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2018

## **Annual Report 2018: Community Benefit**

Lehigh Valley Health Network

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ANNUAL REPORT  
**2018**

# COMMUNITY BENEFIT

Lehigh Valley Health Network and Subsidiaries







# TOTAL OF OUR COMMUNITY BENEFIT

## \$601,667,284

### **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

**\$546,808,671**

### MEDICARE SHORTFALL\*

298,138,081

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

### MEDICAL ASSISTANCE SHORTFALL\*

177,759,489

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

### BAD DEBT

28,958,602

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

21,500,327

Free care for people unable to pay.

### CARE FOR PEOPLE WHO ARE UNINSURED OR UNDERINSURED

13,523,493

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

### SUBSIDIZED HEALTH SERVICES

5,600,069

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

### TRICARE SHORTFALL\*

1,328,610

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.*

## PROFESSIONAL AND PATIENT EDUCATION AND RESEARCH

**\$35,088,791**

### MEDICAL EDUCATION\*

22,481,052

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\*

9,752,229

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

### RESEARCH ACTIVITIES

2,580,005

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

### HEALTH PROFESSIONAL AND STUDENT EDUCATION

275,505

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."*

## COMMUNITY EDUCATION AND PREVENTION

**\$4,736,091**

### LEHIGH VALLEY HEALTH NETWORK CANCER CENTER

1,457,486

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

1,011,760

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

1,343,597

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

477,357

Includes community-based initiatives through grant acquisition and program management, Community Health Needs Assessment, Community Commons, Health Advocacy Program, Veterans Health Program, Street Medicine, Allentown Children's Health Improvement Project (ACHIP), and other programs designed to integrate care and promote health.

### EMERGENCY EDUCATION

445,891

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

## COMMUNITY PARTNERSHIPS AND SUPPORT

**\$15,033,731**

### EQUIVALENT VALUE OF SUPPORT FOR AGENCIES AND MUNICIPALITIES

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.

6,766,339

### EQUIVALENT VALUE OF VOLUNTEER ASSISTANCE\*

Includes 154,771 hours donated by volunteers.

3,907,967

### INTERPRETING SERVICE AND PATIENT REPRESENTATIVE

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.

2,446,921

### PATIENT CARE COMMUNITY ACTIVITIES

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

1,549,942

### SPONSORSHIPS FOR COMMUNITY SERVICE ORGANIZATIONS

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.

362,562

*\*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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