

Many hands, one Mission

Our 2009 Community Benefit Report



A message from our Chief Executive



On behalf of the Providence Health & Services Southwest Washington Service Area, it is my pleasure to share with you our 2009 Community

Benefit Report. Please take a moment to browse through these pages and view the videos.

As a nurse, I am especially proud of the contributions made by Providence to nursing education, including \$100,000 toward equipment and scholarships at Centralia College. Providence also contributed \$2.6 million to support physician education through our through our family practice residency program at Providence St. Peter Hospital.

It is an honor to continue the work of the Sisters of Providence in supporting the health care needs of Thurston, Lewis, Mason, Grays Harbor and Pacific counties. Last year, Providence provided more than \$37 million in charity care and community benefit programs to residents in Southwest Washington.

Every day, our employees, physicians and volunteers are proud to carry out the Providence mission, "to reveal God's love for all, especially the poor and vulnerable."

It is a blessing to be part of this amazing team of dedicated, talented and compassionate caregivers. Together, we are creating a healthier future for the communities we serve.

Medrice

Medrice Coluccio, Chief Executive
Providence Health & Services
Southwest Washington Service Area

Our Southwest Washington Service Area includes Providence St. Peter Hospital, Providence Centralia Hospital and the Providence Physician Network. Several Providence senior and community services are also located in Southwest Washington, providing hospice, home health, long-term care and housing.

Highlights

- Providence is devoted to serving the needs of our community. In 2009, we provided more than \$37.5 million in total community benefits in our Southwest Washington service area, including \$14.6 million in charity care and \$14.2 million to cover the difference between the costs of providing care for people insured by government-sponsored programs and the amount paid by the government for those services.
- In 2009, through a partnership between the Providence Regional Cancer System and South Sound Radiology, a breast cancer nurse navigator program was launched to provide one-on-one support to help guide breast cancer patients through their care. The free program is available to any breast cancer patient in the five-county Southwest Washington service area. Providence also launched a free cancer survivorship program to assist cancer survivors once they complete their treatment.
- In 2009, Providence Centralia Hospital donated \$100,000 toward educational equipment and nursing scholarships at Centralia College. Providence St. Peter Hospital provided more than \$2.6 million in support of 18 Family Medicine Physicians in training and other medical education programs, including pastoral care and paramedical services. Also, with Providence support, 48 New Market Skills Center high school students passed the Washington State Certified Nursing Assistant exam and pursued nursing programs at area colleges and universities. Providence also helped educate more than 2,000 area high school students about health care careers through its Youth Council education program.
- Providence Southwest Washington hospitals subsidize a broad range of services that provide health benefits to the community but do not generate enough income to be financially self-sustaining. Examples include psychiatry, chemical dependency, a sexual assault clinic and pediatrics. In 2009, Providence St. Peter Hospital donated hospital services and \$60,000 to Project Access, a volunteer physician program that provides free specialty care to those who otherwise can't afford it.
- In 2009, the Providence Southwest Service Area sponsored valuable community outreach programs including free blood pressure, glucose and cholesterol screenings at health fairs in Lewis and Thurston counties, and sports physicals for about 150 high school students in Thurston County.

To see a story that reflects how Providence Health & Services is helping patients and the community in Southwest Washington, visit <http://www.blog-providence.org/washington/swsa-2009-report>

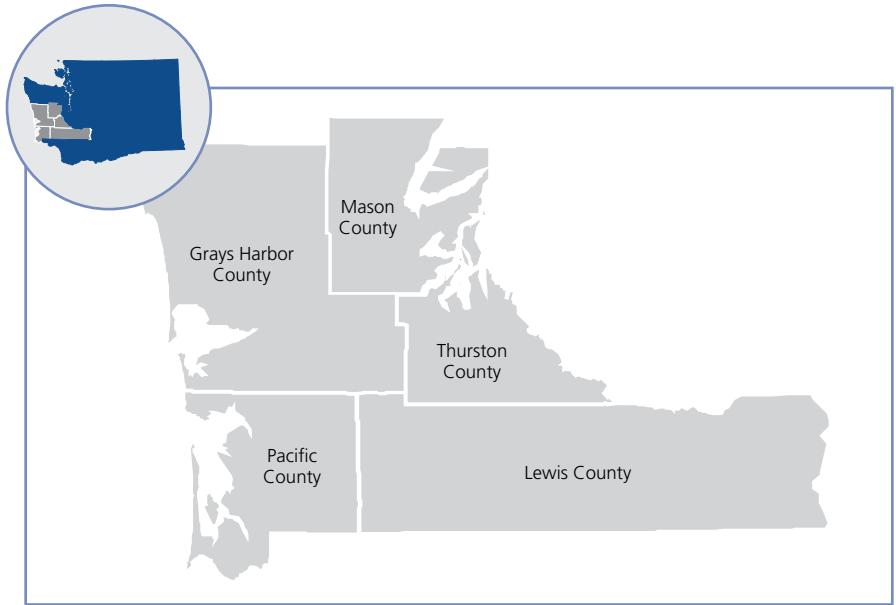
For more information, contact swsacommunications@providence.org



What are community benefits?

Community benefits are the many ways Providence gives back. We tailor our programs to respond to regional, area and neighborhood needs. In addition to free care for our patients in need, our contributions include:

- **Medicaid subsidies** – we make up the difference between the cost of providing services to people insured by the state and the amount the state pays for this care.
- **Graduate medical education and medical research** – we heavily subsidize our graduate medical education programs and help pay for nursing education and medical research.
- **Non-billed services** – these include free services such as patient education, health screenings, immunizations and support groups.
- **Negative margin programs and services** – for example, our seven safety net clinics are designed to care for underserved and uninsured people, most often at a planned loss.
- **Community grants and donations** – these are cash donations and grants given to community partners, and other gifts such as medical supplies and child safety seats.



About Our Service Area

Providence Health & Services Southwest Washington Service Area touches more lives in Thurston, Mason, Lewis, Grays Harbor and Pacific Counties than any other health care provider.

- Providence St. Peter Hospital is a 390-bed, not-for-profit regional teaching hospital founded by the Sisters of Providence in 1887. Located in Olympia, the hospital offers comprehensive medical, surgical and behavioral health services to residents of Southwest Washington. St. Peter is a regional leader in cardiology, orthopedics and stroke care. The Joint Commission has designated the hospital a Stroke Center of Excellence since 2007.
- Providence Centralia Hospital is a 127-bed, not-for-profit community-based hospital. The services the hospital provides make it the heart of medical care in Lewis County. As a community hospital with outstanding technology, Providence Centralia Hospital is large enough to provide state-of-the-art services such as MRI, 64-slice CT scans and digital mammography. The hospital is also small enough to offer personal, compassionate care to everyone it serves.

Senior and Community Services in Southwest Washington

Providence Senior and Community Services provides a full continuum of health care services for those living with chronic and/or life-limiting conditions. Offering access and choice through innovative, customer-centered options, services are provided in the home or in a variety of facility settings.

Hospice/Home Health

Providence SoundHomeCare and Hospice

Long-Term Care

Providence Mother Joseph Care Center

Supportive Housing

Providence St. Francis House (Olympia)

Providence Blanchet House (Centralia)

Providence Rossi House (Centralia)

Providence Place (Chehalis)

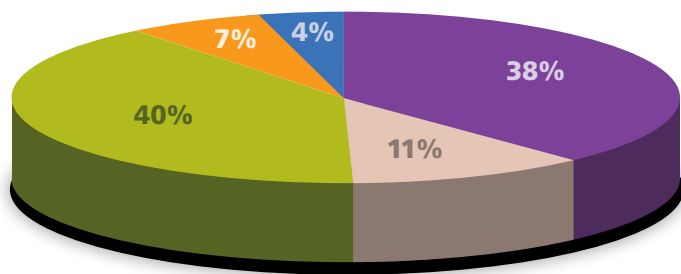
Financial Overview

	1 Free & Discounted Care for Those in Need	2 Subsidized Services Provided in Our Ministries	3 Unfunded Portion of Government-Sponsored Medical Care	4 Medical Education & Research	5 Community Programs & Services	Total Cost of Care & Services Donated in 2009
Providence St. Peter Hospital	\$ 9,104,000	\$ 3,724,000	\$ 8,079,000	\$ 2,601,000	\$ 1,481,000	\$24,989,000
Providence Centralia Hospital	\$ 5,518,000	\$ 578,000	\$ 4,639,000	\$ 50,000	\$ 128,000	\$ 10,913,000
Providence Senior and Community Services and other programs*	\$ 38,000	\$ 128,000	\$ 1,482,000	\$ 23,000	\$ 18,000	\$ 1,689,000
Total	\$ 14,660,000	\$ 4,430,000	\$ 14,200,000	\$ 2,674,000	\$ 1,627,000	\$37,591,000

* Numbers are duplicated from the Providence Senior & Community Services Community Benefit report

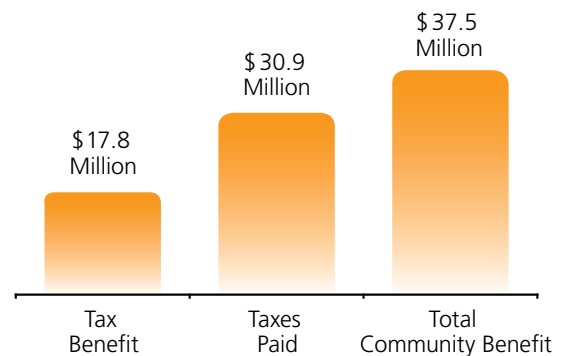
- 1 Financial assistance for the uninsured and others who cannot pay for their care
- 2 Clinical services provided despite a financial loss to meet a community need
- 3 The difference between cost of care and what is paid for by state and federal government – does not include Medicare
- 4 Subsidies for medical residency programs, nursing and other education and medical research
- 5 Cash gifts and in-kind donations, and free community services, such as patient education, health screenings, immunizations and support groups

2009 Community Benefit
(by percentage)



- Free & Discounted Care
- Subsidized Services
- Unfunded Portion of Government-Sponsored Medical Care
- Medical Education & Research
- Community Programs & Services

Tax Status Benefit



As a not-for-profit service organization, Providence Health & Services in the Southwest Washington Service Area received an estimated \$17.8 million in federal, state and local tax exemptions in 2009. In comparison, we gave back more than \$37.5 million to the communities we serve or nearly \$19.7 million in excess of our exemptions. In addition, there are taxes that we are not exempt from and we must pay as part of our normal course of operations, just like any other organization. These taxes totaled more than \$30.9 million in 2009 and include business and occupation taxes; taxes on non-exempt properties; and payroll and state taxes.

Providence Cares



Sexual Assault Clinic

The physicians, nurses, nurse practitioners and social workers at the Sexual Assault Clinic are always there for the victims of sexual abuse. Serving residents of Thurston, Lewis, Mason, Grays Harbor, Pacific and Wahkiakum counties, our specialists are on call 24 hours a day, seven days a week to provide medical evaluations for children, adolescents and adults when they are in crisis. In 2009, the clinic provided more than \$100,000 in subsidized services, including 10,595 hours of medical evaluation and support, for more than 300 individuals.



Addictions Recovery Centers

Based in Centralia and Longview, the Providence Addictions Recovery Centers provide structured treatments designed to empower patients with knowledge and support so they can achieve abstinence from drugs and alcohol dependencies. In 2009, the centers received \$578,000 in support from Providence to improve the quality of life of more than 800 substance abuse patients and their families.



Providence St. Peter Family Medicine

Of the 11,000 patients the Providence St. Peter Family Medicine Clinic serves, 47 percent are insured through Medicaid and another 10 percent receive Medicare, neither of which reimburse for the full cost of care. Many other patients don't have any insurance at all. In 2009, the Providence St. Peter Family Medicine Clinic provided 35,250 treatments – including more than 1,000 H1N1 vaccinations for non-enrolled patients – and delivered nearly 300 babies.



Mini Med School

While providing quality health care, Providence also provided health education in 2009. "Mini Medical School" provided free health seminars for thousands of Southwest Washington residents. Offered both in Olympia and Centralia, the six-week series featured local physicians speaking on more than 20 topics including osteoporosis, seizures, sleep apnea, joint pain, diabetes and colon health. Free health screenings were also available.