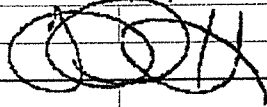


2019 Qualified Rural Hospital Organization Expense Tax Credit Proxy for IRS Form 990					
Name of Hospital		Hospital Authority of Wilkes County, Georgia			
Doing Business As		Wills Memorial Hospital			
Number and Street Address		120 Gordon Street			
Room/Suite					
City or Town		Washington			
State		GA			
Zip Code		30673			
Telephone Number		706-678-9212			
Name and Address of Principal Officer .		Tracie Haughey, 120 Gordon Street, Washington, GA 30673			
Total Number of Individuals Employed in Calendar Year 2019.....		205			
The Hospital's Fiscal Year 2018 Covered the Following Dates:					
Start Date:	May 1, 2017	End Date:	April 30, 2018		
The Hospital's Fiscal Year 2019 Covered the Following Dates:					
Start Date:	May 1, 2018	End Date:	April 30, 2019		

2019 Qualified Rural Hospital Organization Expense Tax Credit Proxy for IRS Form 990**Attestation Statement**

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.

Signature of Officer:



Date:

10/16/2020

Print Name and Title:

Tracie P. Haughey, CEO/CFO

Signature of Preparer

Date:

Print Preparer's Name:

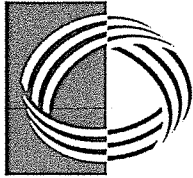
Preparer's Firm's Name:

Preparer's Firm's Address:

2019 Qualified Rural Hospital Organization Expense Tax Credit Proxy for IRS Form 990

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
1. Total Assets			
a.	Cash - Non-Interest Bearing	\$ 153,000	\$ 536,000
b.	Savings and Temporary Cash Investments	508,000	508,000
c.	Pledges and Grants Receivable, Net		
d.	Accounts Receivable, Net	1,286,000	1,247,000
e.	Loans and Other Receivables From Current and Former Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees		
f.	Notes and Loans Receivable, Net	122,000	
g.	Inventories for sale or use	117,000	106,000
h.	Prepaid expenses and deferred charges	592,000	562,000
i.	Land, buildings, and equipment: cost or other basis.		
	Less Accumulated Depreciation	8,012,000	7,397,000
j.	Investments- Publicly Traded Securities		
k.	Investments- Other Securities		
l.	Investments- Program-Related		
m.	Intangible Assets		
n.	Other Assets	1,455,000	1,459,000
o.	Total a - n above	\$ 12,245,000	\$ 11,815,000
2. Total Liabilities			
a.	Accounts Payable and Accrued Expenses	\$ 3,444,000	\$ 2,806,000
b.	Grants Payable		
c.	Deferred Revenue		
d.	Tax-Exempt Bond Liabilities		
e.	Escrow or Custodial Account Liability		
f.	Loans and Other Payables to Current and Former Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Disqualified Persons		
g.	Secured Mortgages and Notes Payable to Unrelated Third Parties .	11,208,000	10,895,000
h.	Unsecured Notes and Loans Payable to Unrelated Third Parties . .		
i.	Other Liabilities (including Federal Income Tax, Payables to Related Third Parties, and Other Liabilities Not Included in Lines a through h).		
h.	Total a - i above	\$ 14,652,000	\$ 13,701,000
		Beginning of Current Year	End of Year
3. Net Assets or Fund Balances. Subtract line 2h from line 1o.		(\$2,407,000)	(\$1,886,000)



GEORGIA DEPARTMENT OF
COMMUNITY HEALTH

2019 Annual Hospital Questionnaire

Part A : General Information

1. Identification

UID:HOSP526

Facility Name: Wills Memorial Hospital

County: Wilkes

Street Address: 120 Gordon Street

City: Washington

Zip: 30673-0370

Mailing Address: 120 Gordon Street

Mailing City: Washington

Mailing Zip: 30673

Medicaid Provider Number: 00002087A

Medicare Provider Number: 111325

2. Report Period

Report Data for the full twelve month period- January 1, 2019 through December 31, 2019.

Do not use a different report period.

Check the box to the right if your facility was **not** operational for the entire year. ☐

If your facility was **not** operational for the entire year, provide the dates the facility was operational.

Part B : Survey Contact Information

Person authorized to respond to inquiries about the responses to this survey.

Contact Name: Tracie P. Haughey

Contact Title: Chief Executive Officer

Phone: 706-678-9212

Fax: 706-678-1546

E-mail: thaughey@willsmemorialhospital.com

Part C : Ownership, Operation and Management

1. Ownership, Operation and Management

As of the last day of the report period, indicate the operation/management status of the facility and provide the effective date. Using the drop-down menus, select the organization type. If the category is not applicable, the form requires you only to enter Not Applicable in the legal name field. You must enter something for each category.

A. Facility Owner

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
Hospital Authority of Wilkes County	Hospital Authority	1/1/1961

B. Owner's Parent Organization

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
N/A	Not Applicable	

C. Facility Operator

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
N/A	Not Applicable	

D. Operator's Parent Organization

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
N/A	Not Applicable	

E. Management Contractor

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
N/A	Not Applicable	

F. Management's Parent Organization

Full Legal Name (Or Not Applicable)	Organization Type	Effective Date
N/A	Not Applicable	

2. Changes in Ownership, Operation or Management

Check the box to the right if there were any changes in the ownership, operation, or management of the facility during the report period or since the last day of the Report Period. ☐

If checked, please explain in the box below and include effective dates.

3. Check the box to the right if your facility is part of a health care system ☐

Name:

City: State:

4. Check the box to the right if your hospital is a division or subsidiary of a holding company. ☐

Name:

City: State:

5. Check the box to the right if the hospital itself operates subsidiary corporations ☐

Name:

City: State:

6. Check the box to the right if your hospital is a member of an alliance. ☒

Name: Hometown Health Inc.

City: Atlanta State: Georgia

7. Check the box to the right if your hospital is a participant in a health care network ☐

Name:

City: State:

8. Check the box to the right if the hospital has a policy or policies and a peer review process related to medical errors. ☒

9. Check the box to the right if the hospital owns or operates a primary care physician group practice. ☒

10a. Managed Care Information: Formal Written Contract

Does the hospital have a formal written contract that specifies the obligations of each party with each of the following? (check the appropriate boxes)

1. Health Maintenance Organization(HMO) ☒

2. Preferred Provider Organization(PPO) ☒

3. Physician Hospital Organization(PHO) ☐

4. Provider Service Organization(PSO) ☐

5. Other Managed Care or Prepaid Plan ☒

10b. Managed Care Information: Insurance Products

Check the appropriate boxes to indicate if any of the following insurance products have been developed by the hospital, health care system, network, or as a joint venture with an insurer:

Type of Insurance Product	Hospital	Health Care System	Network	Joint Venture with Insurer
Health Maintenance Organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Preferred Provider Organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indemnity Fee-for-Service Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Another Insurance Product Not Listed Above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. Owner or Owner Parent Based in Another State

If the owner or owner parent at Part C, Question 1(A&B) is an entity based in another state please report the location in which the entity is based. (City and State)

Part D : Inpatient Services

1. Utilization of Beds as Set Up and Staffed(SUS):

Please indicate the following information. Do not include newborn and neonatal services. Do not include long-term care units, such as Skilled Nursing Facility beds, if not licensed as hospital beds. If your facility is approved for LTCH beds report them below.

Category	SUS Beds	Admissions	Inpatient Days	Discharges	Discharge Days
Obstetrics (no GYN, include LDRP)	0	0	0	0	0
Pediatrics (Non ICU)	0	0	0	0	0
Pediatric ICU	0	0	0	0	0
Gynecology (No OB)	0	0	0	0	0
General Medicine	0	0	0	0	0
General Surgery	0	0	0	0	0
Medical/Surgical	19	228	866	223	893
Intensive Care	0	0	0	0	0
Psychiatry	0	0	0	0	0
Substance Abuse	0	0	0	0	0
Adult Physical Rehabilitation (18 & Up)	0	0	0	0	0
Pediatric Physical Rehabilitation (0-17)	0	0	0	0	0
Burn Care	0	0	0	0	0
Swing Bed (Include All Utilization)	0	136	2,007	125	1,842
Long Term Care Hospital (LTCH)	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
Total	19	364	2,873	348	2,735

2. Race/Ethnicity

Please report admissions and inpatient days for the hospital by the following race and ethnicity categories. Exclude newborn and neonatal.

Race/Ethnicity	Admissions	Inpatient Days
American Indian/Alaska Native	0	0
Asian	0	0
Black/African American	139	957
Hispanic/Latino	0	0
Pacific Islander/Hawaiian	0	0
White	225	1,916
Multi-Racial	0	0
Total	364	2,873

3. Gender

Please report admissions and inpatient days by gender. Exclude newborn and neonatal.

Gender	Admissions	Inpatient Days
Male	136	1,014
Female	228	1,859
Total	364	2,873

4. Payment Source

Please report admissions and inpatient days by primary payment source. Exclude newborn and neonatal.

Primary Payment Source	Admissions	Inpatient Days
Medicare	317	2,705
Medicaid	20	67
Peachare	0	0
Third-Party	22	88
Self-Pay	5	13
Other	0	0

5. Discharges to Death

Report the total number of inpatient admissions discharged during the reporting period due to death.

0

6. Charges for Selected Services

Please report the hospital's average charges as of 12-31-2019 (to the nearest whole dollar).

Service	Charge
Private Room Rate	510
Semi-Private Room Rate	0
Operating Room: Average Charge for the First Hour	0
Average Total Charge for an Inpatient Day	1,069

Part E : Emergency Department and Outpatient Services

1. Emergency Visits

Please report the number of emergency visits only.

5,802

2. Inpatient Admissions from ER

Please report inpatient admissions to the Hospital from the ER for emergency cases ONLY.

485

3. Beds Available

Please report the number of beds available in ER as of the last day of the report period.

6

4. Utilization by Specific type of ER bed or room for the report period.

Type of ER Bed or Room	Beds	Visits
Beds dedicated for Trauma	0	0
Beds or Rooms dedicated for Psychiatric /Substance Abuse cases	0	0
General Beds	6	6
	0	0
	0	0
	0	0
	0	0

5. Transfers

Please provide the number of Transfers to another institution from the Emergency Department.

360

6. Non-Emergency Visits

Please provide the number of Outpatient/Clinic/All Other Non-Emergency visits to the hospital.

9,063

7. Observation Visits/Cases

Please provide the total number of Observation visits/cases for the entire report period.

416

8. Diverted Cases

Please provide the number of cases your ED diverted while on Ambulance Diversion for the entire report period.

0

9. Ambulance Diversion Hours

Please provide the total number of Ambulance Diversion hours for your ED for the entire report period

0

10. Untreated Cases

Please provide the number of patients who sought care in your ED but who left without or before being treated. Do not include patients who were transferred or cases that were diverted.

0

Part F : Services and Facilities

1a. Services and Facilities

Please report services offered onsite for in-house and contract services as requested. Please reflect the status of the service during the report period. (Use the blank lines to specify other services.)

Site Codes

- 1 = In-House - Provided by the Hospital
- 2 = Contract - Provided by a contractor but onsite
- 3 = Not Applicable

Status Codes

- 1 = On-Going
- 2 = Newly Initiated
- 3 = Discontinued
- 4 = Not Applicable

Service/Facilities	Site Code	Service Status
Podiatric Services	0	0
Renal Dialysis	0	0
ESWL	0	0
Biliary Lithotripter	0	0
Kidney Transplants	0	0
Heart Transplants	0	0
Other-Organ/Tissues Transplants	0	0
Diagnostic X-Ray	0	0
Computerized Tomography Scanner (CTS)	0	0
Radioisotope, Diagnostic	0	0
Positron Emission Tomography (PET)	0	0
Radioisotope, Therapeutic	0	0
Magnetic Resonance Imaging (MRI)	0	0
Chemotherapy	0	0
Respiratory Therapy	0	0
Occupational Therapy	0	0
Physical Therapy	0	0
Speech Pathology Therapy	0	0
Gamma Ray Knife	0	0
Audiology Services	0	0
HIV/AIDS Diagnostic Treatment/Services	0	0
Ambulance Services	0	0
Hospice	0	0
Respite Care Services	0	0
Ultrasound/Medical Sonography	0	0
	0	0
	0	0
	0	0

1b. Report Period Workload Totals

Please report the workload totals for in-house and contract services as requested. The number of units should equal the number of machines.

Category	Total
Number of Podiatric Patients	0
Number of Dialysis Treatments	0
Number of ESWL Patients	0
Number of ESWL Procedures	0
Number of ESWL Units	0
Number of Biliary Lithotripter Procedures	0
Number of Biliary Lithotripter Units	0
Number of Kidney Transplants	0
Number of Heart Transplants	0
Number of Other-Organ/Tissues Treatments	0
Number of Diagnostic X-Ray Procedures	0
Number of CTS Units (machines)	0
Number of CTS Procedures	0
Number of Diagnostic Radioisotope Procedures	0
Number of PET Units (machines)	0
Number of PET Procedures	0
Number of Therapeutic Radioisotope Procedures	0
Number of Number of MRI Units	0
Number of Number of MRI Procedures	0
Number of Chemotherapy Treatments	0
Number of Respiratory Therapy Treatments	0
Number of Occupational Therapy Treatments	0
Number of Physical Therapy Treatments	0
Number of Speech Pathology Patients	0
Number of Gamma Ray Knife Procedures	0
Number of Gamma Ray Knife Units	0
Number of Audiology Patients	0
Number of HIV/AIDS Diagnostic Procedures	0
Number of HIV/AIDS Patients	0
Number of Ambulance Trips	0
Number of Hospice Patients	0
Number of Respite care Patients	0
Number of Ultrasound/Medical Sonography Units	0
Number of Ultrasound/Medical Sonography Procedures	0
Number of Treatments, Procedures, or Patients (Other 1)	0
Number of Treatments, Procedures, or Patients (Other 2)	0
Number of Treatments, Procedures, or Patients (Other 3)	0

2. Medical Ventilators

Provide the number of computerized/mechanical Ventilator Machines that were in use or available

for immediate use as of the last day of the report period (12/31).

0

3. Robotic Surgery System

Please report the number of units, number of procedures, and type of unit(s).

# Units	# Procedures	Type of Unit(s)
0	0	

Part G : Facility Workforce Information

1. Budgeted Staff

Please report the number of budgeted fulltime equivalents (FTEs) and the number of vacancies as of 12-31-2019. Also, include the number of contract or temporary staff (eg. agency nurses) filling budgeted vacancies as of 12-31-2019.

Profession	Profession	Profession	Profession
Licensed Physicians	0.00	0.00	0.00
Physician Assistants Only (not including Licensed Physicians)	0.00	0.00	0.00
Registered Nurses (RNs-Advanced Practice*)	0.00	0.00	0.00
Licensed Practical Nurses (LPNs)	0.00	0.00	0.00
Pharmacists	0.00	0.00	0.00
Other Health Services Professionals*	0.00	0.00	0.00
Administration and Support	0.00	0.00	0.00
All Other Hospital Personnel (not included above)	0.00	0.00	0.00

2. Filling Vacancies

Using the drop-down menus, please select the average time needed during the past six months to fill each type of vacant position.

Type of Vacancy	Average Time Needed to Fill Vacancies
Physician's Assistants	
Registered Nurses (RNs-Advance Practice)	
Licensed Practical Nurses (LPNs)	
Pharmacists	
Other Health Services Professionals	
All Other Hospital Personnel (not included above)	

3. Race/Ethnicity of Physicians

Please report the number of physicians with admitting privileges by race.

Race/Ethnicity	Number of Physicians
American Indian/Alaska Native	0
Asian	0
Black/African American	0
Hispanic/Latino	0
Pacific Islander/Hawaiian	0
White	0
Multi-Racial	0

4. Medical Staff

Please report the number of active and associate/provisional medical staff for the following specialty categories. Keep in mind that physicians may be counted in more than one specialty. Please

indicate whether the specialty group(s) is hospital-based. Also, indicate how many of each medical specialty are enrolled as providers in Georgia Medicaid/PeachCare for Kids and/or the Public Employee Health Benefit Plans (PEHB-State Health Benefit Plan and/or Board of Regents Benefit Plan).

Medical Specialties	Number of Medical Staff	Check if Any are Hospital Based	Number Enrolled as Providers in Medicaid/PeachCare	Number Enrolled as Providers in PEHB Plan
General and Family Practice	0	<input type="checkbox"/>	0	0
General Internal Medicine	0	<input type="checkbox"/>	0	0
Pediatricians	0	<input type="checkbox"/>	0	0
Other Medical Specialties	0	<input type="checkbox"/>	0	0

Surgical Specialties	Number of Medical Staff	Check if Any are Hospital Based	Number Enrolled as Providers in Medicaid/PeachCare	Number Enrolled as Providers in PEHB Plan
Obstetrics	0	<input type="checkbox"/>	0	0
Non-OB Physicians Providing OB Services	0	<input type="checkbox"/>	0	0
Gynecology	0	<input type="checkbox"/>	0	0
Ophthalmology Surgery	0	<input type="checkbox"/>	0	0
Orthopedic Surgery	0	<input type="checkbox"/>	0	0
Plastic Surgery	0	<input type="checkbox"/>	0	0
General Surgery	0	<input type="checkbox"/>	0	0
Thoracic Surgery	0	<input type="checkbox"/>	0	0
Other Surgical Specialties	0	<input type="checkbox"/>	0	0

Other Specialties	Number of Medical Staff	Check if Any are Hospital Based	Number Enrolled as Providers in Medicaid/PeachCare	Number Enrolled as Providers in PEHB Plan
Anesthesiology	0	<input type="checkbox"/>	0	0
Dermatology	0	<input type="checkbox"/>	0	0
Emergency Medicine	0	<input type="checkbox"/>	0	0
Nuclear Medicine	0	<input type="checkbox"/>	0	0
Pathology	0	<input type="checkbox"/>	0	0
Psychiatry	0	<input type="checkbox"/>	0	0
Radiology	0	<input type="checkbox"/>	0	0
	0	<input type="checkbox"/>	0	0
	0	<input type="checkbox"/>	0	0
	0	<input type="checkbox"/>	0	0

5a. Non-Physicians

Please report the number of professionals for the categories below. Exclude any hospital-based staff reported in Part G, Questions 1,2,3 and 4 above.

Profession	Number
Dentists (include oral surgeons) with Admitting Privileges	0
Podiatrists	0
Certified Nurse Midwives with Clinical Privileges in the Hospital	0
All Other Staff Affiliates with Clinical Privileges in the Hospital	0

5b. Name of Other Professions

Please provide the names of professions classified as "Other Staff Affiliates with Clinical Privileges" above.

Comments and Suggestions:

Part H : Physician Name and License Number

1. Physicians on Staff

Please report the full name and license number of each physician on staff. (Due to the large number of entries, this section has been moved to a separate PDF file.)

Part I : Patient Origin Table

1. Patient Origin

Please report the county of origin for the inpatient admissions or discharges excluding newborns (except surgical services should include outpatients only).

Inpat=Inpatient Services

Surg=Outpatient Surgical

OB=Obstetric

P18+=Acute psychiatric adult 18 and over

P13-17=Acute psychiatric adolescent 13-17

P0-12=Acute psychiatric children 12 and under

Rehab=Inpatient Rehabilitation

S18+=Substance abuse adult 18 and over

S13-17=Substance abuse adolescent 13-17

E18+=Extended care adult 18 and over

E13-17=Extended care adolescent 13-17

E0-12=Extended care children 0-12

LTCH=Long Term Care Hospital

County	Inpat	Surg	OB	P18+	P13-17	P0-12	S18+	S13-17	E18+	E13-17	E0-12	LTCH	Rehab
Columbia	1	0	0	0	0	0	0	0	0	0	0	0	0
Crawford	1	0	0	0	0	0	0	0	0	0	0	0	0
Greene	5	0	0	0	0	0	0	0	0	0	0	0	0
Lincoln	23	17	0	0	0	0	0	0	0	0	0	0	0
Madison	1	0	0	0	0	0	0	0	0	0	0	0	0
Oglethorpe	11	0	0	0	0	0	0	0	0	0	0	0	0
Rockdale	1	0	0	0	0	0	0	0	0	0	0	0	0
Spalding	1	0	0	0	0	0	0	0	0	0	0	0	0
Taliaferro	31	23	0	0	0	0	0	0	0	0	0	0	0
Tennessee	1	0	0	0	0	0	0	0	0	0	0	0	0
Warren	1	0	0	0	0	0	0	0	0	0	0	0	0
Wilkes	287	208	0	0	0	0	0	0	0	0	0	0	0
Total	364	248	0	0	0	0	0	0	0	0	0	0	0

Surgical Services Addendum

Part A : Surgical Services Utilization

1. Surgery Rooms in the OR Suite

Please report the Number of Surgery Rooms, (as of the end of the report period). Report only the rooms in CON-Approved Operating Room Suites pursuant to Rule 111-2-2.40 and 111-8-48-.28.

Room Type	Dedicated Inpatient Rooms	Dedicated Outpatient Rooms	Shared Rooms
General Operating	0	0	1
Cystoscopy (OR Suite)	0	0	0
Endoscopy (OR Suite)	0	0	1
	0	0	0
Total	0	0	2

2. Procedures by Type of Room

Please report the number of procedures by type of room.

Room Type	Dedicated Inpatient Rooms	Dedicated Outpatient Rooms	Shared Inpatient Rooms	Shared Outpatient Rooms
General Operating	0	0	0	67
Cystoscopy	0	0	0	34
Endoscopy	0	0	0	168
	0	0	0	0
Total	0	0	0	269

3. Patients by Type of Room

Please report the number of patients by type of room.

Room Type	Dedicated Inpatient Rooms	Dedicated Outpatient Rooms	Shared Inpatient Rooms	Shared Outpatient Rooms
General Operating	0	0	0	58
Cystoscopy	0	0	0	34
Endoscopy	0	0	0	149
	0	0	0	0
Total	0	0	0	241

Part B : Ambulatory Patient Race/Ethnicity, Age, Gender and Payment Source

1. Race/Ethnicity of Ambulatory Patients

Please report the total number of ambulatory patients for both dedicated outpatient and shared room environment.

Race/Ethnicity	Number of Ambulatory Patients
American Indian/Alaska Native	0
Asian	0
Black/African American	138
Hispanic/Latino	0
Pacific Islander/Hawaiian	0
White	110
Multi-Racial	0
Total	248

2. Age Grouping

Please report the total number of ambulatory patients by age grouping.

Age of Patient	Number of Ambulatory Patients
Ages 0-14	0
Ages 15-64	79
Ages 65-74	96
Ages 75-85	54
Ages 85 and Up	19
Total	248

3. Gender

Please report the total number of ambulatory patients by gender.

Gender	Number of Ambulatory Patients
Male	125
Female	123
Total	248

4. Payment Source

Please report the total number of ambulatory patients by payment source.

Primary Payment Source	Number of Patients
Medicare	192
Medicaid	10
Third-Party	44
Self-Pay	2

Perinatal Services Addendum

Part A : Obstetrical Services Utilization

Please report the following obstetrical services information for the report period. Include all deliveries and births in any unit of the hospital or anywhere on its grounds.

1. Number of Delivery Rooms: 0

2. Number of Birthing Rooms: 0

3. Number of LDR Rooms: 0

4. Number of LDRP Rooms: 0

5. Number of Cesarean Sections: 0

6. Total Live Births: 0

7. Total Births (Live and Late Fetal Deaths): 0

8. Total Deliveries (Births + Early Fetal Deaths and Induced Terminations): 0

Part B : Newborn and Neonatal Nursery Services

1. Nursery Services

Please Report the following newborn and neonatal nursery information for the report period.

Type of Nursery	Set-Up and Staffed Beds/Station	Neonatal Admissions	Inpatient Days	Transfers within Hospital
Normal Newborn (Basic)	0	0	0	0
Specialty Care (Intermediate Neonatal Care)	0	0	0	0
Subspecialty Care (Intensive Neonatal Care)	0	0	0	0

Part C : Obstetrical Charges and Utilization by Mother's Race/Ethnicity and Age

1. Race/Ethnicity

Please provide the number of admissions and inpatient days for mothers by the mother's race using race/ethnicity classifications.

Race/Ethnicity	Admissions by Mother's Race	Inpatient Days
American Indian/Alaska Native	0	0
Asian	0	0
Black/African American	0	0
Hispanic/Latino	0	0
Pacific Islander/Hawaiian	0	0
White	0	0
Multi-Racial	0	0
Total	0	0

2. Age Grouping

Please provide the number of admissions by the following age groupings.

Age of Patient	Number of Admissions	Inpatient Days
Ages 0-14	0	0
Ages 15-44	0	0
Ages 45 and Up	0	0
Total	0	0

3. Average Charge for an Uncomplicated Delivery

Please report the average hospital charge for an uncomplicated delivery(CPT 59400)

\$0.00

4. Average Charge for a Premature Delivery

Please report the average hospital charge for a premature delivery.

\$0.00

LTCH Addendum

Part A : General Information

1a. Accreditation Check the box to the right if your Long Term Care Hospital is accredited. ☐
If you checked the box for yes, please specify the agency that accredits your facility in the space below.

1b. Level/Status of Accreditation

Please provide your organization's level/status of accreditation.

2. Number of Licensed LTCH Beds: 0

3. Permit Effective Date:

4. Permit Designation:

5. Number of CON Beds: 0

6. Number of SUS Beds: 0

7. Total Patient Days: 0

8. Total Discharges: 0

9. Total LTCH Admissions: 0

Part B : Utilization by Race, Age, Gender and Payment Source

1. Race/Ethnicity

Please provide the number of admissions and inpatient days using the following race/ethnicity classifications.

Race/Ethnicity	Admissions	Inpatient Days
American Indian/Alaska Native	0	0
Asian	0	0
Black/African American	0	0
Hispanic/Latino	0	0
Pacific Islander/Hawaiian	0	0
White	0	0
Multi-Racial	0	0
Total	0	0

2. Age of LTCH Patient

Please provide the number of admissions and inpatient days by the following age groupings.

Age of Patient	Admissions	Inpatient Days
Ages 0-64	0	0
Ages 65-74	0	0
Ages 75-84	0	0
Ages 85 and Up	0	0
Total	0	0

3. Gender

Please provide the number of admissions and inpatient days by the following gender classifications.

Gender of Patient	Admissions	Inpatient Days
Male	0	0
Female	0	0
Total	0	0

4. Payment Source

Please indicate the number of patients by the payment source. Please note that individuals may have multiple payment sources.

Primary Payment Source	Number of Patients	Inpatient Days
Medicare	0	0
Third-Party	0	0
Self-Pay	0	0
Other	0	0

Psychiatric/Substance Abuse Services Addendum

Part A : Psychiatric and Substance Abuse Data by Program

1. Beds

Please report the number of beds as of the last day of the report period. Report beds only for officially recognized programs. Use the blank row to report combined beds. For combined bed programs, please report each of the combined bed programs and the number of combined beds. Indicate the combined programs using letters A through H, for example, "AB"

Patient Type	Distribution of CON-Authorized Beds	Set-Up and Staffed Beds
A- General Acute Psychiatric Adults 18 and over	0	0
B- General Acute Psychiatric Adolescents 13-17	0	0
C- General Acute Psychiatric Children 12 and under	0	0
D- Acute Substance Abuse Adults 18 and over	0	0
E- Acute Substance Abuse Adolescents 13-17	0	0
F-Extended Care Adults 18 and over	0	0
G- Extended Care Adolescents 13-17	0	0
H- Extended Care Adolescents 0-12	0	0
	0	0

2. Admissions, Days, Discharges, Accreditation

Please report the following utilization for the report period. Report only for officially recognized programs.

Program Type	Admissions	Inpatient Days	Discharges	Discharge Days	Average Charge Per Patient Day	Check if the Program is JCAHO Accredited
General Acute Psychiatric Adults 18 and over	0	0	0	0	0	<input type="checkbox"/>
General Acute Psychiatric Adolescents 13-17	0	0	0	0	0	<input type="checkbox"/>
General Acute Psychiatric Children 12 and Under	0	0	0	0	0	<input type="checkbox"/>
Acute Substance Abuse Adults 18 and over	0	0	0	0	0	<input type="checkbox"/>
Acute Substance Abuse Adolescents 13-17	0	0	0	0	0	<input type="checkbox"/>
Extended Care Adults 18 and over	0	0	0	0	0	<input type="checkbox"/>
Extended Care Adolescents 13-17	0	0	0	0	0	<input type="checkbox"/>
Extended Care Adolescents 0-12	0	0	0	0	0	<input type="checkbox"/>

Part B : Psych/SA Utilization by Race/Ethnicity, Gender, and Payment Source

1. Race/Ethnicity

Please provide the number of admissions and inpatient days using the following race/ethnicity classifications.

Race/Ethnicity	Admissions	Inpatient Days
American Indian/Alaska Native	0	0
Asian	0	0
Black/African American	0	0
Hispanic/Latino	0	0
Pacific Islander/Hawaiian	0	0
White	0	0
Multi-Racial	0	0
Total	0	0

2. Gender

Please provide the number of admissions and inpatient days by the following gender classifications.

Gender of Patient	Admissions	Inpatient Days
Male	0	0
Female	0	0
Total	0	0

3. Payment Source

Please indicate the number of patients by the following payment sources. Please note that individuals may have multiple payment sources.

Primary Payment Source	Number of Patients	Inpatient Days
Medicare	0	0
Medicaid	0	0
Third Party	0	0
Self-Pay	0	0
PeachCare	0	0

Georgia Minority Health Advisory Council Addendum

Because of Georgia's racial and ethnic diversity, and a dramatic increase in segments of the population with Limited English Proficiency, the Georgia Minority Health Advisory Council is working with the Department of Community Health to assess our health systems' ability to provide Culturally and Linguistically Appropriate Services (CLAS) to all segments of our population. We appreciate your willingness to provide information on the following questions:

1. Do you have paid medical interpreters on staff? (Check the box, if yes.) ☐

If you checked yes, how many? 0 (FTE's)

What languages do they interpret?

2. When a paid medical interpreter is not available for a limited-English proficiency patient, what alternative mechanisms do you use to assure the provision of Linguistically Appropriate Services? (Check all that apply)

Bilingual Hospital Staff Member ☐

Bilingual Member of Patient's Family ☐

Community Volunteer Interpreter ☐

Telephone Interpreter Service ☐

Refer Patient to Outside Agency ☐

Other (please describe): ☐

2 Spanish speaking physicians, 2 Spanish speaking nurses

3. Please complete the following grid to show the proportion of patients you serve who prefer speaking various languages (name the 3 most common non-English languages spoken.)

Top 3 most common non-English languages spoken by your patients	Percent of patients for whom this is their preferred language	# of physicians on staff who speak this language	# of nurses on staff who speak this language	# of other employed staff who speak this language
Spanish	.5	2	1	2
		0	0	0
		0	0	0

4. What **training** have you provided to your staff to assure cultural competency and the provision of **Culturally and Linguistically Appropriate Services (CLAS)** to your patients?

Healthstream Curriculum for employee annual training

5. What is the most urgent tool or resource you need in order to increase your ability to provide **Culturally and Linguistically Appropriate Services (CLAS)** to your patients?

Healthstream educational curriculum

6. In what languages are the signs written that direct patients within your facility?

1. English

2. Spanish

3.

4.

7. If an uninsured patient visits your emergency department, is there a community health center, federally-qualified health center, free clinic, or other reduced-fee safety net clinic nearby to which you could refer that patient in order to provide him or her an affordable primary care medical home regardless of ability to pay? *(Check the box, if yes)* ☒

If you checked yes, what is the name and location of that health care center or clinic?

local county health department

Comprehensive Inpatient Physical Rehabilitation Addendum

Part A : Rehab Utilization by Race/Ethnicity, Gender, and Payment Source

1. Admissions and Days of Care by Race

Please report the number of inpatient physical rehabilitation admissions and inpatient days for the hospital by the following race and ethnicity categories.

Race/Ethnicity	Admissions	Inpatient Days
American Indian/Alaska Native	0	0
Asian	0	0
Black/African American	0	0
Hispanic/Latino	0	0
Pacific Islander/Hawaiian	0	0
White	0	0
Multi-Racial	0	0

2. Admissions and Days of care by Gender

Please report the number of inpatient physical rehabilitation admissions and inpatient days by gender.

Gender	Admissions	Inpatient Days
Male	0	0
Female	0	0

3. Admissions and Days of Care by Age Cohort

Please report the number of inpatient physical rehabilitation admissions and inpatient days by age cohort.

Gender	Admissions	Inpatient Days
0-17	0	0
18-64	0	0
65-84	0	0
85 Up	0	0

Part B : Referral Source

1. Referral Source

Please report the number of inpatient physical rehabilitation admissions during the report period from each of the following sources.

Referral Source	Admissions
Acute Care Hospital/General Hospital	0
Long Term Care Hospital	0
Skilled Nursing Facility	0
Traumatic Brain Injury Facility	0

	0
--	---

1. Payers

Please report the number of inpatient physical rehabilitation admissions by each of the following payer categories.

Primary Payment Source	Admissions
Medicare	0
Third Party/Commercial	0
Self Pay	0
Other	0

2. Uncompensated Indigent and Charity Care

Please report the number of inpatient physical rehabilitation patients qualifying as uncompensated indigent or charity care

0

Part D : Admissions by Diagnosis Code

1. Admissions by Diagnosis Code

Please report the number of inpatient physical rehabilitation admissions by the "CMS 13" diagnosis of the patient listed below.

Diagnosis	Admissions
1. Stroke	0
2. Brain Injury	0
3. Amputation	0
4. Spinal Cord	0
5. Fracture of the femur	0
6. Neurological disorders	0
7. Multiple Trauma	0
8. Congenital deformity	0
9. Burns	0
10. Osteoarthritis	0
11. Rheumatoid arthritis	0
12. Systemic vasculidities	0
13. Joint replacement	0
All Other	0

Electronic Signature

Please note that the survey WILL NOT BE ACCEPTED without the authorized signature of the Chief Executive Officer or Executive Director (principal officer) of the facility. The signature can be completed only AFTER all survey data has been finalized. By law, the signatory is attesting under penalty of law that the information is accurate and complete.

I state, certify and attest that to the best of my knowledge upon conducting due diligence to assure the accuracy and

completeness of all data, and based upon my affirmative review of the entire completed survey, this completed survey contains no untrue statement, or inaccurate data, nor omits requested material information or data. I further state, certify and attest that I have reviewed the entire contents of the completed survey with all appropriate staff of the facility. I further understand that inaccurate, incomplete or omitted data could lead to sanctions against me or my facility. I further understand that a typed version of my name is being accepted as my original signature pursuant to the Georgia Electronic Records and Signature Act.

Authorized Signature: Tracie P. Haughey

Date: 7/13/2020

Title: CEO

Comments:



2019 Hospital Financial Survey

Part A : General Information

1. Identification

UID:HOSP526

Facility Name: Wills Memorial Hospital

County: Wilkes

Street Address: 120 Gordon Street

City: Washington

Zip: 30673-0370

Mailing Address: PO Box 370

Mailing City: Washington

Mailing Zip: 30673-0370

2. Report Period

Please report data for the hospital fiscal year ending during calendar year 2019 only.

Do not use a different report period.

Please indicate your hospital fiscal year.

From: 5/1/2018 To:4/30/2019

Please indicate your cost report year.

From: 05/01/2018 To:04/30/2019

Check the box to the right if your facility was **not** operational for the entire year. ☐

If your facility was **not** operational for the entire year, provide the dates the facility was operational.

3. Trauma Center Designation Change During the Report Period

Check the box to the right if your facility experienced a change in trauma center designation during the report period.

If your facility's trauma center designation changed, provide the date and type of change. ☐

Part B : Survey Contact Information

Person authorized to respond to inquiries about the responses to this survey.

Contact Name: Tracie Haughey

Contact Title: CEO

Phone: 706-678-9211

Fax: 706-678-1546

E-mail: thaughey@willsmemorialhospital.com

Part C : Financial Data and Indigent and Charity Care

1. Financial Table

Please report the following data elements. Data reported here must balance in other parts of the HFS.

Revenue or Expense	Amount
Inpatient Gross Patient Revenue	4,143,726
Total Inpatient Admissions accounting for Inpatient Revenue	330
Outpatient Gross Patient Revenue	13,570,083
Total Outpatient Visits accounting for Outpatient Revenue	10,685
Medicare Contractual Adjustments	5,798,914
Medicaid Contractual Adjustments	1,837,387
Other Contractual Adjustments:	819,255
Hill Burton Obligations:	0
Bad Debt (net of recoveries):	1,259,255
Gross Indigent Care:	177,726
Gross Charity Care:	189,323
Uncompensated Indigent Care (net):	177,726
Uncompensated Charity Care (net):	189,323
Other Free Care:	80,465
Other Revenue/Gains:	1,959,638
Total Expenses:	8,891,536

2. Types of Other Free Care

Please enter the amount for each type of other free care. The amounts entered here must equal the total "Other Free Care" reported in Part C. Question 1. Use the blank line to indicate the type description and amount for other free care that is not included in the types listed.

Other Free Care Type	Other Free Care Amount
Self-Pay/Uninsured Discounts	0
Admin Discounts	80,465
Employee Discounts	0
	0
Total	80,465

Part D : Indigent/Charity Care Policies and Agreements

1. Formal Written Policy

Did the hospital have a formal written policy or written policies concerning the provision of indigent and/or charity care during 2019? (Check box if yes.) ☒

2. Effective Date

What was the effective date of the policy or policies in effect during 2019?

04/30/2011

3. Person Responsible

Please indicate the title or position held by the person most responsible for adherence to or interpretation of the policy or policies you will provide the department.?

4. Charity Care Provisions

Did the policy or policies include provisions for the care that is defined as charity pursuant to HFMA guidelines and the definitions contained in the Glossary that accompanies this survey (i.e., a sliding fee scale or the accommodation to provide care without the expectation of compensation for patients whose individual or family income exceeds 125% of federal poverty level guidelines)? (Check box if yes.) ☒

5. Maximum Income Level

If you had a provision for charity care in your policy, as reflected by responding yes to item 4, what was the maximum income level, expressed as a percentage of the federal poverty guidelines, for a patient to be considered for charity care (e.g., 185%, 200%, 235%, etc.)?

185%

6. Agreements Concerning the Receipt of Government Funds

Did the hospital have an agreement or agreements with any city or county concerning the receipt of government funds for indigent and/or charity care during 2019? (Check box if yes.) ☐

Part E : Indigent And Charity Care

1. Gross Indigent and Charity Care Charges

Please indicate the totals for indigent and charity care for the categories provided below. If the hospital used a sliding fee scale for certain charity patients, only the net charges to charity should be reported (i.e., gross patient charges less any payments received from or billed to the patient.) Total Uncompensated I/C Care must balance to totals reported in Part C.

Patient Type	Indigent Care	Charity Care	Total
Inpatient	13,789	71,160	84,949
Outpatient	163,937	118,163	282,100
Total	177,726	189,323	367,049

2. Sources of Indigent and Charity Care Funding

Please indicate the source of funding for indigent and/or charity care in the table below.

Source of Funding	Amount
Home County	0
Other Counties	0
City Or Cities	0
Hospital Authority	0
State Programs And Any Other State Funds (Do Not Include Indigent Care Trust Funds)	0
Federal Government	0
Non-Government Sources	0
Charitable Contributions	0
Trust Fund From Sale Of Public Hospital	0
All Other	0
Total	0

3. Net Uncompensated Indigent and Charity Care Charges

Total net indigent care must balance to Part C net indigent care and total net charity care must balance to Part C net charity care.

Patient Type	Indigent Care	Charity Care	Total
Inpatient	13,789	71,160	84,949
Outpatient	163,937	118,163	282,100
Total	177,726	189,323	367,049

Part F : Patient Origin

1. Total Gross Indigent/Charity Care By Charges County

Please report Indigent/Charity Care by County in the following categories. For non Georgia use Alabama, Florida, North Carolina, South Carolina, Tennessee, or Other-Out-of-State.

To add a row press the button. To delete a row press the minus button at the end of the row.

(You may enter the data on the web form or upload the data to the web form using the .csv file.)

Inp Ad-I = Inpatient Admissions (Indigent Care)

Inp Ch-I = Inpatient Charges (Indigent Care)

Out Vis-I = Outpatient Visits (Indigent Care)

Out Ch-I = Outpatient Charges (Indigent Care)

Inp Ad-C = Inpatient Admissions (Charity Care)

Inp Ch-C = Inpatient Charges (Charity Care)

Out Vis-C = Outpatient Visits (Charity Care)

Out Ch-C = Outpatient Charges (Charity Care)

County	Inp Ad-I	Inp Ch-I	Out Vis-I	Out Ch-I	Inp Ad-C	Inp Ch-C	Out Vis-C	Out Ch-C
Forsyth	0	0	1	3,883	0	0	0	0
Franklin	0	0	1	4,990	0	0	0	0
Jackson	0	0	1	172	0	0	1	207
Lincoln	0	0	40	14,189	3	11,197	43	15,967
Other Out of State	0	0	1	542	0	0	0	0
Taliaferro	1	5,413	12	30,719	1	8,572	5	2,714
Wilkes	10	8,376	110	109,442	16	51,391	166	99,275
Total	11	13,789	166	163,937	20	71,160	215	118,163

Indigent Care Trust Fund Addendum

1. Indigent Care Trust Fund

Did your hospital receive funds from the Indigent Care Trust Fund during its Fiscal Year 2019?
(Check box if yes.) ☒

2. Amount Charged to ICTF

Indicate the amount charged to the ICTF by each State Fiscal Year (SFY) and for each of the patient categories indicated below during Hospital Fiscal Year 2019.

Patient Category		SFY 2018 7/1/17-6/30/18	SFY2019 7/1/18-6/30/19	SFY2019 7/1/19-6/30/20
A.	Qualified Medically Indigent Patients with incomes up to 125% of the Federal Poverty Level Guidelines and served without charge.	93,769	69,275	0
B.	Medically Indigent Patients with incomes between 125% and 200% of the Federal Poverty Level Guidelines where adjustments were made to patient amounts due in accordance with an established sliding scale.	67,337	0	0
C.	Other Patients in accordance with the department approved policy.	0	0	0

3. Patients Served

Indicate the number of patients served by SFY.

SFY 2018 7/1/17-6/30/18	SFY2019 7/1/18-6/30/19	SFY2019 7/1/19-6/30/20
117	68	0

Reconciliation Addendum

This section is printed in landscape format on a separate PDF file.

Nurse Employment Addendum

This section is printed on a separate PDF file.

Electronic Signature

Please note that the survey WILL NOT BE ACCEPTED without the authorized signature of the Chief Executive Officer or Executive Director (principal officer) of the facility. The signature can be completed only AFTER all survey data has been finalized. By law, the signatory is attesting under penalty of law that the information is accurate and complete.

I state, certify and attest that to the best of my knowledge upon conducting due diligence to assure the accuracy and completeness of all data, and based upon my affirmative review of the entire completed survey, this completed survey contains no untrue statement, or inaccurate data, nor omits requested material information or data. I further state, certify and attest that I have reviewed the entire contents of the completed survey with all appropriate staff of the facility. I further understand that inaccurate, incomplete or omitted data could lead to sanctions against me or my facility. I further understand that a typed version of my name is being accepted as my original signature pursuant to the Georgia Electronic Records and Signature Act.

Signature of Chief Executive: Tracie P. Haughey

Date: 6/25/2020

Title: CEO

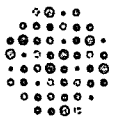
I hereby certify that I am the financial officer authorized to sign this form and that the information is true and accurate. I further understand that a typed version of my name is being accepted as my original signature pursuant to the Georgia Electronic Records and Signature Act.

Signature of Financial Officer: Tracie P. Haughey

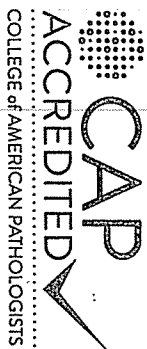
Date: 6/25/2020

Title: CFO

Comments:



COLLEGE of AMERICAN
PATHOLOGISTS



The College of American Pathologists
certifies that the laboratory named below

**Wills Memorial Hospital
Laboratory
Washington, Georgia
Heidi H. Hamilton, MD**

CAP Number: 7156601
AU-ID: 1363497
CLIA Number: 11D0262195

has met all applicable standards for accreditation and is hereby accredited by the
College of American Pathologists' Laboratory Accreditation Program. Reinspection
should occur prior to August 1, 2021 to maintain accreditation.

Accreditation does not automatically survive a change in director, ownership,
or location and assumes that all interim requirements are met.

Chair, Accreditation Committee

President, College of American Pathologists

WMH Compensation/Benefits Report

2020 update

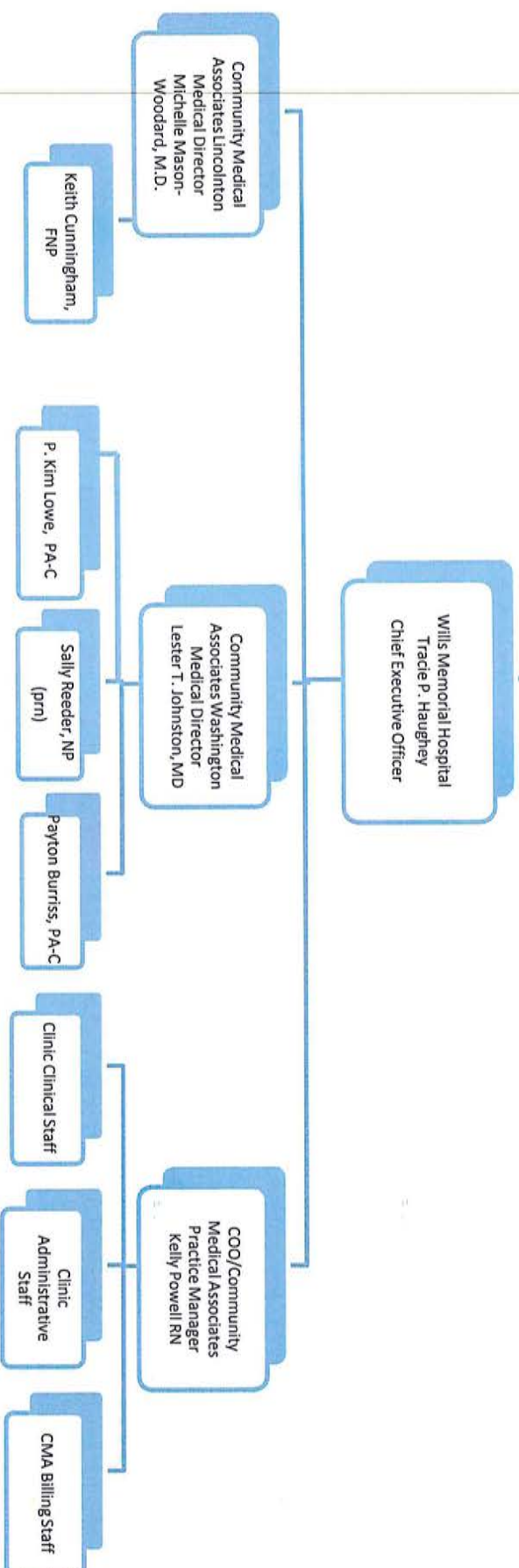
Position Title	Base Compensation	Bonus & Incentive Compensation	Taxable Deferred Comp. Accrued in Prior Years	Other Reportable Compensation	Retirement and other Deferred Compensation	Non taxable Benefits
Chief Executive Officer	\$100,000.00	\$0.00	\$0.00	\$0.00	\$1,370.83	\$7,074.86
Chief Financial Officer	\$65,000.00	\$0.00	\$0.00	\$0.00	\$706.19	\$3,644.62
Chief Nursing Officer	\$95,680.00	\$4,500.00	\$0.00	\$0.00	\$1,246.14	\$14,968.00
Chief Operations Officer	\$90,480.00	\$4,500.00	\$0.00	\$0.00	\$1,175.22	\$10,445.52

State-Wide Compensation Comparisons

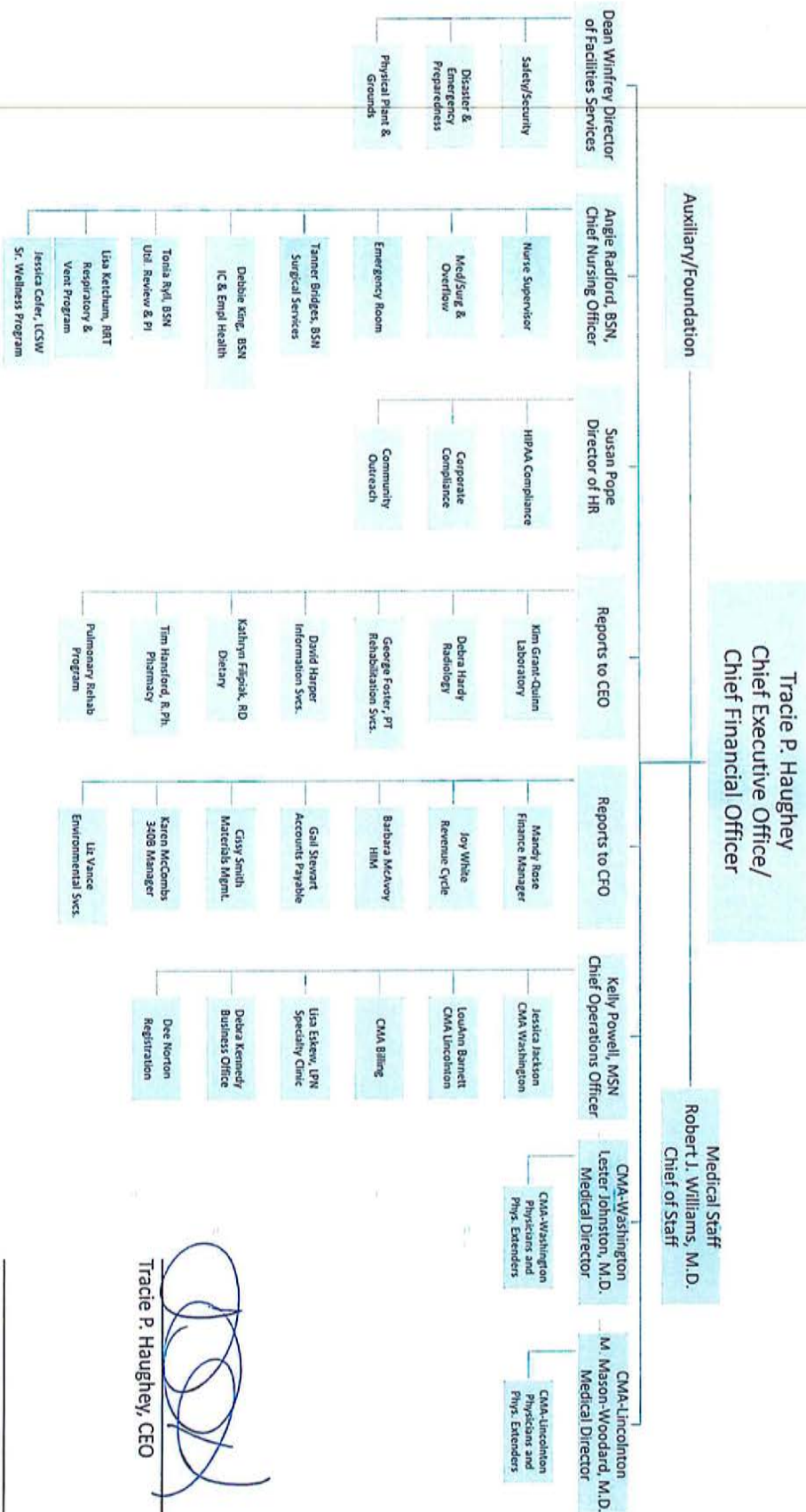
2018 Georgia Hospital Association

Position Title	Base Compensation
Chief Executive Officer Single Hospital	\$367,610.00
Chief Financial Officer	\$230,639.00
Top Nursing Services Executive	\$148,861.00
Chief Operations Officer	\$234,406.00

Hospital Authority of Wilkes County d.b.a.
Community Medical Associates
11/20/2020



Hospital Authority of Wilkes County
WILLS MEMORIAL HOSPITAL ORGANIZATIONAL CHART *Revised 02/05/2021*



Tracie P. Haughey, CEO

Preston Sanders, Chairman HA

Hospital Authority Of Wilkes County Wills Memorial Hospital

Washington, GA

has been Accredited by

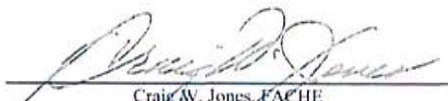


The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Critical Access Hospital Accreditation Program

September 13, 2018

Accreditation is customarily valid for up to 36 months.


Craig W. Jones, FACHE
Chair, Board of Commissioners

ID #370251
Print/Reprint Date: 11/23/2018


Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



Real Property Holdings Owned by the Hospital

Location	Parcel ID Number	Estimated Size	Purchase Price	Current Health Care Purpose	Improvements
124 Gordon St. Wilkes County	W19016	.56 acres	\$0	Yes	
120 Gordon St. Wilkes County	W19018	7.34 acres	Unknown	Yes	7/16/09 170x200x55 addition
Hospital Dr. Wilkes County	W20005	0.3 acres	\$0	Yes	
212 Hospital Dr. Wilkes County	W2008	.69 acres	\$141,586	Yes	
Spring St. lots 13 & 14	W24 100	.39 acres	0	No	

DSH Version 6.00 2/21/2020

A. General DSH Year Information

1. DSH Year:

Begin	End
07/01/2018	06/30/2019

2. Select Year Facility from the Drop-Down Menu Provided:

WILKS MEMORIAL HOSPITAL

Identification of cost reports needed to cover the DSH Year:

- Cost Report Year 1
- Cost Report Year 2 (if applicable)
- Cost Report Year 3 (if applicable)

Cost Report Begin Date(s)	Cost Report End Date(s)
05/01/2018	04/30/2019

Must also complete a separate survey file for each cost report period listed - SEE DSH SURVEY PART III FILES

Data

- Medicaid Provider Number:
- Medicaid Subprovider Number 1 (Psychiatric or Rehab):
- Medicaid Subprovider Number 2 (Psychiatric or Rehab):
- Medicare Provider Number:

000002087A
0
0
111325

B. DSH OB Qualifying Information

Questions 1-3, below, should be answered in the accordance with Sec. 1923(d) of the Social Security Act.

During the DSH Examination Year:

- Did the hospital have at least two obstetricians who had staff privileges at the hospital that agreed to provide obstetric services to Medicaid-eligible individuals during the DSH year? (In the case of a hospital located in a rural area, the term "obstetrician" includes any physician with staff privileges at the hospital to perform non-emergency obstetric procedures.)
- Was the hospital exempt from the requirement listed under #1 above because the hospital's inpatients are predominantly under 18 years of age?
- Was the hospital exempt from the requirement listed under #1 above because it did not offer non-emergency obstetric services to the general population when federal Medicaid DSH regulations were enacted on December 22, 1987?

3a. Was the hospital open as of December 22, 1987?

3b. What date did the hospital open?

DSH Examination
Year (07/01/18 -
06/30/19)

Yes

No

No

Yes

3/27/1978

C. Disclosure of Other Medicaid Payments Received:

1. Medicaid Supplemental Payments for Hospital Services DSH Year 07/01/2018 - 06/30/2019
(Should include UP, and non-claim specific payments paid based on the state fiscal year. However, DSH payments should NOT be included.)

\$ 47,058

2. Medicaid Managed Care Supplemental Payments for Hospital Services for DSH Year 07/01/2018 - 06/30/2019
(Should include all non-claim specific payments for hospital services such as lump sum payments for full Medicaid pricing (FMAP), supplemental, quality payments, bonus payments, capitation payments received by the hospital (not by the MCO), or other incentive payments.
NOTE: Hospital portion of supplemental payments reported on DSH Survey Part II, Section E, Question 14 should be reported here if paid on a SFR basis.

\$

3. Total Medicaid and Medicaid Managed Care Non-Claims Payments for Hospital Services 07/01/2018 - 06/30/2019

\$ 47,058

Certification:

1. Was your hospital allowed to retain 100% of the DSH payment it received for this DSH year?

Matching the federal share with an ISTCPE is not a basis for answering this question "no". If your hospital was not allowed to retain 100% of its DSH payments, please explain what circumstances were present that prevented the hospital from retaining its payments.

Answer
Yes

Explanation for "No" answers:

The following certification is to be completed by the hospital's CEO or CFO:

I hereby certify that the information in Sections A, B, C, D, E, F, G, H, I, J, K and L of the DSH Survey files are true and accurate to the best of our ability, and supported by the financial and other records of the hospital. All Medicaid eligible patients, including those who have private insurance coverage, have been reported on the DSH survey regardless of whether the hospital received payment on the claim. I understand that this information will be used to determine the Medicaid program's compliance with federal Disproportionate Share Hospital (DSH) eligibility and payment provisions. Detailed support exists for all amounts reported in the survey. These records will be retained for a period of not less than 5 years following the due date of the survey, and will be made available for inspection when requested.



Hospital CEO or CFO Signature

CEO

11/6/2020
Date

Tracey Haughey
Hospital CEO or CFO Printed Name

706-678-9213
Hospital CEO or CFO Telephone Number

thaughey@willmemorialhospital.com
Hospital CEO or CFO E-Mail

Contact information for individuals authorized to respond to inquiries related to this survey:

Hospital Contact:

Name: Tracey Haughey
Title: CEO
Telephone Number: 706-678-9213
E-Mail Address: thaughey@willmemorialhospital.com
Mailing Street Address: 120 Gordon Street
Mailing City, State, Zip: Washington, GA 30673

Outside Preparer:

Name: Wilson E. Jorner, III
Title: Partner
Firm Name: Drailin & Tucker, LLP
Telephone Number: 229-883-7678
E-Mail Address: wjorner@drailin-tucker.com

DSH Version 8.00

3/31/2020

5/1/2018 - 4/30/2019

DSH Version 8.00

3/31/2020

5/1/2018 - 4/30/2019

D. General Cost Report Year Information
The following information is provided based on the information we received from the state. Please review this information for items 4 through 8 and select "Yes" or "No" to either agree or disagree with the accuracy of the information. If you disagree with one of these items, please provide the correct information along with supporting documentation when you submit your survey.

1. Select Your Facility from the Drop-Down Menu Provided:

WILLS MEMORIAL HOSPITAL

5/1/2018
through
4/30/2019

2. Select Cost Report Year Covered by this Survey (enter "X"):

X

3. Status of Cost Report Used for this Survey (Should be audited if available):

1 - As Submitted

3a. Date CMS processed the HCRIIS file into the HCRIIS database

10/16/2019

Data

If Incorrect, Proper Information

4. Hospital Name:	WILLS MEMORIAL HOSPITAL	Correct?	Yes
5. Medicaid Provider Number:	000002087A	Yes	
6. Medicaid Subprovider Number 1 (Psychiatric or Rehab):	0	Yes	
7. Medicaid Subprovider Number 2 (Psychiatric or Rehab):	0	Yes	
8. Medicare Provider Number:	111325	Yes	
Owner/Operator (Private State Govt., Non-State Govt., HHS/Tribal):	Non-State Govt.	Yes	
DSH Pool Classification (Small Rural, Non-Small Rural, Urban):	Small Rural	Yes	

Out-of-State Medicaid Provider Number. List all states where you had a Medicaid provider agreement during the cost report year

State Name

Provider No.

9. State Name & Number	South Carolina	147558
10. State Name & Number		
11. State Name & Number		
12. State Name & Number		
14. State Name & Number		
15. State Name & Number		

(List additional states on a separate attachment)

E. Disclosure of Medicaid / Uninsured Payments Received: (05/01/2018 - 04/30/2019)

- Section 1011 Payment Related to Hospital Services Included in Exhibits B & B-1 (See Note 1)
- Section 1011 Payment Related to Inpatient Hospital Services NOT Included in Exhibits B & B-1 (See Note 1)
- Section 1011 Payment Related to Outpatient Hospital Services NOT Included in Exhibits B & B-1 (See Note 1)
- Total Section 1011 Payments Related to Hospital Services (See Note 1)
- Section 1011 Payment Related to Non-Hospital Services Included in Exhibits B & B-1 (See Note 1)
- Section 1011 Payment Related to Non-Hospital Services NOT Included in Exhibits B & B-1 (See Note 1)
- Total Section 1011 Payments Related to Non-Hospital Services (See Note 1)

8. Out-of-State DSH Payments (See Note 2)

- Total Cash Basis Patient Payments from Uninsured (On Exhibit B)
- Total Cash Basis Patient Payments from All Other Patients (On Exhibit B)
- Total Cash Basis Patient Payments Reported on Exhibit B (Agrees to Column (N) on Exhibit B, less physician and non-hospital portion of payments)
- Uninsured Cash Basis Patient Payments as a Percentage of Total Cash Basis Patient Payments:

Inpatient	Outpatient	Total
\$ 26,511	\$ 75,889	\$102,400
\$ 138,087	\$ 334,882	\$472,969
\$164,598	\$410,771	\$575,369
16.11%	18.47%	17.80%

Should include all non-claim-specific payments such as lump sum payments for full Medicaid pricing, supplemental, quality payments, bonus payments, capitation payments received by the hospital (not by the MCO), or other incentive payments.

- Total Medicaid managed care non-claims payments (see question 13 above) received applicable to hospital services
- Total Medicaid managed care non-claims payments (see question 13 above) received applicable to non-hospital services
- Total Medicaid managed care non-claims payments (see question 13 above) received

Note 2. Report any DSH payments your hospital received from a state Medicaid program (other than your home state). In-state DSH payments will be reported directly from the Medicaid program and should not be included in this section of the survey.

(See Note in Section F-3, below)

	84,949
	282,100
\$	367,049

1000

Cost Report Year (05/01/2018-04/30/2019): WILLS MEMORIAL HOSPITAL

WILLS MEMORIAL HOSPITAL

Line #	Cost Center Description	Intern & Resident Costs Removed on Cost Report *	RCE and Therapy Add-Back (If Applicable)	Total Allowable Cost	Total Cost	I/P Routine I/P Days and I/P Ancillary Charges	I/P Charges and O/P Ancillary Charges	Medical Per Diem / Cost or Other Ratios
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Cost Report Worksheet B, Part I, Col. 26	Cost Report Worksheet B, Part I, Col. 25 (Intern & Resident Offset ONLY)*	Cost Report Worksheet C, Part I, Col. 2 and Col. 4	Swing-Bed Care Out - Cost Report Worksheet D-1, Part I, Line 26	Calculated	Days - Cost Report WS D-1, Pt. I, Line 2 for Adults & Peds; WS D-1, Pt. 2, Lines 42-47 for others	Inpatient Routine Charges - Cost Report Worksheet C, Pt. I, Col. 6 (informational only unless used in Section L charges allocation)	Calculated Per Diem
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[illegible]

Observation Data (Non-Distinct)	
092200	Observation (Non-Distinct)

Hospital	Subprovider I	Subprovider II	Calculated (Per Diens Above Multiplied by Days)	Inpatient Charges - Cost Report Worksheet C, Pt. I, Col. 6	Outpatient Charges - Cost Report Worksheet C, Pt. I, Col. 7	Total Charges - Cost Report Worksheet C, Pt. I, Col. 8	Medicaid Calculated Cost-to-Charge Ratio
Observation Days - Cost Report W/S S- 3, Pt. I, Line 28, Col. 8	Observation Days - Cost Report W/S S- 3, Pt. I, Line 28 01, Col. 8	Observation Days - Cost Report W/S S- 3, Pt. I, Line 28 02, Col. 8					
647	-	-	\$ 563,556	\$9,155.00	\$615,996.00	\$ 625,151	0.901472

5000	OPERATING ROOM	\$603,512.00	\$	503,512	\$	\$52,846.00	\$	562,508	\$	0.895123
5400	RADIOLOGY-DIAGNOSTIC	\$1,033,673.00	\$	1,033,673	\$	\$312,543.00	\$	3,074,818	\$	0.396174
6000	LABORATORY	\$1,226,198.00	\$	1,226,198	\$	\$432,049.00	\$	2,728,181	\$	0.449456
6500	RESPIRATORY THERAPY	\$731,337.00	\$	731,337	\$	\$2,107,837.00	\$	3,231,341	\$	0.226326
6800	PHYSICAL THERAPY	\$1,015,943.00	\$	1,015,943	\$	\$871,453.00	\$	1,714,455	\$	0.592575
7100	MEDICAL SUPPLIES CHARGED TO PATIENT	\$252,941.00	\$	252,941	\$	\$529,725.00	\$	1,208,750	\$	0.203065
7200	IMPL. DEV. CHARGED TO PATIENTS	\$6,337.00	\$	6,337	\$	\$0.00	\$	63.297	\$	0.100115
7300	DRUGS CHARGED TO PATIENTS	\$604,933.00	\$	604,933	\$	\$1,619,975.00	\$	2,500,848	\$	0.241891
9000	CLINIC	\$214,132.00	\$	214,132	\$	\$0.00	\$	195,939	\$	1.092850

G. Cost Report - Cost / Days / Charges

Cost Report Year 06/01/2018-04/30/2019 WILLIS MEMORIAL HOSPITAL

Line #	Cost Center Description	Total Allowable Cost	Intern & Resident Costs Removed on Cost Report *	RCE and Therapy Add-Back (if Applicable)	Total Cost	I/P Days and I/P Ancillary Charges	I/P Routine Charges and O/P Ancillary Charges	Total Charges	Medicaid Per Diem / Cost or Other Ratios
30	9100 EMERGENCY	\$1,767,704.00	\$ -	\$0.00	\$ 1,767,704	\$200,173.00	\$3,450,085.00	3,650,258	1.741690
31	9300 GERO PSYCH	\$279,712.00	\$ -	\$0.00	\$ 279,712	\$0.00	\$160,598.00	160,598	-
32		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
33		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
34		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
35		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
36		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
37		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
38		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
39		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
40		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
41		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
42		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
43		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
44		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
45		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
46		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
47		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
48		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
49		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
50		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
51		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
52		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
53		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
54		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
55		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
56		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
57		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
58		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
59		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
60		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
61		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
62		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
63		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
64		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
65		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
66		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
67		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
68		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
69		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
70		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
71		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
72		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
73		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
74		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
75		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
76		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
77		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
78		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
79		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
80		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
81		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
82		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
83		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
84		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
85		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
86		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
87		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
88		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-
89		\$0.00	\$ -	\$0.00	\$ -	\$0.00	\$0.00	-	-

Cost Report Year (05/01/2018-04/30/2019)

Note A - Final cost-to-charge ratios should include teaching cost. Only enter Intern & Resident costs if it was removed in Column 25 of Worksheet B, Pt. I of the cost report you are using.

H. In-State Medicaid and All Uninsured Inpatient and Outpatient Hospital Data:
COST REPORT YEAR (05/01/2019-04/30/2019) WALKS MEMORIAL HOSPITAL

		In-State Medicaid FFS Primary		In-State Medicaid Managed Care Primary		In-State Medicaid FFS Comprehensive (non-Medicaid Secondary)		In-State CHW Medicaid ESRD (not Included Elsewhere)		Uninsured		Total In-State Medicaid		Survey to Cost %
		Inpatient	Outpatient	Inpatient	Outpatient	Inpatient	Outpatient	Inpatient	Outpatient	Inpatient	Outpatient	Inpatient	Outpatient	
		From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From PSAR Summary (Note A)	From Hospital's Own Internal Analysis	From Hospital's Own Internal Analysis	From PSAR Summary (Note A)	From PSAR Summary (Note A)	Totals
Line #	Cost Center Description	Medical Per Diem Cost for Routine Cost Centers	Medical Cost to Charge Ratio for Ancillary Cost Centers	Days		Days		Days		Days		Days		
Billing Cost Centers from Section G:														
1	0000 ADULTS & PEDIATRICS	5	871.03											48.37%
2	0100 INTENSIVE CARE UNIT	5	-											
3	0200 CORONARY CARE UNIT	5	-											
4	0300 BURN INTENSIVE CARE UNIT	5	-											
5	0400 SURGICAL INTENSIVE CARE UNIT	5	-											
6	0500 SURGICAL INTENSIVE CARE UNIT	5	-											
7	0600 SUPERVISOR I	5	-											
8	0700 SUPERVISOR II	5	-											
9	0800 OTHER SUPERVISOR	5	-											
10	0900 NURSERY	5	-											
11	1000	5	-											
12	1100	5	-											
13	1200	5	-											
14	1300	5	-											
15	1400	5	-											
16	1500	5	-											
17	1600	5	-											
18	1700	5	-											
19	1800	5	-											
20	1900	5	-											
Total Days per PSAR or Exhibit Detail				159		8		282		192		41		22.20%
Unrecorded Days (Explain Variance)														
Routine Charges				\$ 60,950		\$ 4,000		\$ 188,720		\$ 27,960		\$ 400,108		26.51%
Ancillary Charges				\$ 559,12		\$ 510,00		\$ 672,77		\$ 652,91		\$ 624,19		
Calculated Routine Charge Per Diem														
Ancillary Cost Centers from WBS CI (from Section G):														
21	0000 OPERATING ROOM													
22	0100 RADIOLOGY-DIAGNOSTIC													
23	0200 RADIOLOGY-DIAGNOSTIC													
24	0300 RADIOLOGY-DIAGNOSTIC													
25	0400 RADIOLOGY-DIAGNOSTIC													
26	0500 RADIOLOGY-DIAGNOSTIC													
27	0600 RADIOLOGY-DIAGNOSTIC													
28	0700 RADIOLOGY-DIAGNOSTIC													
29	0800 RADIOLOGY-DIAGNOSTIC													
30	0900 RADIOLOGY-DIAGNOSTIC													
31	1000 RADIOLOGY-DIAGNOSTIC													
32	1100 RADIOLOGY-DIAGNOSTIC													
33	1200 RADIOLOGY-DIAGNOSTIC													
34	1300 RADIOLOGY-DIAGNOSTIC													
35	1400 RADIOLOGY-DIAGNOSTIC													
36	1500 RADIOLOGY-DIAGNOSTIC													
37	1600 RADIOLOGY-DIAGNOSTIC													
38	1700 RADIOLOGY-DIAGNOSTIC													
39	1800 RADIOLOGY-DIAGNOSTIC													
40	1900 RADIOLOGY-DIAGNOSTIC													
41	2000 RADIOLOGY-DIAGNOSTIC													
42	2100 RADIOLOGY-DIAGNOSTIC													
43	2200 RADIOLOGY-DIAGNOSTIC													
44	2300 RADIOLOGY-DIAGNOSTIC													
45	2400 RADIOLOGY-DIAGNOSTIC													
46	2500 RADIOLOGY-DIAGNOSTIC													
47	2600 RADIOLOGY-DIAGNOSTIC													
48	2700 RADIOLOGY-DIAGNOSTIC													
49	2800 RADIOLOGY-DIAGNOSTIC													
50	2900 RADIOLOGY-DIAGNOSTIC													
51	3000 RADIOLOGY-DIAGNOSTIC													
52	3100 RADIOLOGY-DIAGNOSTIC													
53	3200 RADIOLOGY-DIAGNOSTIC													
54	3300 RADIOLOGY-DIAGNOSTIC													
55	3400 RADIOLOGY-DIAGNOSTIC													
56	3500 RADIOLOGY-DIAGNOSTIC													
57	3600 RADIOLOGY-DIAGNOSTIC													
58	3700 RADIOLOGY-DIAGNOSTIC													
59	3800 RADIOLOGY-DIAGNOSTIC													
60	3900 RADIOLOGY-DIAGNOSTIC													

WILLS MEMORIAL HOSPITAL
Cost Report Year (6501/2018-04/30/2019)

H. In-State Medicaid and All Uninsured Inpatient and Outpatient Hospital Data:
CASH REPORT YEAR 6/30/2018-5/31/2019 WILLS MEMORIAL HOSPITAL

Totals / Payments		In-State Medicaid FFS Primary		In-State Medicaid Managed Care Primary		In-State Medicaid FFS Case-Over (non-Medicaid Secondary)		In-State Case Medicaid Eligible (Not Included Elsewhere)		Uninsured		Total In-State Medicaid															
128	Total Charges (includes organ acquisition from Section J)	\$	523,158	\$	659,247	\$	40,597	\$	727,699	\$	906,078	\$	1,246,239	\$	671,007	\$	1,728,180	\$	110,544	\$	1,239,415	\$	2,146,938	\$	4,252,164	34.33%	
129	Total Charges per F248 or Exhibit Detail																										
130	Unrecorded Charges (Explain Variance)	\$	523,158	\$	559,247	\$	40,597	\$	727,699	\$	906,078	\$	1,246,239	\$	671,007	\$	1,728,180	\$	110,544	\$	1,239,415	\$	2,146,938	\$	4,252,164		
131	Total Calculated Cost (includes organ acquisition from Section J)	\$	206,900	\$	234,453	\$	17,710	\$	305,630	\$	460,430	\$	689,659	\$	337,563	\$	766,361	\$	67,703	\$	622,343	\$	1,099,608	\$	1,999,303	41.59%	
132	Total Medicaid Paid Amount (includes TPL, Co-Pay and Spend-Down)	\$	170,087	\$	205,340	\$	4,597	\$	157,641	\$	55,100	\$	66,544	\$	16,437	\$	19,437	\$	19,437	\$	19,437	\$	19,437	\$	19,437		
133	Total Medicaid Managed Care Paid Amount (includes TPL, Co-Pay and Spend-Down) (See Note E)	\$	18,912	\$	448	\$	3,780	\$	18,643	\$	30	\$	170	\$	12,437	\$	72,793	\$	72,793	\$	72,793	\$	72,793	\$	72,793		
134	Private Insurance (including primary and third party liability)	\$	18,912	\$	448	\$	3,780	\$	18,643	\$	30	\$	170	\$	12,437	\$	72,793	\$	72,793	\$	72,793	\$	72,793	\$	72,793		
135	Self-Pay (including Co-Pay and Spend-Down)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
136	Total Allowed Amount from Medicaid FFS or RA Detail (all Payments)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
137	Medicaid Cost Statement Payments (See Note F)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
138	Other Medicaid Payments (includes on Cost Report Year) (See Note G)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
139	Medicaid Traditional (non-RA) Paid Amount (includes coinsurance/deductibles)	\$	18,912	\$	448	\$	3,780	\$	18,643	\$	30	\$	170	\$	12,437	\$	72,793	\$	72,793	\$	72,793	\$	72,793	\$	72,793		
140	Medicaid Managed Care (RA) Paid Amount (includes coinsurance/deductibles)	\$	18,912	\$	448	\$	3,780	\$	18,643	\$	30	\$	170	\$	12,437	\$	72,793	\$	72,793	\$	72,793	\$	72,793	\$	72,793		
141	Medicaid Case-Over Payments (See Note D)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
142	Payment from Hospital Uninsured During Case Report Year (Cash Basis)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
143	Section 1011 Payment Related to Inpatient Hospital Services NOT Included in Exhibits 8 & B-1 (from Section E)	\$	150,000	\$	206,592	\$	8,373	\$	238,712	\$	405,338	\$	623,115	\$	1,811	\$	10,955	\$	10,955	\$	10,955	\$	10,955	\$	10,955		
144	Calculated Payment Shortfall / (Surplus) PRIOR TO SUPPLEMENTAL PAYMENTS AND DSH	\$	78,004	\$	41,110	\$	9,335	\$	67,418	\$	11,382	\$	22,556	\$	15,461	\$	(31,993)	\$	41,192	\$	446,454	\$	115,092	\$	89,153		
145	Calculated Payments as a Percentage of Cost	71%		62%		47%		75%		35%		57%		35%		100%		30%		15%		59%		50%			
146	Total Medicare Days from WIS 5.3 of JHS Cost Report Excluding Swing-Bed (CRR, WIS 5.2, P.L. Code, 5, sum of lines 2, 3, 4, 14, 16, 17, 18 less lines 5 & 6)																										
147	Percent of cross-over days to total Medicare days from the cost report																										

Note A - These amounts must agree to your inpatient and outpatient Medicaid paid claims summary. For Managed Care, Case-Over data, and other eligible, use the hospital's top 100 DRG summaries are not available (submit logs with survey).

Note B - Medicaid cost statement payments refer to payments made by Medicaid during a cost report period. These payments are not included in the total Medicaid paid amount. These payments are reported in Section C of the survey.

Note C - Medicaid Managed Care payments should include all payments made to the Medicaid Managed Care plan, including but not limited to, incentive payments, bonus payments, capitation and sub-capitation payments.

Note D - Medicaid Managed Care payments should include all payments made to the Medicaid Managed Care plan, including but not limited to, incentive payments, bonus payments, capitation and sub-capitation payments.

Note E - Medicaid Managed Care payments should include all payments made to the Medicaid Managed Care plan, including but not limited to, incentive payments, bonus payments, capitation and sub-capitation payments.

I. Out-of-State Medicaid Data:

Cost Report Year (05/01/2019-04/30/2019) WILLS MEMORIAL HOSPITAL

Line #		Cost Center Description	Medicaid Per Diem Cost for Routine Cost Centers	Medicaid Cost to Charge Ratio for Ancillary Cost Centers	Inpatient		Outpatient		Inpatient		Outpatient		Inpatient		Outpatient		Inpatient		Outpatient		Inpatient		Outpatient	
					From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)	From PS&R Summary (Note A)
					Days		Days		Days		Days		Days		Days		Days		Days		Days		Days	
		Routine Cost Centers (list below):																						
1		03000 ADULTS & PEDIATRICS	\$	871.03																				
2		03100 INTENSIVE CARE UNIT	\$	-																				
3		03200 CORONARY CARE UNIT	\$	-																				
4		03300 BURN INTENSIVE CARE UNIT	\$	-																				
5		03400 SURGICAL INTENSIVE CARE UNIT	\$	-																				
6		03500 OTHER SPECIAL CARE UNIT	\$	-																				
7		04000 SUPERVISOR I	\$	-																				
8		04100 SUPERVISOR II	\$	-																				
9		04200 OTHER SUPERVISOR	\$	-																				
10		04300 NURSERY	\$	-																				
11			\$	-																				
12			\$	-																				
13			\$	-																				
14			\$	-																				
15			\$	-																				
16			\$	-																				
17			\$	-																				
18			\$	-																				
		Total Days																						
		Total Days per PS&R or Exhibit Detail																						
		Unreconciled Days (Explain Variance)																						
19																								
20																								
21		Routine Charges																						
21.01		Calculated Routine Charge Per Diem																						
		Ancillary Cost Centers (from WIS C) (list below):																						
22		00200 Observation (Non-Direct)																						
23		5000 OPERATING ROOM																						
24		5400 RADIOLOGY-DIAGNOSTIC																						
25		6000 LABORATORY																						
26		6500 RESPIRATORY THERAPY																						
27		6600 PHYSICAL THERAPY																						
28		7100 MEDICAL SUPPLIES CHARGED TO PATIENT																						
29		7200 IMPL. DEV. CHARGED TO PATIENTS																						
30		7300 DRUGS CHARGED TO PATIENTS																						
31		9000 CLINIC																						
32		9100 EMERGENCY																						
33		9300 GERO PSYCH																						
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I. Out-of-State Medicaid Data:

Contract Year (01/01/2019-04/30/2019) WILLS MEMORIAL HOSPITAL

			Out-of-State Medicaid FFS Primary	Out-of-State Medicaid Managed Care Primary	Out-of-State Medicaid FFS Cross-Over (with Medicaid Secondary)	Out-of-State Other Medicaid Eligible (Not Included Elsewhere)	Total Out-of-State Medicaid
48							
49							
50							
51							
52							
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109							

I. Out-of-State Medicaid Data:

Cost Report Year (09/01/2019-04/30/2019) WALS MEMORIAL HOSPITAL

Cost Report Year (09/01/2019-04/30/2019)	WALS MEMORIAL HOSPITAL	Out-of-State Medicaid FFS Primary	Out-of-State Medicaid Managed Care Primary	Out-of-State Medicaid FFS Cross-Over (with Medicaid Secondary)	Out-of-State Other Medicaid Eligibles (Not Included Elsewhere)	Total Out-of-State Medicaid
110						
111						
112						
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126						
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Totals / Payments

128	Total Charges (includes organ acquisition from Section K)	\$	3,681	\$	-	\$	3,681	\$	-	\$	3,681	\$	-	\$	7,362
129	Total Charges per PSR or Exhibit Detail	\$	3,681	\$	-	\$	3,681	\$	-	\$	3,681	\$	-	\$	7,362
130	Unreconciled Charges (Explain Variance)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
131	Total Calculated Cost (includes organ acquisition from Section K)	\$	1,727	\$	-	\$	1,727	\$	-	\$	1,727	\$	-	\$	4,622
132	Total Medicaid Paid Amount (excludes TPL, Co-Pay and Spend-Down)	\$	348	\$	-	\$	348	\$	-	\$	348	\$	-	\$	408
133	Total Medicaid Managed Care Paid Amount (excludes TPL, Co-Pay and Spend-Down) (See Note E)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
134	Private Insurance (including primary and third party liability)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
135	Sell-Off (including Co-Pay and Spend-Down)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
136	Total Allowed Amount from Medicaid PSR or RA Detail (All Payments)	\$	348	\$	-	\$	348	\$	-	\$	348	\$	-	\$	408
137	Medicaid Cost Settlement Payments (See Note B)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
138	Other Medicaid Payments Reported on Cost Report Year (See Note C)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
139	Medicare Traditional (non-HMO) Paid Amount (excludes consumable/eductibles)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
140	Medicare Managed Care (HMO) Paid Amount (excludes consumable/eductibles)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
141	Medicare Cross-Over Bad Debt Payments	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
142	Other Medicare Cross-Over Payments (See Note D)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
143	Calculated Payment Shortfall / (Longfall) (PRIOR TO SUPPLEMENTAL PAYMENTS AND DSH)	\$	1,379	\$	-	\$	1,379	\$	-	\$	1,379	\$	-	\$	2,564
144	Calculated Payments as a Percentage of Cost	0%	20%	0%	0%	0%	59%	0%	0%	45%					

Note A - These amounts must agree to your inpatient and outpatient Medicaid paid claims summary. For Managed Care, Cross-Over data, and other eligibles, use the hospital's logs if PSR summaries are not available (submit logs with survey).
 Note B - Medicaid cost settlement payments refer to payments made by Medicaid during a cost report settlement that are not reflected on the claims paid summary (RA summary or PSAR).
 Note C - Other Medicaid Payments, such as Outliers and Non-Claim Specific payments, DSH payments should NOT be included. UPL payments made on a state fiscal year basis should be reported in Section C of the survey.
 Note D - Should include other Medicare cross-over payments not included in the paid claims data reported above. This includes payments paid based on the Medicare cost report settlement (e.g., Medicare Graduate Medical Education payments).
 Note E - Medicaid Managed Care payments should include all Medicaid Managed Care payments related to the services provided, including, but not limited to, incentive payments, bonus payments, capitation and sub-capitation payments.

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

FINANCIAL STATEMENTS

for the years ended April 30, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Hospital Authority of Wilkes County, Georgia
Washington, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of Hospital Authority of Wilkes County, Georgia (Authority) which comprise the balance sheets as of April 30, 2020 and 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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 Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Continued

Let's Think¹ Together.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hospital Authority of Wilkes County, Georgia, as of April 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the Authority is facing financial difficulty and recurring operating losses. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note 14. Our opinion is not modified with respect to this matter.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2020, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Draffin + Tucker, LLP

Albany, Georgia
August 25, 2020



WILLS MEMORIAL HOSPITAL

Management's Discussion and Analysis For the Year Ending April 30, 2020

Our discussion and analysis of Hospital Authority of Wilkes County, Georgia's (Authority's) financial performance provides an overview of the Authority's financial activities for the fiscal years ended April 30, 2020, 2019, and 2018. Please read it in conjunction with the Authority's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- The Authority's net position increased in 2020 by \$401,000 (21%) and in 2019 by \$521,000 (22%), and decreased in 2018 by \$299,000 (14%).
- The Authority reported an operating loss of \$340,000 in 2020, \$357,000 in 2019, and \$124,000 in 2018.
- Cash and cash equivalents increased by \$3,461,000 (646%) in 2020 and by \$383,000 (250%) in 2019, and decreased by \$32,000 (17%) in 2018.

USING THIS ANNUAL REPORT

The Authority's financial statements consist of three statements – a balance sheet; a statement of revenues, expenses and changes in net position; and a statement of cash flows. These financial statements and related notes provide information about the activities of the Authority.

The Balance Sheet and Statement of Revenues, Expenses and Changes in Net Position

One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better or worse off as a result of the year's activities?" The balance sheet and the statement of revenues, expenses and changes in net position report information about the Authority's resources and its activities in a way that helps answer this question. These statements include all assets and all liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in it. You can think of the Authority's net position – the difference between assets and liabilities – as one way to measure the Authority's financial health or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Authority's patient base and measures of the quality of services it provides to the community, as well as local economic factors to assess the overall health of the Authority.

Continued

Management's Discussion and Analysis
For the Year Ending April 30, 2020

The Statement of Cash Flows

The final required statement is the statement of cash flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities. It provides answers to such questions as "Where did cash come from?", "What was cash used for?" and "What was the change in cash balance during the reporting period?"

THE AUTHORITY'S NET POSITION

The Authority's net position is the difference between its assets and liabilities reported on the balance sheets on pages 8 and 9. The Authority's net position decreased in each of the past three years as reflected in Table 1 below.

Table 1: Assets, Liabilities and Net Position

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Assets:			
Current assets	\$ 6,066,000	\$ 2,959,000	\$ 2,778,000
Noncurrent cash and investments	1,367,000	1,459,000	1,455,000
Capital assets, net	<u>7,000,000</u>	<u>7,397,000</u>	<u>8,012,000</u>
 Total assets	 <u>\$ 14,433,000</u>	 <u>\$ 11,815,000</u>	 <u>\$ 12,245,000</u>
Liabilities:			
Current liabilities	\$ 4,291,000	\$ 2,806,000	\$ 3,444,000
Long-term debt	<u>11,627,000</u>	<u>10,895,000</u>	<u>11,208,000</u>
 Total liabilities	 <u>15,918,000</u>	 <u>13,701,000</u>	 <u>14,652,000</u>
Net position:			
Net investment in capital assets	(4,293,000)	(4,161,000)	(3,912,000)
Restricted	1,367,000	1,459,000	1,455,000
Unrestricted	<u>1,441,000</u>	<u>816,000</u>	<u>50,000</u>
 Total net position	 <u>(1,485,000)</u>	 <u>(1,886,000)</u>	 <u>(2,407,000)</u>
 Total liabilities and net position	 <u>\$ 14,433,000</u>	 <u>\$ 11,815,000</u>	 <u>\$ 12,245,000</u>

Continued

Management's Discussion and Analysis
For the Year Ending April 30, 2020

Current assets increased primarily due to an increase in Federal Stimulus funds.

The Authority's noncurrent cash and investments are funds held by Huntington National Bank, restricted by bond requirements. Capital assets decreased \$397,000 (5%) due to the following activity:

Additions:

Air Conditioning Units	\$ 92,000
Emergency Room Doors	20,000
Hospital Beds	71,000
Big Wheel Stretcher	60,000
Portable Breathing Machine	16,000
Lawn Mower	14,000
Medicine Dispenser	11,000
Surgical Camera	10,000
Land	7,000
Other Major Moveable Equipment	<u>36,000</u>

Total additions	337,000
-----------------	---------

Disposals

Depreciation

-
<u>(734,000)</u>

Total change in capital assets	<u>\$ (397,000)</u>
--------------------------------	---------------------

A recap of the Authority's long-term debt outstanding at April 30, 2020 and 2019 follows:

<u>Description</u>	<u>Interest Rates</u>	<u>Long-Term Debt</u>	
		<u>2020</u>	<u>2019</u>
Revenue Certificates, Series 2009	7.20%	\$ 10,895,000	\$ 11,209,000
Paycheck Protection Program loan	1.00%	1,191,000	-
Purchase agreement	3.75%	<u>275,000</u>	<u>350,000</u>
Total long-term debt		<u>\$ 12,361,000</u>	<u>\$ 11,559,000</u>

See Notes 7 and 8 to the financial statements for additional information about the capital assets and debt of the Authority.

Continued

**Management's Discussion and Analysis
For the Year Ending April 30, 2020**

OPERATING RESULTS AND CHANGES IN THE AUTHORITY'S NET POSITION

In 2020, the Authority's net position increased as shown in Table 2. This increase is made up of different components described on the following pages.

Table 2: Operating Results and Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues:			
Net patient service revenue	\$ 11,184,000	\$ 12,242,000	12,329,000
Other revenue	<u>1,285,000</u>	<u>498,000</u>	<u>645,000</u>
Total operating revenues	<u>12,469,000</u>	<u>12,740,000</u>	<u>12,974,000</u>
Operating expenses:			
Salaries, wages and employee benefits	7,715,000	7,764,000	8,052,000
Purchased services and physician fees	2,027,000	2,182,000	1,402,000
Medical supplies and drugs	468,000	611,000	617,000
Depreciation and amortization	734,000	820,000	856,000
Other expenses	<u>1,865,000</u>	<u>1,720,000</u>	<u>2,171,000</u>
Total operating expenses	<u>12,809,000</u>	<u>13,097,000</u>	<u>13,098,000</u>
Operating loss	<u>(340,000)</u>	<u>(357,000)</u>	<u>(124,000)</u>
Nonoperating revenues (expenses):			
Investment income	16,000	9,000	5,000
Interest expense	(573,000)	(584,000)	(625,000)
Noncapital grants, contributions and other	1,266,000	1,466,000	431,000
Gain (loss) on sale of assets	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>709,000</u>	<u>851,000</u>	<u>(189,000)</u>

Continued

**Management's Discussion and Analysis
For the Year Ending April 30, 2020**

Table 2: Operating Results and Changes in Net Position, Continued

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Excess revenues (expenses) before capital contributions	\$ 369,000	\$ 494,000	\$ (313,000)
Capital contributions	<u>32,000</u>	<u>27,000</u>	<u>14,000</u>
Increase (decrease) in net position	401,000	521,000	(299,000)
Net position, beginning of year	<u>(1,886,000)</u>	<u>(2,407,000)</u>	<u>(2,108,000)</u>
Net position, end of year	<u>\$ (1,485,000)</u>	<u>\$ (1,886,000)</u>	<u>\$ (2,407,000)</u>

Operating Income or Loss

The first component of the overall change in the Authority's net position is its operating loss – generally the difference between net patient service revenue and the expenses incurred to perform those services.

The Authority continued to have an operating loss in 2020, the loss was increased by \$17,000 (5%) from 2019. However, the Authority's net position increased \$401,000 (21%) from 2019 primarily due to grants and contributions.

The Authority's operating expenses also decreased \$288,000.

Capital Contributions

The Authority received \$32,000 in capital contributions during fiscal year 2020.

CORONAVIRUS

During fiscal year 2020, the Authority was impacted by the COVID-19 pandemic. As a result, the Authority experienced additional financial hardship but received relief funding from the state and federal government. See Note 15 for further information.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our patients, suppliers and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Authority's management at Wills Memorial Hospital, 120 Gordon Street, Washington, Georgia 30673.

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

Balance Sheets
April 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,997,000	\$ 536,000
Short-term investments	-	508,000
Patient accounts receivable, net of estimated uncollectibles of \$2,231,000 in 2020 and \$2,227,000 in 2019	897,000	1,247,000
Estimated third-party payor settlements	466,000	-
Supplies	138,000	106,000
Other current assets	<u>568,000</u>	<u>562,000</u>
Total current assets	<u>6,066,000</u>	<u>2,959,000</u>
Noncurrent cash and investments:		
Held by trustee under indenture agreement	<u>1,367,000</u>	<u>1,459,000</u>
Capital assets:		
Land	68,000	61,000
Depreciable, net of accumulated depreciation	<u>6,932,000</u>	<u>7,336,000</u>
Total capital assets, net of accumulated depreciation	<u>7,000,000</u>	<u>7,397,000</u>
Total assets	<u>\$ 14,433,000</u>	<u>\$ 11,815,000</u>

	<u>2020</u>	<u>2019</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Current maturities of long-term debt	\$ 734,000	\$ 664,000
Accounts payable	826,000	840,000
Accrued expenses	986,000	872,000
Estimated third-party payor settlements	75,000	430,000
Medicare Advance Payments	<u>1,670,000</u>	<u>-</u>
Total current liabilities	4,291,000	2,806,000
Long-term debt, net of current maturities	<u>11,627,000</u>	<u>10,895,000</u>
Total liabilities	<u>15,918,000</u>	<u>13,701,000</u>
Net position:		
Net investment in capital assets	(4,293,000)	(4,161,000)
Restricted	1,367,000	1,459,000
Unrestricted	<u>1,441,000</u>	<u>816,000</u>
Total net position	<u>(1,485,000)</u>	<u>(1,886,000)</u>
Total liabilities and net position	<u>\$ 14,433,000</u>	<u>\$ 11,815,000</u>

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

Statements of Revenues, Expenses and Changes in Net Position
Years Ended April 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Net patient service revenue (net of provision for bad debts of \$1,111,000 in 2020 and \$1,273,000 in 2019)	\$ 11,184,000	\$ 12,242,000
Other revenue	<u>1,285,000</u>	<u>498,000</u>
Total operating revenues	<u>12,469,000</u>	<u>12,740,000</u>
Operating expenses:		
Salaries and wages	6,265,000	6,326,000
Employee benefits	1,450,000	1,438,000
Physician fees	662,000	582,000
Medical supplies and drugs	468,000	611,000
Purchased services	1,365,000	1,600,000
Repairs and maintenance	368,000	324,000
Utilities and communications	487,000	468,000
Insurance	168,000	158,000
Other operating expenses	842,000	770,000
Depreciation and amortization	<u>734,000</u>	<u>820,000</u>
Total operating expenses	<u>12,809,000</u>	<u>13,097,000</u>
Operating loss	<u>(340,000)</u>	<u>(357,000)</u>
Nonoperating revenues (expenses):		
Investment income	16,000	9,000
Interest expense	(573,000)	(584,000)
Noncapital grants, contributions and other	1,266,000	1,466,000
Gain (loss) on sale of assets	<u>-</u>	<u>(40,000)</u>
Total nonoperating revenues	<u>709,000</u>	<u>851,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

Statements of Revenues, Expenses and Changes in Net Position, Continued
Years Ended April 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Excess revenues before capital contributions	\$ 369,000	\$ 494,000
Capital contributions	<u>32,000</u>	<u>27,000</u>
Increase in net position	401,000	521,000
Net position, beginning of year	<u>(1,886,000)</u>	<u>(2,407,000)</u>
Net position, end of year	<u>\$ (1,485,000)</u>	<u>\$ (1,886,000)</u>

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

Statements of Cash Flows
Years Ended April 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Receipts from and on behalf of patients	\$ 12,014,000	\$ 13,118,000
Receipts from Medicare Advance Payments	1,670,000	-
Payments to suppliers and contractors	(4,429,000)	(5,100,000)
Payments to employees	<u>(7,600,000)</u>	<u>(7,939,000)</u>
Net cash provided by operating activities	<u>1,655,000</u>	<u>79,000</u>
Cash flows from noncapital financing activities:		
Noncapital grants, contributions and other	1,266,000	1,426,000
Proceeds from issuance of debt	<u>1,191,000</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>2,457,000</u>	<u>1,426,000</u>
Cash flows from capital and related financing activities:		
Principal paid on debt	(389,000)	(365,000)
Interest paid on debt	(573,000)	(584,000)
Purchase of capital assets	(337,000)	(255,000)
Proceeds from sale of capital assets	-	50,000
Capital contributions	<u>32,000</u>	<u>27,000</u>
Net cash used by capital and related financing activities	<u>(1,267,000)</u>	<u>(1,127,000)</u>
Cash flows from investing activities:		
Purchase of short-term investments	-	(508,000)
Redemption of short-term investments	508,000	508,000
Investment income	<u>16,000</u>	<u>9,000</u>
Net cash provided by investing activities	<u>524,000</u>	<u>9,000</u>
Net increase in cash and cash equivalents	3,369,000	387,000
Cash and cash equivalents, beginning of year	<u>1,995,000</u>	<u>1,608,000</u>
Cash and cash equivalents, end of year	<u>\$ 5,364,000</u>	<u>\$ 1,995,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

Statements of Cash Flows, Continued
Years Ended April 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Reconciliation of cash and cash equivalents to the balance sheet:		
Cash and cash equivalents in current assets	\$ 3,997,000	\$ 536,000
Held by trustee under indenture	<u>1,367,000</u>	<u>1,459,000</u>
Total cash and cash equivalents	<u>\$ 5,364,000</u>	<u>\$ 1,995,000</u>
Reconciliation of operating loss to net cash flows provided by operating activities:		
Operating loss	\$ (340,000)	\$ (357,000)
Adjustments to reconcile change in operating loss to net cash provided by operating activities		
Depreciation	734,000	820,000
Provision for bad debts	1,111,000	1,273,000
Changes in:		
Patient accounts receivable	(761,000)	(1,234,000)
Supplies	(32,000)	11,000
Estimated third-party payor settlements	849,000	373,000
Other current assets	(5,000)	30,000
Accounts payable	(16,000)	(662,000)
Accrued expenses	<u>115,000</u>	<u>(175,000)</u>
Net cash provided by operating activities	<u>\$ 1,655,000</u>	<u>\$ 79,000</u>

See accompanying notes to financial statements.

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

Years Ended April 30, 2020 and 2019

1. Description of Reporting Entity and Summary of Significant Accounting Policies

Reporting entity

The Hospital Authority of Wilkes County, Georgia (Authority), is a public corporation that operates Wills Memorial Hospital, a 25-bed acute care hospital, and rural health clinics located in Washington and Lincolnton, Georgia. The Authority provides inpatient, outpatient and emergency care service for residents of Wilkes County, Georgia and the surrounding area. Admitting physicians are primarily practitioners in the local area.

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Enterprise fund accounting

The Authority uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. The Authority prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB).

Cash and cash equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with an original maturity of three months or less.

Allowance for doubtful accounts

The Authority provides an allowance for doubtful accounts based on the evaluation of the overall collectability of the accounts receivable. As accounts are known to be uncollectible, the accounts are charged against the allowance.

Supplies

Supplies are stated at the lower of cost or market value, using the first-in, first-out method.

Noncurrent cash and investments

Noncurrent cash and investments include assets held by trustees under indenture agreements. Assets consist of cash and money market accounts.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued

Years Ended April 30, 2020 and 2019

1. Description of Reporting Entity and Summary of Significant Accounting Policies, Continued

Capital assets

The Authority's capital assets are reported at historical cost. Contributed capital assets are reported at their acquisition value at the time of their donation. Assets costing more than \$5,000 with an estimated useful life of more than one year are capitalized. The estimated useful life is assigned using AHA Useful Lives Guidelines listed below. All capital assets other than land are depreciated using the straight-line method of depreciation using these asset lives:

Land improvements	2 to 25 years
Buildings and improvements	5 to 40 years
Equipment	3 to 20 years

Costs of borrowing

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Financing cost

Costs related to the issuance of long-term debt are expensed in the period in which they are incurred.

Impairment of long-lived assets

The Authority evaluates on an ongoing basis the recoverability of its assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value. In most instances, the fair value is determined by discounted estimated future cash flows using an appropriate interest rate. The Authority has not recorded any impairment charges in the accompanying statements of revenues, expenses and changes in net position for the years ended April 30, 2020 and 2019.

Compensated absences

The Authority's employees earn paid time off (PTO) at varying rates depending on years of service. PTO time accumulates to a maximum of 320 hours. Employees who retire or resign in good standing may request payment for up to 75% of their PTOs. The estimated amount of PTOs payable as separation payments is reported as a current liability in both 2020 and 2019.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

1. Description of Reporting Entity and Summary of Significant Accounting Policies, Continued

Net position

Net position of the Authority is classified into three components. *Net investment in capital assets* consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted net position* are noncapital assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Authority, including amounts deposited with trustees as required by revenue bond indentures, discussed in Note 8. *Unrestricted net position* is the remaining net amount of assets less remaining liabilities that do not meet the definition of *net investment in capital assets* or *restricted net position*.

Restricted resources

When the Authority has both restricted and unrestricted resources available to finance a particular program, it is the Authority's policy to use restricted resources before unrestricted resources.

Operating revenues and expenses

The Authority's statement of revenues, expenses and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services – the Authority's principal activity. Nonexchange revenues, including taxes, grants, and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

Net patient service revenue

The Authority has agreements with third-party payors that provide for payments to the Authority at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement arrangements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity care

The Authority provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Authority does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

1. Description of Reporting Entity and Summary of Significant Accounting Policies, Continued

Grants and contributions

The Authority occasionally receives grants from the Board of Commissioners of Wilkes County, Georgia, as well as contributions from individuals and private organizations. Revenues from grants and contributions are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses. See Note 15 for additional information for CARES Act Funding.

Income taxes

The Authority is a governmental entity and is exempt from income taxes. Accordingly, no provision for income taxes has been considered in the accompanying financial statements.

Risk management

The Authority is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. The Authority is self-insured for employee health insurance, see Note 10. See Note 11 for additional information related to the Authority's general and professional coverage.

Accounting pronouncements recently adopted

In March 2018, the GASB issued Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements (GASB 88). GASB 88 clarifies which liabilities should be included when disclosing information related to debt, requires additional essential information related to debt be disclosed, and requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. GASB 88 is effective for fiscal years beginning after June 15, 2018. The Authority has adopted the provisions for all periods presented.

In May 2020, the GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB 95). GASB 95's primary objective is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides. GASB 95 is effective immediately. Earlier application of provisions are permitted to the extent specified in each pronouncement as originally issued.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

2. Net Patient Service Revenue

The Authority has agreements with third-party payors that provide for payments to the Authority at amounts different from its established rates. The Authority does not believe that there are any significant credit risks associated with receivables due from third-party payors. A summary of the payment arrangements with major third-party payors follows:

- Medicare

Effective May 1, 2002, the Authority was granted Critical Access Hospital (CAH) designation by the Medicare program. The CAH designation places certain restrictions on daily acute care inpatient census and an annual, average length of stay of acute care inpatients. Inpatient acute care and outpatient services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology.

The Authority is reimbursed for certain reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Authority and audits thereof by the Medicare Administrative Contractor (MAC). The Authority's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Authority. The Authority's Medicare cost reports have been audited by the MAC through April 30, 2016.

- Medicaid

Inpatient acute care services rendered to Medicaid program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Certain outpatient services rendered to the Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology.

The Authority is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Authority and audits thereof by the Medicaid fiscal intermediary. The Authority's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through April 30, 2016.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

2. Net Patient Service Revenue, Continued

- Medicaid, continued

The Authority has also entered into contracts with certain care management organizations (CMOs) to receive reimbursements for providing services to selected enrolled Medicaid beneficiaries. Payment arrangements with these CMOs consist primarily of prospectively determined rates per discharge, discounts from established charges, or prospectively determined per diems.

The Authority participates in the Georgia Indigent Care Trust Fund (ICTF) Program. The Authority receives ICTF payments for treating a disproportionate number of Medicaid and other indigent patients. ICTF payments are based on the Authority's estimated uncompensated cost of services to Medicaid and uninsured patients. The ICTF is funded through intergovernmental transfers from participating public hospitals and matching federal funds. The net amount of ICTF payments recognized in net patient service revenue was approximately \$85,000 and \$157,000 for the years ending April 30, 2020 and 2019, respectively.

The Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA) provides for payment adjustments to certain facilities based on the Medicaid Upper Payment Limit (UPL). The UPL payment adjustments are based on a measure of the difference between Medicaid payments and the amount that could be paid based on Medicare payment principles. The net amount of UPL payment adjustments recognized in net patient service revenue was approximately \$44,000 and \$61,000 for the years ended April 30, 2020 and 2019, respectively.

- Other arrangements

The Authority also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Authority under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Revenue from the Medicare and Medicaid programs accounted for approximately 21% and 6%, respectively, of the Authority's net patient service revenue for 2020 and 25% and 5%, respectively, of the Authority's net patient service revenue for 2019. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

2. Net Patient Service Revenue, Continued

The Authority believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. However, there has been an increase in regulatory initiatives at the state and federal levels including the initiation of the Recovery Audit Contractor (RAC) program and the Medicaid Integrity Contractor (MIC) program. These programs were created to review Medicare and Medicaid claims for medical necessity and coding appropriateness. The RAC's have authority to pursue improper payments with a three year look back from the date the claim was paid. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. There were no accruals relating to RAC audits for 2020 or 2019.

3. Charity Care

The Authority was compensated for services at amounts less than its established rates. Charges for uncompensated services for 2020 and 2019 were approximately \$8,844,000 and \$11,658,000, respectively.

Uncompensated care includes charity and indigent care services of approximately \$316,000 and \$373,000 in 2020 and 2019, respectively. The cost of charity and indigent care services provided during 2020 and 2019 was approximately \$202,000 and \$204,000, respectively computed by applying a total cost factor to the charges foregone.

The following is a summary of uncompensated services and a reconciliation of gross patient charges to net patient service revenue for 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Gross patient charges	<u>\$ 20,028,000</u>	<u>\$ 23,900,000</u>
Uncompensated services:		
Indigent and charity care	316,000	373,000
Medicare	4,630,000	6,638,000
Medicaid	1,892,000	2,219,000
Other allowances	895,000	1,155,000
Bad debts	<u>1,111,000</u>	<u>1,273,000</u>
Total uncompensated care	<u>8,844,000</u>	<u>11,658,000</u>
Net patient service revenue	<u>\$ 11,184,000</u>	<u>\$ 12,242,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

4. Bank Deposits and Investments

Deposits and investments

The Authority's investments are generally carried at fair value. Deposits and investments as of April 30, 2020 and 2019 are classified in the accompanying financial statements as follows:

	<u>2020</u>	<u>2019</u>
Balance sheets:		
Cash and cash equivalents	\$ 3,997,000	\$ 536,000
Short-term investments	-	508,000
Noncurrent cash and investments	<u>1,367,000</u>	<u>1,459,000</u>
 Total cash and investments	 <u>\$ 5,364,000</u>	 <u>\$ 2,503,000</u>
Deposits and investments consist of the following:		
Deposits	\$ 178,000	\$ 440,000
Money market deposit accounts	5,186,000	1,555,000
CD deposits with financial institutions	<u>-</u>	<u>508,000</u>
 Total deposits and investments	 <u>\$ 5,364,000</u>	 <u>\$ 2,503,000</u>

Disclosures relating to custodial credit risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. State law requires collateralization of all deposits with federal depository insurance and other acceptable collateral in specific amounts. The Authority's bylaws require that all bank balances be insured or collateralized by U. S. government securities held by the Authority's third-party agent or the pledging financial institution's trust department in the name of the Authority. The Authority's bank deposits at April 30, 2020 and 2019 are entirely insured or collateralized with securities held by the pledging financial institution's designated trustee in the Authority's name.

Investments

The Authority maintains a certificate of deposit at a local bank with a maturity date of October 2020, and it is reported at amortized cost which approximates fair value. However, the certificate of deposit was fully redeemed in December of 2019.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

5. Accounts Receivable and Payable

Patient accounts receivable and accounts payable (including accrued expenses) reported as current assets and liabilities by the Authority at April 30, 2020 and 2019 consisted of these amounts:

	<u>2020</u>	<u>2019</u>
Patient accounts receivable:		
Receivable from patients and their insurance carriers	\$ 1,580,000	\$ 1,665,000
Receivable from Medicare	1,219,000	1,593,000
Receivable from Medicaid	<u>329,000</u>	<u>216,000</u>
Total gross patient accounts receivable	3,128,000	3,474,000
Less allowance for uncollectible amounts and contractual adjustments	<u>2,231,000</u>	<u>2,227,000</u>
Patient accounts receivable, net	<u>\$ 897,000</u>	<u>\$ 1,247,000</u>
Accounts payable and accrued expenses:		
Payable to employees (including payroll taxes)	\$ 667,000	\$ 619,000
Payable to suppliers	1,055,000	1,093,000
Other	<u>90,000</u>	<u>-</u>
Total accounts payable and accrued expenses	<u>\$ 1,812,000</u>	<u>\$ 1,712,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

6. Concentrations of Credit Risk

The Authority grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. The mix of receivables from patients and third-party payors at April 30, 2020 and 2019 was as follows:

	<u>2020</u>	<u>2019</u>
Medicare	39%	46%
Medicaid	11%	6%
Other third-party payors	16%	16%
Patients	<u>34%</u>	<u>32%</u>
Total	<u>100%</u>	<u>100%</u>

7. Capital Assets

Capital asset changes for the years ended April 30, 2020 and 2019 are as follows:

	Balance April 30, <u>2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	Balance April 30, <u>2020</u>
Land	\$ 61,000	\$ 7,000	\$ -	\$ -	\$ 68,000
Land improvements	488,000	-	-	-	488,000
Buildings and improvements	12,993,000	112,000	-	-	13,105,000
Equipment	<u>3,688,000</u>	<u>218,000</u>	<u>-</u>	<u>-</u>	<u>3,906,000</u>
Total at historical cost	<u>17,230,000</u>	<u>337,000</u>	<u>-</u>	<u>-</u>	<u>17,567,000</u>
Less accumulated depreciation for:					
Land improvements	263,000	22,000	-	-	285,000
Buildings and improvements	6,508,000	576,000	-	-	7,084,000
Equipment	<u>3,062,000</u>	<u>136,000</u>	<u>-</u>	<u>-</u>	<u>3,198,000</u>
Total accumulated depreciation	<u>9,833,000</u>	<u>734,000</u>	<u>-</u>	<u>-</u>	<u>10,567,000</u>
Capital assets, net	<u>\$ 7,397,000</u>	<u>\$ (397,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,000,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

7. Capital Assets, Continued

	Balance April 30, 2018	Additions	Retirements	Transfers	Balance April 30, 2019
Land	\$ 61,000	\$ -	\$ -	\$ -	\$ 61,000
Land improvements	488,000	-	-	-	488,000
Buildings and improvements	12,970,000	23,000	-	-	12,993,000
Equipment	<u>5,265,000</u>	<u>232,000</u>	<u>1,809,000</u>	<u>-</u>	<u>3,688,000</u>
Total at historical cost	<u>18,784,000</u>	<u>255,000</u>	<u>1,809,000</u>	<u>-</u>	<u>17,230,000</u>
Less accumulated depreciation for:					
Land improvements	235,000	28,000	-	-	263,000
Buildings and improvements	5,930,000	578,000	-	-	6,508,000
Equipment	<u>4,607,000</u>	<u>214,000</u>	<u>1,759,000</u>	<u>-</u>	<u>3,062,000</u>
Total accumulated depreciation	<u>10,772,000</u>	<u>820,000</u>	<u>1,759,000</u>	<u>-</u>	<u>9,833,000</u>
Capital assets, net	<u>\$ 8,012,000</u>	<u>\$ (565,000)</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 7,397,000</u>

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

8. Long-Term Debt

A schedule of changes in the Authority's long-term debt for fiscal years 2020 and 2019 follows:

	Balance April 30, 2019	Additions	Reductions	Balance April 30, 2020	Amounts Due Within One Year
Direct borrowing:					
Notes payable	\$ -	\$ 1,191,000	\$ -	\$ 1,191,000	\$ 122,000
Purchase agreement	350,000		75,000	275,000	275,000
Revenue bonds:					
Revenue certificates	<u>11,209,000</u>	<u>-</u>	<u>314,000</u>	<u>10,895,000</u>	<u>337,000</u>
Total long-term debt	<u>\$ 11,559,000</u>	<u>\$ 1,191,000</u>	<u>\$ 389,000</u>	<u>\$ 12,361,000</u>	<u>\$ 734,000</u>

	Balance April 30, 2018	Additions	Reductions	Balance April 30, 2019	Amounts Due Within One Year
Direct borrowing:					
Purchase agreement	\$ 425,000	\$ -	\$ 75,000	\$ 350,000	\$ 350,000
Revenue bonds:					
Revenue certificates	<u>11,499,000</u>	<u>-</u>	<u>290,000</u>	<u>11,209,000</u>	<u>314,000</u>
Total long-term debt	<u>\$ 11,924,000</u>	<u>\$ -</u>	<u>\$ 365,000</u>	<u>\$ 11,559,000</u>	<u>\$ 664,000</u>

The terms and due dates of the Authority's long-term debt for 2020 and 2019, follows:

- On April 16, 2020, the Authority received loan proceeds in the amount of \$1,191,000 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after the covered period as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the covered period. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1 percent, with a deferral of payments for the first ten months. The Authority intends to use the proceeds for purposes consistent with the PPP. While the Authority currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, no assurances can be provided.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

8. Long-Term Debt, Continued

- Commercial Installment Purchase Agreement – The Authority entered into an agreement on June 15, 2015 to sell two medical office buildings to the Washington-Wilkes Payroll Development Authority for \$500,000 and lease them back with an initial interest rate of 2.85%. On February 22, 2018, this agreement was extended with an interest rate of 3.25%. On February 25, 2019, this agreement was extended for an additional 12-month period, with an interest rate of 3.75%. This transaction was initiated to generate capital to ensure payment of operational expenses. Interest payments are payable monthly. At the end of the term, the Authority will repay the principal, over a period not to exceed 10 years, and regain title of the medical office buildings.
- Taxable Revenue Build America Bonds – Series 2009A, for \$12,410,000, with an interest rate of 7.2%. These bonds were issued for the purpose of providing funds for the demolition, acquisition, construction and equipping of certain healthcare facilities. These are payable in monthly installments ranging from \$24,000 in May 2019 to \$95,000 in February 2037.

The Bonds are secured under the Indenture by (a) all right, title and interest of the Issuer in and to all revenues together with all other revenues received by the Trustee for the account of the Issuer arising out or on account of the Trust Estate; (b) all right, title and interest of the Issuer in and to the Government National Mortgage Association (GNMA) Securities, profits or other income derived from the investment thereof; and (c) all funds, monies and securities and any and all other rights and interests in property whether tangible or intangible.

In connection with the 2009A bond issue, the Federal Housing Administration (FHA) issued a commitment dated August 5, 2009 which will be assigned to the FHA approved lender Red Mortgage Capital, Inc. (Red Capital) for a mortgage in the full amount of the 2009A bonds. The proceeds from the bond issue were used to acquire GNMA securities from Red Capital which are securitizations of the mortgage loan to the Authority.

The 2009A Build America Bonds include an agreed upon rebate of 35% of all interest paid. The amounts refunded were approximately \$262,000 and \$267,000 for fiscal years 2020 and 2019, respectively.

Under the terms of the 2009A Series Revenue Certificates, the Authority is required to not have a loss from operations equal to or greater than 1% of the total operating revenue. The Authority did not meet the requirement of this covenant during fiscal years 2020 and 2019. The Authority must also maintain an excess of revenues over expenses. The Authority did meet this requirement during fiscal year 2020 and 2019.

As a result of not producing the required amounts, the Authority must submit a correction report to HUD within sixty days of the date of the audited financial statements. This report must include what measures are being taken to improve the Authority's operations and financial performance.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

8. Long-Term Debt, Continued

Also, under the terms of the 2009A Series Revenue Certificates, the Authority is required to make monthly payments to the mortgage reserve fund in accordance with a payment schedule set forth by the original bond documents. The Authority was in compliance with this schedule during fiscal years 2020 and 2019.

The Revenue Certificates contain a provision that in an event of default, outstanding obligations may become immediately due and payable.

Scheduled principal and interest repayments on long-term debt are as follows:

Year Ended <u>April, 30</u>	<u>Revenue Bonds</u>		<u>Direct Borrowing</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 337,000	\$ 773,000	\$ 397,000	\$ 11,000
2022	363,000	748,000	797,000	7,000
2023	391,000	721,000	272,000	1,000
2024	420,000	692,000	-	-
2025	453,000	661,000	-	-
2026-2030	2,851,000	2,742,000	-	-
2031-2035	4,133,000	1,503,000	-	-
2036-2037	<u>1,947,000</u>	<u>137,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 10,895,000</u>	<u>\$ 7,977,000</u>	<u>\$ 1,466,000</u>	<u>\$ 19,000</u>

9. Defined Contribution Pension Plan

The Wills Memorial Hospital 401(k) Plan (Plan) was established by the Authority and administered by Fidelity Management and Research Company to provide benefits at retirement to substantially all employees of the Authority who have completed 90 days of service and have averaged 32 service hours per week. Plan provisions and contribution requirements are established and may be amended by the Authority.

Pension expense for the years ended April 30, 2020 and 2019 was approximately \$81,000 and \$23,000, respectively. The amount of employer contributions to be made for any particular year end with respect to any particular participant is not to exceed 50% of participant contributions up to 4% of Plan compensation. Employees begin vesting after one year of service at 20% each year until they become fully vested in year five. Forfeitures recorded for the years ended April 30, 2020 and 2019 were \$0.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

10. Employee Health Coverage

From December 2016 to November 2017, the Authority had a self-insurance program under which a third-party administrator processed and paid claims. In November 2017, the Authority changed to a health insurance policy with United Healthcare. This policy requires a monthly premium expense in which the Authority paid \$597,000 and \$735,000 for 2020 and 2019, respectively.

11. Malpractice Insurance

The Authority is covered by a general and professional liability insurance policy with a specified deductible per incident and excess coverage on a claims-made basis. Liability limits related to this policy in 2020 and 2019 are \$1 million per occurrence and \$3 million in aggregate. The Authority uses a third-party administrator to review and analyze incidents that may result in a claim against the Authority. In conjunction with the third-party administrator, incidents are assigned reserve amounts for the ultimate liability that may result from an asserted claim.

Various claims and assertions have been made against the Authority in its normal course of providing services. In addition, other claims may be asserted arising from services provided to patients in the past. In the opinion of management, adequate consideration has been made for losses which may occur from such asserted and unasserted claims that are not covered by liability insurance.

12. Fair Value of Financial Instruments

The following methods and assumptions were used by the Authority in estimating the fair value of its financial instruments:

- *Cash and cash equivalents; short-term investments; estimated third-party payor settlements; noncurrent cash and investments; accounts payable and accrued expenses:* The carrying amount reported in the balance sheets approximates their fair value due to the short-term nature of these instruments.
- *Long-term debt:* The fair value of the Authority's remaining long-term debt is estimated based on the quoted market value for same or similar debt instruments.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

12. Fair Value of Financial Instruments, Continued

The carrying amounts and fair values of the Authority's long-term debt at April 30, 2020 and 2019 are as follows:

	<u>2020</u>		<u>2019</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Long-term debt	<u>\$ 12,361,000</u>	<u>\$ 13,319,000</u>	<u>\$ 11,559,000</u>	<u>\$ 12,192,000</u>

13. Contingencies

Compliance plan

The healthcare industry has been subjected to increased scrutiny from governmental agencies at both the federal and state level with respect to compliance with regulations. Areas of noncompliance identified at the national level include Medicare and Medicaid, Internal Revenue Service, and other regulations governing the healthcare industry. In addition, the Reform Legislation includes provisions aimed at reducing fraud, waste, and abuse in the healthcare industry. These provisions allocate significant additional resources to federal enforcement agencies and expand the use of private contractors to recover potentially inappropriate Medicare and Medicaid payments. The Authority has implemented a compliance plan focusing on such issues. There can be no assurance that the Authority will not be subjected to future investigations with accompanying monetary damages.

Litigation

The Authority is involved in litigation and regulatory investigations arising in the normal course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Authority's future financial position or results from operations. See malpractice insurance disclosures in Note 11.

Health care reform

There has been increasing pressure on Congress and some state legislatures to control and reduce the cost of healthcare at the national and state levels. Legislation has been passed that includes cost controls on healthcare providers, insurance market reforms, delivery system reforms and various individual and business mandates among other provisions. The costs of these provisions are and will be funded in part by reductions in payments by government programs, including Medicare and Medicaid. There can be no assurance that these changes will not adversely affect the Authority.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued
Years Ended April 30, 2020 and 2019

13. Contingencies, Continued

340B program

The Authority participates in the 340B Drug Pricing Program (Program) which enables qualifying safety-net health care providers to purchase drugs from pharmaceutical suppliers at a substantial discount. The Program is administered by the Health Resources and Services Administration's (HRSA) Office of Pharmacy Affairs. Participants in the Program must ensure the Program's integrity and maintain accurate records documenting compliance with all 340B Program requirements. Noncompliance with these requirements can result in repayments to the affected manufacturers and/or termination from the Program.

The Authority identified certain transactions that may not meet Program requirements for patient eligibility during a routine internal audit. Management is in the process of evaluating the affected manufacturers and notifying HRSA of the noncompliance identified. HRSA requires that participants in the Program work in "good faith" to remedy noncompliance. Management believes some of these noncompliance purchases will result in repayment to some of the affected manufacturers and that adequate provision has been made in the financial statements as of April 30, 2020 and 2019 for potential repayment to manufacturers.

14. Management's Plan

The Authority reported a increase in net position of \$401,000 and \$521,000 in 2020 and 2019, respectively. The Authority has a net position deficiency of \$1,485,000 and \$1,886,000 at April 30, 2020 and 2019, respectively. The Authority reported operating losses of \$340,000 and \$357,000 in 2020 and 2019, respectively.

Management's plan to improve the Authority's financial position is as follows:

Cost reduction

The management team did a complete review of all expenses and continues to explore opportunities to optimize, reduce, replace or simply not renew existing contracts. Changes have been made in the areas of radiology vendors, emergency room vendors, computer system vendors. In addition, each department manager was challenged to evaluate staffing needs and to implement a plan to adjust those needs based on volume. Several other cost saving initiatives were also implemented during the year to reduce overall cost of the organization. These included manpower reductions and attrition.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

14. Management's Plan, Continued

Revenue enhancement

In an effort to improve the Authority's financial position, the management team continues to work diligently. An agreement was signed with Meridian to begin an outpatient pulmonary rehabilitation service in February 2018. In addition, an agreement was signed to expand the pulmonary rehabilitation services to include full pulmonary function testing in June 2019. Most recently, in February 2020, an agreement was signed with the Hospital Authority of Miller County d/b/a Miller County Hospital to provide for the strategic planning and operational management services in connection with a chronic ventilator swing bed program. Management continues to work on recruiting physicians to the community through the specialty clinic as well as employment opportunities with the hospital. The Authority Board has created a Long Term Planning Committee to also look into opportunities as well.

Rural hospital tax credit

The State of Georgia (State) passed legislation which allows individuals or corporations to receive a State tax credit for making a contribution to certain qualified rural hospital organizations. The Authority submitted the necessary documentation and was approved by the State to participate in the rural hospital tax credit program for calendar years 2020 and 2019. Contributions received under the program approximated \$348,000 and \$1,027,000 during the Authority's fiscal year 2020 and 2019, respectively. Subsequent to fiscal year-end, the Authority has received and/or been approved by the State to receive approximately \$371,000 in donations.

15. Coronavirus

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. The outbreak is likely to put an unprecedented strain on the US healthcare system, disrupt or delay production and delivery of materials and products in the supply chain, and cause staffing shortages. The extent of the impact of COVID-19 on the Authority's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Authority's customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Authority's financial position or results of operations is uncertain.

Continued

HOSPITAL AUTHORITY OF WILKES COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS, Continued Years Ended April 30, 2020 and 2019

15. Coronavirus, Continued

CARES Act

On March 27, 2020, the President signed the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Certain provisions of the CARES Act provide relief funds to hospitals and other healthcare providers. The funding will be used to support healthcare-related expenses or lost revenue attributable to COVID-19. The U.S. Department of Health and Human Services began distributing funds on April 10, 2020 to eligible providers in an effort to provide relief to both providers in areas heavily impacted by COVID-19 and those providers who are struggling to keep their doors open due to healthy patients delaying care and canceling elective services. The Authority has received the following CARES Act funding:

- \$30 Billion General Distribution (1st round) – On April 10, 2020, HHS distributed \$30 billion to nearly 320,000 Medicare fee-for-service providers based on their portion of 2019 Medicare fee-for-service payments. The Authority received approximately \$289,000 in funding from this distribution.
- \$10 Billion Rural Distribution – On May 6, 2020, HHS distributed \$10 billion to almost 4,000 rural health care providers including hospitals, health clinics, and health centers. The Authority received approximately \$3,376,000 in funding from this distribution.

In addition, the CARES Act did the following:

- Sequestration – Suspended the Medicare sequestration payment adjustment, which reduces the payments to providers by 2%, for the period of May 1, 2020 through December 31, 2020.
- Medicare Add-on for Inpatient Hospital COVID-19 Patients – Increase the Medicare payment for hospital patients admitted with COVID-19 by 20%.

On April 24, 2020, the *Paycheck Protection Program and Health Care Enhancement Act* was passed. This Act provides additional funding to replenish and supplement key programs under the CARES Act, including funds to health care providers for COVID-19 testing. The Hospital has received the following funding under this Act

- \$225 Million Rural Health Clinic Distribution – On May 20, 2020, HHS distributed \$225 million to over 4,500 rural health clinics (RHCs) based on a fixed payment of \$49,461 per RHC. The Authority received approximately \$99,000 in funding from this distribution.