

NORTH SHORE MEDICAL CENTER

Introduction

North Shore Medical Center (NSMC) is a multi-site, integrated, community health system located twenty miles north of Boston with two acute care hospital campuses:

NSMC Salem Hospital, located in Salem with 267 beds, provides a full range of adult and children's care including medical, surgical, emergency, ambulatory, obstetrical, neonatal, psychiatry and substance abuse services. Like Union Hospital, Salem Hospital is also part of NSMC's regional system, which, in collaboration with the academic medical centers of Partners HealthCare, has dedicated multi-disciplinary Centers of Excellence, including the NSMC Heart Center, the NSMC Cancer Center, the NSMC Women's Center and the NSMC North Shore Children's Hospital.

NSMC Union Hospital, located in Lynn with 147 beds, provides adult medical and surgical care including emergency, ambulatory, cardiology, oncology, orthopedic and geriatric psychiatry services, as well as, offering a pain clinic and advanced minimally invasive procedures for residents of Lynn and surrounding communities.

This Community Benefit Report is based on NSMC's activities during FY2005.

Mission Statement

The community commitment shared throughout NSMC entities has not changed since 1998 when the Board of Trustees of NSMC adopted the following community benefit mission statement:

NSMC, through its Community Benefit Program, works with residents and organizations within its service region in order to achieve and sustain measurable improvements in the population's health status, and particularly that of the underserved. It seeks to improve the health status of the communities through collaboration with community stakeholders to enhance existing programs and develop new programs to respond to the health care needs of priority populations.

Internal Oversight and Management of Community Benefits Program

On a day-to-day level, community benefit management staff report to the NSMC Senior Vice President for Strategy, Marketing and Community Relations and participate regularly with the

clinical and administrative leadership teams throughout NSMC entities. However, in terms of large-scale direction and leadership, the Community Affairs and Health Access Committee of the NSMC Board oversees all community benefit activities. This relatively new Committee, which will be described more fully later in this report, was established in 2004 to strengthen community participation in and provide oversight for the community benefit process at NSMC. It is now responsible for establishing community benefit priorities and reviewing the department budget on a yearly basis, and it reports annually on its activities to the full NSMC Board.

The NSMC community benefit team also works closely with the Community Benefit Department of Partners HealthCare, participates in the NSMC External Affairs Committee, and works with the communications department of NSMC to ensure that information about community needs and community benefit efforts and accomplishments are recognized throughout NSMC.

Community Participation and Health Needs Assessment

NSMC's primary service area includes Danvers, Lynn, Lynnfield, Marblehead, Nahant, Peabody, Salem, Saugus, and Swampscott. NSMC's needs assessment for each of these communities includes an annual review of health status indicators from the Massachusetts Department of Public Health, ongoing participation in the regional Department of Public Health Community Health Network Area (CHNA) and elder service organizations, and ongoing consultation with community providers, advocacy groups and local agencies in each of the cities and towns in the service area.

Depending on the level of unmet needs in a community, NSMC's health needs assessment process may extend far beyond the monitoring and assessing of publicly available health data. Traditionally, Salem and Lynn have been the neediest of these communities and, therefore, much of the community benefit process has been focused there. But even among these three communities, NSMC has had what was essentially a two-pronged community participation and health needs assessment process: one for Lynn and one for other communities in the service area. The process in Lynn, which is by far the largest and neediest community served by NSMC, was focused on the thirteen Determination of Need (DoN) conditions related to the Union Hospital/NSMC merger in 1997. The Lynn Health Task Force, by virtue of its position as the ten Taxpayer Group in the DoN process and in recognition of its unparalleled experience in advocating for the underserved in Lynn, drove that process on behalf of the Lynn community. The process and level of community participation in Salem and the other communities, on the other hand, was much less structured.

With the integration of Union and Salem Hospitals in 2004, NSMC saw an opportunity, through the creation of a new Community Affairs and Health Access Committee ("the Committee"), to strengthen the highly evolved community relationships with the Lynn Health Task Force and other community partners in Lynn and to expand similar connections throughout the service area. Much care was given to ensuring that the initial membership of the Committee was comprised so as to accomplish these goals.

There are fourteen members of the Committee. Four are NSMC Trustees; three were recommended by the Lynn Health Task Force; and the others are prominent community leaders, including former city leaders and community agency heads, with whom NSMC had built relationships and who bring strong experience in advocating for the needs of the underserved. (It is worth noting that in addition to the three members recommended by the Task Force, two of the other initial members of this Committee are individuals who were recommended by the Task Force eight years ago to serve on the Union Hospital Board; one of them is now an NSMC Trustee and serves as Vice-Chair of the Committee).

The Committee came together in 2004 as an energetic, diverse and committed group. It now meets quarterly and closely follows an annual schedule of responsibilities which includes, among other things: review of annual health status indicators and establishment of annual community benefit priorities; review of the annual community benefit budget; preparation and presentation of annual reports; oversight of community grants awards process; and assessment of progress in meeting established priorities.

One of its first substantive priorities was the performance of a needs assessment for Salem. That needs assessment is now complete and will be integrated with the needs analysis processes – formal and informal – on which NSMC has traditionally relied. Those processes, which include work with the Task Force on specific evolving needs, as well as ongoing work with a wide array of community-based organizations, will continue.

Within the past three years NSMC has also inaugurated two other practices to demonstrate its commitment to be responsive to the communities it serves. First, it produces an Annual Report to the Community, a comprehensive publication affirming the priority of NSMC's mission to address the needs of its communities and describing its recent accomplishments in doing so. In addition to reporting on certain patient statistics and the financial health of the organization, the report describes specific initiatives targeted to underserved populations and notable advances in clinical programs, provides insight into future strategic initiatives and highlights recent achievements of NSMC community members.

Second, in the spring of each year NSMC holds an Annual Report to the Community event. This event, which is attended by a wide array of individuals from the community, provides an opportunity for them to hear first-hand from NSMC trustees, senior leadership and physicians about local health status indicators and health needs and about the work in which NSMC is engaged to improve the health of its communities. The Annual Report is distributed at the event as well as in expansive mailings to NSMC constituents throughout the service area.

Community Benefit Plan

Now that a Salem health needs assessment is completed and can be incorporated with known needs in Lynn and the rest of the service area, the Community Affairs and Health Access Committee will perform an annual prioritization of community benefit needs for the service area. Short and long-term goals will be articulated. That process will take place early in 2006.

During 2005, NSMC's community benefit work had five major areas of focus:

- Completion of a Salem Needs Assessment
- Continued work on the areas of need articulated in the Lynn DoN conditions
- Finalization and implementation of a formal affiliation with the North Shore Community Health Center as it cemented its leadership and operational reorganization
- Continued support of community projects through the NSMC Foundation Community Health Improvement Fund
- Continued implementation and refinement of a large-scale, multi-faceted project to improve care for the under and uninsured through collaborative programming with the Lynn and North Shore Community Health Centers

Progress Report and Activity During Reporting Year

Major Programs, Initiatives and Accomplishments

Completion of Salem Health Needs Assessment

Under the guidance of the Community Affairs and Health Access Committee, NSMC completed a needs assessment for Salem. The needs assessment was in multi parts and gathered information from four major sources:

- Demographic data from the Massachusetts Institute for Social and Economic Research (MISER) for Salem
- Health status data from the Massachusetts Community Health Information Profile (MassCHIP)
- A health needs priority survey of Salem community leaders asking them to rank the community's health problems in order of perceived importance
- A survey of health and social service providers asking them to rank strengths and weaknesses and identify gaps in the local delivery system

Now that information from the above four sources has been gathered and assessed, a series of community focus groups are planned to drill down on the priority issues and to learn directly from consumers the barriers they face in trying to access the services they need. Those focus groups will take place early in 2006.

While the results of the needs assessment have not yet been formally adopted by the Committee and are, therefore, not ready for public dissemination, it is clear that four health access issues have emerged as top priorities from the four sources that comprised the assessment. Those are:

- The need for better education and outreach to the under and uninsured on accessing healthcare services appropriately as well as improved availability of clinical services, especially pharmacy and specialty care
- The need for better information concerning and access to substance abuse and behavioral health services

- The need for better translation services at the Salem Hospital campus
- The need to investigate and address a seemingly high incidence of lung cancer in Salem

The Committee's next step with respect to the needs assessment is to adopt the needs assessment report in early 2006 with whatever modifications are recommended, and to then integrate the priorities that have emerged from the assessment into a broader community benefit plan for action over the next several years.

Change of Ownership DoN Conditions

As described above, NSMC committed to work on thirteen Determination of Need (DoN) conditions at the time of the Union Hospital/NSMC merger in 1997. The commitments focus on achieving improvement in the following areas and for specific target populations:

- Free Care access
- Interpreter services
- Financial investment in Lynn health care services
- Expansion of primary care services
- HIV services
- Health care transportation services
- Teen pregnancy prevention services
- Expansion of Free Care laboratory, specialty physician and pharmacy services
- Substance abuse services
- Mental health services
- Health outreach services
- Domestic violence services
- Community representation in hospital governance

While NSMC continued to maintain its commitment to work on all of these conditions, and has recently committed to reinstating regular meetings with the Task Force to monitor progress on outstanding areas of work, it had notable achievements during 2005 in the areas of free care access, specialty physician expansion, and community representation in hospital governance.

Free Care Access

One of NSMC's major focuses during this reporting year was improving access to and continuity of care for the under and underinsured in its service area. Its substantive goals and achievements in this regard are discussed in a separate section below.

As an adjunct to its substantive work in this area, NSMC also undertook a novel one-time activity this past year to educate its community about the experience of the under and uninsured populations it serves. Under the sponsorship of the Community Affairs and Health Access Committee, and in collaboration with the Lynn Health Task Force, NSMC held an event known as "Walk In My Shoes", an in-depth participatory learning experience that focuses on the experience of low-income families in accessing health services, as well as the difficulties faced by providers in trying to help them. The program is run by Community Catalyst, a well-regarded

health education and advocacy organization, and involves a morning-long simulation with participants assuming the roles of consumers and providers. Over 75 individuals from the NSMC community attended this event in November, and the evaluations received from the participants rated the program outstanding.

Specialty Physician Services - Program Becomes Self-Sustaining

The Free Care Pool pays for hospital services and health center services for individuals without health insurance and with limited income. It does not pay for specialty physician services or pharmacy services unless they are provided through a health center or hospital. In a community like Lynn, in which physicians are independent from the hospital, where pharmacy services are limited, and where the health center has a very limited number of specialists on staff, access to necessary care for Free Care patients has been a critical problem.

NSMC and the Task Force began exploring ways to address this problem several years ago when it became clear that the systematic approaches to Free Care access at large teaching hospitals were not available in community hospitals. Progress in Lynn required physician leadership that understood existing barriers and was committed to finding creative solutions geared to the special circumstances of independent specialty groups and to Union Hospital's own limitations as a small community hospital with limited outpatient services and space.

Last year's report discussed the tremendous progress that had been made on a system through which private community-based specialists from the Union Hospital Medical Staff were providing regular specialty sessions for patients on site at the health center in the following specialties:

- Pulmonology
- Endocrinology
- Cardiology
- Podiatry
- Surgery
- Ophthalmology

Substantial progress continued during 2005. Weekend clinics were added in ophthalmology to help address the backlog in needed screenings in this specialty. Gastroenterology services were added to the array of services provided on site at the health center. Additionally, the neurology and urology services that were implemented during 2004 through an organized program in private physician offices continued to grow.

As reported in 2004, the most important key to the continued success of the specialty program in either setting, however, was the coordination and supervision provided by the Specialty Coordinator. Through the addition of this half-time position in 2004, patient appointments have become well coordinated, follow-up care is arranged, the no-show rate has fallen tremendously, and patient utilization and need are monitored on a monthly basis. Utilization of the program has grown from 80 Free Care patients a month in 2004 to 90 in 2005. Physician satisfaction with the program continues to be very high.

Also gratifying is the fact that, starting in 2005, the Health Center's reimbursement revenues for patient visits exceeded program expenses. This trend is expected to continue. Not only are Free Care patients in Lynn able to access critically needed specialty services locally, the collaborative program for providing them is now financially self-sustaining, thus promoting the viability of its continuance.

Community Representation in Hospital Governance – Election of Committee Member to NSMC Board of Trustees

The creation and composition of the new Community Affairs and Health Access Committee marked a new level in NSMC's commitment to ensure that those advocating for the underserved are represented in the NSMC governance structure. NSMC has worked hard to ensure that the Committee was comprised of community leaders from throughout the service area representing a depth and breadth of relevant experience. This Committee, whose initial membership was comprised of three trustees, three individuals recommended by the Lynn Health Task Force, and other community leaders, including former elected officials and agency leaders with which NSMC has had relationships, not only provides oversight for the community benefit process at NSMC, but was intended to serve as a vehicle from which future board members can be developed.

That intention was realized during 2005 when Claudia Chuber, one of the initial appointees to the Committee because of her tremendous commitment to the Latino community in Salem and her valued experience from having served on Salem's City Council, was elected to the NSMC Board of Trustees.

Finalization and Implementation of Affiliation with the North Shore Community Health Center

Since it was founded in 1978, North Shore Community Health Center, Inc. (NSCHC) has served as an essential community provider to the underserved in the community. Its first site was in Peabody, where it served a primarily Portuguese patient population, and it opened a second site in Salem in 1995 with a focus on caring for the largely Latino population in the Point neighborhood.

As is the case with many community health centers, operations routinely ran at a loss and the organization suffered many financial challenges over the years. At the end of 2003, however, after several exceptionally fragile years, the situation had reached crisis proportions and the community risked losing the health centers entirely.

It was at that point that NSCHC began a major operational, leadership and financial reorganization. NSMC has participated in and supported this reorganization every step of the way and, as was reported last year, tremendous progress was made during 2004 to strengthen the organization and preserve critically needed care. That progress continued throughout 2005, such that by the end of the year, NSMC and NSCHC, with the enthusiastic support of leadership in

both organizations, were able to finalize a formal affiliation agreement that provides for continuing community benefit support in the following areas over a four year period:

- Administrative support, new physician leadership and staff training, assistance with financial reporting and MIS needs
- Participation in the following components of the NSMC's Under and Underinsured Access Project: Emergency Department - Primary Care Connection; Women's Health Network; High Risk Community-based Case Management for Behavioral Health and Medical-Surgical Patients
- Support for electronic medical record system
- Prenatal and OB programming support
- Assistance with production of needed multi-lingual materials
- Support for residency program coordination

NSMC Foundation Community Health Improvement Fund

In 2001, the North Shore Medical Center Foundation created a Community Health Improvement Fund. This fund provides grants ranging from \$1,000 to \$10,000 to organizations working on community health issues in towns within the NSMC service area. In each of the first three years, grants were awarded to seven local non-profit agencies. In 2005, the fourth granting cycle, the NSMC Community Health Improvement Fund was honored to award grants to seven additional agencies. The grants awarded were:

- Boys and Girls Club of Salem. A \$2000 CHIF grant assisted the Smart Moves program that educates middle school children against the use of tobacco and risky sexual behavior.
- Salem YMCA. Project PHAT is an after school program for middle and high school students. A \$5,199 CHIF grant aids this program in providing education for a healthy spirit, mind and body through dance.
- Haven from Hunger. This organization is one of the largest food kitchens north of Boston, providing not only food, but also nutrition education. A \$3,800 CHIF grant allowed for the purchase of a much-needed dishwasher to enable the continued efficient provision of meals.
- American Red Cross–MassBay Chapter. This program provides transportation for local residents who would otherwise be unable to get to their medical appointments. A \$3,000 CHIF grant allowed for the rental of a needed vehicle.
- Khmer Association of the North Shore. KANS is a community based education and advocacy organization for the Cambodian population on the North Shore. The \$10,000 CHIF grant enabled KANS to hire its first staff organizer.
- Raw Art Works. A \$10,000 CHIF grant supports the work of Raw Arts Project Chiefs Program which sponsors at-risk teens to mentor younger children in a variety of art skills and art media to help them improve life skills including conflict resolution.
- Family & Children's Service of Greater Lynn. This organization's Early Intervention Partnership Program serves underserved and marginalized pregnant women with a history of health issues. Through the award of a \$5,300 CHIF grant, prenatal and post-natal care and supervision will be provided.

Under and Uninsured Access Project

As chronicled in past years' Community Benefit Reports, NSMC made steady and consistent improvements in the care provided to the under and uninsured residents of its communities, particularly in Lynn, from 1998 through 2002. In 2003, however, state budget cuts in MassHealth caused large disenrollments and placed new strains on the Uncompensated Care Pool. Underfunding of the pool, coupled with additional administrative changes in state programs for the under and underinsured, caused increasing challenges for patients and hospitals throughout the state, and threatened to undermine the significant progress NSMC had made in reducing care barriers for this population.

Given that the services covered by the Free Care Pool are substantially fewer than those covered by Medicaid, patients were having difficulty accessing needed services. And the financial ramifications of the trend were alarming. NSMC's net unreimbursed costs of caring for Free Care and MassHealth patients rose from \$14.8 million in FY2002 to \$18.5 million in FY2003.

NSMC leadership decided to do something about it. Starting in 2003, NSMC began an intensive effort to collect and analyze data regarding the care utilization patterns of the under and uninsured in its communities. Some of what it learned provided surprising instruction on how to best meet the needs of these patients; other data confirmed much of what is generally understood to be true about care patterns for this population. As a group, these patients:

- Are the least managed of all populations
- Use behavioral health services at a greater rate than the insured population, yet many are unable to control their disease due to the high cost of prescription drugs
- Often have chronic conditions, such as asthma, diabetes, and CHF, which require ongoing management by primary care providers to ensure optimal health and prevent unnecessary admissions
- Use the Emergency Department for non-urgent visits at a higher rate than patients with insurance
- Face cultural differences, language barriers, poverty and transportation issues
- Are frustrated by state program enrollment regulations that often make access to health care more difficult

In general, each of these findings supported the overall conclusion that primary care and other community-based supports were the critical missing ingredients for a substantial number of under and uninsured patients. NSMC knew it could do little to address these barriers on its own; and based on its experience in Lynn it knew the potential to be derived from collaboration with the local health centers. It therefore began discussions with the Lynn Community Health Center (LCHC) and the North Shore Community Health Center (NSCHC) about collaborating on a large-scale multi-faceted project to begin addressing these barriers in a systematic way. The result is the Under and Uninsured Access Project, a collaborative effort among NSMC, LCHC and NSCHC, with four major goals:

- Provision of care in the most appropriate setting based on considerations of patient choice, cost effectiveness and quality assurance

- Improvements in clinical oversight, management and coordination of inpatient and outpatient care to ensure appropriate utilization and quality clinical outcomes
- Development of care models to integrate among disciplines, particularly in the areas of:
 - primary care and behavioral health
 - primary care and women's health
- Alleviation of duplicative administrative procedures required by MassHealth and Free Care

By mid-2004, most major project components were under way. NSMC spent 2005 improving and refining the programs and assessing initial outcomes.

Emergency Department (ED) Primary Care Connection. Patients who seek care from the NSMC ED and do not have a relationship with a primary care physician are provided with a next-day appointment at LCHC or NSCHC and are given taxi vouchers and other necessary supports to ensure that they keep the appointment. ED personnel and health center staff are in communication on a daily basis to ensure that patients receive the services they need and do not fall through the cracks. Clinical staff from both sites have strengthened communication processes to ensure that diagnostic test results are conveyed effectively and that needed follow-up care is obtained. During 2005, an average of 78 patients per month followed up their emergency room visits with appointments at the health centers. In all, 1,400 patients have been reached through this program.

While the no-show rate for initial health center appointments continues to hover around 40 percent, the results regarding those who make their initial appointment are phenomenally encouraging. Return visit statistics are clearly showing that once patients have an initial visit, they are likely to return for ongoing care and case management. For the 509 patients who kept their first appointment at LCHC during the first fifteen months of the program, there have been an additional 823 follow-up visits.

Efforts during the upcoming year will include better defining the universe of patients to whom a health center appointment is offered, so that those who truly need the visit and are likely to show up for appointments are given the appropriate focus.

High-Risk Community-Based Nursing Case Management. As described in last year's report, NSMC and its two local health center partners initiated a program in the fall of 2004 to share two community-based nursing case managers to coordinate care for a subset of patients who require intensive case management and who are at high risk for excessive use of emergency department care, poor outcomes, and unnecessary and unduly long inpatient stays. Because they were to be community-based, NSMC and its partners believed that the case managers would have a unique ability to transcend the institutional barriers that can interfere with access to coordinated care across hospital campuses and community health centers. The goal of the program was to ensure communication and coordination across sites, as well as screening, linkage to services, follow-up education and resources these high risk patients require.

The innovative nature and potential success of this program was recognized in late 2004 when the Blue Cross Blue Shield Foundation awarded a three-year \$60,000 annual grant from its

Innovation Fund for the Uninsured to partially offset NSMC's cost of funding this program. Initial outcomes demonstrate that the program is meeting the stated goals.

From January 1, 2005 through December 31, 2005, there have been 379 patients enrolled as full and partial participants in the program at various times. For purposes of outcomes measurement, the patients are divided among five categories:

- Those who are currently enrolled and receiving active care
- Those who were discharged from the program because they had met their goals
- Those who were enrolled but have since died
- Those who had been identified as likely to benefit from the program but, for a variety of reasons, only accepted partial services
- Those who were never officially enrolled but received consultative services from the case managers while they were inpatients

In order to determine how well the case management interventions are working, hospital utilization data on emergency room visits, inpatient admissions, and length of stay for inpatient visits for the period of time since the patient was enrolled in the program are compared to those indicators for the same length of time prior to enrollment. Six months is considered the minimum amount of time worthy of comparison. At the first year mark, there were 156 patients for whom the initial intervention took place more than six months ago. As the program extends into its second and following years, there will be many more patients for whom the time since initial intervention exceeds six months, and the pre- and post-intervention data will become more meaningful. Preliminary data is very encouraging and shows the following:

- Emergency room visits are down by three percent
- Inpatient discharges are down by 33 percent
- The average length of stay for inpatient visits is down by 22 percent

High-Risk Community-Based Psychiatric Case Management. With similar goals, this program is geared to the specific needs of behavioral health patients. The case manager coordinates an individualized goal-oriented treatment plan in collaboration with all members of the care delivery system, including the hospital treatment team, the social service community-based agencies and other related outpatient treatment providers with the goal of maintaining patients in the community and reducing the need for inpatient hospitalization. Special attention is paid to helping patients obtain affordable medications and remaining compliant with medication regimens. While patient utilization data is not yet available, anecdotal information indicates that the program is having great success in helping this most vulnerable group of patients access the community-based care they need.

Women's Health Network. On July 1, 2004, NSMC began participation, with LCHC and NSCHC, in the Women's Health Network (WHN) a Department of Public Health program to provide free breast and cervical cancer screening and diagnostic services, along with health education to low-income, under and uninsured women. WHN also provides case management and linkage to free or low-cost treatment. By working with LCHC and NSCHC in WHN, the parties are also able to integrate breast and cervical cancer care with primary care. Enrollment in WHN was projected at 800 women for the first year. As of September 30, 2005 enrollment

was at 1,130.

The importance of this program to the women in NSMC's community cannot be overstated; abnormal screening rates have consistently hovered around twenty percent in NSMC sites; this is significantly higher than the twelve percent abnormal rate for women in WHN across the state, and demonstrates the critical need for the treatment NSMC has made available.

Reducing Treatment Placement Delays for Emergency Department Patients in Need of Psychiatric Inpatient Care. For the past several years, the Commonwealth has had a system in place which requires hospital emergency departments to engage external behavioral health agencies to conduct an assessment on each MassHealth patient who the emergency department clinicians have determined needs hospitalization. For a hospital like NSMC, with its own highly skilled behavioral health triage staff, as well as very crowded emergency departments, this procedural requirement adds unnecessary hours to the emergency department stay for these patients (and those waiting behind them) with no added benefit to outcomes. In late 2004, NSMC made its case to the Medicaid Department and requested approval from the Commonwealth for a special exemption from the requirement of verification by an external triage organization for these patients. After a site visit in April 2005, during which Commonwealth officials witnessed first-hand the unique expertise of NSMC's own triage staff, it awarded NSMC the requested exemption as a pilot project. Since that time, NSMC has been able to markedly reduce emergency department stays, speeding needed treatment for these most vulnerable of patients and overall improving the flow of services in the emergency room. Given this level of success, NSMC expects it will be awarded a permanent exemption to the state regulatory requirement.

Early results from each of these project components are very encouraging, and NSMC will continue to assess and share outcomes during 2006. NSMC's goal is to continually refine its work to best achieve the goals outlined above and to begin to provide program models so that other hospital and health center organizations can replicate anticipated successes.

Serving Free Care and Medicaid Patients

In addition to its innovative program to coordinate care delivery and expand services for Free Care patients, NSMC provided more than \$13.2 million of Free Care to more than 6,500 uninsured patients during FY2005. The Uncompensated Care Pool covered \$6.9 million of this loss, for a net cost to the hospital of \$6.3 million. Nearly half of all NSMC Free Care patients were from Salem and Lynn.

NSMC is also a significant provider of health care for Medicaid patients, providing more than \$44 million worth of care to more than 21,000 patients in FY2005. Because this care is not fully reimbursed, the hospital lost \$12.2 million by providing it.

Measuring the Commitment

One way to measure NSMC's commitment to the community is by the amount spent on health care services and programs. The following table calculates this in two different ways – first, according to the guidelines promulgated by the Attorney General's office and second, according to a broader definition that considers additional components of spending or revenue loss.

Components of FY2005 Community Commitment (in \$ Millions)

Compiled according to the Attorney General Guidelines

Community Benefit Programs		
Direct Expenses		
	Program Expenses	1.5
	Health Center Subsidies (Net of Uncompensated Care)	N/A
	Grants for Community Health Centers	0.6
Associated Expenses		N/A
DoN Expenses		N/A
Employee Volunteerism		N/A
Other Leveraged Resources		
	Grants Obtained	0.9
	Doctors Free Care	0.4
Net Charity Care (Shortfall plus Assessment)		6.9
Corporate Sponsorships		N/A
Total per AG Guidelines		10.3

Components of FY2005 Community Commitment
(in \$ Millions)
Compiled according to a Broader Definition

	Program Expenses	1.5
Health Center Subsidies (Net of UC and Medicaid Loss)		N/A
Grants for Community Health Centers		0.6
Associated Expenses		N/A
DoN Expenses		N/A
Employee Volunteerism		N/A
Other Leveraged Resources		
	Grants Obtained	0.9
	Doctors Free Care	0.4
Net Uncompensated Care - Hospitals (Shortfall plus assessment net of Insurer Contributions) Bad Debt (at Cost)		6.3
	Hospitals	3.9
	Doctors	0.8
Medicaid Loss (at Cost)		
	Hospitals	12.2
	Doctors	1.6
Unreimbursed Expenses for Graduate Medical Education		N/A
Linkage/In Lieu/Tax Payments		0.5
Total Broader Definition		28.7

Note: 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.

Depending upon the definition used, NSMC contributed between three percent and almost eight percent of patient care-related expenses to the community in FY2005.

Next Reporting Year

NSMC's two major goals for the upcoming year are to:

- Continue work on all aspects of the Under and Uninsured Care Project with the goal of measuring initial outcomes to determine what improvements are needed to ensure that care is improved for the target population and so that successful programs can be replicated elsewhere
- Develop and implement, with the guidance of the Community Affairs and Health Access Committee, a service area prioritization of community benefit goals.

Contact Information

For questions about this report, or for more information about NSMC's community benefit activities, please contact:

Lori Long
North Shore Medical Center
500 Lynnfield Street
Lynn, MA 01904
781-477-3117
llong1@partners.org