

PHOEBE SUMTER MEDICAL CENTER, INC.

SERVICE TO THE COMMUNITY

July 31, 2022

Phoebe Sumter Medical Center, Inc. (PSMC), formerly Sumter Regional Hospital, is a not-for-profit health care organization that exists to serve the community. PSMC opened in 1953 to serve the community by caring for the sick regardless of their ability to pay. As a not-for-profit hospital, PSMC has no stockholders or owners. All revenue after expenses is reinvested in the mission to care for the citizens of the community – into clinical care, health programs, state-of-the-art technology and facilities, research, and teaching and training of medical professionals now and for the future.

PSMC 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. PSMC 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. PSMC demonstrates a continued and expanding commitment to meeting its mission and serving the citizens 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.

PSMC improves the health and well being of Southwest Georgia through clinical services, education, research, and partnerships that build health capacity in the community. PSMC provides community benefits for all citizens, as well as for the medically underserved. PSMC conducts community needs assessments and pays close attention to the needs of low income and other vulnerable persons and the community at large. PSMC often works with community groups to identify needs, strengthen existing community programs, and plan newly needed services. It provides a wide-ranging array of community benefit services designed to improve community health and the health of individuals and to increase access to health care, in addition to providing free and discounted services to people who are uninsured and underinsured. Drawing on a dynamic and flexible structure, the community benefit programs are designed to respond to assessed needs and are focused on upstream prevention.

PSMC participates in the Medicare and Medicaid programs and is one of 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 PSMC due to inadequate payments by these programs and for indigent/charity services. This table does not include discounts offered by PSMC under managed care and other agreements:

	<u>Charges Foregone</u>	<u>Estimated Unreimbursed Cost</u>
Medicare	\$ 122,000,000	\$ 38,000,000
Medicaid	49,000,000	15,000,000
Indigent/Charity	<u>16,000,000</u>	<u>5,000,000</u>
	<u>\$ 187,000,000</u>	<u>\$ 58,000,000</u>

See independent auditor’s report on supplemental information.

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SERVICE TO THE COMMUNITY, Continued
July 31, 2022

The following is a summary of the community benefit activities and health improvement services offered by PSMC and illustrates the activities and donations during fiscal year 2022.

I. Community Health Improvement Services

PSMC provided in-person pediatric and men's health fairs. With 125 participants, the men's health fair provided free prostate, blood pressure, glucose and cholesterol screenings, and COVID vaccinations. The children's health fair attracted 225 participants, and provided weight, BMI, and blood pressure readings in addition to free COVID vaccines. Fun was had with games played, a healthy lunch, and the participants were provided fruit and vegetable boxes as well as back-to-school supplies. The total cost to the organization for these events was \$9,095.

During 2021/2022, PSMC had a number of community events. The Phoebe Mobile Units were on site to distribute infusion therapy to COVID-19 patients who qualified. The mobile unit also administered COVID-19 vaccinations at Friendship Missionary Baptist Church, Magnolia Manor, Cripple Creek Apartments, Citizens Banks and Allen Chapel AME in Americus.

Mental health first aid training was offered to members of the community via Zoom, and athletes from Georgia Southwestern State University did volunteer work at the Healthy Sumter Community Garden at Brookdale Park.

The Healthy Sumter initiative also distributed hundreds of food boxes to citizens throughout Americus and Sumter County. In addition, PSMC participated in the groundbreaking ceremony for the new Colored Hospital Museum. In conjunction with the Healthy Sumter initiative, PSMC plans to offer a number of services at the Museum, including a community garden.

The Wellable App is an opportunity for local community members to track their physical activities as well as learn about and engage in behaviors associated with a new holistic wellness topic each month. Participants also have the opportunity to earn points that can be redeemed for Healthy Sumter swag such as water bottles, tumblers and t-shirts.

In May 2022, PSMC participated in the Sumter County Commissioners Health & Wellness Fair. In June 2022, PSMC participated in the Sumter County Health Fair, which was held at Sumter County Primary and was open to the entire community.

The total cost of these projects for FY2022 was \$129,157.

II. Health Professions Education

In fiscal year 2022, PSMC provided an estimated \$47,040 in clinical supervision and training to 26 nursing students. PSMC also provided an additional \$6,936 in clinical supervision and training to other allied health professionals providing clinical opportunities for 12 students.

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III. Community Building Activities

Workforce Development

To address long-standing nursing and medical occupational shortages, PSMC spent \$207,168 in developing and expanding enrollment in nursing and other medical occupational programs in 2022. This funding was provided to the 4C Academy, Albany Technical College, South Georgia Technical College, and Georgia Southwestern State University.

IV. Health Care Support Services

PSMC 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 200% of the Federal Poverty Guidelines are eligible for free care. Patients whose household income is between 201% and 400% of the Federal Poverty Guidelines qualify for discounted charges based on a sliding fee schedule in the FAP. PSMC 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).

V. Community Benefit Operations

PSMC incurred \$34,375 in support staff costs to support its community benefit efforts.

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