Tenet By the Numbers

- 500,000 inpatient visits annually
- 4 million outpatient visits annually
- 69,000 babies delivered annually
- 57,000 employees
- 49 acute care hospitals in 11 states
- More than 100 outpatient centers
- Net Revenue appx. $9B

*All numbers as of CY11

Our mission is to improve the quality of life of every patient who enters our doors.
For-profit compared to not-for profit

Patient Statistics
- Admitted: 26,539 Patients
- Delivered: 3,671 Babies
- Cared for: 38,714 ER Patients
- Performed: 8,789 Inpatient Surgeries
- Performed: 21,794 Outpatient Surgeries

Local Taxes
- Property Tax: $1,436,168
- Sales Tax: $5,999,586
- Total Local Taxes: $7,435,754

Economic Impact
- Total Employees: 2,314
- Salaries/Wages/Benefits: $134,389,567
- Capital Funds Reinvested: $66,974,409
- Total Economic Impact: $201,363,976

All numbers as of 12/31/2011

Charity and Discounted Care
- Charity Care: $19,414,829
- Discount to the Uninsured: $66,535,985

Our Medical Services
- Behavioral Health
- Cancer Care
- Cardiovascular Services
- Diagnostic Imaging Center
- Digestive Disease Center
- Emergency Care
- Joslin Diabetes Center
- High Risk Breast and Ovarian Cancer
- High Risk Pregnancy
- Kaye Dahi Labor Center
- Minimally Invasive and Robotic Surgery
- Primary Care Network
- Women's Services
- Wound Care and Hyperbaric Medicine

We are committed to providing quality care to our communities. As part of an investor-owned hospital system, we pay more than $7 million in local taxes that go toward the improvement of local infrastructure and community programs.

We take the complex issues facing the uninsured very seriously. As such, Brookwood Medical Center has adopted Tenet's Compact With Uninsured Patients policy. The program offers discount rates to all uninsured patients who receive treatment at our hospital, regardless of their income level.

Our Commitment to the Community

Our Local Charities
- Alabama Foundation for Oncology
- Hand-in-Paw
- Lakeshore Foundation
- Laura Crandall Brown Ovarian Cancer Foundation
- Leadership Birmingham
- Oasis A Women's Counseling Center
- Ronald McDonald House
- The Junior League of Birmingham
- United Way of Central Alabama
- Vestavia Hills Library Foundation
- Young Women's Empowerment Conference
- YWCA Central Alabama

Brookwood Medical Center
Everything we do at Conifer Health Solutions is rooted in our commitment to your hospital’s mission and your patients.
Health Care Reform

Core Provisions

Coverage
- Expands coverage through Medicaid, new state-based insurance exchanges and other provisions
- Establishes new consumer protection standards for health insurers

Cost
- Streamlines administrative processes
- Cuts waste, fraud and overpayments
- Incentivizes more value-based service and alignment among providers

Quality
- Penalizes poor performance by physicians and hospitals
- Incentivizes wellness and prevention
- Establishes quality standards for private insurers
Audit Priorities

- **Efficient**
  - Reduce cost and the burden of audit including the hours required to perform an audit.

- **Relevant**
  - Identify risks that matter most to management and position the function to respond quickly to changing demands and emerging risks.

- **Flexible**
  - Incorporate the broadest set of facts in a risk assessment.

- **Transparent**
  - Make the audit process transparent.
Use The Company Intranet

Welcome to Audit Services

FUTURE WEBINARS
Thursday, Nov. 29th

Webinar Tips

Quick Audit Links

Questions? ASK THE AUDITOR
Knowledge Management Site (coming soon)

12 Month Rolling Audit Calendar
(11/5/12)

October tickmarks (10/9/12)
October Trending (10/12/12)
Who We Are

Dennis McGuffie
CPA - Joined Tenet 2007
Vice President - 409-893-6915
Prior experience: Public Accounting/Healthcare Internal Audit. Graduated from Louisiana Tech University

Chris Migliore
CPA - Joined Tenet 2012
Director - 409-893-6729
Prior Experience: Multiple years auditing Healthcare
Graduated from: Texas Tech University

Mallory Barkerding
CPA - Joined Tenet July 2011
Senior Auditor - 409-893-6730
Prior experience: Public Accounting
Graduated from: LSU University

Kitambi Bush
CPA - Joined Tenet 2007
Senior Auditor - 409-893-2559
Prior experience: Forensic Investigation
Graduated from: Temple University and Pennsylvania State University
## Where We’re Planning to Go

<table>
<thead>
<tr>
<th>2012</th>
<th>2013</th>
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<tbody>
<tr>
<td>November</td>
<td>December</td>
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<td>SOX</td>
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<td>Corp BCC</td>
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<td>Remediation</td>
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<td>Outpatient Services</td>
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<td>Ambulatory Surgery Centers</td>
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<td>Corporate / Process-level</td>
<td>Compliance Effectiveness Review</td>
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<td>Hospitals - D&amp;T Visit</td>
<td>Doctors Hospital</td>
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<td>Meaningful Use Hospital (D1 - MU Start)</td>
<td>Stage 1 Group 2 Locations</td>
</tr>
<tr>
<td>Data Analysis</td>
<td>Dashboards</td>
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<td>Conifer</td>
<td>Revenue Cycle</td>
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<td>Other</td>
<td>D&amp;T Asst Svcs SAG Referral Source</td>
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<tr>
<td>Clinical Research</td>
<td>Referral Source</td>
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Tools We Use

Audit Resources

**Full Scope Audit Resources**
- Hospital Audit Communication Schedule *(posted 9/2011)*
- Full Scope (Hospital) Audit Program *(updated 4/6/12)*
- Full Scope (Hospital) Audit RFI *(updated 5/30/12)*
- SharePoint Toolkit for audits *(updated April 2011)*
- SOX Bulletin 2012 Update & Hospital SOX Controls *(updated 4/20/2012)*
- SOX Workbook (Hospital Audits) *(updated 6/12/12)*

**Physician Guarantee Resources**
- Post Guarantee Audit Tool Kit *(updated 5/6/2012)*
- Template for Collections Guarantee Agreement *(updated 1/1/12)*
- Template for Net Income Guarantee Agreement *(updated 1/1/12)*

**Other Resources**
- Audit Steering Committee Members *(updated 4/4/2012)*
- 2011 Self Assessment Guide (SAG) *(updated March 2012)*
What Are The Results – Trending Reports
What Are The Results – Tickmarks

**In This Issue:**

During our last webinar we discussed feedback we have received from you. One recommendation we received is to provide feedback from people who have been through an audit. We have surveyed the CFOs at the hospitals we have visited this year and asked them to provide their words of wisdom to their peers that are also preparing for an audit.

We asked them to respond to two questions:
- What steps did you take to prepare for the audit?
- What advice would you give to other hospital CFOs as they prepare for their audits?

We hope you find their insight to be helpful!

**CFO Regional Medical Center**
- Maintain good internal controls at all times.
- Hire and retain good staff.
- Make internal controls important to people outside of the finance area.
- Keep up with information on the Corporate Internal Audit website, findings at other hospitals, etc.
- Review the infra findings carefully and make sure that you and internal Audit have all the facts.
- Respond quickly.

**CFO St. Elsewhere Hospital**
- Start as early as possible gathering the information requested by the audit team.
- Make sure staff understands that they need to be available to the auditors throughout the process as well as in advance of the audit.
- Learn from the mistakes of others.
- Read the ‘Tickmarks’ that are published by Audit Services.
- Talk to other hospitals that have had recent audits to ask about issues they experienced at their hospitals.

**CFO Doctors Medical Center**
- We have developed a coordinated team with the charge and accountability for internal Audit policy coherence which has been established as a permanent component of the hospital culture.
- Preparation for the audit takes a great deal of ongoing planning and routine quarterly testing for compliance.
- The consistent communicated objective and expectation is “zero findings” to the team members.
- Network with other hospitals that have recently gone through the full scope audit to identify best practices.
- Pay particular attention to SAG compliance.

**SAVE THE DATE**

The next Audit Services webinar is scheduled for July 28th at 2pm CST.
∗Webinar information, including Presentation will be posted on the Audit Services website no later than the morning of the webinar. Please see what the changes are for 2012, also on our website at Audit Services.
• Survey Results – what you said : what we did
• FAQs – recent questions received
• Audit Results and Trends
  – General
  – SOX
  – Functional or Process
• Drilldown on most frequently reported comments
• Recent policy developments
• ERM
• SAG
• You’ve heard of:
  » The Grammy
  » The Emmy
  » The ESPY
  » The Tony
We Give Out Audi Awards

- A 5 Bar doesn’t mean everything is perfect.
- 5 Bar results do tell us that the hospital team is striving to meet the important financial, compliance, and operational objectives.
- There are no “silver bullets”
- The little things do matter
- Controls foster discipline and efficiency
Audit Services' TOP 5 WORST AUDIT RESPONSES

Dreadful
“Our IT Director locks the backup tapes up in his car every night — is that OK?”
“Our CEO is going to be really upset when he sees this report!”
“Ted will implement those new cash controls as soon as he gets back from vacation”
“No, we were recording the entries in a timely manner — they were just backwards.”
“Oh – we were doing that – you just didn’t talk to the right person about it when you were here.”