Healthcare in the United States is undergoing a transformation. Hospitals, physicians and other healthcare partners are making a significant effort to assure that Michigan residents have access to healthcare when and where they need it. But the healthcare landscape is changing, and for hospitals that means that care extends beyond the four walls of the traditional hospital setting.

“Michigan Hospitals: A Year at a Glance” outlines what hospitals and health systems are doing today to get ready for tomorrow’s healthcare. This report provides a snapshot of the critical efforts necessary to meet the needs of a growing population of healthcare consumers while looking at ways to improve care, reach the chronically ill, prevent readmissions and eliminate inefficiencies.

Our elected officials play an important role in the availability of healthcare in our state. Lawmakers must invest in programs that improve patients’ access to medical and health promotion services, maintain a well-trained workforce, and adequately fund state-supported programs that make a meaningful difference in the lives of men, women and children every day.

Please take a moment to learn about the integral role that Michigan hospitals and health systems have in developing healthier residents and a stronger state as they supply the care, information and resources necessary to promote healthy lifestyles and wise healthcare decisions.
People treated in emergency departments
4.9 million

Outpatient visits conducted
32 million

Inpatient days of care
5.36 million

Patients admitted for care and treatment
1.1 million

Babies delivered
107,000

Average length of stay in Michigan hospitals
4.69 days

1.75 million
Michiganians receive Medicaid

1.78 million
Michiganians receive Medicare

600,000
Michiganians participate in the Healthy Michigan Plan

223,000
Hospital jobs

580,000
Direct healthcare jobs

$33 billion a year
Wages, salaries and benefits

For more information about the economic impact of Michigan hospitals, visit www.economicimpact.org.
For more facts and figures about Michigan hospitals, visit www.mha.org/advocacy_report/mha_factsheet.htm.
Michigan hospitals provide community benefits through a wide range of services, programs and involvement. These services provide a direct benefit to individuals through education and information, free or discounted health services and screenings, and other programs intended to promote health and wellness based on the needs of a community.

The table on page 5 summarizes the many ways hospital are contributing to the health and well-being of our state’s residents.

- **$135 million**
  Total Community Health Improvement Services

- **$602 million**
  Total Other Community Benefits

- **$2.2 billion**
  Community Benefits Resulting from Unpaid Costs of Patient Care

- **$2.9 billion**
  Total FY 2013 Community Benefits
## 2014 Michigan Nonprofit Hospitals Community Benefits

<table>
<thead>
<tr>
<th>Services &amp; Programs</th>
<th>People Served</th>
<th>Cost to Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VOLUNTARY COMMUNITY BENEFIT SERVICES AND PROGRAMS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Health Education</td>
<td>5,926,844</td>
<td>$23,016,652</td>
</tr>
<tr>
<td>Counseling</td>
<td>41,399</td>
<td>$3,798,913</td>
</tr>
<tr>
<td>Family Support Services</td>
<td>381,566</td>
<td>$21,227,132</td>
</tr>
<tr>
<td>Free or Discounted Prescriptions/ Patient Supplies</td>
<td>102,932</td>
<td>$4,135,300</td>
</tr>
<tr>
<td>Health Screening</td>
<td>182,745</td>
<td>$2,971,870</td>
</tr>
<tr>
<td>Immunization</td>
<td>14,657</td>
<td>$299,488</td>
</tr>
<tr>
<td>In-home Services</td>
<td>710</td>
<td>$442,150</td>
</tr>
<tr>
<td>Meals/Nutrition Services</td>
<td>67,671</td>
<td>$1,756,445</td>
</tr>
<tr>
<td>Non-billed/Reduced-fee clinics</td>
<td>181,018</td>
<td>$55,729,188</td>
</tr>
<tr>
<td>Self Help</td>
<td>63,239</td>
<td>$3,156,677</td>
</tr>
<tr>
<td>Support Groups</td>
<td>114,400</td>
<td>$1,847,733</td>
</tr>
<tr>
<td>Transportation Services</td>
<td>127,297</td>
<td>$3,852,056</td>
</tr>
<tr>
<td>All Other Healthcare Support Services</td>
<td>444,242</td>
<td>$12,853,804</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,648,720</strong></td>
<td><strong>$135,087,408</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>People Served</th>
<th>Cost to Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OTHER VOLUNTARY COMMUNITY BENEFITS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Benefit Operations</td>
<td>17,762</td>
<td>$7,186,616</td>
</tr>
<tr>
<td>Community Building Activities</td>
<td>265,922</td>
<td>$11,021,022</td>
</tr>
<tr>
<td>Financial and In-kind Contributions</td>
<td>3,207,635</td>
<td>$19,753,975</td>
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<tr>
<td>Loss on Health Professions Education</td>
<td>91,603</td>
<td>$423,973,789</td>
</tr>
<tr>
<td>Loss on Research (community health and clinical)</td>
<td>2,186</td>
<td>$139,702,410</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,585,108</strong></td>
<td><strong>$601,637,812</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost to Hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COMMUNITY BENEFITS RESULTING FROM UNPAID COSTS OF PATIENT CARE</strong></td>
<td></td>
</tr>
<tr>
<td>Medicaid Payment Shortfall</td>
<td>$765,993,525</td>
</tr>
<tr>
<td>Financial Assistance at Cost</td>
<td>$420,368,578</td>
</tr>
<tr>
<td>Bad Debt at Cost</td>
<td>$620,482,073</td>
</tr>
<tr>
<td>Medicare Allowable Payment Shortfall</td>
<td>$306,605,134</td>
</tr>
<tr>
<td>Other Means Tested Government Programs</td>
<td>$54,257,282</td>
</tr>
<tr>
<td>Subsidized Health Services</td>
<td>$65,643,975</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,233,350,566</strong></td>
</tr>
</tbody>
</table>

*Data are based on responses to the 2014 MHA Community Benefits Survey, which gathered FY 2013 information from 120 hospitals. Due to rounding amounts less than one dollar, the official totals may be one dollar less than the true sum of the columns.*
The childhood rite of playing sports and games doesn’t always come easily for young people who rely on a wheelchair. The Junior Wheelchair Sports Camp, sponsored by Mary Free Bed’s Wheelchair & Adaptive Sports Program, aims to enrich children’s lives through the sense of camaraderie, competition and accomplishment associated with athletic activity. Held at Grand Valley State University, campers aged 7-18 with limited mobility learn how to play multiple sports, go to a dance, participate in a water fight (thanks to the Allendale Fire Department) and create lasting friendships with others who face similar challenges. The camp not only gives kids the opportunity to enjoy physical activity but it also reinforces the social and psychological benefits of doing so.

The Mary Free Bed Guild, a group of approximately 120 women, is believed to be the only guild in the country governing a hospital. The Guild makes it possible for children of any means to attend the camp and children from as far away as the Upper Peninsula and other Midwestern states participate. In addition to the work it does at the hospital, the Guild also supports other organizations in the community that assist the disabled population.
Nancy Zeniewicz of Livonia came to a free screening for head and neck cancers at Botsford Hospital even though she didn’t think there was anything wrong with her. Ear, nose and throat surgeon Warren L. Brandes, DO, along with his team of Botsford medical residents, performs free, 15-minute screenings on community members for the Saturday event. During Nancy’s screening, Dr. Brandes noticed that she had an enlarged thyroid. Follow-up tests revealed stage 1.5 thyroid cancer, but thanks to early detection, Nancy’s disease was considered very treatable. Following surgery and radiation treatment, Nancy made a complete recovery and is back to enjoying her life.

Free cancer screening helps identify early stages of disease and save lives.

making a difference

Dr. Brandes examines a community resident during Botsford Hospital’s free head and throat cancer screening, one of the many ways the hospital is making a difference in greater Detroit.
A healthy mom is essential for taking care of and raising healthy children, but if a woman is among the 15 to 20 percent of new moms who suffer from perinatal mood disorders (PMD), caring for a family can be overwhelming. PMD is the collective name for a family of mental illnesses that can occur anytime during pregnancy or within the first year following the birth of a child. Women can experience significant symptoms of anxiety and/or depression and in more severe cases, psychosis.

At North Ottawa Community Health System (NOCHS), staff members are working with local and regional organizations to cultivate new ways of raising awareness and connection to community resources as a key component to helping moms and families get the help they need BEFORE they experience a PMD-related crisis. The Perinatal Screening & Case Management Program began as a small, grant-driven collaboration between NOCHS and Pine Rest Christian Mental Health Services to establish a Postpartum Adjustment Group in 2011. The program has grown to include healthcare staff education, community referral resources and collaborative partnerships among other initiatives.

During pregnancy and after delivery, NOCHS now screens all new moms for risk factors, and women categorized as “high risk” receive personal case management from a dedicated perinatal resource coordinator. NOCHS’s efforts are making a difference. In 2011, NOCHS’s emergency department saw 126 pregnant and postpartum moms presenting for both mental and physical health issues. In 2014, the number dropped to just 20 visits. NOCHS has found that the investment in maternal mental health is an investment in the community’s long-term best interests.
Studies have shown that household medicine cabinets often become the supply of choice for those seeking controlled substances, and improperly disposing of medications by flushing them or throwing them away presents environmental risks. Community members in Newberry and surrounding areas now have an easy way to safely dispose of prescription drugs. Aimed at reducing the risk of household medicines being misused, abused, accidentally consumed by children or pets, or improperly disposed of, the Prescription Drug Drop Box offers community members an easy way to dispose of accumulated medications. Helen Newberry Joy Hospital worked with a local drugstore and other healthcare providers and law enforcement agencies to install the Prescription Drug Drop Box at the Luce County Courthouse in Newberry. Local law enforcement ensures the medication is properly disposed of according to state and federal laws, and the Drop Box is monitored by a security camera and emptied daily. Nationwide, more than 2.8 million pounds of prescription medications have been removed from circulation — and the Newberry area is pleased to be doing its part.
More than half of Michigan’s hospitals are considered small and rural, and they are essential to ensuring access to healthcare for people throughout the state. Due to their size and location, small and rural hospitals often face a unique set of opportunities and challenges given that they:

- Are often a region’s largest employer
- Lead efforts to promote and sustain the health and well-being of people living in small communities
- Care for patients who tend to be older and have lower or fixed incomes
- Typically have a limited workforce and constrained financial resources
- Struggle to balance low patient volumes with high fixed costs

The MHA advocates for fair and adequate funding for all hospitals, but given the impact that state funding shortfalls have on small and rural hospitals, legislative support of programs benefitting outstate communities is essential to maintaining the continuum of care.

Michigan’s network of community hospitals are unified around a single goal: to provide the safest, highest quality care to every patient who walks through their doors.

Michigan’s 57 teaching hospitals are important centers of medical care, research and innovation. Through graduate medical education (GME) programs, individuals who have earned their medical degrees receive hospital-based training that allows them to care for patients while pursuing clinical experience, often in highly specialized fields of medicine. Consider the following:

- This year, the state’s network of 7,200 medical residents will provide care to hundreds of thousands of men, women and children who are fighting chronic illnesses, battling cancer, recovering from injuries or just trying to stay well.
- Michigan currently ranks sixth in the nation in the number of medical residents and fellows on duty.
- The state receives $1.91 in federal funds for every dollar invested in GME, but funding cuts threaten the viability of GME programs.

The MHA advocates for the continuation of GME in recognition of the important role the program serves in Michigan’s healthcare network.
For more than a decade, Michigan hospitals have voluntarily implemented evidence-based best practices that save lives, reduce harm and lower costs. Their pioneering efforts in partnership with the MHA Keystone Center and the MHA Patient Safety Organization have helped ensure Michigan hospitals are among the safest in the county.

Michigan hospitals are highly efficient
- Michigan hospitals’ costs were 9.7% below the national average in FY 2013.
- Michigan hospitals costs were 7.1% below the costs of other Great Lakes states (Indiana, Illinois, Ohio, Pennsylvania and Wisconsin.)
- According to an April 2015 study released by the Center for Healthcare Research & Transformation comparing hospital and health system costs in three Midwestern states, Michigan has historically had lower overall healthcare costs than Indiana and, in FY 2013, also had lower per capita hospital costs.

Certificate of Need
The MHA supports a strong Certificate of Need (CON) program to help balance cost, quality and access for healthcare consumers. CON is a state regulatory program designed to ensure that only needed services are added or expanded in Michigan. The program requires a health facility, physician, or group practice to apply for a CON when increasing the number of beds; buying an existing health facility; operating a new facility; or expanding, beginning or replacing clinical services or short-term nursing care. The MHA supports maximizing services without incurring wasteful or excessive spending.

For more information about the MHA Keystone Center and Patient Safety Organization, visit www.mhakeystonecenter.org
HOW YOU CAN HELP HOSPITALS TRANSFORM MICHIGAN’S HEALTHCARE FUTURE

1. Advance patient safety and quality
   Elected officials play a critical role in helping continue the groundbreaking advances in healthcare safety and quality that lead to improved patient care, attract highly skilled caregivers and maintain Michigan’s reputation as a national leader in healthcare.

2. Protect needed hospital services
   Policymakers and legislators have the opportunity to work with Michigan hospitals in making sure state residents receive the care they need, when they need it. More than half the hospitals in Michigan are considered small and rural, and they serve an important role in bringing high-quality care and services to residents throughout the Upper and Lower peninsulas. Fair and adequate funding for small and rural hospitals, the Healthy Michigan Plan and programs like Medicare and Medicaid means hospitals can continue expanding care beyond the four walls of a traditional healthcare setting to manage the health needs of patients and community members of all ages.
   Additionally, upholding a strong CON program and preserving small and rural hospital funding helps ensure residents in communities throughout Michigan have access to necessary care and services.

3. Support healthcare jobs, present and future
   Healthcare is the largest private-sector employer in Michigan, ensuring greater quality of life and essential services in every community. By supporting programs like graduate medical education, elected officials can help teaching hospitals offset the costs of operating medical residency programs while protecting affordable patient care in hospitals and clinics.

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