

A close-up photograph of a hand placing a red puzzle piece into a larger assembly of white puzzle pieces. The red piece is the central focus, and the word "Community" is printed in bold black text across its center. The background is a soft-focus view of the white puzzle pieces and the hand's fingers.

Community

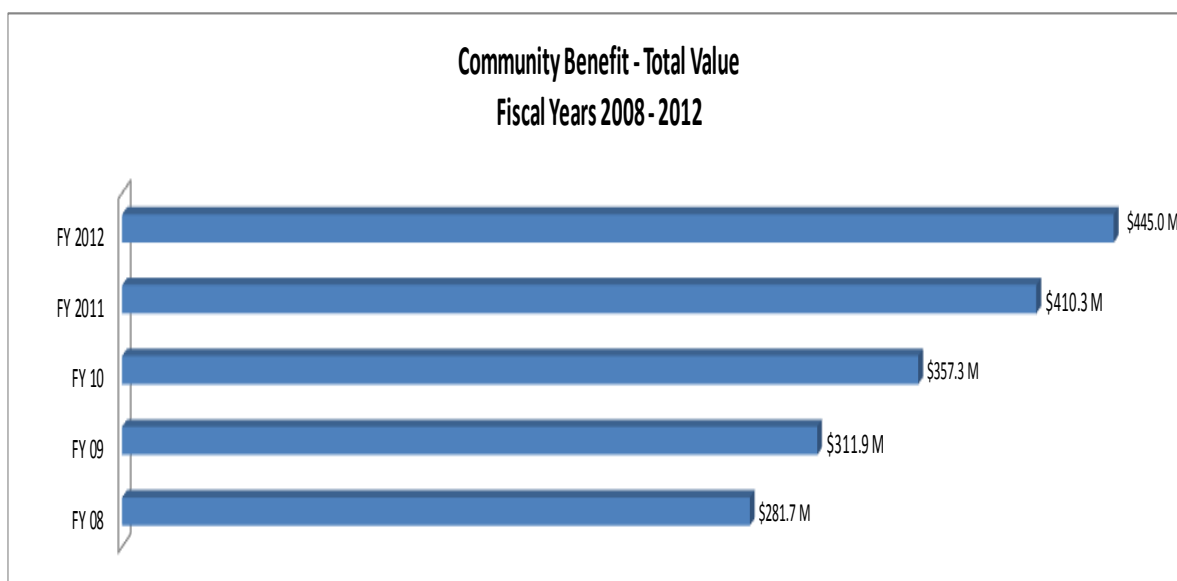
**Delaware Healthcare Association
Community Benefit &
Community Health Needs Assessment
Annual Report
Fiscal Year 2012**



Executive Summary

The Delaware Healthcare Association has reported hospital community benefit contributions annually since Fiscal Year 2008. This report for Fiscal Year 2012 includes community benefit contributions and new information not previously reported. This year's community benefit report includes a summary of hospital community health needs assessments.

Community benefit represents the total value of hospital community benefit programs, charity care, bad debt, and the shortfall attributed to government sponsored health insurance including Medicare, Medicaid, and Tricare. In Fiscal Year 2012, **Delaware hospitals contributed \$445 million to the State in the form of community benefits**. This is an increase of \$163.3 million since Fiscal Year 2008, the first year the Delaware Healthcare Association collected and reported community benefit information.



A closer look at the data shows that the net expense of community benefit programs totaled \$113.7 million in Fiscal Year 2012, which is an increase of more than \$9 million since Fiscal Year 2011.

Charity care increased slightly from \$47.6 million in Fiscal Year 2011 to \$50.7 million in Fiscal Year 2012.

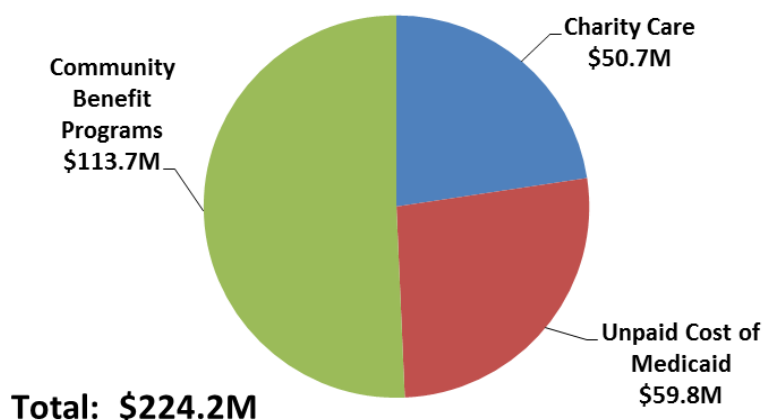
Bad debt increased from \$46.7 million in Fiscal Year 2011 to \$50.9 million in Fiscal Year 2012.

Government shortfalls for Medicare, Medicaid, and Tricare ballooned by almost \$18 million between Fiscal Years 2011 and 2012, from \$211.8 million to \$229.8 million.

It should be noted for accounting purposes that most hospitals have a broader definition of community benefits than the IRS definition. Most hospitals include in their community benefit calculation, the cost of bad debt, and the government shortfall attributed to Medicare and Tricare (military insurance), in addition to the cost of charity care, community benefit programs, and Medicaid shortfalls.

Combined Community Benefit Contributions: \$445 Million

2012 Community Benefit as Defined by the IRS



Category Definitions

Community Benefit Programs

- Community Health Improvement
- Health Professions Education
- Subsidized Health Services
- Research
- Financial and In-Kind Donations
- Community Building Activities
- Community Benefit Operations

Charity Care

- The cost of services which are not billed to patients due to their inability to pay, or who meet certain financial criteria according to hospital policies.

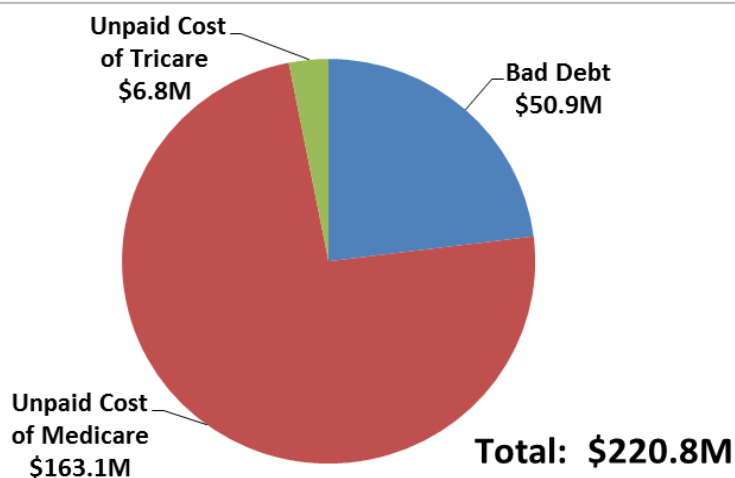
Bad Debt

- The cost of services which are billed, but deemed uncollectable.

Unpaid Cost of Medicaid, Medicare, & Tricare

- The difference between the cost of services delivered and government payment.

2012 Other Significant Financial Contributions



Economic Contribution

Hospitals contribute to their communities in ways other than providing healthcare services and programs. Delaware hospitals employ **20,650 full and part-time employees**, making them one of the largest sources of private sector jobs. They also **spend over \$2 billion on goods and services** from other businesses. These purchases create additional economic value for the community. This indirect benefit is often called the “ripple effect”. If the ripple effect is considered, then Delaware hospitals support a total of 41,690 jobs or, stated another way, every hospital job supports two additional jobs in Delaware. The ripple effect also means that hospitals support over \$4 billion in total economic activity (*Source: Avalere Health, using BEA RIMS-11 (2002/2010) multipliers for hospital NAICS Code 622, released 2012, applied to American Hospital Association Annual Survey data for 2011*).

Community Health Needs Assessment

Purpose

The Affordable Care Act requires all tax exempt hospitals to conduct a community health needs assessment (CHNA) once every three years and to adopt an accompanying implementation strategy. While conducting community health needs assessments are nothing new to hospitals, the federal requirement is new. **The IRS' thinking is that there should be a connection between community benefit programs and unmet health needs identified within a hospital's primary service area.** The Community Health Needs Assessment requirements of the Affordable Care Act are effective for tax years that began after March 23, 2012.

The *2012 Delaware Healthcare Association Community Benefit/Community Health Needs Assessment Annual Report* aggregates findings from community health needs assessment that were conducted during the 2012-2013 calendar year.

General Themes

A review of each hospital's CHNA reveals several common health themes:

- **Focus on Prevention.** Disease prevention is one of the single most important factors in helping people live longer, fuller, and more productive lives. It also helps reduce total healthcare costs by reducing unnecessary hospitalizations, unnecessary tests, and unnecessary treatment. Prevention can reduce the total burden of cancer, obesity, diabetes, heart disease, and stroke. But prevention is also one of the most challenging and complex components of healthcare because it is dependent on both internal (modifying behaviors) and external (social and environmental determinants) factors.
- **Improving Access to Healthcare Services.** Having sufficient health insurance is the first step to gaining full access to the healthcare system, but it is not enough to guarantee service. Barriers to accessing timely, quality, and culturally sensitive health care services exist throughout Delaware. These barriers include the high cost of care, lack of adequate transportation, lack of healthcare professionals including primary care physicians and mental health/behavioral health specialists, lack of outpatient care for substance use disorders, and a general lack of awareness about available community support services among low-income and minority populations.
- **Reducing Health Disparities.** According to the National Institutes of Health, health disparities refer to differences between groups of people that can affect how frequently a disease affects a group, how many people get sick, or how often the disease causes death. Many different populations are affected by disparities, including racial and ethnic minorities, residents of rural areas, women, children, elderly, and persons with disabilities. Health disparities emerged as a problem in almost every health category identified through the community health needs assessment process.

CHNA Process

While each hospital was responsible for conducting their own CHNA, the method used by each was relatively the same:

- Assembled an internal hospital advisory team to review data, develop discussion topics, and select priorities.
- Analyzed qualitative data obtained from engaging an external team of community stakeholders through informant interviews, focus groups, and surveys.
- Analyzed quantitative data using the most recent data available from sources such as Delaware HealthTracker (<http://www.delawarehealthtracker.com>); County Health Rankings & Roadmaps (<http://www.countyhealthrankings.org/>); and data from the Delaware Health Statistics Center (<http://www.dhss.delaware.gov/dph/hp/healthstats.html>) among other local sources of data.
- Identified criteria to evaluate and prioritize health needs identified through the fact-finding process.
- Documented and communicated CHNA results. (CHNA results for each hospital may be found on Delaware Health Tracker website www.delawarehealthtracker.com).
- Implementation planning and monitoring (currently in progress).

Understanding the Findings

The following pages present unmet community health needs that are common throughout Delaware. The unmet health needs were identified through hospital community health needs assessments conducted during Calendar Year 2012-2013. Critical health needs are highlighted using an indicator dashboard system developed by Healthy Communities Institute for the Delaware Healthcare Association and participating partners. A full list of health, economic, and social indicators may be found on <http://www.delawarehealthtracker.com/index.php>.



The report also references Healthy People 2020 (<http://www.healthypeople.gov/2020/default.aspx>), the 10-year national agenda for improving the health of all Americans. Healthy People 2020 provides objectives and benchmarks for nationwide health improvement priorities. It is one way for Delaware to track progress toward meeting national goals aimed at improving health outcomes.



One note that needs mentioning is that the hospital needs assessment process identified some gaps in information. There is an abundant need to have more information on social determinants and environmental factors at a zip code level and across racial/ethnic groups, in order to understand and better address a community's complex health needs. This would help target resources in an even more precise manner than using current methods.

Unmet Health Need #1: Reducing and Preventing Obesity

Problem:

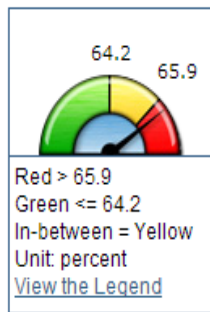
According to the Centers for Disease Control and Prevention, overweight and obesity related conditions affect an estimated 97 million Americans and are the second leading cause of preventable death in the United States. The percentage of overweight and obese adults is an indicator of the overall health and lifestyle of a community. Being overweight or obese affects quality of life and puts individuals at risk for developing many diseases, especially heart disease, stroke, diabetes, and cancer. Losing weight helps prevent and control these diseases. Being overweight or obese also carries significant economic costs due to increased healthcare spending and lost earnings (Source: Healthy Communities Institute).

Key Findings:

66% of adult Delawareans are overweight or obese, according to the Body Mass Index. This places Delaware in the bottom 25% of states nationally, whose adults are obese or overweight.

A slightly higher percentage of overweight or obese adults are African-American (69.%) or Hispanic (68.3%), consistent with national trends.

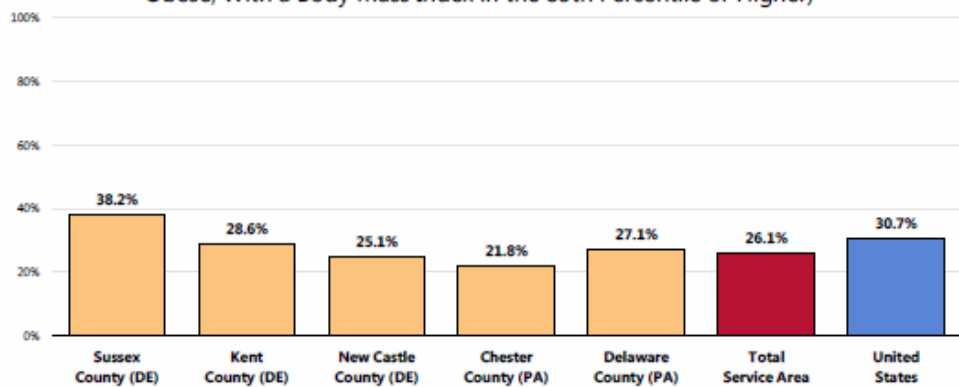
Adults who are Overweight or Obese



Location	Percent	Status
County : Kent	68.4	
County : New Castle	61.0	
County : Sussex	67.0	
State : Delaware	66.0	

Child Is Overweight or Obese

(Percent of Children Age 5-17 Who Are Overweight or Obese, With a Body Mass Index in the 85th Percentile or Higher)



Source: 2013 PRC Child & Adolescent Community Health Needs Assessment

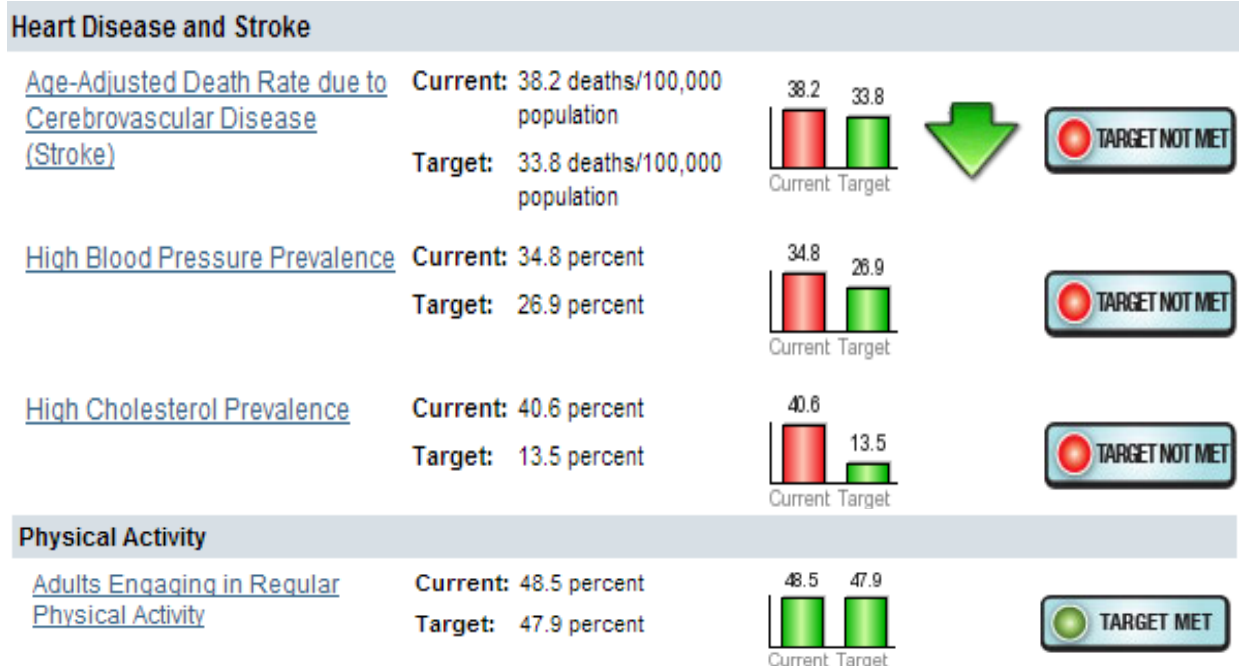
Within Delaware, Kent and Sussex Counties have a higher rate of overweight and obese adults than New Castle County (68.4%, 67% and 61% respectively). The same county level assessment holds true for children aged 5-17. **According to a recent Nemours' report, 38.2% of 5-17 year olds living in Sussex County are overweight or obese.** In Kent County, 28.6% of the same age group are overweight/obese and in New Castle County, 25% of 5-17 year olds are overweight or obese.

Gaining control over the obesity problem is vital to improving community health throughout Delaware, and specifically in Kent and Sussex Counties, because being overweight or obese leads to chronic and costly medical conditions including stroke, high blood pressure, high cholesterol, and diabetes. Delaware is making positive strides toward better diabetes control, but the prevalence of stroke, high blood pressure, and high cholesterol are on-going community health problems.

Hospitals across the State, as well as the Healthier Sussex County initiative, the Governor’s Council on Health Promotion and Disease Prevention, the Division of Public Health, and numerous other organizations have made tackling the obesity problem a priority health issue to be addressed through a number of strategies at both the local and state levels.

Some metrics from Healthy People 2020 can be used to benchmark and measure Delaware’s progress toward lowering its obesity/overweight problem. The metrics measure chronic diseases often attributed to weight problems, including high blood pressure, high cholesterol, and the age-adjusted death rate due to stroke. **Delaware has not met any Healthy People 2020 targets for obesity or overweight conditions.**

Key Indicators for Obesity/Overweight: Healthy People 2020



Unmet Health Need #2: Cancer Prevention and Control

Problem:

Great strides have been made in Delaware over the past decade to reduce total cancer burden. Yet, cancer remains the second leading cause of death in Delaware. **Incidence rates for prostate and cervical cancers are particularly troublesome, as is the age adjusted mortality rate for lung cancer.**

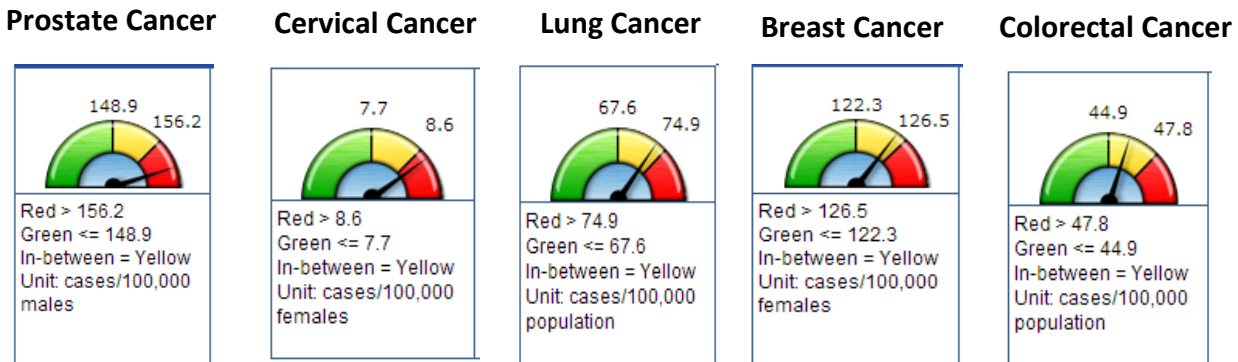
Effective cancer care includes screening and early detection, timely access to healthcare services, prevention or reduction of modifiable risk factors, and family support and engagement in healthcare decision making.

Key Findings:

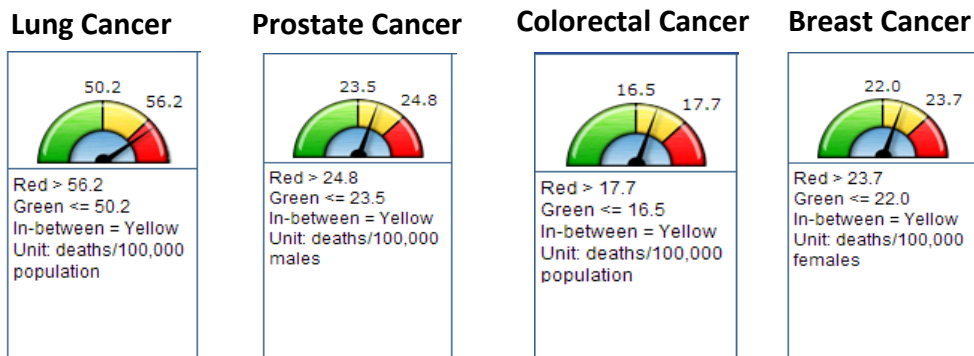
The dashboard indicators below use data from 2006-2010 to visually compare cancer incidence and mortality in the State of Delaware to other U.S. states. The incidence of prostate cancer for the State of Delaware is 177.3 per 100,000 males, which is high (i.e. red dashboard below) when compared to other states. Delaware also ranks relatively high among all states for cervical cancer incidence rates at 8.8 per 100,000 women. Delaware ranks somewhere in the middle (i.e. yellow dashboard) nationally for lung, breast, and colorectal cancer incidence rates.

Delaware's mortality rate for lung cancer is 56.4 deaths per 100,000 population. This is higher than 75% of other state lung cancer mortality rates.

Incidence Rates for Select Cancers—State of Delaware 2006-2010



Mortality Rates for Select Cancers—State of Delaware 2006-2010



Cancer incidence and mortality rates differ by county. **New Castle County** has the highest mortality rate due to prostate cancer. It also has the highest incidence of breast and cervical cancer.

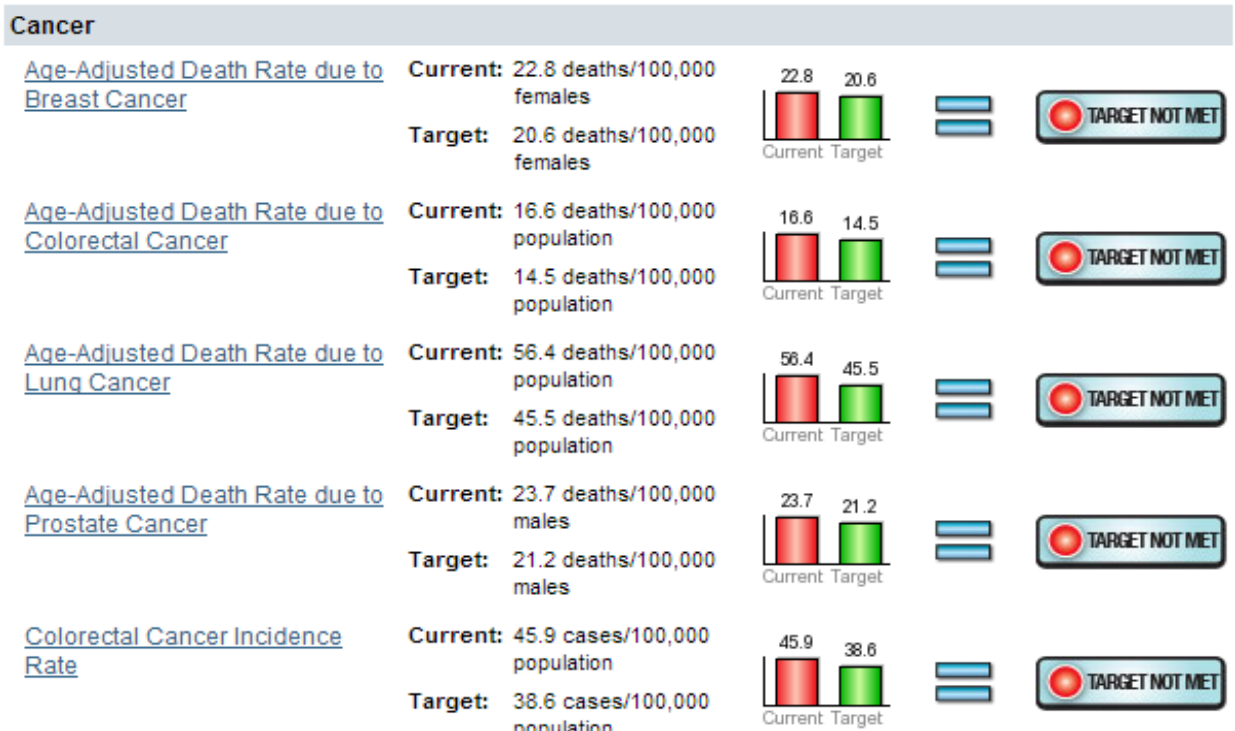
Kent County has the highest mortality rate due to lung and breast cancer. Kent County also has the highest prostate, lung, and colorectal cancer incidence rates in Delaware. High incidence and mortality rates due to lung cancer could be partially explained by the percentage of adults who smoke in Kent County, where 25% of all smokers in Delaware are located. It could also be explained by other modifiable risk factors such as the number of adults who are overweight and obese (67%) and the number of adults who are not physically active (40.5%).

Sussex County's mortality rate due to colorectal cancer is 17.7%, the same as Kent County. Sussex County is not far behind Kent County's colorectal cancer incidence rate.

Cancer also cuts across gender and ethnic groups. Incidence and mortality rates for lung cancer and colorectal cancer are higher for men than for women. Black men have higher incidence and mortality rates due to prostate cancer than White men, while Black women have a higher cervical cancer incidence rate than White women. White men and women have a higher incidence of lung cancer than Black men and women (76.6% and 67.9% respectively).

All hospitals in Delaware have programs targeting cancer incidence and mortality rates. These programs are expected to continue and, in some cases, will be augmented with additional outreach and education efforts to reach minority populations. Hospitals will continue to monitor progress toward reducing the burden of cancer in Delaware through Healthy People 2020 and other metrics under development .

Key Indicators Cancer: Healthy People 2020 Trackers



Unmet Health Need #3: Access To Healthcare Services

Problem:

Access to healthcare means the affordability and availability of primary care, specialty care, and emergency care. Access encompasses more than the number and types of healthcare providers and medical facilities. Barriers to access include insufficient health insurance coverage, lack of transportation, low health literacy, fragmented healthcare services, and financial barriers such as inability to pay co-payments and deductibles.

Key Findings:

Approximately 82% of Delaware adults and more than 95% of Delaware children have health insurance. Many who do not have health insurance, or who have insufficient health insurance, will see their needs addressed in 2014 when the insurance requirements of Affordable Care Act take effect. The requirements will assist those in the community who lack employer sponsored health insurance due to lack of a job. In Delaware, 6.5% of the civilian workforce was unemployed as of October 2013.

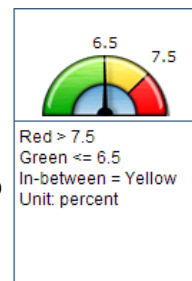
Aside from economic conditions, workforce shortages contribute to access problems. Delaware's primary care provider (PCP) rate is 71 providers per 100,000 population. This places Delaware in the middle to low end nationally. According to County Health Rankings, New Castle County has 81 PCPs per 100,000 people, while Sussex County has 60 PCPs per 100,000 and Kent County has 52 PCPs per 100,000 people.

Delaware's statewide dentist rate fares worse than its PCP rate — only 43 dental providers per 100,000 people. Kent and Sussex Counties are struggling more than New Castle County in securing a sufficient number of dentists to serve lower Delaware. Sussex County only has 20 dentists per 100,000 population. By comparison, Kent County has 32 dentists and New Castle County has 54 dentists per 100,000 population.

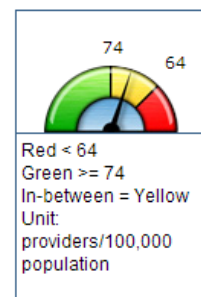
A sufficient number of dentists is important because oral health has been shown to impact overall health and well-being. Nearly one-third of all adults in the United States have untreated tooth decay or cavities, and one in seven adults between the ages of 35 to 44 years has periodontal (gum) disease.

Tooth decay is the most prevalent chronic infectious disease affecting children in the U.S., and impacts more than a quarter of children between the ages of 2 to 5 and more than half of children between the ages of 12 to 15. Given these serious health consequences, it is important to maintain good oral health. It is recommended that adults and children see a dentist on a regular basis (Source: Healthy Communities Institute).

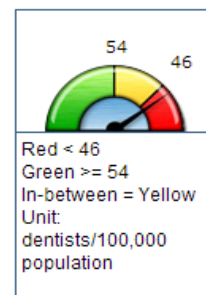
Unemployed Workers in DE



Primary Care Provider Rate



Dentist Rate

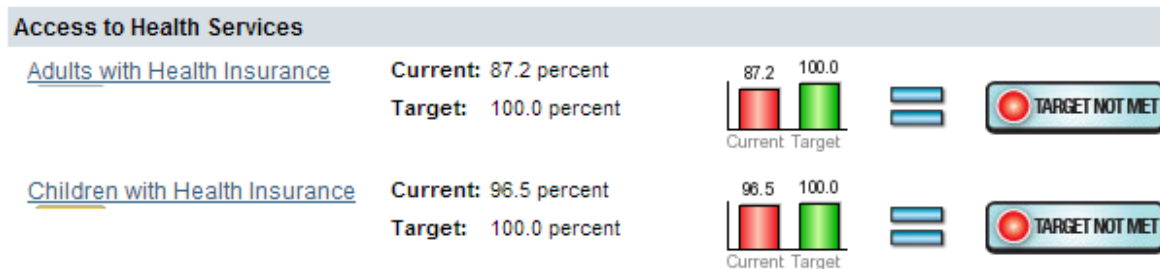


Another barrier to accessing care is health literacy. The need for outreach and education regarding existing healthcare services, including social services, was a theme that emerged in almost all hospital community health needs assessments. Minority and low-income populations appear to be at the greatest risk for not understanding or being aware of existing services that are available in their communities. Hospitals will continue developing partnerships with local agencies to provide clear, culturally sensitive, and easy to understand messages.

Other access determinants such as transportation, overuse of emergency department services, and fragmentation of the healthcare system in general have yet to be addressed on a large scale, meaningful, and feasible level.

Delaware has not met Healthy People 2020 key indicators for access to healthcare; however, as mentioned earlier, implementation of the Affordable Care Act should help Delaware meet national benchmarks for health insurance.

Key Indicators Access to Healthcare: Healthy People 2020 Trackers



Access to Mental Health/Behavioral Health Care

Another reoccurring theme among hospital community health needs assessments is accessing timely, quality mental health and behavioral health care. Troublesome in recent years is the increase of suicides, up from an average 10.7 deaths per 100,000 people for the time period 2005-2009 to 11 per 100,000 people for the 2006-2010 time period. **Sussex County in particular has experienced the highest death rate due to suicide in Delaware (13.5 deaths/100,000).** Multiple reasons could explain the uptick in suicides, including a shortage of mental health providers and a lack of mental health, behavioral health, and substance abuse services throughout the State, but most significantly in Kent and Sussex Counties where gaps in mental health services are more pervasive than they are in New Castle County.

Age Adjusted Death Rate Due to Suicide

Location	Deaths/100,000 population	Status
County : Kent	11.2	
County : New Castle	10.2	
County : Sussex	13.5	
State : Delaware	11.0	

Unmet Health Need #4: Infant and Maternal Health

Problem:

Delaware’s infant mortality rate (i.e., the number of deaths per 1,000 live births for infants within their first year of life) has steadily decreased from 8.6 deaths per 1,000 live births between 2003-2007 to 8.0 deaths per 1,000 live births for the time period 2006-2010. The decrease in infant mortality indicates progress toward better outcomes, but 8.0 deaths per 1,000 live births remains well above the national average of 6.5 deaths per 1,000 live births.

The leading causes of death among infants are birth defects, pre-term delivery, low birth weight, Sudden Infant Death Syndrome (SIDS), and maternal complications during pregnancy.

Key Findings:

New Castle County, and the City of Wilmington in particular, account for most of the State’s high infant mortality rate. Infant mortality rates in New Castle County are as high as 8.8 deaths per 1,000 live births compared to Kent County (6.5 deaths/1,000) and Sussex County (7.0 deaths per 1,000 population).

More babies are born with low birth rates in New Castle County than anywhere else in the State. The percentage of pre-term births (i.e. percentage of births with less than 37 weeks of completed gestation) is rising statewide, from 12.5% in 2009 to 12.8% in 2010. Alarming, the infant mortality

Infant Mortality Rate—2006-2010

Location	Deaths/1,000 live births	Status
County : Kent	6.5	
County : New Castle	8.8	
County : Sussex	7.0	
State : Delaware	8.0	

Babies with Low Birth Weights — 2006-2010

Location	Percent	Status
County : Kent	8.6	
County : New Castle	9.4	
County : Sussex	7.9	
State : Delaware	8.9	

rate for Black babies is 14.2%/1,000 live births, which is more than double the percent for White babies. Low birth weight among Black babies (13.6%) is also higher than White babies (7.2%) or Hispanic babies (7.0%)

The good news is that hospitals and other community partners serving the Black and Hispanic populations are tackling the infant mortality problem by designing targeted outreach and education efforts to increase the number of mothers who receive early prenatal care, which is the best assurance of infant health, especially in the first trimester.

The efforts are paying off. Statewide, 75% of mothers received early pre-natal care for the years 2005-2009. Among ethnic groups, 71.2% of Black mothers received early pre-natal care; 76.7% of White mothers received early pre-natal care; and 55.2% of Hispanic mothers received prenatal care for the years 2005-2009.

Mothers Who Received Early Pre-Natal Care—2005-2009

Location	Percent	Status
County : Kent	68.7	
County : New Castle	82.6	
County : Sussex	59.8	
State : Delaware	75.3	

While Delaware has not met any Healthy People 2020 indicators for infant mortality, the State as a whole is at least moving in the right direction, with the exception of preterm births. The direction and color of the arrows below either indicate progress toward improvement (green arrows) or movement in a negative direction (red arrow).

Key Infant Mortality Indicators: Healthy People 2020 Tracker

Maternal, Infant and Child Health			
Babies with Low Birth Weight	Current: 8.9 percent Target: 7.8 percent		
Infant Mortality Rate	Current: 8.0 deaths/1,000 live births Target: 6.0 deaths/1,000 live births		
Mothers who Received Early Prenatal Care	Current: 75.3 percent Target: 77.9 percent		
Preterm Births	Current: 12.8 percent Target: 11.4 percent		

Delaware Healthcare Association

Purpose

Established in March 1967, the **Delaware Healthcare Association (DHA)** is a statewide trade and membership services organization that exists to represent and serve hospitals, health systems, and related healthcare organizations in their role of providing a continuum of appropriate, cost-effective, quality care to improve the health of the people of Delaware.

Mission

- Provide members with the resources needed to stay current about healthcare issues and their impact.
- Recognize the provision of healthcare services is constantly evolving and changing to better serve patients and their communities.
- Promote effective change in the provision of healthcare services through collaboration and consensus building on healthcare issues at the State and Federal levels.
- Provide effective advocacy, representation, timely communication, and information to our members.

Who We Are

Wayne A. Smith, President & CEO

Suzanne E. Raab-Long, Executive Vice-President

Lisa A. Schieffert, Director, Health Policy

Yasmine Chinoy, Operations & Office Manager

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**Delaware Healthcare Association Member Hospitals
Reporting Community Benefits and
Community Health Needs Assessment Results**

