

Lincoln County Health Care, Inc. – FY08 Community Benefits

I. Why create a Community Benefits report?

Lincoln County Health Care, Inc.'s (LCH) day-to-day operations as a tax-exempt organization include many system-wide initiatives to provide inpatient, outpatient, chronic and acute health care services to the people of Lincoln County, Maine. With these programs, LCH hopes to fill existing local gaps, while making a positive impact in the communities we serve. This report will summarize Lincoln County Health Care Inc.'s community benefits efforts over the last year. The final section (VII) will also provide a financial summary of charity care, bad debt, government-sponsored healthcare, and all subsidized community programs and other support.

II. Organizational Description and Information

Lincoln County Health Care, Inc., dba Lincoln County Healthcare, is the parent company for Miles Health Care, Inc. and its subsidiaries Miles Memorial Hospital, Inc., Cove's Edge, Inc., and Miles Medical Group, LLC; and St. Andrews Hospital, Inc.:

In the Damariscotta Region: Miles Health Care includes: Miles Memorial Hospital, a 38-bed community hospital; Miles Home Health and Hospice; Miles Medical Group, an employer of physicians and mid-level staff providing those professions to the physician practices of Miles Memorial Hospital; Cove's Edge, a skilled rehabilitation and long-term care facility; Chase Point, an assisted living facility which includes a residential and adult day care program for people living with Alzheimer's and related dementia.

In Boothbay Harbor: St. Andrews Hospital and Healthcare Center, a 25-bed Critical Access Hospital; St. Andrews Village Community, which includes assisted living, independent living, Alzheimer's care, adult day services, and long-term nursing care; the Family Care Center; a multi-specialty medical arts facility; and St. Andrews Home Health.

Our hospitals provide a broad array of primary health care services to our region including: Emergency medicine, acute and swing inpatient care; laboratory, diagnostic imaging, and orthopedic surgery and general surgical services; a Palliative Care program; Social Services; Rehabilitation Services including physical therapy, occupational therapy, speech and language therapy, plus outpatient cardiac and pulmonary rehabilitation and outpatient oncology programs at St. Andrews, and obstetric care at Miles Memorial Hospital.

Lincoln County Healthcare's mission is to ensure access to high-quality, patient-centered and affordable health care to the people of our region. As renowned rural healthcare centers, St. Andrews' and Miles' primary focus is patient care, comfort, and safety provided by a personable, professional staff, utilizing the finest technology and equipment. We are active members of the MaineHealth® Family of healthcare providers and function in collaboration with other member organizations throughout southern, western, and central Maine.

The Lincoln County Healthcare Leadership Team, under the governance of a Board of Trustees, is responsible for the coordination, quality and efficiency of care provided.

III. Community Needs Assessment

The Board of Trustees is made up of a diverse set of community members. The Board requires a thorough Community Needs Assessment on behalf of the organization, and directs the organization to analyze and respond to the current needs assessment. Lincoln County Healthcare and its subsidiaries also participate in various initiatives and continuous research to keep those assessments up-to-date. Some of these programs include:

- Clinical Strategic Planning
- Financial Strategic Planning
- Facility Planning
- Manpower Planning
- Physician Recruitment Strategic Planning
- Emergency Preparedness Planning

In addition to those internal assessment groups, Lincoln County Healthcare also recognizes and acts on many of the recommendations provided by external state groups such as the Maine Center for Disease Control and Prevention and the “State Health Plan” created by the Advisory Committee of Health Systems Development.

IV. Subsidized Lincoln County Health Care Community Programs and Other Support

Subsidized Health Services

Lincoln Academy School-Based Health Clinic -- Miles Medical Group provides a mid-level clinician for the clinic at no charge. Miles Health Care provides medical supplies at no charge.

Miles Home Health Foot Clinic -- offered at a reduced rate.

Mammography Clinic -- offered once a year at a subsidized fee

Breast Health Case Management -- these services are offered free of charge

Weekly blood pressure screening clinic -- offered at no charge.

Hepatitis B vaccination program, TB Testing, and blood-borne pathogen and exposure testing -- for health care volunteers at no charge

Skin Cancer Screening /Education -- American Cancer Society “No Sun for Babies” Program. Free of charge

Subsidized Community Physician Services -- Lincoln County has few private practice physicians. In order to ensure access to primary care and certain specialty care physicians, Lincoln County Healthcare employs physicians and provides their services through its hospital based practices at St. Andrews Hospital and Miles Memorial Hospital. Services include: Family Medicine, General Surgery, Orthopedic Surgery, Pediatrics, Internal Medicine, Obstetrics and Gynecology. Services are provided without regard to ability to pay. Given the demographics of Lincoln County, these services – although critical – are not self-sufficient.

School Health Center: St. Andrews practitioners provide discounted healthcare services to the students of the Boothbay Region School District.

Maine Breast and Cervical Health Program: reduced fees services for women.

Community Health Services

Hospice Volunteer Training -- seminars offered in the spring and fall (40 hour course) Free of charge. 24 participants.

Monthly Alzheimer's Support Group -- Provided for free to the community

Free Bi-Weekly Grief Support Group -- Provided to anyone in the community who have suffered a recent loss.

Weekly Telephone Grief Support & Referral Service -- Provided through Miles Home Health & Hospice.

Remembrance Gathering -- Memorial Service Sponsored by MHHH 25 participants

Childbirth Classes offered through the Obstetrics Unit at Miles at a subsidized cost

Physician referral answering service and physician referral guide -- mailed to all residents of Lincoln County at no charge.

Local Speaker's Bureau -- Staff provided health-related presentations for nonprofit and service organizations.

Provide class space for Emergency Medical Technician Training (no charge)

Provide C.P.R. courses to local nonprofit agencies at a minimal cost

Provide Infant and Child CPR classes and course materials for parents and family members at no charge

Miles Memorial Hospital Emergency Department is a clinical site for Emergency Medical Technician Training.

Miles Memorial Hospital Laboratory provides clinical training to EMTs.

Grief/Loss Support Group: held monthly. The group is open to anyone who has experienced the loss of a loved one.

Flu Clinic: St. Andrews provides staff to administer influenza vaccine.

Memory screenings: held annually in conjunction with the Alzheimer's Foundation of America

Matter of Balance: a fall prevention program targeted to seniors hosted by St. Andrews Village in partnership with the Boothbay YMCA.

Blood Pressure Screenings

Nutritional Counseling Services

Dental Hygiene Program: offered through the Family Care Center and the School Health Center.

Community-building activities

Lincoln County Healthy Maine Partnership -- As a co-sponsor for this organization, Miles co-develops, provides funding and staffing, and implements a winter community health event each year. Miles staff participate on their Advisory Group and on various committees

Lincoln Academy/Wiscasset High School, JMG -- The J.M.G. (Jobs for Maine's Graduates) program offers classes to sophomores, juniors, and seniors, as well as follow-up work with post-graduates that focus on appropriate attitudes and skills for the transition from high school to work. Miles volunteer program provides opportunities to develop job skills

Youth Promise -- The Mentor Assisted Community Service Program was developed to help juvenile offenders who, left on their own, would be unable to fulfill their court required community service commitment. Placed as volunteers for community service hours.

Sweetser -- Sweetser's Adult Community-based Services provide support and resources for individuals with behavioral and mental health needs, who are eligible for services under state guidelines, to assist them in remaining in the community of their choice. Placed in volunteer positions for job skills.

ASPIRE/ TANF: Maine's Welfare Program -- The TANF Program provides cash assistance; employment, training and education opportunities; and work supports, such as childcare, to low-income parents with children. Most parents receiving TANF are

required to participate in a work activity for 30 hours per week. Failure to participate results in a loss of benefits to the family. Parents are placed as volunteers for 30 hours a week at Miles.

Senior Community Service Employment Program -- The goals are the enhancement of employment opportunities for older Americans and the promotion of older workers as a solution for businesses seeking a trained, qualified, and reliable workforce. The strategy is to utilize a service approach that can respond quickly and effectively to the changing needs of business.

High School Job Fairs and Career Days -- Human Resources and various departments at Miles go to area high schools presenting health care career opportunities and provide job interview training and other job-seeking skills.

Participate and support disaster preparedness in community.

Lincoln County Physician Guide: provided to communities

Meals On Wheels

Friends in Service Helping (FISH): In partnership with FISH, St. Andrews Village coordinates scheduling of drivers.

Domestic Abuse Prevention Council: partnership with community groups/individuals to address domestic violence

Charitable Giving

Host and sponsor of the American Cancer Society Making Strides against Breast Cancer - provides volunteer leadership, meeting facilities, and is a sponsor for this event.

Host and sponsor of the American Cancer Society Daffodil Days.

Healthy Kids (Child Abuse and Neglect Council of Lincoln County) -- Miles Health Care is a Corporate Sponsor of the programs "Strawberry Shuffle" fundraiser.

American Diabetes Association -- Miles Medical Group in Wiscasset actively raises funds in support of diabetes research and participates in the "Walk with your Doc Event."

Salvation Army, Holiday Wish Tags in Lincoln County -- Provide volunteers and leadership to collect toys/gifts throughout Lincoln County Health Care for area needy families.

Food Donations -- The Dietary Departments donates extra food to Meals-on-Wheels, the local food pantry and the Salvation Army.

Skidompha Summer Reading Program -- Miles sponsors this local Children's literacy program.

Support of the Boothbay Region Ambulance Service: providing the Medical Director, supplies and pharmaceuticals.

Donation of medical supplies for local and overseas missions

Health Professions Education

Internships – Lincoln County Health Care provides internship opportunities for nursing, social services, and resident physicians who are completing their rural rotations.

CNA Training – Provided three 12-week CNA classes at no charge to students

ED Training for EMS personnel – 4 reviews and in-services in trauma care for 20 E.M.S. personnel. EMS EKG course 12 students.

Miles Professional Development Program – Miles provided scholarships and continuing education opportunities to its employees and members of the community

Nursing School Clinical Placements – provide 3 to 12 week clinical placements for nursing school students in long-term care and in the hospital

Job Shadow Experience – provide half-day to day-long experiences to community members and high school students interested in pursuing a health care career.

Certified Residential Medication Aide Full Certification – provide this 40-hour course and the re-certification course at a reduced rate to community members and area assisted living facilities.

Personal Support Specialist – provide this 50-hour course at a reduced rate to community members.

The Lincoln County Healthcare Education Center is a collaborative effort of Central Maine Community College and Lincoln County Healthcare. The new school, the first college degree program in Lincoln County, opened in September 2008 to eight students. Next year, eight more students will begin classes. First year students have the option to earn a Licensed Practical Nursing (LPN) within a year and will have a five year grace period to complete the requirements for the RN credential, should they choose, or continue on for a second year to become a Registered Nurse. The program collaboratively works with colleges, clinical departments of the hospital, long term care facilities, Maine Health, Lincoln Academy, and local businesses. Students receive classroom training at Central Maine Community College and in classrooms at the Lincoln County Healthcare Education Center located on 66A Chapman Street, in Damariscotta. An agreement with Lincoln Academy students will allow students to use their labs for a percentage of their work. Clinical training will be at Miles Memorial Hospital, St. Andrews Hospital, and at our long-term facilities in both communities. Lincoln County Healthcare provides administration services, clinical training, equipment, supplies, technical support, and two full scholarships to the school at no cost.

<p style="text-align: center;">Lincoln County Healthcare’s Aggregate “Net Community Benefit Investment” = \$ 5,113,115 *</p>

* In addition to the aforementioned programs, Lincoln County Health Care, Inc. provides its proportional share of support for the annual budget of the following programs, through both “member dues” and “fund balance transfers”. While all member organizations may not participate directly in the following initiatives, all members provide some level of financial support to help sustain and grow these MaineHealth programs.

Clinical Integration

AH! Asthma Health – The AH! Program improves the care and outcomes for Maine people with asthma. The program not only develops and coordinates asthma treatment education for Physicians, but also sends asthma educators into schools and community organizations to provide further information. In addition, the Program lends support and expertise to the local asthma “HelpLine” for Somali and Latino community members in collaboration with the City of Portland, Health and Human Services.

TARGET Diabetes – The TARGET Diabetes Program improves care and outcomes for Maine people with diabetes. The program provides learning opportunities and support for primary care practices, helps Physicians utilize an electronic registry to track outcome measures for patients, and creates/distributes patient health education booklets for the community.

Healing Hearts – Healing Hearts improves heart failure care and outcomes for Maine people with the condition. The program coordinates the distribution of pamphlets, scales, and any other resources intended to help people manage heart failure. Healing Hearts also established an electronic registry for Physicians to track patient progress, and hospitals using this program consistently score above national averages on quality measures for patients with heart failure.

Cardiovascular Health Program – The Cardiovascular Health program improves the care and outcomes for Maine patients with cardiovascular disease (CVD). Along with an electronic registry for Physicians, the program produced a public awareness campaign for public access television in Greater Portland. The Cardiovascular Health program also supports the efforts of hospitals in offering preventative screenings to thousands of people with CVD through risk screening and reduction programs.

Acute Myocardial Infarction (AMI) – The AMI program improves outcomes of individuals that experience a certain type of heart attack (STEMI) by redesigning systems to ensure high quality, timely, and coordinated care. Through the AMI program’s “Rapid Response” packets, health systems met goals for decreasing the transport time to treat patients. Program staff also informs hospitals of cardiology literature and clinical practice guidelines.

Caring for ME – Caring for ME helps people with depression and those who care for and about them. The program trains primary care providers on the diagnosis and treatment of patients, and many physicians use an electronic registry to track outcome measures. In 2006, the program was chosen as one of only 20 healthcare organizations nationwide to participate in a year-long project focused on increasing patient and family involvement in chronic disease self-management.

Mental Health Integration – MaineHealth, in partnership with Spring Harbor and MMC Mental Health Network, developed a pilot program to improve primary care/mental health integration. The program conducts a collaborative “Learning Community” exploring the effectiveness, efficiency and cost/benefit of integration with 6 pairs of primary care/mental health partners.

Stroke Care – The MaineHealth Stroke Care Initiative seeks to improve the care and outcomes of patients who suffer from ischemic stroke, hemorrhagic stroke, and TIA. The program offers a set of provider education (e.g. pathways, guidelines) materials and patient education materials. Staff are working to develop systems to coordinate services and efficiently transfer patients across the system, while increasing access to neurology services for hospitals in need.

Prevention – The Prevention program seeks to improve adherence to adult and pediatric clinical preventative health guidelines. The program has created a preventative health module in the Clinical Improvement Registry (CIR); has developed patient oriented adult and pediatric preventative health guidelines and tracking tools so as to monitor preventative measures by population; and also has developed tools to support patient self management and provider education.

Osteoporosis – The Osteoporosis program seeks to improve the health and outcomes of patients who suffer from osteoporosis. This includes identifying patients who have had a fragility fracture and connecting them to their primary care providers for appropriate follow through. The program includes education materials to help providers in the prevention and treatment of osteoporosis and patient education materials that promote patient self management and fall prevention.

Palliative Care – The Palliative Care program seeks to improve the care of patients who have limited life expectancy and require comprehensive biomedical, psychosocial, and spiritual support as they enter the terminal stage of illness or condition. The program also supports family members coping with the complex consequences of illness, disability, and aging as death nears, while addressing the bereavement needs of family following the death of the patient.

Oncology – The Oncology program is looking to improve access to high quality cancer services throughout the MaineHealth region; to improve capacity to deliver patient centered care and

coordination of cancer care services; and to develop additional infrastructure needed to support defined levels of cancer care.

Infection Prevention and Control Consortium – This program coordinates infection prevention and control initiatives in MaineHealth hospitals. The program focuses on quality improvement and measures the impact of its efforts at both the hospital and system level.

Health Status Programs

Healthy Weight Initiative – This initiative targets both children and adults in the community. The key parts of the initiative include clinical, community, and environmental/policy interventions. MaineHealth’s financial and in-kind support for this initiative recognizes the importance of preventing obesity as a major driver of health care costs, a major risk factor for chronic diseases, and a well-documented community epidemic. In FY08, MaineHealth also made a significant financial contribution to the Maine Youth Overweight Collaborative.

Community Education Programs

MaineHealth Learning Resource Centers – With three Maine locations, the LRCs provide patients, health care providers, and community members with easy access to quality health information and a wealth of educational reference material. In addition, the LRCs offer the public over 100 unique classes taught by professionals (e.g. healthy cooking, yoga, chronic disease self-management, cancer prevention, and mental health awareness).

Parkinson’s Information and Referral Center – The Center is a primary resource for people with Parkinson’s disease, as well as their families and healthcare providers. Assistance includes “patron requests” for information, direct physician referrals, educational outreach to health care facilities, coordinating support groups, and specialized classes for newly-diagnosed individuals.

Access to Care Programs

CarePartners – The program arranges the provision of donated healthcare services for low income uninsured Mainers in Cumberland, Kennebec, and Lincoln Counties. CarePartners also provides administrative support to help serve the target population, including comprehensive eligibility assessment, care management, and access to low cost or free pharmaceuticals.

MedAccess – The program provides access to approximately one million dollars of free medications. CarePartners provides this community resource to uninsured and underinsured community members through the Patient Assistance Programs (PAPs). In addition to this service, MedAccess offers application assistance for other prescription access programs (Medicare Part D, etc) either in-person or through a toll-free number.

System Development

Healthviews Television Network - Healthviews is a community health education television partnership with Greater Portland’s local community access channel. The program airs 12 monthly half-hour segments that provide the latest information on important health and medical issues to help community members become more informed consumers.

Partnership for Healthy Aging

PHA leads the implementation of evidence-based prevention programs for older adults (Living Well, A Matter of Balance, EnhanceWellness, EnhanceFitness, Healthy IDEAS) throughout

Maine. The efforts of Elder Care Services focus upon improving transitions, prevention, and quality across the care continuum. Initiatives include Care Transitions coaching, Community Links, and Falls Prevention Tools for providers and patients.

VitalNetwork

The enhanced-ICU (E-ICU) initiative allows audio/video patient monitoring to coincide with real time display of information trend and condition changes. The system is staffed by expert ICU Physicians and Nurses in a central station, allowing enhanced remote monitoring of patients in multiple locations. Similar systems have been proven to reduce ICU mortality by 25%. MaineHealth was the first healthcare system in New England to implement the e-ICU program.

V. Billing and Collection Practices

Billing

Lincoln County Healthcare charges all patients the same price for the same services, regardless of payor source. Individuals are not required to pay or make arrangements to pay prior to the services being provided. On average, the first bill is sent to a patient 7-10 days after services are provided. After that initial billing date, the patient has 30 days to pay for those services. Before collection action is taken, three notices must be sent to patients informing them of their lack of proper payments and continued attempts to communicate with them about a solution. In the absence of either full payment or a patient's attempts to communicate in order to resolve the situation, LCH does use a responsible and professional collection agency if necessary. A bill will become classified as "bad debt" if a patient has not paid the full amount within 120 days. MaineHealth hospitals may pursue legal action for collecting an outstanding bill only with prior Board approval. The LCH Board has not voted to pursue such legal action in the past several years. Member organizations offering long-term and residential care services have, from time to time, taken legal action to collect amounts due from patients or residents who are not covered under the MaineCare program and have the sufficient resources to pay for the services they received.

VI. Charity Care Policies

Charity Care

Lincoln County Healthcare's policy of charity care and financial assistance is easily understood, prominently posted, and publicly available. A process exists for offering charity care or financial assistance to patients who are unable to pay after they have already been billed. In addition to monitoring collection practices, copies of the charity care policy are made available to patients at the main entrance and with bill/collection notices. The organization uses simple application procedures for charity care or financial assistance that do not intimidate or confuse applicants. LCH's employees who work in billing, and accounts receivable distribute applications, and actively encourage patients to contact our financial counselor as needed. All patient financial records are completely confidential.

NOTICE OF AVAILABILITY OF UNCOMPENSATED SERVICES

Miles Memorial Hospital and St. Andrews Hospital are required by law to give a reasonable amount of its services without charge to eligible persons who can not afford to pay for care. To be eligible to receive uncompensated service, your family income must be at or below the following levels:

	100% write off	75% write off	50% write off
1	0 – \$17,868	up to \$20,240	up to \$22,973
2	0 - \$23,958	up to \$27,380	up to \$30,803
3	0 - \$30,048	up to \$34,340	up to \$38,633
4	0 - \$36,138	up to \$41,300	up to \$46,463
5	0 - \$42,228	up to \$48,260	up to \$54,293
6	0 - \$48,318	up to \$55,220	up to \$62,123
7	0 - \$54,408	up to \$62,180	up to \$69,953
8	0 - \$60,498	up to \$69,140	up to \$77,783

VII. Good Governance and Executive Compensation Policies

Good Governance

LCH has a Board of 20 community members, a majority of whom are not practicing physicians, officers, department heads, or other employees with a financial connection or otherwise affiliated with the organization itself. The Board meets 12 times a year (on average), and has a written “conflict of interest” policy in place. The Board understands the specific mission of the organization, and approves strategic planning initiatives aimed at carrying out this mission. Trustees understand their fiscal and other specific responsibilities while serving on the Board, and further education/information is provided to Board members if requested. Trustees and Executive Officers of LCH do not receive loans on behalf of the organization. The organization ensures that a substantial part of its activities do not involve attempts to influence legislation, and that it will not take an official position or provide direct support for or against a political candidate. Moreover, in addition to the CEO, CFO, or both officially signing-off on yearly 990s and audited financial statements, the Board of Trustees must also have final approval of the yearly audited financial statements. The Board has also adopted and maintains a corporate compliance program that includes a Code of Conduct for all staff education and training, monitoring for compliance, and a Helpline for staff to call, all intended to produce continual compliance with organizational policies and the law.

Executive Compensation

MaineHealth has a formal written compensation policy in place. In consultation with Towers Perrin, the MaineHealth board compensation committee establishes appropriate compensation parameters for each member organization’s CEO and certain members of its senior management team. Working within those parameters, the organization’s board determines the level of compensation for its CEO. The findings of the compensation committee are made transparent to, and voted on by, the full board. “Total executive compensation” is filed publicly by the organization, and includes “total cash compensation” and “total value of all benefits and perquisites associated with position (such as housing allowances, social club memberships, signing bonuses, etc.)” CEOs are not permitted to vote or directly participate in the final board determination of their compensation. MaineHealth’s executive compensation procedure relies on appropriate data for comparability (e.g. compensation levels paid by both taxable and tax-exempt similarly situated organizations and independent compensation surveys by nationally recognized independent firms). Finally, MaineHealth does not allow executive compensation to be based solely on a member organization’s revenues or a similar profit-sharing strategy.

In compliance with State of Maine law (LD 1792) regarding the public disclosure of compensation of Officers and Directors of Public Benefit Nonprofit Corporations whose total compensation exceeds \$250,000 per year, MaineHealth discloses for those listed below dollar

figure categories that represent total compensation in the 2008 fiscal year (from October 1, 2007 through September 30, 2008).

Lincoln County Healthcare

FY2008 total compensation and benefits between \$250,000 and \$500,000:

Mark Fourre, MD, Emergency Department Medical Director

Russell Mack, MD, Vice President, Medical Affairs

VIII. Aggregate Financial Data

Lincoln County Health Care's Community Benefit Summary ***

1. Charity care (at cost)	<u>\$ 1,046,985</u>
2. Bad debt (at cost)	<u>\$ 1,178,913</u>
3. Government-sponsored health care (shortfall) - Unpaid cost of Medicare, MaineCare, and other hospital-specific indigent care programs	<u>\$ 17,077,816</u>
4. Net Community Benefit Investment Programs (net expense), e.g.	<u>\$ 5,113,115</u>

***Total Value of Quantifiable Benefits
Provided to the Community***

\$24,416,829

*** Form created based on AHA guidelines