

## Demonstrating Community Stewardship

The Billings Clinic community reaches across Montana, Wyoming and the western Dakotas. We serve thousands of people in rural areas who travel to Billings and our regional clinics for their health care. As the largest health care organization in this region, we are nationally recognized for our clinical quality and patient safety performance.

Because of our responsibility to the community we serve, we share information about community benefits, quality of care, pricing of services and financial assistance provided to our patients in need. We want to assure you that as a not-for-profit health care organization you can trust us to be good stewards of your resources.

## Meeting Financial Needs

Billings Clinic provides high quality primary and specialty health care, emergency and mental health care to all persons. Nearly one in five Montanans is uninsured. The cost of health insurance is unaffordable for many small businesses, and employees are picking up a larger share of the costs when they do have insurance.

Our model of health care delivery and commitment to our mission helps us to provide care to our patients, regardless of their ability to pay, with the following services:

- Our charity care program is offered to patients at up to 300 percent of federal poverty level, with a sliding scale.
- We try to identify patients who are in need of financial assistance early in their care.
- We offer patient financial counseling, payment plans, financing options and financial assistance for those in need.
- We accept patients covered by Medicaid or Medicare.

## Counting Community Benefits

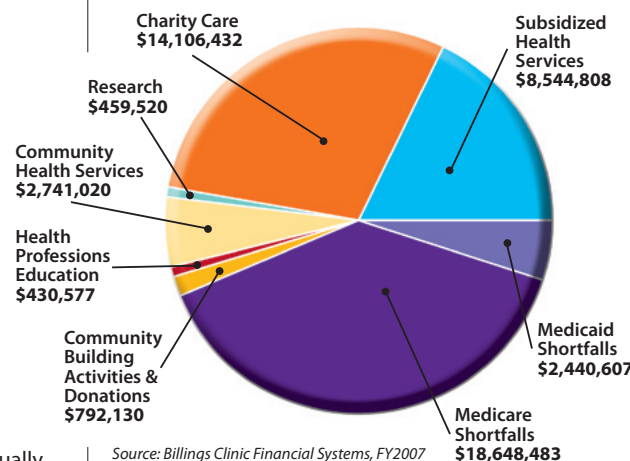
We measure community benefits in the following ways:

- Conducting community benefit inventory annually to report impact of charity care, education, research, outreach, subsidized health services, Medicare and Medicaid shortfalls.
- Calculating the financial value of our tax exemption as a not-for-profit organization. We consistently give back to the community substantially more than we would if we paid taxes.
- Benchmarking with other health care organizations in our region.
- Reporting community benefits to our board, leadership and community.
- Participating in national and state forums that advocate for accurate and consistent reporting.
- Preparing for changes to IRS Form 990 and Schedule H reporting coming in 2009.

## Defining Community Benefits

Billings Clinic has been quantifying community benefits every year since 1996, by implementing standards, definitions and guidance from national health care organizations and our financial auditors. We continue to count community benefits consistent with new recommendations from the Internal Revenue Service.

### 2007 Community Benefits \$48,163,577



Source: Billings Clinic Financial Systems, FY2007

Community benefits are the *unreimbursed costs of health services and programs provided in the many communities that Billings Clinic serves in Montana, Wyoming and North Dakota.*

A *shortfall is the difference between cost and reimbursement. Community benefits do not include bad debt. The cost of bad debt for 2007 was \$6,972,217.*

### Community Building Activities and Donations

Community building includes donations of time, equipment or sponsorship of events that benefit local charities and community organizations.

### Community Health Services

Includes support of Community Health Access Program, Medication Assistance Program and Community Crisis Center. In addition, more than 10,000 people attended our free community health education programs, screenings and health fairs last year.



### Charity Care (at cost)

Last year 4,641 patients received financial assistance for their medical care.



### Medicaid and Medicare Shortfalls

Care is provided to Medicaid and Medicare patients, despite the high costs of shortfalls in governmental reimbursements for health care services.



### Subsidized Health Services

Subsidized health services include a variety of health services and educational programs that are free of charge or not fully reimbursed – including telemedicine services, MedFlight emergency air ambulance and trauma services, rural outreach clinics and regional disaster preparedness.



### Research

Billings Clinic is dedicated to the pursuit of new medical knowledge with innovative research trials that benefit current and future patients, including 120+ cancer research trials.

### Health Professions Education

Billings Clinic provides training opportunities for students in medical school, nursing school and a variety of other health care fields.