



Community Benefit Report 2013

Commitment To Our Communities

Over \$566 Million

Total Community Benefit

Novant Health is pleased to share its 2013 Community Benefit Report. This annual overview provides a closer look at the many activities and programs carried out to improve community health that extend beyond patient care.

Novant Health remains steadfast to its mission to improve the health of our communities, one person at a time. This mission has guided us as we have grown into a network of nearly 500 locations, including 15 medical centers and hundreds of outpatient facilities and physician clinics - caring for more than four million patients annually in North Carolina, Virginia, Georgia and South Carolina.

As a not-for-profit healthcare system, we are committed to returning value to our communities. With no owners, investors or stockholders, we utilize our income to invest in advancing technologies and medical innovations, as well as to expand access to services to meet the ongoing needs of patients and our communities. Tax-exemption is a privilege and we are accountable for this privilege.

Our community benefit efforts are more than charity care. We take a measured approach in order to meet identified health needs, particularly in the vulnerable, uninsured, minority and underserved populations.

What is Community Benefit?

Community benefit is the programs, events or services used to promote health and healing to meet community needs. Community benefit programs create better access to healthcare, enhance the health of the community, advance medical or healthcare knowledge, and demonstrate charitable purpose. In the 2013 fiscal year, Novant Health provided community benefit totaling more than \$566 million.

Our community benefit is defined in three categories:

Charity Care

Free or discounted health services provided to individuals who cannot afford to pay.

Unpaid Cost of Medicaid & Medicare

The shortfall created when payments received from Medicaid & Medicare are less than the cost of caring for patients .

Community Benefit Services

Community health improvement services including community health education; clinical screenings for uninsured and underinsured individuals; support groups and self-help programs; health professionals' education; research; cash and in-kind contributions; community building activities that address the root causes of health problems; and costs associated with community benefit operations.

Charity Care

Because of our not-for-profit mission, Novant Health emergency departments, neonatal intensive care units, critical care units, cancer treatment centers and other essential medical programs provide high quality care delivered with dignity and respect to all patients, regardless of their ability to pay.

Making the public aware that financial assistance is available is an important element of our health system's program. Our financial counselors work with patients by informing them about and helping them access government assistance programs to which they are entitled and discounted care.

In 2013, Novant Health provided \$129,229 million in traditional charity care.

Highlights of our charity care and discounted care policies:

Charity Care

Novant Health hospitals provide free care, also known as "charity care." Charity care is the amount of free or discounted care provided to patients unable to pay some or all of their bills. As with most financial aid programs, our charity care guidelines use the income levels set each year by the federal government to define poverty. Our eligibility threshold provides assistance to patients if their household income is at or below 300 percent of the federal poverty level.

Discount for the Uninsured

Our charity care program covers about 90 percent of all uninsured patients. For the other 10 percent who do not qualify because their incomes are above the guidelines, we offer a discount on their bill that

is similar to a managed care contract discount. That means that patients in this category will not pay more than what an average insurance company might pay.

Catastrophic Discount

Novant Health has a catastrophic benefit for patients whose balance is determined to be above their means, even if they have health insurance. With this program, a Novant Health financial counselor evaluates patients' individual situations to determine if they qualify for a discount on the remaining balance or a full write-off. Some patients have the financial means to pay their balance, but many do not and struggle to pay the larger amounts, which are becoming more common as the health insurance plans nationwide incorporate larger deductibles and other employee cost-sharing features.

Flexible Payment Plan

Novant Health also offers flexible, no interest payment plans for patients. Our financial counselors have the flexibility to establish a routine payment schedule for patients with terms extending up to five years. Our counselors take many factors into consideration when setting up a patient's payment plan such as the amount of the balance and a person's overall financial status.

Unpaid Cost of Medicaid & Medicare

Under certain programs, such as Medicaid and Medicare, the costs of treatment are often greater than the payments received. This economic loss is absorbed by Novant Health.

In 2013, the health system's unpaid cost of Medicaid was \$63,952 million and our unpaid cost of Medicare was \$294,325 million.

Community Benefit Programs

Novant Health is actively engaged in an extensive array of outreach programs, many of which are designed to serve the most vulnerable and at-risk populations. In 2013, Novant Health served more than 130,000 individuals through community health service offerings (health education, screenings and support groups), professional education and other community outreach activities and investments focused on improving the health of communities.

Some highlights included:

Health fairs provided thousands of individuals with free screenings for diabetes, cholesterol, heart disease, and prostate and other cancers.

Community education classes were offered across the system providing education on chronic diseases such as heart disease, stroke, diabetes and women's health issues.

Wellness initiatives and health lectures were provided to schools, faith-based organizations and community centers in the areas of prevention including diabetes, heart health, smoking cessation, weight management, family violence and child safety.

Childhood obesity prevention programs were implemented at elementary and middle school schools.

Community farmers markets, urban gardens and nutrition seminars were provided to promote disease prevention and healthy lifestyles.

Prince William Area Free Clinic – This clinic started in 1992 as a public-private partnership between Novant Health Prince William Medical Center, Sentara Potomac Hospital, the Prince William Medical Society and the Prince William Health Department. The clinic, which operates several days each week in three locations, is a not-for-profit organization that provides acute and chronic medical care to uninsured residents in Prince William County. Prince William Medical Center provides free radiology, lab and surgical services. The hospital also provides annual financial support of prescription drugs for the indigent. Prince William physicians, nurses and employees support the free clinic by volunteering their time and expertise for the benefit of the clinic’s patients.

Physician Clinics’ Community Commitment – Novant Health’s physician clinics provide charity care for the poor and also serve those in the Medicaid program. In addition, our clinics participate in county medical society programs that offer free care for the uninsured.

Davidson County Medical Ministries Clinic – Novant Health Thomasville Medical Center hosts this free weekly clinic for local residents who cannot afford routine healthcare services. The hospital donates the clinic space and all radiology and laboratory services.

The Charlotte Community Health Clinic (CCHC) – Novant Health Presbyterian Medical Center provides support to Charlotte Community Health Clinic, a critical community resource serving low income, uninsured patients not eligible for state/ federal assistance and who have no other access to healthcare. The clinic provides free primary medical care, chronic disease management (diabetic and cardiovascular clinics), diagnostics, laboratory services, women’s clinic health, onsite health education and referrals for prescription medications and specialty care. Presbyterian Medical Center’s ongoing support for operations, information technology, and diagnostic services has been vital in CCHC’s growth and success.

Today’s Woman Health & Wellness Center – This center was opened by Novant Health Forsyth Medical Center in 1995 and embodies a grassroots, holistic approach to improving the health of women and children. The Center provides obstetrical and gynecological primary care, pediatric care, health education and support services to families in targeted neighborhoods where people are at-risk of not getting necessary healthcare. One of the center’s goals is to reduce premature births and infant mortality rates. Novant Health subsidizes this important community resource.

In 2013, the health system provided or contributed \$78,594 million in community benefit programs.

Serving Our Communities

Novant Health is continuously investing time, energy and resources to provide communities with remarkable care that puts the patient first in everything we do. The health of the communities we serve is our priority, and a commitment we take very seriously.

For more information, visit us at NovantHealth.org