

Firm's Charity Care Challenged
Spend more, group asks Resurrection

By Hal Dardick

Chicago Tribune

June 30, 2004

A congresswoman, 16 other Cook County Democrats and various religious, union and non-profit agency leaders are calling on one of the region's largest hospital systems to spend more money caring for poor patients.

Among those challenging Resurrection Health Care Corp. on Tuesday to boost charity spending were U.S. Rep. Jan Schakowsky, Cook County Clerk David Orr, Circuit Court Clerk Dorothy Brown, nine Chicago aldermen and five Cook County commissioners.

"This is the second-largest health-care system in the Chicago area," said Jon Samuels, legislative director for Schakowsky. "They've got tax-exempt status because of their commitment to serve people in the Chicago area. Rep. Schakowsky believes the current level of charity care Resurrection provides, at less than half the level of other private hospitals in Cook County, is inadequate."

Also signing the "Charity Care Principles" aimed at prodding Resurrection, a Catholic not-for-profit corporation, were more than a dozen Catholic priests and a number of Jewish and Christian leaders.

The document was released by Henry Bayer, executive director of American Federation of State, County and Municipal Employees Council 31, which is trying to organize about 8,000 workers in Resurrection's system.

In a written response, Resurrection said it "continues to strongly dispute the information cited" by AFSCME.

In 2003, Resurrection provided about \$124.5 million in uncompensated care to patients, comprising 4 percent of its gross revenue for 2003, it stated. In addition, "Resurrection Health Care has no ceiling or limit on the amount of charity care provided each year."

AFSCME officials, however, say the \$124.5 million includes unpaid hospital bills for all of Resurrection's patients, not just the indigent, and is not necessarily a reflection of charitable work. Using reports to the Illinois Department of Public Aid, AFSCME concluded that 0.6 percent of Resurrection's \$1.2 billion in annual charges represented care "to needy residents."

The Charity Care Principles call on Resurrection to immediately increase charity care spending

to 2 percent of total charges and start "a dialogue with community leaders to identify appropriate future levels of charity care for a Catholic health care system."

Claiming charity care is denied to some based on immigration status, where they live or prior medical debts, it called on Resurrection to "provide charity care based solely on the patient's financial need."

Resurrection claims Local 31 took its state reports "out of context." And it has denied refusing charity care to people "when they qualified for it and provided proper substantiation proving need." It also denied refusing care based on immigration status, on where people live or on prior medical debts. And the system said it does "not engage in aggressive forms of collection" and informs patients in many ways about charity-care options.