

Legacy Emanuel Medical Center, Fiscal Year Ended 3/31/12
Optional Supplemental Information

1. Describe how the organization assesses the health care needs of the communities it services.

Legacy Emanuel conducted a quantitative and qualitative Community Needs Assessment in FY 12. The Community Needs Assessment was conducted in conjunction with the four other Legacy Health hospitals, i.e., Legacy Good Samaritan Medical Center, Legacy Meridian Park Medical Center, Legacy Mount Hood Medical Center and Legacy Salmon Creek Medical Center.

Quantitative secondary data focused on demographic characteristics, health factors, and health outcomes derived from a review of national and local research. Data was the most recently available—years range from 2007 to 2010. Data at the primary service area level was used when available, followed by county (Multnomah) and Oregon state in order of preference and availability. Race and ethnicity data is most commonly available only at the county and/or state level.

Qualitative research consisted of interviews conducted by leadership with 65 elected officials (state, county and city) and public sector (public health, human services), faith, business and community members, including representatives of culturally, racially and ethnically diverse and low income communities. Interviewees were intentionally designated based on their direct involvement with organizations and/or issues in the service areas.

2. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy (financial assistance policy).

Legacy Emanuel employs financial counselors and social workers that assist patients in obtaining coverage for their healthcare needs. This includes assistance with workers compensation, motor vehicle accident policies, COBRA, veterans' assistance, Legacy Emanuel's financial assistance program, and public assistance programs, such as Medicaid.

The criteria for financial assistance under Legacy Emanuel's program is determined based on eligibility for insurance coverage, household income, qualified assets, catastrophic medical events, or other information supporting a patient's inability to pay for medically necessary services provided. Specifically, the Legacy Emanuel Financial Assistance Program provides an uninsured discount of 15% to patients who have resided within Legacy Emanuel's primary service area for a period of six months, are uninsured for hospital care, and have a household income of less than \$100,000 annually. Further discounts are available for patients, on a sliding scale, whose household income is less than 400% of the federal poverty level or roughly \$92,000 for a family of four in Portland, Oregon. For patients whose household income is at or below 200% of the federal poverty level, a full subsidy is available. In addition to the household income criteria, the patients' qualified assets (e.g. 25% of household assets), and other catastrophic or economic circumstances are considered in determining eligibility.

In addition to financial counselors and social workers, Legacy Emanuel makes every effort to communicate its Financial Assistance Program to all patients. This includes signage in main admitting areas of each hospital and brochures explaining financial assistance in all patient care areas, as well as in appropriate languages. Financial counselors are available to assist patients in understanding and applying for available resources, including the Legacy Emanuel Financial Assistance Program. Legacy Emanuel's website also has information about the availability of financial assistance. Legacy Emanuel offers financial assistance customer service Monday through Friday, as well as the availability of voice mail so patients can leave confidential, detailed messages during non-business hours. Finally all of Legacy's billing statements include information regarding the availability of financial assistance. If Legacy Emanuel requires the use of a collection agency, those agencies are required to provide a telephone number that patients can call to request financial assistance.

Annual education is provided to all billing and admitting staff so they can be kept informed of and speak with knowledge about current financial assistance policies and options. Legacy Emanuel provides copies of the latest policies in main admitting areas, as well as through newsletters and other publications.

Since 2008, the four county metro area health delivery systems (encompassing all hospitals in the area) and safety net clinics have partnered to establish a seamless, coordinated program to provide care for the low income uninsured, Project Access. This program enables low income uninsured patients to receive continuity of care in earlier stages of acuity due to the collaboration among 2800 providers and all health systems.

3. Describe the community the organization serves, taking into account the geographic area and the demographic constituents its serves.

Legacy Emanuel is located in one of the oldest urban neighborhoods in Portland--inner north Portland across the river slightly north of downtown. The community, defined as the five mile radius primary service area, extends from the Columbia River in the north to south of Highway 99E in the south and from Walker Road in the west to NE/SE 82nd in the east. The close-in community includes the neighborhoods of Boise/Eliot, Kenton and Piedmont, St. Johns, Irvington, Alameda, and Lloyd District/ Sullivan's Gulch, Rose City and Laurelhurst.

Demographic data is the most recently available—years range from 2007 to 2010. Data at the primary service area level is used when available, followed by county (Multnomah) and Oregon state in order of preference and availability. Due to the lack of available data at the zip code level, county data is used most frequently, particularly as related to race and ethnicity data.

The five mile primary service area included 443,503 people in 2010; projected.5 percent annual growth between 2010 and 2015 is the lowest of Legacy Health hospital service areas. Median age was 37.8 years in Oregon in 2009. Multnomah County was 36.9 years.

By ethnicity, in 2010 the Legacy Emanuel primary service area was 74.1 percent non-Hispanic white, 8.6 percent Hispanic, 6.6 percent African American 5.9 percent Asian, 3.4 percent bi-racial and .7 percent Native American. A recently published Coalition of Communities of Color

Report showed that communities of color nearly doubled as a percent of population between 1990 and 2008 in Multnomah County.

The African American/Black population continues to be most concentrated in the historical neighborhoods of North/Northeast Portland, but increased housing prices have resulted in the community moving increasingly to East Multnomah County. Multnomah County continues to have triple the percentage population of African Americans as the other three counties and the majority remain in the Legacy Emanuel immediate neighborhoods.

The service area is drawing Hispanics moving into the service area at a higher rate than any other group (more than doubling in numbers in the past 15 years). Additionally, they have a higher birth rate than other communities of color. The Hispanic population accounts for about one-fifth of the births in Oregon, while they make up just one-tenth of the population.

The Portland Native American community is the ninth largest Indian urban population in the US. With a child poverty rate of 46% and 70% unemployment rate in 2009, the Native American community struggles across multiple indicators in contrast to the non-Hispanic white community.

The immigrant and refugee population is increasing significantly in the region. Recent immigrants and refugees are more likely to be culturally and linguistically isolated. A small but increasing African refugee population has settled primarily in North and NE Portland and is distinct from the African American/Black population. Available data suggests that in general, the African population is generally poorer than other communities.

Census numbers do not adequately represent the true and changing picture. More than 100 languages are spoken in the Portland public schools. Schools near Legacy Emanuel are 40 to 70 percent children of color, primarily African-American and increasingly Hispanic. With this, schools are experiencing 50 percent English-as-a-Second-Language and 50-80 percent reduced-cost or free lunch rates.

Multnomah County showed a higher median household income than the state. Race and ethnic cohorts varied greatly. Communities of color earn half the incomes of non-Hispanic whites in Multnomah County. Incomes were the highest for non-Hispanic whites and lowest for Native Americans—a \$28,000 difference. African Americans were just \$5,000 higher than Native Americans. In contrast, Asians were just \$3,000 less than non-Hispanic whites. In Multnomah County in 2008, the rate of under 18 years poverty was 12.5% for non-Hispanic white children and 33.3% for children of color.

Legacy Emanuel provides the greatest amount of charity care of all hospitals in the metro area. In FY 12, Legacy Emanuel provided \$31.0 million in charity care; total unreimbursed costs of care for people in need amounted to \$120.9 million.

Catholic Healthcare West and Thomson Reuters developed the Community Needs Index (CNI), a tool that produces a composite picture of needs using a variety of demographic and socioeconomic indicators. The CNI is increasingly being used as the national standard in identifying

communities with health disparities and comparing relative need. The higher the number the greater the need. The locations of two of the top four self pay zip codes for all Legacy hospitals are directly north of Legacy Emanuel in St. Johns (97203 and 97217).

The Legacy Emanuel Medical Center five mile primary service area includes four other tertiary hospitals including two trauma 1 centers—one of which is Legacy Emanuel. Providence Health and Services operates one hospital about five miles west of Legacy Emanuel and the other three miles southeast. The last tertiary and other trauma 1 center is OHSU which is also site of the only medical school in Oregon. Two full-service children's hospitals are within two of the hospitals' licenses—including Randall Children's Hospital at Legacy Emanuel. Kaiser Permanente formerly sited a hospital about a mile north of Legacy Emanuel; although no longer the location of a hospital, Kaiser maintains a strong clinic presence in the area.

The primary service area includes two Medically Underserved Areas (MUA): St. Johns community and SE Portland. With the long-standing income disparities in the Legacy Emanuel area, safety net services have expanded in the last decade. Multnomah County Health Department operates FQHCs in Northeast and Southeast Portland. Two blocks from Emanuel is the site of a NARA (Native American Rehabilitation Association) FQHC. Five years ago a nonprofit volunteer based safety net clinic opened one mile from the hospital; it is dedicated to providing primary care for uninsured low income residents, primarily African American, from the immediately surrounding zip codes. Providence Medical Group operates a clinic about a mile north of Emanuel bordering on the medically underserved area. Legacy Emanuel's internal medicine residency program operates a teaching clinic and a midwifery clinic serving the low income and often uninsured.

A local nonprofit, Project Access NOW, links uninsured low income individuals to providers and health system services providing services at no charge. All of the health systems in the metro area are very involved with this program and Legacy Health, in addition to providing clinical services, provides cash donation and office space to the administrative offices of Project Access NOW in kind.

4. Describe how the organization's community building activities promote the health of the communities the organization serves.

The Legacy Health Board is comprised of community and business leaders as well as representatives of the medical staff. The Legacy Emanuel medical staff is open, with physicians submitting credentialing information reviewed according to Legacy Emanuel policies and standards.

Legacy Emanuel collaborates with other healthcare providers, community-based organizations, business and the public on projects to improve the health of the community. Examples of clinically based partnerships include, among others: CARES NW (Child Abuse Response and Evaluation Services) is a collaboration among three health systems. Legacy Emanuel serves as the employer and donates the infrastructure. Nearly 20 years ago, Legacy Emanuel recognized that nonprofit organizations spend valuable dollars on office space and infrastructure — dollars better spent on meeting their missions. Since then, Legacy Emanuel has provided free office

space and other infrastructure services to four nonprofit organizations on its campus totaling over \$70,000 a year in-kind. One organization, the African-American Health Coalition, is dedicated to closing the health inequities gap. In addition to space, Legacy donated a \$1.6 million building to the coalition. Other organizations include Oregon Lutheran Synod and Northwest Parish Nurse Ministries. The Ronald McDonald House is located on donated land on the hospital campus.

As a hospital located in a high density, inner city neighborhood, Legacy Emanuel's security department patrols the neighborhoods as a service to those communities. Emanuel employees, local businesses and neighborhood associations collaborated to revitalize a neighboring park used for drug and other illegal activities and police incidents decreased 93 percent.

Clinical staff is involved with local communities through many child safety programs. In 1986, nurses in Emanuel Hospital's Level I Trauma Center developed the Trauma Nurses Talk Tough (TNNT) program. Taught by trauma and emergency medical professionals, the program reaches 36,000 people each year. The American Hospital Association awarded the TNNT program its NOVA Award. In addition, Legacy staff members conduct free checks to show parents how to properly install car seats. Last year, Legacy staff fit and sold more than 9,000 bicycle helmets to children at a nominal or no fee based on need. Legacy staff members also provide new parents with training to reduce the incidences of shaken baby syndrome and a Safety Store sells child protection devices for the home at nominal charge.

As a tertiary center, Legacy Emanuel provides several unique services to a four state region (Alaska, Washington, Oregon and Idaho) such as its Level I trauma center, Children's Hospital, burn center, and high-risk obstetric services, including a Level III NICU. In addition, Legacy Emanuel provides training for interns and residents through its nationally accredited graduate medical education program and partners with schools to provide training and education for nursing and other health professionals.

5. If the organization is part of an affiliated health system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served as well as any community benefit provided on behalf of the hospital.

Legacy Emanuel is a subsidiary of Legacy Health (Legacy). Legacy is an integrated health system based in Portland, Oregon and primarily operates five acute care hospitals and related services (e.g., physician practices, hospice, preferred provider network) in the four county metro area of Portland and SW Washington.

In 1998, the Legacy Health Board approved a \$10 million Community Health Fund from operating revenue to address major community health issues. About \$500,000 annually has been granted to community-based projects addressing racial and ethnic inequities and root causes. These dollars are in addition to the system's generous charitable contributions. The Community Health Fund has provided 33 grants since 1998 totaling nearly \$6.4 million, including 13 in the Emanuel service area. A recent project was a three-year, \$470,000 partnership among three local organizations to reduce childhood obesity among children of color, particularly African American.

In 1999, recognizing that education, employment and income inequities exist for communities of diversity, and that health professions are lacking in diversity, Legacy established the Youth Employment in Summers program. An annual total of 13-15 African American, Hispanic and Native American youth receive paid summer employment in departments where they work with health professionals and college scholarships between \$2500 and \$5000 annually. Students remain in the program as long as they remain in school and pursued health careers. Some students remain in the program as long as seven years—graduating with imaging tech degrees, bachelor degrees in nursing, etc. The vast majority of the students are the first in the families to go to college.

In 2010, Legacy Health established the CLEAR/Health Literacy initiative. Communication with patients such that patients both understand AND can act on the information required of and provided to them is critical to their health outcomes. Patients must use information to navigate the health system (complete insurance and government forms, sign consents, schedule appointments), manage diseases and acquire preventive screenings. Providers (defined as all staff interacting with or developing materials used by patients) are responsible for ensuring that patients can act on the information provided. In 2012 and funded by the Community Health Fund, Legacy Health hosted the first Oregon and SW Washington Health Literacy Conference—360 people from 69 organizations attended. Legacy Health is now the recognized leader in moving health literacy forward both in the health delivery system and broader community.

In addition to the Community Health Fund, Legacy provided cash donations to local health and human service, education, economic development and civic organizations. Donations focus on organizations with year-round relationships through programs and board representation. A few examples include Children's Cancer Association, March of Dimes, NW Parish Nurse Ministries, Self Enhancement Inc. In addition, Legacy Health lab services provided more than \$18,000 in inkind services to the local safety net clinic located 10 blocks from Emanuel and dedicated to serving residents of the inner neighborhoods.

Recognizing that education, employment and income inequities exist for communities of Legacy encourages and supports employee volunteerism. Legacy donates \$100 to nonprofit health, 50 hours a year. Employees may receive paid time when volunteering in one or two week time periods in local nonprofit organizations through Legacy's community service leave program.

Non-cash donations of resources include clinical and non-clinical services and items, e.g., screenings and support services, internships, information and referral services and health fairs. Legacy's warehouse is open to nonprofit organizations to obtain surplus equipment and furniture. In addition, conference room space is made available to local nonprofits for Board and community meetings.

The following summarizes the community benefit provided at other Legacy affiliated entities, other than Legacy Emanuel:

	<i>All Other Legacy Affiliates</i>			
	Patient encounters	Total community benefit expense	Direct offsetting revenue	Net community benefit expense
Charity care at cost		36,293,599	0	36,293,599
Unreimbursed costs of public programs				
Medicaid		319,660,451	277,375,191	42,285,260
Medicare		98,583,706	53,354,716	45,228,990
Other public programs		8,652,770	7,674,578	978,192
Community health improvement services		358,077		358,077
Research	n/a	0	0	0
Health professions education	n/a	8,741,149	3,197,012	5,544,137
Subsidized health services	n/a	0	0	0
Cash and in-kind contributions to other community groups	n/a	784,322	0	784,322
Community building activities	n/a	310,836	0	310,836
Community benefit operations	n/a	0	0	0
Totals		473,384,910	341,601,497	131,783,413