



Maryland
Hospital Association

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MARYLAND'S HOSPITALS AGAIN TOP \$1 BILLION IN COMMUNITY BENEFITS

Elkridge, Md. – For the third year in a row, Maryland's hospitals have provided more than \$1 billion in community benefits, those programs and services that address identified community health needs and make sure people who can't afford care still receive it.

Community benefits include the work hospitals do that goes beyond traditional care provided in the emergency department, the operating room, or in a hospital bed. According to the Health Services Cost Review Commission's (HSCRC) Maryland Hospital Community Benefits Report released this week, Maryland's hospitals provided a total of \$1.4 billion in community benefits during fiscal year 2012, which covers July 1, 2011 through June 30, 2012. That number is up from \$1.2 billion in fiscal year 2011 and \$1 billion in fiscal year 2010. The \$1.4 billion translates into an average 10.06 percent of hospitals' operating expenses, also up from the previous year.

Maryland's hospitals provide programs and services that respond to identified needs in their communities for which hospitals receive only some, or no, compensation. Maryland law recognizes these "community benefits" as activities intended to address community needs and priorities primarily through disease prevention and improvement of health status, including:

- Health services provided to vulnerable or underserved people;
- Financial or in-kind support of public health programs, such as management of chronic diseases like asthma and diabetes;
- Donations of funds, property, or other resources that contribute to a community priority, such as addressing obesity, preventing substance abuse, or providing health care services for the homeless;
- Health care cost containment activities, like free health education programs that can help people manage their conditions without the need for more costly services; and
- Health screening and prevention services.

The way Maryland's hospitals are paid for their services is unique in the nation. The HSCRC sets the rates that hospitals are allowed to charge, and all payers for hospital care, whether private insurance companies, individuals, or businesses, pay the same for the same service at the same hospital. But in recent years, those rates have fallen far below the cost of providing care.

"The financial challenges facing Maryland's hospitals have been very serious," said Carmela Coyle, President & CEO of the Maryland Hospital Association. "The fact that hospitals continue

to add to their investment in their communities — with little or no payment — despite these challenges is a testament to their commitment to taking care of the people and communities they serve, no matter what.”

The fiscal year 2012 community benefits report reflects the HSCRC’s ninth year of reporting on hospitals’ community benefit data. Each hospital report is submitted via a standard reporting form developed by the HSCRC. Maryland Hospital Community Benefits Report FY 2012 will be available on the [HSCRC website](#).

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About the Maryland Hospital Association

The Maryland Hospital Association is the advocate for Maryland hospitals, health systems, and their patients before legislative and regulatory bodies. Its membership is composed of community and teaching hospitals, health systems, specialty hospitals, veterans’ hospitals, and long-term care facilities. For more information, visit www.mhaonline.org.