

MONTANA'S HOSPITALS:



Issues and facts related to the charitable purposes of our hospitals and the protection of Montana consumers

2014

Sixth Annual Report prepared for Montana Attorney General Tim Fox



Office of
Consumer
Protection
& Victim Services

MONTANA OFFICE OF CONSUMER PROTECTION

By Lawrence L. White, Jr., MHA, FACHE | Anna Iverson Buckner, MA, MPH
School of Public and Community Health Sciences, The University of Montana

ATTORNEY GENERAL

STATE OF MONTANA

Tim Fox
Attorney General



Joseph P. Mazurek Justice Building
215 North Sanders
PO Box 201401
Helena, MT 59620-1401

Fellow Montanans:

In 2008, my predecessor Attorney General Mike McGrath published the first Montana Hospitals Report. Upon its release, he pointed out that the “Attorney General’s Office has the dual role of protecting consumers and monitoring nonprofit corporations.” Then as now, the dedicated public servants at the Montana Department of Justice take this responsibility seriously.

When the first report was commissioned, there were concerns about how hospitals handled account collections, charity care policies, and patient bankruptcies. Over the years, the report has given us insight into these issues as well as contextual data for ensuring hospitals continue to provide adequate levels of charity care.

The majority of Montana’s hospitals – 46 of 60 – are classified as 501(c)(3) charitable organizations by the U.S. Internal Revenue Service (IRS) and are exempt from federal and state income taxes as well as state and local property taxes. The IRS requires these hospitals to provide a “community benefit” in exchange for their tax-exempt status. While a specific dollar amount is not required, the general expectation is that the benefits are commensurate with the value of the exemption.

Key points from the 2014 report include:

- In Fiscal Year 2011, Montana’s nonprofit hospitals provided nearly \$215 million in total community benefits.
- In FY2011, large nonprofit hospitals provided \$188,685,876 in total community benefits, up from \$166,245,443 in 2010. Those benefits were 366% of the value of the hospitals’ tax exemptions, up from 284% in 2010.
- In FY2011, small nonprofit hospitals provided \$26,061,793 in total community benefits, down from \$27,913,613 in 2010. Those benefits were 406% of the value of the hospitals’ tax exemptions, up from 325% in 2010.
- In FY 2011, though large hospitals received slightly fewer charity care applications than in 2010, the approval rate increased from 91.18% to 94.83%.
- In FY2011, small hospitals received more charity care applications than in 2010 and the approval rate increased from 86.64% to 92.04%.
- In FY2011, uncompensated care accounted for a median amount of 6.37% of operating expenses at large hospitals and 5.53% at small hospitals. The median amount for all U.S. hospitals was 5.9%.

TELEPHONE: (406) 444-2026 FAX: (406) 444-3549 E-MAIL: contactdoj@mt.gov

MONTANA DEPARTMENT OF JUSTICE

Legal Services Division ★ Division of Criminal Investigation ★ Highway Patrol Division ★ Forensic Sciences Division
Gambling Control Division ★ Motor Vehicle Division ★ Information Technology Services Division ★ Central Services Division

- In FY2011, for all Montana hospitals, accounts totaling approximately 4.38% of operating revenues were sent to collection agencies.
- In FY2011, the average dollar value of patient accounts that hospitals wrote off in bankruptcy was \$1,644 – so low that the report concludes those accounts were not the cause of bankruptcy but became included when patients sought bankruptcy due to other financial problems.

There is no doubt that the provision of health care in Montana and throughout the U.S. is experiencing significant changes. With many of the 2010 Affordable Care Act's provisions still in early stages of implementation, and some yet to be implemented, it is too soon to predict with accuracy whether the cost of charity care will increase or decrease in the years ahead.

Montana's hospitals invest considerable time and resources into providing vital services in communities large and small across our state, and charity care is a fundamental part of that service. Now more than ever – as the delivery and financing of health care continue to undergo dramatic changes – it is important that our hospitals continue to provide these services to Montanans.

Sincerely,

A handwritten signature in blue ink, appearing to read 'T. Fox', with a stylized flourish at the end.

Tim Fox
Attorney General

**Montana's Hospitals: Issues and Facts Related to the Charitable
Purposes of Our Hospitals and the Protection of Montana Consumers
Sixth Annual Report**

Prepared for Montana Attorney General

Tim Fox

By

Lawrence L. White, Jr., MHA, FACHE

Anna Iverson Buckner, MA, MPH

2014

School of Public and Community Health Sciences

The University of Montana

I. INTRODUCTION

This is the sixth in a series of reports commissioned by the Montana Attorney General that evaluates the community benefits derived from Montana’s nonprofit hospitals in return for their tax exempt status. Most (46 of 60) hospitals in Montana are designated as 501(c)(3) charitable organizations. As such, they enjoy exemption from federal and state income taxes, state and local property taxes, and they can issue tax exempt bonds. In return, Internal Revenue Service (IRS) regulation requires nonprofit hospitals to provide a “community benefit”. Federal regulations do not require that a specific amount of community benefit be furnished in exchange for its tax exemption, but the expectation is that the benefits provided will be proportionate to the value of the tax exemption.¹

In this edition, we will present data and information taken from reports provided by the hospitals about their fiscal year that ended in 2011 and from prior years. Where appropriate, all financial data are inflation adjusted to reflect 2006 dollars. In the study group of 22 hospitals, 10 are classified as Prospective Payment System (PPS) hospitals by the federal government and 12 have the federal designation Critical Access Hospital (CAH). For this report, the PPS hospitals are referred to as “large hospitals” and the CAH facilities are referred to as “small hospitals.” Table 1 is a list of the study hospitals.

Table 1
Montana Hospitals- 2011 Community Benefits Study
 Montana Hospitals-2011 Community Benefits Study

LARGE (PROSPECTIVE PAYMENT SYSTEM) HOSPITALS	SMALL (CRITICAL ACCESS) HOSPITALS
FACILITY NAME/CITY	FACILITY NAME/CITY
BENEFIS HEALTH SYSTEM GREAT FALLS	CENTRAL MT MED. CENTER LEWISTOWN
BILLINGS CLINIC	COMMUNITY OF ANACONDA
BOZEMAN DEACONESS	FRANCIS MAHON DEAC. GLASGOW
COMMUNITY MED. CTR. MISSOULA	GLENDIVE MEDICAL CENTER
KALISPELL REGIONAL HEALTHCARE	HOLY ROSARY MILES CITY
NORTHERN MONTANA HOSPITAL HAVRE	LIVINGSTON HEALTHCARE
ST. JAMES BUTTE	MARCUS DALY MEMORIAL HAMILTON
ST. PATRICK MISSOULA	NORTH VALLEY WHITEFISH
ST. PETER HELENA	SIDNEY HEALTH CENTER
ST. VINCENT BILLINGS	ST. JOHN'S LUTHERAN LIBBY
	ST. JOSEPH POLSON
	ST. LUKE COMMUNITY RONAN

¹ In 1956 the Internal Revenue Service requirements for a hospital to qualify as tax exempt stated, very simply, that a hospital must “...provide charity care to the extent of its financial ability.” In the years following the enactment of Medicare and Medicaid, the regulations became less specific as the “community benefit” standard was introduced. In so many words, federal law reflects an expectation that tax exempt hospitals will provide a community benefit proportionate to the value of their tax exemption.

II. COMMUNITY BENEFIT IN RETURN FOR TAX EXEMPTION

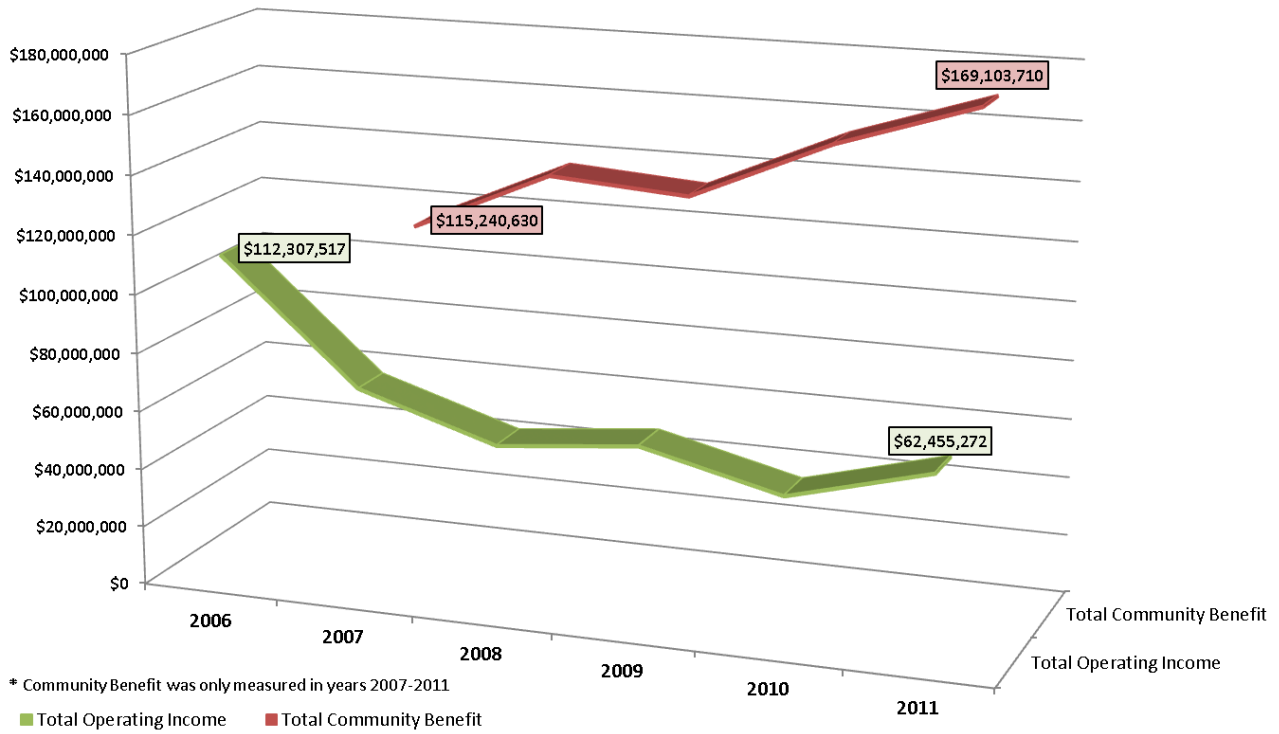
The exchange society makes by granting tax exempt status to Montana hospitals is the community benefit they provide in return. To evaluate this exchange we compare the value of the nonprofit hospitals' tax exemptions to the costs of the community benefits they provided. We calculate the value of the tax exemption for both operating income (patient care activities) and total income (includes non-operating income such as investment earnings and rental income) because total income can vary significantly from year to year.

Table 2 shows this comparison and reveals that, in fiscal year (FY)2011, for large hospitals, community benefits costs increased over FY2010 by \$22.4 million while for small hospitals, the cost of community benefits provided declined by \$1.9 million. As shown in the last column in Table 2, combined, the study hospitals provided community benefits of approximately 500% of the value of their tax exemption on operating income. The detail behind this calculation is shown in Appendix 1. A look at long term trends for large hospitals is shown in Graph 1. Since 2006, operating income has declined by \$50 million while the cost of community benefits has grown by the same amount since 2007 (in 2006 total community benefit costs were not calculated). Graphs 2A and 2B show the primary elements of the community benefit costs for large and small hospitals.

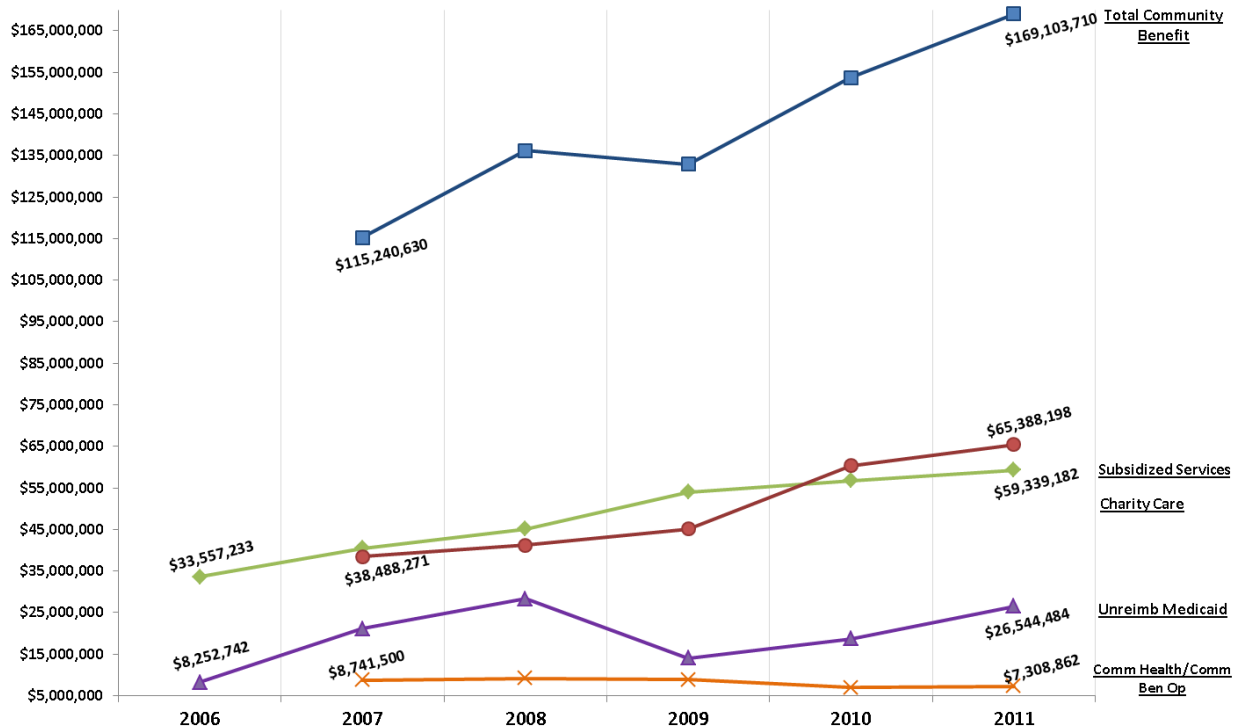
Table 2
Community Benefit Costs Compared to Value of Tax Exemption – 2011

FACILITY	TOTAL COMMUNITY BENEFIT COST	VALUE TAX EXEMPTION OPR.INC.	OPR.INC COMMUNITY BENEFIT % TAX EXEMPTION	VALUE TAX EXEMPTION TOTAL INC.	TOTAL INC. COMMUNITY BENEFIT % TAX EXEMPTION
BENEFIS HEALTH SYSTEM GREAT FALLS	\$23,921,140	\$8,988,721	266.12%	\$9,898,062	241.67%
BILLINGS CLINIC	\$30,704,697	\$8,137,911	377.30%	\$16,316,319	188.18%
BOZEMAN DEACONESS HOSPITAL	\$16,392,100	\$6,099,971	268.72%	\$7,258,181	225.84%
COMMUNITY MEDICAL CENTER MISSOULA	\$12,907,938	\$2,618,465	492.96%	\$3,510,107	367.74%
KALISPELL REGIONAL HEALTHCARE	\$18,239,707	\$1,257,114	1450.92%	\$3,635,862	501.66%
NORTHERN MONTANA HOSPITAL HAVRE	\$3,247,605	\$562,185	577.68%	\$1,094,561	296.70%
ST. JAMES BUTTE	\$7,315,058	(\$1,841,832)	*	(\$1,842,842)	*
ST. PATRICK HOSPITAL	\$30,923,674	\$7,137,120	433.28%	\$7,920,938	390.40%
ST. PETER HELENA	\$15,586,464	\$2,617,124	595.56%	\$4,263,236	365.60%
ST. VINCENT HEALTHCARE	\$29,447,493	\$3,773,412	780.39%	\$4,283,622	687.44%
2011 Total/Median	\$ 188,685,876	\$ 39,350,190	493%	\$ 56,338,046	366%
2010 Total/Median	\$ 166,245,443	\$ 32,258,169	413%	\$ 52,030,182	284%
CENTRAL MONTANA MEDICAL CENTER	\$ 1,371,263	\$ (260,828)	*	\$ 337,832	405.90%
COMMUNITY HOSPITAL OF ANACONDA	\$ 3,519,222	\$ 465,235	756.44%	\$ 390,639	900.89%
FRANCES MAHON DEACONESS HOSPITAL	\$ 3,154,872	\$ 763,316	413.31%	\$ 959,256	328.89%
GLEN DIVE MEDICAL CENTER	\$ 2,724,633	\$ (285,152)	*	\$ (86,443)	*
HOLY ROSARY MILES CITY	\$ 2,409,692	\$ 261,651	920.96%	\$ 224,657	1072.61%
LIVINGSTON HEALTHCARE	\$ 680,392	\$ 69,831	974.34%	\$ 217,707	312.53%
MARCUS DALY MEMORIAL HOSPITAL	\$ 2,050,155	\$ 494,004	415.01%	\$ 644,505	318.10%
NORTH VALLEY HOSPITAL	\$ 1,529,267	\$ (125,712)	*	\$ 189,463	807.16%
SIDNEY HEALTH CENTER	\$ 1,522,672	\$ (369,591)	*	\$ 322,084	472.76%
ST. JOHN'S LUTHERAN HOSPITAL	\$ 2,755,855	\$ 88,612	3110.04%	\$ 201,190	1369.78%
ST. JOSEPH MEDICAL CENTER	\$ 1,076,966	\$ 264,904	406.55%	\$ 279,791	384.92%
ST. LUKE COMMUNITY HOSPITAL	\$ 3,266,804	\$ 1,036,019	315.32%	\$ 1,021,159	319.91%
2011 Total/Median	\$ 26,061,793	\$ 2,402,288	586%	\$ 4,701,840	406%
2010 Total/Median	\$ 27,913,613	\$ 4,524,144	321%	\$ 6,302,035	325%

Graph 1
Operating Income and Community Benefit Large Hospitals – 2006-2011*

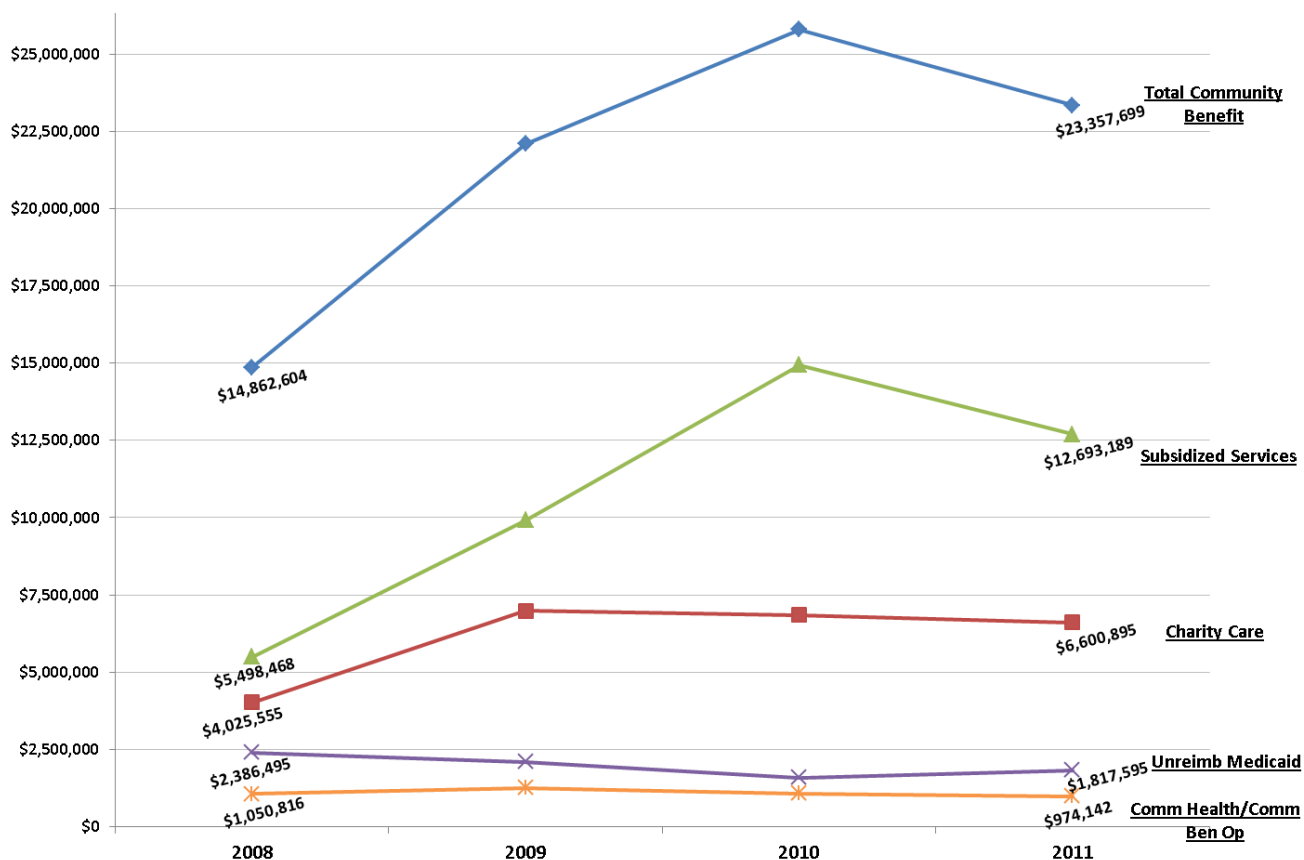


Graph 2A
Trends in Community Benefit 2006*-2011: Large Hospitals (Inf Adj)



*Only Charity Care and Unreimbursed Medicaid were measured in 2006

Graph 2B
Trends in Community Benefit 2008-2011: Small Hospitals



III. COMMUNITY BENEFITS

The cost of community benefits provided by all study hospitals in 2011 was almost \$215 million. These costs consisted of nine separate categories of community benefit that are recognized by the IRS and reported in the hospitals' informational tax return (Form 990). Appendix 2 provides a full description of community benefits. Because hospitals vary so greatly in size, comparing the amount of community benefits among and between hospitals is best done as a percentage of the hospitals' operating expenses. Table 3 provides this comparison. The reader can see the variation from highest to lowest percent of operating cost. An itemization of community benefit costs for each hospital can be found in Appendix 3. To see how community benefit expenditures have changed for the individual hospitals since 2007, see the supplement to this report. Because they constitute the majority of community benefits, we will look at charity care and subsidized services in detail.

Table 3
Community Benefit Cost and Percent Operating Expense – 2011

FACILITY	TOTAL COMMUNITY BENEFIT COSTS	CB% OPERATING EXPENSE
ST. PATRICK HOSPITAL	\$30,923,674	13.65%
ST. PETER HELENA	\$15,586,464	11.08%
BOZEMAN DEACONESS HOSPITAL	\$16,392,100	9.85%
ST. VINCENT HEALTHCARE	\$29,447,493	9.53%
COMMUNITY MEDICAL CENTER MISSOULA	\$12,907,938	9.10%
ST. JAMES BUTTE	\$7,315,058	7.72%
KALISPELL REGIONAL HEALTHCARE	\$18,239,707	7.54%
BENEFIS HEALTH SYSTEM GREAT FALLS	\$23,921,140	7.34%
NORTHERN MONTANA HOSPITAL HAVRE	\$3,247,605	6.29%
BILLINGS CLINIC	\$30,704,697	6.20%
Total/Median	\$188,685,876	8.41%
FRANCES MAHON DEACONESS HOSPITAL	\$3,154,872	11.99%
ST. JOHN'S LUTHERAN HOSPITAL	\$2,755,855	10.48%
COMMUNITY HOSPITAL OF ANACONDA	\$3,519,222	10.82%
ST. LUKE COMMUNITY HOSPITAL	\$3,266,804	8.89%
GLENDIVE MEDICAL CENTER	\$2,724,633	6.52%
HOLY ROSARY MILES CITY	\$2,409,692	6.15%
CENTRAL MONTANA MEDICAL CENTER	\$1,371,263	5.36%
MARCUS DALY MEMORIAL HOSPITAL	\$2,050,155	4.43%
ST. JOSEPH MEDICAL CENTER	\$1,076,966	4.24%
NORTH VALLEY HOSPITAL	\$1,529,267	3.80%
SIDNEY HEALTH CENTER	\$1,522,672	3.46%
LIVINGSTON HEALTHCARE	\$680,392	2.09%
Total/Median	\$26,061,793	5.75%

IV. CHARITY CARE

Charity care can be considered the cornerstone community benefit provided by nonprofit hospitals. The original IRS criteria for tax exempt status established in 1956 required that a hospital provide charity care "...to the extent of its financial ability"¹. All subsequent deliberations about hospital tax exemption up to the present time have specifically involved charity care. For this reason, this report's examination of charity care has included a review of each hospital's policy on charity care, the public's accessibility to the policy, the number of applications received and approved, and the bad debts expense incurred. The broad view of charity care over six years shows the inflation adjusted cost of charity care provided by large hospitals growing by 75% (\$33.5 million to \$59.3 million). Small hospital charity care costs have increased 64% during the past four years (\$40.3 million - \$66.0 million). However, it is noteworthy that small hospital charity costs have actually declined each of the past two years (Graph 2B demonstrates this). Table 4 shows the amount of charity care in 2011 by percent of operating expense and surplus. Changes over time in the amount of charity care provided by each hospital are available in a supplement to this report.

The IRS instructions for reporting charity care call for hospitals to deduct from charity care costs any amounts of Medicaid reimbursement in excess of cost. Seven hospitals failed to make this adjustment.

Table 4
Charity Care Percent of Operating Expense/Surplus – 2011

FACILITY NAME/CITY	CHARITY COSTS 2011	CHARITY CARE AS A PERCENT OF OP. EXPENSE	CHARITY CARE % OP. SURPLUS
ST. PATRICK HOSPITAL	\$ 10,179,813	4.49%	67.87%
ST. VINCENT HEALTHCARE	\$ 11,214,648	3.63%	143.89%
BOZEMAN DEACONESS HOSPITAL	\$ 5,949,813	3.57%	43.86%
ST. PETER HELENA	\$ 4,642,272	3.30%	100.88%
ST. JAMES BUTTE	\$ 2,975,920	3.14%	*
BILLINGS CLINIC	\$ 13,980,338	2.82%	108.88%
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 8,391,932	2.58%	66.43%
KALISPELL REGIONAL HEALTHCARE	\$ 5,822,111	2.41%	838.72%
COMMUNITY MEDICAL CENTER MISSOULA	\$ 2,317,707	1.63%	39.29%
NORTHERN MONTANA HOSPITAL HAVRE	\$ 734,257	1.42%	50.23%
2011 Total/Median	\$ 66,208,811	2.98%	67.87%
2010 Total/Median	\$ 61,418,318	2.76%	78.93%
HOLY ROSARY MILES CITY	\$ 1,699,001	4.34%	319.68%
ST. JOSEPH MEDICAL CENTER	\$ 1,005,539	3.96%	435.99%
FRANCES MAHON DEACONESS HOSPITAL	\$ 696,091	2.65%	36.34%
ST. JOHN'S LUTHERAN HOSPITAL	\$ 548,037	2.08%	266.16%
CENTRAL MONTANA MEDICAL CENTER	\$ 479,247	1.87%	*
LIVINGSTON HEALTHCARE	\$ 602,988	1.85%	354.32%
GLENDIVE MEDICAL CENTER	\$ 607,810	1.45%	*
SIDNEY HEALTH CENTER	\$ 470,123	1.07%	*
NORTH VALLEY HOSPITAL	\$ 419,610	1.04%	*
COMMUNITY HOSPITAL OF ANACONDA	\$ 331,881	1.02%	28.32%
MARCUS DALY MEMORIAL HOSPITAL	\$ 343,132	0.74%	60.69%
ST. LUKE COMMUNITY HOSPITAL	\$ 161,614	0.44%	8.22%
2011 Total/Median	\$ 7,365,073	1.65%	163.43%
2010 Total/Median	\$ 7,401,427	1.40%	47.14%

Charity Care Policies:

Hospitals use the poverty level established by Federal Poverty Guidelines (FPG) to establish need. In 2011, for a family of four, the poverty line was \$22,350². Montana’s hospitals structure their charity policies on a sliding scale such that financial assistance begins with a 10% discount and progresses to a write off of 100% as a family’s level of poverty approaches the FPG. Additionally 15 of the study hospitals provide financial assistance (charity) in cases of catastrophic claims or unusual situations.

Table 5 displays the lower and upper limits of the hospitals’ charity policies. The shaded areas highlight changes made to policies since 2006. Our analysis of these policies over the past six years shows that six of the 10 large hospitals have made their financial assistance policies more liberal including Benefis, Northern Montana Hospital and St. Peter during the past year. The changes in policy at the small hospitals have been tracked for four years. Five of the 12 small hospitals have liberalized their policies since 2008.

**Table 5
Hospital 2011 Charity Policy and Six-Year Changes**

FACILITY	%FPG CHARITY CARE BEGINS 2006	% FPG CHARITY CARE BEGINS 2011	% FPG FOR FULL WRITE OFF 2006	% FPG FOR FULL WRITE OFF 2011
BENEFIS HEALTH SYSTEM GREAT FALLS	200%	400%	150%	200%
BILLINGS CLINIC	300%	300%	110%	120%
BOZEMAN DEACONESS HOSPITAL	200%	250%	100%	150%
COMMUNITY MEDICAL CENTER MISSOULA	300%	300%	200%	200%
KALISPELL REGIONAL HEALTHCARE	200%	400%	125%	200%
NORTHERN MONTANA HOSPITAL HAVRE	200%	200%	100%	125%
ST. JAMES BUTTE	400%	400%	200%	200%
ST. PATRICK HOSPITAL	400%	400%	200%	200%
ST. PETER HELENA	200%	250%	125%	175%
ST. VINCENT HEALTHCARE	400%	400%	200%	200%
Average	280%	330%	151%	177%

FACILITY	%FPG CHARITY CARE BEGINS 2008	% FPG CHARITY CARE BEGINS 2011	% FPG FOR FULL WRITE OFF 2008	% FPG FOR FULL WRITE OFF 2011
CENTRAL MONTANA MEDICAL CENTER	300%	300%	150%	100%
COMMUNITY HOSPITAL OF ANACONDA	200%	220%	100%	130%
FRANCES MAHON DEACONESS HOSPITAL	175%	200%	100%	100%
GLENDIVE MEDICAL CENTER	200%	200%	100%	100%
HOLY ROSARY MILES CITY	400%	400%	200%	200%
LIVINGSTON HEALTHCARE	200%	200%	100%	100%
MARCUS DALY MEMORIAL HOSPITAL	200%	200%	100%	100%
NORTH VALLEY HOSPITAL	200%	200%	50%	100%
SIDNEY HEALTH CENTER	175%	175%	100%	100%
ST. JOHN’S LUTHERAN HOSPITAL	200%	250%	100%	100%
ST. JOSEPH MEDICAL CENTER	400%	400%	200%	200%
ST. LUKE COMMUNITY HOSPITAL	300%	300%	150%	150%
Average	246%	254%	121%	123%

² Federal Register, Vol. 76, No. 13, January 20, 2011, pp. 3637-3638

Access to Charity Care Information:

We analyze the ease of accessing charity care information at each hospital. This analysis has primarily involved studying the individual websites for each institution and assessing whether charity care/financial assistance information could be found, how difficult it was to find, and how easy it was to understand. When studying the websites, we looked for information on charity care that includes more detail than just a contact number for a patient representative.

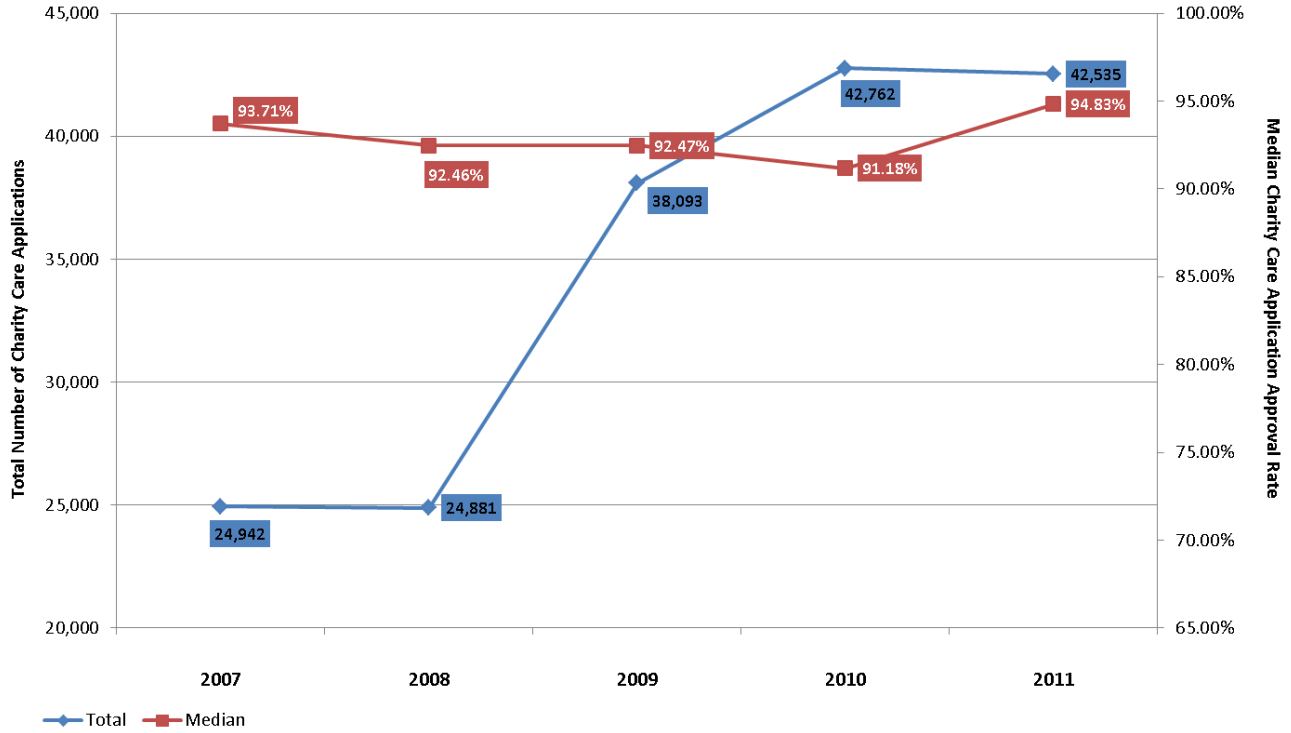
Since 2008, hospitals that listed charity care information on their website have progressed at a relatively similar pace when it comes to the ease of navigating to charity care information. In 2008, only four of the large hospitals had information on their websites pertaining to charity care or financial assistance. This number has steadily gone up over the years of the report. Today, for all but two hospitals (Marcus Daly Memorial Healthcare and Northern MT Hospital) charity care information can easily be accessed online. For this report, easily accessed means it can be found in the first page of a Google search or be accessed from the homepage in no more than two “clicks”. Nine hospitals had a link to information on charity care that could be accessed directly from their homepage. Additionally, most (17 out of 22) hospitals had a downloadable financial assistance application included in their online materials and 18 hospitals listed the specific eligibility requirements needed to qualify for charity care based on the Federal Poverty Guidelines (FPG).

Charity Care Approvals:

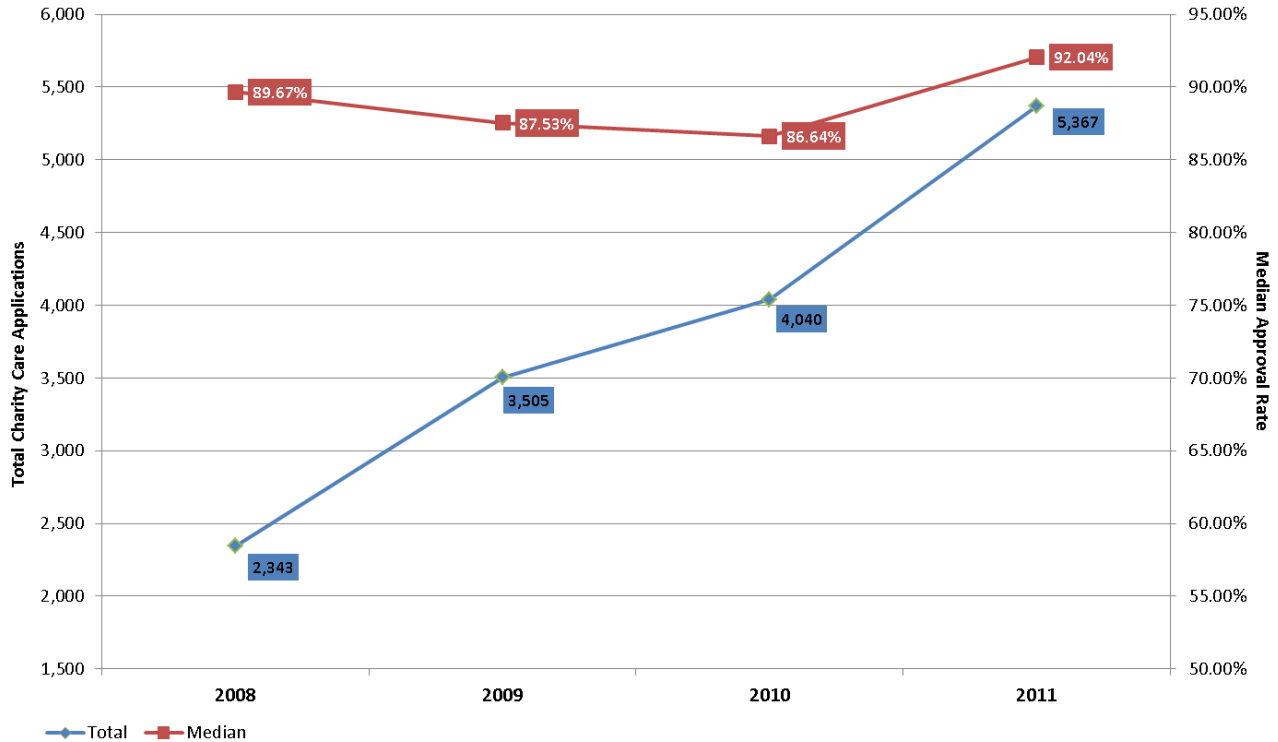
To evaluate charity approval rates among hospitals, we compare the number of applications approved to the number of patients the hospital served. “Adjusted patient days” is a volume measure that combines inpatient and outpatient care, thus capturing the total workload of the facility. Appendix 4 displays the number of approved charity applications per 1000 adjusted patient days in 2011. The number of applications to large hospitals remained virtually the same as the prior year. However, applications to the small hospitals (all located in rural Montana) grew by 33%. Approval rates for the two hospital groups have stayed fairly constant over the past several years. The trends for charity applications and approvals are displayed in Graphs 3A and 3B. It is easy to see that as the hospitals made their charity policies and applications available on their web sites that the number of applications grew dramatically while the approval rates have remained constant. Appendix 5 shows the trends in charity applications by hospital. The Affordable Care Act contains many new billing, collection and charity care requirements for nonprofit hospitals. Final rules to implement these provisions have not adopted by the IRS. When it does, hospitals’ charity policies and application processes will be required to make new efforts to identify low income patients eligible for charity care.³

³ *Modern Healthcare*, July 8, 2013, p.30.

Graph 3A
Trend in Total Charity Care Applications and Approval Rates: Large Hospitals



Graph 3B
Trend in Total Charity Care Applications and Approval Rates: Small Hospitals



Uncompensated Care:

For individuals who do not qualify or fail to apply for charity care and who do not pay, the charges for services result in bad debts. The combination of charity care and bad debts comprise the total amount of charges for services that the hospital writes off as uncollectable. This sum is called uncompensated care, and its calculation allows a comparison between hospitals. Table 7 displays uncompensated care costs and their percent of operating expenses. In 2011, uncompensated care for all U.S. hospitals amounted to 5.9% of expenses, according to the American Hospital Association⁴. Montana's large hospitals reported a slightly higher median amount of 6.37% while the amount for the small hospitals was comparatively lower at 5.53%.

Whether the cost is categorized as charity or bad debt, the effect on the hospital's finances is the same: it results in free care and lowers margins. However, hospitals should make every effort to identify those patients who would qualify for charity care to avoid putting financially needy patients through the added stress of collection efforts. From Table 7 we can see that the percentage of uncompensated care is quite similar for large and small hospitals but the proportion made up by charity care is substantially higher for the large hospitals (almost 50% compared to 30%). Looked at another way, the small hospitals are not as liberal in their charity care policies as their larger counterparts even though they incur about the same percentage of uncompensated care. This is borne out in Table 5, Charity Policy. Also of note are three hospitals, St. Patrick, St. Joseph, and Francis Mahon Deaconess where charity care is a very high percentage of their total uncompensated care.

⁴ American Hospital Association, "Uncompensated Hospital Care Cost Fact Sheet", Jan.2013, p.2.

**Table 7
Uncompensated Care Cost Percent of Expense-2011**

FACILITY	CHARITY CARE COST	BAD DEBT COST (CALCULATED RCC)	UNCOMPENSATED CARE COST	UNCOMP. CARE % OP EXPENSES	CHARITY CARE % UNCOMP. CARE COST
ST. JAMES BUTTE	\$ 2,975,920	\$ 5,105,078	\$ 8,080,998	8.53%	36.83%
BOZEMAN DEACONESS HOSPITAL	\$ 5,949,813	\$ 6,484,123	\$ 12,433,936	7.47%	47.85%
ST. PATRICK HOSPITAL	\$ 10,179,813	\$ 4,839,718	\$ 15,019,531	6.63%	67.78%
ST. PETER HELENA	\$ 4,642,272	\$ 4,667,066	\$ 9,309,338	6.62%	49.87%
ST. VINCENT HEALTHCARE	\$ 11,214,648	\$ 9,168,950	\$ 20,383,598	6.60%	55.02%
BILLINGS CLINIC	\$ 13,980,338	\$ 16,410,297	\$ 30,390,635	6.13%	46.00%
KALISPELL REGIONAL HEALTHCARE	\$ 5,822,111	\$ 6,273,827	\$ 12,095,938	5.00%	48.13%
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 8,391,932	\$ 7,367,836	\$ 15,759,768	4.84%	53.25%
NORTHERN MONTANA HOSPITAL HAVRE	\$ 734,257	\$ 1,596,127	\$ 2,330,384	4.51%	31.51%
COMMUNITY MEDICAL CENTER MISSOULA	\$ 2,317,707	\$ 3,536,958	\$ 5,854,665	4.13%	39.59%
Total/Median	\$ 66,208,811	\$ 65,449,980	\$ 131,658,791	6.37%	47.99%
LIVINGSTON HEALTHCARE	\$ 602,988	\$ 2,191,638	\$ 2,794,626	8.59%	21.58%
HOLY ROSARY MILES CITY	\$ 1,699,001	\$ 1,157,377	\$ 2,856,378	7.29%	59.48%
ST. JOHN'S LUTHERAN HOSPITAL	\$ 548,037	\$ 1,287,667	\$ 1,835,704	6.98%	29.85%
ST. JOSEPH MEDICAL CENTER	\$ 1,005,539	\$ 612,361	\$ 1,617,900	6.37%	62.15%
ST. LUKE COMMUNITY HOSPITAL	\$ 161,614	\$ 2,170,488	\$ 2,332,102	6.35%	6.93%
MARCUS DALY MEMORIAL HOSPITAL	\$ 343,132	\$ 2,534,313	\$ 2,877,445	6.21%	11.92%
GLENDIVE MEDICAL CENTER	\$ 607,810	\$ 1,415,187	\$ 2,022,997	4.84%	30.05%
NORTH VALLEY HOSPITAL	\$ 419,610	\$ 1,430,691	\$ 1,850,301	4.60%	22.68%
CENTRAL MONTANA MEDICAL CENTER	\$ 479,247	\$ 582,433	\$ 1,061,680	4.15%	45.14%
FRANCES MAHON DEACONESS HOSPITAL	\$ 696,091	\$ 370,173	\$ 1,066,264	4.05%	65.28%
COMMUNITY HOSPITAL OF ANACONDA	\$ 331,881	\$ 882,220	\$ 1,214,101	3.73%	27.34%
SIDNEY HEALTH CENTER	\$ 470,123	\$ 651,127	\$ 1,121,250	2.55%	41.93%
Total/Median	\$ 7,365,073	\$ 15,285,674	\$ 22,650,747	5.53%	29.95%

V. SUBSIDIZED SERVICES

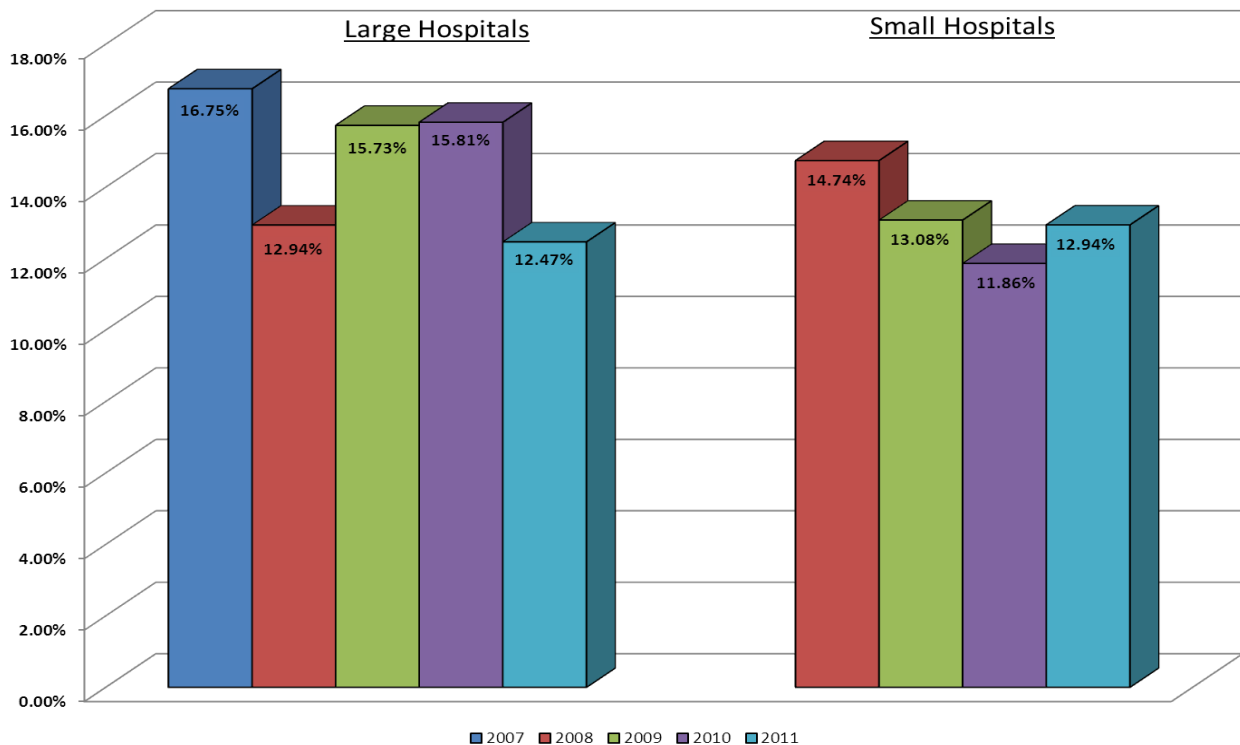
The very large increase in subsidized services seen in FY 2010 (\$22.7 million) was not repeated in 2011. Large hospitals reported an increase of \$7.2 million while small hospitals actually reported a decrease of \$2 million. Nevertheless, subsidized services continues to be the largest category of community benefit for all hospitals comprising 40.5% of the total (charity care is second largest at 34.2%). Graphs 2A and 2B display the growth of subsidized services and the 2011 detail for each reporting hospital is found in Appendix 6.

In last year's report we observed that there were significant reporting variations among the hospitals with respect to accounting for subsidized services and these variations continue to exist. Ten of the 22 study hospitals failed to deduct charity care, Medicaid payments and/or bad debts from their subsidized services costs.

VI. HOSPITAL COLLECTION PRACTICES

Because the Attorney General has responsibility for consumer protection, we again this year evaluated certain collection procedures and activities at the study hospitals. For all hospitals, accounts totaling approximately 4.38% of operating revenues were sent to collection during 2011. The detail for amounts sent to collection can be found in Appendix 7. To compare the rate at which hospitals turn accounts over to collection agencies we looked at the number of accounts turned to collection compared to the adjusted patient days at the hospital. The trend in collection rate is shown in Graph 4.

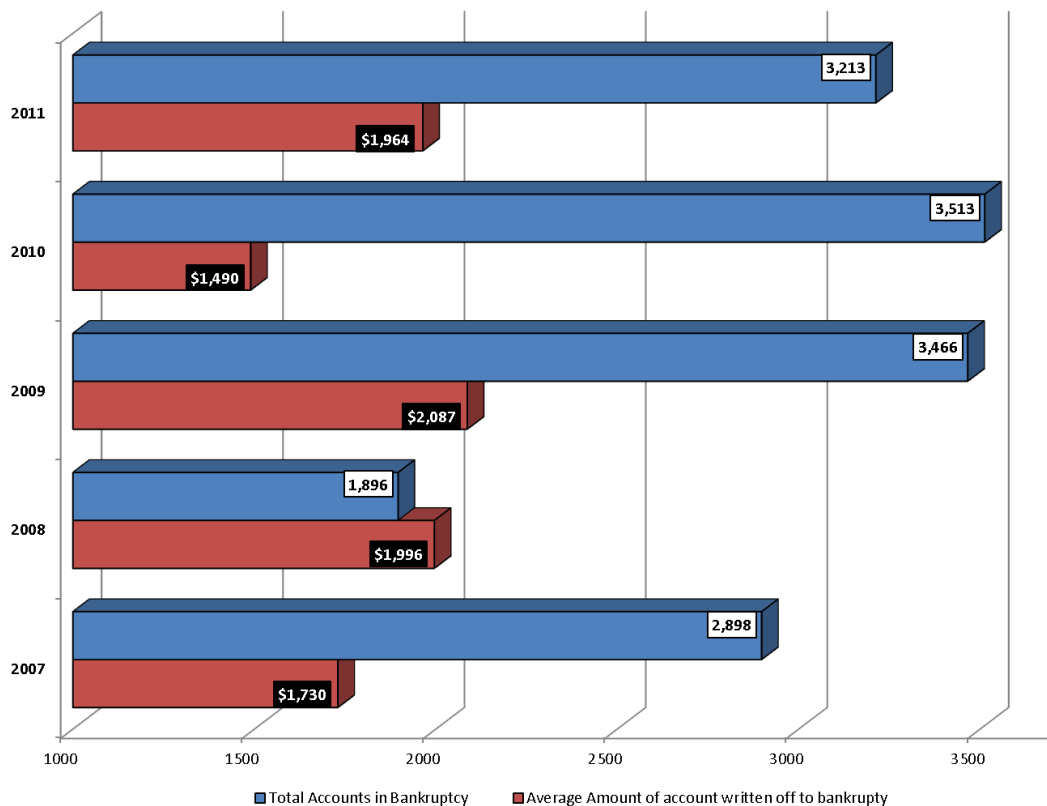
Graph 4
Rate Accounts Turned to Collection per Adjusted Patient Day



Bankruptcy:

The dollar value and the number of patient accounts which were written off in bankruptcy in 2011 followed the pattern seen over the previous five years. The average dollar value of these accounts (\$1644 in 2011) is so low that we conclude they are not the cause of bankruptcy but become included when bankruptcy protection is sought due to other financial problems including other medical bills. Graph 5 shows the number and average dollar value of accounts in bankruptcy over the past five years.

**Graph 5
Bankruptcy Trends 2007-2011**



VII. PRICING

Appendix 8 displays the adjusted average amounts the study hospitals charged for eleven of the most common reasons for inpatient hospitalization in 2011. The prices are not strictly comparable because the Diagnostic Related Group (DRG) classifications do not entirely reflect the differences in severity among cases. For the first time, we are able to compare Montana hospital prices to national averages and Table 8 shows comparisons for seven common reasons for hospitalization in 2011.

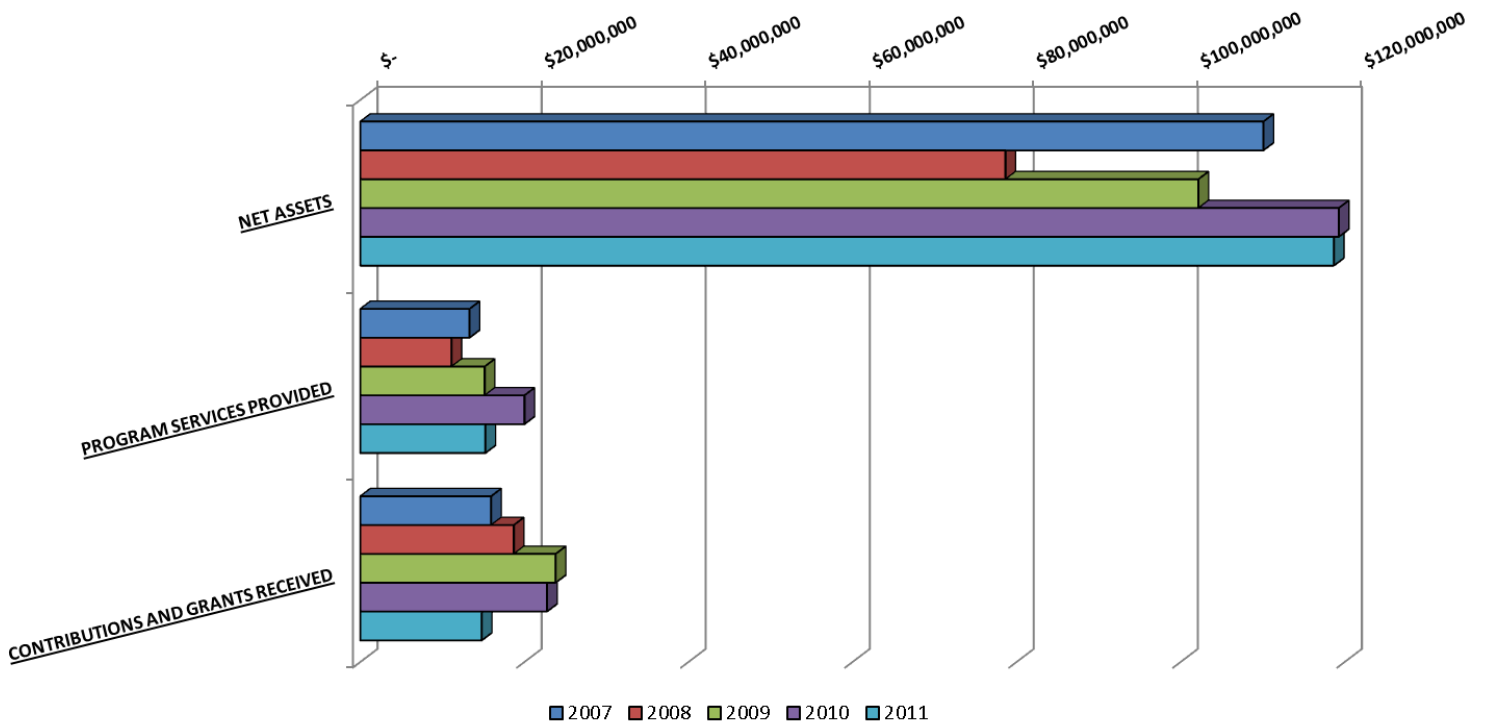
Table 8
Montana Hospital Charges Compared to National Average⁵ – 2011

Diagnostic Category	Montana Large Hospital Average Charge	Montana Small Hospital Average Charge	National Average Charge
Simple Pneumonia & Pleurisy w/CC (194)	\$ 12,570	\$ 11,237	\$ 24,259
Esophagitis (392)	\$ 9,701	\$ 6,162	\$ 19,315
Major Joint Replacement (470)	\$ 32,859	\$ 35,885	\$ 49,262
Nutritional and miscellaneous metabolic disorders (641)	n/a	\$ 6,344	\$ 17,079
Septicemia or Severe Sepsis w/o MV 96 + Hours w Mcc (871)	\$ 25,810	n/a	\$ 49,985
Psychoses (885)	\$ 9,481	n/a	\$ 24,314
Rehabilitation w cc/mcc (945)	\$ 33,190	n/a	\$ 38,071

VIII. HOSPITAL FOUNDATIONS

Appendix 9 displays the size, activity level and efficiency of 19 hospital foundations. The American Institute of Philanthropy suggests that 60% or more of a charity’s expenses should be spent on charitable programs and highly efficient charities devote 75% of their expenses to programs.⁶ Although seven foundations failed to reach the 60% threshold, the median experienced by all foundations is above 78%. Graph 6 shows the changes in foundation assets, gifts and services provided for large hospitals over the past five years.

Graph 6
Trends in Foundations – Large Hospitals



IX. CONCLUSIONS

Looking Back

When this report was initially commissioned in 2007, in addition to a question about the amount of community benefit hospitals provide, there was concern about hospitals' collection practices, pricing, charity policies and patient bankruptcies. These concerns have largely been put to rest; Montana hospitals have been shown to follow state and federal requirements pertaining to billing and collection practices. However, during the intervening period, much has changed in Montana and at the federal level related to community benefits. Most notably, the IRS issued new regulations in 2008 and again in 2010 in response to Congressional concerns and to implement certain sections of the Affordable Care Act. The new IRS standardized reporting requirements greatly improved our ability to compare hospitals and to assess the nature and amounts of community benefit.

The big picture question about community benefit is answered most succinctly in Graph 1 where hospital operating income (and therefore the value of tax exemption) has declined while the cost of community benefits has grown year by year. On operating income, the value of hospital community benefits has grown from about 300% of the value of tax exemptions in 2007 to over 500% in 2011. Over a six year period, charity care at large hospitals has increased consistently, averaging about 15% per year. Of concern is that small hospitals have recorded a decline in charity care for the past two years. Subsidized services are now the largest category of community benefit for Montana's nonprofit hospitals at more than \$87 million in 2011. For both charity care and subsidized services, accounting variations are common.

Looking Forward

Healthcare delivery and payment is undergoing enormous change and these changes could have major implications for how nonprofit hospitals deploy their community benefit resources. With the 2010 Affordable Care Act just now being implemented in ways that affect the insured as well as the uninsured, it is too soon to accurately forecast if the cost of charity care will continue to grow or if it will decline (see graphs 2 and 3). At the same time, we do know that hospital reimbursement is shifting focus to the health of communities. Of particular note is that 18 of the 22 hospitals in this study have reported on their community health needs assessments. Fourteen of the 18 Montana communities said obesity is a significant health problem and 13 said substance abuse is a major issue. The community health needs assessments required of hospitals should inform boards of directors about needed subsidized services and community health improvement services.

Appendix 1a

Calculation of Value of Tax Exemption on Operating Income-2011

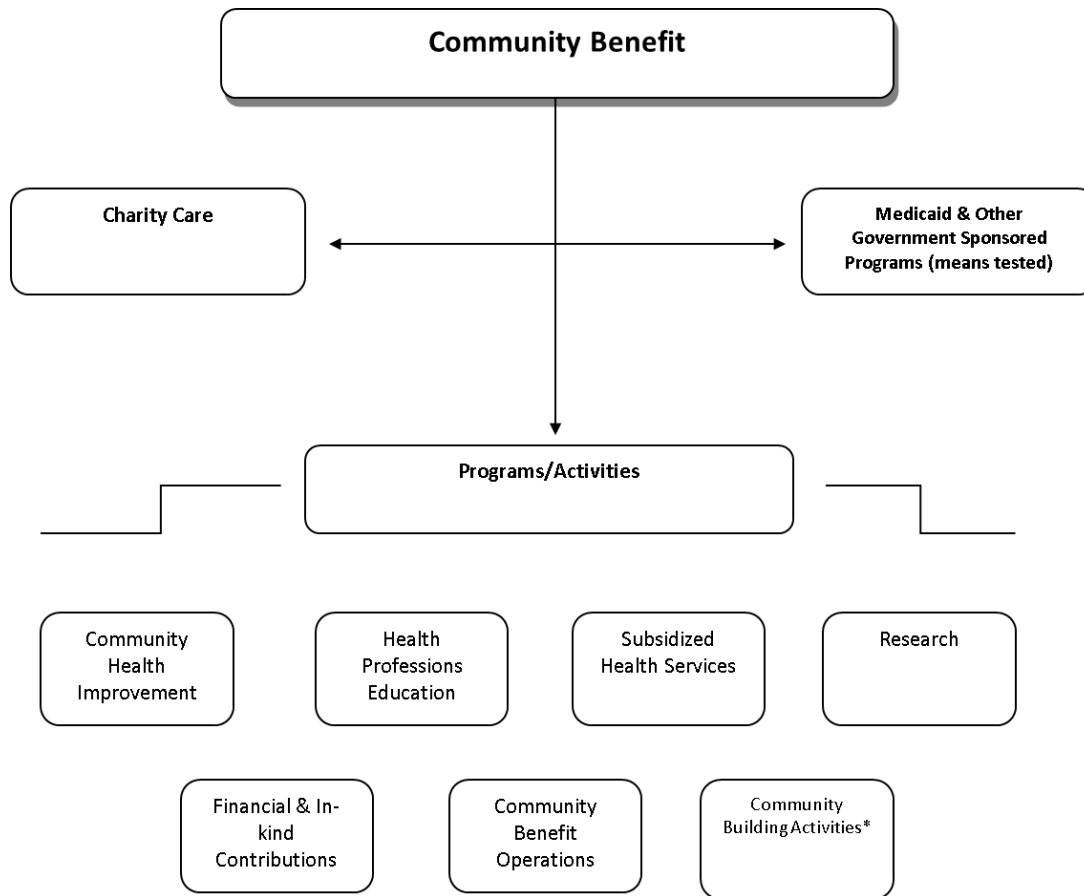
FACILITY NAME	OPERATING INCOME	FEDERAL INCOME TAX	STATE INCOME TAX	ESTIMATED PROPERTY TAX	TAX EXEMPT BOND VALUE	OPERATING TAX EXEMPTION
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 12,632,599	\$ 4,295,084	\$ 562,782	\$ 2,545,680	\$ 1,585,175	\$ 8,988,721
BILLINGS CLINIC	\$ 12,840,380	\$ 4,365,729	\$ 572,039	\$ 1,384,733	\$ 1,815,409	\$ 8,137,911
BOZEMAN DEACONESS HOSPITAL	\$ 13,565,861	\$ 4,612,393	\$ 604,359	\$ 118,477	\$ 764,742	\$ 6,099,971
COMMUNITY MEDICAL CENTER MISSOULA	\$ 5,898,711	\$ 2,005,562	\$ 262,788	\$ 27,910	\$ 322,206	\$ 2,618,465
KALISPELL REGIONAL HEALTHCARE	\$ 694,165	\$ 236,016	\$ 30,925	\$ 236,255	\$ 753,918	\$ 1,257,114
NORTHERN MONTANA HOSPITAL HAVRE	\$ 1,461,929	\$ 497,056	\$ 65,129	\$ -	\$ -	\$ 562,185
ST. JAMES BUTTE	\$ (4,803,335)	\$ (1,633,134)	\$ (213,989)	\$ 5,290	\$ -	\$ (1,841,832)
ST. PATRICK HOSPITAL	\$ 14,999,752	\$ 5,099,916	\$ 668,239	\$ 695,566	\$ 673,400	\$ 7,137,120
ST. PETER HELENA	\$ 4,601,707	\$ 1,564,580	\$ 205,006	\$ 254,303	\$ 593,235	\$ 2,617,124
ST. VINCENT HEALTHCARE	\$ 7,793,878	\$ 2,649,919	\$ 347,217	\$ 776,276	\$ -	\$ 3,773,412
CENTRAL MONTANA MEDICAL CENTER	\$ (784,635)	\$ (266,776)	\$ (34,955)	\$ 15,193	\$ 25,710	\$ (260,828)
COMMUNITY HOSPITAL OF ANACONDA	\$ 1,171,713	\$ 398,382	\$ 52,200	\$ 14,653	\$ -	\$ 465,235
FRANCES MAHON DEACONESS HOSPITAL	\$ 1,915,255	\$ 651,187	\$ 85,325	\$ 26,805	\$ -	\$ 763,316
GLENDIVE MEDICAL CENTER	\$ (1,833,761)	\$ (623,479)	\$ (81,694)	\$ 32,997	\$ 387,024	\$ (285,152)
HOLY ROSARY MILES CITY	\$ 531,475	\$ 180,702	\$ 23,677	\$ 57,272	\$ -	\$ 261,651
LIVINGSTON HEALTHCARE	\$ 170,184	\$ 57,863	\$ 7,582	\$ 4,387	\$ -	\$ 69,831
MARCUS DALY MEMORIAL HOSPITAL	\$ 565,388	\$ 192,232	\$ 25,188	\$ 161,942	\$ 114,642	\$ 494,004
NORTH VALLEY HOSPITAL	\$ (1,018,584)	\$ (346,319)	\$ (45,378)	\$ 265,984	\$ -	\$ (125,712)
SIDNEY HEALTH CENTER	\$ (1,769,268)	\$ (601,551)	\$ (78,821)	\$ 4,277	\$ 306,504	\$ (369,591)
ST. JOHN'S LUTHERAN HOSPITAL	\$ 205,902	\$ 70,007	\$ 9,173	\$ 9,432	\$ -	\$ 88,612
ST. JOSEPH MEDICAL CENTER	\$ 230,631	\$ 78,415	\$ 10,275	\$ 48,688	\$ 127,526	\$ 264,904
ST. LUKE COMMUNITY HOSPITAL	\$ 1,966,324	\$ 668,550	\$ 87,600	\$ 4,385	\$ 275,484	\$ 1,036,019

Appendix 1b

Calculation of Value of Tax Exemption on Total Income-2011

FACILITY NAME/CITY	TOTAL INCOME	FEDERAL INCOME TAX	STATE INCOME TAX	ESTIMATED PROPERTY TAX	TAX EXEMPT BOND VALUE	TOTAL TAX EXEMPTION
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 14,997,289	\$ 5,099,078	\$ 668,129	\$ 2,545,680	\$ 1,585,175	\$ 9,898,062
BILLINGS CLINIC	\$ 34,107,858	\$ 11,596,672	\$ 1,519,505	\$ 1,384,733	\$ 1,815,409	\$ 16,316,319
BOZEMAN DEACONESS HOSPITAL	\$ 16,577,720	\$ 5,636,425	\$ 738,537	\$ 118,477	\$ 764,742	\$ 7,258,181
COMMUNITY MEDICAL CENTER MISSOULA	\$ 8,217,373	\$ 2,793,907	\$ 366,084	\$ 27,910	\$ 322,206	\$ 3,510,107
KALISPELL REGIONAL HEALTHCARE	\$ 6,879,960	\$ 2,339,186	\$ 306,502	\$ 236,255	\$ 753,918	\$ 3,635,862
NORTHERN MONTANA HOSPITAL HAVRE	\$ 2,846,343	\$ 967,757	\$ 126,805	\$ -	\$ -	\$ 1,094,561
ST. JAMES BUTTE	\$ (4,805,960)	\$ (1,634,026)	\$ (214,106)	\$ 5,290	\$ -	\$ (1,842,842)
ST. PATRICK HOSPITAL	\$ 17,038,024	\$ 5,792,928	\$ 759,044	\$ 695,566	\$ 673,400	\$ 7,920,938
ST. PETER HELENA	\$ 8,882,326	\$ 3,019,991	\$ 395,708	\$ 254,303	\$ 593,235	\$ 4,263,236
ST. VINCENT HEALTHCARE	\$ 9,120,649	\$ 3,101,021	\$ 406,325	\$ 776,276	\$ -	\$ 4,283,622
CENTRAL MONTANA MEDICAL CENTER	\$ 772,146	\$ 262,530	\$ 34,399	\$ 15,193	\$ 25,710	\$ 337,832
COMMUNITY HOSPITAL OF ANACONDA	\$ 977,730	\$ 332,428	\$ 43,558	\$ 14,653	\$ -	\$ 390,639
FRANCES MAHON DEACONESS HOSPITAL	\$ 2,424,785	\$ 824,427	\$ 108,024	\$ 26,805	\$ -	\$ 959,256
GLENDIVE MEDICAL CENTER	\$ (1,317,031)	\$ (447,791)	\$ (58,674)	\$ 32,997	\$ 387,024	\$ (86,443)
HOLY ROSARY MILES CITY	\$ 435,274	\$ 147,993	\$ 19,391	\$ 57,272	\$ -	\$ 224,657
LIVINGSTON HEALTHCARE	\$ 554,726	\$ 188,607	\$ 24,713	\$ 4,387	\$ -	\$ 217,707
MARCUS DALY MEMORIAL HOSPITAL	\$ 956,757	\$ 325,297	\$ 42,624	\$ 161,942	\$ 114,642	\$ 644,505
NORTH VALLEY HOSPITAL	\$ (198,989)	\$ (67,656)	\$ (8,865)	\$ 265,984	\$ -	\$ 189,463
SIDNEY HEALTH CENTER	\$ 29,393	\$ 9,994	\$ 1,309	\$ 4,277	\$ 306,504	\$ 322,084
ST. JOHN'S LUTHERAN HOSPITAL	\$ 498,655	\$ 169,543	\$ 22,215	\$ 9,432	\$ -	\$ 201,190
ST. JOSEPH MEDICAL CENTER	\$ 269,346	\$ 91,578	\$ 11,999	\$ 48,688	\$ 127,526	\$ 279,791
ST. LUKE COMMUNITY HOSPITAL	\$ 1,927,683	\$ 655,412	\$ 85,878	\$ 4,385	\$ 275,484	\$ 1,021,159

Appendix 2⁷



* Included in Montana community benefits (See definition below)

⁷ Taken from Julie Trocchio, "Thinking Strategically About Community Benefit," ACHE Congress on Leadership, March 2011.

Community Benefit Definitions

Charity Care:

The cost of free or discounted services provided to persons who meet the organization's criteria for financial assistance and are thereby deemed unable to pay for all or a portion of the services. Charity care does not include bad debts or uncollectable charges.

Community Benefit Operations:

The cost of activities associated with community health needs assessments as well as community benefit planning and administration. Community benefit operations also include the organization's activities associated with fundraising or grant-writing for community benefit programs.

Community Building*:

These are the costs of activities and programs that address the root causes of health problems such as poverty, homelessness and environmental problems. Examples include housing rehabilitation, economic development projects, community leadership development, and child care for residents with qualified need. *Note that although the IRS does not count community building costs as community benefit, we continue to include them in our analysis of Montana hospitals because these programs address the underpinnings of the health status of the community.

Community Health Improvement Services:

The costs of activities or programs carried out or supported for the express purpose of improving community health that are subsidized by the healthcare organization. Such services do not generate inpatient or outpatient bills, although there may be a nominal patient fee or sliding scale fee for these services.

Contributions to Community Groups:

The cost of contributions made by the organization to health care organizations and other community groups restricted to one or more of the community benefit activities.

Health Professional Education:

The cost of educational programs that result in a degree, certificate, or training necessary to be licensed to practice as a health professional, as required by state law, or continuing education necessary to retain state license or certification by a board in the individual's health profession specialty. It does not include education or training programs available exclusively to the organization's employees and medical staff or scholarships provide to those individuals. However, it does include education programs if the primary purpose of such programs is to educate health professionals in the broader community.

Research:

The cost of any study or investigation the goal of which is to generate generalizable knowledge made available to the public such as knowledge about underlying biological mechanisms of health and disease, natural processes, or principles affecting health or illness; evaluation of safety and efficacy of interventions for disease such as clinical trials and studies of therapeutic protocols; laboratory-based studies; epidemiology, health outcomes, and effectiveness; behavioral or sociological studies related to health, delivery of care, or prevention; studies related to changes in the health care delivery system; and communication of findings and observations, including publication in a medical journal. The organization may include the cost of internally funded research it conducts as well as the cost of research it conducts funded by a tax-exempt or government entity.

Subsidized Health Services:

The cost of clinical services provided despite a financial loss to the organization. In order to qualify as a subsidized health service, the organization must provide the service because it meets an identified community need. A service meets an identified community need if it is reasonable to conclude that if the organization no longer offered the service, the service would be unavailable in the community, the community's capacity to provide the service would be below the community's need, or the service would become the responsibility of government or another tax-exempt organization.

Unreimbursed Medicaid:

The unpaid costs of Medicaid and other public programs (such as State Health Insurance Program-SCHIP) for low-income persons. This is the loss created when the payments from these programs are less than the costs of caring for beneficiaries of these programs.

Appendix 3

Hospitals Community Benefits-2011

FACILITY	CHARITY CARE	UNREIMB. MEDICAID COST	COMM HEALTH IMPROVEMENT SERV./COMM BEN OPS	SUBSID. HEALTH SERV.	CONTRIBUTIONS COMM GRP	HEALTH PROF. ED.	RESEARCH	COMM. BUILDING	TOTAL
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 8,391,932	\$ 345,144	\$ 252,120	\$ 13,239,455	\$ 1,184,492	\$ 163,425	\$ 301,279	\$ 43,293	\$ 23,921,140
BILLINGS CLINIC	\$ 13,980,338	\$ -	\$ 3,208,325	\$ 7,408,444	\$ 196,323	\$ 2,059,160	\$ 3,637,616	\$ 214,491	\$ 30,704,697
BOZEMAN DEACONESS HOSPITAL	\$ 5,949,813	\$ 2,336,296	\$ 396,211	\$ 6,988,386	\$ 532,346	\$ 166,204	\$ -	\$ 22,844	\$ 16,392,100
COMMUNITY MEDICAL CENTER MISSOULA	\$ 2,317,707	\$ 2,154,755	\$ 199,203	\$ 7,430,258	\$ 190,919	\$ 585,596	\$ -	\$ 29,500	\$ 12,907,938
KALISPELL REGIONAL HEALTHCARE	\$ 5,822,111	\$ 4,095,776	\$ 173,396	\$ 7,831,446	\$ 19,278	\$ 216,646	\$ -	\$ 81,054	\$ 18,239,707
NORTHERN MONTANA HOSPITAL HAVRE	\$ 734,257	\$ 864,448	\$ 7,728	\$ 1,585,380	\$ 23,226	\$ 20,532	\$ -	\$ 12,034	\$ 3,247,605
ST. JAMES BUTTE	\$ 2,975,920	\$ 3,156,976	\$ 519,486	\$ 199,379	\$ 15,656	\$ 41,613	\$ -	\$ 406,028	\$ 7,315,058
ST. PATRICK HOSPITAL	\$ 10,179,813	\$ 4,952,006	\$ 394,545	\$ 15,086,174	\$ 41,850	\$ 197,380	\$ 66,682	\$ 5,224	\$ 30,923,674
ST. PETER HELENA	\$ 4,642,272	\$ 1,626,539	\$ 373,158	\$ 8,819,976	\$ 47,479	\$ 77,040	\$ -	\$ -	\$ 15,586,464
ST. VINCENT HEALTHCARE	\$ 11,214,648	\$ 10,085,568	\$ 2,630,828	\$ 4,369,216	\$ 383,467	\$ 393,187	\$ 3,840	\$ 366,739	\$ 29,447,493
Total 2011	\$ 66,208,811	\$ 29,617,508	\$ 8,155,000	\$ 72,958,114	\$ 2,635,036	\$ 3,920,783	\$ 4,009,417	\$ 1,181,207	\$ 188,685,876
Total 2010	\$ 61,418,318	\$ 20,198,785	\$ 7,548,819	\$ 65,238,238	\$ 3,068,153	\$ 4,626,152	\$ 2,361,847	\$ 1,785,131	\$ 166,245,443
CENTRAL MONTANA MEDICAL CENTER	\$ 479,247	\$ -	\$ 14,803	\$ 854,125	\$ 10,665	\$ -	\$ -	\$ 12,423	\$ 1,371,263
COMMUNITY HOSPITAL OF ANACONDA	\$ 331,881	\$ -	\$ 149,214	\$ 3,025,335	\$ 10,385	\$ 1,257	\$ -	\$ 1,150	\$ 3,519,222
FRANCES MAHON DEACONESS HOSPITAL	\$ 696,091	\$ -	\$ 38,798	\$ 2,419,983	\$ -	\$ -	\$ -	\$ -	\$ 3,154,872
GLENDIVE MEDICAL CENTER	\$ 607,810	\$ -	\$ 101,566	\$ 1,913,794	\$ 70,217	\$ 26,909	\$ -	\$ 4,337	\$ 2,724,633
HOLY ROSARY MILES CITY	\$ 1,699,001	\$ -	\$ 234,515	\$ 151,249	\$ 31,904	\$ 171,081	\$ -	\$ 121,942	\$ 2,409,692
LIVINGSTON HEALTHCARE	\$ 602,988	\$ -	\$ 69,383	\$ -	\$ 4,050	\$ 3,971	\$ -	\$ -	\$ 680,392
MARCUS DALY MEMORIAL HOSPITAL	\$ 343,132	\$ -	\$ 243,403	\$ 1,346,945	\$ 33,444	\$ 2,000	\$ -	\$ 81,231	\$ 2,050,155
NORTH VALLEY HOSPITAL	\$ 419,610	\$ -	\$ 89,943	\$ 856,111	\$ 75,414	\$ 22,271	\$ -	\$ 65,918	\$ 1,529,267
SIDNEY HEALTH CENTER	\$ 470,123	\$ -	\$ 65,036	\$ 911,855	\$ 65,514	\$ 10,144	\$ -	\$ -	\$ 1,522,672
ST. JOHN'S LUTHERAN HOSPITAL	\$ 548,037	\$ -	\$ 15,113	\$ 2,109,315	\$ 10,579	\$ -	\$ -	\$ 72,811	\$ 2,755,855
ST. JOSEPH MEDICAL CENTER	\$ 1,005,539	\$ -	\$ 49,707	\$ 3,180	\$ 11,780	\$ 6,660	\$ -	\$ 100	\$ 1,076,966
ST. LUKE COMMUNITY HOSPITAL	\$ 161,614	\$ 2,028,016	\$ 15,436	\$ 570,773	\$ 89,396	\$ 357,446	\$ -	\$ 44,123	\$ 3,266,804
Total 2011	\$ 7,365,073	\$ 2,028,016	\$ 1,086,917	\$ 14,162,665	\$ 413,348	\$ 601,739	\$ -	\$ 404,035	\$ 26,061,793
Total 2010	\$ 7,401,427	\$ 1,714,809	\$ 1,149,056	\$ 16,170,058	\$ 437,246	\$ 523,015	\$ -	\$ 518,002	\$ 27,913,613

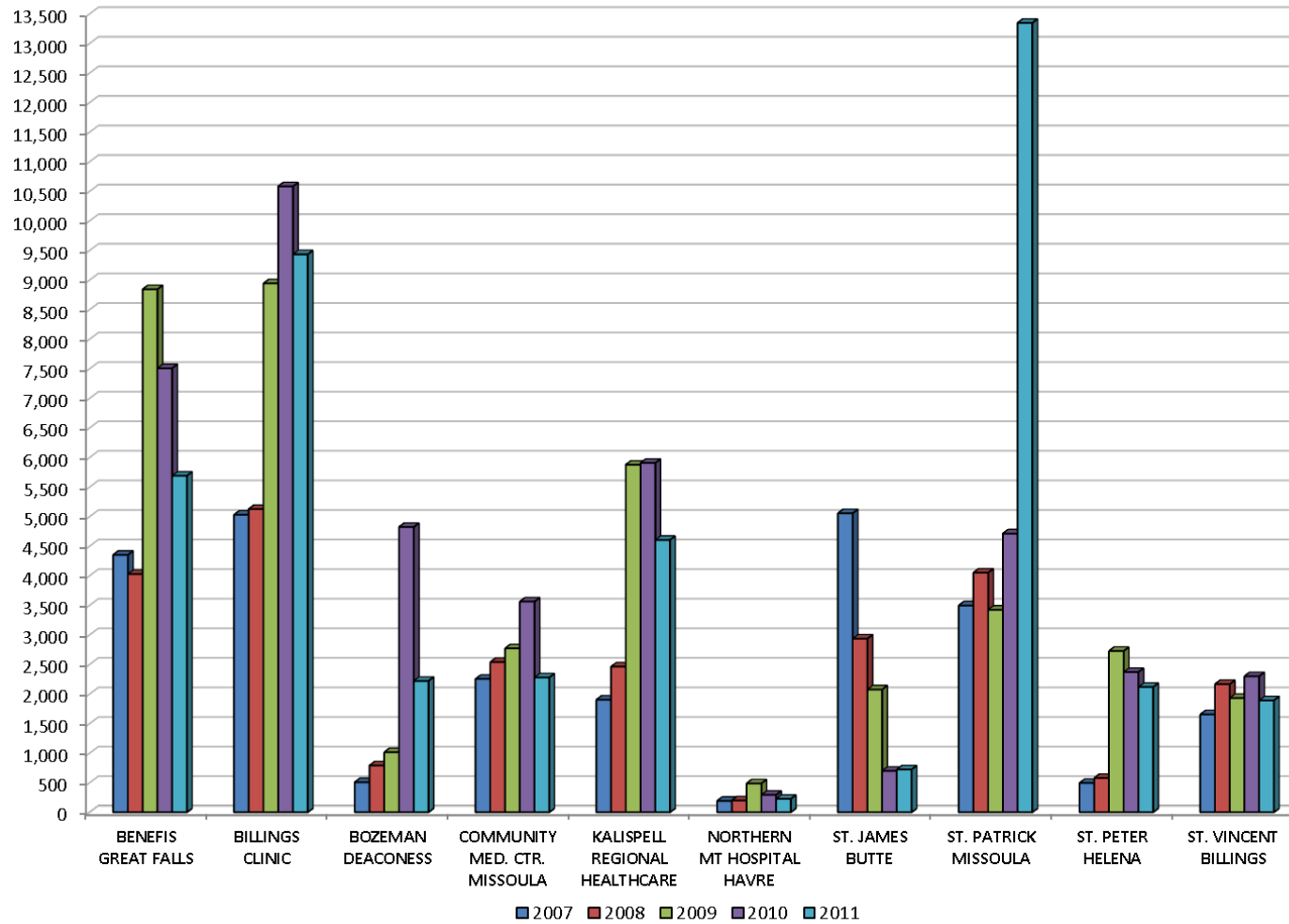
Appendix 4

Approved Charity Applications per 1000 Adjusted Patient Days

FACILITY NAME/CITY	APPROVALS Per 1000 ADJ. PATIENT DAYS	TOTAL CHARITY APPLICATIONS	CHARITY APPLICATIONS APPROVED	PERCENT APPROVED	AVG. COST PER CHARITY CASE APPROVED
ST. PATRICK HOSPITAL	166.48	13348	11736	87.92%	\$ 867
KALISPELL REGIONAL HEALTHCARE	59.97	4605	4345	94.35%	\$ 1,340
BENEFIS HEALTH SYSTEM GREAT FALLS	51.77	5690	5538	97.33%	\$ 1,515
BOZEMAN DEACONESS HOSPITAL	49.68	2220	2163	97.43%	\$ 2,751
COMMUNITY MEDICAL CENTER MISSOULA	43.83	2279	1972	86.53%	\$ 1,175
BILLINGS CLINIC	43.23	9433	8285	87.83%	\$ 1,687
ST. PETER HELENA	29.29	2118	1825	86.17%	\$ 2,544
ST. JAMES BUTTE	28.35	723	689	95.30%	\$ 4,319
ST. VINCENT HEALTHCARE	21.34	1892	1822	96.30%	\$ 6,155
NORTHERN MONTANA HOSPITAL HAVRE	17.64	227	227	100.00%	\$ 3,235
2011 Average/Totals	51.16	42535	38602	92.92%	\$ 2,559
2010 Average/Totals	54.55	42762	38800	91.77%	\$ 2,202
ST. JOSEPH MEDICAL CENTER	136.11	1714	1599	93.29%	\$ 629
NORTH VALLEY HOSPITAL	52.88	725	677	93.38%	\$ 620
GLENDIVE MEDICAL CENTER	39.44	415	396	95.42%	\$ 1,535
FRANCES MAHON DEACONESS HOSPITAL	32.62	328	266	81.10%	\$ 2,617
ST. JOHN'S LUTHERAN HOSPITAL	26.76	447	331	74.05%	\$ 1,656
LIVINGSTON HEALTHCARE	23.56	366	335	91.53%	\$ 1,800
CENTRAL MONTANA MEDICAL CENTER	18.11	273	258	94.51%	\$ 1,858
COMMUNITY HOSPITAL OF ANACONDA	16.41	228	211	92.54%	\$ 1,573
SIDNEY HEALTH CENTER	9.65	164	121	73.78%	\$ 3,885
HOLY ROSARY MILES CITY	7.05	404	393	97.28%	\$ 4,323
MARCUS DALY MEMORIAL HOSPITAL	4.76	255	96	37.65%	\$ 3,574
ST. LUKE COMMUNITY HOSPITAL	0.99	48	38	79.17%	\$ 4,253
2011 Average/Totals	30.69	5367	4721	83.64%	\$ 2,360
2010 Average/Totals	24.35	4040	3535	83.71%	\$ 2,465

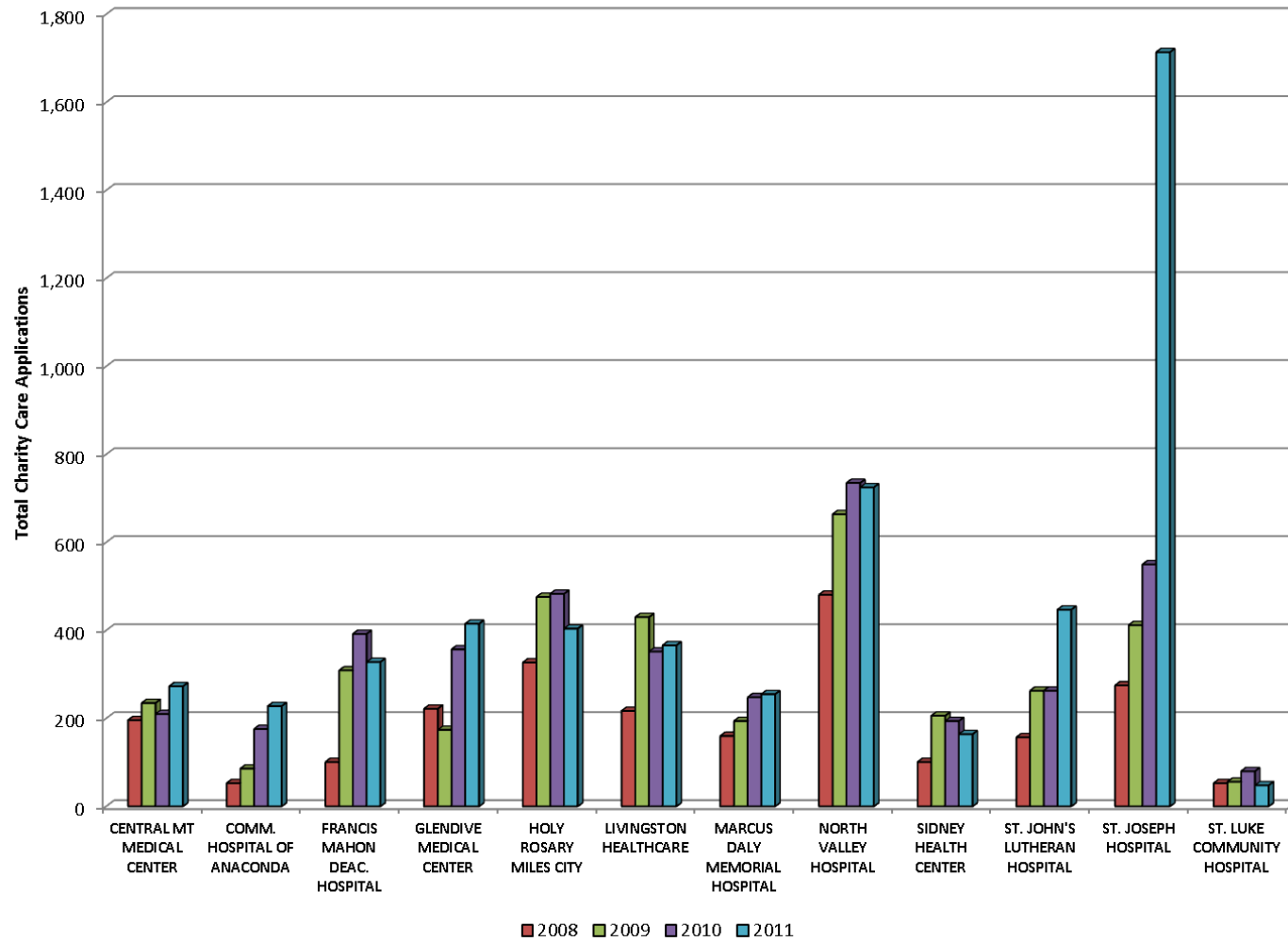
Appendix 5A

Change in Total Charity Applications: Large Hospitals



Appendix 5B

Change in Total Charity Care Applications: Small Hospitals



Appendix 6
Subsidized Services Detail

Facility	Emergency and Trauma Services	Neonatal Intensive Care	Physician Clinics	Inpatient Units: Burn, Rehab, Other	Women's and Children's Services	Renal Dialysis Services	Subsidized Continuing Care	Behavioral Health Services	Palliative Care	Outpatient Services and Other	Total
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ -	\$ 11,849	\$ 3,754,727	\$ 120,580	\$ -	\$ 3,862,463	\$ -	\$ 108,824	\$ 2,234,064	\$ 3,146,948	\$ 13,239,455
BILLINGS CLINIC	\$ (473,095)	\$ -	\$ 2,637,190	\$ -	\$ -	\$ 2,013,251	\$ 2,918,940	\$ 312,158	\$ -	\$ -	\$ 7,408,444
BOZEMAN DEACONESS HOSPITAL	\$ -	\$ -	\$ 5,804,676	\$ -	\$ 442,408	\$ 38,385	\$ 20,405	\$ -	\$ 240,202	\$ 442,310	\$ 6,988,386
COMMUNITY MEDICAL CENTER MISSOULA	\$ -	\$ -	\$ 6,850,623	\$ 458,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,916	\$ 7,430,258
KALISPELL REGIONAL HEALTHCARE	\$ 2,345,433	\$ -	\$ -	\$ -	\$ 1,570,540	\$ -	\$ 515,622	\$ 1,147,866	\$ -	\$ 2,251,985	\$ 7,831,446
NORTHERN MONTANA HOSPITAL HAVRE	\$ 255,810	\$ -	\$ -	\$ 123,932	\$ 98,050	\$ 124,166	\$ 898,641	\$ -	\$ -	\$ 84,781	\$ 1,585,380
ST. JAMES BUTTE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199,379	\$ 199,379
ST. PATRICK HOSPITAL	\$ 10,768,747	\$ -	\$ -	\$ -	\$ 242,117	\$ 1,828,673	\$ 27,610	\$ 1,693,520	\$ -	\$ 525,507	\$ 15,086,174
ST. PETER HELENA	\$ -	\$ -	\$ 5,786,574	\$ 886,338	\$ -	\$ -	\$ -	\$ 341,576	\$ -	\$ 1,805,488	\$ 8,819,976
ST. VINCENT HEALTHCARE	\$ 453,632	\$ -	\$ 313,902	\$ 600,508	\$ 595,192	\$ -	\$ -	\$ 448,007	\$ 621,790	\$ 1,336,185	\$ 4,369,216
Total	\$ 13,350,527	\$ 11,849	\$ 25,147,692	\$ 2,190,077	\$ 2,948,307	\$ 7,866,938	\$ 4,381,218	\$ 4,051,951	\$ 3,096,056	\$ 9,913,499	\$ 72,958,114

Facility	Emergency and Trauma Services	Neonatal Intensive Care	Physician Clinics	Inpatient Units: Burn, Rehab, Other	Women's and Children's Services	Renal Dialysis Services	Subsidized Continuing Care	Behavioral Health Services	Palliative Care	Outpatient Services and Other	Total
CENTRAL MONTANA MEDICAL CENTER	\$ 278,893	\$ -	\$ 150,659	\$ -	\$ -	\$ -	\$ 424,573	\$ -	\$ -	\$ -	\$ 854,125
COMMUNITY HOSPITAL OF ANACONDA	\$ 54,681	\$ -	\$ 2,976,241	\$ -	\$ 19,051	\$ -	\$ (24,638)	\$ -	\$ -	\$ -	\$ 3,025,335
FRANCES MAHON DEACONESS HOSPITAL	\$ 370,293	\$ -	\$ 620,166	\$ 1,118,021	\$ 5,441	\$ -	\$ 80,235	\$ -	\$ -	\$ 225,827	\$ 2,419,983
GLENDIVE MEDICAL CENTER	\$ 487,347	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,048,791	\$ 327,660	\$ -	\$ 49,996	\$ 1,913,794
HOLY ROSARY MILES CITY	\$ -	\$ -	\$ 76,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,202	\$ -	\$ 151,249
LIVINGSTON HEALTHCARE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARCUS DALY MEMORIAL HOSPITAL	\$ 255,256	\$ -	\$ 64,196	\$ -	\$ -	\$ -	\$ 1,027,406	\$ -	\$ -	\$ 87	\$ 1,346,945
NORTH VALLEY HOSPITAL	\$ 106	\$ -	\$ 831,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,087	\$ 856,111
SIDNEY HEALTH CENTER	\$ 92,051	\$ -	\$ 644,553	\$ 131,945	\$ -	\$ -	\$ 9,844	\$ -	\$ -	\$ 33,462	\$ 911,855
ST. JOHN'S LUTHERAN HOSPITAL	\$ 1,289,198	\$ -	\$ 514,766	\$ 2,576	\$ -	\$ -	\$ 302,775	\$ -	\$ -	\$ -	\$ 2,109,315
ST. JOSEPH MEDICAL CENTER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,180	\$ 3,180
ST. LUKE COMMUNITY HOSPITAL	\$ -	\$ -	\$ 570,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 570,773
Total	\$ 2,827,825	\$ -	\$ 6,449,319	\$ 1,252,542	\$ 24,492	\$ -	\$ 2,868,986	\$ 327,660	\$ 75,202	\$ 336,639	\$ 14,162,665

Appendix 7

Amounts Sent to Collection as Percent of Operating Revenue – 2011

FACILITY	OPERATING REVENUES	AMOUNT TURNED TO COLLECTION	NUMBER OF INDIVIDUALS TURNED TO COLLECTION	AMOUNT AS % OF OP REV	ADJUSTED PATIENT DAYS	COLLECTION RATE % OF ADJ PATIENT DAYS	AVERAGE AMOUNT PER INDIVIDUAL
BOZEMAN DEACONESS HOSPITAL	\$ 180,059,169	\$ 10,197,757	6400	5.66%	43,535	14.70%	\$ 1,593
NORTHERN MONTANA HOSPITAL HAVRE	\$ 53,095,801	\$ 2,903,633	2865	5.47%	12,866	22.27%	\$ 1,013
COMMUNITY MEDICAL CENTER MISSOULA	\$ 147,702,568	\$ 7,668,161	4104	5.19%	44,991	9.12%	\$ 1,868
ST. PATRICK HOSPITAL	\$ 241,485,158	\$ 12,316,658	14204	5.10%	70,495	20.15%	\$ 867
ST. VINCENT HEALTHCARE	\$ 316,640,729	\$ 15,556,267	7644	4.91%	85,397	8.95%	\$ 2,035
ST. PETER HELENA	\$ 145,258,607	\$ 7,036,767	13840	4.84%	62,316	22.21%	\$ 508
KALISPELL REGIONAL HEALTHCARE	\$ 242,586,748	\$ 8,759,612	3907	3.61%	72,452	5.39%	\$ 2,242
BILLINGS CLINIC	\$ 508,311,127	\$ 18,171,168	8976	3.57%	191,653	4.68%	\$ 2,024
ST. JAMES BUTTE	\$ 89,985,646	\$ 1,588,893	2488	1.77%	24,303	10.24%	\$ 639
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 338,323,022	\$ 5,765,297	7436	1.70%	106,971	6.95%	\$ 775
LIVINGSTON HEALTHCARE	\$ 32,717,647	\$ 3,569,279	2698	10.91%	14,220	18.97%	\$ 1,323
MARCUS DALY MEMORIAL HOSPITAL	\$ 46,881,091	\$ 4,669,197	1904	9.96%	20,162	9.44%	\$ 2,452
ST. JOHN'S LUTHERAN HOSPITAL	\$ 26,493,920	\$ 2,526,546	1713	9.54%	12,370	13.85%	\$ 1,475
NORTH VALLEY HOSPITAL	\$ 39,229,642	\$ 3,642,456	2673	9.28%	12,802	20.88%	\$ 1,363
ST. LUKE COMMUNITY HOSPITAL	\$ 38,709,899	\$ 3,290,811	1888	8.50%	38,551	4.90%	\$ 1,743
COMMUNITY HOSPITAL OF ANACONDA	\$ 33,699,006	\$ 2,221,901	2760	6.59%	12,861	21.46%	\$ 805
GLENDIVE MEDICAL CENTER	\$ 39,969,655	\$ 1,888,445	1031	4.72%	10,041	10.27%	\$ 1,832
SIDNEY HEALTH CENTER	\$ 42,250,706	\$ 1,818,020	3044	4.30%	12,545	24.26%	\$ 597
HOLY ROSARY MILES CITY	\$ 39,689,295	\$ 1,654,018	1238	4.17%	55,728	2.22%	\$ 1,336
CENTRAL MONTANA MEDICAL CENTER	\$ 24,819,070	\$ 782,518	776	3.15%	14,245	5.45%	\$ 1,008
ST. JOSEPH MEDICAL CENTER	\$ 25,618,776	\$ 806,255	1748	3.15%	11,748	14.88%	\$ 461
FRANCES MAHON DEACONESS HOSPITAL	\$ 28,224,037	\$ 721,940	710	2.56%	8,154	8.71%	\$ 1,017

Appendix 8

Average Hospital Prices

Facility	194 Simple Pneumonia & Pleurisy w/CC	392 Esophagitis	470 Major Joint Replacement	765 Cesarean w cc/mcc	766 Cesarean w/o CC/MCC	775 Vaginal Delivery w/o complications	794 Neonate w/other significant	795 Normal Newborn	871 Septicemia or Severe Sepsis w/o MV 96 + Hours w Mcc	885 Psychoses	945 Rehabilitation w cc/mcc
BENEFIS GREAT FALLS	\$ 12,633	\$ 8,824	\$ 34,535	\$ 11,031	\$ 8,609	\$ 4,538	\$ 3,277	\$ 1,563	\$ 29,731	\$ 7,920	\$ 27,798
BILLINGS CLINIC	\$ 11,407	\$ 9,872	\$ 30,560	\$ 16,704	\$ 12,721	\$ 6,001	\$ 3,290	\$ 1,823	\$ 18,703	\$ 9,238	n/a
BOZEMAN DEACONESS HOSPITAL	\$ 9,692	\$ 7,540	\$ 27,615	\$ 11,601	\$ 9,822	\$ 4,796	\$ 2,737	\$ 1,881	\$ 19,868	n/a	n/a
COMMUNITY MEDICAL CENTER MISSOULA	\$ 11,627	\$ 10,548	\$ 33,273	\$ 15,272	\$ 11,733	\$ 7,085	\$ 3,770	\$ 1,606	\$ 24,568	n/a	\$ 58,473
KALISPELL REGIONAL HEALTHCARE	\$ 14,205	\$ 11,265	\$ 25,304	\$ 14,597	\$ 12,729	\$ 5,673	\$ 1,662	\$ 1,710	\$ 25,130	\$ 11,069	\$ 28,210
NORTHERN MONTANA HOSPITAL HAVRE	\$ 11,525	\$ 6,912	\$ 38,324	\$ 12,501	\$ 10,187	\$ 5,657	\$ 2,992	\$ 2,258	\$ 19,210	\$ 4,412	n/a
ST. JAMES BUTTE	\$ 14,474	\$ 10,501	\$ 43,541	\$ 15,954	\$ 16,224	\$ 6,940	\$ 2,704	\$ 1,938	\$ 33,451	n/a	n/a
ST. PATRICK HOSPITAL	\$ 12,701	\$ 11,640	\$ 32,045	n/a	n/a	n/a	n/a	n/a	\$ 30,660	\$ 14,732	\$ 26,983
ST. PETER HELENA	\$ 13,729	\$ 9,287	\$ 30,442	\$ 8,657	\$ 8,117	\$ 4,525	\$ 3,672	\$ 2,016	\$ 28,348	\$ 8,815	n/a
ST. VINCENT HEALTHCARE	\$ 13,708	\$ 10,624	\$ 32,953	\$ 15,770	\$ 12,567	\$ 6,867	\$ 2,515	\$ 1,905	\$ 28,430	\$ 10,178	\$ 24,484
Average	\$ 12,570	\$ 9,701	\$ 32,859	\$ 13,565	\$ 11,412	\$ 5,787	\$ 2,958	\$ 1,856	\$ 25,810	\$ 9,481	\$ 33,190

Facility	194 Simple Pneumonia & Pleurisy w/CC	195 Simple Pneumonia & Pleurisy Wo Cc/Mcc	392 Esophagitis	470 Major Joint Replacement	641 Nut & Misc Metab Dis Wo Mcc	765 Cesarean w CC/MCC	766 Cesarean w/o CC/MCC	775 Vaginal Delivery w/o complicati ons	794 Neonate w/ other significant problems	795 Normal Newborn
CENTRAL MONTANA MEDICAL CENTER	\$ 7,406	\$ 6,450	\$ 4,365	\$ 28,430	\$ 5,568	\$ 9,539	\$ 8,513	\$ 3,464	\$ 3,102	\$ 1,905
COMMUNITY HOSPITAL OF ANACONDA	\$ 10,670	\$ 6,745	\$ 7,005	\$ 40,918	\$ 5,401	\$ 9,485	\$ 10,495	\$ 5,821	\$ 2,101	\$ 1,483
FRANCES MAHON DEACONESS HOSPITAL	\$ 13,285	\$ 6,751	n/a	\$ 33,363	\$ 7,177	\$ 11,164	\$ 9,816	\$ 4,661	n/a	\$ 1,649
GLENDIVE MEDICAL CENTER	\$ 13,203	\$ 8,325	\$ 6,108	\$ 37,621	\$ 4,740	\$ 9,763	\$ 8,826	\$ 4,429	\$ 1,747	\$ 1,435
HOLY ROSARY MILES CITY	\$ 10,721	\$ 7,035	\$ 6,431	\$ 39,257	\$ 4,996	\$ 12,700	\$ 11,603	\$ 5,212	\$ 2,557	\$ 1,665
LIVINGSTON HEALTHCARE	\$ 12,161	\$ 6,496	\$ 5,636	\$ 38,551	\$ 4,320	\$ 10,856	\$ 9,741	\$ 4,285	\$ 2,237	\$ 1,804
MARCUS DALY MEMORIAL HOSPITAL	\$ 13,639	\$ 9,630	\$ 6,989	\$ 54,498	\$ 7,643	n/a	\$ 12,478	\$ 5,254	\$ 2,396	\$ 1,983
NORTH VALLEY HOSPITAL	\$ 13,619	\$ 10,332	\$ 8,394	\$ 29,702	\$ 8,213	\$ 14,553	\$ 11,692	\$ 6,344	\$ 5,432	\$ 2,783
SIDNEY HEALTH CENTER	\$ 9,877	\$ 8,688	\$ 5,120	\$ 24,614	\$ 5,549	\$ 12,018	\$ 8,799	\$ 5,078	\$ 1,558	\$ 1,267
ST. JOHN'S LUTHERAN HOSPITAL	\$ 10,263	\$ 7,533	\$ 7,039	\$ 40,687	\$ 6,219	\$ 13,717	\$ 13,717	\$ 7,101	\$ 2,300	\$ 1,150
ST. JOSEPH MEDICAL CENTER	\$ 6,443	\$ 5,357	\$ 4,237	\$ 27,098	\$ 9,956	\$ 9,869	\$ 8,957	\$ 5,967	\$ 2,479	\$ 1,827
ST. LUKE COMMUNITY HOSPITAL	\$ 13,560	\$ 7,766	\$ 6,463	n/a	n/a	\$ 16,294	\$ 14,426	\$ 7,294	n/a	\$ 1,911
Average	\$ 11,237	\$ 7,592	\$ 6,162	\$ 35,885	\$ 6,344	\$ 11,814	\$ 10,755	\$ 5,409	\$ 2,591	\$ 1,739

Appendix 9

Hospital Foundation Assets, Receipts and Expenses- 2011

FACILITY NAME	NET ASSETS	CONTRIBUTIONS AND GRANTS	TOTAL REVENUE	FUNDRAISING COSTS	PROGRAM SERVICES EXPENSE	TOTAL EXPENSES	TOTAL EXPENSES PROGRAM SERVICES % DIRECT PUBLIC SUPPORT
BENEFIS HEALTH SYSTEM GREAT FALLS	\$ 20,814,564	\$ 1,191,749	\$ 1,839,231	\$ -	\$ 744,449	\$1,013,898	73.42%
BILLINGS CLINIC	\$ 32,294,245	\$ 3,018,787	\$ 4,825,105	\$ 40,914	3,422,150	\$3,755,220	90.82%
BOZEMAN DEACONESS HOSPITAL	\$ 19,957,006	\$ 1,917,508	\$ 2,772,146	\$ 361,600	\$ 1,521,225	\$2,167,376	70.19%
COMMUNITY MEDICAL CENTER MISSOULA	\$ 5,732,745	\$ 631,232	\$ 727,981	\$ -	\$ 514,532	\$1,045,195	49.23%
KALISPELL REGIONAL HEALTHCARE	\$ 5,032,265	\$ 1,251,755	\$ 1,319,259	\$ 117,971	\$ 500,510	\$1,019,511	49.09%
NORTHERN MONTANA HOSPITAL HAVRE	\$ 1,635,161	\$ 159,346	\$ 205,802	\$ 57,084	\$ 200,465	\$ 296,997	67.50%
ST. JAMES BUTTE	\$ 577,267	\$ 251,050	\$ 262,627	\$ -	\$ 1,000	\$ 177,147	0.56%
ST. PATRICK HOSPITAL	\$ 5,652,936	\$ 1,632,968	\$ 1,960,773	\$ 402,162	\$ 1,300,452	\$2,049,886	63.44%
ST. PETER HELENA	\$ 11,355,818	\$ 601,394	\$ 1,187,442	\$ 4,552	\$ 2,019,016	\$2,147,287	94.03%
ST. VINCENT HEALTHCARE	\$ 29,373,880	\$ 5,858,391	\$ 6,297,581	\$ 270,608	\$ 6,786,028	\$7,864,949	86.28%
CENTRAL MONTANA MEDICAL CENTER	n/a	n/a	n/a	n/a	n/a	n/a	n/a
COMMUNITY HOSPITAL OF ANACONDA	\$ 326,803	\$ 37,978	\$ 58,518	\$ -	\$ -	\$ 62,011	0.00%
FRANCES MAHON DEACONESS HOSPITAL	n/a	n/a	n/a	n/a	n/a	n/a	n/a
GLENDIVE MEDICAL CENTER	\$ 1,830,204	\$ 79,602	\$ 301,325	\$ -	\$ 60,911	\$ 60,911	100.00%
HOLY ROSARY MILES CITY	\$ 1,172,105	\$ 247,057	\$ 339,650	\$ -	\$ 182,019	\$ 211,922	85.89%
LIVINGSTON HEALTHCARE	\$ 1,233,725	\$ 151,577	\$ 155,029	\$ -	\$ 152,733	\$ 152,786	99.97%
MARCUS DALY MEMORIAL HOSPITAL	\$ 1,368,776	\$ 75,342	\$ 204,366	\$ -	\$ 36,500	\$ 89,447	40.81%
NORTH VALLEY HOSPITAL	\$ 742,050	\$ 48,770	\$ 66,169	\$ -	\$ 78,370	\$ 82,107	95.45%
SIDNEY HEALTH CENTER	\$ 6,302,732	\$ 566,981	\$ 824,903	\$ 31,819	\$ 435,655	\$ 578,533	75.30%
ST. JOHN'S LUTHERAN HOSPITAL	\$ 2,297,091	\$ 644,527	\$ 699,205	\$ 1,063	\$ 12,268	\$ 48,617	25.23%
ST. JOSEPH MEDICAL CENTER	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Supplement to:

**Montana's Hospitals: Issues and Facts Related to the Charitable
Purposes of Our Hospitals and the Protection of Montana Consumers
Sixth Annual Report**

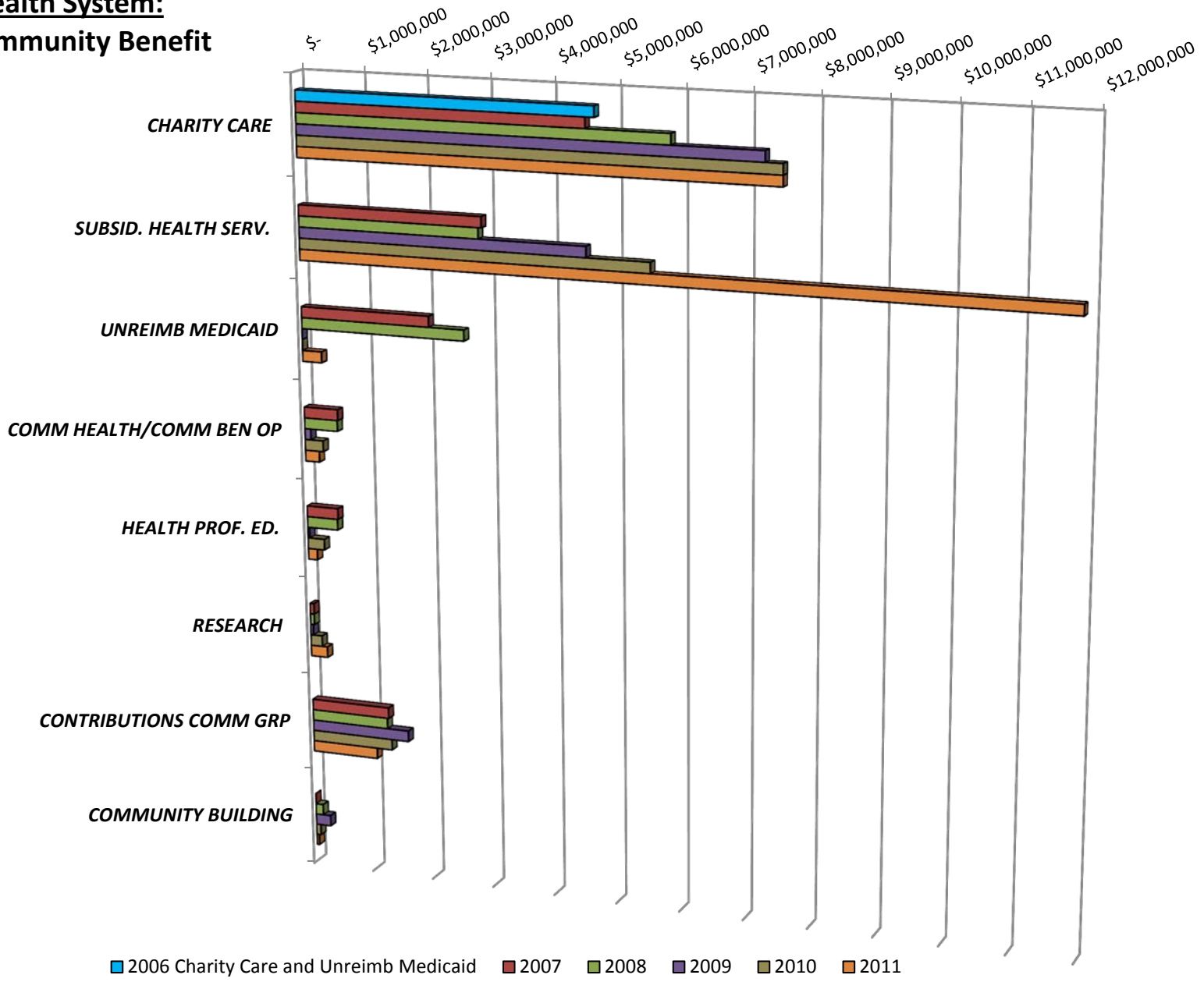
By

Lawrence L. White, Jr., MHA, FACHE

Anna Iverson Buckner, MA, MPH

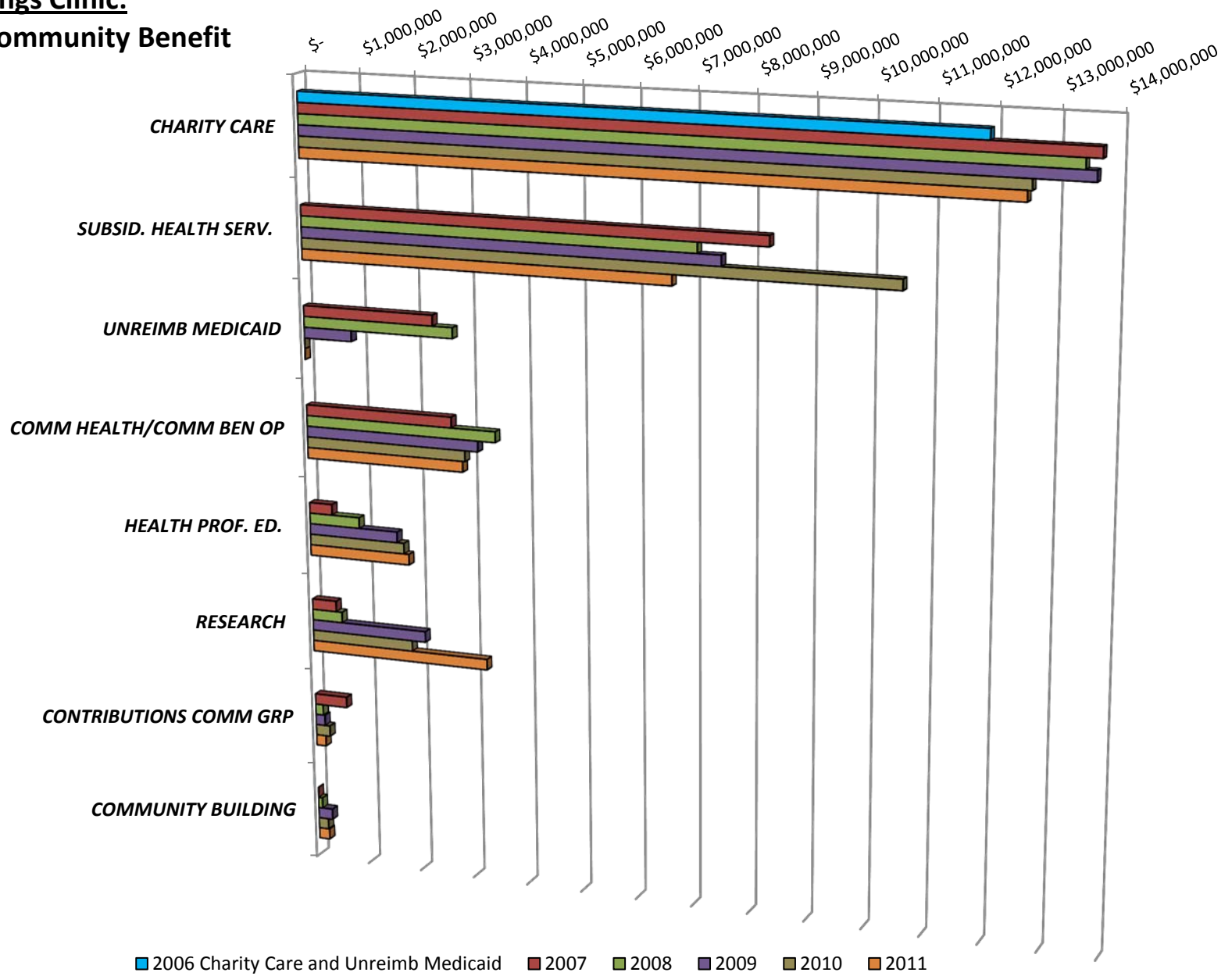
January 2014

Benefis Health System:
Change in Community Benefit

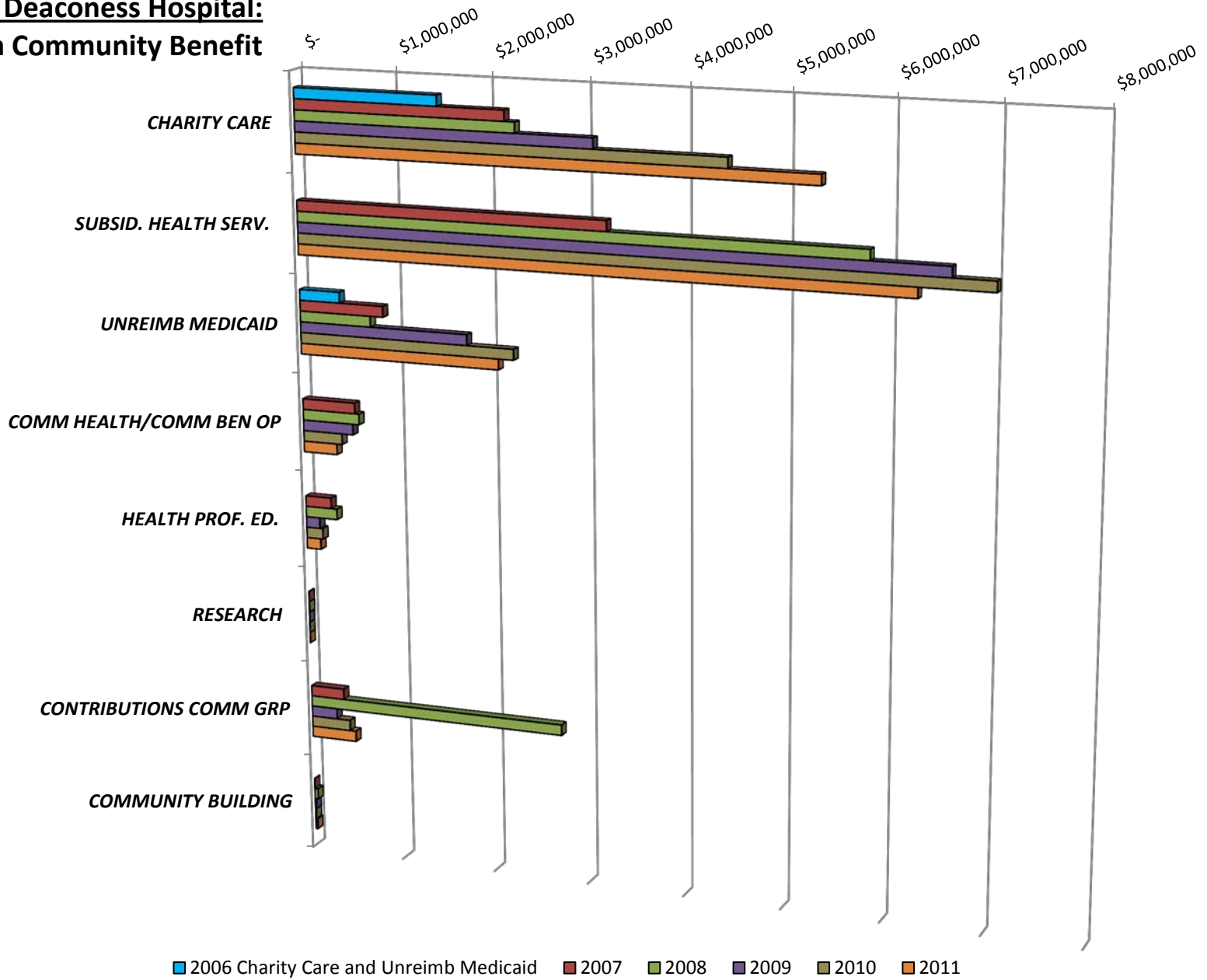


■ 2006 Charity Care and Unreimb Medicaid ■ 2007 ■ 2008 ■ 2009 ■ 2010 ■ 2011

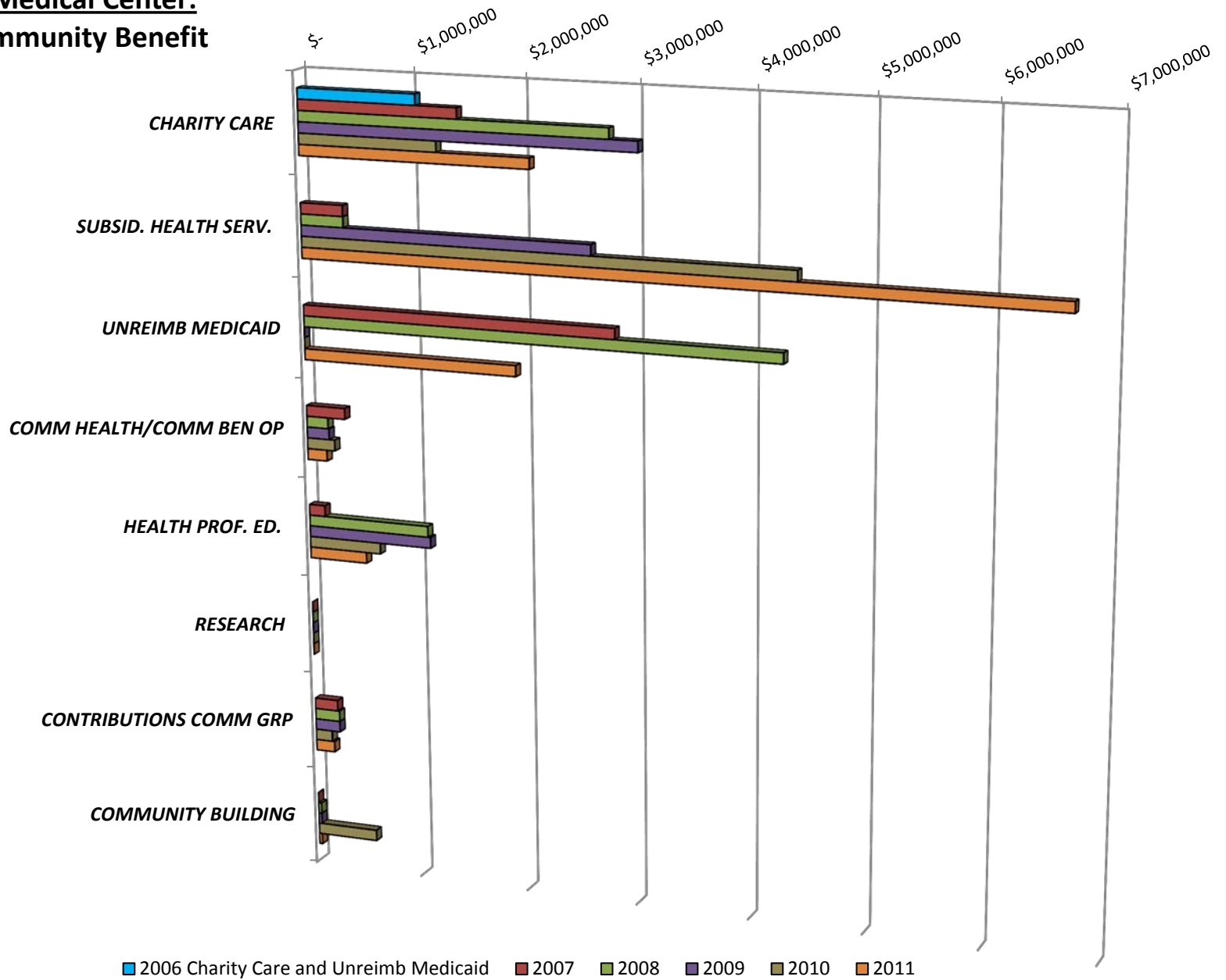
**Billings Clinic:
Change in Community Benefit**



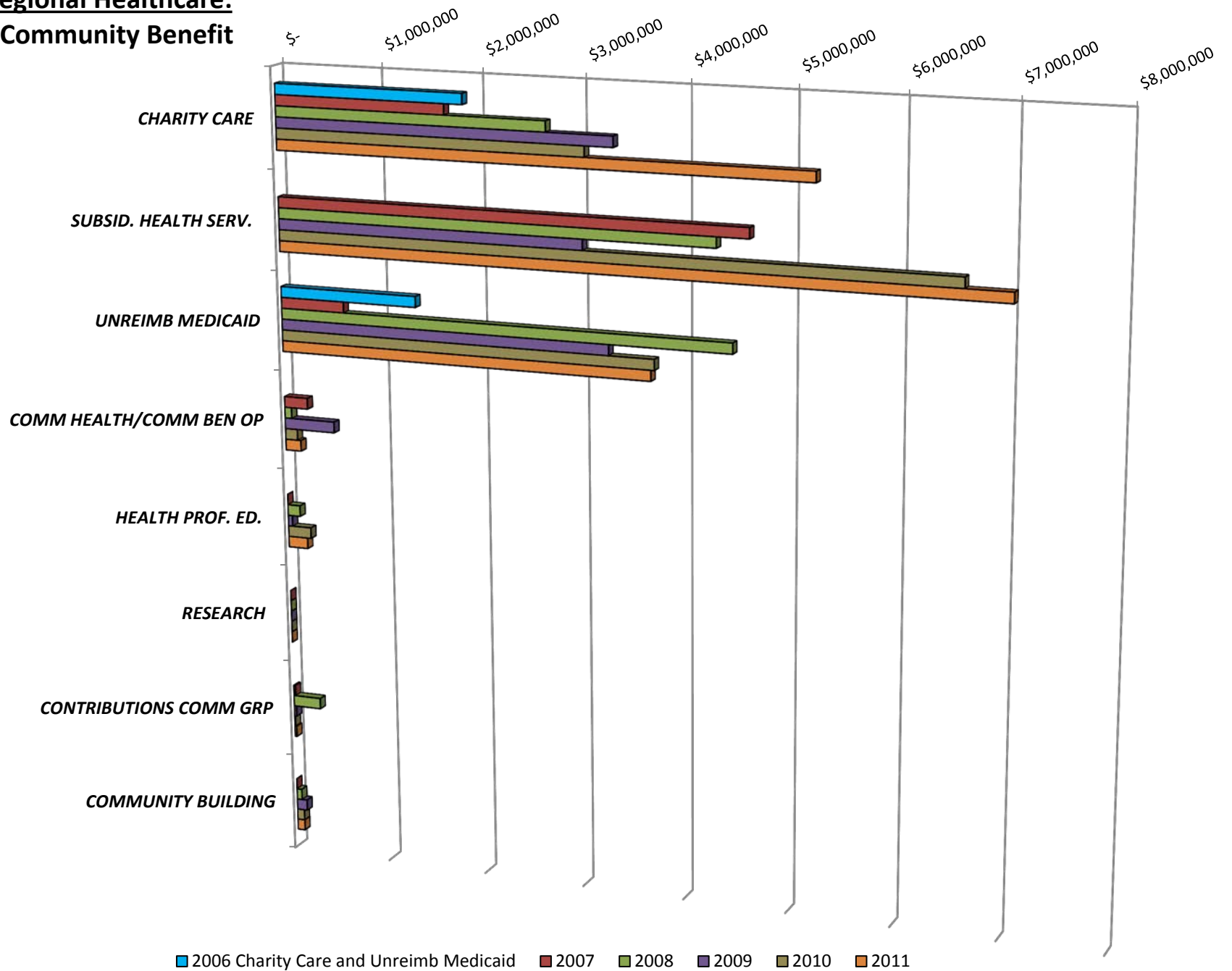
Bozeman Deaconess Hospital:
Change in Community Benefit



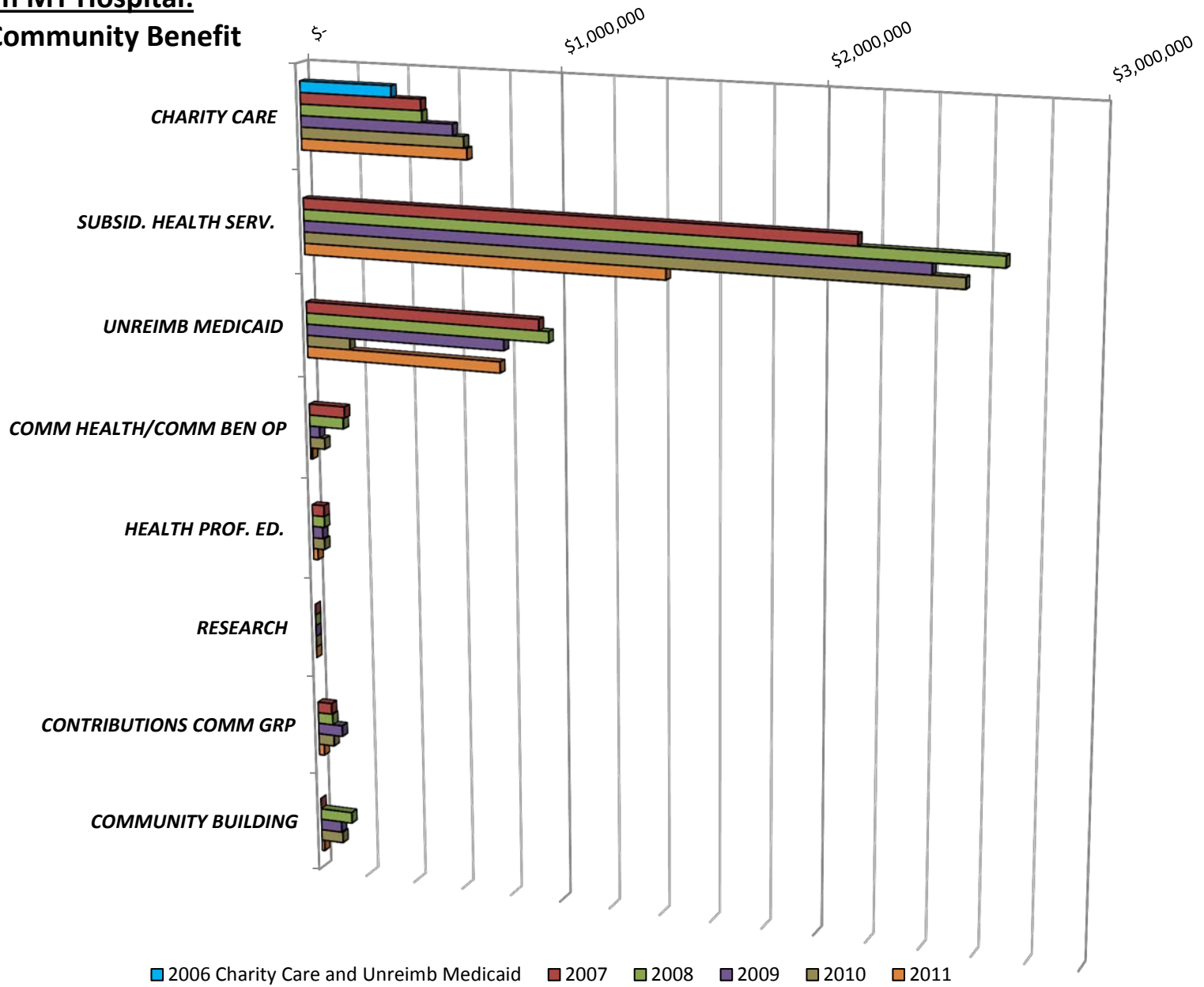
**Community Medical Center:
Change in Community Benefit**



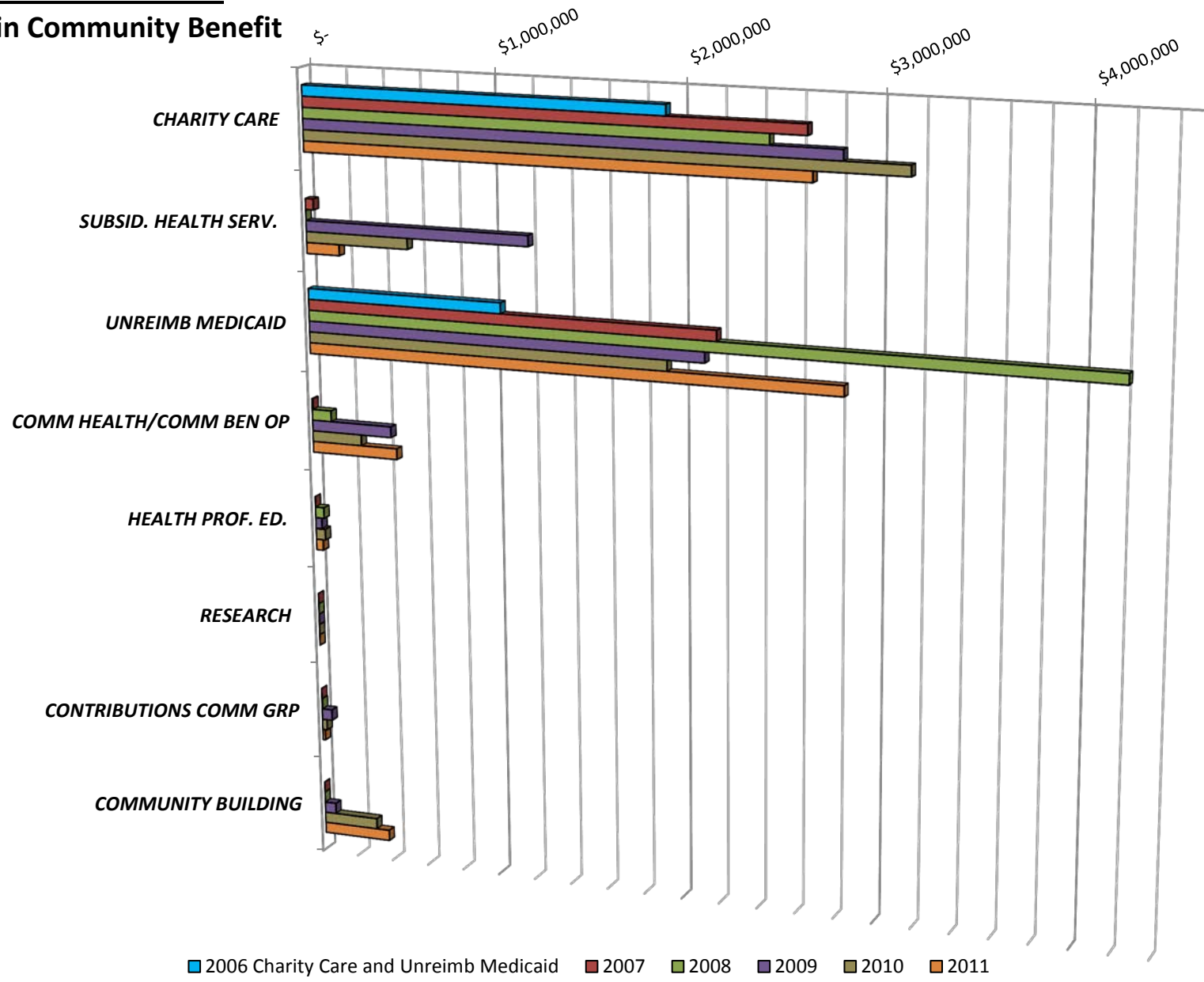
Kalispell Regional Healthcare: Change in Community Benefit



Northern MT Hospital:
Change in Community Benefit

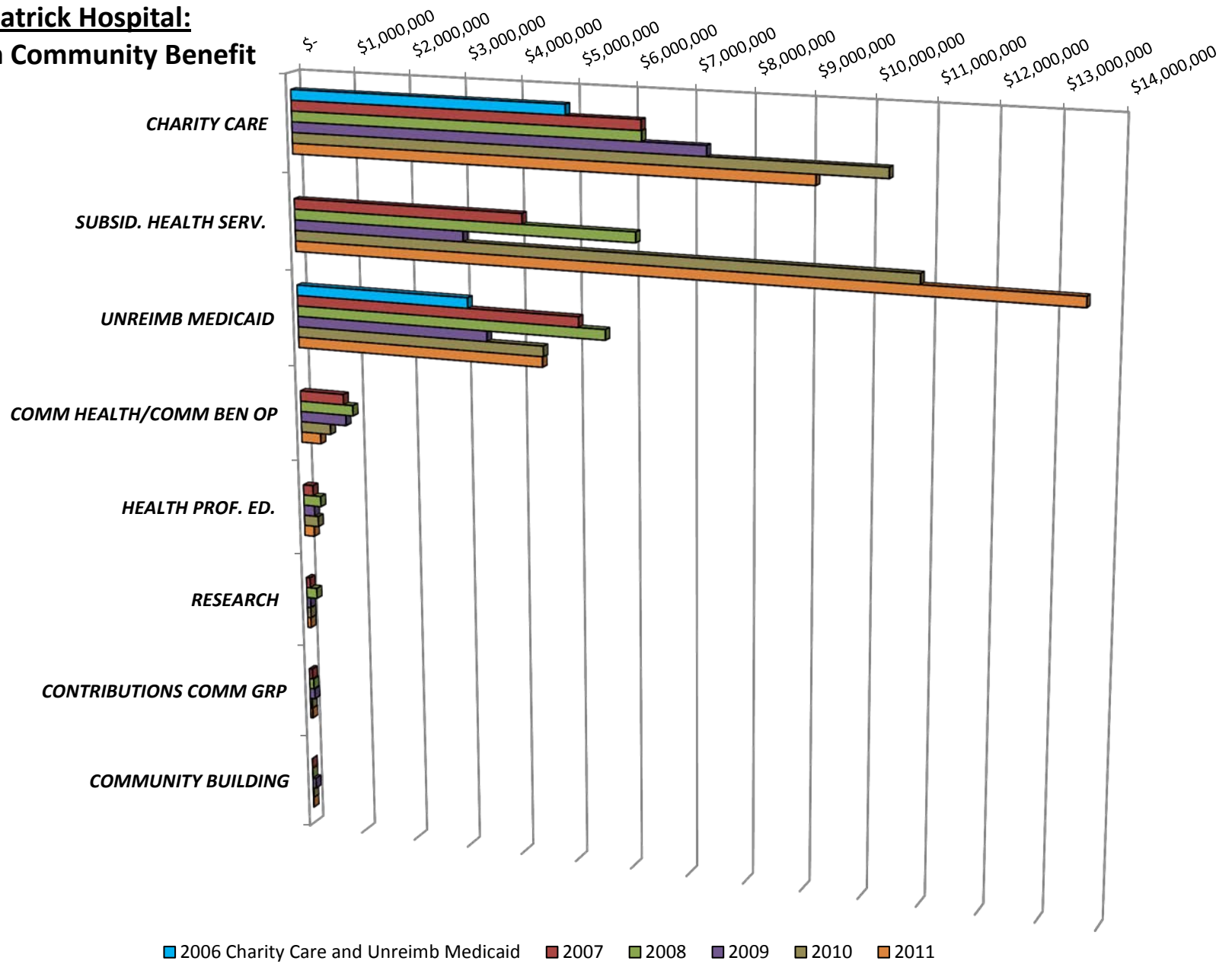


St. James Healthcare:
Change in Community Benefit

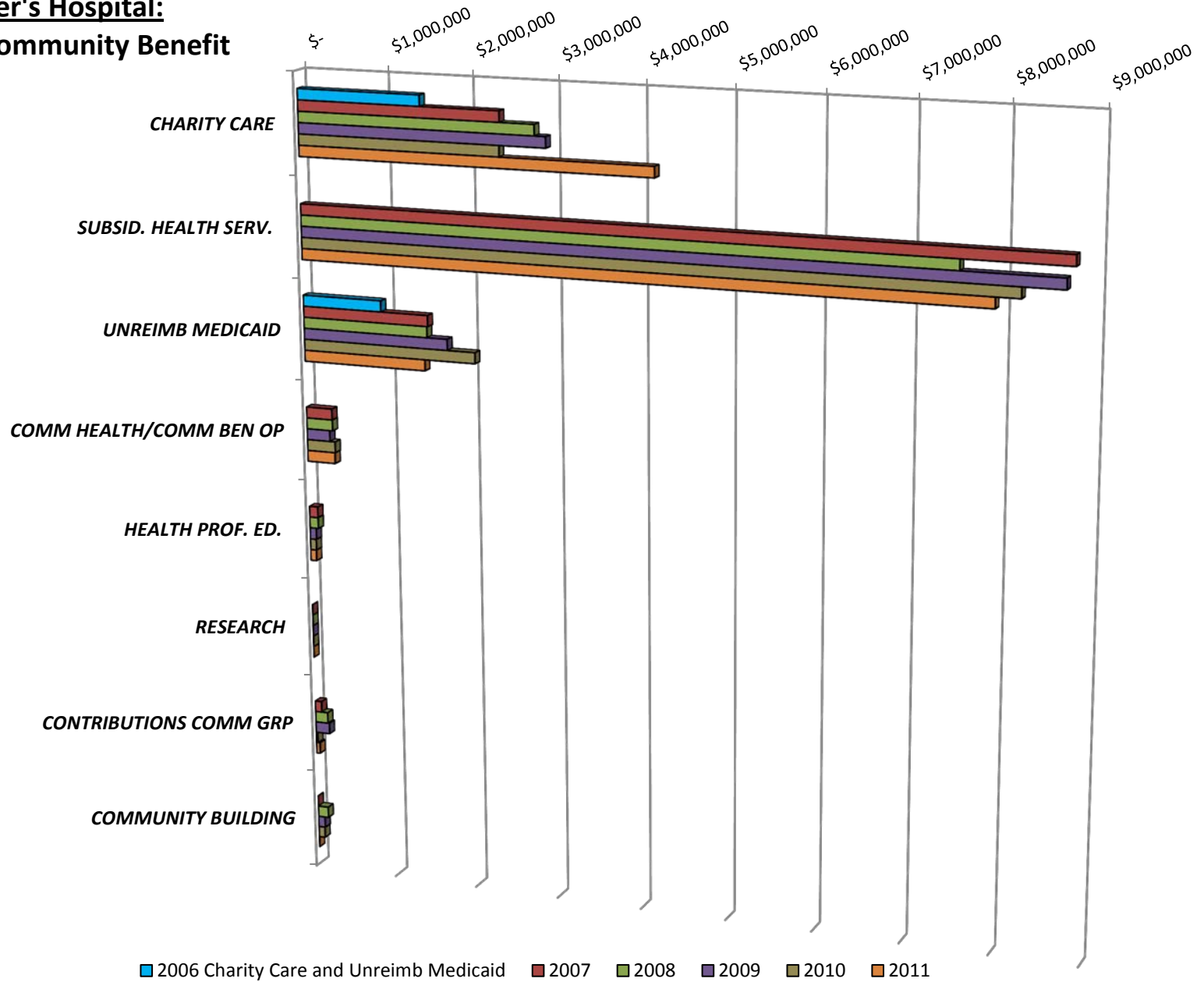


■ 2006 Charity Care and Unreimb Medicaid ■ 2007 ■ 2008 ■ 2009 ■ 2010 ■ 2011

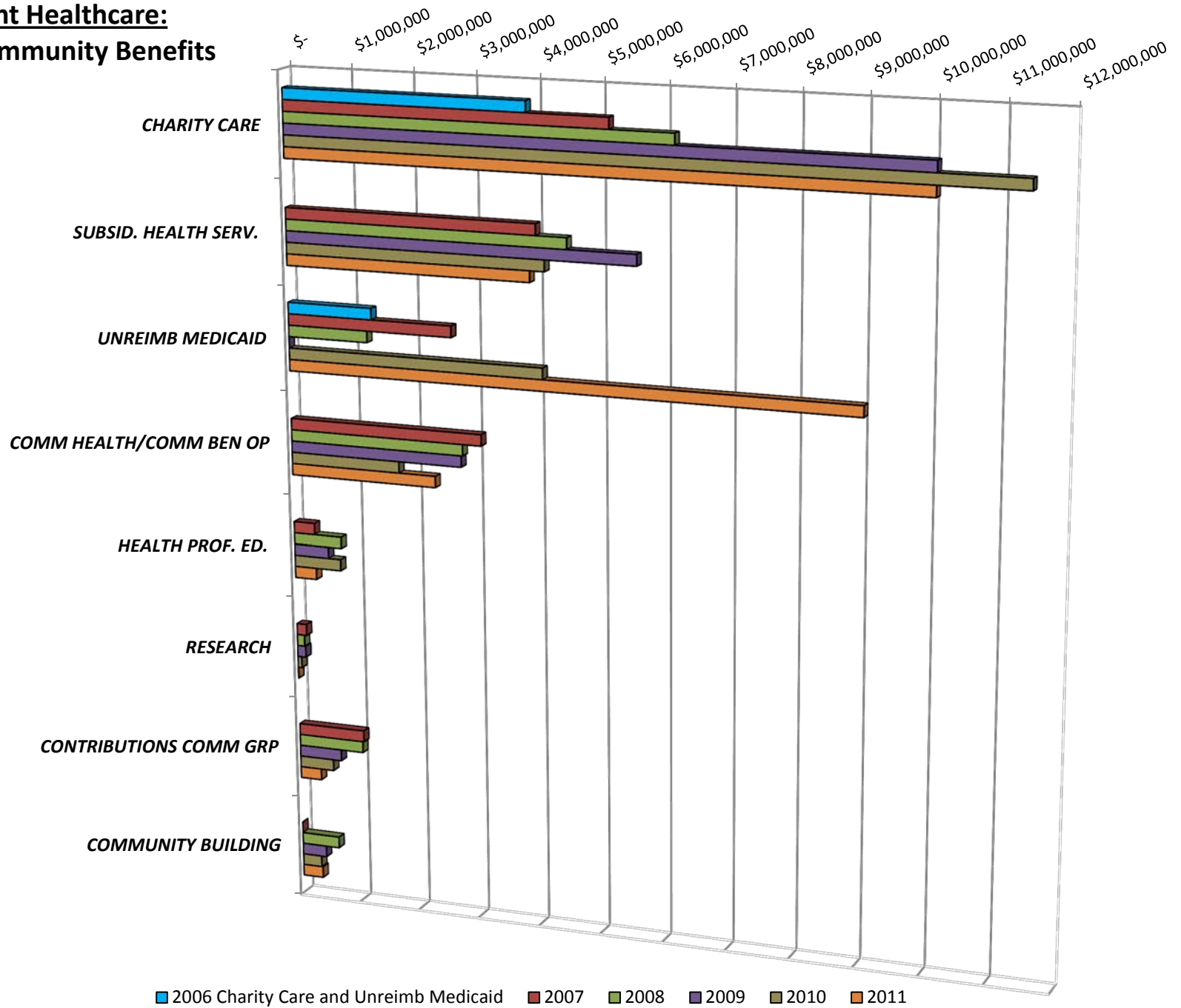
**St. Patrick Hospital:
Change in Community Benefit**



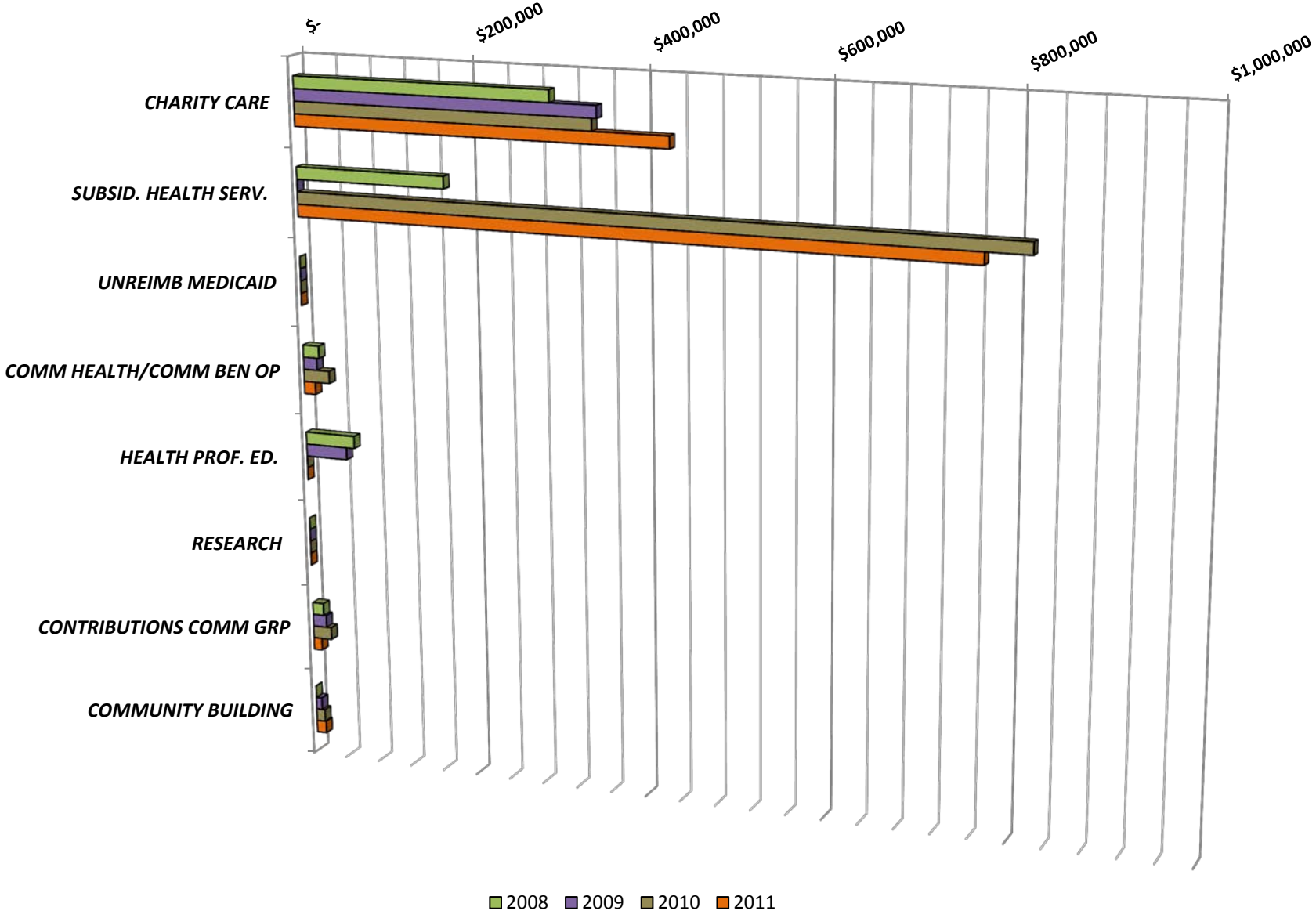
St. Peter's Hospital:
Change in Community Benefit



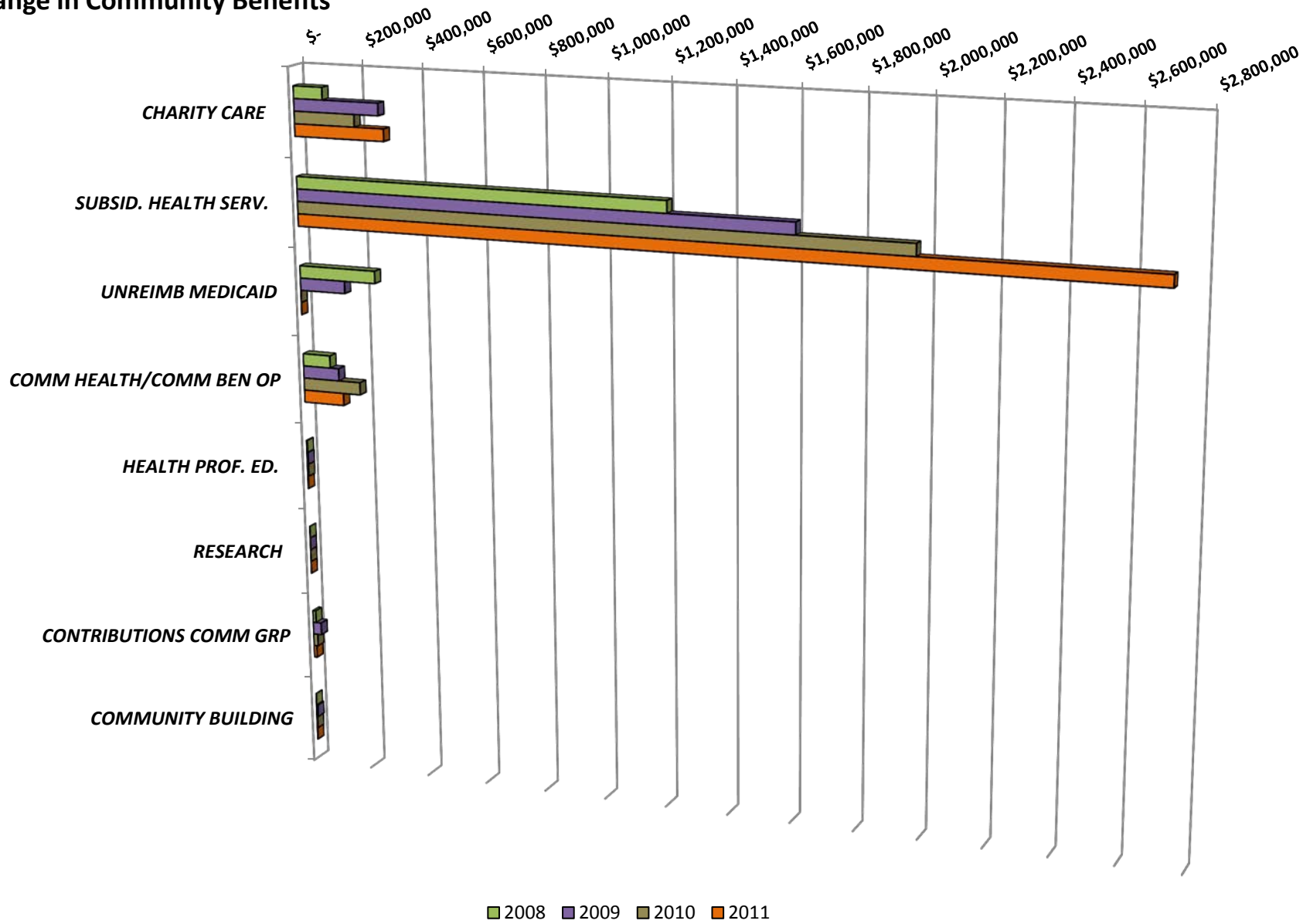
St. Vincent Healthcare: Change in Community Benefits



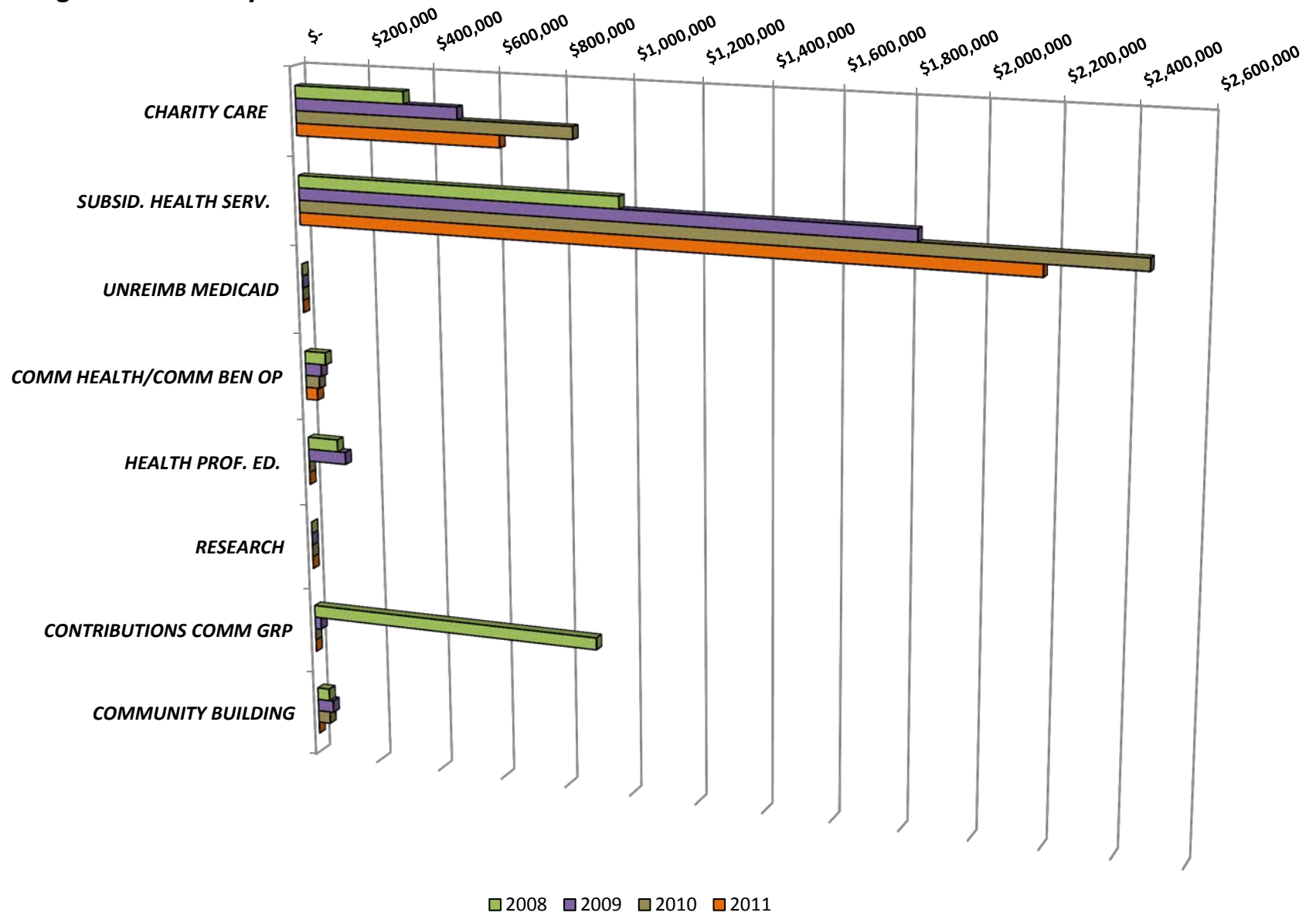
**Central MT Medical Center
Change in Community Benefits**



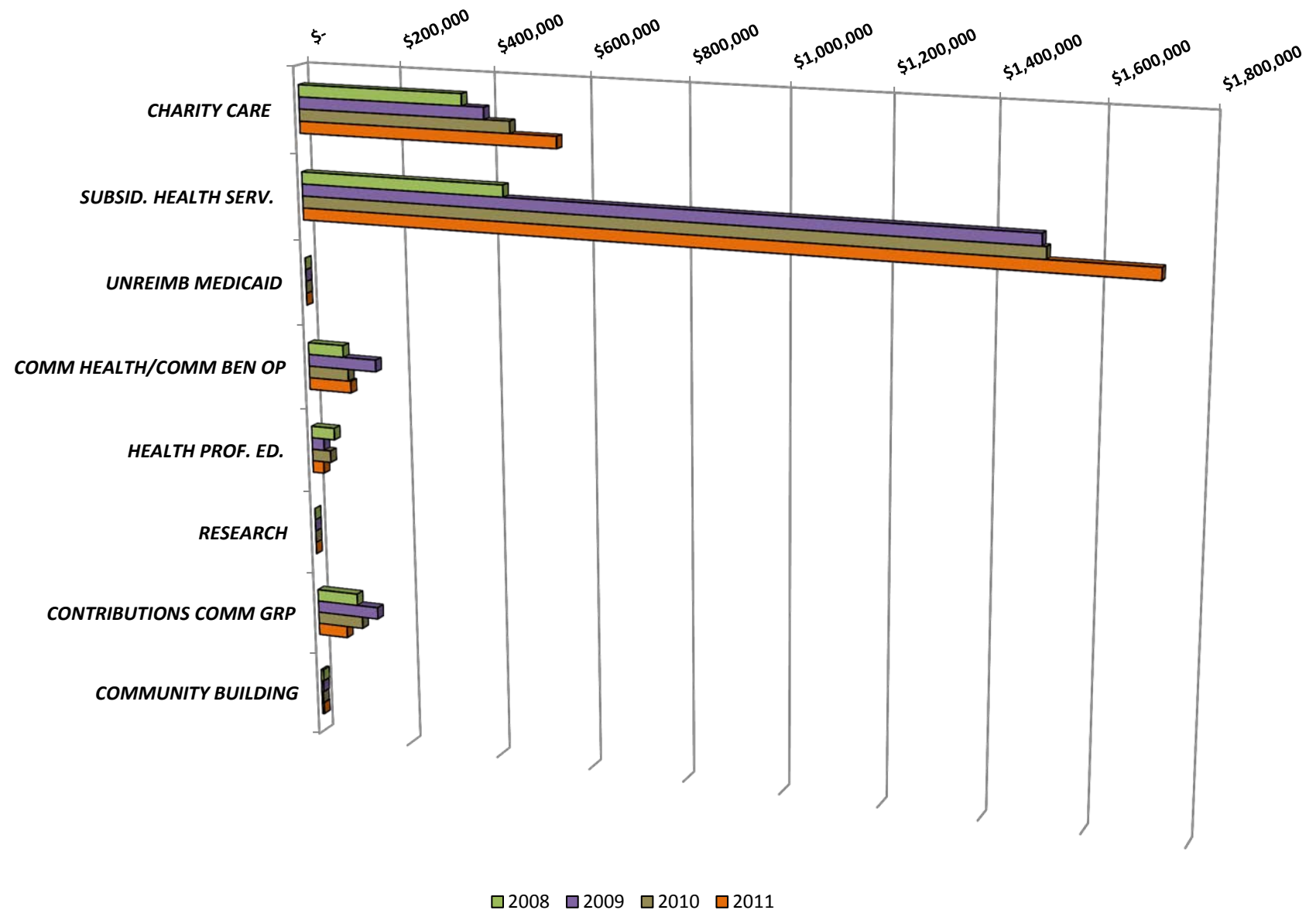
Community Hospital of Anaconda
Change in Community Benefits



Frances Mahon Deaconess Hospital
Change in Community Benefit

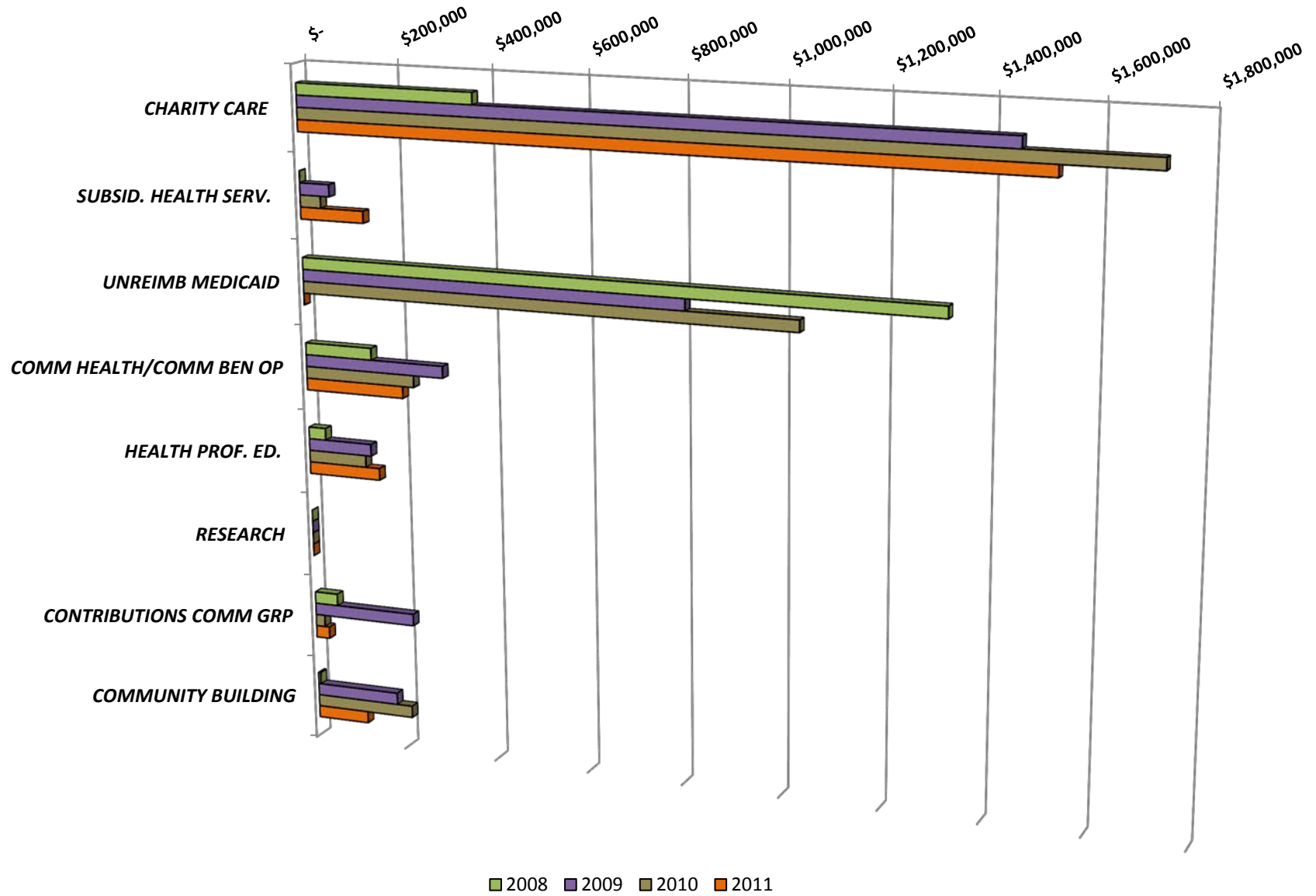


Glendive Medical Center Change in Community Benefits

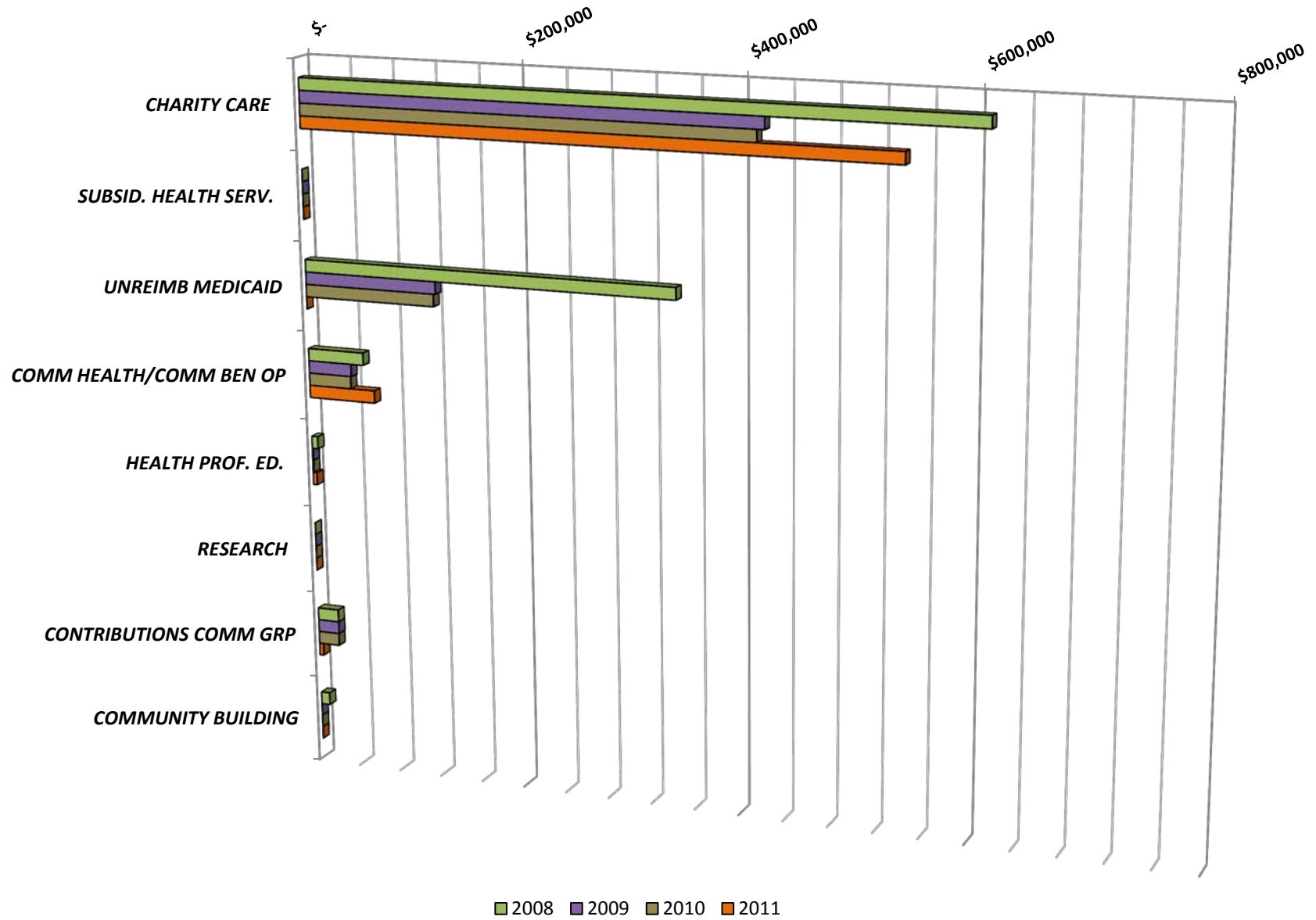


Holy Rosary Healthcare

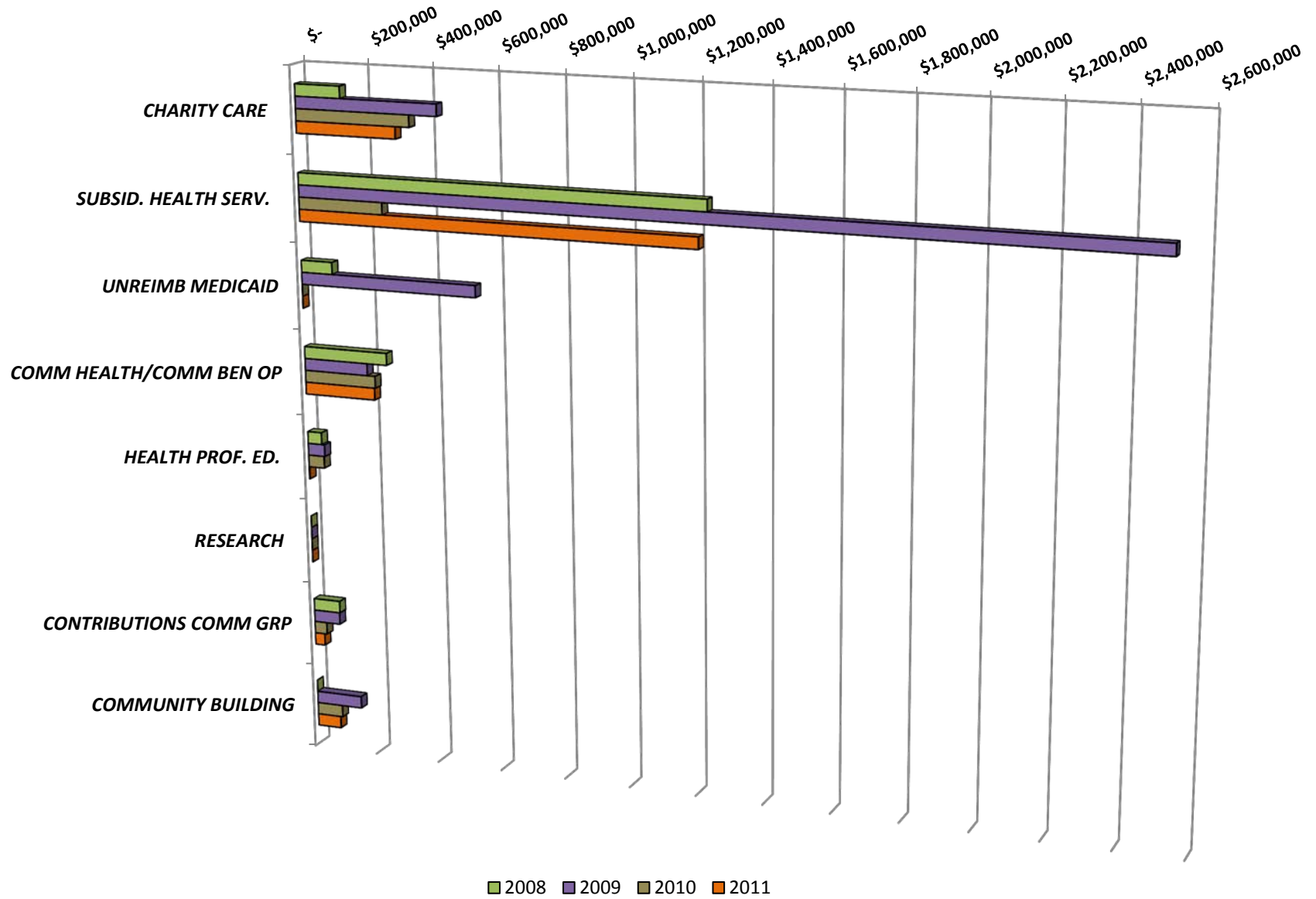
Change in Community Benefit



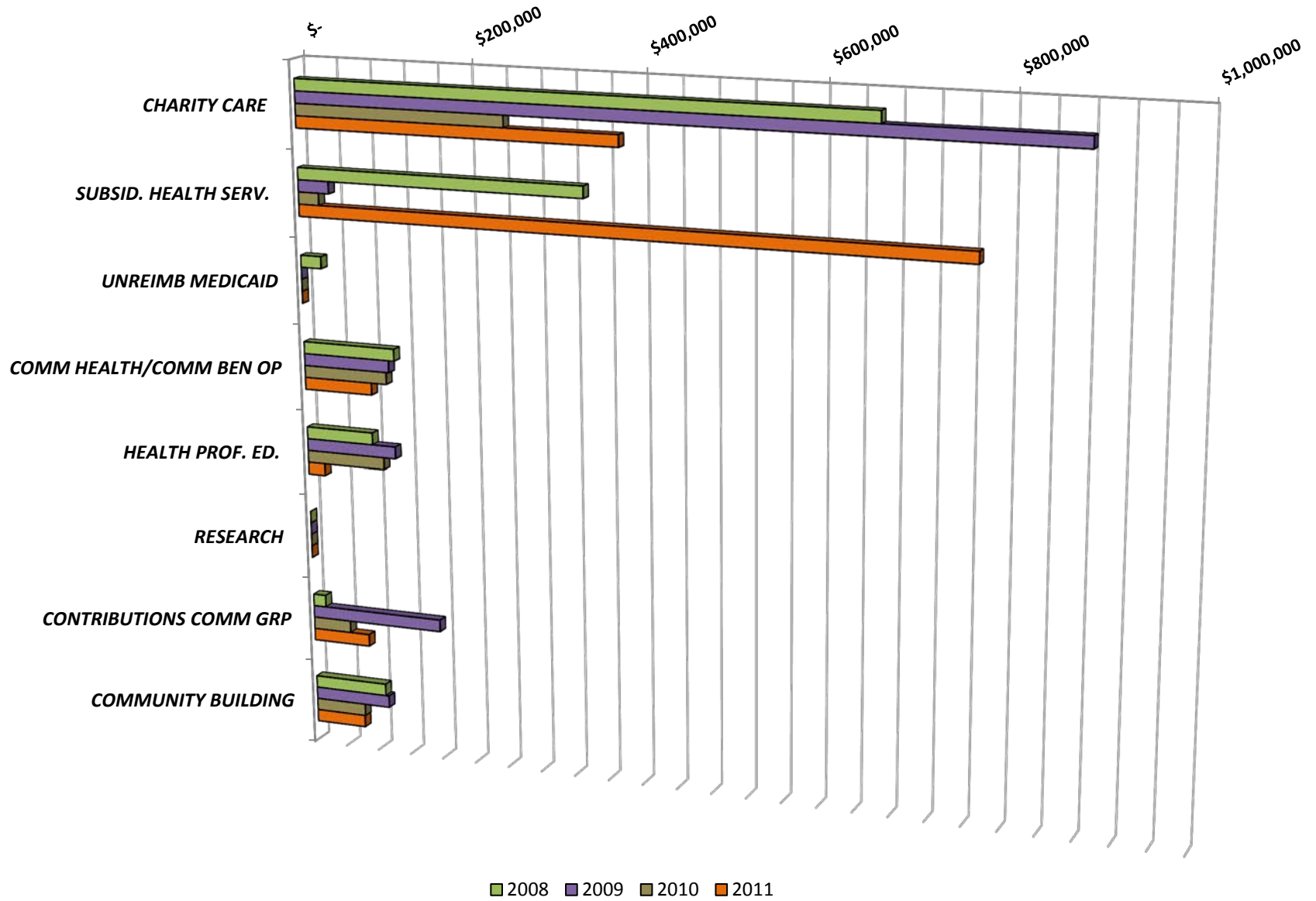
Livingston Healthcare
Change in Community Benefit



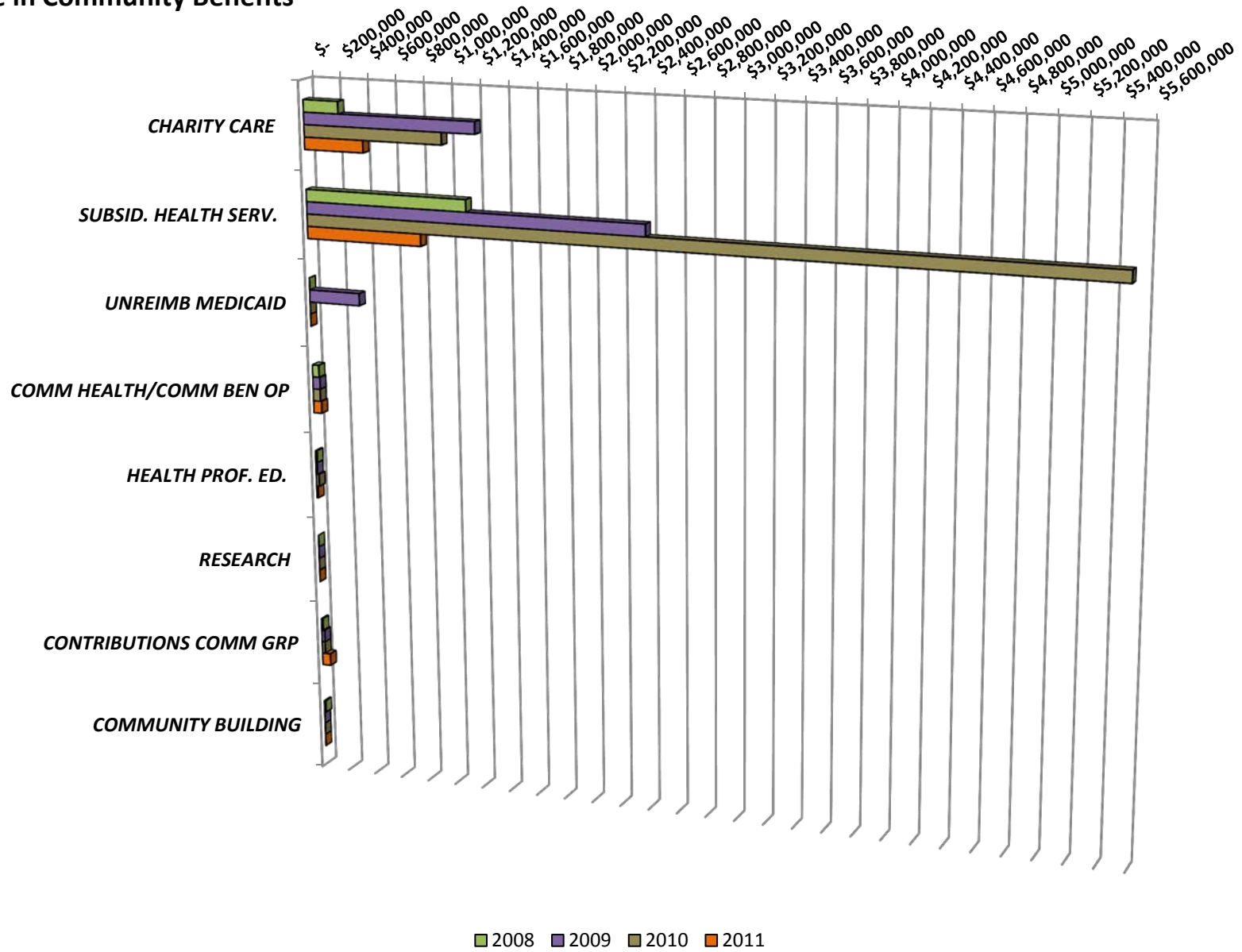
Marcus Daly Memorial Hospital
Change in Community Benefit



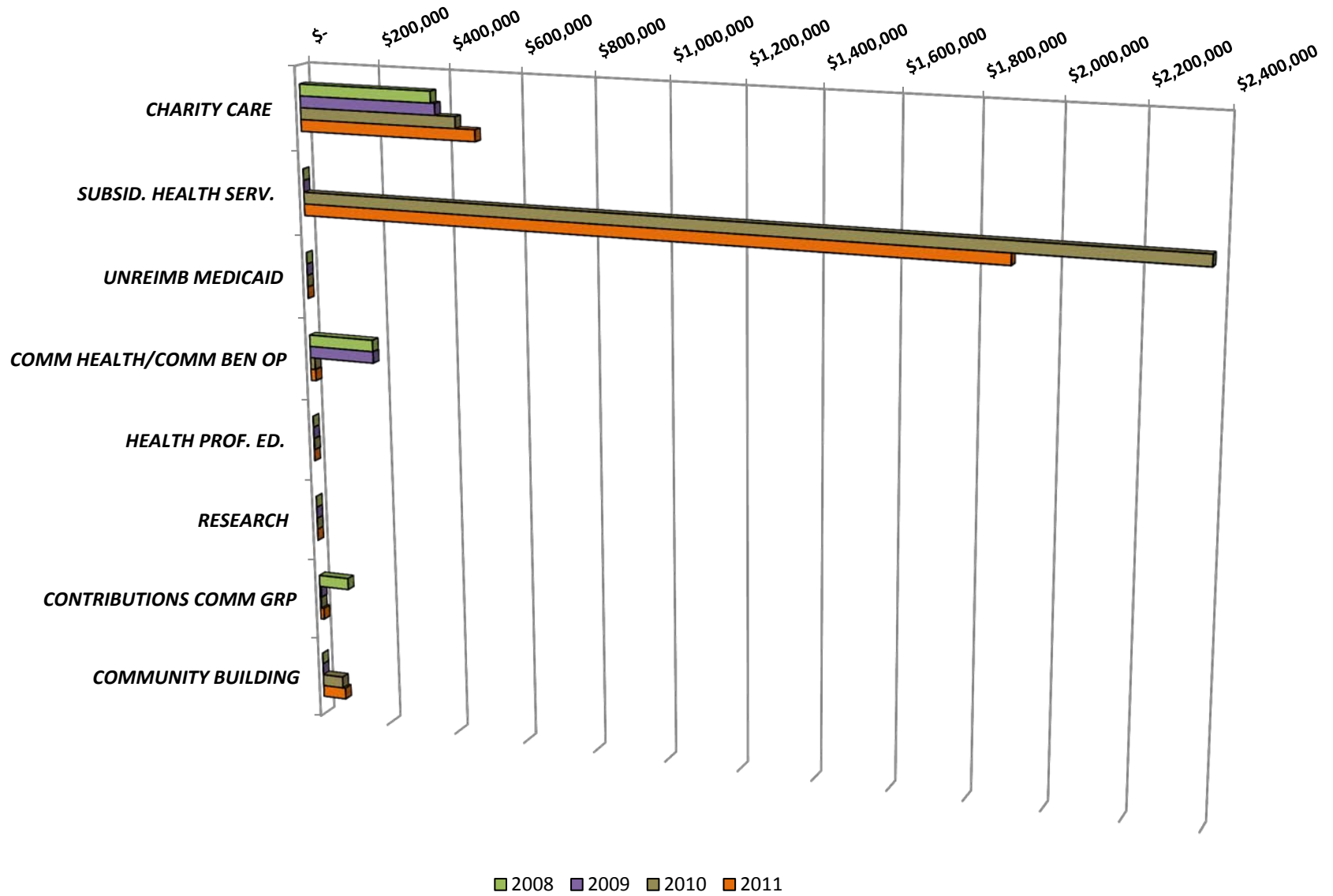
North Valley Hospital
Change in Community Benefit



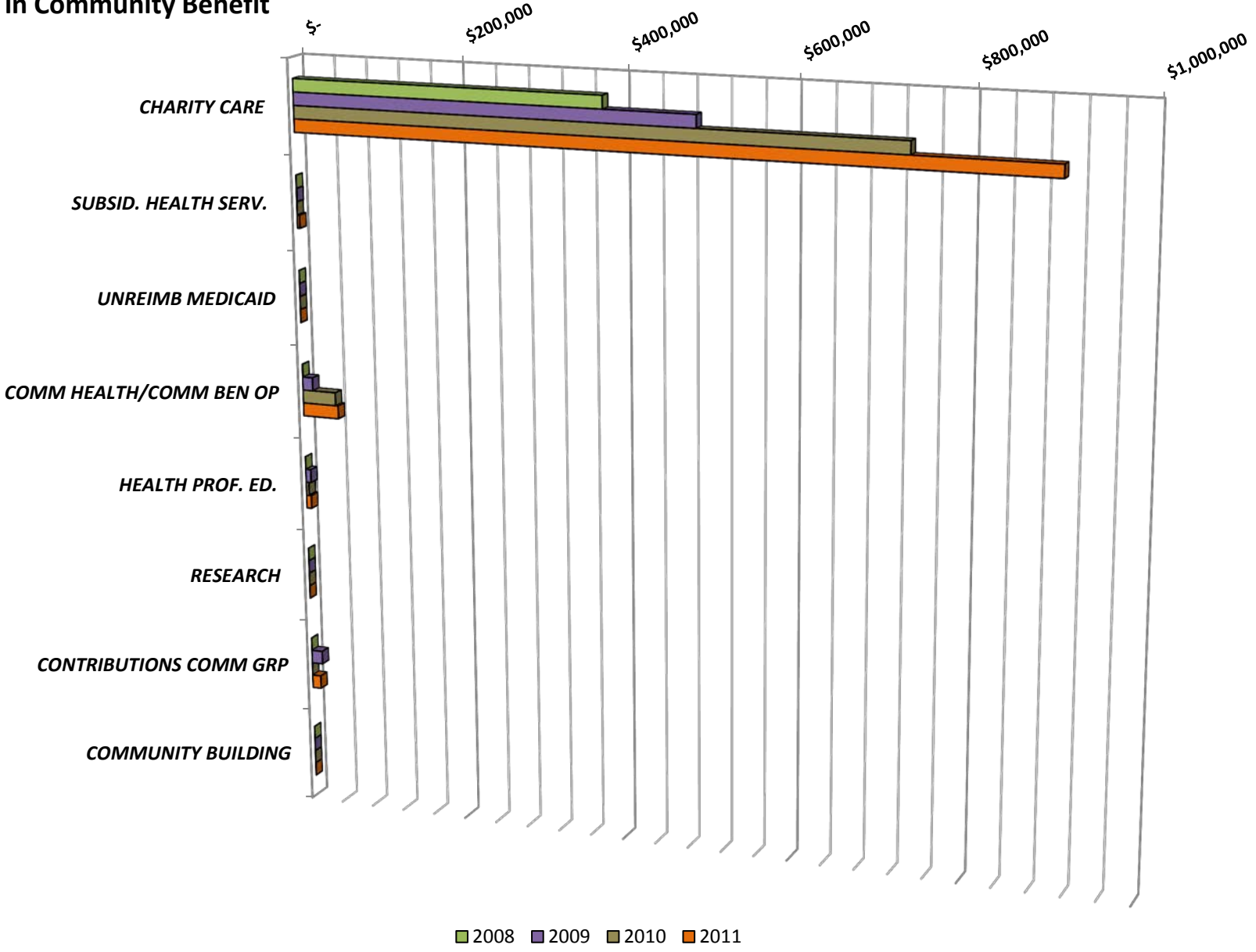
Sidney Health Center
Change in Community Benefits



St. Johns Lutheran Hospital
Change in Community Benefits



**St. Joseph Medical Center
Change in Community Benefit**



St. Luke Community Hospital
Change in Community Benefits

