

Dear Hoag Colleague:

With the holidays here and the New Year quickly approaching, I wanted to take a moment to thank you for your extraordinary contributions in 2012. Hoag is admired as one of the nation's most innovative and patient-centric health systems – a direct result of the dedication, compassion, teamwork and expert skills you demonstrate every day in service to our patients and the community.

This year we marked our 60th Anniversary, which ushered in major milestones that are already transforming lives and which promise to do so for generations to come. We continued to evaluate opportunities to enhance our facilities and innovate while expanding our treatment options, all while providing quality care. Additionally, in August, we announced a historic affiliation with St. Joseph Health to create an unprecedented regional health care network that will serve as a national model for the transformation of health care delivery.

The coming year promises similar strides as we work toward our strategic goals with a special focus on our Value Index. We will rely on each of you to seize opportunities in your daily work and recognize how you can impact clinical, service and cost excellence to achieve the highest levels of quality and value for our patients and the organization. In 2013 we will also move toward population health with a special focus on Hoag employees and the Trail to Wellness.

None of this would be possible without the remarkable team here at Hoag. On behalf of the Board of Directors, I extend my sincere gratitude to you for your commitment to our patients and their families, as well as to our fellow employees, medical staff members, and volunteers. In the spirit of the holiday season, I am pleased to announce that each Hoag employee will receive a \$25 gift card, which will be distributed to departments this week.

Thank you again for being a valued member of our team. I wish you and your family all the best this holiday season and in the coming year.

Sincerely,



Richard Afable, M.D., M.P.H.
President and Chief Executive Officer