

## **Introduction to the IRS Form 990 Schedule H**

As a not-for-profit hospital, we operate for one purpose: to further our healing ministry. We do this by:

- Reinvesting our profits back into the communities through various programs and services
- Making sure that care is available to everyone — regardless of his or her ability to pay.
- Using compassion as the cornerstone our work to improve the health of our communities. Patients and their families are always treated as people first — attending to the needs of the whole person — body, mind, and spirit.
- Providing a range of special benefits to the community, such as programs to manage care for persons with chronic diseases, health education and disease prevention initiatives, outreach for the elderly, and care for persons who are poor or uninsured.

The IRS grants us tax exemption as a “charitable, community-oriented organization.” Without this status, we could not continue to deliver the same level of community benefits that are so important and necessary.

The federal government recently ruled that health care entities like ours report their community benefit programs. This includes a wide array of activities and services that need to be categorized and explained – in detail – on the following IRS form called “990 Schedule H.” This document requires us to report information on:

- Charity care (financial assistance) and other community benefits
- Community building activities
- Medicare, bad debt and collection practices
- Management companies and joint ventures
- Facilities comprising the organization

The following terms and definitions will help you better understand each section of the report. Should you choose to not print the document, you can also hover your computer’s mouse over the terms for a brief definition.

## **PART I: Charity Care and Certain Other Community Benefit at Cost**

**1a Charity Care Policy:** A Trinity Health Ministry Organization's designated procedure/methodology for classifying patients who cannot afford health care services due to inadequate resources and/or are uninsured or underinsured. Care is then provided without charge, or at amounts less than the established rates. Because Trinity Health does not pursue collection of amounts determined to qualify for charity care, they are not reported as net patient service revenue in the consolidated statements of operations and changes in net assets. The cost of charity care is calculated using a cost-to-charge ratio methodology.

**3 Charity Care Eligibility:** A patient's ability to meet Trinity Health-specified qualifications/criteria to receive financial assistance for medical care, based on the Ministry Organization's official Charity Care Policy.

**3a Federal Poverty Guidelines (FPGs):** Issued annually by the Department of Health and Human Services (HHS). FPGs are a simplification of the government's designated "federal poverty thresholds," which are highly statistical to calculate the number of Americans living in poverty each year. FPGs are more administrative, and help determine financial eligibility for certain federal programs. The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

**4 Medically indigent:** Persons whom the organization has determined are unable to pay some or all of their medical bills because the bills exceed a certain percentage of their family income and/or assets (e.g., due to catastrophic costs or conditions), even though they have income or assets that otherwise exceed the generally applicable eligibility requirements for free or discounted care under the organization's Charity Care Policy.

**6a annual community benefit report:** Published each fall within Trinity Health's Annual Report, this is a detailed account of all costs associated with dedicated staff, community health needs and/or asset assessments, as well as other costs associated with community benefit strategy and operations.

**7a Charity care at cost:** Free or discounted health care services provided to persons who meet the organization's criteria for financial assistance and are therefore deemed unable to pay for all or a portion of such services.

**7b Unreimbursed Medicaid:** When Medicaid, a state health care program for qualifying low-income residents, does not reimburse Trinity Health for the full cost of health care services provided to patients. Trinity Health then "absorbs" these costs at a financial loss.

**7c Unreimbursed costs – Other means-tested government programs:** Government programs for which eligibility for benefits or coverage is determined by the recipient's income or asset level. (e.g., The State Children's Health Insurance Program (SCHIP) is a means-tested government program.)

**7e Community health improvement services and community benefit operations:**

The activities to be reported on this line are two different categories of activities:

1. **Community health improvement services:** Activities and services for which no patient bill exists. These services are not expected to be financially self-supporting, although some may be supported by outside grants or funding. Some examples include free clinic services, programs directed at improving women's health, free or low cost prescription medications, and rural and urban outreach programs. The Ministry Organization actively collaborates with community groups and agencies to assist those in need in providing such services.
2. **Community Benefit Operations:** Costs associated with dedicated staff, community health needs and or assets assessments, and other costs associated with community benefit strategy and operations.

**7f Health professions education:** Programs that result in a degree, certificate, or training that is necessary to be licensed to practice as a health professional, as required by state law; or continuing education that is necessary to retain state license or certification by a board in the individual's health profession specialty.

**7g Subsidized health services:** Clinical services that are provided, despite a financial loss to the organization. The financial loss is measured after removing losses, measured by cost, associated with bad debt, charity care, Medicaid and other means-tested government programs. Despite the financial loss, the service is provided because:

1. It meets an identified community need, such as providing needed access to care for low-income individuals
2. If the service were no longer offered, access to health services would be impaired, or
3. Providing the service would become the responsibility of government or another tax-exempt organization.

**7h Research:** Any study or investigation of which the goal is to generate generalized knowledge made available to the public, such as knowledge about:

1. Underlying biological mechanisms of health and disease, natural processes or principles affecting health or illness;
2. Evaluation of safety and efficacy of interventions for disease such as clinical trials and studies of therapeutic protocols;
3. Laboratory based studies; epidemiology, health outcomes and effectiveness
4. Behavioral or sociological studies related to health, delivery of care, or prevention
5. Studies related to changes in the health care delivery system; and
6. Communication of findings and observations (including publication in a medical journal)

This category only includes research internally funded or research funded by a tax-exempt or government entity.

**7i Cash and in-kind contributions to community groups:** Cash contributions made to entities and community groups that share the organization's goals and mission. In-kind contributions include the cost of hours donated by staff to the community while on the organization's payroll, indirect cost of space donated to tax-exempt community groups (such as for meetings), and the financial value of donated food, equipment, and supplies.

**PART II Community Building Activities** Community Building activities include programs that address the root causes of health problems, such as poverty, homelessness and environmental problems. They support community assets by offering the expertise and resources of the health care organization.

1. **Physical improvements and housing** (Examples include: Community gardens; neighborhood improvement and revitalization projects; contributions to community-based assisted living and senior and low-income housing projects)
2. **Economic development** (Examples include: Assisting small business development in neighborhoods with vulnerable populations and creating new employment opportunities in areas with high rates of joblessness; participation in an economic/labor development council; chamber of commerce or Rotary Club)
3. **Community support** (Examples include: Childcare and mentoring programs for vulnerable populations or neighborhoods; neighborhood support groups; violence prevention programs; disaster readiness and public health emergency activities)
4. **Environmental improvements** (Examples include: Efforts to reduce community environmental hazards in the air; water and ground; residential improvements; such as helping to paint public housing apartments; or lead/radon programs; Neighborhood/community improvements; Adopt-a-Road)
5. **Leadership development and training for community members** (Examples include: Life or civic skills training programs; medical interpreter training for community members; community leadership development; cultural skills training)
6. **Coalition building** (Examples include: Hospital representation to community coalitions related to community health; Disease management programs; Collaborative partnerships with community groups to improve community health)
7. **Community health improvement advocacy** (Examples include: Local, state and national advocacy on behalf of such areas as: access to health care, public health, transportation, housing; Advocacy for social justice and human rights, including costs associated with advocating for social justice, environmental responsibility and human rights, such as fair treatment to workers)
8. **Workforce development** These programs address community-wide workforce issues — not the workforce needs of the health care organization. (Examples include: Physician/other health professional recruitment for areas identified by the government as medically underserved; Partnerships with community colleges and universities to address the health care workforce shortage; School-based programs on health care careers; Health care career mentoring projects)

## **Part VI: Supplemental Information**

**2 Needs assessment** Trinity Health's designated evaluation process that involves the hospital assessing the health care needs of the community it serves by periodically

consolidating data and perspectives about the health and social needs of the community. The assessment data assists in the development of a plan for the entire community, with a linkage between the organization's mission and strategic plan, with special attention given to those most in need. A needs assessment is performed by the hospital in partnership with the community, or as a result of other agencies (e.g. public health or private such as United Way). If the hospital cannot perform the assessment, an outside vendor conducts it, then supplies the results.

**3 Patient education of eligibility for assistance** How the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.

**4 Community information** Describes the geographic area (e.g., urban, suburban, rural), the demographics of the community or communities (e.g., population, average income, percentages of community residents with incomes below the federal poverty guideline, percentage of the hospital's and community's patients who are uninsured or Medicaid recipients), the number of other hospitals serving the community or communities, and whether one or more federally-designated medically underserved areas or populations are present in the community.

**5 Community building activities** Includes programs that address the root causes of health problems, such as poverty, homelessness and environmental problems. They support community assets by offering the expertise and resources of the health care organization.

**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2009**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**  
▶ **Attach to Form 990.**  
▶ **See separate instructions.**

**Open to Public Inspection**

Name of the organization **SAINT ALPHONSUS MEDICAL CENTER - NAMPA, INC.** Employer identification number **82-0200896**

**Part I Charity Care and Certain Other Community Benefits at Cost**

	Yes	No
<b>1a</b> Does the organization have a charity care policy? If "No," skip to question 6a .....	<input checked="" type="checkbox"/>	
<b>1b</b> If "Yes," is it a written policy? .....	<input checked="" type="checkbox"/>	
<b>2</b> If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals. <input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> Generally tailored to individual hospitals		
<b>3</b> Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.		
<b>a</b> Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care: .....		<input checked="" type="checkbox"/>
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
<b>b</b> Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care: .....		<input checked="" type="checkbox"/>
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
<b>c</b> If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
<b>4</b> Does the organization's policy provide free or discounted care to the "medically indigent"? .....	<input checked="" type="checkbox"/>	
<b>5a</b> Does the organization budget amounts for free or discounted care provided under its charity care policy? .....	<input checked="" type="checkbox"/>	
<b>b</b> If "Yes," did the organization's charity care expenses exceed the budgeted amount? .....	<input checked="" type="checkbox"/>	
<b>c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? .....		<input checked="" type="checkbox"/>
<b>6a</b> Does the organization prepare an annual community benefit report? .....	<input checked="" type="checkbox"/>	
<b>b</b> If "Yes," does the organization make it available to the public? .....	<input checked="" type="checkbox"/>	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

<b>7 Charity Care and Certain Other Community Benefits at Cost</b>						
<b>Charity Care and Means-Tested Government Programs</b>	<b>(a)</b> Number of activities or programs (optional)	<b>(b)</b> Persons served (optional)	<b>(c)</b> Total community benefit expense	<b>(d)</b> Direct offsetting revenue	<b>(e)</b> Net community benefit expense	<b>(f)</b> Percent of total expense
<b>a</b> Charity care at cost (from Worksheets 1 and 2) .....		1,300	1,680,854.	0.	1,680,854.	2.50%
<b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a) .....		9,200	11,257,002.	12,749,108.	<1,492,106.>	.00%
<b>c</b> Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b) .....						
<b>d Total</b> Charity Care and Means-Tested Government Programs ...		10,500	12,937,856.	12,749,108.	188,748.	2.50%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .....		12,102	190,393.	2,122.	188,271.	.28%
<b>f</b> Health professions education (from Worksheet 5) .....		1,278	94,521.	0.	94,521.	.14%
<b>g</b> Subsidized health services (from Worksheet 6) .....			2,938.	0.	2,938.	.00%
<b>h</b> Research (from Worksheet 7) .....			0.	0.		
<b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8) .....			115,267.	155.	115,112.	.17%
<b>j Total.</b> Other Benefits .....		13,380	403,119.	2,277.	400,842.	.59%
<b>k Total.</b> Add lines 7d and 7j .....		23,880	13,340,975.	12,751,385.	589,590.	3.09%

**Part II Community Building Activities** Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing	1	550	104.		104.	.00%
2 Economic development						
3 Community support	1		171.		171.	.00%
4 Environmental improvements	2	380	2,217.		2,217.	.00%
5 Leadership development and training for community members	2	20	92.		92.	.00%
6 Coalition building	1		120.		120.	.00%
7 Community health improvement advocacy						
8 Workforce development						
9 Other	8	11,729	248,547.		248,547.	.37%
10 Total	15	12,679	251,251.		251,251.	.37%

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

	Yes	No
1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? .....		X
2 Enter the amount of the organization's bad debt expense (at cost) .....		
3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy .....		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.		

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) .....	5	15,089,960.
6 Enter Medicare allowable costs of care relating to payments on line 5 .....	6	15,718,381.
7 Subtract line 6 from line 5. This is the surplus or (shortfall) .....	7	<628,421.>
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

9a Does the organization have a written debt collection policy? .....	9a	X
b If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI .....	9b	X

**Part IV Management Companies and Joint Ventures**

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 MERCY OUTPATIENT				
2 SURGERY CENTER, LLC	SURGICAL CARE	60.00%		40.00%
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				



**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C: PATIENTS WHO QUALIFY FOR CHARITY CARE DISCOUNTS SHALL BE IDENTIFIED AS SOON AS POSSIBLE, EITHER BEFORE SERVICES ARE PROVIDED OR AFTER AN INDIVIDUAL HAS RECEIVED SERVICES TO STABILIZE A MEDICAL CONDITION. ALL AVAILABLE FINANCIAL RESOURCES SHALL BE EVALUATED BEFORE DETERMINING FINANCIAL ASSISTANCE ELIGIBILITY. SAINT ALPHONSUS MEDICAL CENTER - NAMPA, INC. (SAMC-NAMPA) SHALL CONSIDER FINANCIAL RESOURCES NOT ONLY OF THE PATIENT, BUT ALSO OF OTHER PERSONS HAVING LEGAL RESPONSIBILITY TO PROVIDE FOR THE PATIENT. ELIGIBILITY FOR CHARITY CARE DISCOUNTS SHALL BE DETERMINED BASED ON 130% OF THE ANNUALLY UPDATED HUD GEOGRAPHIC VERY-LOW INCOME GUIDELINES, AVAILABLE ASSETS AND ANY EXTENUATING CIRCUMSTANCES. THUS, THE STANDARDS OF ELIGIBILITY FOR THE APPLICATION OF CHARITY DISCOUNTS MUST CONSIDER ASSETS, AS WELL AS INCOME.

PART I, LINE 6A: SAMC - NAMPA REPORTS ITS COMMUNITY BENEFIT INFORMATION AS PART OF THE CONSOLIDATED COMMUNITY BENEFIT INFORMATION REPORTED BY TRINITY HEALTH IN ITS ANNUAL REPORT, AVAILABLE AT WWW.TRINITY-HEALTH.ORG.

IN ADDITION, SAMC - NAMPA WILL BE INCLUDING A COPY OF ITS MOST RECENTLY FILED SCHEDULE H ON BOTH ITS OWN WEBSITE AND TRINITY HEALTH'S WEBSITE.

**Part VI** Supplemental Information

PART I, LINE 7: THE BEST AVAILABLE DATA WAS USED TO CALCULATE THE COST AMOUNTS REPORTED IN ITEM 7. FOR CERTAIN CATEGORIES, PRIMARILY TOTAL CHARITY CARE AND MEANS-TESTED GOVERNMENT PROGRAMS, SPECIFIC COST-TO-CHARGE RATIOS WERE CALCULATED AND APPLIED TO THOSE CATEGORIES. THE COST-TO-CHARGE RATIO WAS DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES. IN OTHER CATEGORIES, THE BEST AVAILABLE DATA WAS DERIVED FROM THE HOSPITAL'S COST ACCOUNTING SYSTEM.

UNREIMBURSED MEDICAID

SAMC-NAMPA HAS REPORTED TOTAL COST OF MEDICAID OF \$11,257,002 IN LINE 7B, COLUMN (C). ACTUAL DIRECT OFFSETTING REVENUE WAS \$12,749,108, RESULTING IN A NET NEGATIVE COMMUNITY BENEFIT EXPENSE OF -\$1,492,106. THIS NET EXPENSE IS -2.22% OF TOTAL EXPENSE.

THE TAX REPORTING SOFTWARE DOES NOT PERMIT A NEGATIVE PERCENTAGE TO BE REPORTED IN COLUMN (F). THEREFORE, THE UNREIMBURSED MEDICAID PERCENTAGE IN COLUMN (F) IS SHOWING ZERO PERCENT.

PART I, LINE 7F: THE FOLLOWING NUMBER, \$17,583,440, REPRESENTS THE AMOUNT OF BAD DEBT EXPENSE INCLUDED IN TOTAL FUNCTIONAL EXPENSES IN FORM 990, PART IX, LINE 25. PER IRS INSTRUCTIONS, THIS AMOUNT WAS EXCLUDED FROM THE DENOMINATOR WHEN CALCULATING THE PERCENT OF TOTAL EXPENSE FOR SCHEDULE H, PART I, LINE 7, COLUMN (F).

PART III, LINE 4: FOR THE PERIOD APRIL 1, 2010 THROUGH JUNE 30, 2010, SAMC - NAMPA WAS INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF TRINITY HEALTH. THE FOLLOWING IS THE TEXT OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOOTNOTE FROM THOSE STATEMENTS: "SUBSTANTIALLY ALL OF THE

**Part VI** Supplemental Information

CORPORATION'S RECEIVABLES ARE RELATED TO PROVIDING HEALTHCARE SERVICES TO PATIENTS. ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR AMOUNTS THAT COULD BECOME UNCOLLECTIBLE IN THE FUTURE. THE CORPORATION'S ESTIMATE FOR ITS ALLOWANCE FOR DOUBTFUL ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS BY PAYOR."

COSTING METHODOLOGY FOR LINES 2 AND 3: AMOUNTS ARE CALCULATED ON LINE 2 USING A COST TO CHARGE RATIO METHODOLOGY.

ANY DISCOUNTS PROVIDED OR PAYMENTS MADE TO A PARTICULAR PATIENT ACCOUNT ARE APPLIED TO THAT PATIENT ACCOUNT PRIOR TO ANY BAD DEBT WRITE-OFF AND ARE THUS NOT INCLUDED IN BAD DEBT EXPENSE. AS A RESULT OF THE PAYMENT AND ADJUSTMENT ACTIVITY BEING POSTED TO BAD DEBT ACCOUNTS, WE ARE ABLE TO REPORT BAD DEBT EXPENSE NET OF THESE TRANSACTIONS.

AFTER A DOWNLOAD OF ALL ACCOUNTS OVER \$5,000 THAT TRANSFERRED TO BAD DEBT FOR OCTOBER, NOVEMBER AND DECEMBER AND AFTER PERFORMING A FULL REVIEW OF THEM, IT IS ESTIMATED THAT 22% OF THEM COULD BE ATTRIBUTABLE TO PATIENTS WHO LIKELY WOULD QUALIFY FOR FINANCIAL ASSISTANCE, BUT FOR WHOM SUFFICIENT INFORMATION WAS NOT OBTAINED TO MAKE A DETERMINATION OF THEIR ELIGIBILITY.

PART III, LINE 8: SIMILAR TO CHA RECOMMENDATIONS, WHICH STATE THAT SERVING MEDICARE PATIENTS IS NOT A DIFFERENTIATING FEATURE OF TAX-EXEMPT HEALTHCARE ORGANIZATIONS AND THAT THE EXISTING COMMUNITY BENEFIT FRAMEWORK ALLOWS COMMUNITY BENEFIT PROGRAMS THAT SERVE THE MEDICARE POPULATION TO BE COUNTED IN OTHER COMMUNITY BENEFIT CATEGORIES, SAMC - NAMPA DOES NOT BELIEVE ANY MEDICARE SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFIT.

**Part VI** Supplemental Information

PART III, LINE 8: COSTING METHODOLOGY FOR LINE 6 - MEDICARE COSTS WERE OBTAINED FROM THE FILED MEDICARE COST REPORT. THE COSTS ARE BASED ON MEDICARE ALLOWABLE COSTS AS REPORTED ON WORKSHEET B, COLUMN 27, WHICH EXCLUDE DIRECT MEDICAL EDUCATION COSTS. INPATIENT MEDICARE COSTS ARE CALCULATED BASED ON A COMBINATION OF ALLOWABLE COST PER DAY TIMES MEDICARE DAYS FOR ROUTINE SERVICES AND COST TO CHARGE RATIO TIMES MEDICARE CHARGES FOR ANCILLARY SERVICES. OUTPATIENT MEDICARE COSTS ARE CALCULATED BASED ON COST TO CHARGE RATIO TIMES MEDICARE CHARGES BY ANCILLARY DEPARTMENT.

PART III, LINE 9B: SAMC - NAMPA'S COLLECTION POLICY CONTAINS THE CRITERIA FOR FINANCIAL ASSISTANCE, AND CONTAINS THE FOLLOWING VERBIAGE FOR ARRANGEMENTS WITH OUTSIDE COLLECTION AGENCIES: THE ORGANIZATION'S CENTRALIZED BUSINESS OFFICE (CBO) WILL BE REQUIRED TO AUDIT ITS THIRD PARTY COLLECTION AGENTS AT LEAST ANNUALLY FOR ADHERENCE TO THESE STANDARDS.

PART VI, LINE 2: NEEDS ASSESSMENT - EFFECTIVE APRIL 1, 2010, MERCY MEDICAL CENTER - NAMPA, IDAHO, HOLY ROSARY MEDICAL CENTER - ONTARIO, OREGON, AND ST. ELIZABETH HEALTH SERVICES - BAKER CITY, OREGON WERE ACQUIRED BY TRINITY HEALTH. THESE HOSPITALS WERE COMBINED WITH SAINT ALPHONSUS REGIONAL MEDICAL CENTER TO FORM THE SAINT ALPHONSUS HEALTH SYSTEM (SAHS) TO STRENGTHEN THE CARE SERVICES AND IMPROVE THE HEALTH NEEDS OF THE COMMUNITIES.

SAINT ALPHONSUS MEDICAL CENTER - NAMPA (SAMC - NAMPA), FORMERLY KNOWN AS MERCY MEDICAL CENTER, ASSESSES THE HEALTH NEEDS OF THE COMMUNITY THROUGH COMMUNITY NEEDS ASSESSMENTS EVERY THREE YEARS. A COMMUNITY NEEDS ASSESSMENT IS A POINT-IN-TIME EFFORT TO MEASURE THE HEALTH AND WELL BEING

**Part VI Supplemental Information**

OF THE COMMUNITY. IT SERVES AS THE BASIS FOR SAHS' STRATEGIC AND  
SUBSEQUENT ACTION PLANNING TO DEVELOP HEALTH POLICY, ALLOCATE RESOURCES,  
IMPROVE OR EXPAND EXISTING SERVICES, IMPLEMENT NEW PROGRAMS AND  
COLLABORATE WITH OTHER COMMUNITY HEALTHCARE PROVIDERS. A COMMUNITY NEEDS  
ASSESSMENT ALSO SERVES AS A BENCHMARK FOR FUTURE ASSESSMENT OF RELATIVE  
PROGRESS TOWARD ESTABLISHED COMMUNITY HEALTH OBJECTIVES.

THE SAMC - NAMPA COMMUNITY NEEDS ASSESSMENT PROVIDES THE OPPORTUNITY TO:

- GAIN INSIGHTS INTO THE NEEDS AND ASSETS OF THE COMMUNITIES SERVED
- IDENTIFY AND ADDRESS THE NEEDS OF VULNERABLE POPULATIONS WITHIN THE  
COMMUNITY
- ENHANCE HOSPITAL/COMMUNITY RELATIONSHIPS AND THE OPPORTUNITY FOR  
COLLABORATIVE COMMUNITY ACTION, INCLUDING INVOLVEMENT WITH COALITIONS,  
PARTNERSHIPS, BOARDS, COMMITTEES, COMMISSIONS, ADVISORY GROUPS AND PANELS
- PROVIDE THE INFORMATION REQUIRED FOR COMMUNITY OUTREACH PLANNING

THE COMMUNITY NEEDS ASSESSMENT PROCESS, PERFORMED JOINTLY BY SAHS AND SAMC  
- NAMPA, INVOLVES THE GATHERING OF TWO TYPES OF DATA: QUANTITATIVE  
(DEMOGRAPHICS, HEALTH INDICATORS, ETC.) AND QUALITATIVE (PUBLIC SURVEYS,  
FORUMS, FOCUS GROUPS). THE DATA HELPS SUPPORT SHORT-TERM AND LONG-TERM  
DECISIONS ABOUT ALLOCATION OF COMMUNITY HUMAN AND CAPITAL RESOURCES.

THE SAHS COMMUNITY NEEDS ASSESSMENT IS CURRENT AS OF JUNE 2008 (WITH  
SEVERAL KEY AREAS UPDATED IN DECEMBER 2009), AND ACTION PLANS TO ADDRESS  
IDENTIFIED COMMUNITY NEEDS HAVE BEEN DEVELOPED THROUGH FISCAL YEAR 2012.  
THE COMMUNITY NEEDS ASSESSMENT WAS CONDUCTED BY SAINT ALPHONSUS STAFF AND  
HAS BEEN MADE AVAILABLE TO THE COMMUNITY ON OUR WEBSITE. WE ALSO HAVE

**Part VI** Supplemental Information

SHARED COPIES WITH OTHER NONPROFIT AGENCIES, SUCH AS UNITED WAY OF  
TREASURE VALLEY AND THE IDAHO NONPROFIT CENTER.

PART VI, LINE 3: PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE -  
SAMC - NAMPA IS COMMITTED TO:

-PROVIDING ACCESS TO QUALITY HEALTHCARE SERVICES WITH COMPASSION, DIGNITY  
AND RESPECT FOR THOSE WE SERVE, PARTICULARLY THE POOR AND THE UNDERSERVED  
IN OUR COMMUNITIES

-CARING FOR ALL PERSONS, REGARDLESS OF THEIR ABILITY TO PAY FOR SERVICES

-ASSISTING PATIENTS WHO CANNOT PAY FOR PART OR ALL OF THE CARE THEY  
RECEIVE

-BALANCING NEEDED FINANCIAL ASSISTANCE FOR SOME PATIENTS WITH BROADER  
FISCAL RESPONSIBILITIES IN ORDER TO SUSTAIN VIABILITY AND PROVIDE THE  
QUALITY AND QUANTITY OF SERVICES FOR ALL WHO MAY NEED CARE IN A COMMUNITY

IN ACCORDANCE WITH AHA RECOMMENDATIONS, SAMC - NAMPA HAS ADOPTED THE  
FOLLOWING GUIDING PRINCIPLES WHEN HANDLING THE BILLING, COLLECTION AND  
FINANCIAL SUPPORT FUNCTIONS FOR OUR PATIENTS:

-PROVIDE EFFECTIVE COMMUNICATIONS WITH PATIENTS REGARDING HOSPITAL BILLS

-MAKE AFFIRMATIVE EFFORTS TO HELP PATIENTS APPLY FOR PUBLIC AND PRIVATE  
FINANCIAL SUPPORT PROGRAMS

-OFFER FINANCIAL SUPPORT TO PATIENTS WITH LIMITED MEANS

-IMPLEMENT POLICIES FOR ASSISTING LOW-INCOME PATIENTS IN A CONSISTENT  
MANNER

-IMPLEMENT FAIR AND CONSISTENT BILLING AND COLLECTION PRACTICES FOR ALL  
PATIENTS WITH PATIENT PAYMENT OBLIGATIONS

**Part VI Supplemental Information**

SAMC - NAMPA COMMUNICATES EFFECTIVELY WITH PATIENTS REGARDING PATIENT PAYMENT OBLIGATIONS. FINANCIAL COUNSELING IS PROVIDED TO PATIENTS ABOUT THEIR PAYMENT OBLIGATIONS AND HOSPITAL BILLS. INFORMATION ON HOSPITAL-BASED FINANCIAL SUPPORT POLICIES AND EXTERNAL PROGRAMS THAT PROVIDE COVERAGE FOR SERVICES ARE MADE AVAILABLE TO PATIENTS DURING THE PRE-REGISTRATION AND REGISTRATION PROCESSES AND/OR THROUGH COMMUNICATIONS WITH PATIENTS SEEKING FINANCIAL ASSISTANCE. SAMC - NAMPA HAS SIGNS POSTED IN ALL REGISTRATION AREAS AND PLASTIC TABLE TOP CARDS IN THE REGISTRATION WAITING ROOMS, NOTIFYING PATIENTS THAT FINANCIAL ASSISTANCE IS AVAILABLE. ALL SELF-PAY PATIENTS ARE OFFERED FINANCIAL ASSISTANCE FORMS. EACH PATIENT RECEIVES A BILLING BROCHURE THAT LISTS PAYMENT OPTIONS AND HOW TO APPLY FOR CHARITY CARE. PATIENTS ALSO ARE SCREENED FOR MEDICAID ELIGIBILITY, UTILIZING FINANCIAL ASSISTANCE FORMS.

FINANCIAL COUNSELORS MAKE AFFIRMATIVE EFFORTS TO HELP PATIENTS APPLY FOR PUBLIC AND PRIVATE PROGRAMS FOR WHICH THEY MAY QUALIFY AND THAT MAY HELP THEM OBTAIN AND PAY FOR HEALTHCARE SERVICES. EVERY EFFORT IS MADE TO DETERMINE A PATIENT'S ELIGIBILITY PRIOR TO OR AT THE TIME OF ADMISSION OR SERVICE. HOWEVER, DETERMINATION FOR FINANCIAL SUPPORT CAN BE MADE DURING ANY STAGE OF THE PATIENT'S STAY AFTER STABILIZATION OR COLLECTION CYCLE.

SAMC - NAMPA OFFERS FINANCIAL SUPPORT TO PATIENTS WITH LIMITED MEANS. THIS SUPPORT IS AVAILABLE TO UNINSURED AND UNDERINSURED PATIENTS WHO DO NOT QUALIFY FOR PUBLIC PROGRAMS OR OTHER ASSISTANCE. NOTIFICATION ABOUT FINANCIAL ASSISTANCE, INCLUDING CONTACT INFORMATION, IS AVAILABLE THROUGH SIGNS POSTED IN REGISTRATION AREAS, PLASTIC TABLE TOP CARDS IN REGISTRATION WAITING ROOMS AND PATIENT BROCHURES. SELF-PAY INPATIENTS AND

**Part VI** Supplemental Information

SURGERY PATIENTS RECEIVE A VISIT FROM A FINANCIAL ACCOUNT REPRESENTATIVE WHO ASSISTS THEM IN COMPLETING FINANCIAL ASSISTANCE FORMS FOR COUNTY INDIGENT ASSISTANCE, MEDICAID, SOCIAL SECURITY AND HOSPITAL CHARITY CARE.

SAMC - NAMPA HAS ESTABLISHED A WRITTEN POLICY FOR THE BILLING, COLLECTION AND SUPPORT FOR PATIENTS WITH PAYMENT OBLIGATIONS. SAMC - NAMPA MAKES EVERY EFFORT TO ADHERE TO THE POLICY AND IS COMMITTED TO IMPLEMENTING AND APPLYING THE POLICY FOR ASSISTING PATIENTS WITH LIMITED MEANS IN A PROFESSIONAL, CONSISTENT MANNER. THE MEDICAL CENTER EDUCATES STAFF MEMBERS WHO WORK CLOSELY WITH PATIENTS (INCLUDING THOSE WORKING IN PATIENT REGISTRATION AND ADMITTING, FINANCIAL ASSISTANCE, CUSTOMER SERVICE, BILLING AND COLLECTIONS) ABOUT THESE POLICIES WITH AN EMPHASIS ON TREATING ALL PATIENTS WITH DIGNITY AND RESPECT REGARDLESS OF THEIR INSURANCE STATUS OR THEIR ABILITY TO PAY FOR SERVICES.

PART VI, LINE 4: COMMUNITY INFORMATION - THE PRIMARY SERVICE AREA OF SAMC - NAMPA ENCOMPASSES A FIVE-COUNTY REGION OF SOUTHWEST IDAHO, INCLUDING CANYON, ADA, OWYHEE, PAYETTE AND GEM COUNTIES. AREA HOSPITAL FACILITIES INCLUDE ST. LUKE'S, IDAHO ELKS REHABILITATION CENTER, TREASURE VALLEY HOSPITAL, AND WEST VALLEY MEDICAL CENTER.

SAMC - NAMPA'S PRIMARY SERVICE AREA IS A MIX OF URBAN AND RURAL COMMUNITIES WITHIN THE TREASURE VALLEY, BORDERED BY RUGGED MOUNTAINOUS TERRAIN AND DESERT. THE REGION HAS EXPERIENCED RAPID POPULATION GROWTH SINCE 2000, WITH GROWTH OF 25.5% BETWEEN 2000 AND 2006 IN ADA & CANYON COUNTIES, THE TWO LARGEST COUNTIES IN THE SERVICE AREA. MORE THAN 90% OF RESIDENTS ARE CAUCASIAN.

**Part VI** Supplemental Information

WITH MEDIAN HOUSEHOLD INCOMES OF \$43,976 IN CANYON COUNTY AND \$57,159 IN ADA COUNTY, AREA RESIDENTS ARE WITHIN RANGE OF THE STATE MEDIAN OF \$47,561. THE POVERTY LEVEL STANDS AT 14.9% IN CANYON COUNTY AND 9% IN ADA, COMPARED TO A STATE AVERAGE OF 12.5% AND A NATIONAL AVERAGE OF 13.2%. AS OF DECEMBER 2009, THE 9.2% UNEMPLOYMENT RATE WAS SLIGHTLY HIGHER THAN THE STATE RATE OF 8.1%, BUT SLIGHTLY LOWER THAN THE NATIONAL RATE OF 10.0%.

MEDICALLY UNDERSERVED POPULATIONS AND HEALTH PROFESSIONAL SHORTAGE AREAS WITHIN OUR SERVICE AREA INCLUDE A SHORTAGE OF PRIMARY CARE AND MENTAL HEALTH SERVICES.

THE REGION SEES A HIGH PREVALENCE OF MENTAL HEALTH & SUBSTANCE ABUSE ISSUES, WITH INADEQUATE PUBLIC BEHAVIORAL HEALTH SYSTEMS IN PLACE TO MEET THE EXISTING NEEDS FOR COMMUNITY-BASED AND INPATIENT SERVICES.

ON REVIEW OF DEMOGRAPHIC AND SOCIO-ECONOMIC DATA AND TRENDS, SEVERAL FACTORS CLEARLY HAVE AN IMPACT ON THE HEALTH STATUS OF THE COMMUNITIES SERVED BY SAMC - NAMPA, WITH IMPLICATIONS FOR FUTURE PLANNING. DRAMATIC POPULATION GROWTH, ESPECIALLY IN ADA AND CANYON COUNTIES, IS EXPECTED TO CONTINUE, WITH A GROWING HISPANIC POPULATION. THE GROWING REFUGEE POPULATION HAS GREATER LANGUAGE INTERPRETATION AND HEALTH EDUCATION NEEDS AS WELL.

GROWTH IN IDAHO'S SENIOR POPULATION IS ALSO PROJECTED TO ACCELERATE, WHICH WILL REQUIRE INCREASED HEALTH CARE SPENDING. MAMMOGRAPHY RATES, THE RISING RATE OF LOW BIRTH WEIGHT BABIES, OVERWEIGHT AND OBESITY, TOBACCO USE, MENTAL HEALTH AND DRINKING/DRUG USE ARE ALSO OF GREAT CONCERN.

**Part VI** Supplemental Information

PART VI, LINE 5: COMMUNITY BUILDING ACTIVITIES - SAMC - NAMPA STRIVES TO MAKE THE CITIZENS OF OUR COMMUNITY MORE PRODUCTIVE, HEALTHY MEMBERS OF SOCIETY. THROUGH OUR COMMUNITY NEEDS ASSESSMENT AND OTHER COMMUNITY DATA, WE LEARNED THAT SEVERAL AREAS CAN BENEFIT FROM OUR HEALTH CARE EXPERTISE AND MONETARY SUPPORT.

SAMC - NAMPA, FORMERLY KNOWN AS MERCY MEDICAL CENTER, RECEIVED GRANT FUNDING FROM CATHOLIC HEALTH INITIATIVES FROM JULY 2007 TO JUNE 2010 TOTALING OVER \$354,000. THE MONIES RECEIVED SUPPORTED AGENCIES THAT PROVIDE FAMILY CASE MANAGEMENT; HEALTHCARE RESOURCES TO LATINO FAMILIES; IMPROVEMENTS IN CHILD SAFETY, HEALTH AND EDUCATION; SUPPORT FOR GRANDPARENTS RAISING GRANDCHILDREN; AND TEEN EDUCATION FOR CHILDBIRTH AND PARENTING.

IN PARTNERSHIP WITH MANY LOCAL ORGANIZATIONS, INCLUDING TERRY REILLY HEALTH SERVICES COMMUNITY CLINIC, LATINO HEALTHCARE ACCESS COALITION, BOYS & GIRLS CLUB, KINSHIP CARE, AND SCHISM SCHOOL, ST. ALPHONSUS STRIVES TO ADDRESS THESE ISSUES.

PART VI, LINE 6: OTHER INFORMATION - SAINT ALPHONSUS STRONGLY SUPPORTS HEALTHCARE WORKFORCE DEVELOPMENT EFFORTS FOR AN ARRAY OF DIFFERENT CLINICAL STUDENTS. WE HAVE COMPLETED AN ASSORTMENT OF TRAINING FOR CNA'S AND NURSES IN THE AREAS OF OBSTETRICS AND MED. SURG, ICU AND ED. IN ADDITION, SAINT ALPHONSUS SERVES AS A KEY CLINICAL TRAINING SITE FOR STUDENTS ATTENDING BOISE STATE UNIVERSITY, IDAHO STATE UNIVERSITY AND NORTHWEST NAZARENE UNIVERSITY.

PART VI, LINE 7: AS OF APRIL 1, 2010, SAMC - NAMPA IS A MEMBER

**Part VI** Supplemental Information

ORGANIZATION OF TRINITY HEALTH, THE FOURTH-LARGEST CATHOLIC HEALTH CARE SYSTEM IN THE COUNTRY. BASED IN NOVI, MICHIGAN, TRINITY HEALTH ANNUALLY REQUIRES THAT ALL MEMBER ORGANIZATIONS DEVELOP, AND ARE HELD ACCOUNTABLE FOR ACHIEVING, COMMUNITY BENEFIT GOALS THAT INCLUDE DEVELOPING NEEDED SERVICES OR EXPANDING ACCESS TO SERVICES FOR LOW-INCOME INDIVIDUALS. AS A NOT-FOR-PROFIT HEALTH SYSTEM, TRINITY HEALTH REINVESTS ITS PROFITS BACK INTO THE COMMUNITY THROUGH PROGRAMS TO SERVE THE POOR AND UNINSURED, MANAGE CHRONIC CONDITIONS LIKE DIABETES, HEALTH EDUCATION AND PROMOTION INITIATIVES, AND OUTREACH FOR THE ELDERLY. IN FISCAL YEAR 2010, THIS INCLUDED NEARLY \$456 MILLION IN SUCH COMMUNITY BENEFITS. THEREFORE, TRINITY HEALTH TAKES A SYSTEMS APPROACH IN ITS COMMUNITY BENEFIT PLANNING AND IMPLEMENTATION, AND IS CONSEQUENTLY ABLE TO ENSURE THAT ITS MEMBER HOSPITALS AND OTHER ENTITIES/AFFILIATES ARE HELPING PROMOTE AND ADDRESS THE HEALTH NEEDS OF THEIR RESPECTIVE COMMUNITIES.

FOR MORE INFORMATION ABOUT TRINITY HEALTH, VISIT [WWW.TRINITY-HEALTH.ORG](http://WWW.TRINITY-HEALTH.ORG).