



**Annual Report and Plan for Community Benefit
Miller Children's Hospital Long Beach
Fiscal Year 2013
(July 1, 2012 – June 30, 2013)**

Mission -

To improve the health and well being of individuals, families and our communities through innovation and the pursuit of excellence.

Vision –

Exceptional People. Extraordinary Care. Every Time.

Values –

MemorialCare ABCs

A – Accountability

B – Best Practices

C – Compassion

S – Synergy

Annual Report and Plan for Community Benefit Fiscal Year 2013 (July 1, 2012 – June 30, 2013)

The annual report and plan for community benefit audiences are the Office of Statewide Health Planning and Development (OSHPD), communities being served by Miller Children's Hospital Long Beach and community organizations, which interact with the hospital.

California senate bill 697 (SB697) mandates that non-profit hospitals submit an annual community benefit report and plan detailing their activities related to community benefit for the prior fiscal year and future strategic plans for forthcoming years. Additionally, a triennial community health needs assessment is to be conducted and utilized in setting community benefit priorities.

Advancing the State of the Art in Community Benefits (ASACB) principles for quantifying and reporting community benefit are part of our efforts to guide establishing priorities for community benefit activities at Long Beach Memorial Medical Center (LBMMC). Community benefit categories follow the standards set by the Catholic Health Association (CHA) and the Veterans Health Administration (VHA). Data collection is maintained in the Community Benefit Inventory for Social Accountability (CBISA) software by Lyon's Software Company through an annual subscription.

The Community Benefit Report and Plan contained in this document has followed the ASACB guidelines. Community benefit related activity owners (reporters) provided information for fiscal year 2013. Each reporter was provided a hand-out explaining how to identify, count and record community benefit programs and activities. Additionally, each reporter was provided with a "Community Benefit Occurrence Worksheet", which itemizes the qualifying program and activity occurrence by collecting the following data points:

- Volunteer hours
- Persons served
- Salaries and wages for staff
- Purchased services
- Supplies
- Facility space
- Other direct expenses (advertising, mailing etc.)
- Offsetting revenue

Cindy Gotz, MPH, Community Benefits Manager
562-933-2889

cgotz@memorialcare.org

Submitted to:

Office of Statewide Health Planning and Development (OSHPD)
Sacramento, CA

November, 2013

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Letter from the CEO

LONG BEACH MEMORIAL
COMMUNITY HOSPITAL LONG BEACH
Miller Children's Hospital Long Beach
 MEMORIALCARE HEALTH SYSTEM

November 1, 2013

Long Beach Memorial, Community Hospital Long Beach and Miller Children's Hospital Long Beach are proud to serve the Greater Long Beach community. Our hospitals serve families in Los Angeles and Orange Counties with a wide range of general and specialty care including, primary medicine, cancer, heart, rehabilitation, orthopedics, pediatrics, neurology, behavioral health and women's services. Our industry leadership has been recognized by accreditation and industry awards such as Leap Frog Patient Safety, Gallup Great Workplace, Magnet designation for our nursing program and quality awards for many of our programs.

To meet the needs of our community our organization continues to evolve and grow. One such community need, access to behavioral health services, was a driving force for the opening of our new Behavioral Health Unit at Community Hospital Long Beach. Furthering our vision of creating a medical home for every member of the community, a strong strategic partnership with The Children's Clinic to provide health and wellness services for the whole community. Our organization is well positioned for the future and has consistently demonstrated: first, our steadfast focus on our mission of high quality health care; second, our razor-sharp commitment to responsible stewardship of our resources, not just our financial resources but, as importantly, our human resources; and third, our continued dedication to provide a wide array of services and programs to meet the changing needs of our diverse community.

One way we are working to care for the entire population of Long Beach is to increase our outreach to patient's and other local hospitals. In collaboration with St. Mary's and our other health care neighbors, we are assessing our community so that we can fully address the health care needs of the people of Long Beach. Here in Long Beach, we are uniquely positioned to continue expanding our services and to foster that change, as we continue to focus on wellness and prevention, and assume more accountability to patients across the continuum of care.

We believe that our dedication to our mission, stewardship and diversification will ensure an organization, which continues to thrive, well into the future. As such, we are committed to strategically focusing our investment of charitable resources to address the unmet health needs of the diverse communities we serve. For fiscal year 2012-2013, Long Beach Memorial, Community Hospital Long Beach and Miller Children's community benefit contributions totaled \$66,914,000 including \$17,372,000 in charity care.

We are proud of our commitment to providing extraordinary care, relying on exceptional people and continuing to build a future where we can provide the highest quality of care to our community.

Sincerely,



Diana Hendel, Pharm.D
Chief Executive Officer
Long Beach Memorial
Community Hospital Long Beach
Miller Children's Hospital Long Beach

Executive Summary

What is Community Benefit?

Community Benefit programs directly influence access to care and improves the health status of the community that a non-profit hospital serves. Community Benefit reporting is governed under an IRS reporting requirement (Form 990 Schedule H) at the federal level and a California state law (SB697), which requires non-profit hospitals to submit a community benefit plan and annual report demonstrating what the hospital has provided to the community over the prior fiscal year.

Community benefit programs must meet at least one community benefit objective and within the objective one of these conditions must be met:

1. **Improve access to health services** (program is – broadly available to the public, include vulnerable or underserved persons, barrier to access is reduced, without the program the community would loose access to a needed service).
2. **Enhance health of the community** (program is – designed around public health goals, yields measurable improvement in health status or without it, health status would decline; operated in collaboration with public health partners).
3. **Advance medical or health care knowledge** (program – trains health professionals or students, does not require trainees to join staff, open to professionals in the community, involves research with findings available to the broader public in a reasonable amount of time).
4. **Relieve or reduce the burden of government or other community effort** (program – relieves a government financial or programmatic burden, government provides the same or similar service but not duplicative or competitive, government provides funding of activity, if program is closed there would be a greater cost to the government and/or another non-profit, receives philanthropic support through community volunteers or contributions).

Examples of Community Benefit programs and activities at Miller Children's Hospital Long Beach include: charity care (uncompensated care and uninsured care), support groups, health education, outpatient care, research and health screenings.

About the Organization

MemorialCare Health System is a leading Southern California not-for-profit integrated delivery system with nearly 11,000 employees and 2,300 affiliated physicians. The MemorialCare hospitals include Long Beach Memorial, Miller Children's Hospital Long Beach, Community Hospital Long Beach, Orange Coast Memorial, Saddleback Memorial - Laguna Hills and San Clemente.

Four leading physician groups joined the health system as the founding members of the MemorialCare Medical Foundation, launched in early 2011. With this addition, our health system now includes five urgent care locations, 21 primary care locations and two specialty care locations, in addition to the MemorialCare HealthExpress retail clinics in Albertsons stores in Huntington Beach, Irvine and Mission Viejo.

The health system has gained widespread recognition for its unique approach to health care. The organization has been identified as one of the Top 100 Integrated Health Networks in the Nation, as well as Top 10 in the West (from SDI). Our hospitals are ranked as high performers in 18 specialties by US News and World Report. We are particularly proud to be one of only 29 companies worldwide selected as a 2012 Gallup Great Workplace winner!

Founded:

The pediatric hospital opened in 1970, with many innovative patient and family centered care features, such as patient rooms to accommodate a parents' overnight stay. Miller Children's opened with 65 active pediatric physicians and surgeons along with services such as an expanded NICU, cleft palate program, allergy, ENT, endocrine, urology and general surgery. In 2003, women's health care became part of Miller Children's Hospital Long Beach when it brought women's services under its license. Currently there are 373 licensed pediatric and women's beds.

Organization:

Miller Children's Hospital Long Beach (MCHLB) and Long Beach Memorial (LBM) is the second largest not-for-profit, community-based hospital west of the Mississippi. The 54-acre campus houses 843 beds (460 adult beds). On April 29, 2011 Community Hospital Long Beach joined the organization providing an additional 208 beds. These three hospitals are under the same tax identification number but are separately licensed hospitals. Miller Children's Hospital Long Beach provides specialized pediatric care for children and young adults, with conditions ranging from common to complex—as well as maternity care for expectant mothers—all under one roof. Only five percent of all hospitals are children's hospitals, making them unique not only to children's health care needs in the community, but across the region. Miller Children's is one of only eight free-standing children's hospitals in California.

Miller Children's is a not-for-profit, pediatric teaching hospital that treats more than 8,000 children each year and has become a regional pediatric

destination for more than 84,000 children, who need specialized care in the outpatient specialty and satellite centers. The MemorialCare Center for Women at Miller Children's Hospital Long Beach delivers more than 6,000 babies each year, 1,000 NICU babies and nearly 800 high-risk births at Miller Children's each year.

Miller Children's features eight Centers of Excellence, including seven major inpatient care centers within the hospital and comprehensive outpatient specialty centers that feature more than 30 sub-specialties, and include 20 California Children Services (CCS) approved special care centers. These Centers provide specialized care for children with chronic conditions, such as pulmonary, gastroenterology, orthopedics, cardiology, rehabilitation, diabetes, asthma, autism, and hematology/oncology (cancer) conditions.

Medical Staff:

There are 924 members of the medical staff which includes more than 750 pediatric specialists and sub-specialists, as well as nearly 100 OB/GYNs, including 10 high-risk pregnancy specialists (maternal fetal sub-specialists), ensure that the highest quality, compassionate care is given to each patient and their family.

Nursing Staff:

450 pediatric registered nurses

Teaching Affiliations:

Miller Children's Hospital Long Beach is the major pediatric teaching hospital of the University of California, Irvine, including an extensive general pediatrics residency program, pediatric specialty fellowships, and houses a satellite training center of California State University, Long Beach, for nursing education.

Other Teaching Affiliations Include:

- California State University, Los Angeles
- City of Long Beach
- Columbia Emergency Medical Group
- Downey Regional Medical Center
- Golden West College
- Harbor-UCLA
- Long Beach City College
- Long Beach Unified School District
- University of California, Irvine
- University of California, Los Angeles (UCLA)
- University of Southern California (USC)
- University of Southern California - LA City

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Our Community

Hospital Service Area

Long Beach, California is the fifth largest city in California. It has been designated by the *USA Today* as the most diverse city in the nation. With over 460,000 residents the ethnic, cultural and language diversity of the city is a source of pride. Long Beach Memorial (LBM), Community Hospital Long Beach (CHLB) and Miller Children's Hospital Long Beach (MCHLB), comprise Long Beach Memorial Medical Center; situated in the South Bay area of Los Angeles County within an area referred to as Service Planning Area 8 (SPA 8). According to the 2010 decennial census, 40% of the population identify as Hispanic, nearly 13.5% as African American, 13% as Asian (includes Asian Indian, Chinese, Filipino, Vietnamese, Cambodian etc.), and 29% white. Just over 9% of the total population is aged 65 or older. Children age 14 and under comprise 20% of the population. The median age for the population is 33.2 years. A primary language other than English is spoken in over 45% of the households located near LBMHC.

Those living below the federal poverty level make up 18.8% of the population in Long Beach. The median household income is \$50,040. Central Long Beach, which is where LBM and MCHLB are located, was selected by the California Endowment as one of the communities to be a part of the ten year initiative, Building Healthy Communities: California Living 2.0.

Approximately 40% of admissions come from zip codes within the city of Long Beach boundaries. MCHLB's secondary service area incorporates the cities of Lakewood, Seal Beach, Compton, Bellflower, Carson, Cerritos, Paramount, Los Alamitos, Signal Hill, Cypress, Norwalk, Lynwood, Bell, Bellflower, Cerritos, Downey, Gardena, Hawaiian Gardens, Hawthorne, Huntington Park, sections of Los Angeles, Lynwood, Norwalk, San Pedro, South Gate and Wilmington. The top two zip codes related to number of discharges from MCHLB are indicated in bold on the service area table, 90805 – 9.95% and 90813 – 6.07%.

MCHLB Primary Service Area*	
City	Zip Code(s)
Long Beach	90805, 90806, 90807, 90810, 90808, 90813, 90815, 90802, 90804, 90803, 90814

MCHLB Secondary Service Area*	
City	Zip Code(s)
Lakewood	90712, 90713
Seal Beach	90740
Compton	90221, 90220
Bellflower	90706
Carson	90745, 90746
Cerritos	90703
Paramount	90723
Los Alamitos	90720
Signal Hill	90755
Cypress	90630
Norwalk	90650
Lynwood	90262
Wilmington	90744

* Based on most recent OSHPD data available, calendar year 2008

Community Health Needs Assessment

In accordance with California state law SB697, which requires nonprofit hospitals to conduct a community health needs assessment every three years, the Long Beach Community Health Needs Assessment (LBCHNA) was a community health survey project designed to determine the health needs of the population living in Long Beach and the surrounding communities. The LBCHNA was a collaborative partnership among the four major hospitals in the city of Long Beach - Community Hospital Long Beach, Long Beach Memorial, Miller Children's Hospital Long Beach, and St. Mary Medical Center. For the 2013 LBCHNA the area hospitals contracted with California State University Long Beach Professor of Health Care Administration, Tony Sinay, PhD, and Associate Professor of Health Sciences, Veronica Acosta-Deprez, PhD.

The goal of the project was for the local hospitals and area healthcare providers to utilize the results of the assessment to improve the quality and quantity of healthcare services available in the greater Long Beach area. The resulting report helps provide community leaders with long-term strategic planning initiatives focused on the health status and needs of the city. Additionally, the report allowed community partners to identify gaps in services and to provide opportunities for collaborative partnerships to address the issues. These partnerships have the potential to improve the health status of the community through program development, access to services and availability of services.

The LBCHNA for 2013 was the seventh and most recent survey.

Introduction: Four major non-profit hospitals in the city of Long Beach; Community Hospital of Long Beach, Long Beach Memorial, Miller Children's Hospital Long Beach and St. Mary Medical Center came together in a community partnership to address the health needs of greater Long Beach. Working together in the community, the four local hospitals conducted the greater Long Beach Community Health Needs Assessment (LBCHNA) survey along with key informant survey for 2013. The results of the surveys were shared with community leaders, community-based organizations, stakeholders and the community to improve the quality and quantity of services available; to determine health priorities, and barriers to care and gaps in services available, and to identify social issues/problems in greater Long Beach.

Methodology: Survey instruments were developed through an iterative process with questions covering health related topics affecting, children, teens, young adults, adults and the elderly. The survey instrument was provided in English and Spanish languages. The surveys were collected from a convenience sample at community forums, health fairs and events within the city of Long Beach from September 2011 until March 2012 using web technology.

The total number of surveys collected from the LBCHNA and key informants surveys were 1,309 (only 1,066 included) and 122, respectively. Results were reported in bar and pie charts along with few tables to summarize findings. Lastly, secondary data analysis was also conducted to validate the primary data that was collected.

Results: This LBCHNA found access to care, chronic diseases, mental health, obesity and prevention to be top five health priorities in greater Long Beach. About 14% of the

survey respondents needed medical care but did not receive it. Further investigation showed that lack of health, dental and vision coverage were major barriers to care along with lack of information about where to get care and transportation to services. The most needed health care services were family physician/primary care and behavioral health, specialty care, along with dental care and prescription drugs. Major social issues identified in the study were: lack of exercise, poor nutrition, lack of insurance and affordable health care, air pollution and drug and alcohol programs. Lastly, the study revealed the top five most needed health related services were: transportation, CalFresh (food stamp), before and after school program, counseling and assisted living. Results were mostly consistent between LBCHNA and key informant surveys.

Sixty-two percent of respondents in the MCHLB catchment area said they did not have insurance and 26.6% indicated that copayment was too high preventing them obtaining medical care. These were slightly higher figures than those in the overall results; however, this question received only 114 responses, so statistics should be cautiously interpreted. The MCHLB respondents also had a stronger complaint about the lack of family doctors (57.1% versus 52.2%) but the need for hospital care went down from 37% to 33.3%.

When the health issues experienced by children in Miller Children's Hospital Long Beach/Long Beach Memorial market area were examined, the proportion of ADHD (7.2% vs. 7.5%), asthma (42.2% vs. 43.0%), autism (6% vs. 6.5%) dental disease/decay (15.7 % vs. 17.25), and high blood pressure (16.9 % vs. 17.2% declined in comparison to the original results (see Figure 24). On the other hand, obesity (12% vs. 10.8%) and heart disease (6% vs. 5.4%) increased.

Asthma, autism and ADHD appear to have a significantly higher self-reported prevalence rate in the primary catchment area of Miller Children's Hospital Long Beach. On the other hand, anxiety, depression, diabetes, high blood pressure, mental health and obesity appear to be a less of a problem for the families in MCHLB catchment area. The largest differences were in the proportion of anxiety (9.1% vs. 22.1%), high blood pressure (16.9% vs. 46.2%), depression (11.7% vs. 21.5%), diabetes (9.1% vs. 25.6%) and obesity (13.0% vs. 22.3%), which suggests that the efforts of local hospitals started to show some positive results. However, due to the small number of respondents, results should be interpreted cautiously.

Limitations: The study used convenience sampling to reach vulnerable populations. The study employed basic statistics so the study results may not be generalizable for the whole population of Long Beach.

Conclusions and Recommendations: Hospitals, in conjunction with the public health department and community organizations, should collaborate and implement the recommendations made in this report. Each hospital should emphasize a certain area(s) so no overlapping occurs. Monitoring and evaluation of each program implemented by hospitals must be made every year until the next LBCHNA report. With the creation of a community partnership, hospitals are able to decrease the amount of duplicate services as well as increase the amount of resources available to target the most significant community needs of a diverse population.

Miller Children's Hospital Long Beach Community Benefit

Accomplishments for fiscal year 2013 (July 1, 2012 – June 30, 2013)

This year, we continued to develop and refine systems that develop our institutional support for community benefit and strengthen our programs to address the identified unmet health needs in our community. We worked to increase

- organizational leadership and evaluation
- the quality of program planning, implementation, and evaluation
- the sustainability of organizational and programmatic commitments

We embarked on our triennial Community Health Needs Assessment (CHNA) partnering with other Long Beach non-profit hospitals, Long Beach Health Department, City of Long Beach Planning and Development Services and the California State University Long Beach. We utilized two types of instruments, each serving a separate population; general public and key informant. Instruments were available on-line as an anonymous survey in English and Spanish. The key informant instrument was also available on-line. Kiosks were available at area health fairs to solicit participation as well as making survey links available on the hospital and City webpages.

When the CHNA was completed, we presented the results to the Community Benefit Oversight Committee and reviewed the identified needs. In partnership with the Long Beach Health Department, we undertook an effort to categorize gaps in services in the community, document assets and develop programs and activities that address the priorities.

Category A: Community Health Improvement Services

Activities or programs carried out or supported for the express purpose of improving community health that are subsidized by the health care organization qualify as Community Health Improvement Services. These services do not generate inpatient or outpatient bills, although there may be nominal fees or sliding scale payments for the services. Community need for the activity must be established. Community benefit activities or programs seek to improve access to health services, enhance public health, advance generalizable knowledge, and relieve government burden. These activities or programs are to be broadly available to the public and serve low-income consumers; reduce geographic, financial or cultural barriers to accessing health services and if ceased to exist would result in access problems; address federal, state or local public health priorities (ex. eliminating health disparities); leverage or enhance public health activities; would otherwise become the responsibility of government or other tax-exempt organizations; and advance knowledge through education or research that benefits the public.

Miller Children's Hospital Long Beach provided Community Health Improvement Services through community lectures, presentations and workshops in the areas of childhood cancer, maternal health, safety and disaster

preparedness, health fairs, health screenings, respiratory care, and tobacco education. Community based clinical services and health care support services which included perinatal diabetes and pregnancy program, child safety efforts and asthma outreach and education for children.

Our pediatric injury prevention and safety efforts included; car seat, bike helmet distribution and pedestrian safety. We distributed more than 800 car seats and 2,000 bike helmets this year to those in need. The Long Beach Alliance for Children with Asthma (LBACA) provided community health workers using the promotores model; provide asthma control education to physicians, nurses and the community. These efforts have helped to reduce asthma hospitalization by 9% and 83% of children gained reasonable control over their asthma symptoms by participating in LBACA.

As a teaching hospital, we were able to offer community based clinical services through our family medicine rotations (lives touched and dollars are aggregated and reported in the Long Beach Memorial report). Residents serve the gynecologic clinic, sigmoidoscopy clinic, The Children’s Clinic, vaccination clinic and the Westside Neighborhood clinic providing access to care for those who are living in poverty and/or uninsured or underinsured. Our medical residents are active in the local schools with the “Tar Wars” tobacco avoidance education program to discourage tobacco use among youth, reaching more than 1400 fifth grade students in the Long Beach Unified School District.

Health care support services ranged from phone lines, staffed by trained clinicians, to a Family Resource Center. The Family Resource Center, partially funded through an early start government grant, provided assistance to parents and families in the community to understand the Individualized Education Program (IEP) process for children with special learning needs, community outreach through presentations with the nutrition program for Women, Infants and Children (WIC), Head Start and school districts. More than 2,500 special needs families were served during the fiscal year, which represents a small fraction of the lives that are touched by this program.

Table 1: Community Health Improvement Services

Activity	Persons
Community Health Education (A1)	57,026
Community Based Clinical Services (A2)	1,973
Health Care Support Services (A3)	1,871
Other (A4)	30,906
Total	91,776

Category B: Health Professions Education

Educational programs that result in a degree, certificate or training necessary to be licensed to practice as a health professional, or continuing education necessary to retain state license or certification by a board in the individual's health profession fall under the Health Professions Education category. Direct costs of health professions education includes: stipends, fringe benefits of interns, residents and fellows; salaries and fringe benefits of faculty directly related to intern and resident education, medical students, nursing programs, and allied health professionals.

In conjunction with Long Beach Memorial, Miller Children's Hospital Long Beach is the major pediatric teaching hospital for the University of California, Irvine, including an extensive general pediatrics residency program, pediatric specialty fellowships, and houses a satellite training center of California State University, Long Beach, for nursing education. Our institution plays a vital role in the training of physicians and nurses from these and other major universities. Each year, 100 residents and 10 fellows provide specialized care to infants, children and adolescents. Recognizing that the nursing shortage has to do with available capacity for educating future nurses, Long Beach Memorial and Miller Children's Hospital Long Beach (MCHLB) in partnership with California State University Long Beach School of Nursing, establishing an accelerated nursing program and satellite campus at MCHLB for clinical courses led by faculty from both the university and the hospital. This partnership provided access to nursing students to train with human patient simulators that provide an opportunity for students to learn "real-time patient care" in a non-threatening environment of a simulation lab. The program graduates over 100 new nurses each year, a portion of the students have an obligation to work for the organization; those meeting this definition are not counted in the reported number for community benefit purposes. The physician education listed below is consolidated for Long Beach Memorial (LBM) and Miller Children's Hospital Long Beach and reported on the LBM report.

Other health professionals were also educated by MCHLB and many performed their clinical hours and/or internship rotations at MCHLB. These students were directly supervised by MCHLB staff. Fields such as; child development, occupation and physical therapy, lactation, neo-natal intensive care, perinatal diabetes, and school nurses were represented.

Table 2: Category B: Health Professions Education

Activity	Persons
Physicians/Medical Students (B1)	Reported on LBM report
Nurses/Nursing Students (B2)	47
Other Health Professional Education (B3)	819
Total	866

Category C: Subsidized Clinical Services

Clinical services provided despite a financial loss to the organization. The financial loss is measured (based on costs, not charges) after removing losses associated by bad debt, charity care, Medicaid and other means-tested government programs. Subsidized clinical services meets an identified community need and if the organization no longer offered the service, the service would be unavailable in the community, the community's capacity to provide the service would be below the need, or the service would become the responsibility of government or another tax-exempt organization. Subsidized services exclude ancillary services that support inpatient and ambulatory programs and operate at a loss (ex. Lab, radiology, and anesthesiology).

Miller Children's Hospital hosts a women's clinic and a number of outpatient clinics, more than 30 sub-specialties, are offered to children and youth in the community, regardless of their ability to pay. These specialty care clinics act as a "medical home" and have specially designated multidisciplinary teams responsible for all care coordination and case management of patients in these programs. Clientele is 40% Hispanic and 75% MediCal. Many of these centers are approved CCS (California Children's Services) providers. CCS is a statewide program that coordinates medical care and therapy services for children under 21 years of age with certain health care needs. Patients typically qualify for the CCS Special Care Centers by medical diagnosis, complexity of their disease and financial status.

Outpatient Specialty Centers

Bickerstaff Family Center
Cardiology Outpatient Center
Center for Women Outpatient Clinics
Endocrine, Diabetes & Metabolic Centers
Food Allergy Center
Gastroenterology, Hepatology, & Nutrition Center (GI Center)
JJCCC Hematology/Oncology Outpatient Center
Neurology Center

Orthopedic Outpatient Center
Pulmonary, Cystic Fibrosis, Allergy, & Asthma Center
Rehabilitation Outpatient Specialty Center
Renal Center
Rheumatology Center
Stramski Children's Developmental Center
Surgical Specialties Outpatient Center

In addition to these clinical services, the Outpatient Centers also provided community education related to diabetes and provided in-service training for school nurses at their locations. The Outpatient Centers also provide taxi vouchers to those in need.

Category D: Research

The study or investigation to generate generalizable knowledge made available to the public. Research includes the communication of findings and observations, including publication in a journal. Internally funded research and research funded by tax-exempt or government entities are eligible for reporting. Therefore, research dollars are consolidated and reported on the Long Beach Memorial submission.

MCHLB is the only hospital on the west coast to offer the national standard for Normal Fetal Growth study in conjunction with UCI. Additionally, our pediatric oncology research, housed in the Jonathan Jaques Children's Cancer Center (JJCCC), ensures that pediatric patients have access to the most current treatment modalities. JJCCC is heavily involved in research programs involving blood disorders, cancers, psychosocial issues and long-term survival. JJCCC partners with many local hospitals such as Harbor-UCLA, Children's Hospital Los Angeles (CHLA), Rady Children's and national consortiums, such as Children's Oncology Group (COG), National Association of Children's Hospitals & Related Institutes (NACHRI) and the Hemophilia & Thrombosis Research Society (HTRS). A total of 593 pediatric patients were accrued on studies.

Category E: Financial Contributions to Community-Based Organizations

Cash contributions or grants and the cost of in-kind contributions that support charity care, health professions education, and other community benefit activities make up category E. In-kind contributions include the cost of staff hours donated by the organization to the community while on the organization's payroll, indirect cost of space donated to tax-exempt community organizations, financial value (cost) of donated food, equipment and supplies. A number of community organizations such as the Junior Blind met at our facility for no charge.

Category F: Community Building Activities

Includes activities to protect or improve the community's health or safety. Hospital employees are involved in many local, county, state and national organizations, which promote health, primary prevention, workforce development and advocacy efforts related to the hospital's mission. As a recognized leader in family centered care, hospital staff holds member and board positions for local, regional, state and national breast feeding coalitions. Additionally, MCHLB pediatric rehabilitation staff is involved in advocacy activities such as; Long Beach Alliance for Food and Fitness, Long Beach Healthy Kids Summit, First Five Coalition and Long Beach Diabetes Collaborative. Nearly 2,700 individuals were served in fiscal year 2013.

Category G: Community Benefit Operations

This category includes indirect and direct costs for community benefit operations. Included are the costs related to the Community Health Needs Assessment published in FY13.

Category H: Charity Care

Charity Care is defined as free or discounted health and health-related services provided to persons who cannot afford to pay, care provided to uninsured, low-income patients who are not expected to pay all or part of a bill, or who are able to pay only a portion using an income-related fee schedule, billed health care services that were never expected to result in cash inflows, and the unreimbursed cost to the health system for providing free or discounted care to persons who cannot afford to pay and who are not eligible for public programs. Charity Care does NOT include bad debt. The combined charity care for fiscal year 2013 reported for the three Long Beach hospitals; Long Beach Memorial, Community Hospital Long Beach and Miller Children's Hospital Long Beach was \$17,372,000.

Category I: Government Sponsored Health Programs

Government-sponsored health care community benefit includes unpaid charges of public programs, the "shortfall" created when a facility receives payments that are less than charges for caring for public program beneficiaries. Additionally, "Other Public Programs" are medical programs for the indigent, medically indigent or local and state programs that provide payments to health care providers for persons not eligible for Medi-Cal. The unpaid cost of government programs for fiscal year 2013 was recorded as \$0 (without Medicare). This was due to participation in the California Hospital Association (CHA) Provider Fee program. According to the CHA, the hospital provider fee is an integral element to improving access to health care for some of California's most vulnerable residents.

Table 4: Consolidated LBM, MCHLB and CHLB Government Sponsored Health Programs

Category	Consolidated in 000's
Unpaid Costs of Medi-Cal & CCS	\$0
Unpaid Costs of Medicare	\$33,625
Others Public Programs	\$0
Total with Medicare	\$33,625
Total without Medicare	\$0

The total number of lives touched through community benefit related programs, associated charity care and participation in government sponsored health programs was 240,139 (LBM, CHLB & MCHLB) at a total quantifiable benefit to the community of \$66,914,000 including the Medicare shortfall for fiscal year 2013.

Financial Summary of Community Benefit

LONG BEACH MEMORIAL, MILLER CHILDREN'S HOSPITAL LONG BEACH AND COMMUNITY HOSPITAL LONG BEACH (CONSOLIDATED FINANCIALS)

COMMUNITY BENEFIT SUMMARY FYE JUNE 30, 2013

1.	CHARITY CARE (a)	\$17,372,000
2.	UNPAID COSTS OF MEDI-CAL (b)*	\$0
3.	OTHERS FOR THE ECONOMICALLY DISADVANTAGED (c)	\$0
4.	EDUCATION AND RESEARCH (d)	\$12,545,000
5.	OTHER FOR THE BROADER COMMUNITY (e)	\$3,372,000
	TOTAL QUANTIFIABLE COMMUNITY BENEFIT LESS UNPAID COST OF MEDICARE	\$33,289,000
6.	UNPAID COSTS OF MEDICARE (b)	\$33,625,000
	TOTAL QUANTIFIABLE COMMUNITY BENEFIT	\$66,914,000

*Participation in the California Provider Fee initiative

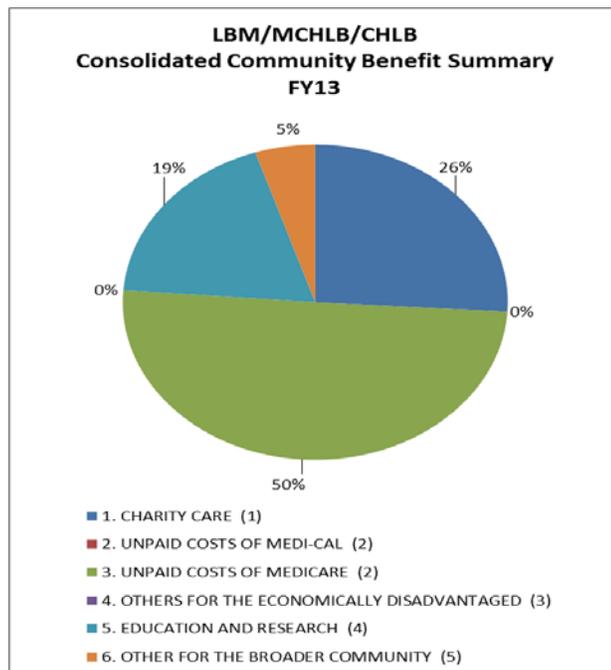
(a) Charity Care - Includes traditional charity care write-offs to eligible patients at reduced or no cost based upon the individual patient's financial situation.

(b) Unpaid costs of public programs include the difference between costs to provide a service and the rate at which the hospital is reimbursed. Estimated costs are base on the overall hospital cost to charge ratio.

(c) Includes other payors for which the hospital receives little or no reimbursement (County Indigent)

(d) Costs related to the Medical Education programs and Medical Research that the hospital sponsors.

(e) Includes many non billed programs such as community education, screening, support groups, clinics and other self help groups.



Leadership Journal

Volunteer services

Miller Children's Hospital has 563 committed community volunteers who provided 33,176 hours of service for the year. Volunteers are valued members of our health care team at MCHLB and help us discharge patients, deliver flowers, answer telephones, escort patients and guests to various hospital locations. The community members who volunteer at our hospital provide an opportunity to connect to the health care system benefiting not only the hospital but also the community at large. We have specialized volunteer programs such as the "Cuddler" Program in the NICU designed to support the development and growth of neonates, by providing advanced volunteer "cuddlers" – who are hospital trained – to interact with premature babies during times when their parents can't be with them at the hospital. As well as our pet therapy program which provides patients at Miller Children's Hospital Long Beach the opportunity to spend time with a friendly companion, which reduces children's stress. Certified pet therapy dogs visit patients in the playrooms and at patient's bedside almost daily. We also have a volunteer grandparent program in the Child Life Department. These special volunteers visit and spend time with children who are in the hospital. These "grandparents" step-in to color, play board games or talk with children who may be bored or feel a little isolated while in the hospital.

Ronald McDonald House Long Beach

Physicians and staff members served on the community based board of trustees for the Ronald McDonald House Long Beach serving Miller Children's campus as well as hospitals in the greater Long Beach area. This 23 room house provides a low cost home away from home for parents and families of seriously ill children. The house opened in December, 2011.

Child Abuse Program

Child Abuse Program we are the only of the 8 free-standing children's hospitals in the state to have a basic child abuse program.

Food Allergy Program

The Food Allergy Center at Miller Children's is the first specialized, pediatric food allergy center in Southern California. Our mission at the Food Allergy Center at Miller Children's is to move forward on finding a cure for food allergies and to make the quality of life better for children and their families who deal with food allergies.

Community Partners Index

In keeping with the community benefit principle of community capacity building and the overall mission and commitment to improve the health and well being of individuals, families and our communities, Miller Children's Hospital Long Beach cultivates and maintains strong ties with a network of community stakeholders (list is not exhaustive but highlights key partnerships).

American Cancer Society
American Heart Association
American Lung Association
Bickerstaff Foundation
California Children's Rehabilitation Foundation (CCRF)
California State University Long Beach (School of Nursing, Department of Social Work, Department of Health Science)
California State University Los Angeles
CARE Program
Cerritos College
Child Protection Center
City of Long Beach
Discovery Arts
Greater Long Beach Child Guidance Center
Kohl's Cares Foundation
Long Beach Alliance for Children with Asthma (LBACA)
Long Beach Aquarium of the Pacific
Long Beach City College
Long Beach Department of Health and Human Services
Long Beach Fire Department
Long Beach Police Department
Long Beach Ronald McDonald House
Long Beach Symphony
Long Beach Unified School District
Los Angeles County Office of Education
March of Dimes
Memorial Medical Center Foundation
Pacific AIDS Training and Education Center
Ronald McDonald Charities of Southern California (RMSCC)
Safe Kids L.A.
St. Baldrick's Foundation
The Children's Clinic and Dental Clinic
University of California Irvine (School of Medicine)
University of Southern California
VW Beetle Club

Community Benefit Plan FY2014

For Miller Children's Hospital Long Beach, selected Community Benefit efforts focus on increasing and supporting access to health care services through direct programs and partnerships with local community-based organizations. Our programs address the following access to care priority health needs:

- Medical Homes
- Transportation
- Mental health
- Preventive care

Community Benefit efforts also focus on the prevention of and attention to key chronic health conditions. Our programs address these related chronic health priority health needs:

- Asthma
- Overweight/obesity: nutrition and exercise
- Access to care
- Mental health
- Preventive care/prevention
- Health education

Miller Children's Hospital Long Beach (MCHLB) plans to meet the identified priority health needs; access to care, mental health, asthma, obesity/overweight and preventive care/prevention through a commitment of resources with the following programs and services.

Outpatient specialty centers provide more than 30 sub-specialties dedicated to the health and wellbeing of children and adolescents in our community. Many of our specialty centers serve as a medical home for children. These clinics are supported by Miller Children's; about \$18 million dollars in FY13, the majority of patients are MediCal or uninsured. We will continue to promote the medical home model to improve access to care and partner with The Children's Clinic (TCC), a federally qualified health clinic (8 locations throughout greater Long Beach).

MCHLB has an active school reintegration program for children who have long-term illness that keeps them out of their school environment. There are a number of support groups available for parents and children to address their identified and unique needs, to increase social support and provide information directly related to their disease. Support groups include; HIV/AIDS, Autism, children with special needs.

Miller Children's Hospital Long Beach was part of the founding coalition of the Long Beach Alliance for Children with Asthma (LBACA). LBACA provides education, clinician training, community health workers and advocacy related to asthma in the greater Long Beach area.

Miller Children's provides Community Health Improvement and Prevention services through 20 different programs and activities, which include community health education, community lectures, presentations and workshops in the areas of asthma, diabetes, obesity, health screenings, pediatric cancer, and children with special needs. We will expand these efforts to reach more people through partnership with the Long Beach Health Department and community based organizations. Our pediatric safety program includes not only community education but also provides bicycle helmets and car seats to those who are unable to afford them.

MCHLB will work in partnership with the City of Long Beach to promote the Healthy Active Long Beach initiative to battle overweight and obesity in our community. In addition we will provide nutrition communication in multiple languages. MCH staff actively participates on coalitions such as First Five LA. The Family Medicine program facilitates a Fit Teen support group and education program for overweight and obese teens and their families.

Appendix A – Contact Information

Physical Address of Main Hospital Campus:

2801 Atlantic Blvd.
Long Beach, CA 90806

Web address: www.millerchildrenshospitallb.org

Leadership:

Diana Hendel, PharmD <i>Chief Executive Officer</i>	
Suzie Reinsvold, MSN, RN <i>Chief Operating Officer</i> Judy Fix, MSN, RN <i>Chief Nursing Officer</i>	Divya-Devi Joshi, M.D. <i>Chief Medical Officer, Miller Children's Hospital Long Beach</i> Michael Nageotte , M.D. <i>Associate Chief Medical Officer, Miller Children's Hospital Long Beach</i>

Community Benefit Contacts:

Cindy Gotz, MPH, CHES
Community Benefit Manager
562-933-2889
cgotz@memorialcare.org

Peter Mackler
Executive Director, Government Relations and Policy
714-377-2946
pmackler@memorialcare.org

Appendix B –Financial Assistance Policy

 Memorial Health Services Policies and Procedures	Effective Date: January 12, 2012 Note: For origination date see History at end of Policy.
Subject: Financial Assistance	Approval Signature: [Barry Arbuckle] Barry Arbuckle President & CEO
Manual: Finance/Purchasing Policy/Procedure # 236	Sponsor Signature: [Patricia Tondorf] Patricia Tondorf Executive Director Revenue Cycle Management

PURPOSE: Memorial Health Services (MHS) is a non-profit organization that provides hospital services in five distinct Southern California communities. Memorial Health Services and its member hospitals are committed to meeting the health care needs of patients, including those who may be uninsured or underinsured. Consistent with this commitment, MHS has developed this Financial Assistance Policy to assist qualified patients with the cost of medically necessary services.

The Financial Assistance Policy establishes the guidelines, policies and procedures for use by hospital personnel in determining patient qualification for financial assistance. This policy also specifies the appropriate methods for the accounting and reporting of Financial Assistance provided to patients at hospitals within Memorial Health Services.

Emergency physicians providing emergency medical services at any MHS hospital are also required by law to provide discounts to uninsured patients or patients with medical costs who are at or below 350 percent of the federal poverty level as defined in this policy.

POLICY

Definitions:

Financial Assistance- includes both Charity Care and Low Income Financial Assistance, and is defined as any necessary¹ inpatient or outpatient hospital service that must be provided at an MHS facility to a patient who is unable to pay for care. Patients unable to pay for their care may apply to Memorial Health Services for financial assistance.

¹ Necessary services are defined as health care services or supplies that a physician or other health care provider, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing, or treating an illness, injury, disease or its symptoms, and that is not primarily for the convenience of the patient, physician or other health care provider, and not more costly than an alternative service or sequence of services or supply at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient's illness, injury or disease.

Eligibility for patient financial assistance will be evaluated in accordance with the requirements contained in the Financial Assistance Policy.

Charity Care- Memorial Health Services has a Charity Care program for patients whose household income is less than or equal to two hundred percent (200%) of the current Federal Poverty Level (FPL) Guidelines. Qualifying patients who also meet all other Financial Assistance Program qualification requirements may be entitled to a discount of one hundred percent (100%) of the patient liability portion of the bill for services, for both insured and uninsured patients.

Low Income Financial Assistance (LIFA) - Memorial Health Services also provides Low Income Financial Assistance to patients whose household income is less than or equal to 350% of the current FPL Guidelines, and excluded from Charity Care due to monetary assets. Qualifying patients who also meet all other Financial Assistance Program qualification requirements may be entitled to a discount of the patient liability portion of the bill for services.

Cash Discount- Available to all patients not utilizing insurance regardless of income or assets. Under the cash discount program, the patient's payment obligation will be one hundred percent (150%) of the total expected payment, including co-payment and deductible amounts that the Medicare program would have paid for the service if the patient was a Medicare beneficiary

Federal Poverty Level- means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

Depending upon individual patient eligibility, financial assistance may be granted on a full or partial aid basis. Financial assistance may be denied when the patient or other responsible guarantor does not meet the MHS Financial Assistance Policy requirements.

Financial Assistance Reporting

All MHS system hospitals will report the amounts of Charity Care financial assistance provided to patients to the California Office of Statewide Health Planning and Development (OSHPD) in accordance with OSHPD regulatory requirements, as described in the OSHPD Accounting and Reporting Manual for Hospitals, Second Edition and any subsequent OSHPD clarification or advisement. To comply with these regulations, each hospital will maintain this policy as written documentation regarding its Charity Care criteria, and for individual patients, each hospital will maintain written documentation regarding all financial assistance determinations. As required by OSHPD, Charity Care provided to patients will be recorded on the basis of actual charges for services rendered.

Charity Care will be reported as an element of each hospital's annual Community Benefit Report submitted to OSHPD and any other appropriate state agencies.

General Process and Responsibilities

Access to emergency medical care shall in no way be affected by whether financial assistance eligibility under this policy exists; emergency medical care will always be provided to the extent the facility can reasonably do so.

All patients who do not indicate coverage by a third party payer will be provided a Medi-Cal application prior to discharge.

The Memorial Health Services Financial Assistance Policy relies upon the cooperation of individual applicants for accurate and timely submission of financial screening information. To facilitate receipt of such information, MHS hospitals will use a Financial Assistance application to collect information from patients who:

- Are unable to demonstrate financial coverage by a third party insurer and request financial assistance;
- Insured patients who indicate that they are unable to pay patient liabilities; and
- Any other patient who requests financial assistance.

The financial assistance application should be offered as soon as there is an indication the patient may be in need of financial assistance. The form may be completed prior to service, during a patient stay, or after services are completed and the patient has been discharged. Accordingly, eligibility for the MHS Financial Assistance Program may be determined at any time the hospital has sufficient information to determine qualification.

A complete financial assistance application includes:

1. Submission of all requested information necessary for the hospital to determine if the patient has income and/or assets sufficient to pay for services;
2. Authorization for the hospital to obtain a credit report for the patient or responsible party;
3. Documentation useful in determining eligibility for financial assistance; and
4. An audit trail documenting the hospital's commitment to providing financial assistance.

Eligibility- refer to grid on appendix A

Eligibility for financial assistance shall be determined solely by the patient's and/or patient guarantor's ability to pay. Eligibility for financial assistance shall not be based in any way on age, gender, sexual orientation, ethnicity, national origin, veteran status, disability or religion.

The patient/guarantor bears the burden of establishing eligibility for qualification under any financial assistance program. Patients/guarantors are required to provide timely, honest and complete disclosure in order to obtain financial assistance. The hospital

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reserves the right to require a certified copy of the patient's income tax return. Each hospital will provide guidance and/or direct assistance to patients or their guarantors as necessary to facilitate completion of government low-income program applications when the patient may be eligible. Assistance should also be provided for completion of an application for the MHS Financial Assistance Program.

Completion of the Financial Assistance application and submission of any or all required supplemental information may be required for establishing eligibility with the Financial Assistance Program. Generally, the 2 most recent pay stubs or last year's tax return including W-2 may be required to establish income. Patients applying for Financial Assistance will be mailed a written notice within 10 business days from the date the Patient Financial Services Department receives a completed application with all necessary documentation to approve or deny Financial Assistance.

Financial Assistance Program qualification is determined after the patient and/or patient guarantor establishes eligibility according to criteria contained in this policy. While financial assistance shall not be provided on a discriminatory or arbitrary basis, the hospital retains full discretion to establish eligibility criteria and determine when a patient has provided sufficient evidence of qualification for financial assistance. In the event of a dispute regarding eligibility for financial assistance, a patient may seek review from management in Patient Financial Services.

Once determined, Financial Assistance Program eligibility will remain in effect for a period of six (6) months and then may be renewed by the hospital upon submission of required information by the patient. Patient Financial Services will develop methods for accurate tracking and verification of financial assistance program eligibility.

Any eligible patient account balance created by a visit that resulted in the request for Financial Assistance Program coverage and those occurring for a period of six (6) months following eligibility determination will be considered for full or partial write-off. Generally, other pre-existing patient account balances outstanding at the time of eligibility determination by the hospital will be included as eligible for write-off at the sole discretion of management, whether tracked as an Accounts Receivable or Bad Debt

Patient obligations for Medi-Cal Share of Cost (SOC) payments will not be waived under any circumstance. However, after collection of the patient SOC portion, any other unpaid balance relating to a Medi-Cal SOC patient may be considered for Charity Care.

Factors considered when determining whether an individual is qualified for financial assistance pursuant to this policy may include, but shall not be limited to the following:

- No insurance coverage under any government or other third party program
- Household² income
- Household net worth including all assets, both liquid and non-liquid

² "Household" includes the patient, the patient's spouse, any individual to whom the patient is a dependent and any other individual legally responsible to provide for the patient's health care needs. At age 18, a patient's income will be considered separately, regardless of living arrangements, unless the hospital is informed that the patient is still a dependent.
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- Employment status
- Unusual expenses
- Family size as defined by Federal Poverty Level (FPL) Guidelines
- Credit history

Eligibility criteria are used in making each individual case determination for coverage under the MHS Financial Assistance Program. Financial assistance will be granted based upon each individual determination of financial need. To assure appropriate allocation of assistance, financial need may be determined based upon consideration of both income and available patient family assets.

Covered services include necessary inpatient and outpatient hospital care, provided that the services are not covered or reimbursed by any state or federal government program (including Medicare, Medi-Cal, or county indigent programs) or any other third party payer. All patients not covered by third-party insurance and those insured patients who indicate that they are unable to pay patient obligations such as co-payments and deductibles, may be considered for eligibility under the Financial Assistance Program.

For the purpose of determining eligibility for LIFA discounted payment, documentation of income shall be limited to recent pay stubs or income tax returns, and assets will not be considered. Any patient not wishing to disclose their assets will automatically be ineligible for a Charity Care write-off but may still qualify for LIFA.

INCOME QUALIFICATION LEVELS

Full Charity

If the patient's household income is two hundred percent (200%) or less of the established poverty income level, based upon current FPL Guidelines and the patient meets all other Financial Assistance Program qualification requirements, one hundred percent (100%) of the patient liability portion of the bill for services will be written off.

Low Income Financial Assistance (LIFA)

If the patient's household income is less than three hundred fifty percent (350%) of the established poverty income level, based upon current FPL Guidelines, excluded from Charity Care due to monetary assets, and the patient meets all other Financial Assistance Program qualification requirements, the following will apply:

a. Patient's care is not covered by a payer. If the services are not covered by any third party payer so that the LIFA-qualified patient ordinarily would be responsible for the full billed charges, the LIFA-qualified patient's payment obligation will be one hundred percent (100%) of the total expected payment, including co-payment and deductible amounts, that the Medicare program would have paid for the service if the patient was a Medicare beneficiary. If the service provided is not covered under the Medicare program then the LIFA-qualified patient will be responsible for forty (40%) of billed charges.

b. Patient's care is covered by a payer. If the services are covered by a third party payer so that the LIFA-qualified patient is responsible for only a portion of the billed charges (i.e., a deductible or co-payment), the LIFA-qualified patient's payment obligation will be one-hundred percent (100%) of the patient liability portion of total payment up to the point where total payments (patient + insurance) equal one-hundred percent (100%) of the total expected payment, including co-payment and deductible amounts, that the Medicare program would have paid for the service if the LIFA-qualified patient was a Medicare beneficiary.

ASSET QUALIFICATION

Patient owned assets may be evaluated to determine if sufficient patient household resources exist to satisfy the hospital's bill for services rendered. Evaluation of patient assets will consider both the asset value and amounts owed against the asset to determine if potential net worth is available to satisfy the patient payment obligation.

Recognizing the need to protect basic household assets, each patient family unit evaluated will be allowed the following asset exemptions:

- Primary residence
- One vehicle per patient or two vehicles per family unit
- Tax-exempt retirement program funds
- Ten Thousand Dollars (\$10,000) and fifty percent (50%) greater than Ten Thousand Dollars (\$10,000) in other total assets
- Deferred Compensation Plans

Patients who have assets beyond those specifically exempted will be expected to leverage the assets through independent financing in order to satisfy the patient account. Patients with sufficient assets will be denied eligibility for Charity Care even when they meet basic income qualification requirements.

For the purpose of determining eligibility for discounted payment, either LIFA or Cash Discount, documentation of income shall be limited to recent pay stubs or income tax returns and assets will not be considered

SPECIAL CIRCUMSTANCES:

Any evaluation for financial assistance relating to patients covered by the Medicare Program must include a reasonable analysis of all patient assets, net worth, income and expenses, prior to eligibility qualification for the Financial Assistance Program. Such financial assistance evaluations must be made prior to service completion by the MHS hospital.

- If the patient is determined to be homeless he/she will be deemed eligible for the Financial Assistance Program.

- If the patient/guarantor has recently been declared bankrupt by a Federal Bankruptcy Court he/she will be deemed eligible for the Financial Assistance Program.

Patients seen in the emergency department, for whom the hospital is unable to issue a billing statement, may have the account charges written off as Charity Care. All such circumstances shall be identified in the account notes or on the patient's Financial Assistance Application as an essential part of the documentation process.

OTHER ELIGIBLE CIRCUMSTANCES:

Memorial Health Services deems those patients that are eligible for any or all government sponsored low-income assistance programs to be indigent. Therefore, such patients are automatically eligible for Charity Care or LIFA under the MHS Financial Assistance Policy and account balances classified as Charity Care if the government program does not make payment for all services provided, or days during a hospital stay.

For example, patients who qualify for Medi-Cal, CCS, CHDP, Healthy Families, MSI, CMSP, Trauma or other similar low-income government programs are included as eligible for the MHS Financial Assistance Program.

Any or all non-reimbursed patient account balances are eligible for full write-off as Charity Care. Specifically included as Charity Care are charges related to denied stays, denied days of care, and non-covered services. All Treatment Authorization Request (TAR) denials and any other failure to pay for covered or non-covered services provided to Medi-Cal and/or other government low-income qualified patients are covered.

Patients with restricted coverage, and/or other forms of limitation shall have non-covered amounts classified as Charity Care when payment is not made by the low-income government program.

Pending Medi-Cal patients not approved for Medi-Cal are also eligible for Charity Care.

The portion of Medicare patient accounts (a) for which the patient is financially responsible (coinsurance and deductible amounts), (b) which is not covered by insurance or any other payer including Medi-Cal, and (c) which is not reimbursed by Medicare as a bad debt, may be classified as Charity Care if:

1. The patient is a beneficiary under Medi-Cal or another program serving the health care needs of low-income patients; or
2. The patient otherwise qualifies for financial assistance under this policy and then only to the extent of the write-off provided for under this policy.

Any patient who experiences a catastrophic medical event may be deemed eligible for financial assistance. The determination of a catastrophic medical event shall be based upon the amount of the patient liability according to the billed charges, and considering the individual's income and assets as reported at the time of occurrence. Management shall use reasonable discretion in making a determination based upon a catastrophic

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medical event. As a general guideline, any account with a patient liability for services rendered that exceeds \$100,000 may be considered for eligibility as a catastrophic medical event.

Any account returned to the hospital from a collection agency that has determined the patient or guarantor does not have the resources to pay his or her bill, may be deemed eligible for Charity Care. Documentation of the patient or guarantor's inability to pay for services will be maintained in the Charity Care documentation file or in the account notes.

Criteria for Re-Assignment from Bad Debt to Charity Care

All outside collection agencies contracted with MHS to perform account follow-up and/or bad debt collection will utilize the following criteria to identify a status change from bad debt to Charity Care:

1. Patient accounts must have no applicable insurance coverage including governmental or other third party payers); and
2. The patient or guarantor must have an Experian credit score rating of less than or equal to 500. If the collection agency is using a credit scoring tool other than Experian, the patient and or guarantor must fall into bottom 20th percentile of credit scores for the method used; and
3. The patient or guarantor has not made a payment within one hundred eighty (180) days of assignment to the collection agency; and
4. The collection agency has determined that the patient/guarantor is unable to pay; and/or
5. The patient does not have a valid Social Security Number and/or an accurately stated residence address in order to determine a credit score.

Public Notice

Each MHS hospital shall post notices informing the public of the Financial Assistance Program. Such notices shall be posting in high volume inpatient, outpatient and emergency service areas of the hospital. Notices shall also be posted in the patient financial services and collection departments. Notices will include contact information on how a patient may obtain more information on financial assistance as well as where to apply for such assistance. These notices shall be posted in English and Spanish and any other languages that are representative of five percent (5%), or more, of the patients in the hospital's service area according to the Federal Title VI guidelines.

Data mailers and statements sent to patients as part of the routine billing process will contain information about the MHS Financial Assistance Program. These notices shall be available in English and Spanish and any other languages that are representative of five percent (5%), or more, of the patients in the hospital's service area according to the Federal Title VI guidelines.

A patient information brochure that describes the features of the MHS Financial Assistance Program will be made available to patients and members of the general

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public. These notices shall be posted in English and Spanish and any other languages that are representative of five percent (5%), or more, of the patients in the hospital's service area according to the Federal Title VI guidelines.

Billing and Collection Practices

Patients in the process of qualifying for government or hospital low-income financial assistance programs will not be assigned to collections prior to 120 days from the date of initial billing.

If a patient is attempting to qualify for eligibility under the hospital's charity care or discount payment policy and is attempting in good faith to settle an outstanding bill with the hospital by negotiating a reasonable payment plan or by making regular partial payments of a reasonable amount, the hospital shall not send the unpaid bill to any collection agency or other assignee, unless that entity has agreed to comply with guidelines outlined in California Health and Safety Code 127400 et seq. Low-income patients, who at the sole discretion of the hospital are reasonably cooperating to settle an outstanding hospital bill by making regular and reasonable payments towards their outstanding hospital bill, will not be sent to an outside collection agency if doing so would negatively impact the patient's credit. The hospital extended payment plan may be declared no longer operative after the patient's failure to make all consecutive payments due during a 90-day period. Before declaring the hospital extended payment plan no longer operative the hospital shall make a reasonable attempt to contact the patient by phone and, to give notice in writing, that the extended payment plan may become inoperative, and of the opportunity to renegotiate the extended payment plan. Prior to the hospital extended payment plan being declared inoperative, the hospital shall attempt to renegotiate the terms of the defaulted extended payment plan, if requested by the patient. The hospital shall not report adverse information to a consumer credit reporting agency or commence a civil action against the patient or responsible party for nonpayment prior to the time the extended payment plan is declared to be no longer operative. For purposes of this section, the notice and phone call to the patient may be made to the last known phone number and address of the patient.

Patients who communicate that they have an appeal for coverage of services pending will not be forwarded to collections until the final determination of that appeal is made. Examples of appeals are; Health Plan Appeals, Independent Medical Review, Medi-Cal and Medicare coverage appeals.

The hospital shall reimburse the patient or patients any amount actually paid in excess of the amount due under this article, including interest. Interest owed by the hospital to the patient shall accrue at the rate of ten-(10%) percent per annum; beginning on the date payment by the patient is received by the hospital. However, a hospital is not required to reimburse the patient or pay interest if the amount due is less than five dollars (\$5.00). The hospital shall give the patient a credit for the amount due for at least 60 days from the date the amount is due.

All extended payment plans will be interest free.

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Confidentiality

It is recognized that the need for financial assistance is a sensitive and deeply personal issue for recipients. Confidentiality of requests, information and funding will be maintained for all that seek or receive financial assistance. The orientation of staff and selection of personnel who will implement this policy shall be guided by these standards.

Good Faith Requirements

Every MHS hospital makes arrangements for financial assistance with medical care for qualified patients in good faith and relies on the fact that information presented by the patient is complete and accurate.

Provision of financial assistance does not eliminate the right to bill, either retrospectively or at the time of service, for all services when fraudulent, inaccurate or incomplete information has been given. In addition, the MHS hospital reserves the right to seek all remedies, including but not limited to civil and criminal damages from those who have provided false, inaccurate or incomplete information in order qualify for the MHS Financial Assistance Program.

In the event that a patient qualifies for partial financial assistance under the LIFA component of this Policy and then fails to make payment in full on their remaining patient liability balance, the hospital, at its sole and exclusive discretion, may use any or all appropriate means to collect the outstanding balance while in compliance with California Health and Safety Code 127400 et seq.

History:

Origination: May 22, 2006 (Replaces Policies #230 Low Income Financial Assistance (LIFA), Qualifications For: and #231 Charity Care, Qualification and Process for Assignment)
Reviewed/Revised: January 1, 2007
Reviewed/Revised: December 20, 2007
Three Year Review: February 18, 2010
Reviewed/Revised: December 27, 2011
Revised: January 12, 2012

Appendix A.

	CHARITY CARE		CASH DISCOUNT
FPL INCOME LEVEL	0-200%	<= 350% and disqualified from 100% Charity Care	OVER 350%
DISCOUNT	Charity Care 100% Write-off	Charity Care- Low Income Financial Assistance Discounted Payment 100% of Medicare	Cash Discount 150% of Medicare
Income*	For purposes of determining eligibility for charity care, documentation of assets may include information on all monetary assets, but shall not include statements on retirement or deferred compensation plans qualified under the Internal Revenue Code, or nonqualified deferred compensation plans.	For purposes of determining eligibility for discounted payment, documentation of income shall be limited to recent pay stubs or income tax returns.	Not to be Considered
Assets	For purposes of this determination, monetary assets shall not include retirement or deferred compensation plans qualified under the Internal Revenue Code, or nonqualified deferred compensation plans. Furthermore, the first ten thousand dollars (\$10,000) of a patient's monetary assets shall not be counted in determining eligibility, nor shall 50 percent of a patient's monetary assets over the first ten thousand dollars (\$10,000) be counted in determining eligibility.	Not to be considered	Not to be Considered
Qualifications	Available to Uninsured patients or Patients with high medical costs as defined by:(1) Annual out-of-pocket costs incurred by the individual at the hospital that exceed 10 percent of the patient's family income in the prior 12 months. (2) Annual out-of-pocket expenses that exceed 10 percent of the patient's family income, if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months.	Available to Uninsured patients or Patients with high medical costs as defined by:(1) Annual out-of-pocket costs incurred by the individual at the hospital that exceed 10 percent of the patient's family income in the prior 12 months. (2) Annual out-of-pocket expenses that exceed 10 percent of the patient's family income, if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months.	Patients not utilizing insurance.



Our Medical Centers:
Long Beach Memorial
Miller Children's Hospital Long Beach
Community Hospital Long Beach
Orange Coast Memorial
Saddleback Memorial - Laguna Hills
Saddleback Memorial - San Clemente

Our Laboratories:
Memorial Healthtech Laboratories
at Long Beach Memorial
Laboratory Services
at Saddleback Memorial

Financial Assistance Application

INSTRUCTIONS

1. Please complete *all* areas on the attached application form. If any area does not apply to you, write N/A in the space provided.
2. Attach an additional page if you need more space to answer any question.
3. You *must* provide proof of income when you submit this application. The following documents are accepted as proof of income:
 - a. Two (2) most recent and consecutive bank statements; must include all pages of each statement (including blank pages), for all accounts, checking and savings.

AND

 - b. Two (2) most recent paycheck stubs including any Social Security (award letter acceptable), child support, unemployment, disability, alimony, and/or evidence of other payments deposited directly into your bank account). **If not available, then;**
 - c. Last filed Federal income tax return (Form 1040), including all schedules and attachments as submitted to the Internal Revenue Service with Federal W-2 Form(s) showing wages and earnings, or:
 - d. If you are paid only in cash, have no income or cannot provide any of the above, please submit a written statement explaining your income sources and how you support yourself.
4. It is important that you complete, sign, and submit the financial assistance application along with all required attachments within fourteen (14) days.
5. Your application cannot be completely processed until *all* required information and documents have been provided. **If all requested documentation is not received within 30 days of application signature date, you may be required to re-submit the application and accompanying documentation.**
6. **If you are legally married, you and your spouse *must* sign and date the application.**
7. If you have questions, please call your customer service departments.
 - ▶ Long Beach Memorial, Miller Children's Hospital Long Beach, Orange Coast Memorial and Saddleback Memorial 877-323-0043
 - ▶ Community Hospital Long Beach 877-851-9718
8. Once complete, please return the application with the required documents to:
 - ▶ MemorialCare, ATTN: FAA, P.O. Box 20894, Fountain Valley, CA 92728-0894

Financial Assistance Application

- Long Beach Memorial
 Miller Children's Hospital Long Beach
 Community Hospital Long Beach
 Orange Coast Memorial
 Saddleback Memorial-Laguna Hills
 Saddleback Memorial-San Clemente

ACCOUNT NUMBER: _____

PATIENT/ GUARANTOR NAME		SPOUSE NAME	
ADDRESS		PHONE	
		Home	
		Work	
SOCIAL SECURITY NUMBER			
Patient/Guarantor		Spouse	

FAMILY STATUS		
List all dependents that you support.		
Name	Age	Relationship

EMPLOYMENT STATUS	
Patient/Guarantor Employer	Position
Contact Person	Telephone
Spouse Employer	Position
INCOME	

	Patient/Guarantor	Spouse
1. Gross Wages & Salary (before deductions)		
2. Self-Employment Income		
Other Income:		
3. Interests & Dividends		
4. Real Estate Rentals & Leases		
5. Social Security		
6. Alimony		
7. Child Support		
8. Unemployment/Disability		
9. Public Assistance		
10. All Other Sources (attach list)		
Total Income (add lines 1 – 10 above)		

ASSETS		
Please provide an accurate estimate of value for each asset you own. Also, indicate how much you owe on any outstanding debt related to each asset listed.		
Asset	Value	Amount Owed
1. Primary Residence		
2. Other Real Estate (attach list)		
3. Motor Vehicles (attach list)		
4. Other Personal Property		
5. Bank Accounts & Investments		
6. Retirement Plans		
7. Other Assets (attach list)		
Total Amounts (add lines 1 – 7 above)		

By signing below, I/We declare that all information provided is true and correct to the best of my/our knowledge. I/We authorize Memorial Health Services to verify any information listed in this application. I/We expressly grant permission to contact my/our employer, banking, and lending institutions. In addition, my/our credit report may be obtained.

Signature of Patient/Guarantor

Signature of Spouse

Date

Date

*Also available in Spanish