

Texas Health Resources
Social Purpose Report Summary
Environmental | Social | Governance



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This performance summary highlights Texas Health Resources' key environmental, social and governance (ESG) impacts and our long-standing commitment to operating in ethical, responsible, sustainable, equitable and community-focused ways. Our 2021 Social Purpose Report describes key programs and strategies to optimize our organization and improve North Texas communities' health and well-being. More information and performance data can be found in our full 2021 report at TexasHealth.org/Responsibility.

Information in this report covers our wholly owned facilities unless otherwise noted. Some programs and benefits may not apply to all employees and/or facilities that we own and operate or joint ventures. All financial figures are in U.S. dollars. References to "Texas Health," "the organization," "we," "us" and "our" refer to Texas Health Resources.





A Note from Our CEO



Over the last two years, the COVID-19 pandemic has upended the lives of millions of Americans. It also tested us — as individuals and families and as an organization.

While the pandemic took us on some twists

and turns, we adapted, grew and are now stronger from what we experienced. I'm proud of our people and the courage, compassion and grit they exhibited during this extremely challenging time.

In our 2021 Social Purpose Report, we share our progress toward realizing our Vision of partnering with individuals for a lifetime of health and well-being, and highlight how we managed environmental, social and governance (ESG) factors that are essential to fulfilling our Mission.

During the year, we cared for thousands of consumers — and each other — while continuing to transform our organization, strengthen our capabilities and meet the needs of our communities. This is the 10th report on our ESG commitments and I'm proud of the advancements Texas Health has made. As we navigate the next chapter of our journey, we will continue to bolster our resiliency and evolve as a high reliability organization by:

Fortifying our system and our care teams

While we are fortunate that our culture attracts talent to Texas Health, these past two years have strained our workforce. We are embracing new ways of thinking, refining our care delivery models and giving our people additional support and tools to do their best work.

We are also building and developing our pipeline of physicians, nurses and other healthcare professionals to continue caring for our growing population.

Putting care in the reach of more people

We are expanding to meet the healthcare needs of North Texans in new and traditional ways. We are building and expanding facilities, bringing urgent care closer to home and expanding our virtual care capabilities.

Offering additional channels makes it easier for consumers to access the care they need where they want it, when they want it and how they want it.

Accelerating diversity, equity and inclusion

To unleash creativity and capitalize on the benefits that each individual offers, we are executing strategies that embrace diversity, equity and inclusion inside and outside of our walls.

We are empowering our leaders, workforce, suppliers and communities to cultivate innovation that will strengthen our system and the quality of life for North Texans.

Delivering equitable care that restores health and well-being

We will continue to advocate for, fund and execute programs that make it easy for consumers of any socioeconomic status to access and receive care, services and support.

We are broadening our impact by collaborating with community health agencies and local universities to pool our resources. Together, we are providing pandemic relief and behavioral health support, tackling healthcare disparities, and improving healthcare literacy and navigation across Dallas-Fort Worth.

Improving health outcomes and healing environments

We continue to optimize our systems, workflows and processes to help us deliver reliable, safe and quality care. Reducing unnecessary variation in care saves lives, reduces medical errors, provides a better care experience and lowers costs.

A Note from Our CEO (cont'd)

Additionally, we are building and operating our locations to reduce waste, energy and water consumption. While our overall system footprint is expanding, these efforts are helping us to minimize environmental impacts.

We also are harnessing the power of data, analytics and artificial intelligence to not only improve our operations but enhance how we care for our consumers. These capabilities allow us to identify and predict North Texans' healthcare needs, engage them with services and support, and tailor their care management.

These are challenging yet exciting times. We have proven that we can achieve amazing things when working with, learning from and supporting one another. As we embark on another year of caring for North Texans in 2022, we intend to deepen our value as a community asset. Thank you for supporting our Mission.

Sincerely,

BARCLAY E. BERDAN, FACHE Chief Executive Officer



Incurred \$470+ MILLION in labor costs to recruit, retain and supplement the workforce

Invested \$4.1 MILLION in the DFW COVID-19 Prevalence Study

Received \$2.8 MILLION in financial/in-kind donations for employees and \$5.8 MILLION for community pandemic research, vaccinations and relief



Gave 314.000+ and employees

Supported 210 pop-up vaccine clinics

COVID-19:

Impact on Texas Health, **Employees & Consumers**



Incurred **\$25.1 MILLION** in medical costs for

employees and their dependents



\$40+ MILLION on additional PPE



Administered **574,737** COVID-19 tests at hospitals

Cared for 146,000+ COVID-19 patients



Addressed **100,908** hotline calls

Provided **387,000+** virtual visits



Volunteered **3,693 HOURS** to support nonprofit relief programs



Distributed 476,000+ POUNDS

MISSION:

To improve the health of the people in the communities we serve.

VISION:

Partnering with you for a lifetime of health and well-being.

VALUES:

Respect, Integrity, Compassion and Excellence.

OUR TEXAS HEALTH PROMISE® PRINCIPLES:

Individuals Caring for Individuals, Together

RELIABLE:

We will be a dependable partner for our consumers by consistently delivering reliable care with exceptional quality.

SAFE:

We will keep our consumers and each other safe.

SEAMLESS:

We will create a coordinated and convenient experience that is intuitive for the consumer.

EFFICIENT:

We will ensure the Texas Health experience honors the consumer's time and resources.

PROACTIVE:

We will partner with consumers and their families to understand, anticipate, prepare for and respond to their needs.

CARING:

We will make intentional, human

About Texas Health Resources

Texas Health is a faith-based, nonprofit health system that cares for more inpatients in North Texas than any other provider. Our services provide the full continuum of care for most stages of life. With a service area consisting of 16 counties and access points that serve more than 8 million people, we are committed to providing quality, coordinated care through Texas Health Physicians Group and 29 hospital locations.

Our Social Purpose Priorities



Earn the trust and lifetime loyalty of North Texans.



Create a culture of excellence.



and responsibly.



Be a good corporate citizen.



Reduce operational costs and environmental impacts.



Provide community health services, resources and education.

Our Commitment to Inclusion

Texas Health is committed to advancing diversity, equity and inclusion across the system and in the communities we serve.



27,000+

Employees



\$5.54 BILLION

Total operating revenue



1.7+ MILLION

Patients served



6,600

Physicians on the medical staffs



295+

Community access points of care



29

Hospital locations



100+

Outpatient facilities

Reimagining Healthcare

SNAPSHOT

Accelerating Diversity, Equity and Inclusion

Texas Health's strategic priorities are to advance diversity, equity and inclusion. In 2021, we:

- Formed a Diversity Advisory Group and expanded entity Diversity Action Teams to strengthen cultural awareness.
- Deployed an equitable COVID-19 vaccine strategy and delivered culturally sensitive information to our communities.
- Developed a diversity, equity and inclusion program to foster a leadership pipeline that reflects our communities' demographics.
- Created new workforce training programs and educational partnerships to recruit more diverse talent.
- Continued identifying ways to close care equity gaps.
- Developed a competency framework to recruit board members with diverse experiences.
- Increased engagement with minorityand women-owned enterprises to expand business relationships.



Texas Health offers a broad portfolio of innovative programs and services tailored to individual needs at virtually every stage of life.

In 2021, Texas Health:

Unveiled new strategies to drive inclusiveness

We launched new programs to advance diversity, equity and inclusion throughout our system, supply chain and the communities we serve.

Expanded and innovated to meet the needs of our community

We increased consumers' access to sports medicine and rehabilitation services, home health, labor and delivery, neonatal intensive care, emergency care, surgical suites and services, and urgent care centers while expanding our virtual care capabilities.

Fortified our ability to care for North Texans

The Texas Health Resources Foundation received \$23.3 million in gifts and grants to help us fulfill our Mission — an increase of 133% over 2020. Funds are being used to create healthcare infrastructure, deliver services, build a pipeline of physicians and nurses, and address healthcare inequities and other critical community health needs.

Leveraged artificial intelligence, data and analytics to close care gaps and target services

We continued collecting data to understand consumers' social determinants of health factors and developed predictive models to forecast what support North Texans need most — before they need it.



"Texas Health aims to create a connected health experience that removes any barrier to consumers' health and well-being."

WINJIE MIAOSenior Executive Vice President and Chief Operating Officer

Delivering Reliable, Equitable Care

Texas Health aims to provide reliable, safe, equitable and quality care to every consumer at every interaction.

In 2021, Texas Health:

Delivered continuous care despite difficult conditions

Our rigorous planning and analytic modeling allowed us to maintain the resources we needed to care for consumers despite multiple COVID-19 surges, workforce shortages and a historic winter storm.

Improved how we deliver fast, appropriate and well-coordinated care

We brought together coders, care transition teams, physicians on the medical staffs, nurses, navigators and other clinical leaders to design a new documentation workflow guide that drives better diagnosis and treatment, making care transitions more seamless and improving health outcomes.

Made it easier for consumers to get the care they need

We expanded access to behavioral health services by enabling virtual evaluations, intakes and group therapy for thousands of consumers. We also opened 10 urgent care clinics, expanded hospital and medical office space, and connected consumers with COVID-19 symptoms to physicians through our free Hospital2Home app.

Unveiled tools that improve patient safety

We designed a deterioration index within our electronic health records to continuously monitor gradual changes in patients' vitals. If conditions worsen, caregivers are alerted to take prompt action. We also created a tool to predict a patient's fall risk based on age, vital signs and other factors so we can deploy prevention measures. Innovations like these have helped us reduce serious harm event rates by 45% since 2018.

Provided culturally inclusive support

With more than 115 languages spoken in North Texas, we deployed a new language interpretation service to better understand consumers' medical histories, health needs and preferences and communicate vital information. We also collected social determinants of health data to connect consumers with resources and services that will help improve their health and well-being.



"Advances in artificial intelligence and predictive analytics are helping us identify where healthcare disparities exist so we can take action before conditions worsen."

KATHI COXAmbulatory and Virtual Channel Chief Operating Officer



SNAPSHOT

Offering Emotional Support During an Unprecedented Time

With a sharp rise in anxiety, depression, suicide and substance abuse during the pandemic, Texas Health made it easier to provide relief, guidance and recovery to people in need. Our system's mental health visits increased 17.4% in 2021 compared to 2020, and 33.6% more people required emergency care for opioid use

Recognizing the stigma that many people face when accessing behavioral health services, we enabled consumers to consult with us privately and from the comfort of home. We virtually completed 21,899 emergency department assessments, supported 9,372 participants in outpatient group therapy and completed 1,044 athome psychiatric intakes.

Caring for Our People



SNAPSHOT

Getting Through the Pandemic, Together

When COVID-19 first emerged, our leaders readied nearly \$1 billion to sustain operations and support caregivers.

We cared for sick patients, sanitized healing environments, stockpiled personal protective equipment and supported our people. In the community, our health improvement teams worked tirelessly to impart accurate and culturally appropriate information about the virus and vaccines, and administered thousands of vaccinations at pop-up clinics.

While these last two years have taken a toll on us all, we could not be more proud of our employees' servant hearts and the teamwork they exhibited in pursuit of our Mission.

We want all Texas Health employees to do their life's best work — here and now. To empower them to fulfill their calling, we are creating an inclusive workplace where they can bring their authentic selves to work, own their development and meaningfully contribute.

In 2021, Texas Health:

Recognized our caregivers' tireless contributions

We invested more than \$230 million in wage increases, compassionate care relief, bonuses, incentives and shift differentials to retain valuable employees and honor their difficult work.

Championed change

More than 550 employees are helping us improve cultural awareness and accelerate diversity, equity and inclusion at the entity and system levels.

Expanded our clinical pipeline

We launched additional graduate medical education programs to increase the number of physicians working in North Texas. We also designed a year-long program to enhance the skills of newly graduated nurses and provided tuition-free training to patient care technicians.

Delivered continual care despite limited resources

We hired more than 6,000 new people and temporary relief staff to help us respond to COVID-19 surges and workforce shortages. We nearly doubled employee referral incentives to help us fill critical roles.

Was honored for our exceptional culture

Texas Health was named No. 1 on Fortune magazine's list of Best Workplaces in Health Care and Biopharma™ and No. 7 on Fortune's 100 Best Companies to Work For®. We also received national recognition for our health and wellness programs.



"Putting our people first, empowering them and doing right by them is fundamental to our Promise. It is how we systematically ensure equity, build trust and belonging, and leverage everyone's individuality."

CARLA DAWSON Chief People Officer

Committed to Community

To help our communities thrive, we design and fund health improvement strategies to fulfill our Vision of partnering with consumers for a lifetime of health and well-being.

In 2021, Texas Health:

Aided our most vulnerable and underserved

We provided \$927 million in charity care and community benefit and awarded \$5.2 million in Community Impact grants to provide life-enriching resources, pandemic relief and programming to reduce health disparities.

Deployed a comprehensive community vaccine strategy

We administered more than 314,000 doses of COVID-19 vaccinations to reduce the threat of severe illness or death. We operated six community vaccination clinics and partnered with 74 other organizations to deliver vaccinations at 210 additional pop-up clinics. To address vaccine hesitancy and dispel misinformation, we leveraged the trusting relationships we have built and provided culturally appropriate information.

Reinforced our commitment to diversity, equity and inclusion

We launched a new leadership development program to give up-and-coming leaders the skills they need to champion diversity, equity and inclusion within Texas Health and in the communities we serve. We also joined a national student workplace learning initiative to expose underserved high school students to science, technology, engineering and math curriculums and encourage them to pursue a future career in healthcare.

Launched the Texas Health University Consortium to help eliminate health disparities

We affiliated with five North Texas universities to bring together public health experts, academic leaders and college students to leverage our collective knowledge and resources to close health equity and literacy gaps.

Advocated for funding and legislation that help us fulfill our Mission

We received state and federal funding to care for low-income and underserved individuals and educate up-and-coming physicians, nurses and other healthcare workers. We also successfully advocated to expand behavioral health and women's health services in our state.



"Through purposeful partnerships and data-driven interventions, we will move closer to bridging the health equity gap for those we are privileged to serve."

DAVID TESMERChief Community
and Public Policy Officer



SNAPSHOT

Recognized for Excellence in Community Service

The American Hospital
Association's Foster G. McGaw
Prize for Excellence in Community
Service is an esteemed honor
bestowed upon healthcare systems
that distinguish themselves as
a model in community health
improvement.

After being named a finalist for the prestigious award in 2021, Texas Health won the \$100,000 grand prize in April 2022. Funds are being used to support community health improvement programs.

"Building healthy communities requires collaboration, addressing health disparities, eliminating the root causes of chronic disease, and providing tools that instill lifelong health and well-being," said Barclay Berdan, CEO.

Optimizing Our Environment of Care



SNAPSHOT

Remaining Strong in an Unprecedented Storm

When a historic winter storm hit Texas early in 2021, the frigid temperatures broke pipes; the power grid failed; water supplies were contaminated; and vital shipments of equipment, supplies, food and other essentials were delayed.

Local fire departments trucked in water to some of our hospitals, which was used to start boilers and produce heat. Building engineers worked nonstop to make repairs and provide backup power. Essential staff across the system slept in vacant beds, cots or hotels to provide care to people in need. As a result of these efforts, we kept all hospitals open and continued caring for our communities.

Texas Health invests in making our buildings safe, healthy and efficient to provide an exceptional healing environment for the people we serve.

In 2021, Texas Health: Increased engagement and contracts with diverse suppliers

We expanded our engagement with minority- and womenowned business enterprises and enabled them to register their services and diversity certifications, leading to \$30.6 million in contracts.

Expanded access to critical medications

Global supply chain challenges compounded by the pandemic have made it more difficult to maintain an inventory of critical pharmaceuticals. To help relieve this burden, we joined 10 other national health systems to purchase a minority stake in Exela Pharma Sciences, allowing us to receive an uninterrupted supply of specialized medicines at a lower cost.

Was recognized for leadership in conservation and sustainability

Texas Health was again named to the 2021 Texan By Nature 20 for developing innovative, sustainable methods and processes. We recycled more than 2 million pounds of materials and kept 3,000 cubic yards of items out of landfills. Recycling also avoided the consumption of 7.1 million gallons of water, 4.1 million kilowatts of energy, and 388,897 gallons of oil and saved 17,400 trees.

Leveraged data and analytics to unveil improvement opportunities

We joined a U.S. healthcare collaborative that combines and assesses de-identified consumer data to analyze and address shared healthcare challenges. We also created 20 new analytical dashboards that monitor operational and clinical performance so we can quickly make refinements, if needed.



"We leverage our buying power to keep a steady supply of lifesaving equipment and supplies while conserving resources and lowering waste."

SHAUN CLINTONSenior Vice President, Supply Chain Management

2021 Data Tables

Community

Charity Care and Community Benefit

Texas Health provided more than \$927 million, or \$2.5 million a day, in charity care and community benefit in 2021.

CHARITY CARE	2017	2018	2019	2020	2021
Patient charity care ¹	\$256,026,406	\$236,707,341	\$211,327,936	\$217,351,474	\$235,315,852
Cost of unreimbursed government-sponsored indigent healthcare ²	\$42,338,364	\$75,195,476	\$45,322,544	\$45,527,596	\$25,122,786
Charity care provided through others	\$64,178,930	\$2,504,837	\$2,230,154	\$2,179,823	\$751,203
Subtotal charity care	\$362,543,700	\$314,407,654	\$258,880,634	\$265,058,893	\$261,189,841
OTHER COMMUITY BENEFIT CA	RE				
Unreimbursed Medicare ²	\$457,799,539	\$484,601,553	\$558,172,380	\$435,724,253	\$599,540,675
COMMUNITY BENEFIT ³					
(Community Health Improvement program, cash and in-kind donations, and value of employee volunteer hours)	\$31,889,676	\$44,038,957	\$59,958,216	\$56,086,387	\$66,326,031
GRAND TOTAL	\$852,232,915	\$843,048,164	\$877,011,230	\$756,869,533	\$927,056,547

¹ The cost of care provided to those who are financially or medically indigent.

Consumers

Consumer Experience and Satisfaction

CONSUMER SURVEYS	2017	2018	2019	2020	2021			
HOSPITAL CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS (HCAHPS): INPATIENT SURVEY (National Percentile Rank*)								
Rate hospital 0-10	52	66	61	63	64			
Recommend the hospital	60	70	66	67	68			
Nurse communication	31	58	47	42	45			
Staff responsiveness	40	67	61	57	61			
Doctor communication	34	59	52	41	48			
Cleanliness	38	43	36	45	47			
Quietness	64	68	65	62	65			
Medicine communication	33	58	53	33	47			
Discharge information	40	47	38	30	45			
Care transitions	58	78	68	63	70			
MEDICAL PRACTICE SURVEY (National Percentile Rank)								
Overall doctor rating 0-10	47	50	51	66	57			
Recommend this provider office	45	46	49	60	50			

² The difference between the treatment costs for these patients and government reimbursement.

³ Programs or activities that provide treatment or promote health and healing in response to identified community needs.

Consumer Experience and Satisfaction (cont'd)

CONSUMER SURVEYS	2017	2018	2019	2020	2021			
Ambulatory Surgery (National Percentile Rank)								
Facility rating 0-10	61	67	65	74	66			
Recommend the facility	65	64	65	75	70			
Communication	60	57	57	79	73			
Facility/personal treatment	54	56	55	62	53			
Discharge	52	48	44	51	52			
Emergency Department (ED) CAHPS (National Percentile Rank)								
Rate ED care 0-10	68	76	79	77	73			
Recommend the ED	69	83	85	77	77			
Outpatient Services (National Percentile Rank)								
Outpatient	77	77	80	91	89			

^{*}National Percentile Rank reflects how Texas Health compares in a specific area to other U.S. hospitals, where 99 is the best and 1 is the worst.

Quality Measures

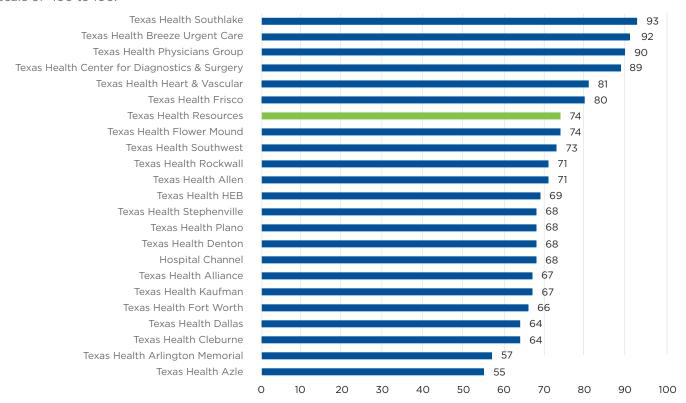
	2017	2018	2019	2020	2021
Average length of stay (days)	4.6	4.5	4.4	4.6*	5.0*
Clostridium difficile**	1.00	.77	.61	.59	.68*
Catheter-associated urinary tract infections**	1.26	.98	.44	.42	.35
Central-line-associated bloodstream infections**	.73	.57	.68	.67	.94*
All-cause readmission observed/expected ratio (omissions: errors threshold**)	.86	.95	.92	.93	.94*
Excess days observed/expected	1.4	1.4	1.4	1.4	1.5

^{*}The COVID-19 pandemic impacted results.

^{**}The Healthcare-Associated Infection (HAI) ratios in this table are calculated based on the number of observed (actual) infections divided by what were predicted. Ratios under 1 mean that patients had fewer infections than predicted. Readmission ratios are calculated similarly and use a risk methodology for additional factors (e.g., severity of patients' health conditions, demographics).

Net Promoter Score

We began using this score in 2021, which measures consumers' likeliness to recommend Texas Health on a scale of -100 to 100.



Environment of Care Energy, Water and Materials

METRIC	2017	2018	2019	2020	2021
Energy consumption (kBtu/square foot)	192.0	201.5	201.1	198.2	193.2
Water/wastewater consumption (million kgal)	1.09	1.10	1.39	1.07	1.21
Regulated medical waste generated (lbs.)			1,574,040	1,557,109	1,667,154
Solid waste generated (lbs.)			17,716,488	16,598,408	17,558,646

^{*}Began disclosing waste generated in 2019.

Employees

Health and Safety

METRIC	2017	2018	2019	2020	2021
OSHA lost time rate (vs. national average*)	3.7 (5.7)	4.1 (5.6)	4.0 (5.5)	4.2 (7.6)	3.7*
OSHA lost time rate (vs. national average)	0.9 (1.3)	1.2 (1.3)	1.2 (1.3)	1.7 (3.7)	1.3*
OSHA restricted work rate	0.5	0.5	0.6 (0.9)	0.5 (0.9)	0.4*

^{*}OSHA is the Occupational Safety and Health Administration. National averages will be available in November 2022.

Diversity

Generations	2017	2018	2019	2020	2021
The Silent Generation (1928-1945)	0.50%	0.45%	0.34%	0.30%	0.20%
Baby Boomers (1946-1964)	24.00%	22.67%	21.01%	20.70%	16.74%
Gen X (1965-1981)	40.00%	39.01%	39.25%	39.20%	38.13%
Millennials (1982-1996)	35.48%	37.47%	38.57%	38.80%	41.50%
Gen Z (1997-2012)	0.17%	0.40%	0.83%	0.90%	3.43%
Age, gender and ethnicity					
Men	21.3%	21.3%	21.5%	21.9%	21.6%
Women	78.7%	78.7%	78.5%	78.1%	78.4%
Age <-30	16.4%	15.8%	14.3%	14.6%	14.7%
Age 30-49	52.5%	52.7%	52.9%	53.2%	53.0%
Age 50+	31.1%	31.5%	32.7%	32.2%	32.3%
Ethnic minorities	42.4%	43.5%	45.4%	45.8%	47.9%
Senior leadership (directors and abo	ve)				
Males	40.40%	42.00%	41.40%	40.80%	38.90%
Females	59.60%	58.00%	58.60%	59.20%	61.10%
Ethnic minorities	15.80%	18.20%	18.10%	18.90%	21.10%
Board of trustees					
Men	83%	81%	80%	81%	71%
Women	17%	19%	20%	19%	29%
Ethnic minorities	11%	19%	20%	31%	38%



Contributors

Texas Health Resources' (Texas Health) 2021 Social Purpose Report provides a high-level overview of our environmental, social and governance impacts, as well as key issues of interest to our stakeholders.

Special thanks to the following Texas Health departments and internal teams for contributing to the scope, direction, and development of this report:

- Brand Experience
- Community Affairs
- Community Health Improvement
- Environment of Care& Emergency Management
- Environmental Services
- Faith & Spirituality Integration
- Governance Services
- Government Affairs & Advocacy
- Information Services
- Information Systems& Application Management
- Integrated Experience
- Legal Services
- North Texas Healthy Communities
- Performance Improvement
- Quality & Patient Safety
- Quality Outcomes
- Real Estate Engineering
- Strategy & Planning
- Supply Chain Management
- System Engineering
- Texas Health Physicians Group
- Texas Health Resources Foundation
- Texas Health Resources University

Learn More

To access our full report, please visit: TexasHealth.org/Responsibility

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