

ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD 2016 TEXAS NONPROFIT HOSPITALS

Part I

Please Check "one" your ownership: *

- Not-For-Profit
- For-Profit (received Medicaid Disproportionate Share Funds)
- Public
- For-Profit

2912280 **2016 ASCBS** 6742280
Liberty Dayton Regional Medical Center
 Liberty
 TYPE: PUB DISPRO:
REQUIRED TO REPORT ASCBS: YES

LIBERTY

Are you reporting as part of a hospital system? Yes No

III HOSPITAL SYSTEMS - List all the hospitals included in this system report. Refer to the instructions on the back of this page in completing this section.

| III | Community Benefits Contribution* | Net Patient Revenue (NPR)** | Miles From System Office | Name of Hospital | Physical Address, City, State, Zip |
|---------------|----------------------------------|-----------------------------|--------------------------|------------------|------------------------------------|
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |
| 6. | | | | | |
| 7. | | | | | |
| 8. | | | | | |
| 9. | | | | | |
| 10. | | | | | |
| 11. | | | | | |
| 12. | | | | | |
| 13. | | | | | |
| 14. | | | | | |
| TOTAL: | | | | | |

* The sum of these contributions should equal the entry in II.E (Section II follows Worksheet 5).

** The sum of net patient revenue should equal the entry in STD11 (Standards Section follows Section II).

ESTIMATED UNREIMBURSED COSTS OF INPATIENT AND OUTPATIENT CHARITY CARE PROVIDED - 2016

Total Billed Charges for Charity Care Provided (based on 2016 audited fiscal year): (exclude bad debt)

| W 1A. | <u>Financially Indigent</u> | <u>Medically Indigent</u> | <u>Total Charity Care Charges</u> |
|--------------|-----------------------------|---------------------------|-----------------------------------|
| Inpatient | _____ | 395 | 395 |
| Outpatient | _____ | 9,670 | 9,670 |
| Total | _____ | <u>10,065</u> | (a) <u>10,065</u> |

Cost to Charge Ratio Calculation (based on 2015 audited fiscal year):

W 1B1. **2015** Gross Patient Service Revenue^{1, 2};..... (b) 16,832,733

W 1B2. **2015** Total Patient Care Operating Expenses^{1, 3}.....(Bad Debt should be treated as a Deduction) (c) 8,907,819

W 1B3. **Cost to Charge Ratio (Divide (c) by (b)) (please report the ratio as a decimal 0.0000)** (d) 0.5292
*****THIS IS A PRE-CALCULATED FIELD.**

W 1C. **Estimated Costs of Charity Care Provided ((a) x (d))** (e) 5,326

Payments Received for Charity Care Provided: (based on 2016 audited fiscal year)

W 1D1. Third-Party Payments..... 0

W 1D2. Payments from Patients..... 0

W 1D3. Other Payments (4) (Public hospitals report tax appropriations relative to charity care here) 0

W 1D4. **Total Payments Received for Charity Care Provided**..... (f) 0
*****THIS IS A PRE-CALCULATED FIELD.**

W 1E. **Estimated Unreimbursed Costs of Charity Care Provided ((e) - (f))**⁵..... * (g) 5,326

1 Use audited data for FY 2015 to complete the Cost to Charge Ratio Calculation section of this worksheet for FY 2016.

2 Gross Patient Service Revenue excludes Medicaid Disproportionate Share Hospital payments.

3 Total Patient Care Operating Expenses -**(Bad Debt should be treated as a deduction) excludes contractual adjustments.**

4 Do not include charitable contributions and grants received by the hospital.

5 Report zero (0) in (g) if total estimated costs of charity care provided (e) minus total payments (f) is a negative value.

CALCULATION OF THE RATIO OF COST TO CHARGE - 2016

Calculation of initial Ratio of Cost to Charge

W1AA1. Total Patient Revenues (from 2015 Medicare Cost Report1, Worksheet G-3, Line 1)

* (a) 16,738,770

W1AA2. Total Operating Expenses (from 2015 Medicare Cost Report1, Worksheet A, Line 118, Col. 7)

* (b) 8,161,054

W1AA3. Initial Ratio of Cost to Charge ((b) divided by (a))
***THIS IS A PRE-CALCULATED FIELD.

(c) .4858

Application of Initial Ratio of Cost to Charge to 2016 Bad-Debt Expense

W1AB1. Bad-Debt Expense2 (from 2016 audited financial statement covering your reporting period)

(d) 6,596,068

* 7/27 EG
Diana Vantassak "Not completed yet"

W1AB2. Multiply "Bad-Debt Expense" by "Initial Cost to Charge Ratio" to determine allowable Bad-Debt Expense ((d) x (c))

(e) 3,194,370

***THIS IS A PRE-CALCULATED FIELD.

W1AB3. Add the allowable "Bad-Debt Expense" to " Total Operating Expenses" ((b) + (e))
***THIS IS A PRE-CALCULATED FIELD.

11,355,424 (f)

W1AC. Calculation of Ratio of Cost to Charge ((f) divided by (a)) (Please report the ratio as a decimal)

(g) 0.6766

NOTE: This is Worksheet 1-A from the 1994 Annual Statement of Community Benefits Standard form.

1. Use the **PRIOR** year cost report regardless of status of review. For example, use Medicare Cost Report data for FY 2015 to complete the calculation of initial Ratio of Cost to Charge section of this worksheet.
2. Bad debt expense is defined as the provision for actual or expected uncollectibles resulting from the extension of credit.

Additional cost areas that are not reflected in the above calculations may be identified on the back of this form. Do not include these costs in worksheet computations.

| <u>Cost Area</u> | <u>Worksheet 1-A (continued)</u> | |
|------------------|--|---------------|
| | <u>Medicare Cost Report Reference*</u> | <u>Amount</u> |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

PLEASE PRESS SAVE OR SAVE AND VALIDATE TO CONTINUE OUR WORKSHEET SECTION OF THE SURVEY.
 To navigate the worksheet pages of the Annual Statement of community benefits standards for Texas non profit hospitals please go to worksheet 1 and push save or save and validate. If you decide to exit the survey and continue at a later date go back to worksheet 1 and push save to continue to where you left off.

Support to Financially Indigent Patients Provided Through Others 2016

Funding to: W2A

| W2A. | <u>Other Nonprofit</u> | <u>Public</u> | <u>Total</u> |
|---------------------------------|------------------------|---------------|--------------|
| Outpatient Clinic | _____ | _____ | _____ |
| Hospital | _____ | _____ | _____ |
| Other Health Care Organizations | _____ | _____ | _____ |
| Total Funding to Others | _____ | _____ | _____ |

Financial Support to:

| W2B. | <u>Other Nonprofit</u> | <u>Public</u> | <u>Total</u> |
|--------------------------------------|------------------------|---------------|--------------|
| W2B | | | |
| Outpatient Clinic | _____ | _____ | _____ |
| Hospital | _____ | _____ | _____ |
| Other Health Care Organizations | _____ | _____ | _____ |
| Total Other Financial Support | _____ | _____ | _____ |

| W2C. | <u>Other Nonprofit</u> | <u>Public</u> | <u>Total</u> |
|---|------------------------|---------------|--------------|
| Total Support Provided Through Others: | 0 | 0 | 0 |

W2D. Less: Payments allocated (c) 0

W2E. Total Unreimbursed Support Provided Through Others ((a.3. + b.3.) - (c)) (d) 0

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ESTIMATED UNREIMBURSED COSTS OF GOVERNMENT-SPONSORED INDIGENT HEALTH CARE - 2016

Worksheet 3

Billed Charges for Government-sponsored Indigent Health Care Provided:(Do not include Medicare or Non-government charges.)

| W3A. | Inpatient | Outpatient | Total |
|--|---------------|----------------|----------------|
| Medicaid(include Medicaid Managed Care charges; exclude Medicaid Disproportionate Share AND 1115 WAIVER PAYMENTS payments) | 0 | 1632017 | 1632017 |
| State Government (CSHCN, Primary Care, Kidney Health, etc.) | 0 | 0 | 0 |
| Local Government (County Indigent Health Care, other) | 7,254 | 301,210 | 308,464 |
| Other Government | 7,580 | 103,152 | 110,732 |
| Total Billed Charges | 14,834 | 484,369 | 499,203 |
| W3B1. Ratio of Cost to Charge (Worksheet 1, Item d) (Please report the ratio as a decimal) | 7234 | 1933227 | (b) 0.5292 |

*P. D. Ventuse
8/21
EW*

W3B2. Estimated Costs of Government-sponsored Indigent Health Care Provided ((a) x (b))
 ***THIS IS A PRE-CALCULATED FIELD. (c) 221,842
 1027902

Payment Received for Government-sponsored Indigent Health Care Provided:(Do not include Medicare or non-government payments received.)

| | |
|---|---------------|
| W3C1. Medicaid (include Medicaid Managed Care payments; exclude Medicaid Disproportionate Share Hospital payments) | 18,217 |
| W3C2. Medicaid Disproportionate Share Hospital payments | 0 |
| w3c22. Uncompensated Care Payments | 1,632,017 |
| W3C3. State Government (CSHCN, Primary Care, Kidney Health, etc.) | _____ |
| W3C4. Local Government (County Indigent Health Care, other). | _____ |
| W3C5. Other Government. (<u>Champus Payments and DSRIP "SHOULD NOT" be reported here; report "CHAMPUS Payments only in Worksheet 4b.</u>) | _____ |
| W3C6. Total Payments ***THIS IS A PRE-CALCULATED FIELD. | (d) 1,650,234 |
| W3D. Estimated Unreimbursed Costs of Government-sponsored Indigent Health Care ((c) - (d))1 | (e) 0 |

(1) Report zero (0) in (e) if estimated costs of government-sponsored indigent health care provided (c) minus total payments (d) is a negative value.

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**UNREIMBURSED COSTS OF PROVIDING COMMUNITY BENEFITS
-2016**

Worksheet 4-A



Unreimbursed Costs of Subsidized Health Services:

- W4AA1. Emergency Care _____
- W4AA2. Trauma Care _____
- W4AA3. Neonatal Intensive Care _____
- W4AA4. Freestanding Community Clinics, e.g., rural health clinics _____
- W4AA5. Collaborative effort with local government(s) and/or private agency in preventive medicine, e.g., immunization program _____
- W4AA6. Other Services _____
- W4AA7. Total (a) 0
***THIS IS A PRE-CALCULATED FIELD.
- W4AB1. Donations Made by the Hospital (b) _____
- W4AB2. Unreimbursed Research-Related Costs (c) _____

Unreimbursed Education - Related Costs:

- W4AC1. Education of physicians, nurses, technicians and other medical professionals and health care providers _____
- W4AC2. Scholarships and funding to medical schools, colleges and universities for health professions education _____
- W4AC3. Education of patients concerning diseases and home care in response to community needs _____
- W4AC4. Community health education through informational programs, publications and outreach activities in response to community needs _____
- W4AC5. Other educational services _____

W4AC6. Total (d) 0
***THIS IS A PRE-CALCULATED FIELD.

W4AD. Total Unreimbursed Costs of Providing Community Benefits ((a) + (b) + (c) + (d)) (e) 0
THIS IS A PRE-CALCULATED FIELD.

PLEASE PRESS SAVE OR SAVE AND VALIDATE TO CONTINUE OUR WORKSHEET SECTION OF THE SURVEY. DO NOT LEAVE ANY SECTION BLANK, REPORT ZERO (0).

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EST. UNREIMBURSED COSTS OF INPAT./OUTPAT. MEDICARE, CHAMPUS AND OTHER GOV'T-SPONSORED PROGRAMS - 2016

Worksheet 4-B

Total Billed Charges for Medicare (INCLUDE MEDICARE MANAGED CARE), CHAMPUS, and Other Government (DO NOT REPORT DSRIP)-sponsored

Health Care Provided: (Do not include Medicaid charges or other government charges previously reported on worksheet 3.)

W4BA1. Inpatient 1,255,452

W4BA2. Outpatient 6,074,895

W4BA3. Total Billed Charges (a) 7,330,347
 THIS IS A PRE-CALCULATED FIELD

W4BB1. Ratio of Cost to Charge (Worksheet 1, Item d) (Please report the ratio as a decimal 0.0000) (b) 0.5292
 THIS IS A PRE-CALCULATED FIELD.

W4BB2. Estimated Costs of Government-sponsored Health Care Provided (a x b) (c) 3,879,220
 THIS IS A PRE-CALCULATED FIELD.

Payments Received for Care Provided: (Do not include Medicaid payments received.)

W4BC1. Government Payments 0

W4BC2. Payments from Patients ~~31,611~~ 0 *Per D. Ventresol 8/11 EB*

W4BC3. Other Payments 982,753

W4BC4. Total Payments (d) ~~1,014,364~~ 982,753
 THIS IS A PRE-CALCULATED FIELD.

W4BD. Estimated Unreimbursed Costs of Government-sponsored Health Care Provided ((c) - (d))2 (e) 2,896,467

1. Do not include charitable contributions and grants.

2. Report zero (0) in (e) if estimated cost of government-sponsored health care provided (c) minus total payments (d) is a negative value.

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**ESTIMATED VALUE OF TAX EXEMPT BENEFITS
2016**

Worksheet 5

Franchise Tax:

W5A. The greater of Fund Balance x 0.25 percent (.0025); -OR-

Net Income plus Officers' and Directors' Compensation x 4.5 percent
(.045) (a) _____

**Ad Valorem
Taxes**

Amount of Taxes

| | |
|--|-----------|
| County Property Tax (Appraised Value of Property (Real and Personal) x Tax Rate) | _____ |
| School District Tax (Appraised Value of Property x Tax Rate) | _____ |
| Hospital District Tax (Appraised Value of Property x Tax Rate) | _____ |
| Other Property Taxes (Appraised Value of Property x Tax Rate) | _____ |
| W5B5. Total Estimated Ad Valorem Taxes | (b) _____ |

Sales Tax

W5C1. Supplies expense less pharmacy supplies expense _____

W5C2. Lease or rental expense _____

W5C3. Capital Purchases _____

W5C4. Total Estimated Taxable Purchases (1) _____

W5C5. Sales Tax Rate.....(Please report RATE (.0000), not a percent) (2) _____

W5C6. Total Estimated Sales Tax (Multiply (1) by (2))
***THIS IS A PRE-CALCULATED FIELD. (c) _____

Contributions

W5D1. Nondesignated and Charitable Cash Donations received by the hospital _____

W5D2. Fair Market Value of Nondesignated and Charitable In-Kind _____

Donations

W5D3. Total Contributions

(d) _____

Tax-Exempt Bond Financing

W5E1. Average Outstanding Bond Principal x Prevailing Interest
Rate at Time of Issuance

(1) _____

W5E2. Actual Interest Expense for the Reporting Period

(2) _____

W5E3. Value of Tax-Exempt Bond Financing ((1) - (2))

(e) ⁰

W5F. TOTAL ESTIMATED VALUE OF TAX EXEMPT BENEFITS
((a)+(b)+(c)+(d)+(e))

(f) _____

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II. CHARITY CARE, GOVERNMENT-SPONSORED INDIGENT HEALTH CARE, AND OTHER COMMUNITY BENEFITS INFORMATION - 2016

IIA. Unreimbursed costs of charity care

| | | |
|---|---------|---|
| IIA1. Unreimbursed costs of providing care to financially and medically indigent (Worksheet 1, (g)) | 5326 | Hospital System Total 0 _____ |
| IIA2. Support to financially indigent patients provided through others (Worksheet 2, (d)) | | 0 _____ |
| IIA3. Unreimbursed costs of charity care (A.1. + A.2.) | 5326 | 0 _____ |
| IIB. Unreimbursed costs of providing Government-sponsored Indigent Health Care (Worksheet 3, (e)) | 0 | _____ |
| IIC. Total Charity Care and Government-sponsored Indigent Health Care (A.3. + B.) | 5326 | 0 _____ |
| IID. Unreimbursed costs of providing Other Community Benefits (Worksheets 4-A, (e) + 4-B, (e)) | 2896467 | 0 _____ |
| IIIE. Total Charity Care, Government-sponsored Indigent Health Care, and Other Community Benefits (C. + D.) | 2901793 | 0 _____ |

If you're reporting as a system, please provide system aggregate data for sections I, II, and III

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STD STANDARDS - Please check the appropriate box (A, B or C) below and provide the requested information.

TaxID. Taxpayer Number: _____

STDI1. Net Patient Revenue (include Medicaid Disproportionate Share Hospital payments); (exclude DSRIP= the incentive payments from "Net Patient Revenue) TREAT BAD DEBT AS A DEDUCTION FROM NET REVENUE

Hospital _____ System _____

2,299,199 P= D.V. (w/ scal) EB 8/19

STDI2. The hospital has been designated as a disproportionate share hospital under the state Medicaid program in the period covered by this report (2014) or in either of its two previous fiscal years. Completion of section I-3. or I-4. is not required.

I-2
[]

I3. STANDARDS - Please check the appropriate box (A, B, or C) below and provide the requested information.

A. Charity care and government-sponsored indigent health care are provided at a level which is reasonable in relation to the community needs, as determined through the community needs assessment, the available resources of the hospital, and the tax-exempt benefits received by the hospital.

A. [x]

STDI3A1. Tax exempt benefits (Worksheet 5)

Hospital _____

STDI3A2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year

B. Charity care and government-sponsored indigent health care are provided in an amount equal to at least 100 percent of the hospital's tax-exempt benefits, excluding federal income tax. (Standard B is met if B.4. is greater than or equal to B.3.)

[] B.

STDI3B1. Tax-exempt benefits (Worksheet 5)

Hospital _____ System _____

STDI3B2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year

STDI3B3. Total of B.1. and B.2. above

STDI3B4. Enter the total from item II.C

C. Charity care and community benefits are provided in a combined amount equal to at least five (5) percent of the hospital's net patient revenue, provided that charity care and government-sponsored indigent health care are provided in an amount equal to at least four (4) percent of net patient revenue. (Standard C is met if C.4. is greater than or equal to C.3. and C.8. is greater than or equal to C.7.)

C. []

STDI3C1. Multiply Net Patient Revenue (I-1.) by 5%

Hospital 164960 System _____

STDI3C2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year

0 _____

STDI3C3. Total of C.1. and C.2. above

164960 _____

STDI3C4. Enter the amount recorded in item II.E.

2,901,793 _____

STDI3C5. Multiply Net Patient revenue (I-1.) by 4%

131968 _____

STDI3C6. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year

0 _____

STDI3C7. Total of C.5. and C.6. above

131968 _____

STDI3C8. Enter the amount recorded in item II.C.

5326 _____

EB 8/14

I4. Check this box if your hospital **did not meet** any of the standards in sections I-3. Please attach explanatory information.

I-4

EB 8/14

I5. Certification Contact Information - Annual Statement of Community Benefits

*

| | | | | |
|------------------|-------------------|----------------|----------------|----------------------------------|
| Coordinator Name | Coordinator Title | Phone | Fax | Electronic/internet Mail address |
| Matt Thornton | CEO | (936) 336-7316 | (936) 336-7837 | mthornton@libertydaytonrme.com |

If you're reporting as a system, please provide system aggregate data
