

# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)  
Do not enter social security numbers on this form as it may be made public.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2024**

Open to Public  
Inspection

<b>A</b> For the <b>2024</b> calendar year, or tax year beginning and ending																												
<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>C</b> Name of organization <b>FORSYTH MEMORIAL HOSPITAL, INC.</b></td> <td rowspan="4"><b>D</b> Employer identification number <b>56-0928089</b></td> </tr> <tr> <td colspan="2">Doing business as <b>NOVANT HEALTH FORSYTH MEDICAL CE</b></td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> </tr> <tr> <td colspan="2"><b>2085 FRONTIS PLAZA BLVD</b></td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code <b>WINSTON SALEM, NC 27103</b></td> <td><b>E</b> Telephone number <b>336-277-2411</b></td> </tr> <tr> <td colspan="2"><b>F</b> Name and address of principal officer: <b>CARL ARMATO</b> <b>SAME AS C ABOVE</b></td> <td><b>G</b> Gross receipts \$ <b>1,573,878,450.</b></td> </tr> <tr> <td colspan="2"><b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527</td> <td><b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="2"><b>J</b> Website: <b>WWW.NOVANTHEALTH.ORG</b></td> <td><b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2"><b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other</td> <td><b>H(c)</b> Group exemption number</td> </tr> <tr> <td colspan="2"><b>L</b> Year of formation: <b>1968</b></td> <td><b>M</b> State of legal domicile: <b>NC</b></td> </tr> </table>	<b>C</b> Name of organization <b>FORSYTH MEMORIAL HOSPITAL, INC.</b>		<b>D</b> Employer identification number <b>56-0928089</b>	Doing business as <b>NOVANT HEALTH FORSYTH MEDICAL CE</b>		Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>2085 FRONTIS PLAZA BLVD</b>		City or town, state or province, country, and ZIP or foreign postal code <b>WINSTON SALEM, NC 27103</b>		<b>E</b> Telephone number <b>336-277-2411</b>	<b>F</b> Name and address of principal officer: <b>CARL ARMATO</b> <b>SAME AS C ABOVE</b>		<b>G</b> Gross receipts \$ <b>1,573,878,450.</b>	<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>J</b> Website: <b>WWW.NOVANTHEALTH.ORG</b>		<b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		<b>H(c)</b> Group exemption number	<b>L</b> Year of formation: <b>1968</b>		<b>M</b> State of legal domicile: <b>NC</b>
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**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>SEE SCHEDULE O</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>21</b>	
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>18</b>	
	<b>5</b> Total number of individuals employed in calendar year 2024 (Part V, line 2a)	<b>8133</b>	
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>580</b>	
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>0.</b>	
<b>7b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11	<b>0.</b>		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>2,376,136.</b>	<b>3,391,417.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>1430937885.</b>	<b>1547493100.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>513,788.</b>	<b>597,672.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>8,260,661.</b>	<b>9,196,065.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>1442088470.</b>	<b>1560678254.</b>
			<b>Prior Year</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>3,479,419.</b>	<b>2,770,634.</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>626,191,213.</b>	<b>687,513,699.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	<b>0.</b>	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>815,089,941.</b>	<b>876,249,748.</b>
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>1444760573.</b>	<b>1566534081.</b>
	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>-2,672,103.</b>	<b>-5,855,827.</b>
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>2056045743.</b>	<b>3190552079.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>160,164,353.</b>	<b>182,458,051.</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>1895881390.</b>	<b>3008094028.</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer		Date		
	<b>ALICE POPE, EVP &amp; CFO</b>				
Type or print name and title					
<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name	Firm's EIN			
	Firm's address	Phone no.			

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

**Application for Extension of Time To File an Exempt Organization  
Return or Excise Taxes Related to Employee Benefit Plans**

**File a separate application for each return.**  
**Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

OMB No. 1545-0047

**Electronic filing (e-file).** You can electronically file Form 8868 to request up to a 6-month extension of time to file any of the forms listed below except for Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts. An extension request for Form 8870 must be sent to the IRS in a paper format (see instructions). For more details on the electronic filing of Form 8868, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Part I - Identification**

<b>Type or Print</b>	Name of exempt organization, employer, or other filer, see instructions. <b>FORSYTH MEMORIAL HOSPITAL, INC.</b>	Taxpayer identification number (TIN) <b>56-0928089</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2085 FRONTIS PLAZA BLVD</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>WINSTON SALEM, NC 27103</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) **01**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 4720 (other than individual)	09
Form 4720 (individual)	03	Form 5227	10
Form 990-PF	04	Form 6069	11
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 8870	12
Form 990-T (trust other than above)	06	Form 5330 (individual)	13
Form 990-T (corporation)	07	Form 5330 (other than individual)	14
Form 1041-A	08	Form 990-T (governmental entities)	15

• After you enter your Return Code, complete either Part II or Part III. Part III, including signature, is applicable only for an extension of time to file Form 5330.

• If this application is for an extension of time to file Form 5330, you must enter the following information.

Plan Name \_\_\_\_\_  
Plan Number \_\_\_\_\_  
Plan Year Ending (MM/DD/YYYY) \_\_\_\_\_

**Part II - Automatic Extension of Time To File for Exempt Organizations (see instructions)**

The books are in the care of **WENDI STOCKSTILL**  
**2085 FRONTIS PLAZA BLVD - WINSTON SALEM, NC 27103**

Telephone No. **336-277-2411** Fax No. \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four-digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **NOVEMBER 15**, 20 **25**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
☒ calendar year 20 **24** or  
☐ tax year beginning \_\_\_\_\_, 20 \_\_\_\_\_, and ending \_\_\_\_\_, 20 \_\_\_\_\_

**2** If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period

<b>3a</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	<b>0.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	<b>0.</b>
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	<b>0.</b>

**For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form **8868** (Rev. 1-2025)

**Part III** Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒

- 1**
- Briefly describe the organization's mission:

**SEE SCHEDULE O**

- 2**
- Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?
- ☐
- Yes
- ☒
- No

If "Yes," describe these new services on Schedule O.

- 3**
- Did the organization cease conducting, or make significant changes in how it conducts, any program services?
- ☐
- Yes
- ☒
- No

If "Yes," describe these changes on Schedule O.

- 4**
- Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

- 4a** (Code: ) (Expenses \$ 1,283,674,772. including grants of \$ 2,770,634. ) (Revenue \$ 1,548,150,345. )  
**FORSYTH MEMORIAL HOSPITAL, INC. ("FMH") DBA NOVANT HEALTH FORSYTH MEDICAL CENTER ("NHFC"), NOVANT HEALTH KERNERSVILLE MEDICAL CENTER ("NHKMC"), AND NOVANT HEALTH CLEMMONS MEDICAL CENTER ("NHCMC"), ALONG WITH THEIR PROVIDER BASED PHYSICIAN PRACTICES, EXISTS TO CARRY OUT THE PURPOSE OF THE FORSYTH COUNTY BOARD OF COMMISSIONERS BY ADVANCING AND SUPPORTING THE PROMOTION OF HEALTH FOR MEMBERS OF MULTIPLE COMMUNITIES IN FORSYTH COUNTY, NORTH CAROLINA, INCLUDING WINSTON-SALEM, KERNERSVILLE, AND CLEMMONS. THESE HOSPITAL FACILITIES MAINTAIN AN OPEN DOOR POLICY, ACCEPTING ALL PATIENTS REGARDLESS OF A PATIENT'S ABILITY TO PAY. (CONTINUED ON SCHEDULE O)**

- 4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

- 4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

- 4d**
- Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

- 4e**
- Total program service expenses
- 1,283,674,772.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	<b>2</b> X	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<b>4</b> X	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<b>6</b>	X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b> X	
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<b>11a</b> X	
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<b>11b</b>	X
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<b>11c</b>	X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<b>11d</b> X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b> X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<b>11f</b> X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<b>14b</b>	X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<b>15</b>	X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<b>16</b>	X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I. See instructions</i>	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<b>18</b>	X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b> X	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b> X	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>21</b> X	

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....	<b>22</b> X	
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	<b>23</b> X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....	<b>24a</b>	X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....	<b>24b</b>	
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....	<b>24c</b>	
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....	<b>24d</b>	
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....	<b>25a</b>	X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....	<b>25b</b>	X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> .....	<b>26</b>	X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....	<b>27</b>	X
<b>28</b> Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28a</b>	X
<b>b</b> A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28b</b>	X
<b>c</b> A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in noncash contributions? <i>If "Yes," complete Schedule M</i> .....	<b>29</b>	X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....	<b>31</b>	X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....	<b>32</b>	X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....	<b>33</b> X	
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....	<b>34</b> X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	<b>35a</b> X	
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	<b>35b</b> X	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	<b>36</b>	X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....	<b>37</b>	X
<b>38</b> Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? .....	<b>38</b> X	

Note: All Form 990 filers are required to complete Schedule O

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
<b>1a</b> Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable .....	<b>1a</b> 10	
<b>b</b> Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable .....	<b>1b</b> 0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? .....	<b>1c</b> X	

**Part V** Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 8133		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	<b>2b</b>	X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>		X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>		X
<b>b</b> If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>		X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>		X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>		X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>		X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	<b>8</b>		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter:			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:			
<b>a</b> Gross income from members or shareholders	<b>11a</b>		
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note:</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>		X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	<b>14b</b>		
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	<b>15</b>	X	
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	<b>16</b>		X
<b>17 Section 501(c)(21) organizations.</b> Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	<b>17</b>		

**Part VI Governance, Management, and Disclosure.** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

	1a	1b	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year	21			
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.				
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent		18		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?				X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?				X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?				X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?				X
<b>6</b> Did the organization have members or stockholders?			X	
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			X	
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
<b>a</b> The governing body?			X	
<b>b</b> Each committee with authority to act on behalf of the governing body?			X	
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O				X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates?		X
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>b</b> Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	X	
<b>13</b> Did the organization have a written whistleblower policy?	X	
<b>14</b> Did the organization have a written document retention and destruction policy?	X	
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official		X
<b>b</b> Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	X	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed NONE

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

**19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records  
**WENDI STOCKSTILL - 336-277-2411**  
**2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
  - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
  - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
  - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
  - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CARL ARMATO TRUSTEE/ PRES/CEO NH	0.20 50.20	X						0.	6,943,831.	1207106.
(2) JOHN MANN MD FMR PRES/COO, SVP NH INST	0.00 50.00						X	0.	1,279,821.	187,263.
(3) GEOFFREY GARDNER CFO (TO 4/28/24)	0.20 50.00			X				0.	1,254,252.	45,078.
(4) ROLAND FRIEDMAN MD UROLOGIST	45.00 0.00				X			1,158,267.	0.	59,686.
(5) MICHAEL SETLIFF PRES NHFMC/GWM (TO 10/28/24)	50.00 0.00			X				1,148,502.	0.	51,487.
(6) STANLEY FULLER MD SVP CH CLIN OFFICER	45.00 0.00				X			831,999.	201,679.	155,823.
(7) ALICE POPE EVP/CFO (FR 4/29/24)	0.20 50.00			X				0.	991,687.	183,469.
(8) PAUL MCCLAIN MD UROLOGIST	45.00 0.00				X			834,849.	0.	57,581.
(9) HASSAN ALHOSAINI MD CARDIOLOGIST	45.00 0.00				X			830,636.	0.	57,621.
(10) KIRSTEN ROYSTER FMR KE (12/31/21)	50.00 0.00					X		750,331.	17,798.	104,575.
(11) OLIVER BENTON MD UROLOGIST	45.00 0.00				X			757,485.	0.	54,732.
(12) FRANKLIN CHEN MD TRUSTEE/ONCOLOGIST	0.20 45.00	X						0.	669,178.	56,984.
(13) ASHLEY PERROTT MD TRUSTEE/SR PHYSICIAN EXECUTIVE	0.20 45.00	X						446,684.	129,599.	42,920.
(14) ALISHA HUTCHENS PRES, COO (FR 10/29/24)	50.00 0.00			X				551,840.	0.	58,339.
(15) ANNETTE KNIGHT TRUSTEE (FR 1/1/24)	0.20 0.00	X						0.	0.	0.
(16) AVERY HALL CHAIR	0.50 0.00	X		X				0.	0.	0.
(17) BRIAN SMITH MD TRUSTEE (FR 5/1/24)	0.20 0.00	X						0.	0.	0.



**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) CHARLES HAUSER TRUSTEE (TO 12/31/24)	0.20 0.00	X						0.	0.	0.
(19) CHARLES WELTON TRUSTEE (TO 12/31/24)	0.20 0.00	X						0.	0.	0.
(20) KRISTINE SIMS TRUSTEE	0.20 0.00	X						0.	0.	0.
(21) LARI HARDING TRUSTEE	0.20 0.00	X						0.	0.	0.
(22) LINDA LATHAM VICE CHAIR	0.50 0.00	X		X				0.	0.	0.
(23) MARK OWENS TRUSTEE	0.20 0.00	X						0.	0.	0.
(24) MIKE HORN SECRETARY/TREASURER	0.50 0.00	X		X				0.	0.	0.
(25) PHYLLIS CALDWELL-GEORGE TRUSTEE	0.20 0.00	X						0.	0.	0.
(26) RANDELL CAIN TRUSTEE (FR 1/1/24)	0.20 0.00	X						0.	0.	0.
<b>1b Subtotal</b>								7,310,593.	11,487,845.	2322664.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								7,310,593.	11,487,845.	2322664.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

1,159

- 3** Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3	X	
4	X	
5		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
VANNOY CONSTRUCTION PO BOX 635, JEFFERSON, NC 28640	CONSTRUCTION SERVICES	63,361,985.
AYA HEALTHCARE INC DEPT #3519 PO BOX 123519, DALLAS, TX 75312	STAFFING SERVICES	43,732,974.
LABORATORY CORPORATION OF AMERICA HOLDINGS PO BOX 12140, BURLINGTON, NC 27216	LAB SERVICES	19,634,508.
MORRISON HEALTHCARE PO BOX 102289, ATLANTA, GA 30368	FOOD MANAGEMENT SERVICES	18,731,049.
TRIMEDX INC PO BOX 636129, CINCINNATI, OH 45263	CLINICAL ENGINEERING SERVICES	12,931,203.

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

129

SEE PART VII, SECTION A CONTINUATION SHEETS

Form 990 (2024)

## Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

10  
2024.05000 FORSYTH MEMORIAL HOSPITAL FMH 1

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>	1,092,809.				
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	1,940,977.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>	357,631.				
	<b>g</b> Noncash contributions included in lines 1a-1f	<b>1g</b>	\$				
	<b>h Total.</b> Add lines 1a-1f .....						
<b>Program Service Revenue</b>	<b>2 a</b> NET PATIENT REVENUE	<b>Business Code</b>	622110	1511692415.	1511692415		
	<b>b</b> PHARMACY		622110	24,508,105.	24508105.		
	<b>c</b> PASS-THRU PATIENT REVENUE		621111	6,083,519.	6,083,519.		
	<b>d</b> VALUE BASED INCENTIVE		900099	5,138,475.	5,138,475.		
	<b>e</b> PHYSICIAN SERVICES		621111	69,120.	69,120.		
	<b>f</b> All other program service revenue .....		621111	1,466.	1,466.		
	<b>g Total.</b> Add lines 2a-2f .....			1547493100.			
	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....			398,391.			398,391.
<b>4</b> Income from investment of tax-exempt bond proceeds							
<b>5</b> Royalties .....							
<b>Other Revenue</b>	<b>6 a</b> Gross rents .....	<b>6a</b>	(i) Real 691,357.				
	<b>b</b> Less: rental expenses ...	<b>6b</b>	0.				
	<b>c</b> Rental income or (loss)	<b>6c</b>	691,357.				
	<b>d</b> Net rental income or (loss) .....			691,357.			691,357.
	<b>7 a</b> Gross amount from sales of assets other than inventory	<b>7a</b>	(i) Securities (ii) Other 13116573.				
	<b>b</b> Less: cost or other basis and sales expenses .....	<b>7b</b>	12917292.				
	<b>c</b> Gain or (loss) .....	<b>7c</b>	199,281.				
	<b>d</b> Net gain or (loss) .....			199,281.			199,281.
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>8a</b>	7,628.				
	<b>b</b> Less: direct expenses .....	<b>8b</b>	0.				
	<b>c</b> Net income or (loss) from fundraising events .....			7,628.			7,628.
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>9a</b>					
	<b>b</b> Less: direct expenses .....	<b>9b</b>					
	<b>c</b> Net income or (loss) from gaming activities .....						
	<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>10a</b>	566,118.				
	<b>b</b> Less: cost of goods sold .....	<b>10b</b>	282,904.				
	<b>c</b> Net income or (loss) from sales of inventory .....			283,214.			283,214.
<b>Miscellaneous Revenue</b>	<b>11 a</b> CAFETERIA MEALS	<b>Business Code</b>	722514	4,644,499.			4644499.
	<b>b</b> CHILD DEVELOPMENT CENTER		624410	2,004,182.			2004182.
	<b>c</b> PARKING		812930	375,009.			375,009.
	<b>d</b> All other revenue .....		900099	1,190,176.	657,245.		532,931.
	<b>e Total.</b> Add lines 11a-11d .....			8,213,866.			
	<b>12 Total revenue.</b> See instructions .....			1560678254.	1548150345	0.	9136492.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

☒

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	2,253,657.	2,253,657.		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22	516,977.	516,977.		
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	2,294,254.		2,294,254.	
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	854,495.		854,495.	
<b>7</b> Other salaries and wages	549,104,409.	527,140,234.	21,964,175.	
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	23,571,427.	22,628,569.	942,858.	
<b>9</b> Other employee benefits	75,416,503.	72,399,843.	3,016,660.	
<b>10</b> Payroll taxes	36,272,611.	34,821,707.	1,450,904.	
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management				
<b>b</b> Legal				
<b>c</b> Accounting				
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	121,138,894.	109,921,871.	11,217,023.	
<b>12</b> Advertising and promotion	244,313.	233,376.	10,937.	
<b>13</b> Office expenses	5,293,699.	4,084,629.	1,209,070.	
<b>14</b> Information technology	10,357,932.	10,100,248.	257,684.	
<b>15</b> Royalties				
<b>16</b> Occupancy	32,109,720.	30,868,005.	1,241,715.	
<b>17</b> Travel	755,273.	725,062.	30,211.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	299,481.	287,502.	11,979.	
<b>20</b> Interest	23,420,599.	23,420,599.		
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	59,312,623.	55,339,169.	3,973,454.	
<b>23</b> Insurance	9,305,311.	8,623,960.	681,351.	
<b>24</b> Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
<b>a</b> CORPORATE SUPPORT	217,021,639.		217,021,639.	
<b>b</b> MEDICAL SUPPLIES	182,452,271.	182,179,003.	273,268.	
<b>c</b> PHARMACEUTICALS	94,860,230.	94,860,230.		
<b>d</b> SHARED SERVICES	54,785,144.	52,593,738.	2,191,406.	
<b>e</b> All other expenses	64,892,619.	50,676,393.	14,216,226.	
<b>25</b> Total functional expenses. Add lines 1 through 24e	1566534081.	1283674772.	282,859,309.	0.
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	153,443.	<b>1</b>	191,275.
	<b>2</b> Savings and temporary cash investments .....		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	243,372,959.	<b>4</b>	149,034,196.
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....	11,017,276.	<b>7</b>	11,262,955.
	<b>8</b> Inventories for sale or use .....	28,948,254.	<b>8</b>	29,456,338.
	<b>9</b> Prepaid expenses and deferred charges .....	1,378,040.	<b>9</b>	1,338,187.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 1568038530.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 820,796,801.	<b>10c</b>	747,241,729.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	32,555,109.	<b>12</b>	34,850,108.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....	1,559,385.	<b>14</b>	1,559,385.
	<b>15</b> Other assets. See Part IV, line 11 .....	1270666200.	<b>15</b>	2215617906.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	2056045743.	<b>16</b>	3190552079.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	101,354,638.	<b>17</b>	72,435,236.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	10,530.	<b>19</b>	1,289,724.
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	58,799,185.	<b>25</b>	108,733,091.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	160,164,353.	<b>26</b>	182,458,051.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	1895880940.	<b>27</b>	3008093578.
	<b>28</b> Net assets with donor restrictions .....	450.	<b>28</b>	450.
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> <b>Total net assets or fund balances</b> .....	1895881390.	<b>32</b>	3008094028.
	<b>33</b> <b>Total liabilities and net assets/fund balances</b> .....	2056045743.	<b>33</b>	3190552079.

Form 990 (2024)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☒

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	1,560,678,254.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	1,566,534,081.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-5,855,827.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	1,895,881,390.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	1,118,068,465.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	3,008,094,028.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2a</b>	<b>X</b>
<b>b</b> Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2b</b>	<b>X</b>
<b>c</b> If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	<b>2c</b>	<b>X</b>
<b>3a</b> As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____	<b>3a</b>	<b>X</b>
<b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____	<b>3b</b>	<b>X</b>

Form 990 (2024)

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2024

**Open to Public Inspection**

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

<b>Part I</b>	<b>Reason for Public Charity Status.</b> (All organizations must complete this part.) See instructions.
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The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- 10 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

**f** Enter the number of supported organizations

**g** Provide the following information about the supported organization(s).

g Provide the following information about the supported organization(s).						
(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
<b>Total</b>						

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	
<b>13 First 5 years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2024 (line 6, column (f), divided by line 11, column (f)) .....	<b>14</b>	%
<b>15</b> Public support percentage from 2023 Schedule A, Part II, line 14 .....	<b>15</b>	%
<b>16a 33 1/3% support test - 2024.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>b 33 1/3% support test - 2023.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>17a 10% -facts-and-circumstances test - 2024.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		
<b>b 10% -facts-and-circumstances test - 2023.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		

Schedule A (Form 990) 2024



**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						

**14 First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2024 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2023 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2024</b> (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2023</b> Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2024.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

**b 33 1/3% support tests - 2023.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

**Part IV Supporting Organizations**

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV** Supporting Organizations (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
<b>11a</b>		
<b>b</b> A family member of a person described on line 11a above?		
<b>11b</b>		
<b>c</b> A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in <b>Part VI</b> .		
<b>11c</b>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>1</b>		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<b>2</b>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>1</b>		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a governmental entity (see instructions).			
<b>2</b> Activities Test. Answer lines 2a and 2b below.			
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
<b>2a</b>			
<b>b</b> Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<b>2b</b>			
<b>3</b> Parent of Supported Organizations. Answer lines 3a and 3b below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No," provide details in <b>Part VI</b> .			
<b>3a</b>			
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			
<b>3b</b>			

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 ( *explain in Part VI*). See instructions.  
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors ( <i>explain in detail in Part VI</i> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990) 2024

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)**Section D - Distributions**

		Current Year
<b>1</b>	Amounts paid to supported organizations to accomplish exempt purposes	<b>1</b>
<b>2</b>	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	<b>2</b>
<b>3</b>	Administrative expenses paid to accomplish exempt purposes of supported organizations	<b>3</b>
<b>4</b>	Amounts paid to acquire exempt-use assets	<b>4</b>
<b>5</b>	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i> )	<b>5</b>
<b>6</b>	Other distributions (describe in <b>Part VI</b> ). See instructions.	<b>6</b>
<b>7</b>	<b>Total annual distributions.</b> Add lines 1 through 6.	<b>7</b>
<b>8</b>	Distributions to attentive supported organizations to which the organization is responsive ( <i>provide details in Part VI</i> ). See instructions.	<b>8</b>
<b>9</b>	Distributable amount for 2024 from Section C, line 6	<b>9</b>
<b>10</b>	Line 8 amount divided by line 9 amount	<b>10</b>

<b>Section E - Distribution Allocations</b> (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2024	(iii) Distributable Amount for 2024
<b>1</b> Distributable amount for 2024 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2024 (reasonable cause required - <i>explain in Part VI</i> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2024			
<b>a</b> From 2019			
<b>b</b> From 2020			
<b>c</b> From 2021			
<b>d</b> From 2022			
<b>e</b> From 2023			
<b>f</b> <b>Total</b> of lines 3a through 3e			
<b>g</b> Applied to under distributions of prior years			
<b>h</b> Applied to 2024 distributable amount			
<b>i</b> Carryover from 2019 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
<b>4</b> Distributions for 2024 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2024 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from line 4.			
<b>5</b> Remaining underdistributions for years prior to 2024, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>6</b> Remaining underdistributions for 2024. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>7</b> <b>Excess distributions carryover to 2025.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2020			
<b>b</b> Excess from 2021			
<b>c</b> Excess from 2022			
<b>d</b> Excess from 2023			
<b>e</b> Excess from 2024			

Schedule A (Form 990) 2024

## Part VI

**Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.  
(See instructions.)

**Schedule B  
(Form 990)**

(Rev. December 2024)  
Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Attach to Form 990, 990-EZ, or 990-PF.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

Name of the organization

**FORSYTH MEMORIAL HOSPITAL, INC.**

Employer identification number

**56-0928089**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

**Part I**   **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 1,092,809.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 311,651.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 45,980.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Employer identification number

56-0928089

## Part II

[illegible]

Name of organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

SCHEDULE C  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under Section 501(c) and Section 527  
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2024

Open to Public  
Inspection

If the organization answered "Yes" on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then:

- Section 501(c)(3) organizations: Complete Parts I-A and I-B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and I-C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then:

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions), or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then:

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number (EIN)

56-0928089

**Part I-A** Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political campaign activity expenditures ..... \$

3 Volunteer hours for political campaign activities .....

**Part I-B** Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ..... \$

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ..... \$

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ..... ☐ Yes ☐ No

4a Was a correction made? ..... ☐ Yes ☐ No

b If "Yes," describe in Part IV.

**Part I-C** Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ..... \$

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527  
exempt function activities ..... \$

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL,  
line 17b ..... \$

4 Did the filing organization file Form 1120-POL for this year? ..... ☐ Yes ☐ No

5 Enter the names, addresses, and EINs of all section 527 political organizations to which the filing organization made payments. For each  
organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were  
promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC).  
If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990) 2024

**Part II-A** Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grassroots lobbying)															
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)															
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)															
<b>d</b> Other exempt purpose expenditures															
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)															
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table><thead><tr><th>IF the amount on line 1e, column (a) or (b), is:</th><th>THEN the lobbying nontaxable amount is:</th></tr></thead><tbody><tr><td>not over \$500,000</td><td>20% of the amount on line 1e.</td></tr><tr><td>over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000.</td></tr><tr><td>over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000.</td></tr><tr><td>over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000.</td></tr><tr><td>over \$17,000,000</td><td>\$1,000,000.</td></tr></tbody></table>	IF the amount on line 1e, column (a) or (b), is:	THEN the lobbying nontaxable amount is:	not over \$500,000	20% of the amount on line 1e.	over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	over \$17,000,000	\$1,000,000.			
IF the amount on line 1e, column (a) or (b), is:	THEN the lobbying nontaxable amount is:														
not over \$500,000	20% of the amount on line 1e.														
over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
over \$17,000,000	\$1,000,000.														
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)															
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0-															
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0-															
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
See the separate instructions for lines 2a through 2f.)

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2021	(b) 2022	(c) 2023	(d) 2024	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990) 2024

**Part II-B** Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? .....	X		
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..	X		
<b>c</b> Media advertisements? .....		X	
<b>d</b> Mailings to members, legislators, or the public? .....		X	
<b>e</b> Publications, or published or broadcast statements? .....		X	
<b>f</b> Grants to other organizations for lobbying purposes? .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? .....	X		1,995.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? .....	X		47,690.
<b>j</b> Total. Add lines 1c through 1i .....			49,685.
<b>2a</b> Did the activities in line 1 cause the organization to not be described in section 501(c)(3)? .....		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 .....			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

**Part III-A** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members? .....	1	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? .....	2	
<b>3</b> Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year? .....	3	

**Part III-B** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

<b>1</b> Dues, assessments, and similar amounts from members .....	1	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid):		
<b>a</b> Current year .....	2a	
<b>b</b> Carryover from last year .....	2b	
<b>c</b> Total .....	2c	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues .....	3	
<b>4</b> If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditures next year? .....	4	
<b>5</b> Taxable amount of lobbying and political expenditures. See instructions .....	5	

**Part IV** Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

**PART II-B, LINE 1, LOBBYING ACTIVITIES:****LINE 1A**

THERE IS LIMITED ENGAGEMENT OF THE BOARD.

**LINE 1B**

THERE IS MINIMAL TIME OF SENIOR LEADERS.

**LINE 1G**

THERE IS LIMITED CONTACT MADE BY SENIOR LEADERS DURING LOBBYING ACTIVITIES.

<b>Part IV</b>	<b>Supplemental Information</b> <i>(continued)</i>
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LINE 11

DUES PAID TO CERTAIN ORGANIZATIONS WHICH INCLUDE A PORTION RELATED TO LOBBYING ACTIVITIES.

SCHEDULE D  
(Form 990)

(Rev. December 2024)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

Open to Public  
Inspection

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

Part I

**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II

**Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included on line 2a .....	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year .....

4 Number of states where property subject to conservation easement is located .....

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year .....

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year .....

8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III

**Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

(i) Revenue included on Form 990, Part VIII, line 1 .....

(ii) Assets included in Form 990, Part X .....

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 .....

b Assets included in Form 990, Part X .....

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) (Rev. 12-2024)

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

**3** Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).

**a** ☐ Public exhibition

**d** ☐ Loan or exchange program

**b** ☐ Scholarly research

**e** ☐ Other \_\_\_\_\_

**c** ☐ Preservation for future generations

**4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

**5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
<b>1c</b> Beginning balance	
<b>1d</b> Additions during the year	
<b>1e</b> Distributions during the year	
<b>1f</b> Ending balance	

**2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

**Part V Endowment Funds** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	450.	450.	450.	450.	450.
<b>b</b> Contributions					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs					
<b>f</b> Administrative expenses					
<b>g</b> End of year balance	450.	450.	450.	450.	450.

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

**a** Board designated or quasi-endowment .0000 %

**b** Permanent endowment 100 %

**c** Term endowment .0000 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations? ☐ Yes ☒ No

(ii) Related organizations? ☐ Yes ☒ No

**b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐ Yes ☐ No

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land		11,489,212.		11,489,212.
<b>b</b> Buildings		820,269,935.	436,244,446.	384,025,489.
<b>c</b> Leasehold improvements		12,874,022.	8,759,774.	4,114,248.
<b>d</b> Equipment		472,689,674.	349,624,094.	123,065,580.
<b>e</b> Other		250,715,687.	26,168,487.	224,547,200.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				747,241,729.

Schedule D (Form 990) (Rev. 12-2024)



**Part VII Investments - Other Securities**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely held equity interests .....		
(3) Other .....		
(A) .....		
(B) .....		
(C) .....		
(D) .....		
(E) .....		
(F) .....		
(G) .....		
(H) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) .....		
(2) .....		
(3) .....		
(4) .....		
(5) .....		
(6) .....		
(7) .....		
(8) .....		
(9) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

**Part IX Other Assets**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER ASSETS	97,260.
(2) DUE FROM AFFILIATE	2183863897.
(3) RIGHT OF USE ASSETS	31,656,749.
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 15, col. (B))	2215617906.

**Part X Other Liabilities**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
1. (1) Federal income taxes	0.
(2) OTHER LIABILITIES	22,178,966.
(3) PATIENT REFUNDS	10,362,161.
(4) THIRD PARTY PAYMENT PAYABLE	43,350,428.
(5) OPERATING LEASE	32,841,536.
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 25, col. (B))	108,733,091.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☒

Schedule D (Form 990) (Rev. 12-2024)

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements .....		<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
<b>a</b>	Net unrealized gains (losses) on investments .....	<b>2a</b>		
<b>b</b>	Donated services and use of facilities .....	<b>2b</b>		
<b>c</b>	Recoveries of prior year grants .....	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) .....	<b>2d</b>		
<b>e</b>	Add lines 2a through 2d .....		<b>2e</b>	
<b>3</b>	Subtract line 2e from line 1 .....		<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) .....	<b>4b</b>		
<b>c</b>	Add lines 4a and 4b .....		<b>4c</b>	
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) .....		<b>5</b>	

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements .....		<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b>	Donated services and use of facilities .....	<b>2a</b>		
<b>b</b>	Prior year adjustments .....	<b>2b</b>		
<b>c</b>	Other losses .....	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.) .....	<b>2d</b>		
<b>e</b>	Add lines 2a through 2d .....		<b>2e</b>	
<b>3</b>	Subtract line 2e from line 1 .....		<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.) .....	<b>4b</b>		
<b>c</b>	Add lines 4a and 4b .....		<b>4c</b>	
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) .....		<b>5</b>	

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART V, LINE 4:**

THE ENDOWMENT FUNDS ARE HELD FOR COMMUNITY ENGAGEMENT.

**PART X, LINE 2: LIABILITY UNDER FIN 48 (ASC 740) FOOTNOTE**

THE AUDIT FOR NOVANT HEALTH AND ITS AFFILIATES IS PREPARED ON A CONSOLIDATED BASIS. THE COMPANY IS REQUIRED TO EVALUATE UNCERTAIN TAX POSITIONS. THIS EVALUATION INCLUDES A QUANTIFICATION OF TAX RISK IN AREAS SUCH AS UNRELATED BUSINESS TAXABLE INCOME AND THE TAXATION OF OUR FOR-PROFIT SUBSIDIARIES. THIS EVALUATION DID NOT HAVE A MATERIAL EFFECT ON THE COMPANY'S CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023.

<b>Part XIII</b>	<b>Supplemental Information</b> <i>(continued)</i>
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[illegible]

SCHEDULE H  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Hospitals

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.

Attach to Form 990.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2024

Open to Public  
Inspection

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy (FAP) during the tax year? If "No," skip to question 6a	X	
b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the FAP to its various hospital facilities during the tax year: <input type="checkbox"/> Applied uniformly to all hospital facilities <input checked="" type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year. a Did the organization use federal poverty guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other 300 %	X	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other %		X
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's FAP that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?		X
5a Did the organization budget amounts for free or discounted care provided under its FAP during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		X
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial assistance at cost (from Worksheet 1)			28560880.	0.	28560880.	1.82%
b Medicaid (from Worksheet 3, column a)			314649378	314649378		.00%
c Costs of other means-tested government programs (from Worksheet 3, column b)			745,429.	332,699.	412,730.	.03%
d Total. Financial assistance and means-tested government programs			343955687	314982077	28973610.	1.85%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2239684.	40,571.	2199113.	.14%
f Health professions education (from Worksheet 5)			4530516.	507,703.	4022813.	.26%
g Subsidized health services (from Worksheet 6)			26094353.	16675606.	9418747.	.60%
h Research (from Worksheet 7)			1659746.	0.	1659746.	.11%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1645156.	0.	1645156.	.11%
j Total. Other benefits			36169455.	17223880.	18945575.	1.22%
k Total. Add lines 7d and 7j			380125142	332205957	47919185.	3.07%





**Part V Facility Information** (continued)**Section B. Facility Policies and Practices**

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1, 2, 3

	Yes	No
<b>Community Health Needs Assessment (CHNA)</b>		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....	1	X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....	2	X
3 During the tax year or either of the 2 immediately preceding tax years, did the hospital facility conduct a CHNA? If "No," skip to line 12 .....	3	X
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>22</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted .....	5	X
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	6a	X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....	6b	X
7 Did the hospital facility make its CHNA report widely available to the public? .....	7	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website (list url): .....		
b <input checked="" type="checkbox"/> Other website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....	8	X
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>22</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....	10	X
a If "Yes," list url: <u>SEE SECTION C</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....	10b	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....	12a	X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....	12b	
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

**Part V Facility Information** (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

	Yes	No
Did the hospital facility have in place during the tax year a written FAP that:		
<b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....	<b>13</b> X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> FPG, with FPG family income limit for eligibility for free care of and FPG family income limit <u>300</u> % for eligibility for discounted care of <u>0</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input type="checkbox"/> Underinsurance status		
g <input checked="" type="checkbox"/> Residency		
h <input checked="" type="checkbox"/> Other (describe in Section C)		
<b>14</b> Explained the basis for calculating amounts charged to patients? .....	<b>14</b> X	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>15</b> X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
<b>16</b> Was widely publicized within the community served by the hospital facility? .....	<b>16</b> X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by limited-English proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

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**Part V Facility Information** (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

	Yes	No	
<b>17</b> Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written FAP that explained all of the actions the hospital facility or other authorized party may take upon nonpayment? .....	<b>17</b>	<b>X</b>	
<b>18</b> Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:			
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)			
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party			
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP			
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process			
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)			
<b>f</b> <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted			
<b>19</b> Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? .....	<b>19</b>		<b>X</b>
If "Yes," check all actions in which the hospital facility or a third party engaged:			
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)			
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party			
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP			
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process			
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)			
<b>20</b> Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) on line 19 (check all that apply):			
<b>a</b> <input checked="" type="checkbox"/> Provided a written notice about upcoming extraordinary collection actions (ECAs) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)			
<b>b</b> <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)			
<b>c</b> <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)			
<b>d</b> <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)			
<b>e</b> <input type="checkbox"/> Other (describe in Section C)			
<b>f</b> <input type="checkbox"/> None of these efforts were made			

**Policy Relating to Emergency Medical Care**

<b>21</b> Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's FAP? .....	<b>21</b>	<b>X</b>	
If "No," indicate why:			
<b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
<b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing			
<b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
<b>d</b> <input type="checkbox"/> Other (describe in Section C)			

Schedule H (Form 990) 2024

**Part V Facility Information** *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:

- a** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☒ The hospital facility used a prospective Medicare or Medicaid method

**23** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? .....

If "Yes," explain in Section C.

**24** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? .....

If "Yes," explain in Section C.

	Yes	No
<b>23</b>		<b>X</b>
<b>24</b>		<b>X</b>

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**Part V Facility Information** (continued)**Section B. Facility Policies and Practices**

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITALLine number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 4

	Yes	No
<b>Community Health Needs Assessment (CHNA)</b>		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....	1	X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....	2	X
3 During the tax year or either of the 2 immediately preceding tax years, did the hospital facility conduct a CHNA? If "No," skip to line 12 .....	3	X
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>22</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted .....	5	X
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	6a	X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....	6b	X
7 Did the hospital facility make its CHNA report widely available to the public? .....	7	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website (list url): .....		
b <input checked="" type="checkbox"/> Other website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....	8	X
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>22</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....	10	X
a If "Yes," list url: <u>SEE SECTION C</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....	10b	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....	12a	X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....	12b	
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

**Part V Facility Information** (continued)**Financial Assistance Policy (FAP)**Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

	Yes	No
Did the hospital facility have in place during the tax year a written FAP that:		
<b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....	<b>13</b> X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> FPG, with FPG family income limit for eligibility for free care of and FPG family income limit <u>300</u> % for eligibility for discounted care of <u>0</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
<b>14</b> Explained the basis for calculating amounts charged to patients? .....	<b>14</b> X	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>15</b> X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
<b>16</b> Was widely publicized within the community served by the hospital facility? .....	<b>16</b> X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by limited-English proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

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**Part V Facility Information** (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

	Yes	No
<b>17</b> Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written FAP that explained all of the actions the hospital facility or other authorized party may take upon nonpayment? .....	<b>X</b>	
<b>18</b> Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>f</b> <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
<b>19</b> Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? .....		<b>X</b>
If "Yes," check all actions in which the hospital facility or a third party engaged:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>20</b> Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) on line 19 (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Provided a written notice about upcoming extraordinary collection actions (ECAs) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
<b>b</b> <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
<b>c</b> <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
<b>d</b> <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
<b>e</b> <input type="checkbox"/> Other (describe in Section C)		
<b>f</b> <input type="checkbox"/> None of these efforts were made		

**Policy Relating to Emergency Medical Care**

<b>21</b> Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's FAP? .....	<b>21</b>		<b>X</b>
If "No," indicate why:			
<b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
<b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing			
<b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
<b>d</b> <input checked="" type="checkbox"/> Other (describe in Section C)			

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**Part V Facility Information** *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:

- a** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☒ The hospital facility used a prospective Medicare or Medicaid method

**23** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? .....

If "Yes," explain in Section C.

**24** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? .....

If "Yes," explain in Section C.

	Yes	No
<b>23</b>		<b>X</b>
<b>24</b>		<b>X</b>

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**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

**SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A  
FACILITY REPORTING GROUP A CONSISTS OF:**

- FACILITY 1: FMH DBA NOVANT HEALTH FORSYTH MEDICAL CENTER
- FACILITY 2: FMH DBA NOVANT HEALTH KERNERSVILLE MED CENTER
- FACILITY 3: FMH DBA NOVANT HEALTH CLEMMONS MEDICAL CENTER

**FORSYTH MEMORIAL HOSPITAL, INC.**

**PART V, SECTION B, LINE 3E:**

VARIOUS SOCIAL, BEHAVIORAL, AND CLINICAL HEALTH NEEDS WERE IDENTIFIED THROUGH PRIMARY AND SECONDARY DATA IN THE NEEDS ASSESSMENT. ONCE THE HEALTH NEEDS WERE IDENTIFIED, SURVEYS AND COMMUNITY MEETINGS WERE CONDUCTED IN WHICH THE VARIOUS COMMUNITY STAKEHOLDERS RANKED THE HEALTH ISSUES BASED ON AVAILABLE DATA INCLUDING SEVERITY OF NEED AND MAGNITUDE OF IMPACT. THE INFORMATION GATHERED WAS THEN MATRIXED AND SCORED IN ORDER TO RANK THE FOCUS AREAS AND PRIORITIZE THE IDENTIFIED HEALTH NEEDS, BASED ON CAREFUL CONSIDERATION OF ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. THE PRIORITIZED IDENTIFIED HEALTH NEEDS AND SUPPORTING DATA WERE THEN REVIEWED AND DELIBERATED UPON FURTHER BY THE BOARD BEFORE FINAL APPROVAL. FINALLY, AN IMPLEMENTATION PLAN WAS CREATED FOR THE PRIORITIZED HEALTH NEEDS. PROGRESS TOWARD MEETING IMPLEMENTATION PLAN GOALS IS ASSESSED REGULARLY THROUGHOUT THE COMMUNITY HEALTH NEEDS ASSESSMENT LIFE CYCLE. FOR THOSE NEEDS IDENTIFIED THAT ARE NOT PART OF THE IMPLEMENTATION PLAN, COMMUNITY PARTNERS CURRENTLY SERVING THOSE COMMUNITY NEEDS ARE IDENTIFIED AS POTENTIAL PARTNERS FOR COLLABORATION.

**FORSYTH MEMORIAL HOSPITAL, INC.**

**PART V, SECTION B, LINE 5:** WHILE CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"), NOVANT HEALTH HOSPITAL FACILITIES SOLICITED INPUT FROM AND CONSULTED WITH A VARIETY OF COMMUNITY MEMBERS AND REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT, COUNTY HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE AGENCIES. INPUT WAS GATHERED THROUGH A COMMUNITY SURVEY (DISTRIBUTED THROUGH A VARIETY OF PARTNERS, METHODS, AND CHANNELS), COMMUNITY MEETINGS AND/OR FOCUS GROUPS, AND STAKEHOLDER'S INTERVIEWS. INPUT WAS ALSO SOLICITED THROUGH WRITTEN COMMENTS THROUGHOUT THE SURVEY PERIOD UNTIL THE FINAL COMMUNITY PRIORITY SETTING MEETING(S) AND/OR SURVEY. THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED REPRESENTATIVES OF PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES. DATA DERIVED FROM THESE EXERCISES IS BOTH QUANTITATIVE AND QUALITATIVE IN SCOPE.

FORSYTH MEMORIAL HOSPITAL (DBA NOVANT HEALTH FORSYTH MEDICAL CENTER, NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER), IN PARTNERSHIP WITH THE FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, AND FORSYTH COUNTY COMMUNITY PARTNERS, CONDUCTED A COMPREHENSIVE CHNA THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. THIS CHNA PROCESS INCLUDED EXTENSIVE PRIMARY AND SECONDARY DATA COLLECTION, USING THE COMMUNITY HEALTH OPINION SURVEY, AND VARIOUS LOCAL, STATE AND FEDERAL DATA SOURCES. THE CHNA SURVEY WAS DISTRIBUTED FROM JULY 2021 TO OCTOBER 2021 TO COUNTY RESIDENTS WITH THE HELP OF MORE THAN 300 NON-PROFIT COMMUNITY PARTNER AGENCIES AND REDUCED COST COMMUNITY CLINICS THROUGHOUT FORSYTH COUNTY. THE SURVEY WAS AVAILABLE IN BOTH SPANISH AND

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

ENGLISH. FROM NOVEMBER 2021 TO FEBRUARY 2022, VIRTUAL COMMUNITY MEETINGS WERE CONDUCTED WITH COMMUNITY PARTNERS WITH PARTICIPATION FROM KEY COMMUNITY STAKEHOLDERS ON THE STEERING COMMITTEE, INCLUDING BUT NOT LIMITED TO: FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, FORSYTH COUNTY SHERIFF'S OFFICE, UNION BAPTIST CHURCH, WINSTON-SALEM/FORSYTH COUNTY SCHOOLS, FORSYTH COUNTY EMERGENCY MEDICAL SERVICES, AND THE FORSYTH REGIONAL OPIOID & SUBSTANCE USE TEAM. THESE COMMUNITY PARTNERS SERVE VARIOUS COMMUNITIES, REPRESENTING THE INTERESTS OF MANY COUNTY RESIDENTS, INCLUDING MEDICALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS, INDIVIDUALS WITH SUBSTANCE USE DISORDER DIAGNOSES, INDIVIDUALS WHO HAVE HAD INTERACTIONS WITH THE JUSTICE SYSTEM, AND INDIVIDUALS WITH GEOGRAPHIC OR FINANCIAL BARRIERS WITH ACCESSING PRIMARY CARE. ADDITIONALLY, COMMUNITY PARTNERS INVOLVED IN THE CHNA PROCESS SERVE INDIVIDUALS SPANNING ACROSS DIVERSE RACES, ETHNICITIES, AGES, SEXUAL ORIENTATIONS, PREFERRED LANGUAGES, AND GENDER IDENTITY DEMOGRAPHICS.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA LOCATED AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/).

FORSYTH MEMORIAL HOSPITAL, INC.  
PART V, SECTION B, LINE 6B:  
FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH

FORSYTH MEMORIAL HOSPITAL, INC.  
PART V, SECTION B, LINE 7B  
[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/)

FORSYTH MEMORIAL HOSPITAL, INC.  
PART V, SECTION B, LINE 10A  
[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/)

FORSYTH MEMORIAL HOSPITAL, INC.  
PART V, SECTION B, LINE 11:  
THE FACILITY'S CHNA IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED. THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE GROUP AND SUBSEQUENTLY BY EACH FACILITY'S BOARD. THEY EVALUATED EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES BEFORE FURTHER PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES TO BE ADDRESSED. WHERE POSSIBLE, THE FACILITIES LEVERAGED THE SYSTEM'S STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY BASED ON SCOPE, SEVERITY, HEALTH DISPARITIES ASSOCIATED WITH THE NEED, AND THE ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. EACH FACILITY HAS ADOPTED AND EXECUTED AN IMPLEMENTATION STRATEGY THAT ADDRESSES THE PRIORITIZED COMMUNITY HEALTH NEEDS FROM THE CHNAS. THE IMPLEMENTATION STRATEGIES OUTLINE THE PLAN THAT THE HOSPITAL FACILITIES UNDERTAKE TO MEET THOSE HEALTH NEEDS IN EACH COMMUNITY SERVED. CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED. SOME OF THE NEEDS NOT ADDRESSED FALL OUTSIDE THE SCOPE OF TRADITIONAL HEALTHCARE (E.G., DENTAL WORK). OTHER NEEDS ARE ADDRESSED BY COLLABORATIVE WORK AND HAVE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY MEET THESE NEEDS BASED ON SCOPE OF SERVICES AND EXPERTISE.



**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

FORSYTH MEMORIAL HOSPITAL (DBA NOVANT HEALTH FORSYTH MEDICAL CENTER, NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER) CONDUCTED A COMPREHENSIVE CHNA THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. RESULTS FROM THIS CHNA PROCESS HELPED IDENTIFY THE FOLLOWING SIGNIFICANT HEALTH NEEDS FOR FORSYTH COUNTY: CHRONIC DISEASE, DRUG OVERDOSE (SUBSTANCE ABUSE), MATERNAL & INFANT HEALTH, INFANT MORTALITY (RACE/ETHNIC DISPARITY RATIO), MENTAL HEALTH, AND VIOLENCE-RELATED BEHAVIORS. AFTER THOROUGH EVALUATION OF EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES, THE FOLLOWING TOP THREE HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH FORSYTH MEDICAL CENTER: ACCESS TO CARE AND RESOURCES, MATERNAL & INFANT HEALTH, AND CHRONIC DISEASES. THE FOLLOWING TOP TWO HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH CLEMMONS MEDICAL CENTER AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER: ACCESS TO CARE & RESOURCES, AND CHRONIC DISEASES. NOVANT HEALTH HAS DEVELOPED STRATEGIC IMPLEMENTATION PLANS TO ADDRESS THESE PRIORITIZED AREAS OF NEED AND IS COMMITTED TO IMPROVING THE COMMUNITY'S HEALTH.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA LOCATED AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/).

FORSYTH MEMORIAL HOSPITAL, INC.

PART V, SECTION B, LINE 13H:

OTHER ELIGIBILITY CRITERIA EXPLAINED IN THE FAP INCLUDE THE FOLLOWING: FINANCIAL ASSISTANCE IS ONLY APPLICABLE TO MEDICALLY NECESSARY SERVICES. PROVIDER BASED PHYSICIAN CLINICS REQUIRE THAT PATIENTS BE TREATED BY AN AFFILIATED MEDICAL GROUP PRIMARY CARE PHYSICIAN WITHIN THE PREVIOUS THREE YEARS. PATIENTS MUST BE UNABLE TO ACCESS ENTITLEMENT PROGRAMS. PATIENTS WITH SPECIAL CIRCUMSTANCES SUCH AS BANKRUPTCY MAY ALSO BE ELIGIBLE FOR FINANCIAL ASSISTANCE.

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16A, FAP WEBSITE:

[HTTPS://WWW.NOVANTHEALTH.ORG/FOR-PATIENTS/BILLING--INSURANCE/FINANCIAL-ASSISTANCE/](https://www.novanthealth.org/for-patients/billing--insurance/financial-assistance/)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16B, FAP APPLICATION:

[HTTPS://WWW.NOVANTHEALTH.ORG/GLOBALASSETS/BUTTONS-AND-DOCUMENTS-CTASLINKS/DOCUMENTS-PDFS/FAA\\_APP\\_ENGLISH.PDF](https://www.novanthealth.org/globalassets/buttons-and-documents-ctaslinks/documents-pdfs/faa_app_english.pdf)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY:

[HTTPS://WWW.NOVANTHEALTH.ORG/GLOBALASSETS/BUTTONS-AND-DOCUMENTS-CTASLINKS/DOCUMENTS-PDFS/NOVANT-HEALTH-ACUTE-PLS-ENGLISH-NC-LOCATIONS-.PDF](https://www.novanthealth.org/globalassets/buttons-and-documents-ctaslinks/documents-pdfs/novant-health-acute-pls-english-nc-locations-.pdf)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

FACILITY REPORTING GROUP B CONSISTS OF:

- FACILITY 4: NOVANT HEALTH REHABILITATION HOSPITAL

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

**NOVANT HEALTH REHABILITATION HOSPITAL****PART V, SECTION B, LINE 3E:**

VARIOUS SOCIAL, BEHAVIORAL, AND CLINICAL HEALTH NEEDS WERE IDENTIFIED THROUGH PRIMARY AND SECONDARY DATA IN THE NEEDS ASSESSMENT. ONCE THE HEALTH NEEDS WERE IDENTIFIED, SURVEYS AND COMMUNITY MEETINGS WERE CONDUCTED IN WHICH THE VARIOUS COMMUNITY STAKEHOLDERS RANKED THE HEALTH ISSUES BASED ON AVAILABLE DATA INCLUDING SEVERITY OF NEED AND MAGNITUDE OF IMPACT. THE INFORMATION GATHERED WAS THEN MATRIXED AND SCORED IN ORDER TO RANK THE FOCUS AREAS AND PRIORITIZE THE IDENTIFIED HEALTH NEEDS, BASED ON CAREFUL CONSIDERATION OF ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. THE PRIORITIZED IDENTIFIED HEALTH NEEDS AND SUPPORTING DATA WERE THEN REVIEWED AND DELIBERATED UPON FURTHER BY THE BOARD BEFORE FINAL APPROVAL. FINALLY, AN IMPLEMENTATION PLAN WAS CREATED FOR THE PRIORITIZED HEALTH NEEDS. PROGRESS TOWARD MEETING IMPLEMENTATION PLAN GOALS IS ASSESSED REGULARLY THROUGHOUT THE COMMUNITY HEALTH NEEDS ASSESSMENT LIFE CYCLE. FOR THOSE NEEDS IDENTIFIED THAT ARE NOT PART OF THE IMPLEMENTATION PLAN, COMMUNITY PARTNERS CURRENTLY SERVING THOSE COMMUNITY NEEDS ARE IDENTIFIED AS POTENTIAL PARTNERS FOR COLLABORATION.

**NOVANT HEALTH REHABILITATION HOSPITAL****PART V, SECTION B, LINE 5:**

WHILE CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"), NOVANT HEALTH HOSPITAL FACILITIES SOLICITED INPUT FROM AND CONSULTED WITH A VARIETY OF COMMUNITY MEMBERS AND REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT, COUNTY HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE AGENCIES. INPUT WAS GATHERED THROUGH A COMMUNITY SURVEY (DISTRIBUTED THROUGH A VARIETY OF PARTNERS, METHODS, AND CHANNELS), COMMUNITY MEETINGS AND/OR FOCUS GROUPS, AND STAKEHOLDER'S INTERVIEWS. INPUT WAS ALSO SOLICITED THROUGH WRITTEN COMMENTS THROUGHOUT THE SURVEY PERIOD UNTIL THE FINAL COMMUNITY PRIORITY SETTING MEETING(S) AND/OR SURVEY. THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED REPRESENTATIVES OF PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES. DATA DERIVED FROM THESE EXERCISES IS BOTH QUANTITATIVE AND QUALITATIVE IN SCOPE.

NOVANT HEALTH REHABILITATION HOSPITAL, IN PARTNERSHIP WITH THE FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, AND FORSYTH COUNTY COMMUNITY PARTNERS, CONDUCTED A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. THIS CHNA PROCESS INCLUDED EXTENSIVE PRIMARY AND SECONDARY DATA COLLECTION, USING THE COMMUNITY HEALTH OPINION SURVEY, AND VARIOUS LOCAL, STATE, AND FEDERAL DATA SOURCES. THE CHNA SURVEY WAS DISTRIBUTED FROM JULY 2021 TO OCTOBER 2021 TO COUNTY RESIDENTS WITH THE HELP OF MORE THAN 300 NON-PROFIT COMMUNITY PARTNER AGENCIES AND REDUCED COST COMMUNITY CLINICS THROUGHOUT FORSYTH COUNTY. THE SURVEY WAS AVAILABLE IN BOTH SPANISH AND ENGLISH. FROM NOVEMBER 2021 TO FEBRUARY 2022, VIRTUAL COMMUNITY MEETINGS WERE CONDUCTED WITH COMMUNITY PARTNERS WITH PARTICIPATION FROM KEY COMMUNITY STAKEHOLDERS ON THE STEERING COMMITTEE, INCLUDING BUT NOT LIMITED TO: FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, FORSYTH COUNTY SHERIFF'S OFFICE, UNION BAPTIST CHURCH, WINSTON-SALEM/FORSYTH COUNTY SCHOOLS, FORSYTH COUNTY EMERGENCY MEDICAL SERVICES, AND THE FORSYTH REGIONAL OPIOID & SUBSTANCE USE TEAM. THESE COMMUNITY PARTNERS SERVE VARIOUS COMMUNITIES, REPRESENTING

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THE INTERESTS OF MANY COUNTY RESIDENTS, INCLUDING MEDICALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS, INDIVIDUALS WITH SUBSTANCE USE DISORDER DIAGNOSES, INDIVIDUALS WHO HAVE HAD INTERACTIONS WITH THE JUSTICE SYSTEM, AND INDIVIDUALS WITH GEOGRAPHIC OR FINANCIAL BARRIERS WITH ACCESSING PRIMARY CARE. ADDITIONALLY, COMMUNITY PARTNERS INVOLVED IN THE CHNA PROCESS SERVE INDIVIDUALS SPANNING ACROSS DIVERSE RACES, ETHNICITIES, AGES, SEXUAL ORIENTATIONS, PREFERRED LANGUAGES, AND GENDER IDENTITY DEMOGRAPHICS.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/)

NOVANT HEALTH REHABILITATION HOSPITAL  
PART V, SECTION B, LINE 6B:  
FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH

NOVANT HEALTH REHABILITATION HOSPITAL  
PART V, SECTION B, LINE 7B  
[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB](https://encompasshealth.com/locations/novanthealthrehab)

NOVANT HEALTH REHABILITATION HOSPITAL  
PART V, SECTION B, LINE 10A  
[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB](https://encompasshealth.com/locations/novanthealthrehab)

NOVANT HEALTH REHABILITATION HOSPITAL  
PART V, SECTION B, LINE 11: THE FACILITY'S CHNA IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED. THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE GROUP AND SUBSEQUENTLY BY EACH FACILITY'S BOARD. THEY EVALUATED EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES BEFORE FURTHER PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES TO BE ADDRESSED. WHERE POSSIBLE, THE FACILITIES LEVERAGED THE SYSTEM'S STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY BASED ON SCOPE, SEVERITY, HEALTH DISPARITIES ASSOCIATED WITH THE NEED, AND THE ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. EACH FACILITY HAS ADOPTED AND EXECUTED AN IMPLEMENTATION STRATEGY THAT ADDRESSES THE PRIORITIZED COMMUNITY HEALTH NEEDS FROM THE CHNAS. THE IMPLEMENTATION STRATEGIES OUTLINE THE PLAN THAT THE HOSPITAL FACILITIES UNDERTAKE TO MEET THOSE HEALTH NEEDS IN EACH COMMUNITY SERVED. CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED. SOME OF THE NEEDS NOT ADDRESSED FALL OUTSIDE THE SCOPE OF TRADITIONAL HEALTHCARE (E.G., DENTAL WORK). OTHER NEEDS ARE ADDRESSED BY COLLABORATIVE WORK AND HAVE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY MEET THESE NEEDS BASED ON SCOPE OF SERVICES AND EXPERTISE.

NOVANT HEALTH REHABILITATION HOSPITAL CONDUCTED A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. RESULTS FROM THIS COMPREHENSIVE CHNA PROCESS HELPED IDENTIFY THE FOLLOWING SIGNIFICANT HEALTH NEEDS: CHRONIC DISEASE, DRUG OVERDOSE (SUBSTANCE ABUSE), MATERNAL & INFANT HEALTH, INFANT MORTALITY (RACE/ETHNIC DISPARITY RATIO), MENTAL HEALTH AND VIOLENCE-RELATED BEHAVIORS. AFTER THOROUGH EVALUATION OF EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES, THE FOLLOWING TOP TWO HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH REHABILITATION HOSPITAL: ACCESS TO CARE AND RESOURCES, AND CHRONIC DISEASES. NOVANT HEALTH HAS DEVELOPED STRATEGIC IMPLEMENTATION PLANS TO ADDRESS THESE PRIORITIZED AREAS OF NEED AND IS COMMITTED TO IMPROVING THE COMMUNITY'S HEALTH.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/)

NOVANT HEALTH REHABILITATION HOSPITAL

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16A, FAP WEBSITE:

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB/FINANCIAL-ASSISTANC](https://encompasshealth.com/locations/novanthealthrehab/financial-assistance)  
E

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16B, FAP APPLICATION:

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB/FINANCIAL-ASSISTANC](https://encompasshealth.com/locations/novanthealthrehab/financial-assistance)  
E

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY:

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB/FINANCIAL-ASSISTANC](https://encompasshealth.com/locations/novanthealthrehab/financial-assistance)  
E

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 21D:

NOVANT HEALTH REHABILITATION HOSPITAL DOES NOT HAVE A DEDICATED EMERGENCY DEPARTMENT. THE HOSPITAL ASSESSES EMERGENCIES, PROVIDES INITIAL TREATMENT, AND REFERS OR TRANSFERS EMERGENCY PATIENTS TO ANOTHER HOSPITAL FACILITY WHEN APPROPRIATE AND WITHOUT DISCRIMINATION OR REGARD FOR PATIENT'S ABILITY TO PAY.

NOVANT HEALTH REHABILITATION HOSPITAL DOES NOT ENGAGE IN ACTIONS THAT DISCOURAGE PERSONS FROM SEEKING EMERGENCY MEDICAL CARE, SUCH AS DEMANDING PAYMENT PRIOR TO RENDERING SERVICES IN EMERGENCY SITUATIONS, OR PERMITTING DEBT COLLECTION ACTIVITIES THAT INTERFERE WITH HOSPITAL'S ASSESSMENT AND PROVISION OF SUCH INITIAL TREATMENT WITHOUT DISCRIMINATION.

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
1 NH ADULT PRIMARY CARE MILLER STREET 50 MILLER ST, STE G WINSTON-SALEM, NC 27104-4206	PHYSICIAN CLINIC
2 NH ARCADIA FAMILY MEDICINE 12208 N NC HWY 150 WINSTON-SALEM, NC 27127-9730	PHYSICIAN CLINIC
3 NH CANCER INSTITUTE - MT. AIRY 1908 CAUDLE DR, STE 200 MOUNT AIRY, NC 27030-4322	CANCER CENTER
4 NH CARDIOLOGY - CLEMMONS 7114 VILLAGE MEDICAL CIR CLEMMONS, NC 27012-8004	PHYSICIAN CLINIC
5 NH CARDIOLOGY - KERNERSVILLE 1710 KERNERSVILLE MEDICAL PKWY, STE 2 KERNERSVILLE, NC 27284-7156	PHYSICIAN CLINIC
6 NH CARDIOLOGY - KIMEL PARK ANNEX 185 KIMEL PARK DR WINSTON-SALEM, NC 27103-6973	PHYSICIAN CLINIC
7 NH CARDIOLOGY - KIMEL PARK MAIN 186 KIMEL PARK DR WINSTON-SALEM, NC 27103-6946	PHYSICIAN CLINIC
8 NH CARDIOLOGY - MT. AIRY 694 RIVERSIDE DR MOUNT AIRY, NC 27030-3117	PHYSICIAN CLINIC
9 NH CHAIR CITY FAMILY MEDICINE 903 RANDOLPH ST, STE 1 THOMASVILLE, NC 27360-5898	PHYSICIAN CLINIC
10 NH CLEMMONS OUTPATIENT SURGERY 7210 VILLAGE MEDICAL CIRCLE, SUITE 23 CLEMMONS, NC 27012	AMBULATORY SURGERY CENTER

Schedule H (Form 990) 2024

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
11 NH DAVIE MEDICAL ASSOCIATES 485 VALLEY RD MOCKSVILLE, NC 27028-2074	PHYSICIAN CLINIC
12 NH FORSYTH BEHAVIORAL HEALTH OUTPATIE 175 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
13 NH FORSYTH ENDOCRINE CONSULTANTS - HI 755 HIGHLAND OAKS DR, STE 201 WINSTON-SALEM, NC 27103-7106	PHYSICIAN CLINIC
14 NH FORSYTH ENDOCRINE CONSULTANTS - TH 903 RANDOLPH ST THOMASVILLE, NC 27360-5898	PHYSICIAN CLINIC
15 NH FORSYTH FAMILY MEDICINE 400 JONESTOWN RD WINSTON-SALEM, NC 27104-4623	PHYSICIAN CLINIC
16 NH FORSYTH INTERNAL MEDICINE 1381 WESTGATE CENTER DR WINSTON-SALEM, NC 27103-2934	PHYSICIAN CLINIC
17 NH FORSYTH MEDICAL CENTER HEART AND W 725 HIGHLAND OAKS, STE 200 WINSTON SALEM, NC 27103-7109	PHYSICIAN CLINIC
18 NH HAWTHORNE OUTPATIENT SURGERY 1999 SOUTH HAWTHORNE RD. WINSTON SALEM, NC 27103-3916	AMBULATORY SURGERY CENTER
19 NH HEART & VASCULAR INSTITUTE - FRONT 2025 FRONTIS PLAZA BLVD, STE 100 WINSTON-SALEM, NC 27103-5663	PHYSICIAN CLINIC
20 NH HEART & VASCULAR INSTITUTE - HIGHL 725 HIGHLAND OAKS DR, STE 200 WINSTON-SALEM, NC 27103-7109	PHYSICIAN CLINIC

Schedule H (Form 990) 2024

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
21 NH IMAGING KERNERSVILLE 445 PINEVIEW DRIVE, SUITE 100 KERNERSVILLE, NC 27284-3818	IMAGING CENTER
22 NH IMAGING MAPLEWOOD 3155 MAPLEWOOD AVENUE WINSTON SALEM, NC 27103-3903	IMAGING CENTER
23 NH INFECTIOUS DISEASE SPECIALISTS - W 1381 WESTGATE CENTER DR WINSTON-SALEM, NC 27103-2934	PHYSICIAN CLINIC
24 NH KERNERSVILLE FAMILY MEDICINE 291 BROAD ST KERNERSVILLE, NC 27284-2932	PHYSICIAN CLINIC
25 NH KERNERSVILLE OUTPATIENT SURGERY CE 1730 KERNERSVILLE MEDICAL PARKWAY, SU KERNERSVILLE, NC 27284	AMBULATORY SURGERY CENTER
26 NH MAPLEWOOD FAMILY MEDICINE 100 ROBINHOOD MEDICAL PLZ WINSTON-SALEM, NC 27106-5472	PHYSICIAN CLINIC
27 NH MOUNTAINVIEW MEDICAL 216 MOORE RD KING, NC 27021-8703	PHYSICIAN CLINIC
28 NH NORTH POINT MEDICAL ASSOCIATES 1995 BETHABARA RD WINSTON-SALEM, NC 27106-3375	PHYSICIAN CLINIC
29 NH PFAFFTOWN FAMILY MEDICINE 4611 YADKINVILLE RD PFAFFTOWN, NC 27040-8622	PHYSICIAN CLINIC
30 NH PILOT MOUNTAIN MEDICAL CARE 207 MEDICAL ST PILOT MOUNTAIN, NC 27041-8656	PHYSICIAN CLINIC

Schedule H (Form 990) 2024

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
31 NH PREMIER MEDICAL ASSOCIATES 3333 BROOKVIEW HILLS BLVD, STE 204 WINSTON-SALEM, NC 27103-5661	PHYSICIAN CLINIC
32 NH PSYCHIATRIC MEDICINE - THOMASVILLE 309 PINEYWOOD RD THOMASVILLE, NC 27360-3438	PHYSICIAN CLINIC
33 NH PSYCHIATRY - FORSYTH 175 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
34 NH SALEM FAMILY MEDICINE 105 VEST MILL CIR WINSTON-SALEM, NC 27103-2943	PHYSICIAN CLINIC
35 NH SURRY MEDICAL ASSOCIATES - WESTLAK 865 WESTLAKE DR MOUNT AIRY, NC 27030-2157	PHYSICIAN CLINIC
36 NH THOMASVILLE MEDICAL ASSOCIATES 309 PINEYWOOD RD THOMASVILLE, NC 27360-3438	PHYSICIAN CLINIC
37 NH TRIAD ENDOCRINE - KERNERSVILLE 500 PINEVIEW DR, STE 101 KERNERSVILLE, NC 27284-3813	PHYSICIAN CLINIC
38 NH UROLOGY - BALDWIN 2010 BALDWIN LN WINSTON-SALEM, NC 27103-5846	PHYSICIAN CLINIC
39 NH UROLOGY - KERNERSVILLE 1730 KERNERSVILLE MEDICAL PKWY, STE 3 KERNERSVILLE, NC 27284-7198	PHYSICIAN CLINIC
40 NH UROLOGY - KIMEL PARK 140 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6160	PHYSICIAN CLINIC

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Part V

Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
41 NH WEST FORSYTH INTERNAL MEDICINE & P 105 STADIUM OAKS DR CLEMMONS, NC 27012-8962	PHYSICIAN CLINIC
42 NH WINSTON-SALEM HEALTH CARE 250 CHARLOIS BLVD WINSTON-SALEM, NC 27103-1508	PHYSICIAN CLINIC
43 NH WINSTON-SALEM HEALTH CARE - DERMAT 175 KIMEL PARK DR WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
44 NH WOUND CARE - KERNERSVILLE 1710 KERNERSVILLE MEDICAL PKWY, STE 2 KERNERSVILLE, NC 27284-7156	PHYSICIAN CLINIC
45 NH WOUND CARE & HYPERBARIC MEDICINE-W 1901 S HAWTHORNE RD, STE 220 WINSTON-SALEM, NC 27103-3921	PHYSICIAN CLINIC
46 NH YADKIN MEDICAL ASSOCIATES 305 EAST LEE AVE YADKINVILLE, NC 27055-8132	PHYSICIAN CLINIC

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8, and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's FAP.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

**PART I, LINE 3C:**

CRITERIA OTHER THAN INCOME AND FPG USED TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE INCLUDES: (1) RESIDENCY (PATIENTS MUST RESIDE WITHIN SERVICE AREA OF HOSPITAL FACILITY), (2) NECESSITY OF CARE (ONLY MEDICALLY NECESSARY SERVICES ARE COVERED), (3) PATIENT STATUS (FOR PROVIDER-BASED PHYSICIAN CLINICS, PATIENT MUST HAVE BEEN TREATED BY AFFILIATED PRIMARY CARE PHYSICIAN WITHIN PAST THREE YEARS), (4) ACCESS TO HEALTHCARE COVERAGE (INABILITY TO ACCESS EMPLOYER SPONSORED HEALTH PLAN OR GOVERNMENT SPONSORED ENTITLEMENT PROGRAMS), AND (5) AVAILABILITY OF SUBSTANTIAL LIQUID ASSETS (WITHOUT SUBSTANTIAL CASH ON HAND). FOR ELIGIBILITY DETERMINATION, LIQUID ASSETS DO NOT INCLUDE AN OWNED RESIDENCE, VEHICLE, OR RETIREMENT ACCOUNTS. SUBSTANTIAL IS DEFINED AS ENOUGH TO COVER THE MEDICAL EXPENSE WITHOUT PLACING HARDSHIP ON THE PATIENT. PATIENTS WITH SPECIAL CIRCUMSTANCES (INCLUDING BANKRUPTCY) MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE. DETERMINATION IS MADE ON A CASE BY CASE BASIS.

**PART I, LINE 6A:**

THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NON-PROFIT HEALTH SYSTEM. THE SYSTEM-WIDE COMMUNITY BENEFIT REPORT, REFERRED TO AS THE "COMMUNITY IMPACT REPORT", IS PRODUCED BY NOVANT HEALTH, INC., A RELATED ORGANIZATION AND THE PARENT COMPANY OF THE HEALTHCARE SYSTEM. NOVANT HEALTH'S ANNUAL COMMUNITY IMPACT REPORT CAN BE FOUND AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/). THE NUMERIC DATA IN THE COMMUNITY IMPACT REPORT IS NOT BASED UPON CALCULATIONS ACCORDING TO FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER THE AMOUNTS ARE PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES. THEREFORE, THE REPORT SHOULD NOT BE RELIED UPON AS EQUIVALENT TO THE TOTAL OF ALL SYSTEM ORGANIZATIONS' FORM 990, SCHEDULE H PART I AMOUNTS OR BASED ON THE REQUIRED COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION STRATEGY UNDER INTERNAL REVENUE CODE SECTION 501(R).

**PART I, LINE 7:**

COSTS REPORTED IN THE TABLE FOR FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AMOUNTS ARE CALCULATED USING A REPORTING ENTITY SPECIFIC COST-TO-CHARGE RATIO ("CCR") BASED ON FORM 990, SCHEDULE H, INSTRUCTIONS, WORKSHEET 2.

**Part VI** Supplemental Information (Continuation)

IN 2024, NOVANT HEALTH'S FINANCIAL ASSISTANCE POLICY REMAINED THE SAME, WHICH PROVIDED FREE CARE TO UNINSURED PATIENTS WITH AN ANNUAL INCOME UP TO 300% OF THE FEDERAL POVERTY LEVEL. HOWEVER, THERE WERE STATE-LEVEL LEGISLATIVE CHANGES RELATED TO MEDICAID THAT AFFECTED OUR OVERALL COMMUNITY BENEFIT NUMBERS.

## PART I, LN 7 COL(F):

THE AMOUNT OF BAD DEBT REMOVED FROM TOTAL EXPENSES IN THE DENOMINATOR WAS \$0.

## PART I, LINE 4:

NOVANT HEALTH HAS A CATASTROPHIC SETTLEMENT POLICY WHICH IS SEPARATE FROM THE FINANCIAL ASSISTANCE POLICY. THE PURPOSE OF THIS POLICY IS TO IDENTIFY CIRCUMSTANCES IN WHICH NOVANT HEALTH MAY WORK WITH PATIENTS TO MEET THEIR FINANCIAL OBLIGATIONS WHEN THEY HAVE LARGE OUT-OF POCKET EXPENSES RELATED TO A VISIT THAT IS NOT COVERED BY FINANCIAL ASSISTANCE.

## PART II, COMMUNITY BUILDING ACTIVITIES:

NOVANT HEALTH CONTINUES TO SUPPORT COMMUNITY BUILDING ACTIVITIES AIMED AT STRENGTHENING COMMUNITY INFRASTRUCTURE, ADDRESSING THE UNDERLYING CAUSES OF HEALTH PROBLEMS, AND IMPACTING THE OVERALL HEALTH OF OUR COMMUNITY THROUGH PARTNERSHIPS WITH LOCAL AGENCIES. NOVANT HEALTH PROVIDES FINANCIAL SUPPORT AND OTHER RESOURCES TO ORGANIZATIONS SUCH AS ONE YARD AWAY INC., LOCAL UNITED WAY AGENCIES, REACH WOMEN NETWORKS, COMMUNITIES IN SCHOOLS AND OTHER LOCAL COMMUNITY ORGANIZATIONS. OUR STRONG PARTNERSHIPS AND OUTREACH ARE HELPING TO SUCCESSFULLY BRIDGE THE GAPS IN AREAS OF NEED FOR RESOURCES BEYOND TRADITIONAL HEALTHCARE SERVICES WITHIN THE COMMUNITIES WE SERVE.

## PART III, LINE 2:

IMPLICIT PRICE CONCESSIONS ARE DETERMINED BASED ON MANAGEMENT'S ASSESSMENT OF CONTRACTUAL AGREEMENTS, DISCOUNT POLICIES, AND HISTORICAL EXPERIENCE, AS WELL AS CURRENT AND EXPECTED FUTURE ECONOMIC CONDITIONS.

## PART III, LINE 4:

THE ORGANIZATION'S IMPLICIT PRICE CONCESSIONS ON LINE 2 IS CALCULATED USING THE SAME METHODOLOGY AS FINANCIAL ASSISTANCE AND OTHER COMMUNITY BENEFITS USING AN ENTITY SPECIFIC COST-TO-CHARGE RATIO (CCR). FOOTNOTE 2 (ACCOUNTS RECEIVABLE) ON PAGE 8 OF THE AUDITED FINANCIAL STATEMENTS DESCRIBES IMPLICIT PRICE CONCESSIONS.

## PART III, LINE 8:

THE METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATION'S MEDICARE COST REPORT AS REFLECTED IN THE AMOUNT REPORTED IN PART III, LINE 6 IS DETERMINED BY FOLLOWING THE MEDICARE PRINCIPLES OF ALLOWABLE COSTS. COST FOR THE OVERHEAD DEPARTMENTS ARE STEPPED DOWN TO THE REMAINING COST CENTERS BASED ON STATISTICS FOR EACH OVERHEAD COST CENTER. ONCE THE STEP-DOWN PROCESS IS COMPLETE, A COST TO CHARGE RATIO ("CCR") IS DEVELOPED FOR EACH COST CENTER. THE CCR IS THEN APPLIED TO THE MEDICARE REVENUE BY COST CENTER AND TOTALED.

IT SHOULD BE NOTED THAT THE MEDICARE COST REPORTS DO NOT ADDRESS ANY

**Part VI** Supplemental Information (Continuation)

MANAGED CARE MEDICARE REVENUES, COSTS, OR RELATED SHORTFALL. THE TOTAL REVENUES REPORTED AS RECEIVED FROM MEDICARE IN LINE 5 OF SECTION B ARE ONLY REPRESENTATIVE OF MEDICARE FEE FOR SERVICE PAYMENTS RECEIVED. THE ALLOWABLE COSTS ON LINE 6 ARE SIGNIFICANTLY LOWER THAN THE ACTUAL EXPENDITURES. AS SUCH, THE SHORTFALL IS UNDERESTIMATED.

EVERY HOSPITAL TREATS MEDICARE PATIENTS. SOME HOSPITALS ARE LOCATED IN HIGH MEDICARE POPULATION AREAS; OTHERS PROVIDE SERVICES DISPROPORTIONATELY USED BY MEDICARE PATIENTS. MEDICARE RATES AND NUMBERS OF MEDICARE PATIENTS ARE NOT NEGOTIATED. AS REIMBURSEMENT RATES DECLINE RELATIVE TO COSTS OF CARE, HOSPITALS CONTINUE TO SERVE THE MEDICARE POPULATION. WITHOUT THIS SERVICE THESE PATIENTS WOULD BECOME AN OBLIGATION ON THE GOVERNMENT. ANY UNREIMBURSED COSTS OF THIS CARE ARE A COMMUNITY BENEFIT PROVIDED BY THE HOSPITAL TO THE COMMUNITY AND GOVERNMENT.

**PART III, LINE 9B:**

THE ORGANIZATION'S BILLING AND COLLECTIONS POLICY EXPLAINS ACTIONS TAKEN AGAINST PATIENTS WHO HAVE OUTSTANDING DELINQUENT AMOUNTS, BUT THE POLICY DOES NOT CONTAIN PROVISIONS FOR COLLECTION PRACTICES AGAINST PATIENTS WHO ARE ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY (FAP) BECAUSE FAP ELIGIBLE PATIENTS RECEIVE 100% FINANCIAL ASSISTANCE AND THEREFORE DO NOT RECEIVE BILLS ONCE FAP ELIGIBILITY HAS BEEN ESTABLISHED.

**PART VI, LINE 2: NEEDS ASSESSMENT**

THE ORGANIZATION IS PART OF NOVANT HEALTH, AN INTEGRATED NON-PROFIT HEALTHCARE SYSTEM. NOVANT HEALTH'S OFFICE OF HEALTH EQUITY AND COMMUNITY HEALTH FACILITATES COMMUNITY BENEFIT ACROSS THE SYSTEM. THIS CORPORATE DEPARTMENT IS RESPONSIBLE FOR COORDINATING THE PREPARATION OF THE COMMUNITY HEALTH NEEDS ASSESSMENTS (CHNA) FOR EACH HOSPITAL FACILITY WITHIN THE SYSTEM, INCLUDING THE CHNAS REPORTED IN PART V, SECTION B. THE OFFICE OF HEALTH EQUITY & COMMUNITY HEALTH ALSO WORKS WITH EACH HOSPITAL FACILITY TO IDENTIFY ORGANIZATIONS AND RESOURCES WITHIN THEIR RESPECTIVE COMMUNITIES THAT PARTICIPATE IN ALLEVIATING SIGNIFICANT COMMUNITY HEALTH NEEDS. SUCH ORGANIZATIONS AND RESOURCES INCLUDE PUBLIC HEALTH DEPARTMENTS, LOCAL COMMUNITY COALITIONS AND CLINICS REPRESENTING THE MEDICALLY UNDERSERVED, UNITED WAY, YMCAS, LOCAL UNIVERSITIES, AND MORE. COMMUNITY HEALTH NEEDS ASSESSMENTS ARE PREPARED INTERNALLY WITH THE HELP OF CONTRACTED VENDORS. INTERNAL HOSPITAL DATA AND INFORMATION COLLECTED FROM LOCAL AGENCIES AND COMMUNITY MEMBERS, ARE USED TO PREPARE CHNAS FOR NOVANT HEALTH'S HOSPITAL FACILITIES. THROUGH DATA COLLECTION AND COMMUNITY PARTNERSHIPS, NOVANT HEALTH IS ABLE TO ASSESS UNMET NEEDS AND WORK TO DIRECTLY SUPPORT PARTNERS IN ADDRESSING THOSE NEEDS WITHIN ITS COMMUNITIES SERVED. ORGANIZATIONAL PARTNERSHIPS ESTABLISHED BY THE OFFICE OF HEALTH EQUITY AND COMMUNITY HEALTH ARE OFTEN LEVERAGED TO ADDRESS NEEDS THAT WERE IDENTIFIED IN THE CHNAS BUT WERE NOT PRIORITIZED BY THE FACILITY'S IMPLEMENTATION PLAN. IN ADDITION TO ADDRESSING HEALTH NEEDS IDENTIFIED THROUGH THE CHNA PROCESS, EACH HOSPITAL FACILITY RESPONDS TO REQUESTS FOR SPECIFIC COMMUNITY BENEFIT ACTIVITIES OR PROGRAMS FROM PUBLIC AGENCIES AND/OR COMMUNITY GROUPS.

**PART VI, LINE 3: PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE**

NOVANT HEALTH IS COMMITTED TO PROVIDING OUTSTANDING HEALTHCARE TO ALL PERSONS IN THE COMMUNITIES SERVED, REGARDLESS OF THEIR ABILITY TO PAY. THE HEALTHCARE SYSTEM'S FINANCIAL COUNSELING TEAM CONTINUOUSLY WORKS WITH

**Part VI** Supplemental Information (Continuation)

PATIENTS TO UNDERSTAND NEEDS AND ENSURE THAT CORPORATE POLICIES AND PROCESSES ADDRESS THOSE NEEDS. NOVANT HEALTH ALSO MAINTAINS CONTRACTS WITH MEDICAID ELIGIBILITY VENDORS. THESE VENDORS OFFER ADDITIONAL SUPPORT IN PROCESSING AND ASSESSING HOW THE HEALTHCARE SYSTEM SERVES THE FINANCIAL NEEDS OF ITS PATIENTS.

BASED ON COMMUNITY ASSESSMENTS, NOVANT HEALTH DEVELOPS FINANCIAL ASSISTANCE POLICIES/PROGRAMS TO ADDRESS FINANCIAL NEEDS OF ITS PATIENTS, AND PRIDES ITSELF ON THE TRANSPARENCY OF ITS FINANCIAL ASSISTANCE POLICY/PROGRAMS AND THE EDUCATION OFFERED TO PATIENTS REGARDING FINANCIAL ASSISTANCE. FINANCIAL ASSISTANCE PROGRAMS, ALONG WITH CONTACT INFORMATION FOR FINANCIAL COUNSELORS, ARE DOCUMENTED ON THE NOVANT HEALTH WEBSITE, ALONG WITH CONTACT INFORMATION FOR ITS FINANCIAL COUNSELORS. ADDITIONALLY, FINANCIAL ASSISTANCE PROGRAMS ARE DOCUMENTED ON PATIENT FLYERS THROUGHOUT THE SYSTEM'S HOSPITAL FACILITIES, OUTPATIENT CENTERS, AND PHYSICIAN OFFICES. THE SYSTEM'S PATIENT ACCESS SPECIALISTS, FINANCIAL COUNSELORS AND BUSINESS OFFICE TEAMS WORK WITH ALL ELIGIBLE PATIENTS TO EDUCATE THEM ON THE VARIOUS OPTIONS AVAILABLE VIA FINANCIAL ASSISTANCE PROGRAMS OR GOVERNMENT SPONSORED CARE. THESE PATIENT FACING TEAM MEMBERS ALSO REFERENCE THE FINANCIAL ASSISTANCE POLICY IN ALL CONVERSATIONS RELATED TO PATIENTS BILLS. FINALLY, NOVANT HEALTH WORKS WITH LOCAL AREA FREE HEALTH CLINICS AND OTHER CHARITABLE ORGANIZATIONS TO PROVIDE CONTINUATION OF CARE FOR PATIENTS IN THE COMMUNITIES SERVED.

IN ADDITION TO FINANCIAL COUNSELING PROCESSES USED TO IDENTIFY PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE, NOVANT HEALTH'S COLLECTION PROCESS HELPS IDENTIFY PATIENTS WHO MAY BE ELIGIBLE BASED ON FEDERAL POVERTY GUIDELINES ("FPG"). THE SYSTEM UTILIZES PREVIOUSLY SUBMITTED PATIENT DOCUMENTATION AND CREDIT AGENCY REPORTED FPG FOR FINANCIAL ASSISTANCE DETERMINATIONS. SUPPORTING DOCUMENTS ARE VALID 6 MONTHS FROM THE DATE OF SUBMISSION.

FINANCIAL ASSISTANCE POLICIES ARE CONSIDERED FLUID AND ARE UPDATED FREQUENTLY BASED ON LOCAL AND NATIONAL MARKET STANDARDS AND NATIONAL ECONOMIC CONDITIONS. ANY UPDATES TO FINANCIAL ASSISTANCE POLICIES REQUIRE MULTI-LEVEL LEADERSHIP APPROVAL AND ARE ULTIMATELY APPROVED BY THE ORGANIZATION'S BOARD.

**PART VI, LINE 4: COMMUNITY INFORMATION**

THE FORSYTH MEMORIAL HOSPITAL, INC.'S FORM 990 INCLUDES THE OPERATIONS OF TWO LICENSED HOSPITALS: FORSYTH MEMORIAL HOSPITAL, INC. (DBA NOVANT HEALTH FORSYTH MEDICAL CENTER) AND NOVANT HEALTH REHABILITATION HOSPITAL OF WINSTON-SALEM, LLC (DBA NOVANT HEALTH REHABILITATION HOSPITAL, A LICENSED HOSPITAL OPERATED THROUGH A JOINT VENTURE).

FORSYTH MEMORIAL HOSPITAL, INC. HAS FACILITIES IN THREE LOCATIONS:

1. NOVANT HEALTH FORSYTH MEDICAL CENTER,
2. NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND
3. NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

THE PRIMARY SERVICE AREA IS DEFINED BY THE ZIP CODES THAT REPRESENT AT LEAST 75% OF THE HOSPITAL'S IN-PATIENT POPULATION.

NOVANT HEALTH FORSYTH MEDICAL CENTER

**Part VI** Supplemental Information (Continuation)

THERE ARE 6 COUNTIES IN THE PRIMARY SERVICE AREA (PSA): DAVIDSON, DAVIE, FORSYTH, STOKES, SURRY AND YADKIN COUNTIES. 50% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 51% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 6.5% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS FROM THE PSA.

## NOVANT HEALTH CLEMMONS MEDICAL CENTER

NOVANT HEALTH CLEMMONS MEDICAL CENTER'S PSA INCLUDES DAVIDSON, DAVIE, FORSYTH, STOKES, SURRY AND YADKIN COUNTIES. 49.6% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 50.3% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 11.6% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS FROM THE PSA.

## NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

NOVANT HEALTH KERNERSVILLE MEDICAL CENTER'S PSA INCLUDES FORSYTH, GUILFORD AND STOKES COUNTIES. 59% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY, WHILE 62% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS FROM THE PSA.

## NOVANT HEALTH REHABILITATION HOSPITAL

THERE ARE 10 COUNTIES IN THE PSA: DAVIDSON, DAVIE, FORSYTH, GALAX CITY, GUILFORD, ROCKINGHAM, STOKES, SURRY, WILKES, AND YADKIN. 46.6% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 48% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICES AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 8% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS. NOVANT HEALTH FORSYTH MEDICAL CENTER SHARES MUCH OF THE SAME PSA AS NOVANT HEALTH REHABILITATION HOSPITAL, AND THEY ARE LOCATED WITHIN 5 MILES OF EACH OTHER.

## ALL HOSPITAL FACILITIES

FORSYTH COUNTY INCLUDES WINSTON SALEM, THE MOST POPULATED CITY, AND THE COUNTY SEAT. IT HAS A POPULATION OF 385,523 COMPARED TO THE TOTAL NORTH CAROLINA POPULATION OF 10,551,162. ACCORDING TO THE VIZIENT VULNERABILITY INDEX RELEASED IN JANUARY 2022, PATIENTS ADMITTED TO FORSYTH MEDICAL CENTER EXPERIENCE THE MOST PROFOUND SOCIAL RISKS IF THEY LIVE IN 27105, 27101, 27110, 27030, 27292. THESE ZIP CODES EXPERIENCE DISPROPORTIONATELY HIGH SOCIAL RISKS WHEN COMPARED TO THEIR COUNTERPART NEIGHBORHOODS. AREAS OF PARTICULAR CONCERN INCLUDE ACCESS TO HEALTHCARE, POVERTY, ACCESS TO TRANSPORTATION, AND FOOD INSECURITY.

## IN FORSYTH COUNTY:

- 65.9% OF THE POPULATION IS WHITE, 27.8% IS BLACK/AFRICAN AMERICAN, AND 13.9% IS HISPANIC
- THE MEDIAN INCOME IS \$53,583
- THE POVERTY RATE IS 13%

**Part VI** Supplemental Information (Continuation)

- THE LEADING CAUSES OF DEATH ARE CANCER AND HEART DISEASE  
- 12.2% OF THE POPULATION UNDER AGE 65 DOES NOT HAVE HEALTH INSURANCE  
- 18% OF THE POPULATION IS FACING FOOD HARDSHIP  
- THE DEMOGRAPHIC GROUPS FACING THE MOST SIGNIFICANT HOUSING HARDSHIP ARE HISPANIC AND BLACK POPULATIONS. MOST NOTABLY, 33% OF THE HISPANIC POPULATION IN FORSYTH COUNTY FACES A HOUSING HARDSHIP.

ATRIUM HEALTH WAKE FOREST BAPTIST IS THE OTHER HEALTHCARE SYSTEM SERVING THIS PRIMARY SERVICE AREA, AND IS NOT AFFILIATED WITH NOVANT HEALTH.

DATA FOR THE CHNA WAS GATHERED FROM VARIOUS STATE AND FEDERAL SOURCES, BUT PRIMARILY THE US CENSUS BUREAU. SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:  
[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS.](https://www.novanthealth.org/about/our-impact/community-health-needs)

PART VI, LINE 5: PROMOTION OF COMMUNITY HEALTH  
THE ORGANIZATION FURTHERS ITS EXEMPT PURPOSES BY:

1. ADOPTING A FINANCIAL ASSISTANCE POLICY;
2. REMAINING CERTIFIED BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PROVIDE SERVICES TO ALL BENEFICIARIES OF MEDICARE, MEDICAID, AND OTHER GOVERNMENT PAYMENT PROGRAMS, AND PROVIDING SERVICES IN A NONDISCRIMINATORY MANNER TO SUCH BENEFICIARIES;
3. OPERATING A FULL-TIME EMERGENCY ROOM WHICH IS OPEN TO AND ACCEPTS ALL PERSONS, REGARDLESS OF THEIR ABILITY TO PAY;
4. MAINTAINING AN OPEN MEDICAL STAFF, SUBJECT TO EXCLUSIVE CONTRACTS FOR HOSPITAL-BASED SERVICES SUCH AS ANESTHESIOLOGY, RADIOLOGY, PATHOLOGY, HOSPITALIST, AND EMERGENCY DEPARTMENT SERVICES, TO THE EXTENT AN EXCLUSIVE CONTRACT FOR THOSE SERVICES IS REQUIRED TO OBTAIN PROPER STAFFING COVERAGE OR TO PERMIT A MORE EFFICIENT DELIVERY OF THOSE SERVICES WITHIN HOSPITAL FACILITIES;
5. MAINTAINING A GOVERNING BOARD CONSISTING PRIMARILY OF A BROAD CROSS-SECTION OF LEADERS IN THE COMMUNITY;
6. ADOPTING AND APPLYING A CONFLICT-OF-INTEREST POLICY, WHICH APPLIES TO THE GOVERNING BOARD AND ORGANIZATION OFFICERS;
7. PROVIDING HEALTH EDUCATION LECTURES AND WORKSHOPS;
8. PROVIDING HEALTH FAIRS, EDUCATION ON SPECIFIC DISEASES OR CONDITIONS, AND HEALTH PROMOTION AND WELLNESS PROGRAMS TO COMMUNITIES SERVED;
9. PROVIDING SUPPORT GROUPS AND SELF-HELP PROGRAMS TO COMMUNITIES SERVED;
10. PROVIDING COMMUNITY-BASED CLINICAL SERVICES, INCLUDING WITHOUT LIMITATION, HEALTH SCREENINGS AND CLINICS FOR UNINSURED OR UNDERINSURED PERSONS TO COMMUNITIES SERVED;
11. PROVIDING HEALTHCARE SUPPORT SERVICES, INCLUDING WITHOUT LIMITATION, INFORMATION AND REFERRAL TO COMMUNITY SERVICES, CASE MANAGEMENT OF UNDERINSURED AND UNINSURED PERSONS, TELEPHONE INFORMATION SERVICES AND

**Part VI** Supplemental Information (Continuation)

ASSISTANCE TO ENROLL IN PUBLIC PROGRAMS, SUCH AS STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP) AND MEDICAID TO COMMUNITIES SERVED;

12. PROVIDING SUBSIDIZED HEALTH SERVICES AND CLINICAL PROGRAMS TO COMMUNITIES SERVED;

13. PROVIDING CASH AND IN-KIND CONTRIBUTIONS TO NONPROFIT COMMUNITY HEALTHCARE ORGANIZATIONS IN COMMUNITIES SERVED; AND

14. GENERALLY PROMOTING THE HEALTH, WELLNESS, AND WELFARE OF COMMUNITIES SERVED BY PROVIDING QUALITY HEALTHCARE SERVICES AT REASONABLE COST.

**PART VI, LINE 6: AFFILIATED HEALTH CARE SYSTEM**

THE ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, A NON-PROFIT INTEGRATED GROUP OF HOSPITALS, PHYSICIAN CLINICS, OUTPATIENT CENTERS AND OTHER HEALTHCARE SERVICE PROVIDERS. NOVANT HEALTH IS RANKED AS ONE OF THE NATION'S TOP 20 INTEGRATED HEALTHCARE SYSTEMS, CARING FOR PATIENTS AND COMMUNITIES IN NORTH AND SOUTH CAROLINA. EACH HOSPITAL FACILITY PROVIDES SUBSTANTIAL COMMUNITY BENEFIT TO THE COMMUNITY SERVED, AS REPORTED ON EACH HOSPITAL ORGANIZATION'S FORM 990, SCHEDULE H.

SYSTEM-WIDE COMMUNITY BENEFIT IS DOCUMENTED IN THE COMMUNITY BENEFIT REPORT, LOCATED AT

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/). THE NUMERIC INFORMATION IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER IS PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES. THEREFORE, THIS COMMUNITY BENEFIT REPORT SHOULD NOT BE RELIED UPON AS THE SUM OF AFFILIATE ORGANIZATION'S FORM 990, SCHEDULE H COMMUNITY BENEFIT, OR IN ALIGNMENT WITH ITS COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION PLAN. THERE ARE SIGNIFICANT COMMUNITY BENEFIT ACTIVITIES WITHIN NOVANT HEALTH WHICH MAY NOT BE REPORTABLE ON A FORM 990 SCHEDULE H BECAUSE THEY ARE CONDUCTED BY A LEGAL ENTITY THAT DOES NOT OWN OR OPERATES A HOSPITAL FACILITY.

IN ADDITION TO HOSPITALS, THE NOVANT HEALTH INTEGRATED HEALTHCARE SYSTEM INCLUDES MULTIPLE PHYSICIAN ORGANIZATIONS WITH PRACTICES IN NORTH AND SOUTH CAROLINA, AND SIX HOSPITAL FOUNDATIONS WHICH SUPPORT AND ENHANCE THE ACTIVITIES IN THOSE HOSPITALS' COMMUNITIES. FURTHER, NOVANT HEALTH INCLUDES AMBULATORY SURGERY CENTERS, IMAGING CENTERS, REHABILITATION CENTERS, AND OTHER OUTPATIENT FACILITIES, ALL DEDICATED TO PROMOTING THE HEALTH OF THEIR RESPECTIVE COMMUNITIES.

**PART VI, LINE 7: STATE FILING OF COMMUNITY BENEFIT REPORT**

NOVANT HEALTH FILES A SYSTEM-WIDE COMMUNITY BENEFIT REPORT, INCLUDING THE FILING ORGANIZATION, PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES WITH THE NORTH CAROLINA MEDICAL CARE COMMISSION AS PART OF THE DOCUMENTATION REQUIRED FOR THE ISSUANCE OF TAX EXEMPT BOND FINANCING.



**SCHEDULE I  
(Form 990)**

(Rev. December 2024)

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.  
**Attach to Form 990.**  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**Open to Public  
Inspection**

Name of the organization

**FORSYTH MEMORIAL HOSPITAL, INC.**

**Employer identification number**  
**56-0928089**

**Part I General Information on Grants and Assistance**

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... ☒ **Yes** ☐ **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

<b>1 (a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section (if applicable)	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of noncash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of noncash assistance	<b>(h)</b> Purpose of grant or assistance
YOUNG MEN'S CHRISTIAN ASSOCIATION OF NORTHWEST NORTH CAROLINA - 301 N MAIN STREET, SUITE 1900 - WINSTON-SALEM, NC 27101	56-0530015	501(C)(3)	948,206.	0.			SUPPORT ACCESS TO CARE
THE SCIENCE CENTER AND ENVIRONMENTAL PARK OF FORSYTH COUNTY DBA SCIWORKS - 400 W HANES MILL ROAD - WINSTON-SALEM, NC	56-0815746	501(C)(3)	400,000.	0.			SUPPORT MATERNAL AND INFANT HEALTH
FORSYTH HEALTHCARE, INC. 515 N CLEVELAND AVE WINSTON-SALEM, NC 27101	32-0097975	501(C)(3)	150,000.	0.			COMMUNITY OUTREACH
SENIOR SERVICES INC. 2895 SHOREFAIR DRIVE WINSTON-SALEM, NC 27105	56-1085968	501(C)(3)	150,000.	0.			SUPPORT ACCESS TO CARE
AMERICAN HEART ASSOCIATION, INC. 7272 GREENVILLE AVE DALLAS, TX 75231	13-5613797	501(C)(3)	129,500.	0.			COMMUNITY OUTREACH
THE LEUKEMIA & LYMPHOMA SOCIETY, INC - 3 INTERNATIONAL DR - RYE BROOK, NY 10573	13-5644916	501(C)(3)	62,000.	0.			COMMUNITY OUTREACH

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ..... **20.**
- 3** Enter total number of other organizations listed in the line 1 table ..... **2.**

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

**Schedule I (Form 990) (Rev. 12-2024)**

**Part II** Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PIEDMONT TRIAD PARTNERSHIP PO BOX 2672 HIGH POINT, NC 27261	56-1750279	501(C)(3)	45,000.	0.			COMMUNITY OUTREACH
YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CENTRAL CAROLINAS, INC. - 3420 PARK RD - CHARLOTTE, NC 28209	56-0532139	501(C)(3)	40,000.	0.			COMMUNITY OUTREACH
GREATER WINSTON-SALEM CHAMBER OF COMMERCE, INC. - 411 WEST FOURTH STREET, STE 211 - WINSTON-SALEM, NC 27101	56-0459820	501(C)(6)	40,000.	0.			COMMUNITY OUTREACH
SECOND HARVEST FOOD BANK OF NORTHWEST NC INC - 3655 REED STREET - WINSTON-SALEM, NC 27107	58-1457912	501(C)(3)	25,000.	0.			COMMUNITY OUTREACH
CROSBY SCHOLARS COMMUNITY PARTNERSHIP - 2701 UNIVERSITY PARKWAY - WINSTON-SALEM, NC 27105	31-1523230	501(C)(3)	24,500.	0.			SUPPORT WORKFORCE DEVELOPMENT
YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF HIGH POINT, NC, INC - 155 W. WESTWOOD AVE. - HIGH POINT, NC 27262	56-0579600	501(C)(3)	20,000.	0.			COMMUNITY OUTREACH
GO FAR, INC. 2011 SANDY RIDGE ROAD COLFAX, NC 27235	26-2059189	501(C)(3)	18,000.	0.			COMMUNITY OUTREACH
FINANCIAL PATHWAYS OF THE PIEDMONT 7800 NORTH POINT BOULEVARD STE 110 WINSTON-SALEM, NC 27106	56-1015074	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
DAVIE COMMUNITY FOUNDATION, INC 107 N. SALISBURY STREET MOCKSVILLE, NC 27028	58-1850531	501(C)(3)	10,000.	0.			SUPPORT WORKFORCE DEVELOPMENT

Schedule I (Form 990)

**Part II** Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LEAD GIRLS OF NC INC 500 W 4TH STREET WINSTON-SALEM, NC 27101	82-0984711	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
RED HEARRT 7092 ORCHARD PATH DRIVE CLEMMONS, NC 27012	81-1464795	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
GREENSBORO AREA CHAMBER OF COMMERCE - 111 W FEBRUARY ONE PLACE - GREENSBORO, NC 27401	56-0245040	501(C)(6)	10,000.	0.			COMMUNITY OUTREACH
LEADERSHIP WINSTON-SALEM 624 W SIXTH STREET, SUITE 110 WINSTON-SALEM, NC 27101	58-1574887	501(C)(3)	8,000.	0.			COMMUNITY OUTREACH
HISPANIC LEAGUE 690 COLISEUM DRIVE WINSTON-SALEM, NC 27106	56-1791215	501(C)(3)	7,000.	0.			COMMUNITY OUTREACH
REACH WOMENS NETWORK 2618 ARBOR PLACE COURT WINSTON-SALEM, NC 27104	83-1574715	501(C)(3)	6,000.	0.			COMMUNITY OUTREACH
PARKINSON'S FOUNDATION, INC. 1359 BROADWAY, SUITE 1509 NEW YORK, NY 10018	13-1866796	501(C)(3)	6,000.	0.			COMMUNITY OUTREACH

**Part III** **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
PATIENT ASSISTANCE	334	5,452.	646.	FMV	CAR BED/SEATS
MEDICATION FOR INDIGENT PATIENTS	61	0.	15,502.	FMV	MEDICATION FOR INDIGENT PATIENTS
PATIENT TRANSPORTATION	4995	0.	466,004.	FMV	CAB FARES FOR INDIGENT PATIENTS
SCHOLARSHIPS	24	29,373.	0.		

**Part IV** **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

PART I, LINE 2 : PROCEDURES FOR MONITORING THE USE OF THE GRANT FUNDS  
THE FILING ORGANIZATION IS PART OF THE INTEGRATED HEALTHCARE SYSTEM  
OPERATED BY NOVANT HEALTH, INC. ("NOVANT HEALTH"), THE PARENT  
ORGANIZATION. NOVANT HEALTH'S BYLAWS AUTHORIZE IT TO ESTABLISH CERTAIN  
POLICIES FOR ALL OF ITS SUBSIDIARIES WITHIN THE SYSTEM. NOVANT HEALTH  
HAS ESTABLISHED A SYSTEM-WIDE CORPORATE POLICY WITH STANDARDIZED  
GUIDELINES THAT ARE TO BE USED IN REVIEWING THE ELIGIBILITY AND  
SELECTION OF GRANTEEES RECEIVING CERTAIN EXEMPT PURPOSE FUNDS. THE  
FILING ORGANIZATION MAINTAINS DOCUMENTATION OF THE ELIGIBILITY AND  
SELECTION CRITERIA AND RECORDS OF THE AMOUNTS ARE MAINTAINED VIA THE  
GENERAL LEDGER. FUNDS ARE GENERALLY NOT TRACKED AFTER BEING GRANTED, AS  
THE ORIGINAL ELIGIBILITY AND SELECTION CRITERIA HAVE ALREADY BEEN MET.

SCHEDULE J  
(Form 990)

(Rev. December 2024)  
Department of the Treasury  
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees  
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
Attach to Form 990.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

Open to Public  
Inspection

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> First-class or charter travel  | <input checked="" type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions          | <input type="checkbox"/> Payments for business use of personal residence            |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees              |
| <input checked="" type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef)          |

- b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain
- 2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

- 3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.
- |  |  |
|--|--|
| <input type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                     |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input type="checkbox"/> Approval by the board or compensation committee |

- 4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:
- a Receive a severance payment or change-of-control payment?
- b Participate in or receive payment from a supplemental nonqualified retirement plan?
- c Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

- 5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:
- a The organization?
- b Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.
- 6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:
- a The organization?
- b Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.
- 7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III
- 8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III
- 9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) (Rev. 12-2024)

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CARL ARMATO	(i)	0.	0.	0.	0.	0.	0.	0.
TRUSTEE/ PRES/CEO NH	(ii)	2,359,788.	2,860,931.	1,723,112.	1,170,700.	36,406.	8,150,937.	0.
(2) JOHN MANN MD	(i)	0.	0.	0.	0.	0.	0.	0.
FMR PRES/COO, SVP NH INST	(ii)	729,319.	426,094.	124,408.	136,951.	50,312.	1,467,084.	71,224.
(3) GEOFFREY GARDNER	(i)	0.	0.	0.	0.	0.	0.	0.
CFO (TO 4/28/24)	(ii)	457,268.	732,220.	64,764.	20,700.	24,378.	1,299,330.	22,093.
(4) ROLAND FRIEDMAN MD	(i)	321,255.	762,544.	74,468.	20,415.	39,271.	1,217,953.	0.
UROLOGIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) MICHAEL SETLIFF	(i)	556,947.	469,015.	122,540.	20,700.	30,787.	1,199,989.	75,032.
PRES NHFMC/GWM (TO 10/28/24)	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) STANLEY FULLER MD	(i)	378,577.	413,046.	40,376.	107,260.	36,211.	975,470.	0.
SVP CH CLIN OFFICER	(ii)	193,446.	0.	8,233.	1,986.	10,366.	214,031.	0.
(7) ALICE POPE	(i)	0.	0.	0.	0.	0.	0.	0.
EVP/CFO (FR 4/29/24)	(ii)	824,247.	0.	167,440.	173,333.	10,136.	1,175,156.	0.
(8) PAUL MCCLAIN MD	(i)	442,421.	357,984.	34,444.	20,700.	36,881.	892,430.	0.
UROLOGIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) HASSAN ALHOSAINI MD	(i)	787,158.	18,860.	24,618.	20,700.	36,921.	888,257.	0.
CARDIOLOGIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) KIRSTEN ROYSTER	(i)	409,075.	297,942.	43,314.	88,694.	15,470.	854,495.	0.
FMR KE (12/31/21)	(ii)	17,385.	0.	413.	0.	411.	18,209.	0.
(11) OLIVER BENTON MD	(i)	424,957.	287,597.	44,931.	20,700.	34,032.	812,217.	0.
UROLOGIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) FRANKLIN CHEN MD	(i)	0.	0.	0.	0.	0.	0.	0.
TRUSTEE/ONCOLOGIST	(ii)	597,877.	32,000.	39,301.	20,218.	36,766.	726,162.	0.
(13) ASHLEY PERROTT MD	(i)	333,198.	102,336.	11,150.	20,284.	17,118.	484,086.	0.
TRUSTEE/SR PHYSICIAN EXECUTIVE	(ii)	92,648.	0.	36,951.	416.	5,102.	135,117.	0.
(14) ALISHA HUTCHENS	(i)	400,201.	129,632.	22,007.	20,700.	37,639.	610,179.	0.
PRES, COO (FR 10/29/24)	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							

**Part III** Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

**PART I, LINE 1A:****FRINGE OR EXPENSE EXPLANATION****FIRST-CLASS OR CHARTER TRAVEL:**

EXECUTIVES ARE LIMITED TO BUSINESS OR COACH CLASS FOR COMMERCIAL FLIGHTS. HOWEVER, CHARTER TRAVEL IS AVAILABLE FOR CERTAIN EXECUTIVES, BOARD MEMBERS, AND APPROVED BUSINESS PERSONNEL WHO MEET POLICY CRITERIA AND OBTAIN APPROPRIATE APPROVALS.

**TRAVEL FOR COMPANIONS:**

COMPANIONS ARE ALLOWED AS PASSENGERS ON CERTAIN CHARTER FLIGHTS PAID BY THE ORGANIZATION. THE VALUE OF THE COMPANION'S FLIGHT IS CALCULATED USING APPLICABLE TAX LAW. THE CALCULATED AMOUNT IS INCLUDED IN THE EXECUTIVE'S TAXABLE COMPENSATION, AS PRESCRIBED BY APPLICABLE TAX LAW.

**DISCRETIONARY SPENDING ACCOUNT:**

CERTAIN EXECUTIVES RECEIVE A DISCRETIONARY SPENDING ACCOUNT. THE DOLLAR AMOUNT IN THE ACCOUNT IS PRE-APPROVED BY THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE NOVANT HEALTH BOARD OF TRUSTEES. THE EXECUTIVE MAY DEFER THE AMOUNT TO A RETIREMENT ACCOUNT OR THE AMOUNT IS TREATED AS COMPENSATION AND IS SPREAD OUT OVER THE COURSE OF THE YEAR IN THE EXECUTIVE'S PAYCHECKS AS TAXABLE INCOME.

**HOUSING ALLOWANCE OR RESIDENCE FOR PERSONAL USE:**

TEMPORARY HOUSING ALLOWANCES ARE INCLUDED IN CERTAIN EXECUTIVE RECRUITMENT AND RELOCATION PACKAGES. THE TAXABLE VALUE OF THESE ARRANGEMENTS IS CALCULATED AND INCLUDED IN THE EXECUTIVE'S TAXABLE COMPENSATION IN ACCORDANCE WITH APPLICABLE FEDERAL LAW AND REGULATIONS.

**PART I, LINE 3:**

THE FILING ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, AN INTEGRATED HEALTHCARE SYSTEM AND RELIES UPON NOVANT HEALTH, INC., THE PARENT ORGANIZATION, TO USE THE PROCESS DESCRIBED IN PART VI, LINE 15A/15B OF THIS RETURN TO ESTABLISH COMPENSATION FOR CERTAIN EXECUTIVES. THIS PROCESS ADHERES TO THE REQUIREMENTS SET FORTH TO SECURE THE REBUTTABLE PRESUMPTION OF REASONABLENESS AND INCLUDES A REVIEW AND APPROVAL BY INDEPENDENT AND DISINTERESTED MEMBERS OF A COMPENSATION COMMITTEE, CONSULTATION WITH INDEPENDENT COMPENSATION CONSULTANTS, THE UTILIZATION OF THIRD-PARTY COMPARABILITY DATA SUCH AS PUBLISHED COMPENSATION SURVEYS, AND

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.  
**CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION.**

**PART I, LINES 4A-C: SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS****SEVERANCE****NONE****NONQUALIFIED****GEOFFREY GARDNER \$22,093****JOHN MANN MD \$78,018****MICHAEL SETLIFF \$81,577****EQUITY-BASED****NONE****PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS:**

**THE SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") IS INTENDED TO SUPPORT RETENTION OF KEY EXECUTIVES, AND TO OFFER COMPETITIVE TOTAL COMPENSATION. GENERALLY, ANNUAL CONTRIBUTIONS TO THE PLAN OR PAYMENTS TO PARTICIPANTS WILL BE BASED ON A PERCENTAGE OF THE PARTICIPANT'S BASE SALARY AS OF JANUARY 1ST OF THE PREVIOUS PLAN YEAR AND ARE REPORTED IN COLUMN (C) OF SCHEDULE J. PRIOR TO MAKING THE CONTRIBUTIONS OR PAYMENTS, THE NOVANT HEALTH COMPENSATION AND LEADERSHIP COMMITTEE ("COMMITTEE") WILL APPROVE THE AMOUNTS AS TO REASONABLENESS, WHEN COMBINED WITH ALL OTHER ANNUAL COMPENSATION. A 3 YEAR CLASS-YEAR VESTING PERIOD WILL APPLY UP TO AGE 62, WHEN ALL MONEY WOULD BE VESTED AND PAID OUT TO THE PARTICIPANT. OTHERWISE, VESTING WILL OCCUR ON JANUARY 1ST OF EACH YEAR FOR THE APPROPRIATE CLASS-YEAR VESTING PERIOD. THE COMMITTEE REVIEWS, APPROVES, AND OVERSEES ALL ASPECTS AND ALL ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS, INCLUDING THE AMOUNTS AWARDED UNDER THIS SERP.**



**SCHEDULE O  
(Form 990)**

(Rev. December 2024)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**Open to Public  
Inspection**

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

FORM 990, ITEM C, DOING BUSINESS AS:  
NOVANT HEALTH FORSYTH MEDICAL CENTER

FORM 990, PI, L1: ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES  
NOVANT HEALTH, INC. IS A NON-PROFIT INTEGRATED NETWORK OF MORE THAN 900  
LOCATIONS, INCLUDING 19 MEDICAL CENTERS, MORE THAN 750 PHYSICIAN  
CLINICS AND URGENT CARE CENTERS, OUTPATIENT FACILITIES, AND IMAGING AND  
PHARMACY SERVICES. NOVANT HEALTH'S MORE THAN 40,000 TEAM MEMBERS ALONG  
WITH MORE THAN 8,500 INDEPENDENT AND EMPLOYED CLINICIANS CARE FOR  
PATIENTS AND COMMUNITIES IN NORTH CAROLINA AND SOUTH CAROLINA.

THE NOVANT HEALTH INTEGRATED HEALTHCARE SYSTEM OPERATES TO CARRY OUT  
ITS CHARITABLE MISSION OF CREATING A HEALTHIER FUTURE FOR THE  
COMMUNITIES IT SERVES AND DELIVERING A REMARKABLE PATIENT EXPERIENCE.  
NOVANT HEALTH ACCOMPLISHES THAT MISSION BY PROVIDING AND SUPPORTING  
EXCELLENT HEALTHCARE FACILITIES AND PHYSICIAN PRACTICES AND BY MAKING A  
COMMITMENT TO COMMUNITY OUTREACH/SERVICE THROUGH THE PROVISION OF  
COMMUNITY BENEFIT PROGRAMS. BY BRINGING TOGETHER WORLD-CLASS TECHNOLOGY  
AND CLINICIANS TO PROVIDE QUALITY CARE, NOVANT HEALTH IS COMMITTED TO  
CREATING A HEALTHCARE EXPERIENCE THAT IS SIMPLER, MORE CONVENIENT AND  
MORE AFFORDABLE SO PATIENTS CAN FOCUS ON GETTING BETTER AND STAYING  
HEALTHY. IN 2024, NOVANT HEALTH PROVIDED MORE THAN 7 MILLION PATIENT  
VISITS AND OVER \$1.6 BILLION OF COMMUNITY BENEFIT EXPENDITURES  
SYSTEM-WIDE.

IN ADDITION TO PROVIDING A HIGH QUALITY, COMPREHENSIVE CATALOG OF  
HEALTHCARE SERVICES, NOVANT HEALTH OFFERS A ROBUST PATIENT FINANCIAL  
ASSISTANCE PROGRAM, WORKING WITH ITS PATIENTS TO ASSIST WITH  
ESTABLISHING REASONABLE PAYMENT PLANS, DISCOUNTING PATIENT BILLS AND  
PROVIDING FREE CARE FOR THOSE THAT QUALIFY UNDER ITS FINANCIAL  
ASSISTANCE POLICY.

FORSYTH MEMORIAL HOSPITAL, INC. IS AN INTEGRAL PART OF THE NOVANT  
HEALTH SYSTEM AND INCLUDES FOUR HOSPITAL FACILITIES AS FOLLOWS: NOVANT  
HEALTH FORSYTH MEDICAL CENTER ("NHFC"), NOVANT HEALTH KERNERSVILLE  
MEDICAL CENTER ("NHKMC"), NOVANT HEALTH CLEMMONS MEDICAL CENTER  
("NHCMC"), AND NOVANT HEALTH REHABILITATION HOSPITAL OF WINSTON-SALEM,  
LLC.

- NHFC IS A 859-BED HOSPITAL IN WINSTON-SALEM, NC OFFERING A WIDE  
RANGE OF SERVICES IN EMERGENCY, MEDICAL, SURGERY, NEUROLOGY, CRITICAL  
CARE, ONCOLOGY, WOMEN'S HEALTH AND WELLNESS AND BEHAVIORAL HEALTH.  
CENTERS OF EXCELLENCE INCLUDE THE MAYA ANGELOU WOMEN'S HEALTH AND  
WELLNESS CENTER, HEART AND VASCULAR INSTITUTE, DERRICK L. DAVIS CANCER  
INSTITUTE, STROKE AND NEUROSCIENCES CENTER, ORTHOPEDIC CENTER AND  
BEHAVIORAL HEALTH.

- NHKMC IS A 63-BED COMMUNITY HOSPITAL IN KERNERSVILLE, NC OFFERING A  
WIDE RANGE OF SERVICES IN EMERGENCY, SURGERY, CARDIOVASCULAR,  
MATERNITY, DIAGNOSTIC AND CANCER CARE CLOSE TO HOME FOR LOCAL  
RESIDENTS.

- NHCMC IS A 36-BED COMMUNITY HOSPITAL IN CLEMMONS, NC OFFERING A WIDE  
RANGE OF SERVICES IN EMERGENCY, IMAGING, LABORATORY, MEDICAL, SURGERY

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990) (Rev. 12-2024)

LHA 432211 01-15-25

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

**AND ORTHOPEDIC SERVICES.**

- NH REHAB HOSPITAL OF WINSTON-SALEM, LLC IS A JOINT VENTURE HOSPITAL FACILITY OFFERING INPATIENT REHABILITATION FOR STROKE, BRAIN INJURY, HIP FRACTURE AND OTHER COMPLEX NEUROLOGICAL AND ORTHOPEDIC CONDITIONS.

**COMMUNITY OUTREACH**

COMMUNITY OUTREACH IS A CRITICAL COMPONENT TO THE MISSION OF NOVANT HEALTH. THE HEALTHCARE SYSTEM PROVIDES HUNDREDS OF PROGRAMS THAT SERVE PATIENTS, NEIGHBORS, AND SOME OF THE COMMUNITIES' MOST VULNERABLE CITIZENS. NOVANT HEALTH ALSO PROVIDES FINANCIAL ASSISTANCE (I.E., CHARITY CARE) FOR ITS QUALIFIED UNINSURED PATIENTS, CATASTROPHIC SETTLEMENTS AND LONG-TERM PAYMENT PLANS TO MEDICALLY INDIGENT PATIENTS, SERVICES TO PATIENTS WITH MEDICARE, MEDICAID, AND OTHER GOVERNMENT MEDICAL PROGRAM COVERAGE (REIMBURSED AT LESS THAN COST), COMMUNITY HEALTH EDUCATION, SUPPORT GROUPS, SUBSIDIZED OUTREACH SERVICES AND COMMUNITY EVENTS/SCREENINGS. IN ADDITION, NOVANT HEALTH PARTICIPATES IN MEDICAL RESEARCH, AS WELL AS ACADEMIC HEALTH PROGRAMS AND PARTNERSHIPS WITH A DIVERSE GROUP OF ORGANIZATIONS TO PROVIDE OTHER COMMUNITY INITIATIVES.

NOVANT HEALTH IS ALSO COMMITTED TO SUPPORTING THE COMMUNITIES IT SERVES THROUGH CHARITABLE CONTRIBUTIONS TO COMMUNITY-BASED PROGRAMS THAT IMPROVE HEALTH EQUITY AND UPWARD MOBILITY FOR THOSE WHO NEED IT MOST. TOWARD THAT GOAL, NOVANT HEALTH INVESTS IN COMMUNITY-BASED PROGRAMS THAT ALIGN WITH ITS TWO INVESTMENT PRIORITIES OF DEVELOPING HEALTHY COMMUNITIES AND EXPANDING OPPORTUNITIES FOR HEALTHCARE EDUCATION.

THE ANNUAL NOVANT HEALTH COMMUNITY IMPACT REPORT, AVAILABLE AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/), INCLUDES QUALITATIVE AND QUANTITATIVE INFORMATION REGARDING THE HEALTHCARE SYSTEM'S COMMUNITY BENEFIT EFFORTS AND ACHIEVEMENTS. FOR 2024, NOVANT HEALTH'S SYSTEM-WIDE COMMUNITY BENEFIT EXPENDITURES TOTALED APPROXIMATELY \$1.61 BILLION, INCLUDING \$225 MILLION OF FINANCIAL ASSISTANCE. NOTE: NUMERIC DATA IN THIS REPORT IS NOT BASED UPON FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER IN ACCORDANCE WITH NORTH CAROLINA HEALTHCARE ASSOCIATION COMMUNITY BENEFIT REPORTING GUIDELINES. NOVANT HEALTH COMMUNITY IMPACT REPORT SHOULD NOT BE RELIED UPON AS EQUIVALENT TO FORM 990, SCHEDULE H COMMUNITY BENEFIT, COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION STRATEGY REPORTING.

IN 2024, NOVANT HEALTH AND THE YMCA OF NORTHWEST NORTH CAROLINA CONTINUED ITS STRATEGIC PARTNERSHIP TO ENCOMPASS THE YMCA'S 17 BRANCH LOCATIONS ACROSS ALEXANDER, DAVIE, FORSYTH, IREDELL, STOKES, WILKES AND YADKIN COUNTIES. GUIDED BY THE LOCAL COMMUNITY HEALTH NEEDS ASSESSMENTS ("CHNAS"), THE TWO NON-PROFIT ORGANIZATIONS WILL EXPAND WELLNESS PROGRAMMING, SUPPORT YOUTH SPORTS, AND ESTABLISH PHYSICAL AND TELEHEALTH CLINIC LOCATIONS TO CREATE INTEGRATED HEALTHCARE ACCESS FOR THE REGION.

NHFMC SUPPORTED THE COMMUNITY IN 2024 THROUGH RESOURCES, SCREENINGS/CLINICS, HEALTH EDUCATION INITIATIVES AND CLASSES, SOCIAL & ENVIRONMENTAL IMPROVEMENT ACTIVITIES, COMMUNITY BUILDING ACTIVITIES, IN-KIND DONATIONS, AND MORE. SOME EXAMPLES OF RESOURCES PROVIDED TO THE COMMUNITY INCLUDE:

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

- MYCOMMUNITY ACCESS, WHICH ENABLED COMMUNITY MEMBERS TO SEARCH FOR FREE OR REDUCED COST RESOURCES LOCATED WITHIN THE COMMUNITY. NOVANT PAID THE ANNUAL FEES FOR THIS PLATFORM THAT COMMUNITY MEMBERS WOULD HAVE OTHERWISE HAD TO PAY.

- HURRICANE HELENE DISASTER RELIEF EFFORTS, INCLUDING BLOOD DRIVES IN PARTNERSHIP WITH THE AMERICAN RED CROSS.

- PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES.

- HISPANIC OUTREACH SPECIFICALLY FOR NAVIGATING HEALTHCARE, INCLUDING MAMMOGRAMS AND PRENATAL EDUCATION.

- SCREENINGS/CLINICS FOR BLOOD PRESSURE/HYPERTENSION, CHOLESTEROL, DIABETES, IMMUNIZATIONS AND BREAST CANCER, IN BOTH STATIONARY AND MOBILE CLINIC SETTINGS.

- MATERNAL & INFANT HEALTH INITIATIVES INCLUDED CHILDBIRTH PREPARATION, BREASTFEEDING, INFANT SAFETY & CPR, CAR SEAT SAFETY, NEWBORN CARE (IN ENGLISH AND SPANISH), SIBLING PREPARATION, DAD'S 411, FINANCIAL CHECKLIST FOR NEW PARENT CLASSES, AND INCREASING COMFORT IN LABOR, POSTPARTUM 101.

- SUPPORT GROUPS ESTABLISHED FOR POSTPARTUM, GI WELLNESS, GYN ONCOLOGY, LUNG CANCER, AND NURSING MOTHERS (BABY CAF).

- NUTRITION, EXERCISE & WELLNESS PROGRAMS INCLUDING PREGNANCY YOGA, MOMMY & BABY YOGA, CHAIR YOGA, TRADITIONAL YOGA, BREAST CANCER NUTRITION PREVENTION, AND SURVIVORSHIP CLASSES.

- SOCIAL AND ENVIRONMENTAL IMPROVEMENT ACTIVITIES & COMMUNITY BUILDING INCLUDING KAPPA COMMUNITY HEALTH FAIR DAY, NAACP HEALTH FAIR/COMMUNITY DAY, AND CLEMMONS COMMUNITY DAY AT JERRY LONG YMCA.

- IN-KIND GIFTS FOR FIRST-AID PERSONNEL AT COMMUNITY EVENTS.

- OTHER COMMUNITY EDUCATIONAL PROGRAMS AND ACTIVITIES INCLUDING CANCER EDUCATION CLASSES, CPR/FIRST AID TRAINING, HEALTH FAIRS, BACK TO SCHOOL BACKPACK DRIVE, HEART HEALTH TALKS, BARIATRIC SOLUTIONS FOR SENIOR'S HEALTH TALK, EDUCATION, AND VARIOUS WELLNESS WEBINARS.

NHKMC PROVIDED MYCOMMUNITY ACCESS AND PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES. SCREENINGS/CLINICS PROVIDED WERE FOR BLOOD PRESSURE AND HYPERTENSION SCREENING. HEALTH EDUCATION INITIATIVES INCLUDED A WELLNESS WEBINAR, HEALTHY LIVING EXPO & OTHER HEART HEALTH PROGRAMMING, AND AN 'ASK AN EDUCATOR' EVENT.

NHMC PROVIDED MYCOMMUNITY ACCESS AND PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES. SCREENINGS/CLINICS PROVIDED WERE FOR BLOOD PRESSURE AND BODY FAT MEASUREMENTS. NHMC PROVIDED BLOOD PRESSURE CHECKS AND HANDS-ONLY CPR DEMONSTRATIONS AT CLEMMONS COMMUNITY DAY AND PROVIDED BREAST EDUCATION AND FIRST AID FOR EVENTS HOSTED BY THE LEWISVILLE-CLEMMONS CHAMBER OF COMMERCE. NHMC ALSO HOSTED A BLOOD DRIVE FOR HURRICANE HELENE VICTIMS AND COLLECTED CANNED GOODS AND HYGIENE ITEMS FOR DONATION.

FORM 990, PI, L1: CONTINUED

NEW TECHNOLOGY & SERVICES

NHFMC BEGAN OFFERING A NEW HEART TREATMENT CALLED PULSED-FIELD ABLATION. THIS PROCEDURE IS FOR PATIENTS WITH ATRIAL FIBRILLATION (AFIB), WHICH IS THE MOST COMMON TYPE OF CARDIAC ARRHYTHMIA. THE TECHNOLOGY INVOLVES THE USE OF PULSED ELECTRICAL FIELDS SENT THROUGH A CATHETER TO TREAT MISFIRING CARDIAC TISSUE IN THE HEART. THE GOAL: PERMANENTLY CORRECT THE PATIENT'S IRREGULAR HEARTBEAT.

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

IN JULY 2024, THE FIRST PATIENT AT NHFMC TO RECEIVE A NEW DRUG THERAPY FOR LATE-STAGE PROSTATE CANCER COMPLETED HIS FINAL TREATMENT. THE PATIENT RECEIVED SIX DOSES OF PLUVICTO, A RADIOPHARMACEUTICAL DRUG DESIGNED TO TARGET AN ADVANCED FORM OF DISEASE. THE PRECISION MEDICINE THERAPY RELEASES RADIATION TO TARGET AND KILL LOCAL AND METASTATIC PROSTATE CANCER CELLS, SLOWING THE DISEASE BUT NOT CURING IT. THE HEART & VASCULAR CLINIC AT NHFMC OPENED A NEW HEART FAILURE OUTPATIENT CLINIC, WHICH IS DESIGNED TO SUPPORT THE ARTIFICIAL HEART PUMP PROGRAM/FUTURE LVAD PATIENTS IN THE NOW OPEN SOUTH TOWER.

NHKMC OPENED ITS NEW BIRTH CENTER STAFFED BY A TEAM OF EXPERIENCED LABOR AND DELIVERY SPECIALISTS. THE BIRTH CENTER WAS THE FINAL PHASE IN NHKMC'S \$55 MILLION EXPANSION PROJECT WHICH KICKED OFF IN 2021. THAT PLAN ALSO INCLUDED ADDING A HEART AND VASCULAR LAB AND EXPANDING THE INTENSIVE CARE UNIT.

NHKMC ALSO BEGAN OFFERING PULSED-FIELD ABLATIONS AT THE HEART AND VASCULAR LAB IN AUGUST 2024, AND THE MEDICAL CENTER HAS CONSISTENTLY PERFORMED 6-8 PROCEDURES PER MONTH SINCE ADDING THIS PATIENT SERVICE.

NHMC ADDED TELE-ICU AND TELE-STROKE CAPABILITIES.

#### AWARDS, RECOGNITION, AND CERTIFICATION/RECERTIFICATIONS

##### NOVANT HEALTH FORSYTH MEDICAL CENTER

- "A" RATED HOSPITAL FOR SAFETY BY THE LEAPFROG GROUP (2024)
- 4-STAR VIZIENT FACILITY
- AMERICA'S BEST MATERNITY HOSPITALS BY NEWSWEEK (2024, 2023)
- BEST HOSPITAL FOR MATERNITY CARE BY U.S. NEWS AND WORLD REPORT (2024, 2023, 2022)
- CHEST PAIN CENTER BY THE AMERICAN COLLEGE OF CARDIOLOGY
- GOLD PLUS RATED HOSPITAL BY AMERICAN HEART ASSOCIATION (2020, 2021, 2022, 2023, 2024)
- COMPREHENSIVE STROKE CERTIFICATION BY THE JOINT COMMISSION
- "BABY-FRIENDLY" RE-DESIGNATED HOSPITAL BY THE WORLD HEALTH ORGANIZATION AND THE UNITED NATIONS CHILDREN'S FUND
- 5-STAR-RATED HOSPITAL FOR "BREASTFEEDING FRIENDLINESS" BY NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017, 2018, 2019, 2020, 2022, 2024)
- MAGNET RECOGNITION PROGRAM DESIGNATED HOSPITAL BY THE AMERICAN NURSES CREDENTIALING CENTER
- IN 2024 NHFMC RECEIVED ITS 5TH MAGNET STATUS, WHICH PUTS IT IN THE TOP 2% OF REDESIGNATED MAGNET PROGRAMS ACROSS THE COUNTRY AND MAKES IT THE LONGEST RUNNING MAGNET PROGRAM IN NORTH CAROLINA.
- NORTH CAROLINA DIVISION OF MEDICAL ASSISTANCE - MEDICAID
- TJC - COMPREHENSIVE STROKE CENTER CERTIFICATION
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE
- LEVEL 3 GERIATRIC EMERGENCY DEPARTMENT ACCREDITATION
- TOP TEACHING HOSPITAL BY THE LEAPFROG GROUP (2024, 2023)
- NATIONAL ACCREDITATION PROGRAM FOR RECTAL CANCER (NAPRC)
- FOUNDATION FOR THE ACCREDITATION OF CELLULAR THERAPY (FACT)
- NATIONAL ACCREDITATION PROGRAM FOR BREAST CANCERS (NAPBC)

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC. NOVANT HEALTH KERNERSVILLE MEDICAL CENTER	56-0928089

- "A" RATED HOSPITAL FOR SAFETY BY THE LEAPFROG GROUP (2024)
- GOLD PLUS RATED HOSPITAL BY THE AMERICAN HEART ASSOCIATION (2020, 2021, 2022, 2023, 2024)
- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017, 2018, 2019, 2020, 2022, 2024)
- METABOLIC & BARIATRIC SURGERY ACCREDITATION AND QUALITY IMPROVEMENT PROGRAM
- FDA MQSA CERTIFICATION
- INTERNATIONAL ASSOCIATION FOR HEALTHCARE SECURITY AND SAFETY
- NORTH CAROLINA DIVISION OF MEDICAL ASSISTANCE - MEDICAID
- TJC - ACUTE STROKE READY HOSPITAL
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE
- CHEST PAIN CENTER BY THE AMERICAN COLLEGE OF CARDIOLOGY
- COMMISSION ON CANCER BY THE AMERICAN COLLEGE OF SURGEONS
- TOP TEACHING HOSPITAL BY THE LEAPFROG GROUP (2023)

#### NOVANT HEALTH CLEMMONS MEDICAL CENTER

- GOLD SAFETY AWARD BY NORTH CAROLINA DEPARTMENT OF LABOR
- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017, 2018, 2019, 2020, 2022, 2024)
- HIP AND KNEE JOINT REPLACEMENT CERTIFICATION BY THE JOINT COMMISSION
- INTERNATIONAL ASSOCIATION FOR HEALTHCARE SECURITY AND SAFETY
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA
- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE

#### ACCREDITATION

NHFMC, NHKMC, NHC MC HAVE BEEN FULLY ACCREDITED BY THE JOINT COMMISSION, AN INDEPENDENT ORGANIZATION THAT EVALUATES A HEALTHCARE ORGANIZATION'S PERFORMANCE IN AREAS THAT MOST AFFECT PATIENT HEALTH AND SAFETY. IN ADDITION, THESE HOSPITAL FACILITIES HAVE EARNED SOME OF THE NATION'S TOP HONORS IN QUALITY CARE, INCLUDING BREAST CENTER ACCREDITATION. NHKMC ALSO MEETS ALL CRITERIA AS A COMPREHENSIVE CENTER UNDER THE METABOLIC AND BARIATRIC SURGERY ACCREDITATION AND QUALITY IMPROVEMENT PROGRAM (MBSAQIP), A JOINT PROGRAM OF THE AMERICAN COLLEGE OF SURGEONS (ACS) AND THE AMERICAN SOCIETY FOR METABOLIC AND BARIATRIC SURGERY (ASMBS). THE MBSAQIP STANDARDS ENSURE THAT BARIATRIC SURGICAL PATIENTS RECEIVE A MULTIDISCIPLINARY PROGRAM, NOT JUST A SURGICAL PROCEDURE, WHICH IMPROVES PATIENT OUTCOMES AND LONG-TERM SUCCESS.

#### NOVANT HEALTH FORSYTH MEDICAL CENTER

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN COLLEGE OF RADIOLOGY: RADIATION ONCOLOGY
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- AMERICAN SOCIETY OF HEALTH SYSTEM PHARMACISTS - PHARMACY RESIDENCY PROGRAM
- COLLEGE OF AMERICAN PATHOLOGY
- INTERSOCIETAL ACCREDITATION COMMISSION ECHOCARDIOGRAPHY LABORATORIES
- NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS
- NATIONAL ASSOCIATION EPILEPSY CENTERS

#### NOVANT HEALTH CLEMMONS MEDICAL CENTER

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- COLLEGE OF AMERICAN PATHOLOGY

#### NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN COLLEGE OF RADIOLOGY: MAMMOGRAPHY
- AMERICAN COLLEGE OF RADIOLOGY: RADIATION ONCOLOGY
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- COLLEGE OF AMERICAN PATHOLOGY
- INTERSOCIETAL ACCREDITATION COMMISSION ECHOCARDIOGRAPHY LABORATORIES
- NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS

FORM 990, PART III, LINE 1: OUR CAUSE (FKA MISSION, VISION AND VALUES) IN THE SPIRIT OF KEEPING OUR FOCUS ON PATIENT-CENTERED, EQUITABLE AND COMPASSIONATE CARE WHILE ENSURING OUR ORGANIZATION IS SUSTAINABLE FOR FUTURE GENERATIONS, WE HAVE RESTATED OUR MISSION, VISION AND VALUES AND ARE NOW GUIDED BY OUR CAUSE.

#### OUR CAUSE

WE CREATE A HEALTHIER FUTURE AND BRING REMARKABLE EXPERIENCES TO LIFE.

#### DISCOVER

WE CONSISTENTLY SEEK TO INNOVATE, COURAGEOUSLY TRANSFORM OURSELVES AND FIND NEW WAYS TO ADD VALUE FOR OUR PATIENTS, COMMUNITIES AND ONE ANOTHER.

#### EMPOWER

WE PROVIDE ONE ANOTHER, OUR PATIENTS, FAMILIES AND COMMUNITIES WITH THE RESOURCES AND ENVIRONMENT TO CREATE SHARED ACCOUNTABILITY AND ACTION.

#### THRIVE

WE DEMONSTRATE EQUITY, EMPATHY, SAFETY AND QUALITY TO HELP EACH OTHER, AND OUR COMMUNITIES GROW AND SUCCEED.

#### TOGETHER

WE WORK AS A TRUSTED TEAM WITH OUR UNIQUE PERSPECTIVES, LIFE EXPERIENCES AND EXPERTISE TO BRING REMARKABLE TO LIFE IN EVERY INTERACTION. WE ALL BELONG.

#### FORM 990, PART III, LINE 4A: PROGRAM SERVICE ACCOMPLISHMENTS

NHFMC HAS 859 LICENSED BEDS. IN 2024, THERE WERE 240,120 PATIENT DAYS WITH AN AVERAGE LENGTH OF STAY OF 6 DAYS, AN AVERAGE DAILY CENSUS OF 656, AND 39,112 DISCHARGES. THERE WERE 23,635 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 897,747 OUTPATIENT ENCOUNTERS AND 84,229 EMERGENCY DEPARTMENT VISITS.

NHKMC HAS 63 LICENSED BEDS. IN 2024, THERE WERE 17,883 PATIENT DAYS WITH AN AVERAGE LENGTH OF STAY OF 4 DAYS, AN AVERAGE DAILY CENSUS OF 49, AND 4,644 DISCHARGES. THERE WERE 6,017 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 61,256 OUTPATIENT ENCOUNTERS AND 36,742 EMERGENCY DEPARTMENT VISITS.

NHMC HAS 36 LICENSED BEDS. IN 2024, THERE WERE 5,012 PATIENT DAYS WITH

Name of the organization	Employer identification number
FORSYTH MEMORIAL HOSPITAL, INC.	56-0928089
AN AVERAGE LENGTH OF STAY OF 2 DAYS, AN AVERAGE DAILY CENSUS OF 14, AND 2,051 DISCHARGES. THERE WERE 6,606 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 42,984 OUTPATIENT ENCOUNTERS AND 24,969 EMERGENCY DEPARTMENT VISITS.	

FORM 990, PART VI, SECTION A, LINE 6: CLASSES OF MEMBERS OR STOCKHOLDERS THE ORGANIZATION IS A NON-PROFIT CORPORATION WITH MEMBERS (OR A MEMBER). MEMBER HAS SOLE VOTING AUTHORITY OVER ALL MATTERS. IN ADDITION TO THESE POWERS, MEMBER HAS CERTAIN RIGHTS SUBJECT TO THE RESERVED POWERS OF NOVANT HEALTH, INC.

FORM 990, PART VI, SECTION A, LINE 7A: ELECTION OF MEMBERS AND THEIR RIGHTS NOVANT HEALTH, INC. ELECTS ALL MEMBERS OF THE GOVERNING BODY OF FORSYTH MEMORIAL HOSPITAL, INC.

FORM 990, PART VI, SECTION A, LINE 7B: DECISIONS SUBJECT TO APPROVAL OF MEMBERS NOVANT HEALTH, INC. HAS CERTAIN RESERVED POWERS, SUCH AS APPROVAL OF AMENDMENTS TO THE ARTICLES AND BYLAWS OF THE CORPORATION, AND TO ADOPT CERTAIN POLICIES WHICH SHALL BE IMPLEMENTED BY THE CORPORATION BOARD.

FORM 990, PART VI, SECTION B, LINE 11: ORGANIZATION'S PROCESS TO REVIEW FORM 990 THE BOARD DELEGATES REVIEW OF THE FORM 990 TO NOVANT HEALTH'S BOARD OF TRUSTEES' AUDIT AND COMPLIANCE COMMITTEE ("THE COMMITTEE"), WHICH OVERSEES TAX MATTERS FOR ENTITIES IN THE NOVANT HEALTH SYSTEM. THE COMMITTEE IS THE REVIEW BODY FOR ALL OF THE FORM 990S FILED FOR TAX-EXEMPT ORGANIZATIONS WITHIN THE NOVANT HEALTH SYSTEM. THE COMMITTEE IS PROVIDED A COPY OF FORM 990 AND MEETS TO ADDRESS ANY QUESTIONS AND SIGNIFICANT DISCLOSURES WITHIN THE FORM 990 PRIOR TO ITS FILING WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: MONITORING AND ENFORCEMENT OF COI NOVANT HEALTH'S TRUSTEE CONFLICT OF INTEREST POLICY, APPLICABLE TO THE FILING ORGANIZATION, APPLIES TO ALL TRUSTEES, PRINCIPAL OFFICERS OR MEMBERS OF A COMMITTEE WITH BOARD DELEGATED POWERS INCLUDING ANY APPLICABLE DISREGARDED ENTITIES. ALL TRUSTEES ARE SENT AN ANNUAL DISCLOSURE QUESTIONNAIRE. THE TRUSTEE ANNUAL DISCLOSURE QUESTIONNAIRES ARE REVIEWED BY THE COMPLIANCE AND TAX DEPARTMENTS. WITH RESPECT TO PARTICULAR TRANSACTIONS THAT COME BEFORE THE BOARD, THE CONFLICT OF INTEREST POLICY WOULD BE FOLLOWED. THE POTENTIAL CONFLICT OF INTEREST WOULD BE DISCLOSED BY THE BOARD MEMBER BEFORE A VOTE ON THE TRANSACTION AND THE REST OF THE BOARD WOULD DETERMINE WHETHER A CONFLICT OF INTEREST EXISTS. IF THE REST OF THE BOARD DETERMINED THAT A CONFLICT OF INTEREST EXISTED THEN THE BOARD MEMBER WITH THE CONFLICT OF INTEREST WOULD NOT PARTICIPATE IN THE DELIBERATIONS AND VOTE.

FORM 990, PART VI, SECTION B, LINE 15A/15B: THE FILING ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, AN INTEGRATED HEALTHCARE SYSTEM. INDEPENDENT AND DISINTERESTED BOARD MEMBERS OF THE PARENT ORGANIZATION, NOVANT HEALTH, INC. BOARD OF TRUSTEES (WHO COMPRISE

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD), REVIEW, APPROVE, AND OVERSEE ALL ASPECTS OF COMPENSATION AND BENEFITS FOR CERTAIN LEADERS ("EXECUTIVES") SERVING AS OFFICERS, INCLUDING THE TOP MANAGEMENT & FINANCIAL OFFICIALS, OR KEY EMPLOYEES FOR NOVANT HEALTH ENTITIES. THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT AND USES THIRD PARTY COMPARABILITY DATA FOR FUNCTIONALLY SIMILAR POSITIONS AT COMPARABLE ORGANIZATIONS TO ENSURE THAT TOTAL COMPENSATION AND BENEFITS FOR EACH EXECUTIVE IS REASONABLE. THE COMMITTEE REVIEWS AND APPROVES EXECUTIVE COMPENSATION AND BENEFITS ANNUALLY, CONSISTENT WITH THE WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY OF NOVANT HEALTH, AND IN A MANNER THAT QUALIFIES FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS.

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS DISCLOSURE  
THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAINING ALL ORGANIZATIONS IN THE NOVANT HEALTH SYSTEM ARE POSTED TO THE NOVANT HEALTH WEBSITE. THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT AVAILABLE TO THE PUBLIC.

FORM 990, PART VII, SECTION B: INDEPENDENT CONTRACTORS  
NOVANT HEALTH, INC, A RELATED ORGANIZATION, IS RESPONSIBLE FOR CERTAIN CORPORATE SUPPORT FUNCTIONS OF THE FILING ORGANIZATION, INCLUDING ACCOUNTS PAYABLE AND ISSUANCE OF FORMS 1099. INFORMATION REPORTED IN PART VII, SECTION B REPRESENTS EXPENSES PAID BY NOVANT HEALTH, INC. ON BEHALF OF THE FILING ORGANIZATION TO INDEPENDENT CONTRACTORS OVER \$100,000.

FORM 990, PART IX, LINE 6: COMPENSATION OF DISQUALIFIED PERSONS  
THE TOTAL AMOUNT REPORTED REPRESENTS AMOUNTS ATTRIBUTABLE TO DISQUALIFIED PERSONS ("DQPS"), AS DEFINED IN FORM 990 INSTRUCTIONS, AND TO INDIVIDUALS THAT MAY NOT DEFINITELY BE CONSIDERED DQPS UNDER SECTION 4958 BUT ARE INCLUDED IN AN EXPANSIVE APPROACH TO DQP REPORTING.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

CONTRIBUTIONS:	-1,061,220.
AFFILIATE TRANSFERS:	-1,620,798.
ADJUSTMENT FOR OVERHEAD INTERCOMPANY EXPENSE ALLOCATIONS:	1,120,750,483.
TOTAL TO FORM 990, PART XI, LINE 9	1,118,068,465.



**SCHEDULE R  
(Form 990)**

(Rev. January 2025)

Department of the Treasury  
Internal Revenue Service**Related Organizations and Unrelated Partnerships**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
Attach to Form 990.Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**Open to Public  
Inspection**

Name of the organization

**FORSYTH MEMORIAL HOSPITAL, INC.**Employer identification number  
**56-0928089****Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
NOVANT HEALTH CLEMMONS OUTPATIENT SURGERY, LLC - 82-5250651, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	8,576,385.	11,734,600.	FORSYTH MEMORIAL HOSPITAL, INC.
NOVANT HEALTH KERNERSVILLE OUTPATIENT SURGERY, LLC - 82-1651821, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	7,562,569.	7,851,549.	FORSYTH MEMORIAL HOSPITAL, INC.

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
AUXILIARY OF FORSYTH MEMORIAL HOSPITAL - 56-0862112, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	GIFT SHOP *DISSOLVED 3/2024*	NORTH CAROLINA	501(C)(3)	LINE 10	FORSYTH MEMORIAL HOSPITAL, INC.	X	
BRUNSWICK NOVANT MEDICAL CENTER FOUNDATION - 27-4616751, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	BRUNSWICK COMMUNITY HOSPITAL, LLC		X
CAROLINA HEALTHCARE ASSOCIATES, INC. - 56-2049697, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE STAFFING	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
COMMUNITY GENERAL HOSPITAL FOUNDATION, INC. - 56-1828629, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH THOMASVILLE MEDICAL CENTER,		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) (Rev. 1-2025)

**SEE PART VII FOR CONTINUATIONS**

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
FORSYTH MEDICAL CENTER FOUNDATION - 56-2120959, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	FORSYTH MEMORIAL HOSPITAL, INC.	X	
NEW HANOVER REGIONAL MEDICAL CENTER FOUNDATION, INC. - 56-1752396, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
NHRMC HOME CARE - 35-2379154 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 10	PENDER MEMORIAL HOSPITAL, INC.		X
NOVANT HEALTH, INC. - 56-1376950 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	N/A		X
PENDER MEMORIAL HOSPITAL, INC. - 56-0653348 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
PRESBYTERIAN HOSPITAL FOUNDATION - 58-1413074, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH SOUTHERN PIEDMONT REGION, LLC		X
ROWAN REGIONAL MEDICAL CENTER AUXILIARY - 23-7022472, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	GIFT SHOP	NORTH CAROLINA	501(C)(3)	LINE 10	NOVANT HEALTH ROWAN MEDICAL CENTER, LLC		X
ROWAN REGIONAL MEDICAL CENTER FOUNDATION, INC. - 56-1424818, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	ROWAN HEALTH SERVICES, LLC		X
SELF INSURANCE FUND - NOVANT HEALTH, INC. - 58-1867242, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	INSURANCE *DISSOLVED 3/2024*	NORTH CAROLINA	501(C)(3)	LINE 12C, III-FI	NOVANT HEALTH, INC.		X
THE PRESBYTERIAN HOSPITAL - 56-0554230 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH SOUTHERN PIEDMONT REGION, LLC		X

**Part III Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
ADEPT HEALTH, INC. - 56-2226937									
2085 FRONTIS PLAZA BLVD.									
WINSTON SALEM, NC 27103	INACTIVE	NC	N/A	C CORP	N/A	N/A	N/A		X
CHOICEHEALTH, INC. - 56-1896065									
2085 FRONTIS PLAZA BLVD.									
WINSTON SALEM, NC 27103	MANAGED CARE	NC	N/A	C CORP	N/A	N/A	N/A		X
COMMUNICARE, INC. - 56-1952950									
2085 FRONTIS PLAZA BLVD.									
WINSTON SALEM, NC 27103	INACTIVE	NC	N/A	C CORP	N/A	N/A	N/A		X
KERNERSVILLE MEDICAL CENTER PARK OWNERS'									
ASSOCIATION - 47-1511401, 2085 FRONTIS PLAZA									
BLVD., WINSTON SALEM, NC 27103	REAL PROPERTY MGMT	NC	N/A	C CORP	N/A	N/A	N/A		X
MEDQUEST, INC. & SUBSIDIARIES - 22-3860764									
3480 PRESTON RIDGE RD., STE 600									
ALPHARETTA, GA 30005	DIAGNOSTIC IMAGING	DE	N/A	C CORP	N/A	N/A	N/A		X

[illegible]

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity .....	<b>1a</b>	X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>1b</b>	X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>1e</b>	X
<b>f</b> Dividends from related organization(s) .....	<b>1f</b>	X
<b>g</b> Sale of assets to related organization(s) .....	<b>1g</b>	X
<b>h</b> Purchase of assets from related organization(s) .....	<b>1h</b>	X
<b>i</b> Exchange of assets with related organization(s) .....	<b>1i</b>	X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....	<b>1j</b>	X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>1k</b>	X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>1l</b>	X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	<b>1m</b>	X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	<b>1n</b>	X
<b>o</b> Sharing of paid employees with related organization(s) .....	<b>1o</b>	X
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	<b>1p</b>	X
<b>q</b> Reimbursement paid by related organization(s) for expenses .....	<b>1q</b>	X
<b>r</b> Other transfer of cash or property to related organization(s) .....	<b>1r</b>	X
<b>s</b> Other transfer of cash or property from related organization(s) .....	<b>1s</b>	X
<b>2</b> If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) FORSYTH MEDICAL CENTER FOUNDATION	C	1,092,809.	CASH
(2) FORSYTH MEDICAL CENTER FOUNDATION	R	1,620,798.	CASH
(3)			
(4)			
(5)			
(6)			

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

**Part VII** Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

**PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:**

NAME OF RELATED ORGANIZATION:

CAROLINA HEALTHCARE ASSOCIATES, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL  
CENTER, LLC

NAME OF RELATED ORGANIZATION:

COMMUNITY GENERAL HOSPITAL FOUNDATION, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH THOMASVILLE MEDICAL CENTER, LLC

NAME OF RELATED ORGANIZATION:

NEW HANOVER REGIONAL MEDICAL CENTER FOUNDATION, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL  
CENTER, LLC

NAME OF RELATED ORGANIZATION:

PENDER MEMORIAL HOSPITAL, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL  
CENTER, LLC

Electronic Filing PDF Attachment



# **Novant Health, Inc. and Affiliates**

**Consolidated Financial Statements and  
Supplemental Information  
December 31, 2024 and 2023**

**Novant Health, Inc. and Affiliates**  
**Index**  
**December 31, 2024 and 2023**

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## **Report of Independent Auditors**

To the Board of Trustees of Novant Health, Inc.

### ***Opinion***

We have audited the accompanying consolidated financial statements of Novant Health, Inc. and Affiliates (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors'

report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

Charlotte, North Carolina  
March 31, 2025

**Novant Health, Inc. and Affiliates**  
**Consolidated Balance Sheets**  
**December 31, 2024 and 2023**

*(in thousands of dollars)*

	2024	2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 644,080	\$ 739,797
Accounts receivable, net	1,354,734	1,055,998
Short-term investments	193	11,080
Current portion of assets limited as to use	16,297	27,617
Receivable for settlement with third-party payors	333,963	12,650
Other current assets	560,940	513,058
Total current assets	2,910,207	2,360,200
Assets limited as to use	302,213	270,232
Long-term investments	3,835,982	3,387,889
Property and equipment, net	3,687,042	3,219,937
Right-of-use assets, net	639,098	462,557
Intangible assets and goodwill, net	2,980,125	621,916
Investments in affiliates	384,981	397,207
Deferred tax asset	522	3,570
Other assets	285,932	122,802
Total assets	<u>\$ 15,026,102</u>	<u>\$ 10,846,310</u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Current portion of long-term debt	\$ 51,851	\$ 79,065
Accounts payable	453,442	402,157
Accrued liabilities	938,464	729,416
Current portion of operating lease liabilities	119,925	106,085
Estimated third-party payor settlements	170,994	102,827
Total current liabilities	1,734,676	1,419,550
Long-term debt, net of current portion	5,245,330	2,588,423
Deferred tax liability	10,250	14,932
Operating lease liabilities, net of current portion	550,096	386,962
Derivative financial instruments	7,491	12,254
Employee benefits and other liabilities	491,286	442,017
Total liabilities	<u>8,039,129</u>	<u>4,864,138</u>
Commitments and contingencies		
Net assets		
Without donor restrictions - attributable to Novant Health	6,804,014	5,871,264
Without donor restrictions - noncontrolling interests	65,664	4,806
Total net assets without donor restrictions	6,869,678	5,876,070
With donor restrictions	117,295	106,102
Total net assets	<u>6,986,973</u>	<u>5,982,172</u>
Total liabilities and net assets	<u>\$ 15,026,102</u>	<u>\$ 10,846,310</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Novant Health, Inc. and Affiliates**  
**Consolidated Statements of Operations and Changes in Net Assets**  
**Years Ended December 31, 2024 and 2023**

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(in thousands of dollars)

	2024	2023
<b>Total operating revenues, gains, and other support</b>		
Net patient service revenues	\$ 8,971,524	\$ 7,415,779
Other revenue and gains	1,202,094	879,369
Total operating revenues, gains, and other support	10,173,618	8,295,148
<b>Operating expenses</b>		
Salaries and employee benefits	4,953,533	4,471,515
Supplies and other	4,165,550	3,258,361
Depreciation and amortization expense	318,330	335,734
Gain on sale of property and equipment	(21,860)	(5,217)
Interest expense	201,749	87,975
Total operating expenses, net	9,617,302	8,148,368
Operating income	556,316	146,780
<b>Non-operating income (expense)</b>		
Investment income	358,927	310,804
Income tax benefit (expense)	5,182	(1,907)
Other net periodic pension (costs) benefits	(654)	5,168
Excess of revenues over expenses	\$ 919,771	\$ 460,845
<b>Other changes in net assets without donor restrictions</b>		
Change in net assets due to purchase of consolidated affiliates	71,877	-
Amortization of deferred loss on derivative financial instruments	2,991	2,564
Change in net assets due to sale of consolidated affiliate	1,370	-
Change in funded status of defined benefit plans	389	(543)
Other changes in net assets without donor restrictions	(2,790)	(5,044)
Increase in net assets without donor restrictions	993,608	457,822
<b>Net assets with donor restrictions</b>		
Contributions and investment income	21,783	21,980
Net assets released from restrictions for operations	(10,590)	(11,265)
Increase in net assets with donor restrictions	11,193	10,715
Increase in total net assets	1,004,801	468,537
Net assets, beginning of period	5,982,172	5,513,635
Net assets, end of period	\$ 6,986,973	\$ 5,982,172

The accompanying notes are an integral part of these consolidated financial statements.

**Novant Health, Inc. and Affiliates**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2024 and 2023**

(in thousands of dollars)

	2024	2023
<b>Cash flows from operating activities</b>		
Increase in total net assets	\$ 1,004,801	\$ 468,537
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation, amortization and accretion	317,628	337,720
Change in net assets due to purchases of consolidated affiliates	(71,877)	-
Gain on sale of property & equipment	(21,860)	(5,217)
Change in net assets due to sale of consolidated affiliate	(1,370)	-
Gain on sale of consolidated entities	(868)	(14,085)
Actuarial gain on pension and postretirement benefits	(749)	(598)
Change in funded status of defined benefit plans	(389)	543
Deferred taxes, net	(1,634)	(5,531)
Share of (earnings) losses in affiliates, net of distributions	34,705	(156)
Net realized and unrealized gains on assets limited as to use and investments	(285,523)	(259,908)
Change in fair value of interest rate swaps	(4,763)	(937)
Contributions restricted for capital	(4,069)	(2,135)
Changes in operating assets and liabilities, net of assets acquired and liabilities assumed		
Accounts receivable	(258,663)	(172,847)
Accounts payable and accrued liabilities	193,475	58,921
Medicare advanced repayments	-	(91,145)
Long-term liabilities	13,409	32,683
Other current assets	(13,040)	(97,500)
Other long-term assets	(96,937)	1,162
Third-party payor settlements, net	(253,146)	44,631
Other assets and liabilities, net	(1,373)	14,099
Net cash provided by operating activities	<u>547,757</u>	<u>308,237</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(564,088)	(520,858)
Proceeds from sales of long-term investments	1,441,614	1,451,632
Purchases of long-term investments	(1,528,478)	(1,662,899)
Proceeds from sales of short-term investments	10,908	724,287
Purchases of short-term investments	-	(493,175)
Proceeds from sale of property and equipment	65,942	22,273
Payments on purchases of consolidated entities, net of cash acquired	(2,615,786)	-
Proceeds on sales of consolidated entities, net of cash disposed	2,806	250,061
Investments in unconsolidated affiliates	(22,598)	(92,019)
Other investing activities	453	(1,852)
Net cash used in investing activities	<u>(3,209,227)</u>	<u>(322,550)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Novant Health, Inc. and Affiliates**  
**Consolidated Statements of Cash Flows, continued**  
**Years Ended December 31, 2024 and 2023**

(in thousands of dollars)

	2024	2023
<b>Cash flows from financing activities</b>		
Principal payments on long-term debt	(46,501)	(24,740)
Proceeds from long-term debt, net	2,445,295	-
Proceeds from sale of accounts receivable	23,490	19,734
Proceeds from issuance of short-term debt	2,360,000	-
Payments on short-term debt	(2,360,000)	-
Proceeds from revolving credit facility	212,500	43,627
Payments on revolving credit facility	(258,325)	-
Proceeds from real estate financing	288,659	-
Other financing activities	1,105	(1,412)
Net cash provided by financing activities	2,666,223	37,209
Net increase in cash, cash equivalents and restricted cash	4,753	22,896
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	873,079	850,183
End of period	\$ 877,832	\$ 873,079

	2024	2023
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	\$ 191,115	\$ 93,161
Income taxes paid	577	31,577
<b>Supplemental disclosure of noncash financing and investing activities</b>		
Property and equipment financed through current liabilities	117,616	79,044

The following table reconciles cash and cash equivalents on the consolidated balance sheets to cash, cash equivalents and restricted cash on the consolidated statements of cash flows:

	2024	2023
Cash and cash equivalents	\$ 644,080	\$ 739,797
Restricted cash included in assets limited as to use:		
Nonqualified plans	12,689	11,025
Transition stabilization escrow	32,211	43,283
Other	10,654	16,269
Cash and cash equivalents included in long-term investments	178,198	62,705
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	\$ 877,832	\$ 873,079

The accompanying notes are an integral part of these consolidated financial statements.



**Novant Health, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 and 2023**

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*(in thousands of dollars)*

**1. Reporting Entity**

Novant Health, Inc. (“Novant Health” or the “Company”) is a not-for-profit integrated network of more than 900 locations, including 19 medical centers, more than 750 physician clinics and urgent care centers, outpatient facilities, and imaging and pharmacy services. Novant Health’s more than 40,000 team members along with more than 8,500 independent and employed clinicians care for patients and communities in North Carolina and South Carolina.

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

**Principles of Consolidation**

The consolidated financial statements include the accounts of Novant Health and all affiliates controlled by the Company. All intercompany transactions and balances have been eliminated.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Significant estimates include, but are not limited to, accounts receivable price concessions, third-party payor settlements, goodwill and intangible asset valuation and subsequent recoverability, useful lives of intangible assets and property and equipment and medical and professional liability and other self-insurance accruals related assumptions.

**Fair Value of Financial Instruments**

The fair value of financial instruments approximates the carrying amount reported in the consolidated balance sheets for cash and cash equivalents, investments other than alternatives, assets limited as to use and interest rate swaps.

**Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding amounts limited as to use by board designation, donors or trustees and certain amounts that are reported as long-term investments.

**Restricted Cash**

Novant Health holds cash that is restricted by the Company to purchase investments, pay participants in the Company’s nonqualified plan, and make payments related to the transition stabilization fund. Restricted cash balances were \$233,752 and \$133,282 as of December 31, 2024 and 2023,

**Novant Health, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 and 2023**

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*(in thousands of dollars)*

respectively, and are classified as current or long-term, consistent with the nature of their intended use based on the restrictions.

**Accounts Receivable**

Accounts receivable consist primarily of amounts owed by various governmental agencies, insurance companies and patients. Novant Health manages these receivables by regularly reviewing the accounts and contracts and by recording appropriate price concessions. Amounts the Company receives for treatment of patients covered by governmental programs and third-party payors as well as directly from patients are subject to both explicit and implicit price concessions. The Company estimates these price concessions using contractual agreements, discount policies, historical experience as well as current and expected future economic conditions. Novant Health records price concessions in the period of service based on the analysis and consideration of these factors.

**Leases**

Novant Health leases property and equipment under finance and operating leases and determines if an arrangement is a lease at the inception of the contract. Right-of-use assets represent the Company's right to use the underlying assets for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the leases. For leases with terms greater than 12 months, the related right-of-use assets and liabilities are recorded at the present value of lease payments over the term. Many of the Company's leases include rental escalation clauses and renewal options that are factored into our determination of lease payments when appropriate. The Company uses its estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of the lease payment.

**Other Current Assets**

Other current assets include supplies (which primarily consist of hospital and medical supplies and pharmaceuticals), prepaid expenses and other receivables. Supply costs are determined primarily using the average cost method and are stated at the lower of cost or net realizable value.

**Investments**

Debt investments are classified as trading securities. All debt investments are designated as trading at the time of acquisition. Unrealized gains and losses on debt and equity investments are included in excess of revenues over expenses, unless the income or loss is restricted by donor or law. Long-term investments are classified as noncurrent assets as the Company does not expect to use these funds to meet its current liabilities.

Investments in equity and debt securities with readily determinable fair values are measured at fair value based on prices obtained on active markets or exchanges. The Company also invests in alternative and private equity investments through funds structured as limited liability partnerships ("LLPs"), limited liability companies ("LLCs") and corporations. These investments are recorded using the equity method, with the values provided by the respective partnership, LLC or corporation based on market value or other estimates that require varying degrees of judgment. The Company also has certain investments that are reported at Net Asset Value ("NAV") as a practical expedient as permitted

**Novant Health, Inc. and Affiliates**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024 and 2023**

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*(in thousands of dollars)*

under GAAP. Novant Health believes the NAV reported at the end of the period is representative of the price we would receive if we sold the investment. For all of the Company's long-term investments, the related earnings are reported as investment income in the consolidated statements of operations and changes in net assets. At December 31, 2024 and 2023, the Company held \$56,750 and \$45,701, respectively, of long-term investments that were accounted for at cost less impairment with adjustments made for any observable price changes resulting from an orderly transaction for the identical or a similar investment of the same issuer.

The determination of any other-than-temporary impairment ("OTTI") of the Company's equity method hedge funds and private equity fund investments is based upon periodic evaluations and assessments of known and inherent risks associated with the respective asset class. The Company updates its evaluations regularly and recognizes OTTI as conditions change and new information becomes available. OTTI is included in investment income in the combined statements of operations and changes in net assets. There was no OTTI for the years ended December 31, 2024 and 2023.

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the investment balances included in the consolidated financial statements.

**Assets Limited as to Use**

Assets limited as to use are reported at fair value and primarily include assets held by trustees, funds designated for wind down expenses related to an acquisition (transition stabilization fund), and assets designated for specific purposes by the Board of Trustees.

**Derivatives**

The Company selectively enters into interest rate protection agreements to mitigate changes in interest rates on variable rate borrowings. The notional amounts of such agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to loss. None of these agreements are used for speculative or trading purposes.

Derivatives are recognized on the consolidated balance sheets at fair value. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship. The Company formally documents the hedging relationships at inception of the contract for derivative transactions, including identifying the hedge instruments and hedged items, as well as the risk management objectives and strategies for entering into the hedge transaction. At inception and on a quarterly basis thereafter, the Company assesses the effectiveness of derivatives used to hedge transactions. If a cash flow hedge is deemed highly effective, the change in fair value is recorded as a change in net assets without donor restrictions. The change in fair value of derivatives that do not qualify for hedge accounting is recognized in excess of revenues over expenses.

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**Property and Equipment**

Property and equipment are recorded at cost, if purchased, or at fair value at the date of donation, if donated. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets. Leasehold improvements are amortized over the life of the lease or the useful life of the asset, whichever is shorter.

Following is a summary of the estimated useful lives used in computing depreciation:

Land improvements	5–45 years
Buildings	30–40 years
Machinery and equipment	3–15 years
Software	3–10 years
Furniture and fixtures	7–14 years

Maintenance and repairs of property and equipment are expensed in the period incurred. Replacements or improvements that increase the estimated useful life of an asset are capitalized. The Company also capitalizes the cost of software developed for internal use. Assets that are sold, retired or otherwise disposed of are removed from the respective asset cost and accumulated depreciation accounts and any gain or loss is included in the results of operations.

Gifts of long-lived assets such as land, buildings or equipment are excluded from excess of revenues over expenses and are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

**Goodwill and Other Intangible Assets**

Goodwill represents the excess of the purchase price over the fair value of the net assets of acquired companies. Intangible assets generally represent the acquisition date fair value of certain rights or relationships obtained in such business acquisitions.

The Company considers certificates of need, which are required by certain states prior to the acquisition of high cost capital items, to be indefinite-lived intangible assets. During 2023, regulatory changes in states where the Company does business eliminated these requirements for certain types of equipment at dates in the future. As a result of these changes, these intangible assets now have estimated useful lives and are being amortized accordingly. The Company also has intangible assets with identifiable useful lives related to business acquisitions. These assets include business relationships and corporate trade names. In accordance with GAAP, the Company amortizes the cost of these intangible assets over their estimated useful lives.

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Following is a summary of the estimated useful lives used in computing amortization:

Certificates of need	Based on state regulatory requirements
Business relationships	26 years
Corporate trade name	29 years

On October 1<sup>st</sup> each year, Novant Health tests goodwill and indefinite-lived assets for impairment. The Company has elected to evaluate goodwill triggering events at the end of each quarterly reporting period. If it is more likely than not that the indefinite-lived asset is impaired, additional testing for impairment is required. GAAP prescribes that impairment for indefinite-lived intangibles is evaluated by comparing the fair value of the asset with its carrying amount. If the carrying amount exceeds the fair value, an impairment loss is recognized as the amount of that excess.

Impairment tests are performed at the reporting unit level for units that have goodwill. If it is more likely than not that the fair value of the reporting unit exceeds the carrying value of the reporting unit, additional impairment testing is not required. If it is more likely than not that the carrying value of the reporting unit exceeds the fair value of the reporting unit, additional testing for impairment is required. The first step is to determine if the carrying value of the reporting unit with goodwill is less than the related fair value of the reporting unit. The fair value of the reporting unit is determined through use of discounted cash flow methods and/or market based multiples of earnings and sales methods. If the carrying value of the reporting unit is less than the fair value of the reporting unit, the goodwill is not considered impaired. If the carrying value is greater than the fair value, the goodwill is considered impaired and an impairment charge is recorded for the amount by which the carrying value exceeds the fair value of the reporting unit.

**Investments in Affiliates**

Investments in entities which Novant Health does not control, but in which it has a substantial ownership interest and can exercise significant influence, are accounted for using the equity method. Investments for which the Company does not have the ability to exercise significant influence are accounted for at fair value or, if fair value is not readily determinable, at cost less impairment with adjustments made for any observable price changes resulting from an orderly transaction for the identical or a similar investment of the same issuer. Distributions from affiliates are shown as operating cash flows on the Company's consolidated statements of cash flows.

**Other Assets**

Other assets consist of notes and pledges receivable, reinsurance receivables, deferred rent income and the cash surrender value of insurance policies.

**Compensated Absences**

The Company's employees earn paid time off at varying rates depending on years of service. Paid time off accumulates up to certain limits, at which time no additional hours can be earned. Provided this hourly limit is not met, employees can continue to accumulate hours and time can be carried over to future years. Accrued paid time off is included in accrued liabilities on the Company's consolidated balance sheets.

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**Pension and Postretirement Benefit Plans**

Novant Health's defined benefit plans are measured using actuarial techniques that reflect management's assumptions for discount rate, investment returns on plan assets, salary increases, expected retirement, mortality, employee turnover and future increases in healthcare costs. The discount rate (which is required to be the rate at which the projected benefit obligation could be effectively settled as of the measurement date) is determined with the assistance of actuaries, who calculate the yield on a theoretical portfolio of high-grade corporate bonds (rated Aa or better) with cash flows that are designed to match expected benefit payments in future years. The expected rate of return is a judgmental matter which is reviewed on an annual basis and revised as appropriate. The accounting guidance related to employers' accounting for defined benefit pension and other postretirement plans requires recognition in the consolidated balance sheets of the funded status of these plans. The Company uses mark-to-market accounting and immediately recognizes changes in the fair value of plan assets and actuarial gains or losses in operating results.

**Self-Insurance Reserves**

The Company is self-insured for certain employee health benefit options, workers' compensation and malpractice. These costs are accounted for on an accrual basis to include estimates of future payments for claims incurred.

**Net Assets**

Net assets without donor restrictions include undesignated amounts as well as amounts designated by the board for a specific purpose. Net assets with donor restrictions are held by related foundations and consist primarily of amounts contributed to foundations by donors with purpose restrictions. The Company also has net assets with donor restrictions that are perpetual in nature. Earnings on these assets are available for use as specified by the donors.

**Contributions Received**

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or the condition is met. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is met, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions, which is included in other operating revenue. Donor-restricted contributions whose restrictions are met within the same year as received are reported as net assets without donor restrictions in the accompanying consolidated financial statements.

**Statement of Operations**

All activities of Novant Health deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenues and expenses. Other activities are deemed to be non-operating and include investment income, income tax benefit (expense) and other net periodic pension (costs) benefits.

Certain Novant Health hospitals receive supplemental Medicaid payments from the state of North Carolina through a federally approved directed payment program which was approved during 2023. This program provides a funding model whereby hospitals are assessed an amount based on a

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percentage of their costs and are then paid supplemental amounts in an effort to reduce Medicaid losses. Novant Health records payments earned as net patient service revenue; assessments are recorded as supplies and other on the consolidated statements of operations and changes in net assets. These supplemental payments are recognized in income when earned, if reasonably estimable and deemed collectible. During 2024, Novant Health hospitals recorded net patient service revenue of \$789,126 and expensed assessments of \$246,698. Of these amounts, \$36,512 of revenue and \$12,558 of expense was related to a change in estimate of claims from 2023. North Carolina hospitals also pay assessments to finance portions of North Carolina's Medicaid fee-for-service, general medical education and managed care program. Novant Health hospitals paid assessments of \$175,051 in 2024 and \$140,032 in 2023. The Medicaid program in the state of North Carolina was expanded on December 1, 2023. This expansion increases Medicaid access for individuals and families meeting certain criteria. North Carolina hospitals also pay assessments to finance this program. Novant Health hospitals paid \$76,532 in Medicaid expansion assessments in 2024 and \$9,188 in 2023.

The consolidated statements of operations and changes in net assets include excess of revenues over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenues over expenses include changes in net assets due to purchases and sales of consolidated affiliates, the change in funded status of defined benefit plans, and amortization of deferred loss on derivative financial instruments that apply hedge accounting.

**Other Revenue**

Other revenue consists primarily of pharmacy revenue, revenue from pay-for-performance contracts, FEMA revenue, earnings from investments in affiliates accounted for using the equity method of accounting, revenue from management services agreements, net assets released from restriction, gain on sale of consolidated entities and rental income.

**Income Taxes**

Novant Health is classified as a nonprofit organization pursuant to Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on revenue earned from its tax-exempt purposes. Novant Health also operates various for-profit subsidiaries which operate in service lines that are complementary to the Company's tax-exempt purpose. Income from activities that are determined by IRS regulations to be unrelated to the tax-exempt purposes as well as income from activities of for-profit subsidiaries of the Company are subject to federal and state taxation.

The Company provides for income taxes using the asset and liability method. This approach recognizes the amount of federal, state and local taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequences of events recognized in the consolidated financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates in the period in which such laws or rates are enacted. A valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient future taxable income.

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**3. Organizational Changes**

**2024 Acquisitions**

On January 31, 2024, the Company purchased substantially all of the assets of three hospitals in South Carolina from Tenet Healthcare Corporation ("SC Coastal"). The purchase included Coastal Carolina Hospital, Hilton Head Hospital and East Cooper Medical Center, as well as affiliated physician practices and other related hospital operations. The adjusted purchase price of \$2,408,379 was partially financed with the proceeds of two short-term borrowings. In May 2024, long-term financing was issued and these short-term borrowings were repaid.

On March 1, 2024, the Company purchased ownership interests of 70% and 51% of two surgery centers in South Carolina ("SC ASCs") in exchange for cash consideration of \$58,846 and \$5,678, respectively.

On July 1, 2024, the Company purchased a 70% ownership interest in PPCP Endoscopy, LLC ("PPCP") for cash consideration of \$6,643.

On November 1, 2024, the Company purchase UCI Medical Affiliates, Inc. ("UCI") from BlueCross BlueShield of South Carolina for cash consideration of \$79,403. The purchase included 52 urgent care clinics and 20 physical therapy clinics.

On November 1, 2024, the Company purchased the remaining 50% ownership interest in South Atlantic Radiation Oncology, LLC ("SARO") for cash consideration of \$60,729. This transaction resulted in a gain of \$10,058, which was recorded in other revenues and gains on the consolidated statement of operations and changes in net assets for the year ended December 31, 2024. Initial accounting for this acquisition is preliminary as of March 31, 2025, and amounts assigned to acquired assets and liabilities assumed are subject to change as information necessary to complete the analysis is obtained.



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The following table summarizes the allocation of consideration for all businesses acquired in 2024 to the fair values of identifiable assets acquired and liabilities assumed at the acquisition dates.

	SC Coastal	SC ASCs	PPCP	UCI	SARO	Total
Cash and cash equivalents	\$ 4	\$ 2,677	\$ 416	\$ 6	\$ 789	\$ 3,892
Accounts receivable	60,871	2,834	-	-	-	63,705
Other current assets	39,416	454	-	3,990	6	43,866
Property and equipment	250,800	4,608	397	3,531	4,108	263,444
Right-of-use assets	28,351	5,969	3,833	44,766	-	82,919
Goodwill	2,040,093	119,589	8,383	73,169	66,214	2,307,448
Corporate trade name	47,900	-	-	-	-	47,900
Certificate of need	8,640	-	328	-	-	8,968
Other assets	223	-	-	-	-	223
Total assets acquired	\$ 2,476,298	\$ 136,131	\$ 13,357	\$ 125,462	\$ 71,117	\$ 2,822,365
Current portion of long-term debt	\$ -	\$ 1,191	\$ -	\$ -	\$ -	\$ 1,191
Accounts payable	36,124	1,412	34	-	-	37,570
Accrued liabilities	-	841	-	-	330	1,171
Current portion of operating lease liabilities	-	622	251	-	-	873
Long-term debt	-	2,039	-	-	-	2,039
Operating lease liabilities, net of current portion	30,697	6,530	3,581	44,766	-	85,574
Employee benefits and other liabilities	1,098	-	-	1,293	-	2,391
Total liabilities assumed	\$ 67,919	\$ 12,635	\$ 3,867	\$ 46,059	\$ 330	\$ 130,810
Net assets without donor restrictions - non-controlling interest	\$ -	\$ 58,972	\$ 2,847	\$ -	\$ -	\$ 61,819
Gain on purchase of consolidating ownership interest	-	-	-	-	10,058	10,058
Total consideration	\$ 2,408,379	\$ 64,524	\$ 6,643	\$ 79,403	\$ 60,729	\$ 2,619,678

These acquired locations contributed \$571,103 of operating revenues and \$126,989 in changes in net assets for the year ended December 31, 2024.

The following table provides certain unaudited pro forma information for Novant Health, Inc. as if these acquisitions had occurred at the beginning of the year ended December 31, 2023:

	2024	2023
Operating revenues and other support	\$ 10,370,493	\$ 8,961,548
Changes in net assets	986,113	585,409

**2023 Acquisitions and Divestitures**

On January 1, 2023, the Company purchased a 49.0% ownership interest of an organization that offers products to Medicare beneficiaries in exchange for \$44,100. This investment is accounted for using the equity method and is included in investments in affiliates on the consolidated balance sheets.

On August 1, 2023, the Company purchased 30.0% ownership interest of an organization that owns all the membership interests of a health system in Conway, SC. The system includes 222 inpatient beds, outpatient facilities and more than 200 physicians. The ownership was purchased for \$37,500 in cash and a payable of \$37,500, due in equal installments on the first and second anniversary of the

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purchase. This investment is accounted for using the equity method and is included in investments in affiliates on the consolidated balance sheet.

On September 29, 2023, the Company sold its economic interest in certain North Carolina imaging operations to Novant Health-Norfolk LLC in exchange for \$20,233 in proceeds. The transaction resulted in a gain of \$14,085 which is included in other revenue on the consolidated statements of operations and changes in net assets for the year ended December 31, 2023.

**4. Revenue Recognition and Accounts Receivable**

**Net Patient Service Revenue**

Net patient service revenue is reported at the amount that reflects the consideration to which Novant Health expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs) and others. Generally, the Company bills the patient and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges. Novant Health believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in our hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and the Company does not believe it is required to provide additional goods or services to the patient.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Company has elected to apply the practical expedient provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amounts of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. These performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Novant Health determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with Novant Health's policies and/or implicit price concessions provided to uninsured patients. The Company determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. The Company determines its estimate of implicit price concessions based on historical collection experience as well as expectations about current and future economic conditions. Agreements with third-party payors typically provide for payments at amounts less than established charges. For services provided under Medicare and Medicaid programs, inpatient acute care services rendered to

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program beneficiaries are paid at prospectively determined rates per diagnosis. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient non-acute services, certain outpatient services and defined capital and medical education costs related to beneficiaries are paid based on a cost reimbursement methodology. Outpatient services are paid at a prospectively determined rate. Physician services are paid based upon established fee schedules. Novant Health is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by Novant Health and audits thereof by the fiscal intermediary. Payment arrangements with commercial insurance carriers include prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to interpretation. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge Novant Health's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Company. In addition, the contracts the Company has with commercial payors also provide for retroactive audit and review of claims.

Cost report settlements under reimbursement agreements with Medicare and Medicaid for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Company's historical experience. Estimated settlements are adjusted in future periods as final settlements are determined. There is a reasonable possibility that recorded estimates will change by a material amount in the near term. Adjustments arising from a change in the transaction price were not significant in 2024 and 2023. As of December 31, 2024, the Company had a receivable of \$265,455, which represents an estimate of expected payments from the NC HASP program. Of this amount, \$192,164 is current and \$73,291 is long-term; these amounts are included in receivable for settlement with third-party payors and other assets, respectively, on the consolidated balance sheet. As of December 31, 2024, the Company had a payable of \$79,377, which represents an estimate of expected assessments for the NC HASP program. Of this amount, \$59,590 is current and \$19,787 is long-term; these amounts are included in estimated third-party payor settlements and employee benefits and other liabilities, respectively, on the consolidated balance sheet.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. Novant Health also provides services to uninsured patients. The transaction price for both uninsured patients as well as insured patients with deductibles and coinsurance is estimated based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenue in the period of the change. For the years ended December 31, 2024 and 2023, there were no material adjustments due to changes in estimates of implicit price concessions, discounts and contractual adjustments for performance obligations satisfied in prior years.

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Subsequent changes that are determined to be the results of an adverse change in the patient's ability to pay are recorded as expected credit losses. These are reported as a component of supplies and other in the consolidated statements of operations and changes in net assets and were not significant for the years ended December 31, 2024 and 2023.

The composition of net patient service revenues by payor and type of service is as follows:

	<b>December 31, 2024</b>		
	<b>Acute Care Facilities</b>	<b>Outpatient Locations</b>	<b>Total</b>
Medicare	\$ 2,048,657	\$ 730,416	\$ 2,779,073
Medicaid	1,461,691	157,388	1,619,079
Managed care	2,847,833	1,247,474	4,095,307
Other	351,646	39,108	390,754
Self-pay	59,132	28,179	87,311
Total	<u>\$ 6,768,959</u>	<u>\$ 2,202,565</u>	<u>\$ 8,971,524</u>

  

	<b>December 31, 2023</b>		
	<b>Acute Care Facilities</b>	<b>Outpatient Locations</b>	<b>Total</b>
Medicare	\$ 1,775,882	\$ 631,736	\$ 2,407,618
Medicaid	845,240	129,268	974,508
Managed care	2,408,111	1,159,911	3,568,022
Other	378,428	36,633	415,061
Self-pay	22,865	27,705	50,570
Total	<u>\$ 5,430,526</u>	<u>\$ 1,985,253</u>	<u>\$ 7,415,779</u>

Novant Health has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Company's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Company does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Novant Health has a program of factoring certain patient receivables with recourse to a third-party. Novant Health is obligated to repurchase factored receivables upon occurrence of certain conditions of the program. Accordingly, the Company accounts for the factoring as a secured borrowing. The factored receivables are recorded at their estimated net realizable value and are shown as other assets in the consolidated balance sheets. An offsetting liability, representing Novant Health's potential recourse for these receivables, is part of employee benefits and other liabilities in the consolidated balance sheets. As of December 31, 2024, the factored notes and the related liabilities were \$46,230 and \$57,791, respectively. As of December 31, 2023, the factored notes and the related liabilities were \$43,371 and \$54,224, respectively.

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**Other Revenue**

In addition to net patient service revenue, Novant Health also recognizes revenue from other transactions. Revenue from these transactions is recognized when obligations under the terms of the respective contract are satisfied and is measured as the amount of consideration the Company expects to receive from those services. The Company recognizes rental income in accordance with GAAP on a straight-line basis over the lease term. Other revenue is comprised of the following for the years ended December 31:

	<b>2024</b>	<b>2023</b>
Pharmacy revenue	\$ 813,690	\$ 532,143
Pay-for-performance contracts	98,082	94,987
FEMA revenue	53,572	-
Rental income	14,144	8,929
Net assets released from restrictions	10,590	11,265
Provider relief funds	12,078	-
Gain on purchase of controlling interest	10,058	-
Equity in earnings of affiliates	(2,295)	18,162
Management services agreements	1,295	6,860
Release of purchase escrow	-	37,500
Gain on sale of consolidated entities	868	14,085
Other miscellaneous revenues	190,012	155,438
	<u>\$ 1,202,094</u>	<u>\$ 879,369</u>

**5. Charity Care and Community Benefits**

In accordance with Novant Health's mission to improve the health of its communities one person at a time, Novant Health facilities accept patients regardless of their ability to pay. At acute facilities, uninsured patients qualify for a full write-off of their bills if their household income is at or below 300% of the federal poverty level. Novant Health also offers a catastrophic discount for patients with an account balance greater than \$5, flexible payment plans, and discounts for uninsured patients who do not qualify for the charity care program. In addition to these programs for hospitals, Novant Health physician groups and outpatient centers also have charity care programs to assist patients in need. The Company's approximate cost of providing care to indigent patients was \$138,551 and \$224,873 for the years ended December 31, 2024 and 2023, respectively. Novant Health estimates the costs of providing traditional charity care using each facility's estimated ratio of costs to charges. Funds received from gifts or grants to subsidize charity services provided were \$11,193 and \$11,133 for the years ended December 31, 2024 and 2023, respectively.

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**6. Other Current Assets**

Other current assets consist of the following at December 31:

	<b>2024</b>	<b>2023</b>
Supplies	\$ 208,705	\$ 179,253
Prepays	93,287	77,533
Other receivables	258,948	256,272
	<u>\$ 560,940</u>	<u>\$ 513,058</u>

**7. Assets Limited as to Use and Investments**

**Short-Term Investments**

Novant Health holds certain investments that are short-term in nature and have original maturity dates ranging from three to twelve months. Short-term investments consist of certificates of deposit for the years ended December 31, 2024 and 2023.

**Assets Limited as to Use**

The designation of assets limited as to use is as follows:

	<b>2024</b>		<b>2023</b>	
	<b>Current Portion</b>	<b>Long-Term Portion</b>	<b>Current Portion</b>	<b>Long-Term Portion</b>
Designated by Board to service benefit plans	\$ 12,297	\$ 274,002	\$ 12,485	\$ 236,308
Transition stabilization fund	4,000	28,211	11,852	31,431
Under general and professional liability funding arrangement held by trustee	-	-	3,280	2,493
	<u>\$ 16,297</u>	<u>\$ 302,213</u>	<u>\$ 27,617</u>	<u>\$ 270,232</u>

Assets limited as to use are invested primarily in cash and cash equivalents and corporate, U.S. government and U.S. agency debt obligations.

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**Long-Term Investments**

Investments are reported at either fair value, the equity method of accounting or at NAV as a practical expedient. The composition of long-term investments is as follows:

<b>December 31, 2024</b>				
	<b>At Fair Value</b>	<b>On Equity Method</b>	<b>At NAV</b>	<b>Total</b>
Cash and cash equivalents	\$ 178,198	\$ -	\$ -	\$ 178,198
U.S. equities	840,167	-	613,548	1,453,715
International equities	155,504	-	231,752	387,256
Fixed income - government securities	346,425	-	-	346,425
Fixed income - corporate and other	79,401	111,315	-	190,716
Hedge funds	-	323,842	-	323,842
Private equity	-	623,147	-	623,147
Emerging markets	1,579	-	112,716	114,295
Real estate and other	11,919	206,469	-	218,388
	<u>\$ 1,613,193</u>	<u>\$ 1,264,773</u>	<u>\$ 958,016</u>	<u>\$ 3,835,982</u>
<b>December 31, 2023</b>				
	<b>At Fair Value</b>	<b>On Equity Method</b>	<b>At NAV</b>	<b>Total</b>
Cash and cash equivalents	\$ 62,705	\$ -	\$ -	\$ 62,705
U.S. equities	470,903	-	475,311	946,214
International equities	176,932	-	228,432	405,364
Fixed income - government securities	703,675	-	-	703,675
Fixed income - corporate and other	24,678	109,614	-	134,292
Hedge funds	-	300,570	-	300,570
Private equity	-	460,446	-	460,446
Emerging markets	1,469	-	95,522	96,991
Real estate and other	67,188	210,444	-	277,632
	<u>\$ 1,507,550</u>	<u>\$ 1,081,074</u>	<u>\$ 799,265</u>	<u>\$ 3,387,889</u>

Long-term investments recorded on the equity method represent interests in LLPs and LLCs that do not trade in an active market. The agreements generally run for a number of years and require the Company to make capital contributions to the investments throughout the term of the partnership, up to the amount in the subscription agreement. The Company will generally receive distributions throughout the life of the investment, at the discretion of the investment manager and in accordance with the LLP or LLC agreements, with any final distribution made at the termination of the agreement. As of December 31, 2024, there are no LLPs or LLCs that are set to terminate within one year.

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Long-term investments carried at NAV represent interests in private investment companies that do not trade in an active market and may be redeemed or liquidated only after giving notice to the investment company, with notice periods ranging from daily to 120 days. The investments are held in U.S. and international equities and emerging markets. The Company has elected to value the investments using NAV as a practical expedient as reported by the investment company without adjustment, unless it is probable that the investment will be sold at a value significantly different than the reported NAV. At December 31, 2024 and 2023 we have not made any adjustments to the NAVs reported by the investment companies. The Company has the ability to redeem its interests at or within 120 days of the financial statement date.

The Company's investments in hedge funds include funds structured as LLPs, LLCs and corporations. These funds are domiciled in the U.S. and foreign jurisdictions and are managed by investment managers subject to oversight by various countries' regulators. The underlying assets of the hedge funds vary widely in risk and liquidity. Overall, the hedge fund holdings of the Company are expected to provide improved diversification to the Company's broader portfolio.

The Company's investments in hedge funds represent 8.4% and 8.9% of total long-term investments held at December 31, 2024 and 2023, respectively. These instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and nonmarketable investments) and nondisclosure of portfolio composition.

Novant Health is obligated under certain investment agreements to periodically advance additional funding up to specified levels. As of December 31, 2024 and 2023, Novant Health had future commitments of \$336,639 and \$358,387, respectively, for which capital calls had not been exercised.

Investment income for assets limited as to use and investments is comprised of the following for the years ended December 31:

	<b>2024</b>	<b>2023</b>
Interest and dividend income	\$ 73,404	\$ 50,896
Net realized gains	98,620	43,248
Net unrealized gains	<u>186,903</u>	<u>216,660</u>
	<u>\$ 358,927</u>	<u>\$ 310,804</u>

Investment income is shown net of related expenses on the consolidated statements of operations and changes in net assets. Investment related administrative expenses were \$6,051 and \$5,271 for the years ended December 31, 2024 and 2023, respectively.



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**Liquidity and Availability**

As of December 31, 2024 and 2023, Novant Health has working capital of \$1,175,531 and \$940,650, respectively.

Financial assets at year-end:	2024	2023
Cash and cash equivalents	\$ 644,080	\$ 739,797
Accounts receivable, net	1,354,734	1,055,998
Short-term investments	193	11,080
Assets limited as to use	318,510	297,849
Receivable for settlement with third-party payors	333,963	12,650
Other current assets	258,948	256,272
Long-term investments	3,835,982	3,387,889
Other assets	52,696	50,379
Total financial assets	<u>\$ 6,799,106</u>	<u>\$ 5,811,914</u>
Less amounts not available:		
Long-term investments with liquidity horizons greater than one year	995,942	837,670
Assets limited as to use	318,510	297,849
Donor restricted funds	117,295	106,102
Pledges receivable	9,318	10,761
Financial assets not available to be used within one year	<u>\$ 1,441,065</u>	<u>\$ 1,252,382</u>
Financial assets available to meet general expenditures within one year	<u>\$ 5,358,041</u>	<u>\$ 4,559,532</u>

As part of the Company's liquidity management plan, cash in excess of daily requirements is invested in either money market funds, short-term investments or long-term investments. Investment decisions are made based on anticipated liquidity needs, such that financial assets are available as general expenditures, liabilities and other obligations come due. Additionally, Novant Health maintains a revolving credit facility, as discussed in Note 15, *Long-Term Debt*. As of December 31, 2024, \$250,000 was available on the revolving credit facility.

**8. Fair Value Measurements**

Novant Health categorizes, for disclosure purposes, assets and liabilities measured at fair value in the consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs which are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Novant Health follows the three-level fair value hierarchy to categorize these assets and liabilities recognized at fair

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value at each reporting period, which prioritizes the inputs used to measure such fair values. Level inputs are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date. Investments classified in this level generally include exchange traded equity securities, futures, pooled short-term investment funds, options and exchange traded mutual funds.

Level 2: Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Investments classified in this level generally include fixed income securities, including fixed income government obligations; asset-backed securities; certificates of deposit; derivatives; as well as certain U.S. and international equities which are not traded on an active exchange.

Level 3: Pricing inputs are generally unobservable for the assets and liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of the fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities.

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets. Novant Health uses techniques consistent with the market approach and income approach for measuring the fair value of its Level 2 assets and liabilities. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted).

The degree of judgement exercised in determining fair value is greatest for securities categorized in Level 3. Inputs used in estimating the fair value of Level 3 investments include earnings metrics and a valuation multiple. Assumptions used, due to lack of observable inputs, may significantly impact the fair value of the investment.

As of December 31, 2024 and 2023, the Level 1 and Level 2 assets and liabilities listed in the fair value hierarchy tables below utilize the following valuation techniques and inputs:

**Certificates of deposit**

The fair value of certificates of deposit is based on cost plus accrued interest. Significant observable inputs include security cost, maturity and relevant short-term interest rates.

**U.S. equities, international equities, emerging markets and other exchange traded funds**

The fair value of investments in U.S. equities, international equities, emerging markets and other exchange traded funds are primarily determined using either quoted prices in active markets or the calculated net asset value. The values for underlying investments are fair value estimates determined by external fund managers based on operating results, balance sheet stability, growth and other business and market sector fundamentals. The investments in Level 2 may be redeemed or liquidated on a daily basis with no notice.

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**Fixed income and debt securities**

The fair value of investments in fixed income and debt securities is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads and security specific characteristics, such as early redemption options.

**Derivatives**

The fair value of derivative contracts is primarily determined using techniques consistent with the market approach. Significant observable inputs to valuation models include interest rates, credit spreads, volatilities and maturity.

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The following table summarizes fair value measurements, by level, at December 31, 2024 for all financial assets and liabilities measured at fair value on a recurring basis in the consolidated financial statements:

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Short-term investments:				
Certificates of deposit	\$ -	\$ 193	\$ -	\$ 193
Total short-term investments	-	193	-	193
Assets limited as to use:				
Cash and cash equivalents	55,554	-	-	55,554
U.S. equities	238,304	-	-	238,304
International equities	8,580	-	-	8,580
Fixed income - government securities	16,072	-	-	16,072
Total assets limited as to use	318,510	-	-	318,510
Long-term investments:				
Cash and cash equivalents	178,198	-	-	178,198
U.S. equities	783,417	-	56,750	840,167
International equities	155,504	-	-	155,504
Fixed income - government securities	102,624	243,801	-	346,425
Fixed income - corporate and other	79,401	-	-	79,401
Emerging markets	1,579	-	-	1,579
Other exchange traded funds	11,919	-	-	11,919
Total long-term investments	1,312,642	243,801	56,750	1,613,193
Total assets at fair value	\$ 1,631,152	\$ 243,994	\$ 56,750	\$ 1,931,896
<b>Liabilities</b>				
Accrued liabilities	\$ 12,297	\$ -	\$ -	\$ 12,297
Derivative financial instruments	-	7,491	-	7,491
Deferred compensation liabilities	274,531	-	-	274,531
Total liabilities at fair value	\$ 286,828	\$ 7,491	\$ -	\$ 294,319

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The following table summarizes fair value measurements, by level, at December 31, 2023 for all financial assets and liabilities measured at fair value on a recurring basis in the consolidated financial statements:

	Fair Value Measurements at Reporting Date Using			
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Short-term investments:				
Certificates of deposit	\$ -	\$ 11,080	\$ -	\$ 11,080
Total short-term investments	-	11,080	-	11,080
Assets limited as to use:				
Cash and cash equivalents	70,577	-	-	70,577
U.S. equities	204,365	-	-	204,365
International equities	7,830	-	-	7,830
Fixed income - government securities	15,077	-	-	15,077
Total assets limited as to use	297,849	-	-	297,849
Long-term investments:				
Cash and cash equivalents	62,705	-	-	62,705
U.S. equities	425,202	-	45,701	470,903
International equities	176,932	-	-	176,932
Fixed income - government securities	-	703,675	-	703,675
Fixed income - corporate and other	24,573	105	-	24,678
Emerging markets	1,469	-	-	1,469
Other exchange traded funds	67,188	-	-	67,188
Total long-term investments	758,069	703,780	45,701	1,507,550
Total assets at fair value	\$ 1,055,918	\$ 714,860	\$ 45,701	\$ 1,816,479
<b>Liabilities</b>				
Accrued liabilities	\$ 12,485	\$ -	\$ -	\$ 12,485
Derivative financial instruments	-	12,254	-	12,254
Deferred compensation liabilities	237,151	-	-	237,151
Total liabilities at fair value	\$ 249,636	\$ 12,254	\$ -	\$ 261,890

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The table below sets forth a summary of the changes in the fair value of the Level 3 investments for the years ended December 31, 2024 and 2023:

	<b>U.S. Equities</b>
Balance at December 31, 2023	\$ 45,701
New investments	7,100
Distribution received	(59)
Unrealized gain	<u>4,008</u>
Balance at December 31, 2024	<u>\$ 56,750</u>
Balance at December 31, 2022	\$ 36,239
New investments	9,000
Unrealized gain	<u>462</u>
Balance at December 31, 2023	<u>\$ 45,701</u>

During 2024 and 2023, there were no transfers between levels.

**9. Property and Equipment**

Property and equipment consists of the following at December 31:

	<b>2024</b>	<b>2023</b>
Land	\$ 371,909	\$ 304,004
Land improvements	143,959	127,065
Leasehold improvements	378,359	355,753
Buildings and building improvements	3,167,269	2,966,945
Equipment	2,350,190	2,172,738
Software	564,345	553,507
Construction-in-progress	<u>749,765</u>	<u>517,518</u>
	7,725,796	6,997,530
Less: Accumulated depreciation	<u>(4,038,754)</u>	<u>(3,777,593)</u>
	<u>\$ 3,687,042</u>	<u>\$ 3,219,937</u>

Novant Health reviews long-lived assets for recoverability as required when events and changes in circumstances indicate that its carrying value may not be recoverable. No impairment charges were recorded in 2024 or 2023.

Depreciation expense for the years ended December 31, 2024 and 2023 was \$312,223 and \$312,189, respectively. At December 31, 2024, construction contracts of approximately \$1,080,451 exist for the construction of new hospitals and facilities, expansion of existing hospitals and facility renovations. At December 31, 2024, the remaining commitment on these contracts was \$398,487.

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**10. Leases**

Novant Health leases property and equipment under non-cancellable agreements. The following table presents the components of our right-of-use assets and liabilities related to leases and their classification as of December 31:

	<b>2024</b>	<b>2023</b>
<b>Assets:</b>		
Operating lease assets	\$ 634,680	\$ 456,876
Finance lease assets	4,418	5,681
Total leased assets	<u>\$ 639,098</u>	<u>\$ 462,557</u>
<b>Liabilities:</b>		
Operating lease liabilities		
Current	\$ 119,925	\$ 106,085
Long-term	550,096	386,962
Total operating lease liabilities	<u>670,021</u>	<u>493,047</u>
Finance lease liabilities		
Current <sup>(1)</sup>	1,265	1,394
Long-term <sup>(2)</sup>	3,432	4,696
Total finance lease liabilities	<u>4,697</u>	<u>6,090</u>
Total lease liabilities	<u>\$ 674,718</u>	<u>\$ 499,137</u>

<sup>(1)</sup> Included in the current portion of long-term debt in the consolidated balance sheets.

<sup>(2)</sup> Included in long-term debt, net of current portion in the consolidated balance sheets.

Novant Health's operating leases are primarily for real estate, including off-campus outpatient facilities, medical office buildings and corporate and other administrative offices, as well as medical and office equipment. Novant Health's finance leases consist of a real estate lease and several medical equipment leases. Real estate lease agreements typically have initial terms of five to ten years and equipment lease agreements typically have initial terms of three years. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets.

Real estate leases may include one or more options to renew, with renewals that can extend the lease term from five to ten years. The exercise of lease renewal options is at the Company's sole discretion. In general, renewal options are not considered to be reasonably likely to be exercised, therefore, renewal options are generally not recognized as part of right-of-use assets and lease liabilities. Certain leases also include options to purchase the leased property. The useful lives of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The majority of medical equipment leases have terms of three years with a bargain purchase option that is reasonably certain of exercise; therefore, these assets are

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depreciated over their useful life, typically ranging from five to seven years. Certain lease agreements for real estate include payments based on actual common area maintenance expenses and/or include rental payments adjusted periodically for inflation. These variable lease payments are recognized in supplies and other in the consolidated statements of operations and changes in net assets but are not included in the right-of-use asset or liability balances in the consolidated balance sheets. Lease agreements do not contain any material residual value guarantees, restrictions or covenants.

Novant Health has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all asset classes except major movable equipment.

The following table presents certain information related to lease expense for finance and operating leases for the years ended December 31:

	<b>2024</b>	<b>2023</b>
Operating leases <sup>(1)</sup>	\$ 140,324	\$ 128,890
Variable lease expense <sup>(1)</sup>	16,986	13,219
Finance lease expense:		
Amortization of leased assets	1,602	1,578
Interest on lease liabilities	103	153
	<u>\$ 159,015</u>	<u>\$ 143,840</u>

<sup>(1)</sup> Expenses are included in supplies and other in the consolidated statements of operations and changes in net assets.

The following table presents supplemental cash flow information for the years ended December 31:

	<b>2024</b>	<b>2023</b>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 138,180	\$ 127,380
Operating cash flows for finance leases	1,704	1,731
Financing cash flows for finance leases	103	153



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Future maturities of lease liabilities at December 31, 2024 are presented in the following table:

	<u>Operating Leases</u>	<u>Finance Leases</u>	<u>Total</u>
2025	\$ 137,688	\$ 1,506	\$ 139,194
2026	128,038	1,291	129,329
2027	110,492	977	111,469
2028	93,568	602	94,170
2029	76,486	617	77,103
Thereafter	226,819	366	227,185
Total lease payments	773,091	5,359	778,450
Less: Imputed interest	(103,070)	(662)	(103,732)
Total lease obligations	670,021	4,697	674,718
Less: Current obligations	(119,925)	(1,265)	(121,190)
Long-term lease obligations	\$ 550,096	\$ 3,432	\$ 553,528

At December 31, 2024 and 2023, the weighted average remaining lease term for operating leases is 7.1 and 6.0 years, respectively, and the weighted average discount rate is 3.0% and 2.7%, respectively. For finance leases, the weighted average remaining lease term for the years ended December 31, 2024 and 2023 is 4.5 and 5.0 years, respectively and the weighted average discount rate is 1.7% and 2.1%, respectively.

Novant Health is also a lessor and sublessor of real estate under operating leases. At December 31, 2024 and 2023, \$15,056 and \$14,020, respectively, of deferred rent was recorded in the consolidated balance sheets as a component of other assets. At December 31, 2024, \$14,989 was recorded as a component of employee benefits and other liabilities for rent recorded in advance. Lease income for the years ended December 31, 2024 and 2023 was \$14,144 and \$8,929, respectively, which is included in other revenue in the consolidated statements of operations and changes in net assets. Most of the Company's leases include operating expenses such as utilities and maintenance costs in rent charges. However, variable rent income is not material. The Company has elected the practical expedient that allows lessors to not separate lease and non-lease components by class of underlying asset for all asset classes. The combined component is accounted for under lease accounting guidance.

Although the Company leases and subleases a small amount of building space to non-affiliated medical practices, the significant leases consist of long-term ground leases classified as operating leases with remaining terms from 42 years with options to extend for the additional terms of five years each to 85 years with no options to extend.

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The future undiscounted cash flows to be received from these leases are as follows:

**Years Ending December 31**

2025	\$	9,746
2026		9,161
2027		9,028
2028		6,921
2029		6,255
Thereafter		121,170
	\$	<u>162,281</u>

**11. Intangible Assets and Goodwill**

Intangible assets consist of the following at December 31:

	<u>Gross Intangible</u>	<u>Accumulated Amortization</u>	<u>Net Intangible</u>
<b>Balance at December 31, 2024</b>			
Unamortized intangible assets			
Certificates of need	\$ 12,857	\$ -	\$ 12,857
Total unamortized intangible assets	<u>12,857</u>	<u>-</u>	<u>12,857</u>
Amortized intangible assets			
Business relationships	658	(366)	292
Certificates of need	30,929	(21,298)	9,631
Corporate trade name and other intangibles	<u>144,456</u>	<u>(15,913)</u>	<u>128,543</u>
Total amortized intangible assets	<u>176,043</u>	<u>(37,577)</u>	<u>138,466</u>
Total intangible assets	<u>\$ 188,900</u>	<u>\$ (37,577)</u>	<u>\$ 151,323</u>
<b>Balance at December 31, 2023</b>			
Unamortized intangible assets			
Certificates of need	\$ 12,857	\$ -	\$ 12,857
Total unamortized intangible assets	<u>12,857</u>	<u>-</u>	<u>12,857</u>
Amortized intangible assets			
Business relationships	658	(327)	331
Certificates of need	21,961	(20,124)	1,837
Corporate trade name and other intangibles	<u>96,556</u>	<u>(11,019)</u>	<u>85,537</u>
Total amortized intangible assets	<u>119,175</u>	<u>(31,470)</u>	<u>87,705</u>
Total intangible assets	<u>\$ 132,032</u>	<u>\$ (31,470)</u>	<u>\$ 100,562</u>

Amortization expense related to intangible assets was \$6,107 and \$23,504 for the years ended December 31, 2024 and 2023, respectively. Estimated annual amortization expense for intangible assets is \$4,081 for 2025 and is \$3,418 for 2026 through 2029. The weighted average amortization period for intangible assets is 24.3 years.

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The following table summarizes the changes in the carrying amount of goodwill for the years ended December 31:

	2024	2023
<b>As of January 1</b>		
Goodwill, net of accumulated amortization	\$ 551,203	\$ 551,203
Accumulated impairment losses	(29,849)	(29,849)
	<u>521,354</u>	<u>521,354</u>
Additions	2,307,448	-
	<u>2,828,802</u>	<u>521,354</u>
<b>As of the end of the period</b>		
Goodwill, net of accumulated amortization	2,858,651	551,203
Accumulated impairment losses	(29,849)	(29,849)
	<u>\$ 2,828,802</u>	<u>\$ 521,354</u>

Novant Health reviews long-lived assets for recoverability as required when events and changes in circumstances indicate that its carrying value may not be recoverable. The Company tests goodwill and indefinite-lived assets for impairment on an annual basis. Impairment tests presume stable or improving results at certain Novant Health reporting units which are based on the implementation of programs and initiatives that are designed to achieve projected results. If these projections are not met, or in the future negative trends occur which would impact our future outlook, further impairments of goodwill and other intangible assets may occur. Future restructuring of our markets that could potentially change our reporting units could also result in future impairments of goodwill.

**12. Investments in Affiliates**

Novant Health has noncontrolling interests in 25 healthcare related entities. The Company's ownership interests in the entities range from 9.1% to 50.0%. These investments are accounted for using either the equity method or a measurement alternative.

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A summary of investments, ownership percentages, investment amounts and the Company's share of earnings for the years ended December 31, 2024 and 2023 is as follows:

Investee	% Ownership		Investment Balance		Share of Earnings of Investee	
	2024	2023	2024	2023	2024	2023
Novant Health-Norfolk LLC	50%	50%	\$ 151,333	\$ 156,677	\$ 13,193	\$ 12,678
Conway Hospital Holdings LLC	30%	30%	89,033	81,329	7,704	6,329
Norfolk Management Services LLC	30%	30%	64,986	64,548	438	2,510
HTA Holdings LLC	49%	49%	35,798	42,806	(17,078)	(1,294)
Novant Health Rehabilitation Hospital Radiation Oncology Centers of the Carolinas LLC	50%	50%	21,913	19,161	4,956	3,096
Providence Plaza LLC	50%	50%	16,165	15,908	2,648	1,846
Advanced Services	30%	30%	4,852	4,784	353	352
Other	23%	23%	393	6,891	950	2,703
	Various	Various	508	5,103	(15,459)	(10,058)
			<u>\$ 384,981</u>	<u>\$ 397,207</u>	<u>\$ (2,295)</u>	<u>\$ 18,162</u>

The following table presents summarized financial information related to investments in the above noncontrolled entities as of December 31:

	2024	2023
Assets	\$ 1,864,369	\$ 1,647,457
Liabilities	731,015	573,525
Equity	1,133,352	1,073,931
Total revenue	973,299	703,228
Total expenses	958,114	647,667
Net income	15,185	55,560
Novant Health's share of net income	(2,295)	18,162

**13. Other Assets**

Other assets consist of the following at December 31:

	2024	2023
Notes receivable and other	\$ 126,877	\$ 56,741
HASP receivable	73,291	-
Cash surrender value of insurance policies	43,378	39,618
Reinsurance receivables	18,012	1,662
Deferred rent income	15,056	14,020
Pledges receivable	9,318	10,761
	<u>\$ 285,932</u>	<u>\$ 122,802</u>

**Novant Health, Inc. and Affiliates**  
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*(in thousands of dollars)*

**14. Accrued Liabilities**

Accrued liabilities consist of the following at December 31:

	<b>2024</b>	<b>2023</b>
Accrued compensation	\$ 588,999	\$ 510,502
Interest	29,248	13,559
Postretirement benefit liability	1,326	1,312
Other accrued liabilities	261,712	146,348
Self-insurance		
Employee medical claims liability	50,944	48,465
Malpractice and workers' compensation liability, current portion	6,235	9,230
	<u>\$ 938,464</u>	<u>\$ 729,416</u>

**15. Long-Term Debt**

Following is a summary of long-term debt at December 31:

	<b>2024</b>	<b>2023</b>
Tax-exempt revenue bonds	\$ 2,862,700	\$ 592,455
Taxable revenue bonds	<u>1,750,000</u>	<u>1,750,000</u>
Total bonds	4,612,700	2,342,455
Taxable term loan	261,555	262,795
Finance lease obligations and other notes payable	279,809	8,728
Borrowings on revolving credit facility	<u>-</u>	<u>45,500</u>
	5,154,064	2,659,478
Unamortized premium or discount, net	166,278	21,364
Unamortized debt issuance costs, net	<u>(23,161)</u>	<u>(13,354)</u>
	5,297,181	2,667,488
Less: Current maturities	<u>(51,851)</u>	<u>(79,065)</u>
	<u>\$ 5,245,330</u>	<u>\$ 2,588,423</u>

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**Tax-Exempt Revenue Bonds**

Novant Health has tax-exempt financing agreements through conduit issuers. These bonds are comprised of the following at December 31:

	2024	2023
Series 2024 A Current Interest Term Bonds and Serial Bonds, bearing interest at a rate ranging from 4.0% to 5.5% payable semi-annually and maturing through 2031; principal payments begin in 2031	\$ 1,909,790	\$ -
Series 2024 B, C, and D Current Interest Term Bonds, bearing interest at variable rates payable semi-annually and maturing through 2064; required sinking fund payments begin in 2055	400,000	-
Series 2019 A Current Interest Term Bonds, bearing interest at rates ranging from 3.1% to 4.0% payable semi-annually with mandatory redemption beginning in 2047	306,985	306,985
Series 2013 A Current Interest Term Bonds and Serial Bonds, bearing interest at rates ranging from 3.125% to 5.0% payable semi-annually and maturing through 2046; principal payments began in 2014	110,925	113,820
Series 2008 A, B and C Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2028; principal payments began in 2009	-	36,650
Series 2004 A and B Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2034; principal payments begin in 2025	135,000	135,000
	<u>\$ 2,862,700</u>	<u>\$ 592,455</u>

In 2003, Novant Health entered into a new Master Trust Indenture that was amended in October 2021 (the "Agreement"). The Agreement authorizes the creation of a Combined Group, which consists of the members of the Obligated Group and the Restricted Affiliates. Novant Health and two of its affiliates that operate tertiary care hospitals, Novant Health Forsyth Medical Center and Novant Health Presbyterian Medical Center, are the members of the Obligated Group. The members of the Obligated Group are jointly and severally liable for the payment of all obligations under the Agreement. The Company's Restricted Affiliates, which include certain other subsidiaries of the Company, are not directly obligated to pay obligations under the Agreement, but the members of the Obligated Group have covenanted in the Agreement to cause the Restricted Affiliates to provide funds to the members of the Obligated Group to pay obligations under the Agreement. All bonds issued by Novant Health are collateralized by the Obligated Group.

The bond agreements provide for early redemption periods of the bonds prior to mandatory redemption, subject to a premium in certain circumstances, as defined in the agreements. In accordance with the bond indenture agreements, the bonds are general, unsecured obligations of Novant Health. The bond indentures require Novant Health to cause the Restricted Affiliates to

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comply with certain covenants, including the maintenance of a minimum debt service coverage ratio. As of December 31, 2024 and 2023, Novant Health is in compliance with these financial covenants.

The Series 2004 A and B Variable Rate Demand Bonds are collateralized by a standby purchase agreement ("SBPA") issued by JP Morgan Chase Bank National Association. The SBPA was scheduled to expire April 1, 2025 but in February 2025 it was amended to expire March 31, 2028. If the SBPA should be used to fund tenders due to a failed remarketing, repayment in quarterly installments over three years is required. As a result, the Company has classified \$36,818 of the 2004 bonds as current at December 31, 2024 and 2023.

In March 2011, the documents related to the Series 2008 A, B and C Variable Rate Demand Bonds were amended to allow the conversion of the bonds to bank direct purchase index floating rate bonds. In December 2017, the Series 2008 A, B, and C Variable Rate Demand Bonds were refinanced. Subsequent to the refinancing, the direct purchase agreements had a term expiring in December 2024. In November 2024, the Company called and redeemed the remaining balance on these bonds.

In May 2024, Novant Health issued \$1,909,790 in Series 2024 A bonds through the South Carolina Jobs-Economic Development Authority. Proceeds of the bonds were used to refund a portion of the outstanding balances on the bridge loans that were used to finance the purchase of SC Coastal and to pay expenses of issuing the bonds.

Also in May 2024, Novant Health issued \$400,000 in Series 2024 B, C and D bonds through the National Finance Authority. Proceeds of the bonds were used to reimburse the Company for the construction and equipping of Novant Health Ballantyne Medical Center, and the renovation and expansion of Novant Health Matthews Medical Center, Novant Health Forsyth Medical Center and Novant Health Kernersville Medical Center.

**Taxable Revenue Bonds**

In April 2013, Novant Health issued \$250,000 of taxable fixed rate bonds (the "2013 C Bonds"). The 2013 C Bonds bear interest at a rate of 4.37% and mature in 2043. Proceeds of the 2013 C Bonds were used for eligible purposes, including the refinancing of long-term debt.

In April 2021, Novant Health issued \$1,500,000 of taxable fixed rate bonds (the "2021 A Bonds"). The 2021 A Bonds bear interest at rates ranging from 2.67% to 3.32% and mature in 2036, 2051 and 2061. Proceeds of the 2021 A Bonds were used for eligible purposes, including the refinancing of long-term debt. The taxable revenue bonds are subject to the same covenant requirements that are included in the bond agreements for the tax-exempt revenue bonds.

**Taxable Term Loan**

In March 2020, Novant Health entered into an agreement to borrow \$264,165. The loan bears interest at a fixed rate of 1.89% with principal payments due annually beginning in 2023 through the maturity date of April 1, 2030.

**Finance Lease Obligations and Other Notes Payable**

Finance lease obligations and other notes payable consist of various loans and notes on buildings and finance leases, bearing interest at rates ranging from 0.81% to 12.15%.

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On January 31, 2024, Novant borrowed \$1,500,000 and \$860,000 on two term loans to finance the purchase of SC Coastal (the “Bridge Loans”). The Bridge Loans incurred interest at variable rates payable monthly. The Bridge Loans had maturity dates of November 22, 2024 with a mandatory prepayment from the proceeds of new financing. The Bridge Loans were paid off with the proceeds of the 2024A Bonds and cash on hand in May 2024.

During 2024, Novant Health sold a portfolio of 20 medical and corporate office buildings in its core markets to a third-party real estate investor. The combined net selling price of the buildings was \$355,950. Novant Health is leasing space in each of the buildings from the buyer. Novant has retained ownership of the land on which 10 of the buildings are located. The buyer is leasing the land from Novant Health. Novant Health recognized a gain of \$16,815 on the 10 locations that qualified as a sale- leaseback. Due to provisions in the ground leases where Novant is the lessor, the other 10 buildings were treated as a financing and debt of \$273,590 was recorded.

Scheduled maturities of all long-term debt are as follows:

**Years Ending December 31**

2025	\$	18,182
2026		20,464
2027		24,545
2028		25,864
2029		31,733
Thereafter		<u>5,033,276</u>
	\$	<u>5,154,064</u>

Novant Health capitalized \$9,139 and \$7,814 of interest in 2024 and 2023, respectively.

**Revolving Credit Facility**

On July 1, 2022, Novant Health entered into a \$250,000 Revolving Credit Agreement that matures July 1, 2025. Borrowings bear interest at variable rates. At December 31, 2024, \$250,000 was available for borrowing.

**Debt Issuance Costs**

Unamortized debt issuance costs are presented in the consolidated balance sheets as a direct deduction from the carrying value of the associated debt. Debt issuance costs are amortized using the effective interest method over the life of the related debt agreements and instruments.

**16. Interest Rate Swaps**

As of August 18, 2008, concurrent with the 2008 bond issuance, Novant Health entered into two interest rate swap agreements to hedge the variable interest rates of the 2008 bonds. The swaps were based on an aggregate notional amount that correlated to the outstanding amount of the Series 2008 bonds. Novant Health received a variable rate which is tied to 68% of SOFR, and paid a fixed rate of 3.621% to 3.679%. The swaps were designated as cash flow hedges and were carried on the consolidated balance sheets at fair value. In the fourth quarter of 2018, the hedge relationship ceased to be highly effective and hedge accounting was discontinued. In the fourth quarter of 2024, after



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redeeming the 2008 bond issuance, Novant Health terminated the swaps in exchange for payments totaling \$371.

In July 2006, Novant Health entered into a floating-to-fixed swap agreement with a notional amount of \$135,000 and a term of 28 years to hedge the floating rate 2004 bonds. Novant Health receives a variable rate which is tied to 64.8% of SOFR plus 12 basis points and pays a fixed interest rate of 3.8%. The swap has been designated as a cash flow hedge and is carried on the consolidated balance sheets at fair value. In the first quarter of 2019, the hedge relationship ceased to be highly effective and hedge accounting was discontinued.

Novant Health records interest rate swaps at fair value. These swaps are presented as derivative financial instruments in the consolidated balance sheets.

The following table summarizes the expense for derivatives which is included in interest expense in the consolidated statements of operations and changes in net assets for the years ended December 31:

	<b>2024</b>	<b>2023</b>
Change in fair value of non-hedged interest rate swaps	\$ 4,392	\$ 937
Amortization of deferred loss	(2,991)	(2,564)
	<u>\$ 1,401</u>	<u>\$ (1,627)</u>

**17. Employee Benefits and Other Liabilities**

Employee benefits and other liabilities consist of the following at December 31:

	<b>2024</b>	<b>2023</b>
Deferred compensation liabilities	\$ 274,531	\$ 237,151
Employee benefits and other	75,296	90,242
Self-insurance malpractice and workers' compensation, net of current portion	46,475	47,620
Deferred gains	34,542	21,761
Transition stabilization fund	28,211	31,431
HASP assessments	19,787	-
Postretirement benefit liability, net of current portion	12,444	13,812
	<u>\$ 491,286</u>	<u>\$ 442,017</u>

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**18. Income Taxes**

The provision for federal and state income taxes is as follows:

	<b>2024</b>	<b>2023</b>
<b>Current tax expense (benefit)</b>		
Federal	\$ (1,809)	\$ 4,833
State	(20)	646
	<u>(1,829)</u>	<u>5,479</u>
<b>Deferred tax benefit</b>		
Federal	(2,659)	(2,688)
State	(694)	(884)
	<u>(3,353)</u>	<u>(3,572)</u>
	<u>\$ (5,182)</u>	<u>\$ 1,907</u>

The components of deferred taxes are as follows:

	<b>2024</b>	<b>2023</b>
<b>Deferred tax assets</b>		
Loss carryforwards	\$ 13,300	\$ 16,517
Deferred charge for intercompany transfer	76	1,418
Allowance for doubtful accounts	717	697
Accrued expenses	176	1,276
Future deductions- operating leases	1,694	1,661
Intangible assets	50	-
Other	581	602
Total deferred tax assets	<u>16,594</u>	<u>22,171</u>
<b>Deferred tax liabilities</b>		
Intangible assets	-	(642)
Property and equipment	(278)	-
Right-of-use assets	(1,540)	(1,619)
Other	(10,303)	(14,856)
Total deferred tax liabilities	<u>(12,121)</u>	<u>(17,117)</u>
Valuation allowance	<u>(14,201)</u>	<u>(16,416)</u>
Net deferred tax liability	<u>\$ (9,728)</u>	<u>\$ (11,362)</u>

GAAP requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are deductible. In making this determination, management considers all available positive and negative evidence affecting specific deferred tax assets, including

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the Company's past and anticipated future performance, reversal of deferred tax liabilities, length of carryback and carryforward periods and implementation of tax planning strategies. Objective positive evidence is necessary to support a conclusion that a valuation allowance is not needed for all or a portion of deferred tax assets when significant negative evidence exists.

Cumulative losses in recent years are the most compelling form of negative evidence considered by management in this determination. For the years ended December 31, 2024 and 2023, management has determined that based on all available evidence, a valuation allowance of \$14,201 and \$16,416, respectively, is appropriate.

As of December 31, 2024, the Company had approximately \$58,760 of federal and \$29,896 of state loss carryforwards available to reduce taxable income. \$39,842 of the loss carryforwards expire through 2044 and the remainder do not expire. In addition, at December 31, 2024, the Company had approximately \$7,732 of federal contribution carryforwards available to reduce taxable income.

Income tax expense (benefit) reported in the consolidated statements of operations and changes in net assets is shown below:

	2024	2023
Federal taxes	\$ (4,468)	\$ 2,145
State income taxes	(714)	(238)
	<u>\$ (5,182)</u>	<u>\$ 1,907</u>

The Company is required to evaluate uncertain tax positions. This evaluation includes a quantification of tax risk in areas such as unrelated business taxable income and the taxation of our for-profit subsidiaries. This evaluation did not have a material effect on the Company's consolidated statements of operations and changes in net assets for the years ended December 31, 2024 and 2023.

**19. Employee Benefit Plans and Other Postretirement Benefit Plans**

Certain Novant Health affiliates have supplemental retirement income plans covering highly compensated employees. These are nonqualified plans which are not subject to ERISA funding requirements. As such, Novant Health intends only to fund the plans in amounts equivalent to the plans' annual benefit payments. During 2013, the Company implemented a new supplemental retirement income plan that covers certain highly compensated employees. This plan acts as a defined contribution plan and annual funding requirements are determined under provisions of the plan. Some of these plans are nonqualified deferred compensation plans which provide certain individuals meeting specific criteria with the ability to defer compensation. The assets of these plans, along with the associated liabilities, are recorded as current and long-term assets limited as to use, accrued liabilities, and employee benefits and other liabilities on the consolidated balance sheets.

Novant Health also provides fixed dollar amounts for health care and life insurance benefits to certain retired employees. Covered employees may become eligible for these benefits if they meet minimum age and service requirements, and if they are eligible for retirement benefits. Novant Health has the right to modify or terminate these benefits. The unfunded obligation in the consolidated balance sheets at December 31, 2024 and 2023 was \$13,770 and \$15,124, respectively. The expense

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associated with these plans totaled \$331 for 2024 and \$181 for 2023. The discount rate used in determining the benefit obligation ranged between 5.10% and 5.40% for 2024 and 4.50% and 4.70% for 2023. The health care costs increase trend rate used was 6.25% in 2024 and 2023. The health care cost increase trend rate is projected to gradually decline to 4.50% by 2031.

In addition to these plans, Novant Health sponsors a number of defined contribution plans. Contributions are determined under various formulas. Costs related to such plans amounted to \$162,087 and \$140,273 in 2024 and 2023, respectively.

Eligible Novant Health employees participate in cafeteria plans which provide certain benefits, including basic medical and dental coverage, long-term disability benefits, reimbursement of supplemental dependent care expenses and group life insurance benefits. The Company contributes predetermined amounts for each eligible full-time and part-time employee, which is allocated to the various benefit options in accordance with the participant's election. The Company's contributions to these plans were \$404,847 in 2024 and \$327,590 in 2023.

**20. Net Assets without Donor Restrictions**

The following table reconciles the carrying amounts of the Company's controlling interest and the noncontrolling interests for net assets without donor restrictions:

	<b>Total</b>	<b>Controlling Interest</b>	<b>Noncontrolling Interests</b>
<b>Balance at January 1, 2023</b>	<b>\$ 5,418,248</b>	<b>\$ 5,413,189</b>	<b>\$ 5,059</b>
Excess of revenues over expenses	460,845	457,643	3,202
Change in funded status of defined benefit plans	(543)	(543)	-
Amortization of deferred loss on derivative financial instruments	2,564	2,564	-
Other changes in net assets without donor restrictions	(5,044)	(1,589)	(3,455)
<b>Balance at December 31, 2023</b>	<b>5,876,070</b>	<b>5,871,264</b>	<b>4,806</b>
Excess (deficit) of revenues over expenses	919,771	920,221	(450)
Change in net assets due to purchase of consolidated affiliates	71,877	10,058	61,819
Amortization of deferred loss on derivative financial instruments	2,991	2,991	-
Change in net assets due to sale of consolidated affiliate	1,370	2,740	(1,370)
Change in funded status of defined benefit plans	389	389	-
Other changes in net assets without donor restrictions	(2,790)	(3,649)	859
<b>Balance at December 31, 2024</b>	<b>\$ 6,869,678</b>	<b>\$ 6,804,014</b>	<b>\$ 65,664</b>

**Novant Health, Inc. and Affiliates**  
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*(in thousands of dollars)*

**21. Net Assets with Donor Restrictions**

Donor restricted net assets are available for the following purposes as of December 31:

	<b>2024</b>	<b>2023</b>
Buildings and equipment	\$ 17,591	\$ 17,538
Clinical care, research and academic	76,919	66,963
Charity care	9,264	9,568
Other	13,521	12,033
	<u>\$ 117,295</u>	<u>\$ 106,102</u>

**22. Professional and General Liability Insurance Coverage**

Novant Health is self-insured for professional and general liability exposures up to certain limits. The Company has umbrella policies in place above those limits. The provision for estimated medical malpractice claims includes estimates of the ultimate costs for reported claims and claims incurred but not reported. Novant Health also participates in a self-insured program for workers' compensation and is self-insured for certain health benefits options. A portion of these self-insured professional liabilities is funded through a revocable trust fund operated by Novant Health. This fund was converted to claims-made status on January 1, 2020, and prior reported liabilities under this coverage were placed in run-off. Effective January 1, 2020, funding for self-insured professional liabilities are insured by Novant Health Casualty, LLC, a North Carolina domiciled insurance captive. Coverage terms and umbrella policies of the same or higher limits are in place for the captive. At December 31, 2024 and 2023, undiscounted professional and general liability loss reserves of \$59,245 and \$56,850, respectively, are included in accrued liabilities and employee benefits and other liabilities on the consolidated balance sheets. Expenses related to these plans amounted to \$53,878 and \$35,828 in 2024 and 2023, respectively.

**23. Commitments and Contingencies**

The Company and its affiliates are presently involved in various personal injury, regulatory investigations, tort actions and other claims and assessments arising out of the normal course of business. The Company establishes separate legal reserves when such matters, other than those covered under the Company's self-insured programs, present loss contingencies that are both probable and estimable. Management believes that Novant Health has adequate legal defenses, self-insurance reserves and/or insurance coverage for these asserted claims, as well as any unasserted claims and does not believe these claims will have a material effect on the Company's operations or financial position. The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, protection of sensitive patient data, reimbursement for patient services and Medicare and Medicaid fraud and abuse. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health

**Novant Health, Inc. and Affiliates**  
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*(in thousands of dollars)*

care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

**24. Concentrations of Credit Risk**

Novant Health provides services primarily to the residents of various counties within North Carolina and South Carolina without collateral or other proof of ability to pay. Most patients are local residents who are insured partially or fully under third-party payor arrangements.

The mix of receivables from patients and third-party payors at December 31 is as follows:

	<b>2024</b>	<b>2023</b>
Medicare	27.9%	30.2%
Medicaid	10.7%	8.8%
Other third-party payors	57.5%	57.2%
Patients	3.9%	3.8%
	<u>100.0%</u>	<u>100.0%</u>

Novant Health places the majority of its cash and investments with corporate and financial institutions. Novant Health maintains cash balances in excess of FDIC insured limits; however, the Company has not experienced any losses on such deposits.

**25. Functional Expenses**

Novant Health provides general health care services to residents within its geographic region. Novant Health's financial statements report certain expense categories that are attributable to more than one health care service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, amortization and interest and other occupancy costs, are allocated to a function based on a square footage or units of service basis. Allocated health care services costs not allocated on a units of service basis are generally allocated based on revenue.

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(in thousands of dollars)

Expenses relating to providing these services are as follows:

<b>December 31, 2024</b>				
	<b>Health Care Services</b>		<b>Support Services</b>	<b>Total</b>
	<b>Acute Care Facilities</b>	<b>Outpatient Locations</b>	<b>General &amp; Administrative</b>	
Salaries and employee benefits	\$ 2,367,961	\$ 1,954,326	\$ 631,246	\$ 4,953,533
Supplies and other	2,508,284	1,056,308	600,958	4,165,550
Depreciation and amortization expense	247,753	47,706	22,871	318,330
Gain on sale of property and equipment	(5,008)	(117)	(16,735)	(21,860)
Interest expense	81,896	5,846	114,007	201,749
Other non-operating expenses	(425)	1,497	3,456	4,528
Total expenses	<u>\$ 5,200,461</u>	<u>\$ 3,065,566</u>	<u>\$ 1,355,803</u>	<u>\$ 9,621,830</u>
<b>December 31, 2023</b>				
	<b>Health Care Services</b>		<b>Support Services</b>	<b>Total</b>
	<b>Acute Care Facilities</b>	<b>Outpatient Locations</b>	<b>General &amp; Administrative</b>	
Salaries and employee benefits	\$ 2,398,445	\$ 1,718,121	\$ 354,949	\$ 4,471,515
Supplies and other	2,076,815	814,796	366,750	3,258,361
Depreciation and amortization expense	227,056	55,994	52,684	335,734
Gain on sale of property and equipment	(1,328)	-	(3,889)	(5,217)
Interest expense	66,756	5,718	15,501	87,975
Other non-operating expenses	-	2,567	694	3,261
Total expenses	<u>\$ 4,767,744</u>	<u>\$ 2,597,196</u>	<u>\$ 786,689</u>	<u>\$ 8,151,629</u>

**26. Subsequent Events**

The company completed acquisitions of several health-related businesses prior to March 31, 2025. The allocation of purchase price to the assets acquired and liabilities assumed as of the acquisition dates have not been completed. Total cash consideration was \$177,597, funded through cash on hand.

## **Other Financial Information**





## **Report of Independent Auditors**

To the Board of Trustees of Novant Health, Inc.

We have audited the consolidated financial statements of Novant Health, Inc and Affiliates (the “Company”) as of and for the years ended December 31, 2024 and 2023 and have issued our report thereon dated March 31, 2025, which included an unmodified opinion on those consolidated financial statements. That audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating information as of and for the year ended December 31, 2024 and supplemental schedule of cost of community benefit programs for the year ended December 31, 2024 appearing on pages 47-53 (collectively referred to herein as the “supplemental information”) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements, nor are they intended to present, and we do not express an opinion on, the financial position, results of operations, changes in net assets and cash flows of the individual entities. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental information, excluding the schedule of cost of community benefit programs information marked “unaudited”, has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The schedule of costs of community benefit programs information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*PricewaterhouseCoopers LLP*

Charlotte, North Carolina  
March 31, 2025

**Novant Health, Inc. and Affiliates**  
**Schedule of Cost of Community Benefit Programs (unaudited)**  
**December 31, 2024**

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In addition to providing charity care to uninsured patients, Novant Health also provides services to beneficiaries of public programs and various other community health services intended to improve the health of the communities in which the Company operates. Novant Health uses the following four categories to identify the resources utilized for the care of persons who are underserved and for providing community benefit programs to the needy:

- Traditional charity care, which includes the cost of services provided to persons who cannot afford health care because of inadequate resources and who are uninsured.
- Unpaid cost of Medicare, which represents the unpaid cost of services provided to persons through the government program for individuals age 65 and older as well as those that qualify for federal disability benefits.
- Unpaid cost of Medicaid, which represents the unpaid cost of services provided to persons covered by the government program for medically indigent patients.
- Community benefit programs, which consist of the unreimbursed costs of certain programs and services for the general community, mainly for indigent patients but also for people with chronic health risks. Examples of these programs include health promotion and education, free clinics and screenings and other community services.

The net cost of providing care to indigent patients and community benefit programs is as follows:

<i>(in thousands of dollars)</i>	<b>2024</b>
Traditional charity care	\$ 138,551
Unpaid cost of Medicare	1,218,961
Unpaid cost of Medicaid	109,500
Community benefit programs	<u>149,943</u>
	<u>\$ 1,616,955</u>

**Novant Health, Inc. and Affiliates**  
**Consolidating Balance Sheet**  
**Year ended December 31, 2024**

<i>(in thousands of dollars)</i>	<b>Combined Group</b>	<b>Unrestricted Affiliates</b>	<b>Eliminations</b>	<b>Total</b>
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 461,765	\$ 182,315	\$ -	\$ 644,080
Accounts receivable, net	1,312,634	42,100	-	1,354,734
Short-term investments	-	193	-	193
Current portion of assets limited as to use	16,297	-	-	16,297
Receivable for settlement with third-party payors	311,157	22,806	-	333,963
Other current assets	514,156	58,370	(11,586)	560,940
Total current assets	2,616,009	305,784	(11,586)	2,910,207
Assets limited as to use	297,072	5,141	-	302,213
Long-term investments	3,308,247	527,735	-	3,835,982
Property and equipment, net	3,417,186	269,856	-	3,687,042
Right-of-use assets, net	559,709	154,989	(75,600)	639,098
Intangible assets and goodwill, net	2,689,687	290,438	-	2,980,125
Investments in affiliates	1,826,793	2,682,367	(4,124,179)	384,981
Deferred tax asset	-	522	-	522
Other assets	268,295	18,660	(1,023)	285,932
Total assets	\$ 14,982,998	\$ 4,255,492	\$ (4,212,388)	\$ 15,026,102
<b>Liabilities and Net Assets</b>				
Current liabilities				
Current portion of long-term debt	\$ 50,802	\$ 1,049	\$ -	\$ 51,851
Accounts payable	443,662	21,313	(11,533)	453,442
Accrued liabilities	748,233	190,231	-	938,464
Current portion of operating lease liabilities	105,362	22,527	(7,964)	119,925
Estimated third-party payor settlements	158,518	12,476	-	170,994
Due to (from) related organizations	(2,850,320)	2,850,320	-	-
Total current liabilities	(1,343,743)	3,097,916	(19,497)	1,734,676
Long-term debt, net of current portion	5,241,629	3,701	-	5,245,330
Deferred tax liability	-	10,250	-	10,250
Operating lease liabilities, net of current portion	486,253	132,505	(68,662)	550,096
Derivative financial instruments	7,491	-	-	7,491
Employee benefits and other liabilities	477,564	13,722	-	491,286
Total liabilities	4,869,194	3,258,094	(88,159)	8,039,129
Net assets				
Without donor restrictions - attributable to Novant Health	10,113,361	814,882	(4,124,229)	6,804,014
Without donor restrictions - noncontrolling interests	-	65,664	-	65,664
Total net assets without donor restrictions	10,113,361	880,546	(4,124,229)	6,869,678
With donor restrictions	443	116,852	-	117,295
Total net assets	10,113,804	997,398	(4,124,229)	6,986,973
Total liabilities and net assets	\$ 14,982,998	\$ 4,255,492	\$ (4,212,388)	\$ 15,026,102

The accompanying notes are an integral part of this supplemental consolidating information.

**Novant Health, Inc. and Affiliates**  
**Consolidating Statement of Operations**  
**December 31, 2024**

<i>(in thousands of dollars)</i>	<b>Combined Group</b>	<b>Unrestricted Affiliates</b>	<b>Eliminations</b>	<b>Total</b>
<b>Total operating revenues, gains, and other support</b>				
Net patient service revenues	\$ 8,225,247	\$ 746,277	\$ -	\$ 8,971,524
Other revenue	<u>1,115,249</u>	<u>135,354</u>	<u>(48,509)</u>	<u>1,202,094</u>
Total operating revenues, gains, and other support	<u>9,340,496</u>	<u>881,631</u>	<u>(48,509)</u>	<u>10,173,618</u>
<b>Operating expenses</b>				
Salaries and employee benefits	4,467,236	490,280	(3,983)	4,953,533
Supplies and other	3,812,280	397,796	(44,526)	4,165,550
Depreciation and amortization expense	288,189	30,141	-	318,330
Gain on sale of property and equipment	(11,739)	(10,121)	-	(21,860)
Interest expense	<u>90,756</u>	<u>110,993</u>	<u>-</u>	<u>201,749</u>
Total operating expenses	<u>8,646,722</u>	<u>1,019,089</u>	<u>(48,509)</u>	<u>9,617,302</u>
Operating income (loss)	693,774	(137,458)	-	556,316
<b>Non-operating income (expense)</b>				
Investment income	327,772	31,155	-	358,927
Income tax benefit	3,376	1,806	-	5,182
Other net periodic pension costs	<u>(324)</u>	<u>(330)</u>	<u>-</u>	<u>(654)</u>
Excess (deficit) of revenues over expenses	<u>\$ 1,024,598</u>	<u>\$ (104,827)</u>	<u>\$ -</u>	<u>\$ 919,771</u>

The accompanying notes are an integral part of this supplemental consolidating information.

**Novant Health, Inc. and Affiliates**  
**Combined Group Combining Balance Sheet**  
**Year ended December 31, 2024**

<i>(in thousands of dollars)</i>	<b>Obligated Group</b>	<b>Restricted Affiliates</b>	<b>Eliminations</b>	<b>Combined Group Total</b>
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 465,074	\$ (3,309)	\$ -	\$ 461,765
Accounts receivable, net	348,185	964,449	-	1,312,634
Current portion of assets limited as to use	12,297	4,000	-	16,297
Receivable for settlement with third-party payors	158,074	153,083	-	311,157
Other current assets	324,372	189,784	-	514,156
Total current assets	1,308,002	1,308,007	-	2,616,009
Assets limited as to use	268,861	28,211	-	297,072
Long-term investments	3,308,247	-	-	3,308,247
Property and equipment, net	1,634,679	1,782,507	-	3,417,186
Right-of-use assets, net	239,357	320,352	-	559,709
Intangible assets and goodwill, net	19,787	2,669,900	-	2,689,687
Investments in affiliates	1,765,820	149,712	(88,739)	1,826,793
Other assets	214,416	53,879	-	268,295
Total assets	\$ 8,759,169	\$ 6,312,568	\$ (88,739)	\$ 14,982,998
<b>Liabilities and Net Assets</b>				
Current liabilities				
Current portion of long-term debt	\$ 49,537	\$ 1,265	\$ -	\$ 50,802
Accounts payable	300,491	143,223	(52)	443,662
Accrued liabilities	524,740	223,493	-	748,233
Current portion of operating lease liabilities	40,624	64,738	-	105,362
Estimated third-party payor settlements	85,495	73,023	-	158,518
Due to (from) related organizations	(2,851,825)	1,505	-	(2,850,320)
Total current liabilities	(1,850,938)	507,247	(52)	(1,343,743)
Long-term debt, net of current portion	5,238,197	3,432	-	5,241,629
Operating lease liabilities, net of current portion	214,140	272,113	-	486,253
Derivative financial instruments	7,491	-	-	7,491
Employee benefits and other liabilities	414,853	62,711	-	477,564
Total liabilities	4,023,743	845,503	(52)	4,869,194
Net assets				
Without donor restrictions - attributable to Novant Health	4,735,221	5,466,827	(88,687)	10,113,361
Total net assets without donor restrictions	4,735,221	5,466,827	(88,687)	10,113,361
With donor restrictions	205	238	-	443
Total net assets	4,735,426	5,467,065	(88,687)	10,113,804
Total liabilities and net assets	\$ 8,759,169	\$ 6,312,568	\$ (88,739)	\$ 14,982,998

The accompanying notes are an integral part of this supplemental combining information.

**Novant Health, Inc. and Affiliates**  
**Combined Group Combining Statement of Operations**  
**December 31, 2024**

<i>(in thousands of dollars)</i>	<b>Obligated Group</b>	<b>Restricted Affiliates</b>	<b>Eliminations</b>	<b>Combined Group Total</b>
<b>Total operating revenues, gains, and other support</b>				
Net patient service revenues	\$ 3,614,578	\$ 4,610,669	\$ -	\$ 8,225,247
Other revenue	497,315	624,134	(6,200)	1,115,249
Total operating revenues, gains, and other support	4,111,893	5,234,803	(6,200)	9,340,496
<b>Operating expenses</b>				
Salaries and employee benefits	1,984,977	2,482,259	-	4,467,236
Supplies and other	2,060,717	1,757,763	(6,200)	3,812,280
Depreciation and amortization expense	133,662	154,527	-	288,189
Gain on sale of property and equipment	(11,626)	(113)	-	(11,739)
Interest expense	48,980	41,776	-	90,756
Total operating expenses	4,216,710	4,436,212	(6,200)	8,646,722
Operating income (loss)	(104,817)	798,591	-	693,774
<b>Non-operating income (expense)</b>				
Investment income	327,543	229	-	327,772
Income tax benefit	3,302	74	-	3,376
Other net periodic pension costs	(302)	(22)	-	(324)
Excess of revenues over expenses	\$ 225,726	\$ 798,872	\$ -	\$ 1,024,598

The accompanying notes are an integral part of this supplemental combining information.

**Novant Health, Inc. and Affiliates**  
**Notes to Consolidating or Combining Supplemental Schedules**  
**December 31, 2024**

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**1. Reporting Entity**

Novant Health, Inc. (“Novant Health” or the “Company”) is a not-for-profit integrated network of more than 900 locations, including 19 medical centers, more than 750 physician clinics and urgent care centers, outpatient facilities, and imaging and pharmacy services. Novant Health’s more than 40,000 team members along with more than 8,500 independent and employed clinicians care for patients and communities in North Carolina and South Carolina.

**2. Basis of Presentation and Summary of Significant Accounting Policies**

***Novant Health, Inc. Consolidating Balance Sheet and Consolidating Statement of Operations (which Combines the Information of the Combined Group and Unrestricted Affiliates)***

The Total column reconciles to the consolidated financial statements of Novant Health, Inc. and includes the accounts of all affiliates controlled by Novant Health, Inc. The Total is comprised of the Combined Group (as described below, which is comprised of the Obligated Group and Restricted Affiliates) and the Unrestricted Affiliates, which represent affiliates not meeting the definition of the Obligated Group or Restricted Affiliates as defined below.

The Eliminations column represents the elimination of intercompany transactions and balances between the Combined Group and the Unrestricted Affiliates.

The consolidating balance sheet and consolidating statement of operations are otherwise prepared in accordance with accounting policies described in the accompanying notes to the consolidated financial statements. These schedules are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America, as a result of the exclusion of all required disclosures.

***Combined Group Combining Balance Sheet and Statement of Operations***

As noted in Note 15 to the consolidated financial statements, the Company is subject to a Master Trust Indenture (the “Agreement”) which authorizes the creation of a Combined Group, which consists of the members of the Obligated Group and the Restricted Affiliates.

The members of the Obligated Group are jointly and severally liable for the payment of all obligations under the Agreement. The members of the Obligated Group are Novant Health and its two affiliates that operate tertiary care hospitals, Forsyth Memorial Hospital, Inc. d/b/a Novant Health Forsyth Medical Center and The Presbyterian Hospital d/b/a Novant Health Presbyterian Medical Center, both of which are North Carolina nonprofit corporations. In the accompanying Combined Group combining balance sheet and combining statement of operations, the Obligated Group column presents information of the aforementioned entities.

**Novant Health, Inc. and Affiliates**  
**Notes to Consolidating or Combining Supplemental Schedules**  
**December 31, 2024**

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Restricted Affiliates represent entities that are not directly obligated to pay obligations under the Agreement, but the members of the Obligated Group have covenanted in the Agreement to cause the Restricted Affiliates to provide funds to the members of the Obligated Group to pay obligations under the Agreement. The Company has designated 16 of its affiliates as Restricted Affiliates. Ten of these Restricted Affiliates, Medical Park Hospital, LLC d/b/a Novant Health Medical Park Hospital, Novant Health Thomasville Medical Center, LLC, Novant Health Matthews Medical Center, LLC, Brunswick Community Hospital, LLC d/b/a Novant Health Brunswick Medical Center, Novant Health Mint Hill Medical Center, LLC, Novant Health New Hanover Regional Medical Center, LLC, Novant Health Ballantyne Medical Center, LLC, East Cooper Medical Center, LLC, South Carolina Coastal Medical Center, LLC, and Hilton Head Medical Center, LLC, operate, or maintain a significant investment in, hospitals. The other six Restricted Affiliates, Carolina Medicorp Enterprises, LLC, Foundation Health Systems, LLC, Novant Medical Group, LLC f/k/a Presbyterian Regional Healthcare Corp., Salem Health Services, Inc., East Cooper Physician Group, LLC, and Hilton Head Regional Physician Group, LLC, provide, or invest in subsidiaries or joint ventures which provide health care and ancillary services. All of the members of the Combined Group, except Salem Health Services, Inc., are exempt from federal and state income taxation.

The Eliminations column represents the elimination of intercompany transactions and balances between the Obligated Group and the Restricted Affiliates.

The Combined Group combining balance sheet and combining statement of operations are otherwise prepared in accordance with accounting policies described in the accompanying notes to the consolidated financial statements. These schedules are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America, as a result of the exclusion of all required disclosures.