Community Benefits Overview

KHA is pleased to share the 2013 Kentucky Hospitals Community Benefits Report. This report covers community benefit expenditures made in 2013, the most recent year for which statewide data is available.

In 2013, the value of the community benefit programs and services provided by Kentucky hospitals was nearly $2.73 billion, up from $2.18 billion just one year prior. The magnitude of $2.73 billion is impressive, but more important is the fact that behind each program and service is a story of someone who benefited from the hospital in their community.

This report is published at a time when economic turmoil and reform of our country’s health care system are affecting all aspects of our society. These challenging times demonstrate even more clearly the essential roles hospitals play as the safety net for their communities.

In order to be able to provide programs and services detailed in this report for little or no cost, hospitals must be financially strong and stable. The financial strength of hospitals is intimately tied to payments from Medicare and Medicaid. Approximately 70 percent of all patient days are covered by one of these programs. Unfortunately, both Medicare and Medicaid continue to pay Kentucky hospitals less than the actual cost of care. In 2013, Kentucky hospitals were shouldered with $300 million in Medicaid losses and another $509 million in Medicare losses.

The 2013 Kentucky Hospitals Community Benefits Report quantifies how Kentucky hospitals go above and beyond the delivery of essential health care services to ensure healthier children, safer environments, earlier detection of disease and enhanced access to basic health care services. It highlights examples of the types of programs that Kentucky hospitals provide to their communities at little or no cost, because they fulfill a need in the community.

Community benefits are one of the most powerful indicators of hospital contributions and the greatest single affirmation of not-for-profit hospitals’ tax-exempt status. KHA believes the statewide report will help the media, state and federal lawmakers, and community leaders more fully understand hospitals’ dual role in the community. This understanding will raise the awareness of how dependent hospital programs are on government funding, such as Medicare and Medicaid and aims to remind communities that cuts to state and federal funding would significantly harm Kentucky hospitals’ ability to maintain many of its essential community services.

To maximize the public’s understanding of hospitals’ community benefit contributions, KHA has prepared this comprehensive toolkit to make it easier for hospitals to share its community benefits information with key internal and external audiences, including employees, volunteers, board members, media, legislatures and the general public. KHA urges you to share your community benefits data with your key internal and external audiences by using the communications tools in this toolkit.

**Simple Directions for Using the Toolkit**

1. Meet with your hospital chief financial officer to learn your hospital’s community benefit expenditures.
2. Make any changes or additions you deem appropriate and necessary.
3. Share the report with your hospital’s key audiences.

The Kentucky Hospitals Community Benefits Report demonstrates the many extraordinary ways hospitals continue to help improve the health of Kentuckians. If you have questions, comments or require assistance, please contact Pam Kirchem at KHA 502-992-4363 or via pkirchem@kyha.com