

FY25

Community Benefit Annual Report



Mission

Children's Mercy is a leading independent children's health organization dedicated to holistic care, translational research, breakthrough innovation, and educating the next generation of caregivers.

Vision

Together, we transform the health, wellbeing and potential of children with unwavering compassion for those most vulnerable.

Values



Inclusion

Respect for our differences, with celebration of our uniqueness



Team

Stronger together, with a commitment to one Children's Mercy



Curiosity

Quest for knowledge, with a passion to find answers



Kindness

Love and compassion, with empathy



Integrity

Honesty, with accountability and transparency

A note from our president and CEO

Dr. Alejandro Quiroga

Dear Friends and Colleagues,

At Children's Mercy, our mission remains steadfast: every child deserves the chance to live a healthy, fulfilling life. This belief drives how we care for patients and families, how we advance research and discovery, and how we invest in the health of our community. Our work extends far beyond the walls of the hospital, reaching children and teens across the Kansas City region and beyond.

As I join our more than 9,000 team members in living out this mission each day, we continue to partner, act, and invest in ways that:

- Improve health and access to services.
- Advance medical knowledge.
- Relieve or reduce barriers for families.

This year's Community Benefit Report reflects a remarkable expansion of our impact. In Fiscal Year 2025, Children's Mercy invested \$352,773,663 in community benefits, a 31.5% increase over the previous year. This includes significant growth in areas such as uncompensated care, health professions education, and the programs and partnerships that support children and families throughout our region.

Our hospital provided:

- **\$215,056,063** in uncompensated care (+38.0%).
- **\$56,253,328** in charity care at cost (+81.2%).
- **\$128,802,734** in unreimbursed Medicaid (+27.2%).
- **\$37,261,886** toward health professions education (+72.2%).
- **\$24,242,559** in research (+11.5%).
- **\$18,789,311** in community health programs and partnerships (+8.1%).

Behind every number is a child, a family, a school, or a community partner whose life has been touched by your commitment. Whether providing care without regard to ability to pay, training the next generation of pediatric specialists, or collaborating to address the root causes of health challenges, your work matters. It transforms opportunities and outcomes for tens of thousands of children each year.

While we are proud of the progress reflected in this report, our responsibility to the community continues. Building a healthier future requires us to stay curious, act with compassion, and work together across systems and sectors. The challenges are complex, but the potential for impact is extraordinary.

Thank you for your partnership, your passion, and your unwavering dedication to kids. Together, we can create a healthier, more hopeful future for every child in our region.

Here's to building that future side by side,

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Alejandro Quiroga, MD, MBA | President and CEO
Children's Mercy Kansas City





What is community benefit?

At Children's Mercy, our commitment to kids goes far beyond the care we provide inside the hospital. We invest in programs and activities that make a real difference in the health and well-being of children throughout our community. These efforts are what we call **community benefit**—and they're an important part of who we are.

So, what counts as a community benefit? A program or service must meet a community need and achieve at least one of these goals:

- **Improve access to health care.**
- **Enhance the health of the community.**
- **Advance medical or health knowledge.**
- **Reduce the burden on government or support other community efforts.**

Why does this matter? Community benefit is the foundation of a nonprofit hospital's tax-exempt status. The IRS recognizes these activities in categories such as:

- Uncompensated Care
 - » Charity Care at Cost
 - » Unreimbursed Medicaid
- Subsidized Health Services
- Health Professions Education
- Research
- Community Health Programs and Partnerships
 - » Community Health Improvement Services
 - » Partnerships, Services, Support
 - » Community Benefit Operations
- Community Building Activities

Every dollar and every effort we put into these programs reflects our vision that **together, we transform the health, wellbeing and potential of children, with unwavering compassion for those most vulnerable.**

Community benefit at Children's Mercy

In 2025, Children's Mercy showed just how much we care about the health and wellbeing of our community. Our incredible staff gave nearly **350,000 hours** of their time to support families and improve health, reaching more than **800,000 people** along the way.

In the previous 5 years, Children's Mercy has invested over **\$1.3 billion** in clinical services and community programs to make sure kids get the care they need, when they need it. This investment has touched more than **1 million individuals** and in the past five years, our staff has dedicated more than **1.4 million hours** to community benefit programs.

These numbers tell a powerful story — but at the heart of it all is our commitment to building a healthier, brighter future together. We believe every child deserves the chance to grow, thrive, and reach their fullest potential, and we're proud to stand alongside our community to make that happen.

Community Investment

FISCAL YEAR 2025

Categories of Community Benefit	FY25 Net Expense	% Change from FY24
Uncompensated Care	\$215,056,063	+38.0%
Charity Care at Cost	\$56,253,328	+81.2%
Unreimbursed Medicaid	\$128,802,734	+27.2%
Subsidized Health Services	\$56,441,297	+11.6%
Health Professions Education	\$37,261,886	+72.2%
Research	\$24,242,559	+11.5%
Community Health Programs and Partnerships	\$18,789,311	+8.1%
Community Health Improvement Services	\$14,034,008	+3.9%
Partnerships, Services, Support ³	\$1,127,341	-8%
Community Benefit Operations	\$3,627,962	+37.1%
Community-Building Activities ⁴	\$982,547	-17.3%
Total Community Investment	\$352,773,663	+31.5%

For more information about our work in the community see: <https://www.childrensmercy.org/in-the-community/community-benefit/>

¹ Fiscal Year 2025: July 1, 2024-June 30, 2025.

² Expenses rounded up.

³ This category per IRS guidelines is named Cash and In-Kind Donations.

⁴ Community-building activities are reported on an annual basis to the Internal Revenue Service separate from the other Community Benefit categories. For the purpose of this report, we incorporate community building in the total Community Benefit.

Easing the financial burden of health care costs on families

Uncompensated medical care: \$215,056,063

For more than 128 years, Children's Mercy has provided care without regard to a patient's or family's ability to pay. In Fiscal Year 2025, the total uncompensated medical care provided by Children's Mercy included:



103,755

individuals receiving free or discounted inpatient and outpatient care when the recipient could not afford services or lacked adequate health insurance coverage. Total value: **\$56,253,328**.



\$158,802,735

in unreimbursed cost, or shortfalls that occur when providers are reimbursed below the cost of providing services for Medicaid. The Medicaid program is extremely important to Children's Mercy as approximately 50% of our patient population is covered by Medicaid.

Children's Mercy provides financial counselors to assist families who cannot afford services or lack health insurance. Over 11,000 received enrollment assistance in Medicaid in Fiscal Year 2025. For more information about our Financial Assistance Policy, visit www.childrensmercy.org/financialcounseling

For more than 128 years, Children's Mercy has continued to treat every child who passes through its doors.



Program spotlight: financial assistance

Financial counselors: making care accessible for every child

Every child deserves access to high-quality medical care — and our Financial Counselor Team is here to make that possible. With compassion, expertise and a deep commitment to families, they help remove financial barriers so kids can get the care they need to grow, thrive and stay healthy.

Why financial assistance matters

Strengthening our mission

As an independent nonprofit children's hospital, our purpose is simple: serve every child in our community, especially those who need us most. Our financial assistance program provides resources and support for families who need care, regardless of their ability to pay.

Making care easier to access

For families without insurance — or with limited coverage—financial support can significantly reduce or even eliminate medical expenses. This means more children can receive routine care, avoid preventable emergency visits and stay healthier throughout their lives.

Building trust with families

When we help families manage medical bills, we're doing more than easing financial stress — we're showing them they're not alone. This strengthens our relationships with families, community partners and donors who believe in our mission.

How we support families

- Screening families for available payor programs that can help cover medical services and outpatient medications.
- Assisting with Kansas and Missouri Medicaid applications.
- Guiding families through the Children's Mercy Financial Assistance program.

In 2025, our Financial Assistance Team delivered critical support to over 11,000 families—clarifying insurance benefits, streamlining Medicaid applications and renewals, ensuring access to secondary or long-term coverage, and connecting families with direct financial assistance through Children's Mercy.





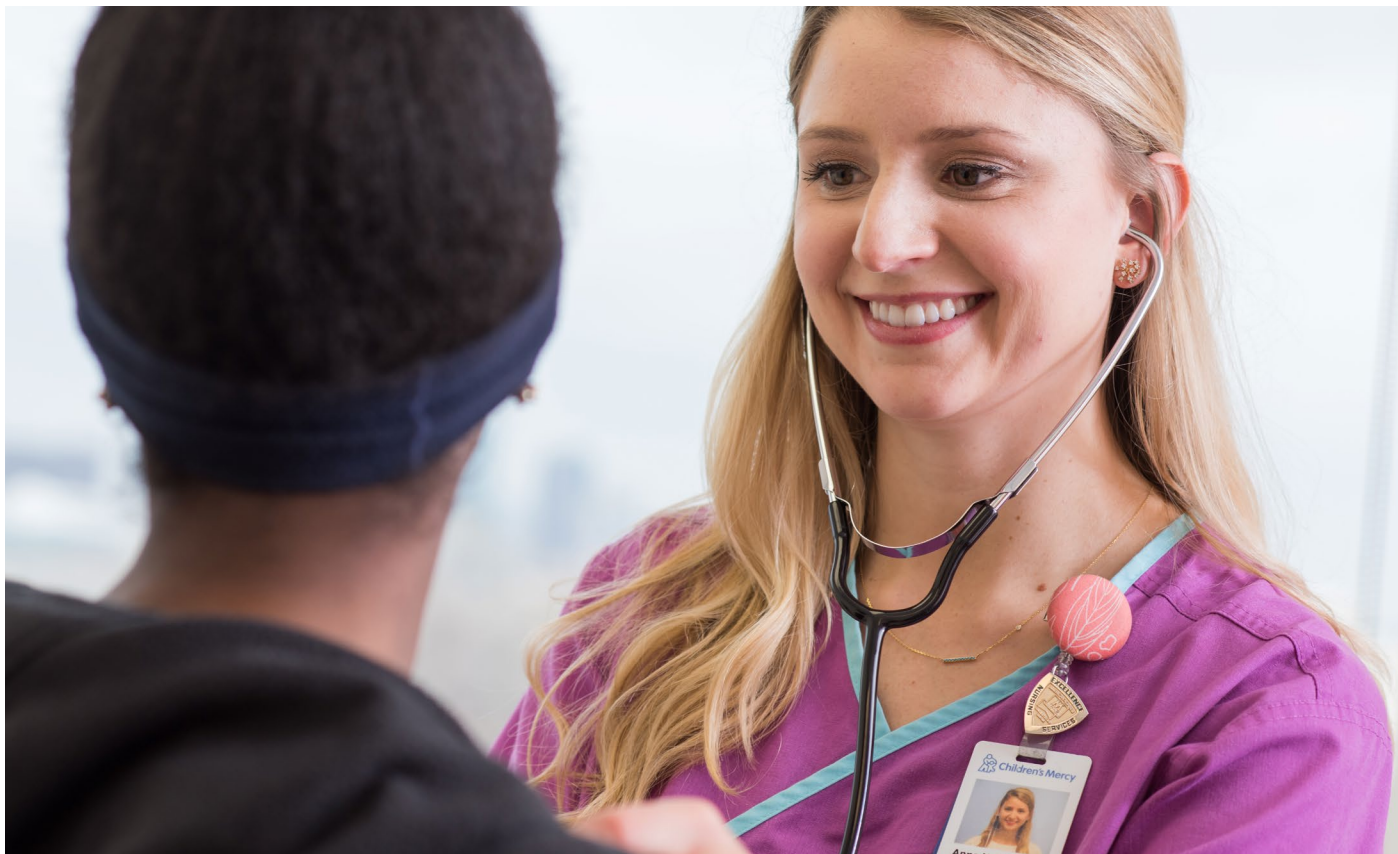
Meeting the health needs of the region's children

Subsidized health services: \$56,441,297

Children's Mercy takes a thoughtful, strategic approach in offering a set of clinical services that meet the needs of the region's children. Often, this means the services are provided at a financial loss. Programs and services that were included in this category in 2025 reached over 154,000 children across the region.

FY25 subsidized clinics, programs, and services

- Burn unit outpatient
- Child adversity and resilience
- Child and family mental health services
- Center for healthy lifestyles and nutrition
- Developmental and behavioral medicine
- Endocrinology
- Gastroenterology
- General pediatrics
- Hematology and oncology
- Neonatology follow-up clinics
- Rheumatology
- Sexual Assault Nurse Examiner (SANE) program



Educating the next generation of health care professionals

Health professions education: \$37,261,886

Training the next generation of pediatric health professionals increases access to care and enhances children's health outcomes. Supporting continuing education opportunities and training programs is essential to improving care for children across the community. Programs and activities included in health professions education are:

- Trainings and rotations for fellows, residents, and medical students.
- Pediatric advocacy and global health rotations.
- Nursing student clinical rotations.
- Allied health students in practicums, internships and clinical rotations.
- Continuing education events and consultation services for practicing health professionals.

Highlights:

- 61 advanced practice nursing students participated in clinical rotations.
- 439 allied health students participated in practicums, internships or rotations.
- 53 clinical fellows trained in 20 subspecialties.
- 174 residents enrolled in pediatric residency program.



A research center for children

\$24,242,559

Children's Mercy believes breakthroughs happen when the walls between research and medicine are eliminated, allowing researchers and physicians to work side by side. The Children's Mercy Research Institute (CMRI) integrates research and clinical care with multidisciplinary teams at the point of care while bringing together nationally recognized expertise in genomic medicine, precision therapeutics, population health and health care innovation.

As a result, we accelerate the development of groundbreaking individualized therapies and treatments that transform the potential of all children, one child at a time.

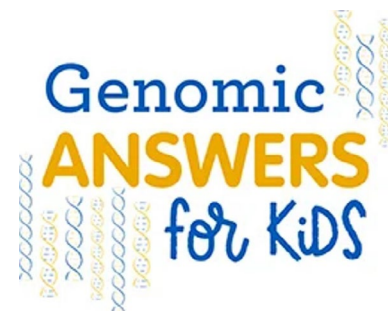
For more information on the Children's Mercy Research Institute, please visit www.childrensmercy.org/research.

Commitment to community engaged research

We are committed to designing and implementing research studies that are responsive to the priorities of the communities we serve. We are committed to partnering with patients, families and community members to ensure transparency in research activities from study inception to dissemination. We do this by supporting engagement of diverse patients, families and communities in the design, implementation and dissemination of research through the CMRI Patient, Family and Community Advisory Board.



Program spotlight: Genomic Answers for Kids



The Children's Mercy Research Institute has undertaken a research initiative to build a first-of-its-kind pediatric data repository to facilitate the search for answers and novel treatments for pediatric genetic conditions. Our goal is to collect genomic health data and health information for 30,000 children and their families and create a database of nearly 100,000 genomes.

We are working with other institutions and providers to find answers and treatments for children with pediatric genetic conditions.

Why it's important

Thousands of genetic diseases that affect children remain undiscovered and untreatable. Children's Mercy is in the unique position of having the technology, scientists and physicians — as well as patient volume and diversity — to address this challenge.

Studying the genetics of thousands of children will help us make rapid progress against these unknown diseases and lead the way for future children and families in need. Genomic Answers for Kids is a rich resource for researchers studying genetic conditions, leading to answers and new treatments for children.

7,691 families enrolled	17,613 individuals enrolled	32,005 genomic analyses	1,441,452 gigabases sequenced*	2,325 diagnoses from study
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For more information on the Children's Mercy Genomic Answers for Kids, please scan the QR code or visit cmkc.link/GenomicA4K



**Our genetic material, or DNA, is made of a string of bases. When we sequence DNA we read these bases. Each gigabase sequenced is 1 billion bases read.*



Commitment to community health programs and partnerships

\$18,789,311

Building healthier communities for kids

At Children's Mercy, we're dedicated to improving the health and wellbeing of children across our community. Through innovative programs and strong partnerships, we work to address the root causes of health challenges and provide education, outreach and prevention services that make a lasting impact.

We also collaborate with local organizations by investing in their programs and serving on community boards. These partnerships help us extend our reach and create healthier futures for kids and families.

Our impact in fiscal year 2025

81,760

individuals
received support
through our Health
Information Line

2,000+

car seats
distributed
through our Car
Seat Program

234

families received
consultations to
reduce environmental
health risks at home

912

individuals trained in
life-saving CPR

5,000+

student athletes supported with
Athletic Training services across
29 schools

Program & initiative spotlight: athletic training

Our athletic trainers are **certified, licensed health care professionals** dedicated to safeguarding the health and wellbeing of student athletes. Their role goes far beyond treating injuries — they are integral partners in creating safer sports environments and promoting lifelong wellness.

What our athletic trainers do:

- **On-Site Safety:** Presence at practices, games and tournaments ensures immediate response to emergencies, reducing risk and improving outcomes.
- **Injury Management:** Expertise in evaluation, treatment and rehabilitation of both acute and chronic injuries.
- **Concussion Care:** Comprehensive concussion protocols, including baseline and post-injury testing, to protect brain health.
- **Return-to-Play Guidance:** Evidence-based recommendations to help athletes recover safely and return to competition.
- **Education & Outreach:** CPR/AED training, emergency action plan development, and injury prevention strategies for coaches, parents and athletes.
- **Community Partnerships:** Collaboration with schools and sports organizations to enhance safety and performance.

Why it matters

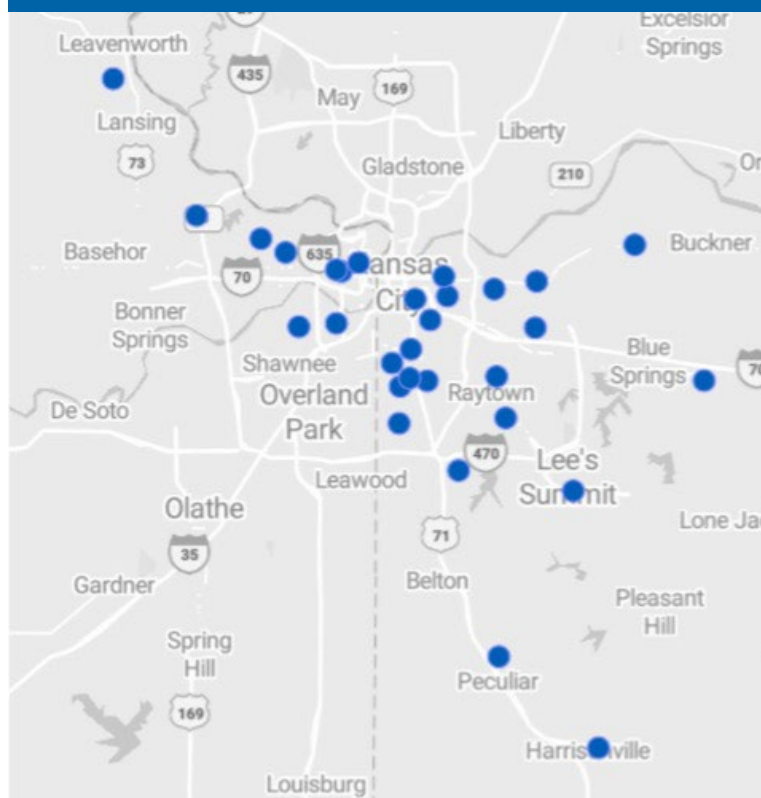
Having a certified athletic trainer on site means **faster emergency response, better injury outcomes and safer sports participation**. This commitment reflects our mission to improve health and access for every child in our community.

Impact across our region:

Our athletic trainers deliver safe, high-quality care for thousands of young athletes at 29 high schools throughout the Kansas City metro area.

Beyond schools: Our trainers also support major community events, including:

- Kansas City Sports Commission/ WIN for KC summer camps.
- National Association of Intercollegiate Athletics Division I Men's National Championship at Municipal Auditorium.



Addressing the root causes of health problems

\$982,547

Children's Mercy participates in a variety of community-building activities that address the root causes of health problems such as poverty, homelessness, environmental hazards and employment. These activities include programs and/or resources intended to make physical improvements to the environment, provide community support, advocate for community health improvements and address community-wide workforce issues through numerous workforce development outreach initiatives. In Fiscal Year 2025:

3,000+

staff hours spent in partnership on the KC Physical Activity Plan

510

aspiring scientists and trainees supported for research advancement

\$16,000+

invested in the maintenance and improvement of the Children's Mercy Community Garden



340B Drug Pricing Program Summary

We offset health care costs for vulnerable populations by using savings from the 340B Drug Pricing Program, administered by the Health Resources and Services Administration. During this year, we received an estimated \$103,236,149 of savings due to participation in the 340B program.

For more information about our work in the community, visit:
childrensmercy.org/in-the-community



2025 community health needs assessment & implementation strategy

The 2025 Community Health Needs Assessment (CHNA) looks at the health of kids and teens in the Kansas City area. It shows where health needs are not being met, what strengths and resources our community has, and what is most important for families and young people. It also looks at factors that affect health, like housing and access to food. Children's Mercy uses what we learn from the CHNA to make plans and programs that help kids stay healthy.

In 2025, we finished both our latest CHNA and Community Health Implementation Strategy (CHIS). This plan responds to what we found in the CHNA and focuses on ways to improve health for children and families in our community over the next three years.

View our latest **CHNA** and **CHIS** by scanning the QR codes.

CHNA



CHIS



*A special thank you to all
who share our passion for
creating a world of wellbeing
for all children.*



Children's Mercy

For more information about our work in
the community, visit:

childrensmercy.org/in-the-community

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