

# CHRISTUS Spohn Health System

## Continuing the Mission through Building Healthier Communities

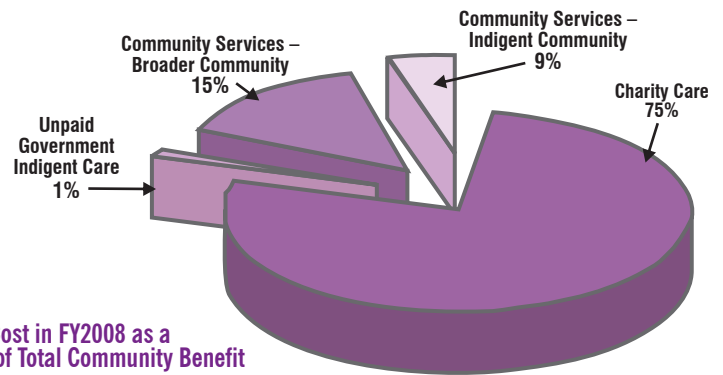
*A Synopsis of Community Benefit in Fiscal Year 2008*

**CHRISTUS Spohn Health System**, a region of the CHRISTUS Health system, is committed to providing superior care. The region supports a broad array of community-based services to enhance access to care and improve the health status of our population. Despite the rise in the cost of health services, our goal is to have a positive effect on health indicators in the communities we serve.

In collaboration with others in our community, CHRISTUS Spohn Health System also provides a variety of programs, grants, and affordable services for the uninsured. The total value of our many contributions toward improving the health of our community far exceeds the dollars that are counted as community benefit in this report.

CHRISTUS Spohn Health System follows the Catholic Health Association (CHA) and State of Texas guidelines for reporting community benefit.

**Charity Care** is defined as the unpaid cost of medical services provided to the uninsured and underinsured, including Medicaid. During fiscal year 2008, CHRISTUS Spohn Health System provided more than \$38.8 million in Charity Care, which is 5.9 percent of



**Unpaid Cost in FY2008 as a Percent of Total Community Benefit**

the region's net patient revenue. Of this amount, **Unpaid Government Indigent Care** for the underserved, predominately Medicaid, comprises more than \$624,000 of unpaid costs for fiscal year 2008, which is 0.1 percent of net patient revenue.

CHRISTUS Spohn Health System also contributed more than \$12.4 million in Community Services to the Coastal Bend in fiscal year 2008. Thus, the CHRISTUS Spohn Health System provided \$51.2 million in total community benefit, which is 7.7 percent of net patient revenue in fiscal year 2008. This equates to \$140,000 a day in community benefit. CHRISTUS Spohn Health

System reinvests all profit we make back into the community through expanded health services, new technologies and better facilities.

In addition, the cost of **Unpaid Government Sponsored Programs** – mostly Medicare – is reported to the state of Texas following the state's Community Benefit reporting requirements. This year, that amount for the CHRISTUS Spohn Health System was more than \$44 million, or 6.6 percent of the region's net patient revenue. In accordance with CHA guidelines, CHRISTUS Spohn Health System does not include this amount in reports of community benefit provided to other agencies.

### CHRISTUS SPOHN HEALTH SYSTEM COMMUNITY BENEFIT FY2007 vs FY2008

	YEAR ENDED 06/30/07		YEAR ENDED 6/30/08	
	UNPAID COSTS \$	AS A % OF NPR*	UNPAID COSTS \$	AS A % OF NPR*
<b>CHARITY CARE</b>				
Charity Care	52,567,665	8.9	38,195,687	5.8
Unpaid Government Indigent Care (predominately Medicaid)	1,838,777	0.3	624,110	0.1
<b>Charity Care Subtotal</b>	<b>54,406,442</b>	<b>9.2</b>	<b>38,819,797</b>	<b>5.9</b>
<b>COMMUNITY SERVICES</b>				
<b>Total Community Benefit as per CHA Guidelines</b>	<b>66,275,404</b>	<b>11.3</b>	<b>51,220,630</b>	<b>7.7</b>
<b>UNPAID GOVERNMENT SPONSORED PROGRAMS (predominately Medicare)</b>				
<b>Total Community Benefit plus unpaid Medicare costs per State of Texas rules</b>	<b>118,747,288</b>	<b>20.2</b>	<b>95,297,565</b>	<b>14.4</b>
<b>NET PATIENT REVENUE (NPR)*</b>	<b>591,098,668</b>		<b>662,871,020</b>	

\*All numbers are taken from the consolidated financial statements.