

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

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2024 and 2023

3. Uncompensated Services

The Authority was compensated for services at amounts less than its established rates (gross patient charges). Charges for uncompensated services for 2024 and 2023 were approximately \$173,270,000 and \$161,562,000, respectively.

Uncompensated care includes charity and indigent care services of approximately \$12,867,000 and \$8,257,000 in 2024 and 2023, respectively. The cost of charity and indigent care services provided during 2024 and 2023 was approximately \$4,111,000 and \$2,769,000, 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 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Gross patient charges	\$ <u>246,894,554</u>	\$ <u>224,728,357</u>
Uncompensated services:		
Charity and indigent care	12,866,691	8,257,479
Medicare	67,199,351	47,220,212
Medicaid	13,824,503	18,189,394
Other allowances	66,154,921	73,714,242
Bad debts	<u>13,224,853</u>	<u>14,180,646</u>
Total uncompensated services	<u>173,270,319</u>	<u>161,561,973</u>
Net patient service revenue	\$ <u>73,624,235</u>	\$ <u>63,166,384</u>

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.

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