



**Mercy Medical Center
Redding**
A Dignity Health Member



Mercy Medical Center Redding

**Community Benefit Report FY2012
Community Benefit Implementation Plan FY2013**

**A message from the President for At Mercy Medical Center Redding
and the North State Service Area Community Board Chair**

At Mercy Medical Center Redding we share a commitment to optimize the health of the community we are privileged to serve. Vital to this effort is the collaboration we enjoy with our community partners. How we contribute to the quality of life and the environment in our communities has always been a key measure of our success and it will continue to be so as we move forward.

In January 2012 Dignity Health, formerly Catholic Healthcare West, announced changes in our governance structure and name that will better position the system to welcome new partners in a changing health care landscape. The new name, Dignity Health, was chosen because dignity has been one of our core values since our founding. It is deeply embedded in our culture and clearly describes who we are and what we stand for. Our new governance structure more accurately reflects our current composition of both religiously sponsored and community sponsored hospitals.

During fiscal year 2012 we, like the nation, were impacted by the continuing economic downturn and experienced both successes and challenges. Despite declining revenue from government sponsored patients, we provided more than \$10 million in charity care, community benefits, and unreimbursed patient care.

At Mercy Medical Center Redding we strive to manage our resources and advance our healing ministry in a manner that benefits the common good now and in the future. Despite today's challenges we see this as time of great hope and opportunity for the future of health care. We want to acknowledge and thank the women and men who have worked together in a spirit of collaboration to address the health priorities of our community through health and wellness programs and services.

In accordance with policy, the North State Service Area Community Board has reviewed and approved the annual Community Benefit Report and Implementation Plan at their October 11, 2012 meeting.



Mark Korth, President
Mercy Medical Center Redding



Karen Teuscher, Chairman
North State Service Area Community Board

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EXECUTIVE SUMMARY

Mercy Medical Center Redding is located at the tip of the Sacramento River Valley in Redding, California. The hospital, a member of Dignity Health, formerly Catholic Healthcare West (CHW)¹ serves as a regional referral center for far Northern California offering major medical services including a Level II Trauma Center with a dedicated Orthopedic Traumatologist, Level III Neonatal Intensive Care Unit, Cardiovascular Services, and Oncology Services. Mercy Medical Center Redding is also the sole provider of obstetrical services in its primary service area. Mercy Medical Center Redding is licensed for 267-beds and has approximately 1,700 employees. In addition to the key services listed above, Mercy Medical Center Redding also offers a wide array of specialty and surgical services including but not limited to:

- Pediatric Care
- Surgical Inpatient and Outpatient Care
- Center for Joint and Spine Health
- Joint Venture with 21st Century Oncology
- Mercy Regional Cancer Center in Redding
 - Ida C. Emerson Oncology Unit
 - Outpatient Chemotherapy Services
 - Floyd Morgan Family Cancer Resource Center & Medical Library
 - Affiliation with UCSF Helen Diller Family Comprehensive Cancer Center
- Mercy Heart Center
- Mercy Stroke Center
- Mercy Home Health & Hospice Services
- Mercy Family Medicine Residency Program
- Mercy Family Health Center – A clinic associated with the Mercy Family Practice Residency Program. The clinic serves Medi-Cal and Medicare patients as well as un-/under-insured individuals, under the direction of the Mercy Family Practice Residency faculty.
- Mercy Maternity Clinic – This Clinic helps mothers and babies achieve a healthy start, by offering comprehensive prenatal care for low-income mothers and high-risk pregnancies.
- Patient Services Centers – Offering outpatient laboratory testing in convenient consumer settings.
- Wound Healing and Hyperbaric Medicine Center – This freestanding service cares for individuals with hard-to-heal wounds.
- An 11-room hospitality house for families of patients who reside outside of the greater Redding area and must travel to Mercy Medical Center Redding for trauma, cardiac or cancer care. These families are often unable to sustain this unforeseen financial burden and these rooms are provided at a low nightly rate or at no cost for those who cannot afford to pay.
- A dedicated campus for senior services. Named Mercy Oaks, this campus currently features a senior housing complex operated by Mercy Housing, a comprehensive senior nutrition and transportation program and a myriad of social services dedicated to seniors and people who have disabilities.

Listed below are a few highlights of major support for community benefit activities that were operated or substantially supported by Mercy Medical Center Redding during FY12.

- Mercy is a founding partner of the Healthy Shasta Collaborative and continues to be a major annual supporter with financial and in-kind support.
- Scholarships are awarded to graduating high school seniors majoring in a healthcare related field and other health professions education.
- The Congestive Heart Active Management Program (CHAMP®) is offered to qualifying patients with heart failure through a partnership with Mercy Heart & Vascular Institute in Sacramento, Calif.
- Mercy is a provider of the Every Women Counts State Program for early detection of breast cancer.

¹ For more information on the name change, please visit www.dignityhealth.org

Mercy Medical Center Redding provided over \$10 million (excluding shortfall from Medicare) in serving the poor and broader community through June 30, 2012. This amount includes the hospital's reinvestment through community grants and other gifts/sponsorships to help improve community health.

MISSION STATEMENT

We are committed to furthering the healing ministry of Jesus. We dedicate our resources to:

- delivering compassionate, high-quality, affordable health services;
- serving and advocating for our sisters and brothers who are poor and disenfranchised; and
- partnering with others in the community to improve the quality of life.

ORGANIZATIONAL COMMITMENT

Mercy Medical Center Redding is part of Dignity Health, a system of 39 hospitals in Arizona, California and Nevada. As part of Dignity Health, Mercy Medical Center Redding plays a lead role in caring for the community and partnering with others to help make Redding and the surrounding areas a healthier place. In living out the mission, Mercy Redding is particularly attentive to the needs of the poor, disadvantaged and vulnerable.

Community benefit is integrated into the strategic planning process at Mercy Medical Center Redding and is demonstrated at multiple levels throughout the organization. The community benefit planning process is a joint effort that engages the Dignity Health North State Board, Mercy Redding's President and Leadership Team, and Mercy Redding's Advisory Council.

The Dignity Health North State Board has overall responsibility for community benefit activities for Mercy Medical Center Redding to ensure that the activities support the mission, policies and strategic plan of the organization, as well as, address the priority needs of the community. In addition to the involvement and oversight of the Dignity Health North State Board, Mercy Medical Center Redding's Advisory Council provides a community perspective to help prioritize the health opportunities for the organization. This 24-member Council represents a broad range of community organizations and needs. The individual responsible for the implementation and facilitation of the Community Benefit process reports to the President of Dignity Health North State and is a member of Mercy Medical Center's senior management team.

Membership on the Dignity Health North State Board and Advisory Council include community stakeholders, Sisters of Mercy, senior hospital leadership, physicians, and Mission Integration leadership (rosters for the Dignity Health North State Board and Mercy Redding's Advisory Council are listed in Appendix A). Responsibilities of the Board and the Advisory Council include:

- Review and approval of the annual community benefit report and plan to ensure it is aligned with Mercy Medical Center Redding's mission and strategy, is focused on the priority needs identified through the community health assessment and/or by hospital leadership, and fulfills responsibilities as a charitable organization.
- Provide oversight for the Dignity Health Grants Program, including the identification of grant funding priorities and selection of grant review committee members.
- Serve as advocates in the community that further Mercy Medical Center Redding's mission and help foster strategic partnerships to improve community health.

Mercy Medical Center Redding believes it is vitally important to work with other values-driven organizations to truly make a difference. By effectively using limited resources and linking together, Mercy Redding can often offer healthy and health prevention options in our community as well as help address the broader health needs of the community. We do not believe we can address the community's health care needs alone. Every year, Mercy Redding reinvests in the community through its Community Grants program. The goal of the program is to reinvest community benefit resources by partnering with non-profit organizations who share our mission and

values of working to improve the health and quality of life in our community. In Fiscal Year 2012, Mercy Redding received 10 Letters of Intent and 7 of those organizations were invited to develop and submit full grant proposals. The total amount of funds requested from Mercy in the grant proposals was approximately \$226,500. After a rigorous review process, which provided a deeper insight into the scope of needs being responded to, Mercy Redding was able to fund four of those requests for a total of \$145,000.

The following organizations received a FY2012 Dignity Health Community Grant from Mercy:

- Youth Violence Prevention Council received \$10,000 for Project EX. This program provides an educational smoking and tobacco use cessation program to teens (14-19 years) referred through schools and Juvenile Probations.
- First 5 Shasta received \$35,000 for their H₂O and Go program. This program will train early childhood educators to implement evidence based programs in the classrooms that help young children develop healthy eating habits, increase their physical activity and decrease sedentary behaviors.
- Trinity Hospital received \$50,000 for a passenger van to help Weaverville residents attend health education and outreach activities. The van will be able to transport those who are mobility impaired, those who are unable to drive, and those who have transportation hardships and are not adequately served by existing public transportation.
- Shasta Community Health Center received \$50,000 for their patient education and self management program. The program expands efforts to prevent the onset and reduce the acuity of chronic diseases through a system of classes conducted by a patient educator and/or peer educator.

In addition to the Community Grants Program, Mercy Redding also assists local organizations with community-building activities and programs to help address the root causes of health problems. In FY12, MMCR provided expertise and/or hospital resources to help strengthen community partnerships:

- American Cancer Society
- Anderson Community Inc.
- Good News Rescue Mission
- Leadership Redding
- NorCal Think Pink
- Northern Valley Catholic Social Services
- Older Adult Policy Council
- Redding Chamber of Commerce
- Shasta County Public Health – Healthy Shasta Initiative
- Shasta Community Health Center
- Turtle Bay Exploration Park
- YMCA

COMMUNITY

Mercy Medical Center Redding (MMCR) serves a primary service area (PSA) comprised of zip codes in Redding and surrounding communities in Shasta, Tehama and Trinity County. Portions of Shasta and Tehama County and all of Trinity County are federally designated Medically Underserved Areas (MUA). The table below provides a snapshot of the demographics for Mercy's primary service area, including population, education level and median income for the area.

The following demographic represent statistical data for the primary service area (PSA). The PSA has been defined as the zip codes that make up 80% of MMCR's discharges.

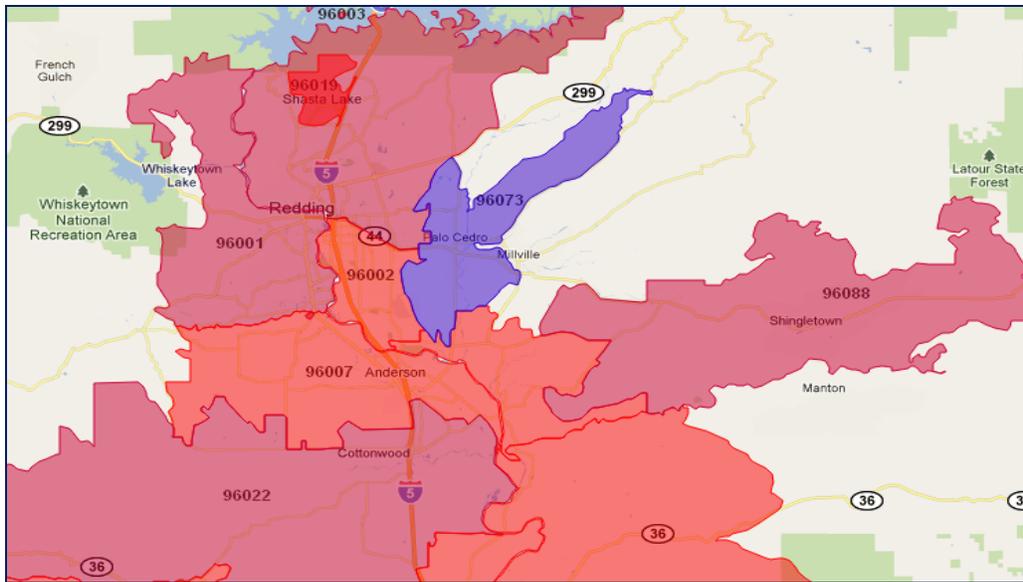
- Population: 204,716
- Diversity:
 - ◆ Caucasian 80.9%
 - ◆ Hispanic 10.1%
 - ◆ Asian & Pacific Islander 2.5%
 - ◆ African American 0.8%
 - ◆ American Indian/Alaska Native & Other 5.6%
- Average Income: \$54,366
- Uninsured: 26.4%
- Unemployment: 7.1%
- No HS Diploma: 3.6%
- Renters: 34.1%
- CNI Score: 4.5
- Medicaid Patients: 16.8%
- Other Area Hospitals: Shasta Regional Medical Center

COMMUNITY NEED INDEX

The Community Need Index (CNI) is a tool used by CHW facilities to measure community need in a specific geography by analyzing the degree to which a community has the following health care access barriers: Income Barriers, Educational Barriers, Cultural Barriers, Insurance Barriers, and Housing Barriers.

By using statistical modeling, the combination of above barriers results in a score between 1 (less needy) and 5 (most needy). Analysis has indicated significant correlation (96%) between the CNI and preventable hospital admissions. Communities ranked as scoring a "5" are more than twice as likely to need inpatient care for preventable conditions (ear infection, etc.) than communities with a score of "1".

The following map specifies areas in Redding and surrounding areas with associated CNI scores. It is apparent that most of the zip codes within Shasta County are in need the most and represent areas of opportunity for Mercy Medical Center Redding to consider for specific community benefit's intervention strategies.



Lowest Need ■ 1 - 1.7 **Lowest** ■ 1.8 - 2.5 **2nd Lowest** ■ 2.6 - 3.3 **Mid** ■ 3.4 - 4.1 **2nd Highest** ■ 4.2 - 5 **Highest**

| Zip Code | CNI Score | Population | City | County | State |
|----------|-----------|------------|---------------|---------|------------|
| 96001 | 4 | 34425 | Redding | Shasta | California |
| 96002 | 4.2 | 33327 | Redding | Shasta | California |
| 96003 | 3.6 | 45570 | Redding | Shasta | California |
| 96007 | 4.4 | 24034 | Redding | Shasta | California |
| 96013 | 4.4 | 4956 | Burney | Shasta | California |
| 96019 | 4.6 | 10119 | Shasta Lake | Shasta | California |
| 96021 | 4.8 | 15183 | Tehama County | Tehama | California |
| 96022 | 3.4 | 16199 | Cottonwood | Tehama | California |
| 96073 | 2.4 | 3823 | Palo Cedro | Shasta | California |
| 96080 | 4.4 | 28752 | Red Bluff | Tehama | California |
| 96088 | 3.4 | 5033 | Shingletown | Shasta | California |
| 96093 | 4 | 3757 | Weaverville | Trinity | California |

Employers in Shasta County tend to be comprised of small businesses with one to four employees being most common. The economic recession has had a significant impact on local businesses and has affected unemployment rates. Shasta County's unemployment rate was 13% in June of 2012, which was greater than California's June 2012 rate of 10.7%. Due to the recession there has been a growing need for services provided to the un-/underinsured. Insurance coverage estimates for 2011 showed a total of 41.89% of individuals in Mercy Redding's PSA are either uninsured (26.4%) or have Medi-Cal (16.8%) coverage. People are often turning to the Emergency Department for basic non-acute medical services. To respond effectively to these needs requires collaborative problem solving. Nonprofit organizations need to work together to leverage resources and maximize health assets in innovative ways to enhance existing programs and ensure sustainable health programs and services are available over the long-term. Community-based collaboration will be a priority for Mercy Medical Center Redding and will help drive community benefit efforts in the future.

COMMUNITY BENEFIT PLANNING PROCESS

A community health needs assessment is a systematic process involving the community, to identify and analyze community health needs in order to prioritize, plan and act upon unmet community health needs. An assessment is conducted every three years and an essential component of the process is to prioritize the health opportunities that are identified through the assessment process. In late 2010, a community health assessment was sponsored by MMCR as one of its strategies and commitment to the health of our community. Professional Research Consultants (PRC), located in Omaha Nebraska, conducted the community health assessment for Shasta County. Through a series of telephone interviews, focus groups and the evaluation of existing health related data, PRC compiled a report inventorying community health priorities and provided recommendations for areas of intervention.

The community health assessment was the product of analysis of primary and secondary data sources relating to a wide array of community health indicators in Shasta County. Data input included:

- Community Health telephone survey consisting of a random sample of 500 individuals aged 18 and older in Shasta County. The sample was then weighted in proportion to the actual population distribution at the zip code level.
- Community Health Panels:
 - Two health panels (focus groups) were conducted. One was conducted with physicians and other health care professionals and the other one consisted of social workers and other community leaders.
- A variety of existing (secondary) data sources was consulted to complement the research quality of the health assessment. The data for Shasta County was obtained from the following sources: California Department of Health Services, California Department of Public Safety, Centers for Disease Control & Prevention, ESRI BIS Demographic Portfolio (projections based on the US Census) and National Center for Health Statistics.

PRC identified 14 “areas of opportunity” for health improvement. The health opportunities were (in alphabetical order):

- | | |
|------------------------------------|---|
| ■ Access to Healthcare | ■ Nutrition, Physical Activity & Overweight |
| ■ Cancer | ■ Oral Health |
| ■ Disability & Chronic Pain | ■ Respiratory Disease |
| ■ Heart Disease & Stroke | ■ Sexually Transmitted Diseases |
| ■ Immunizations | ■ Substance Abuse |
| ■ Injury & Violence | ■ Tobacco Use |
| ■ Mental Health & Mental Disorders | ■ Vision & Hearing |

Mercy Medical Center Redding carefully considered how to identify and prioritize various community benefit initiatives. Once the health opportunities were identified, they were ranked by members of the Hospital Advisory Council. The ranking tool contained seven criteria with which to rank each health opportunity. Each criterion was assigned a specific weighted value. Definitions of the criteria used are listed below:

- High Incidence or Prevalence - Is the local rate/percent higher than the state or national rate/percent? Consider absolute numbers directly affected by the problem, as well as disproportionate rates among special populations (subgroups of age, sex, race/ethnicity, geographic region).
- Trending - What are the trends? Is the rate/percent increasing or decreasing over time?
- Severity of Problem/Consequences - Consider the degree to which the problem leads to death, disability or impairs one’s quality of life. Also consider the risk of exacerbating the problem by not addressing at the earliest opportunity.

- Amenable to Intervention - Consider how likely it is that interventions will be successful in preventing or reducing the consequences of a problem. Keep in mind all types of intentions (e.g., community education, policy and/or organizational changes, etc.), the potential to reach populations at greatest risk, and the ability of the community at large to mobilize to support the intervention. *In other words ... can we make a difference?*
- Resources Available - Consider what programs are currently in place to address the problem, and consider the ability of organizations to reasonably impact the issue, given available resources.
- Costliness of Treatment of Problem/Consequences - Consider the financial costs of treating the problem; what costs might be saved by preventing or reducing the severity of the problem?
- Acceptability - Considering what the community feels is important, as it can mean greater community support later on.

After the participants ranked each of the areas of opportunity, the results were then calculated and further discussion ensued to select the areas that should be the focus for the next community benefit planning cycle (FY12 – FY14). As a result of the ranking and prioritization process, and taking into account that the hospital has limited financial resources, the following three initiative clusters were identified for Mercy to develop planned interventions to help address community needs in partnership with other community organizations.

These initiative clusters will help address nine of the fourteen opportunities:

- Heart disease and stroke with a focus on physical activity, oral health, nutrition and overweight
- COPD with a focus on lung cancer and tobacco use
- Chronic pain with a focus on substance abuse and mental health

Planning for the Uninsured/Underinsured Patient Population

Mercy Medical Center Redding is committed to providing payment assistance to persons who have health care needs and are uninsured or under-insured. Currently, 26.4% of Mercy Redding's primary service area population is uninsured, followed by 19.65% who are enrolled in the Medicare program and 16.8% enrolled in Medi-Cal. MMCR ensures that any planning for the uninsured or under-insured population is in accordance with the Dignity Health payment assistance/charity care policy (see Appendix B). Every patient who goes through the admission process at Mercy Redding is provided with a brief overview of the payment assistance policy and a brochure that goes into additional detail. Additionally, the general public has access to the policy as well as payment assistance applications on the Hospital's web site.

PLAN REPORT AND UPDATE INCLUDING MEASURABLE OBJECTIVES AND TIMEFRAMES

Community Benefit Programs are developed in response to the current Community Health Assessment and are guided by the following five core principles:

- Disproportionate Unmet Health-Related Needs - Seek to accommodate the needs to communities with disproportionate unmet health-related needs.
- Primary Prevention - Address the underlying causes of persistent health problem.
- Seamless Continuum of Care - Emphasis on evidence-based approaches by establishing operational linkages between clinical services and community health improvement activities.
- Build Community Capacity - Target charitable resources to mobilize and build the capacity of existing community assets.
- Collaborative Governance - Engage diverse community stakeholders in the selection, design, implementation, and evaluation of program activities.

Listed below are key areas of support for community benefit programs that were operated or substantially supported by Mercy Medical Center Redding during FY12.

Physical Activity & Fitness and Nutrition & Overweight

- Mercy is a founding partner of Healthy Shasta and continues to be a major annual supporter with financial and in-kind support.
- Several local gyms offer discounted memberships to Mercy Medical Center Redding employees and families.

Scholarships for Health Professions Education

- Shasta College - Sponsor Scholarship opportunities for the Advanced Nursing.
- Simpson University - Sponsor Scholarship opportunities for the RN to BSN program.
- Mercy Medical Center Redding also offers scholarships to graduating high school seniors that are pursuing a healthcare-related major.

Cardiovascular Disease

- Continued offering the CHAMP® service to qualifying patients with heart failure through a partnership with Mercy Heart & Vascular Institute in Sacramento, California.
- Partnered with national screening company to sponsor vascular screenings within market to help identify disease at earliest stage.

Cancer Deaths/Skin Cancers/Prostate Exams

- Continued free tobacco cessation classes – “Quit for Good”.
- Provider of Every Women Counts State Program.
- Hosted a prostate screening in September of 2011.

Chronic Disease

- Offered two, six-week sessions of the Stanford Based Chronic Disease Self-Management Program (CDSMP) titled Healthier Living, as well as trained community members to become workshop leaders.
- Continued offering diabetes classes every other month throughout FY12.

PROGRAM DIGEST

Listed below are the FY12 Program Digest results for the key initiatives and key community based programs that were operated or substantially supported by Mercy Medical Center Redding. The programs that will be a major focus for Mercy Medical Center Redding over the next three fiscal years (FY12-FY14) are listed below. These key programs will be continuously monitored for performance and quality with ongoing improvements to facilitate their success.

| Healthier Living – Chronic Disease Management Program | |
|--|---|
| Hospital CB Priority Areas | Heart disease, stroke, physical activity, oral health, nutrition and overweight COPD, lung cancer and tobacco use Chronic pain, substance abuse and mental health |
| Program Emphasis | Please select the emphasis of this program from the options below: <input type="checkbox"/> Disproportionate Unmet Health-Related Needs X Primary Prevention X Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Collaborative Governance |
| Link to Community Needs Assessment | Heart disease, stroke, physical activity, oral health, nutrition and overweight, COPD, lung cancer, tobacco use, chronic pain, substance abuse and depression |
| Program Description | The Healthier Living workshop is for adults who have a chronic health condition or who live with someone with a chronic health condition. Healthier Living workshop participants learn how to manage stress, fight fatigue and pain, learn how to communicate with their doctor and family members and set goals and learn problem solving techniques. |
| FY 2012 | |
| Goal 2012 | Enhance proactive community benefit programming targeted to expand the continuum of care for community members living with chronic disease, enhancing quality of life by preventing or reducing unnecessary admissions to the Hospital |
| 2012 Objective Measure/Indicator of Success | Offer specific interventions, educational opportunities, screenings and investments to increase awareness and identification of risk factors for the health conditions listed above. |
| Baseline | PRC community health assessment indicates that chronic pain rates in Shasta County are worse than the California average. |
| Intervention Strategy for Achieving Goal | 1. Select and train several Healthier Living workshop leaders in the Fall of 2011 2. Establish and conduct at least two healthier living workshops for people living with chronic diseases by the end of FY12 |
| Result FY12 | 1. A facilitator training was conducted in the fall of 2011. Seven individuals were trained to become CDSMP facilitators – also known as Healthier Living Leaders. 2. Two Healthier Living Workshops were conducted. The first one began in February, 2012 and the second workshop started in April, 2012. Each workshop was six-weeks long. 3. In addition to the facilitator training, Mercy Redding also supported Shasta Community Health Center with a \$50,000 community grant to help the clinic implement a chronic disease program that will hold regular classes to help prevent the onset and reduce the acuity of chronic diseases. |
| Hospital's Contribution/Program Expense | \$57,000 |
| FY 2013 | |
| Goal FY 2013 | Enhance proactive community benefit programming targeted to expand the continuum of care for community members living with chronic disease, enhancing quality of life by preventing or reducing unnecessary admissions to the Hospital |
| 2013 Objective Measure/Indicator of Success | Monitor participants in Dignity Health programs, screenings and events for improvement in self-management of health condition |

| | |
|---|---|
| Baseline | PRC community health assessment indicates that chronic pain rates in Shasta County are worse than the California average. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Continue to host diabetes classes every other month 2. Conduct three Healthier Living workshops during the next fiscal year |

| Heart Disease & Stroke | |
|--|---|
| Hospital CB Priority Areas | Heart disease, stroke, physical activity, oral health, nutrition and overweight |
| Program Emphasis | Please select the emphasis of this program from the options below: <input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Collaborative Governance |
| Link to Community Needs Assessment | Heart disease, stroke, physical activity, oral health, nutrition and overweight |
| Program Description | Provide services/programs that respond to the identified community need listed above to help improve community health. |
| FY 2012 | |
| Goal 2012 | Enhance proactive community benefit programming targeted to expand the continuum of care for community members living with CHF and other related diseases and enhance the quality of life by preventing or reducing unnecessary admissions to the Hospital. |
| 2012 Objective Measure/Indicator of Success | Education, screenings or interventional programs designed to increase awareness for one of the following risk factors that contribute to heart disease and stroke: Being Overweight, Physical Activity, Nutrition, and Oral Health. |
| Baseline | PRC community health assessment indicates that heart disease and stroke death rates are worse than both the California and US averages. PRC has also indicated that the modifiable risk factors listed above are also areas of health opportunity. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Continue to be a major annual supporter with financial and in-kind support for the Healthy Shasta Collaborative initiatives and events. 2. Continue with yearly vascular screening 3. Offer an educational seminar for community members on the importance of oral health in relation to heart disease. 4. Continue CHAMP program for CHF 5. Continue diabetes education classes that are offered every other month. 6. Refer community members to the Healthier Living Workshops as appropriate. |
| Community Benefit Category | A – Community Health Improvement Services |
| Result FY12 | <ol style="list-style-type: none"> 1. Continued financial and in-kind support of Healthy Shasta initiatives and events. Invested \$20,000 plus applied for and received a grant from Kohl's in the amount of \$21,431. The Kohl's grant funds will be used to support marketing and PR efforts of the Healthy Shasta collaborative. In addition to the monetary contributions, Community Benefit staff participated as a steering committee member, as well as, facilitated the Healthy Shasta Public Relations committee throughout FY12. 2. In Late FY12, Mercy Medical Center Redding contracted with Life Line Screening to provide vascular screenings to community members throughout the service area. In FY12, three screenings have been conducted. 3. A specific education session on oral health was not conducted in FY12. However, good oral hygiene habits were discussed as one of the risk factors/preventative measures during a community lecture about heart disease and stroke. 4. The CHAMP program was continued throughout FY12 for qualified patients. Currently there are 77 individuals active in the program. 5. Diabetes classes were offered in the months of: August, October, and December of 2011 and February, April and June of 2012. 6. Community members were referred to the Healthier Living workshop as appropriate. |
| Hospital's Contribution/Program Expense | \$85,259 |
| FY 2013 | |
| Goal FY 2013 | Enhance proactive community benefit programming targeted to expand the continuum of care for community members living with CHF and other related diseases and enhance the quality of life by preventing or reducing unnecessary admissions to the Hospital. |

| | |
|--|---|
| 2013 Objective Measure/Indicator of Success | Monitor participants in Dignity Health programs, screenings and events for improvement in self-management of health condition and track improvement through community health assessment for improvement in increasing physical activity and nutrition. |
| Baseline | PRC community health assessment indicates that heart disease and stroke death rates are worse than both the California and US averages. PRC has also indicated that the modifiable risk factors listed above are also areas of health opportunity. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Continue to be a major annual supporter with financial and in-kind support for the Healthy Shasta Collaborative initiatives and events. 2. Continue offering community screenings for heart and vascular disease via the partnership with Life Line. 3. Continue CHAMP or similar service program for qualified patients that are diagnosed with CHF. 4. Continue diabetes education classes that are offered every other month. 5. Collaborate with Mercy Redding's CME Coordinator to provide physician education. Topics could include (but are not limited to): heart disease or stroke. 6. Refer community members to the Healthier Living Workshops as appropriate. |

| COPD, Cancer and Tobacco Use | |
|--|---|
| Hospital CB Priority Areas | COPD, lung cancer and tobacco use |
| Program Emphasis | Please select the emphasis of this program from the options below: <input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Collaborative Governance |
| Link to Community Needs Assessment | COPD, lung cancer and tobacco use |
| Program Description | Provide services/programs that respond to the identified community need listed above to help improve community health. |
| FY 2012 | |
| Goal 2012 | Enhance proactive community benefit programming targeted to expand the continuum of care for patients and enhance quality of life by reducing unnecessary readmissions to the hospital |
| 2012 Objective Measure/Indicator of Success | Offer specific interventions to reduce readmission for individuals admitted to the Hospital for conditions related to COPD, as compared to baseline year performance. |
| Baseline | PRC community health assessment indicates that COPD death rates are worse than both the California and US averages; and the prevalence of lung cancer disease is increasing in Shasta County. Tobacco use rates are statistically unchanged in Shasta County since 2007 and this contributes to both COPD and Lung Cancer. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Continue to offer and promote the Quit for Good tobacco cessation classes 2. Offer an educational seminar for community members on the correlation between tobacco use and lung cancer and COPD. 3. Refer community members to the Healthier Living Workshops as appropriate. |
| Result FY12 | <ol style="list-style-type: none"> 1. Three 4-week sessions were held in September, January and March of FY12. In addition to the Quit for Good classes, Mercy Redding also supported Youth Violence Prevention Council with a \$10,000 community grant to help the organization provide a tobacco cessation program for teens aged 14-19. 2. A specific education session on tobacco use and lung cancer and COPD was not conducted in FY12. However, the correlation between tobacco use and lung cancer and COPD is covered in the curriculum of the Quit for Good classes. Tobacco use was also discussed as one of the risk factors/preventative measures during a stroke seminar that was given in FY12. 3. Community members were referred to the Healthier Living workshop as appropriate. |
| Hospital's Contribution/Program Expense | \$11,500 |
| FY 2013 | |
| Goal FY 2013 | Enhance proactive community benefit programming targeted to expand the continuum of care for patients and enhance quality of life by reducing unnecessary readmissions to the hospital |
| 2013 Objective Measure/Indicator of Success | Monitor quit rate of participants in Quit for Good tobacco cessation classes as well as monitor participants in the Healthier Living Workshops to identify improvement in self-management of their chronic conditions |
| Baseline | PRC community health assessment indicates that COPD death rates are worse than both the California and US averages; and the prevalence of lung cancer disease is increasing in Shasta County. Tobacco use rates are statistically unchanged in Shasta County since 2007 and this contributes to both COPD and Lung Cancer. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Continue to offer and promote the Quit for Good tobacco cessation classes throughout FY13. 2. Collaborate with Mercy Redding's CME Coordinator to provide physician education. Topics could include (but are not limited to): COPD, smoking or lung cancer. 3. Partner with Shasta County Public Health on educational campaign for tobacco cessation designed specifically around women and the unique social challenges/concerns that prevent their efforts to stop using tobacco. 4. Refer community members to the Healthier Living Workshops as appropriate. |

| Chronic Pain, Substance Abuse and Mental Health | |
|--|--|
| Hospital CB Priority Areas | Chronic pain, substance abuse and depression |
| Program Emphasis | Please select the emphasis of this program from the options below: <input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Collaborative Governance |
| Link to Community Needs Assessment | Chronic pain, substance abuse and depression |
| Program Description | Develop and implement an educational campaign and support investments to increase awareness and early identification of risk factors that can contribute to high-risk behavior such as unhealthy coping habits. |
| FY 2012 | |
| Goal 2012 | Enhance proactive community benefit programming targeted to expand the continuum of care for patients living with chronic disease, enhancing quality of life and reducing unnecessary readmissions to the hospital |
| 2012 Objective Measure/Indicator of Success | Educational opportunities and/or screening programs that increase awareness and early identification of issues with chronic pain, substance abuse and mental health issues such as depression. |
| Baseline | PRC community health assessment indicates that chronic pain and substance abuse death rates are worse than the California average. Focus group participants also indicated an increase of “pharm parties” where teens are sharing prescription medications with each other. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> Partner with Shasta County Public Health for a community educational campaign - Throw the Drugs Away. Offer a CME on Chronic Pain for physicians and other health care providers. Refer community members to the Healthier Living Workshops to learn healthy pain management and coping skills as appropriate. |
| Result FY12 | <ol style="list-style-type: none"> Mercy Medical Center Redding planned to support Shasta County Public Health’s “Throw the Drugs Away” educational campaign, however, Shasta County Public Health did not move forward with the campaign in FY12. The Public Health Department has plans to move forward with a modified educational campaign in FY13 and Mercy will re-engage in discussions to help support the new modified campaign. In the interim, Mercy supported a health fair/block party in the City of Shasta Lake at the Tara Hills apartment complex. Shasta Lake is a DUHN community and the apartment complex has 160 units and houses individuals that are a considered a high-risk socioeconomic status and the elderly. A chronic pain CME was held in early FY12 for healthcare professionals. The information was presented by a physician who is a chronic pain specialist. Information provided during the CME included: discussing the barriers to treating patients with chronic disease, how healthcare professionals can take a balanced approach regarding goals with patients (lower pain level, reduce suffering, etc.), other various types of therapy that could be used in combination with medications to help patients meet their individual goals and how chronic pain affects other conditions. Healthcare professionals that received this information gained a better sense of how chronic pain can lead to the worsening of depression and anxiety symptoms and also learned that if the chronic pain is treated, the depression and anxiety symptoms may improve as well. Community members were referred to the Healthier Living workshop as appropriate. |
| Hospital’s Contribution/Program Expense | \$500 |
| FY 2013 | |
| Goal FY 2013 | Enhance proactive community benefit programming targeted to expand the continuum of care for patients living with chronic disease, enhancing quality of life and reducing unnecessary readmissions to the hospital |
| 2013 Objective Measure/Indicator of Success | Monitor participants in the Healthier Living Workshops to identify improvement in self-management of their chronic conditions |

| | |
|---|---|
| Baseline | PRC community health assessment indicates that chronic pain and substance abuse death rates are worse than the California average. Focus group participants also indicated an increase of “pharm parties” where teens are sharing prescription medications with each other. |
| Intervention Strategy for Achieving Goal | <ol style="list-style-type: none"> 1. Explore a partnership opportunity with Shasta County Public Health and the Redding Police Department for a medication disposal program in Shasta County. 2. Explore the possibility of partnering with the Suicide Prevention Department of Shasta County Public Health for Mercy to become a pilot site for a web based suicide and substance abuse screening program for emergency department staff as a way to identify at-risk individuals prior to a crisis situation. 3. Support a Shasta County Educational Campaign regarding substance abuse titled “Think Again Shasta” aimed at providing prevention information to adults and parents about drinking (including underage drinking), substance abuse and other high-risk behaviors. 4. Collaborate with Mercy Redding’s CME Coordinator to provide physician education. Topics could include (but are not limited to): chronic pain, substance abuse or mental health. 5. Refer community members to the Healthier Living Workshops as appropriate. |

COMMUNITY BENEFIT AND ECONOMIC VALUE

Economic Value:

Economic value of community benefit is defined as the reporting responsibilities associated with providing charity care, unpaid costs of Medicaid, Medicare and indigent programs, education and research, non-billed services, cash and in-kind donations. Using a cost accounting methodology, Mercy Medical Center Redding provided more than \$10 million in unsponsored care and programs for the benefit of the community in FY12. Unsponsored care includes cost of care for persons who are poor, the costs associated with caring for Medicare, Medicaid and other government program beneficiaries and costs for services the hospital subsidizes because the services are not offered anywhere else in the community. Listed below is the fiscal year 2012 Community Benefit Inventory for Social Accountability (CBISA) classified summary.

Mercy Medical Center Redding
Classified Summary Including Non Community Benefit (Medicare)
For period from 7/1/2011 through 6/30/2012

| | Persons | Total Expense | Offsetting Revenue | Net Benefit | % of Organization | |
|--|----------------|--------------------|-----------------------|-------------------|-------------------|------------|
| | | | | | Expenses | Revenues |
| <u>Benefits for Living in Poverty</u> | | | | | | |
| Traditional Charity Care | 826 | 4,587,221 | 0 | 4,587,221 | 1.4 | 1.2 |
| Unpaid Costs of Medicaid | 45,118 | 80,133,734 | 86,840,904 | (6,707,170) | (2.0) | (1.7) |
| Means-Tested Programs | 5,015 | 12,187,965 | 5,577,604 | 6,610,361 | 2.0 | 1.7 |
| Community Services: | | | | | | |
| Comm. Benefit Operations | 0 | 116,177 | 0 | 116,177 | 0.0 | 0.0 |
| Comm. Health Improvement Svcs. | 2,386 | 11,926 | 0 | 11,926 | 0.0 | 0.0 |
| Cash and In-Kind Contributions | 2,814 | 2,052,405 | 39,369 | 2,013,036 | 0.6 | 0.5 |
| Totals for Community Services | 5,200 | 2,180,508 | 39,369 | 2,141,139 | 0.6 | 0.5 |
| Totals for Living in Poverty | 56,159 | 99,089,428 | 92,457,877 | 6,631,551 | 2.0 | 1.7 |
| <u>Benefits for Broader Community</u> | | | | | | |
| Community Services: | | | | | | |
| Comm. Health Improvement Svcs. | 1,716 | 33,678 | 0 | 33,678 | 0.0 | 0.0 |
| Cash and In-Kind Contributions | 776 | 229,472 | 0 | 229,472 | 0.1 | 0.1 |
| Health Professions Education | 74 | 3,761,221 | 83,316 | 3,677,905 | 1.1 | 0.9 |
| Subsidized Health Services | 838 | 54,809 | 0 | 54,809 | 0.0 | 0.0 |
| Totals for Community Services | 3,404 | 4,079,180 | 83,316 | 3,995,864 | 1.2 | 1.0 |
| Totals for Broader Community | 3,404 | 4,079,180 | 83,316 | 3,995,864 | 1.2 | 1.0 |
| Totals for Community Benefit | 59,563 | 103,168,608 | 92,541,193 | 10,627,415 | 3.2 | 2.7 |
| Unpaid Cost of Medicare | 66,833 | 146,532,886 | 134,005,409 | 12,527,477 | 3.8 | 3.2 |
| Totals with Medicare | 126,396 | 249,701,494 | 226,546,602 | 23,154,892 | 7.0 | 5.8 |

Telling the Community Benefit Story:

Mercy Medical Center Redding will be using this report to help create a higher level of awareness of its community benefit activity. The report will be distributed to key internal and external stakeholders, including but not limited to: Dignity Health North State Board; Mercy Foundation North Board; Mercy Medical Center Redding Advisory Council; elected City and County officials; Union leadership; employees, guild members and Medical Staff leadership. The report will also be available in Dignity Health approved format on the Hospital's web site at www.redding.mercy.org.

Appendix A



North State

Mercy Medical Center Mt. Shasta
Mercy Medical Center Redding
St. Elizabeth Community Hospital

Administration

2625 Edith Avenue, Suite E
P.O. Box 496009
Redding, CA 96049-6009

**FY 2013
DIGNITY HEALTH NORTH STATE SERVICE AREA
COMMUNITY BOARD MEMBERS**

Karen Teuscher, Chairperson

LeRoy Crye, Secretary

Jon W. Halfhide, North State Service Area President

Fernando Alvarez, M.D.

Diane Brickell

Lisa Cheung, M.D.

Sister Nora Mary Curtin

Sandra Dole

Douglas Hatter, M.D.

Sutton N. Menezes, M.D.

Venita Philbrick

Sister Maura Power

Any communications to Board Members should be made in writing and directed to:

Lynn Strack, Executive Assistant
Dignity Health North State
P. O. Box 496009
Redding, CA 96049-6009
(530) 225-6103 phone
(530) 225-6118 fax

7/1/12

MERCY MEDICAL CENTER REDDING
ADVISORY COUNCIL MEMBERS
2012

| <u>MEMBER</u> | <u>TERM</u> | <u>REAPPTD</u> |
|--|-------------------|----------------|
| Les Baugh (Shasta Co. Board of Supervisors) | 6/2005 to 12/2012 | to 12/2012 |
| Diane Kempley (Redding School District) | 6/2005 to 12/2012 | to 12/2012 |
| Kurt Starman (City of Redding) | 6/2006 to 12/2013 | to 12/2013 |
| Dr. Andy Solkovits (Family Practice Physician) | 6/2006 to 12/2013 | to 12/2012 |
| Dr. Lucha Ortega (Shasta College) | 6/2006 to 12/2013 | to 12/2013 |
| Heather Hennessey (First Christian Church) | 6/2006 to 12/2013 | to 12/2013 |
| Susan Wilson (Health Improvement Partnership of Shasta) | 6/2006 to 12/2013 | to 12/2013 |
| Jeff Avery (State Farm Insurance) | 6/2007 to 12/2014 | to 12/2013 |
| Doreen Bradshaw (Shasta Consortium) | 6/2007 to 12/2014 | to 12/2013 |
| Ryan Denham, <i>Chairperson</i> (SJ Denham Chrysler) | 6/2007 to 12/2014 | to 12/2013 |
| Roger Janis (Retired from Butte Community Bank) | 6/2007 to 12/2014 | to 12/2013 |
| Dave Jones (Mountain Valleys Health Centers) | 6/2007 to 12/2014 | to 12/2013 |
| Jason Parker (Morgan Stanley Financial) | 6/2008 to 12/2015 | to 12/2012 |
| Mike Mangas, <i>Vice Chairperson</i> (KRCR Channel 7) | 6/2008 to 12/2015 | to 12/2012 |
| Marion Nebergall (Community Member) | 6/2008 to 12/2015 | to 12/2012 |
| Janice Cunningham, <i>Secretary</i> (Cox Real Estate) | 6/2008 to 12/2015 | to 12/2012 |
| Janet Applegarth (Anderson Chamber of Commerce) | 1/2011 to 12/2016 | to 12/2013 |
| Larry McKinney (Simpson University) | 1/2012 to 12/2017 | to 12/2013 |
| Tracey Moore (Sierra Pacific Industries) | 1/2012 to 12/2017 | to 12/2013 |
| Robert Paoletti (Redding Police Department) | 1/2012 to 12/2017 | to 12/2013 |

Appendix B

DIGNITY HEALTH
SUMMARY OF PATIENT PAYMENT ASSISTANCE POLICY
(June 2012)

Policy Overview:

Dignity Health is committed to providing payment assistance to persons who have health care needs and are uninsured or under-insured, ineligible for a government program, and otherwise unable to pay for medically necessary care based on their individual financial situations. Consistent with its mission to deliver compassionate, high quality, affordable health care services, and to advocate for those who are poor and disenfranchised, Dignity Health strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Payment assistance is not considered to be a substitute for personal responsibility, and patients are expected to cooperate with Dignity Health's procedures for obtaining payment assistance, and to contribute to the cost of their care based on individual ability to pay. Individuals with financial capacity to purchase health insurance shall be encouraged to do so as a means of assuring access to health care services.

Eligibility for Patient Payment Assistance:

- Eligibility for payment assistance will be considered for those individuals who are uninsured, ineligible for any government health care benefit program, and unable to pay for their care, based upon a determination of financial need in accordance with the policy.
- The granting of payment assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, or immigration status, sexual orientation or religious affiliation.

Determination of Financial Need:

- Financial need will be determined through an individual assessment that may include:
 - a. an application process in which the patient or the patient's guarantor is required to cooperate and supply all documentation necessary to make the determination of financial need;
 - b. the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay;
 - c. a reasonable effort by the Dignity Health facility to explore and assist patients in applying for appropriate alternative sources of payment and coverage from public and private payment programs; and will take into account the patient's assets and other financial resources.
- It is preferred but not required that a request for payment assistance and a determination of financial need occur prior to rendering of services. The need for payment assistance may be re-evaluated at each subsequent rendering of services, or at any time additional information relevant to the eligibility of the patient for payment assistance becomes known.
- Dignity Health's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of payment assistance. Requests for payment assistance shall be

processed promptly, and the Dignity Health facility shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

Patient Payment Assistance Guidelines:

Services eligible under the policy will be made available to the patient on a sliding fee scale, in accordance with financial need as determined by the Federal Poverty Level (FPL) in effect at the time of the termination as follows:

- Patients whose income is at or below 200% of the FPL are eligible to receive free care;
- Patients whose income is above 200% but not more than 350% of the FPL are eligible to receive services at the average rates of payment the Dignity Health facility would receive from Medicare, Medicaid (Medi-Cal), Healthy Families, or any other government-sponsored health program in which the hospital participates, whichever is greater in amount for the same services;
- Patients whose income is above 350% but not more than 500% of the FPL are eligible to receive services at 135% of the average rates the Dignity Health facility would receive from Medicare, Medicaid (Medi-Cal), Healthy Families, or any other government-sponsored health program in which the hospital participates, whichever is greater for the same services;
- Patients whose income exceeds 500% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of the Dignity Health facility.

Dignity Health's administrative policy for Eligibility and Application for Payment Assistance shall define what qualifies as income for these purposes.

Communication of the Payment Assistance Program to Patients and the Public:

- Information about patient payment assistance available from Dignity Health, including a contact number, shall be disseminated by the Dignity Health facility by various means, including the publication of notices in patient bills and by posting notices in the Emergency and Admitting Departments, and at other public places as the Dignity Health facility may elect. Such information shall be provided in the primary languages spoken by the populations served by the Dignity Health facility.
- Any member of the Dignity Health facility staff or medical staff may make referral of patients for payment assistance. The patient or a family member, a close friend or associate of the patient may also make a request for payment assistance.

Budgeting and Reporting:

- Specific dollar amounts and annual plans for patient payment assistance will be included within the Social Accountability Budget of the Dignity Health facility. Dignity Health facilities will report patient payment assistance calculated at cost in the annual Social Accountability Report and may voluntarily report such information as deemed appropriate.
- Patient payment assistance statistics shall be disclosed in annual financial statements but shall not include amounts that are properly considered to be bad debt or contractual discounts.

Relationship to Collection Policies:

- Dignity Health system management shall develop policies and procedures for internal and external collection practices by Dignity Health facilities that take into account the extent to which the patient qualifies for payment assistance, a patient's good faith effort to apply for a governmental program or for payment assistance from Dignity Health, and a patient's good faith effort to comply with his or her payment agreements with the Dignity Health facility.
- For patients who qualify for payment assistance and who are cooperating in good faith to resolve their hospital bills, Dignity Health facilities may offer interest-free extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences and will not send unpaid bills to outside collection agencies.

Regulatory Requirements:

In implementing this policy, dignity health management and dignity health facilities shall comply with all federal, state and local laws, rules and regulations that may apply to activities conducted pursuant to this policy.