

Children's[®]
Healthcare of Atlanta

Measuring Our **Impact**



2008 Community Benefit Report

Our impact on a vulnerable population

On any given day at Children's Healthcare of Atlanta, we will treat 728 children. Our doctors will perform 103 surgeries. Our Emergency Department will see 428 children.

As you read this, lifesaving work is happening in our three hospitals—from heart transplants to surgeries to remove brain tumors. Caring for more than half a million patients each year, Children's is the largest pediatric provider in Georgia—and one of the largest in the country.

In 2008, we treated children from all 159 Georgia counties.

It does not stop there. Children's operates a myriad of community programs to improve the health status of Georgia's children through injury prevention, illness prevention and healthy lifestyle promotion.

The reason: Georgia should rank higher in key health indicators for children.

■ 22nd for unintentional injury deaths.

This is the leading cause of death for children ages 1 to 14. Georgia's death rate is 8.49 deaths per 100,000 children age 14 and younger (compared to 8.26 nationally).*

■ 32nd for the percent of children with asthma problems.

Asthma is the No. 1 reason for hospital admission at Children's. In 2008, the average cost for an asthma hospital admission at Children's was \$7,350.**

■ 47th for the percent of children and teens who are overweight or obese.

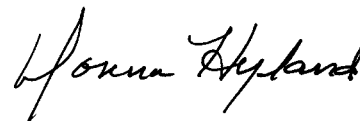
Georgia has one of the highest rates of overweight youth, ages 10 to 17, at 37.3 percent.**

This is significant when you consider there are 2.5 million children in Georgia, representing 26 percent of the state's population. Metro Atlanta is projected to have one of the largest pediatric population increases in the country, with an additional 183,000 children expected by 2014.

Nearly half a million Georgia children are living in poverty—putting them at an increased risk for health problems.

Children on Medicaid and PeachCare made up 44 percent of metro Atlanta's pediatric inpatient cases in 2008. Children's is the largest Medicaid provider in Georgia, serving eight out of 10 pediatric inpatient Medicaid cases in metro Atlanta and almost four out of 10 pediatric inpatient Medicaid cases statewide. Another 13 percent of Georgia's children are uninsured. In 2008, we provided \$103 million in unreimbursed care to these children.

As a not-for-profit organization, it is both our obligation and our commitment to use our tax-exempt status for the good of the community that supports us. Pediatric hospitals, like Children's, are vital to shaping the health of the country's children—from mounting injury prevention programs to researching the cause of life-threatening illnesses. This report was designed to illustrate the many contributions Children's makes to our community and to Georgia.



Donna Hyland
President and CEO
Children's Healthcare of Atlanta

* Centers for Disease Control and Prevention (CDC)

** Annie E. Casey Foundation's KIDS COUNT Data Book, which ranks states in sequential order from highest/best (1) to lowest/worst (50)

Our 2008 impact in dollars

\$103 MILLION
Unreimbursed care

This is patient care for which we do not receive full payment, including primary and immediate care. It includes indigent and charity care as well as unreimbursed Medicaid, PeachCare and Medicare costs, including patients assigned to Medicaid Care Management Organizations (CMOs). Medicaid pays Children's for 78 percent of the costs incurred caring for patients. Bad debt is not included in this total.

\$21.9 MILLION
Teaching

This is the cost of providing education to prospective physicians less federal support of our graduate medical education program. We are training the next generation of caregivers as the pediatric teaching site for Emory University School of Medicine and Morehouse School of Medicine, with more than 350 residents and medical students in 16 specialties as well as fellowships in 22 specialties each year.

\$19.3 MILLION
Community health improvement

These programs provide services or support to the community, other not-for-profit organizations and school systems, and are designed to keep our children healthy and out of the hospital. Services include health screenings, immunization programs, child abuse and neglect prevention training, injury prevention efforts, patient and family education, social work, a 24-hour nurse advice Call Center and hospital-based classrooms.

\$15.8 MILLION
Research

This includes the cost of facilities, equipment and research not covered by public or private grants or industry support. Children's collaborates with Emory University School of Medicine, Georgia Institute of Technology and other academic institutions in more than 600 ongoing research studies. Advances in medicine and enhanced patient care are a direct result of research.

\$2 MILLION
Subsidized health services

We provide these clinical-based programs and services despite a financial loss to the organization—after removing the effects of charity care, bad debt and Medicaid shortfalls. Included in this area are orthodontics and dental, rehabilitation, cranial remodeling, limb deficiency, scoliosis screening, Neonatal and Pediatric Intensive Care Units and special-needs camps.

Our impact on Georgia's children

We provide care to children from birth to age 21 throughout Georgia—regardless of medical or economic need. But the delivery of unreimbursed care is by no means the only significant charitable purpose or community benefit that warrants a 501(c)(3) status. Through community outreach and subsidized health services, we are working to ensure the health of Georgia's children.

Through community health improvement programs

Healthy lifestyles

In 2008, Children's provided programs promoting physical activity and nutrition for families with children who were overweight or obese and at risk for obesity-related health complications. Children's also offered information online to help families make healthy lifestyle choices.

School health

In 2008, the Children's Kohl's School Nurse Liaison/Consultant Program educated 8,804 professionals about pediatric health issues, managed 757 cases of patients returning to school and served 51 school districts, impacting more than 795,000 children. These professionals rely on Children's for medical expertise and knowledge because Georgia's public schools have one school nurse for every 1,300 students (compared to the recommended ratio of 1-to-750).

Injury prevention

Safe Kids Georgia, through its 22 statewide coalitions, conducted 576 events in 2008, reaching more than 123,000 people. Nearly 33,000 safety devices, such as car seats, smoke alarms, bicycle helmets, carbon monoxide detectors, personal flotation devices and gun locks, were distributed throughout communities around the state. Children's is the lead agency for Safe Kids Georgia.

Call Center

Our Call Center provides 24-hour pediatric nurse advice at no charge to the families of any child resident of Georgia or any child visiting the state. Using automated protocols, specially trained pediatric nurses evaluate immediate health concerns and direct the parent or guardian to the appropriate level of care. Additionally, caregivers can access an audio library that provides in-depth information about more than 300 pediatric health topics; this service also is offered in a Spanish edition.

Libraries

Our patient family libraries offer information about health and wellness in easy-to-understand formats.

Social work

Our social workers help assess families' strengths, resources and coping skills to identify psychosocial issues that may impact their adjustment to their child's illness or injury. Our social workers helped more than 21,850 patients in 2008.

Camps

Children's supports several camps that offer therapeutic benefits for children and families who are dealing with a serious illness.

Marcus Autism Center

Marcus Autism Center is one of the only centers in the Southeast for the treatment of autism and related disorders. In the United States, one in 150 children is diagnosed with autism. In Georgia, that rate is one in 132—or a total of 20,000 children. In 2008, we treated 3,200 patients

School Program

Our School Program provides educational support for all school-age students who are being treated at our hospital on an inpatient basis and need help keeping up with schoolwork. A Georgia-certified teacher contacts the patient's school to coordinate instruction with the child's regular teacher. In 2008, there were 3,002 instructional visits where staff worked with patients in hospital classrooms, clinics and patient rooms.

Child abuse and neglect identification training

In 2008, our Child Protection Center trained more than 1,600 community professionals about the identification, assessment and reporting of child abuse and neglect.

Through subsidized health services

Center for Craniofacial Disorders

Our Center for Craniofacial Disorders provides care for children with cleft lip and palate, facial trauma and rare craniofacial syndromes, including Crouzon syndrome and craniosynostosis.

Orthodontics and dental

We provide dental services to children age 21 and younger with craniofacial disorders and other special needs. This includes preventative dental services, orthodontics, pit and fissure sealants, dental health education, restorative and surgical dental procedures, sedation and general anesthesia services.

Multispecialty Clinic

The Children's Judson L. Hawk Jr., M.D., Clinic is a multispecialty clinic offering comprehensive medical care for children with complex medical conditions, such as muscular dystrophy, spina bifida and cystic fibrosis. All ancillary services at Children's, such as radiology, pulmonology, laboratory, education and rehabilitative services, are available during the same scheduled visit.

Rehabilitation

We offer pediatric rehabilitation services at two hospitals—Children's at Egleston and Children's at Scottish Rite—as well as several neighborhood locations throughout metro Atlanta. We work with patients with diverse conditions—from traumatic brain injuries and spinal cord injuries to neurological diseases and other childhood impairments resulting from accidents, illnesses, injuries, congenital defects, syndromes and other conditions. In 2008, we helped 121 patients through our Day Rehabilitation Program and 313 through our Comprehensive Inpatient Rehabilitation Unit (CIRU). In addition, our annual Rehab Summer Games give patients the opportunity to demonstrate the skills they learn in therapy.

Limb Deficiency Center

We treat children and adolescents with congenital or acquired upper- and lower-extremity limb deficiencies. We are the only hospital in Georgia with an onsite lab that makes orthotics and prosthetics devices.

Child abuse evaluation and treatment

Our Child Protection Center serves more than one-third of Georgia's counties each year by offering forensic evaluations and medical care for more than 1,230 suspected victims of child abuse.

Scoliosis screening

Our Scoliosis Screening Program provides annual screening for students, as well as screening training for health department nurses, school nurses, volunteers, physical education teachers and school health workers. The program also provides further screening to children who have been identified as having positive scoliosis screens. The total number of children screened in 2008 was 266.

Our impact on pediatric medicine

Children's hospitals are vital centers of education—training the next generation of pediatric physicians and specialists—and home to leading-edge research that results in lifesaving discoveries, such as innovative cancer therapies and specialized surgical techniques.

Through teaching

Georgia ranks eighth in pediatric population, but 37th in physician supply per capita; we are experiencing a shortage of pediatricians and pediatric subspecialists. Our state is well below the national average for the number of medical students per capita—35th of 45 states with medical schools—and our ratio of pediatric specialists per 100,000 child population is less than the national average for 11 board-certified pediatric specialties.

As a result, Children's is working with our academic partners to increase residency and fellowship training programs. On average, one-third of Georgia's medical school graduates remain in the state to complete their residency training; the national average is 39 percent. Currently, 36 percent of the fellows trained at Children's remain within our system.

Through research

Pediatric hospitals and pediatric departments of university medical centers account for 35 percent of all National Institutes of Health (NIH)-funded research pertaining to children. At Children's, our total research funding for 2008 was \$20.4 million, with half of that being NIH funding.

Pediatric research drives advanced clinical care and quality outcomes for children. As a result, we developed a research strategic plan to leverage the vast and unique capabilities of Georgia, including Emory University, Georgia Institute of Technology and Morehouse School of Medicine.

We also launched the Pediatric Research Center to provide the necessary support services and infrastructure for investigators conducting pediatric clinical research. The center includes pharmacy services for easy access to needed medicine, a four-bed inpatient unit and a four-bed outpatient unit.

Children's at a glance

We provide access to care through:

- Three hospitals: Children's at Egleston, Children's at Hughes Spalding and Children's at Scottish Rite
- 510 staffed beds
- 16 neighborhood locations throughout metro Atlanta, including four Immediate Care Centers, one Primary Care Center and Marcus Autism Center
- More than 7,400 employees
- Access to more than 1,400 pediatric physicians

In 2008, we managed more than:

- 553,069 patient visits
- 262,769 unique patients (from all 159 counties in Georgia)
- 24,037 hospital admissions
- 141,669 inpatient days
- 529,032 outpatient visits
- 38,174 surgical procedures (inpatient and outpatient)
- 170,288 Emergency Department visits
- 112,992 Immediate Care Center visits
- 44,062 Primary Care visits

2008 economic impact

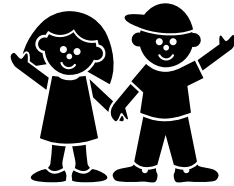
A report from Georgia Institute of Technology found that Children's Healthcare of Atlanta's total economic presence in Georgia for 2008 was \$1.7 billion and 14,000 jobs. Children's directly employs 7,400 and serves patients from all 159 Georgia counties, making our impact on Georgia's economy significant. Based on the two most important factors in the Georgia economy, employment and employee compensation, the economic presence of Children's rivals that of the new Kia automotive plant in west Georgia.

Pediatric specialties at Children's

- Allergy/immunology
- Anesthesia
- Cardiology
- Cardiothoracic surgery
- Child abuse evaluation and treatment
- Critical care
- Dental/oral surgery
- Dermatology
- Emergency
- Endocrinology
- Gastroenterology
- General pediatrics
- General surgery
- Genetics
- Hematology/oncology
- Hepatology
- Infectious disease
- Medical toxicology
- Nephrology
- Neurology
- Neurosurgery
- Ophthalmology
- Orthopaedics
- Otolaryngology
- Neonatology
- Pathology
- Plastic/reconstructive
- Psychiatry
- Pulmonology
- Radiology
- Rehabilitation
- Rheumatology
- Transplant
- Urgent care
- Urology

Accolades

- One of America's top 10 pediatric hospitals—*Parents* magazine
- One of the best hospitals for children in the United States—*U.S. News & World Report*
- One of the 100 best companies to work for in America—*Fortune* magazine



Children's[®]
Healthcare of Atlanta

Children's Healthcare of Atlanta at Hughes Spalding is owned by Grady Health System[®] and managed by HSOC Inc., an affiliate of Children's.