**Community Benefit Report**

**Oregon Acute Care Hospitals**

**Hospital Fiscal Year 2019**

This is a summary analysis to accompany the fiscal year 2019 update of the Oregon Hospital Community Benefit Dashboard, OHA’s interactive dashboard for hospital community benefit data.

**Oregon hospitals reported $1.6 billion in community benefit costs.**

- $1.2 billion (75%) went to unreimbursed cost of care.
- $0.4 billion (25%) went to direct spending.

Unreimbursed cost of care is the cost of care provided by a hospital for which reimbursement does not cover the hospital’s costs.

It includes:
- Unreimbursed Medicaid
- Charity Care
- Other Public Programs
- Subsidized Health Services

Direct spending encompasses a hospital’s cash expenditures, in-kind contributions, or grants in support of community benefit activities.

It includes:
- Community Health Improvement
- Community Building Activities
- Cash and In-kind Contributions
- Health Professions Education
- Research
- Community Benefit Operations

**Health professions education and research is 72% of all direct spending.**

Of the $407 million of community benefit direct spending, 72% or $291 million was spent on health professions education and research. Oregon Health Sciences University accounts for 62% of this spending, or $185 million. The remaining $116 million in direct spending statewide is attributable to investments in community health improvement programs or programs that address the social determinants of health.

**Community investments** accounted for 18% of direct spending and include:

- Community Health Improvement $49 million
- Community Building Activities $11 million
- Cash and In-kind Contributions $43 million
- Community Benefit Operations $13 million

Of all $407 million in direct spending, $291 million (72%) went to health professions education and research and $116 million (18%) went to community investments.

FY 2019 Community Benefit Report Summary
January 2021
Unreimbursed cost of care is growing three times faster than direct spending.

Direct spending accounted for 25% of total community benefit costs in 2019, down from 29% in 2015. Direct spending has grown at an annual rate of 3% over the past five years, compared with 9% annual growth for unreimbursed cost of care. Unreimbursed cost of care has increased 42% since 2015, while direct spending has increased 14% in the same time period.

Direct spending has grown from $356 million to $407 million since 2015, cumulative growth of 14%.

Unreimbursed cost of care has grown from $864 million to $1.23 billion since 2015, cumulative growth of 42%.

Direct spending is a shrinking proportion of net patient revenue.

Direct spending as a percentage of net patient revenue has decreased slightly, from 3.6% of revenue in 2015 to 3.1% of revenue in 2019. Comparatively, unreimbursed cost of care has grown from 8.8% of revenue in 2015 to 9.4% of revenue in 2019.

Unreimbursed cost of care has increased as a percent of net patient revenue.

Direct spending has decreased as a percent of net patient revenue.