



Community Benefit Report

FISCAL YEAR 2014



EMANUEL
MEDICAL CENTER

Emanuel Medical Center

Community Benefit Report for FY 2014

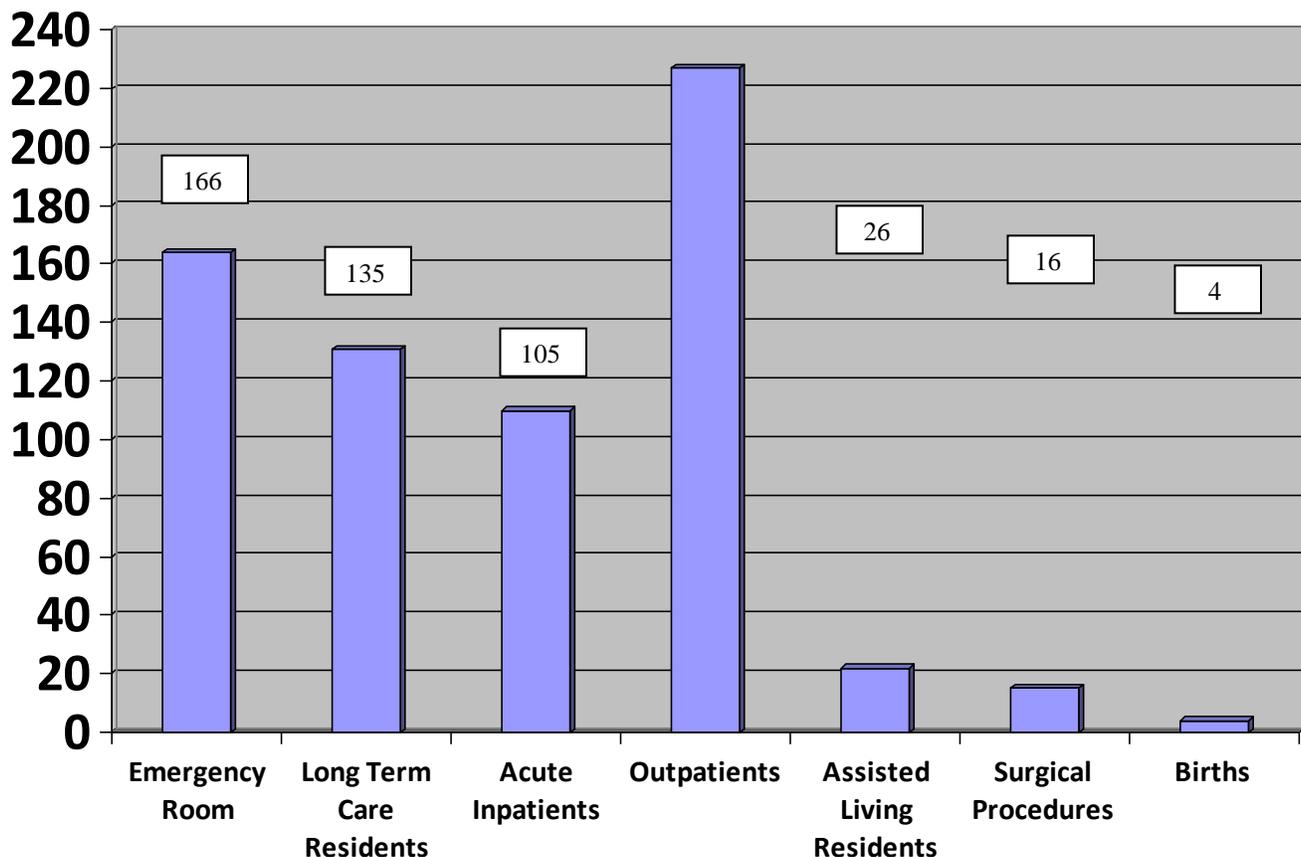
the
Fiscal Year Ending January 31, 2014

General Information

Emanuel Medical Center operates a not-for-profit community facility licensed for 209 acute care beds, 145 distinct part long term care beds and 49 residential care beds. Emanuel is the only hospital in its primary service area and during the 12 months ending January 31, 2014, we:

- Provided 40,273 days of acute care
- Provided 82,926 outpatient visits
- Served residents with 47,829 days of long term care
- Supported residents with 7,871 days of assisted living
- Treated 59,954 patients in our Emergency Room
- Performed 5,502 surgical procedures
- Delivered 1,343 babies

**Number of Patients Served On an Average Day
at Emanuel Medical Center
FY 2014**



Emanuel Medical Center provides safe, quality and necessary health services to all patients without regard to race, color, creed, gender, residency status or ability to pay. This access to care is essential to many people in our community, and resulted in the granting of \$90.2 million, or nearly \$247,000 per day, in free care to patients who were uninsured and underinsured during FY 2014.

As one of our area's largest employers we have more than 1,300 staff members. Our President and Chief Executive Officer is John Sigsbury and our Board Chair is Jennifer Larson. The contact person for this Community Benefit Report is:

Pennie C. Rorex, Assistant Vice President
Corporate Communication & Marketing
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(209) 664-5679

Organizational Structure

Emanuel Medical Center, Inc. is a California not-for-profit public benefit corporation located in Turlock, California. The corporation is religiously affiliated and one of two acute-care hospitals wholly owned by Covenant Ministries of Benevolence (CMB). We have a 13-member community board. Our board members are:

Emanuel Medical Center, Inc. Board of Directors 2014-2015

Ron Arakelian, MD, Physician
Turlock, CA

Jennifer Larson – Business Co-Owner
Turlock, CA

Arthur De Rooy – Businessman
Hilmar, CA

Jim Pallios – Business Owner
Turlock, CA

David Dwight – President
Covenant Ministries of Benevolence
Chicago, IL

**John R. Sigsbury – President/CEO
EMC**
Turlock, CA

Bill Gibbs – Business Owner
Turlock, CA

Marlene Stante – Banking
Turlock, CA

Wade Fullmer – Pharmacist
Turlock, CA

Arlon Waterson – Business Owner
Hilmar, CA

Kulmeet Dang, DO – Physician
Turlock, CA

Tom Wilson, MD – Physician
Turlock, CA

Reza Nazari, MD – Physician
Turlock, CA

Community Needs Assessment

Emanuel Medical Center's primary service area is greater Turlock which encompasses southern Stanislaus County and northern Merced County. Included in this service area are the towns of Ceres, Delhi, Denair, Hilmar, Livingston and Turlock.

In early 2014, Emanuel Medical Center commissioned an updated community health needs assessment and implementation plan, which is appended to this document. Highlights from the assessment are:

Demographics:

As identified in the most recent 2010 U.S. Census, service area residents tend to have several characteristics that increase the difficulty of meeting the health needs in their service area. Relative to the current status and compared to state of California averages, service area residents have the following characteristics:

- **Lower median age** - Ten of the 30 service area towns or cities has a median age under 30 years. Generally, needs of this age group tend to increase for primary care access, women's health, pediatric, and behavioral health (including drug and alcohol related issues).
- **Lower median household income** - More than one in five (21.1%) of people in the service area live below 100% of the Federal Poverty Level.
- **Lower degree of educational attainment** - Approximately one in five residents has not attained more than a 9th grade education, and approximately one in ten residents has not attained a high school diploma or its equivalency.
- **Higher disability rates** - Disability rates have a direct correlation to healthcare service use. Nearly one in seven Stanislaus County residents has a known disability— much higher than the California state average. All measured types of disabilities are higher than the State average.

Identified Community Priorities

Based on input from local healthcare leaders; analysis of local, State of California, and federal quantitative data; community input; and, the needs evaluation process, the following prioritized list of community needs was identified.

Prioritized Community Needs

<u>Rank</u>	<u>Health Need</u>
1	Behavioral health - Access (availability of providers -- Inpatient, Outpatient, Partial)
2	Availability of affordable healthcare, prescriptions, and related services
3	Behavioral health - early detection and intervention
4	Homeless services (healthcare for the homeless)
5	Continuity of care -- Coordination of care between provider organizations
6	Awareness between community service providers regarding the breadth of services available
7	Substance abuse (including prescription drug abuse)
8	Managing the expected growth in senior health services; that is, having enough physicians and other services
9	Pain management services
10	Insurance coverage rates -- Counseling and availability
11	End of life issues (including palliative care)

County Health Status Profile

The County Health Status Profile contains data for selected health indicators as recommended by the Centers for Disease Control and Prevention and the National Center for Health Statistics. While the 2014 profile shows progress on many fronts from earlier profiles, Stanislaus County's rank order for most indicators of mortality and morbidity remain in the bottom half of California's 58 counties.

STANISLAUS COUNTY'S HEALTH STATUS PROFILE FOR 2014

MORTALITY									
RANK ORDER	HEALTH STATUS INDICATOR	2010-2012 DEATHS (AVERAGE)	CRUDE DEATH RATE	AGE-ADJUSTED DEATH RATE	95% CONFIDENCE LIMITS		NATIONAL OBJECTIVE	AGE-ADJUSTED CALIFORNIA CURRENT	DEATH RATE COUNTY PREVIOUS
					LOWER	UPPER			
44	ALL CAUSES	3,727.7	719.4	777.6	752.4	802.8	a	641.5	794.4
40	ALL CANCERS	783.7	151.2	163.1	151.5	174.6	160.6	153.3	171.9
53	COLORECTAL CANCER	82.7	16.0	17.4	13.9	21.6	14.5	14.2	18.5
40	LUNG CANCER	191.7	37.0	40.3	34.5	46.0	45.5	34.8	45.8
19	FEMALE BREAST CANCER	49.3	18.9	18.6	13.8	24.6	20.6	20.9	24.4
24	PROSTATE CANCER	37.3	14.6	19.6	13.8	27.0	21.2	20.5	24.6
42	DIABETES	99.0	19.1	21.0	17.1	25.6	b	20.4	23.7
52	ALZHEIMER'S DISEASE	185.0	35.7	39.6	33.8	45.3	a	30.5	35.0
57	CORONARY HEART DISEASE	729.0	140.7	153.3	142.0	164.5	100.8	106.2	162.8
39	CEREBROVASCULAR DISEASE (STROKE)	200.7	38.7	42.8	36.9	48.8	33.8	36.6	46.5
47	INFLUENZA/PNEUMONIA	86.7	16.7	18.3	14.7	22.6	a	16.1	22.2
42	CHRONIC LOWER RESPIRATORY DISEASE	239.0	46.1	51.7	45.1	58.3	a	36.2	48.3
39	CHRONIC LIVER DISEASE AND CIRRHOSIS	68.3	13.2	13.5	10.5	17.1	8.2	11.5	12.7
30	ACCIDENTS (UNINTENTIONAL INJURIES)	195.0	37.6	38.1	32.7	43.5	36.0	27.3	41.5
31	MOTOR VEHICLE TRAFFIC CRASHES	61.7	11.9	12.0	9.2	15.4	12.4	7.3	13.0
21	SUICIDE	54.0	10.4	10.7	8.0	13.9	10.2	10.1	11.3
46	HOMICIDE	36.0	6.9	6.9	4.8	9.5	5.5	5.2	5.8
29	FIREARM-RELATED DEATHS	50.3	9.7	9.6	7.1	12.7	9.2	7.7	9.1
39	DRUG-INDUCED DEATHS	86.0	16.6	16.6	13.3	20.5	11.3	10.8	16.2

MORBIDITY									
RANK ORDER	HEALTH STATUS INDICATOR	2010-2012 CASES (AVERAGE)	CRUDE CASE RATE	95% CONFIDENCE LIMITS		NATIONAL OBJECTIVE	CRUDE CASE RATE		
				LOWER	UPPER		CALIFORNIA CURRENT	COUNTY PREVIOUS	
30	AIDS INCIDENCE (AGE 13 AND OVER)	13.3	3.2 *	1.7	5.5	12.4	8.6	7.3	
42	CHLAMYDIA INCIDENCE	1,947.0	375.8	359.1	392.5	c	434.5	366.2	
39	GONORRHEA INCIDENCE FEMALE AGE 15-44	94.3	87.4	70.6	106.9	251.9	139.6	133.9	
40	GONORRHEA INCIDENCE MALE AGE 15-44	88.0	79.8	64.0	98.3	194.8	186.6	131.9	
25	TUBERCULOSIS INCIDENCE	10.7	2.1 *	1.0	3.7	1.0	6.1	3.7 *	

Given this area's demographics, generally low health outcomes, physician shortages, significant range of health concerns and lack of employment, the community benefits Emanuel Medical Center provides are clearly essential.

Progress Report

Access to quality health care is the single greatest community benefit offered by Emanuel Medical Center. Our hospital assures the availability of care to all. Emanuel is a very important safety net to those who are uninsured, underinsured, unemployed and/or unentitled.

Highlights of our Fiscal Year 2014 accomplishments follow.

Emanuel Medical Center's Community Benefit Actions FY 2014

Community Benefit	Action Taken	Addressed Community Health Concerns	Supported Healthy People 2010 Objectives
Increased Access to Care	Due to hospital's recruiting and support efforts, one new physician and one nurse practitioner joined hospital-based practices	Yes	Yes
Increased Access to Care	Continued Medical Education Program for third-year and fourth-year medical students; 25 students enrolled in one-year clinical rotations	Yes	Yes
Increased Access to Care	Provided free mammography screening and follow-up to over 100	Yes	Yes

	uninsured and underinsured women		
Increased Access to Care	Opened a new Emanuel Family Practice Clinic in the underserved community of Patterson in the west side of the county.	Yes	Yes
Assured Access to Care	Provided Cardiovascular Services, including open heart surgery to 68 patients	Yes	Yes
Assured Access to Care	Became accredited as a Chest Pain Center	Yes	Yes
Assured Access to Care	Provided \$90,237,000 in free care to underinsured, uninsured and patients who did not pay for their services ⁽¹⁾	Yes	Yes
Assured Access to Care	Incurred \$42,100,000 shortfall ⁽²⁾ while providing care to Medicare and MediCal beneficiaries	Yes	Yes
Assured Access to Care	Supported Adult and Pediatric Hospitalist services	Yes	Yes
Assured Access to Care	Incurred Specialty Physician expense to ensure ED coverage	Yes	Yes
Assured Access to Care	Incurred Anesthesiologist expense to ensure OB care/pain management; also incurred cardiovascular anesthesia expense	Yes	Yes
Assured Access to Care	Operated two Emanuel Family Practice clinics in Turlock	Yes	Yes
Maintained Access to Care	Continued to provide “Jessica’s House,” a free grief support program for children, teens and their families.	Yes	Yes
Maintained Access to Care	Continued to provide “Monkey Business” support group for children of parents diagnosed with cancer	Yes	Yes
Maintained Access to Care	Continued to provide Childbirth Education classes in English and Spanish	Yes	Yes
Maintained Access to Care	Operated Internal Review Board and maintained enrolled cancer patients in national clinical trials	Yes	Yes
Maintained Access to Care	Continued to provide Life Support Classes for medical professionals	Yes	Yes
Maintained Access to Care	Continued to participate in MediCal CMAC Program	Yes	Yes
Maintained Access to Care	Continued to participate in local HMO/PPO networks	Yes	Yes

⁽¹⁾Based on charges – cost of uncompensated care was \$14,961,000 (used CTCR to calculate)

⁽²⁾Unreimbursed cost of providing treatment

Community Benefit Plan

Emanuel Medical Center continues to support our community as outlined in the preceding Progress Report. Over the past 12 months, Emanuel Medical Center focused its community service in these vital areas:

Basic Access to Care: Without Emanuel Medical Center, during the year ending January 31, 2014:

- Residents or their visitors would have had to leave the community 59,954 times for emergency treatment
- More than 1,300 babies would not have been born at a local hospital
- Nearly 6,000 patients would have had to leave their home community for surgical procedures.

Residents of the Central Valley continued to struggle financially during the year ending January 31, 2014. As in prior years, many residents of our community could not afford to provide themselves with basic needs, including health care. Emanuel continued to serve as the only health care safety net for many residents of Turlock and surrounding communities in our service areas.

Increased Physician Availability: In FY 2014, Emanuel Medical Center recruited one new general surgeon who is also boarded in colorectal surgery, the first in the region and in Emanuel's service area. Additionally a new nurse practitioner was hired to provide services in the new Patterson primary health center operated by Emanuel.

Completed in 2011, Emanuel Medical Center's latest Community Physician Need Study documents significant growth in the number of physicians required in the primary service area of the medical center. However, the community continues to have fewer than half the number of physicians per 100,000 population at the most conservative benchmarks for physician need.

Findings of the study include:

- In 2011 more than 1,200 patients per month, most previously without a primary care physician, are now patients of six new family practice physicians recruited to the two primary care centers of the Emanuel Family Practice and Specialty Care.
- The Emanuel Cardiac Cath and Interventional Lab opened as a result of the recruitment of general, invasive and interventional cardiologists to provide both outpatient and inpatient services. In FY 2014, the Cardiac Cath Lab performed 3,315 procedures.
- New physician specialties joining the Turlock community include Infectious Disease, Rheumatology, Neurology and Interventional Cardiology.
- 67% of all general inpatient surgery and 50% of outpatient surgery procedures are provided by the four recruited general surgeons and 83% of all orthopedic surgery procedures are performed by recruited physicians. In prior years, many of these patients would have gone to Modesto for care.
- Over 67% of all monthly GI procedures are conducted by recruited gastroenterologist and surgeons.
- The opening in 2011 of the Emanuel Open Heart Surgery program was driven by the relocation of medical staff that included two cardiothoracic surgeons, a perfusionist and a

surgery physician assistant. In FY 2014, over 50 open heart surgery cases were performed.

- In response to community need, several female physicians were added to the Emanuel medical staff including: two OB/GYNs, two Neurologists, five Family Practice providers, one Nephrologist, one Pulmonologist, one General Surgeon, and an Internal Medicine physician.
- Providing local treatment for cancer patients at the Emanuel Cancer Center is possible today because of the medical center's recruitment of two medical oncologists and two radiation oncologists to the community.

Medical Education: In FY 2014, Emanuel continued to provide a medical education program specifically designed to increase the number of physicians in the community. In the fourth year of this program, a total of 25 students from two medical schools – Midwestern University's Arizona College of Osteopathic Medicine in Glendale, and Touro University California's College of Osteopathic Medicine in Vallejo—began their year-long clinical rotation studies under the direction of Emanuel medical staff.

Cardiovascular Community Health Education

A-Fib Class: To help people understand A-fib, and its causes, symptoms and treatments, Emanuel Medical Center presented a free community education program featuring Dr. Fariba Amani, a cardiac electrophysiologist. The August 14 program was at capacity, with 78 people attending.

CPR Training: Emanuel sponsored Senior Day at the Stanislaus County Fair (\$5,600) on which seniors age 65 and over are admitted free as a result of this sponsorship. In addition, Emanuel partnered with the Stanislaus Heart Rescue Project and American Medical Response to teach compression-only cardio-pulmonary resuscitation in the hospital's sponsor booth that day, resulting in over 150 people learning hands-only CPR. In addition to paying for the sponsorship, Emanuel also covered all CPR exhibit expenses including CPR training banners, volunteer shirts, participant rewards, rental equipment, etc. in the amount of \$3,800.

Community Wellness

Flu Shots

Emanuel Family Practice, our clinic that serves the west side of Stanislaus County, hosted a free flu shot clinic for adults age 18 and over. During that day to evening clinic, 156 people received free flu shots. In addition, Dr. Shelle Glover was available to meet with visitors and answer questions. All guest received free wellness calendars and other wellness materials.

Jessica's House

Jessica's House, grief support for grieving children, teens, and families, provided support services to 317 participants in their ongoing groups. There were 128 children, 126 adults and 63 teens supported in their free program in FY 2014.

Emanuel Cancer Center

The Emanuel Cancer Center provides a number of no-cost services for the benefit of the community. These include:

- Complimentary visits with a genetic counselor

- Complimentary visits with a registered dietitian
- Complimentary visits with a licensed social worker and distress screening to identify high-risk individuals
- Complimentary massage therapy

During FY 2014, Emanuel Cancer Center also provided regular educational opportunities and support groups which were free to the community.

Cancer Education Program: In April, Emanuel Cancer Center hosted a free community program entitled “Baffled by Cancer?” This program featured an expert panel, Dr. Mohamed Eldaly, Dr. Lucio M. Nobile and Nurse Practitioner Michelle Di Giovanni from Emanuel Specialty Care – Medical Oncology; and Dr. Quoc Luu and Dr. Gauravjit Singh from the Stanford Emanuel Radiation Oncology Center. The at-capacity program was attended by 62 people.

Colorectal Screening Outreach: The “Protect Your Bottom Line” colon cancer awareness campaign was targeted to men and women age 50-plus. The campaign included a true or false quiz in honor of National Colorectal Cancer Awareness Month to encourage the target market to test their knowledge about colon cancer and the importance of a colonoscopy. The \$15,000 awareness campaign featured a newspaper, online, and social media advertising campaign that ran throughout March, as well as direct-mail campaign to 4,525 households.

National Cancer Survivors Day Event: Emanuel Cancer Center celebrated National Cancer Survivors Day on May 30 with a free, day-long ice cream social for cancer survivors and their support persons. Close to 500 ice cream sundaes were served and guests enjoyed entertainment by a live Dixieland band.

Women’s Cancer Awareness Education: In October 2013, Emanuel Cancer Center hosted its 16th annual Women’s Cancer Awareness Event, which was free to the community. Allyn Rose, 2012 Miss District of Columbia and breast cancer advocate, presented a compelling message about the importance of knowing your family’s medical history. Close to 700 people attended the event, with approximately 100 of those being cancer survivors who participated in a survivors’ procession. Three women, ages 40 to 60-plus, responded to a call to action and identified themselves as never having a mammogram, and five more women identified themselves as having five or more years pass without having a mammogram. This event continues to be “sold-out” within 24 hours of tickets becoming available.

Stop Smoking Campaign: For the third consecutive year, Emanuel Cancer Center conducted a lung cancer awareness and “Quitters” campaign. The \$24,000 campaign offered free quit kits to smokers. The Quit Kit tote bag included smoking cessation literature from the California Smokers’ Helpline, a journal, sugarless gum, stress ball, lip balm, tooth picks and mints. Each kit also contained an invitation to a free 6-week stop-smoking program by our psychologist that commenced in January 2014. More than 70 smokers ordered the free Quit Kits and 15 smokers registered for the smoking cessation program.

Look Good, Feel Better: This program teaches beauty techniques to women who are actively undergoing cancer treatment, to help them combat the appearance-related side effects of

radiation and chemotherapy. This is a free monthly program sponsored by Emanuel Cancer Center and the American Cancer Society.

Cancer Center Support Groups

Monkey Business: This support group is specifically designed to help children who have a loved one with cancer cope with the emotional aspects of what they are experiencing. Both the children and their loved ones are invited to the group, which meets weekly for eight weeks.

Cancer in Your Life: This support group meets bi-monthly and is open to adult cancer patients.

Education Department

The Emanuel Medical Center Education Department provided or coordinated free educational services to the community throughout FY 2014, including:

Life support classes were offered free of charge to area physicians, physicians assistants, EMTs, paramedics, medical students and Emanuel volunteers. These classes include basic, advanced, neonatal and pediatric life support. At least 59 individuals received free classes this fiscal year, which would have generated approximately \$7,926 of class fees if they were to have been charged.

Childbirth education classes were provided complimentary to our community, both in English and Spanish. Approximately 268 community members attended the free classes this fiscal year (this number includes mothers and their supporting partners). Emanuel paid approximately 152 hours of instructor time and support staff time to coordinate and deliver these classes.

Occupational Education: Emanuel Medical Center provided the opportunity for students in the health care fields to learn in our facility free of charge. The Education Department coordinated clinical rotations and provided orientations for nursing students and high school Regional Occupational Program (ROP) students. Staff that work with these students provide one-on-one attention and teaching throughout the students' experience here. In the 2013 school year, a total of approximately 25 ROP high school students from Turlock and Hilmar were each provided 100-150 hours of experience in patient care areas. In the spring and fall semesters of 2013, approximately 125 nursing students each completed an average of 100 hours of clinical rotations at our facility. Aside from the large amount of time that individual staff members spent with students, the education department itself provided approximately 200 hours of time devoted to coordination and orientation for these students.

Supported Non-profit Organizations with Sponsorships and Donations

In FY 2014 Emanuel Medical Center provided financial support to non-profit agencies and organizations:

- Turlock Chamber of Commerce (to foster positive economic growth in our community) - \$7,200 sponsorship

- American Cancer Society (dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer) – Sponsorship of Turlock and Hilmar Relay for Life events - \$7,500
- United Samaritans Foundation (serving impoverished children, adults and elderly in Stanislaus County) - \$3,000 sponsorship of “Legacy Of Hope” annual benefit
- Upward Sports Youth Basketball (Kids basketball program that teaches sport skills and values; every child plays half of every game) - \$3,250 sponsorship
- Turlock Certified Farmers Market (formed out of a desire to bring these local crops directly to the local consumer, and to promote health and wellness) – Sustaining Sponsor of 6-month long weekly market - \$2,500
- CSU Stanislaus Warrior Athletics (supporting men’s and women’s college athletics) - \$2,500 sponsorship
- Patterson Apricot Fiesta (community celebration to promote the apricot industry) - \$2,000 sponsorship
- Salvation Army Kettle Dash (Run) (Benefits the Turlock Community Center where they provide programs for elementary school children, middle school children, and senior adults and those that need a helping hand) - \$1,500 sponsorship
- Arrowhead Club (supports youth athletics in the Greater Stanislaus area) - \$200 sponsorship
- Denair Boosters - Sober Grad Night (providing a safe and fun graduation night for graduating seniors)- \$200 donation
- Hughson High Sober Grad Night (providing a safe and fun graduation night for graduating seniors)- \$200 donation
- Turlock High School – Sober Grad Night (providing a safe and fun graduation night for graduating seniors) - \$250

In addition to financial support of nonprofit organizations, Emanuel provided in-kind donations of auction and opportunity drawing items (such as emergency road kits, picnic baskets, etc.) and/or community health education promotional products to various charities, including: CSU Stanislaus Science Fair, Hilmar High School, Hilmar Covenant Church, Hope Haven, Howard Training Center, Livingston Medical Group, Livingston’s Young Women’s Conference, Sacred Heart Preschool, Sierra Vista Child & Family Services, Turlock High School Boosters, Turlock High School Special Education Transitional Partnership Program, Turlock Together, Salvation Army Seniors, Sigma Theta Tau International Honor Society for Nursing, Turlock Covenant Church, and Westport Elementary School.

Economic Valuation of all Community Benefits

Last year, Emanuel Medical Center provided citizens of the greater Turlock area and others with the following community benefits:

Medical Care: Per our audited financial report (see Exhibit A) for FY 2014, the year ending January 31, 2014, Emanuel Medical Center's charity and other uncompensated care patient charge amounts totaled \$90,237,000. In addition, we experienced a \$42,100,000 Medicare/MediCal shortfall.

Emergency Department Physician Specialty Access: To have the appropriate services available to patients presenting in our Emergency Room for FY 2014, Emanuel incurred \$572,000 in specialty physician access fees.

Adult Hospitalist Program: We have a hospitalist program that provides primary physician services to our inpatients that cannot afford or find a doctor. The FY 2014 cost for our adult hospitalist program was \$1,646,000.

Pediatric Hospital Program: In FY 2014, support for our Pediatric Hospitalist Program totaled \$100,000.

Anesthesia Access: In order to assure access to quality care for our vulnerable obstetric and surgical patients, we incurred \$3,165,000 in anesthesia access fees.

Emanuel Family Practice & Specialty Care: The FY 2014 cost of providing physician access to those in need was \$6,048,000.

Physician Shortage Support: Emanuel incurred \$967,000 in FY 2014 expense in order to help address the critical lack of physicians in our community's physician shortage areas.

Continuing Medical Education (CME): Emanuel Medical Center hosts CME courses for its medical staff. 146 hours of CME were presented (including tumor boards, grand rounds and morbidity and mortality conferences) with a total cost of \$15540.

Tuition Assistance: In FY 2014, Emanuel made employee tuition assistance grants totaling \$108,255.

Volunteer Support Program: In FY 2014, 685 volunteers donated 93,423 volunteer hours providing support services for patients and their families. Using a value of \$22.55 per volunteer hour (estimated by the Independent Sector), the value of these volunteer services was \$2,106,688.

Non Quantifiable Benefits: Emanuel Medical Center is one of our area's largest employers and we participate in or sponsor a vast array of community activities such as volunteer service on the Stanislaus County Westside Health Advisory Board, etc.

Total Quantifiable Benefits: In FY 2014, Emanuel Medical Center provided a \$144,958,390 quantifiable benefit to its community.

Financial Assistance

Emanuel Medical Center continues to enhance its Financial Assistance Program to better meet the needs of our uninsured and underinsured patients. Exhibit B to this report is a copy of our current Charity Care/AB774 Financial Assistance Policy and Procedure. Exhibit C contains English and Spanish samples of the first Charity Care/AB774 written communication we have with our patients. This notice is received at the time of service by every patient we treat.

Public Review

Emanuel Medical Center shares its annual Community Benefit Report with staff, the Emanuel Board of Directors, the Office of Statewide Health Planning and Development, as well as any other interested party.

EXHIBIT A

See attached Audited Financials

EXHIBIT B

**EMANUEL MEDICAL CENTER
ADMINISTRATIVE POLICY
AND PROCEDURE MANUAL**

NO: 02-16-01

Section: Organization

Subject: AB774 Discount/Charity Care Program

Adopted: 9/04

Approval: Board Finance Committee; 11/23/09

Revised: 12/05, 12/06, 1/07, 12/07, 4/08, 5/08, 10/08, 6/09, 7/09, 11/09, 12/11

I. POLICY STATEMENT

It is the policy of Emanuel Medical Center (EMC) to provide general acute hospital care for all patients regardless of ability to pay. Financial assistance is extended in accordance with AB774 and the mission and values of the EMC, ensuring a demonstrative benefit to the community. The AB774 Discount/Charity Care Program is administrated within the guidance and regulation of all applicable Federal, State, and Local laws, statutes, and regulations; and according to standard accounting practices. AB 1503 amended AB 774, which requires emergency room physicians to adopt charity care and discounted payment policies to limit expected payment from eligible patients that are uninsured or have high medical costs who are at or below 350% of the federal poverty level (FPL).

Consideration is given to any patient based upon financial hardship. Screening and processing is conducted without concern for residency, gender, ethnic origin or employment status. Annual income is the primary factor in determining eligibility.

Uninsured patients or their guarantor (responsible party) earning between 350% and 201% of the Federal Poverty Guideline are eligible for an AB774 Discount. The related patient accounts will be written down to the Medicare Allowable Amount. Uninsured patients or their guarantor (responsible party) earning 200% of the Federal Poverty Guideline or less will be eligible to be granted free care.

Uninsured individuals earning above 350% of the Federal Poverty Guideline whose bill creates an undue financial hardship will be considered for discounts on a case by case basis.

Any patient dissatisfied with Emanuel's decision regarding an AB774 Discount or Charity Grant will be able to appeal that decision by submitting their concerns in writing to EMC's Compliance Committee.

The AB774 Discount/Charity Care Assistance Program is a "resource of last resort" for those who fail to qualify for adequate health insurance, Federal, State or Local medical assistance programs, grants, and other forms of aid.

II. DEFINITIONS

<u>AB774 Discount Rate:</u>	The AB774 Discount Rate will be the average inpatient or outpatient Medicare Discount for the past fiscal year. Discount Rates will be updated by every May first.
<u>Annual Income:</u>	Annual gross income reported on the most recently filed income tax return of all members of the family unit.
<u>Family Unit:</u>	Usually defined by inclusion of the applicant, the applicant's spouse (if any) and the applicant's dependent(s), (if any).
<u>SP Meditech:</u>	Private Pay or Self-Pay patient without insurance coverage or other payer source.
<u>FNC1 Meditech:</u>	Patient financial status pending review for AB774/Charity Care Program.
<u>Financial Counselor:</u>	A hospital employee and/or agent specially trained to assist patients/guarantors/families to reach an acceptable resolution to identified financial limitations.
<u>Case Management:</u>	A process managed by a licensed nurse or social worker to monitor level of care issues, act as a liaison between patient, physician, other providers of medical and social services, and insurance payers. Further, case managers are instrumental in the process of discharge planning to insure a smooth transition to home or next level of treatment.

III. AB774/CHARITY CARE PROGRAM CRITERIA

1. Types of services covered:
 - A. All general acute care hospital services.
 - B. Cosmetic surgeries are not covered nor are Brandel (DPNF/LTC), Cypress (assisted living) Home Health or Hospice Services.
2. There is no requirement for residency in order to be considered for assistance.
3. Insurance Issues
 - A. Medi-Cal Share of Cost recipients do not qualify for AB774 Discount or Charity Care Assistance, as their financial responsibility has been pre-determined through the Medi-Cal assessment process.
 - B. Inpatient days denied by Medi-Cal as not medically necessary become eligible for Charity Care write-offs if the denial is upheld following EMC appeal. The Medi-Cal denied day is adjusted for purposes of stating the "uncollectible" as the charity in preference to inflating the Medi-Cal allowance.
 - C. Patients with Medicare and commercial HMO/PPO coverage are not eligible for AB774 discounts as EMC is paid a discounted rate. If these

patients have large out of pocket expenses they will be considered and approved for Charity Assistance if they meet all financial requirements. If a patient has insurance and has a balance after the insurance pays of greater than \$300 then the following rules apply. If the patient earns less than 200% of FPL guidelines the balance after insurance will qualify for 100% discount. If they earn more then 200% of FPL guidelines there is no discount unless the balance after insurance is greater than 10% of their gross income. No discount will be applied to the remaining portion of the patient's claim until after their primary and any secondary insurance payments and contractual adjustments are applied.

- D. Bad debt accounts are not eligible for AB774 Discount/Charity Care Program unless such accounts qualify under Special Circumstances Charity Care.

4. Financial Status Criteria

- A. The Financial Assessment Worksheet is used to calculate income and, where appropriate, 50% of monetary assets after the first \$10,000.
- B. Patients/families whose yearly gross income is less than or equal to 200% of the Federal Poverty Limit Guidelines (see attached Exhibit) 100% write off – Charity Care
- C. Patients/families whose yearly gross income is greater than 200% and less than or equal to 350% of the Federal Poverty Limit Guidelines Patient responsible for the Medicare allowable. Discount is an AB774 Charity Care Discount.
- D. Patients/families whose yearly gross income is greater than 350% of the Federal Poverty Limit Guidelines and whose documentation verifies financial hardship. Charges/balance after all third party payments and discounts have been applied. If the patient's annual income from all sources is less than or equal to 200% of FPL and the balance is \$500 or greater then 100% of the balance will be adjusted off. If the patient's income is greater than 200% of FPL the full balance is due from the patient until the cumulative Emanuel balance is over 10% of their income. Once the balance after insurance totals more then 10% of their income we will write off the Emanuel balance after insurance.
- E. Calculation of annual income includes verification of the prior year's tax return.
 - 1. Income tax documents must be used as indicated to assist in verifying income.

2. If not working, the latest unemployment check or social worker's attestation of homeless status can be considered.

F. Special Circumstances Charity Care allows uninsured patients who are unable to follow the EMCI procedure to qualify for charity care under certain circumstances. If the uninsured patient's individual account is greater than \$10,000 and Emanuel's collection agency determines that the responsible party of the account is unable as opposed to unwilling to pay, based on this attestation by the collection agency, the account status will be changed from bad debt to active and the bad debt adjustment will be reversed. The account will then be written off using the code IDG.CHB and will be recognized as charity care.

IV. PROCEDURE

1. Using patient information gathered on the Disclosure Report Form, validate patient (guarantor) is uninsured and not eligible for Federal, State or Local medical assistance programs or other forms of aid.
2. Identification
 - A. Candidates for the AB774 Discount/Charity Care Program can be identified at any point along the patient revenue cycle.
 1. Pre-Registration
 2. Point of Service
 3. Discharge
 4. Following discharge
 - B. Every patient will be presented, at time of service, with notice (in appropriate language) regarding the AB774 Discount/Charity Care Program. Every potentially eligible patient will be offered MediCal and/or Health Family applications. Patients will be asked to sign an acknowledgement attesting that notice of program and offer of applications has transpired.
 - C. A follow-up notice regarding the AB774 Discount/Charity Care Program will be included with first billing for services. A plain language summary of patient rights pursuant to SB 350 is included in this notice.
 - D. Referral for Consideration
 1. Initial referrals may be directed to any business office employee, a Financial Counselor, or the Social Services Department.
 2. The Patient/Family/Guarantor is instructed regarding the application process.
 3. Arrangements are made for an in-depth interview.
 4. The Patient/Family/Guarantor is instructed to bring the following documents to the interview:
 - a) Identification,
 - b) Last filed income tax return, and

- c) Verification of members of the family unit under consideration
 - E. A summary of the encounter is documented in the appropriate system according to EMC departmental policy.
 - 1. Registration personnel document notes pertaining to the situation in the Meditech system.
 - 2. Business office personnel document in the Meditech System.
 - 3. Social Service personnel document on the patient chart and summaries of their encounters are entered into the Meditech B/AR module.
 - 4. Patient attestation regarding receipt of notice and offer of application is filed in the patient's medical record.
- 3. Screening
 - A. The appropriate Financial Counselor reviews the initial referral information and arranges for the initial interview.
 - B. The Patient/Family/Guarantor receives clarification of the program and information regarding the documentation required for the review.
- 4. Financial Assistance Interview by the Financial Counselor
 - A. The program is fully described and the Patient/Family/Guarantor is given opportunity to ask questions and receive clarification about the process and requirements.
 - B. A review of insurance, lack thereof, and identification of any other potential payer source is conducted.
 - C. Clarification of and documentation of income and family unit information is verified.
 - D. Calculation of the annual income is performed.
 - E. Review of other supportive documentation, as indicated.
 - F. Contact continues with Social Services if the patient has other social needs requiring assistance.
 - G. Arrangements may be made for subsequent interviews, if necessary, in order to obtain all necessary information.
 - H. Copies of all documents are retained for EMC record-keeping purposes per record retention policy.
- 5. Financial Assistance applications are reviewed and processed by the Financial Counselor or appropriate EMC personnel.
 - A. Financial Counselors may approve AB774 Discount/Charity Care write off amounts up to \$5,000.
 - B. The Patient Accounting Director approves AB774 Discount/Charity Care write off amounts from \$5,001 to \$25,000.

- C. The Chief Financial Officer approves AB774 Discount/Charity Care amounts greater than \$25,000.
6. Pending Applications
- A. Consideration is given for the fact the patient and family are in a stressful situation and may not be able to present all necessary information at the first meeting.
 - B. Financial Counselors follow-up to obtain necessary information by phone or by sending letters asking for needed documents.
 - C. After three documented contacts have been attempted and the 150th day is exceeded, the application is documented as denied in the Meditech system, closed, and the account transferred to Bad Debt.
 - D. All collection agencies used by EMC will follow all AB774 regulations.
7. Approved Applications
- A. Patient/Family/Guarantor is notified of an approved application by the most reasonable means available.
 - B. The Patient/Guarantor will be asked to sign a contractual agreement regarding any extended payment arrangements related to the amount determined to be patient responsibility.
8. Denied Applications
- A. Patient/Family/Guarantor is notified of a denied application by most the reasonable means available.
 - B. An individual who is referred to Financial Counseling as a potential recipient of financial assistance who refuses to sign the Disclosure Statement or provide required information can be denied.
 - C. Any impacted party may appeal a denial decision by submitting their concerns in writing to EMC's Compliance Committee.
 - D. The patient's financial class reverts to FC 1 and the account is processed as a Self-Pay receivable per protocol.
9. Overpayments
- A. In the event of a qualified patient overpayment EMC shall pay interest in accordance with Health and Safety Code 127440.

EXHIBITS:

- A. Federal Poverty Limit Guidelines
- B. Average Medicare Discount
- C. Financial Assessment Worksheet
- D. Patient Disclosure Form

**ADMINISTRATIVE POLICY
AND PROCEDURE MANUAL
Subject: AB774 Discount/Charity Care Program**

NO: 02-16-07

Exhibit A

**2011 Federal Poverty Level Guidelines
(All states and DC except Alaska and Hawaii)**

Annual Guidelines								
Family Size	100%*	133%	150%	185%	200%	250%	300%	400%
1	\$ 10,890.00	\$ 14,483.70	\$ 16,335.00	\$ 20,146.50	\$ 21,780.00	\$ 27,225.00	\$ 32,670.00	\$ 43,560.00
2	\$ 14,710.00	\$ 19,564.30	\$ 22,065.00	\$ 27,213.50	\$ 29,420.00	\$ 36,775.00	\$ 44,130.00	\$ 58,840.00
3	\$ 18,530.00	\$ 24,644.90	\$ 27,795.00	\$ 34,280.50	\$ 37,060.00	\$ 46,325.00	\$ 55,590.00	\$ 74,120.00
4	\$ 22,350.00	\$ 29,725.50	\$ 33,525.00	\$ 41,347.50	\$ 44,700.00	\$ 55,875.00	\$ 67,050.00	\$ 89,400.00
5	\$ 26,170.00	\$ 34,806.10	\$ 39,255.00	\$ 48,414.50	\$ 52,340.00	\$ 65,425.00	\$ 78,510.00	\$ 104,680.00
6	\$ 29,990.00	\$ 39,886.70	\$ 44,985.00	\$ 55,481.50	\$ 59,980.00	\$ 74,975.00	\$ 89,970.00	\$ 119,960.00
7	\$ 33,810.00	\$ 44,967.30	\$ 50,715.00	\$ 62,548.50	\$ 67,620.00	\$ 84,525.00	\$ 101,430.00	\$ 135,240.00
8	\$ 37,630.00	\$ 50,047.90	\$ 56,445.00	\$ 69,615.50	\$ 75,260.00	\$ 94,075.00	\$ 112,890.00	\$ 150,520.00

* Note: For family units of more than 8 members, add \$3,820 for each additional person.

Monthly Guidelines								
Family Size	100%	133%	150%	185%	200%	250%	300%	400%
1	\$ 907.50	\$ 1,206.98	\$ 1,361.25	\$ 1,678.88	\$ 1,815.00	\$ 2,268.75	\$ 2,722.50	\$ 3,630.00
2	\$ 1,225.83	\$ 1,630.36	\$ 1,838.75	\$ 2,267.79	\$ 2,451.67	\$ 3,064.58	\$ 3,677.50	\$ 4,903.33
3	\$ 1,544.17	\$ 2,053.74	\$ 2,316.25	\$ 2,856.71	\$ 3,088.33	\$ 3,860.42	\$ 4,632.50	\$ 6,176.67
4	\$ 1,862.50	\$ 2,477.13	\$ 2,793.75	\$ 3,445.63	\$ 3,725.00	\$ 4,656.25	\$ 5,587.50	\$ 7,450.00
5	\$ 2,180.83	\$ 2,900.51	\$ 3,271.25	\$ 4,034.54	\$ 4,361.67	\$ 5,452.08	\$ 6,542.50	\$ 8,723.33
6	\$ 2,499.17	\$ 3,323.89	\$ 3,748.75	\$ 4,623.46	\$ 4,998.33	\$ 6,247.92	\$ 7,497.50	\$ 9,996.67
7	\$ 2,817.50	\$ 3,747.28	\$ 4,226.25	\$ 5,212.38	\$ 5,635.00	\$ 7,043.75	\$ 8,452.50	\$ 11,270.00
8	\$ 3,135.83	\$ 4,170.66	\$ 4,703.75	\$ 5,801.29	\$ 6,271.67	\$ 7,839.58	\$ 9,407.50	\$ 12,543.33

Exhibit B

AB774 Medicare Discount Rate for FYE 1/31/11

Inpatient Charity Write-off rate	84.0%
Outpatient Charity Write-off rate	88.7%

Exhibit C
AB774 DISCOUNT / CHARITY CARE PROGRAM

Patient Name: _____ Home # _____
SS# _____ Cell # _____

Acct # _____ D.O.S. : _____ Total Charges: _____ Balance: _____
Acct # _____ D.O.S. : _____ Total Charges: _____ Balance: _____
Acct # _____ D.O.S. : _____ Total Charges: _____ Balance: _____

FOLLOWING ITEMS HAVE BEEN REQUESTED FROM THE PATIENT:

<u>COPY OF MOST RECENTLY FILED INCOME TAX RETURN</u>	Received: _____
<u>IF TAX RETURN NOT FILED:</u> 3 CURRENT PAYCHECK STUBS OR PROOF OF NO INCOME	Received: _____
<u>HOMELESS : Yes () No () (check one)</u>	
<u>PATIENT DISCLOSURE REPORT</u>	Completed: _____
<u>GOVERNMENT PROGRAM DENIAL</u>	Received: _____
<u>DOCUMENTED ATTEMPTS</u>	
1. _____	2. _____
DATE	DATE
3. _____	DATE

Please be sure to include copies, as originals are not returned. Incomplete applications will not be considered.

Patient Signature: _____ Date Requested: _____

Financial Counselor Signature: _____ (209) 669-4615

NOTES:

WORKSHEET:

Total Family Income: \$ _____ (per year) Family Size: _____
Assets: _____

Poverty Percentage: Under 200% Medicare Allowable: \$ _____
(circle one) Between: 201-350%
Over 350%
Collection Agency Attestation

AMOUNT APPROVED \$ _____ Discount () Charity Care () Special Circumstances () (check one)

AMOUNT W/O \$ _____ DATE AMOUNT W/O: _____

PATIENT BAL DUE \$ _____

FINANCIAL COUNSELOR:(under \$5,000.) _____ Date: _____
REVENUE CYCLE DIRECTOR:(under \$25,000) _____ Date: _____
CHIEF FINANCIAL OFFICER: (over 25,000) _____ Date: _____



Account # _____

PATIENT DISCLOSURE REPORT

The purpose of this information request is to determine your ability to pay for services at Emanuel Medical Center or your possible eligibility for insurance, federal, state or local medical assistance programs or our AB774 Discount/Charity Care program. This information is **not** an application for Medi-Cal, Stanislaus/Merced County Medically Indigent Services Program or any other county’s assistance program. Emanuel’s Financial Counselor will provide you a copy off these applications upon request. If you have been denied by MediCal or the County for Medical Financial Assistance, please submit a copy of this denial with this form.

I _____ (name) certify the following information to be accurate and complete. I understand the hospital reserves the right to verify all information supplied, including a credit check. I agree to notify the Business Office of any change in my financial information within 10 days of the change. **I UNDERSTAND THAT UNTIL AN AB774 DISCOUNT/CHARITY CARE GRANT HAS BEEN MADE I AM STILL RESPONSIBLE FOR THE FULL AMOUNT OF MY CHARGES AT EMANUEL MEDICAL CENTER.**

If you have any questions, please call the Emanuel Financial Counselor at (209) 664-4615.

Signature of Patient/Responsible Party

Financial Counselor

Date

Third Party Coverage Determination Form

PATIENT INFORMATION

Patient Name: _____ Patient Social Security # _____
If Minor, Guardian Name: _____ Guardian SSN _____
Have you applied for: ___ MIA/MAP ___ Medi-cal ___ N/A
Citizenship status of patient: _____
Name and address of employer: _____ **If you
are no longer employed and have no income, explain how you provide for food and
shelter:** _____

FAMILY INFORMATION

Spouse's name: _____ Spouse's SSN: _____
Spouse's date of birth: _____ Employer _____
Family Status: List all dependents that you support

NAME	AGE	RELATIONSHIP
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

INCOME PER MOST RECENTLY FILED TAX RETURN \$ _____ (copy required)

**GROSS MONTHLY INCOME
PROOF ENCLOSED**

Earned Income: (salary, wages, tips, etc.) (Circle one or more):
Patient/Father \$ _____
Spouse/Mother/Other (specify) \$ _____
UNEARNED INCOME (CHECK ALL APPROPRIATE)
___ Other (circle all that apply below) \$ _____
Unemployment~Veterans Benefits~Income from Property~Workers Compensation
Social Security~Child Support~Contributions Alimony~Dividends~Interest Disability Income,
Retirement, Or General Assistance
TOTAL INCOME \$ _____

LIQUID ASSETS

Checking Account Number _____ \$ _____
Bank/Credit Union Name/Branch _____ \$ _____

OTHER

Do you own or rent residence? Own__ Rent__
Do you own property other than residence? Yes__ No__
Other property ~ Value _____ Amount owed \$ _____ Equity \$ _____

Are you unable to work because of a physical or mental illness/disability impairment that is expected to continue for longer than one year? (documentation required) _____

If there is a third party which may have liability for your medical needs? If so, please provide name, phone number, address and any other pertinent information. _____

EXHIBIT C

NOTICE

Emanuel Medical Center (EMC) provides necessary care to all of our patients without respect to ability to pay. As part of EMC's ongoing commitment to servicing the health care needs of the community and pursuant to California Health and Safety Code § 127400 et seq., please be advised that EMC offers discount or charity care to financially qualified patients.

Please contact our Financial Counseling Office at Ext. 4615 or (209) 669-4615 or (209) 669-4616 to receive additional information regarding these policies.

I, _____, hereby acknowledge that I have received this
(Print Name)

Notice pursuant to the requirements of Health and Safety Code § 127400 et seq.

Signature: _____

Date: _____



EMANUEL
MEDICAL CENTER

NOTICE

IMPRINT

AVISO

El Emanuel Medical Center (EMC) [Centro Médico Emanuel] proporciona la atención necesaria a todos nuestros pacientes sin importar la habilidad que tengan para pagar. Como parte del compromiso constante de EMC de servir las necesidades de atención médica de nuestra comunidad y de conformidad con el Código de Salud y Seguridad de California § 127400 et seq., le informamos que EMC ofrece descuentos o atención de beneficencia a los pacientes que califiquen económicamente.

Comuníquese con nuestra Oficina de Asesoramiento Financiero a la extensión 4615 o al (209) 669-4615 para que reciba la información adicional con respecto a estas políticas.

_____, por este medio reconozco que he recibido este
(Nombre de Letra)

Note de acuerdo con las exigencias de Salud y Seguridad Cifran § 127400 y seq.

Signature: _____

Date: _____



EMANUEL
MEDICAL CENTER

AVISO

IMPRINT