

COMMUNITY BENEFIT

ANNUAL REPORT
FY16



Total of our
community benefit

\$441,090,050

**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	\$388,659,783
MEDICARE SHORTFALL*	209,436,614
The difference between Medicare and Medicare Managed Care payments and the cost of providing patient care.	
MEDICAL ASSISTANCE SHORTFALL*	97,921,982
The difference between Medical Assistance and Medical Assistance Managed Care payments and the cost of providing patient care.	
BAD DEBT	47,047,314
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	17,855,000
Free care for people unable to pay.	
CARE FOR PEOPLE WHO ARE UNINSURED OR UNDERINSURED	12,268,356
Includes difference between clinic payments and costs for primary and specialty clinics and related services.	
SUBSIDIZED HEALTH SERVICES	3,231,777
The difference between payments and costs for subsidized health services provided at Lehigh Valley Hospital–Hazleton.	
TRICARE SHORTFALL*	898,740
TRICARE is a federally funded health plan for military personnel, retirees and their families.	
<i>*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.</i>	

PROFESSIONAL AND PATIENT EDUCATION AND RESEARCH	\$35,966,551
MEDICAL EDUCATION*	22,933,195
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*	9,764,291
Includes salaries and benefits for nurses who attend the Critical Care Internship. Also includes salaries and benefits for personnel providing education.	
RESEARCH ACTIVITIES	3,160,089
Includes research in areas such as cardiology, neurology and internal medicine that are not grant funded.	
HEALTH PROFESSIONAL AND STUDENT EDUCATION	108,976
Includes education provided at Lehigh Valley Hospital–Hazleton.	
<i>*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."</i>	

COMMUNITY EDUCATION AND PREVENTION	\$4,668,935
HEALTH PROMOTION AND DISEASE PREVENTION	1,203,290
Includes Healthy You magazine, fitness programs, health fairs, Heart Help for Women programs, patient education publications and other publications promoting wellness and disease awareness.	
LEHIGH VALLEY HEALTH NETWORK CANCER CENTER	1,135,912
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	948,615
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.	
PHYSICIAN REFERRAL AND HEALTH INFORMATION LINE	594,140
Provides free phone-based health services through 610-402-CARE.	
EMERGENCY EDUCATION	400,916
Includes training and education for physicians, nurses and first-responders region-wide. We also provide free bioterrorism and disaster preparedness training in our community.	
DEPARTMENT OF COMMUNITY HEALTH	386,062
Includes community-based initiatives through grant acquisition and program management, Community Health Needs Assessment, Community Exchange, school-based dental sealant program, Teen Pregnancy and Parenting Program, Community Asthma Education Program, and other programs designed to integrate care and promote health.	

COMMUNITY PARTNERSHIPS AND SUPPORT**\$11,794,781****EQUIVALENT VALUE OF SUPPORT FOR AGENCIES AND MUNICIPALITIES**

5,508,675

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.

EQUIVALENT VALUE OF VOLUNTEER ASSISTANCE*

2,518,868

Includes 104,474 hours donated by volunteers.

PATIENT CARE COMMUNITY ACTIVITIES

1,796,434

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

INTERPRETING SERVICE AND PATIENT REPRESENTATIVE

1,726,104

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.

SPONSORSHIPS FOR COMMUNITY SERVICE ORGANIZATIONS

244,700

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.

**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.
