



Minnesota hospitals continue to do much more than care for the sick and injured among us. They also continue their often unheralded but perhaps equally important efforts to better their communities.



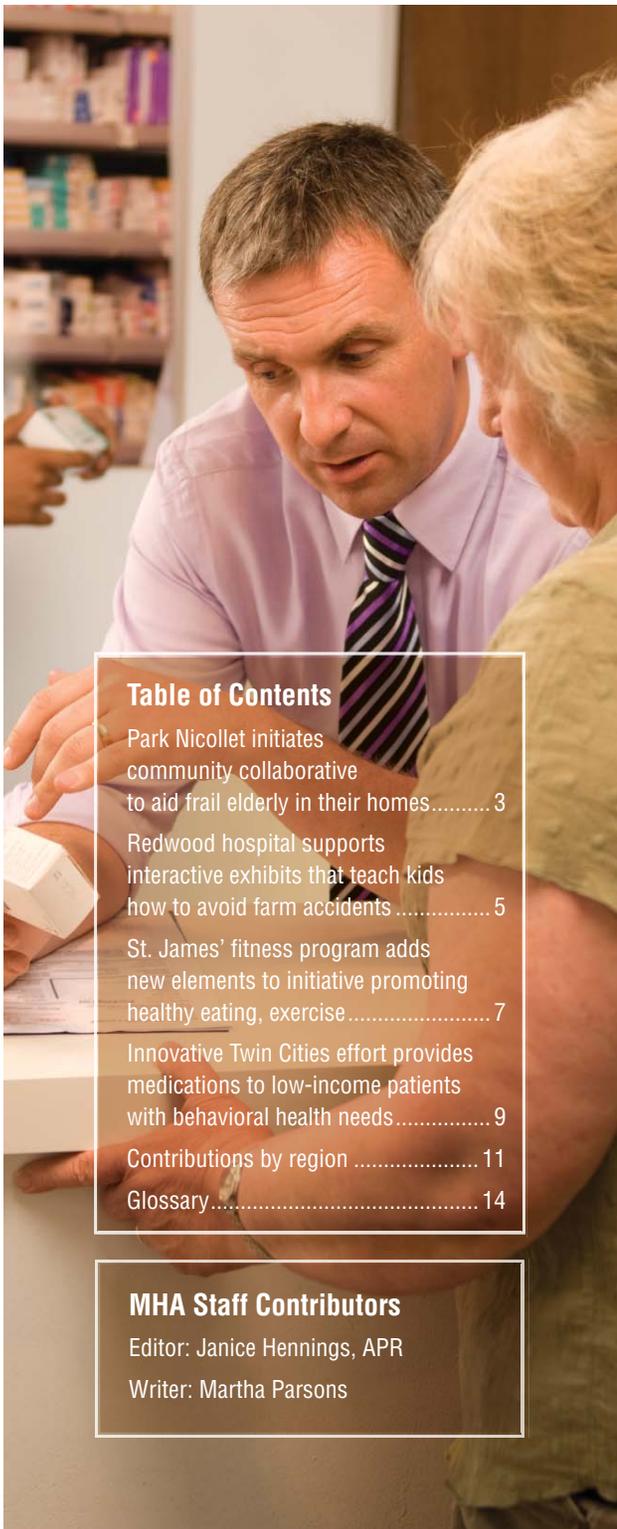
*Minnesota Hospital Association*



**Community Benefit Report**

**2009**





## Minnesota hospitals' 2008 community contributions total \$3.2 billion

In 2008, when the state and nation were already intensely debating how or whether to reform our country's health care system, Minnesota hospitals continued to go about their daily work of caring for us when we were ill and injured.

Minnesota hospitals also continued their often unheralded but perhaps equally important efforts to better their communities through countless programs and events. Though uncompensated for such initiatives, that work has proven to improve the well-being of Minnesotans across the state.

This report documents such "community benefit" programs. In it, find details about hospitals' efforts to expand research, train tomorrow's caregivers, cover the uninsured and care for those without means. In 2008, Minnesota hospitals provided \$3.2 billion in such community benefits — this is a 10-percent increase over the previous year.

Though it is now 2010, this 2009 report covers community benefit contributions made in 2008 — the most recent year for which data is available.

Following are the community benefit categories:

### Uncompensated care — \$476.2 million

Minnesota hospitals provided \$476.2 million to patients who didn't have health insurance or the means to pay for their care.

### Services responding to specific community needs — \$110.1 million

Health screenings, immunization clinics, subsidized health services and other community outreach programs fall under this category, which totaled \$110.1 million in 2008.

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#### MHA Staff Contributors

Editor: Janice Hennings, APR

Writer: Martha Parsons

### Education and work-force development — \$221.4 million

Minnesota hospitals help train doctors, nurses and myriad other highly skilled health care professionals. In 2008, those efforts cost hospitals a combined \$221.4 million.

### Research — \$171.8 million

Because of the research done at Minnesota hospitals, new treatments and cures for diseases are constantly being developed. Hospitals spent \$171.8 million on such efforts in 2008.

### Government underfunding — \$1.6 billion

When hospitals treat patients on Medicare or Medicaid, hospitals lose money. That's because those federal government health care programs do not reimburse hospitals the full amount it costs the hospitals to provide the care. In 2008, such government underfunding to Minnesota hospitals exceeded \$1.6 billion, or nearly 9 percent of the hospitals' operating expenses.

Clearly, we need to continue to support our hospitals so they can continue to support the health of all Minnesotans.



*Minnesota Hospital Association  
President and Chief Executive Officer  
Lawrence J. Massa*



## Minnesota Hospitals' Community Contributions

Charity care.....	\$	165,164,545
Costs in excess of Medicaid payments.....	\$	487,121,325
Medicaid surcharge.....	\$	113,740,514
MinnesotaCare tax.....	\$	205,455,380
Other costs in excess of public program payments.....	\$	65,422,257
Community services.....	\$	45,143,129
Subsidized health services.....	\$	110,112,625
Education and work-force development.....	\$	221,402,712
Research.....	\$	171,787,936
Cash and in-kind donations.....	\$	20,359,395
Community building.....	\$	5,080,178
Other community benefit costs.....	\$	6,666,541
 Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$	 1,617,456,537

**Percent of total operating expenses ..... 9%**

Costs in excess of Medicare payments.....	\$	1,091,734,669
Other care provided without compensation (bad debt).....	\$	310,988,354
Discounts offered to uninsured patients.....	\$	163,613,622
Taxes and fees.....	\$	34,036,145

**Total value of community contributions..... \$ 3,217,829,327**

## Stepping up efforts to prevent falls

### Park Nicollet initiates community collaborative to aid frail elderly in their homes

Sue Larson always seems to remember her manners, even when she's in the middle of volunteering to improve health care for seniors like herself.

As the guinea pig for a brand-new falls-prevention program, the "80-plus"-year-old St. Louis Park resident was happy to open her home in October to a nurse and an occupational therapist. The pair sought to determine if Larson was at risk for taking a tumble. But before that, Larson had to give the two a proper welcome.

"First, I had them for coffee, because I'm Norwegian, and you always invite people for coffee," she said with a laugh. "After that, I took them around my apartment. They made some really good suggestions."

A former fund-raising director and manager for organizations including what was then Minneapolis Children's



Volunteer Sue Larson talks with St. Louis Park community leaders about her thoughts on the "Seniors Stay Safe at Home" program. Larson offered to be the first to have her home assessed for potential fall hazards under the new initiative led by Park Nicollet Foundation.

Photo courtesy of Park Nicollet Foundation

Hospital, Larson is far from being uninformed about health-related issues. Still, she learned from the professionals that she should remove three throw rugs that could cause a fall. The nurse and therapist also suggested, for example, that Larson have a handrail installed on her deck to help her navigate a step. They then provided the name of a handrail manufacturer that would give her a discount.

Besides serving as the first home-visit subject, Larson is also part of the group that helped devise "Seniors Stay Safe at Home." Led by the Park Nicollet Foundation in a collaboration with five home-care agencies, the free assessments are available throughout St. Louis Park.

Teams evaluate everything from whether electrical cords should be rearranged to whether a shower seat is advisable. The workers also check the senior's medications for interactions that could cause dizziness, for instance. They ask about the senior's social and medical support system and provide information resources.

The idea grew out of monthly community gatherings convened by the foundation. There, about 70 attendees representing housing, transportation, health care, recreation, safety, wellness and other organizations brainstorm solutions to public health challenges. The group realized that residents who fall are at risk for falling again, said Dr. Chris Johnson, Park Nicollet Foundation medical director of development and “Stay Safe” organizer.

“Our emphasis has to focus on keeping people healthy and avoiding injury, in addition to responding to and treating injuries when things do occur,” he said. “It’s not just about the hospital. It’s about how the hospital is a part of the community. ...it is the right thing to do.”

Park Nicollet contributes staff time for administering the initiative as well as for conducting the safety visits.

The team is now ready to conduct the visits as requests come in. Organizers will know the effort works when the fire department receives fewer repeat calls for assistance, Johnson said.

If the program can help Larson — who once served on the board of the Powderhorn Phillips Cultural Wellness Center — it seems destined for success with less health-conscious seniors. The fact that Larson enjoys being active and social can ultimately help her avoid falls, too.

“I gave [the visitors] some maple cookies, and one of them said it was their favorite,” she said with another laugh. “So I gave them each two.”

## Contributions

Six Park Nicollet Health Services employees regularly work on the Seniors Stay Safe at Home program. In addition, the Park Nicollet Foundation devotes portions of three grants to the initiative. For example, a \$5,000 grant goes toward purchasing recommended adaptive equipment, such as raised toilet seats, for senior participants.

The home assessments are valued at \$480 each, said Dr. Chris Johnson.

“The real value that’s being brought here by Park Nicollet and Methodist [Hospital] is the value of having our employees devote their time and talent to these initiatives and making them successful,” he said.

## Show me, don't tell me it's dangerous

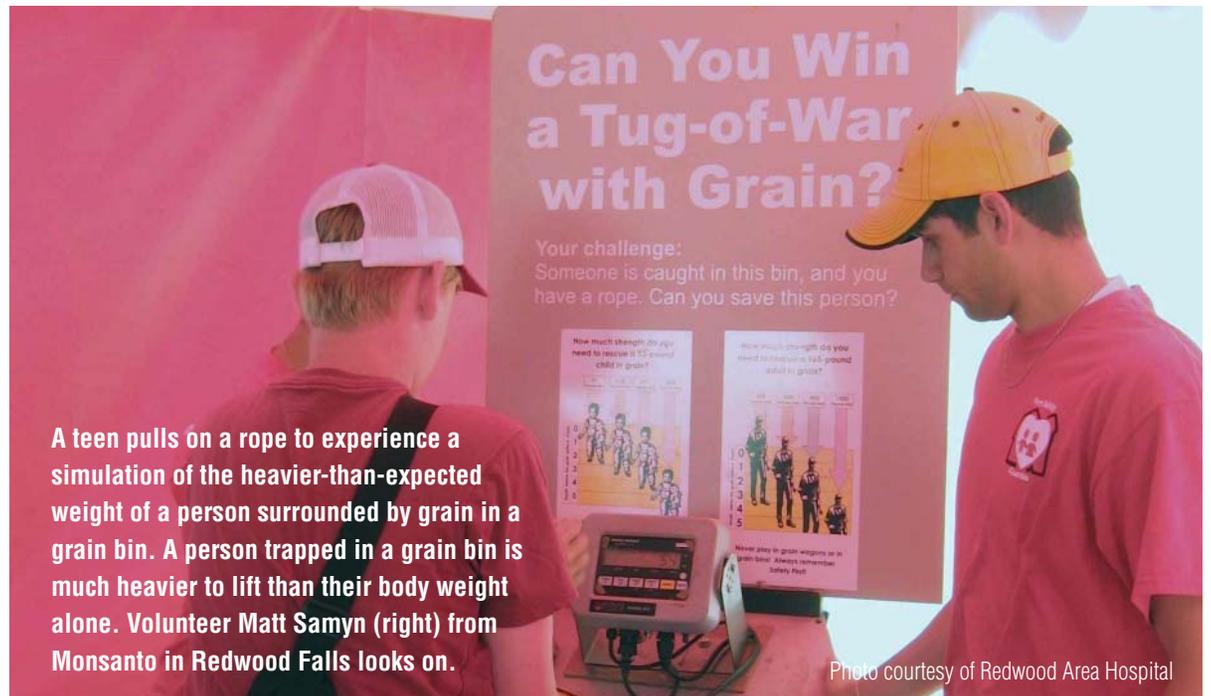
### Redwood hospital supports interactive exhibits that teach kids how to avoid farm accidents

As president of the Sleepy Eye chapter of the Future Farmers of America, 17-year-old Elizabeth Johnson is no stranger to the dangers of farm life.

Still, the high school senior was surprised to learn that a person could easily fall through the crust that forms when the corn at the top of a grain bin gets wet.

All too often, such accidents turn deadly.

Johnson learned valuable lessons like that one this summer at a farm safety event supported by Redwood Area Hospital in Redwood Falls and other area organizations. Under the initiative, the RedBrownVille Chapter of Farm Safety for Just Kids (for Redwood, Brown, and Renville counties) operated an educational safety carnival at FarmFest, an annual farming industry gathering.



With staffing and funding from the hospital and others, interactive booths educated more than 5,000 people in three days. The hospital also donates more than \$4,000 in booth sponsorship and staff time to the effort.

Topics at the exhibits covered the hazards of chains and pulleys, all-terrain vehicles, animals, tractors and more. For example, adults demonstrated with a carrot and machinery how quickly fingers and loose clothing can be mangled by moving chains. At the grain bin booth, Johnson learned that because of suction, pulling a person out of a grain bin requires much more force than the person weighs.

Shelly Pauling, Redwood Area Hospital education and communications manager, represents the hospital on the Farm Safety for Just Kids local chapter. The hospital also supports other safety events throughout the year, such as a bike rodeo that includes lessons on lawnmower safety and related ear and eye protection. Redwood got involved with the farm safety initiative because farming accidents are all too common in rural communities like Redwood Falls, she said.

“We’re providing education that was never out there before for parents, grandparents and kids,” she said. “We always have people going away saying, ‘I didn’t realize that could be so dangerous.’”

Mary Hoffmann, president of the RedBrownVille Chapter of Farm Safety for Just Kids, said most farm accidents are caused by tractors and machinery. Nationwide, more than 100 injuries a day occur on farms, she said.

“We had a lady at the event who said, ‘I can’t even go over there [to the exhibits],’ because she had just lost her son in an accident the week before,” said Hoffmann, who is an agriculture teacher at Sleepy Eye Public School and an FFA adviser. “We hope this is helping to prevent future accidents and losses for our farming families.”



**Mitchell Pauling, 12, of Marshall, identifies as many farm hazards as he can at the “I Spy” display by Farm Safety for Just Kids. Student volunteer Cindy Hansen of Sleepy Eye Future Farmers of America helps. Pauling’s mother, Shelly Pauling, helped organize the safety event as a representative of Redwood Area Hospital.**

Photo courtesy of Redwood Area Hospital

“We had a lady at the event who said, ‘I can’t even go over there [to the exhibits],’ because she had just lost her son in an accident the week before. We hope this is helping to prevent future accidents and losses for our farming families.”

— *Mary Hoffmann, president of RedBrownVille Chapter of Farm Safety for Just Kids*

## Adding flair to the fundamentals

### St. James' fitness program adds new elements to initiative promoting healthy eating, exercise

St. James may be a small, quiet Midwestern town, but that doesn't mean residents won't try something new when tackling the age-old challenge to stay fit.

Take the St. James Medical Center – Mayo Health System seventh annual community fitness competition “Walk this Way.” At the program's first-ever wrap-up event this summer, participants didn't shy away from testing out yoga or Zumba. Zumba combines interval and resistance training with Latin and international dance moves. Not to mention Latin music.

“We're kind of a conservative little community — some of us don't do a lot of dancing,” said Anita Schlabach, communications manager for the medical center and a Walk this Way organizer. “So it made people really laugh.”



The free, six-week, community diet-and-exercise program this year boasted 450 participants from three counties. And the one-day wrap-up event also featured a two-mile group walk, set to music, on the high-school track; a free continental breakfast; and kick-ball, face painting and a “jump house” for kids. Fitness demonstrations and an awards ceremony rounded out the day.

During the six-week competition, 24 teams earned points for the time-tested fundamentals of eating right and exercising. The top three teams earned prizes.

Kate Christenson of Watonwan County was glad to see the recipes and wellness tips included in program tracking booklets.

“It's wonderful to have a program that is for the whole community and it doesn't cost people anything but their time,” she told medical center representatives. “I don't know about anyone else, but I can always use help to stay on track with living a healthy lifestyle. I really struggle with finding recipes that are diabetic friendly and actually taste OK.”

St. James Medical Center contributed \$3,000 to the project and gathered \$1,200 in sponsorships from area businesses. The medical center devoted 130 hours of staff time to operating Walk this Way.

The medical center also fielded its own team of 50 participants — nearly half its staff.

Did employees go on group walks at lunchtime, or did the medical center encourage any other related wellness efforts among staff members?

Not this time, Schlabach said. But organizers are discussing such potential additions for 2010.

“We already have some ideas for things we can do next year to make it better,” she said. “It’s a great program that helped people from all over our area put healthy lifestyle changes into place.”



Photo courtesy of St. James Medical Center



Photo courtesy of St. James Medical Center

**Shalea Bridges (right), daughter of St. James Medical Center clinic licensed practical nurse Denae Bridges, paints an unidentified boy's face at the wellness program wrap-up event.**

**St. James residents circle the high school track in a two-mile group walk at the Walk this Way culmination event, which drew about 100 participants. About 450 people took part in the overall six-week competitive diet-and-exercise initiative.**

## Helping when it counts most

### Innovative Twin Cities effort provides medications to low-income patients with behavioral health needs

An unusual, cooperative program is helping some Twin Citians obtain critical medication when they might need it most.

The Mental Health Drug Assistance Program (MHDAP) provides stop-gap psychiatric drug coverage funding for low-income east metro patients with severe mental illness. The initiative also helps eligible uninsured patients enroll in government health insurance programs for the poor, such as General Assistance Medical Care (GAMC).



**Pharmacist Mark Woessner works for HealthPartners, one of several organizations that created the Mental Health Drug Assistance Program.**

Photo courtesy of HealthPartners

“For many of these folks, staying on their medications is the difference between struggling with psychotic symptoms or depression and suicidal urges, and ultimately needing to be hospitalized ... or ending up in jail, homeless, or in detox,” said Dr. Michael Trangle, associate medical director of behavioral health care for HealthPartners. “The nature of their disabilities makes it difficult for some of these folks to keep accurate records, find them, and fill out the pages of paperwork required for many of these [public] insurance products.”

Spearheaded by Regions Hospital in St. Paul, in coordination with the East Metro Mental Health Roundtable, MHDAP comprises more than 25 partners, including:

- Regions’ parent company, HealthPartners;
- HealthEast Care System, St. Paul;
- United Hospital, St. Paul;
- nine pharmacies, including ones owned by Regions, HealthEast and St. Joseph’s Hospital, St. Paul and;
- 10 clinics, including the East Metro Adult Crisis Stabilization Program and Ramsey County Mental Health Center.

The assistance program also ensures participants' prescriptions are best for their condition, said Donna Zimmerman, vice president of government and community relations for HealthPartners, which owns Regions Hospital.

"It's not, 'Here's a medication we can try, and oh, by the way, here's a pharmacy sample,'" she said. "This [type of service] didn't exist before."

In its first year in 2008, 300 participants received vouchers for 882 prescriptions. At an average cost of about \$190, the prescriptions cost a total of \$168,000.

The assistance is paying off. In 2008, for example:

- recipients were hospitalized less — no third-time participants reported having been hospitalized in 2008, compared with a 26-percent hospitalization rate for first-time participants;
- participants who reported having thoughts of self harm decreased to 15 percent for third-time participants, down from 36 percent for first-time program users; and
- of eligible participants, 65 percent became enrolled in public health coverage programs, such as General Assistance Medical Care (GAMC).

Those who lack insurance seek care more often in already-overburdened hospital ERs and psych wards, where care costs more. Psychiatric crises that lead to emergency hospitalizations and incarcerations cost an average of \$12,000 to \$15,000 per stay. The average Minnesota hospital stay is 4.2 days.

Contributing organizations donate both administrative services and funding. The health systems mentioned above and the St. Paul and Bigelow foundations originally donated \$125,000. HealthPartners later donated \$100,000 more.

The planned elimination in early 2010 of Minnesota's GAMC program, though, will surely affect the Mental Health Drug Assistance Program, Zimmerman said.

"We have a lot of concerns that the demand will go up," she said.





## Community Contributions by Region

### REGION 1 (Northwestern Minn.) Community Contributions

Charity care.....	\$ 847,658
Medicaid (costs in excess of payments + surcharge) .....	\$ 8,921,140
*Other community benefit programs and activities.....	\$ 15,908,450
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 25,677,248
Percent of total operating expenses.....	8.6%
Costs in excess of Medicare payments .....	\$ 17,041,607
Other care provided without compensation (bad debt).....	\$ 6,496,797
**Other community contributions .....	\$ 1,030,569
Total value of community contributions.....	\$ 50,246,221

**REGION 1:** Bridges Medical Center, Ada; Clearwater Health Services, Bagley; Community Behavioral Health Hospital – Bemidj; First Care Medical Services, Fosston; Kittson Memorial Healthcare Center, Hallock; LakeWood Health Center, Baudette; LifeCare Medical Center, Roseau; Mahnommen Health Center; MeritCare Thief River Falls Northwest Medical Center; North Country Health Services, Bemidj; North Valley Health Center, Warren; RiverView Health, Crookston; St. Mary's Innovis Health, Detroit Lakes

### REGION 2 (Northeastern Minn.) Community Contributions

Charity care.....	\$ 7,470,812
Medicaid (costs in excess of payments + surcharge) .....	\$ 64,616,333
*Other community benefit programs and activities.....	\$ 55,181,652
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 127,268,797
Percent of total operating expenses.....	7.9%
Costs in excess of Medicare payments .....	\$ 155,105,197
Other care provided without compensation (bad debt).....	\$ 37,671,366
**Other community contributions .....	\$ 11,420,660
Total value of community contributions.....	\$ 331,466,020

**REGION 2:** Bigfork Valley Hospital; Community Memorial Hospital, Cloquet; Cook County North Shore Hospital, Grand Marais; Cook Hospital & C&NC; Deer River HealthCare Center; Ely-Bloomenson Hospital and Nursing Home, Ely; Fairview University Medical Center – Mesabi, Hibbing; Grand Itasca Clinic and Hospital, Grand Rapids; Lake View Memorial Hospital & Home, Two Harbors; Mercy Hospital & Health Care Center, Moose Lake; SMDC Medical Center, Duluth; Pine Medical Center, Sandstone; QHR, Wisconsin Rapids; Rainy Lake Medical Center, International Falls; Riverwood Healthcare Center, Aitkin; SMDC Health System, Duluth; St. Luke's Hospital, Duluth; St. Mary's Medical Center, Duluth; Virginia Regional Medical Center, Virginia; White Community Hospital & C&NC, Aurora

**REGION 3 (Central Minn.)  
Community Contributions**

Charity care.....	\$ 17,738,946
Medicaid (costs in excess of payments + surcharge).....	\$ 38,080,815
*Other community benefit programs and activities.....	\$ 54,634,575
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 110,454,336
Percent of total operating expenses.....	6.7%
Costs in excess of Medicare payments.....	\$ 111,054,976
Other care provided without compensation (bad debt).....	\$ 28,982,539
**Other community contributions.....	\$ 21,325,586
Total value of community contributions.....	\$ 271,817,437

**REGION 3:** Albany Area Hospital and Medical Center; Buffalo Hospital; Cambridge Medical Center; CentraCare Health System, St. Cloud; Community Behavioral Health Hospital – Alexandria; Community Behavioral Health Hospital – Annandale; Community Behavioral Health Hospital – Baxter; Community Behavioral Health Hospital – Cold Spring; Community Behavioral Health Hospital – Fergus Falls; Community Behavioral Health Hospital – Wadena; Cuyuna Regional Medical Center, Crosby; Douglas County Hospital, Alexandria; ELEAH Medical Center, Elbow Lake; Fairview Lakes Medical Center, Wyoming; Fairview Northland Medical Center, Princeton; Glacial Ridge Health System, Glenwood; Kanabec Hospital, Mora; Lake Region Healthcare Corporation, Fergus Falls; Lakewood Health System, Staples; Long Prairie Memorial Hospital & Home; Meeker Memorial Hospital, Litchfield; Melrose Area Hospital – CentraCare; Mille Lacs Health System, Onamia; New River Medical Center, Monticello; Paynesville Area Health Care System; Perham Memorial Hospital and Home; St. Cloud Hospital; St. Francis Healthcare Campus, Breckenridge; St. Gabriel’s Hospital, Little Falls; St. Joseph’s Area Health Services Inc., Park Rapids; St. Joseph’s Medical Center, Brainerd; St. Michael’s Hospital & Nursing Home, Sauk Centre; Stevens Community Medical Center, Morris; Tri-County Health Care, Wadena; Veterans Affairs Medical Center, St. Cloud; Wheaton Community Hospital

**REGION 4 (Twin Cities and Greater Metropolitan)  
Community Contributions**

Charity care.....	\$ 93,716,491
Medicaid (costs in excess of payments + surcharge).....	\$ 339,029,466
*Other community benefit programs and activities.....	\$ 272,124,238
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 704,870,195
Percent of total operating expenses.....	8.2%
Costs in excess of Medicare payments.....	\$ 402,412,777
Other care provided without compensation (bad debt).....	\$ 181,387,658
**Other community contributions.....	\$ 138,821,295
Total value of community contributions.....	\$1,427,491,925

**REGION 4:** Abbott Northwestern Hospital, Minneapolis; Allina Hospitals & Clinics, Minneapolis; Anoka Metro Regional Treatment Center; Bethesda Hospital, St. Paul; Catholic Health Initiatives, Minneapolis; Children’s Hospitals and Clinics of Minnesota, Minneapolis/ St. Paul; Fairview Health Services, Minneapolis; Fairview Ridges Hospital, Burnsville; Fairview Southdale Hospital, Edina; Gillette Children’s Specialty Healthcare, St. Paul; HealthEast Care System, St. Paul; HealthPartners Inc., Minneapolis; Hennepin County Medical Center, Minneapolis; Hennepin Healthcare System Inc., Minneapolis; Lakeview Hospital, Stillwater; Mercy Hospital, Coon Rapids; North Memorial Health Care, Robbinsdale; North Memorial Medical Center, Robbinsdale; Park Nicollet Health Services, Minneapolis; Park Nicollet Methodist Hospital, Minneapolis; Phillips Eye Institute, Minneapolis; Regency Hospital of Minneapolis, Golden Valley; Regina Medical Center, Hastings; Regions Hospital, St. Paul; Ridgeview Medical Center, Waconia; Shriners Hospitals for Children, Minneapolis; St. Francis Regional Medical Center, Shakopee; St. John’s Hospital, Maplewood; St. Joseph’s Hospital, St. Paul; United Hospital Inc., St. Paul; Unity Hospital, Fridley; University of Minnesota Medical Center, Fairview, Minneapolis; Veterans Affairs Medical Center, Minneapolis; Woodwinds Health Campus, Woodbury

### Region 5 (Southwestern Minn.) Community Contributions

Charity care.....	\$ 2,530,617
Medicaid (costs in excess of payments + surcharge) .....	\$ 17,053,699
*Other community benefit programs and activities.....	\$ 18,726,930
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 38,311,246
Percent of total operating expenses.....	6.6%
Costs in excess of Medicare payments .....	\$ 27,598,223
Other care provided without compensation (bad debt).....	\$ 9,818,893
**Other community contributions .....	\$ 3,284,522
Total value of community contributions.....	\$ 79,012,884

**REGION 5:** Appleton Area Health Services; Avera, Sioux Falls; Avera Marshall Regional Medical Center; Chippewa County-Montevideo Hospital; Community Behavioral Health Hospital – Willmar; Glencoe Regional Health Services; Graceville Health Center; Granite Falls Municipal Hospital & Manor; Hendricks Community Hospital Association; Hutchinson Area Health Care; Johnson Memorial Health Services, Dawson; Madelia Community Hospital; Madison Hospital; Murray County Medical Center, Slayton; Ortonville Area Health Services; Pipestone County Medical Center; RC Hospital & Clinics, Olivia; Redwood Area Hospital, Redwood Falls; Rice Memorial Hospital, Willmar; Sanford Canby Medical Center; Sanford Hospital Luverne; Sanford Jackson Medical Center; Sanford Regional Hospital Worthington; Sanford Tracy Medical Center; Sanford Westbrook Medical Center; Sleepy Eye Medical Center; Springfield Medical Center – Mayo Health System; Swift County-Benson Hospital, Benson; Tyler Healthcare Center/Avera; Windom Area Hospital

### Region 6 (Southeastern Minn.) Community Contributions

Charity care.....	\$ 42,860,021
Medicaid (costs in excess of payments + surcharge) .....	\$ 133,160,386
*Other community benefit programs and activities.....	\$ 434,854,308
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 610,874,715
Percent of total operating expenses.....	11.6%
Costs in excess of Medicare payments .....	\$ 378,521,889
Other care provided without compensation (bad debt).....	\$ 46,631,101
**Other community contributions .....	\$ 21,767,135
Total value of community contributions.....	\$ 1,057,794,840

**REGION 6:** Albert Lea Medical Center – Mayo Health System; Austin Medical Center – Mayo Health System; Cannon Falls Medical Center – Mayo Health System; Community Behavioral Health Hospital – Rochester; Community Behavioral Health Hospital – St. Peter; Community Memorial Hospital, Winona; District One Hospital, Faribault; Fairmont Medical Center – Mayo Health System; Fairview Red Wing Medical Center; Immanuel St. Joseph's – Mayo Health System, Mankato; Lake City Medical Center – Mayo Health System; Mayo Clinic Rochester; Minnesota Valley Health Center, Le Sueur; New Ulm Medical Center; Northfield Hospital; Olmsted Medical Center, Rochester; Owatonna Hospital; Queen of Peace Hospital, New Prague; Rochester Methodist Hospital; Saint Elizabeth's Medical Center, Wabasha; Saint Marys Hospital, Rochester; Sibley Medical Center, Arlington; St. James Medical Center – Mayo Health System; United Hospital District, Blue Earth; Waseca Medical Center - Mayo Health System

\* "Other community benefit programs and activities" comprises the following: MinnesotaCare provider tax; other public programs below cost; community services; subsidized health services; education and workforce development; research; cash and in-kind donations; community buildings; and other community benefit costs.

\*\* "Other community contributions" comprises discounts to uninsured patients and taxes and fees.

## Glossary

**Cash and in-kind donations:** Money, food, equipment, supplies or services donated by the hospital to individuals, other nonprofits or the community at large.

**Charitable organizations:** Organizations that help the poor or underprivileged, advance education or science, lessen the burdens of government, decrease neighborhood tensions, or combat community deterioration.

**Charity care:** The cost incurred by a hospital in providing free or discounted health care to low-income people who qualify according to the hospital's policies.

**Community benefits:** Programs or activities that provide treatment and/or promote health and healing and tend to generate little profit or lose money; respond to needs of low income or underserved people; provide services that would not be provided or would need to be provided by the government or other nonprofits if the decision was based on financial terms; respond to public health needs; or involve education or research that furthers community health.

**Community building:** Costs that the hospital incurs to support programs or activities intended to improve the overall community's strength and security. Typical activities include addressing homelessness and poverty, supporting economic development or environmental protection efforts, or improving public spaces through revitalization, art, streets or lighting, or graffiti removal.

**Community services:** Services such as community health education, support groups, transportation, smoking or weight-loss programs that are provided by a hospital for little or no fees to improve community health.

**Costs in excess of Medicaid payments:** The financial loss suffered by hospitals resulting from the difference between payments received from Medicaid and the cost of care provided to low-income and medically indigent Medicaid enrollees.

**Costs in excess of Medicare payments:** The financial loss suffered by hospitals resulting from the difference between payments received from Medicare and the cost of care provided to Medicare enrollees.

**Discounts offered to uninsured patients:** Discounts from charges for hospital services provided to uninsured Minnesota residents who earn less than \$125,000 per year.

**Education and work force development:** Unpaid costs associated with providing clinical training, internships, residencies and scholarships for tomorrow's health care work force.

**Medicaid surcharge:** A tax paid by hospitals to the State of Minnesota to help pay for Medicaid coverage for low income and medically indigent residents.

**MinnesotaCare tax:** A tax on all hospital services paid to the State of Minnesota to help pay for MinnesotaCare insurance coverage for low-income and medically indigent residents.

**Other care provided without compensation (bad debt):** Charges for care provided to patients who neither pay their share of the hospital bill nor complete the steps necessary to receive charity care or public insurance.

**Other community benefit costs:** Administrative costs, including staff, for implementing, managing and documenting community benefit activities and programs.

**Other costs in excess of public program payments:** The financial loss suffered by hospitals resulting from the difference between payments received from public programs for those in need of support and the cost of care provided to those enrollees.

**Research:** Unreimbursed costs associated with clinical and community health research, including reducing disparities in health care and preventing illness, which results in knowledge that is shared beyond the hospital.

**Subsidized health services:** Health care, such as emergency and trauma, behavioral health or renal dialysis services, provided at a financial loss because they meet community needs or, if not provided by the hospital, would be unavailable in the community or would become the responsibility of government or another nonprofit.

**Taxes and fees:** Property taxes, fees in lieu of taxes and other fees or surcharges paid by hospitals to local or state government.



**Minnesota  
Hospital  
Association**

**Minnesota Hospital Association  
2550 University Ave. W., Suite 350-S  
Saint Paul, MN 55114-1900  
Tel: (651) 641-1121; Toll free: (800) 462-5393  
Fax: (651) 659-1477  
[www.mnhospitals.org](http://www.mnhospitals.org)**

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