



Minnesota Hospital Association

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NEWS RELEASE

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Minnesota's nonprofit hospitals contribute \$4.3 billion in uncompensated care and health improvement programs to Minnesota communities

Past five years have seen nearly \$1 billion increase in community benefit

ST. PAUL – Minnesota's hospitals and health systems contributed more than \$4.3 billion in programs and services in 2014 to benefit the health of their communities, an increase of 4.6 percent compared to 2013, according to the latest annual Community Benefit Report released by the Minnesota Hospital Association (MHA).

"Minnesota's hospitals and health systems work beyond the physical walls of the hospital to strengthen the health of Minnesotans and our communities," said Lawrence Massa, president and CEO of MHA. "We know that much of what influences our health happens outside of the doctor's office – in our schools, workplaces and neighborhoods. Just as our care teams devote themselves to meeting the needs of patients in the hospital, our hospitals and health systems are driven to address their own community's needs."

Of the \$4.3 billion, Minnesota hospitals provided \$402 million in proactive services responding to specific community health needs, such as health screenings, health education, health fairs, immunization clinics and other community outreach, including in the areas of fitness, weight loss, mental health and diabetes prevention.

A few examples of community programs include:

- HealthEast community paramedics helped more than 100 mental health patients readjust to their home environment, manage medications and get follow-up care after being discharged from St. Joseph's Hospital's inpatient mental health unit.
- Hennepin County Medical Center's Mother-Baby Program was the first of its kind in Minnesota – and only the fourth in the nation – to use a structured day hospital model to support moms with perinatal psychiatric disorders as they adjust to having a new baby. This model has served almost 200 pregnant and postpartum women since opening in 2013.
- Saint Elizabeth's Medical Center collaborated with Wabasha, Plainview, Elgin and Millville to help over 800 children and their families enhance healthy habits through

elementary school activities, community events, primary care provider engagement and workplace programming.

In addition to improving the health of the community, Minnesota hospitals reported providing:

- \$589 million in uncompensated care, or care provided without payment – an increase of 2.9 percent compared to 2013. This uncompensated care includes “charity care” for patients from whom there is no expectation of payment and “bad debt,” the result of patients who could not or did not pay their share of the hospital bill. The overall cost of charity care decreased in 2014 as more Minnesotans secured health insurance, a priority long supported by MHA. The amount of bad debt increased, however, making uncompensated care a continuing concern for hospitals. The main driver of increasing bad debt is high-deductible health plan amounts owed by patients that go unpaid.
- \$419 million in education and workforce development, including training for doctors, nurses and other highly skilled health care professionals.
- \$235 million in research to support the development of better medical treatments and to find cures for diseases.
- \$2.3 billion in government underfunding as a result of treating Medicare and Medicaid patients and receiving government reimbursements that are less than the actual cost of providing the care – an increase of 10.9 percent compared to 2013.

“Minnesota’s nonprofit hospitals and health systems are dedicated to promoting and improving the physical and mental health of the communities they serve while lowering the cost of care,” said Massa. “While making sure patients receive the care they need when they need it, hospitals also provide a number of important proactive and community health services to meet the unique needs of their communities.”

The 2015 Community Benefit Report reflects 2014 financial information — the most recent data available — self-reported by Minnesota’s hospitals and health care systems and supplemented with data reported to the Minnesota Department of Health. The annual report comprises an analysis of categories of community contribution activities on a statewide and regional basis.

“Our hospitals and health systems maintain a firm commitment to strengthening the health of their communities,” said Massa. “Whether providing care through community programs, innovative partnerships, clinic visits or hospital stays, Minnesota’s hospitals seek to ensure that all members of their community have the support, tools and resources they need to maintain good health.”

To read more about hospital’s community programs and obtain a copy of this or previous community benefit reports, go to: www.mnhospitals.org/communitybenefit.

The Minnesota Hospital Association represents 143 hospitals and health systems, which provide quality care for their patients and meet the needs of their communities.

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