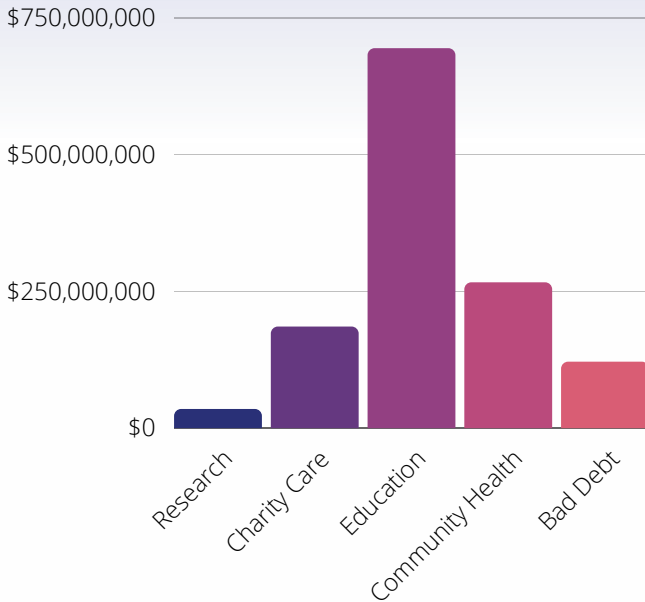


# How Hospitals Care for their Communities

## Investing in New York & the Future of Healthcare

New York's suburban hospitals care for a diverse population, offering specialized programs, targeted interventions, and innovative health solutions, every day, 24 hours a day. They expertly meet patients' varied needs because they listen to what the community says is important to its health and well-being. In 2021, there were 5,536,974 visits to hospitals.<sup>1</sup> The majority were insured by Medicare and Medicaid, government payers.

### \$1.3 Billion Invested



Community Health and Charity Care data from 2020 IRS 990, all other data from 2021 Medicare Institutional Cost Reports

### Community Investment Highlights

**EDUCATION AND RESEARCH** Millions are invested each year in training physicians, nurses, and other health professionals through residency programs, internships, and clinical rotations to prepare the next generation of healthcare workers for the region. New York's suburban hospitals also participate in cutting-edge research, clinical trials, and other evaluative studies for the benefit of the broader provider and patient communities.

**CHARITY CARE/BAD DEBT** New York's suburban hospitals exceed federal and state charity care requirements, offering free care for those with incomes up to 300% of the federal poverty level, and discounted care ranging from 400-500%.<sup>2</sup> Hospitals also absorb losses, classified as bad debt, which are bills that remain uncollected from those who have the ability to pay and/or have insurance.

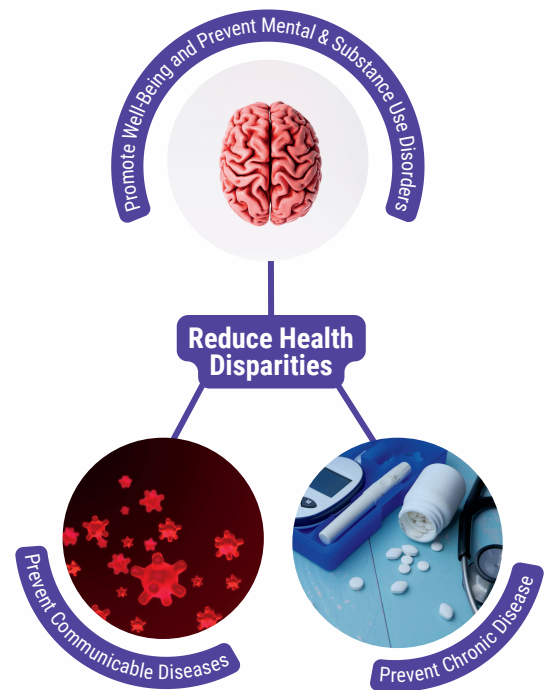
**COMMUNITY HEALTH ACTIVITIES** Every hospital provides programs and services to the community in response to an assessment of the community's needs. These include free screenings, mobile health vans, free disease-specific education, and partnerships with community-based organizations to provide a range of social and behavioral determinants of health interventions, such as food assistance, transportation services, and mental health counseling.

### Regional Health Priorities

Chronic disease, which affects one in every two adults according to the Centers for Disease Control and Prevention, drives much of healthcare delivery. Community health assessments reveal this time and time again. Concerns about cancer, diabetes, heart disease, and mental health are top of mind for New Yorkers. In response, our region's hospitals support centers of excellence in diagnostics, treatment, and prevention for a range of both chronic health conditions and acute diseases and injuries.

### Ensuring Access for All

Our hospitals work collectively with community-based organizations, providers, school systems, and regional planning organizations to reduce health disparities and ensure that all have access to quality care. Between 2012 and 2020, the percentage of uninsured individuals dropped from 11.42% to 5.22% in the nine counties within the Suburban Hospital Alliance region.<sup>3</sup> Our region is committed to fulfilling the state health department's ambitious Prevention Agenda, which seeks to dramatically reduce health disparities and improve the health of all New Yorkers. Prevention Agenda priorities for the region include preventing chronic diseases, promoting well-being and preventing mental and substance use disorders, and preventing communicable diseases.

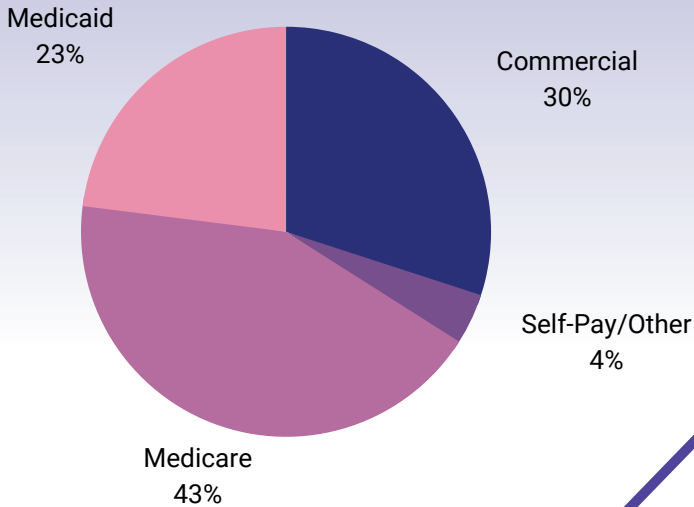


<sup>1</sup> Statewide Planning and Research Cooperative System (SPARCS) Data;

<sup>2</sup> PHL 2807-K; <sup>3</sup> US Census;

# Suburban hospitals are committed to investing in the health of their communities, despite financial challenges.

## Inpatient Payer Mix



2021 Statewide Planning and Research Cooperative System (SPARCS) Data

Suburban hospitals in New York experienced a Medicaid shortfall of **\$1.1 billion** in 2021.<sup>4</sup>

Medicare pays **92 cents on the dollar**, and Medicaid pays **60 cents on the dollar**.

**66%** of hospital inpatient services were covered by Medicare or Medicaid.

## Operating Margins

New York hospitals' operating margins are razor-thin and have been that way historically. Mounting equipment, supply, and workforce costs due to the pandemic continue to make the situation worse.

Hospitals in the suburban regions had an average operating margin of 0.48% in 2021, barely breaking even. This includes temporary federal pandemic relief that has now expired. Without the COVID aid, suburban hospitals' average operating margin would have been in the red, -2.58%. This is unsustainable-- industry experts say that a positive margin of at least 3% is necessary in order to keep wages, technology, and facilities current.<sup>5</sup> As nonprofit institutions, all hospital net revenue is reinvested back into their operations and communities.

Despite these financial pressures, New York's suburban hospitals provided \$1.3 billion in community health benefits, including \$185 million in charity care in 2021.

## Care by the Numbers (2021)

**8,300,000**  
Outpatients Provided Care

**1,634,000**  
People Treated in  
the Emergency Room

**521,000**  
People Admitted to Hospitals

**47,000**  
Babies Delivered

Healthcare Association of New York State Economic Community Benefit Report January 2023

## Hospitals are Economic Engines

**\$36,497,000,000**  
Economic Activity

**\$5,654,000,000**  
Tax Dollars Generated

**165,000**  
Jobs Generated

<sup>4</sup> 2021 Medicare Institutional Cost Reports; <sup>5</sup> Healthcare Association of New York State Analysis