

I N V E S T • E N G A G E • T R A N S F O R M

COMMUNITY

COMMUNITY BENEFIT SUMMARY 2009

“In a post-healthcare reform environment, the definition of community benefit will continue to evolve. But it’s evolving toward where we’ve been all along. Because at Summa, we do not believe that charity care alone is a sufficient standard by which to judge the benefit to the community from the hospital or health system.”

~Thomas J. Strauss, President and CEO, Summa Health System

Any hospital or health system can pull together an amazing array of numbers, statistics, charts and graphs to demonstrate their benefit to the community. In fact, it is a requirement by the IRS for nonprofit hospitals and healthcare systems to provide those numbers and statistics because that is how not-for-profit healthcare organizations demonstrate that they have fulfilled their mission of community service and meeting their charitable tax-exempt purpose.

This summary report provides the numbers and statistics of Summa’s community benefit initiatives in 2009. But...

...Summa Health System believes community benefit goes far beyond the numbers.

We believe in the people, neighborhoods and communities of our region. We think about our work not only as physicians, health providers and administrators, but also as members of – and stewards of – the community.

That’s what community benefit means to Summa.

SUMMA HEALTH SYSTEM AND AFFILIATE* • 2009 Community Benefit Costs and Investments

Traditional Charity Care	\$31.1
Unpaid Cost of Medicaid	\$16.6
Net Uncompensated Care Total	\$47.7

Subsidized Health Services	\$12.8
Bad Debt Expense	\$21.6

(in millions)

Summa’s commitment to health improvement services, research and community building activities extended far beyond the walls of our hospitals.

Community Health Improvement Services	\$534,417.00
Health Professions Education	\$20,206,898.00
Research	\$5,976,489.00
Financial and In-kind Contributions	\$1,622,833.00
Community Building Activities	\$401,863.00

*To measure and report community benefit, Summa Health System, which includes Summa Akron City Hospital, Summa St. Thomas Hospital, Summa Western Reserve Hospital, Summa Barberton Hospital, Summa Wadsworth-Rittman Hospital, and Summa affiliate Robinson Memorial Hospital, follows Internal Revenue Service guidelines, which incorporate guidelines from the Catholic Health Association.

Charity Care (at cost)

As the area's top safety net provider, in 2009 Summa Health System provided more than \$31 million in charity care. This amount represents the net costs, not charges, associated with providing care and does not include bad debt.

Patients with incomes up to 200 percent of the federal poverty income guidelines, or who have a hospital bill that exceeds 25 percent of their gross annual family income are eligible to apply for charity care assistance. In addition, there is a sliding scale discount program for those who have income between 200 percent and 400 percent of the federal poverty income guidelines. In 2009, more than 80,000 individuals benefited from the charity care program.

Un-reimbursed Cost of Medicaid

As one of northeast Ohio's top providers of care for Medicaid patients, in 2009, Summa Health System's unpaid costs for Medicaid totaled more than \$16 million. Ohio Medicaid reimbursements historically have not covered the cost of providing the care to program beneficiaries, creating a budgetary shortfall.

Community Health Improvement Services

An important part of Summa's mission is offering preventive and wellness programs to build a healthier community. Throughout 2009, Summa provided more than \$500,000 to help fund vital health improvement activities such as free and low-cost health screenings, health education services and wellness programming.

Health Professions Education

As a national leader in medical education, Summa Health System fosters a sought-after learning environment for the next generation of caregivers. At three of Summa's hospitals, over 250 graduates from U.S. and international medical schools train in 19 accredited residency and fellowship programs; and 30 percent of residents remain in the community to practice at Summa hospitals. Summa has invested more than \$20 million of its resources to provide clinical learning experiences in medicine, nursing and allied health.

Subsidized Health Services

Summa Health System is committed to providing subsidized health services – clinical services that meet an identified community need and are provided despite a financial loss. Vital services such as our Center for Senior Health, Level III Perinatal Center, Care Center for HIV/AIDS cases, DOVE program for crisis services, the Summa Center for Dental Health and our diabetes education efforts are offered even though they are not profitable. Income from other services is used to cover these costs. In 2009, the cost of our subsidized health services exceeded \$12 million dollars.

Research

Over the past decade Summa's integrated approach to scientific inquiry and research has earned high rankings and demonstrated our dedication to the advancement of medical knowledge. Innovation is at the very core of our programs, providing the ability to redefine medical treatments and keep us on the frontier of medical discovery. In 2009, Summa contributed nearly \$6 million dollars to the advancement of medical care and treatments. Our mission to continually transform and improve patient care all over the world is facilitated by our various research labs and departments, including:

- Applied Surgical Research Unit
- Center for Cardiovascular Research
- Center for Minority Health and Health Disparities Solutions
- Center for Treatment and Study of Traumatic Stress
- Emergency Medicine
- Family Medicine
- Health Services Research and Education Institute
- Infectious Disease
- Molecular Pathology
- Musculoskeletal Research Laboratory
- Nursing
- Oncology
- Ophthalmology
- Surgical Education and Research
- Women's Health

Financial and In-kind Donations

Every year, Summa contributes financial assistance and in-kind services to support organizations and events that provide care and promote health and wellness. From neighborhood health facilities like OPEN M, to Access to Care, to Akron Community Health Resources, Akron's only federally-funded health center, Summa participates in numerous community programs and helps other not-for-profits fulfill their missions. Summa also provides support to the Austen BioInnovation Institute in Akron's (ABIA) Center for Clinical and Community Health Improvement to help develop care delivery models. In total, Summa contributed more than \$1.6 million to community organizations in 2009.

Community Building Activities

Throughout 2009, Summa Health System provided strong leadership and support in various regional alliances and initiatives designed to revitalize our community. Our collaborative efforts with other area healthcare systems and universities led to the creation of the Austen BioInnovation Institute in Akron (ABIA). As a member of Northeast Ohio Health Science and Innovation Coalition (NOHSIC), Summa is working to address workforce shortages through numerous partnerships. Summa also has a strong alliance with Akron Public Schools to help students explore healthcare careers. Summa's financial contributions to community building activities in 2009 totaled more than \$400,000.

Bad Debt Expense

An important part of Summa Health System's commitment to providing quality and accessible healthcare includes covering the expense of payments that were expected but not received. While Summa Health System recognizes that the cost of bad debt is part of the cost of doing business, we agree with the Ohio Hospital Association that it is important to report these costs to show the total picture of how much care Summa Health System provides to the community without full reimbursement. In 2009, the cost for bad debt exceeded \$21 million.