

N.J. Hospitals

KEEPING COMMUNITIES HEALTHY, SAFE & STRONG

COMMUNITY BENEFIT REPORT 2023

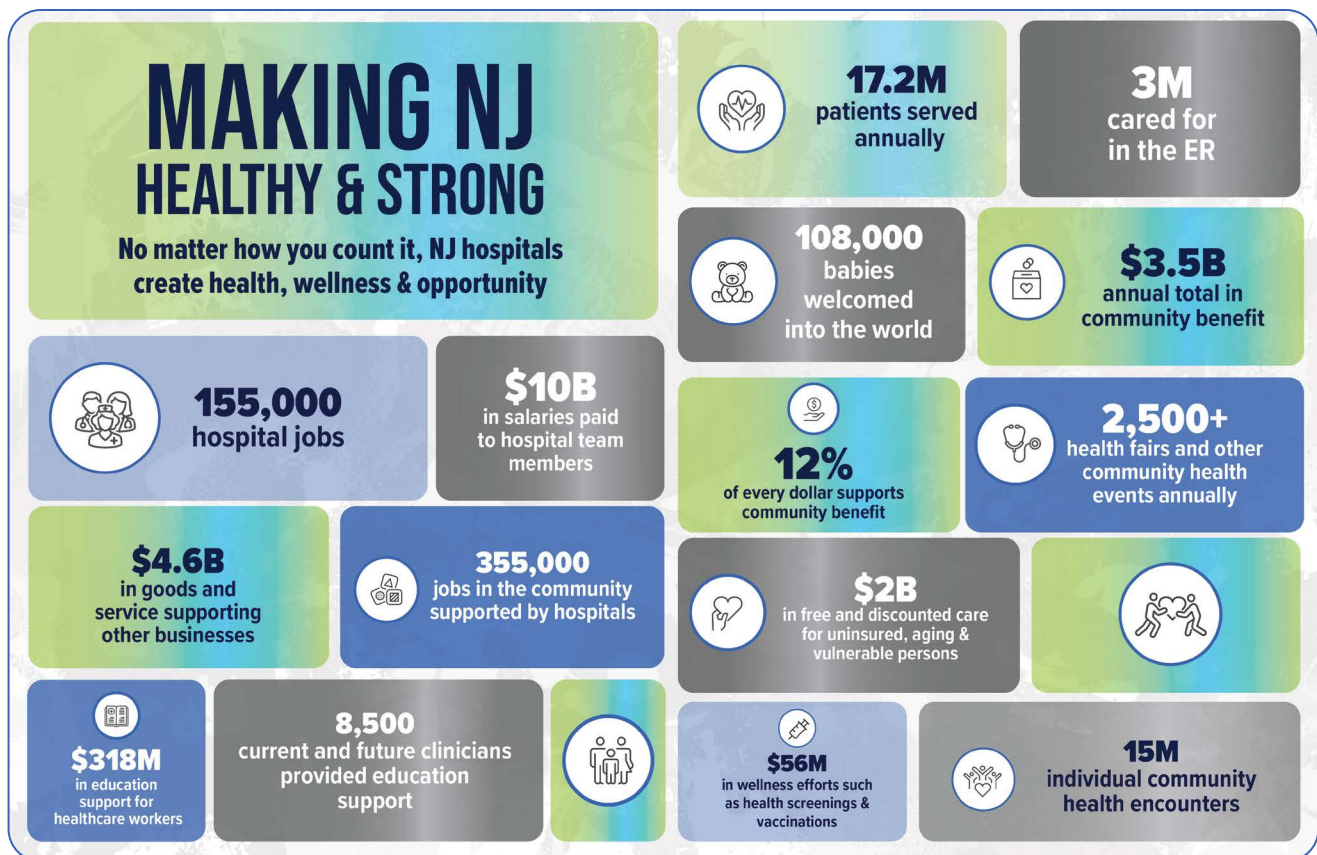


N.J. Hospitals KEEPING COMMUNITIES HEALTHY, SAFE & STRONG

COMMUNITY BENEFIT REPORT 2023

Hospitals are vital community anchors. They're here to care 24/7. They power local economies with jobs and opportunity. And they are local champions who invest mightily in keeping their communities healthy, safe and strong.

Beyond the patient care delivered inside their facilities, New Jersey hospitals' commitment to their surrounding neighborhoods and residents reaches \$3.5 billion annually, based on 2021 data. Roughly 12% of every dollar spent by New Jersey hospitals is devoted to these community health initiatives including food access, housing, education, career development, health screenings, support groups, literacy, violence prevention and more. Well beyond the free and discounted care that hospitals provide to vulnerable populations, this commitment spans numerous areas of social responsibility that target local needs and help relieve government's burden.



Hospital initiatives to build health in their communities include comprehensive community health needs assessments performed every three years and the development of programs and partnerships to meet those identified needs. But community needs don't always follow predictive plans. Hospitals must be ready to rise to the aid of their community when new challenges emerge – such as a worldwide outbreak, the scourge of street drugs and skyrocketing demand for mental health support.

New Jersey hospitals are re-envisioning what it means to build health in their communities with creative new approaches that respond to today's health challenges.

ACCESS TO CARE

New Jersey provides a unique level of access for patients who lack the resources to pay for their hospital care, thanks to the state's charity care program. Unlike most other states, every N.J. hospital provides charity care services – not just in the emergency department but in every unit throughout the patient's journey. This service comes at a significant loss for the state's hospitals, as the state's subsidy for these services falls short of the actual costs of caring. That shortfall reached \$402 million in 2021.

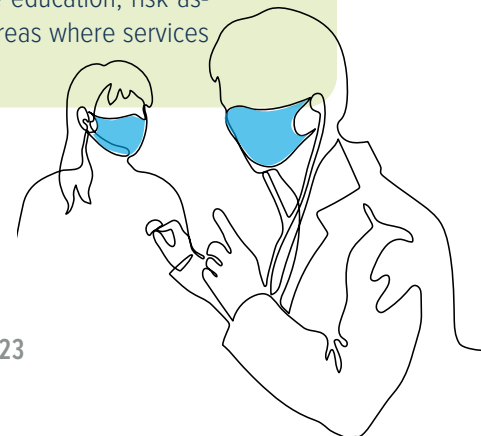
In addition, the Medicare and Medicaid programs, which combined account for nearly 65% of N.J. hospital patients, also pay hospitals at rates that fail to cover the actual costs of the services provided. For all three government programs, New Jersey hospitals absorb losses when caring for their beneficiaries. New Jerseyans also are impacted, as government underfunding shifts costs to healthcare consumers' insurance premiums.

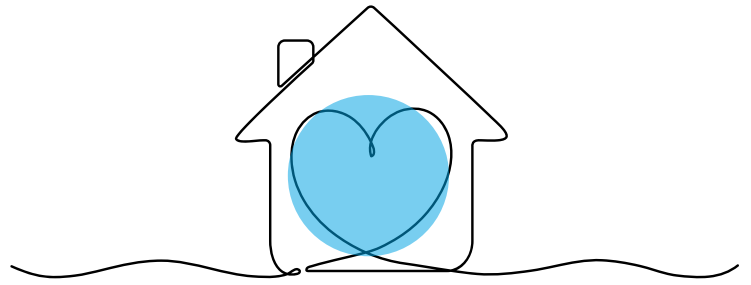
All told, N.J. hospitals' total unpaid costs of patient care reached more than \$2 billion in 2021.

All told,
N.J. hospitals'
total unpaid costs
of patient care
reached more than
\$2 billion in 2021.

Community Benefit in Action

- Health insurance is an important part of ensuring access to medical services. That was especially important as the COVID-19 public health emergency ended – and along with it the automatic re-enrollment into Medicaid for thousands of individuals and families. Hospitals became important partners in efforts by the state and federal government to reach hundreds of thousands of New Jerseyans and help them re-enroll to preserve their coverage. **Valley Health System** coordinated with local school nurses to reach families at risk; **University Hospital** hosted community education sessions; **Bergen New Bridge Medical Center** recorded a podcast to reach more community members; **Hunterdon Medical Center** connected with more than 70 local organizations; and **CentraState Healthcare System** followed up individually with residents if they hadn't completed the required re-enrollment paperwork.
- When members of the community can't get to **Saint Peter's University Hospital** for healthcare, the hospital takes healthcare into the community. Its 34-foot health van travels thousands of miles throughout central New Jersey visiting schools, retirement communities, day care centers, homeless shelters, senior centers, public housing complexes, shopping centers and corporations. Advanced practice and registered nurses provide an array of services from health screenings, healthcare education, risk assessments, vision tests and more, providing opportunities for improved health in areas where services may be limited.



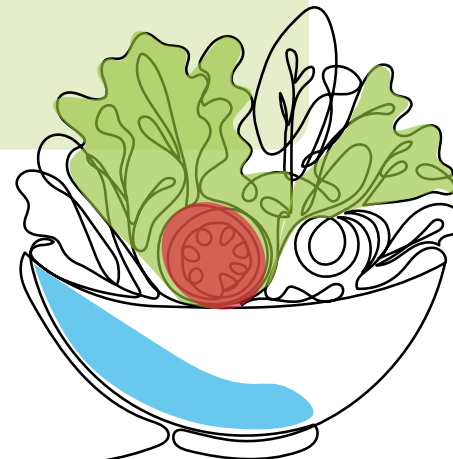
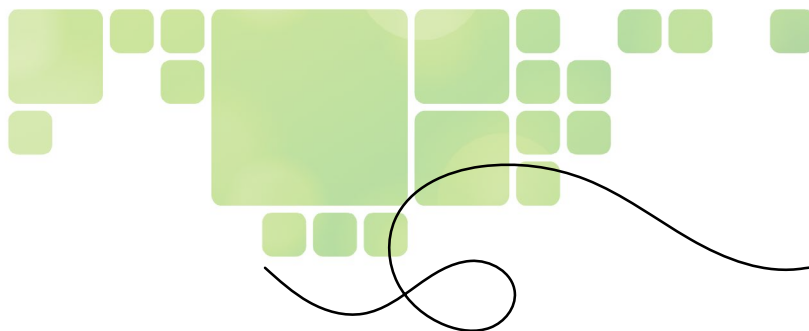


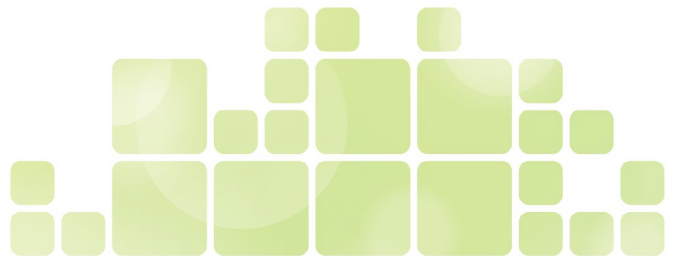
SOCIAL DETERMINANTS OF HEALTH

Studies suggest that 80% or more of a person’s health status is influenced by social, environmental and socioeconomic factors – beyond healthcare services. N.J. hospitals devote a substantial portion of their community health programming to address these “social determinants of health” to help people be well in their communities. These programs span an array of needs that are outside the traditional definition of healthcare, but are intrinsically connected to community members’ well-being – items such as sufficient food, stable housing, transportation, education and safe neighborhoods.

Community Benefit in Action

- The 56 homey apartments of Barclay Place in Paterson are the first project to be completed under an innovative state program that promotes hospital investment in affordable and supportive housing. Spearheaded by **St. Joseph’s Health** in conjunction with the N.J. Housing and Mortgage Finance Agency, the community development project provides affordable housing located just a short walk to the hospital to provide easy access to St. Joseph’s supportive services. A wellness hub on the building’s ground floor welcomes community organizations that provide an array of social services to residents.
- “Fresh fruits and vegetables, taken by mouth three times a day.” You may not find that written on a pill bottle, but it’s part of the prescription for a healthier community at the Eat Well Food Farmacy at **Virtua Health**. The program is targeted to patients who experience food insecurity or who have been diagnosed with a diet-related chronic condition. Patients are referred to the Food Farmacy by clinicians to gain access to fresh, healthy foods at two community locations plus a mobile farmer’s market that travels to neighborhoods.
- The Trenton Neighborhood Initiative was started with \$1 million in seed money from **Capital Health**. It has now grown to a five-year, \$10 million campaign with the hospital partnering with an array of community organizations to help city residents realize the goal of home ownership and rehabilitation. Additional issues addressed through the initiative include job training and employment, equitable wifi and digital connectivity and healthy beginnings to support the needs of new moms and their families.





PUBLIC HEALTH

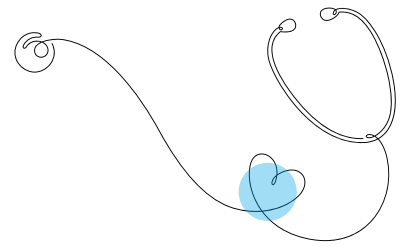
Hospitals are critical partners with public health agencies in protecting the population during a health emergency and ensuring access to essential healthcare services. The COVID-19 pandemic was a dramatic reminder of that necessary coordination, but in reality, hospitals and other healthcare providers are constant collaborators with government in meeting the public health needs of their communities every day. Examples of hospital efforts that ease government's burden include:

- Daily data reporting that supports disease and illness surveillance
- Vaccination clinics for seasonal influenza, COVID-19 and recommended immunizations for infants and school-aged children
- Testing for COVID-19
- Health screenings for early detection of cancer and other diseases
- Preventive screenings such as blood pressure and blood glucose levels
- And awareness campaigns that reach millions of New Jerseyans with education and information.

Community Benefit in Action

- The Community Health Team at **Bergen New Bridge Medical Center** is a squad of seven community health workers who meet local residents where they live, work and play. "In every community, there are individuals who encounter barriers to healthcare services. Our team goes directly to those most affected to address their needs." Through proactive outreach, the team has provided suicide prevention for U.S. veterans; monkeypox vaccination for members of the LGBTQI community; and COVID vaccination and testing for the Ramapough Lenape indigenous community. In 2021 alone, Bergen New Bridge performed more than 250,000 COVID tests and 130,000 COVID vaccinations to protect its diverse community.
- More than 3,000 New Jersey residents lost their lives to drug overdoses in 2021. **Englewood Health**, through its Gregory P. Shadek Behavioral Care Center, distributes free naloxone kits throughout the community to prevent fatal overdoses and give individuals a path to recovery. It also developed partnerships with community organizations to provide education and anti-stigma campaigns to promote prevention and treatment.
- The community health needs assessment performed by **Penn Medicine Princeton Health** showed a growing concern over behavioral health issues. Community members of all ages were struggling with anxiety, depression and social isolation in the wake of the pandemic. To support community members as well as staff, the hospital provides mental health first aid training to help them identify and understand the signs and symptoms of someone experiencing a mental health issue. The training also addresses ways to help individuals access the services they need.





WORKFORCE DEVELOPMENT

New Jersey, and the nation, is facing a critical shortage of healthcare professionals. Investments in education and an expanded pipeline of future workers is essential to maintain New Jersey's top-quality hospital care and meet the needs of an aging population. In the here and now, New Jersey hospitals invest in the current workforce with funding for continuing education, scholarships and other support. This commitment also includes hospitals' pivotal role in graduate medical education, providing the next generation of physicians vibrant clinical sites to advance their classroom knowledge into real-world experience. In 2021, that investment in employees' professional development and advancement topped \$318 million.

In 2021,
investment in
employees' profes-
sional development
and advancement
topped \$318 million.

Community Benefit in Action

- **AtlantiCare** has partnered with Cheyney University of Pennsylvania, the nation's first historically black college or university, to host Cheyney students in an immersive experience that introduces them to career opportunities in healthcare. AtlantiCare team members serve as mentors. "One of my career aspirations is to go to medical school to become a physician," said Mohamedanwar Idress, a junior at Cheyney. "Being in this immersive experience at AtlantiCare, I'll receive insights about being in the medical field and get a better understanding of what it truly means to be a physician."
- **Atlantic Health System's** Pathway to Ensuring Access and Clinical Excellence in Nursing (AHS PEACE) is designed to support and empower nurses in practicing at the top of their license while expanding and diversifying the pipeline of nursing professionals. AHS PEACE provides professional pathways for RNs as well as nursing assistants to advance their careers. All told, the AHS PEACE initiative will support the creation of approximately 2,000 nursing jobs through the recruitment of graduating high school students, college-level undergraduates and entry-level healthcare workers seeking to advance in their careers.
- **CentraState's** Personal Care Technician training program opens doors for individuals to receive free training and job placement for entry-level hospital positions. The program combines classroom learning, clinical hands-on training and, upon successful completion of the program, full-time employment at the hospital, working alongside the nursing team to assist in patient care. After one year of work experience, employees are eligible to sit for the National PCT certification test and take their next step up the career ladder.



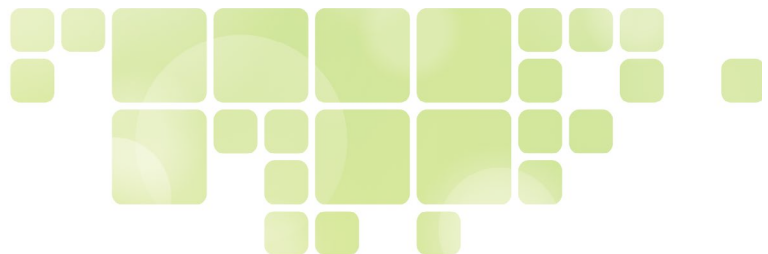
INNOVATION

Healthcare today is high-tech as well as high-touch. Cutting-edge technology is transforming healthcare delivery, and medical breakthroughs provide exciting new options for patients and communities. New Jersey has always been known as a state of innovators. Examples of innovation among New Jersey's hospitals and health systems include elements of augmented reality, artificial intelligence and 3D printing. And of course, the advances in science in our laboratories and clinical trials bring new treatments – and hope – in the fight against life-threatening disease.

Cutting-edge technology is transforming health-care delivery, and medical breakthroughs provide exciting new options for patients and communities.

Community Benefit in Action

- Through its Center for Discovery and Innovation, **Hackensack Meridian Health** has developed new capabilities in detecting cancer and other diseases earlier than ever before. This new system captures extracellular vesicles (EVs) which have been elusive to medicine thus far but can provide important biomarkers for detection of tumors and a wide range of other diseases. “We are really establishing the threshold of detection,” said Olivier Loudig, PhD, an associate member of the center.
- At **Cooper University Health Care's** Innovation Center, a wearable heart monitor provides new hope for the early detection of congestive heart failure. The novel device, invented and developed by Robert A. Hirsh, MD, a member of the Anesthesiology Department at Cooper and associate professor at Cooper Medical School of Rowan University, has the potential to provide an “early warning” and pre-symptom diagnosis and prevention for those most at risk of this potentially deadly condition.
- For pediatric patients coping with pain, **Virtua Health** is using the latest technology in virtual reality to help children and teens through distraction-based therapy. As Virtua innovators describe it, this “new dimension in medicine taps technology and the mind's curiosity” to provide pain relief. Kids going through a procedure or coping with chronic pain use virtual reality headsets to create an immersive experience. Researchers say the technique gives these young patients relief by changing the brain's input on experiences of pain.



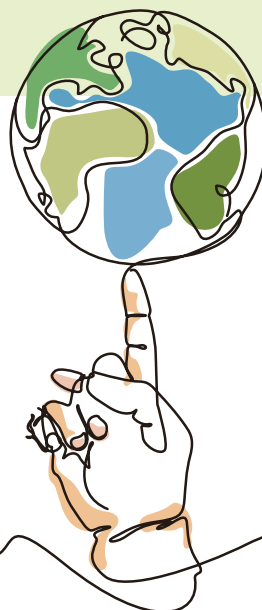


GLOBAL CITIZENSHIP

Hospitals and health systems often are confronted with the health impacts of worldwide challenges. New Jersey communities experience the fallout of environmental issues such as climate change, sustainability and the carbon footprint, or human rights concerns such as human trafficking and emerging infectious diseases. While hospitals tailor community benefit programs to distinct local needs, today's world requires providers to think globally. New Jersey hospitals and health systems devote substantial resources to the health of the planet – and ensuring the safety and wellbeing of its diverse citizenry.

Community Benefit in Action

- **Overlook Medical Center at Atlantic Health System** has formed an Emergency Department human trafficking committee to educate healthcare professionals about the issue. Team members are taught how to spot victims who may be “hiding in plain sight” as they seek care in the hospital emergency department and to follow evidence-based procedures to help bring them to safety.
- **RWJBarnabas Health** adopts a “glocal” philosophy – creating health equity both globally and locally. It partners with Rutgers University to enhance research, improve medical and health professional education, build community-driven partnerships, address inequities in healthcare and eliminate health disparities. Its efforts reach vulnerable populations abroad in locales such as the Dominican Republic and Puerto Rico and here at home in local communities.
- Robert Garrett, president and CEO of **Hackensack Meridian Health**, takes New Jersey leadership to the world stage as chair of the World Economic Forum’s Health and Healthcare Governor’s Community. The group convenes to address global healthcare issues and explore opportunities to broaden access to healthcare and improve health outcomes. Among its priority topics: health equity and the impact of climate change on personal health.



JOBS AND OTHER ECONOMIC INVESTMENTS

A hospital's presence in the community provides a major shot in the arm for local economies, providing multifold benefits including jobs, salaries and support of other businesses. For every \$1 that a hospital spends on services to patients, \$2.24 ripples through the rest of the economy. A single hospital job supports an additional 1.3 jobs in other businesses and industries, according to the U.S. Bureau of Economic Analysis. All told, N.J. hospitals bolster the New Jersey economy with \$66 billion in economic activity and 355,000 jobs via these multiplier impacts. The opportunities created by hospitals extend to other industries including pharmaceuticals, building trades, utilities, retail and more.

Community Benefit in Action

- **RWJBarnabas Health** has embraced a commitment to “hire local, buy local, invest local.” That includes using its purchasing power and local sourcing to create opportunities for local and diverse communities to build wealth. Between 2019 and 2022, the health system has spent \$181.5 million with New Jersey suppliers, including \$55.5 million with small businesses, \$82.3 million with minority-owned businesses, \$39.66 million with women-owned businesses and \$4 million with veteran-owned businesses.
- **Inspira Health** and the City of Woodbury have teamed up to redevelop a former hospital campus into the Woodbury Health and Education Innovation District – a hub of healthcare, housing, a hotel and conference center and retail to support the physical and economic health of the community. Hospital and city leaders engaged more than 50 employees, residents, educators, elected officials and others to hear about their wants and needs for the site. “As something that will impact the community for the better, we are delighted with the ongoing collaboration and dialogue across stakeholders to develop a plan that will meet the unique needs of the community,” said Woodbury Mayor Kyle Miller.

ABOUT THE DATA

“Community benefit” is defined as a planned, managed, organized and measured approach by hospitals to meet community health needs. It includes collaboration with the community to benefit its residents – particularly the poor, minorities, disenfranchised and underserved groups – by improving their health status and quality of life and enhancing the overall health and well-being of local communities.

Under reporting guidance from the Internal Revenue Service and Catholic Healthcare Association, these programs generally meet at least one (or often more than one) of the following objectives:

- Improve access to healthcare services
- Enhance the health of the community
- Advance medical or healthcare knowledge
- Relieve or reduce the burden of government or other community efforts.

UNPAID COSTS OF PATIENT CARE

This category includes the unpaid costs of care for the following patient populations:

- **\$402 million in unreimbursed charity care** services
- **\$246.7 million in unpaid care** for Medicare patients
- **\$122.2 million in unpaid care** for Medicaid patients.

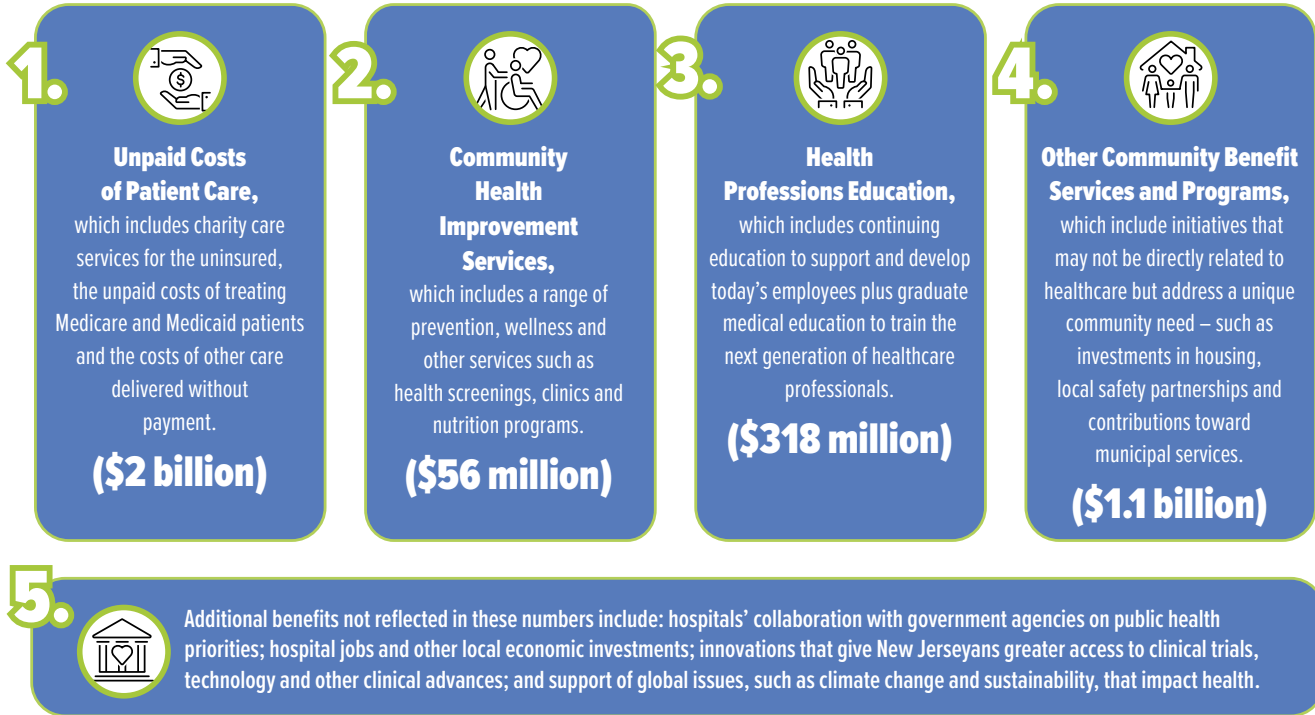
It also includes \$1.2 billion in care that hospitals provided to other patients but for which they were unable to collect payment. These shortfalls are sometimes called “bad debt.”

COMMUNITY HEALTH IMPROVEMENT

The category “community health improvement services” encompasses community programs that focus on health education, treatment and prevention. They include traditional health fairs, screening programs and immunization clinics, along with an array of innovative new approaches and partnerships that target unique community health needs. In 2021, there were 2,500 such programs that served New Jersey residents in more than 15 million individual encounters. They served all ages, from infants through senior citizens, and a number of special needs populations including persons with disabilities; racial and ethnic minorities; the uninsured; and the poor. The total commitment by hospitals reached more than \$56 million.

N.J. HOSPITAL COMMUNITY BENEFIT: By the Numbers

New Jersey hospitals provided **\$3.48 billion** in community benefit in 2021, according to standardized community benefit reporting definitions by the Catholic Healthcare Association. That total reflects programs and services in four main areas:



HEALTH PROFESSIONS EDUCATION

This category includes educational programs for physicians, interns and residents, medical students, nurses and nursing students, pastoral care trainees and other health professionals. It includes continuing education necessary for workers to retain state license or board certification. Other items counted in this category include certain expenses related to graduate medical training, costs to operate nursing school programs, clinical staff training and contributions to underwriting faculty positions in nursing programs. These programs, totaling \$318.1 million in 2021, directly supported roughly 8,500 current and future clinicians while also subsidizing educational sites and faculty for countless others.

- **\$783.8 million in subsidized health services**, defined as programs that hospitals provide to respond to a community need, despite financial losses associated with the program
- **\$310.6 million in cash and in-kind donations** made to healthcare organizations and other community groups, along with hours contributed by staff to the community or the value of donations of food, equipment and supplies
- **\$13.5 million in research** into clinical and community health issues
- **\$2.6 million in community benefit operations**, including producing a community health needs assessment for communities served
- **\$2.1 million in community-building activities** such as economic development support.

OTHER COMMUNITY BENEFIT PROGRAMS

This category encompasses a variety of additional programs and services provided by hospitals not otherwise captured in the community benefit categories. These programs touched the lives of nearly 16 million individuals in 2021. These “other” benefits include:

COMMUNITY BENEFIT REPORT

Unpaid Costs of Patient Care [1]		Net Benefit/ (Loss)	
Charity Care			\$402,066,386
Unpaid Cost of Medicaid			\$122,242,148
Unpaid Cost of Medicare			\$246,731,754
Bad Debt at Cost			\$1,229,230,000
Total Unpaid Costs of Patient Care			\$2,000,270,288

Community Benefit Services and Programs [2]	# of Programs/Activities [3]	# of Persons Served [3]	Net Benefit/ (Loss)
Community Health Improvement Services			
Community Health Education	1,335	15,113,053	\$10,304,527
Community-Based Clinical Services	826	233,078	\$5,161,655
Health Care Support Services	247	47,644	\$8,919,418
Social and Environmental Improvement Activities	9	6,119	\$516,445
Other/Unspecified	38	27,827	\$31,195,860
Total Community Health Improvement Services	2,454	15,427,720	\$56,097,905
Health Professions Education			
Physicians/Medical Students	19	1,491	\$45,946,357
Nurses/Nursing Students	25	1,091	\$5,795,995
Other Health Professions Education	61	1,701	\$8,511,383
Scholarships/Funding for Professional Education	3	50	\$24,797
Other/Unspecified	9	4,116	\$257,840,771
Total Health Professions Education	118	8,449	\$318,119,304
Other Community Benefit Services			
Subsidized Health Services	82	327,539	\$783,805,227
Research (Clinical and Community Health)	9	283	\$13,531,761
Cash and In-Kind Contributions	57	12,683	\$310,638,142
Community-Building Activities [4]	125	143,761	\$2,154,106
Community Benefit Operations (e.g., CHNA)	32	703	\$2,630,570
Other Programs/Activities	3	57	\$1,995
Total Other Community Benefit Services	305	485,026	\$1,112,761,801
Total Community Benefit Services and Programs	2,878	15,921,195	\$1,486,979,011
TOTAL COMMUNITY BENEFITS			\$3,487,249,298

NOTES: 2021 data

1. Data reflects the unpaid costs incurred by acute care hospitals statewide. Charity care shortfall reflects state fiscal year 2021 (July 2020 – June 2021) subsidy payments and CY 2018 documented costs. Unpaid cost of Medicaid and Medicare are based on Uniform Billing discharge data for CY 2020 and represent only the inpatient fee-for-service populations.
2. Data represents statewide estimates extrapolated from data submitted to NJHA/HRET by 55 acute care nonprofit hospitals (95% response rate). The extrapolation procedure was based on licensed beds, calculated by dividing the number for each data element by the total number of licensed beds in the reporting hospitals and multiplying by the total number of nonprofit beds statewide.
3. # of Programs and Persons Served may be undercounted, as not all hospitals track this data.
4. "Community-Building Activities" include physical improvements/housing, economic development, community support, environmental improvements, leadership development/training for community members, coalition building, community health improvement advocacy, workforce development, etc.