UPTC FAST FACTS: COMMITMENT TO THE COMMUNITY

What You Know About UPMC

• UPMC is the largest health care provider in the region.
• Its employees constitute 60,000 of your friends and neighbors.
• UPMC is an economic engine for the region that is creating new businesses and industries. The organization also aims to generate jobs in this region by creating an international market for health care-related products and services originating here in Pittsburgh.

What You Probably Don’t Know About UPMC

UPMC contributed $892 million, or more than 15 percent of its net patient revenue, to community services in Fiscal Year 2015, and provides more care to the most underserved areas than any other health care institution in the region.

• In Fiscal Year 2015, UPMC provided $313 million in care for those without means to pay, and to cover shortfalls in payments from Medicaid and similar government programs for the poor.
• UPMC’s financial assistance policy extends free or discounted health care services to families earning up to 400 percent of the federal poverty level — as much as $97,000 for a family of four in 2015.
• UPMC also contributed an additional $283 million beyond its community service contributions to cover shortfalls in reimbursements from Medicare.

UPMC annually provides or contributes to more than 3,000 community health improvement programs and subsidized services. These programs address important community health topics, including health needs identified in UPMC hospitals’ 2016 Community Health Needs Assessments. The cost of these services, along with charitable initiatives and donations that benefit the community, amounted to $217 million in Fiscal Year 2015.

• UPMC is deeply rooted in the community, supporting initiatives that focus on families, neighborhoods, education, and job training.
• Many of these programs target the unmet needs of vulnerable populations, addressing chronic health problems such as diabetes, heart disease, cancer, and obesity, as well as social issues such as teen pregnancy, violence against women, and elderly individuals living alone.
• UPMC committed $750,000 over the next six years to Erie’s Bayfront East Side Taskforce to help build housing for low-income families, and to underwrite repairs to the homes of low-income, elderly, and disabled individuals.
• UPMC pledged $100 million to the Pittsburgh Promise, providing postsecondary education support to students graduating from Pittsburgh Public Schools. To date, UPMC has provided $53.8 million of this matching pledge.

UPMC invested $362 million in Fiscal Year 2015 toward research and the education of health professionals.

• $191 million supported biomedical research at the University of Pittsburgh and UPMC.
• $170 million funded educational initiatives to create the next generation of physicians, nurses, and other health care professionals.

The UPMC Insurance Services Division provides insurance coverage for more than 2.9 million members, and helps provide access to care for vulnerable and underserved populations by covering nearly 1 million people across 35 counties through needs-based insurance products.

• The UPMC Insurance Services Division offers a wide variety of plans to address medical, as well as behavioral health needs, for lower-income and disabled populations, including UPMC for You, Community Care Behavioral Health, UPMC for Kids, and Medicare Advantage plans designed to meet the specialized needs of seniors and people with disabilities.
• The UPMC Insurance Services Division has been recognized for its innovative, community-focused programs, which support these vulnerable populations with screening services and preventive care for chronic conditions. Innovative efforts include supporting early prenatal care, providing diabetes and childhood obesity prevention programs, meeting the physical and behavioral health care needs of foster children in Allegheny County, providing housing support and care coordination for homeless people with chronic conditions, and improving health outcomes for people with serious mental illness.

UPMC continues to preserve health care access for the region’s most vulnerable populations, creating new services and maintaining standards of care during times of change.

• UPMC provided more than $107 million in charity care in Fiscal Year 2015. The Patient Financial Services Center assists with the charity care process, and also helps patients obtain coverage from assistance programs, such as state Medical Assistance and the health insurance exchange.
• UPMC offers free or discounted immunizations, vaccinations, medication, and transportation for low-income populations, programs to enable the elderly and people with disabilities to maintain their independence, and support for families and caregivers, including “care coordinators” who navigate transitions of care.
• UPMC has developed state-of-the-art telemedicine programs that put UPMC’s specialists in Pittsburgh at the disposal of UPMC community doctors in rural communities throughout western Pennsylvania — providing world-class care to patients while minimizing the need to travel to Pittsburgh.
• UPMC assumed behavioral health programs for vulnerable patients when St. Francis Medical Center closed in 2002, and continues to offer these vital services today. Last year, UPMC behavioral health programs delivered 500,000 ambulatory visits to almost 50,000 people at Western Psychiatric Institute and Clinic of UPMC, UPMC Mercy, UPMC McKeesport, UPMC Northwest, and more than 50 ambulatory programs throughout the region.

UPMC Community Benefits (Millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2014</th>
<th>FY 2013</th>
<th>FY 2012</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charity care and unreimbursed amounts from programs for the poor (at cost)</td>
<td>$313</td>
<td>$346</td>
<td>$268</td>
<td>$238</td>
<td>$206</td>
</tr>
<tr>
<td>Community health programs and donations</td>
<td>$217</td>
<td>$197</td>
<td>$238</td>
<td>$96</td>
<td>$93</td>
</tr>
<tr>
<td>Support for research and education</td>
<td>$362</td>
<td>$345</td>
<td>$381</td>
<td>$288</td>
<td>$266</td>
</tr>
<tr>
<td>Total</td>
<td>$892</td>
<td>$888</td>
<td>$887</td>
<td>$622</td>
<td>$565</td>
</tr>
</tbody>
</table>
UPMC cares for a disproportionate share of patients in low-income and disadvantaged neighborhoods. UPMC hospitals provide more than three-fourths of inpatient care for the 10 poorest neighborhoods in Allegheny County.

- UPMC's market share for Medicaid patients exceeds those of other provider systems. This is most pronounced for populations such as children living in poverty, for whom UPMC provides 86 percent of care.
- Similarly, UPMC accounts for 77 percent of care in the 10 neighborhoods within Allegheny County with the highest unemployment rates.

UPMC is a major contributor to the health of the regional economy. In Fiscal Year 2015, UPMC supported the economic health of the community in the following ways:

- UPMC’s operations had a total economic impact of more than $26 billion.
- UPMC paid more than $350 million in taxes to the federal, state, and local municipalities.
- UPMC provided more than $100 million in support for minority and women-owned businesses.
- UPMC reinvested more than $410 million in facilities, equipment, and technology to improve clinical operations.

The development of UPMC’s hospital network has contributed more than half a billion dollars to creating or maintaining strong, community-based health care foundations, including:

- As part of UPMC’s 1990 merger with what was to become UPMC Montefiore, the organization provided the independent Jewish Healthcare Foundation with $75 million in startup funding. The foundation provides health care services and research to protect vulnerable populations.
- UPMC’s merger agreement with Children’s Hospital of Pittsburgh included building a new Children’s Hospital campus to ensure and improve care for the region’s children, regardless of their families’ ability to pay. UPMC designated $178 million for the charitable mission of the Children’s Hospital Foundation.
- UPMC stepped in to save Mercy Hospital of Pittsburgh, maintaining the choice of Catholic health care in this community. UPMC also provided $120 million to the Sisters of Mercy to support their mission to serve the poor and disenfranchised.
- UPMC’s affiliation agreement with Altoona Regional Health System includes a capital commitment from UPMC of $250 million over 10 years to enhance health care facilities and services for patients, and to bring outstanding technology, science, innovation, and expertise to the Altoona region.

### UPMC’s Share of Hospital Care, Allegheny County FY2015 (Fourth Quarter, Year to Date)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All patients</td>
<td>59%</td>
</tr>
<tr>
<td>Vulnerable Neighborhoods</td>
<td></td>
</tr>
<tr>
<td>Low-income communities</td>
<td>80%</td>
</tr>
<tr>
<td>Communities with high unemployment rates</td>
<td>77%</td>
</tr>
<tr>
<td>Low-Reimbursement Patients</td>
<td></td>
</tr>
<tr>
<td>Medicaid</td>
<td>71%</td>
</tr>
<tr>
<td>Traditionally Underserved Health Care Needs</td>
<td></td>
</tr>
<tr>
<td>Pediatric care for low-income families</td>
<td>86%</td>
</tr>
<tr>
<td>Medicaid obstetrics</td>
<td>73%</td>
</tr>
<tr>
<td>Drug and alcohol</td>
<td>73%</td>
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</tbody>
</table>

Source: PHC4; based on medical and surgical discharges (excluding normal newborns)

1 Communities defined using top 10 ZIP codes for each characteristic based on U.S. Census