

CHRISTUS Health Southeast Texas

Continuing the Mission through Building Healthier Communities

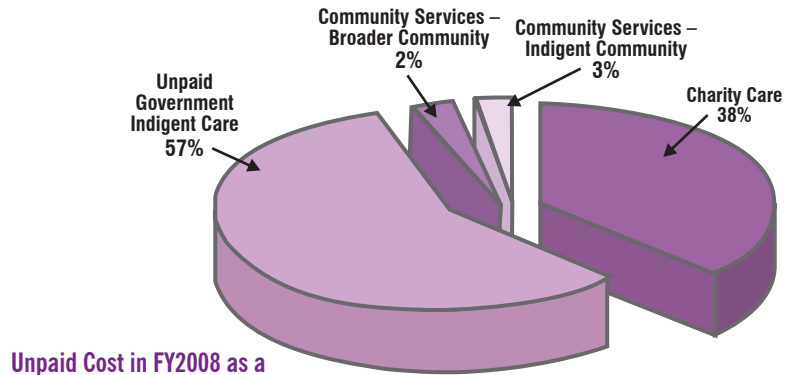
A Synopsis of Community Benefit in Fiscal Year 2008

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

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

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

Charity Care is defined as the unpaid cost of medical services provided to the uninsured and underinsured, including Medicaid. During fiscal year 2008, CHRISTUS Health Southeast Texas provided more than \$46.3 million in Charity Care, which is 13.3 percent of



Unpaid Cost in FY2008 as a Percent of Total Community Benefit

the region's net patient revenue. Of this amount, **Unpaid Government Indigent Care** for the underserved, predominately Medicaid, comprises more than \$28 million of unpaid costs for fiscal year 2008, which is eight percent of net patient revenue.

CHRISTUS Health Southeast Texas also contributed more than \$2.3 million in **Community Services** to the community in fiscal year 2008. Thus, CHRISTUS Health Southeast Texas provided \$48.6 million in total community benefit, which is 14 percent of net patient revenue in fiscal year 2008. This equates to more than \$133,000 a day in community benefit. CHRISTUS Health Southeast Texas

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

In addition, the cost of **Unpaid Government Sponsored Programs** – mostly Medicare – is reported to the state of Texas following the state's Community Benefit reporting requirements. This year, that amount for CHRISTUS Health Southeast Texas was more than \$74.6 million, or 21.5 percent of the region's net patient revenue. In accordance with CHA guidelines, CHRISTUS Health Southeast Texas does not include this amount in reports of community benefit provided to other agencies.

CHRISTUS HEALTH SOUTHEAST TEXAS COMMUNITY BENEFIT FY2007 vs FY2008

	YEAR ENDED 06/30/07		YEAR ENDED 6/30/08	
	UNPAID COSTS \$	AS A % OF NPR*	UNPAID COSTS \$	AS A % OF NPR*
CHARITY CARE				
Charity Care	18,660,774	4.9	18,306,035	5.3
Unpaid Government Indigent Care (predominately Medicaid)	17,185,312	4.5	28,004,317	8.0
Charity Care Subtotal	35,846,086	9.4	46,310,352	13.3
COMMUNITY SERVICES				
	2,596,480	0.7	2,327,020	0.7
Total Community Benefit as per CHA Guidelines	38,442,566	10.1	48,637,372	14.0
UNPAID GOVERNMENT SPONSORED PROGRAMS (predominately Medicare)				
	47,519,038	12.6	74,600,444	21.5
Total Community Benefit plus unpaid Medicare costs per State of Texas rules	85,961,604	22.7	123,237,815	35.5
NET PATIENT REVENUE (NPR)*	378,050,725		347,171,808	

*All numbers are taken from the consolidated financial statements.