



Minnesota  
Hospital  
Association

# 2008 Community Benefit Report



# Minnesota hospitals contributed \$2.9 billion to their communities in 2007

*Organizations continue to go above and beyond for their neighbors*

In 2007, Minnesota hospitals continued to do much more than care for the sick and injured among us.

St. Cloud Hospital, for example, subsidized a center that

treats children and adolescents battling chemical dependency and mental illness. About \$2.5 million per year helps Clara's House afford psychiatrists, social workers, chemical dependency counselors and others for conditions that require medical attention but not hospitalization.

In the Crosby and Aitkin area, Cuyuna Regional Medical Center and Riverwood Healthcare Center last year partnered to offer home health and hospice services. The collaboration helps residents maintain their independence and dignity in the face of failing health.

And in Minneapolis, Hennepin County Medical Center provided \$60 million worth of charity care and care for which costs exceed Medicaid payments. In fact, the facility opened the East Lake Clinic in the same spot where another clinic

had earlier closed — returning bilingual care to area non-native English speakers. The clinic also provides youth development and family support services through a partnership with the Minnesota Department of Health.

Across the state, such efforts — called hospitals' community contributions — totaled \$2,907,903,874 in 2007. Without such programs and initiatives, our state's ability to keep the disadvantaged from falling through the cracks would be greatly diminished.

Following is a breakdown of Minnesota hospitals' 2007 community benefits:

## **Uncompensated care — \$462 million**

This category included \$132 million in charity care and another \$330 million worth of unreimbursed care that hospitals had to “write off” for patients who couldn't pay.

## **Specific needs, health outreach — \$85 million**

Hospitals often run money-losing departments or services, such as emergency rooms, mental-health services, neo-natal intensive care units, pediatric departments, burn units and substance abuse units to meet community needs. Hospitals also invest money in health screenings, immunization programs and other community outreach programs.

## **Education — \$226 million**

Minnesota hospitals help train physicians, nurses, radiology technicians, physical therapists and a host of other health care professionals.

## **Research — \$157 million**

Minnesota hospitals' contributions support the development of better treatments, drugs and prevention practices for a wide range of conditions, including heart disease, cancer, trauma and mental illness.

## **Government underfunding — \$1.4 billion**

In addition to providing important community services and outreach, hospitals shoulder a large financial burden because of insufficient reimbursement from government programs. Unlike private insurance programs that negotiate payment rates with hospitals, government programs like Medicare and Medicaid unilaterally set the amounts they will pay for health care services. A gap often results between what Medicare and Medicaid pays for a service and what it costs the hospital to deliver that service. In 2007, such government underfunding of Minnesota hospitals exceeded \$1.4 billion, or nearly 9 percent of their operating expenses.

Hospitals in Minnesota have some of the lowest

# Minnesota Hospitals' Community Contributions

Medicare payment rates in the country, despite providing better care than other parts of the country. Nationally, hospitals reported Medicare underfunding of \$19.4 billion in 2006. Minnesota hospitals alone account for more than \$1 billion of that amount — a disproportionately large share.

Of course, Minnesota hospitals are committed community partners. They will continue to care for — and sometimes subsidize care for — the uninsured, underinsured, seniors and low-income residents. They will continue to research cures for disease and to train tomorrow's nurses and doctors. And they will remain providers of critical but money-losing services, such as emergency department care.

We as a society, therefore, must stand up and support the well-being of Minnesota's hospitals. Only by doing so can we ensure the health and vitality of ourselves and our families.

Charity care.....	\$	132,469,756
Costs in excess of Medicaid payments .....	\$	422,580,866
Medicaid surcharge.....	\$	99,100,175
MinnesotaCare tax .....	\$	189,090,417
Other costs in excess of public program payments .....	\$	29,128,285
Community services .....	\$	50,273,074
Subsidized health services .....	\$	85,088,323
Education and work-force development.....	\$	226,624,424
Research.....	\$	157,535,480
Cash and in-kind donations.....	\$	21,237,931
Community building.....	\$	5,282,186
Other community benefit costs .....	\$	4,099,868

Total cost of community benefits (as defined by CHA/VHA guidelines) .....	\$	1,422,510,785
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**Percent of total operating expenses .....** **8.5%**

Costs in excess of Medicare payments .....	\$	1,022,531,104
Other care provided without compensation (bad debt) .	\$	330,076,312
Discounts offered to uninsured patients .....	\$	100,463,297
Taxes and fees.....	\$	32,322,376

**Total value of community contributions .....** **\$ 2,907,903,874**



# Making a Difference One Patient at a Time

*RiverView Health, Crookston*

Not all community benefits are organized or structured programs. In fact, some of the most profound actions taken day-in and day-out in Minnesota hospitals are the spontaneous acts of compassion and generosity from our front-line staff and caregivers. At RiverView Hospital, for example, in August 2008 a young family brought their child to the emergency room and the child was hospitalized in the ICU for a respiratory illness. The child’s condition worsened and the parents were told that the child needed to be transferred to another facility that could provide for their specific pediatric care needs. The child was transferring by ambulance and there was no room for the parents to accompany the child in the ambulance.

## Region 1 Community Contributions

Charity care.....	\$ 829,834
Medicaid (costs in excess of payments + surcharge).....	\$ 7,971,245
*Other community benefit programs and activities.....	\$ 11,894,506
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 20,695,585
Percent of total operating expenses .....	7.1%
Costs in excess of Medicare payments.....	\$ 10,106,565
Other care provided without compensation (bad debt).....	\$ 4,908,380
**Other community contributions.....	\$ 733,906
Total value of community contributions .....	\$ 36,444,436

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Because the child had very recently been a patient in the hospital facility 30 miles away and was only discharged two days prior, the parents had made many trips back and forth during that time, and did not have the money or gas to make even one more trip. Upon hearing their plight, the hospital’s nurses and respiratory care staff took up a collection amongst themselves and gave the family the money they needed to buy the gas for the trip. RiverView Health’s chief nursing officer reports that was not the first time a similar scenario had taken place.

Because of this incident coming to light, RiverView has now instituted a new program to help families in similar need by supplying them with gas vouchers to follow their family members to the tertiary hospital.

“Our staff often say they feel like family,” said Vicky Kornyta, chief nursing officer, “and our patients are an extension of this.”

This kind of help occurs frequently in hospitals and emergency rooms all over the state. It makes employees proud to be part of an organization with staff that cares so much about others, and helps patients not only receive the care they need but also appreciate their local health care providers.

Photo: RiverView Health emergency room staff assisting a patient

*“This incident is a great example of why it is so difficult for hospitals to document the true value of all the community benefits they provide. Staff see scenarios such as this as the right thing to do, not something we should document to take credit for in a report. It is a testament to the types of individuals that care for our patients; taking care not only of their physical needs, but the needs that go far beyond the walls of the hospital as well.”*

*— Deb Boardman,  
chief executive officer*

# HomeHealth Partnership

*Cuyuna Regional Medical Center, Crosby/Riverwood Healthcare Center, Aitkin*

HomeHealth Partnership was established in 1995 through a joint partnership between Cuyuna Regional Medical Center and Riverwood Healthcare Center. The partnership was formed because Aitkin County was no longer planning to provide home health services and was seeking an organization with the ability to provide home health and hospice services to the community. Cuyuna Regional Medical Center and Riverwood Healthcare Center worked together to ensure that the larger area was able to receive the critical services, offering a comprehensive suite of home-delivered services with one simple philosophy: “We work hard to help people maintain as much independence and dignity as possible for as long as possible.”

The HomeHealth Partnership is licensed and governed under Cuyuna Regional Medical Center, but the partnership provides services to the communities served by both organizations. The HomeHealth Partnership is heavily subsidized by both Cuyuna Regional Medical Center and Riverwood Healthcare Center even though the organization does bill Medicare, Medicaid, third-party insurance companies, and private payers. Approximately 42 employees work for the HomeHealth Partnership; professional staff is employed through Cuyuna Regional Medical Center and paraprofessional staff is employed through Riverwood Healthcare Center.

“In December 2007 HomeHealth Partnership was selected as one of the top home health agencies in the United States. This was accomplished by being dedicated to serving and improving the quality of life to our patients, and by responding to their needs and values. Whether the patient is recuperating from an illness or surgery, needs assistance in maintaining health, or requires end-of-life care, we can help. Care is provided in the comfort of their own home where they are surrounded by their family and pets. We work closely with the patients, families, physicians, hospitals, clinics and long-term care facilities, in order to provide care and comfort in the setting patients prefer,” said Brenda Wills, director of the partnership.

*“Whether the patient is recuperating from an illness or surgery, needs assistance in maintaining health, or requires end-of-life care, we can help.”*

— *Brenda Wills, director of the HomeHealth Partnership*

The HomeHealth Partnership served 410 patients in the last fiscal year. Patients consistently provide positive feedback about the service provided, and appreciate the partnership’s close relationship with physicians at both Cuyuna Regional Medical Center and Riverwood Healthcare Center.

Photo: Hospice social worker and R.N. provide caregiver education and support during a home visit



## Region 2 Community Contributions

Charity care.....	\$ 6,704,324
Medicaid (costs in excess of payments + surcharge).....	\$ 65,333,160
*Other community benefit programs and activities.....	\$ 57,925,912
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 129,963,396
Percent of total operating expenses .....	8.6%
Costs in excess of Medicare payments.....	\$ 146,671,797
Other care provided without compensation (bad debt).....	\$ 42,947,596
**Other community contributions.....	\$ 5,878,070
Total value of community contributions .....	\$ 325,460,860

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# Clara's House

*St. Cloud Hospital*

Clara's House is a dedicated partial hospitalization facility where children and adolescents can get help for mental health or chemical dependency issues. It allows kids to stay in the community and receive care close to home instead of having their problems escalate to the point where they require hospitalization and treatment away from home. Children and adolescents who participate in programs through Clara's House work on academics with a teacher from District 742.

## Region 3 Community Contributions

Charity care.....	\$ 13,189,812
Medicaid (costs in excess of payments + surcharge).....	\$ 39,409,220
*Other community benefit programs and activities .....	\$ 45,421,662
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 98,020,694
Percent of total operating expenses .....	5.9%
Costs in excess of Medicare payments .....	\$ 117,336,872
Other care provided without compensation (bad debt).....	\$ 33,006,444
**Other community contributions.....	\$ 14,954,818
Total value of community contributions.....	\$ 263,318,828
*, ** see glossary on page 8	

Psychiatrists, social workers, chemical dependency counselors, nurses, psychologists and occupational, recreational and art therapists work as an interdisciplinary team to identify the individual needs of children and adolescents. They design and carry out individualized treatment programs to meet their needs.

“Everyday miracles — that is what happens each day at Clara's House,” said Susan Fuchs-Hoeschen, M.S.W., L.I.C.S.W., clinical social worker at Clara's House.

“We provide innovative care in a home-like setting and we meet kids and families where they are at. We touch lives and create change. The children are changed, families are changed and we, as caregivers, also are changed. One brave child after leaving Clara's House said ‘Here at Clara's House, we try new things.’ That is the face of courage.”

Clara's House is the first St. Cloud Hospital building ever to be constructed entirely via gifts from the community. St. Cloud Hospital subsidizes the behavioral health care center with a contribution of \$2.5 million per fiscal year.

Nearly 800 children have benefited from services offered by Clara's House since its doors opened in October of 2004.

Photo: Katie Kinzer, M.A., art therapist with patient

*“We touch lives and create change. The children are changed, families are changed and we, as caregivers, also are changed. One brave child after leaving Clara's House said ‘Here at Clara's House, we try new things.’ That is the face of courage.”*

*— Susan Fuchs-Hoeschen, MSW, LICSW, Clinical Social Worker, Clara's House Child Partial Hospitalization Program*

# The East Lake Clinic

*Hennepin County Medical Center, Minneapolis*

Meeting unmet needs by providing \$60 million worth of charity care and care for which costs exceed Medicaid payments is part of the mission of Hennepin County Medical Center (HCMC). When a popular bilingual clinic closed its doors on East Lake Street in Minneapolis, HCMC opened a clinic in the same space to continue to meet the needs of the growing Spanish-speaking population in that area. Bilingual and interpreter-assisted primary care is at the core of what the clinic provides, but to address the broader reality of health disparities and access for the underserved, HCMC partners with the Minnesota Department of Health to provide youth development and family support services out of the new clinic.

The East Lake Clinic provides more than 14,500 patient visits each year. More than one-third of the patients seen in the clinic have no health insurance coverage, another 15 percent participate in the county’s sliding fee program, and another 10 percent are on Medicaid or Medicare, which pay significantly below the cost of providing care.

To get to the root of health disparities and barriers to access in the Latino community, the *Aqui Para Ti* program offered through the East Lake Clinic goes beyond providing episodic care by coordinating services and support to more than 250 Latino teens and their families each year. Comprehensive health care, health education, and support from a social worker are provided to teens and their parents. This successful partnership with the State of Minnesota helps families and, in turn, the community better understand the health care system and how to manage and address the health care needs of their family.



*“When we saw the need for services in southeast Minneapolis we responded, and today we are improving the health of the community.”*

*— Mike Harristhal, vice president of public policy and strategy*

“Hennepin County Medical Center has been providing health care to all who need it, regardless of their ability to pay, for more than 120 years,” said Mike Harristhal, vice president of public policy and strategy. “When we saw the need for services in southeast Minneapolis we responded, and today we are improving the health of the community and providing critically needed services and programs that go beyond basic health care by identifying and addressing some of the underlying factors that may be adversely affecting access to care for the Latino community. Partnership programs like *Aqui Para Ti* make a difference and help us fulfill our mission and vision to ensure access to health care for all.”

Photo: providers at the Hennepin County Medical Center East Lake Clinic. Left to right: Carlos Figari, M.D., Veronica Svetaz, M.D., Eileen Kerr, P.A., David Ries, M.D. and Mirtha Nesheim, M.D.

## Region 4 Community Contributions

Charity care.....	\$ 78,029,174
Medicaid (costs in excess of payments + surcharge).....	\$ 286,577,955
*Other community benefit programs and activities .....	\$ 315,363,320
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 679,970,449
Percent of total operating expenses .....	7.9%
Costs in excess of Medicare payments .....	\$ 427,622,888
Other care provided without compensation (bad debt).....	\$ 194,044,140
**Other community contributions.....	\$ 90,708,781
Total value of community contributions .....	\$ 1,392,346,258

\*, \*\* see glossary on page 8



# Alzheimer's and Dementia Support Group

*Graceville Health Center*

Staff members at Graceville Health Center identified a need for a support system for those affected by Alzheimer's disease and dementia after hosting a memory screening day in November 2007. Most of the people participated in the screening because a family member had Alzheimer's and they wanted to be proactive in their own treatment. They expressed a desire to talk about Alzheimer's disease and dementia and learn more.

In response, two nurses started an Alzheimer's and Dementia Support Group in February 2008. The group meets the last Tuesday of every month and is open to the public. The nurses arrange guests from organizations like the Alzheimer's Association, Area Agency on Aging, and local Alzheimer's care facilities to come to the meetings to educate the group. The nurses also give the group ideas for activities to do with their loved ones affected by Alzheimer's. Most importantly, the group allows caregivers and family members a chance to share their feelings with others going through similar experiences.

The cost of each meeting covers staff time, facility use time, and refreshments for the group members.

"The Alzheimer's and Dementia Support Group has become a real asset to Graceville and the surrounding communities," said Carla Gilsdorf. "Members have come to depend on the group not only for information and support, but also to make time for themselves away from their loved ones who are battling a memory disorder. The confidential meetings help members open up and share their concerns and experiences in an informal setting, which is very important in a small community like Graceville."

Approximately 10-15 people attend the Alzheimer's and Dementia Support Group meetings. Most of the members have spouses who have Alzheimer's disease or dementia, but others come because they are caring for a parent or other family member who is also suffering from a memory disorder. Not only does the Alzheimer's and Dementia Support Group give members the opportunity to share stories with their peers, but it also helps educate them about Alzheimer's disease and dementia.

*"Members have come to depend on the group not only for information and support, but also to make time for themselves away from their loved ones who are battling a memory disorder."*

*— Carla Gilsdorf,  
marketing/community  
relations*

## Region 5 Community Contributions

Charity care.....	\$ 1,868,463
Medicaid (costs in excess of payments + surcharge).....	\$ 20,964,654
*Other community benefit programs and activities .....	\$ 14,421,071
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 37,254,188
Percent of total operating expenses .....	7.1%
Costs in excess of Medicare payments .....	\$ 34,397,040
Other care provided without compensation (bad debt).....	\$ 9,742,146
**Other community contributions.....	\$ 2,762,541
Total value of community contributions .....	\$ 84,155,915

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# Teaching Teachers About DNA

*Mayo Clinic, Rochester*

Mayo Clinic has partnered with a coalition of businesses and schools working to increase math and science learning opportunities through the Rochester Area Math Science Partnership (RAMSP). The program offers a variety of hands-on molecular biology lessons that area teachers learn at weeklong summer education sessions. In one of the classes, high school science teachers from across the state learned how to make wearable necklaces from their own DNA — an attention-grabbing activity that they can teach to students in their classrooms.

“We’re trying to get more students interested in science by giving teachers activities and the tools to do the labs in their own schools,” said Ross Aleff, research technologist at Mayo Clinic’s Molecular Biology Core Facility and laboratory program coordinator for RAMSP. The DNA necklace process starts by sloshing water in the mouth to obtain cells. In a test tube, students add specific amounts of the water, salt, soap, alcohol and heat. The result is a DNA strand that looks like a white string. Unraveled, it’s about 3 feet long and will last forever.

“My students thought it was really cool to have their DNA that they could wear around their necks,” said Veronica Ward, agriculture teacher at Forest Lake Area Senior High School. “Having fun laboratory exercises to engage students helps genetics come to life.”

Mayo Clinic has offered the free summer training for eight years. New in 2007, one session was aimed at agriculture teachers. “The program provided me an avenue to show the

students a connection between science, the real world and themselves,” said Staci Brown, a 2007 participant who teaches science and agriscience at Stillwater Area High School.

In an activity Brown learned at Mayo Clinic, her students analyze food products such as cereal and corn chips to look for genetic modifications. “When you can show students that real-world connection, their success in the classroom will improve by leaps and bounds,” said Brown.

“This program is a wonderful example of how Mayo Clinic serves its mission in patient care and scientific advancement in offering a unique program to stimulate and excite students about career opportunities,” said Karel Weigel, community relations administrator, Mayo Clinic. “By equipping teachers and, in turn their students, with real life applications of scientific practice in biomedicine, we in turn inspire a new generation to advance science, health and well being for all of us.”

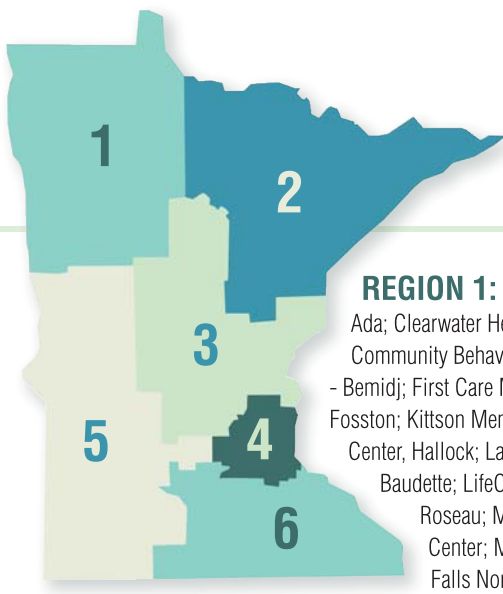
Aleff, who is also a Mayo Clinic molecular biology faculty member and graduate school instructor, prepares for and teaches the weeklong course. The program is now in its 10th year and has educated more than 60 teachers from 50 school districts. Each year, 8-9 additional teachers are accepted into the program. In addition to the laboratory use and staff time, Mayo Clinic provides all the equipment and materials for the course.



## Region 6 Community Contributions

Charity care.....	\$ 31,848,149
Medicaid (costs in excess of payments + surcharge).....	\$ 101,424,807
*Other community benefit programs and activities .....	\$ 323,333,517
Total cost of community benefits (as defined by CHA/VHA guidelines).....	\$ 456,606,473
Percent of total operating expenses .....	10.7%
Costs in excess of Medicare payments .....	\$ 286,395,941
Other care provided without compensation (bad debt).....	\$ 45,427,606
**Other community contributions.....	\$ 17,747,557
Total value of community contributions .....	\$ 806,177,577

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# Hospitals by Region

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

**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; Falls Memorial Hospital, International Falls; Grand Itasca Clinic and Hospital, Grand Rapids; Lake View Memorial Hospital & Home, Two Harbors; Mercy Hospital & Health Care Center, Moose Lake; Miller-Dwan Medical Center, Duluth; Pine Medical Center, Sandstone; QHR, Wisconsin Rapids; 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:** 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; Monticello-Big Lake Hospital, 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:** 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; Courage Center, Golden Valley; 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:** 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:** 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

# 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.

\* "Other community benefit programs and activities" comprises the following: MinnesotaCare provider tax; other public programs below cost; community services; subsidized health services; education and work-force 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.

