

Hospital Voice

A magazine for and about
**Oregon
Community
Hospitals**



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115,000 more Oregonians

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CARE FOR THE SAKE OF CARING

By Shelly Strom

Hospitals provide care without promise of payment

Oregon's 58 community hospitals are the last resort for many of the 639,000 Oregonians who are without health care insurance. These hospitals are committed to a mission of service rooted within the communities they serve.



Silverton Hospital, Silverton, Oregon

“There’s a reason you have the blue H signs on the highway. Those really are important to people,” said Ellen Lowe, community advocate for the Oregon Association of Hospitals and Health Systems (OAHHS). “Hospitals, however, are more than just the ER and the maternity ward. Sharing the story around *‘the rest’* of what hospitals do provides an opportunity for hospitals to connect with a wider community.”

The notion of hospitals benefiting the communities where they operate is as old as the institutions themselves. “Mother Joseph provides a fine example of community service,” said Julie Trocchio, senior director of community benefit and continuing care for the Catholic Health Association. In 1854, she led a group of five Sisters of Providence from Quebec to Vancouver, WA. There they built House of Providence, which served as an orphanage and now is an office building known as The Academy. **Providence Health & Services** is an outgrowth of the women’s endeavors throughout the Pacific Northwest.

“Community benefit is part and parcel to the reason hospitals exist,” said Kari Stanley, director of community benefit at **Legacy Health**. “Our mission is to care for everyone, both those with insurance and those without.”

Dollar amounts tied to uncompensated care and services — known as “community benefit” — have risen astronomically in recent years. In 2009 hospitals delivered an estimated \$1 billion in care and services that qualify as community benefit. Ten years ago, Oregon hospitals provided a little more than \$150 million in care and services in the category of community benefit. Such growth is largely attributable to providing services to people without health insurance. As communities and the needs of people within them have expanded, so have the services hospitals provide through a variety of programs. Examples of charity care and other programs designed to benefit the community abound. The array of free offerings include: flu shots, car seat installation clinics, prenatal and general medical care, classroom lessons in health, lectures on managing chronic disease, librarians who can research for medically valid information, health fairs, transportation to and from medical appointments, and more.

“Over the years, hospitals have evolved to define health beyond simply the provision of care within our walls,” said Stanley. “Our mission encompasses good health for our people, our patients, our communities and, really, our world.”

Care We Have Come to Expect... and More

“In the past decade, hospitals have become more involved in taking on social and economic challenges,” said John King, a nationally known consultant in health care and former CEO of **Legacy Health**. “In some cases they have the most managerial talent in the county. They want to put that to use beyond their traditional health care mission.” To that end, Oregon hospitals have assisted homeless people, run a family resources center, provided office space to nonprofits and designed a youth employment program to encourage people within groups underrepresented in hospital staffing toward a career in hospitals.

“In 2008, Care Van provided 6,884 free rides to and from facilities in Silverton, Mt. Angel, Molalla and Woodburn, totaling nearly 68,000 miles.

More likely than not, everyone has partaken in a free program sponsored by an Oregon hospital — and may not have even known it! For instance, at **Southern Coos Hospital and Health Center** in Bandon, Ore., a drive-thru flu shot clinic is staged annually. The hospital puts on the event to help the community by providing flu shots free of charge. At the same time, however, participating hospital staff receive training in disaster preparedness. The event takes place at an empty lot near the center of town — the same place that emergency personnel would use to provide care during a disaster.

A program operated by **Legacy Health** is less visible. The system, which operates six hospitals and a number of clinics and labs throughout the Portland-metro area, also provides three information centers. Anyone may call the center and request information

on a medical topic. The service is especially valuable because the information provided is “medically valid”; such information can sometimes be a challenge for nonprofessionals to unearth. On average, the centers collectively respond to about 10,000 requests annually.

The **Silverton Hospital Network** in Silverton, Ore., brings its patients to its facilities. The program, called Care Van, serves a critical role for patients who



Silverton Hospital, Silverton, Oregon

have transportation challenges. In 2008, Care Van provided 6,884 free rides to and from facilities in Silverton, Mt. Angel, Molalla and Woodburn, totaling nearly 68,000 miles.

Holding Themselves Accountable

In 2007, Oregon’s community hospitals launched an effort to establish legislation that would standardize how they report on their financial support of programs that provide community benefit. A purpose of the effort, which culminated in House Bill 3290, was to illuminate just how much hospitals contribute to meet community needs. “Oregon’s hospitals have a good story to tell but they don’t have the consistent data to tell it in a way that is meaningful,” said Kevin Earls, OAHHS vice president of policy and advocacy. The new law promises to

deliver clarity on the extent to how hospitals are following through on their mission of improving the health of their communities. Information that will be generated on community benefit programs has the potential to break silos and unite hospitals across the regions and the state.

“Coming together and working to solve these issues at this point in time is even more important,” said Julie Manning, vice president of development and community relations for **Samaritan Health Services** in Corvallis, Ore. Being strategic about serving community need has never been so important for hospitals. “Demand right now is taxing the abilities of our safety net of services to fill the gap,” said Manning.

Community need reached new heights in the wake of the deep economic recession that began in 2008. “So many more people have become uninsured in Oregon,” said Kari Stanley, from **Legacy Health**. “Without insurance, people delay getting care in the earlier stages of illness. By the time they seek treatment, they are very ill and need more and higher levels of care.”

Much of the treatment Stanley describes is tied to medical care provided within hospital emergency rooms. In 2008, 1.2 million Oregonians visited hospital emergency departments. In many cases, hospitals are not compensated fully or at all for care by people without insurance. This is especially detrimental to the financial stability of hospitals, because care is very costly when it is provided via emergency rooms.

To survive and continue to be able to serve anyone who walks through their doors, hospitals need to be on the same page in terms of community benefit reporting and standardization. There needs to be a consistent way to collect, document and report community health needs and benefits. “Data that will be generated provides a strategic framework for addressing community needs and coordinating community benefit programs,” Samaritan’s Julie Manning continues. “We can ask ‘how can we best leverage our community benefit investment.’”

The potential seems powerful.

“Think of what we could achieve if we focus and expend our resources in a strategic way,” Manning adds. “Shouldn’t we coordinate our giving based on documented and prioritized need?”

At the same time, by allowing the public to have an even closer look at their financials, hospitals likely will improve community benefit programs. Once community benefit data becomes public, the health needs of a community will become clear and will allow for constructive dialogue around prioritizing community benefit/health needs. “The shoe will pinch at times for these institutions that don’t measure up. But at the same time, it gives them an

opportunity to improve,” said consultant John King. “Being transparent is highly in tune with the world that we’re in.”

By sharing their story, Oregon’s hospitals have a greater chance at succeeding. “I think one result will be a heightened awareness of the gravity of the financial situation in terms of the huge amounts of dollars being spent as a result of so many people who don’t have health insurance,” said Rosemari Davis, CEO of **Willamette Valley Medical Center**.

“It begs the question ‘what is happening to the financial viability of hospitals and can it be continued.’”

>> HOSPITALS PROACTIVE

Leadership collaborates in order to help provide care to communities

Neither the financial burden borne by hospitals attempting to meet community need, nor the rate at which the burden is growing, is sustainable. (Oregon hospitals delivered \$1 billion in uncompensated care in 2009. See related story, page 18.)

In order to bring clarity and substance to debates around how to solve a looming health care crisis, Oregon hospitals recently helped impose a new state law on themselves. Under the new law, known as House Bill 3290, hospitals must provide detailed reports on expenditures related to programs that benefit their communities. HB3290 went into effect in 2009.

Heretofore, hospitals have been left to their own devices in accounting for community benefit. As tax-exempt organizations, they are required to deliver a calculable benefit to the community.

“The real problem was that hospitals were reporting in all sorts of different ways,” said Rep. Mitch Greenlick (D-Portland). “There always has been a level of transparency, it just wasn’t clear what you were looking at.” Oregon’s move to standardize hospital accounting is just the latest among approximately 20 states that have similar rules.



Tuality Healthcare, Hillsboro, Oregon

Changes by the Internal Revenue Service (IRS) in recent years require hospitals to demonstrate contributions to their respective communities. Expenses that qualify as community benefit, according to the IRS and in Oregon, are:

- Costs associated with medical care that is uncompensated or charity;
- Costs related to care or services available free of charge to anyone in the community.
- Costs related to marketing do not qualify as community benefit.

The new rule provides a way to see at a nuts and bolts level the details that go into accounting around community benefit. “Any time you have more accurate, complete data it is good because it

enables you to make policy decisions based on solid information rather than assumptions,” said Speaker of the House David Hunt (D-Gladstone).

Health care can be especially challenging for lawmakers to sort through. “There has been this huge increase in expenditures tied to community benefit. And because there wasn’t consistency in reporting on community benefit, legislators had a hard time deciphering the picture,” Greenlick said. “With standardized reporting, legislators have a chance to believe it now.”

The effort by law-makers and those in the health care community is part of a national goal to find solutions to the crisis in health care that has been building for years. “We’re spiraling into a deep hole regarding medical costs. We have to start looking at how health care dollars are being used,” said state senator Laurie Monnes-Anderson (D-Gresham).

Having solid data on how hospitals provide community benefit is crucial at a time like this. “The more we are able to proactively assess what hospitals are doing, the better positioned we will be to develop the right strategies for making health care more affordable and accessible to Oregonians,” said Hunt.

In that vein, leaders from Oregon’s 58 community hospitals hatched a concept for standardizing accounting around programs that provide community benefit. Hospital leaders looked to Oregon Association of Hospitals and Health Systems to assist in making a proposal to the legislature. OAHHS vice president of policy and advocacy

Kevin Earls, representing member hospitals, collaborated with citizen groups and lawmakers to shape language for legislation on which all parties could agree. The effort was no small task.

“It is to the credit of hospital leadership that they all agreed, collectively that there would be a certain way of reporting community benefit that allows the public to compare apples to apples,” said Ellen Pinney, executive director of Oregon Health Action Campaign. Standardization for reporting on accounting related to community benefit — most of which is medical care for which hospitals are uncompensated — is necessary and overdue, Pinney said.

Work by Oregon’s hospitals to create the accounting rule culminated in HB3290, which in 2007 sailed through the legislature almost unanimously. HB3290 requires hospitals in 2009 to start reporting on community benefit to the state. By defining certain expenses that qualify as community benefit, the legislation standardizes what hospitals already had been doing. “It is just a start but also what we need if we are going to get a handle on what individual hospitals contribute to address unmet community health and the good they are doing,” Pinney added.

Earls hopes data sets generated by the new law advance the issues. “Hospitals often are seen as an entity where costs and expenditures are somewhat mysterious. We want to help provide more clarity and transparency around those things,” he said.

“Ultimately, the story we have to tell is about how hospitals try to provide a safety net for all Oregonians.”



WHAT HOSPITALS ARE DOING

This is a sampling of what Oregon's 58 community hospitals **are doing for their local communities**. Please visit their websites to find out more. Also, visit www.oahhs.org/hospitals for additional hospital links.

> Grande Ronde Hospital

La Grande, Oregon
www.grh.org

- Stepping Stone Foundation Grant
- Mount Emily Safe Center Grant
- New Parenting Classes
- Childbirth Education Classes
- Free Children's Clinic

> Tuality Healthcare

Hillsboro, Oregon
www.tuality.org

- Salud! Medical Outreach
- Essential Health Clinic, Washington County Partnership
- "Bee Well" Summer Camp for Children
- Free Cholesterol and Blood-Pressure Screening
- Certified Athletic Trainer Program with Area Schools
- Nutrition/Diabetes Classes with Area Schools
- Free/Low-Cost Community Classes
- Grassroots Health: Faith Communities Parish Nurse Program

> Good Shepherd Medical Center

Hermiston, Oregon
www.gshealth.org

- Good Shepherd Community Health Foundation Grant
- CareVan Complimentary Medical Transportation Service
- Greater Hermiston Community Health Coalition
- Babysitting 101 Class
- Diabetes Education and Support Group
- Community Wellness Assessments
- Childbirth/New Mom Classes

> Asante Health System

Medford, Oregon
www.asante.org

- Asante Community Health Education Series
- Children's Dental Clinic
- Smullin Health Education Center
- Childbirth Education
- Diabetes Care Center
- Palliative Outreach: Hospice Education and Volunteers
- Pastoral Outreach: Faith Community Nurse Program
- The Child Advocacy Center
- Kids' Health Connection
- Francis Cheney Family Place & Three Rivers Community Hospital Family House
- The Breast Cancer Screening Program

> Providence Health & Services

Oregon Region
www.providence.org

- Vietnamese Volunteer Health Promoters
- Partners for Seniors
- Fever Kits
- Southern Oregon Meth Project
- Free Mammograms
- Support for Summertime School Lunch Program
- Partners in Health Grant Program

> Silverton Hospital

Silverton, Oregon
www.silvertonhospital.org

- McClaine Street Clinic
- Community Outreach Clinic
- Community Health Enhancement Mission (CHEM)
- Care Van
- School Nurses Program
- Health Occupation Classes and Training

> PeaceHealth

Oregon Region
www.peacehealth.org

- Bridge Assistance Charity Care Program
- United Way 100% Access Coalition
- Prenatal Clinic & Birth Center
- Volunteers in Medicine Clinic
- High School Sports Physicals
- Health Information Library

> Oregon Health & Science University

Portland, Oregon
www.ohsu.edu/xd/outreach/

- Women's Health, Cancer and Cardiology Screenings
- Brain Awareness
- Oregon Poison Center
- Science Education Outreach
- Give Kids A Smile Day Dental Care for Underserved Children

> Kaiser Sunnyside Medical Center

Clackamas, Oregon
www.kp.org

- Free Health Screenings for the American Heart Association's Heart Walk
- Global Warming Clothing Drive
- College Scholarship for North Clackamas School District

> Cascade Healthcare Community

Central Oregon
www.cascadehealthcare.org

- St. Charles Foundation
- Healthy Start Program
- Sara's Project
- Wendy's Wish
- Soaring Sprits
- DEFEAT Cancer
- Kids Center

> Legacy Health

Portland and SW Washington
www.legacyhealth.org

- Community Health Fund Grants
- Trauma Nurses Talk Tough
- Free Screenings: Glaucoma, Prostate, Skin and Women's Health
- Nonprofits Housed on Hospital Campuses at No Cost
- Safety Net Clinics
- Caregiver Services
- High School Healthcare Internships

> Salem Health

Salem, Oregon
www.salemhealth.org

- Healthy Hearts Educational Support Group
- Polk County Fair First Aid
- Trauma Nurses Talk Tough
- School Classroom Safety Education
- West Valley Hospital Connections Van
- Awesome 3000 Fun Run
- Salem Free Medical Clinic

> Samaritan Health Services

Corvallis, Oregon
www.samhealth.org

- Tobacco Cessation Support
- Better Breathers Workshops
- Parish Nurses Program
- Living Well with Chronic Conditions Workshops
- Senior Companion Program
- Social Accountability Community Grants

> Adventist Medical Center

Portland, Oregon
www.adventisthealthnw.com

- Adopt a Family
- Portland Adventist Community Services
- Healthvan Program
- HIV Screening
- Free/Low Cost Health Screenings & Education