eckert explained that this donation amount, “...would equate to approximately 55,000 individuals meals.” Thanks to ALL ECMC staff members—doctors, nurses, managers, and support staff—ALL who contributed in this “ECMC team” effort. This fund-drive is just one of many examples of what ECMC Corporation is all about—ECMC solves community problems!



ECMC Corporation Financial Reports for 2005

ERIE COUNTY MEDICAL CENTER CORPORATION

Statement of Net Assets

December 31, 2005

\$ in 000's

Assets:		
Cash and Short Term Investments		9,521
Patient Accounts Receivable		36,391
Capital Funding Due from Erie County		9,288
Due (to) from Erie County		(13,298)
Other Receivables		27,873
Inventory		4,948
Investments Held for Specific Purposes		20,235
Other Current Assets		929
	Total	<u>95,887</u>
Assets Whose Use is Limited		9,930
Deferred Financing Costs		2,954
Other Noncurrent Assets		930
	Total	<u>13,814</u>
Property, Plant & Equipment		<u>71,531</u>
	Total Assets	<u><u>181,232</u></u>
Liabilities & Net Assets:		
Payables & Accruals		44,805
Payroll Accruals		3,988
Accrued Vacation, Sick, & Retirement		19,229
Due to Third Party Payors		4,448
Accrued Interest		929
Funds Held in Custody		1,126
	Total	<u>74,525</u>
Long-Term Debt		101,375
Malpractice Reserve		3,700
	Total	<u>105,075</u>
	Total Net Assets	<u>1,632</u>
	Total Liabilities & Net Assets	<u><u>181,232</u></u>



ECMC Corporation Financial Reports for 2005 (continued)

ERIE COUNTY MEDICAL CENTER CORPORATION

**Statement of Activities & Changes in Net Assets
For the Year Ended December 31, 2005**

\$ in 000's

Revenue:		
Net Patient Service Revenue		260,174
Other Operating Revenue		28,672
	Total	<u>288,846</u>
Expenses:		
Salaries & Benefits		160,999
Purchased Services		49,637
Supplies		50,691
Utilities		9,704
Other		7,734
Bad Debt		13,100
Depreciation & Amortization		10,483
Interest Expense		5,562
	Total	<u>307,910</u>
	Operating Income (Loss)	<u>(19,064)</u>
	Investment Income	578
	County Operating Subsidy	19,000
	Excess (Shortfall) Revenue over Expenses	<u>514</u>
Other Changes in Net Assets:		
	Other Capital Contribution	670
	Total Change in Net Assets	<u>1,184</u>
	Net Assets, Beginning of Year	448
	Net Assets, End of Year	<u><u>1,632</u></u>



ECMC Corporation Financial Reports for 2005 (continued)

ERIE COUNTY MEDICAL CENTER CORPORATION

Statement of Cash Flows

For the Year Ended December 31, 2005

\$ in 000's

Cash Flows from Operating Activities:

Cash from Patient Services	251,063
Cash Payments to Employees	(161,854)
Cash Payments to Suppliers	(106,334)
Cash from Other Operating Revenue	12,994
Net Cash from Operating Activities	<u>(4,131)</u>

Cash Flows from Noncapital Financing Activities:

Working Capital - Erie County	37,721
Net Cash from Noncapital Financing Activities	<u>37,721</u>

Cash Flows from Capital Activities:

Property, Plant & Equipment Purchases	(7,310)
Capital Contribution - Erie County	5,043
Other Capital Contribution	670
Interest Paid	(5,562)
Net Cash from Capital Activities	<u>(7,159)</u>

Cash Flows from Investing Activities:

Investments - Affiliates	(680)
Interest Earned	578
Net Cash from Investing Activities	<u>(102)</u>

Net Change in Cash	26,329
Cash & Investments, Beginning of Year	13,357
Cash & Investments, End of Year	<u><u>39,686</u></u>



ECMC Corporation Financial Reports for 2005 (continued)

ERIE COUNTY MEDICAL CENTER CORPORATION

Bonds Outstanding

December 31, 2005

\$101,375,000 Senior Revenue Bonds, Series 2004

No Bonds were issued, redeemed, called or re-financed during 2005.



ECMC Corporation Financial Reports for 2005 (continued)

**ERIE COUNTY MEDICAL CENTER CORPORATION
Employees whose annual salary exceeds \$100,000
Year 2005**

Last name	First name	MI	Position	Annual salary
Young	Michael		CHIEF EXECUTIVE OFFICER	399,000.00
McCarthy	Sue		CHIEF FINANCIAL OFFICER	265,000.00
Fudyma	John	R	MEDICAL DIRECTOR	200,000.00
Maricle	Karen	M	SR. VICE PRES. OPERATIONS	185,000.00
Richmond	Kenneth		SR. VICE PRES. OPERATIONS & PROC. IMPROV.	185,000.00
Frascella	Louis	J	CHIEF FINANCIAL OFFICER	149,999.00
Murray	Brian	M	ASSISTANT MEDICAL DIRECTOR	148,998.00
Amsterdam	Daniel		DIRECTOR OF LABORATORIES	140,479.00
Komurek	Charles	F	ADMINISTRATOR-ERIE COUNTY HOME	130,000.00
Czyrny	James	J	CLINICAL DIRECTOR	127,729.00
Seibel	Roger	W	DIRECTOR OF BURN TREATMENT	124,284.00
Saltzman	Alan	R	CLINICAL DIRECTOR-MEDICINE	117,148.00
Stegemann	Philip	M	CHIEF OF ORTHOPEDIC SURGERY	117,148.00
Dewey	Scott	L	DIRECTOR OF PATIENT FINANCIAL SERVICES	114,960.00
Cancilla	Deborah	A	DIRECTOR OF INFORMATION SYSTEMS	112,245.00
Glica	Bonnie Ann		DIRECTOR OF NURSING SERVICES	111,738.00
Lehman	Leorosa	O	ASSISTANT DIRECTOR, CLINICAL PATHOLOGY	110,107.00
Gerwitz	Randy		DIRECTOR OF PHARMACY	109,032.00
Huefner	Paul	H	DIRECTOR OF FINANCE	108,591.00
Quatroche	Thomas		EXECUTIVE DIRECTOR OF INSTITUTIONAL ADV	103,187.00



ECMC Corporation Financial Reports for 2005 (continued)

ERIE COUNTY MEDICAL CENTER CORPORATION

Real Property

Year 2005

The Corporation has no real property; and did not dispose of any real property in 2005.



ECMC Corporation Financial Reports for 2005 (continued)

**ERIE COUNTY MEDICAL CENTER CORPORATION
Assessment of Effectiveness of Internal Control Structure
Year 2005**

The Corporation believes it has an effective system of internal control structure and procedures.

In conjunction with its examination of the financial statements of the Corporation for the year ended December 31, 2004, the Corporation's independent certified public accountant's reported at the conclusion of such examination that "We noted no matters involving the Corporation's internal control and its operations that we consider to be material weaknesses...".

A report relative to calendar year 2005 is not expected to be available before May 31, 2006.



ECMC Corporation Financial Reports for 2005 (continued)

ERIE COUNTY MEDICAL CENTER CORPORATION

Subsidiaries

Year 2005

The Corporation has no subsidiaries.



ECMC Corporation Financial Reports for 2005 (continued)

**ERIE COUNTY MEDICAL CENTER CORPORATION
Audited Financial Statements
Year 2005**

Audited financial statements for the Corporation as of December 31, 2005 and for the year then ended are not yet available. Expected completion date is May 31, 2006.



ECMC Corporation Financial Reports for 2005 (continued)

**Erie County Medical Center Corporation
Procurement Contracts
Year 2005**

COMPANY	AMOUNT	PURPOSE	DURATION	
WNY HealtheNet	175,000	Annual Consortium of hospitals and payors to develop HIPPA and electronic patient charts	Until complete	
Hill-Rom	134,979.00	Beds for TICU	1/26/2005	
Philips Med Syst	367,592.00	EP Lab Diamond Select CV	5/2/2005	
GE Med Syst	203,500.00	2 Cardiolab Prucka IT Systems	6/28/2005	
JJ Wild, Inc.	734,840.49	Sans Meditech interface IT	6/28/2005	
Valco	184,725.08	Document Imaging Scanning Archiving	9/1/2005	
HP	143,302.25	Data Center-35 servers	10/12/2005	
Synergy	222,572.80	His Network Core Upgrade	11/16/2005	
M. Cerrone	550,000.00	Demolition of H-Building	11/29/2005	Incomplete
Dell/Ergotron	133,330.62	OR Perioptimum Hardware	12/13/2005	Complete
Amicas	1,075,810.00	Radiology-PACS	12/29/2005	
GE Medical	176,082.60	EKG Software Service Agreement 5 yrs.	12/29/05-12/28/10	
Entelechy	250,000.00	Perioptimum-OR Consulting	6/18/05 to 6/17/06	
Philips Med	3,303,023.00	660,000 Per Year - Maintenance for various X-ray Equipment	7/1/05 to 6/30/10	