



NEWS RELEASE

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BLUE CROSS OF IDAHO HONORS HOSPITALS FOR IMPROVING PATIENT SAFETY AND HEALTH CARE QUALITY

Year-long program culminates with the awarding of first ever "Hospital Quality Awards"

Boise, ID — January 9, 2007 – In an effort to improve the quality of health care and reduce incidents of medical harm, Blue Cross of Idaho, Idaho's largest health insurer has announced the results of its new Quality Incentive Program for Idaho hospitals. The program is the first of its kind in the state to measure patient safety and the quality of health care in hospitals and to associate payment with good performance and outcomes. This "pay for performance" program represents the latest effort by Blue Cross of Idaho to improve the quality of patient care, safety and affordability.

Twenty-nine Idaho hospitals participated in the program. Hospitals were judged on several criteria including the implementation of evidence-based measures that are known to improve outcomes. The primary focus was in areas such as pneumonia, heart attack treatment and diabetes care. The program promoted patient safety by monitoring infections and surgical complications and the delivery of evidence-based care for congestive heart failure. Each hospital received a detailed Quality Incentive Report and financial reimbursements based on their performance. The top performing hospitals in the state also received Blue Cross of Idaho's Hospital Quality Award.

The winners of the 2006 Hospital Quality Awards are:

Urban Hospitals

- **Mercy Medical Center**, Nampa, Award of Achievement
- **St. Luke's Regional Medical Center**, Boise, Award of Merit

Rural Hospitals

- **Boundary Community Hospital and Nursing Home**, Bonners Ferry, Award of Achievement
- **Steele Memorial Hospital**, Salmon, Award of Merit

The awards were presented earlier this month at a "Hospital Quality Conference" in Boise attended by representatives from more than 25 Idaho hospitals. The conference featured several national speakers including Paul Green, director of Clinical Quality Improvement at John F. Kennedy Memorial Hospital in Indio, California, founder of Greenlight Healthcare Consulting and a Malcolm Baldrige Quality Award Examiner. Speakers also included Marilee Crosby, director of Quality Improvement at Reid Hospital and Health Care Services, Richmond, Indiana and Sherry Smith, Quality Team Leader and manager of Emergency Department at Reid Hospital, recognized among the top U.S. hospitals for quality in the treatment of heart attack, heart failure, pneumonia as well as other quality and safety measures.

Another highlight of the conference was an "employer panel" discussion led by Pam Ahrens, director of the Department of Administration, State of Idaho, Linda Peavey, director of benefits, University of Idaho and Paul Lemieux, Employee Relations for the Amalgamated Sugar Company. The panel members provided input from the perspective of Idaho employers and their concerns over cost, quality and safety.

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Blue Cross of Idaho's hospital quality program was developed in partnership with the Idaho Hospital Association (IHA). "The goal of our Quality Incentive Program is to tie financial incentives to hospital improvement of patient safety in Idaho," said Dr. Doug Dammrose, medical director for Blue Cross of Idaho. "When you improve the quality of care you save lives and reduce overall health care costs. I want to congratulate not only the four hospitals who won awards, but all 29 who participated for sharing our commitment to improving health care in Idaho. All of these hospitals are winners for their commitment to the measurement and continual improvement of the quality and safety of their hospitals."

Blue Cross of Idaho plans to expand its program in 2007 and will continue working with hospitals to improve the quality of health care and the way it is delivered.

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About Blue Cross of Idaho:

Blue Cross of Idaho is a leader in delivering innovative health care products, services and information to more than 427,000 members. For 61 years, the company has served its customers by offering health insurance at a competitive price and has served the people of Idaho through support of community organizations, programs and events that promote good health. Blue Cross of Idaho is an independent licensee of the Blue Cross and Blue Shield Association. For more information, visit www.bcidaho.com.

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