

A MESSAGE TO THE COMMUNITY

Our nonprofit mission:

We exist o make a difference in people's lives through excellent patient care.

Moving into our second decade as one of the nation's largest nonprofit health care systems, Banner Health has a clear vision of the future, which has been shaped by the impressive successes of our first 10 years:

We will be a national leader recognized for clinical excellence and innovation, preferred for a highly coordinated patient experience, and distinguished by the quality of our people.

While national leadership is often perceived in the eye of the beholder or heard in the voice of the proclaimer, we believe this bold vision will be realized by Banner in the coming years by clinical outcomes at all of our facilities that are in the 90th percentile of all hospitals. Our highly skilled and dedicated clinical experts and those who support them will create these outcomes through technological and process-driven innovation.

In this new era of health care reform, it will be an essential, core task for Banner Health to ensure a highly coordinated experience for our patients that also is measured in the 90th percentile of all hospitals. Most likely this experience will begin in one of many outpatient settings – or even on Banner's website. Wherever a patient's experience begins with Banner, we will provide for smooth transitions and superior service as the patient moves through the numerous outstanding clinical areas during treatment. The clinical "backbone" of this experience is Banner's enhanced suite of electronic medical records that includes computerized provider order entry and electronic patient identification.

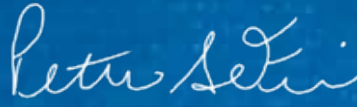
Finally, achieving our vision of national leadership is only possible through the quality of our people. At Banner Health we offer a commitment to our employees that we call our Journey Commitment. Tied directly to our mission, our Journey Commitment states: "We will help make a difference in your life and career so that you can make a difference in the lives of others." We are fortunate at Banner that we truly are distinguished by the quality of our people thanks to a bounty of outstanding, dedicated employees and a nursing staff that is second to none.

We hope you will find this Community Update helpful in knowing more about Banner Health. In the meantime, good health from Banner Health!

Sincerely,



Barry Hendin, MD
Chairman, Board of Directors
Banner Health



Peter S. Fine, FACHE
President and CEO
Banner Health



SUPERIOR PATIENT EXPERIENCE

Unquestionably, a superior patient experience is grounded in high quality clinical programs such as cancer, heart care, and pediatrics. It also takes innovations in technology and new ways of thinking. It takes partnerships with skilled physicians.

Yet, Banner Health understands that a superior patient experience involves more than providing the highest quality medical care. It means we provide the small touches to make patients and their loved ones feel cared for: Less paperwork to fill out, an extra hospital blanket or a stuffed animal for a child facing a difficult medical procedure.

Most importantly, it takes a culture of utmost respect for the caregiver. Banner Health recognizes and celebrates the importance of our employees, from the bedside nurse to the supply clerk, in providing excellent patient care. Our single-sentence mission statement says it all: "We exist to make a difference in peoples' lives through excellent patient care." We back up the mission statement by providing training to make even the newest nurse more comfortable at the bedside and more comforting to the patient.

We also support our employees by communicating critical data to help them do their jobs. Banner Health systematically reviews how we provide care in areas such as pneumonia, heart conditions, pediatric asthma and prevention of surgical infections. At our facilities, clinicians meet to discuss what works best for patients and then they collaborate with large systemwide teams to use these practices throughout Banner. Banner's seven-state hospital system allows us to share the expertise of more than 35,000 employees. In fact, in 2010, Banner Health was among the Top Ten in Modern Health Care's list of the top integrated health care systems.

We recognize excellence is not a singular place; it is series of consistent actions. And we know that providing a superior patient experience is not just one task to be completed; it is an ongoing commitment by us to you.



Banner Desert Medical Center staff offer scrapbooking to help high-risk mothers relax.



SNAPSHOT

The Patient Experience of all hospitals is reported nationally by the Centers for Medicare and Medicaid Services and measured by the Hospital Consumer Assessment and Healthcare Providers Survey. In 2009, Banner Health was in the 75th percentile for patient experience. Our goal is for all Banner facilities to be in the 90th percentile.

INNOVATION

Banner Health is driven to meld the skills and dedication of our people with new technology and processes to become a national leader in providing excellent patient care. We are constantly seeking out and investing in ways that will strengthen our outcomes and improve our patients' experience.

Electronic Medical Records: Banner Health is investing heavily in its Care Transformation strategy, which is distinguished by an enhanced suite of electronic medical records, computerized physician order entry and patient identification. Care Transformation is a core Banner strategy to place patient information and decision-support tools at every caregiver's fingertips to ensure a patient experience that is safe, efficient and effective. By 2011, all of our hospitals will have Care Transformation, making Banner one of a few select health systems to offer this level of care.

iCare ICU: Banner Health is leader in deploying a system that allows intensive-care physicians and nurses caring for the most seriously ill patients in ICUs to collaborate with colleagues in a remote center that can monitor patients hundreds of miles away. Banner's iCare ICU program, anchored by eICU technology, has helped reduce our mortality rates by as much as 35 percent lower than expected.

Simulation Education: Banner Health offers health care providers – particularly nurses – one of the richest training experiences possible with our virtual hospital, Banner Simulation Medical Center. This 55-bed hospital is filled with computerized mannequins in settings such as Emergency, Operating Room, Labor & Delivery, neonatal ICU, pediatric ICU and a general nursing unit. This enables thousands of physicians, nurses and other providers to train in the science and art of patient care without touching a single patient. Banner Simulation Medical Center is the only one of its kind in the country.



Banner also offers simulation medical training programs throughout our system, putting us at the global forefront of training and medical-education efforts.

Peri-Birth: All Banner hospitals have used this system to make childbirth safer for the more than 31,000 babies born annually at Banner hospitals and their mothers. Peri-Birth is a complete computerized obstetrics chart for physicians and nurses that triggers automatic prompts and reminders based on thousands of best practices and protocols. This system is proven to benefit both mother and child during normal and high-risk labor and deliveries.

E-pharmacy: Rural Banner hospitals now have around-the-clock pharmacists to safely and accurately dispense medications to patients in these hospitals through a safe, secure telehealth system.

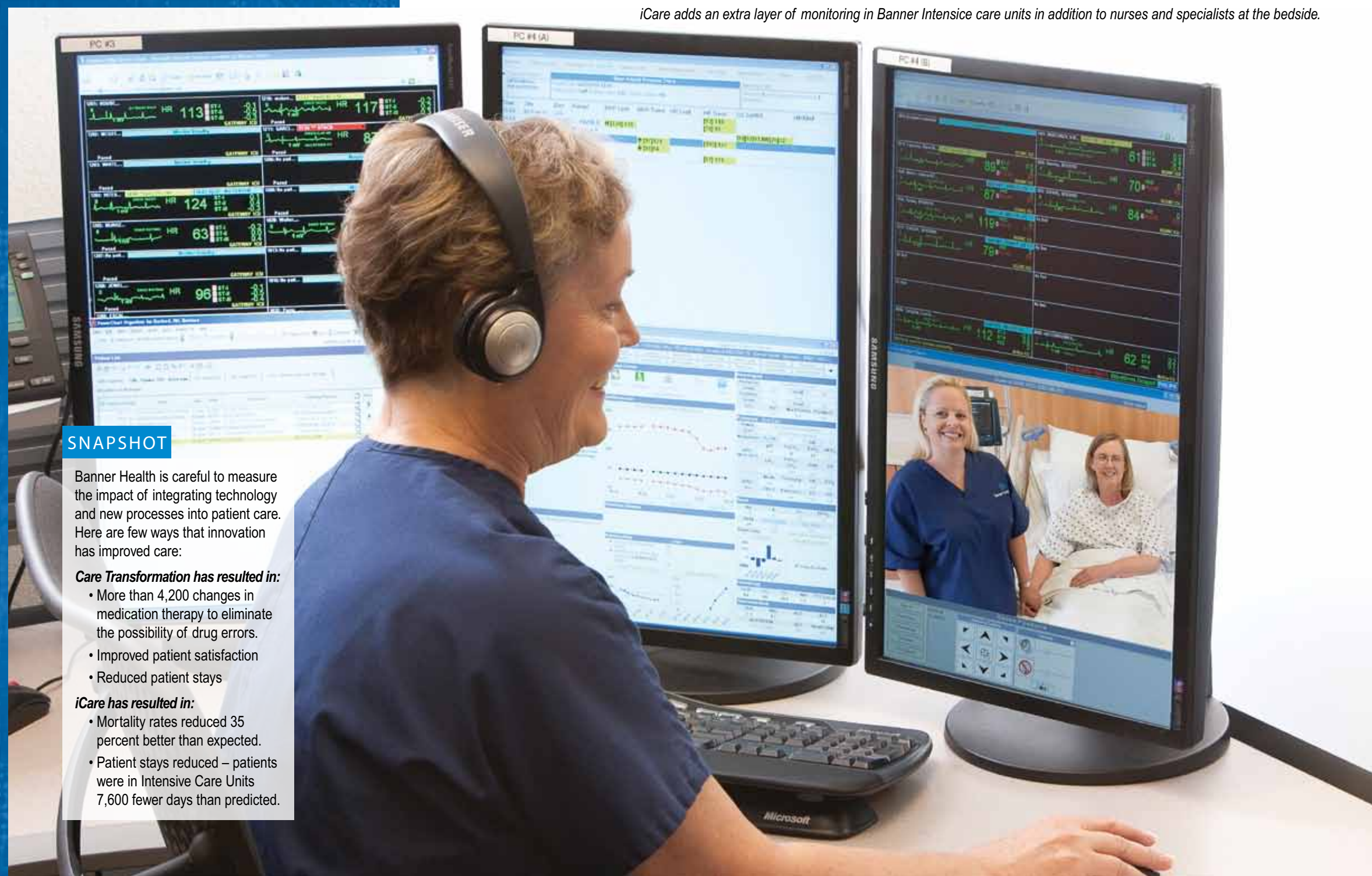
Door-to-Doc: Banner Health's nationally recognized program, Door-to-Doc streamlined Emergency department care and resulted in a 65 percent improvement in patient access to emergency care.

Robotic Surgery: Ten Banner Health hospitals offer patients minimally invasive surgery through the use of robotic surgery. Robotic surgery can

allow an extra level of precision and reduces patients' pain, scarring and recovery time.

Telehealth: Long recognized in Arizona and Colorado as a leader in telemedicine, Banner Health Home Care in Arizona is now part of a National Institutes of Health grant to measure how the feedback patients receive from nurses during their daily telemonitoring sessions affects how patients take care of themselves. Patients monitor their vital signs and report to a home health nurse.

iCare adds an extra layer of monitoring in Banner Intensive care units in addition to nurses and specialists at the bedside.



SNAPSHOT

Banner Health is careful to measure the impact of integrating technology and new processes into patient care. Here are few ways that innovation has improved care:

Care Transformation has resulted in:

- More than 4,200 changes in medication therapy to eliminate the possibility of drug errors.
- Improved patient satisfaction
- Reduced patient stays

iCare has resulted in:

- Mortality rates reduced 35 percent better than expected.
- Patient stays reduced – patients were in Intensive Care Units 7,600 fewer days than predicted.

CLINICAL EXCELLENCE

To care for patients in an exceptional way, Banner Health is dedicated to providing the highest quality clinical programs. Here's how we are leading the way:

- **Overall Clinical Excellence:** All Banner Health hospitals have received recognition in their states for their quality of care.
- **Alzheimer's:** Our Banner Alzheimer's Institute is internationally recognized for its groundbreaking research, diagnoses, treatment and support of patients and caregivers.
- **Bariatrics:** We offer three high-quality bariatric centers in Arizona and Colorado. Our North Colorado Medical Center received National Bariatric Center of Excellence Designation.
- **Burn:** The newly expanded Western States Burn Center at North Colorado Medical Center provides burn care to eight states.
- **Cancer:** Banner Health is joining forces with the world-renowned University of Texas MD Anderson Cancer Center to open the Banner MD Anderson Cancer Center on the Banner Gateway campus in Arizona in late 2011. McKee Medical Center and North Colorado Medical Center are designated Community Hospital Comprehensive Cancer Programs. In Alaska, the Fairbanks Cancer Treatment Center is the first accredited cancer care program in the state.
- **Heart Care:** Banner Good Samaritan, Banner Heart and North Colorado Medical Center are among the nation's best for heart care. Banner Heart is the first Accredited Heart Failure Institute in Arizona, one of seven in the nation.
- **High-risk Obstetrics:** Banner Good Samaritan is believed to have delivered more triplets, quadruplets and quintuplets than any other hospital in the world. Perinatal specialists at Banner Good Samaritan's Maternal-Fetal Center regularly perform complex and highly specialized in-utero procedures. Banner Desert Medical Center has emerged as a major perinatal center in Arizona, and Banner Thunderbird Medical Center offers highly specialized care for mothers and their unborn children.
- **Neonatal ICU:** Our Neonatal Intensive Care Units (NICUs) at Cardon Children's Medical Center and Banner Thunderbird provide specialized care for the tiniest and often most fragile patients.
- **Neurology:** Banner Boswell Medical Center is one of three hospitals in Arizona that offers deep brain stimulation surgery. Banner Good Samaritan is nationally recognized for its care of Parkinson's patients.



- **Orthopedics:** Banner Baywood and Banner Boswell medical centers are among the country's top orthopedic programs and have the largest and most comprehensive joint replacement centers in metropolitan Phoenix.

- **Pediatrics:** Cardon Children's Medical Center is a comprehensive pediatric center that provides highly specialized care for children.

- **Stroke Care:** Banner Baywood, Banner Boswell and Banner Good Samaritan offer nationally recognized stroke care.

- **Toxicology:** Banner Good Samaritan Poison and Drug Information Center treats patients from across the Southwest for accidental poisonings and venomous bites. The center provides a free poison hotline that receives nearly 110,000 calls annually.

- **Transplant:** Banner Good Samaritan is Arizona's most experienced transplant center for patients requiring a kidney, liver, pancreas or kidney/pancreas transplant. It is nationally recognized for its kidney program.

- **Trauma:** In Arizona, we operate Level 1 trauma services at Banner Good Samaritan to treat the most seriously injured.

COMMUNITY LEADERSHIP

Banner Health provides exceptional care in seven states, serving both big cities and small towns. Each community has different needs but we are determined to take the lead in making them all better places to live.

In Arizona, that means we provide 18 high school seniors and college students with paid internships at Banner Sun Health Research Institute. In northern California, it means leading a coat drive that helped 300 people keep warm during an unexpectedly bitter winter; in Nevada, it means donating a truckload of peanut butter and jelly; in Wyoming, buying a champion steer at a county fair to help local kids.

Here are some of our other community programs:

- **School-based Health Centers:** Banner's health centers in metro Phoenix schools are the only health care provider some children ever see. We cared for more than 4,000 children last school year. The children came in for everything from earaches to a baffling neurological condition stemming from a strep throat. The need for school-based care is greater than ever because the economy has made it harder for families to afford routine medical care and threatens state funding for children's primary care.
- **Banner Olive Branch Senior Center:** Our nonprofit Banner Olive Branch Senior Center provides warm meals and loving concern to Sun Cities seniors. Led by a professionally trained chef in the kitchen, the center distributes food to more than 12,000 seniors, children and homeless families. It also serves as a home away from home for seniors.
- **The Banner Good Samaritan Poison and Drug Information Center:** A free 24-hour hotline, the center helped more than 107,000 people with expert and reassuring advice about accidental poisonings, venomous bites and drug interactions. We helped approximately 29,000 callers avoid making a trip to the emergency room, saving the community an astonishing \$33 million in emergency treatment costs.
- **Prescription Assistance Programs:** The McKee Drug Prescription program has helped hundreds of people receive drugs for free or for little cost.

- **Health Screenings:** We provide disease screenings to address critical health needs. Fairbanks Memorial Hospital and Washakie Medical Center hold diabetes checks. Ogallala Community Hospital puts on an annual health fair that draws more than 200 people who travel as far as 50 miles to get health screenings.
- **Health Beyond the Hospital Walls:** Every month, a Banner Baywood Medical Center community nurse visits 25 neighborhoods in the east Phoenix metro area, seeing as many as 1,600 patients in a month. Cancer screenings throughout Phoenix, sponsored by soon-to-open Banner MD Anderson Cancer Center, helped hundreds of people take an important first step to keep a potential health issue in check.

- **Safety Fairs:** Banner Thunderbird Medical Center, Community Hospital and Page Hospital hold annual safety fairs that put kids' safety first, handing out nearly 1,500 free bicycle helmets.
- **Safety Education:** Ogallala Community Hospital and Page Hospital joined forces to develop and distribute information about lake safety, after both lost community members from accidental drowning.

Banner Olive Branch Senior Center's award-winning chefs, prepare more than 65,000 reduced rate meals per year.



SNAPSHOT

Measuring Banner Health's Community Benefit in 2009

| | |
|-------------------------------------|----------------|
| Traditional Charity Care (at cost) | \$80.1 million |
| Health Professional Education | \$19.4 million |
| Community Health Services | \$10.7 million |
| Community Building Activities | \$7.1 million |
| Subsidized Health Services | \$3.2 million |
| Contributions and in-kind Donations | \$1.5 million |

Source: Banner Health audited financial statements

COMMUNITY SUPPORT

Leadership matters. That phrase, coined by a generous donor and longtime member of the Banner Health Board of Directors, is at the heart of the various boards and community groups who so generously give their time, talent and treasure to help fulfill Banner Health's mission of making a difference in people's lives through excellent patient care.

Banner Health relies on donations by individuals, groups and foundations to help us improve the patient care and quality of life in our communities. We are honored by donors' trust in us and we are good stewards of their generosity.

Banner Health Foundation is primarily responsible for raising funds for most of our Arizona facilities. The foundation's key fundraising areas include programs and services related to pediatrics, cancer and heart care.

The Banner Alzheimer's Foundation, a partner to Banner Health Foundation, is exclusively devoted to supporting patient care and research at the Banner Alzheimer's Institute, a center of excellence that has emerged as a highly valued local, national and international resource for clinicians, their patients and researchers.

In addition to our signature foundations, Banner works closely with community-based foundations that focus on the needs of our hospitals. For example, in Northern Colorado this includes the McKee Medical Center Foundation and North Colorado Medical Center Foundation. In the Phoenix area, the Sun Health Foundation is an indispensable partner in its significant and ongoing support of our Northwest Valley facilities including Banner Boswell Medical Center, Banner Del E. Webb Medical Center and the Banner Sun Health Research Institute.

All donations to our foundations are reinvested locally and used to construct buildings, purchase state-of-the-art equipment and underwrite programs and services that make a difference in the lives of those who turn to us – whether it is a life-saving treatment using cutting-edge technology or funding to help seniors get the prescription drugs they need.

Thanks to the largest donation in Banner Health's history, the Cardon Children's Medical Center is now open and serving children throughout Arizona with highly specialized and compassionate pediatric care. Demand has been so high for certain services that Banner envisions expansion of the 248-bed pediatric hospital in the near future. This level of specialized care for kids would not have been possible without Wilford and Phyllis Reneer Cardon and their family, longtime Mesa residents who gave \$10 million because they wanted to give back to the hospital where many of their family members were born and cared for.

The Frank and Gloria Walsh family made an equally generous \$8.8 million donation to build a community cancer center at Sterling Regional MedCenter in northeast Colorado to honor their son's battle with cancer. The 8,600-square-foot center that will open in 2010 will provide care that previously patients would have had to drive hundreds of miles to receive.

Making a donation to Banner Health is giving back to the community. For instance:

- **School-based Health Centers:** In Arizona, we provide extra help in a state with high levels of uninsured residents.
- **Safety programs:** We sponsor classes that warn high school students about driving under the influence; from Arizona to Wyoming, our safety fairs give out free bicycle helmets to kids.
- **Education:** We offer high-quality nurturing education for children with autism and related disorders at the Howard S. Gray School at our Scottsdale behavioral health campus.
- **Medications:** We help Parkinson's patients obtain free or low-cost medications.
- **Meals and services:** Banner Olive Branch Senior Center provides meals to more than 12,000 seniors, homeless families and children including 30,000 meals delivered to seniors' homes.

Banner also relies on the generosity of our volunteers: People from all walks of life who want to give back to their communities by sharing their time and caring. Annually, Banner Health's volunteers donate close to one million hours of service at facilities systemwide.

(Large photo right) Cardon Children's Medical Center was designed with kids in mind.



RESEARCH

Banner Health is at the leading edge in scientific discovery, innovation, education and family support in selected areas.

All of our research activities, programs and entities are organized under the umbrella of the Banner Research Institute. Our research programs are intently focused on Alzheimer's, Parkinson's, cardiovascular disease, arthritis, fibromyalgia and orthopedics. We perform scores of research studies and clinical trials at two internationally known research centers and hospitals in seven states.

Banner Research Institute's hospital-based clinical research programs are organized at medical centers by medical specialties so we can work closely with our physician partners to provide exceptional clinical studies. Banner Health is able to offer our communities access to an impressive number of clinical trials that can provide cutting-edge treatments.

At Banner Sun Health Research Institute, more than 100 basic scientists and physician scientists work to discover how to prevent and treat age-related disorders. The institute is home to a world-renowned brain and tissue bank that collaborates with researchers around the globe.

Our research programs have had significant impact on how physicians diagnose and treat diseases such as Alzheimer's, Parkinson's and arthritis. Research at the institute is funded by gifts and grants from numerous sources including the Banner Alzheimer's Foundation, Sun Health Foundation, and other foundations and agencies like the National Institutes of Health, the Michael Fox Foundation and private donations.

In addition to research, Banner Sun Health Research Institute has expert physicians who diagnose and care for people with Alzheimer's and Parkinson's disease. The institute is also home to many support groups as well as the Living with Alzheimer's and Living with Parkinson's lecture series aimed at providing information and resources to families.

An international leader in Alzheimer's research, the Banner Alzheimer's Institute's goal is to end Alzheimer's disease without losing a generation. The institute is also driven to establish a new standard of care for patients and families and forge a model of collaboration in biomedical research.

In 2010, Banner Alzheimer's Institute received \$6.5 million from the National Institutes of Health to expand its Positron Emission Tomography and Magnetic Resonance Imaging suites to help its own researchers as well as medical researchers throughout the state.

The institute also led the effort to gather other academic, scientific and industry leaders to launch the global Alzheimer's Prevention Initiative to conduct treatments with people who are at high risk for Alzheimer's before they develop symptoms of dementia. This initiative was the focus of major national news coverage in *The New York Times* and *Scientific American*.

Using research findings, our institute's Memory Disorders Clinic offers new ways to diagnose and treat patients with memory problems.

We are also geared to help patient as well as caregiver with a wide range of programs, including our nationally known Arts Engagement program that offers outings to concerts and museums as a respite for Alzheimer's patients and caregivers.

Our Native American Outreach Program works with 22 Arizona Native American tribal members and health care providers to improve diagnosis and treatment and to help caregivers with their daily challenges.

The Civin Laboratory of Neuropathology collects brain and tissue samples for worldwide distribution. (below)

Patients receive cognitive testing. (right)



PARTNERSHIPS

Banner Health is proud to collaborate with other leading organizations, individuals and communities who share our determination to provide the highest quality care and an exceptional community service. Examples of effective partnerships include:

- **Banner MD Anderson Cancer Center:** We are working with the world-renowned MD Anderson Cancer Center to build the Banner MD Anderson Cancer Center that will open in late 2011. The center, located on our Banner Gateway campus in Gilbert, Ariz., will provide unprecedented cancer care for Arizona, with its ground-breaking treatments.
- **Civin Laboratory of Neuropathology:** Our department at Banner Sun Health Research Institute provides tissue to researchers around the globe, including J.W. Goethe University in Frankfurt; Japan-Tokyo Institute of Psychiatry, Johns Hopkins University and the Translational Genomics Institute in Phoenix.
- **Sunrise Community Health Center:** Thanks in part to a \$2 million contribution by Banner Health to match donations by the NCMC, Inc. Board of Directors and the Monfort family, Sunrise Community Health Center expanded the Monfort Family Clinic to meet increasing community needs. The clinic provides primary and preventative health care in Greeley and northern Colorado.
- **Banner Wheelchair Suns:** For more than 20 years, Banner Health, along with the Phoenix Suns, has been the proud sponsor of the Banner Wheelchair Suns, an extraordinarily successful team in the National Wheelchair Basketball Association. In addition to promoting awareness and raising funds, the Wheelchair Suns also organized the Banner Junior Suns, which includes players ages 12 to 18 years old. Twelve Banner Junior Suns have earned basketball college scholarships.
- **Marc Center and Centers for Habilitation:** Banner Health has teamed up with two other nonprofits to provide training for people with disabilities. In 2010, the Marc Center of Mesa, the Centers for Habilitation and Banner opened the Blue Ribbon Bistro at Banner Corporate Center-Mesa to offer food-service jobs and training to 40 people with disabilities. For some Marc Center clients, this is the first job they have had.
- **Children's health:** Cardon Children's Medical Center is teaming up with the city of Mesa to encourage children to learn about healthy lifestyles. Cardon sponsors a summer camp where children can learn about nutrition, do yoga and water aerobics and go on field trips.

Acurateshot photography



SNAPSHOT

Community Growth

Banner Health works with the communities we serve to make sure we are providing the health care services they need now and in the future:

- **Banner Ironwood Medical Center:** Will open in 2010 with 36 beds but it can grow up to 500 beds
- **Banner Heart Hospital:** Added 26,000 square-feet, two additional operating rooms, one catheterization lab and a new electrophysiology lab in 2009.
- **Banner Thunderbird Medical Center:** Invested \$2.5 million to build the first pediatric intensive care unit in Phoenix's West Valley.
- **Banner Behavioral Health Hospital:** Opened new Psychiatric Crisis Center to help patients with psychiatric issues have the right place for treatment rather than staying in an Emergency room.

PHYSICIANS

As Banner Health moves into a new era of health care, we will need to work more closely than ever with our physicians.

We will need to strengthen our traditional bond and work together to achieve broad and integrated clinical excellence that is recognized at the highest national levels. Just as important is our ability to work collaboratively to ensure a preferred and highly coordinated patient experience that's noted for its service.

In this environment, Banner Health is attracted to working with physicians who are closely aligned with our system's vision of national leadership and our pathway to achieving this distinction. These physicians can be private, independent physicians who practice in the community; contracted physicians who provide patient care in selected areas of the hospital like the emergency room, medical imaging or intensive care; or employed physicians, our most closely aligned group.

In the coming years we anticipate that more physicians will join the Banner Medical Group because an increasing number of doctors coming out of graduate medical education programs prefer the employed model or are concerned about the growing challenges of private practice. Banner Health will focus on strategies that will bring more physicians into our communities to provide a solid foundation of primary care, but we also will attract specialized physicians to ensure that all medical needs of a community, no matter how specialized or complicated, are met.

We look to our closely aligned physicians as leaders in our systemwide Care Transformation initiative to successfully deploy technological solutions within our hospitals' clinical care environments. An outstanding example of this now includes thousands of physicians who have modified their clinical practices in hospitals to take advantage of the significant benefits of our enhanced medical records system that allows them to enter their orders electronically.

Banner Health is a strong partner in training tomorrow's physicians. Recognizing the serious need for future doctors, we spend about \$5 million a year to support medical education programs at Banner Good Samaritan Medical Center and North Colorado Medical Center. We train about 260 residents at both facilities, teaching the science of medicine and the art of caring.



JOURNEY

Banner Health strongly believes that all of its employees have the potential to take the lead in creating their own Journey.

At Banner Health, we are distinguished by the quality of our people and we make this commitment to them: "We'll help make a difference in your life and career so that you can make a difference in the lives of others."

This mission-centered commitment to our more than 35,000 employees is making a difference. In Arizona, we are not only the state's second largest private employer, we are considered one of the Best Places to Work[®].

Employees help us to define, deliver and improve the Banner Journey by sharing their thoughts and opinions with us through a variety of ways. Through our confidential 'Voice of the Employee' survey, we ask every employee how we can do better. And we listen and act upon their recommendations. During the dramatic economic downturn that began in 2008, we asked employees for their cost-cutting ideas. They responded with thousands of thoughtful and practical suggestions that not only saved money but also made Banner Health more environmentally friendly. Banner Health realizes that to improve patient care, employees must have input about their workplace and direct access to their supervisor.

In addition to direct communication between supervisors and employees, Banner Health also highly values education and training. Banner supports professional development and lifelong learning through a number of programs, including in-house educators, education assistance through the Banner Student Center of Excellence, scholarships, leadership development series, and tuition assistance.

Our commitment to education goes beyond the traditional classroom. The Banner Simulation Medical Center is a virtual hospital that offers caregivers the chance to practice in the most realistic hospital setting possible. This type of unprecedented level of training is being developed throughout our system so that all of our bedside caregivers can improve their skills. We also bring education to employees' desktops through the Banner Learning Center, which offers more than 2,000 courses on subjects ranging from leadership development to clinical training

Banner Health is focused on leadership development, knowing that this type of training is critical for individual and career growth and to help Banner remain an industry leader.

Banner employees greatly value our comprehensive total compensation package of salaries and benefits. Our wide range of benefits is tailored to help our employees and their families and include health insurance, 401K savings plans and wellness programs. As a major employer in every community that we serve, Banner Health is market competitive in our compensation. Our goal is to offer pay that is driven by the performance of the employee and the performance of Banner Health as a company.

We also realize that there must be a balance between work and life. We have many onsite wellness programs and offer discounts to entertainment, cultural and sporting events to employees and their families. Also, because we have facilities in seven states, we can offer a variety of work settings, geographic diversity and flexible work schedules to meet the needs of our employees and their families.



QUALITY OF OUR PEOPLE

Continually Learning

Pat Duncan's successful career has been a series of career discoveries and Banner Health has supported her as her Journey has taken her from bedside nursing to clinical informatics.

Duncan, who has worked at McKee Medical Center in Loveland Colo., for more than 30 years, never thought she wanted to go into nursing until she went to work at a nursing home. "I just realized what a wonderful calling this is."

From there, Duncan worked and eventually led various departments at McKee, including ICU, Emergency and Telemonitoring. In the early 1990s, her supervisor asked her to help bring an early version of electronic medical records to McKee. "This was another eye opener - how much I enjoyed working with computers."

Her career took another twist in 2003 when she became part of a systemwide team to roll out computerized physician-order entry and electronic medical records at Banner Estrella Medical Center in Phoenix.

Banner wanted all of its facilities to help plan for the new state-of-the art hospital because similar computer systems eventually would be used at all Banner hospitals. Now, Duncan is hard at work helping nurses and physicians use it to improve patient care. "I will always be a nurse, I am just doing it a different way."

Professionally Dedicated

Dan Dziadura came to Banner Estrella Medical Center in 2008 as a traveler but once he learned more about the Banner Journey he put down roots.

Dziadura, who has been in the high-demand field of physical therapy since 1995, was impressed by how Banner Estrella's innovative use of rehab technicians improved patient care. Instead of working alone or sharing a tech with other physical therapists, Dziadura works in tandem - which means patients always get one-on-one care. "It's a very safe environment for the patients. There are always two sets of hands with them at all times."

He also appreciates how Banner sets standards. "Every day I come to work and I know I will be expected to do my best job for the patient that I can."

Dziadura sees Banner Health as a place to grow as well. Now a manager in his department, he has attended several leadership courses and received individual coaching. "I can see what a difference the leadership training makes. The supervisor I work for now is the best I have ever worked for and I want to be more like that."

Compassionate to All

Thanks to a self-trained dog and a flexible employer, Shannon Vande Krol is able to continue working in a job she enjoys.

Vande Krol, a member of the Environmental Services team at Banner Gateway Medical Center, suffers from seizures. They had become so debilitating that she was missing work frequently.

Her managers at Banner Gateway asked what they could do to help.

Bringing my service dog, Rogue, to work would help a lot, Vande Krol told them.

Rogue is an Akita who can sense when Vande Krol is going to have a seizure. The dog can usually give her 15 to 45 minutes notice of an impending seizure. Rogue barks or gets Shannon's attention so she can get to a safe place and get better control of her days. "Rogue is just the best."

Now, she and Rogue go through the hospitals hallways, cleaning as they go and bringing a smile to employees and patients as they see their close partnership in action.

Shannon's co-workers throughout the hospital have also been helpful. They have a special stash of goodies for Rogue and keep a special eye on Shannon.

"This is a great place," she said. "People really care about each other."



THE COMMUNITIES WE SERVE

Headquartered in Phoenix, Banner Health is one of the largest, nonprofit health care systems in the country. The system owns or leases 23 acute-care hospitals, long-term care centers, outpatient surgery centers and an array of other services including family clinics, home care and hospice services, and a nursing registry.

SNAPSHOT

Banner Health

| | | | |
|----------------------|-----------------------|------------------------------------|--------|
| Annual Revenues: | \$4.7 billion (2009) | Number of Employees: | 35,000 |
| Total Assets: | \$6.0 billion (2009) | Licensed Acute Care Hospital Beds: | 4,088 |
| Annual Charity Care: | \$80.1 million (2009) | | |

| Volumes | 2009 Actual | 2010 Projected |
|---------------------------|-------------|----------------|
| Admissions (excl newborn) | 245,442 | 246,040 |
| Surgeries | 138,730 | 139,971 |
| Emergency room visits | 678,595 | 562,801 |
| Deliveries | 31,166 | 30,346 |

Arizona

Banner Alzheimer's Institute
 Banner Alzheimer's Residence
 Honoring Mr. & Mrs. Robert J. Hoover.
 Banner Baywood Medical Center, Mesa
 Banner Behavioral Health Hospital, Scottsdale
 Banner Boswell Medical Center, Sun City
 Banner Del E. Webb Medical Center, Sun City West
 Banner Desert Medical Center, Mesa
 Banner Estrella Medical Center, Phoenix
 Banner Gateway Medical Center, Gilbert
 Banner Good Samaritan Medical Center, Phoenix
 Banner Heart Hospital, Mesa
 Banner Home Care
 Banner Hospice
 Banner Ironwood Medical Center, Pinal County
 Banner MD Anderson Cancer Center
 Banner Medical Group
 Banner MediSun
 Banner Olive Branch Senior Center
 Banner Special Adults Residences
 Banner Sun Health Research Institute
 Banner Surgery Centers, LLC, Phoenix, Glendale, Mesa
 Banner Thunderbird Medical Center, Glendale
 Cardon Children's Medical Center, Mesa
 Page Hospital, Page
 Sonora Quest Laboratories/Laboratory Sciences of
 Arizona, Tempe

Alaska

Banner Medical Group
 Fairbanks Memorial Hospital, Fairbanks
 Denali Center, Fairbanks

California

Banner Lassen Medical Center, Susanville

Colorado

Banner Medical Group
 East Morgan County Hospital, Brush
 Horizon Laboratory
 North Colorado Medical Center, Greeley
 McKee Medical Center, Loveland
 Sterling Regional MedCenter, Sterling

Nebraska

Ogallala Community Hospital, Ogallala

Nevada

Banner Churchill Community Hospital, Fallon

Wyoming

Banner Medical Group
 Community Hospital, Torrington
 Platte County Memorial Hospital & Nursing Home,
 Wheatland
 Washakie Medical Center, Worland