

ANNUAL REPORT

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COMMUNITY  
BENEFIT  
REPORT



Your health deserves a partner.

# TOTAL OF OUR COMMUNITY BENEFIT

# \$524,851,819

## HOW A NOT-FOR-PROFIT ORGANIZATION DETERMINES COMMUNITY BENEFIT

The not-for-profit entities of Lehigh Valley Health Network qualify as charitable organizations under Pennsylvania Act 55.

The Act sets specific criteria for what constitutes a charitable organization, defines the uncompensated goods and services that qualify as community benefit, and prescribes how these goods and services are measured.



## DIRECT PATIENT CARE

MEDICARE SHORTFALL*	236,785,028
The difference between Medicare and Medicare Managed Care payments and the cost of providing patient care.	
MEDICAL ASSISTANCE SHORTFALL*	157,390,222
The difference between Medical Assistance and Medical Assistance Managed Care payments and the cost of providing patient care.	
BAD DEBT	32,303,190
The cost of providing care to patients who the health network believes were able to pay for their services but did not.	
UNCOMPENSATED CHARITY CARE	18,808,239
Free care for people unable to pay.	
CARE FOR PEOPLE WHO ARE UNINSURED OR UNDERINSURED	13,522,061
Includes difference between clinic payments and costs for primary and specialty clinics and related services.	
SUBSIDIZED HEALTH SERVICES	6,711,116
The difference between payments and costs for subsidized health services provided at Lehigh Valley Hospital-Hazleton and Lehigh Valley Hospital-Schuylkill.	
TRICARE SHORTFALL*	879,402
TRICARE is a federally funded health plan for military personnel, retirees and their families.	

\*About shortfalls and Act 55: As per Act 55, community benefit provided by charitable organizations includes shortfalls between payments received from Medicare, Medical Assistance and patients, and the cost of providing care.

**466,399,258**

## PROFESSIONAL AND PATIENT EDUCATION AND RESEARCH

MEDICAL EDUCATION*	26,399,003
Includes salaries and benefits for medical residents, the cost net of tuition for the SELECT medical school program, a portion of salaries and benefits for program directors and others who support graduate and undergraduate medical education, and support activities such as the hospital library.	
NURSING EDUCATION*	9,580,063
Includes salaries and benefits for nurses who attend the Critical Care Internship. Also includes salaries and benefits for personnel providing education.	
RESEARCH ACTIVITIES	3,464,257
Includes research in areas such as neurology, oncology and family medicine that are not grant funded.	
HEALTH PROFESSIONAL AND STUDENT EDUCATION	331,888
Includes education provided at Lehigh Valley Hospital-Hazleton, Lehigh Valley Hospital-Schuylkill and Lehigh Valley Hospital-Pocono.	

\*About education and Act 55: As per Act 55, community benefit provided by charitable organizations includes the difference between the full cost of education and research programs and payments received to support these programs."

**\$39,775,211**

## COMMUNITY EDUCATION AND PREVENTION

LEHIGH VALLEY HEALTH NETWORK CANCER CENTER	1,531,771
Includes nurse navigators, support groups, classes, programs and nutrition counseling. This amount reflects the cost of providing these services free of charge.	
PASTORAL CARE	868,578
Provides ministry to patients, family and staff. Includes a portion of salaries and benefits for pastoral care staff.	
HEALTH PROMOTION AND DISEASE PREVENTION	2,571,827
Includes Healthy You magazine, fitness programs, health fairs, patient education publications and other publications promoting wellness and disease awareness.	
DEPARTMENT OF COMMUNITY HEALTH	379,617
Includes community-based initiatives through grant acquisition and program management, Community Health Needs Assessment, Health Advocacy Program, Veterans Health Program, Street Medicine, Allentown Children's Health Improvement Project (ACHIP), and other programs designed to integrate care and promote health.	
EMERGENCY EDUCATION	436,774
Includes training and education for physicians, nurses and first-responders region-wide. We also provide free bioterrorism and disaster preparedness training in our community.	

**\$5,788,567**

**COMMUNITY PARTNERSHIPS AND SUPPORT**

**\$12,888,783**

**EQUIVALENT VALUE OF SUPPORT FOR AGENCIES AND MUNICIPALITIES**

4,489,044

Includes free physical exams for municipal workers and financial support for municipalities, disease prevention programs, services and exams at local schools. Also includes real estate taxes paid by the health network on owned and leased property.

**EQUIVALENT VALUE OF VOLUNTEER ASSISTANCE\***

2,869,275

Includes 107,746 hours donated by volunteers.

**INTERPRETING SERVICE AND PATIENT REPRESENTATIVE**

3,240,568

Includes hospital-based language interpreting services, purchased foreign language and sign language interpreting services provided free of charge, and costs associated with patient satisfaction surveys.

**PATIENT CARE COMMUNITY ACTIVITIES**

1,747,284

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

**SPONSORSHIPS FOR COMMUNITY SERVICE ORGANIZATIONS**

542,612

Includes support for numerous not-for-profit organizations that are aligned with our health network's mission, along with support of the Burn Prevention Network.

\*About volunteers and Act 55: As per Act 55, it is appropriate for charitable organizations to report volunteer service. This shows how valuable volunteers are to the institution and the community. Act 55 provides a formula for calculating this based on the Pennsylvania Workers Compensation Act. We follow that formula.

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