

Community Benefit Report 1999

*Services donated to the people
of our community*

Beaumont[®]
William Beaumont Hospital

Beaumont is a non-profit community service organization

Our mission, our value, our governing principles clearly state:

“We will provide the highest quality health care services to all of our patients, regardless of where they live or of their financial circumstances.”

We strive to run high quality, efficient hospitals so we can achieve Beaumont’s sole mission – to serve the patients who come to the Beaumont hospitals for care. Access to our services comes through Beaumont doctors, located throughout the communities that we serve; emergency centers that are among the region’s most preferred; and participation in virtually all health plans available.

More than 40 percent of the patients who choose Beaumont are Medicare recipients. Beaumont, Royal Oak is Michigan’s leading hospital by far serving the inpatient needs of the frail and elderly covered by Medicare – an increasing population that requires more health care services than do younger people.

In 1999, Beaumont provided \$22 million in care (at actual costs) to Medicare patients that was not paid for by the federal Medicare program. The number of Medicare patients is increasing at Beaumont, but more restrictive Medicare payment policies will reduce payments to Beaumont by yet another \$150 million more over the next five years.

Despite these financial challenges, Beaumont is non-profit community service organization. No one holds stock in Beaumont or otherwise benefits personally from the hospitals’ financial performance. Beaumont provides programs that benefit individuals who live in the surrounding communities through consumer and professional education, health screenings, community involvement and more.

In 1999, Beaumont provided more than twice as much in uncompensated care, education and community service than it would have paid in taxes.

The following report provides a glimpse into how Beaumont serves the individuals who need our care and is also a good neighbor to the people who live and work in our community.

Who we are

William Beaumont Hospital, Royal Oak opened as a 238-bed hospital in 1955 after community leaders recognized the need for a health care facility to serve the growing suburban Detroit communities. Twenty-two years later, Beaumont opened a second hospital in Troy, becoming one of the first multi-hospital systems in Michigan.

Today, Beaumont, Royal Oak is a 929-bed, major teaching hospital. Beaumont, Troy is a 189-bed community teaching hospital. In addition to both hospitals, our organization includes:

- a rehabilitation and health center for community health education and outpatient services
- medical buildings in Royal Oak, Troy, West Bloomfield, Rochester Hills and Sterling Heights

- nursing centers in Bloomfield Hills, Shelby Township, Sterling Heights, Southfield and West Bloomfield
- a research institute
- comprehensive home health services including home care, home infusion therapy, home medical equipment and hospice care

The hospital was named after Dr. William Beaumont, the frontier physician whose military practice with the Mackinac Island, Michigan garrison in the early 1800s resulted in a great breakthrough in the study of human digestion and physiology.

William Beaumont Hospital exists because of the vision and determination of local community leaders. Beaumont began as a community effort to meet the health care needs of individuals living in the surrounding communities — conceived of and created by neighbors to care for all.

Caring for all patients regardless of their ability to pay

Beaumont provides care to all patients regardless of where they live or their ability to pay. This includes patients who cannot pay any portion of their medical bills, as well as those who can only pay a certain percentage of their bills.

Medicaid

Inpatient costs	\$11,570,044
Reimbursement	<u>10,738,171</u>
Uncompensated care	831,873
Outpatient costs	4,918,675
Reimbursement	<u>3,959,499</u>
Uncompensated care	959,176
Estimated loss on HMO contracts	2,694,159
Difference between costs and actual reimbursement	\$4,485,208

Medicare

Inpatient costs	\$285,934,047
Reimbursement	<u>283,562,593</u>
Uncompensated care	2,371,454
Outpatient costs	114,544,047
Reimbursement	<u>94,427,563</u>
Uncompensated care	20,116,484
Difference between costs and actual reimbursement	\$22,487,938

CHAMPUS

(Civilian Health and Medical Program for the Uniformed Services)

Estimated loss on CHAMPUS	\$151,481
<u>Care to those who cannot pay</u>	
Inpatient costs	\$2,237,558
Reimbursement	<u>0</u>
Uncompensated care	2,237,558
Outpatient costs	3,406,265
Reimbursement	<u>1,288,573</u>
Uncompensated care	2,117,692
Difference between costs and actual reimbursement	\$4,355,250
<u>Summary of total uncompensated care</u>	
Difference between costs and actual reimbursement for:	
Medicaid patients	\$ 4,485,208
Medicare patients	22,487,938
CHAMPUS	151,481
Care to those who cannot pay	4,355,250
Total uncompensated care	\$31,479,877

Keeping people healthy through education and outreach

Beaumont's mission is to treat patients who need health care services.

But early detection of disease – or even *preventing* a disease – is also an important component of providing health care to an individual. At Beaumont, we want to keep people well so that they don't need the hospitals' services.

That's why we provide a variety of health education classes, support groups and health screenings to help members of our community identify potential health risks and to understand the value of making healthy lifestyle choices.

Community health education classes and speakers bureau presentations **\$5,516**

Beaumont hosts general health education classes and presentations for members of the community as well as specialized classes for expectant mothers, diabetics and others. Nearly 16,000 individuals attended Beaumont's community health classes in 1999, and more than 150 presentations were made through the Speakers' Bureau program.

Physician Referral & Information Service

\$316,289

The Physician Referral & Information Service is designed to help people find a Beaumont doctor, whether they need a family physician or a medical specialist. The service also will register individuals for a health education class, tell them about a support group or refer them to a community resource.

<u>Support groups</u>	\$20,742
Sometimes people need to share their experiences and challenges with others. That's why Beaumont sponsors several support groups to help community members deal with issues such as chronic illness, death, stuttering and infertility.	
<u>Health screenings and health fairs</u>	\$112,504
Beaumont participates in local health fairs either through donation of staff and resources or donations of funds. In 1999, the events included a Hernia Screening, Legs for Life, Women's Health Expo and Health-O-Rama.	
<u>Parenting Program</u>	\$239,478
First-time parents delivering at Beaumont join this program to learn parenting skills and understand child development. Trained volunteers offer new parents individual and small group support during the babies' first year of life.	
<u>Older Adult Services</u>	\$250,795
Older Adult Services links seniors to Beaumont and community services dedicated to their particular needs and concerns. This includes a health information center, community education programs, and a senior hotline that connects callers to more than 200 programs in the metropolitan Detroit area.	
<u>Pastoral Care</u>	\$419,524
Beaumont's Pastoral Care departments provide many services for former patients and the community, including conducting funerals, wedding ceremonies and grief counseling. These activities often take place outside the hospital.	
<u>Social Work</u>	\$1,076,874
Patients and families often need more than just health care; they need emotional and psychological support and guidance. Social Work offers assistance to patients dealing with terminal or long-term illness and death as well as emotional and psychological difficulties.	
<u>Free-standing community clinics</u>	\$7,690,936
Beaumont has three clinics designed to care for patients on government-sponsored insurances. These clinics are located in Ferndale, Royal Oak and Sterling Heights. In addition, we financially support graduating residents who establish practices in under-served communities.	
<u>Nurse Hotline</u>	\$51,400
Beaumont provides a direct link to the Nurse Hotline, operated through the Spectrum Health System in Grand Rapids. This hotline provided health-related information to more than 6,370 people in 1999. The service is available 24 hours a day, seven days a week, at no charge to the caller.	

Beaumont and the community: A partnership in health

Beaumont partners with community organizations to meet the needs of individuals who live in the areas surrounding our hospitals. In these partnerships, Beaumont provides financial support, management assistance, and staffing and strategic direction. Examples include:

Newton Elementary School Health Clinic \$124,473

Beaumont collaborates with the Detroit Public Schools to provide health care to underprivileged children. More than 6,930 children were treated in 1999.

Healthy People/Healthy Oakland \$30,000

Representatives from area business and health care organizations like Beaumont are working together to improve the health of the community.

Congregational Nursing \$53,000

Working with nurses from churches, temples and synagogues, Beaumont is helping to provide health screenings and health information to local congregations. There are 35 nurses serving in their congregations.

Cornerstone Schools Initiative \$20,200

This program partners Beaumont professionals as mentors with students at this Detroit charter school.

Junior Achievement mentoring program

Eight Beaumont employees volunteered 64 hours as mentors in local Junior Achievement programs during the year.

Memorial and internment for miscarriages and stillbirths \$450

Beaumont is collaborating with Roselawn Cemetery in Berkley to provide memorial and internment location for parents. Thirty-five families were served in 1999.

Research helps us improve lives \$3,031,656

Medical research is more than lab equipment and data collection. It leads to more effective medications, new treatments and disease prevention.

At Beaumont we have led research that resulted in the development of new ways to detect early stage cancers, new minimally invasive surgeries, and drug therapies that cure chronic conditions.

Training and education—ensuring that our employees and doctors are among the nation’s best

To maintain high quality care, we must ensure that our employees who provide this care are supported in their continuing educational endeavors. We do this through:

- providing staff development educational courses to all employees
- supporting employees who pursue education outside Beaumont (i.e., tuition reimbursement, paying for external seminars)
- building for the future by helping to train medical students, physician residents and fellows, nursing and allied health students

Graduate medical education \$15,274,241

As a teaching hospital, Beaumont offers residencies and fellowships to physicians in training. Doctors receive between three and seven years of additional training in their chosen specialties. There are 337 physicians enrolled in 29 medical residency/fellowship programs at Beaumont.

Nursing staff training \$136,278

Beaumont provides on-the-job training for nursing assistants and clerical support staff, nursing scholarships, student loans and internships.

Schools of Allied Health \$244,297

Beaumont’s Schools of Allied Health was established to train future health care professionals. Students receive class instruction and clinical experience as well as participate in advanced learning situations such as problem solving, case studies, special projects and seminars. There are 61 students currently enrolled in the eight allied health programs.

Graduate program for nurse anesthesia \$773,105

The nurse anesthesia program is a teaching partnership that combines clinical training at Beaumont with academic training at Oakland University. There are 23 registered nurses enrolled in the program to become certified registered nurse anesthetists.

Continuing education programs for Beaumont employees

Beaumont is proud to be able to attract and select the best employees. To maintain our top caliber of employees, the hospitals invest hours of continuing education training. Last year, 5,800 employees received 22,274 hours of training and an additional 7,548 nursing staff participated in continuing education courses such as CPR and teamwork building.

Libraries and resource centers share the latest health information

The medical and consumer health information centers at both Beaumont hospitals are resources for health care professionals and members of the community. The libraries provide an array of

information services such as: Internet access, videotapes, brochures, books, journals and researching software. All services are provided free of charge. More than 12,700 people used the libraries in 1999.

Consumer requests \$3,000

The libraries researched, compiled and mailed responses to 155 requests for information from the community. Most requests required about 30 photocopied pages.

Consumer Health Information Center \$13,000

Beaumont, Troy maintains a center in the waiting area at the main entrance that provides brochures and access to a consumer-level database of health topics. In 1999, more than 1,000 brochures were distributed through the Consumer Health Information Center.

TACHIA \$4,000

The Thumb Area Consortium for Health Information Access (TACHIA) consists of Beaumont and seven small rural hospitals. Beaumont provides free journal articles to the TACHIA hospitals. In 1999, we sent 348 articles.

Rose Cancer Center \$94,000

The resource center's oncology nurse provides counseling and support for cancer patients. Center staff also process requests for cancer-related information from patients and the community.

Wilson Cancer Center \$100,033

The Wilson Cancer Center provides support, assistance with appointment scheduling and information to cancer patients.

Donations that go beyond health care services

We share our facilities and resources with members of our community as much as we can. That includes providing meeting rooms and in-kind donations such as food and other goods. Here is a sample of our donations:

Meeting rooms \$37,400

Beaumont donates meeting rooms to community groups such as Alcoholics Anonymous and Alzheimer's. In 1999, Beaumont donated 748 meeting rooms at an estimated value of \$50 per meeting.

Sports fields \$135,900

The sports fields at the Beaumont Rehabilitation and Health Center were donated for community sports leagues such as soccer and softball. Beaumont permitted community leagues to use our fields for 1,359 hours at an estimated value of \$100 per hour.

Blankets \$47,760
Beaumont participated in creating, collecting and donating hand-made blankets for elderly patients.

Food donations \$17,212
Beaumont donated food for special events such as the Birmingham Fall Spectacular, an event that raises money for scholarships for pediatric cancer patients.

Meeting more than the medical needs of patients

Sometimes caring for patients means more than just providing direct, hands-on medical care. Beaumont has created a number of services for patients to make getting the care they need a little easier on them and their families.

Patient shuttle services \$1,004,770
Beaumont provides courtesy shuttle services for patients who need therapy and have no other source of transportation to the hospital. Nearly 2,500 patients used the service in 1999. In addition, to make the trip from the parking lot to the hospital a little easier, both Beaumont hospitals have shuttles that transport patients from their cars to the hospitals' front doors. More than 300,000 patients and visitors were served last year.

Pre-hospitalization education \$34,162
The Beaumont hospitals offer pre-surgical education classes so patients and their caregivers know what to expect before, during and after orthopedic surgery. These classes include educational materials, presentations by physical and occupational therapists and nurses, and training on how to use walkers or other medical equipment.

Home visits by registered nurses \$41,712
Beaumont, Royal Oak offers follow-up home visits by registered nurses to new mothers who leave the hospital 24 hours after their delivery. During the visit, the nurse examines the mother and the baby and answers any questions or concerns. There were 869 visits made in 1999 at no charge to families.

Supporting the community through donations of time and money

Beaumont employees volunteer their time and services to community organizations. Their participation ranges from serving as a board or committee member for local, state or national health-related organizations to membership in community groups such as the Boy Scouts.

Corporate financial donations \$319,735
Beaumont also supports the community and local organizations

through cash donations. In 1999, donations were made to programs such as the Sterling Heights Senior Expo and the Firefighter Phil program.

Senior community transportation \$59,228

Beaumont supports programs that provide transportation for seniors in our community.

Employee financial donations \$169,513

Each year, the hospital sponsors a giving campaign where employees are offered the opportunity to donate a portion of their salary to a variety of local charities. These charities include: United Way, American Heart Association and the American Cancer Society.

Summary of Beaumont’s quantifiable benefits to the community for 1999

Here is a summary listing of the quantifiable benefits provided to the people of our community by William Beaumont Hospitals. In addition, there are many benefits described in this report that are not quantifiable in dollar amounts, especially our donations of volunteer time, community health education and outreach.

Uncompensated patient care \$31,479,877

Including Medicaid, Beaumont subsidized more than 31 million of medical care or patients.

Health education and outreach 10,184,058

Beaumont serves members of our community through education, support groups, screenings and community-based medical clinics.

Partnerships with the community 228,123

Beaumont partners with schools, churches and other community organizations to meet the needs of individuals who live in the areas surrounding our hospitals.

Research 3,031,656

Medical research leads to more effective medications, new treatments and disease prevention.

Training and education 16,427,921

Beaumont invests in our employees through continuing education and builds for the future by training physicians, nurses and allied health students.

Libraries and resource centers 214,033

Beaumont provides information to medical professionals, patients and community members through our libraries and resource centers.

In-kind donations 238,272

We provide meeting rooms, share our facilities and make donations of food and other goods to members of our community.

Special patient services	1,080,644
<i>Beaumont provides complimentary patient shuttles, pre-hospital education and nurse visits to new mothers at home.</i>	
Cash donations	548,476
<i>Beaumont hospitals and our employees donate time and money to the community through sponsorship of events and support of programs such as the United Way.</i>	
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Total estimated value of community benefits	\$62,571,727