

# **Community Benefit Report**

## **Hoag Memorial Hospital Presbyterian**

**2008**

**OSHPD Facility ID #106301205**

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# Hoag Memorial Hospital Presbyterian Community Benefit Plan Update 2008

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## **Executive Summary**

The Community Medicine department at Hoag Memorial Hospital Presbyterian was established in 1995. Since its beginning the program has focused on two principal strategies:

- Provide necessary healthcare-related services which are unduplicated in the community.
- Provide financial support to existing community based not-for-profit organizations which already provide effective healthcare and related social services to meet community health needs.

The Department of Community Medicine, led by its Director, Dr. Gwyn Parry, is responsible for the coordination of Hoag Hospital Community Benefit reporting, and provides free programs to assist the underserved in the community. These include Community Case Management, Community Mental Health Services and Health Ministries Coordination. In addition to these services, many other Hoag Hospital departments provide community health services including education and support groups which are free to the community. The hospital also has substantial relationships with local colleges and universities to invest in the education of various health professions.

Community Medicine grants support Hoag Hospital Community Health Partner organizations which provide a broad range of services, including the following:

- Free medical and dental care
- Adult day care and education for persons who suffer from Alzheimer's disease or mild dementia, with support and education for their caregivers and families
- Transportation services for local senior centers

Finally, Hoag Hospital provides uncompensated care (charity) to patients who are unable to pay for the full cost of their care. These expenditures amounted to over \$12 million in Fiscal Year 2008 (September 1, 2007 through September 30, 2008.) The hospital charity care and self pay discount policy states that self-pay and uninsured patients who are unable to pay for the full cost of their care may qualify for charity or discounts on a sliding scale for incomes up to 400% of the federal poverty level.

Total quantifiable Community Benefit expenditures for FY2008 at Hoag Hospital amounted to over \$84 million. This figure represents an increase over Community Benefit expenditures for FY2007.

This report provides detailed descriptions of Hoag Hospital's Community Benefit programs and services, and includes quantifiable data for expenditures and persons served by these programs in Fiscal Year 2008.

## **Introduction**

The Hoag Memorial Hospital Presbyterian Community Benefit Program was formalized in 1995 and has grown significantly since that time. We have served over eighty not-for-profit community partners in a variety of health and social service categories. We continue to emphasize the development of sustained collaborative relationships and the provision of unduplicated services to disadvantaged residents in our community as core elements of the program.

Hoag Memorial Hospital Presbyterian is a full-service, not-for-profit hospital of 498 licensed beds. Located on the Pacific Coast in Newport Beach, California, it is 34 miles southeast of Los Angeles. Fully accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and designated as a Magnet Hospital by the American Nurses Credentialing Center (ANCC), Hoag offers a comprehensive mix of health care services. These include the Centers of Excellence in Cancer; the Heart and Vascular Institute; Orthopedic Services; and Women's Health Services.

Quality has always been a top priority, and as a result Hoag was the proud recipient of the 2008 Distinguished Hospital Award for both Clinical Excellence & Patient Safety, as well as a winner for the 2008 Premier Award for Quality. The 10th Annual Hospital Quality in America Study placed Hoag within the top five percent in the nation for orthopedic surgery and treatment of stroke, and in the top 10 percent for a number of specialties based on clinical outcomes. The public has also voiced their opinion of Hoag. For 13 consecutive years, Hoag has both been named Orange County's top hospital by readers in a local newspaper survey and most preferred hospital by residents in the National Research Corporation's (NRC) Consumer Choice Award, based upon overall quality of health care services.

The hospital serves its surrounding communities with health centers located in Irvine, Costa Mesa, Huntington Beach, Fountain Valley and Aliso Viejo. With this expansion throughout Orange County the hospital serves over 3 million residents and visitors. The hospital employs over 4,000 dedicated, highly skilled people and is fortunate to have a strong volunteer program composed of 1,400 participants who provide over 100,000 hours of annual support.

## **History**

Hoag Hospital was founded in 1952 as a community partnership between the Presbyterian Churches of the Los Ranchos Presbytery and the George Hoag Family Foundation, a private charitable foundation.

As a not-for-profit institution, ownership and board election remain vested equally in the corporate members: the 58 Presbyterian churches of the Los Ranchos Presbytery and the charitable George Hoag Family Foundation. Governance is provided by a Board of Directors comprised of sixteen voting members who serve overlapping three-year terms. Board membership consists of twelve individuals elected at large, and an additional three voting members who are elected from the active medical staff. The hospitals' Chief

Executive Officer is also seated on the board as a voting member. An annual meeting at the end of the fiscal year provides the corporate members the opportunity for the approval or rejection of the acts and deeds of the Board of Directors, and the election/re-election of directors for the ensuing year.

Since its founding the hospital has welded a strong commitment to the community that it serves, including the provision of services for those who constitute a more vulnerable, at-risk population. Such care, for both inpatients and outpatients, is often only partially compensated. With excellence of management and the diligent stewardship of funds, Hoag has been able to sustain its financial strength. As a result, Hoag has been able to maintain a continuing commitment to quality of care while developing and expanding community programs and partnerships. Most of the funds expended upon Community Benefit are from operating income. Nursing professorship grants and our Cell Biology work in primary clinical research are funded by transfers from the hospital foundation.

### **Hoag Hospital Irvine**

Hoag Hospital achieved another milestone in its 55-year history. Hoag recently assumed a long-term lease for the 175-bed hospital facility on Sand Canyon Avenue and Alton Parkway, formerly known as Irvine Regional Hospital and Medical Center. “The availability of this facility provides a wonderful opportunity to improve and expand access to Hoag services for the residents of Irvine and south Orange County,” stated Richard Afable, M.D., president and CEO of Hoag Hospital.

Extensive interior renovations are under way on the vacant facilities to prepare it to meet the health care needs of the Irvine community into the future. Renovations will include adding state-of-the-art operating rooms and preparing space for new and innovative technology. The hospital will be closed during renovations and is expected to reopen in 2010.

Once complete, Hoag Hospital Irvine will be an acute care general hospital offering residents of Irvine and the surrounding communities a spectrum of inpatient and outpatient services, as well as a fully staffed emergency room “Our goal is to bring excellence in medical and patient care services closer to home for the residents of our local communities,” said Dr. Afable.

For more information, visit the Web site [www.HoagHospitalIrvine.org](http://www.HoagHospitalIrvine.org).

### **Mission, Core Values, and Vision**

Hoag's Mission Statement is developed and regularly reviewed by hospital leadership, approved by the hospital Board of Directors, and communicated to Medical Staff and employees throughout the hospital. The hospital Mission Statement and Core Values are as follows:

**“Our mission, as a not-for-profit, faith-based hospital is to provide the highest quality health care services to the communities we serve.”**

#### *Core Values*

Excellence

Respect

Integrity

Patient Centeredness

Community Benefit

The hospital Vision Statement declares:

**“Hoag Memorial Hospital Presbyterian is recognized as a leading hospital in California, renowned for its excellence, health care, services and exceptional physicians and staff.”**

The hospital has designated six Core Strategies to achieve our mission and vision:

#### *Quality and Service*

Hoag Hospital will be recognized as a leading hospital in California for its excellent performance in safety, service and clinical quality.

#### *People*

Hoag hospital will attract, develop, and retain a high-performing workforce and develop a workplace environment that reflects its values and commitment to its employees.

#### *Physicians Partnerships*

Hoag hospital will create sustainable, mutually beneficial partnerships with exceptional physicians.

#### *Strategic Growth*

Hoag hospital will be the specialty hospital of choice throughout Orange County.

#### *Financial Stewardship*

Hoag Hospital will maintain its financial strength within the AA bond rating category.

#### *Community Benefit and Philanthropy*

Hoag Hospital will provide resources and partner with community-based organizations to improve the health of our communities.

## **Community Benefit Philosophy**

***We are encouraged by the better angles of our nature and the disposition of our hearts to think favorably of our fellows, regardless of their circumstances, and to do them good: improving and sustaining their health and the quality of their lives and thus benefiting all.***

The Department of Community Medicine provides direct services and partners with other not-for-profit community-based organizations to promote the health of our communities. The Department coordinates Hoag Hospital Community Benefit activities, which are driven by the health needs of our surrounding communities, which are regularly reviewed in an ongoing manner.

Hoag's Community Benefit Program is guided by five Core Principles:

- *Emphasis on Disproportionate Unmet Health-Related Needs (DUHN)* - We concentrate on residents who have a high prevalence of severity for a particular health concern; and on residents with multiple health problems and limited access to timely high quality health care.
- *Emphasis on Primary Prevention* – We focus on program activities that address the underlying causes of persistent health problems as part of a comprehensive strategy to improve health status and quality of life in local communities.
- *Build a Seamless Continuum of Care* – We work to develop and sustain operational linkages between clinical services and community health improvement activities to manage chronic illnesses among uninsured and publicly insured populations.
- *Build Community Capacity* – We target our charitable resources to mobilize and strengthen existing effective community health services.
- *Emphasis on Collaborative Governance* – We emphasize *Networking* to exchange information; *Coordination* of synergistic activities; *Cooperation* in sharing resources; and *Collaboration* to enhance the combined capacity of our community health partners.

The department provides services which are unduplicated in the community. These currently include case management, community counseling and the coordination of faith-based nursing. Each of these programs is focused on DUHN community residents. We help these individuals obtain the health care and related services that they need, including medical insurance, and assist them by coordinating the necessary medical, dental and social services.

In order to promote effective access to health care and related services, the department works in partnership with a number of not-for-profit community based organizations to provide insurance coverage as well as free services to underserved and vulnerable residents, many of whom are undocumented. Department services provide immediate

solutions to the needs of some residents, and we give grants to expand insurance coverage and enhance the medical services available to these individuals.

Charity care is an integral component of the benefit that Hoag provides to the community. The current hospital Charity Care and Self Pay Discount Policy provide assistance on a sliding scale for uninsured and self-pay patients with family incomes up to 400% of the Federal Poverty Level. The Federal Poverty Level is defined as a minimum amount of income that a family needs for food, clothing, transportation, shelter and other necessities. For a family of four, the current annual Federal Poverty Level in FY2008 was \$22,050. The current Charity Care and Self-Pay Discount Policy is provided in Appendix A. In FY2008 the hospital served 9,259 Charity Care cases.

A summary of the quantifiable Community Benefit provided by Hoag Hospital in FY2008 (September 1, 2007 through September 30, 2008) is provided in Appendix B, which begins a section that provides narrative descriptions of Hoag Hospital Community Benefit programs. Appendix C provides a detailed listing of the Community Benefit programs, including total expenditures and the estimated numbers served.

#### **New Covenant with Los Ranchos Presbytery**

In 2007, Hoag Hospital entered into a new covenant with Los Ranchos Presbytery a hospital corporate co-owner (with the George Hoag Family Foundation). This new covenant is intended to strengthen the partnership between the Presbytery and the hospital, and to broaden its scope, to further the effort to meet the health care needs of member congregations and local communities. The covenant is a new "...organizational framework which will assist in accomplishing Hoag's mission as a not-for-profit, faith-based hospital that provides the highest-quality healthcare services to the communities we serve." The goals of the partnership are to:

1. Improve healthcare in the community.
2. Provide the benefits of faith-based healthcare and values in the community.
3. Communicate the benefits of the partnership to the Presbyterian churches and members of the Hoag organization, and to the communities we serve.
4. Enhance the mission and ministries of the Presbyterian congregations and Hoag Hospital.

Both partners and representative organizations commit to support this partnership, seeking to meet the healthcare and spiritual needs of the communities we serve together in local and global missions.

The covenant will be reviewed at least once every three years, to facilitate the implementation of the objectives of the joint mission.

#### **Kenya Medical Mission**

Hoag Hospital has partnered with the Los Ranchos Presbytery of (LRP) in supporting the covenants' global missions of medical outreach efforts to the Presbytery of Limuru in Kenya. The main population of the Limuru Presbytery is 1-3 hours from the nearest hospital by car and most of the population does not have access to transportation.

Currently people must walk 1-3 days to get to the dispensaries, which are barely equipped to handle basic emergency needs, provide prescriptions or assist with birthing. Targeted diseases include: Diabetes, malaria, tropical diseases, goiter, and HIV/AIDS. Currently, Type II Diabetes affects 60% of Kenyan men over the age of 40 and malaria continues to be the major killers of children and pregnant women. The medical team works with the Limuru Presbyterian Churches to bring medical education, health care, equipment and training to the medical personnel in Limuru through the five already existing dispensaries. Hoag contributed approximately \$20,000 in funds to cover some of the expenses of the medical mission in FY 2008. Some specific goals of the medical mission included:

1. Ship and install equipment and provide training to nurses for emergency treatment, birthing, and pre-natal care at each dispensary.
2. Provide training in diagnosis, education, prevention and monitoring to 16 Parish Nurses and healthcare personnel.
3. Treat patients at each dispensary.
4. Provide nutritional education and work with Presbyterian farms to provide foods for appropriate dietary management.
5. Address myths and stigma about AIDS and provide tools for caring for people with the disease.
6. Observe surgery and hospital facilities at Kikuyu hospital to evaluate need for future training and equipment

#### **Primary Initiatives for FY2009**

- Continue to provide and expand Community Medicine services, with an emphasis upon health promotion and disease prevention activities.
- Sustain Community Health partnerships.
- Promote the expansion of Community Benefit services for those less fortunate.

## Community Needs Assessment

California Community Benefit legislation requires that all not-for-profit hospitals in the state must conduct a community health needs assessment every three years. The community health needs assessment involves the identification of both unmet health-related needs and existing community assets. Hoag Hospital meets this requirement with Orange County Health Needs Assessment (OCHNA), a collaborative partnership of hospitals and other public and private health-related organizations in the county. Hoag's participation with the OCHNA insures the continued viability of this vital source of community health data, which all Orange County hospitals, as well as other organizations, may use to determine priority health concerns. The Web address for Orange County Health Needs Assessment is [www.ochna.org](http://www.ochna.org).

### The Community

With the expansion of the depth and breadth of hospital services, and the specialized services provided in our Centers of Excellence, the hospital service area has grown to encompass the entirety of Orange County, and even beyond the borders of the county into Los Angeles, San Diego and other neighboring counties. For purposes of Community Benefit planning and reporting, the service area is defined as Orange County with particular emphasis upon the following neighboring cities:

Newport Beach  
Costa Mesa  
Huntington Beach  
Irvine  
Fountain Valley  
Garden Grove  
Laguna Beach  
Westminster  
Santa Ana

The area covered by these cities is diverse demographically, ethnically and economically. Some key characteristics include:

*Senior Population:* According to U.S. Census figures from the year 2000, Newport Beach has a significantly (78%) greater proportionate representation of senior citizens in its population.

*Household Income:* Orange County enjoys a relatively high average household income, but according to the Orange County Health Needs Assessment in 2004, 15% of residents in some of our surrounding communities have household incomes less than \$25,000. Further, nearly 45,000 individuals live at or below the poverty level. Almost 3,000 of those at or below the poverty level are seniors (U.S. Census, 2000).

*Ethnic Diversity:* While the population in Orange County remains predominantly Non-Hispanic White, the proportion of Hispanic residents is steadily increasing in size, and

grew nearly 60% in the city of Costa Mesa between 1990 and 2000. The population in the city of Santa Ana is over 75% Hispanic according to U.S. Census 2000. A significant number of Vietnamese residents live in Garden Grove and neighboring communities. Other ethnic groups are well represented throughout the county.

*Homelessness:* Although it is true that Orange County is an affluent county (median annual household income for the county in 1999 was \$58,820) it is estimated that there are at least 23,000 homeless people in Orange County (Orange County Rescue Mission, 2002). Orange County estimates that one half of the homeless population is under age 18 (Orange County Homeless Issues Task Force.)

*Health Insurance:* While significant efforts have been made to expand health insurance coverage for children in the State of California, the Orange County Health Needs Assessment survey estimates that there are nearly 83,000 uninsured and an additional 22,000 underinsured residents in our surrounding communities.

### **Service Objectives**

The service objectives of the Community Benefit program remain as initially defined:

- Access: To ensure adequate access to medical treatment through the availability of inpatient, outpatient and emergency medical services.
- Services for Vulnerable Populations: To provide health care services to uninsured, underinsured and indigent populations.
- Education/Prevention: To address the community health needs identified by the community health needs assessment through screening, prevention and education programs and services.
- Research: To provide new treatments and technologies to the local community through participation in primary clinical research.
- Collaboration: To establish and participate in collaborative partnerships which address community health priorities.
- Coordination: To provide case management services which coordinate medical and social services for vulnerable community residents

## **Department of Community Medicine Programs**

The department of Community Medicine provides direct Community Benefit service programs and coordinates Community Benefit reporting at Hoag Hospital. This section of the report provides information for each of the Community Medicine programs and achievements in FY2008.

### **Community Case Management**

This program exists to provide assistance to needy residents as they negotiate the local health care delivery system. Many local residents do not use available resources due to language barriers, lack of insurance, and lack of awareness about existing health care resources. Department Case Managers work to break down these barriers and teach individuals to identify, understand and gain access to medical services.

Bilingual Case Managers work with Share Our Selves Free Medical and Dental Clinic (SOS) to assess each patient's eligibility for funding resources, including MediCal, Healthy Families, Medical Services Initiative Program (MSI) and California Kids. Over 600 SOS patients were screened for MSI coverage in FY2008. If the patient is eligible for insurance, the Case Manager coordinates the application process and provides referrals to services across a variety of health care providers, to provide the patient a seamless continuum of care from onset of illness to recovery. In addition to assistance with insurance eligibility screening and application, Community Case Management staff provided assistance for 1,696 SOS patients who were referred for hospital services in FY2008. 59 patients referred to the hospital and its physicians received surgery services.

Community Case Management staff work in several other programs to improve access to health care services for low-income residents in our community:

- In partnership with Orange County Health Care Agency, we coordinated specialty care services for 18 HIV/AIDS patients during FY2008.
- We collaborated with community physicians, to provide free access to the Sweet Success gestational diabetes education program for 24 low-income women during the reporting period.
- We recently established a collaborative agreement with AccessOC which provides free low risk surgeries for those within our community. During its first year of this program, 9 patients received surgeries thus providing them a better quality of life.
- We have a long-term partnership with local senior centers to provide a personal alert (Lifeline) system to frail homebound elderly residents. Senior Centers make referrals to our Case Managers, who establish the service. Hoag Hospital paid for the installation and monthly services for 14 individuals in this program in FY2008.

Case management is an educational process, to provide an increased awareness of the services available and to offer preventative health tips. It empowers patients to lead a healthier lifestyle and results in improved health status and less reliance upon costly

emergency care. Case management is also beneficial to hospital staff providers, who call upon Case Managers to assist with community resources and referrals for patients with difficult circumstances.

**Contact Rebecca Barnard, MSN, RN, Community Services Program Manager at (949)764-6953 or [rebecca.barnard@hoaghospital.org](mailto:rebecca.barnard@hoaghospital.org)**

### **Community Counseling Services**

The Mental Health and Psychotherapy Program was founded to provide free bilingual bicultural services to people who otherwise could not obtain mental health services. The majority of the program's clients are low-income and uninsured. The program employs six full-time bilingual Master's prepared social workers. During FY 2008 the program provided mental health services to 510 clients in the form of psychotherapy, resource brokering, and/or case management. In addition the program offered psychotherapeutic and psychoeducational groups to 1588 participants. All services are offered on a voluntary basis and at no charge.

The program also has an additional training program for professional social workers interested in working with the low-income and uninsured population. In FY 2008 we provided clinical supervision toward licensure for social workers at local not-for-profit organizations. We also provided a supervised clinical internship program for five MSW (Master's Degree in Social Work) students from the University of Southern California and from California State University at Long Beach during FY2008.

The program provides consultation, support and education to paraprofessionals at partner agencies such as Share Our Selves Free Medical and Dental Clinic, Girls Incorporated and the Newport Mesa Unified School District. This support included telephone consultation, workshops and in-service education during FY2008.

The program participates in a number of collaborative efforts with other not-for-profit agencies in the community. These efforts allow our partner agencies to offer mental health services at no cost to their clientele and all services are provided in-kind to the not-for profit agencies. These collaborative efforts led to several different psychotherapeutic and psycho educational groups being offered in the community. Several groups were offered for women. Some examples include: a cancer support group, depression support groups, self esteem groups and stress management workshops. Groups were also offered for parents, families and adult couples struggling with relationship issues.

A review of client demographics found that the majority of the clients seen through the Mental Health and Psychotherapy Program are female, Hispanic, and speak Spanish as their primary language. The average age of the clients was 32 and the clients most frequently reported having an annual household income of between 10 and 19 thousand dollars.

**Contact: Michael Rose, LCSW, Mental Health Program Manager at (949)764-6278 or [michaell.rose@hoaghospital.org](mailto:michaell.rose@hoaghospital.org)**

### **Health Ministries**

The mission of the Health Ministries program is to educate, train and support leaders and members of congregational communities in the implementation and on-going assistance of Health Ministry and Parish Nursing. Our first goal is to recruit and train a well qualified Registered Nurse (RN) for the congregation and give her/him the necessary tools, continuing education and a network of 59 other RN's available for collaboration and consultation. Our second goal is to provide or refer unduplicated programs and services to meet the congregations' greatest body, mind and spirit needs emphasizing health promotion and disease prevention. The department of Community Medicine employs two Registered Nurses who manage and coordinate the program.

The program has 34 church partners from nine different denominations and belief systems. Collaborative efforts with our Mental Health and Psychotherapy Program have led to Social Workers providing free counseling and support groups to low-income and the uninsured at one our inner city churches. The Social Workers collaborate with the Parish Nurse with program development and referrals.

The program participates in a number of collaborative efforts with other not-for-profit agencies such as the Alzheimer's Family Services Center in Huntington Beach. These efforts have led to in-depth education of dementia prevention along with earlier identification and treatment by teaming with the Parish Nurse during home visits. This relationship also produced the Spirituality and Alzheimer's Conference for Pastors and Parish Nurses with over 100 attendees.

The Health Ministries and Parish Nurse program was responsible for 21 churches and their congregants from all ages in learning how to correctly wash their hands through the Glitter Bug Training Program, ensured that 12,000 at-risk children and adults received an influenza vaccine at no-cost, 300 congregants were taught CPR with or without AED training and First-Aid.

**Contact: Chris Burke, MS, RN, Health Ministries Manager at (949) 764-6594 or [chris.burke@hoaghospital.org](mailto:chris.burke@hoaghospital.org)**

## **Other Hoag Community Benefit Activities**

Hoag Hospital's commitment to Community Benefit is best exemplified by the dedication of an entire department to the coordination and provision of Community Benefit programs. The hospital's Community Benefit activities are not limited to the department of Community Medicine, however. Other hospital departments provided a wide range of Community Benefit activities in FY2008, including health professions education, community disaster preparedness planning and preparation, clinical research, and many more. This section of the report features a discussion of some examples of the Community Benefit activities that were provided by other hospital departments in the current reporting period.

### **Health Professions Education**

In an effort to increase the community pool of available trained and educated health professionals, Hoag Hospital invests annually in health professional training and development. The hospital currently works with a number of professional groups in this endeavor, including Nurses, Physical Therapists, Pharmacists, Laboratory professionals and Social Workers. Please refer to the FY2006 Hoag Hospital Community Benefit Report for an extended discussion of health professions education activities at Hoag Hospital. This section of the report provides discussions of some additional related topics that were not already included in the previous year's report.

### **Marion Knott Nursing Education Center**

Hoag opened the Marion Knott Nursing Education Center in February of 2007. This center was designed to provide both Hoag nurses and those from the surrounding area access to state-of-the-art facilities to enhance their knowledge of health care best practices. The center features dedicated classroom space and the latest hospital and teaching technology, intended to educate Hoag's current nursing staff, new hires and nursing students from area colleges. Supported by a substantial donation from Marion Knott, and augmented by contributions from other community members, the center will achieve a number of nursing education goals:

- Provided post conference space for 26 rotations of nursing students each semester for a total of over 500 RN students per year.
- Orientation of newly hired nurses to ensure best practices – including approximately 75 newly graduated RNs each year in special new grad programs. Classrooms provide space for BSN and MSN classes to advance education opportunities for Hoag nurses.

### **Clinical Research**

Hoag Hospital participates in primary clinical research in several clinical services: the Hoag Cancer Center, the Neuroscience Institute, the Heart and Vascular Institute, and Women's Health Services. Most of these studies are to evaluate the effectiveness of pharmaceuticals, biological agents and medical devices. In addition to these physician led investigations, several nursing studies are also ongoing. Most of these studies receive financial support from external funders, including the Hoag Hospital Foundation.

Laura Morrelli, the Cancer Center Director of Operations states “Cancers are in some ways similar, but each is unique for each individual. The future of cancer therapy may be individualized for each patient and his/her tumor and biologic system.” The Hoag Cell Biology lab focuses on utilizing a patient’s own immune cells, blood cells and tumor cells in treatment. The unique biotherapy trials associated with the Cell Biology lab include autologous tumor cell vaccines, and autologous activated lymphocytes, to treat cancers of the brain and kidney as well as melanoma. As the Medical Director of the Hoag Cancer Center, Dr. Robert Dillman is the Principal Investigator for these studies. In FY2008, 32 patients benefited from participation in this program which was funded by the Hoag Hospital Foundation. Total foundation expenditures for FY2008 for this program was \$808,179.

### **Anticoagulant Clinic**

The Anticoagulation Clinic was established by Hoag Hospital in 1999 as a free community service for 30 patients, and has grown to serve over 1300 patients in FY2008. The main goal of the program is to manage oral anticoagulation therapy by monitoring and evaluating patient clotting factor data. The clinic also coordinates care, and educates patients who visit the clinic an average of 2.5 times per month. The program provides telephone consultation and support to patients, family members, and referring physicians. Patients visit an outside lab for blood testing. Test results are reviewed by a staff RN who contacts the physician and patient within 24 hours for dosing regime changes or other actions. The cost to Hoag of running this program was approximately one million dollars in FY2008.

## **Hoag Community Health Partnerships**

The principal strategy of the Department of Community Medicine is to not “reinvent the wheel” with respect to providing necessary community health programs and services. We work closely with a broad array of community based not-for-profit organizations, and provide grant funding to some organizations whose services are consistent with our priorities. Further, we sometimes act as a fiscal intermediary for third party foundation funds. This collaboration enables us to participate in the follow-up process, by providing guidance and monitoring for grantees. This section of the report provides descriptions of some of our most important community health partnerships and their achievements in FY2008.

### **Share Our Selves Free Medical and Dental Clinic (SOS)**

Hoag Hospital’s Department of Community Medicine and Share Our Selves Free Medical and Dental Clinic form a strong partnership committed to providing quality health care to uninsured Orange County residents. The SOS Free Clinic is one of Hoag’s primary partners; managing the flow of low income patients and providing a comprehensive healthcare facility to provide follow up care. The Hoag discharge planners and case managers consult with the SOS Medical Director frequently for assistance in discharging patients to SOS or for outpatient healthcare or social service needs. The Medical Director is a recognized expert in the healthcare needs of medically underserved patients. Low-income patients needing after care are primarily referred to the SOS clinic by the hospital discharge planners and emergency room personnel. More than 15% of SOS patients are ER diversions, meaning if SOS was not here they would have accessed care in the local ER. Many of these patients have a severe chronic disease that needs the complex case management offered by SOS, keeping them in optimum health and out of the ER, supporting their families and contributing to the economy.

Less than a mile away from Hoag, Share Our Selves provided free medical and dental care for 7,140 low-income, uninsured individuals in FY2008. This is a twenty-three percent increase in patient visits from last year. Forty percent of those patients are shared with Hoag Hospital, a seamless system of care benefiting the entire community. Hoag is unique in its collaborative spirit and a model in efficient, effective, and respectful healthcare. Karen McGlenn, Executive Director of Share Our Selves, praises this extensive hospital-clinic connection, saying that “this relationship creates a community where healthcare for all becomes the focus of service and sets the standard for others to follow suit.”

Hoag and SOS also partner in the county Medical Services Initiative (MSI) Program. Hoag is a leading provider for this program. MSI patients in this area of the county are shared between the clinic and the hospital, receiving inpatient care at the hospital and clinical care at SOS. This efficient system minimizes hospitalization, freeing beds for additional patients, and provides the best use of limited healthcare resources in our community. Case managers at Hoag and at SOS provide a continuum of care for

vulnerable Orange County residents, increasing the safety, health, and security of all Orange County residents.

The SOS Patient Advocate works closely with Hoag Community Medicine's case managers and discharge planners to arrange the necessary appointments and insure that patients and reports arrive when and where scheduled. For Hoag's FY 2008, 1,696 patients were referred to Hoag Hospital and received 282 in house patient days. Extensive radiological, laboratory, pathology and specialty services were also provided at no charge to the patient or family. In addition to Hoag's charity care, over 150 private physician providers offered their services free of charge to SOS patients, 96% who are on staff at Hoag Hospital. The hospital also provides in kind pharmaceuticals, medical supplies, and financial support to SOS.

The relationship between SOS and Hoag makes an ideal system of care available to both SOS and Hoag patients. The total value of services offered by the medical community to SOS patients is more than triple the actual clinic budget. This is a tremendous statement of caring and belief in the importance of access to care for everyone, regardless of ability to pay. Clinic – hospital partnerships are not unusual, however, the level of cooperation and collaboration between SOS and Hoag is unique. As our nation continues to struggle with the economic crisis and spiraling healthcare costs, it is the hospital-clinic partnerships that will hold the safety net together and care for the rising ranks of the uninsured and medically vulnerable.

**Contact: Margarita Pereyda, MD, SOS Medical Director at 949- 650-0186 or [mpereyda@shareourselves.org](mailto:mpereyda@shareourselves.org).**

### **Madres Militares**

Rita Armendariz, the Eligibility Coordinator in the Department of Community Medicine, founded Madres Militares as a support group for local families of active duty military personnel. The group is modeled after another local group, Military Moms, and expands the reach of these services into the Spanish-speaking community of Orange County. This group, which currently includes 48 members, meets twice per month at SOS to share personal stories to alleviate feelings of isolation, helplessness and fear, and to listen to guest speakers on military policies and experiences.

Not all individuals are able to attend peer support group meetings and some may require assistance beyond the scope of a group support program. In these circumstances Ms. Armendariz provides personalized assistance and referrals and sometimes financial assistance for funeral arrangements and other urgent needs. Requests from family members may be as simple as assistance in finding out whom to contact to find out where their child is stationed, or as complex as locating resources for childcare or individual mental health counseling.

Madres Militares has provided consolation and comfort to its members in times of need, and the solidarity they share gives them strength to cope with what are sometimes very difficult circumstances.

**Contact: Rita Armendariz at (949)764-6279 or [rarmendariz@hoaghospital.org](mailto:rarmendariz@hoaghospital.org).**

### **Alzheimer's Family Services Center**

In 1980, Alzheimer's Family Services Center was founded with the express purpose of bettering the lives of individuals affected by Alzheimer's disease and their families. In the past 28 years, Alzheimer's Family Services Center has evolved into a leader in dementia care, developing a continuum of direct care, caregiver support, and education services grounded in the latest theory and research.

Alzheimer's Family Services Center (AFSC) is committed to improving quality of life for families challenged by Alzheimer's Disease (AD) or another dementia through services tailored to meet individual needs. Licensed by the California Department of Public Health, AFSC is the only state-designated Alzheimer's Day Care Resource Center in Orange County.

A comprehensive center for the care and support of families affected by AD or another dementia, AFSC provides dementia-specific adult day health care, a variety of support services to help caregivers manage the day-to-day challenges of care, and caregiver education under the umbrella of ***Family Dementia Services***. Notably, our dementia-specific adult day health care services represent a high quality, affordable care option for low income families. Also committed to advancing knowledge about dementia among at-risk seniors, professionals in health care (e.g., physicians, nurses, case managers) and ministry (e.g., clergy, pastoral volunteers), and the general community, AFSC reaches these audiences through an average of 150 education and outreach activities via ***Community Education and Outreach Services***. As a proud Hoag Health Partner affiliated with the Neurosciences Center at Hoag Memorial Hospital Presbyterian, AFSC is also leading initiatives to improve the care of dementia patients while hospitalized and helping enhance access to community-based services of these individuals after discharge.

Our primary purpose is to help families continue care at home for as long as possible through a continuum of services addressing the multiple challenges of AD. To achieve our purpose, our goals include (1) maintaining each participant's cognitive and physical abilities as well as stabilizing co-existing medical conditions through dementia-specific adult day health care services, (2) enhancing caregiver well-being through supportive services ranging from information and referral to intensive care management, (3) improving understanding of AD and related conditions in the community via education and outreach, and (4) advancing care of affected individuals and their caregivers through specialized training for physicians and other health care professionals.

In FY 07-08, Alzheimer's Family Services Center provided direct care, caregiver support, education, and outreach services to 10,109 unduplicated individuals.

- 253 individuals with Alzheimer's disease or another dementia benefited from adult day health care services.
- 889 caregivers received care management support via phone or in-person, including 487 individuals who called or walked into the center for assistance, plus

- 402 family members of adult day health care participants.
- 105 caregivers benefited from 60 support group sessions.
  - 2,892 at-risk seniors, family caregivers and health care professionals benefited from 130 educational activities offered throughout the community.
  - 5,970 people were reached through 69 community outreach events (e.g., health fairs), and received accurate information about dementia diagnosis, treatment, and available care-related services and resources in the community.

It was clear from our 2007 evaluation data that persons with Alzheimer's disease, their families, health care professionals, and the community at large receive multiple benefits from our services.

- 88% of caregivers responding to the 2007-08 adult day health care survey reported finding it easier to continue caring for a loved one at home since enrollment. Additionally, 91% reported being less stressed.
- 100% of caregivers responding to the 2007-08 support group survey reported finding it easier to manage the care of a loved one since attending and 99% reported being less stressed.
- 96% of individuals attending education activities reported both increased knowledge about Alzheimer's disease and the intent to implement strategies learned.

With its specialized facility, expert staff, and dementia-specific programming, the agency has repeatedly demonstrated its capacity to serve some of Orange County's most physically and financially vulnerable older adults and their families. Indeed, last year we were able to serve 25 individuals who had been refused services at or discharged from sister centers due to difficult-to-manage behaviors such as wandering or aggressiveness. In addition, 78% of our participants in fiscal year 2007-08 had low to extremely low incomes per HUD guidelines and were unable to afford traditional care options. AFSC is providing a safety net and a safe haven for families who would otherwise not have access to high quality care, respite, support, and education.

With the development of Hoag's Neurosciences Institute, the hospital is strengthening its partnership with AFSC to enhance patient access to appropriate health care services and provide a seamless continuum of care for these individuals. For persons with dementia, the center serves as a bridge from hospital-based acute care and the physician's office to the community-based services critical for continuing care at home, particularly as cognitive impairment worsens, dependence increases, and difficult-to-manage behaviors such as wandering emerge.

Under the leadership of Cordula Dick-Muehlke, Ph.D., Executive Director, the partnership AFSC has with Hoag Memorial Hospital Presbyterian is expanding. As a member of the Neurosciences Executive Team, Dr. Dick-Muehlke is helping develop a continuum of dementia-related services that span from diagnosis to community-based and hospital care. For example, AFSC has introduced *Memory Care Tools* into the hospital to reduce the use of physical restraints. In this project, AFSC experts train nurses in dementia care and provide non-pharmacological tools (e.g., teddy bears, stress balls) to help calm confused, agitated elderly patients. A pilot project, completed in 2008, revealed that the *Memory Care Tools* successfully alleviated patient anxiety and prevented use of physical restraints nearly 60% of the time. In light of these highly positive results, Hoag has formally adopted the *Memory Care Tools* and AFSC will be leading the hospital-wide rollout, beginning in January 2009.

The hospital provides operating and transportation grants as well as in-kind services such as facilities management and consultation in nursing and compliance-related issues to the center. The executive director and one dementia education specialist are members of the Department of Community Medicine, both out-stationed at AFSC. Total Community Medicine grant funding for Alzheimer's Family Services Center in FY2008 amounted to \$1,143,944 including the senior transportation funding.

**Contact: Cordula Dick-Muehlke, Ph.D., Executive Director at (714) 593-1840 or CDickMuehlke@AFSCenter.org**

#### **The Mary & Dick Allen Diabetes Center**

About eight percent of Americans have diabetes. One quarter of these individuals are undiagnosed. The total estimated cost of diabetes in the United States in 2007 was \$174 billion, including \$116 billion in excess medical expenditures and \$58 billion in reduced national productivity (Diabetes Care, March 2008). While diabetes alone is ranked as the sixth leading cause of death in the U.S., it also indirectly contributes to deaths by other causes, including cardiovascular disease, stroke and kidney disease (National Vital Statistics Report, CDC, 2006). Diabetes is also closely linked to other serious medical outcomes, including kidney failure, blindness, and leg and foot amputations.

The Mary & Dick Allen Diabetes Center at Hoag Hospital provides diabetes education and support services to adults at its Costa Mesa location. The two principal services are the American Diabetes Association-accredited Diabetes Self Management Education (DSME) and State of California Diabetes and Pregnancy Program-affiliated Sweet Success program for women with gestational diabetes.

In response to the near epidemic growth in diabetes cases, the Center is undertaking some significant steps:

1. Relocation of the Center to a new facility at the Hoag Health Center, Newport Beach, to provide approximately twice the capacity of the existing center;
2. A formal agreement with Children's Hospital of Orange County (CHOC) to provide bilingual pediatric endocrinology services at this new location;

3. Expansion of the existing services provided to adults, into a comprehensive care service, through the incorporation of on-site physician sub-specialties (Endocrinology, Podiatry, Ophthalmology) via a *1206D clinic* model;
4. Development of specific community outreach activities, aimed at vulnerable and underserved residents with diabetes or at risk for diabetes.

Due to the costly nature of the services provided, and the poor reimbursement for these services, it is anticipated that the Diabetes Center will incur negative operating margins.

**Contact: Nancy Jackson, MPH, MBA, Director at 949-764-6241 or Nancy.Jackson@hoaghospital.org**

### **Newport Mesa Unified School District**

Hoag Hospital collaborates with the Newport Mesa Unified School District through a grant to support staffing at the HOPE Clinic, a school based health center. The HOPE Clinic is a program of Health Services and participates in the Child Health and Disability Prevention Program and Vaccines for Children Program. The clinic offers health examinations and immunizations for children, among other services. Children and families who receive services at the clinic are not charged. Developmental assessments, parent education classes, assistance with insurance enrollment and follow-up referrals are also available through this bilingual community program. There were a total of 3104 patient visits in 2007/2008.

During the 2007/2008 school year HOPE Clinic provided 885 child health exams, over 1200 child immunizations, and 642 developmental assessments using validated tools. Slightly over 820 children received insurance assistance. HOPE Clinic provides some services to adults including Tuberculosis testing for employees and district volunteers, Hepatitis B vaccines for employees, and flu vaccine for children, families, and members of the local community. In 2007/2008, 588 parent volunteers and 179 employees received Tuberculosis screening. The tuberculosis screening is required for parents/family members and members of the community who wish to volunteer at school. Additionally, in 2007/2008 the clinic services were complimented by a bilingual Community Facilitator who provided 30 targeted parent education classes, community outreach, and case management. The hospital intends to expand its support of this essential community resource in the forthcoming fiscal year

### **YMCA**

Hoag Hospital provides a funding grant to the YMCA of Orange County, Community Services Branch, to support mental health, counseling services, and mentoring programs as well as prevention and treatment programs throughout the county. Bilingual services for the uninsured and under-insured are provided at family and center-based childcare facilities throughout the county, and in the high-need communities of Santa Ana and Costa Mesa. The program areas covered include:

- YMCA Community Services provides counseling and mental health services to children and families who otherwise would not be able to afford counseling services. Currently the program serves uninsured or MediCal eligible children

and families by offering bi-lingual counseling services at family and center-based childcare facilities throughout the county. These services are offered at no cost to families through our partnership with Hoag Hospital and Western Youth Services of Orange County.

- Y Inclusion is a program that provides inclusion services to children with developmental disabilities. Y-Inclusion provides:
  1. Assessments of the children within their existing childcare environment
  2. An Inclusion Plan designed to successfully “include” the child within their existing childcare environment
  3. One-to-One (up to 1-4) inclusion support for the child within their childcare environment
  4. Inclusion training for Inclusion Facilitators and after school staff
  5. Monitoring of the progress of participants and feedback to the Y-Inclusion Team

At the end of 2008, YMCA Community Services was providing one-on-one inclusion support to 48 children in afterschool settings throughout the county.

- YMCA Community Services has partnered with the Santa Ana Unified School District to develop strategies and deliver comprehensive programs to combat the growing epidemic of physical inactivity and poor nutrition. The YMCA of Orange County has trained almost 200 teachers at 10 elementary schools in Santa Ana on developmentally-appropriate physical education principles. These teachers are now able to get more kids active with the limited time they have available for PE by using the CATCH curriculum (Coordinated Approach to Child Health).
- Since 2007, YMCA Community Services impacted the lives of over 250 children in the foster care system and worked with over 300 volunteers through monthly “Fun Days,” academic mentoring and one-on-one community mentors. Children may participate in one or any combination of the three programs if they currently are, or have been in the foster care system. This includes children in kinship care, as well as children who have already been adopted.

### **Orange County Health Care Agency**

A strong partnership with the Orange County Health Care Agency has been integral to Hoag’s Community Benefit efforts. Hoag has committed significant funds in support of the Health Care Agency’s Child Abuse Services Team (CAST). CAST is a multi-disciplinary team program for conducting child sexual abuse investigations at a single site. The program’s coordinated on-site services have enabled social services, law enforcement, deputy district attorneys, medical providers, and therapists to collaborate in investigations. The child-focused environment at CAST serves to reduce further trauma for these children.

Hoag provides the funding support for a forensic physician for the CAST program. This physician is charged with conducting forensic physical exams of child victims, while holding an academic appointment at the University of California, Irvine (UCI) to train physician residents. Hoag’s contribution to this important service during FY2008 amounted to \$151,786. Highlights from the CAST program include:

- 1,213 activities in 2008 (up from 860 in 2007)
  - Exams for 140 suspected sexual abuse victims and 27 for suspected physical abuse (and 127 follow-up exams)
  - Starting in August 2008, 13 sexual abuse exams done for medical indications and not for legal prosecution
  - 74 consults in hospitals for suspected victims, 138 reviews of medical records and 52 telephone consults with emergency response social workers and community physicians
  - 32 lectures or trainings and other educational activities (including 48 sessions with pediatric and family medicine residents)
  - 138 case conferences
  - 19 expert court witness and 102 subpoena activities
- A collaboration was strengthened through establishment of regular meetings with the CHOC child abuse pediatric expert and a County-contracted physician expert on efforts to improve the quality of care delivered to suspected child abuse victims in many settings in the County.
- A task force of key community and public agency stakeholders met throughout the year to review/evaluate current CAST medical services and address/identify unmet community needs. A five-year vision was established for CAST medical services.
- A community forum was held to obtain input from key medical providers, professional organization representatives, child abuse advocates, academicians and others at a community forum.

### **Senior Transportation Partnerships**

The Community Benefit Program has partnerships with seven community senior centers for transportation services for their program participants. These organizations offer a broad range of services including congregate meals, health screenings, educational, social and physical activities for their participants. In providing transportation services for seniors, we assist them in their efforts to sustain good mental and physical health, and to maintain their independence. The seniors use the transportation services to attend doctor appointments, shop and do errands, and participate in group social activities. The seven organizations served are: Alzheimer's Family Services Center; Costa Mesa Senior Center; Huntington Beach Council on Aging; Irvine Adult Day Center; Bubbe & Zayde's Jewish Community Senior Center; Newport Beach's Oasis Senior Center; and South County Senior Services. Total Hoag expenditures on transportation for over 128,000 senior passenger trips in FY2008 was \$423,930.

### **Women's Cancer Research Foundation**

Hoag Hospital provides financial support to the Women's Cancer Research Foundation, a local 501(c)(3) organization which conducts primary clinical research to improve the cure rates of women with gynecologic cancers utilizing newly designed protocols and clinical trials. In FY2008, the hospital provided a grant in the amount of \$100,000 to support this vital research.

## **Appendices**

- Appendix A**      **Hoag Hospital Charity Care and Self Pay Discount Policy (page 24)**
- Appendix B**      **Hoag Hospital Quantifiable Community Benefit for FY2008 (page 29)**
- Appendix C**      **Hoag Hospital Community Benefit Expenditures by Program (page 30)**

## Appendix A

<b>HOAG MEMORIAL HOSPITAL PRESBYTERIAN HOSPITAL POLICY</b>	Number: <b>9.10</b>	Page: <b>Page 1 of 5</b>
	Effective Date: <b>01/23/09</b>	
	Supersedes (Date): <b>04/08/08</b>	
	Original Date: <b>12/01/70</b>	
Signatures of Policy Reviewers (*as required):		
Director  _____ <b>Kevin Don</b>	Executive Director  _____ <b>Bret Kelsey</b>	Sr. Vice President & CFO  _____ <b>Jennifer Mitzner</b>
President & CEO:  _____ <b>Richard Afable, MD</b>		
Title/Subject: <b>Charity Care and Self Pay Discount Payment Policy</b>		

### 1.0 PURPOSE:

- 1.1 A significant component of Hoag Hospital's mission is to provide care for patients in times of need. Hoag provides charity care as a benefit to our community as a not-for-profit hospital. Hoag is committed to assisting low-income and/or uninsured eligible patients residing within its community through well-communicated and appropriately implemented discount payment and charity care programs. All patients will be treated fairly, with dignity, compassion, and respect.
- 1.2 Financial assistance policies must balance a patient's need for financial assistance with the hospital's broader fiscal stewardship.
- 1.3 Outside debt collection agencies and the hospital's internal collection practices will reflect the mission and vision of the hospital.
- 1.4 Financial assistance provided by Hoag Hospital is not a substitute for personal responsibility. It is the responsibility of the patient to actively participate in the financial assistance screening process and where applicable, contribute to the cost of their care based upon their individual ability to pay.

### 2.0 POLICY:

- 2.1 Hoag Hospital provides financial assistance to patients who do not have insurance coverage at family income levels up to four times the Federal Poverty Income Guidelines. The Hospital gives consideration to eligible patients residing within its community and to patients, whether or not they have insurance and regardless of income level if there are exceptional circumstances.

- 2.2 Business services staff will discuss program options with patients who have expressed a need for financial assistance in resolving their hospital bills.
- 2.3 Qualifying patients are referred to MSI or Medi-Cal and those not eligible are reviewed for Patient Assistance under Charity Care. Adjustments are made based upon the patient's eligibility level in the programs.
- 2.4 Any patient seeking financial assistance (or the patient's legal representative) shall provide information concerning health benefits coverage, financial status, and any other information that is necessary to make a determination regarding the patient's status relative to the hospital's charity care policy, discounted payment policy, or eligibility for government-sponsored programs. Confidentiality of information and the dignity of the individual will be maintained for all that apply for charitable services.
- 2.5 Charity guidelines will be reviewed and adjusted annually according to the Federal Poverty Guidelines established by the Department of Health and Human Services (see FPL Table below).
- 2.6 Hoag Hospital will define the standards and scope of practices to be used by its outside (non-hospital) collection agencies, and will maintain written agreements from such agencies that they will adhere to such standards and scope of practices.
- 2.7 Hoag Hospital, or outside agencies operating on behalf of the hospital shall not, in dealing with low-income uninsured patients who are at or below 200% of the Federal Poverty level, use wage garnishments or foreclosure of liens on primary residences as a means of collecting unpaid hospital bills. This requirement does not preclude Hoag Hospital from pursuing reimbursement from third party liability settlement or tortfeasors or other legally responsible parties.
- 2.8 Patients who have an application pending for either government-sponsored coverage or for Hoag Hospital's own charity care and financial assistance, will not knowingly be referred to a collection agency prior to 120 days from the date of discharge or date of service.
- 2.9 At the time of billing, Hoag Hospital will provide to all low-income uninsured patients the same information concerning services and charges provided to all other patients who receive care at the hospital.
- 2.10 Patients who have been denied charity care or other discounts may appeal the denial, in writing, within 10 days of receiving the denial. The appeal should include supporting documentation and evidence as to why the appeal is being following address:

Hoag Memorial Hospital  
One Hoag Drive, P.O. Box 6100  
Newport Beach, CA 92658-6100  
Attention: Director PFS, Business Services

The patient's appeal will be considered and a response with the decision will be mailed to the patient within 10 days of receiving the appeal. All decisions of the Director will be considered final and additional appeals will not be permitted.

### **3.0 DEFINITION OF CHARITY CARE SERVICES AND PATIENT ASSISTANCE SERVICES:**

- 3.1 Charity Care may be provided for the following:
  - 3.1.1 Patient services provided to uninsured patients who qualify for financial assistance based on the hospital's charity care policy.
  - 3.1.2 Underinsured patients who indicate an inability to pay their unpaid balance may be screened for possible financial assistance.
  - 3.1.3 Uninsured patients, who can pay for part of their care, but indicate an inability to pay the remainder.
- 3.2 Charity Care Excludes:
  - 3.2.1 Elective services are generally not eligible for consideration under the Charity Care program.
    - 3.2.1.1 Certain specialty services are excluded. Following are a few examples: CDU, cosmetic and gastric bypass services.

### **4.0 CHARITY CARE ELIGIBILITY REQUIREMENTS:**

- 4.1 The following factors will be considered when determining the amount of charity write-off provided.
- 4.2 Patient should reside in hospital's primary or secondary service area or have received emergency or specialty services.
- 4.3 Uninsured patients at or below 400% of the Federal Poverty Income Guidelines are eligible to apply for financial assistance under Hoag Hospital's Charity Care Discount payment policy (see Table below).
- 4.4 Evidence of eligibility will be requested and must be provided if patient/family are available. Patients should be screened for charity care prior to admission, at time of admission, or as soon as possible following treatment.
- 4.5 Additional considerations will be made such as:
  - 4.5.1 employment status,
  - 4.5.2 family size,
  - 4.5.3 certain living expenses of a reasonable and necessary nature,
  - 4.5.4 amount and frequency of hospital and other health care bills, and
  - 4.5.5 assets and liabilities.
- 4.6 All payment resources must first be explored and applied to health care expenses including third party payers, Medicare, Medi-Cal, Cal-OPTIMA, MSI, and Victims of Crime.
  - 4.6.1 If a patient is eligible for Medi-Cal, any charges for Days of Service Not Covered by the patient's coverage may be written off to charity without a completed financial statement. This does not include any Share of Cost (SOC) amounts that the patient must pay before the patient is eligible for Medi-Cal.
  - 4.6.2 Patients unable to pay the total billing for specialty services not covered by their insurance may be considered for charity coverage for a portion of the cost.

4.6.3 Patients unwilling to disclose any financial information during charity screening or Medicare/Medi-Cal screening will not be processed as charity care.

**5.0 CHARITY CARE DISCOUNT:**

2009 HHS Poverty Guidelines						
Up to 400% FPL = Discount to 125% Medicare DRG Rate						
Up to 350% FPL = Discount to Medicare DRG Rate						
Up to 200% FPL = 100% Charity Write Off						
Size of Family	Gross Yearly 100% of FPL	Gross Yearly 200% of FPL	Gross Yearly 300% of FPL	Gross Yearly 350% of FPL	Gross Yearly 400% of FPL	** For Each Add'l Person Add
1	\$ 10,830	\$ 21,660	\$ 32,490	\$ 37,905	\$ 43,320	\$ 3,740
2	\$ 14,570	\$ 29,140	\$ 43,710	\$ 50,995	\$ 58,280	\$ 7,480
3	\$ 18,310	\$ 36,620	\$ 54,930	\$ 64,085	\$ 73,240	\$ 11,220
4	\$ 22,050	\$ 44,100	\$ 66,150	\$ 77,175	\$ 88,200	\$ 14,960
5	\$ 25,790	\$ 51,580	\$ 77,370	\$ 90,265	\$ 103,160	\$ 18,700
6	\$ 29,530	\$ 59,060	\$ 88,590	\$ 103,355	\$ 118,120	\$ 22,440
7	\$ 33,270	\$ 66,540	\$ 99,810	\$ 116,445	\$ 133,080	\$ 26,180
8	\$ 37,010	\$ 74,020	\$ 111,030	\$ 129,535	\$ 148,040	\$ 29,920
* Patients who qualify for Charity services but are > 200% FPL will be given a 60% discount for Outpatient Services						
** For families with more than 8 persons, add \$3,740 for each additional person.						

**6.0 SELF-PAY PATIENT DISCOUNTS ELIGIBILITY REQUIREMENTS:**

6.1 Patients who do **NOT** qualify for Charity Care under Hoag Hospital’s Charity program in accordance with Sections 4.0 and 5.0 above, and who do not have insurance or who have inadequate insurance coverage and are considered “Self-Pay” will be eligible for a Prompt Payment discount.

6.1.1 Excludes cosmetic and other specified cash programs.

6.1.2 Prompt Payment discount requires full payment is made at the time of service or within 30 days of discharge or date of service unless other arrangements have been made.

6.1.3 Patients who qualify for a discount **MUST** make a full deposit of estimated charges at the time of, or prior, to receiving services in order to qualify for the discount.

6.1.4 Unless other payment arrangements have been made, patients will be billed for the remainder of their balance due and the balance must be paid in full within 15 days of receipt of the bill. If payment is not received within 15 days, the discount will be removed and the full billed charges will be due and payable upon receipt.

## **7.0 SELF-PAY DISCOUNT:**

7.1 35% off charges for Prompt Payment, as defined in section 6.0 above.

Multidisciplinary Review:

Review and/or input were given by the following: **Administration; Business Services**

**Policy Originator:** Business Services

**Reference:**

**Filename:** 9.10 Charity Care

## Appendix B

### Hoag Hospital Quantifiable Community Benefit Summary Trend FY07- FY08

#### A. Unreimbursed Cost of Direct Medical Care Services - Charity Care

*Definition: The direct cost of medical care provided by Hoag; consists of unreimbursed costs (calculated utilizing cost-to-charge ratios) of providing services to the county indigent population, charity care, and care provided to patients identified and referred by the SOS Free Medical and Dental Clinic and the Hospital's Community Case Management Program.*

	FY2008	FY2007
Medical Services Indigent (MSI)	\$ 5,074,000	\$ 5,340,162
Charity Care	\$ 5,939,005	\$ 4,374,711
Community Case Management and SOS Free Clinic Referrals	\$ 1,511,995	\$ 1,284,000
MediCal/Cal Optima Cost of Unreimbursed Care	\$ 5,704,000	\$ 4,967,676
Medicare Cost of Unreimbursed Care	\$ 54,003,444	\$42,153,965
<b>Total Cost of Unreimbursed Direct Medical Care Svcs</b>	<b>\$ 72,232,444</b>	<b>\$58,120,514</b>

#### B. Benefits for Vulnerable Populations

*Definition: Services and support provided to at-risk seniors and children, the indigent, uninsured/underinsured and homeless to facilitate access to preventive and immediate medical care services.*

Community Health Services	\$ 3,945,403	\$ 4,210,408
Health Profession Education	\$ 30,588	\$ 30,000
Subsidized Clinical Specialty Services	\$ 531,830	\$ 645,869
Cash and In-Kind Contributions	\$ 1,324,704	\$ 1,492,434
Community Building Activities	\$ 10,000	\$ 11,000
Community Benefit operations	\$ 734,529	\$ 635,458
<b>Total Benefits for Vulnerable Populations</b>	<b>\$ 6,577,054</b>	<b>\$ 7,025,169</b>

#### C. Benefits for the Broader Community

*Definition: Health education, prevention and screening programs, information and referral services, and supportive services available to community residents.*

Community Health Services	\$ 1,291,141	\$ 1,043,380
Health Profession Education	\$ 312,871	\$ 777,210
Subsidized Clinical Specialty Services	\$ 1,256,705	\$ 706,786
Cash and In-Kind Contributions	\$ 209,999	\$ 219,135
Community Building Activities	\$ 138,650	\$ 267,051
Foundation Expenditures for Community Benefit	\$ 2,429,458	\$ 1,079,000
<b>Total Benefits for the Broader Community</b>	<b>\$ 5,638,824</b>	<b>\$ 4,092,562</b>

<b>Total Community Benefit and Economic Value</b>	<b>\$ 84,448,322</b>	<b>\$69,238,245</b>
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<b>Total Community Benefit and Economic Value (excluding Medicare Cost of Unreimbursed Care)</b>	<b>\$ 30,444,878</b>	<b>\$27,084,280</b>
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#### Notes:

1. Cost of care figures (section A) are estimated, based upon annualized results of 9 months of operations.
2. The 2008 Fiscal Year included 13 months (September 1, 2007 through September 30, 2008)

## Appendix C

<b><u>Benefits for Vulnerable Populations</u></b>	<b>Estimated Number Served</b>	<b>Net CB Expenditure</b>
<b><i>Community Health Services</i></b>		
Alzheimer's Family Services Center		\$ 1,099,914
Community Case Management		\$ 193,872
Community Mental Health Services		\$ 506,410
Community Mobile Meals Programs		\$ 10,930
Employees for Local Community Non-profits		\$ 644,235
Laguna Beach Community Clinic		\$ 10,000
Lifeline	135	\$ 5,602
Providence Speech and Hearing Center		\$ 25,000
Senior Transportation (7 partners-total passenger trips)	128,826	\$ 423,930
SOS Clinic		\$ 1,020,510
Sweet Success Express (SSEP)		\$ 5,000
<b><i>Total Community Health Services</i></b>		<b>\$ 3,945,403</b>
<b><i>Health Professions Education</i></b>		
Social Work Internship Program		\$ 30,588
<b><i>Total Health Professions Education</i></b>		<b>\$ 30,588</b>
<b><i>Subsidized Clinical Specialty Services</i></b>		
ECU Call Panel	1031	\$ 531,830
<b><i>Total Subsidized Clinical Specialty Services</i></b>		<b>\$ 531,830</b>
<b><i>Cash and In-Kind Contributions</i></b>		
A Light in the Window		\$ 5,000
AIDS Services Foundation		\$ 15,000
American Lung Association		\$ 23,277
California Kids	825	\$ 358,333
Costa Mesa Senior Center		\$ 12,654
Healthy Smiles for Kids OC- Dental		\$ 33,450
Hispanic Chamber of Commerce Educational Foundation	20	\$ 5,000
Illumination Foundation		\$ 2,500
Irvine Adult Day Health Services		\$ 5,000
Laguna Beach Seniors		\$ 15,000
Latino Health Access		\$ 51,000
Maternal Outreach Management Systems		\$ 11,000
Newport Community Counseling Center		\$ 10,000
Newport Mesa School District		\$ 137,303
Newport Mesa Schools Foundation		\$ 5,000
Orange County's United Way		\$ 115,500
PADRE Foundation		\$ 28,237
Santa Ana Unified School District		\$ 2,500
Save Our Youth (SOY)	650	\$ 5,000
Second Harvest Food Bank		\$ 22,000
Someone Cares Soup Kitchen		\$ 38,150

<b>Benefits for the Vulnerable Populations (continued)</b>	<b>Estimated Number Served</b>	<b>Net CB Expenditure</b>
South County Senior Services		\$ 60,000
Taller San Jose		\$ 5,000
Trauma Intervention Program		\$ 10,000
WISE Place		\$ 10,000
Women Helping Women		\$ 24,300
Women's Cancer Research foundation		\$ 100,000
YMCA Community Services		\$ 194,500
Youth Employment Services	800	\$ 20,000
<b>Total Cash and In-Kind Contributions</b>		<b>\$ 1,324,704</b>
 <b>Community Building Activities</b>		
California Partnerships of Healthcare Advocates		\$ 10,000
<b>Total Community Building Activities</b>		<b>\$ 10,000</b>
 <b>Community Benefit Operations</b>		
Community Medicine Operations		\$ 221,666
Dedicated Staff		\$ 512,863
<b>Total Community Benefit Operations</b>		<b>\$ 734,529</b>
<b><u>Total Benefits for Vulnerable Populations</u></b>		<b><u>\$ 6,577,054</u></b>

<b><u>Benefits for the Broader Community</u></b>	<b>Estimated Number Served</b>	<b>Net CB Expenditure</b>
<b><i>Community Health Services</i></b>		
Art & Creativity 4 Healing	4	\$ 1,750
Babyline	36,400	\$ 126,800
Better Breathers Support Groups	600	\$ 4,176
Cancer Center Education and Support Groups		\$ 220,656
Corporate Communications Community Outreach		\$ 87,243
Enterostomal Outpatient Services	73	\$ 3,615
First Aid Stations at Community Events	3,319	\$ 85,000
Flu Immunization Clinic Expenses		\$ 271,568
Health Ministries		\$ 190,326
Kenya Medical Mission		\$ 22,983
Lab Testing/Screenings for various clinics	140	\$ 1,504
Madres Militares Support Group		\$ 10,000
Naturally Sweet Support Group	144	\$ 1,408
Neurosciences Community Education		\$ 500
Nutrition Services - Community Education	42	\$ 624
OB Education		\$ 10,602
OC Health Care Agency-CAST Program		\$ 151,786
Parkinsons Community Support Programs		\$ 1,000
Pastoral Care Education and Support Groups	2,028	\$ 36,000
Pharmacy Presentations at Pulm/CHF Groups	52	\$ 2,080
Physical Therapy Education and Support Groups		\$ 1,812
Project Sun Safe		\$ 20,958
Public Health Foundation Enterprise		\$ 30,000
Smoking Cessation Programs	15	\$ 3,750
Susan Komen Race for the Cure		\$ 5,000
<b><i>Total Community Health Services</i></b>		<b>\$ 1,291,141</b>
<b><i>Health Professions Education</i></b>		
Clinical Care Extender Program	500	\$ 163,541
Hospital Case Management Internships	3	\$ 35,930
Laboratory Internships	31	\$ 58,800
Pharmacy Student Clinical Rotations	2	\$ 33,000
Physical Therapy Internships	15	\$ 21,600
<b><i>Total Health Professions Education</i></b>		<b>\$ 312,871</b>
<b><i>Subsidized Clinical Specialty Services</i></b>		
Anticoagulatory Clinic	1,324	\$ 984,369.00
ETOH/Psych/Ancillary Patient Transfer Program	166	\$ 272,336.00
<b><i>Total Subsidized Clinical Specialty Services</i></b>		<b>\$ 1,256,705.00</b>
<b><i>Cash and In-Kind Contributions</i></b>		
Alzheimer's Association		\$ 65,000
Corona Del Mar Chamber of Commerce		\$ 10,000
Girls Inc.	275	\$ 10,274
Goodwill of Orange County		\$ 60,000
Health Ministries Association		\$ 5,000
Juvenile Diabetes Research Foundation		\$ 25,000

<b>Benefits for the Broader Community (continued)</b>	<b>Estimated Number Served</b>	<b>Net CB Expenditure</b>
March of Dimes		\$ 10,000
National Health Foundation		\$ 1,725
Orange County Council on Aging		\$ 10,000
Orange County Hispanic Chamber of Commerce		\$ 3,000
Saint Joachim Catholic Church		\$ 10,000
<b><i>Total Cash and In-Kind Contributions</i></b>		<b>\$ 209,999</b>
<b><i>Community Building Activities</i></b>		
Community Disaster Preparedness Planning		\$ 101,150
Epilepsy Alliance		\$ 10,000
Health Funders Partnership		\$ 25,000
Orange County Community Foundation		\$ 2,500
<b><i>Total Community Building Activities</i></b>		<b>\$ 138,650</b>
<b><i>Total Foundation Expenditures</i></b>		<b>\$ 2,429,458</b>
see summary on next page		
<b><u>Total Benefits for the Broader Community</u></b>		<b><u>\$ 5,638,824</u></b>

<b><u>Foundation Expenditures for Community Benefit</u></b>	<b>Estimated Number Served</b>	<b>Net CB Expenditure</b>
<b><i>Community Health Services</i></b>		
Cancer Center "Get Covered"		\$ 12,000
Cancer Center Medical Director		\$ 154,083
Chemical Dependency Scholarships		\$ 152,321
Childcare Center		\$ 3,879
Diabetes Center Community Programs		\$ 381,441
Free Breast Pumps		\$ 2,000
Heart Valve Screening of Seniors		\$ 7,800
Project Wipeout		\$ 16,200
Roth Chair for Cardiac Excellence		\$ 12,500
Womens Health Services Medical Director		\$ 100,000
	<b><i>Total Community Health Services</i></b>	<b>\$ 842,224</b>
<b><i>Health Professions Education</i></b>		
Nursing professorships		\$ 769,875
	<b><i>Total Health Professions Education</i></b>	<b>\$ 769,875</b>
<b><i>Clinical Research</i></b>		
Breast Cancer Study		\$ 9,180
Cancer Center Cell Biology Lab	32	\$ 808,179
	<b><i>Total Clinical Research</i></b>	<b>\$ 817,359</b>
<b><u>Total Foundation Expenditures for Community Benefit</u></b>		<b><u>\$ 2,429,458</u></b>

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