



**Baylor Scott & White Health**

**Annual Report of Community Benefits**

**Baylor Scott & White - McKinney**

**5252 West University Drive**

**McKinney, Texas 75071**

**Taxpayer ID # 75-1037591**

**For the Fiscal Year Ended June 30, 2016**



**Baylor Scott & White**

**MEDICAL CENTER**

**MCKINNEY**



Baylor Scott & White Medical Center - McKinney  
Annual Report of Community Benefits  
5252 W. University Drive  
McKinney, Texas 75071  
Taxpayer ID # 75-1037591  
For the Fiscal Year Ended June 30, 2016  
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June 30, 2016

Dear Fellow Texan:

Since opening in July 2012, Baylor Scott & White Medical Center – McKinney has been dedicated to providing compassionate, quality care in a safe and efficient manner to our diverse population that includes adults residing in Collin County and the surrounding areas. It has also been our mission to actively work towards increasing the public's knowledge about their health risks and the services offered at the hospital to help meet these needs.

Baylor Scott & White – McKinney serves thousands of patients annually for emergency services, pulmonology, diabetes management, gastroenterology, neuroscience, orthopedics, oncology, women's services, all digital imaging, rehabilitation and more. The hospital is committed to fulfilling its mission:

***“Baylor Scott & White Health exists to serve all people by providing personalized health and wellness through exemplary care, education and research as a Christian ministry of healing.”***

Throughout each year, Baylor Scott & White – McKinney hosts and participates in major community health fairs targeted at the underserved as well as support local not-for-profit organizations as part of our community benefit efforts. Our community assessment reveals that key areas of focus include multiple chronic conditions, preventive health screenings, access to care for low income/underserved, emergency and urgent care, co-morbid medical conditions and prenatal care.

These areas have been addressed by the hospital through multiple channels including educational seminars and material, support groups, monetary grants, health fairs and screenings that help identify those at risk. Baylor Scott & White – McKinney is also proud to be a supporter of the United Way through employee donations. Additionally, many of our employees are members of community organizations and serve on various boards.

I encourage you to give me feedback for this report. Please address comments to me, in care of Jennifer Coleman, Senior Vice President, Public Affairs, Baylor Scott and White Health, 3500 Gaston Avenue, Suite 150, Dallas, Texas 75246.

Sincerely,

A handwritten signature in blue ink that reads "Kyle Armstrong".

Kyle Armstrong, President  
Baylor Scott & White Medical Center - McKinney

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I. Effective Dates of the Report

The annual report of community benefits provided is for the fiscal year ended June 30, 2016 (Fiscal Year 2016).

II. Hospital Description

Baylor Scott & White Medical Center – McKinney (Hospital), an affiliate of Baylor Scott & White Health (BSWH), is a leading community and safety-net hospital in its service area. Opened in July 2012, this 143-bed, \$195 million facility provides a full-service medical center and more than 675 jobs and a medical staff of more than 900 providers to the growing community of McKinney, Texas and surrounding areas. The Hospital offers services in cancer care, digestive diseases, cardiovascular care, radiology, neurosciences, orthopedics, surgical services, and women and infant care along with a 24/7 emergency department (ED) and intensive care unit (ICU). A Level III Neonatal Intensive Care Unit (NICU) with private suites also provides state-of-the-art services to new mothers and babies. The dove-shape building is meant to enhance nurse workflow and patient safety. The hospital has already completed expansion to double the size of the Emergency Department and add an additional 48 inpatient beds. The Hospital is fully accredited by The Joint Commission and is designated a Primary Stroke Center. The Hospital also maintains accreditation in Chest Pain by the Society for Cardiovascular Patient Care.

The Hospital uses its revenue after expenses to improve the health of Fort Worth and surrounding communities through patient care, education, research, and community service. In the fiscal year ending June 30, 2016, the Hospital had 7,340 total adult and special care nursery admits resulting in a total of 29,479 days of care; 1,981 babies were delivered and there were 34,882 emergency department visits.

As part of the Hospital's commitment to the community, the Hospital provides financial assistance in the form of charity care to patients who are indigent and satisfy certain requirements. Additionally, the Hospital is committed to treating patients who are eligible for means tested government programs such as Medicaid and other government sponsored programs including Medicare, which is provided regardless of the reimbursement shortfall, and thereby relieves the state and federal government of the burden of paying the full cost of care for these patients. Often, patients are unaware of the federal, state and local programs open to them for financial assistance, or they are unable to access them due to the cumbersome enrollment process required to receive these benefits. The Hospital offers assistance in enrollment to these government programs or

extends financial assistance in the form of charity care through the Hospital's Financial Assistance Policy which can be located on the Hospital's website at [BaylorHealth.com/Financial Assistance](http://BaylorHealth.com/Financial Assistance). In addition to the Hospital's Financial Assistance Policy, as part of a large faith based integrated health care delivery System the areas of medical education, research, subsidized services and community health education and screenings are initiatives that take place across the System, and also comprise a significant portion of the Hospital's community benefit program.

The Hospital is also committed to assisting with the preparation of future nurses at entry and advanced levels of the profession to establish a workforce of qualified nurses. Through the System's relationships with six North Texas schools of nursing, the Hospital maintains strong affiliations with schools of nursing. In the fiscal year ending June 30, 2016, the Hospital invested in training 115 nurses. Total unreimbursed cost of these programs was \$399,932. Like physicians, nursing graduates trained at a System entity are not obligated to join the staff although many remain in the North Texas area to provide top quality nursing services to many health care institutions.

### III. Hospital Mission Statement

*Baylor Scott & White Health exists to serve all people by providing personalized health and wellness through exemplary care, education and research as a Christian ministry of healing.*

"Personalized health" refers to a commitment to develop innovative therapies and procedures focusing on predictive, preventive and personalized care. For example, data from the electronic health record to help us predict the possibility of disease in a person or a population. And with that knowledge, measures are put into place to either prevent the disease altogether or significantly decrease its impact on the patient or the population. Care is tailored to meet the individual medical, spiritual and emotional needs of patients.

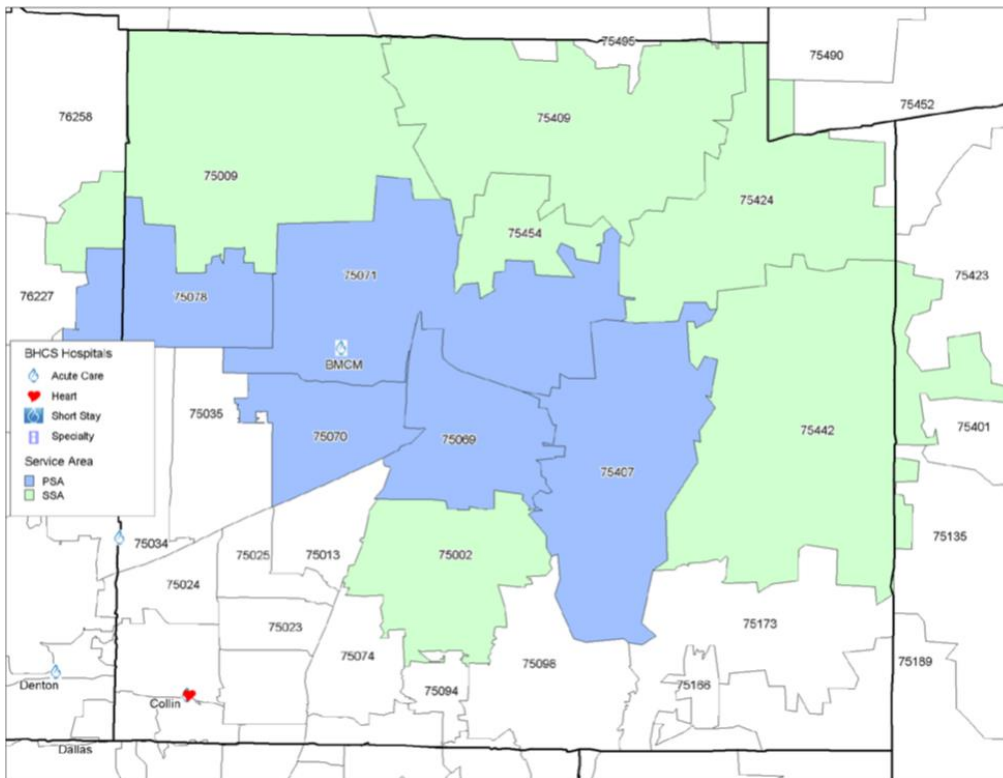
"Wellness" refers to ongoing efforts to educate the people served, helping them get healthy and stay healthy.

"Christian ministry" reflects the heritage of Baylor Health Care's founders and Drs. Scott and White, who showed their dedication to the spirit of servanthood — to equally serve people of all faiths and those of none.

### IV. Description of Community Served

The System is committed to serving a vast array of neighborhoods comprising its service area and recognizes the importance of preserving a local community focus to effectively meet community needs.

Located in Collin County, the Hospital serves the Eastern Region of the System and its total service area includes ZIP codes from McKinney, Allen, Princeton and Prosper.<sup>1</sup>



The service area comprises:

- An urban/suburban geographic area
- Service Area Population: 284,528
- Service Area Ethnicity: White Non-Hispanic = 71.2 percent; Black Non-Hispanic = 6.7 percent; Hispanic = 16.4 percent; Asian and Pacific Islanders Non-Hispanic = 3.2 percent; All Others = 2.5 percent
- Service Area Payer Mix: Managed Care = 48.8 percent; Medicaid = 10.0 percent; Medicare = 32.9 percent; Self Pay/Charity = 7.8 percent; Other = 0.5 percent
- Service Area Household Average Income = \$98,808
- Service Area living below the Federal Poverty Level (“FPL”): 5.4 percent (compared to 10.5 percent living below the FPL in the Dallas/Fort Worth Metroplex, and 10.2 percent living below the FPL in the United States)
- Number of other hospitals serving the community: 4 hospitals other than Baylor McKinney
- Medically Underserved: The Baylor McKinney service area contains four designated medically underserved areas or populations
- Service Area Education: Less than High School = 5.2 percent; Some High School = 5.6 percent; High School Diploma = 20.4 percent; Some College/Associates Degree = 29.5 percent; Bachelor’s Degree or Greater = 39.4 percent
- Service Area male population = 143,042; Service Area female population = 141,486
- Service Area Age: 0-14 = 25.1 percent; 15-17 = 4.9 percent; 18-24 = 8.2 percent; 25-34 = 12.2 percent; 35-54 = 31.4 percent; 55-64 = 9.2 percent; 65+ = 9.0 percent

## V. Identified Community Health Needs

During the fiscal year ending June 30, 2013, the Hospital conducted a Community Health Needs Assessment (CHNA) to assess the health care needs of the community. The CHNA took into account input from persons who represent the broad interest of the community served by the Hospital, including those with special knowledge of or expertise in public health. The CHNA has been made widely available to the public and is located on the website at the following address, [BaylorHealth.com/Community](http://BaylorHealth.com/Community). A summary of the CHNA is outlined below including the list of the needs identified in the assessment.

Creating healthy communities requires a high level of mutual understanding and collaboration with community individuals and partner groups. The development of this assessment brings together information from community health leaders and providers along with local residents for the purposes of researching, prioritizing and documenting the community health needs for the geographies served by the Hospital. This health assessment will serve as the foundation for community health improvement efforts for next three years.

The FY 2013 CHNA brings together a variety of health status information. This assessment consolidates information from the recent community health needs assessment conducted for the Texas' Regional Healthcare Partnership Region 9 and 18 (Region 9 and 18 RHP) and the Consumer Health Report conducted by the National Research Corporation (NRC) for the Hospital, each of which takes into account input from person who represent the broad interest of the community including those with special knowledge of or expertise in public health.

The identified community health needs as outlined below were reviewed and prioritized with input from the BSWH Senior Leadership, the BSWH Mission and Community Benefit Committee and approved by the BSWH Board of Trustees. The methodology for prioritization can be found in the CHNA executive summary. Although each identified need is prioritized as high, medium or low, the Hospital will address all identified needs in the Plan.

The importance and benefits of compiling information from other recognized assessments are as follows: 1) Increases knowledge of community health needs and resources, 2) Creates a common understanding of the priorities of the community's health needs, 3) Enhances relationships and mutual understanding between and among stakeholders, 4) Provides a basis upon which community stakeholders can make decisions about how they can contribute to improving the health of the community, 5) Provides rationale for current and potential funders to support efforts to improve the health of the community, 6) Creates opportunities for collaboration in delivery of services to the community and 7) Provides guidance to the hospital how it can align its services and community benefit programs to best meet needs.

In developing a plan to address all identified community health needs, the Hospital and the System found that aggregating the needs allows for significant, crosscutting initiatives. Therefore, this community health implementation plan organizes the needs as follows:

- A. Access to Care for Low Income/Underserved
- B. Behavioral Health
- C. Co-morbid Medical and Behavioral Health Conditions



- D. Elderly At Home and Nursing Home Patients
- E. Emergency and Urgent Care
- F. Multiple Chronic Conditions
- G. Patient Safety and Hospital Acquired Conditions
- H. Preventable Acute Care Admissions
- I. Preventive Health Screenings
- J. Prenatal Care

## VI. Programs Addressing Identified Community Health Needs

### Program Title: **Community Benefits Operations**

Description: The Hospital provides assigned staff to carry out services that specifically benefit the community. This includes conducting a community health needs and/or assets assessment, dedicated staff to perform various services in the community as well as the provision of other services associated with community benefit strategy and operations.

Persons Served: 35,381

Partnerships Linked to this Program:

- Volunteer McKinney – Baylor Scott & White – McKinney partners with Volunteer McKinney to provide volunteer services in the McKinney community, through hands-on participation in volunteer outreach, financial assistance, and support of programs that recognize and honor local volunteers.

Needs Addressed Under This Program:

- Multiple Chronic Conditions
- Preventive Health Screenings

### Program Title: **Community Health Education & Outreach**

Description: The Hospital provides community health improvement services which extend beyond patient care activities. These services are subsidized by the Hospital, and include, but are not limited to, community health education, support groups, pastoral outreach programs, community based clinical services, caregiver training, and education on specific diseases. These services are offered to the broader community and are not limited to Hospital patients.

Persons Served: 620

Partnerships Linked to this Program:

- American Cancer Society Relay For Life - The American Cancer Society Relay For Life raises funds to support education, research and support for cancer patients in Collin County.
- McKinney Fire Department -The McKinney Fire Department began an innovative program of care for frequent users of the 911 system with the implementation of the Community Healthcare Paramedicine (CHP) program in partnership with Baylor McKinney. A key component of the CHP program is determining if 911 callers have an underlying unmet need. Baylor Scott & White – McKinney Emergency Services Medical Director Elizabeth Fagan MD serves as the Associate Medical Director for the CHP program.

Needs Addressed Under This Program:

- Behavioral Health

- Co-morbid Medical and Behavioral Health Conditions
- Multiple Chronic Conditions
- Preventive Health Screenings

Program Title: **Donations - Financial**

Description: The Hospital provides funds to various other community organizations who share the mission and vision of the Hospital. These organizations include other not for profit organizations, contributions to charity events after subtracting the fair market value of participation by employees of the organization, contributions to individuals for emergency assistance and scholarships to community members not specific to health care professions.

Persons Served: 24,000

Partnerships Linked to this Program:

- 3E McKinney - The purpose of 3E McKinney is to engage, equip and empower volunteers to serve by coordinating local organizations into channeling their resources (funds, time and people) into the community in order to bring honor to God, hope to the impoverished, and make a lasting impact on the community.
- American Cancer Society Relay For Life – The American Cancer Society Relay For Life raises funds to support education, research and support for cancer patients in Collin County.
- American Heart Association - The American Heart Association provides for research, education, and support related to heart disease.
- Boys & Girls Clubs of Collin County - The Boys & Girls Club of Collin County impacts more than 7,000 area children and teenagers with a safe place to learn and grow in the vulnerable hours between school and home. We are the only option in Collin County for many children seeking to have fun and participate in developmental programs in an affordable, safe and nurturing environment. We offer a variety of program activities and support services designed to assist in the educational, emotional, physical and social development of six to 18-year-olds, without regard to social, racial, ethnic or religious background.
- CASA - Court Appointed Special Advocates (CASA) of Collin County serves abused and neglected children by providing advocates for them.
- Community Lifeline -Community Lifeline is a 501c3 organization dedicated to providing assistance, information and referral services to the residents of McKinney and northern Collin County. Community Lifeline provides emergency assistance to families in crisis (job loss, illness, separation) with a focus on helping them become self-supporting again as quickly as possible. Assistance ranges from financial help for rent, utilities, food, and medical needs, to job search training, credit and budget counseling and advocacy.
- Crape Myrtle Trails – The mission of Crape Myrtle Trails is to be an integral part of elevating the beauty and appeal of McKinney to the highest levels by showcasing the premier flowering plant of the South throughout our community in a thoughtful and meaningful manner and by promoting McKinney Texas as America’s crape myrtle city. The organization hosts a Fun Run and festival at McKinney’s Crape Myrtle Trails every fall.

- Holy Family School - Holy Family School provides a loving environment for children, meeting the needs of McKinney and surrounding area's diverse population. Holy Family School's mission is to offer the highest quality childcare and learning environment for Collin County's diverse population without financial bias. Holy Family School is licensed through the Texas Department of Family & Protective Services (formerly the Texas Department of Protective & Regulatory Services).
- Hope Women's Center – The Hope Women's Center is a women's medical clinic that provides counseling and support to women through their reproductive clinic.
- Hugs Café - Hugs Café provides employment and on-the-job training for adults with special needs.
- ManeGait Therapeutic Horsemanship – ManeGait provides children and adults with disabilities the opportunity to move beyond their boundaries through the healing power of the horse and the dedication of a professional, caring community.
- McKinney Christian Academy - McKinney Christian Academy exists to honor Jesus Christ by teaching students to live biblically through education of mind body and spirit. The school serves students from Kindergarten to 12th grade.
- McKinney Education Foundation - The McKinney Education Foundation provides financial support and scholarships to the students of McKinney ISD.
- McKinney Kiwanis - McKinney Kiwanis is a local service organization. Every year they host the Historic McKinney Kiwanis Triathlon. Funds raised through this event benefit local charities service children in the community including CASA, Community Health Clinic, and youth scholarship programs.
- Rotary Club – Rotary Club of McKinney provides community service. They are coordinating fundraising efforts for an All Abilities Playground to serve individuals with special needs. The project is the only one of its kind within McKinney.
- Samaritan Inn - The Samaritan Inn is the largest homeless shelter in Collin County.
- Susan G. Komen North Texas Affiliate – Susan G. Komen North Texas Affiliate supports breast cancer research, screening and treatment.
- Volunteer McKinney – Baylor Scott & White - McKinney partners with Volunteer McKinney to provide volunteer services in the McKinney Community, through hands-on participation in volunteer outreach, financial assistance, and support of programs that recognize and honor local volunteers.

Needs Addressed Under This Program:

- Access to Care for Low Income/Underserved
- Behavioral Health
- Multiple Chronic Conditions

**Program Title: Donations – Faith in Action Initiatives**

Description: The office of Faith in Action Initiatives 2nd Life program provides monetary and medical supplies and equipment reclamation from the Hospital and community partners for the purpose of providing for the health care needs of populations locally, nationally and internationally whose needs cannot be met through their own organization.

Needs Addressed Under This Program:

- Access to Care for Low Income/Underserved

**Program Title: Donations – In Kind**

Description: The Hospital provides In-Kind Donations to the community mostly to non-profit organizations whose missions are similar to our own. Includes meeting room space for not-for-profit organizations and community groups, equipment and medical supplies, emergency medical care at a community event, and food donations.

Persons Served: 305

Needs Addressed Under This Program:

- Access to Care for Low Income/Underserved

**Program Title: Health Care Support Services**

Description: Health care support services are provided by the Hospital to increase access and quality of care in health services to individuals, especially persons living in poverty and those in vulnerable situations. The Hospital provides staff to assist in the qualification of the medically under-served for programs that will enable their access to care, such as Medicaid, Medicare, SCHIP and other government programs or charity care programs for use in any hospital within or outside the Hospital.

Persons Served: N/A

Needs Addressed Under This Program:

- Access to Care for Low Income/Underserved
- Elderly at Home and Nursing Home Patients
- Multiple Chronic Conditions
- Patient Safety and Hospital Acquired Conditions

**Program Title: Health Screenings**

Description: Similar to national trends, residents in the Hospitals' service area exhibit increasing diagnoses of chronic conditions. It is common that the pathology for one condition may also affect other body systems, resulting in co-occurrence or multiple chronic conditions (MCC). The presence of MCC's adds a layer of complexity to disease management. The Hospital conducts screenings for MCC's including body fat analysis, BMI, and injury prevention.

Persons Served: 828

Needs Addressed Under This Program:

- Multiple Chronic Conditions
- Preventive Health Screenings

**Program Title: Medical Education – Nursing Students**

Description: The Hospital is committed to assisting with the preparation of future nurses at entry and advanced levels of the profession to establish a workforce of qualified nurses. Through the System's relationships with many North Texas schools of nursing, the Hospital maintains strong affiliations with schools of nursing. Like physicians, nursing graduates trained at the Hospital are not obligated to join the staff although many remain in the North Texas area to provide top quality nursing services to many health care institutions.

Persons Served: 115

Needs Addressed Under This Program:

- Access to Care for Low Income/Uninsured

**Program Title: Medical Education – Physician Education**

Description: Baylor Scott & White - McKinney offers continuing medical education (CME) offered to physicians on subjects for which Baylor Scott & White Health has special expertise.

Persons Served: 150

Needs Addressed Under This Program:

- Access to Care for Low Income/Uninsured
- Patient Safety and Hospital Acquired Conditions

**Program Title: News Media Generated Community Health Education**

Description: The Public Relations Team uses news media and social media efforts to equip the community with the latest health and wellness information as well as information on when and how to connect with health care professionals, hospitals, and other health care institutions. The scope of the efforts includes but is not limited to:

- public health
- disease-specific or injury-specific information
- identifying community resources for meeting health needs
- the development of tools and resources needed to get credible information to patients

This is accomplished through:

- publishing educational and diagnostic opportunities
- providing timely, relevant health content on social media sites
- hosting electronic education events
- maintaining health education blogs
- promoting the System health library
- monitoring and engaging government agencies and industry associations relative to connecting providers and patients
- promoting the tools and resources needed to improve the quality, cost effectiveness, efficiency, patient-centeredness, safety and access to health care.

The Public Relations Team produces opportunities free health and wellness education for all people – whether they are insured, uninsured or under insured patients – through well-developed relationships with news media outlets. The goal of the team’s work is to educate the public about health issues.

Persons Served: 7,500

Needs Addressed Under This Program:

- Multiple Chronic Conditions
- Preventable Acute Care Admissions

**Program Title: Medical Education – Physician Recruitment**

Description: Recruitment of physicians and other health professionals for areas identified as medically under-served (MUAs) or other community needs assessment. The age and characteristics of a state’s population has a direct impact on the health care system. The state’s population is growing at an explosive pace – twice as fast as the national average. During this 10 year period, Texas had the fourth highest percentage growth and ranked first in the number of residents added during this period. And, like the rest of the country, the Texas population is

Baylor Scott & White Medical Center – McKinney

Community Benefit Report: FY 2016

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aging and in need of more health care services, which puts added demands on the system. The Hospital seeks to allay the physician shortage, thereby better managing the growing health needs of the community.

Persons Served: N/A

Needs Addressed Under This Program:

- Access to Care for Low Income/Uninsured
- Emergency and Urgent Care
- Multiple Chronic Conditions

VII. Charity Care and Government-Sponsored Indigent Health Care Provided

For Fiscal Year 2016, Baylor Scott & White – McKinney provided \$14,180,790 in unreimbursed costs of charity care and government-sponsored indigent health care.

VIII. Government-Sponsored Health Care Provided

For Fiscal Year 2016, Baylor Scott & White – McKinney provided \$22,442,122 in unreimbursed costs of government-sponsored health care.

IX. Other Types of Community Benefits Provided \$1,080,503

Baylor Scott & White – McKinney is committed to improving the quality of life for the many citizens living and working in its area. Baylor Scott & White – McKinney was pleased to allocate funds to the following community benefit activities.

A. Community Health and Wellness Improvement Services	\$12,102
B. Community Benefit Operations	\$41,196
C. Financial Donations	\$84,170
D. In Kind Donations	\$3,605
E. Health Care Support Services	\$233,773
F. Health Screenings	\$31,156
G. Medical Education	\$401,432
H. Workforce Development	\$273,069

X. Total Operating Expenses and Calculation of the Ratio of Cost to Charge

As required by Section 311.046 (a) (4), Baylor Scott & White – McKinney reports \$133,525,017 in total operating expenses. As required by Section 311.046(1) (5), the ratio of cost to charges was 28.87%. Please see the attached worksheet for the full calculation.

XI. Report of Community Benefit Provided During Fiscal Year 2016

In a commitment to fulfill its mission, Baylor Scott & White – McKinney benefit to the community, conservatively estimated, was \$37,703,414 for Fiscal Year 2016. Baylor Scott & White – McKinney is filing its Annual Statement of Community Benefits Standard (Statement) as a consolidated system with the other affiliated hospitals of BSWH excluding those that qualify as Medicaid disproportionate share hospitals).

Through community benefit activities, BSWH-affiliated hospitals provided: quality patient care and subsidized services otherwise not available in the community; medical education, training for medical technicians, hospital chaplains, nurses, and future physicians; and medical research that will speed the time between scientific finding and its application to improving medical care.

Any comments or suggestions in regard to the community benefit activities are greatly welcomed and may be addressed to Jennifer Coleman, Senior Vice President, Consumer Affairs, Baylor Scott and White Health, 3600 Gaston Avenue, Suite 150, Dallas, Texas 75246.

**Baylor Medical Center at McKinney**

**Total Operating Expenses  
Section 311.046(a) (4)**

For the Fiscal Year Ended June 30, 2015 133,525,017

**Calculation of the Ratio of Cost to Charge  
Section 311.046(a) (5)**

Total Patient Revenues (from 2015 Medicare Cost Report, Worksheet G-3, Line 1)	(a)	408,170,166
Total Operating Expenses (from 2015 Medicare Cost Report, Worksheet A, Line 118, Col. 7)	(b)	113,117,122
Initial Ratio of Cost to Charge ((b) divided by (a))	(c)	27.71%
Application of Initial Ratio of Cost to Charge to Bad-Debt Expense		
Bad Debt Expense (from 2016 audited financial statements)	(d)	17,109,695
Multiply "Bad Debt Expense" by "Initial Ratio of Cost to Charge" ((d)*(c))	(e)	4,741,096
Add the allowable "Bad-Debt Expense" to "Total Operating Expenses" ((b) + (e))	(f)	117,858,218
Calculation of Ratio of Cost to Charge ((f) divided by (a))	(g)	28.87%