

SPECIAL EDITION

# CHRISTUS NEWS

JOURNEY TO EXCELLENCE

Special Edition #2 November 2003

## Community Benefits Annual Report

### *Vision In Action*

*A Commitment to Quality. A Devotion to Care. So all may experience God's healing presence and love.* CHRISTUS Health's Vision is to be a leader and advocate in creating exemplary health care services, processes, and structures that improve the health of individuals and of local and global communities. Our Vision extends our reach past the walls of each facility to encompass the communities we serve and the community of the world.

Inside this CHRISTUS News - Community Benefits Annual Report, you will be able to take a glimpse into some of the programs that play a critical role in supporting our communities. From school-based health to pharmaceutical assistance to community direct investments, CHRISTUS Associates and programs are touching lives and changing lives every day. CHRISTUS' ministry is not confined to just caring

for the sick. We are committed to creating communities in which all aspects of health are addressed, and social justice and dignity for all people are ensured.

Another focus of community health is providing resources to help facilities share their stories of creating healthier communities that bring the Mission and Vision to life. Every year, CHRISTUS Health sets community benefit objectives and evaluates performance in accomplishing these objectives. As a testament to our Vision, last year the CHRISTUS Health system provided a total of almost \$442 million in charity care, grants and other community benefits.

**COMMUNITY BENEFITS:** Community Benefits refers to the monetary value of goods and services provided to the community. This includes unreimbursed charity care, government-sponsored indigent care, and other community benefits such as donations, community education or community services. The CHRISTUS system uses the definition provided by the State of Texas, which is generally consistent with the Catholic Healthcare Association definition.

**SOCIAL ACCOUNTABILITY:** Social Accountability is a term widely used in the business community to indicate a commitment to behave ethically as well as to contribute to the sustainability of the community. It includes a commitment to social justice and human dignity as well as more tangible contributions to the community.



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# Vision In Action

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CHRISTUS Health created the CHRISTUS Fund and Community Direct Investment (CDI) programs over two years ago to ensure that the work of social accountability and moral and ethical stewardship would continue as priorities.

### The CHRISTUS Fund

The CHRISTUS Fund awarded \$2,288,500 to 65 programs and one disaster relief effort in FY2003. Here's a recap of support awarded:

- Nine grants went to programs providing primary health care services.
- Seven grants went to programs providing pharmaceutical assistance, domestic violence services, and services for youth.
- Four grants went to organizations that are partners with the CHRISTUS CDI Program to support our efforts to provide affordable housing. These grants include a grant to the Inner-City Revitalization Corporation to provide a homebuyer training program in Alexandria, Louisiana, for prospective first-time homebuyers.
- A CHRISTUS Fund grant to Natchitoches Parish Hospital provided matching funds for a Community-Based and Rural Health Program grant from the Louisiana Department of Health and Hospitals to provide primary and preventive care in an outpatient clinic to the indigent community of Montgomery in Grant Parish.

- A grant to the American Red Cross-Southwest Region provided disaster relief for central and south Texas to provide shelter, food, counseling and other assistance to those in need after torrential rainfall and flooding. Grant funds awarded outside the communities served by CHRISTUS were targeted at health and social ministries where members of the CHRISTUS sponsoring congregations have been directly involved.

### Community Direct Investment Program

The CDI Program is a significant component of CHRISTUS community development initiatives. Typically, a CDI is a loan or deposit made to support community initiatives for affordable housing and economic development. Loans are granted at below-market rates for terms not to exceed five years, and are made to qualified not-for-profit organizations. The CDI staff works as a catalyst to enhance community building efforts in the regions served by CHRISTUS. For fiscal year 2003, CHRISTUS Health invested or committed for investment \$7,049,000 million in CDI loans and linked deposits.



Families at the CHRISTUS Southwest Health Center in Houston enjoy the festivities and presentations at their Christmas party.

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### CHRISTUS Health Communications Department

#### Corporate Office

Las Colinas Corporate Center II  
6363 N. Highway 161, Suite 450  
Irving, Texas 75038

Linda McClung: 214.492.8505

Christie Galvin: 214.492.8504

Arnetta Autrey: 214.492.8518

#### System Support Center

100 N.E. Loop 410, Suite 800  
San Antonio, Texas 78216

Heather Boler: 210.524.4134

Teri Moffitt: 713.680.4822

Mark Hopkins: 210.524.4145

Patricia Ward: 210.524.4144

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CHRISTUS Associates Effie Land and Janice Hanson participate in the CHRISTUS Jasper Memorial Hospital community-wide Turkey Trot to raise money for local charities and to increase health awareness in all ages.

# Local Community Plans and Identifying Priorities

## CHRISTUS Fund Grants Awarded FY2003

REGION	# OF GRANTS	TOTAL AWARDED
Northern Louisiana	6	\$214,000
Santa Rosa	4	\$274,500
Ark-La-Tex	3	\$75,000
Southeast Texas	7	\$265,000
Southwestern Louisiana	3	\$65,000
Spohn	11	\$167,000
St. Joseph's Health System	7	\$218,000
West Central Louisiana	1	\$26,000
Central Louisiana	6	\$220,000
Gulf Coast	7	\$420,000
Monroe	1	\$25,000
Utah	1	\$20,000
Muguerza	3	\$175,000
Sponsor/Related	5	\$99,000
Disaster Relief	1	\$25,000
<b>TOTAL</b>	<b>66</b>	<b>\$2,288,500</b>

CHRISTUS recognizes that each community is unique with distinct cultures and resources. Thus, each community must create its own healthy community vision. We are committed to working with community-led partnerships in all the communities we serve to achieve measurable, sustainable improvements in well being.

The CHRISTUS Health community health approach focuses on community planning and our commitment to partnering with our communities to develop plans that focus on the communities' priorities. This assures that the community planning activity is fully integrated into the region's and system's strategic planning and budgeting processes. Each region participates in community-wide assessment and planning, and then uses the community plan to build the region's plan and budget for addressing community priorities.

## Examples of Community Planning in CHRISTUS Regions

### NORTHERN LOUISIANA

In 1998 the Regional Office of Public Health, Shreveport-Bossier Service Connection and CHRISTUS Schumpert initiated the Shreveport/Bossier Healthy Community Initiative (SBHCI), a group of community organizations and members, to address the health and well being of the Shreveport-Bossier area. Initially, focus groups were conducted with diverse groups such as neighborhood associations, community groups, service providers, youth leaders and chambers of commerce. From the focus groups, community priorities were identified. It was determined that the SBHCI would focus on education, primarily pre-primary education. Programs and coalitions were implemented to improve a child's preparation for primary education. The members of the SBHCI continue to work in an allied effort.

### SANTA ROSA

The Bexar County Community Health Collaborative ("Health Collaborative"), which includes CHRISTUS Santa Rosa Health Care, is a consortium of community organizations that joined together to identify and address significant community health issues. The Health Collaborative, with the participation of United Way of San Antonio and Bexar County and the Greater San Antonio Hospital Council, commissioned the Bexar County Community Health Needs Assessment (CHNA).

Following the 1998 CHNA, the Health Collaborative determined that the top three community health issues were fitness and nutrition, oral health, and youth depression. These choices were made based primarily on prevalence of health problems and potential to make a significant positive impact. The Health Collaborative undertook initiatives addressing these priorities, which include spearheading the Fit City/Fit Schools campaign, supporting passage of legislation to fluoridate drinking water in San Antonio, and establishing a youth depression advisory committee.

## Examples of Best Practices in Action

### SCHOOL BASED HEALTH CENTERS

CHRISTUS Health operates a total of 25 School Based Health Centers (SBHCs) – with 15 in Central Louisiana; six in Southwest Louisiana; two in Northern Louisiana; and two in Gulf Coast. Elementary schools are served by 11 of the SBHCs, seven serve middle schools and seven serve high schools. The total number of students served by all 25 of the SBHCs is approximately 13,607. All of the SBHCs are administered by the local CHRISTUS entities.

The SBHCs have been recording outcomes for three consecutive years. The indicators chosen are attendance rates and immunization rates. Research shows that both income level and educational attainment are strongly associated with health. Thus, increasing graduation rates is important to improving community health. Furthermore, research shows that attendance is one indicator of eventual graduation and it can be monitored on an ongoing basis. Similarly, appropriate immunization is required for attendance at school, and the SBHCs significantly contribute to the process of immunizing students. The CHRISTUS SBHCs have an opportunity to work with the schools and the community to improve attendance rates and eventually graduation rates. In addition, the SBHCs have begun collecting baseline data for a third indicator, insurance status of the students served, with a goal of decreasing the number of uninsured and assuring these children have a medical home.



CHRISTUS St. John Associates Buleah Wilson, Cassandra Jones, and Joyce Grogan participate in the First Annual Pink Ribbon Luncheon for Galveston County and Bay Area churches to encourage early detection of breast cancer and breast cancer awareness.

# Local Community Plans and Identifying Priorities

## CONTINUED FROM THE PREVIOUS PAGE

The CHRISTUS Community Health Department coordinates a Council of all the SBHCs to:

- Evaluate practices and outcomes, and develop best practices.
- Track indicators for use to determine if we are making a difference in students' health and well being.

The SBHCs' staffs work diligently to address the students' needs, reach goals and better the students' health. Action plans are continually being developed and implemented to increase both attendance and immunization rates.

For example, low immunization rates in some of the schools are currently being addressed by holding all-day immunization clinics at least once a month at each of the schools.

## PHARMACEUTICAL ASSISTANCE

The services provided by pharmaceutical assistance programs play a major role in completing our patients' course of treatment. After visiting a doctor or emergency room, patients are frequently given prescriptions for medications necessary for their continued care.

The inability of patients to comply with a prescribed course of therapy due to a lack of funds is a critical barrier to effective health care. Patients who need prescription medications for chronic conditions, but who can't afford them, may be referred to several pharmaceutical assistance programs in our communities.

Many of our facilities have programs to help patients get needed medications they cannot afford. In addition, the CHRISTUS Fund invests in several programs that provide pharmaceutical assistance to our communities. By aiding these pharmaceutical assistance programs, CHRISTUS is able to extend care far into in our regions, and to bring relief to the financially indigent patients who most need our help.

## Examples of CHRISTUS Fund Supported Pharmaceutical Assistance Programs

### Open Arms and Thankful Hearts (OATH) – Spohn

OATH serves a very large area of south Texas (including Beeville, Goliad, George West, Three Rivers, and Gregory). OATH has developed an efficient system to help patients access the major pharmaceutical companies so that they can receive medications at no cost. The program has now expanded its services to include medical supplies, eyeglasses and exams, and some medical equipment such as wheelchairs and walkers.

### First United Methodist Rx Assistance Program – Spohn

First United Methodist Rx Assistance Program helps un- and under-insured people receive assistance with gaining access to prescribed medications. The program's goal is to provide better access to free medication programs sponsored by drug companies for persons who qualify by completing complicated drug company forms and following-up with physicians.

### Saint Pius X Medication Assistance Program – Spohn

The Saint Pius X Medication Assistance Program assists residents in the Corpus Christi area by filling out forms to access free medications from pharmaceutical companies. The Saint Pius X program was modeled after the First United Methodist program to serve individuals in the Corpus Christi area who cannot get to First United Methodist.

### Mid and South Jefferson County Prescription Assistance Task Force – SETX

The Mid and South Jefferson County Prescription Assistance Task Force is a collaborative effort to initiate a comprehensive prescription drug assistance program for low-income and disabled residents in Jefferson County. The program utilizes a social worker/case manager model hosted under an umbrella organization to serve all of the organizations in the Task Force. CHRISTUS St. Mary was a leader in heading up the Task Force. The CHRISTUS Fund provided seed money for the program's start-up.

### CHRISTUS St. Michael – Ark-La-Tex

The CHRISTUS St. Michael Health System Patient Assistance Program provides prescription drug assistance for uninsured, low-income patients from six clinics in four counties of northeast Texas and southwest Arkansas by assisting patients in filling out applications and applying for free medications from over 130 pharmaceutical companies.

### St. Vincent de Paul Pharmacy – Monroe

St. Vincent de Paul Pharmacy provides prescription medication and disease-state management free of charge to those in the Diocese of Shreveport who have no other means of acquiring them.

### Northwest Louisiana Interfaith Pharmacy – Northern Louisiana

The Northwest Louisiana Interfaith Pharmacy offers prescription services free of charge to needy residents of 10 northwest Louisiana parishes.



Members at the CHRISTUS PrimeTime Seniors Center in Paris, Texas, prepare for their Christmas Bazaar fundraiser.



Gladys Lancon, a Senior Adult Program participant, and Jan Akin, CHRISTUS St. John Community Outreach Coordinator, participate in the HealthWise 55 Fall Festival.



Katherine Fontenette of CHRISTUS St. Frances Cabrini Hospital (left) promotes safety and injury prevention at a Health Fair sponsored by a Wal-Mart store in Alexandria, Louisiana.



Knox Andress of CHRISTUS Schumpert Health System gives students of the Medical Careers Club, a School Based Health Center-sponsored club, a tour of the hospital.

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Contributing Editors:

## CHRISTUS Health Community Health Department

2600 North Loop West  
Houston, Texas 77092  
Donna Meyer: 713.683.2010  
Stephen Lobo: 713.683.2126

# CHRISTUS Community Direct Investment Program



Ground breaking in Alexandria: a “future homeowner,” Mayor Randolph, CBO board member Jay Ellington, and philanthropist Norman Martin.



“I am so excited about moving in! It has been well worth the wait,” comments Sylvia Charles, a CHRISTUS St. Mary’s Associate.



Ribbon cutting at the Babcock North Complex in San Antonio. CHRISTUS provided the loan to purchase the land.



The first of several homes to be built in Paris.

In many CHRISTUS communities today, quality affordable homes are under construction thanks to the support of the CHRISTUS Community Direct Investment (CDI) program. CHRISTUS Associates and their neighbors are realizing their dreams of becoming first-time homebuyers. As part of its commitment to creating healthier communities, CHRISTUS invests money with local not-for-profit organizations to support community development. By encouraging the hard work of committed local leaders, the CDI program helps to build local capacity. The CDI program plays the role of initiator, facilitator, partner, and/or investor depending on the situation in each community.

Often, CHRISTUS CDI loans and linked deposits are the dollars needed to move a project from the drawing board to ground breaking. Each development is uniquely designed to meet the community needs. Some examples of projects funded during the past year include:

- San Antonio Alternative Housing Corporation’s Palo Alto sub-division, a 136-unit project, to be marketed and sold using the mixed-income approach.
- Eighteen new housing units planned for the mentally challenged, to be developed by Statewide Consolidated, a Beaumont based community organization.
- In The Loop, a Paris community development corporation’s construction of the first new affordable homes in Paris, Texas, in decades.



CHRISTUS Spohn Associate Graciela Balboa moved into her new home (shown here during construction) in October 2003.

To compliment these home-building efforts, classes to qualify first-time low-income homebuyers are now being offered in several CHRISTUS communities. The comprehensive classes cover money management, wealth accumulation, and buying and maintaining a home. The classes were piloted in Alexandria, Louisiana, by a local community organization with support from the CHRISTUS Central Louisiana Region. CHRISTUS Santa Rosa plans to test market the program in Texas. CHRISTUS Associates in each community are encouraged to participate in these community-based programs. The CDI program helps design and the CHRISTUS Fund helps support these educational programs.

All regions are encouraged to explore opportunities to revitalize their communities. Please refer to the following table for a summary of the CDI portfolio as of June 30, 2003.

### CDI Commitments June 30, 2003 By Region

REGION	# OF INVESTMENTS	AMOUNT OF COMMITMENT \$ IN 000s
Gulf Coast	3	1,390
Southeast Texas	5	1,009
Santa Rosa	2	850
St. Joseph’s, Paris	1	100
Southwestern Louisiana	1	200
Central Louisiana	1	200
Outside of CHRISTUS Regions	4	3,300
<b>TOTAL:</b>	<b>7,049</b>	



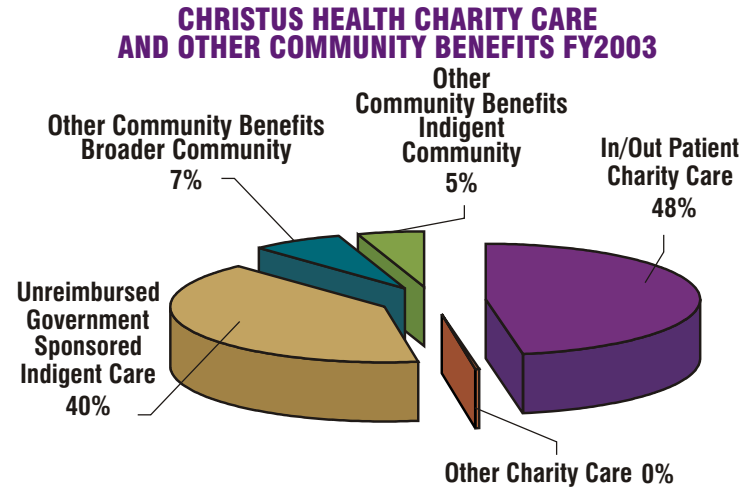
The first of four homes under construction in Lake Charles, Louisiana, with help from CHRISTUS and two lender partners.

# Continuing the Mission *a synopsis of Community Benefits in FY2003*

CHRISTUS Health like other Catholic Providers is committed to offering access to appropriate quality services for all. This challenge increased in FY2003. The nation's economic rebound has been slow at best. In our markets, unemployment was at its highest in years and many find it difficult to access affordable medical insurance. New census bureau figures show that Texas leads the nation in the percentage of uninsured (24.7%).

**Charity Care**, the unreimbursed cost of medical services provided to the uninsured and underinsured, including Medicaid, increased by about 19% to \$187,385,317 when compared with FY2002. In contrast, our contribution to the communities we serve through our **Other Community Benefits** programs and services decreased by approximately 27.6% to \$25,748,588, predominantly due to an increase in medical education reimbursement. Overall, these two markers for community value-added by our System increased from 9.2% of net patient revenue in FY2002 to 10.0% in FY2003.

Government Sponsored Programs like Medicare contributed another \$228,803,747 in unreimbursed costs for FY2003. This represented an approximate increase of 27.7% over FY2002. System wide, the total of community benefit plus unreimbursed Medicare is about 20.7% of NPR for FY2003.



## CHRISTUS HEALTH COMMUNITY BENEFITS FY2002 vs FY2003

	YEAR ENDED 06/30/02		YEAR ENDED 6/30/03		% CHANGE FY2002 vs FY2003
	UNREIMBURSED COSTS \$	AS A % OF NPR	UNREIMBURSED COSTS \$	AS A % OF NPR	
<b>CHARITY CARE</b>					
Indigent and Outpatient Charity Care	75,597,091	3.6	100,522,669	4.7	33.0
Other Charity Care	1,183,105	0.1	855,175	0.0	-27.7
Unreimbursed Government Sponsored Indigent Care	80,734,714	3.8	86,007,473	4.0	6.5
<b>Charity Care Subtotal</b>	<b>157,514,910</b>	<b>7.5</b>	<b>187,385,317</b>	<b>8.8</b>	<b>19.0</b>
<b>OTHER COMMUNITY BENEFITS</b>					
Donations: cash, in-kind services and gifts to other nonprofit or public organizations	2,503,516	0.1	2,350,739	0.1	-6.1
Donations: cash, in-kind services and gifts to individuals	406,522	0.0	322,686	0.0	-20.6
CHRISTUS Fund and Interest from Community Direct Investments	3,228,886	0.2	2,439,270	0.1	-24.5
Educational Activities: student internships, clinical experience and other education	14,334,562	0.7	7,763,750	0.4	-45.8
Scholarships and Funding	197,220	0.0	233,370	0.0	18.3
Education of Patients	522,850	0.0	598,838	0.0	14.5
Community Health Education: publications, informational programs, outreach activities	1,266,850	0.1	1,386,470	0.1	9.4
Research	107,103	0.0	64,735	0.0	-39.6
Subsidized Health Services	4,462,112	0.2	5,092,855	0.2	14.1
Other Subsidized Health Services	5,432,687	0.3	2,262,271	0.1	-58.4
Other Programs for Special Population	1,976,692	0.1	1,635,302	0.1	-17.3
Leadership Activities including Advocacy	1,145,938	0.1	1,598,302	0.1	39.5
<b>Other Community Benefits Subtotal</b>	<b>35,584,938</b>	<b>1.7</b>	<b>25,748,588</b>	<b>1.2</b>	<b>-27.6</b>
<b>Charity Care &amp; Other Community Benefits Subtotal</b>	<b>193,099,848</b>	<b>9.2</b>	<b>213,133,905</b>	<b>10.0</b>	<b>10.4</b>
<b>GOVT. SPONSORED PROGRAMS</b>					
Unreimbursed Government Sponsored Programs (Medicare, CHAMPUS, USFHP)	179,150,605	8.5	228,803,747	10.7	27.7
<b>Govt. Sponsored Programs Subtotal</b>	<b>179,150,605</b>	<b>8.5</b>	<b>228,803,747</b>	<b>10.7</b>	<b>27.7</b>
<b>TOTAL COMMUNITY BENEFITS</b>	<b>372,250,453</b>	<b>17.7</b>	<b>441,937,652</b>	<b>20.7</b>	<b>18.7</b>
<b>TOTAL NET PATIENT REVENUE</b>	<b>2,107,828,000</b>		<b>2,136,799,798</b>		