



EVANS MEMORIAL HOSPITAL

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February 6, 2020

Evans County Board of Commissioners
3 Freeman Street
Claxton, GA 30417
(912)739-1141

Evans County Board of Commissioners,

As you are aware, Evans Memorial Hospital has had continued financial struggles due to many factors including decreasing reimbursement, increased costs, and an increase in indigent care and bad debt. For FY19, EMH had \$3,618,178 in uninsured and patient write offs and \$541,405 in charity (indigent) care. The total charges for FY19 were at \$51,267,263 while the net revenue was only \$10,264,987, which is only about 20% of charges. The payor mix of patients obtaining services from EMH is changing and it is predicted that the net revenue for FY20 will be about 18% of charges. These are some of the items that have caused financial stress on the hospital. Due to the current financial status of the hospital, the Evans Memorial Hospital Board of Directors has notified the Hospital Authority of Evans County that they can no longer continue to operate Evans Memorial Hospital.

The Hospital Authority of Evans County has notified the EMH Board of Directors that this would be a breach of the lease dated September 23, 1996. The Hospital Authority has given the Board of Directors thirty (30) days to cure the breach or the contract will be terminated and the Hospital Authority will become responsible for the operations of the hospital.

In order to provide immediate financial stabilization and continued operations of Evans Memorial Hospital, the Board of Directors and Hospital Authority are requesting the following from the Evans County Board of Commissioners:

- Immediate release of the remaining SPLOST money designated to Evans Memorial Hospital. An official request was sent to Casey Burkhalter, County Administrator on January 24, 2020.
- One (1) million-dollar subsidy this year in addition to the SPLOST money.
- An increase of 4 mills, or the equivalent of \$1 million, going forward (in addition to the 2 mills designated for the bond payment).
- Restructure bonds under Evans County removing that debt from the Hospital Authority.

Any immediate money received would be used to pay critical vendors as well as employee benefits such as health insurance premiums. Any subsidy received moving forward would be



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used to support the operations of the hospital as well as offset the charity care and bad debt write offs for qualifying individuals.

We appreciate the support of the Evans County Board of Commissioners in helping Evans Memorial Hospital continue to provide quality healthcare to the citizens of the county.

Patsy Rogers, Board of Directors Chair

Jesse Scott, Hospital Authority of Evans County Chair
Board of Directors Vice-Chair