

What You Know About UPMC

- UPMC is the largest health care provider in the region.
- Its employees constitute almost 50,000 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 \$543 million, or 13 percent of its net patient revenue, to community services in Fiscal Year 2009 and provides more care to the poorest and most underserved areas than any other health care institution in the region.

- In FY2009, UPMC provided more than \$195 million in care for those without means to pay and to cover shortfalls in payments from Medicaid and similar government programs — an increase of more than 20 percent over the previous year.
- UPMC covered an additional \$58 million in shortfalls from Medicare reimbursements and \$9 million in bad debt attributed to patients who would have qualified for financial assistance, had they applied.
- 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 \$88,200 for a family of four in 2009.

UPMC Insurance Services programs help provide accessible care for vulnerable and underserved populations, covering 740,000 people across 35 counties through needs-based insurance products.

- These programs provide behavioral (Community Care Behavioral Health) and physical health (UPMC *for You*) services to vulnerable populations, including children (UPMC *for Kids*) and low-income seniors and disabled populations (UPMC *for Life Specialty Plan*).
- UPMC health plans have been recognized for innovative, community-focused programs that support these vulnerable populations with screening services and preventive care for chronic conditions. Examples include encouraging early prenatal care, providing diabetes outreach for African-Americans, and meeting the physical and behavioral health care needs of foster children in Allegheny County.

UPMC Community Benefits (Millions)			
	FY2009	FY2008	FY2007
Charity care and unreimbursed amounts from programs for the poor (at cost)	\$ 195	\$ 157	\$ 126
Community health programs and donations	\$ 101	\$ 99	\$ 71
Support for research and education	\$ 247	\$ 241	\$ 227
Total	\$ 543	\$ 497	\$ 424

Taxes from UPMC's Operations (Millions)			
	FY2009	FY2008	FY2007
Taxes and voluntary contributions	\$ 22.4	\$ 23.7	\$ 19.6
Federal and state employment taxes	\$ 167.3	\$ 149.9	\$ 134.2
Estimated state and local taxes paid by UPMC employees	\$ 106.7	\$ 96.0	\$ 85.0

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 assumed behavioral health programs for vulnerable patients when St. Francis Medical Center closed in 2002.
- UPMC has maintained a comprehensive outpatient facility in the South Side neighborhood since UPMC South Side merged with UPMC Mercy.
- UPMC is committed to continue to serve the health care needs of the Braddock area through its network of outpatient and community health programs.

The creation 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 annually provides or contributes to more than 3,000 community health improvement programs. The cost of these services, along with charitable initiatives and donations that benefit the community, amounted to \$101 million in FY2009.

- UPMC is deeply rooted in the community, supporting initiatives that address significant social issues such as hunger, literacy, and family health.
- Many of these programs target the unmet needs of vulnerable populations, addressing chronic problems such as diabetes, heart disease, and cancer, as well as social issues such as teen pregnancy, violence against women, and elderly living alone.
- UPMC pledged \$100 million to the Pittsburgh Promise, providing postsecondary education support to students graduating from Pittsburgh Public Schools. To date, UPMC has provided \$20 million of this matching pledge.

UPMC invested \$247 million in FY2009 toward research and the education of health professionals.

- \$145 million supported biomedical research at the University of Pittsburgh and UPMC.
- \$102 million funded educational initiatives to create the next generation of physicians, nurses, and other health care professionals.

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, to whom UPMC provides 82 percent of care.
- Similarly, UPMC accounts for 66 percent of care in the 10 neighborhoods within Allegheny County with the highest population of African-American residents.

UPMC paid \$22.4 million in taxes and other contributions to local, county, and state governments in FY2009. UPMC’s employees paid an estimated \$107 million in taxes.

- UPMC has long made voluntary financial contributions to city and county governments and school districts. These “payment in lieu of taxes” (PILOT) arrangements total \$40 million since 1989.
- UPMC’s operations have a total economic impact of \$18.8 billion. UPMC’s direct and indirect spending accounted for almost 10 percent of the GDP in the Pittsburgh region.

UPMC’s Share of Hospital Care, Allegheny County FY2009 (Fourth Quarter, Year to Date)

All patients	55.1%
Vulnerable Neighborhoods[†]	
Low-income communities	76.3%
Communities with high unemployment rate	77.7%
Communities with high African-American population	65.7%
Low-Reimbursement Patients	
Medicaid	66.1%
Traditionally Underserved Health Care Needs	
Pediatric care for low-income families	82.4%
Medicaid obstetrics	67.9%
Behavioral health	60.9%
Drug and alcohol	73.0%

Source: PHC4; based on medical and surgical discharges (excluding normal newborns)
[†] Communities defined using top 10 ZIP codes for each characteristic based on U.S. Census

