

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY

July 31, 2021

Phoebe Putney Health System, Inc. (Corporation) is a not-for-profit health care organization that was formed to serve as the parent organization of a group of affiliated entities and as such, its primary purpose is to plan, coordinate, and direct the group and to provide centralized administrative and management services to the exempt entities in the group. The Corporation is recognized as exempt under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity under Section 509(a)(3) of the Internal Revenue Code. Currently, the affiliated entities comprising the group include: Phoebe Putney Memorial Hospital, Inc. (PPMH), Phoebe Foundation, Inc. (Foundation), Phoebe Putney Health Ventures, Inc. (Health Ventures), Phoebe Physician Group, Inc. (PPG), Phoebe Putney Indemnity, Ltd., Phoebe Sumter Medical Center, Inc. (PSMC) and Phoebe Worth Medical Center, Inc. (PWMC).

As a tax exempt organization, the Corporation has no stockholders or owners. All revenue after expenses is reinvested in our mission to care for the citizens of the communities served by the Corporation and its affiliated entities and includes clinical care, health programs, state-of-the-art technology and facilities, research and teaching and training of medical professionals to meet current and future needs.

Phoebe Putney Health System, Inc. operates as a charitable organization consistent with the requirements of Internal Revenue Code Section 501(c)(3) and the “community benefit standard” of IRS Revenue Ruling 69-545. The Corporation takes seriously its responsibility as the community’s safety net hospital and has a strong record of meeting and exceeding the charitable care and the organizational and operational standards required for federal tax-exempt status. The Corporation demonstrates a continued and expanding commitment to meeting our mission by providing community benefits. A community benefit is a planned, managed, organized, and measured approach to meeting identified community health needs, requiring a partnership between the healthcare organization and the community to benefit residents through programs and services that improve health status and quality of life.

Through its affiliated group of hospitals, the Corporation improves the health and well-being of Southwest Georgia through clinical services, education, research and partnerships that build health capacity in the community. Each hospital provides community benefits for every citizen in its service area as well as for the medically underserved. The hospitals conduct community needs assessments and pay close attention to the needs of low income and other vulnerable persons and the community at large. The Corporation often works with community groups to identify needs, strengthen existing community programs and plan newly needed services. In addition to providing free and discounted services to people who are uninsured and underinsured, the Corporation provides a wide-ranging array of community benefit services designed to improve community and individual health and to increase access to health care. The Corporation’s excellence in community benefit programs was recognized by the prestigious Foster McGaw Prize awarded to the hospital in 2003 for its broad-based outreach in building collaboratives that make measurable improvements in health status, expand access to care and build community capacity, so that patients receive care closest to their own neighborhoods. Drawing on a dynamic and flexible structure, the community benefit programs are designed to respond to assessed needs and are focused on upstream prevention.

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
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As Southwest Georgia's leading provider of cost-effective, patient-centered health care, the Corporation's affiliated hospitals participate in the Medicare and Medicaid programs and are among the leading providers of Medicaid services in Georgia.

The following table summarizes the amounts of charges foregone (i.e., contractual adjustments) and estimates the losses (computed by applying a total cost factor to charges foregone) incurred by the organizations due to inadequate payments by these programs and for indigent/charity. This table does not include discounts offered by the organizations under managed care and other agreements:

	<u>Charges Foregone</u>	<u>Estimated Unreimbursed Cost</u>
Medicare	\$ 907,000,000	\$ 306,000,000
Medicaid	341,000,000	115,000,000
Indigent/charity	<u>115,000,000</u>	<u>39,000,000</u>
	<u>\$ 1,363,000,000</u>	<u>\$ 460,000,000</u>

The following is a summary of the community benefit activities and health improvement services offered by the hospitals and illustrates the activities and donations during fiscal year 2021.

I. Community Health Improvement Services

A. Community Health Education

The Corporation's affiliated hospitals provided health education services that reached 2,266 individuals in 2021 at a cost of \$255,734. These services included the following free classes and seminars:

- Teen Pregnancy Prevention Education
- Teen Parenting Classes (Network of Trust)
- CPR Training to Teachers
- Safe-Sitter Classes
- Asthma & Epi-Pen Education
- Health Education at Summer Camps
- Breast Cancer Prevention Education
- Shop Talk discussions related to Prostate Cancer and Diabetes
- COVID-19 Updates to the Community and Media

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
July 31, 2021

I. Community Health Improvement Services, Continued

A. Community Health Education, Continued

Men's and Women's Health Conferences

The PPMH's Men's and Women's Conferences attracted a total of 532 participants. In June, the Men's Conference attracted 207 participants. It was an in-person event and the topic was "Shop-talk." The event was staged as a barber shop with topics on prostate health and prevention, healthy eating and being physically active. The leaders of the topic areas were Dr. McGill, Dr. Richardson and Dr. Rivers. The event also gave COVID vaccinations. Due to COVID constraints, the Women's Conference was a drive-by virtual event (with 325 participants). This year's theme was breast cancer awareness and healthy eating. Each vehicle received health information and a free basket of fresh vegetables. The total cost of Health Fairs was \$21,031.

In Americus at PSMC, Health Fairs were cancelled due to COVID 19 concerns. However, PSMC did host a Back to School Mini Health Fair with 100 participants.

Network of Trust

This is a nationally recognized program aimed at teen mothers to provide parenting skills, attempt to reduce repeat pregnancies, and complete high school. This program also includes a teen father program along with other teenaged children programs. Internal evaluations show teens participating in the program are less likely to repeat a pregnancy prior to graduation. Network of Trust enrolled 35 teen parents (with zero repeat pregnancies) during the 2020/2021 school year at a cost of \$234,703. Projected results demonstrate teens that graduated from the two-semester program are less likely to have a second pregnancy prior to age 21. Thirteen Network of Trust seniors graduated in 2021. In addition, Network of Trust and the school nurse program provided teen pregnancy prevention programming, asthma and ep-pen education and conducted health education at summer camps.

B. Community Based Clinical Services

Flu Shots

The Corporation provides free flu shots to volunteers and students, and homeless shelters. In 2021, the Corporation administered 150 flu shots at an unreimbursed cost of \$2,880.

Mammography

PPMH provided 183 mammograms to the uninsured in 2021 at a cost of \$25,620.

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
July 31, 2021

I. **Community Health Improvement Services, Continued**

B. Community Based Clinical Services, Continued

School Nurse Program

PPMH places nurses in sixteen elementary schools, six middle schools, and four high schools in Dougherty County with a goal of creating access to care for students and staff, assessing the health care status of each population represented, and effectively establishing referrals for all health care needs. Nurses conducted CPR training, Safe Sitter classes, Teen Pregnancy Prevention Education, Asthma and Epi-pen Education and Health Education Summer Camps. During the 2020/2021 school year, the school nurse program covered approximately 5,736 student lives. This program operated at a cost of \$327,248 in 2021.

C. Health Care Support Services

Although the Corporation anticipates reimbursement from various funding sources in FY2022, the Corporation wanted to highlight these life-saving benefits to the community.

Monoclonal Antibody Treatment

The Corporation provided 414 monoclonal antibody treatments to patients with COVID-19. Monoclonal anti-body treatment is authorized to treat COVID-19 early in the course of illness, within ten days of symptom onset, in outpatient settings, and have been shown to reduce the risk of hospitalization by upwards to 70%. Additionally, monoclonal antibodies can be administered proactively after a potential exposure (source: PhRMA).

COVID-19 Vaccinations

The Corporation was the first mass vaccination location established in Southwest Georgia. Upon receipts of vaccine from the state in December, the Corporation began dispensing to employees, healthcare workers and local first responders within 18 hours of receipt. The Corporation administered approximately 49,000 doses of the COVID-19 vaccine to Southwest Georgia Residents (excluding employees) during FY21 across multiple sites. In order to administer these vaccines, 582 employees across the Corporation worked a total of 38,707 hours. Employees were directing parking, helping elderly out of their cars, helping to check in the community members, clinical staff administered the vaccine, and employees were assigned to monitor the community members after they received the vaccine. In addition, a call center was set up to assist with answering questions and scheduling the vaccinations. The vaccination clinics were open for five months.

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
July 31, 2021

I. **Community Health Improvement Services, Continued**

C. Health Care Support Services, Continued

COVID-19 Vaccinations, Continued

The breakdown by facility of the number of doses given is as follows:

- PPMH 33,971*
- PSMC 10,994
- PWMC 4,053

Mobile Units

In fiscal year 2021 the Corporation purchased two 36-foot mobile healthcare units for \$946,869, funded through generous donations from Phoebe Foundation. These mobile units are dedicated to improving the health of our region's vulnerable residents in medically underserved communities throughout Southwest Georgia. Each unit is equipped with two examination rooms, equipped with comprehensive primary, specialty and occupational healthcare facilities. These exam rooms can accommodate full physical examinations, specimen collections, clinical vital readings, hearing examinations and respiratory testing. Each unit is equipped with Telehealth presentation site capabilities, which allow for a variety of subspecialty providers to evaluate and assess patients within the mobile unit. In addition, each unit is equipped with a wireless connectivity cradle point, allowing for real time medical documentation. Both units are self-sustainable, requiring no external electrical or water hook ups.

The mobile units are designed to provide in-person primary care, virtual specialty care, and health & wellness resources in regular rotation across southwest Georgia, many of whom lack the resources to travel to service deliverable sites. Such access enhancements connect patients with medical professionals before an emergency room visit or hospitalization becomes necessary. Through low cost /no cost treatment, education, and referral to additional resources, the mobile clinics are able to keep potentially serious health conditions in check, helping targeted patient populations take control of their health in ways they'd never be able to otherwise.

The mobile units were deployed in March 2021 and have been dedicated to providing access to the COVID-19 vaccine. From March 2021 – June 2021, the units travelled to 14 Southwest Georgia counties and held 66 Vaccination events, giving out 1,585 doses, (*this amount is included in the COVID-19 Vaccinations totals listed above under PPMH).

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
July 31, 2021

I. Community Health Improvement Services, Continued

C. Health Care Support Services, Continued

Government Sponsored Eligibility Applications to the Poor and Needy

The Corporation contracts for eligibility on behalf of the poor and needy that may be eligible for Medicaid. In some cases, it can take up to two years to be deemed eligible. In 2021 the Corporation paid \$917,059 to process these applications with 884 receiving Medicaid benefits.

Financial Assistance Policy (FAP)

PPHS Hospital Facilities will extend free or discounted care to eligible individuals for all urgent, emergent, or otherwise medically necessary services. Patients whose household income is at or below 125% of the Federal Poverty Guidelines are eligible for free care. Patients whose household income is between 126% and 400% of the Federal Poverty Guidelines qualify for discounted charges based on a sliding fee schedule in the FAP. Phoebe will not charge eligible individuals more for emergency or other medically necessary care than the Amount Generally Billed (AGB) to individuals who have insurance coverage, and is compliant with the requirements for a not-for-profit charitable corporation in accordance with Internal Revenue Service Regulation §1.501(r).

II. Health Professions Education

The Corporation recognizes that to continuously improve the Corporation's long-term value to our community and our customers, to encourage life-long learning among employees and to achieve a world-class employer status, it is in the organization's best interest to provide opportunities that will assist eligible employees in pursuing formal, healthcare related educational opportunities. PPHS also provides non-employees financial support in pursuing healthcare related degrees. In fiscal year 2021, 812 students received clinical instruction from the Corporation's facilities at a total cost of \$2,676,344.

Nursing Students

In fiscal year 2021, PPHS provided \$1,464,380 in clinical supervision and training to 532 nursing students. This year, the nursing clinical team added three full time employees for Academic Clinic Instructors to assist college nursing program supervisors and provided Simulation Lab instruction to all the nursing students.

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
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II. Health Professions Education, Continued

Simulation & Innovation Center

PPMH's technologically advanced Simulation & Innovation Center is the leading provider of nurse training and development in Southwest Georgia. The Simulation & Innovation Center features a state-of-the-art skills lab and simulators for Labor & Delivery, NICU, Pediatrics, Med-Surg, Surgery, Trauma and Critical Care. Students participate in full patient codes on life-like mannequins that respond to a variety of conditions. What nurses experience in the Simulation & Innovation Center will mirror what one would experience on the floor.

Clinical Preceptorship Program

The Corporation is excited to offer nursing students the opportunity to gain professional growth and enhanced clinical hands-on skills through a competitive preceptorship program during their final semester of college. Students are paired with a Phoebe RN to complete a one-on-one clinical learning experience on an inpatient floor or unit.

Other Health Professional Education

The Corporation provided an additional \$1,211,964 in clinical supervision and training to pharmacy, pharmacy techs, and other allied health professionals.

III. Subsidized Health Services

A. *Other Subsidized Services*

Inmate Care

The Corporation provides care to persons in jail for Dougherty County. In 2021 the Corporation provided \$256,651 of unreimbursed medical and drug treatment to 200 inmates.

Indigent Drug Pharmacy

Indigent Drug Pharmacy provides medication upon discharge to patients that are either indigent or uninsured. In 2021, the pharmacy filled 4,012 prescriptions at a cost of \$143,720.

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IV. Financial and In-Kind Support

In 2021, the Corporation provided \$575,801 in cash donations and in-kind support to non-profit organizations in Southwest Georgia. Listed are some highlights:

- PWMC gave \$45,619 to the Worth County Health Department for chronic disease management.
- PPMH and PWMC contributed \$102,254 in Forgone Rent to local non-profits.
- PPMH Gave \$146,252 to Horizons Community Solutions to support cancer screenings
- PPMH Flint River Fresh received a donation of \$12,500 to address food scarcity.
- Phoebe Sumter paid for the Community Garden and other initiatives of Healthy Sumter to include advertising, consulting fees and the monthly fees for the Wellable app. The cost was \$239,826.

V. Community Building Activities

A. Economic Development

The Corporation supports the Economic Development Commission of Dougherty County with funding to support improved employment and health coverage as a way to improve the overall health of the residents of the region.

B. Workforce Development

To address a long-standing nursing shortage, PPHS reached agreements with four institutions of higher learning to support the institutions nursing infrastructure with a total investment of \$981,596. Through various investments with our academic partners, PPHS has enabled the nursing programs to increase student enrollment by providing funding for full and/or part-time faculty for each of the nursing programs, as well as for three full-time clinical faculty whom are located in the Simulation & Innovation Center. These four institutions are Fort Valley State University in Fort Valley, Albany State University and Albany Technical College in Albany and Georgia Southwestern State University in Americus.

Leadership Academy hosted by Colony Bank

PPMH hosted 32 area high school seniors; Simulation & Innovation Center staff provided a simulation scenario, engaged students in activities such as PPE relay, and participated in a Panel Discussion.

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
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V. Community Building Activities, Continued

C. Workforce Development, Continued

Work Based Learning for High School Seniors

In cooperation with Lee County High School, PPMH hosted 11 High School Seniors to participate in an educational option that prepares high school students for the world of work through a combination of academic and workplace learning. It is based on the belief that our youth must be better prepared for the future if they are to be successful in a competitive, global economy. This lasted the entire school year and the students interned for a range from 6-15 hours at PPMH each week. The students had to complete an application packet, have a minimum GPA, and have letters of recommendation.

VI. Community Benefit Operations

The Corporation incurred \$207,002 in dedicated staff to operate the community benefit programs. The Corporation also provided \$36,150 in data management and community dashboard that displays over 180 community health indicators on our website:

<http://www.phoebehealth.com/health-matters/building-healthy-communities>

Summary

	<u>2021</u>
Community Health Improvement Services:	
Community Health Education	\$ 255,734
Community Based Clinical Services	355,748
Healthcare Support Services	<u>917,059</u>
Total community health improvement services	<u>1,528,541</u>
Health Professions Education:	
Nurses/nursing students	1,464,380
Other health professional education	<u>1,211,964</u>
Total health professional education	<u>2,676,344</u>
Subsidized Health Services:	
Other subsidized health services	<u>400,371</u>
Total subsidized health services	<u>400,371</u>

PHOEBE PUTNEY HEALTH SYSTEM, INC.

SERVICE TO THE COMMUNITY, Continued
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VI. Community Benefit Operations, Continued

Summary, Continued

Financial and In-Kind Support:

Cash donations	\$ 473,547
In-kind donations	<u>102,254</u>

Total financial and in-kind support	<u>575,801</u>
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Community Benefit Operations:

Workforce development	981,596
Dedicated staff and other resources	<u>243,152</u>

Total community benefit operations	<u>1,224,748</u>
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Other:

Traditional charity care - estimated unreimbursed cost of charity services	39,000,000
Unpaid cost of Medicare services - estimated unreimbursed cost of Medicare services	306,000,000
Unpaid cost of Medicaid services - estimated unreimbursed cost of Medicaid services	<u>115,000,000</u>

Total other	<u>460,000,000</u>
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Total summary	\$ <u>466,405,805</u>
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This report has been prepared in accordance with the community benefit reporting guidelines established by Catholic Health Association (CHA) and VHA. The Internal Revenue Services' requirements for reporting community benefits are different than the guidelines under which this report has been prepared.

