

CHRISTUS Health Southwestern Louisiana

Continuing the Mission through Building Healthier Communities

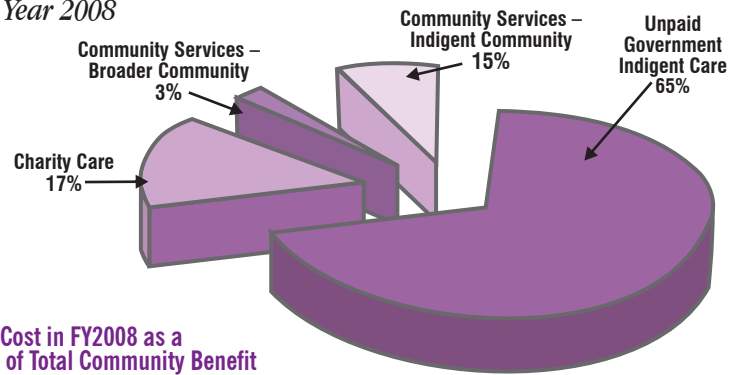
A Synopsis of Community Benefit in Fiscal Year 2008

CHRISTUS Health Southwestern Louisiana, 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 Southwestern Louisiana 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 Southwestern Louisiana 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.



Unpaid Cost in FY2008 as a Percent of Total Community Benefit

During fiscal year 2008, CHRISTUS Health Southwestern Louisiana provided more than \$8.8 million in Charity Care, which is 6.7 percent of the region's net patient revenue. Of this amount, **Unpaid Government Indigent Care** for the underserved, predominately Medicaid, comprises more than \$6.9 million of unpaid costs for fiscal year 2008, which is 5.3 percent of net patient revenue.

CHRISTUS Health Southwestern Louisiana also contributed more than \$1.9 million in **Community Services** to the five-parish area in fiscal year 2008. Thus, CHRISTUS Health Southwestern Louisiana provided \$10.8 million in total community benefit, which is 8.2 percent of net patient revenue in

fiscal year 2008. This equates to more than \$29,000 a day in community benefit. Not only that, but CHRISTUS Health Southwestern Louisiana reinvests 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 – this year for CHRISTUS Health Southwestern Louisiana was more than \$34 million, or 26.2 percent of the region's net patient revenue. In accordance with CHA guidelines, CHRISTUS Health Southwestern Louisiana does not include this amount in most reports of community benefit.

CHRISTUS HEALTH SOUTHWESTERN LOUISIANA 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 | 5,172,360 | 4.1 | 1,832,586 | 1.4 |
| Unpaid Government Indigent Care (predominately Medicaid) | 6,085,869 | 4.9 | 6,983,760 | 5.3 |
| Charity Care Subtotal | 11,258,229 | 9.0 | 8,816,346 | 6.7 |
| COMMUNITY SERVICES | 1,648,371 | 1.2 | 1,975,406 | 1.5 |
| Total Community Benefit as per CHA Guidelines | 12,906,600 | 10.2 | 10,791,752 | 8.2 |
| UNPAID GOVERNMENT SPONSORED PROGRAMS (predominately Medicare) | 31,176,603 | 24.9 | 34,625,784 | 26.2 |
| Total Community Benefit plus unpaid Medicare costs per State of Texas rules | 44,083,203 | 35.1 | 45,417,536 | 34.3 |
| NET PATIENT REVENUE (NPR)* | 125,064,551 | | 132,373,285 | |

*All numbers are taken from the consolidated financial statements.