



# The *spirit* of healing 2013 COMMUNITY BENEFIT REPORT

*PeaceHealth Southwest Medical Center*



## Welcome

PeaceHealth publishes this annual report to the community because serving the community is literally part of our Mission: We carry on the healing mission of Jesus Christ by promoting personal and community health, relieving pain and suffering, and treating each person in a loving and caring way.

At PeaceHealth, we promote “personal and community health” through our connected systems of care. These include acute care that is provided in hospitals for serious illness or injury; post-acute care provided in various settings after patients leave the hospital; and community-based care provided in medical homes, clinics and related outpatient facilities. We are one of the region’s largest providers of health services, and a primary source of care for the most vulnerable populations in our community.

Today, health care reform is transforming our health care system from one that focuses on providing a high volume of treatment to one that delivers high value to the community through better patient outcomes and

more efficient care. Our success in this challenging new environment will depend on how well we meet the Triple Aim: 1) improving the safety, experience and access to care for all patients; 2) improving the overall health of the population; and 3) reducing the cost of care across the spectrum of services we provide.

Community health improvement is a work in progress. PeaceHealth is collaborating with community partners to address the objectives identified in the 2013 Community Health Needs Assessment: access to care, tobacco use, obesity, mental health and substance abuse, and health care disparities. It’s an ambitious list, but we can’t let that diminish our resolve.

Norms do change. We have changed them before — not by offering people fewer choices, but by offering them healthier choices. Together, we can make a difference.

If you have any comments or questions, please share them with us at [swmarketing@peacehealth.org](mailto:swmarketing@peacehealth.org).

# PeaceHealth Southwest by the Numbers

CLINICAL NUMBERS	
Number of licensed beds	450
Annual admissions	24,571
Days of inpatient service	97,792
Number of babies born annually	2,620
Number of surgeries performed	10,129
Number of emergency room visits	78,835
Number of clinic visits	71,416

EMPLOYMENT NUMBERS	
Number of PeaceHealth employees	3,148
Number of new hires in past year	327
Average annual turnover rate <sup>1</sup>	11.4%
Average annual salary <sup>2</sup>	\$50,353
Average base rate	\$31.00

1) Average annual turnover rate reported is voluntary turnover for period 7/1/2012 - 6/30/2013

2) Excluding executive and physician pay

## What is PeaceHealth?

PeaceHealth is a family of hospitals, clinics, doctors and laboratories, based in the Pacific Northwest and dedicated to our mission of service to each community.

Since our founding in the late 1800s in northwest Washington by the Sisters of St. Joseph of Peace, our network of faith-based, mission-oriented PeaceHealth facilities has grown to include hospitals, clinics and health care professionals throughout Oregon, Washington and Alaska.

In and around southwest Washington, PeaceHealth offers a broad spectrum of medical care, from urgent or

emergency services, primary-care, inpatient stays and surgery, including:

- PeaceHealth St. John Medical Center in Longview
- PeaceHealth Southwest Medical Center in Vancouver
- Seven primary and specialty care clinics in Longview and surrounding communities
- Four primary and specialty care clinics in Vancouver and nearby communities

Visit [www.peacehealth.org](http://www.peacehealth.org) for more details.

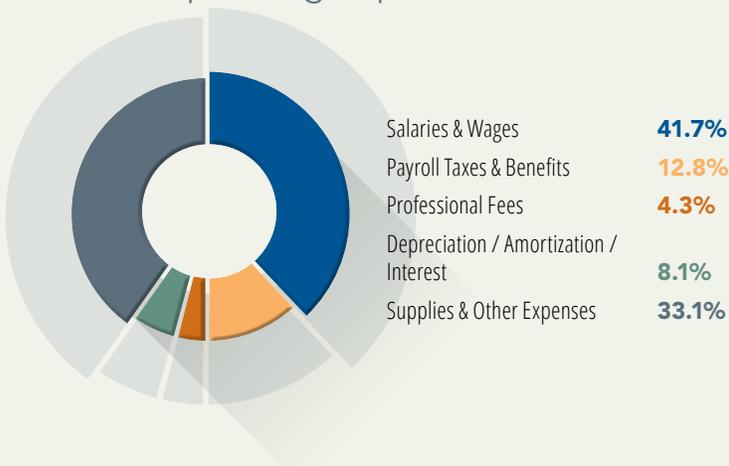


# Revenue and Expenses JULY 1, 2012 - JUNE 30, 2013

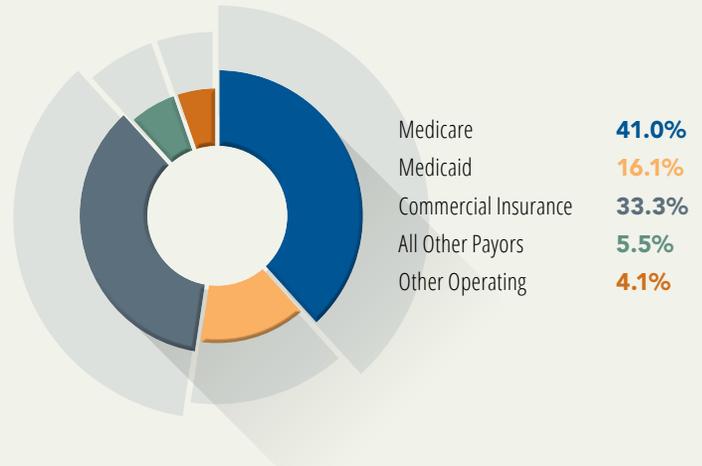
**EXPENSES:** At PeaceHealth, we call all of our employees caregivers. Together, we all support care and service to patients and families. We deliver the spirit of healing through our caregivers, so compensating them for their work is our single biggest expense. Salaries, wages and benefits account for 55 percent of our expenses, followed by supplies at 33 percent. With more than 3,000 caregivers, PeaceHealth is one of the area’s largest employers.

**REVENUE:** Our revenue comes from the care we deliver in our hospitals, clinics and home care services. But the way we are reimbursed is undergoing significant changes. The number of PeaceHealth patients with commercial insurance (privately paid, primarily by employers) continues to decline, while the number of patients with Medicaid (public program for low-income people) is growing under the Affordable Care Act. The number of patients with Medicare (for older Americans), has remained relatively constant. Neither program, which constitute a combined 57 percent of our network’s business, completely covers the cost of providing care. Health systems like ours are challenged to reduce the cost to deliver care to patients on these programs.

Total Operating Expenses



Total Net Revenue



**COMMUNITY BENEFIT CARE:** PeaceHealth provides care for everyone, regardless of their ability to pay. When PeaceHealth is not paid for the services we provide, the financial losses are recorded in the two categories you see in the chart to the right: as Unreimbursed Medicaid and Charity Care. Unreimbursed Medicaid includes shortfalls in payments under government programs, and Charity Care covers those who cannot afford to pay. In fiscal year 2013, PeaceHealth Southwest Medical Center provided \$55.8 million.

Community Benefit	PeaceHealth Southwest Medical Center
Charity Care	29,832,000
Unreimbursed Medicaid	25,862,000
Community Health Improvement Services & Community Benefit Operations	13,000
Cash and In-Kind Contributions	104,000
<b>Total</b>	<b>55,811,000</b>

# Mission Supported Services Available to All

Regional medical centers like PeaceHealth Southwest are known for providing state-of-the-art services like cardiac, orthopedic, and cancer care. It's the lesser known, mission-based programs, however, that sometimes make the biggest impact on the heart and soul of a community.

## **ADAPT builds skills for those recovering from mental crisis**

Mental health services are essential, but not always available or accessible to the people who really need them. PeaceHealth Southwest's Behavioral Health Program has a long-standing tradition in southwest Washington of working with individuals on an inpatient or outpatient basis to help them learn the skills they need to navigate daily life.

ADAPT and other mental health services provided by PeaceHealth Southwest's Behavioral Health program are subsidized by the hospital because reimbursement rates do not cover the cost of the care. In fact, few hospitals in Washington provide inpatient mental health services because of poor reimbursement.

PeaceHealth Southwest's commitment to providing mental health services, coupled with the generosity of local donors, supports access to our most vulnerable patients in need.

## **Quality of life for end-of-life care**

Few services hold such sentimental value as end of life care, and residents of southwest Washington are fortunate to have a bounty of services available to help during this emotional time.



**PeaceHealth Southwest's Behavioral Health ADAPT outpatient classes offer occupational therapy and peer support, as well as nutritional and other therapeutic education, regardless of an individual's ability to pay.**

PeaceHealth Southwest proudly offers HomeCare and Hospice services, including the Ray Hickey Hospice House, as well as palliative care and bereavement. These services, to a large extent, are all subsidized by PeaceHealth Southwest because the costs involved often just break even or fall below reimbursement levels. The Medical Center's Foundation is deeply involved in providing funding support for uninsured patients in Hospice care.

Hospice and HomeCare Services are a part of PeaceHealth Southwest's heritage, and it is an honor to support our patients and their families during their greatest time of need.

