Thank you for reviewing our Eighth Annual Community Benefit Report. As you know, hospitals’ main purpose is keeping individuals healthy, but they warrant appreciation for the many other services and support they provide such as health fairs, free screenings, in-kind donations and more. These activities are in addition to the reliable, 24/7 treatment they provide for the sick and injured.

While all Georgia hospitals provide community benefits, non-profit hospitals are required by law to provide such benefits and report them via the IRS Form 990 Schedule H. They are also required to conduct community health needs assessments (CHNAs) every three years and implement strategies to address those needs. CHNAs allow hospitals to pinpoint specific health disparities that need their attention most, guiding the focus of their community benefits to ensure the holistic well-being of their communities.

Using data from hospitals’ Schedule H forms, this report reveals the financial impact of the community benefits provided and contribution to their communities’ economic health. As shown in this report, in 2015,* all Georgia hospitals contributed an impressive $47.8 billion to the local and state economy. In many communities throughout the state, hospitals are among the largest employers and are a key component of the infrastructure necessary to attract business to those areas.

We hope that seeing the significant financial contribution that our hospitals provide in community benefit will remind patients, stakeholders and policymakers of their importance to their communities.

Thank you for your support of our hospitals and for partnering with us to enhance Georgia communities.

Earl Rogers
President and CEO
Georgia Hospital Association

*Most recent available data.
Indigent Care
Guided by governmental policy, indigent care is when the hospital subsidizes the cost of the bill and requires the patient to pay an amount based on income and a pre-established sliding scale. Patients must show proof of indigence based on state requirements.

Charity Care
Guided by hospital policy, charity care is when the hospital covers the entire cost of the bill. Patient financial needs are evaluated by the hospital and used to determine qualifications.

Bad Debt
Bad debt reflects care for which hospitals anticipate but do not receive payment, such as when a patient does not pay the bill and does not qualify for the hospital’s indigent or charity care programs.

Other Uncompensated Care
Most Georgia hospitals treat Medicaid patients, which accounted for 40 percent of patients treated in 2015, at a loss. Hospitals have a difficult time trying to recover losses from these underpayments, leading to diminished services and/or closures. Uncompensated care increased by $44.2 million in 2015.

All Georgia hospitals provide indigent and charity care to qualifying patients. Indigent care, charity care and bad debt decreased in 2015, which can likely be attributed to an improved economy and increase in jobs and health insurance.
Community Benefit was contributed by Georgia non-profit hospitals in community benefit in 2015.

$968 million

IRS-defined categories of community benefit represented in the graph do not include indigent and charity care and bad debt. (Most recent available data)

$465.4 M Health Professions Education 48.08%
$269.3 M Subsidized Health Services 27.82%
$129.1 M Research 13.34%
$82.8 M Community Health Improvement Services 8.56%
$16.2 M Cash and In-Kind Contributions 1.67%
$5.1 M Community Building Activities 0.53%

$968 million = $130 per resident that hospitals in this report serve.

*Community building activities are reported separately from community benefit and include physical improvements and housing; economic development; community support; environmental improvements; leadership development and training for community leaders; coalition building; community health improvement advocacy; workforce development; and other building activities that protect or improve the community’s health or safety.
## ECONOMIC IMPACT OF GEORGIA HOSPITALS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Direct Expenditure</td>
<td>$20,764,543,047</td>
</tr>
<tr>
<td>Hospital Payroll and Benefits</td>
<td>$7,828,567,748</td>
</tr>
<tr>
<td>Household Earnings Generated</td>
<td>$15,246,918,546</td>
</tr>
<tr>
<td>Georgia Employment Multiplier</td>
<td>2.4316</td>
</tr>
<tr>
<td>Georgia Output Multiplier</td>
<td>2.3007</td>
</tr>
<tr>
<td>Georgia Earnings Multiplier</td>
<td>1.9476</td>
</tr>
<tr>
<td>Hospital Jobs (Full-Time)</td>
<td>141,350</td>
</tr>
<tr>
<td>Georgia Full-Time Jobs Created</td>
<td>$15,246,918,546</td>
</tr>
</tbody>
</table>

**TOTAL OUTPUT GENERATED**: $47.8 Billion

## FINANCIAL ASSISTANCE

*Numbers represent the actual cost incurred by the hospital.*

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncompensated Indigent Care</td>
<td>$520,958,034</td>
</tr>
<tr>
<td>Uncompensated Charity Care</td>
<td>$293,535,576</td>
</tr>
<tr>
<td>Uncompensated Bad Debt Incurred on Health Care Services Provided</td>
<td>$709,956,882</td>
</tr>
<tr>
<td>Other Free Uncompensated Care</td>
<td>$219,649,161</td>
</tr>
</tbody>
</table>

**TOTAL**: $1.74 Billion

For economic impact footnotes, see Appendix.
**Economic Impact Footnotes:**

1. **Georgia Output Multiplier** - Estimates the change in output for a given change in demand. For example, an increase in healthcare demand of $1,000,000 increases the output of all Georgia industries by 2.3x $1,000,000 = $2,300,000 after all “rounds” of spending are totaled.

2. **Georgia Earnings Multiplier** - Increased demand for health care also increases demand for health care labor, and increases labor demand in peripheral and supporting industries, resulting in increased wages paid.

3. **Georgia Employment Multiplier** - Estimates of the number of all full-time jobs that regional industries provide in order for the health care industry to provide the additional $1,000,000 of output to final demand.

4. **Georgia full-time jobs created** - This number does not include the number of people directly employed by the hospital.

5. **Note**--these numbers are reported at cost--not reported charges. Actual cost was calculated by multiplying reported charges by the hospital cost-to-charge ratio.

Sources of Data: 2015 Georgia Department of Community Health Division of Health Planning Hospital Financial Survey; Medicare Cost Report Data; GHA Membership Directory; Beyond Health Care: The Economic Contribution of Hospitals, American Hospital Association, January 2015 update, AHA Trendwatch Chartbook 2015.

Analysis based on Regional Input-Output Modeling System (RIMS II) multipliers for hospitals NAICS Code 622, released October 2015, Bureau of Economic Analysis, U.S. Department of Commerce. Multipliers are based on the 2010 Annual Input-Output Table for the Nation and 2010 regional data.

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**APPENDIX**

**About the Hospitals in This Report**

All hospitals in Georgia provide community benefit and aid in bettering the health and wellness of their communities. However, this report reflects data from hospitals required to complete the IRS Form 990 Schedule H that is mandatory for not-for-profit hospitals as of 2009. Additionally, under federal law, these hospitals are required to conduct community health needs assessments every three years and implement strategies to address those needs. Hospitals’ responses to the needs of their communities are reflected in their community benefit information.

This report is a resource for policymakers and the public and reminds us that hospitals offer much more than acute care and ways of healing illness and injuries. Hospitals also improve well being and quality of life.
Schedule H data from the following hospitals was used for this report. Some organizations’ data is representative of more than one hospital. These facilities are listed in italics below the main organization.

Bacon County Hospital and Health System
Candler Hospital - Savannah
Chatuge Regional Hospital
Children’s Healthcare of Atlanta
  Children’s Healthcare of Atlanta at Scottish Rite
  Children’s Healthcare of Atlanta at Egleston
Coffee Regional Medical Center
Columbus Specialty Hospital
Crisp Regional Hospital
DeKalb Medical at Downtown Decatur
DeKalb Medical Center
  DeKalb Medical at Hillandale
Donalsonville Hospital
Emory University Hospital
  Emory University Hospital Midtown
Emory Healthcare
  Emory Saint Joseph’s Hospital
  Emory Johns Creek Hospital
Evans Memorial Hospital
Gordon Hospital
  Murray Medical Center
Grady Memorial Hospital
  Children’s Healthcare of Atlanta at Hughes Spalding
Gwinnett Hospital System
Hamilton Medical Center, Inc.
Hillside, Inc.
Houston Medical Center
  Perry Hospital
Jasper Memorial Hospital
John D. Archbold Memorial Hospital
  Brooks County Hospital
  Grady General Hospital
  Mitchell County Hospital
Meadows Regional Medical Center
Medical Center, Navicent Health
Medical Center of Peach County, Navicent Health
Memorial Satilla Health
Memorial University Medical Center
Midtown Medical Center
  Doctors Specialty Hospital
Northeast Georgia Medical Center
Northside Medical Center
Northside Hospital
  Northside Hospital - Cherokee
  Northside Hospital - Forsyth
Oconee Regional Medical Center
Phoebe Putney Memorial Hospital
Phoebe Sumter Medical Center
Phoebe Worth Medical Center
Piedmont Athens Regional Medical Center
Piedmont Atlanta Hospital
Piedmont Fayette Hospital
Piedmont Henry Hospital
Piedmont Mountainside Hospital
Piedmont Newnan Hospital
Piedmont Newton Hospital
Rehabilitation Hospital, Navicent Health
Ridgeview Institute
Shepherd Center, Inc.
Southeast Georgia Health System - Brunswick Campus
Southeast Georgia Health System - Camden Campus
Southern Crescent Hospital for Specialty Care
Southern Regional Medical Center
St. Mary’s Good Samaritan Hospital
St. Mary’s Health Care System
St. Mary’s Sacred Heart Hospital
Stephens County Hospital
St. Joseph’s Hospital of Savannah
Tanner Medical Center
  Tanner Medical Center - Villa Rica
  Higgins General Hospital
Taylor Regional Hospital
Union General Hospital
University Hospital
University Hospital McDuffie
Upson Regional Medical Center
WellStar Cobb Hospital
WellStar Douglas Hospital
WellStar Kennestone Hospital
  WellStar Windy Hill
WellStar Paulding Hospital
WellStar West Georgia Medical Center
Founded in 1929, GHA serves more than 170 hospitals in Georgia and promotes the health and welfare of the public through the development of better hospital care for all Georgia’s citizens. The mission of GHA is to advance the health of individuals and communities by serving as the leading advocate for all Georgia hospitals and health care systems.

GHA provides information and education on issues ranging from access to health care and clinical care updates to effective hospital management and compliance with high-level accreditation standards. GHA represents its members before the General Assembly and Congress, as well as state and federal regulatory agencies, and is an allied member of the American Hospital Association. For more information, please call 770-249-4500 or visit gha.org.

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