



COMMUNITY BENEFIT REPORT 2008

PATIENT SAFETY:

Raising the Bar

Timothy Foelker remembers his sense of relief when he arrived by ambulance at the [Oregon Heart & Vascular Institute](#) (OHVI) at Sacred Heart Medical Center at RiverBend in the midst of a heart attack. In fact, his treatment at the hospital started before he even got there, thanks to the Cath Alert Program, which allowed his electrocardiogram (EKG) to be sent to the Cath Lab while his ambulance was still enroute. Because doctors knew about his condition ahead of time, they were able to begin treating him immediately — preserving precious time that not only helped save his life, but also helped lessen the damage to his heart.

Every second counts when it comes to treating heart attack patients such as Foelker, which is why OHVI implemented a series of subtle but effective changes that have placed the institute among the top 5 percent of such facilities in the nation. The Institute invested in training and technology and established evidence-based, standardized protocols that seek to continually improve the quality of care that patients receive. Since the program began in 2004, the death rate from heart attack has declined by more than 350 percent, saving an estimated 75 lives.

OHVI also provides programs to lessen the chances that patients will return for future hospitalization. Following his heart attack, Timothy Foelker enrolled in a [rehabilitation program](#) at OHVI's Cardiac Wellness Center. He attended weekly, supervised training sessions that strengthened the weakened muscles in his heart and he will soon be considered a "graduate" of that program. Foelker has changed his diet, reduced the stress in his life and made exercise a part of his regular routine.

"We hope our experience can help raise the bar for other hospitals, just as we hope to continue to learn and make improvements in our own program," says OHVI Executive Medical Director Dr. Rick Padgett.

OHVI isn't the only division that's raising the bar and making PeaceHealth Oregon Region a focal point of exceptional medicine and compassionate care. It's one of several "institutes of excellence" — our [Neurosciences Institute](#) and our [Gerontology Institute](#) are two others — where an interdisciplinary, systems-based approach is yielding great successes and becoming a model for the way health care is delivered. A team of specialists comes together to provide integrated and comprehensive care, and the presence of researchers means the quality of care is constantly being assessed, re-assessed and improved.



*"I expected the care to be top notch and it was."
— Timothy Foelker, 51, suffered a heart attack in September 2008*

Inside:

- One Mission, Many Avenues for Care
- Caring for the Uninsured & Underinsured
- Financial Report



Financial Report

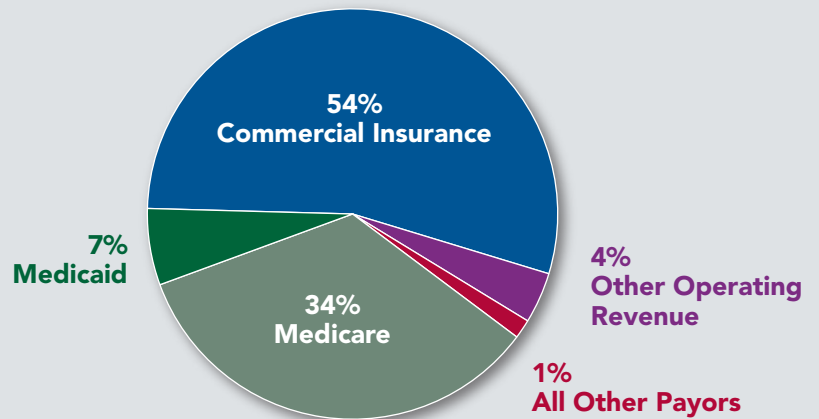
PeaceHealth's economic contributions to the community cut across many different sectors of the economy and include the more than 5,300 jobs we provide, the more than \$1.1 million in property taxes we paid last year, and the \$66.4 million we provided in uncompensated care in 2008. Last year, 12.4 percent of our expenses went to uncompensated care, a nearly 2 percent rise from the previous year.

The money we spent on facilities last year made up just under 7 percent of our operating budget and is expected to remain the same in years to come. Our new hospital was funded through a combination of philanthropy, bonds and cash reserves that helped keep construction costs from unduly affecting patient bills. Our biggest expense continues to be labor and benefits, which account for 45 percent of our annual expenditures. Supplies — food, pharmaceuticals and other equipment — is our next biggest cost, making up 35 percent of the money we spend.

As we look at the reasons why health care costs continue to climb, two of the main culprits are Medicaid shortfalls — the program pays us less than 39 cents on the dollar for the care we provide — and unfunded patients. An estimated 17.3 percent of Oregonians don't have health insurance. That number doesn't include under-insured patients who can't afford to pay for the treatment they receive. Our mission of caring for people, regardless of their ability to pay, is more important than ever.

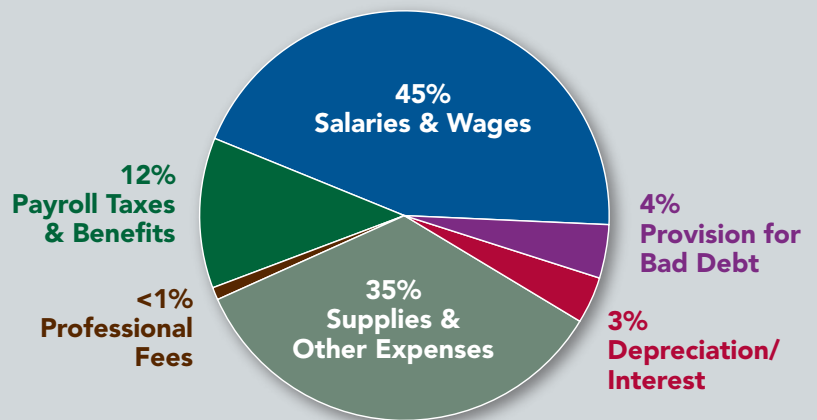
Total Net Operating Revenue

July 1, 2007 – June 30, 2008

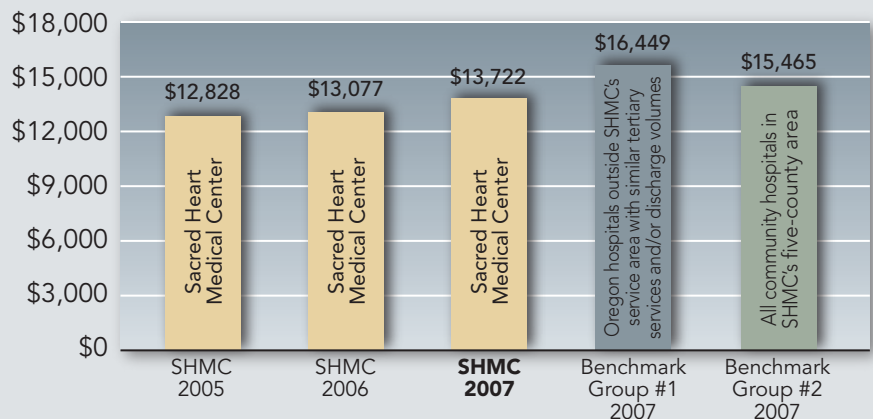


Total Operating Expenses

July 1, 2007 – June 30, 2008

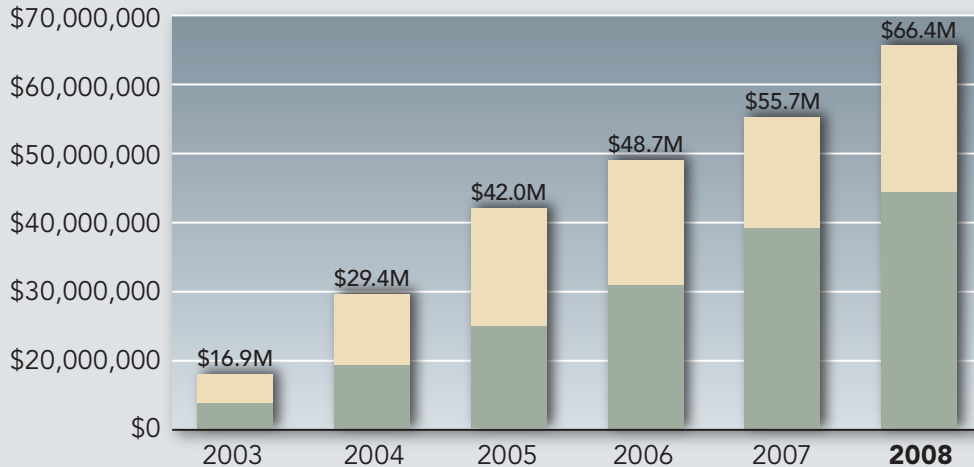


Charge per Discharge



Data Source: OR Hospital Discharge Database 2007: Full year ending December 31, 2007. Includes Normal Newborns.

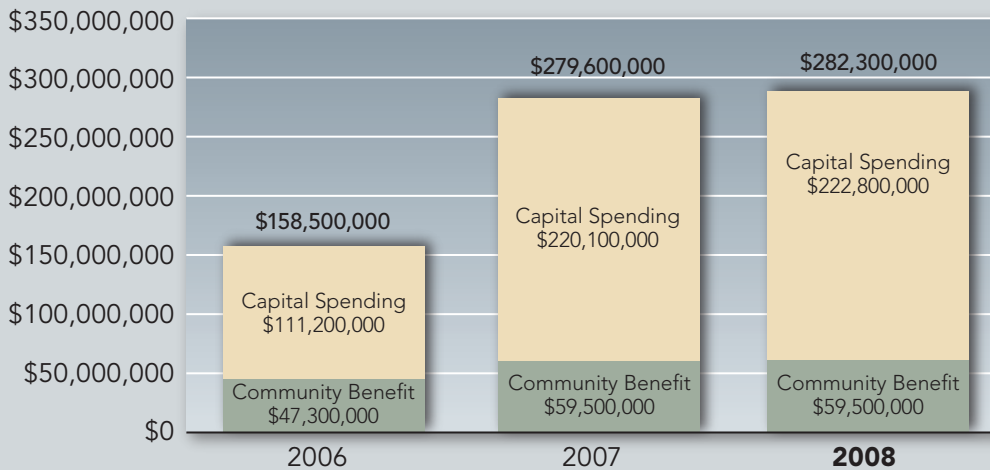
Uncompensated Care



- Bad Debt**
The charged amount of supplies and services for those who are unwilling to pay their medical bills.
- Charity Care**
The charged amount of supplies and services for those who are unable to pay their medical bills.

Data Source: Oregon Association of Hospitals and Health Systems

Community Benefit & Capital Spending



Community Benefit by Type

Charity care at cost	\$24,422,001	41%
Unreimbursed costs of public programs at cost (Medicaid)	\$17,537,196	30%
Community health programs and services (United Way 100% Access, information library, high school physicals, Youth Mentorship Program, LCC Nursing program, etc.)	\$776,461	1%
Subsidized health services (Prenatal Clinic, Birthing Center, Home Health, Hospice, OASIS, etc.)	\$14,492,853	24%
Contributions to community groups (financial and in-kind) (Volunteers in Medicine, White Bird Clinic, United Way, etc.)	\$1,182,888	2%
Health professional education (student job shadowing)	\$1,108,377	2%

TOTAL COMMUNITY BENEFITS

\$59,519,776

