

Financial Information

Components of Partners FY2008 Community Commitment (in \$ millions)

Compiled according to the Attorney General guidelines

	BWH	Faulkner	MGH	NSMC	NWH	MVH	NCH	PCHI	McLean	Partners Continuing Care	TOTAL
Community Benefit Programs											
Direct Expenses											
Program Expenses	4.0	0.9	6.5	1.4	0.4	0.6	0.4	N/A	N/A	N/A	14.2
HC Subsidies (Net of HSN Care)	10.4	N/A	26.3	N/A	36.7						
Grants for Community Health Centers	2.7	N/A	4.2	0.6	N/A	N/A	N/A	N/A	N/A	N/A	7.5
Associated Expenses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DoN Expenses	0.6	N/A	3.4	N/A	4.0						
Employee Volunteerism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Leveraged Resources											
Grants Obtained	1.9	N/A	4.5	0.6	N/A	N/A	N/A	N/A	N/A	N/A	7.0
Doctors Free Care	4.8	N/A	7.0	1.0	N/A	N/A	N/A	N/A	N/A	N/A	12.8
Hospital Health Safety Net (HSN) Care	15.2	2.3	17.6	2.9	4.4	0.4	0.2	N/A	N/A	N/A	43.0
Corporate Sponsorships	0.5	N/A	0.5	0.1	N/A	N/A	N/A	N/A	N/A	N/A	1.1
Total per AG Guidelines	40.1	3.2	70.0	6.6	4.8	1.0	0.6	N/A	N/A	N/A	126.3

Compiled according to a broader definition

Community Benefit Programs											
Direct Expenses											
Program Expenses	4.0	0.9	6.5	1.4	0.4	0.6	0.4	N/A	0.2	N/A	14.4
HC Subsidies (Net of HSN and Payer Losses)	4.8	N/A	9.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14.4
Grants for Community Health Centers	2.7	N/A	4.2	0.6	N/A	N/A	N/A	N/A	N/A	N/A	7.5
Associated Expenses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DoN Expenses	0.6	N/A	3.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0
Employee Volunteerism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Leveraged Resources											
Grants Obtained	1.9	N/A	4.5	0.6	N/A	N/A	N/A	N/A	N/A	N/A	7.0
Doctors Free Care	4.8	N/A	7.0	1.0	N/A	N/A	N/A	N/A	N/A	N/A	12.8
Hospital Health Safety Net (HSN) Care	20.9	4.0	29.3	6.3	6.2	0.9	0.4	N/A	0.6	3.3	71.9
Bad Debt (at Cost)											
Hospitals	4.7	1.6	7.6	4.8	1.8	0.8	2.0	N/A	0.7	2.0	26.0
Doctors	7.3	N/A	5.8	2.3	N/A	N/A	N/A	0.3	N/A	N/A	15.7
Medicaid Loss (at Cost)											
Hospitals	26.2	3.6	39.1	17.1	6.0	1.2	1.1	N/A	2.4	11.4	108.1
Doctors	14.3	N/A	18.7	2.8	N/A	N/A	N/A	0.7	N/A	N/A	36.5
Medicare Loss (at Cost)											
Hospitals	74.2	14.3	117.0	36.1	21.7	0.6	4.9	N/A	5.7	-0.3	274.2
Doctors	43.5	N/A	62.4	15.8	N/A	N/A	N/A	6.1	N/A	N/A	127.8
Unreimbursed Expenses for Grad. Medical Ed.	2.3	0.6	4.1	0.1	0.1	N/A	N/A	N/A	0.2	0.8	8.2
Corporate Sponsorships	0.5	N/A	0.5	0.1	N/A	N/A	N/A	N/A	N/A	N/A	1.1
Linkage/In Lieu/Tax Payments	2.2	0.2	8.4	0.2	0.6	N/A	N/A	N/A	0.1	0.1	11.8
Total Broader Definition	214.9	25.2	328.1	89.2	36.8	4.1	8.8	7.1	9.9	17.3	741.4

Total Patient Care-Related Expenses (Estimated)	1,168.6	142.4	1,519.2	383.5	281.0	39.0	27.1	N/A	85.3	169.7	3,815.8
AG Guidelines as % of Expenses	3.0%	2.2%	4.1%	1.5%	1.7%	2.6%	2.2%	N/A	N/A	N/A	3.2%
Broader Definition as % of Expenses	12.4%	17.7%	15.4%	17.5%	13.1%	10.5%	32.5%	N/A	11.6%	10.2%	14.4%

Notes to Financial Information

- Where N/A is reported, it should be noted that although amounts are not available for reporting, Partners hospitals, health centers, and physicians provide substantial contributions.
- Hospital Health Safety Net care amounts are reported two ways:
According to the Attorney General Guidelines, the amount reported is the assessment to the Health Safety Net (HSN) pool as reported by the Division of Health Care Finance and Policy.
For the broader definition, the assessment plus the unreimbursed cost of care provided per the hospital financials is reported based upon the most current available information.
- Losses from Health Safety Net care and bad debt are deducted from health center subsidy amounts reported to avoid double counting. When reported with the broader societal contributions, amounts are further reduced to avoid double counting of other payer losses. The table below shows these reductions.

	BWH	MGH
FY2008 Total Subsidy (in \$ millions)	11.1	29.1
Amount for Health Safety Net Care and Bad Debt	<u>0.7</u>	<u>2.8</u>
Subsidy Net of HSN Care and Bad Debt	10.4	26.3
Amount for Medicaid and CCHIP Loss	4.8	8.6
Amount for Medicare Loss	<u>0.8</u>	<u>8.1</u>
Subsidy Net of Payer Losses	4.8	9.6

- Total patient care-related expenses are as reported to the Division of Health Care Finance and Policy on the 403 Cost Report. When community benefit spending is expressed as a percent of total patient care-related expenses, doctors' community benefit spending is removed since their expenses are not included in the 403 patient care-related expense. As of February 2009, final 403 reports for FY2008 had not been filed by the hospitals, so amounts were estimated by inflating 2007 numbers by 4.7%.
- In FY2005 and thereafter, Shaughnessy-Kaplan Rehabilitation Hospital amounts are included in Partners Continuing Care.
- Prior to FY2006, amounts reported for Grants for Community Health Centers represented only certain types of grants to health centers.
- Beginning in FY2007, Partners included its estimated losses from Medicare reimbursement as part of its community benefit commitment according to the broader definition.