

PHOEBE WORTH MEDICAL CENTER, INC.

SERVICE TO THE COMMUNITY

July 31, 2018

Phoebe Worth Medical Center (Hospital) is a not-for-profit health care organization that exists to serve the community. The Hospital has no stockholders or owners, and is part of the not-for-profit Phoebe Putney Health System, Inc. After operating expenses are covered, any remaining revenues are reinvested in the operation of the Hospital in order to enhance our ability to carry out our local mission of taking care of our communities' citizens.

The Hospital participates in the Medicare and Medicaid programs which cover many Georgian's health care needs, and by so doing, foregoes some charges and has unreimbursed expenses. The Hospital also offers Financial Assistance to individuals unable to pay for their healthcare services. The Hospital 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. The Hospital will not charge eligible individuals more for emergency or other medically necessary care than the Amount Generally Billed 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). The following table summarizes the amounts of charges forgone (i.e., contractual adjustments) and estimates the losses (computed by applying a total cost factor to charges forgone) incurred by the Hospital due to inadequate payments by these programs and for indigent/charity services. The Hospital also operates a Rural Health Clinic (RHC) which also foregoes some charges and has costs not reimbursed through patients qualifying for these same indigent and charity programs. The amounts listed below are all inclusive of both Hospital and Clinic activities.

	<u>Charges Foregone</u>	<u>Estimated Unreimbursed Cost</u>
Medicare	\$ 9,000,000	\$ 3,000,000
Medicaid	5,000,000	2,000,000
Indigent/charity	<u>3,000,000</u>	<u>1,000,000</u>
Totals	\$ <u>17,000,000</u>	\$ <u>6,000,000</u>

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SERVICE TO THE COMMUNITY, Continued  
July 31, 2018

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The following is a summary of the community benefit activities and health improvement services offered by the Hospital and illustrates the activities and donations during fiscal year 2018.

**I. Community Health Improvement Services**

A. Community Health Education

Rural Health Clinic Open House

The Hospital's Rural Health Clinic hosted a community-wide open house where community members had the opportunity to receive free health screenings and flu shots, engage with our primary care providers, and tour our newly renovated clinic. The event was held September 2017. The Hospital incurred expenses of \$5,000 for this event.

Senior Center Health Fair

The Hospital provides time throughout the year to speak to Seniors about services offered at Phoebe Worth and various other health and wellness topics. We also offer medical screenings at these events. The Hospital incurred expenses of \$300 for these services.

Various Other Speaking Engagements and Health Fairs

The Hospital participated in various other community gatherings throughout the year. We participated in community events such as church gatherings, Health Fairs for County employees, New School System employee orientations, etc. At these events, we offer health screenings and/or speaking on various health and wellness topics. Expenses for these types of gatherings are nominal but serve an important role with community ties within Worth County.

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PHOEBE WORTH MEDICAL CENTER, INC.

SERVICE TO THE COMMUNITY, Continued

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**II. Financial and In-Kind Support**

The Hospital supports the Health Department through contributions towards their programs directed at educating, screening, treating, and assisting with the costs of supplies and medications for low income individuals battling high blood pressure and diabetes. The financial support enables the Health Department to operate its Stroke and Heart Attack Prevention (SHAPP) and Diabetes Program. The Hospital's contribution totaled \$45,619.

The Hospital participates in the Worth County disaster drill each year as the Community Emergency Responders host a Community-Wide Drive-Thru Flu Clinic. The Hospital assists with staffing the event that offers community members flu vaccinations. At the 2017 clinic, over 120 vaccinations were given. The Hospital incurred expenses of \$600 for the nurse staff involved in servicing the event.

The Hospital supports the local Sylvester/Worth County Cancer Coalition and the events they offer the community. During the Christmas season, the Hospital hosted the Coalition and community at a tree-lighting event where we offered snacks and hot chocolate. We coordinated a local speaker who provided his testimonial of his experience with Cancer and his story of survival. The Hospital has also provided staff and all food products and meal preparation for the annual Worth County Cancer Survivor Dinner. This event is inspiring for the community and the Hospital hosted community survivors with a wonderful meal to help celebrate each of their survivor stories. The Hospital incurred expenses of \$600 for the dinner.

The Hospital engages with the community in various other ways as well. We support the community by participating in local events ranging from the local law enforcement "Night Out Against Crime" to the annual community Peanut Festival. The Hospital acts as corporate sponsors to ensure the community can offer these types of events. The Hospital also provides staffing for the informational tents, which inform the community about the service offerings at the Hospital. The Hospital participates in local civic clubs and supports leadership in their roles on the local chamber boards and other community clubs.

See independent auditor's report on supplemental information.