



FOR ALL CHILDREN EVERYWHERE

COMMUNITY BENEFIT REPORT

2016



Children's Mercy
KANSAS CITY

“Wherever you go, whatever you do, you owe something to your community.”

*Stephen Payne Berry
Father of Children's Mercy Founders,
Circa 1860*



Randall L. O'Donnell, PhD
President and CEO

Greetings,

As we celebrate 120 years of meeting children's health needs in the Kansas City region, it is especially important that we remember our roots. Sisters Alice Berry Graham, a dentist, and Katharine Berry Richardson, a surgeon, began Children's Mercy in 1897, taking their father's directive to heart.

This Community Benefit Report 2016 shows how seriously we take that mission today. In total, our investments represent more than \$215 million for programs, services, support and caring for our communities. These are millions of dollars we allocate to create healthier communities, outside the walls of our hospitals and clinics.

At our Children's Health Summit last year, we hosted 200 people from across the Kansas City region to discuss ways of teaming up to best take care of our children. We have established partnerships and community health programs to meet the great and unique needs of the community. We provide gun locks, car seats, bike helmets, home inspections, and a variety of support to community agencies to make our community safer, stronger, better.

Our focus on medical research and education ties directly to our heritage. Dr. Richardson worked tirelessly to establish research laboratories at Children's Mercy and the sisters started a nursing school even before there was a permanent home for Children's Mercy. Today, community advocacy is an integral part of our training for doctors.

Since our founding, we have taken care of children and families who could not afford care. It wasn't until the 1950s that Children's Mercy accepted any payment from patients, families or insurance companies. Today, we have many families who have no insurance. Medicaid and other government programs don't pay the full cost of care.

It is important to us to take the lessons of the past and apply them to the future in our quest to be "For All Children Everywhere." Our founders did not set limitations on their care or their compassion. Neither do we.

Randall O'Donnell



Children's Mercy is dedicated to enhancing the health and well-being of children across our local, national and global community. Our work goes beyond the hospital walls and into the communities we support. Children's Mercy is proud to participate in efforts to bring solutions to some of our community's most pressing issues.

As a nonprofit pediatric hospital, our bottom line is kids—this means that any positive hospital margins are reinvested into the health and well-being of children. Translating that work into numbers isn't easy, but in Fiscal Year 2016, Children's Mercy recorded more than **\$215 million annually (17.9% of our expenses) or \$600,000/day** in "community benefit" activities—that is, activities we conducted as a hospital that went beyond caring for patients and made an impact on our community at large.

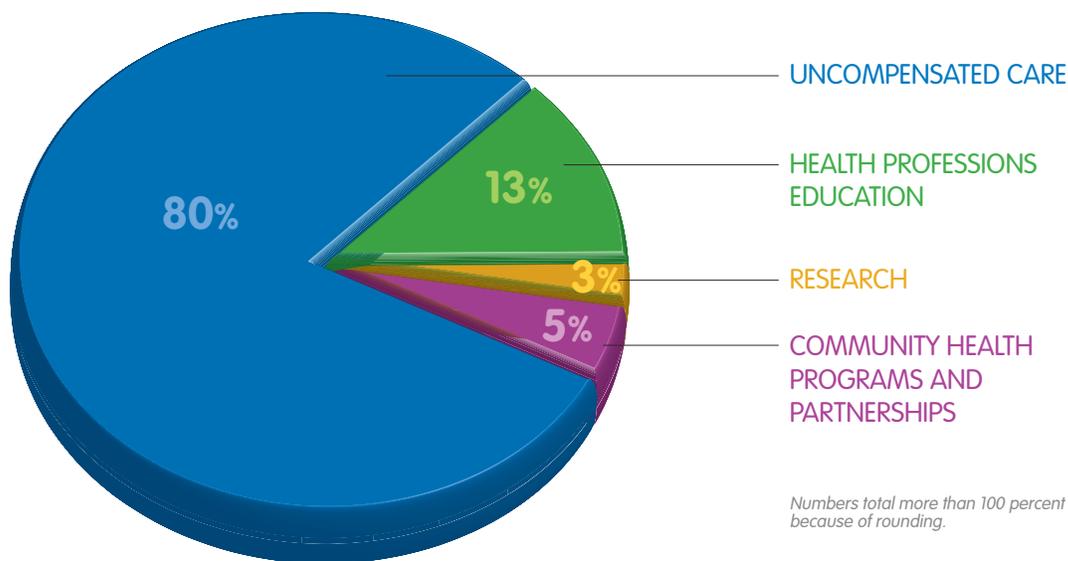


WHAT IS COMMUNITY BENEFIT?

To be considered community benefit, a program or service must meet at least one of four objectives:

- improve access to health care
- enhance the health of the community
- advance medical or health knowledge
- relieve or reduce the burden of government or other community efforts.

Community benefits are classified by the Internal Revenue Service in the categories of uncompensated care, health professions education, research, community health improvement and community building. Community benefit is the basis of the tax-exempt status of nonprofit hospitals.



CATEGORY OF COMMUNITY BENEFIT	FY16 NET EXPENSE
■ UNCOMPENSATED CARE	\$172,145,062
Charity Care at cost	\$14,120,775
Unreimbursed Medicaid/Other Gov. Programs	\$144,130,098
Subsidized Health Services	\$13,894,189
■ HEALTH PROFESSIONS EDUCATION	\$27,270,610
■ RESEARCH	\$6,045,983
■ COMMUNITY HEALTH PROGRAMS AND PARTNERSHIPS	\$10,295,219
Community Health Improvement Services	\$7,399,331
Community-Building Activities	\$2,009,008
Cash and In-Kind Contributions	\$583,986
Community Benefit Operations	\$302,894
TOTAL COMMUNITY BENEFIT	\$215,756,874

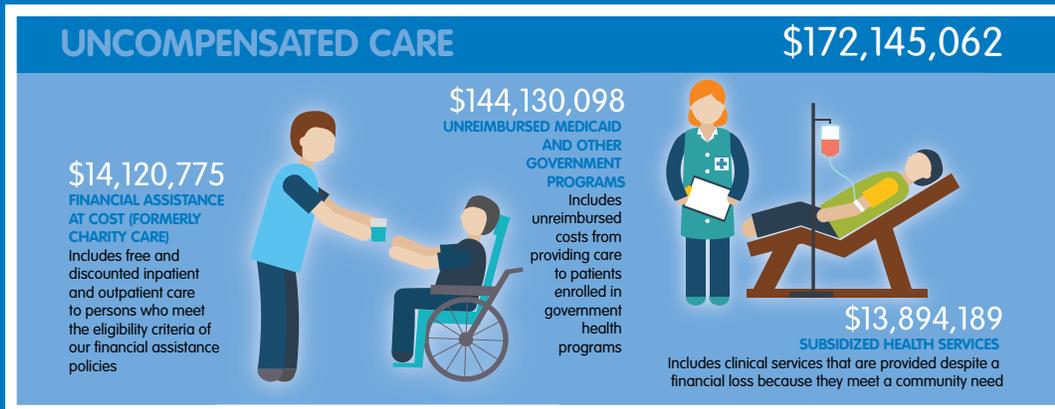
UNCOMPENSATED MEDICAL CARE

Throughout our 120-year history, Children's Mercy has provided care without regard to a patient's or family's ability to pay.

In Fiscal Year 2016

- Over \$14 million was provided to support free and discounted inpatient and outpatient care to children who meet the eligibility criteria.
- The unreimbursed cost of providing care for children who qualify for Medicaid and/or other government programs reached well over \$144 million.

For more information, find our Financial Assistance Policy here: childrensmercy.org/FinancialCounseling



SUBSIDIZED HEALTH SERVICES

Children's Mercy takes a thoughtful, strategic approach to offering a set of clinical services that meet the needs of the region's children. Often, this means the services are provided at a financial loss. Regional trauma services, Developmental and Behavioral Medicine, and the Children's Mercy West primary care medical home are just a few of the services that would not exist without Children's Mercy. In Fiscal Year 2016 close to \$14 million was provided in subsidized health services.

SPOTLIGHT

- The **SCAN (Safety and Nurturing) Clinic** provides a child-friendly environment using a multidisciplinary, specially-trained team to address child maltreatment. In FY 2016, providers at SCAN served close to **1,600** children for more than **3,300** physical or mental health-related visits. SCAN is unique in the Kansas City region.

- The **CHiCoS Clinic (Clinica Hispana de Cuidados de Salud)** provides culturally competent and language-concordant primary care services to children ages 0-21 years of age. All staff, from admissions to physicians are certified as "Qualified

Bilingual Spanish." CHiCoS is located at Children's Mercy Broadway and in FY 16 saw **5,737** patients for **11,484** encounters.

- **Operation Breakthrough** is a Children's Mercy Primary Care Clinic located at one of Missouri's largest child care centers. Services offered include sick visits, well-child check-ups and walk-in visits.

In addition, nursing staff complete daily rounds to all Operation Breakthrough classrooms. Mental and behavioral health services provide support and services to address common childhood challenges, as well as the effect of childhood toxic stress.



HEALTH PROFESSIONS EDUCATION

Training the next generation of pediatric caregivers is essential. Providing education opportunities to health care professionals enhances children's health outcomes. More than \$27 million (minus federal graduate medical education reimbursement) was provided to support health professions education in Fiscal Year 2016.

SPOTLIGHT

- **Clinical Advances in Pediatrics** is an annual symposium focused on the most current findings that support children's health and development. More than **300** physicians, medical students and residents attend and receive continuing medical education credits.



Greg Canty, MD, Medical Director of the Sports Medicine Center, addresses the Clinical Advances in Pediatrics symposium at Children's Mercy Park in 2016.

- Children's Mercy provides back-to-school workshops and trainings for school health professionals. More than **300 school nurses** and others attend the annual day-long conference that provides contemporary information on issues affecting children's health and learning.



- As part of their education at Children's Mercy, all second-year residents participate in a month-long **Community Health and Advocacy rotation**. One of the principal goals of this rotation is to instill the idea that every pediatrician can, and should, be a child advocate.

Residents learn about ways that pediatricians can advocate for their patients on an individual, community, state, national or global level.

The rotation includes a focus on legislative advocacy; the residents write a letter to the editor on a child health topic. During a recent academic year, letters from 11 Children's Mercy residents were published in the Kansas City Star on topics such as car seats, parent-doctor partnerships, smoking and aiding the impoverished.

Molly Krager, MD, Children's Mercy hospitalist, helps organize the advocacy rotation.

"Children spend most of their lives not in our hospital or clinics, but in their homes, schools and communities ... Part of our jobs as pediatricians is to promote the positive influences and address the negative influences in order to achieve the best possible outcome ... One important point stressed during the advocacy rotation is that pediatricians don't have to do this alone—we can collaborate with community partners who share our passion for helping children."



Molly Krager, MD, Community Health and Advocacy Program Director (left) and Stephanie Seger, manager of Government Relations

FOR THE COMMUNITY

RESEARCH

We believe breakthroughs happen when the walls between research and medicine are eliminated, allowing researchers and physicians to work side by side. This commitment is leading to new ways to treat, diagnose and even prevent complex childhood diseases. Each day, we're bringing innovations from bench to bedside and beyond to improve outcomes for children here and around the world.

More than \$6 million in research funds were supported by internal funding and eligible for reporting to Community Benefit. This includes studies or investigations designed to generate knowledge that will be made available to the public.



SPOTLIGHT

- Children's Mercy participates in the **Pediatric Obesity Weight Evaluation Registry (POWER)** with weight management programs from 30 other multidisciplinary children's hospitals across the country. To date Children's Mercy has contributed **558** patients of the 6,248 patients in the registry. The Children's Mercy weight management outcomes mirror those seen across the country. Participating in large national registries allows for knowledge sharing on treatment practices and effectiveness, outcomes and program improvement. Children's Mercy teams are leading POWER investigations on the medical effects of weight management treatment for children with autism and other developmental disabilities and on the factors associated with success in weight management treatment.

For more information on Children's Mercy Research Institute, please see childrensmercy.org/research

COMMUNITY HEALTH PROGRAMS AND PARTNERSHIPS

These activities and programs are carried out to improve community health and include a variety of health education, outreach and prevention services. In addition, Children's Mercy invests in the communities' health by supporting health-related community organizations and causes, efforts to address the root causes of health problems, health career workforce development efforts and staff contributing to the Boards of Directors and Advisory Groups of area organizations.

The environmental team also works with several area school districts and organizations to address indoor environmental exposures, and has trained hundreds of building and other professionals to observe and characterize potential problems through its "Healthy Homes" program.

- To help prevent firearm-related injuries in children and adolescents, Children's Mercy has partnered with the Jackson County Sheriff's Department and Project Child Safe to provide **gun locks** to families at no cost, with no questions asked.

About **1,200** locks have been distributed at Children's Mercy since the partnership began in August 2015.

The free, cable-style gun locks, along with instructions in either English or Spanish, can be picked up at the Security offices or through the Social Work department.

"It's crucial that parents keep guns locked, unloaded and out of reach. The most important thing any parent can do is create a home environment that's nurturing, supportive and safe," said Denise Dowd, MD, MPH, Emergency Medicine.

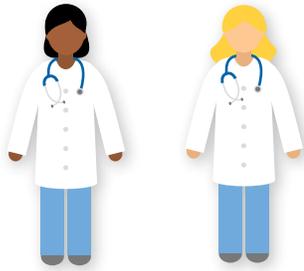


SPOTLIGHT

- When a patient shows up at Children's Mercy suffering from a severe asthma attack, the hospital is ready to do more than just treat the illness. The child's home may get a checkup as well.

The **Healthy Homes Program** sends a team of environmental health specialists from the toxicology and environmental health section to the homes of children hospitalized with a serious case of asthma or other respiratory infection. They are trained to identify potential triggers for the illness.

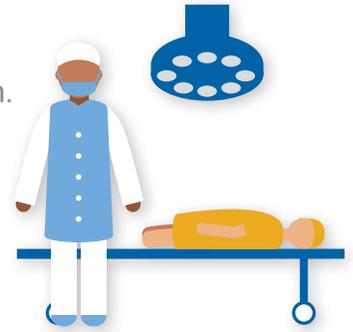
BY THE NUMBERS FY16



100 residents enrolled in pediatric residency program.

99 clinical fellows trained in **32** subspecialties.

465 medical students trained in pediatric medicine.

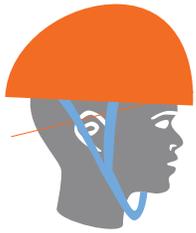


More than **1,400** nursing students participated in clinical rotations.

More than **100** social work, pharmacy, dentistry, child life, music therapy and other students participated in practicums, internships or rotations.

More than **70** families received Home Environmental Health Assessments.

151 families benefited from close to **4,000** encounters through the TIES and Healthy Families Children's Mercy home-based support programs.



500 children and teens received free bike helmets and were individually fit.

1,180 car or booster seats provided.

188 portable cribs provided for safe sleep.

Participation in over **40** health fairs reaching over 6,000 individuals.

Children's Mercy staff participate in over **60** local and state-level nonprofit boards, governmental agencies and advisory committees.



More than **1,000** families received transportation assistance from the Family Support Fund.

75 individuals received health-related legal advice from the Medical-Legal Partnership.



More than **41** researchers received internal support for their investigations.

More than **300** high school students participated in workforce development efforts that provide youth with experiences that introduce them to health careers.

COMMUNITY BENEFIT PRIORITIES 2013-2016

The 2013-2016 Community Health Needs Assessment identified access to health services, injury and safety, and nutrition, weight status and physical activity as priority health needs. Working with partners in the community, we made significant progress in each of the three priority areas. Key accomplishments:

Access to Health Services, Including the Importance of a Medical Home

- Cared for over 100 complex, chronic, special health care needs patients and their siblings through the Beacon Program.
- Supported the development of medical homes within Children's Mercy clinics as well as community-based practices.
- Expanded on-site health services at Operation Breakthrough, University Academy and Synergy Services.
- Improved the availability of appointments through Project Clinic Access.
- Established Saturday clinics for 10 specialty areas at Children's Mercy Hospital Kansas.



Injury and Safety

- Supported Promise 1,000, a community-wide program to coordinate home visitation services across the region.
- Established Athletic Training Services at Kansas City Public Schools, the Turner School District and University Academy.
- Distributed more than 1,200 gun locks.
- Convened the Council on Violence Prevention, an internal coalition that proactively responds to injury and safety issues inside and outside the hospital.

2016 AND BEYOND

- Developed and implemented a suicide screening tool.
- Implemented the Coaching Boys Into Men, a program that reduces adolescent relationship violence, at Kansas City Public Schools' high school athletic teams.
- Supported the Center for Childhood Safety that provides injury prevention activities throughout the region.



Nutrition, Weight Status and Physical Activity

- Convened the Weighing In Coalition that brings together a diverse set of partners working to improve healthy eating and active living throughout the region.
- Provided the PHIT Kids and the Zoom to Health programs that offer weight management support services to children and their families.
- Lead the effort in Missouri to provide more state-level support and funding for obesity prevention and support services.



On March 11, 2016, Children's Mercy hosted a Children's Health Summit for more than 200 representatives from area public health, health care, social services, governmental, community, neighborhood and housing services. At the Summit, participants were presented an overview of the 2016 Community Health Needs Assessment and identified priority needs that influence children's health in the Kansas City region. The needs identified were access to health services, mental and behavioral health, infant mortality, food insecurity and obesity, parent support, early education, poverty, violence, employment and housing. Going forward, Children's Mercy will work with partners and constituents to address these issues across our region with indepth focus on access, behavioral health and infant mortality.



For more information:
childrensmercy.org/About_Us/Community_Benefit/Community_Health_Needs_Assessment

Unique Hughley, a Kansas City, Mo., poet, entertained and inspired participants at the 2016 Children's Health Summit.



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