

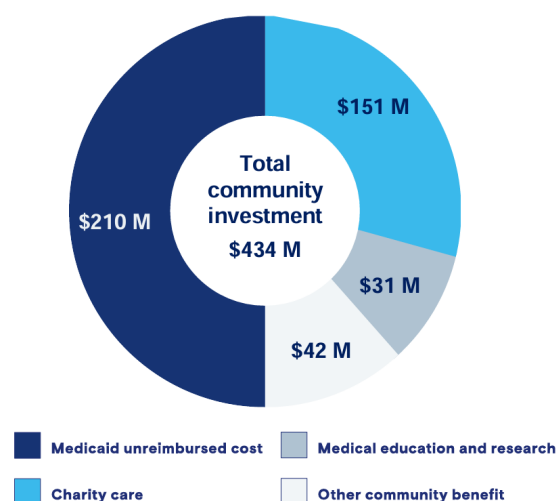


## Inova Alexandria Hospital Report to the City Manager - April 2025

As Northern Virginia's leading nonprofit healthcare provider, Inova's mission is to provide world-class healthcare – every time, every touch – to each person in every community we have the privilege to serve. That commitment is evident not only in our high-performing clinical outcomes, but the significant investments we make into our communities every year.

### Inova Health System – Total Community Investment

In 2024, Inova demonstrated its commitment to equitable care through a total community investment of \$434 million. This investment includes \$210 million in unreimbursed Medicaid costs to provide health services to over 265,000 Medicaid enrollees. Additionally, Inova provided \$151 million in charity care, \$42 million in other community benefit programs, and \$31 million dedicated to medical education and research. These contributions reflect Inova's mission to serve all individuals—regardless of their financial circumstances—while strengthening the health and well-being of the communities we serve.



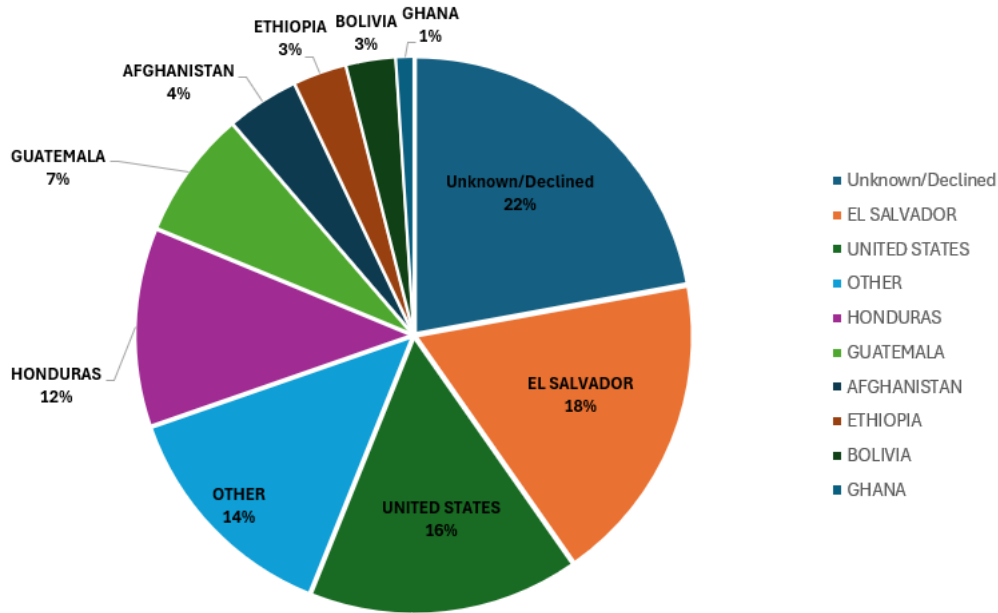
Inova Health System provides all medically necessary services to all patients without regard to the patient's ability to pay for those services. Offering 100% free care for all patients at or below 400% of the federal poverty level, Inova has the most generous Charity Care policy in the Commonwealth of Virginia and Greater Washington. The attached *Community Report: Caring for the Community – 2024* offers more information on Inova's commitment and unreimbursed costs.

### Inova Alexandria Hospital – OB Services & Unreimbursed Costs

The information below summarizes the number, types, and financial impact of Medicaid and uninsured patients, especially within the obstetrics (OB) patient community, that received services from Inova Alexandria Hospital (IAH) for 2024 compared to 2023.

IAH provided obstetric services (Inpatient, Observation, and Outpatient) to 1,623 (in 2023) and 1,727 (in 2024) Medicaid and uninsured patients, an increase of 104 patients, or 6.4%. This increase is not the result of any change in IAH's policies or practices, but in line with the increase in IAH's overall OB population. Overall, IAH provided obstetrics related care to 5,058 patients in 2023 and 5,353 in 2024, an increase of 5.8%. Medicaid and uninsured OB patients represent nearly one-third of all Inova Alexandria OB volume.

A summary of the national origin of IAH's 2024 Medicaid and uninsured OB patient population is as follows:



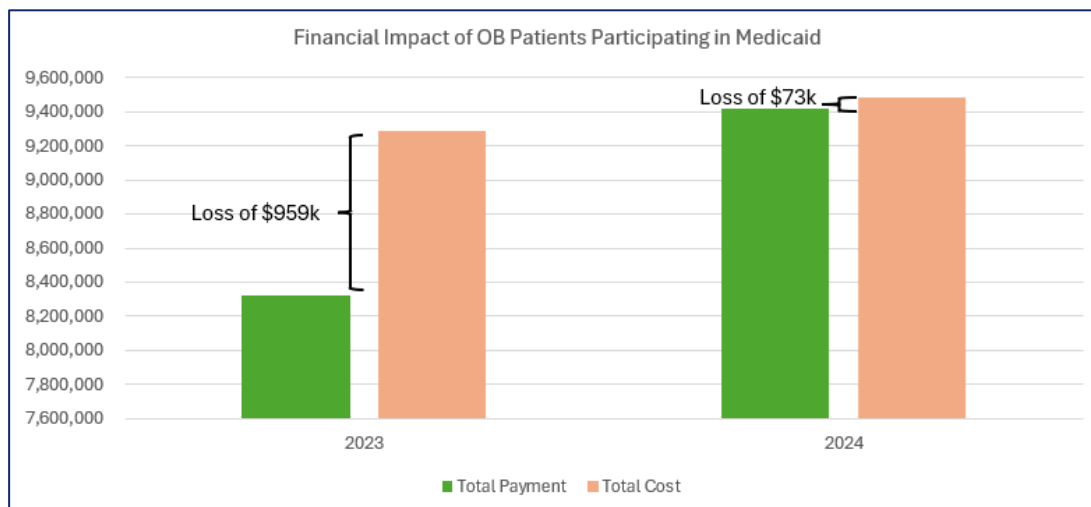
A list of the home zip codes of IAH's 2024 Medicaid and uninsured OB patient population is as follows:

Zip Code	Patients
22304	290
22305	195
22311	191
22312	129
22306	105
22309	90
22314	58
22003	52
22041	52
22302	41
22191	30
22204	28
22310	28
22303	26
22150	26
22206	21
Other Zip Codes (< 20 Pts per zip)	365

IAH provided OB (inpatient, observation, and outpatient) services to 1,606 patients with Medicaid coverage in 2024, compared with 1,534 in 2023, an increase of nearly 5%. The hospital received approximately \$17.7 million in reimbursement from the Virginia Medicaid program for these patients; however, the cost of providing those services was \$18.8 million. The total Medicaid uncompensated cost absorbed by the hospital between 2023 and 2024 was \$1.0M. The table below shows reimbursement and expenses for each year. Expenses include costs for OB hospitalists (i.e., 24/7 specialty physician staff) to ensure physician coverage for the indigent OB

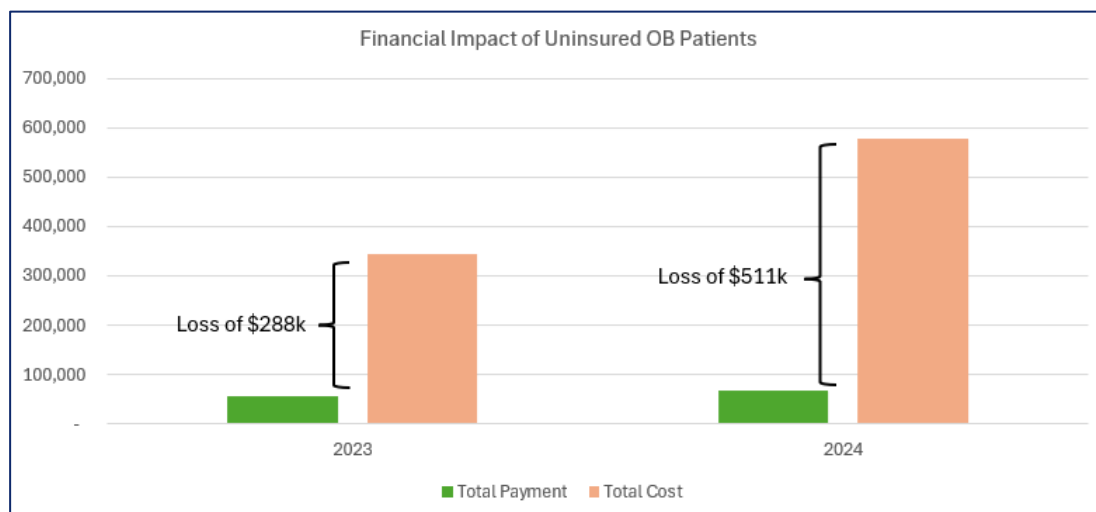


populations referred to from the City of Alexandria's/Neighborhood Health's Casey Clinic. However, this does not include expenses for contracted services to screen and facilitate Medicaid enrollment for eligible patients who present to IAH without insurance.

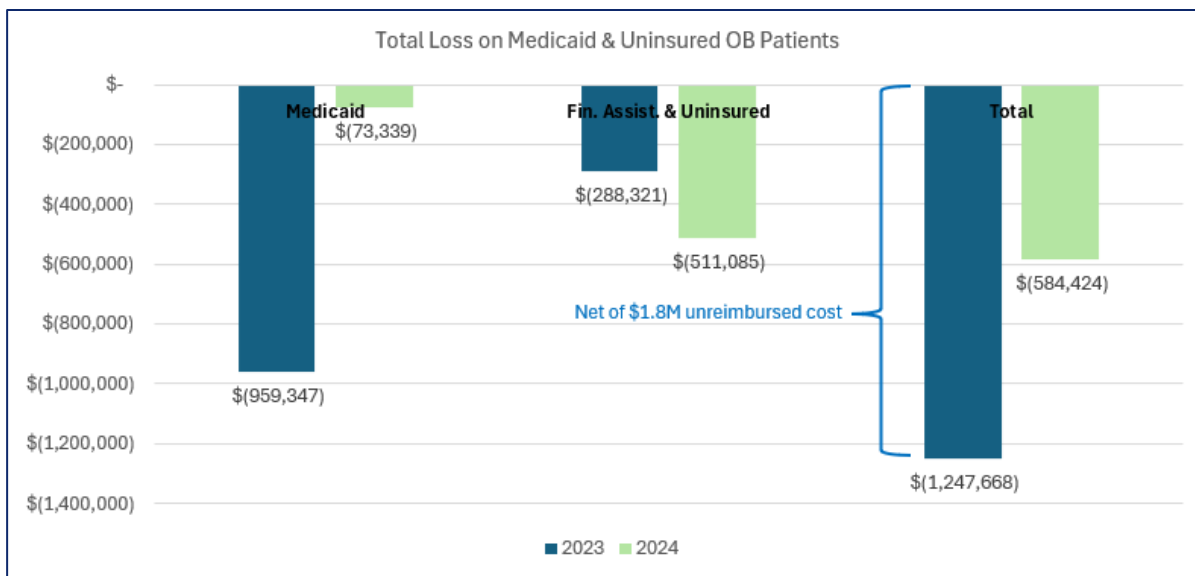


The reduced losses in 2024 were a result of increased Medicaid reimbursement per patient and IAH cost reduction initiatives impacting staffing and pharmaceutical expenses.

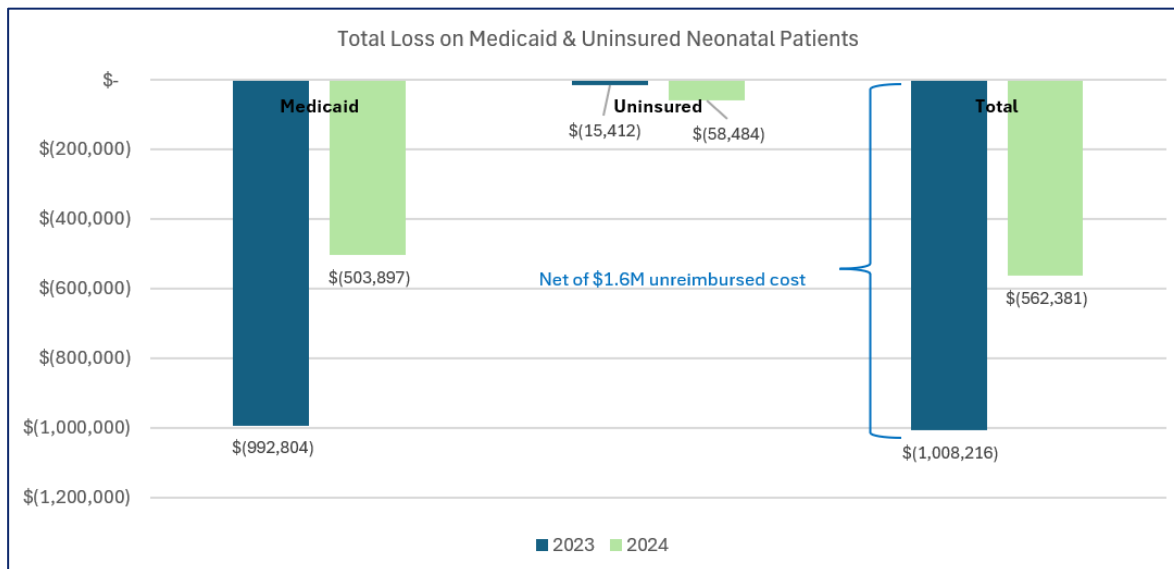
For those that do not qualify for Medicaid, IAH provides free or reduced cost healthcare services to patients who meet certain criteria under its Financial Assistance Policy. IAH provided OB services to 121 patients who were uninsured or receiving financial assistance in 2024, compared with 89 in 2023, an increase of nearly 36%. IAH received \$123k in reimbursement; however, the cost of providing services was \$923k, resulting in \$799k in uncompensated care for the two years. The following chart summarizes the financial impact of providing services to these patients for 2023 and 2024.



The chart below summarizes the total financial impact of providing OB services to Medicaid & uninsured patients for 2023 and 2024. The total unreimbursed cost to the hospital was \$1.8M.



In addition to providing OB care to the women in the IAH community, IAH provides neonatal care to healthy newborns and newborns needing postpartum intensive care. The chart below summarizes the total financial impact of providing neonatal care services to Medicaid & uninsured patients in 2023 and 2024. The total unreimbursed cost to the hospital was \$1.6M.



Beyond the OB patient population, IAH continues to support all patients in this community. The City's financial commitment helps offset unreimbursed cost directly relating to the care of OB and neonatal services, and to indirect costs associated with ensuring access to physician coverage specific to tens of hundreds of medically indigent women in Alexandria. This longstanding partnership between the City of Alexandria and IAH has been an important component of the community safety net, ensuring world-class care for all pregnant women and children in our community regardless of their ability to pay. Inova Alexandria Hospital is grateful for the Council's



commitment to this work, and we request the release of the contingent reserves to be fully appropriated to the hospital in continued support of our community.

For questions or further information, please contact Melissa Riddy, Eastern Region Government and Community Relations Director at [melissa.riddy@inova.org](mailto:melissa.riddy@inova.org) or 202.352.2378.