

Section 4.0

Public Benefits

4.0 PUBLIC BENEFITS

4.1 Community Benefits

Children's Hospital Boston is the only independent pediatric hospital in Massachusetts - and that singular focus on children and their distinct needs is key to Children's work with and in the local community as well. Children's is known for excellence in patient care, teaching, and research, but promoting community health is also one of the Hospital's core missions. Children's has encapsulated its vision for a system of care for Boston children – care that is local, accessible, culturally responsive and comprehensive – in a few simple words: “Healthy Children. Healthy Communities.”

Please see the Spring 2009 *Kidvocate*, provided as Appendix A, which provides an overview of Children's commitment to community benefits including CHB's:

- ◆ strategy to improve the health of Boston children;
- ◆ focus on the most pressing health needs of families;
- ◆ partnerships with other organizations; and
- ◆ advocacy for changes to improve health care.

4.1.1 *Serving as the Community/Safety Net Hospital for the Children of Boston*

Children's Hospital Boston's Community Mission

Children's Hospital Boston's mission is to provide high-quality clinical care, conduct innovative research and train the next generation of pediatric providers. It is also the hospital's mission to improve the health and well-being of children and families in our community. Children's takes a four-pronged approach to its community mission:

- ◆ **Serving as a safety net**, which means providing care for all children in Massachusetts regardless of a family's ability to pay, and subsidizing medical care and services that may be in limited supply or do not exist in the community;
- ◆ **Focusing on the most pressing community health needs** for Boston families and helping to reduce health disparities through innovative programming and services in the areas of asthma, obesity, injury prevention and mental health;
- ◆ **Partnering with the community** to develop solid, effective and enduring relationships with local organizations to make Boston a more healthy and vibrant city for all families;

- ◆ **Advocating for legislative, regulatory and administrative changes** to ensure children and families have access to needed health care and services and to improve and strengthen the health care system for children.

Children's Commitment to Boston

The following *Spotlight on Boston* document outlines Children's commitment to Boston's children and families. Specifically, it provides an overview of the hospital's community benefits and its specific financial and programmatic commitment to Boston.

4.2 Workforce Development and Training

The Hospital takes its roles as an employer and civic leader seriously and seeks to advance these through comprehensive workforce development efforts. The Hospital's Senior Workforce Development Specialist leads a multi-disciplinary team at the hospital to further develop and advance the Workforce Development plan at Children's. This includes improved tracking of current activities, as well as exploring new opportunities. One of the Hospital's fundamental goals in this area is providing community members with opportunities to explore health careers, and as a pediatric hospital, particularly with a focus on local youth.

One of these partnerships, "Gateway to the LMA," is with the John D. O'Bryant School and began in the fall of 2007. This program includes rigorous curriculum, internships, mentoring and enrichment programs. Its goals are to provide students with exposure to the local medical institutions and the skills that they need to be the employees of the future in the LMA.

Children's provides a number of job opportunities for Boston high school students, creating 95 summer jobs during the summer of 2009. Children's donated \$50,000 to Action for Boston Community Development (ABCD), which created 38 summer jobs for local teenagers. Boston high school students were also provided 54 jobs at Children's through its Community Opportunities Advancement at Children's Hospital (COACH) program. In the Student Career Opportunity Outreach Program (SCOOP), two Boston youth were provided jobs that introduced them to the health care field. In addition to summer jobs, Children's Human Resources Department entered into discussions earlier this year with Sociedad Latina, a Mission Hill youth serving agency, to develop a pilot after-school partnership with Sociedad's Health Careers for Youth Program.

COACH offers students not only employment in a wide variety of programs and exposure to health care as a possible career but also a safe, meaningful, and productive way to spend the summer. In addition to hands-on work experience, the program includes workshops (such as professional etiquette, banking literacy, and communication skills) and college visits through a partnership with the Colleges of the Fenway.

spotlight

Children's commitment to Boston children and families

May 2009 | childrenshospital.org/communitybenefits

Children's commitment to Boston

Children's Hospital Boston strives to be an accessible, reliable and trusted community hospital for Boston families. Improving the health and well-being of Boston's children is one of our four core hospital missions. We transform this mission into action by working with City government and community partners to identify health disparities and unmet health needs, and then developing and investing in programs and partners that respond to those needs. As a major employer located in the heart of the city, we also support our partners to improve the economic health and vitality of Boston's neighborhoods.

Our many partnerships reflect the different roles we play within the Boston community:

- **a good neighbor** to the communities surrounding the hospital and our Martha Eliot Health Center.
- **a health partner** to City and community organizations working to improve children's health.
- **a civic leader** dedicated to the overall health of the city that is our home.

Children's is committed to continuing and strengthening our partnerships to improve community health in ways that recognize and celebrate the diversity that makes Boston a special place to live, work and play.

Our community health initiatives

Children's focuses its programmatic efforts on the health issues of asthma, obesity, mental health and injury prevention—the areas identified by the community as the most pressing for Boston children and families.

- The **Community Asthma Initiative** improves the quality of life for children with asthma living in Jamaica Plain and Roxbury and *has reduced asthma-related Emergency Department visits by 67% and hospital admissions by 84% for children enrolled in the program.*
- **Children's Hospital Neighborhood Partnerships (CHNP)** provided mental health services to 259 children in Boston schools and 556 children in Boston health centers; more than 3,000 youth and 600 parents participated in early intervention and prevention activities during the 2007-2008 school year. *Eleven of the Boston schools participating in CHNP have shown an increased ability to address students' mental health needs.*
- Our **Martha Eliot Health Center (MEHC)**, located in Jamaica Plain, not only provides health services, but also programs that help improve children's school performance, teach families about how to prepare nutritious foods and support victims of trauma and violence. MEHC has played a key role in the **Jamaica Plain Trauma Response Team**, which has been adopted by the Boston Public Health Commission as a model for responding to youth violence.
- Through our **Fitness in the City (FIC)** program, Children's provides support to 11 Boston community health centers including MEHC to reach more than 800 children who report that they are *spending less time watching TV, consuming fewer sugar-sweetened beverages, eating more fruits and vegetables and exercising more.*

BY THE NUMBERS

\$23.3 million

invested by Children's in FY08 to improve the health and well-being of Boston children and families

9,100

 patients from Boston's neighborhoods receive their primary care in the Children's Hospital Primary Care Center; 66% of these children are insured by Medicaid

13

 Boston schools are supported with mental health services and prevention activities through the Children's Hospital Neighborhood Partnerships program

10

 Boston community health centers are affiliated with Children's and receive support for their pediatric practices

34%

 of Children's employees and affiliated personnel are Boston residents

53%

 reduction in lost school days for Boston children participating in our Community Asthma Initiative

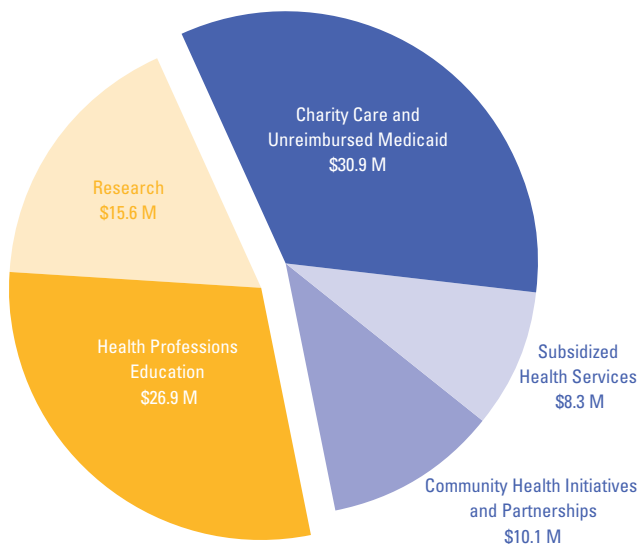
50%

 of Boston children in need of hospitalization come to Children's

95

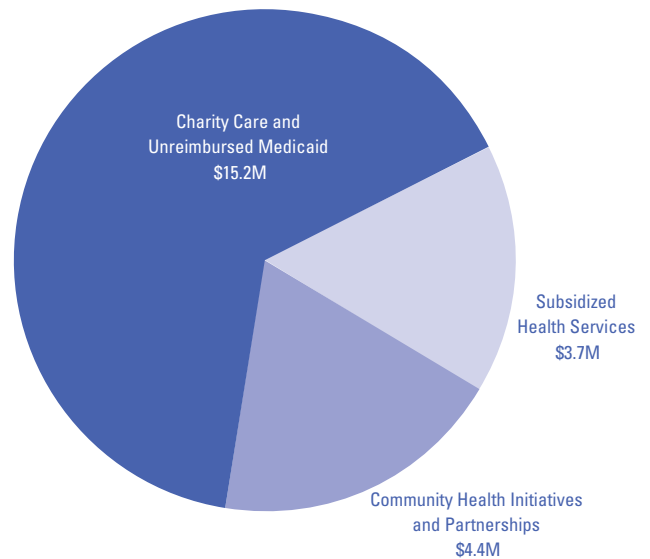
 Boston high school students had summer jobs last year funded by Children's

Children's total investment in community benefits*



Children's invested \$91.8 million in fulfilling its community benefits mission in FY08.

Children's investment in community benefits directed towards Boston children and families**



Out of its total investment in community benefits, Children's invested \$23.3 million towards improving the health and well-being of Boston children and families in FY08.

Fulfilling our role as a community hospital for Boston's children

For Children's, serving as a community hospital means that we provide care for all Boston children regardless of their families' ability to pay. We also provide care for children who are insured by Medicaid, which inadequately reimburses the hospital for services. Additionally, it means that we provide and subsidize services that are unavailable in the community or available in limited supply, such as primary care, dental and mental health services.

Supporting our community partners

Children's also supports a wide-variety of community partners in Boston and believes in developing effective and enduring relationships with the local organizations that make Boston a healthy and vibrant city for families. We place a special emphasis on the organizations serving the neighborhoods that surround the hospital and our health center, the Martha Eliot—Fenway, Mission Hill, Roxbury and Jamaica Plain.

Investing in the City of Boston

Children's contributes financially to the City of Boston in a variety of ways, including making annual voluntary payments, paying real estate taxes and supporting initiatives that are shared priorities. For example, Children's has been an active participant and lead funder of Thrive in Five and Countdown to Kindergarten. In addition, Children's pays real estate taxes directly to the City on property used for commercial purposes and through lease agreements with landlords. In FY08, Children's paid more than \$880,000 in real estate taxes (which is not reflected in the above chart).

Contributing to the local economy

In 2007, Children's hired Tripp Umbach, a national leader in economic impact studies, to conduct an analysis of the hospital's contributions to the local economy. This report found that the direct impact of in-city spending by Children's (for capital improvements, goods and services, employee spending, etc.) and the indirect impact of the recirculation of these first-round expenditures yielded an overall business volume impact on Boston of \$533 million and \$27.7 million in tax revenue.

*Estimate as of May 2009 based on the Internal Revenue Service guidelines for community benefits which impact children and families across Massachusetts and beyond.

**Based on Children's calculations to determine the direct benefit to Boston children and families in the areas of charity care and unreimbursed Medicaid, subsidized health services and community health. At this time, the hospital is unable to determine the direct benefit to Boston children and families in the areas of research and health professions education.

During the school year, Children's provides other opportunities for local youth to experience health careers. Each year, the Student Career Opportunity Outreach Program (SCOOP) inspires 250-300 high school students to enter nursing through field trips to the hospital, direct nurse-to-student education, shadowing, career advice, and summer internships. Along the way, SCOOP helps dispel many of the myths about nursing and offers students hands-on opportunities to work in health care. During the 2007-08 school year, SCOOP sponsored 17 summer interns and hosted 10 visits. SCOOP nurses have worked with the Mission Hill Health Movement, Sociedad Latina, the Madison Park High School Advisory Council, and the Health Careers Academy Outreach Collaborative. Since 2003, 74 students have participated in SCOOP summer internships, and 21 have continued on in health care: 16 are enrolled in nursing programs, three have completed nursing school, and two are current hospital employees.

In addition to career-focused programs for youth, Children's also seeks to recruit, and then train and promote, local adults who are interested in health careers. On the recruitment side, in 2008, the Hospital invested more than \$100,000 in an employment advertising campaign that focused on Boston. The campaign, which ran throughout 2008, included bus wraps on buses with routes in the Longwood area and Downtown Boston, train posters on the MBTA's Green, Red, Blue, and Orange lines, and a billboard on the corner of Warren and Dudley Streets in Roxbury.

Children's also hosted a job fair in October 2008 at the Martha Eliot Health Center, which attracted more than 500 neighborhood adults seeking new career opportunities.

Since 2004, the Hospital also has partnered with Year Up, an intensive year-long training program that provides urban young adults with a unique combination of technical and professional skills, college credits, and paid corporate apprenticeships. Children's has consistently provided paid information technology and technical support internships to a total of 30 program participants. This partnership has been positive for both organizations, as evidenced by the fact that Children's has received a "Year Up Champion Award" and a Hospital employee received a "Year Up Supervisor's Award." Furthermore, the Hospital has hired approximately 20 Year Up graduates, either as contractor or permanent employees.

Another of the Hospital's valued workforce development partnerships has been with the Boston Healthcare Research and Training Institute (Training Institute). Historically, the Training Institute has been a major collaboration to help entry-level workers and neighborhood residents pursue successful careers in Boston's largest industry. Children's was one of the first collaborators and supporters of this partnership, which is now being continued with Jewish Vocational Services (JVS). JVS has received funding in January of 2009 through SkillWorks Phase II to advance the vision of the Training Institute, and Children's is again involved, seeking to further the career pipeline within Children's and concentrating its efforts on those individuals who will leverage additional education into higher wage jobs.

In addition to these types of specific efforts focused on being an employer of choice and continuing to develop career pipelines, the hospital provides significant tuition assistance and some scholarships to all eligible employees to further their education.

4.3 Employment

As of 2008, approximately 20,000 people work at Children’s and at its facilities throughout greater Boston, which includes more than 12,000 “associated personnel” who work, study, or volunteer at Children’s. Approximately 34% of all hospital personnel are Boston residents.

Children’s has 8,832 employees who are paid directly from the Hospital, of which approximately 31% reside in Boston. Approximately 418 of Children’s employees, or approximately 15% of Children’s employees that are Boston residents, reside in Mission Hill and the Fenway (based on zip code data).

Although Children’s does not track salaries by zip code, a breakdown by job category by Boston residents and non-Boston resident employees is provided below in Table 4-1.

Table 4-1 Job Category by Boston Residency

Job Category	Boston Resident Employees	Percent of Boston Residents	Non-Boston CHB employees	Percent of Non-Boston Residents	Total
Administrative Support	663	24%	849	14%	1,512
Craft Workers (Skilled)	11	0%	64	1%	75
Executive/Sr Level Officials	1	0%	9	0%	10
First/Mid Level Officials	111	4%	381	6%	492
Operatives	0	0%	3	0%	3
Professionals	1,260	46%	3,874	64%	5,134
Service Workers	324	12%	192	3%	516
Technicians	374	14%	716	12%	1,090
TOTAL	2,744	31%	6,088	69%	8,832

Table 4-2 provides a breakdown of the number of employees by ethnic group.

Table 4-2 Employment by Ethnic Group and Boston Residency

Ethnic Group	Boston Resident Employees	Percent of Boston Residents	Percent of Non-Boston Residents		Total
			Non-Boston CHB employees	Non-Boston Residents	
American Indian/Alaska Native	4	0%	11	0%	15
Asian	244	9%	604	10%	848
Black/African American	786	29%	429	7%	1,215
Hispanic/Latino	338	12%	311	5%	649
White	1,370	50%	4,727	78%	6,097
2 or more; or not specified	2	0%	6	0%	8
TOTAL	2,744	31%	6,088	69%	8,832

4.4 Voluntary Payments to the City of Boston

Children’s Hospital Boston has made annual voluntary payments to the City of Boston for nearly a decade and is in continued discussions with the Assessing Department regarding this support.

4.5 Additional Economic Benefits

In May 2007, the Hospital retained the services of Pittsburgh-based research firm Tripp Umbach to provide an in-depth analysis of the business volume, employment, and tax revenue impacts provided by Children’s Hospital’s operations to the City of Boston. Tripp Umbach is the nation’s leading provider of economic impact analysis for teaching hospitals and medical schools, having completed more than 150 similar projects.

Children’s Hospital Boston’s total business volume (overall) impact is the sum of direct and indirect impacts. The direct impact stems from the in-city spending of the following principal groups: expenditures for capital improvements, and goods and services; the spending of staff, physicians, residents, and researchers; the spending of out-of-city patients (external to the hospital); and the spending of out-of-city visitors. The indirect impact is derived from these direct, first-round expenditures, which are received as income by businesses and individuals in the city and re-circulated through the economy in successive rounds of re-spending. During 2006, Children’s had an overall business volume impact on the City of Boston of \$533 million.

A major misconception is that health systems do not generate government revenue. While Children’s Hospital Boston is a non-profit institution, the City of Boston still receives substantial revenue as a result of both the direct and indirect influence of this health system. The Tripp Umbach models calculate the indirect revenue benefits accruing to the area based on the business volume generated by the spending of the health system’s population.

The direct government revenue is the amount paid, or anticipated payment, by the health system entities directly to the government. In 2006 more than \$27.7 million in city revenue was generated directly and indirectly by Children's Hospital Boston.

More recently, Children's Hospital has examined the benefits the hospital provides as a tax exempt institution relative to what the obligations would be as a taxable institution. Children's engaged Ernst and Young to estimate the hospital's tax liabilities for federal, state and local obligations for FY07 if Children's were not tax exempt; they found the number would have been \$42 million. They also used a conservatively applied formula developed by the Internal Revenue Service to estimate the "community benefits" for the same year and found that it totaled \$79 million.