



caring for our community

Hospitals' 2013 Community Benefit: An investment for a healthier central Ohio

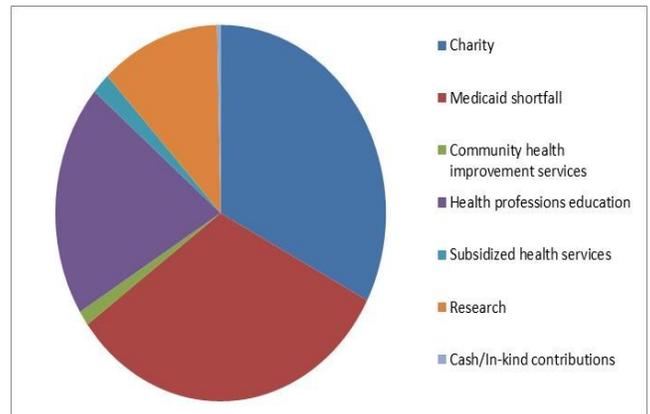
Key Points:

- * Franklin County's hospitals provided more than \$548.5 million in community benefit in 2013 (net HCAP)
- * The largest portion went to charity care, at \$220.5 million
- * \$217.6 million went to cover the unpaid costs of care provided to Medicaid patients
- * Our hospitals provided \$236.7 million in programs and activities, for which they were not reimbursed.

Franklin County Hospitals Provide \$548.5 million in Community Benefit

Franklin County's four not-for-profit hospital systems provided \$548.5 million in community benefit in 2013, a 19% increase since 2009. In meeting their charitable missions and providing benefit to the residents of central Ohio, the hospital systems in 2013:

- Contributed \$236.7 million on numerous programs, services and activities that improve the health of our citizens, for which they were not reimbursed;
- Provided \$220.5 million in free care for those individuals without insurance or are unable to



pay their hospital bills; and

- Provided more than \$217.6 million in uncompensated care to Medicaid patients, filling the gap left when government payments fall below hospitals' cost to provide services.

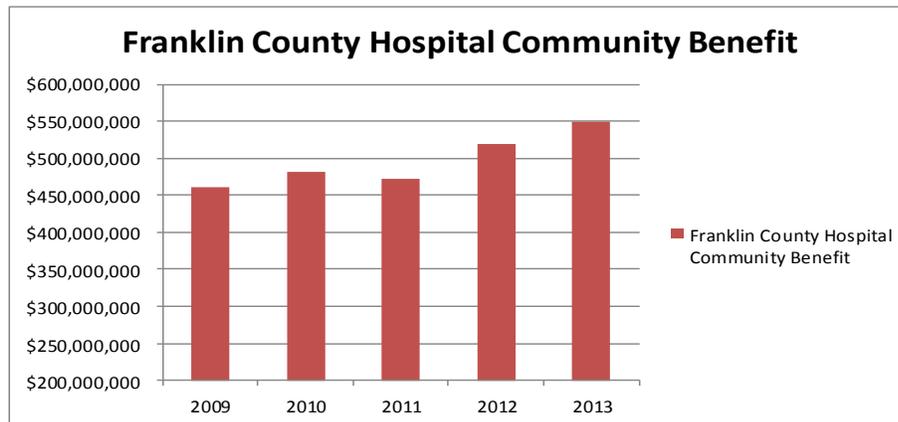
Franklin County Hospital Systems Community Benefit 2013

Charity	\$ 220,463,643
Medicaid shortfall	\$ 217,617,468
Community health improvement services	\$ 8,624,496
Health professions education	\$ 134,792,091
Subsidized health services	\$ 12,235,651
Research	\$ 78,674,702
Cash/In-kind contributions	\$ 2,374,292
Net Government Support (HCAP)	\$ 126,327,938
Total 2013 Community Benefit	\$ 548,454,404

Five-Year Trend: Hospital Community Benefit nears \$2.5 billion, Up 19% since 2009

As charitable organizations, Franklin County hospitals do not pay income tax or local property taxes, nor do they pay dividends to owners or stockholders. Instead, “profits” earned by our local hospitals are reinvested in such areas as research, education and training of physicians and other healthcare providers, innovation and technology, facilities to meet community need, and community outreach and education.

When totaled, our hospitals provide substantial benefit to the community. Over the past five years, Franklin County’s not-for-profit hospitals provided \$2.49 billion in health benefits to the community. That’s a 19% increase over 2009 levels.



Franklin County Hospital Community Benefit 2009 to 2013

Medicaid shortfall	\$1,029,443,151
Charity	\$ 927,231,364
Community health improvement services	\$ 44,926,406
Health professions education	\$ 613,756,028
Subsidized health services	\$ 58,074,876
Research	\$ 328,722,927
Cash/In-kind contributions	\$ 11,972,591
Subtotal	\$3,014,127,343
Net Government Support	\$ 528,307,751
TOTAL COMMUNITY BENEFIT	\$2,485,819,594

State Medicaid Reimburses Below Cost of Care; \$217 Million Loss to Local Hospitals

Ohio’s Medicaid program provides health coverage to 2.8 million Ohioans, but it does not come close to reimbursing hospitals and other providers their costs of providing care. In 2004, hospitals were reimbursed 95 cents for every dollar of care; in 2014, reimbursement had fallen to 81 cents on the dollar. In 2013, Franklin County hospitals provided \$217.6 million in care to Medicaid patients (in cost) for which they were not reimbursed.



Low Medicaid reimbursement not only impacts hospitals’ ability to maintain services, but it also strains doctors’ ability to treat Medicaid patients. While hospitals are required to accept Medicaid patients, physicians are not. With many doctors realizing Medicaid reimbursement levels below their operating costs, they are in-

creasingly unable or unwilling to take on this patient population. Medicaid patients who do not have sufficient access to primary and preventive care often over utilize hospital emergency departments, where the cost of treating non-urgent conditions is significantly higher than the cost of outpatient treatment.

