

## Press Release

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### West Virginia Hospitals' Benefit to Communities: \$1.65 billion

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CHARLESTON, WV – From providing treatment and comfort to the sick - to welcoming new life into the world, hospitals and their compassionate caregivers are central to a healthy and productive community. That's the message of National Hospital Week, celebrated in West Virginia May 8-14 with the theme, *Champions of Care*.

The *Week* is sponsored by the American Hospital Association (AHA), and recognized locally by West Virginia hospitals with public activities and events such as health fairs. National Hospital week was launched in 1921 and, over the decades, has helped revolutionize the public view of hospitals.

This year's event in West Virginia marks the release of a recently compiled report by the West Virginia Hospital Association (WVHA) - *West Virginia Hospitals: Covering Community Healthcare*. The *Report*, online at [www.wvha.org](http://www.wvha.org), illustrates the many community contributions hospitals make year round and profiles specific examples of programs and services offered around the Mountain State.

Current available data shows that West Virginia hospitals provide a significant level of services and economic benefits to their communities, exceeding \$1.65 billion.

This figure includes:

- \$721 million in uncompensated care (\$291.5 million in charity care; and \$429 million in bad debt);
- \$377 million in losses resulting from federal Medicare payments below the cost of care;
- \$324 million in underpayments from state government Medicaid and the Public Employees Insurance Agency (PEIA);
- \$133 million in Medical Education ; and
- \$97 million in paid West Virginia provider taxes

“We are pleased to share the collective story of how hospitals in West Virginia contribute to the overall health system of our state by offering a variety of community programs and services,” said Joe Letnaunchyn, President and CEO of WVHA. “Hospitals are the cornerstones of our healthcare, employing more than 39,000 compassionate caregivers in West Virginia. Our report makes clear how each one of them helps serve West Virginia by being part of a delivery system that goes beyond expected and direct, mission-driven patient care activities.”

“From providing uncompensated care totaling upwards of \$721 million to offering support groups and helping indigent patients obtain medications, West Virginia hospitals continue to promote health while at the same time taking on a large financial burden because of insufficient payments from government programs,” said Letnaunchyn. “Still, their primary goal is to meet healthcare needs and to improve the experience of everyday living.”

Letnaunchyn adds, “The *Report* illustrates the heart of hospitals and how they care for their communities, but it also shows the tug and pull of hospitals operating as businesses while concurrently keeping compassion for people – regardless of ability to pay – as their priority.”

For example, the *Report* highlights Community Health Improvement Services, which are activities or programs subsidized by hospitals and carried out for the express purpose of improving community health. The services are offered either for free or at a significantly reduced cost. These services include blood pressure testing, immunizations, vaccinations; nutrition, exercise and wellness counseling; mammograms; prostate screenings; and more. Community Improvement Services target preventive medical treatment and health education.

“Our hospitals are meeting the challenge of heart disease, smoking, obesity and a sedentary lifestyle through a variety of educational outreach education programs,” Letnaunchyn said. “The goal is simple: create and maintain a healthy population that results in a productive workforce in West Virginia.”

Not only does the *Report* highlight community benefits, it shows how vital hospitals are to the State’s economy. Hospital care is the largest component of the healthcare sector, which itself is a growing segment of West Virginia’s economy. Hospitals spend \$2.3 billion in payroll and benefits and purchase goods and services exceeding \$4.7 billion.

These goods and services West Virginia hospitals purchase from other businesses create additional economic value for the state. With these *ripple effects* included, hospitals generated \$8.4 billion in economic activity in 2009. Additionally, in Workforce West Virginia's 2010 List of Largest Private Employers, five of the top 20 are hospitals.

“Financial results can never adequately explain how people’s lives are touched, changed and saved by services hospitals offer at free or significantly lower costs,” said Letnaunchyn. “With each health service, screening, education program and each dollar invested to help those in need, hospitals day in and day out work to advance the health of the communities they serve.”

*The West Virginia Hospital Association was established in 1925 and currently represents 69 hospitals and health systems throughout West Virginia. WVHA is a membership-driven organization that supports its members in achieving a strong, healthy West Virginia by providing leadership in healthcare advocacy, education, information and technical assistance. Visit WVHA’s website at [www.wvha.org](http://www.wvha.org).*

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