3. Uncompensated Services

    The Authority was compensated for services at amounts less than its established rates. Charges for uncompensated services for 2022 and 2021 were approximately $135,929,000 and $140,484,000, respectively.

    Uncompensated care includes charity and indigent care services of approximately $4,939,000 and $5,085,000 in 2022 and 2021, respectively. The cost of charity and indigent care services provided during 2022 and 2021 was approximately $1,847,000 and $1,823,000, 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 2022 and 2021:

	2022	2021
Gross patient charges	$ 198,125,297	$ 197,247,129
Uncompensated services:		
Charity and indigent care	4,938,784	5,084,644
Medicare	23,828,713	26,781,322
Medicaid	12,970,758	13,782,755
Other allowances	82,395,874	79,291,151
Bad debts	11,795,119	15,544,233
Total uncompensated services	135,929,248	140,484,105
Net patient service revenue	$ 62,196,049	$ 56,763,024

Continued

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EFFINGHAM COUNTY HOSPITAL AUTHORITY
(A Component Unit of Effingham County, Georgia)

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2022 and 2021
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3. Uncompensated Services, Continued

    The Authority accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the Authority. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's ability to pay, the Authority utilizes the generally recognized Federal Poverty Guidelines, but also includes certain cases where incurred charges are significant when compared to the patient's income. These charges are not included in net patient service revenues. The costs and expenses incurred in providing these services are included in the Authority's excess revenues (expenses) in the statements of revenues, expenses, and changes in net position.