

HOLYOKE MEDICAL CENTER
FULL-TEXT ANNUAL REPORT
FOR FY 2007

SUBMITTED MAY 20, 2008

I MISSION STATEMENT

- A. The MISSION of Holyoke Medical Center is to serve the health needs of the community in a high quality and efficient manner.

To this end, Holyoke Medical Center shall:

- ◆ Provide compassionate as well as competent care to all whom it serves:
 - ◆ Identify and serve those needs which are prevalent and substantial in the community as a whole or within major population groups, and which can be adequately met by the provision of basic primary and secondary health care services;
 - ◆ Provide information, education, and expertise to our community in order to promote the general health of its citizens;
 - ◆ Provide an environment of excellence and growth in which health care professionals can use their skills and abilities to the fullest extent possible;
 - ◆ Provide competitive wages and benefits, as well as safe and dignified working conditions, for all employees;
 - ◆ Ensure financial responsibility in the operation of the Medical Center in order to guarantee the future viability of our mission;
 - ◆ Provide a formal, public, and ongoing program of community benefits, in cooperation with community individuals and organizations, to improve the health status of the public including especially the medically and economically vulnerable.
- B. Approval of governing body: As part of the hospital's strategic planning process, the Board of Directors reviews the Mission Statement and corporate business plan, making changes as appropriate. The Mission Statement is approved as a part of the approval process for the business plan.

II Internal Oversight and Management of Community Benefits Program

- A. The Medical Center's Board of Directors has the ultimate responsibility for implementation and review of the community benefits process, as recommended and carried out on a day-to-day basis by senior management. Assisting the Medical Center in this endeavor is a multi-cultural Community Accessibility Council which has been especially focused on the Medical Center's Diversity and Community Outreach activities. Information about community benefit programs, as well as other

medical center matters, is communicated with staff in a variety of ways, including meetings and hospital publications.

A key part of the community benefits planning mechanism is a multi-cultural, multi-disciplinary, multi-organizational Community Accessibility Council comprised of diverse individuals familiar with the needs of the community and interested in enhancing the Medical Center's ability to serve those needs in an ongoing and effective manner to reduce health disparities.

Through the vehicle of this Council, Community Outreach Department staff, and also through the vehicle of manager, senior manager, Board, and medical staff participation in a variety of community organizations and activities, the hospital obtains vital input into community health status and needs. By the same token, community organizations thereby become informed of how the hospital may complement their own efforts.

- B. Information about community benefits programs, as well as other goals and programs of the hospital, is shared with staff in a variety of ways, including dissemination through department manager meetings, with managers, in turn, sharing information through meetings with their own staff. Hospital publications which reach staff and their families are also important vehicles for informing employees about these issues.

III Community Health Needs Assessment

- A. Process: The needs assessment process is diverse and ongoing, and includes staff (through department managers), medical staff, senior management, Board committees, and the Board of Directors, itself. Hospital personnel interact frequently with area officials and community agency and organization representatives who are vital sources of information about their respective areas of concern. One example of such an organization is the Holyoke Health Center, a vital and growing provider of outpatient primary care and related services to the citizenry of Holyoke and environs. Members of the hospital's management and Board belong to many community organizations through which information is also obtained.
- B. Sources: The DPH (especially the MassCHIP program), the Massachusetts Health Data Consortium, the federal Bureau of the Census, other municipal, state, and federal agencies, and numerous other groups and organizations which are virtually limitless through access to the internet.
- C. Summary of findings: The hospital's market area extends through Hampden and Hampshire counties and centers upon the core

communities of Holyoke, Chicopee, West Springfield, South Hadley and Granby, as well as adjacent towns such as Easthampton, Belchertown and Southampton. This area has an aggregate 2000 estimated population of approximately 185,000 persons, a level that has not changed in the recent past and is not expected to change appreciably in the foreseeable future. The area is characterized by a high percentage of elderly citizens (almost 20% of the population in Holyoke and Chicopee), and, in the City of Holyoke, a substantial minority of Hispanic residents who represent over 40% of the general population. Overall, this population may be expected to exhibit higher than average morbidity as compared to statewide levels. Somewhat more favorable patterns exist in peripheral communities. The area has witnessed an influx of immigrant populations over the past ten years, a trend whose impact is more apparent as a result of the year 2000 federal census.

As to Holyoke itself, it is one of the older, industrial cities of the Commonwealth, although it has a dedicated cadre of city officials, agency staff, community leaders and others who provide leadership as well as vital services to those in need. Holyoke's needs are typical of a community with high numbers of special populations and low income citizens, and also high numbers of elderly citizens.

IV Community Participation

- A. The participatory process by which needs are identified and programs developed to meet them, is diverse and pervasive. In fact, there is no one, single process, but a variety of different processes that depend on the need/program. For health fairs and community events designed for the Latino community, community Latino leaders and spokespersons are consulted. Other mechanisms are also used as deemed appropriate.
- B. Identification of Participants. The hospital believes the information supplied in response to A above is also responsive to this item B. The hospital believes it has an ongoing and cooperative relationship with all key government agencies and their staff, with community leaders, with community organizations, and with all those whose participation is necessary to achieve the results desired by the hospital and by the Office of Attorney General.
- C. Community role. Again, the hospital believes that the replies of A. and B. above, as well as other information provided in previous responses, is also responsive here. Because of cost constraints, the hospital has not published annual reports for a number of years. In this regard, the hospital believes the Attorney General's initiative to have hospital community benefit information on its web site benefits all concerned—especially the public. It also provides hospitals with an

efficient, minimal cost way to disseminate information about itself to the public. And, finally, this approach provides a reasonable vehicle for members of the public to respond.

V Community Benefits Plan

- A. Process: The programs that have been identified as comprising the hospital's community benefits plan were developed with input from many sources as noted above. Holyoke and its surrounding communities form a close-knit region which the hospital considers to be its primary service area. As needs are identified for which the hospital believes it can provide services, they become input to the overall strategic planning process and are subject to analysis at a variety of levels. Eventually, they are reviewed during the strategic planning retreats and, if feasible and approved, become part of the hospital's business plan.
- B. In the larger sense, the hospital's target population consists of those living within the eight cities/towns the hospital considers to be its primary service area. Since a number of the more extreme demographic and socio-economic factors and their consequential needs relate to Holyoke, however, that city is a major focus of concern. It must be noted, however, that the hospital views all the communities of its primary service area as vitally important as regards its outreach and other service programs.

An ongoing priority for the hospital has been to enhance the accessibility of services through the Community Outreach Department's establishment of comprehensive interpreter services. This has been extremely well-received by the Latino community, and is a need which is emphasized in the Attorney General's guidelines. Transportation is another highly needed and used service by the elderly and Latino populations. A third element of the hospital's program is a comprehensive health education and screening program available not just to residents of Holyoke but to the public at large. Held throughout the year, these programs benefit thousands of citizens and cover a wide variety of subjects.

As noted in the past, addressing needs related to other issues will continue to generate the need for additional resources into the foreseeable future, especially since many of them are affected by broader societal issues such as poverty, unemployment, and educational attainment. HMC provides the only 24/7 emergency psychiatric service in our service area. When seriously ill patients require commitment hearings, guardianships, or community "Roger's Orders" for court-ordered medications, HMC assumes those legal fees with no reimbursement from DMH or third party payors.

- C. Short term goals include efforts to work with the Holyoke Health Center and others to preserve and expand various services in the center of Holyoke. Targeted diagnostic and treatment programs for specific health problems are also carried out on an ongoing and frequent basis. As to the hospital's long-term strategy, maintaining the hospital's outreach, interpretive services, and transportation programs will likely remain priorities because of their role in helping reduce health disparities.
- D. There is no single process for measuring outcomes or effectiveness, since those factors are particular to the type of benefit program targeted. As to outreach and interpretive services, the hospital maintains statistics which suggest that these programs are both needed and well-utilized by the community. Attendance at health fairs and other community events run by or supported by the hospital is consistently strong, which is a key measure of their success and effectiveness.
- E. The process for determining a budget for a community benefit program is the same as that for other hospital services: the need for the program, as compared to the need for competing programs, and the availability of money to support the program. At a time when all major payors pay hospitals less than the cost of providing services overall, the very survival of many hospitals is at stake.
- F. Updating the Plan: Review, evaluation, and updating are processes that apply to all aspects of the hospital's business plan, including community benefit objectives that are incorporated within it. Thus, they are integral and ongoing.

VI Progress Report: Activity During Reporting Year

Expenditures: The expenditures chart that appears in the Standardized Summary (Attachment 2) is repeated below

SELECTED COMMUNITY BENEFITS PROGRAMS

PROGRAM OR INITIATIVE	TARGET POPULATION/OBJECTIVE	PARTNER(S)	HOSPITAL/HMO CONTACT
Interpretive services	Non-English speakers	N/A	Xenia Rosado-Merced
Transportation	Primary service area	N/A	Xenia Rosado-Merced
Community health education	Primary and secondary service areas	Variable	Kevin O'Hare
Community Stroke Education	Primary and secondary service areas	MA Dept. of Public Health and American Stroke Assoc.	Angela Smith, R.N.
Amigas de Pecho/Bosom Buddies	Primary and secondary service area women, particularly Hispanic	Susan B. Komen Foundation	Dianne Walsh
Diabetes Related Outreach Programs	Primary and secondary service areas	N/A	Charlotte Langlois

COMMUNITY BENEFIT EXPENDITURES *(related to the whole report)*

TYPE	ESTIMATED TOTAL EXPENDITURES FOR 2007	APPROVED PROGRAM BUDGET FOR 2008*
COMMUNITY BENEFITS PROGRAMS	(1) Direct Expenses - \$320,000 (est.) (2) Associated Expenses - \$5,000 (est.) (3) Determination of Need Expenditures (4) Employee Volunteerism - \$40,000 (est.) (5) Other Leveraged Resources	Expected to be comparable to 2007 or somewhat lower depending on hospital finances. *Excluding expenditures that cannot be projected at the time of the report
COMMUNITY SERVICE PROGRAMS	(1) Direct Expenses - \$262,000 (2) Associated Expenses - \$5,000 est. (3) Determination of Need Expenditures (4) Employee Volunteerism - \$30,000 (est.) (5) Other Leveraged Resources	Same as above
NET CHARITY CARE or UNCOMPENSATED CARE POOL CONTRIBUTION	\$61,272	
CORPORATE SPONSORSHIPS	Included in above	
	TOTAL \$723,272	

**HOLYOKE MEDICAL CENTER:
TOTAL PATIENT CARE-RELATED EXPENSES FOR 2007: \$104,305,908**

- B. As noted elsewhere in this report, hospitals throughout the Commonwealth are under extreme financial pressure because of chronic reimbursement shortfalls compounded by recent and pending state budget cuts. Hospitals' continued ability to support community benefits and other programs will be directly dependent on their ability to maintain

fiscal stability in these uncertain times. As to the estimated expenditures noted above, the hospital has done its best to reasonably apportion expenses recognizing, however, that certain expenses are impossible to define with precision. For both community benefits and community service programs, for example, it was conservatively estimated that a minimum of 2,000 hours of employee time each at \$25 per hour was involved. We believe that the actual value of time volunteered by all employees, medical staff, and Board members significantly exceeds those figures, but the cost of record keeping and reporting for such activities would be prohibitive. The same may be said for the value of services provided to the community in terms of free meeting space and other activities.

- C. Not applicable. Applies to HMOs.
- D. Notable challenges: The hospital is confident that its outreach services, as well as its community education services and other activities cited in this report have been of substantial benefit to the community at large and to the economically vulnerable community in particular. The most notable challenge which faces this and probably all hospitals in the Commonwealth is trying to maintain high quality services to the public given inadequate reimbursement by all major payors, and given critical shortages of key staff positions such as nurses.

VII Next Reporting Year

- A, B & C In general, the hospital in FY 2008 is continuing the program initiatives of the prior year at approximately the same expense levels and with similar expectations as to outcomes. As new needs become apparent they will be evaluated in the course of the planning process as described elsewhere in this report.

VIII Diabetes Related Outreach Programs

The hospital offers a bi-monthly Diabetes Self-Management program. People with diabetes and their families are invited to participate in this multi-disciplinary program. This free service includes education on nutrition management, medication, and exercise. It is promoted via our community education calendar.

VIX Additional Contributions

In addition to all the services and programs that Holyoke Medical Center provides to our community, we also provided the following:

- a. \$4,476,998 in un-reimbursed Medicare services.
- b. \$492,754 in un-reimbursed Mass Health services.
- c. \$561,355 in total bad debt.

X

Contact Information

Clark Fenn, Vice President
Quality & Innovation
Holyoke Medical Center
575 Beech St.
Holyoke, MA 01040
(413) 534-2750
Fenn_Clark@holyokehealth.com

ATTACHMENT 2
ANNUAL REPORT STANDARDIZED SUMMARY

HOLYOKE MEDICAL CENTER
Valley Health Systems, Inc.
Holyoke
Region Served: Greater Holyoke-Chicopee Area

Report for Fiscal Year 2007

COMMUNITY BENEFITS MISSION

As regards community benefits, the hospital's Mission Statement has, as one of its goals, the provision of "a formal, public, and ongoing program of community benefits, in cooperation with community individuals and organizations, to improve the health status of the public including especially the medically and economically vulnerable".

PROGRAM ORGANIZATION AND MANAGEMENT

The hospital's Board of Directors has the ultimate responsibility for implementation and review of the community benefits process, as recommended and carried out on a day-to-day basis by senior management. Assisting the hospital in this endeavor is a multi-cultural Community Accessibility Council which has been especially focused on the hospital's Diversity and Community Outreach activities. Information about community benefit programs, as well as other medical center matters, is communicated with staff in a variety of ways, including meetings and hospital publications.

KEY COLLABORATIONS AND PARTNERSHIPS

There is no finite circle of partners or participants in a dynamic process such as this. Much, in fact, depends on the nature of the need, and the nature of the service or program which is likely to be responsive to it. Over time, the medical center has worked closely and cooperatively with a diverse group of local and state agencies and organizations in the interest of providing expanded or improved services to the citizenry. Included among them are various health and welfare organizations whose service populations are similar to those of the hospital. During this past year, the hospital was a sponsor of a healthcare forum for Western Massachusetts residents, in conjunction with CriticalMass, entitled "Confronting Healthcare Disparities".

COMMUNITY HEALTH NEEDS ASSESSMENT

Needs assessment is a diverse and ongoing process, and includes managers, medical staff, senior management, Board committees, and the Board of Directors, itself. The hospital maintains many data bases, and has access to those of the Massachusetts Department of Public Health and others. Among the findings are that the hospital's primary service area of about 185,000 people includes

a significant number of special populations such as Hispanic/Latino, elderly, etc. and exhibits a health profile similar to those of other older, industrial communities, with higher than average morbidity.

COMMUNITY BENEFITS PLAN

The hospital's target population consists of those living within the eight cities/towns the hospital considers to be its primary service area. Since a number of the more extreme demographic and socio-economic factors and their consequential needs relate to Holyoke, however, that city is a major focus of concern. The present priorities of community education, community outreach, interpretive services, and transportation services are likely to continue into the future. Outcomes will be program-dependent.

KEY ACCOMPLISHMENTS OF REPORTING YEAR

The success of the hospital's outreach and related programs are a source of continuing satisfaction. Major accomplishments during the year included continuing grant monies from the Susan B. Komen Foundation for "Amigas de Pecho/Bosom Buddies Program" which provides comprehensive support services to women, particularly Hispanic women, with a positive mammogram who are in need of assistance in order to seek follow-up treatment. Also, the continuation of the Hispanic/Latino End of Life Program, "Programa de la Partida".

DIABETES RELATED OUTREACH PROGRAMS

The hospital offers a bi-monthly Diabetes Self-Management program. People with diabetes and their families are invited to participate in this multi-disciplinary program. This free service includes education on nutrition management, medication, and exercise. It is promoted via our community education calendar.

PLANS FOR NEXT REPORTING YEAR

The current year, 2008, is the next reporting year, and the medical center is continuing with initiatives deemed important in the past, such as community education and community outreach. It is important not to overlook the substantial contribution which the hospital makes to the community through its many educational programs, its free diagnostic events, and its support of community events.

CONTACT

Clark Fenn, Vice President
Quality & Innovation
Holyoke Medical Center
575 Beech St.
Holyoke, MA 01040
(413) 534-2750
Fenn_Clark@holyokehealth.com

SELECTED COMMUNITY BENEFITS PROGRAMS

PROGRAM OR INITIATIVE	TARGET POPULATION/OBJECTIVE	PARTNER(S)	HOSPITAL/HMO CONTACT
Interpretive services	Non-English speakers	N/A	Xenia Rosado-Merced
Transportation	Primary service area	N/A	Xenia Rosado-Merced
Community health education	Primary and secondary service areas	Variable	Kevin O'Hare
Community Stroke Education	Primary and secondary service areas	MA Dept. of Public Health and American Stroke Assoc.	Angela Smith, R.N.
Amigas de Pecho/Bosom Buddies	Primary and secondary service area women, particularly Hispanic	Susan B. Komen Foundation	Dianne Walsh
Diabetes Related Outreach Programs	Primary and secondary service areas	N/A	Charlotte Langlois

COMMUNITY BENEFIT EXPENDITURES *(related to the whole report)*

TYPE	ESTIMATED TOTAL EXPENDITURES FOR 2007	APPROVED PROGRAM BUDGET FOR 2008*
COMMUNITY BENEFITS PROGRAMS	(1) Direct Expenses - \$320,000 (est.) (2) Associated Expenses - \$5,000 (est.) (3) Determination of Need Expenditures (4) Employee Volunteerism - \$40,000 (est.) (5) Other Leveraged Resources	Expected to be comparable to 2007 or somewhat lower depending on hospital finances. *Excluding expenditures that cannot be projected at the time of the report
COMMUNITY SERVICE PROGRAMS	(1) Direct Expenses - \$262,000 (2) Associated Expenses - \$5,000 est. (3) Determination of Need Expenditures (4) Employee Volunteerism - \$30,000 (est.) (5) Other Leveraged Resources	Same as above
NET CHARITY CARE or UNCOMPENSATED CARE POOL CONTRIBUTION	\$61,272	
CORPORATE SPONSORSHIPS	Included in above	
	TOTAL \$723,272	

**HOLYOKE MEDICAL CENTER:
TOTAL PATIENT CARE-RELATED EXPENSES FOR 2007: \$104,305,908**