

# Community Benefit Report Summary 2007

## Washington State

### HIGHLIGHTS

- 1 In 2007, Providence Health & Services in Washington provided more than \$130 million in total community benefit, including nearly \$40 million in free and discounted health care to those in need.
- 2 We received \$73 million in tax benefit in 2007, but provided nearly \$130 million in charity care, community benefit programs, and Medicaid shortfalls. That means we provided direct benefit to our communities at nearly double the rate we would have given to federal, state or local governments through taxes.
- 3 While we are a not-for-profit organization we do pay taxes. In 2007, we paid \$122.9 million in taxes, including payroll, sales, state B&O taxes, and state and local property taxes on non-hospital facilities.
- 4 Every dollar we earn is used to improve the health of our region, making it possible for us to provide vital programs and services; the latest treatments and technologies; modern, well-equipped facilities; and qualified, caring staff.

Providence Health & Services in Washington is a not-for-profit network of hospitals, physicians, care centers, home health services, clinics and other services. With more than 40 ministries across the state, our integrated network of health and service organizations work together in service to their communities to provide high quality, compassionate care to those in need.

### People of Providence

*A commitment to compassionate service*

As the largest health care provider in the State of Washington, we embrace our responsibility to provide for the needs of the communities we serve, and as a not-for-profit Catholic ministry, we have a responsibility and an obligation to ensuring every dollar we earn is used to improve the health of our region either through investment in our people, our infrastructure, our programs or services, or through donations to other community organizations.

This responsibility is emphasized for us each day as we care for thousands of people across the state. These lives are touched through our hospitals, outpatient clinics, home health and hospice programs, nursing homes and other senior services offered each day in communities throughout Washington. As an incredibly diverse organization, we are proud that we are serving more people each day through our home health and hospice programs and our nursing homes and assisted living facilities than the traditional services for which a health care provider like ours is typically known. These services, which are in place to care for the elderly and disenfranchised, are a testament to our Mission and what it means to be a not-for-profit ministry that cares for those in need, especially the poor and vulnerable.

I am tremendously proud of all that was accomplished in 2007 by our 18,000 employees and the more than 2,000 physicians who work with us in partnership every day. I'm especially proud of their commitment to high quality care, patient safety and compassionate service.

There is no doubt that serving our patients, residents and the community is what drives, motivates and inspires each of us to come to work every day, and as a result, meeting the needs of those we serve will always come first.



*John V. Fletcher*

John Fletcher, Chief Executive

## Financial Overview

	Unfunded Portion of Government-sponsored Medical Care	Medical Education & Research	Community Programs & Services	Free & Discounted Care for Those in Need	Subsidized Services Provided in Our Ministries	Total Cost of Care & Services Donated in 2007
Northwest Washington	\$19,270,000	\$932,000	\$1,015,000	\$12,718,000	\$7,621,000	<b>\$41,556,000</b>
Southwest Washington	\$15,813,000	\$322,000	\$1,266,000	\$14,273,000	\$2,187,000	<b>\$33,861,000</b>
Southeast Washington	\$4,285,000	\$121,000	\$431,000	\$2,380,000	\$794,000	<b>\$8,011,000</b>
Providence Health Care (Eastern Washington)	\$16,361,000	\$7,860,000	\$1,991,000	\$9,955,000	\$5,730,000	<b>\$41,897,000</b>
Providence Senior and Community Services	\$3,615,000	\$43,000	\$628,000	\$242,000	\$603,000	<b>\$5,131,000</b>
<b>Total Providence Health &amp; Services in Washington</b>	<b>\$59,344,000</b>	<b>\$9,278,000</b>	<b>\$5,331,000</b>	<b>\$39,568,000</b>	<b>\$16,935,000</b>	<b>\$130,456,000</b>

*The difference between cost of care and what is paid for by state and federal government – does not include Medicare*

*Subsidies for medical residency programs, nursing and other education and medical research*

*Cash gifts and in-kind donations, and free community services, such as patient education, health screening, immunizations and support groups*

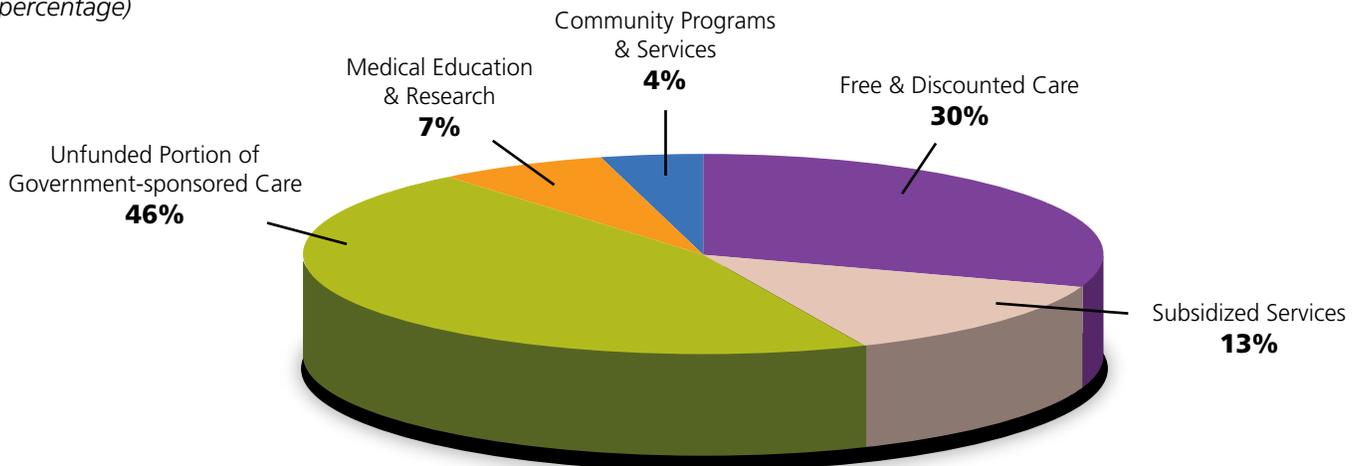
*Financial assistance for the uninsured and others who cannot pay for their care*

*Clinical services provided despite a financial loss to meet a community need*

*\* All totals are rounded*

## 2007 Community Benefits

(by percentage)



## Tax Status Benefit

As a not-for-profit service organization, Providence Health & Services in Washington received an estimated \$73 million in federal, state and local tax exemptions in 2007. In comparison, we gave back more than \$123 million to the communities we serve or more than \$57 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 \$123 million in 2007 and include business and occupation taxes; taxes on non-exempt properties; and payroll and state taxes.

