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2017

## **Annual Report 2017: Community Benefit**

Lehigh Valley Health Network

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ANNUAL REPORT  
**2017**

# COMMUNITY BENEFIT



Total of our  
community benefit  
**\$536,283,659**

**HOW A NOT-FOR-PROFIT ORGANIZATION  
DETERMINES COMMUNITY BENEFIT**

The not-for-profit entities of Lehigh Valley Health Network qualify as charitable organizations under Pennsylvania Act 55.

The Act sets specific criteria for what constitutes a charitable organization, defines the uncompensated goods and services that qualify as community benefit, and prescribes how these goods and services are measured.

## DIRECT PATIENT CARE

### MEDICARE SHORTFALL\*

The difference between Medicare and Medicare Managed Care payments and the cost of providing patient care.

### MEDICAL ASSISTANCE SHORTFALL\*

The difference between Medical Assistance and Medical Assistance Managed Care payments and the cost of providing patient care.

### BAD DEBT

The cost of providing care to patients who the health network believes were able to pay for their services but did not.

### UNCOMPENSATED CHARITY CARE

Free care for people unable to pay.

### CARE FOR PEOPLE WHO ARE UNINSURED OR UNDERINSURED

Includes difference between clinic payments and costs for primary and specialty clinics and related services.

### SUBSIDIZED HEALTH SERVICES

The difference between payments and costs for subsidized health services provided at Lehigh Valley Hospital–Hazleton and Lehigh Valley Hospital–Schuylkill.

### TRICARE SHORTFALL\*

TRICARE is a federally funded health plan for military personnel, retirees and their families.

*\*About shortfalls and Act 55: As per Act 55, community benefit provided by charitable organizations includes shortfalls between payments received from Medicare, Medical Assistance and patients, and the cost of providing care.*

**\$483,508,465**

247,389,212

146,533,811

53,170,015

16,293,000

14,403,431

4,920,542

798,454

## PROFESSIONAL AND PATIENT EDUCATION AND RESEARCH

### MEDICAL EDUCATION\*

Includes salaries and benefits for medical residents, the cost net of tuition for the SELECT medical school program, a portion of salaries and benefits for program directors and others who support graduate and undergraduate medical education, and support activities such as the hospital library.

### NURSING EDUCATION\*

Includes salaries and benefits for nurses who attend the Critical Care Internship. Also includes salaries and benefits for personnel providing education.

### RESEARCH ACTIVITIES

Includes research in areas such as neurology, oncology and family medicine that are not grant funded.

### HEALTH PROFESSIONAL AND STUDENT EDUCATION

Includes education provided at Lehigh Valley Hospital–Hazleton, Lehigh Valley Hospital–Schuylkill and Lehigh Valley Hospital–Pocono.

*\*About education and Act 55: As per Act 55, community benefit provided by charitable organizations includes the difference between the full cost of education and research programs and payments received to support these programs."*

**\$34,933,472**

21,705,437

9,523,584

3,028,116

676,335

## COMMUNITY EDUCATION AND PREVENTION

### LEHIGH VALLEY HEALTH NETWORK CANCER CENTER

Includes nurse navigators, support groups, classes, programs, screenings, nutrition counseling and survivor celebrations. This amount reflects the cost of providing these services free of charge.

### PASTORAL CARE

Provides ministry to patients, family and staff. Includes a portion of salaries and benefits for pastoral care staff, and the cost of our pastoral care residency program after Medicare reimbursement.

### HEALTH PROMOTION AND DISEASE PREVENTION

Includes Healthy You magazine, fitness programs, health fairs, Heart Help for Women programs, patient education publications and other publications promoting wellness and disease awareness.

### DEPARTMENT OF COMMUNITY HEALTH

Includes community-based initiatives through grant acquisition and program management, Community Health Needs Assessment, Community Exchange, school-based dental sealant program, Health Advocacy Program, Community Asthma Education Program, and other programs designed to integrate care and promote health.

### EMERGENCY EDUCATION

Includes training and education for physicians, nurses and first-responders region-wide. We also provide free bioterrorism and disaster preparedness training in our community.

**\$4,405,596**

1,455,453

1,069,519

1,018,070

454,213

408,341

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## COMMUNITY PARTNERSHIPS AND SUPPORT

**\$13,436,126**

### EQUIVALENT VALUE OF SUPPORT FOR AGENCIES AND MUNICIPALITIES

5,468,668

Includes free physical exams for municipal workers and financial support for municipalities, disease prevention programs, services and exams at local schools. Also includes real estate taxes paid by the health network on owned and leased property.

### EQUIVALENT VALUE OF VOLUNTEER ASSISTANCE\*

3,558,408

Includes 144,299 hours donated by volunteers.

### INTERPRETING SERVICE AND PATIENT REPRESENTATIVE

2,325,798

Includes hospital-based language interpreting services, purchased foreign language and sign language interpreting services provided free of charge, and costs associated with patient satisfaction surveys.

### PATIENT CARE COMMUNITY ACTIVITIES

1,662,311

Includes free flu shots, free medications for people unable to pay, portion of wages and benefits for pharmacy coordinator and the difference between payments for mental health services from Lehigh County and the cost of providing services at two residential aftercare programs.

### SPONSORSHIPS FOR COMMUNITY SERVICE ORGANIZATIONS

420,941

Includes support for numerous not-for-profit organizations that are aligned with our health network's mission, along with support of the Burn Prevention Network.

***\*About volunteers and Act 55:** As per Act 55, it is appropriate for charitable organizations to report volunteer service.*

*This shows how valuable volunteers are to the institution and the community. Act 55 provides a formula for calculating this based on the Pennsylvania Workers Compensation Act. We follow that formula.*

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