

ST. HELENA HOSPITAL FOUNDATION

NEWS

NO. 12 SUMMER 2003

INSIDE

- 3 THE SURE THING
LIFE INCOME PLAN

- 5 MESSAGE FROM
FOUNDATION BOARD
CHAIR DAPHNE ARAUJO

- 6 MEET OUR NEW
BOARD MEMBERS

- 8 2002 YEAR IN REVIEW

- 12 FOUNDATION
ANNUAL REPORT

- 14 NEW PHYSICIANS
ON STAFF



FOUNDATION BOARD MEMBERS VIRGINIA VAN ASPEREN AND BOB TRINCHERO ARE BOTH WORKING TO SUPPORT THE 24/7 ENDOWMENT FOR ST. HELENA HOSPITAL.

LAUNCHING AN ENDOWMENT EFFORT: A TALE OF TWO PHILANTHROPISTS

When Virginia Van Asperen joined the St. Helena Hospital Foundation Board of Directors, she had no intention of becoming a media celebrity.

"After my husband Ernie and I sold our winery, I wanted to spend some time getting involved in something I feel strongly about," says Virginia. "As it is vital for any community to have an excellent hospital that reaches out to everyone, I did not hesitate to say 'Yes' when I was asked to join the Board."

Today, after a little more than one year with the Hospital Foundation, Virginia is not only an active member of the Endowment and Major Gifts Committees, she is also the star of a highly successful advertising campaign. Although she shies away from the attention she receives from friends and neighbors about her role in the ad, there is no question that she feels passionately about the reason she was featured and her participation in the Foundation's newly launched 24/7 Endowment program.

continued on page 2

ST. HELENA HOSPITAL FOUNDATION

BOARD OF DIRECTORS

Executive Committee

Daphne Araujo, Chair

Robin Lail, Vice Chair

Stacey Bressler, Secretary

Jim Burton, Treasurer

Elaine John, Executive Director

JoAline Olson,

St. Helena Hospital President and CEO

Clare Luce Abbey

Neil Aldoroty, MD

Bruce Atwater

Sara Cakebread

Caren Hatton

Steve Herber, MD

Pam Jaffe

Rick Jones

John Kelly

Edward McDonald

Holly Peterson Mondavi

John Pershing

Bob Phillips

Gayle Rimerman

George Sheldon

Gregory B. Smith, MD

Bob Trinchero

Virginia Van Asperen

Joseph H. Wender

Carole Williams



continued from cover page

"By establishing a Guaranteed Life Income Annuity to benefit St. Helena Hospital, I was able to make a contribution to something I really believe in while receiving personal and financial benefits as well," says Virginia. "I was originally thinking of leaving something to the Hospital in my estate, but when I learned I could ease my current and future tax burden and make a contribution that can be put to good use now and continue to grow into the future, it seemed to make the most sense."

In a society where we place great value on taking care of our families, our thoughts focus primarily on leaving our assets to our heirs. For most people, the idea of making a major gift to a charitable organization is completely foreign. Yet, according to Virginia, "Because of tax benefits, taking something out of your estate is often more beneficial to your heirs than leaving it all in."

Although the advertisements we see on TV that feature Bob Trinchero have more to do with his family's successful Trinchero Family Estate wineries than charitable giving, you will still find Bob at the forefront of the St. Helena Hospital Foundation. Bob is serving as chairman and guiding light for the 24/7 Endowment effort, which has a goal of raising \$24 million in seven years, to be held in perpetuity to meet the long-term needs of the Hospital. Bob and his wife, Evalyn, have kicked off the endowment initiative with an initial pledge of \$500,000 to demonstrate their commitment to the financial health of the Hospital and their understanding of the benefits of charitable giving.

"As a resident of the Napa Valley for the past 55 years, I have developed a great respect for the Hospital and what it offers our community," says Bob. "St. Helena Hospital serves as a model of excellence for the community. Cutting-edge technology, new programs and outstanding patient care will continue to be the Hospital's highest priorities. By successfully funding its endowment, we will help guarantee that this model stays in place for generations to come."

YOUR NAME HERE

OPPORTUNITIES FOR RECOGNITION IN PERPETUITY

What better way is there to leave a legacy on your behalf or that of a loved one than naming a vital program area or endowed chair at St. Helena Hospital?

Although it has been a mainstay in higher education for close to 200 years, providing donors with naming opportunities is a relatively new concept in health care fundraising. For the first time in its history, St. Helena Hospital is making a range of opportunities available to recognize a donor's commitment to the excellent health care we provide to our community and beyond. Listed below are a few naming opportunities.

**\$5,000,000 ST. HELENA CENTER FOR HEALTH
CALIFORNIA SPECIALTY HOSPITAL**

**\$3,000,000 THE WOMEN'S CENTER OF
ST. HELENA HOSPITAL**

**\$2,000,000 THE CARDIOVASCULAR CENTER AT
ST. HELENA HOSPITAL
THE FAMILY BIRTH PLACE**

\$1,000,000 OUTPATIENT SURGERY CENTER

**NAMING OPPORTUNITIES ARE AVAILABLE FOR
GIFTS OF \$250,000 OR MORE.**

THE SURE THING LIFE INCOME PLAN: CHARITABLE GIFT ANNUITIES

A Charitable Gift Annuity is a Life Income Plan contract with St. Helena Hospital that entitles you to bond-like income with a better rate of return for life. Payments often equal or exceed the initial donation. Besides providing an immediate tax deduction in the year the contract is made, a portion of the payments for life is tax-free. The contract is backed by all the assets of St. Helena Hospital, which has been licensed by the California Department of Insurance to enter into Charitable Gift Annuity contracts since 1987.

The rate of return on a Charitable Gift Annuity is determined by the age of the donor and when payments are begun. If income isn't required immediately, it's possible to defer the starting date of the payments to increase the rate of return (see table below).

WHEN TO CONSIDER A CHARITABLE GIFT ANNUITY

- When conservative investments are desired as part of a balanced portfolio
- When an immediate tax deduction is desired for an investment with a stable, partially tax-free and predictable return
- When you wish to choose the community service to which tax dollars are directed (tax deduction)
- When you want to insure income for another's use (example: college, aged parents)
- When stable income is desired for life or for a specific period

USES FOR CHARITABLE GIFT ANNUITIES

COLLEGE ANNUITY PLAN: Provide a secure, predictable and high-return investment for your children's or grandchildren's education that can yield 150% return on your investment.

REBALANCE YOUR INVESTMENT PORTFOLIO: Get the security of bond-like income with a better return. There may be less or no tax payable on the rebalancing if appreciated assets are donated as payment for the annuity.

DEFERRING TAX ON APPRECIATED REAL ESTATE: If appreciated assets are exchanged for an annuity, any taxes due on the assets will be prorated over your life expectancy.

SUPPLEMENTAL RETIREMENT FUND: Not sure your present retirement plan is adequate? Make up the difference with additional guaranteed payments for life.

RETIREMENT PLAN FOR SMALL BUSINESS EMPLOYERS: Buy one or more annuities over time for a "piggybank" style plan for yourself or your employees.

NEWLYWED/HOLIDAY FUND: Compress a lifetime of payments into a specific period of years to finance an extended trip, help children get started, or to fill an anticipated low income period.

LYNN MCDOWELL, AN ATTORNEY WHO IS A CERTIFIED SPECIALIST IN PLANNED GIVING, IS DIRECTOR OF PLANNED AND MAJOR GIFTS AT ST. HELENA HOSPITAL AND COUNSEL TO THE PRESIDENT. FOR MORE INFORMATION ABOUT PLANNED GIVING, CONTACT LYNN AT 707-963-6535.



EXAMPLES:

\$100,000 ANNUITY FOR TWO LIVES, BOTH AGE 70

	Immediate Payments	Deferred for 5 Years
Return:	6.1%	8.3%
Tax deduction:	\$24,300	\$34,000
Effective Return:	8.84%	11.88%

\$100,000 COLLEGE ANNUITY FOR CHILD AGE 10 (PAYOUT COMPRESSED INTO 4 YEARS, AGE 18-22)

Total payout: \$135,000
Tax Deduction: \$11,000

SAMPLE RETURN RATES

Age	Immediate Rate/ Effective Rate	5-year Deferred Rate/ Effective Rate *
90	11.5 / 17.48%	14.7 / 20.95%
80	8.3 / 11.91%	12.4 / 17.35%
70	6.7 / 9.07%	9.3 / 12.46%
60	6.0 / 7.65%	8.1 / 10.23%
50	5.5 / 6.71%	7.4 / 8.86%

* Payments can be deferred for one or more years to increase the return rate. The Effective Rates noted include the tax benefit and are based on a 27% tax rate. Higher tax brackets produce higher Effective Rates.

**IN ADDITION TO
CONTRIBUTING 3,000
HOURS AS A
ST. HELENA HOSPITAL
VOLUNTEER, ANNE
CONTRIBUTED A
LEGACY THAT WILL
BE FELT FOR YEARS**

REMEMBERING THE COMMUNITY: HOW TO PUT ST. HELENA HOSPITAL IN YOUR WILL OR TRUST

Whenever friends of St. Helena Hospital express their appreciation for the care they or a loved one have received at the Hospital through a gift in their will or trust, they are, in fact, giving the gift of continued excellent health care to their neighbors, family and even to those who come from afar for the Hospital's special health services.

Putting St. Helena Hospital into your estate plan is simple. You instruct your attorney (or do it yourself, if you're using a will kit) to insert St. Helena Hospital in the list of beneficiaries that is standard in any will or trust. This can be done by specifying that:

- **A SPECIFIC DOLLAR AMOUNT BE GIVEN,**
- **A SPECIFIC ASSET BE GIVEN, OR**
- **A SPECIFIC FRACTION OR PERCENTAGE OF YOUR ESTATE BE GIVEN TO THE HOSPITAL.**

In addition to designating the amount to go to St. Helena Hospital, you may also designate the purpose for which your bequest (the legal term for a gift given by will or living trust) is to be used. Gifts to the general fund of the 24/7 Endowment are put into a special account that preserves the initial gift while making the income earned available wherever the need is greatest at the Hospital.

Some people calculate their gifts to St. Helena Hospital to minimize their estate tax. Assets that are given to the Hospital are not subject to estate tax, so in effect you have taken IRS money and given it to the community. If all the other formalities of your will or trust are in order, you can rest assured that the gift you have given to your friends and family through St. Helena Hospital will benefit them for years to come in your memory.

ANNE HAMM: SPIRITUAL SERVICES ENDOWMENT FOUNDER

ANNE HAMM was a quiet but spirited woman who began volunteering at St. Helena Hospital in 1993, working at the Volunteer Information desk and at the Thrift and Gift shops. In addition to contributing 3,000 hours as a St. Helena Hospital volunteer, Anne contributed a legacy that will be felt for years and even generations to come: she established the Spiritual Services Endowment Fund at St. Helena Hospital.

Those of you who knew Anne know that she was a woman who looked ahead. She not only looked ahead, she also looked beyond her circumstances to those around her. She saw firsthand the dedication of her daughter, Chaplain Judy Crabb, and the difference spiritual services made to the patients who come to the Hospital. By investing in a Charitable Gift Annuity with St. Helena Hospital, Anne was able to leave a significant legacy that will perpetuate the values she held dear.

Anne's legacy in the Spiritual Services Fund she founded totals more than \$21,000, some of which was contributed by friends and family in her memory when she passed away on April 17. The income from this investment will be used to help ensure that the spiritual needs of patients at St. Helena Hospital will be met. We at the St. Helena Hospital Foundation wish to honor Anne's memory, and to acknowledge her vision and kindness.



**AND EVEN
GENERATIONS TO
COME.**

MESSAGE FROM
FOUNDATION BOARD CHAIR

DAPHNE ARAUJO



“MY PRIORITY FOR THE NEXT TWO YEARS IS TO FOLLOW THE COURSE DEFINED BY OUR STRATEGIC PLANNING PROCESS, EMPHASIZING THE THREE AREAS OF FUNDRAISING WHERE WE MUST SUCCEED: ANNUAL GIVING, MAJOR GIFT/CAPITAL DEVELOPMENT AND ENDOWMENT. I LOOK FORWARD TO HELPING EACH MEMBER OF OUR BOARD OPTIMIZE HIS OR HER SPECIAL TALENT AND ASSURING THAT EACH GETS THE TRAINING AND EDUCATION NEEDED TO HELP US MEET OUR GOALS.”

DEAR FRIENDS OF ST. HELENA HOSPITAL,

You don't have to look far these days to realize that the world is a very uncertain place. We are concerned about the state of our economy, about world affairs and about whether or not we are safe in our own homeland. Yet despite all this, there are many reasons to be thankful.

Moving into the first year of a two-year term as chair of the St. Helena Hospital Foundation Board of Directors, I am honored to lead a team that is working diligently to assure that the outstanding quality of health care provided by St. Helena Hospital will be a certainty today, tomorrow and well into the future. This Board, inspired by the Hospital's commitment to excellence, is comprised of many of our community's leading citizens. It is my privilege to serve as their leader.

As a resident of the Upper Valley, I am delighted to have St. Helena Hospital be my family's community hospital. On more than one occasion, my family members and I have depended on the services at St. Helena Hospital, and every time we have come away impressed with the high level of care and caring. Too often we take health care for granted until we have a real need. I am hopeful that my efforts will help guarantee that when that need arises, our Hospital will be ready.

Maintaining this level of quality is a challenge to every hospital in America today as increasing costs and decreasing reimbursements put downward pressure on any hope of self-sustainability. In this environment, the role of our Foundation Board is a critical one for the financial health of St. Helena Hospital.

With this in mind, my priority for the next two years is to follow the course defined by our strategic planning process, emphasizing the three areas of fundraising where we must succeed: annual giving, major gift/capital development and endowment. I look forward to helping each member of our Board optimize his or her special talent and assuring that each gets the training and education needed to help us meet our goals.

In 2002, our annual giving program provided the Hospital with over \$3.2 million, allowing for enhancements to The Women's Center programs in downtown St. Helena, a new urology suite and a refurbished heliport used to transport critically ill or injured patients to St. Helena Hospital for life-saving medical care. The President's Forum, our main vehicle for raising annual funds, held four informative and entertaining member/guest programs. This year we expect to increase membership in this valuable organization. Our two special events in 2002, the Harvest Invitational Golf Tournament and our Highland Fling gala honoring St. Helena arts maven Nancy Garden, raised over \$250,000 after expenses.

We are in the planning stages of developing a capital campaign to meet our needs for the future. Making sure our doctors and staff have access to the latest medical technology is of utmost importance in maintaining a critical edge in quality health care. Building a new Family Birth Place is required to expand capacity and provide enhancements to this important service.

The 24/7 Endowment program, launched with great success this year, will provide funds in perpetuity to the Hospital for all areas of improvements. Our goal is to raise \$24 million in seven years, and after the first year, we are well on our way with over \$9 million raised.

Looking toward the next two years, I know that difficult economic times and never-ending challenges to the nation's health care system will continue to be part of our landscape. On behalf of the entire St. Helena Hospital Foundation Board of Directors, I look forward to working with all of you to ensure that the finest quality healthcare will continue to be provided to all who are served by St. Helena Hospital.

**SINCERELY,
DAPHNE ARAUJO, CHAIR
ST. HELENA HOSPITAL FOUNDATION BOARD OF DIRECTORS**

St. Helena Hospital



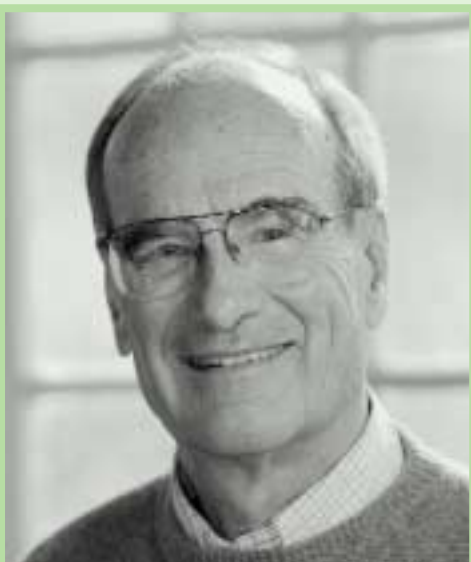
CLARE LUCE ABBEY

Born and raised on the north shore of Long Island, New York, Clare was educated in Massachusetts and Rhode Island before moving to San Francisco in 1981. When not traveling extensively, Clare worked as a freelance photographer before eventually becoming a writer/producer for a local television program, "The Epicurean Lifestyle." Since the television show went behind the scenes at the very best restaurants and wineries in Northern California, Clare became acquainted with California's various wine producing regions and fell particularly in love with St. Helena.

In 1986, she met her husband, Cliff, who owned Trattoria Contadina, a popular San Francisco restaurant. Over the course of their courtship, they traveled to Europe, started a clothing company, and discovered that they not only shared an interest in wine and food but a dream of having a vineyard in the Napa Valley. That dream came true in 1991 when they bought their place just north of St. Helena. While replanting and improving their vineyard, they continued to run their clothing business from San Francisco, commuting to the Napa Valley on weekends. They never lost sight of the desire to one day move to St. Helena and pursue the dream of making a world-class cabernet sauvignon. Clare and Cliff moved to St. Helena full time in May 2002.

Clare has always been involved in charitable organizations, particularly the San Francisco Symphony, the Ronald McDonald House, the Center for the Pacific Rim at the University of San Francisco and the Fine Arts Museums of San Francisco. An all-around sports fanatic, Clare has recently taken up golf with great enthusiasm and otherwise loves to travel, read, collect antiques and follow politics.

St. Helena Hospital was an early recipient of charitable donations from Clare and her husband, as they recognize that it is a vital part of the Napa Valley community. While neither Clare nor her husband has yet experienced care at the Hospital firsthand, they take great pride, and comfort, in the fine reputation for which St. Helena Hospital is known.



BRUCE ATWATER

Bruce Atwater and his wife, Martha, built a home on Whitehall Lane in St. Helena in 1997 and are thoroughly enjoying their time in the Napa Valley. They have four children and 13 grandchildren, with two daughters and families in Minnesota, and a son and a daughter and their families in California. Martha is a fourth generation Californian and a Stanford graduate.

Graduating from Princeton University in 1952, Bruce went on to receive an MBA from the Stanford Graduate School of Business in 1954. He served three years on active duty in the US Navy. Bruce served as president of General Mills and then as chairman and CEO for 19 years. He has also served on a wide range of business boards and organizations during this time.

Bruce has long been active in volunteer activities, including serving as past chairman of Walker Art Center in Minneapolis, trustee of Princeton University, chairman of Blake School in Minnesota, and chairman of the Business Advisory Counsel of Stanford Business School.

Bruce has a long personal and business interest in health care. His grandfather was an early Minnesota physician in the same era as the Mayo brothers. Bruce was active in the development of the Business Roundtable's policies on health care. He also served on the board of Merck and is currently a trustee of the Mayo Foundation. Bruce is impressed with the high quality care that members of his family have received at St. Helena Hospital and is looking forward to serving with the other members of the Foundation Board.

Foundation

Welcomes

GREG SMITH, MD

Greg Smith, MD, a board-certified oncologist, brings an extensive background in cancer research to St. Helena Hospital. Before moving to Austin, Texas, in 1995, Greg was in private practice in Santa Rosa, where he developed the Santa Rosa Memorial Hospital Community Cancer Oncology Program and obtained the initial government grant to fund cancer research for the hospital. From 1995 to 2001, Greg was the director of the Peripheral Blood Stem Cell Transplant Program at the Southwest Regional Cancer Center in Austin, Texas.

For Greg, his wife Karen, and their three children, Andrew (13), Cameron (10) and Grant (8), moving back to Northern California in August 2001 was an easy transition, as they have fond memories of living in Santa Rosa. Greg is currently in private practice at St. Helena Hospital and is developing a local cancer research program that will provide opportunity for participation in clinical trials. His first research study opened in February 2003.

In October 2002, Greg gave the first major gift to start the Cancer Research Endowment Fund at St. Helena Hospital. Gifts given to this fund will help pay for the technology and research that Greg is so eager to continue at the Hospital. As a new member on the Foundation Board, Greg will have the opportunity to raise awareness about cancer research and actively raise funds for this important initiative.

Greg is not the only active fundraising participant in the Smith family. His wife, Karen, and his three boys all helped as volunteers with the Highland Fling gala this past November.



JOSEPH H. WENDER

Joseph Wender and his wife, Ann Colgin, split their time between Los Angeles and St. Helena. Originally from Norman, Oklahoma, Joe received his bachelor's degree from Northwestern University, his LLB from Yale Law School and his MBA from Harvard Business School.

In his professional career, Joe has spent the past 32 years with Goldman, Sachs & Co., where currently he is an advisory director, working with selected projects and clients. Previously, Joe ran the Financial Institutions Group at Goldman for more than 10 years and was involved in most large mergers in the banking industry in the '80s and early '90s, including the BankAmerica/Nations merger, the Wells Fargo/Norwest merger and the Chase/Chemical merger.

Joe is no stranger to serving on nonprofit boards and giving back to his community. Joe is a life trustee and former chairman of the Joffrey Ballet, and former president and current vice chair and treasurer of the American Center for Wine, Food and the Arts (COPIA). As a member of the St. Helena Hospital Foundation Board, Joe is eager to share his experience and expertise by serving on the Finance/Investment Committee.

Joe and his wife, Ann, are actively involved with the production of ultra-premium Napa Valley red wine, which is sold under the Colgin Cellars label.



2002

Year In Review

ST. HELENA HOSPITAL

DESPITE THE CHALLENGES OF THE MODERN HEALTH CARE ENVIRONMENT, THE YEAR 2002 WAS A BANNER YEAR AT ST. HELENA HOSPITAL. RECORD DONATIONS FUELED CAPITAL IMPROVEMENTS, NEW TECHNOLOGY PROVIDED ADVANCES IN PATIENT CARE AND A SERIES OF AWARDS RECOGNIZED THE HOSPITAL'S EXCELLENCE IN CLINICAL SERVICES.

CONTINUED EXCELLENCE IN CARDIAC CARE

“... THE “WINNERS”
ARE NOT JUST THE
HOSPITALS THEM-
SELVES, BUT ALSO THE
COMMUNITIES WHERE
THESE HIGH
PERFORMING HOSPITALS
ARE LOCATED,”
JEAN CHENOWETH,
SOLUCIENT TOP HOSPITALS

A capstone to its 25-year reputation as a leader in cardiac surgery, St. Helena Hospital was listed on the Top 100 Cardiovascular Hospitals in the nation, compiled in fall 2002 by Solucient, a leader in healthcare business information. St. Helena Hospital was one of 30 community hospitals nationwide—and the only Northern California hospital— included on the list.

The Solucient study, which covered more than 6,000 hospitals with more than 25 beds, used Medicare data to identify hospitals that have achieved excellence in care, efficiency of operations and sustainability of cardiovascular performance. The Solucient study found from the cardiac procedures studied, that if all hospitals achieved the success levels of the top 100 performers, 4,400 fewer patients would die annually.

“Because the selection of winners is

based solely on objective analysis of cardiovascular outcomes in all U.S. hospitals, the “winners” are not just the hospitals themselves, but also the communities where these high performing hospitals are located,” says Jean Chenoweth, executive director of the Solucient Top Hospitals research program.

The Top 100 achievement came in the second consecutive year that St. Helena Hospital received five stars for coronary bypass surgery from HealthGrades, another healthcare information source for consumers. St. Helena Hospital also received five stars for treatment of heart attack in the fifth annual hospital report card. A five-star rating means patient outcomes were “better than expected,” and indicates that the hospital has generally scored among the top 15 percent in the nation for that category.





St. Helena Hospital's heliport has been named the Joseph Phelps Vineyards Heliport in recognition of a \$110,000 donation from the Joseph Phelps Vineyards Foundation. Joseph Phelps (third from left), chairman of Joseph Phelps Vineyards and its Foundation, and Tom Shelton (far left), president & CEO of Joseph Phelps Vineyards, visited the Hospital to see the heliport in use. They were joined by (left to right) Hospital President & CEO JoAline Olson; Elaine John, executive director of the St. Helena Hospital Foundation, and members of the REACH helicopter flight crew: Gary McCalla, MD, medical director; Ed MacDonald, pilot; and Sean Cotton, paramedic.



HealthGrades rates St. Helena Hospital as the best and only five-star hospital in the North Bay/North Coast Region for heart surgery and treatment of heart attack, as well as the best in the region for cardiology and overall cardiac services. St. Helena's heart surgery program was also ranked among the 10 best in California.

"We are very gratified to learn of these high ratings for our cardiac program by two independent health care quality assessments," says President & CEO JoAline Olson. "Our physicians and staff members work very hard to provide the latest technology and best care possible, and these ratings confirm that our efforts are paying off for patients."

(For more information on the studies, visit www.100tophospitals.com and www.healthgrades.com.)

QUALITY RATINGS

Measures of St. Helena Hospital's high quality care also came in areas other than cardiac services.

Adventist Health Home Care Services

of St. Helena Hospital received superior ratings from a federal Home Health Quality Initiative that will help people to choose a home health agency.

According to Risk Adjusted Outcome Reports from the Centers for Medicare & Medicaid Services for the year ending November 2002, St. Helena's Home Care Services was rated statistically significantly superior in 23 of 41 measures. Among the areas ranked superior were rates of acute care hospitalization, discharge to

the community, improvement with pain interfering with activity, stabilization in cognitive functioning, stabilization in speech and language and need for emergent care.

St. Helena Hospital also received high marks from its physicians in a recent satisfaction survey. The telephone survey conducted by Professional Research Consultants reached 92% of the physicians who primarily practice at SHH.

continued on page 10

ST. HELENA HOSPITAL EARNS HIGH SCORES IN SEVERAL PATIENT SATISFACTION SURVEYS

- A statewide survey released in 2001 by the California HealthCare Foundation and the California Institute for Health Systems Performance found that users of St. Helena Hospital rated their experience in six out of seven areas as above or well above average. In the 2003 results, St. Helena Hospital earned highest possible scores in all 13 areas surveyed.
- The Women's Center, which celebrated its 10th anniversary in June 2002, conducted its own satisfaction survey. All areas, including technologists, receptionist, scheduling and facility, were rated excellent by 80 percent or more of participants.
- A survey conducted by National Research Corporation between March and May 2002, showed that 93 percent of St. Helena Hospital inpatients expressed high levels of confidence and trust in their doctors, 95% of surgery outpatients reported that their pain was well controlled, and 92% of Emergency Department users gave positive ratings for their overall care.

continued from page 9

St. Helena physicians ranked their hospital the highest in the national survey database for Administration, Hospital Mission, Outpatient Surgery and the Cardiac Catheterization Laboratory. The researchers' national database includes 22,000 physicians representing 170 hospitals.

The Cardiac Catheterization Laboratory also received a score of 100 as a place to practice medicine and for overall quality of care. St. Helena Hospital received a combined score of 85.8 for overall quality of care, compared to an average of 79.9 in the comparative database.

PHILANTHROPY DRIVES PROGRESS

The St. Helena Hospital Foundation raised a record \$3.2 million in donations in 2002, and philanthropy played an important role in many Hospital improvements.

NEW UROLOGY SURGICAL SUITE Thanks to two longstanding Hospital supporters, the Surgery department installed a new, permanent digital fluoroscopy table for use in urology procedures. Mabel Johnson, an active Hospital volunteer, and her late

husband, Wayne, donated \$250,000 to help purchase the urology surgical equipment.

"This equipment affords us new imaging techniques we weren't able to do before," says urologist James Woolley, MD. "There is less radiation exposure for the patient and better quality imaging, and it takes less time."

The equipment gives physicians the capability to take x-rays during surgical procedures without the need to bring in a separate C-arm radiology machine. For example, the fluoroscopy scope can give the surgeon a real-time picture inside the body during surgical removal of kidney stones or a ureteroscopy, examination of the urinary tract for stone disease or tumors.

(RIGHT) ROBERT DUNHAM, MD, IS THE MEDICAL DIRECTOR OF THE ST. HELENA CENTER FOR MINIMALLY INVASIVE SURGERY.

(BELOW) THE WOMEN'S CENTER OF ST. HELENA HOSPITAL, WHICH PROVIDES DIAGNOSTIC SERVICES AS WELL AS FREE HEALTH CLASSES AND SUPPORT GROUPS, CELEBRATED ITS 10TH ANNIVERSARY IN JUNE 2002.

JOSEPH PHELPS VINEYARDS HELIPORT

The Hospital's heliport has been named the Joseph Phelps Vineyards Heliport in recognition of a \$110,000 donation that



paid for a significant portion of the cost of needed improvements to the landing site. As a result of heavy rains in recent years, erosion was occurring on the hillside landing site. Work to install a permanent retaining wall and protect the structural safety of the heliport was completed in late 2002.

The project will enable emergency helicopters, such as REACH and CALSTAR, to continue transporting critical care patients to St. Helena Hospital for emergency heart surgery and other procedures.

NEW WHEELS FOR HOSPITAL

SERVICES Local car dealers also contributed to the Hospital's operations by donating vehicles.

In early 2002, Epps Chevrolet donated a 1994 Chevy Blazer to the Facilities Department for use in maintaining the Hospital's water and sewer system. The reliable, four-wheel drive vehicle is helpful in gaining access to the Hospital's wells, springs and many miles of pipeline, and is also used to deliver time-sensitive water samples to the Department of Health & Human Services for testing. The new Blazer replaced a 1981 Toyota with several hundred thousand miles on it.

In fall 2002, Zumwalt Ford kept up its annual tradition of donating a vehicle to Home Care Services. The new, red Ford Escape is used to help keep nurses on the road, visiting patients when their own cars are in the shop or when they need to visit a remote area and need reliable transportation.

ONGOING IMPROVEMENT PROJECTS

Fundraising will support ongoing and future improvement projects at the Hospital, including a new obstetrics unit and acquisition of new minimally invasive surgical equipment.

FAMILY BIRTH PLACE A \$400,000 grant from the Napa Valley Wine Auction and a \$100,000 grant from the Napa Valley Vintners Health Care Fund, awarded in November 2002, will help fund a \$3.6 million project to build a new Family Birth Place, including a delivery Operating Room right on the unit. Currently, cesarean sections and other complicated deliveries must be moved to the surgical suite in another building of the Hospital.

The renovation will provide enhanced safety and security and allow for expansion of patient rooms, where the majority of women take advantage of in-room delivery.

The Hospital will seek additional support from the 2003 Wine Auction for the Family Birth Place project, targeted for completion in 2005.

ST. HELENA CENTER FOR MINIMALLY INVASIVE SURGERY The Hospital Foundation is also raising funds to help pay for state-of-the-art equipment for the



(ABOVE) UROLOGIST JAMES WOOLLEY, MD, SHOWS VOLUNTEER MABEL JOHNSON THE SURGICAL EQUIPMENT THAT HER DONATION HELPED TO PURCHASE.

(RIGHT) THE STAFF OF HOME CARE SERVICES GATHERS AROUND THE NEW, RED FORD ESCAPE DONATED FOR THEIR USE BY ZUMWALT FORD OF ST. HELENA.



new St. Helena Center for Minimally Invasive Surgery, that will provide the benefits of smaller incisions and quicker healing to patients who need a broad range of procedures.

The \$185,000 Olympus EndoALPHA™ system, including two mobile equipment "towers" and videoscopes, will create a state-of-the-art surgical suite for laparoscopic and minimally invasive procedures.

Surgical Director Robert Dunham, MD—the only surgeon in the Napa Valley who specializes in minimally invasive surgery of the breast, endocrine and gastrointestinal systems—will lead a group of specialists in general surgery, cardiovascular surgery, orthopedics, gynecology, urology and plastic and reconstructive surgery, who will collaborate in

the new Center.

"We are excited to be the only hospital in our region to have this state-of-the-art system," says Dr. Dunham. "This technology allows us to perform technically challenging procedures with greater precision and more accurate visualization of tissues."

The technology includes centralized control from a single touch screen, a series of EndoEYE™ videoscopes with a color miniaturized camera chip at the tip, and the SonoSurg™ ultrasonic cutting and coagulation system.

"Since all the components of the system are integrated, the control of the equipment is simplified, which leads to shorter operative times and better patient outcomes," says Dr. Dunham.

FOUNDATION RAISES

FOR THE FIRST TIME IN ITS HISTORY

\$3.2 MILLION IN 2002



Philanthropy Funds Excellence at SHH

For the first time in its history, the St. Helena Hospital Foundation has exceeded \$3 million in total funds and total cash raised, with a record high of more than \$3.2 million raised in 2002 (excluding pledges). These dollars have been used to purchase advanced technology, to fund capital improvements, to reach out to the community with charity, prevention and wellness programs, and to enhance patient care. An additional \$429,000 in pledges was secured in 2002 to help ensure a healthy future for St. Helena Hospital.

Fundraising Effectiveness: An Excellent Rate of Return

According to the most recent statistics from the Association for Healthcare Philanthropy, community hospitals have a median rate of return of \$4.79 for each dollar spent on fundraising. The St. Helena Hospital Foundation topped those results in 2002, with \$5.62 raised for each dollar spent on fundraising. We're proud of our results that exceed industry standards for effectiveness in fundraising.

One of the things I've always admired about this community is its ability to set goals and to stay the course. When we lay out our plans, we do so with the confidence that though there may be obstacles, we have the clarity of vision and the realism necessary to see the task completed. The results are world-class: the creation of an agrarian Eden that draws its residents as well as visitors from diverse and glamorous corners of the globe; a signature wine auction that contributes millions of dollars each year to the improvement of local human services; five-star ratings for St. Helena Hospital's flagship programs, and St. Helena Hospital's ranking as the best cardiac surgery hospital in the North Bay.

None of these achievements happens by chance. St. Helena Hospital has purposefully set out to recruit board-certified physicians (some of them certified in two or three areas) to ensure the excellent care of all patients. Hospital administration and staff have worked hard to earn the top scores achieved in 2002 for patient trust in their physicians and for the national benchmarks set in physician satisfaction with their workplace. It is no surprise, then, that patients responding to a statewide evaluation gave St. Helena Hospital the highest possible ratings in all 13 areas of patient care surveyed.

None of these accomplishments—neither the Napa Valley Wine Auction, nor the high rankings of St. Helena Hospital—is achieved without significant community support. This past year, when charities generally watched their fundraising returns diminish, the St. Helena Hospital Foundation broke all records in the funds we raised. The \$3.2 million raised in 2002—a 39 per cent increase over our 2001 record—helped to open a new state-of-the-art urology suite and to rebuild the heliport that is so important in the Hospital's role as a regional health care provider. And that's just part of the story.

In short, the community, working with the Foundation, was instrumental in putting

EACH OF YOU PLAYED AN IMPORTANT ROLE IN THE TOP RATINGS ST. HELENA HOSPITAL
EARNED IN 2002 BECAUSE YOU—THE COMMUNITY—HELPED TO FUND THE
DIFFERENCE BETWEEN THE ADEQUATE AND THE EXCELLENT IN HEALTH CARE.

the best equipment into the hands of top-flight physicians and in improving access to excellent health care. Each of you played an important role in the top ratings St. Helena Hospital earned in 2002 because you—the community—helped to fund the difference between the adequate and the excellent in health care.

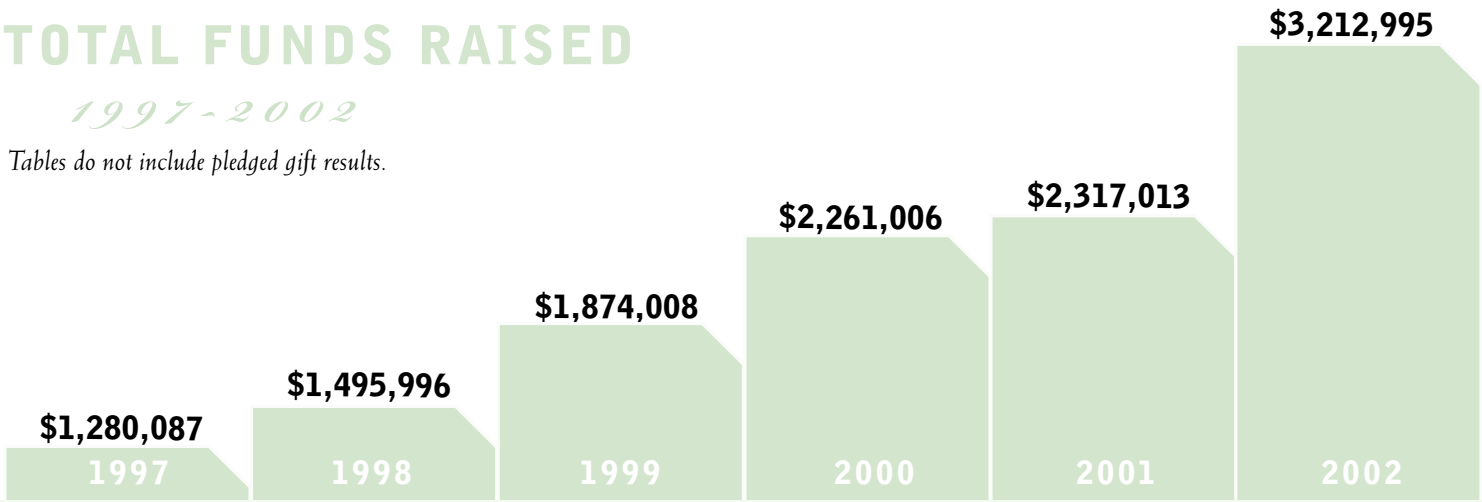
In this our 125th year, St. Helena Hospital has a lot to celebrate, including the community's role in taking health care to new heights. We thank you for joining us as partners in our continuing pursuit of excellence.

**ELAINE JOHN
EXECUTIVE DIRECTOR
ST. HELENA HOSPITAL FOUNDATION**

TOTAL FUNDS RAISED

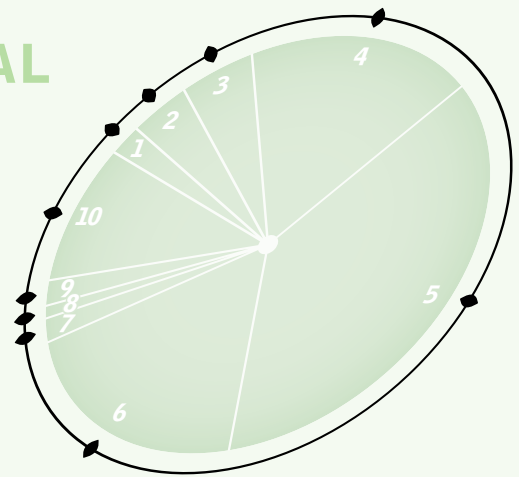
1997-2002

Tables do not include pledged gift results.



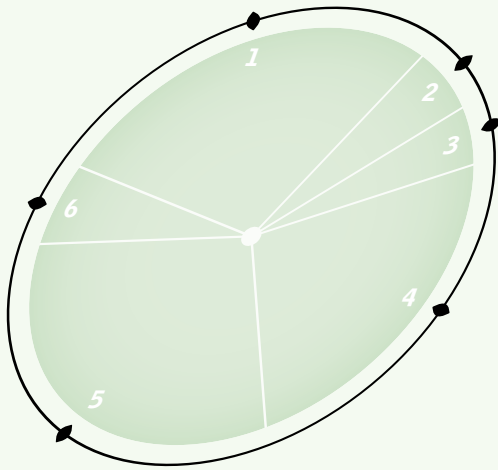
2002 GIFTS TO ST. HELENA HOSPITAL

1. DIRECT MAIL	2%
2. IN KIND	4%
3. ENDOWMENT INCOME	5%
4. PERSONAL SOLICITATION	18%
5. ENDOWMENT	36%
6. GRANTS	20%
7. HOSPITAL VOLUNTEERS	2%
8. UNSOLICITED DONATIONS	1%
9. INTEREST EARNED	2%
10. EVENTS	10%



WHERE YOUR MONEY GOES

1. CAPITAL PROJECTS	28%
<i>Cardiovascular Suite Remodel, The Family Birth Place, Heliport Project, Urology Suite Remodel</i>	
2. CHARITY CARE/COMMUNITY OUTREACH	6%
<i>Cancer Lecture Series, Charity Care, Community Action Committee, Latina Family Health Fair, Lifeline, Mammography and Bone Density Screenings, Mental Health Programs, Support Groups and Bilingual Childbirth Education at The Women's Center</i>	
3. UNRESTRICTED	5%
<i>Wherever the Need Is Greatest</i>	
4. PATIENT CARE	24%
<i>Cardiac Care, Center for Health, Emergency Services, Home Health, Pharmacy, Pulmonary, Reconstructive and General Surgery</i>	
5. ENDOWMENT	31%
6. EQUIPMENT/TECHNOLOGY	6%
<i>Cardiac Surgery Blood Coagulation Machine, Heart at Risk Monitors, Mobile C-Arm, Spiral CT Helical Scanner, Urology Table for Surgical Suite</i>	



RATE OF RETURN ON FUNDRAISING DOLLARS SPENT

1997-2002

NATIONAL MEDIAN RATE OF RETURN FOR COMMUNITY HOSPITALS	\$4.79
ST. HELENA HOSPITAL AVERAGE RATE OF RETURN FOR 1997-2001	\$5.55
ST. HELENA HOSPITAL 2002 RETURN ON FUNDRAISING DOLLARS SPENT	\$5.62

2002 WINE AUCTION BENEFICIARIES RECEIVE CHECKS

Representatives from Napa Valley nonprofit organizations that received funding from the 2002 Wine Auction gathered for a photo with their checks. St. Helena Hospital President & CEO JoAline Olson and Elaine John, executive director of the St. Helena Hospital Foundation, hold up their checks totaling \$500,000, while Linda Schulz of The Women's Center of St. Helena Hospital displays a check for \$79,650.



NEW PHYSICIANS JOIN MEDICAL STAFF IN 2002

ST. HELENA HOSPITAL IS ONLY AS GOOD AS ITS DOCTORS, NURSES AND STAFF. WE CONTINUE TO ATTRACT HIGHLY QUALIFIED CLINICIANS TO THE MEDICAL STAFF. IN 2002, WE WELCOMED THE FOLLOWING PHYSICIANS:

ROBERT S. CLUFF, MD (1)
Board Certified in Psychiatry and Neurology
Interventional Pain Management Specialist
California Pain Diagnostics & Treatment
Office: 925-754-1768

JAMES R. DOYLE, MD (2)
Board Certified in Orthopedic Surgery
Hand Surgery Specialist
St. Helena Institute for Plastic Surgery
1030 Main St., Suite 206
Office: 968-0800

JOHN G. JACOBSON, MD (3)
Board Certified in General and
Thoracic Surgery
Deer Park Professional Building, Suite 301
Office: 963-6300

JEONG SIK PARK, MD (4)
Board Certified in Cardiology and
Nuclear Cardiology
Lake-Silverado Cardiovascular Consultants
Deer Park Professional Building, Suite 307
Office: 963-2750

ANDREW PATRINELLIS, MD (5)
Board Certified in Internal Medicine
Yountville Medical Clinic
6432 Washington St.
Office: 945-1240

ALAN N. TENAGLIA, MD (6)
Board Certified in Interventional Cardiology
Wine Country Cardiology
Deer Park Professional Building, Suite 205
Office: 963-4997

REBEKAH WANG-CHENG, MD (7)
Board Certified in Internal Medicine
Deer Park Professional Building, Suite 202
Office: 963-5294

