

NEWS RELEASE

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CATHOLIC HEALTHCARE WEST INCREASES INVESTMENT IN ELECTRONIC HEALTH RECORDS TO \$1 BILLION

Effort will expand successful eight-hospital pilot to 41 hospitals system wide

SAN FRANCISCO, CA – February 24, 2010 – Catholic Healthcare West (CHW) will increase funding to \$1 billion for the system wide implementation of electronic health records (EHR). The decision comes after a successful introduction in eight of the system's 41 hospitals that exceeded national best practices for EHR.

In a January 2010 decision by its Board of Directors, CHW approved an additional \$419 million on top of a previously approved \$590 million budget to deploy advanced acute and ambulatory clinical information systems over the next seven years. The system is designed to help standardize care delivery, improve medication and patient safety, and provide physicians with more convenient access to patient information.

"If we are to bring meaningful reforms to the nation's health care system, hospitals must invest in advanced clinical information systems," said Lloyd Dean, president/chief executive officer of CHW. "This financial commitment is about preparing for a future that better integrates patient data with care delivery. Electronic health records will help ensure that we are able to provide quality, affordable health care in a compassionate setting."

Ben Williams, senior vice president/chief information officer for CHW, said that CHW's physician adoption rate of 87 percent for Computerized Physician Order Entry (CPOE) at the eight hospitals is a significant milestone in the system's commitment to improving patient safety and quality of care. A recent study published by HIMSS Analytics found that of the nine percent of U.S. hospitals that have implemented CPOE, the majority have physician adoption rates of 20 percent or less.

"The successes in our initial implementations have shown that partnering closely with our caregivers in the use of this technology does better enable clinical decision making," Williams said. "The ability to access patient information in a timely way, and to securely share that information within the hospital and with primary care centers, is paramount to this effort."

Implementation of EHR is considered one of the most important initiatives to improve quality and safety of patient care for hospitals across the United States. Numerous studies have demonstrated the effectiveness of EHR through reduction of manual record management, more complete and timely patient information for the caregiver, and ultimately higher quality and safer patient outcomes. Through this additional investment, CHW is expanding the scope of its EHR implementation to include both

CHW \$1Billion IT Investment February 24, 2010 Page 2

acute care and community physicians. The integrated system will also include new patient and safety systems, such as medication bar coding to match patients to their prescribed medications.

About Catholic Healthcare West

Catholic Healthcare West (CHW), headquartered in San Francisco, CA, is a system of 41 hospitals and medical centers in California, Arizona, and Nevada. Founded in 1986, it is one of the nation's largest not-for-profit health care systems and the largest private hospital system in California. CHW is committed to delivering compassionate, high-quality, affordable health care services with special attention to the poor and underserved. The CHW network of nearly 10,000 physicians and approximately 54,000 employees provides health care services to more than five million people annually. In 2009, CHW provided nearly \$1.2 billion in charity care, community benefit, and unreimbursed patient care. For more information, please visit our website at www.chwHEALTH.org.