May 30, 2023

Kaiser Permanente commits up to \$10 million to Denver Health

Funding comes as Denver Health provided \$120 million in uncompensated care in 2022 — double the amount in 2020.



Denver Health cares for nearly 30% of Denver's population annually and provides the highest percentage of care to uninsured patients of any hospital in metro Denver.

PRESS RELEASE

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DENVER, Colo. — For more than 160 years, Denver Health has played a critical role as Denver's core safety-net hospital, providing care regardless of a patient's ability to pay. But recently, the health system has experienced unprecedented financial challenges, largely due to the dramatic increase in uninsured patients, uncompensated care, and higher costs.

On May 30, 2023, Kaiser Permanente and Denver Health jointly announced a new \$10 million commitment from Kaiser Permanente* to assist Denver Health with vital health care services for the community, including continued access to primary and specialty care for people who do not have the means to pay.

Kaiser Permanente will fund a \$5 million grant to address the immediate need. Another \$5 million will be available as a matching donation — an incentive for local organizations, members of the business community, members of the health care industry, and others — to step up and help Denver Health.

"We are immensely grateful to Kaiser Permanente for their commitment to serving Colorado with this generous financial support," said Denver Health and Hospital Authority CEO Donna Lynne, DrPH. "None of us can imagine a city or a state without Denver Health. This community relies on us, and we need a coordinated communitywide effort to ensure we are sustainable now and into the future."

Kaiser Permanente is the state's largest nonprofit health plan, and this support for Denver Health is part of the organization's mission to improve the health of the Colorado community. Health care organizations like Denver Health, community-funded clinics, rural health clinics, free clinics, school-based health centers, and federally qualified health centers are vital parts of Colorado's health care safety net, providing quality care for the state's most under-resourced populations.

"Denver Health plays an essential role in taking care of patients in our state with significant medical needs," said <u>Mike Ramseier</u>, regional president of Kaiser Permanente in Colorado. "A strong health care safety net benefits our entire community. It is imperative for us to come together now to support Denver Health."

As a comprehensive health care system, Denver Health cares for nearly 30% of Denver's population each year, and it provides the highest percentage of care to uninsured patients of any hospital in metro Denver. Since its founding, Denver Health has provided billions of dollars in uncompensated care. On the heels of the pandemic, many people delayed care, and Denver Health has seen patients sicker than they otherwise would have been coming to their emergency department, as well as other clinical settings, which has been driving increased health care costs.

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Donna Lynne, DrPH, Denver Health and Hospital Authority CEO

Denver Health's uncompensated care has doubled from an annual average of \$60 million in 2020 to \$120 million in 2022. Like many safety-net hospitals across the country, Denver Health also experienced inflationary costs for staff, medical equipment, and drugs. On average, U.S. hospitals' costs have risen 17.5% since 2019.

"Denver Health provides broad, vital and responsive access to quality care for Medicaid members, the uninsured, and many other Coloradans," said Kim Bimestefer, executive director of the Colorado Department of Health Care Policy and Financing. "I applaud the leadership of health care organizations who are stepping up financially to support Denver Health, and I encourage communities and hospitals across the greater Denver area to do the same in support of Denver Health as a pillar of our state's health care system."



17.5% increase

to average U.S. hospitals' costs since 2019

Learn more

(https://www.aha.org/costsofcaring)

Furthermore, Denver Health addresses critical health inequities for low-income communities, communities of color, immigrants, refugees, and people experiencing homelessness. This additional financial support helps ensure that underserved communities have access to a strong safety net that can equitably meet patients' needs and improve health outcomes

Kaiser Permanente is committed to providing Coloradans access to high-quality, affordable health care. Supporting the health care safety net and promoting health equity are part of that commitment.

Kaiser Permanente has invested significantly in supporting charity care throughout its history. This includes direct financial assistance for people who receive care in the Kaiser Permanente system and are unable to pay, as well as investments like this one in the broader health care safety net. In 2022, Kaiser Permanente invested \$100 million in community support, partnerships, programs, and charitable care and coverage to improve the health and equity of all Coloradans. This snapshot highlights some of our work in 2021 to address the root causes of health disparities, such as economic opportunity, affordable housing, safe and supportive schools, and a healthy environment.

About Denver Health

Denver Health

(https://www.denverhealth.org/)

is a comprehensive health and hospital system that provides high-quality care for

everyone in the community, regardless of their ability to pay. We deliver medical care to one-third of Denver's population, proudly serving as the city's safety-net hospital and also providing preventive, primary and acute care services. For more than 160 vears. bout Kalser as exmanent of the health and well-being of the community, providing high-quality clinical care, top-notch education and training for health sare workers the former that the place of the first are the first of the fir quided recognized as one of America's leading health care providers and not aforstewardship as we work to ensure all people have access to the care and programs ity, affordable health care services and to improve the health of our members and the communities we serve. We currently serve 12.7 million members in 8 states and the District of Columbia. Care for members and patients is focused on their total health and guided by their personal Permanente Medical Group physicians, specialists, and team of caregivers. Our expert and caring medical teams are empowered and supported by industryleading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery, and world-class chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education, and the support of community health.

^{*} Funding via the Kaiser Permanente Community Health Fund at the Denver Foundation.