Dear Friends,

In a country as prosperous and promising as ours, it is alarming that the sickest Americans are paying more for care and getting less for their money. Yet that is the result of a recent analysis by the Commonwealth Fund. The U.S. healthcare system is in a great state of flux—spending as a whole is beginning to trend downward while out-of-pocket costs for consumers are going up. Those consumers are not only patients; they are employers, governments, and communities.

We believe it is our obligation, as the region’s largest healthcare system, to usher in changes that will improve the healthcare we provide and make it less costly. It begins with lowering our costs so that we can then lower our prices, which we’re doing. It continues with changing how we are reimbursed, and ends with us giving back generously to the communities we serve.

In fiscal year 2016, which closed out for us on June 30, 2016, CHI Health invested $146 million in our communities, or 7.8 percent of our net patient service revenue. Of that total community benefit, $128.4 million went to caring for the poor and underserved.

We break our community benefit down three ways:

1. Care for the uninsured or under insured. We are committed for caring for patients whether or not they can pay. We have a healthy financial assistance plan and last year provided $50.7 million to our community neighbors who needed care but couldn’t afford it.

2. The unpaid cost of Medicaid. Last year we provided $77.7 million in healthcare not covered by state Medicaid. Medicaid is a healthcare program that assists low-income families or individuals pay for the care they need.

3. Broader Community Health. These are efforts by CHI Health and our employees to help, in very tangible ways, build a healthier community. In 2016, CHI Health invested $17.6 million in programs and partnerships to provide health education, subsidized care and improve the overall health of the community.

Our mission at CHI Health calls us to educate, heal and build healthier communities. We do it because it’s the right thing to do, because we are deeply committed to Nebraska and southwest Iowa and because it’s our home too.

Sincerely,

Cliff A. Robertson, MD
Chief Executive Officer
CHI Health
Lakeside

Provided staff and funding for three Healthy Start programs. These programs support low-income families in providing a healthy environment for their newborns and children up to the age of three years old. The programs focus on education, counseling, and case management to help families prepare for the birth of their child, initiate breastfeeding and help the child meet important health outcomes. The programs also provide education and support for parents and caregivers on topics such as nutrition, child development, and child health. Additionally, the programs provide access to health care services, including prenatal care, postpartum care, and well-child care. The programs also offer support for families who are struggling with substance use disorders, mental health issues, or other challenges that may affect the health and well-being of their children.

Missouri Valley

Improved access to mental health services and educational programs for children in the area. The programs focus on providing a range of services, including counseling, support groups, and educational programs. The programs also offer support for parents and caregivers on topics such as child development, behavior management, and family support. The programs also provide access to health care services, including mental health care, primary care, and urgent care. Additionally, the programs offer training and education for professionals working with children and families in the area.
CHI Health invested $146 million in Community Benefit programs and financial assistance in FY16.* This reflects our commitment, as a Community Benefit Organization, to care for vulnerable and underserved populations and to meet the needs of the communities we serve throughout Nebraska and southwest Iowa.

**Community Benefit Totals $146 Million**

* Fiscal Year 2016 (July 1, 2015 – June 30, 2016)

### Community Benefit is reported in two main categories:

#### 1. Access through Financial Assistance - $128.4M (88%) of our total FY16 Community Benefit Investment, including:

- **$50.7M (34.7%) - Unpaid Cost of Uninsured & Underinsured** - CHI Health provided financial assistance to individuals who are uninsured or underinsured and could not afford to pay for healthcare services.
- **$77.7M (53.3%) - Unpaid Cost of Medicaid** - The unreimbursed cost of serving Medicaid patients.

#### 2. Broader Community Health - $17.6M (12%) of our total FY16 Community Benefit was invested in internal and external services, programs and partner organizations to improve community health, including:

- **$5.3M - Community Health Improvement Services** - Investment in programs and partnerships to provide health education and to improve the overall health of the community.
- **$1.2M - Community Building Activities and Community Benefit Operations** - Funding of proven coalitions and operations that build capacity to address the root causes of health problems.
- **$0.8M - Research** - Investment in clinical research that is shared with the public.
- **$5.1M - Health Professions Education** - Staff investment in the training of future healthcare professionals.
- **$2.7M - Financial and In-Kind Contributions** - Investments in community groups and other not-for-profit organizations with a focus on meeting identified community health needs.
- **$2.5M - Subsidized Health Services** - Clinical programs such as the burn unit and rural access to care through emergency departments and clinics provided, despite a financial loss, because they meet an identified community need.