

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

2023

Open to Public Inspection

A For the **2023** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization FORSYTH MEMORIAL HOSPITAL, INC.		D Employer identification number 56-0928089
	Doing business as NOVANT HEALTH FORSYTH MEDICAL CE		E Telephone number 336-277-2411
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 1,474,101,679.
	2085 FRONTIS PLAZA BLVD		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code WINSTON SALEM, NC 27103		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
F Name and address of principal officer: CARL ARMATO SAME AS C ABOVE			If "No," attach a list. See instructions
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.NOVANTHEALTH.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			L Year of formation: 1968
			M State of legal domicile: NC

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O	
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3 Number of voting members of the governing body (Part VI, line 1a)	3 17
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 13
	5 Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5 7947
	6 Total number of volunteers (estimate if necessary)	6 427
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b 0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year: 22,273,285. Current Year: 2,376,136.
	9 Program service revenue (Part VIII, line 2g)	1347574893. 1430937885.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	945,729. 513,788.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,070,517. 8,260,661.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1377864424. 1442088470.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)
14 Benefits paid to or for members (Part IX, column (A), line 4)		0. 0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		590,311,344. 626,191,213.
16a Professional fundraising fees (Part IX, column (A), line 11e)		0. 0.
b Total fundraising expenses (Part IX, column (D), line 25)		0.
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		817,030,092. 815,089,941.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1409445707. 1444760573.	
19 Revenue less expenses. Subtract line 18 from line 12	-31,581,283. -2,672,103.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year: 2102000445. End of Year: 2056045743.
	21 Total liabilities (Part X, line 26)	196,380,928. 160,164,353.
	22 Net assets or fund balances. Subtract line 21 from line 20	1905619517. 1895881390.

Part II Signature Block

Under penalties of perjury, 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.

Sign Here	Signature of officer		Date	
	ALICE POPE, EVP & CFO			
Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/> PTIN
	Firm's name	Firm's EIN	Phone no.	
Firm's address				

May the IRS discuss this return with the preparer shown above? See instructions Yes No

**Application for Extension of Time To File an Exempt Organization
Return or Excise Taxes Related to Employee Benefit Plans**

Department of the Treasury
Internal Revenue Service

File a separate application for each return.
Go to www.irs.gov/Form8868 for the latest information.

Electronic filing (e-file). You can electronically file Form 8868 to request up to a 6-month extension of time to file any of the forms listed below except for Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts. An extension request for Form 8870 must be sent to the IRS in a paper format (see instructions). For more details on the electronic filing of Form 8868, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Part I - Identification

Type or Print	Name of exempt organization, employer, or other filer, see instructions. FORSYTH MEMORIAL HOSPITAL, INC.	Taxpayer identification number (TIN) 56-0928089
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 2085 FRONTIS PLAZA BLVD	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WINSTON SALEM, NC 27103	

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 4720 (other than individual)	09
Form 4720 (individual)	03	Form 5227	10
Form 990-PF	04	Form 6069	11
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 8870	12
Form 990-T (trust other than above)	06	Form 5330 (individual)	13
Form 990-T (corporation)	07	Form 5330 (other than individual)	14
Form 1041-A	08		

• After you enter your Return Code, complete either Part II or Part III. Part III, including signature, is applicable only for an extension of time to file Form 5330.

• If this application is for an extension of time to file Form 5330, you must enter the following information.

Plan Name _____
 Plan Number _____
 Plan Year Ending (MM/DD/YYYY) _____

Part II - Automatic Extension of Time To File for Exempt Organizations (see instructions)

The books are in the care of **WENDI STOCKSTILL**
2085 FRONTIS PLAZA BLVD - WINSTON SALEM, NC 27103

Telephone No. **336-277-2411** Fax No. _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four-digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **NOVEMBER 15**, 20 **24**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 calendar year 20 **23** or
 tax year beginning _____, 20 _____, and ending _____, 20 _____

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 1,159,391,979. including grants of \$ 3,479,419.) (Revenue \$ 1,431,674,901.) FORSYTH MEMORIAL HOSPITAL, INC. ("FMH") DBA NOVANT HEALTH FORSYTH MEDICAL CENTER ("NHFCM"), NOVANT HEALTH KERNERSVILLE MEDICAL CENTER ("NHKMC"), AND NOVANT HEALTH CLEMMONS MEDICAL CENTER ("NHCMC"), ALONG WITH THEIR PROVIDER BASED PHYSICIAN PRACTICES, EXISTS TO CARRY OUT THE PURPOSE OF THE FORSYTH COUNTY BOARD OF COMISSIONERS BY ADVANCING AND SUPPORTING THE PROMOTION OF HEALTH FOR MEMBERS OF MULTIPLE COMMUNITIES IN FORSYTH COUNTY NORTH CAROLINA, INCLUDING WINSTON-SALEM, KERNERSVILLE, AND CLEMMONS. THESE HOSPITAL FACLIITIES MAINTAIN AN OPEN DOOR POLICY, ACCEPTING ALL PATIENTS REGARDLESS OF A PATIENT'S ABILITY TO PAY. (CONTINUED ON SCHEDULE O)

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,159,391,979.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 22 through 38 regarding organizational reporting, compensation, tax-exempt bonds, and excess benefit transactions.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1a, 1b, and 1c regarding Form 1096, Forms W-2G, and backup withholding rules.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 17 regarding employee counts, tax returns, unrelated business income, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	1a 17		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 13		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	X	
12c			
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official		X
b	Other officers or key employees of the organization		X
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	X	
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed NONE
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records
WENDI STOCKSTILL - 336-277-2411
2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CARL ARMATO TRUSTEE (FR 1/1/23)/PRES/CEO NH	0.20 50.00	X						0.	5,820,530.	1206191.
(2) FRED HARGETT EVP/CFO (TO 9/6/23)	0.20 50.00			X				0.	2,400,670.	50,705.
(3) MICHAEL SETLIFF PRES NHFMC/GWM	50.00 0.00			X				1,176,474.	0.	159,580.
(4) JOHN MANN MD SVP NH INST	35.00 10.00					X		917,005.	202,759.	167,716.
(5) STANLEY FULLER MD SVP CH CLIN OFFICER	45.00 0.20					X		947,480.	0.	153,328.
(6) ROLAND FRIEDMAN MD UROLOGIST	45.00 0.00					X		986,764.	0.	59,868.
(7) GEOFFREY GARDNER CFO (FR 9/6/23)	0.20 50.00			X				0.	909,106.	128,749.
(8) KIRSTEN ROYSTER FMR KE (12/31/21)	45.00 0.00						X	749,705.	0.	99,102.
(9) JUDSON RACKLEY MD UROLOGIST	45.00 0.00					X		778,934.	0.	59,324.
(10) SUSAN HINES MD ONCOLOGIST	45.00 0.00					X		778,450.	0.	46,439.
(11) FRANKLIN CHEN MD TRUSTEE, CLIN PHYS EXEC	0.20 45.00	X						0.	665,459.	56,806.
(12) ASHLEY PERROTT MD TRUSTEE, SR PHYS EXEC	45.20 0.00	X						567,670.	0.	42,591.
(13) ALISHA HUTCHENS PRES, COO	50.00 0.00				X			492,552.	0.	57,272.
(14) AVERY HALL CHAIR	0.20 0.00	X		X				0.	0.	0.
(15) CHARLES HAUSER TRUSTEE	0.20 0.00	X						0.	0.	0.
(16) CHARLES WELTON TRUSTEE	0.20 0.00	X						0.	0.	0.
(17) IMEN CLARK TRUSTEE (TO 12/31/23)	0.20 0.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) KRISTINE SIMS TRUSTEE	0.20 0.00	X						0.	0.	0.
(19) LARI HARDING TRUSTEE	0.20 0.00	X						0.	0.	0.
(20) LINDA LATHAM VICE CHAIR	0.20 0.00	X		X				0.	0.	0.
(21) MARK OWENS TRUSTEE	0.20 0.00	X						0.	0.	0.
(22) MIKE HORN SECR/TREAS	0.20 0.00	X		X				0.	0.	0.
(23) PHYLLIS CALDWELL-GEORGE TRUSTEE (FR 1/1/23)	0.20 0.00	X						0.	0.	0.
(24) ROBERT LANDRY TRUSTEE	0.20 0.00	X						0.	0.	0.
(25) SAMUEL BAREFOOT TRUSTEE	0.20 0.00	X						0.	0.	0.
(26) TRACEY MARTIN TRUSTEE	0.20 0.00	X						0.	0.	0.
1b Subtotal								7,395,034.	9,998,524.	2287671.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								7,395,034.	9,998,524.	2287671.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 951

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
VANNOY CONSTRUCTION PO BOX 635, JEFFERSON, NC 28640	CONSTRUCTION SERVICES	109,288,378.
AYA HEALTHCARE INC DEPT #3519 PO BOX 123519, DALLAS, TX 75312	STAFFING SERVICES	62,121,557.
MORRISON HEALTHCARE PO BOX 102289, ATLANTA, GA 30368	FOOD MANAGEMENT SERVICES	18,384,160.
LABORATORY CORPORATION OF AMERICA HOLDINGS PO BOX 12140, BURLINGTON, NC 27216	LAB SERVICES	16,258,478.
CHRISTMAN DA EVERETT A J VENTURE 208 N CAPITOL AVENUE, LANSING, MI 48933	CONSTRUCTION SERVICES	12,530,163.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 115

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

Table with 6 main columns: (A) Name and title, (B) Average hours per week, (C) Position (Individual trustee or director, Institutional trustee, Officer, Key employee, Highest compensated employee, Former), (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Row 1: (27) WILLIAM HALL TRUSTEE, 0.20 / 0.00 hours, X in Individual trustee, 0.00 in D, 0.00 in E, 0.00 in F.

Total to Part VII, Section A, line 1c

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	1,786,210.				
	e Government grants (contributions)	1e	402,575.				
	f All other contributions, gifts, grants, and similar amounts not included above ...	1f	187,351.				
	g Noncash contributions included in lines 1a-1f	1g	\$				
	h Total. Add lines 1a-1f			2,376,136.			
Program Service Revenue	2 a NET PATIENT REVENUE	Business Code					
		622110	1390415455.	1390415455			
	b PHARMACY	622110	33,115,270.	33115270.			
	c PASS-THRU PATIENT REVENUE	621111	4,179,788.	4,179,788.			
	d VALUE BASED INCENTIVE	900099	3,152,492.	3,152,492.			
	e PHYSICIAN SERVICES	621111	74,880.	74,880.			
	f All other program service revenue						
g Total. Add lines 2a-2f			1430937885.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		747,909.			747,909.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	6a	(i) Real	319,790.			
			(ii) Personal				
				0.			
	b Less: rental expenses ...	6b					
	c Rental income or (loss)	6c	319,790.				
	d Net rental income or (loss)			319,790.		319,790.	
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities				
			(ii) Other	31741900.			
				31976021.			
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c		-234,121.			
d Net gain or (loss)			-234,121.		-234,121.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b Less: direct expenses	8b						
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	10a		69,998.				
			37,188.				
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory			32,810.		32,810.		
Miscellaneous Revenue	11 a CAFETERIA MEALS	Business Code					
		722514	4,434,187.			4434187.	
	b CHILD DEVELOPMENT CENTER	624410	1,813,594.			1813594.	
	c PARKING	812930	442,646.			442,646.	
	d All other revenue	900099	1,217,634.	737,016.		480,618.	
e Total. Add lines 11a-11d			7,908,061.				
12 Total revenue. See instructions			1442088470.	1431674901	0.	8037433.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	2,845,636.	2,845,636.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	633,783.	633,783.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,496,139.		2,496,139.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,809,795.		1,809,795.	
7 Other salaries and wages	497,532,106.	477,630,819.	19,901,287.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	20,374,824.	19,559,831.	814,993.	
9 Other employee benefits	72,252,587.	69,362,484.	2,890,103.	
10 Payroll taxes	31,725,762.	30,456,732.	1,269,030.	
11 Fees for services (nonemployees):				
a Management				
b Legal	4,758.		4,758.	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	115,543,945.	104,885,466.	10,658,479.	
12 Advertising and promotion	598,205.	574,283.	23,922.	
13 Office expenses	4,788,115.	3,745,250.	1,042,865.	
14 Information technology	10,122,493.	9,875,421.	247,072.	
15 Royalties				
16 Occupancy	31,549,422.	30,335,875.	1,213,547.	
17 Travel	749,441.	720,365.	29,076.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	170,211.	163,403.	6,808.	
20 Interest	18,139,574.	18,139,574.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	32,648,855.	29,965,884.	2,682,971.	
23 Insurance	8,443,448.	7,766,838.	676,610.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a CORPORATE SUPPORT	223,827,888.		223,827,888.	
b MEDICAL SUPPLIES	166,885,659.	166,696,715.	188,944.	
c PHARMACEUTICALS	81,830,468.	81,830,468.		
d CONTRACT LABOR	75,197,939.	72,190,021.	3,007,918.	
e All other expenses	44,589,520.	32,013,131.	12,576,389.	
25 Total functional expenses. Add lines 1 through 24e	1444760573.	1159391979.	285,368,594.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	95,308.	1	153,443.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	216,795,688.	4	243,372,959.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	11,460,024.	7	11,017,276.
	8 Inventories for sale or use	30,572,456.	8	28,948,254.
	9 Prepaid expenses and deferred charges	974,990.	9	1,378,040.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 864,740,558.		
	b Less: accumulated depreciation	10b 398,345,481.	356,616,965.	10c 466,395,077.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	35,543,671.	12	32,555,109.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	1,559,385.	14	1,559,385.
	15 Other assets. See Part IV, line 11	1448381958.	15	1270666200.
16 Total assets. Add lines 1 through 15 (must equal line 33)	2102000445.	16	2056045743.	
Liabilities	17 Accounts payable and accrued expenses	141,893,082.	17	101,354,638.
	18 Grants payable		18	
	19 Deferred revenue	128,664.	19	10,530.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	54,359,182.	25	58,799,185.
	26 Total liabilities. Add lines 17 through 25	196,380,928.	26	160,164,353.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1905619067.	27	1895880940.
	28 Net assets with donor restrictions	450.	28	450.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	1905619517.	32	1895881390.
	33 Total liabilities and net assets/fund balances	2102000445.	33	2056045743.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,442,088,470.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,444,760,573.
3	Revenue less expenses. Subtract line 2 from line 1	3	-2,672,103.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	1,905,619,517.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-7,066,024.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	1,895,881,390.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
b Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

SCHEDULE A (Form 990)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust. Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

Name of the organization FORSYTH MEMORIAL HOSPITAL, INC. Employer identification number 56-0928089

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E (Form 990).)
3 X A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state:
5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
9 An agricultural research organization described in section 170(b)(1)(A)(ix) operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
11 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
a Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. You must complete Part IV, Sections A and B.
b Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). You must complete Part IV, Sections A and C.
c Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). You must complete Part IV, Sections A, D, and E.
d Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). You must complete Part IV, Sections A and D, and Part V.
e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
f Enter the number of supported organizations

Table with 6 columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization listed in your governing document?, (v) Amount of monetary support, (vi) Amount of other support. Includes a Total row at the bottom.

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2022 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2023. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2022. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2022 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2022 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2023. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2022. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? Row 2: Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test. Answer lines 2a and 2b below. Sub-rows a, b. Row 3: Parent of Supported Organizations. Answer lines 3a and 3b below. Sub-rows a, b.

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions.
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (<i>describe in Part VI</i>). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1 Distributable amount for 2023 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2023 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3 Excess distributions carryover, if any, to 2023			
a From 2018			
b From 2019			
c From 2020			
d From 2021			
e From 2022			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2023 distributable amount			
i Carryover from 2018 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2023 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2023 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6 Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7 Excess distributions carryover to 2024. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2019			
b Excess from 2020			
c Excess from 2021			
d Excess from 2022			
e Excess from 2023			

Schedule A (Form 990) 2023

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Horizontal lines for supplemental information input.

Schedule B
(Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990, 990-EZ, or 990-PF.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990) (2023)

Name of organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ 10,040.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	<hr/> <hr/> <hr/>	\$ 1,776,170.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	<hr/> <hr/> <hr/>	\$ 187,351.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____

Name of organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
--	---

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE C
(Form 990)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2023

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under Section 501(c) and Section 527
Complete if the organization is described below. Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for instructions and the latest information.

If the organization answered "Yes" on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then:

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then:

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then:

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political campaign activity expenditures \$ _____
- 3 Volunteer hours for political campaign activities _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses, and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990) 2023

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>not over \$500,000,</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>over \$500,000 but not over \$1,000,000,</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>over \$1,000,000 but not over \$1,500,000,</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>over \$1,500,000 but not over \$17,000,000,</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>over \$17,000,000,</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	not over \$500,000,	20% of the amount on line 1e.	over \$500,000 but not over \$1,000,000,	\$100,000 plus 15% of the excess over \$500,000.	over \$1,000,000 but not over \$1,500,000,	\$175,000 plus 10% of the excess over \$1,000,000.	over \$1,500,000 but not over \$17,000,000,	\$225,000 plus 5% of the excess over \$1,500,000.	over \$17,000,000,	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
not over \$500,000,	20% of the amount on line 1e.													
over \$500,000 but not over \$1,000,000,	\$100,000 plus 15% of the excess over \$500,000.													
over \$1,000,000 but not over \$1,500,000,	\$175,000 plus 10% of the excess over \$1,000,000.													
over \$1,500,000 but not over \$17,000,000,	\$225,000 plus 5% of the excess over \$1,500,000.													
over \$17,000,000,	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?	X		
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		536.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		66,929.
j Total. Add lines 1c through 1i			67,465.
2a Did the activities in line 1 cause the organization to not be described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditures next year?	4	
5 Taxable amount of lobbying and political expenditures. See instructions	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

LINE 1A

THERE IS LIMITED ENGAGEMENT OF THE BOARD.

LINE 1B

THERE IS MINIMAL TIME OF SENIOR LEADERS.

Part IV Supplemental Information (continued)

LINE 1G

THERE IS LIMITED CONTACT MADE BY SENIOR LEADERS DURING LOBBYING
ACTIVITIES.

LINE 1I

DUES PAID TO CERTAIN ORGANIZATIONS WHICH INCLUDE A PORTION RELATED TO
LOBBYING ACTIVITIES.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

Name of the organization FORSYTH MEMORIAL HOSPITAL, INC. Employer identification number 56-0928089

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: \$. Rows include: 1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items. (i) Revenue included on Form 990, Part VIII, line 1. (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items: a Revenue included on Form 990, Part VIII, line 1. b Assets included in Form 990, Part X.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2023

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	450.	450.	450.	450.	363.
b Contributions					87.
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	450.	450.	450.	450.	450.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 0.0000 %
 - b Permanent endowment 100 %
 - c Term endowment 0.0000 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|-----|----|
| (i) Unrelated organizations? | | X |
| (ii) Related organizations? | | X |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		10,727,897.		10,727,897.
b Buildings		172,290,527.	67,682,345.	104,608,182.
c Leasehold improvements		15,318,794.	9,436,361.	5,882,433.
d Equipment		406,088,972.	307,402,941.	98,686,031.
e Other		260,314,368.	13,823,834.	246,490,534.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				466,395,077.

Part VII Investments - Other Securities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

Part IX Other Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER ASSETS	533,226.
(2) DUE FROM AFFILIATE	1241418939.
(3) RIGHT OF USE ASSETS	28,714,035.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B))	1270666200.

Part X Other Liabilities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0.
(2) OTHER LIABILITIES	13,243,073.
(3) PATIENT REFUNDS	6,182,969.
(4) THIRD PARTY PAYMENT PAYABLE	9,152,283.
(5) OPERATING LEASE	30,220,860.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B))	58,799,185.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b		4c
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b		4c
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

THE ENDOWMENT FUNDS ARE HELD FOR COMMUNITY ENGAGEMENT.

PART X, LINE 2: LIABILITY UNDER FIN 48 (ASC 740) FOOTNOTE

THE AUDIT FOR NOVANT HEALTH AND ITS AFFILIATES IS PREPARED ON A CONSOLIDATED BASIS. THE COMPANY IS REQUIRED TO EVALUATE UNCERTAIN TAX POSITIONS. THIS EVALUATION INCLUDES A QUANTIFICATION OF TAX RISK IN AREAS SUCH AS UNRELATED BUSINESS TAXABLE INCOME AND THE TAXATION OF OUR FOR-PROFIT SUBSIDIARIES. THIS EVALUATION DID NOT HAVE A MATERIAL EFFECT ON THE COMPANY'S CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022.

Part XIII Supplemental Information *(continued)*

Multiple horizontal lines for supplemental information.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

Name of the organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year: <input type="checkbox"/> Applied uniformly to all hospital facilities <input checked="" type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:	X	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300</u> %		
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:		X
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?		X
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		X
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			55234257.		55234257.	3.82%
b Medicaid (from Worksheet 3, column a)			210113828	182185588	27928240.	1.93%
c Costs of other means-tested government programs (from Worksheet 3, column b)			2514043.	1815916.	698,127.	.05%
d Total. Financial Assistance and Means-Tested Government Programs			267862128	184001504	83860624.	5.80%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1274640.	79,012.	1195628.	.08%
f Health professions education (from Worksheet 5)			7078007.	536,039.	6541968.	.45%
g Subsidized health services (from Worksheet 6)			31460686.	16669336.	14791350.	1.02%
h Research (from Worksheet 7)			1524124.		1524124.	.11%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1521265.		1521265.	.11%
j Total. Other Benefits			42858722.	17284387.	25574335.	1.77%
k Total. Add lines 7d and 7j			310720850	201285891	109434959	7.57%

Part II Community Building Activities. Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

Table with 7 columns: (a) Number of activities or programs (optional), (b) Persons served (optional), (c) Total community building expense, (d) Direct offsetting revenue, (e) Net community building expense, (f) Percent of total expense. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

Table for Section A with columns Yes and No. Row 1: Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? (Yes X). Row 2: Enter the amount of the organization's bad debt expense. (2 | 53,458,145.). Row 3: Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy.

Section B. Medicare

Table for Section B. Row 5: Enter total revenue received from Medicare (including DSH and IME) (5 | 175,888,826.). Row 6: Enter Medicare allowable costs of care relating to payments on line 5 (6 | 200,123,343.). Row 7: Subtract line 6 from line 5. This is the surplus (or shortfall) (7 | -24,234,517.). Row 8: Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: [] Cost accounting system [X] Cost to charge ratio [] Other.

Section C. Collection Practices

Table for Section C. Row 9a: Did the organization have a written debt collection policy during the tax year? (9a | X). Row 9b: If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI (9b | X).

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

Table with 5 columns: (a) Name of entity, (b) Description of primary activity of entity, (c) Organization's profit % or stock ownership %, (d) Officers, directors, trustees, or key employees' profit % or stock ownership %, (e) Physicians' profit % or stock ownership %.

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 4

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility):

	Licensed hospital	Gen. medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 FMH DBA NOVANT HEALTH FORSYTH MEDICAL 3333 SILAS CREEK PARKWAY WINSTON-SALEM, NC 27103 WWW.NOVANTHEALTH.ORG H0209	X	X					X			A
2 FMH DBA NOVANT HEALTH KERNERSVILLE MED 1750 KERNERSVILLE MEDICAL PARKWAY KERNERSVILLE, NC 27284 WWW.NOVANTHEALTH.ORG H0209	X	X					X			A
3 FMH DBA NOVANT HEALTH CLEMMONS MEDICAL 6915 VILLAGE MEDICAL CIRCLE CLEMMONS, NC 27012 WWW.NOVANTHEALTH.ORG H0209	X	X					X			A
4 NOVANT HEALTH REHABILITATION HOSPITAL 2475 HILLCREST CENTER CIRCLE WINSTON-SALEM, NC 27103 WWW.ENCOMPASSHEALTH.COM/LOCATIONS/NOVA H0291	X								SPECIALTY - REHABILITATION	B

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1, 2, 3

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>22</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	X	
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website (list url):		
b <input checked="" type="checkbox"/> Other website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>22</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>SEE SECTION C</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>300</u> % and FPG family income limit for eligibility for discounted care of <u>0</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input type="checkbox"/> Underinsurance status		
g <input checked="" type="checkbox"/> Residency		
h <input checked="" type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2023

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e <input type="checkbox"/> Other (describe in Section C)		
f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:		
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b <input type="checkbox"/> The hospital facility's policy was not in writing		
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
d <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group: FORSYTH MEMORIAL HOSPITAL, INC.

	Yes	No
22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:		
a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d <input checked="" type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	23	X
If "Yes," explain in Section C.		
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	24	X
If "Yes," explain in Section C.		

Schedule H (Form 990) 2023

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 4

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>22</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	X	
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website (list url):		
b <input checked="" type="checkbox"/> Other website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>22</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>SEE SECTION C</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>300</u> % and FPG family income limit for eligibility for discounted care of <u>0</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE SECTION C</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE SECTION C</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e <input type="checkbox"/> Other (describe in Section C)		
f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21		X
If "No," indicate why:			
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
b <input type="checkbox"/> The hospital facility's policy was not in writing			
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d <input checked="" type="checkbox"/> Other (describe in Section C)			

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group: NOVANT HEALTH REHABILITATION HOSPITAL

	Yes	No
22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care:		
a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d <input checked="" type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	23	X
If "Yes," explain in Section C.		
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	24	X
If "Yes," explain in Section C.		

Schedule H (Form 990) 2023

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

FACILITY REPORTING GROUP A CONSISTS OF:

- FACILITY 1: FMH DBA NOVANT HEALTH FORSYTH MEDICAL CENTER
- FACILITY 2: FMH DBA NOVANT HEALTH KERNERSVILLE MED CENTER
- FACILITY 3: FMH DBA NOVANT HEALTH CLEMMONS MEDICAL CENTER

FORSYTH MEMORIAL HOSPITAL, INC.

PART V, SECTION B, LINE 3E:

VARIOUS SOCIAL, BEHAVIORAL, AND CLINICAL HEALTH NEEDS WERE IDENTIFIED THROUGH PRIMARY AND SECONDARY DATA IN THE NEEDS ASSESSMENT. ONCE THE HEALTH NEEDS WERE IDENTIFIED, SURVEYS AND COMMUNITY MEETINGS WERE CONDUCTED IN WHICH THE VARIOUS COMMUNITY STAKEHOLDERS RANKED THE HEALTH ISSUES BASED ON AVAILABLE DATA INCLUDING SEVERITY OF NEED AND MAGNITUDE OF IMPACT. THE INFORMATION GATHERED WAS THEN MATRIXED AND SCORED IN ORDER TO RANK THE FOCUS AREAS AND PRIORITIZE THE IDENTIFIED HEALTH NEEDS, BASED ON CAREFUL CONSIDERATION OF ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. THE PRIORITIZED IDENTIFIED HEALTH NEEDS AND SUPPORTING DATA ARE THEN REVIEWED AND DELIBERATED UPON FURTHER BY THE BOARD BEFORE FINAL APPROVAL. AN IMPLEMENTATION PLAN WAS CREATED FOR THE PRIORITIZED HEALTH NEEDS AND PROGRESS TOWARD MEETING IMPLEMENTATION PLAN GOALS IS ASSESSED REGULARLY THROUGHOUT THE COMMUNITY HEALTH NEEDS ASSESSMENT LIFE CYCLE. COMMUNITY PARTNERS WHO ARE CURRENTLY SERVING COMMUNITY NEEDS ARE IDENTIFIED AS POTENTIAL PARTNERS FOR COLLABORATION ON THOSE IDENTIFIED NEEDS THAT ARE NOT PART OF THE IMPLEMENTATION PLAN.

FORSYTH MEMORIAL HOSPITAL, INC.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PART V, SECTION B, LINE 5: WHILE CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"), NOVANT HEALTH HOSPITAL FACILITIES SOLICITED INPUT FROM AND CONSULTED WITH A VARIETY OF COMMUNITY MEMBERS AND REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT, COUNTY HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE AGENCIES. INPUT WAS GATHERED THROUGH A COMMUNITY SURVEY (DISTRIBUTED THROUGH A VARIETY OF PARTNERS, METHODS, AND CHANNELS), COMMUNITY MEETINGS AND/OR FOCUS GROUPS, AND STAKEHOLDER'S INTERVIEWS. INPUT WAS ALSO SOLICITED THROUGH WRITTEN COMMENTS THROUGHOUT THE SURVEY PERIOD UNTIL THE FINAL COMMUNITY PRIORITY SETTING MEETING(S) AND/OR SURVEY. THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED REPRESENTATIVES OF PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES. DATA DERIVED FROM THESE EXERCISES IS BOTH QUANTITATIVE AND QUALITATIVE IN SCOPE.

FORSYTH MEMORIAL HOSPITAL (DBA NOVANT HEALTH FORSYTH MEDICAL CENTER, NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER), IN PARTNERSHIP WITH THE FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, AND FORSYTH COUNTY COMMUNITY PARTNERS, CONDUCTED A COMPREHENSIVE CHNA THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. THIS CHNA PROCESS INCLUDED EXTENSIVE PRIMARY AND SECONDARY DATA COLLECTION, USING THE COMMUNITY HEALTH OPINION SURVEY, AND VARIOUS LOCAL, STATE AND FEDERAL DATA SOURCES. THE CHNA SURVEY WAS DISTRIBUTED FROM JULY 2021 TO OCTOBER 2021 TO COUNTY RESIDENTS WITH THE HELP OF MORE THAN 300 NON-PROFIT COMMUNITY PARTNER AGENCIES AND REDUCED COST COMMUNITY CLINICS THROUGHOUT FORSYTH COUNTY. THE SURVEY WAS AVAILABLE IN BOTH SPANISH AND

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

ENGLISH. FROM NOVEMBER 2021 TO FEBRUARY 2022, VIRTUAL COMMUNITY MEETINGS WERE CONDUCTED WITH COMMUNITY PARTNERS WITH PARTICIPATION FROM KEY COMMUNITY STAKEHOLDERS ON THE STEERING COMMITTEE, INCLUDING BUT NOT LIMITED TO: FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, FORSYTH COUNTY SHERIFF'S OFFICE, UNION BAPTIST CHURCH, WINSTON-SALEM/FORSYTH COUNTY SCHOOLS, FORSYTH COUNTY EMERGENCY MEDICAL SERVICES, AND THE FORSYTH REGIONAL OPIOID & SUBSTANCE USE TEAM. THESE COMMUNITY PARTNERS SERVE VARIOUS COMMUNITIES, REPRESENTING THE INTERESTS OF MANY COUNTY RESIDENTS, INCLUDING MEDICALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS, INDIVIDUALS WITH SUBSTANCE USE DISORDER DIAGNOSES, INDIVIDUALS WHO HAVE HAD INTERACTIONS WITH THE JUSTICE SYSTEM, AND INDIVIDUALS WITH GEOGRAPHIC OR FINANCIAL BARRIERS WITH ACCESSING PRIMARY CARE. ADDITIONALLY, COMMUNITY PARTNERS INVOLVED IN THE CHNA PROCESS SERVE INDIVIDUALS SPANNING ACROSS DIVERSE RACES, ETHNICITIES, AGES, SEXUAL ORIENTATIONS, PREFERRED LANGUAGES, AND GENDER IDENTITY DEMOGRAPHICS.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA LOCATED AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/).

FORSYTH MEMORIAL HOSPITAL, INC.
PART V, SECTION B, LINE 6B:
FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH

FORSYTH MEMORIAL HOSPITAL, INC.
PART V, SECTION B, LINE 7B

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

HTTPS://WWW.NOVANHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/

FORSYTH MEMORIAL HOSPITAL, INC.

PART V, SECTION B, LINE 10A

HTTPS://WWW.NOVANHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/

FORSYTH MEMORIAL HOSPITAL, INC.

PART V, SECTION B, LINE 11:

THE FACILITY'S CHNA IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED.
THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE
GROUP AND SUBSEQUENTLY BY EACH FACILITY'S BOARD. THEY EVALUATED EACH
DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION,
COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES BEFORE FURTHER
PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES
TO BE ADDRESSED. WHERE POSSIBLE, THE FACILITIES LEVERAGED THE SYSTEM'S
STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN
PRIORITY BASED ON SCOPE, SEVERITY, HEALTH DISPARITIES ASSOCIATED WITH THE
NEED, AND THE ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE
INTERVENTIONS. EACH FACILITY HAS ADOPTED AND EXECUTED AN IMPLEMENTATION
STRATEGY THAT ADDRESSES THE PRIORITIZED COMMUNITY HEALTH NEEDS FROM THE
CHNAS. THE IMPLEMENTATION STRATEGIES OUTLINE THE PLAN THAT THE HOSPITAL
FACILITIES UNDERTAKE TO MEET THOSE HEALTH NEEDS IN EACH COMMUNITY SERVED.
CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED.
CERTAIN OF THE NEEDS NOT ADDRESSED FALL OUTSIDE THE SCOPE OF TRADITIONAL
HEALTHCARE (E.G., DENTAL WORK). OTHER NEEDS ARE ADDRESSED BY COLLABORATIVE
WORK AND HAVE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY
MEET THESE NEEDS BASED ON SCOPE OF SERVICES AND EXPERTISE.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

FORSYTH MEMORIAL HOSPITAL (DBA NOVANT HEALTH FORSYTH MEDICAL CENTER, NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER) CONDUCTED A COMPREHENSIVE CHNA THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. RESULTS FROM THIS CHNA PROCESS HELPED IDENTIFY THE FOLLOWING SIGNIFICANT HEALTH NEEDS FOR FORSYTH COUNTY: CHRONIC DISEASE, DRUG OVERDOSE (SUBSTANCE ABUSE), MATERNAL & INFANT HEALTH, INFANT MORTALITY (RACE/ETHNIC DISPARITY RATIO), MENTAL HEALTH, AND VIOLENCE-RELATED BEHAVIORS. AFTER THOROUGH EVALUATION OF EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES, THE FOLLOWING TOP THREE HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH FORSYTH MEDICAL CENTER: ACCESS TO CARE AND RESOURCES, MATERNAL & INFANT HEALTH, AND CHRONIC DISEASES. THE FOLLOWING TOP TWO HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH CLEMMONS MEDICAL CENTER AND NOVANT HEALTH KERNERSVILLE MEDICAL CENTER: ACCESS TO CARE & RESOURCES, AND CHRONIC DISEASES. NOVANT HEALTH HAS DEVELOPED STRATEGIC IMPLEMENTATION PLANS TO ADDRESS THESE PRIORITIZED AREAS OF NEED AND IS COMMITTED TO IMPROVING THE COMMUNITY'S HEALTH.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA LOCATED AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/).

FORSYTH MEMORIAL HOSPITAL, INC.

PART V, SECTION B, LINE 13H:

OTHER ELIGIBILITY CRITERIA EXPLAINED IN THE FAP INCLUDE THE FOLLOWING:

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

FREE CARE IS ONLY APPLICABLE TO MEDICALLY NECESSARY SERVICES; PROVIDER
BASED PHYSICIAN CLINICS REQUIRE THAT PATIENTS MUST HAVE BEEN TREATED BY AN
AFFILIATED MEDICAL GROUP PRIMARY CARE PHYSICIAN WITHIN THE PREVIOUS THREE
YEARS; PATIENTS MUST BE UNABLE TO ACCESS ENTITLEMENT PROGRAMS; PATIENTS
WITH SPECIAL CIRCUMSTANCES SUCH AS BANKRUPTCY MAY ALSO BE ELIGIBLE FOR
CHARITY CARE.

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16A, FAP WEBSITE:

[HTTPS://WWW.NOVANTHEALTH.ORG/FOR-PATIENTS/BILLING--INSURANCE/FINANCIAL-ASSI
STANCE/](https://www.novanthealth.org/for-patients/billing--insurance/financial-assistance/)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16B, FAP APPLICATION:

[HTTPS://WWW.NOVANTHEALTH.ORG/GLOBALASSETS/BUTTONS-AND-DOCUMENTS-CTASLINKS/D
OCUMENTS-PDFS/FAA_APP_ENGLISH.PDF](https://www.novanthealth.org/globalassets/buttons-and-documents-ctaslinks/documents-pdfs/faq_app_english.pdf)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP A

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY:

[HTTPS://WWW.NOVANTHEALTH.ORG/GLOBALASSETS/BUTTONS-AND-DOCUMENTS-CTASLINKS/D
OCUMENTS-PDFS/NOVANT-HEALTH-ACUTE-PLS-ENGLISH.PDF](https://www.novanthealth.org/globalassets/buttons-and-documents-ctaslinks/documents-pdfs/novant-health-acute-pls-english.pdf)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

FACILITY REPORTING GROUP B CONSISTS OF:

- FACILITY 4: NOVANT HEALTH REHABILITATION HOSPITAL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 3E:

VARIOUS SOCIAL, BEHAVIORAL, AND CLINICAL HEALTH NEEDS WERE IDENTIFIED THROUGH PRIMARY AND SECONDARY DATA IN THE NEEDS ASSESSMENT. ONCE THE HEALTH NEEDS WERE IDENTIFIED, SURVEYS AND COMMUNITY MEETINGS WERE CONDUCTED IN WHICH THE VARIOUS COMMUNITY STAKEHOLDERS RANKED THE HEALTH ISSUES BASED ON AVAILABLE DATA INCLUDING SEVERITY OF NEED AND MAGNITUDE OF IMPACT. THE INFORMATION GATHERED WAS THEN MATRIXED AND SCORED IN ORDER TO RANK THE FOCUS AREAS AND PRIORITIZE THE IDENTIFIED HEALTH NEEDS, BASED ON CAREFUL CONSIDERATION OF ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. THE PRIORITIZED IDENTIFIED HEALTH NEEDS AND SUPPORTING DATA ARE THEN REVIEWED AND DELIBERATED UPON FURTHER BY THE BOARD BEFORE FINAL APPROVAL. AN IMPLEMENTATION PLAN WAS CREATED FOR THE PRIORITIZED HEALTH NEEDS AND PROGRESS TOWARD MEETING IMPLEMENTATION PLAN GOALS IS ASSESSED REGULARLY THROUGHOUT THE COMMUNITY HEALTH NEEDS ASSESSMENT LIFE CYCLE. COMMUNITY PARTNERS WHO ARE CURRENTLY SERVING COMMUNITY NEEDS ARE IDENTIFIED AS POTENTIAL PARTNERS FOR COLLABORATION ON THOSE IDENTIFIED NEEDS THAT ARE NOT PART OF THE IMPLEMENTATION PLAN.

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 5:

WHILE CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"), NOVANT HEALTH HOSPITAL FACILITIES SOLICITED INPUT FROM AND CONSULTED WITH A VARIETY OF COMMUNITY MEMBERS AND REPRESENTATIVES INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF CITY AND COUNTY GOVERNMENT, COUNTY HEALTH DEPARTMENTS, COMMUNITY-BASED ORGANIZATIONS, FOUNDATIONS, CHURCHES, COLLEGES/UNIVERSITIES, COMMUNITY COALITIONS AND OTHER SOCIAL SERVICE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

AGENCIES. INPUT WAS GATHERED THROUGH A COMMUNITY SURVEY (DISTRIBUTED THROUGH A VARIETY OF PARTNERS, METHODS, AND CHANNELS), COMMUNITY MEETINGS AND/OR FOCUS GROUPS, AND STAKEHOLDER'S INTERVIEWS. INPUT WAS ALSO SOLICITED THROUGH WRITTEN COMMENTS THROUGHOUT THE SURVEY PERIOD UNTIL THE FINAL COMMUNITY PRIORITY SETTING MEETING(S) AND/OR SURVEY. THE SCOPE OF EXPERTISE WAS BROAD AND INCLUDED REPRESENTATIVES OF PUBLIC HEALTH, MINORITY POPULATIONS, HEALTH DISPARITIES, AND SOCIAL SERVICES. DATA DERIVED FROM THESE EXERCISES IS BOTH QUANTITATIVE AND QUALITATIVE IN SCOPE.

NOVANT HEALTH REHABILITATION HOSPITAL, IN PARTNERSHIP WITH THE FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, AND FORSYTH COUNTY COMMUNITY PARTNERS, CONDUCTED A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. THIS CHNA PROCESS INCLUDED EXTENSIVE PRIMARY AND SECONDARY DATA COLLECTION, USING THE COMMUNITY HEALTH OPINION SURVEY, AND VARIOUS LOCAL, STATE, AND FEDERAL DATA SOURCES. THE CHNA SURVEY WAS DISTRIBUTED FROM JULY 2021 TO OCTOBER 2021 TO COUNTY RESIDENTS WITH THE HELP OF MORE THAN 300 NON-PROFIT COMMUNITY PARTNER AGENCIES AND REDUCED COST COMMUNITY CLINICS THROUGHOUT FORSYTH COUNTY. THE SURVEY WAS AVAILABLE IN BOTH SPANISH AND ENGLISH. FROM NOVEMBER 2021 TO FEBRUARY 2022, VIRTUAL COMMUNITY MEETINGS WERE CONDUCTED WITH COMMUNITY PARTNERS WITH PARTICIPATION FROM KEY COMMUNITY STAKEHOLDERS ON THE STEERING COMMITTEE, INCLUDING BUT NOT LIMITED TO: FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH, FORSYTH COUNTY SHERIFF'S OFFICE, UNION BAPTIST CHURCH, WINSTON-SALEM/FORSYTH COUNTY SCHOOLS, FORSYTH COUNTY EMERGENCY MEDICAL SERVICES, AND THE FORSYTH REGIONAL OPIOID & SUBSTANCE USE TEAM. THESE COMMUNITY PARTNERS SERVE VARIOUS COMMUNITIES, REPRESENTING

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THE INTERESTS OF MANY COUNTY RESIDENTS, INCLUDING MEDICALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS, INDIVIDUALS WITH SUBSTANCE USE DISORDER DIAGNOSES, INDIVIDUALS WHO HAVE HAD INTERACTIONS WITH THE JUSTICE SYSTEM, AND INDIVIDUALS WITH GEOGRAPHIC OR FINANCIAL BARRIERS WITH ACCESSING PRIMARY CARE. ADDITIONALLY, COMMUNITY PARTNERS INVOLVED IN THE CHNA PROCESS SERVE INDIVIDUALS SPANNING ACROSS DIVERSE RACES, ETHNICITIES, AGES, SEXUAL ORIENTATIONS, PREFERRED LANGUAGES, AND GENDER IDENTITY DEMOGRAPHICS.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/)

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 6B:

FORSYTH COUNTY DEPARTMENT OF PUBLIC HEALTH

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 7B

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB](https://encompasshealth.com/locations/novanthealthrehab)

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 10A

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB](https://encompasshealth.com/locations/novanthealthrehab)

NOVANT HEALTH REHABILITATION HOSPITAL

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PART V, SECTION B, LINE 11: THE FACILITIES' CHNAS IDENTIFIED MULTIPLE NEEDS FOR THE COMMUNITY SERVED. THE NEEDS IDENTIFIED WERE REVIEWED AND PRIORITIZED BY THE CHNA RESOURCE GROUP AND SUBSEQUENTLY BY EACH FACILITY'S BOARD. THEY EVALUATED EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES BEFORE FURTHER PRIORITIZING THE HEALTH NEEDS AND AGREEING UPON THE TOP HEALTH PRIORITIES TO BE ADDRESSED. WHERE POSSIBLE, THE FACILITIES LEVERAGED THE SYSTEM'S STRENGTHS AND RESOURCES TO BEST ADDRESS THOSE NEEDS THAT ARE HIGHEST IN PRIORITY BASED ON SCOPE, SEVERITY, HEALTH DISPARITIES ASSOCIATED WITH THE NEED, AND THE ESTIMATED FEASIBILITY AND EFFECTIVENESS OF POSSIBLE INTERVENTIONS. EACH FACILITY HAS ADOPTED AND EXECUTED AN IMPLEMENTATION STRATEGY THAT ADDRESSES THE PRIORITIZED COMMUNITY HEALTH NEEDS FROM THE CHNAS. THE IMPLEMENTATION STRATEGIES OUTLINE THE PLAN THAT THE HOSPITAL FACILITIES UNDERTAKE TO MEET THOSE HEALTH NEEDS IN EACH COMMUNITY SERVED. CERTAIN NEEDS THAT WERE IDENTIFIED BY THE CHNA HAVE NOT BEEN ADDRESSED. CERTAIN OF THE NEEDS NOT ADDRESSED FALL OUTSIDE THE SCOPE OF TRADITIONAL HEALTHCARE (E.G., DENTAL WORK). OTHER NEEDS ARE ADDRESSED BY COLLABORATIVE WORK AND HAVE OTHER RESOURCES IN THE COMMUNITY THAT CAN MORE APPROPRIATELY MEET THESE NEEDS BASED ON SCOPE OF SERVICES AND EXPERTISE.

NOVANT HEALTH REHABILITATION HOSPITAL CONDUCTED A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) THAT WAS APPROVED BY THE BOARD OF TRUSTEES IN 2022. RESULTS FROM THIS COMPREHENSIVE CHNA PROCESS HELPED IDENTIFY THE FOLLOWING SIGNIFICANT HEALTH NEEDS: CHRONIC DISEASE, DRUG OVERDOSE (SUBSTANCE ABUSE), MATERNAL & INFANT HEALTH, INFANT MORTALITY (RACE/ETHNIC DISPARITY RATIO), MENTAL HEALTH AND VIOLENCE-RELATED BEHAVIORS. AFTER

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THOROUGH EVALUATION OF EACH DOCUMENTED NEED AND ITS INTERSECTION WITH THE ORGANIZATION'S VISION, COMMITMENTS, KEY STRENGTHS AND AVAILABLE RESOURCES, THE FOLLOWING TOP TWO HEALTH NEEDS WERE IDENTIFIED AS PRIORITY AREAS FOR NOVANT HEALTH REHABILITATION HOSPITAL: ACCESS TO CARE AND RESOURCES, AND CHRONIC DISEASES. NOVANT HEALTH HAS DEVELOPED STRATEGIC IMPLEMENTATION PLANS TO ADDRESS THESE PRIORITIZED AREAS OF NEED AND IS COMMITTED TO IMPROVING THE COMMUNITY'S HEALTH.

SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/our-impact/community-health-needs/)

NOVANT HEALTH REHABILITATION HOSPITAL

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16A, FAP WEBSITE:

[HTTPS://ENCOMPASSHEALTH.COM/LOCATIONS/NOVANTHEALTHREHAB/FINANCIAL-ASSISTANCE](https://encompasshealth.com/locations/novanthealthrehab/financial-assistance)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16B, FAP APPLICATION:

[HTTPS://ENCOMPASSHEALTH.COM/-/MEDIA/HEALTHSOUTH/PROJECT/HEALTHSOUTH/FILES/FINANCIAL-ASSISTANCE/INSTRUCTIONS_APPLICATIONS/NOVANT-INSTRUCTIONS-AND-APPLICATION.PDF](https://encompasshealth.com/-/media/healthsouth/project/healthsouth/files/financial-assistance/instructions_applications/novant-instructions-and-application.pdf)

SCHEDULE H, PART V, SECTION B. FACILITY REPORTING GROUP B

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY:

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

HTTPS://ENCOMPASSHEALTH.COM/-/MEDIA/HEALTHSOUTH/PROJECT/HEALTHSOUTH/FILES/F
INANCIAL-ASSISTANCE/PLAIN_LANGUAGE/NOVANT-PLAIN-LANGUAGE-SUMMARY.PDF?LA=EN&
HASH=AD3A4F1C74510B86183F143C1D5087B438C5F627

NOVANT HEALTH REHABILITATION HOSPITAL

PART V, SECTION B, LINE 21D:

NOVANT HEALTH REHABILITATION HOSPITAL DOES NOT HAVE A DEDICATED EMERGENCY DEPARTMENT. THE HOSPITAL WILL APPRAISE EMERGENCIES, PROVIDE INITIAL TREATMENT, AND REFER OR TRANSFER AN INDIVIDUAL TO ANOTHER HOSPITAL/FACILITY, WHEN APPROPRIATE, WITHOUT DISCRIMINATION AND WITHOUT REGARD TO WHETHER THE INDIVIDUAL IS ELIGIBLE FOR FINANCIAL ASSISTANCE.

NOVANT HEALTH REHABILITATION HOSPITAL WILL NOT ENGAGE IN ACTIONS THAT DISCOURAGE INDIVIDUALS FROM SEEKING EMERGENCY MEDICAL CARE, SUCH AS DEMANDING THAT AN INDIVIDUAL PAY BEFORE RECEIVING INITIAL TREATMENT FOR EMERGENCY MEDICAL CONDITIONS OR PERMITTING DEBT COLLECTION ACTIVITIES THAT INTERFERE WITH HOSPITAL'S APPRAISAL AND PROVISION, WITHOUT DISCRIMINATION, OF SUCH INITIAL TREATMENT.

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
1 NH ADULT PRIMARY CARE MILLER STREET 50 MILLER ST, STE G WINSTON-SALEM, NC 27104-4206	PHYSICIAN CLINIC
2 NH ARCADIA FAMILY MEDICINE 12208 N NC HWY 150 WINSTON-SALEM, NC 27127-9730	PHYSICIAN CLINIC
3 NH BREAST CENTER 2025 FRONTIS PLAZA BLVD., SUITE 100 WINSTON SALEM, NC 27103-5663	PHYSICIAN CLINIC
4 NH BREAST CENTER 2025 FRONTIS PLAZA BLVD., SUITE 300 WINSTON SALEM, NC 27103-5663	PHYSICIAN CLINIC
5 NH CANCER INSTITUTE - MT. AIRY 1908 CAUDLE DR, STE 200 MOUNT AIRY, NC 27030-4322	CANCER CENTER
6 NH CARDIOLOGY - CLEMMONS 7114 VILLAGE MEDICAL CIR CLEMMONS, NC 27012-8004	PHYSICIAN CLINIC
7 NH CARDIOLOGY - KERNERSVILLE 1710 KERNERSVILLE MEDICAL PKWY, STE 2 KERNERSVILLE, NC 27284-7156	PHYSICIAN CLINIC
8 NH CARDIOLOGY - KIMEL PARK ANNEX 185 KIMEL PARK DR WINSTON-SALEM, NC 27103-6973	PHYSICIAN CLINIC
9 NH CARDIOLOGY - KIMEL PARK MAIN 186 KIMEL PARK DR WINSTON-SALEM, NC 27103-6946	PHYSICIAN CLINIC
10 NH CARDIOLOGY - MT. AIRY 694 RIVERSIDE DR MOUNT AIRY, NC 27030-3117	PHYSICIAN CLINIC

Schedule H (Form 990) 2023

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
11 NH CHAIR CITY FAMILY MEDICINE 903 RANDOLPH ST, STE 1 THOMASVILLE, NC 27360-5898	PHYSICIAN CLINIC
12 NH CLEMMONS OUTPATIENT SURGERY 7210 VILLAGE MEDICAL CIRCLE, STE 235 CLEMMONS, NC 27012	AMBULATORY SURGERY CENTER
13 NH DAVIE MEDICAL ASSOCIATES 485 VALLEY RD MOCKSVILLE, NC 27028-2074	PHYSICIAN CLINIC
14 NH FORSYTH BEHAVIORAL HEALTH OUTPATIE 175 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
15 NH FORSYTH ENDOCRINE CONSULTANTS - HI 755 HIGHLAND OAKS DR, STE 201 WINSTON-SALEM, NC 27103-7106	PHYSICIAN CLINIC
16 NH FORSYTH ENDOCRINE CONSULTANTS - TH 903 RANDOLPH ST THOMASVILLE, NC 27360-5898	PHYSICIAN CLINIC
17 NH FORSYTH FAMILY MEDICINE 400 JONESTOWN RD WINSTON-SALEM, NC 27104-4623	PHYSICIAN CLINIC
18 NH FORSYTH HEART & WELLNESS- HEART FA 725 HIGHLAND OAKS DR, STE 200 WINSTON-SALEM, NC 27103-7109	PHYSICIAN CLINIC
19 NH FORSYTH INTERNAL MEDICINE 1381 WESTGATE CENTER DR WINSTON-SALEM, NC 27103-2934	PHYSICIAN CLINIC
20 NH HAWTHORNE OUTPATIENT SURGERY 1999 SOUTH HAWTHORNE RD. WINSTON SALEM, NC 27103-3916	AMBULATORY SURGERY CENTER

Schedule H (Form 990) 2023

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
21 NH IMAGING KERNERSVILLE 445 PINEVIEW DRIVE, SUITE 100 KERNERSVILLE, NC 27284-3818	IMAGING CENTER
22 NH IMAGING MAPLEWOOD 3155 MAPLEWOOD AVENUE WINSTON SALEM, NC 27103-3903	IMAGING CENTER
23 NH INFECTIOUS DISEASE SPECIALISTS - W 1381 WESTGATE CENTER DR WINSTON-SALEM, NC 27103-2934	PHYSICIAN CLINIC
24 NH KERNERSVILLE FAMILY MEDICINE 291 BROAD ST KERNERSVILLE, NC 27284-2932	PHYSICIAN CLINIC
25 NH KERNERSVILLE OUTPATIENT SURGERY CE 1730 KERNERSVILLE MEDICAL PKWY, STE 3 KERNERSVILLE, NC 27284	AMBULATORY SURGERY CENTER
26 NH MAPLEWOOD FAMILY MEDICINE 100 ROBINHOOD MEDICAL PLZ WINSTON-SALEM, NC 27106-5472	PHYSICIAN CLINIC
27 NH MOUNTAINVIEW MEDICAL 216 MOORE RD KING, NC 27021-8703	PHYSICIAN CLINIC
28 NH NORTH POINT MEDICAL ASSOCIATES 1995 BETHABARA RD WINSTON-SALEM, NC 27106-3375	PHYSICIAN CLINIC
29 NH PFAFFTOWN FAMILY MEDICINE 4611 YADKINVILLE RD PFAFFTOWN, NC 27040-8622	PHYSICIAN CLINIC
30 NH PILOT MOUNTAIN MEDICAL CARE 207 MEDICAL ST PILOT MOUNTAIN, NC 27041-8656	PHYSICIAN CLINIC

Schedule H (Form 990) 2023

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
31 NH PREMIER MEDICAL ASSOCIATES 3333 BROOKVIEW HILLS BLVD, STE 204 WINSTON-SALEM, NC 27103-5661	PHYSICIAN CLINIC
32 NH PSYCHIATRIC MEDICINE - THOMASVILLE 309 PINEYWOOD RD THOMASVILLE, NC 27360-3438	PHYSICIAN CLINIC
33 NH PSYCHIATRY - FORSYTH 175 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
34 NH SALEM FAMILY MEDICINE 105 VEST MILL CIR WINSTON-SALEM, NC 27103-2943	PHYSICIAN CLINIC
35 NH SURRY MEDICAL ASSOCIATES - WESTLAK 865 WESTLAKE DR MOUNT AIRY, NC 27030-2157	PHYSICIAN CLINIC
36 NH THOMASVILLE MEDICAL ASSOCIATES 309 PINEYWOOD RD THOMASVILLE, NC 27360-3438	PHYSICIAN CLINIC
37 NH TRIAD ENDOCRINE - KERNERSVILLE 500 PINEVIEW DR, STE 101 KERNERSVILLE, NC 27284-3813	PHYSICIAN CLINIC
38 NH UROLOGY - BALDWIN 2010 BALDWIN LN WINSTON-SALEM, NC 27103-5846	PHYSICIAN CLINIC
39 NH UROLOGY - KERNERSVILLE 1730 KERNERSVILLE MEDICAL PKWY, STE 3 KERNERSVILLE, NC 27284-7198	PHYSICIAN CLINIC
40 NH UROLOGY - KIMEL PARK 140 KIMEL PARK DR, STE 100 WINSTON-SALEM, NC 27103-6160	PHYSICIAN CLINIC

Schedule H (Form 990) 2023

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 46

Name and address	Type of facility (describe)
41 NH WEST FORSYTH INTERNAL MEDICINE & P 105 STADIUM OAKS DR CLEMMONS, NC 27012-8962	PHYSICIAN CLINIC
42 NH WINSTON-SALEM HEALTH CARE 250 CHARLOIS BLVD WINSTON-SALEM, NC 27103-1508	PHYSICIAN CLINIC
43 NH WINSTON-SALEM HEALTH CARE - DERMAT 175 KIMEL PARK DR WINSTON-SALEM, NC 27103-6951	PHYSICIAN CLINIC
44 NH WOUND CARE - KERNERSVILLE 1710 KERNERSVILLE MEDICAL PKWY, STE 2 KERNERSVILLE, NC 27284-7156	PHYSICIAN CLINIC
45 NH WOUND CARE & HYPERBARIC MEDICINE-W 1901 S HAWTHORNE RD, STE 220 WINSTON-SALEM, NC 27103-3921	PHYSICIAN CLINIC
46 NH YADKIN MEDICAL ASSOCIATES 305 EAST LEE AVE YADKINVILLE, NC 27055-8132	PHYSICIAN CLINIC

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8, and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C:

OTHER CRITERIA BESIDES INCOME AND FPG USED IN DETERMINING ELIGIBILITY FOR FREE CARE INCLUDE: (1) RESIDENCY - PATIENTS MUST RESIDE WITHIN THE SERVICE AREA OF THE HOSPITAL; (2) THE KIND OF SERVICE PROVIDED - ONLY MEDICALLY NECESSARY SERVICES ARE COVERED; (3) PATIENT STATUS - IN PROVIDER BASED PHYSICIAN CLINICS, PATIENTS MUST HAVE BEEN TREATED BY AN AFFILIATED MEDICAL GROUP PRIMARY CARE PHYSICIAN WITHIN THE PREVIOUS THREE YEARS; AND (4) ACCESS TO HEALTH CARE COVERAGE - PATIENTS MUST BE UNABLE TO ACCESS EMPLOYER SPONSORED HEALTH PLANS OR ENTITLEMENT PROGRAMS. LASTLY, THE PATIENT MUST BE WITHOUT SUBSTANTIAL LIQUID ASSETS (I.E. CASH-ON-HAND). ASSETS SUCH AS HOUSES, CARS, PENALIZED RETIREMENT SAVINGS FUNDS, ETC. ARE NOT CONSIDERED LIQUID ASSETS. SUBSTANTIAL ASSETS ARE DEFINED AS ENOUGH CASH-ON-HAND TO COVER THE MEDICAL EXPENSES WITHOUT PLACING A HARDSHIP ON THE PATIENT. PATIENTS WITH SPECIAL CIRCUMSTANCES SUCH AS BANKRUPTCY MAY ALSO BE ELIGIBLE FOR CHARITY CARE; DETERMINATION IS MADE ON A CASE BY CASE BASIS UNDER THESE CIRCUMSTANCES.

Part VI Supplemental Information (Continuation)

PART I, LINE 6A:

THE ORGANIZATION IS A PART OF NOVANT HEALTH, AN INTEGRATED NON-PROFIT HEALTH SYSTEM. THE SYSTEM-WIDE COMMUNITY BENEFIT REPORT, REFERRED TO AS THE "COMMUNITY IMPACT REPORT", IS PRODUCED BY NOVANT HEALTH, INC., A RELATED ORGANIZATION AND THE PARENT COMPANY OF THE HEALTHCARE SYSTEM. NOVANT HEALTH'S ANNUAL COMMUNITY IMPACT REPORT CAN BE FOUND AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/).

PLEASE NOTE THAT THE NUMERIC DATA IN THE COMMUNITY IMPACT REPORT IS NOT BASED UPON CALCULATIONS ACCORDING TO FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER THE AMOUNTS ARE PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES. THEREFORE, THE REPORT SHOULD NOT BE RELIED UPON AS EQUIVALENT TO THE TOTAL OF ALL SYSTEM ORGANIZATIONS' FORM 990, SCHEDULE H PART I AMOUNTS OR BASED ON THE REQUIRED COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION STRATEGY UNDER INTERNAL REVENUE CODE SECTION 501(R).

PART I, LINE 7:

COSTS REPORTED IN THE TABLE FOR FINANCIAL ASSISTANCE (I.E., CHARITY CARE) AND CERTAIN OTHER COMMUNITY BENEFITS AMOUNTS ARE CALCULATED USING A REPORTING ENTITY SPECIFIC COST-TO-CHARGE RATIO ("CCR") BASED ON FORM 990, SCHEDULE H, INSTRUCTIONS, WORKSHEET 2.

PART I, LN 7 COL(F):

THE AMOUNT OF BAD DEBT REMOVED FROM TOTAL EXPENSES IN THE DENOMINATOR WAS \$0.

Part VI Supplemental Information (Continuation)

PART I, LINE 4:

NOVANT HEALTH HAS A CATASTROPHIC SETTLEMENT POLICY WHICH IS SEPARATE FROM THE FINANCIAL ASSISTANCE POLICY. THE PURPOSE OF THIS POLICY IS TO IDENTIFY CIRCUMSTANCES IN WHICH NOVANT HEALTH AFFILIATES MAY WORK WITH PATIENTS TO MEET THEIR FINANCIAL OBLIGATIONS WHEN THEY HAVE LARGE OUT-OF POCKET EXPENSES RELATED TO A VISIT THAT IS NOT COVERED BY FINANCIAL ASSISTANCE.

PART II, COMMUNITY BUILDING ACTIVITIES:

THE ORGANIZATION'S COMMUNITY BUILDING ACTIVITIES ADDRESS THE UNDERLYING CAUSES OF HEALTH PROBLEMS AND IMPACT THE HEALTH OF OUR COMMUNITY THROUGH PARTNERSHIPS WITH LOCAL AGENCIES DEDICATED TO IMPROVING THE LIVES OF ALL INDIVIDUALS. WE PROVIDE FINANCIAL SUPPORT AND OTHER RESOURCES TO ORGANIZATIONS SUCH AS LOCAL YMCA'S, UNITED WAY PARTNER AGENCIES, CHAMBERS OF COMMERCE, PARKS AND RECREATION DEPARTMENTS, AND OTHER LOCAL COMMUNITY ORGANIZATIONS, ASSISTING WITH COMMUNITY AND COUNTY COALITIONS, AND PROVIDING EDUCATION SEMINARS AND TRAINING FOR COMMUNITY MEMBERS AND GROUPS. THROUGH THESE PARTNERSHIPS AND OUTREACH METHODS WE ARE ABLE TO SUCCESSFULLY BRIDGE THE GAP OF NEED FOR RESOURCES BEYOND TRADITIONAL HEALTHCARE SERVICES WITHIN THE COMMUNITIES WE SERVE.

PART III, LINE 2:

IMPLICIT PRICE CONCESSIONS (FORMERLY KNOWN AS BAD DEBT EXPENSE) ARE DETERMINED BASED ON MANAGEMENT'S ASSESSMENT OF CONTRACTUAL AGREEMENTS, DISCOUNT POLICIES, AND HISTORICAL EXPERIENCE, AS WELL AS CURRENT AND EXPECTED FUTURE ECONOMIC CONDITIONS.

Part VI Supplemental Information (Continuation)

PART III, LINE 4:

THE ORGANIZATION'S IMPLICIT PRICE CONCESSIONS (FORMERLY KNOWN AS BAD DEBT EXPENSE, AT COST) ON LINE 2 IS CALCULATED USING THE SAME METHODOLOGY AS FINANCIAL ASSISTANCE AND OTHER COMMUNITY BENEFITS USING AN ENTITY SPECIFIC COST-TO-CHARGE RATIO (CCR). FOOTNOTE 2 (ACCOUNTS RECEIVABLE) ON PAGE 8 OF THE AUDITED FINANCIAL STATEMENTS DESCRIBES PRICE CONCESSIONS.

PART III, LINE 8:

THE METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATION'S MEDICARE COST REPORT AS REFLECTED IN THE AMOUNT REPORTED IN PART III, LINE 6 IS DETERMINED BY FOLLOWING THE MEDICARE PRINCIPLES OF ALLOWABLE COSTS. COST FOR THE OVERHEAD DEPARTMENTS ARE STEPPED DOWN TO THE REMAINING COST CENTERS BASED ON STATISTICS FOR EACH OVERHEAD COST CENTER. ONCE THE STEP-DOWN PROCESS IS COMPLETE, A COST TO CHARGE RATIO ("CCR") IS DEVELOPED FOR EACH COST CENTER. THE CCR IS THEN APPLIED TO THE MEDICARE REVENUE BY COST CENTER AND TOTALED.

IT SHOULD BE NOTED THAT THE MEDICARE COST REPORTS DO NOT ADDRESS ANY MANAGED CARE MEDICARE REVENUES, COSTS, OR RELATED SHORTFALL. THE TOTAL REVENUES REPORTED AS RECEIVED FROM MEDICARE IN LINE 5 OF SECTION B ARE ONLY REPRESENTATIVE OF MEDICARE FEE FOR SERVICE PAYMENTS RECEIVED. THE ALLOWABLE COSTS ON LINE 6 ARE SIGNIFICANTLY LOWER THAN THE ACTUAL EXPENDITURES. AS SUCH, THE SHORTFALL IS UNDERESTIMATED.

EVERY HOSPITAL TREATS MEDICARE PATIENTS. SOME HOSPITALS ARE LOCATED IN HIGH MEDICARE POPULATION AREAS; OTHERS PROVIDE SERVICES DISPROPORTIONATELY USED BY MEDICARE PATIENTS. MEDICARE RATES AND NUMBERS OF MEDICARE PATIENTS ARE NOT NEGOTIATED. AS REIMBURSEMENT RATES DECLINE RELATIVE TO COSTS OF

Part VI Supplemental Information (Continuation)

CARE, HOSPITALS CONTINUE TO SERVE THE MEDICARE POPULATION. WITHOUT THIS SERVICE THESE PATIENTS WOULD BECOME AN OBLIGATION ON THE GOVERNMENT. ANY UNREIMBURSED COSTS OF THIS CARE ARE A COMMUNITY BENEFIT PROVIDED BY THE HOSPITAL TO THE COMMUNITY AND GOVERNMENT.

PART III, LINE 9B:

THE ORGANIZATION'S BILLING AND COLLECTIONS POLICY DOES EXPLAIN ACTIONS AGAINST PATIENTS WHO HAVE OUTSTANDING DELINQUENT AMOUNTS, BUT THE POLICY DOES NOT CONTAIN PROVISIONS FOR COLLECTION PRACTICES AGAINST PATIENTS WHO ARE ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY (FAP) BECAUSE FAP ELIGIBLE PATIENTS RECEIVE 100% FREE CARE AND THEREFORE DO NOT RECEIVE BILLS ONCE FAP ELIGIBILITY HAS BEEN ESTABLISHED.

PART VI, LINE 2: NEEDS ASSESSMENT

THE ORGANIZATION IS PART OF NOVANT HEALTH, AN INTEGRATED NON-PROFIT HEALTHCARE SYSTEM, NOVANT EMPLOYS A COMMUNITY ENGAGEMENT DEPARTMENT THAT FACILITATES COMMUNITY BENEFIT ACROSS THE SYSTEM. THE COMMUNITY ENGAGEMENT DEPARTMENT IS RESPONSIBLE FOR COORDINATING THE PREPARATION OF THE COMMUNITY HEALTH NEEDS ASSESSMENTS (CHNA) FOR EACH HOSPITAL WITHIN THE SYSTEM, INCLUDING THE CHNAS REPORTED IN PART V, SECTION B. THE COMMUNITY ENGAGEMENT DEPARTMENT WORKS WITH EACH HOSPITAL FACILITY TO IDENTIFY ORGANIZATIONS AND RESOURCES WITHIN THEIR RESPECTIVE COMMUNITIES THAT PARTICIPATE IN ALLEVIATING SIGNIFICANT COMMUNITY HEALTH NEEDS. THESE ORGANIZATIONS AND RESOURCES INCLUDE PUBLIC HEALTH DEPARTMENTS, LOCAL COMMUNITY COALITIONS AND CLINICS REPRESENTING THE MEDICALLY UNDERSERVED, UNITED WAY, YMCAS, LOCAL UNIVERSITIES, AND MORE. COMMUNITY HEALTH ASSESSMENTS PREPARED BY OTHER ORGANIZATIONS ARE USED IN COMBINATION WITH

Part VI Supplemental Information (Continuation)

INTERNAL HOSPITAL DATA AND INFORMATION COLLECTED FROM LOCAL AGENCIES TO PREPARE THE CHNAS FOR HOSPITAL FACILITIES. THROUGH DATA COLLECTION AND COMMUNITY PARTNERSHIPS, NOVANT HEALTH IS ABLE TO ASSESS UNMET NEEDS AND WORK TO DIRECTLY SUPPORT PARTNERS IN ADDRESSING THOSE NEEDS WITHIN ITS COMMUNITIES SERVED. ORGANIZATIONAL PARTNERSHIPS ESTABLISHED BY THE COMMUNITY ENGAGEMENT DEPARTMENT ARE OFTEN LEVERAGED TO ADDRESS NEEDS THAT WERE IDENTIFIED IN THE CHNAS, BUT WERE NOT PRIORITIZED BY THE FACILITY IMPLEMENTATION PLAN. IN ADDITION TO ADDRESSING HEALTH NEEDS IDENTIFIED THROUGH THE CHNA PROCESS, EACH HOSPITAL FACILITY RESPONDS TO REQUESTS FOR SPECIFIC COMMUNITY BENEFIT ACTIVITIES OR PROGRAMS FROM PUBLIC AGENCIES AND/OR COMMUNITY GROUPS.

PART VI, LINE 3: PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE
 NOVANT HEALTH IS COMMITTED TO PROVIDING OUTSTANDING HEALTHCARE TO ALL MEMBERS OF THE COMMUNITIES SERVED, REGARDLESS OF THEIR ABILITY TO PAY. ITS FINANCIAL COUNSELING TEAMS ARE CONSTANTLY WORKING WITH THE PATIENTS WITHIN COMMUNITIES SERVED TO UNDERSTAND PATIENT NEEDS AND ENSURE THAT THEIR POLICIES AND PROCESSES ADDRESS THESE NEEDS. NOVANT HEALTH ALSO MAINTAINS CONTRACTS WITH MEDICAID ELIGIBILITY VENDORS. THESE TEAMS OFFER ADDITIONAL SUPPORT IN PROCESSING AND ASSESSING HOW THE HEALTHCARE SYSTEM SERVES THE FINANCIAL NEEDS OF ITS PATIENTS.

BASED ON THE ASSESSMENTS OF COMMUNITIES SERVED, NOVANT HEALTH & AFFILIATES DEVELOPED FINANCIAL ASSISTANCE POLICIES AND PROGRAMS THAT ADDRESS THE FINANCIAL NEEDS OF ITS PATIENTS. THE HEALTHCARE SYSTEM PRIDES ITSELF ON THE TRANSPARENCY OF ITS FINANCIAL ASSISTANCE POLICY AND PROGRAMS, AND THE EDUCATION OFFERED TO PATIENTS REGARDING FINANCIAL ASSISTANCE. FINANCIAL

Part VI Supplemental Information (Continuation)

ASSISTANCE PROGRAMS ARE DOCUMENTED ON THE NOVANT HEALTH WEBSITE, ALONG WITH CONTACT INFORMATION FOR ITS FINANCIAL COUNSELORS. ADDITIONALLY, FINANCIAL ASSISTANCE PROGRAMS ARE DOCUMENTED ON PATIENT FLYERS THROUGHOUT THE SYSTEM'S HOSPITAL FACILITIES, OUTPATIENT CENTERS, AND PHYSICIAN OFFICES. THE SYSTEM'S PATIENT ACCESS SPECIALISTS, FINANCIAL COUNSELORS AND BUSINESS OFFICE TEAMS WORK WITH ALL ELIGIBLE PATIENTS TO EDUCATE THEM ON THE VARIOUS OPTIONS AVAILABLE VIA FINANCIAL ASSISTANCE PROGRAMS OR GOVERNMENT SPONSORED CARE. THESE PATIENT FACING TEAM MEMBERS ALSO REFERENCE THE FINANCIAL ASSISTANCE POLICY IN ALL CONVERSATIONS RELATED TO PATIENTS BILLS. FINALLY, NOVANT HEALTH WORKS WITH LOCAL AREA FREE HEALTH CLINICS AND OTHER CHARITABLE ORGANIZATIONS TO PROVIDE CONTINUATION OF CARE FOR PATIENTS IN THE COMMUNITIES SERVED.

IN ADDITION TO FINANCIAL COUNSELING PROCESSES USED TO IDENTIFY CHARITY CARE PATIENTS, NOVANT HEALTH'S COLLECTIONS PROCESS WITHIN OUR BUSINESS OFFICES HELPS IDENTIFY PATIENTS WHO ARE ALREADY ELIGIBLE FOR CHARITY OR WHO MAY BE ELIGIBLE BASED ON THEIR STATUS WITHIN THE FEDERAL POVERTY GUIDELINES ("FPG"). THE SYSTEM UTILIZES PREVIOUSLY SUBMITTED PATIENT DOCUMENTATION AND CREDIT AGENCY REPORTED FPG FOR FINANCIAL ASSISTANCE DETERMINATIONS. SUPPORTING DOCUMENTS ARE VALID 6 MONTHS FROM THE DATE OF SUBMISSION.

NOVANT HEALTH REHABILITATION HOSPITAL HAS ADDITIONAL CRITERIA; PATIENTS ARE PRESUMED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE, WITHOUT COMPLETING AN APPLICATION, IN THE FOLLOWING CIRCUMSTANCES:

1. HOMELESSNESS

Part VI Supplemental Information (Continuation)

2. DECEASED WITH NO ESTATE

3. MENTAL INCAPACITATION WITH NO ONE TO ACT ON PATIENT'S BEHALF

4. RECENT MEDICAID COVERAGE, I.E. COVERAGE WITHIN THREE (3) MONTHS OF
ADMISSION OR DISCHARGE.

FINANCIAL ASSISTANCE POLICIES ARE CONSIDERED FLUID AND ARE UPDATED
FREQUENTLY BASED ON LOCAL AND NATIONAL MARKET STANDARDS AND NATIONAL
ECONOMIC CONDITIONS. ANY UPDATES TO FINANCIAL ASSISTANCE POLICIES REQUIRE
MULTI-LEVEL LEADERSHIP APPROVAL AND ARE ULTIMATELY APPROVED BY THE
ORGANIZATION'S BOARD.

PART VI, LINE 4: COMMUNITY INFORMATION

THE FORSYTH MEMORIAL HOSPITAL, INC.'S FORM 990 INCLUDES THE OPERATIONS OF
TWO LICENSED HOSPITALS: FORSYTH MEMORIAL HOSPITAL, INC. (DBA NOVANT HEALTH
FORSYTH MEDICAL CENTER) AND NOVANT HEALTH REHABILITATION HOSPITAL OF
WINSTON-SALEM, LLC (DBA NOVANT HEALTH REHABILITATION HOSPITAL, A LICENSED
HOSPITAL OPERATED THROUGH A JOINT VENTURE).

FORSYTH MEMORIAL HOSPITAL, INC. HAS FACILITIES IN THREE LOCATIONS:

- 1. NOVANT HEALTH FORSYTH MEDICAL CENTER,
- 2. NOVANT HEALTH CLEMMONS MEDICAL CENTER, AND
- 3. NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

THE PRIMARY SERVICE AREA IS DEFINED BY THE ZIP CODES THAT REPRESENT AT

Part VI Supplemental Information (Continuation)

LEAST 75% OF THE HOSPITAL'S IN-PATIENT POPULATION.

NOVANT HEALTH FORSYTH MEDICAL CENTER

THERE ARE 6 COUNTIES IN THE PRIMARY SERVICE AREA (PSA): DAVIDSON, DAVIE, FORSYTH, STOKES, SURRY AND YADKIN COUNTIES. 50% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 51% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 6.5% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS FROM THE PSA.

NOVANT HEALTH CLEMMONS MEDICAL CENTER

NOVANT HEALTH CLEMMONS MEDICAL CENTER'S PSA INCLUDES DAVIDSON, DAVIE, FORSYTH, STOKES, SURRY AND YADKIN COUNTIES. 49.6% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 50.3% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 11.6% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS FROM THE PSA.

NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

NOVANT HEALTH KERNERSVILLE MEDICAL CENTER'S PSA INCLUDES FORSYTH, GUILFORD AND STOKES COUNTIES. 59% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY, WHILE 62% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICE AREAS OF FORSYTH COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY, AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY

Part VI Supplemental Information (Continuation)

INDIVIDUALS FROM THE PSA.

NOVANT HEALTH REHABILITATION HOSPITAL

THERE ARE 10 COUNTIES IN THE PSA: DAVIDSON, DAVIE, FORSYTH, GALAX CITY, GUILFORD, ROCKINGHAM, STOKES, SURRY, WILKES, AND YADKIN. 46.6% OF PATIENTS RESIDE IN THE PSA OF FORSYTH COUNTY AND 48% OF PATIENTS RESIDE IN THE PRIMARY AND SECONDARY SERVICES AREAS OF FORSYTH COUNTY. THE PSA DOES NOT INCLUDE MORE THAN 8% OF THE TOTAL IN-PATIENT POPULATION FROM ANY OTHER COUNTY. MOST PATIENTS RESIDE IN FORSYTH COUNTY AND IT REPRESENTS THE HIGHEST POPULATION OF POTENTIALLY UNDERSERVED, LOW-INCOME AND MINORITY INDIVIDUALS. NOVANT HEALTH FORSYTH MEDICAL CENTER SHARES MUCH OF THE SAME PSA AS NOVANT HEALTH REHABILITATION HOSPITAL, AND THEY ARE LOCATED WITHIN 5 MILES OF EACH OTHER.

ALL HOSPITAL FACILITIES

FORSYTH COUNTY INCLUDES WINSTON SALEM, THE MOST POPULATED CITY, AND THE COUNTY SEAT. IT HAS A POPULATION OF 385,523 COMPARED TO THE TOTAL NORTH CAROLINA POPULATION OF 10,551,162. ACCORDING TO THE VIZIENT VULNERABILITY INDEX RELEASED IN JANUARY 2022, PATIENTS ADMITTED TO FORSYTH MEDICAL CENTER EXPERIENCE THE MOST PROFOUND SOCIAL RISKS IF THEY LIVE IN 27105, 27101, 27110, 27030, 27292. THESE ZIP CODES EXPERIENCE DISPROPORTIONATELY HIGH SOCIAL RISKS WHEN COMPARED TO THEIR COUNTERPART NEIGHBORHOODS. AREAS OF PARTICULAR CONCERN INCLUDE ACCESS TO HEALTHCARE, POVERTY, ACCESS TO TRANSPORTATION, AND FOOD INSECURITY.

IN FORSYTH COUNTY:

- 65.9% OF THE POPULATION IS WHITE, 27.8% IS BLACK/AFRICAN AMERICAN, AND

Part VI Supplemental Information (Continuation)

13.9% IS HISPANIC

- THE MEDIAN INCOME IS \$53,583

- THE POVERTY RATE IS 13%

- THE LEADING CAUSES OF DEATH ARE CANCER AND HEART DISEASE

- 12.2% OF THE POPULATION UNDER AGE 65 DOES NOT HAVE HEALTH INSURANCE

- 18% OF THE POPULATION IS FACING FOOD HARDSHIP

- THE DEMOGRAPHIC GROUPS FACING THE MOST SIGNIFICANT HOUSING HARDSHIP ARE HISPANIC AND BLACK POPULATIONS. MOST NOTABLY, 33% OF THE HISPANIC POPULATION IN FORSYTH COUNTY FACES A HOUSING HARDSHIP.

ATRIUM HEALTH WAKE FOREST BAPTIST IS THE OTHER HEALTHCARE SYSTEM SERVING THIS PRIMARY SERVICE AREA, AND IS NOT AFFILIATED WITH NOVANT HEALTH.

DATA FOR THE CHNA WAS GATHERED FROM VARIOUS STATE AND FEDERAL SOURCES, BUT PRIMARILY THE US CENSUS BUREAU. SPECIFIC REFERENCES AND OTHER SUPPORTING INFORMATION CAN BE FOUND IN THE MOST RECENT CHNA HERE:

[HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/OUR-IMPACT/COMMUNITY-HEALTH-NEEDS](https://www.novanthealth.org/about/our-impact/community-health-needs)

PART VI, LINE 5: PROMOTION OF COMMUNITY HEALTH

THE ORGANIZATION FURTHERS ITS EXEMPT PURPOSES BY:

1. ADOPTING A FINANCIAL ASSISTANCE POLICY;

2. REMAINING CERTIFIED BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PROVIDE SERVICES TO ALL BENEFICIARIES OF MEDICARE, MEDICAID, AND OTHER GOVERNMENT PAYMENT PROGRAMS, AND PROVIDING SERVICES IN A NONDISCRIMINATORY MANNER TO SUCH BENEFICIARIES;

Part VI Supplemental Information (Continuation)

3. OPERATING A FULL-TIME EMERGENCY ROOM WHICH IS OPEN TO AND ACCEPTS ALL PERSONS, REGARDLESS OF THEIR ABILITY TO PAY;

4. MAINTAINING AN OPEN MEDICAL STAFF, SUBJECT TO EXCLUSIVE CONTRACTS FOR HOSPITAL-BASED SERVICES SUCH AS ANESTHESIOLOGY, RADIOLOGY, PATHOLOGY, HOSPITALIST, AND EMERGENCY DEPARTMENT SERVICES, TO THE EXTENT AN EXCLUSIVE CONTRACT FOR THOSE SERVICES IS REQUIRED TO OBTAIN PROPER STAFFING COVERAGE OR TO PERMIT A MORE EFFICIENT DELIVERY OF THOSE SERVICES WITHIN HOSPITAL FACILITIES;

5. MAINTAINING A GOVERNING BOARD CONSISTING PRIMARILY OF A BROAD CROSS-SECTION OF LEADERS IN THE COMMUNITY;

6. ADOPTING AND APPLYING A CONFLICT-OF-INTEREST POLICY, WHICH APPLIES TO THE GOVERNING BOARD AND ORGANIZATION OFFICERS;

7. PROVIDING HEALTH EDUCATION LECTURES AND WORKSHOPS;

8. PROVIDING HEALTH FAIRS, EDUCATION ON SPECIFIC DISEASES OR CONDITIONS, AND HEALTH PROMOTION AND WELLNESS PROGRAMS TO COMMUNITIES SERVED;

9. PROVIDING SUPPORT GROUPS AND SELF-HELP PROGRAMS TO COMMUNITIES SERVED;

10. PROVIDING COMMUNITY-BASED CLINICAL SERVICES, INCLUDING WITHOUT LIMITATION, HEALTH SCREENINGS AND CLINICS FOR UNINSURED OR UNDERINSURED PERSONS TO COMMUNITIES SERVED;

Part VI Supplemental Information (Continuation)

11. PROVIDING HEALTHCARE SUPPORT SERVICES, INCLUDING WITHOUT LIMITATION, INFORMATION AND REFERRAL TO COMMUNITY SERVICES, CASE MANAGEMENT OF UNDERINSURED AND UNINSURED PERSONS, TELEPHONE INFORMATION SERVICES AND ASSISTANCE TO ENROLL IN PUBLIC PROGRAMS, SUCH AS STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP) AND MEDICAID TO COMMUNITIES SERVED;

12. PROVIDING SUBSIDIZED HEALTH SERVICES AND CLINICAL PROGRAMS TO COMMUNITIES SERVED;

13. PROVIDING CASH AND IN-KIND CONTRIBUTIONS TO NONPROFIT COMMUNITY HEALTHCARE ORGANIZATIONS IN COMMUNITIES SERVED; AND

14. GENERALLY PROMOTING THE HEALTH, WELLNESS, AND WELFARE OF COMMUNITIES SERVED BY PROVIDING QUALITY HEALTHCARE SERVICES AT REASONABLE COST.

PART VI, LINE 6: AFFILIATED HEALTH CARE SYSTEM

THE ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, A NON-PROFIT INTEGRATED GROUP OF HOSPITALS, PHYSICIAN CLINICS, OUTPATIENT CENTERS AND OTHER HEALTHCARE SERVICE PROVIDERS. NOVANT HEALTH IS RANKED AS ONE OF THE NATION'S TOP 20 INTEGRATED HEALTHCARE SYSTEMS - CARING FOR PATIENTS AND COMMUNITIES IN NORTH AND SOUTH CAROLINA. EACH HOSPITAL FACILITY PROVIDES SUBSTANTIAL COMMUNITY BENEFIT TO THE COMMUNITY SERVED, AS REPORTED INDIVIDUALLY ON EACH HOSPITAL ORGANIZATION'S FORM 990, SCHEDULE H.

SYSTEM-WIDE COMMUNITY BENEFIT IS DOCUMENTED IN THE COMMUNITY BENEFIT REPORT, LOCATED AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/).

Part VI Supplemental Information (Continuation)

PLEASE NOTE THAT THE NUMERIC INFORMATION IN THIS REPORT IS NOT BASED UPON THE FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER IS PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES. THIS COMMUNITY BENEFIT REPORT SHOULD NOT BE RELIED UPON AS THE SUM OF AFFILIATE ORGANIZATION'S FORM 990, SCHEDULE H COMMUNITY BENEFIT, OR IN ALIGNMENT WITH ITS COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION STRATEGY. THERE ARE SIGNIFICANT COMMUNITY BENEFIT ACTIVITIES WITHIN NOVANT HEALTH WHICH MAY NOT BE REPORTABLE ON A FORM 990 SCHEDULE H BECAUSE THEY ARE NOT CONDUCTED BY A LEGAL ENTITY WHICH OWNS OR OPERATES A HOSPITAL.

IN ADDITION TO HOSPITALS, THE NOVANT HEALTH INTEGRATED HEALTHCARE SYSTEM INCLUDES MULTIPLE PHYSICIAN ORGANIZATIONS WITH PRACTICES IN NORTH AND SOUTH CAROLINA, AND SIX HOSPITAL FOUNDATIONS WHICH SUPPORT AND ENHANCE THE ACTIVITIES IN THOSE HOSPITALS' COMMUNITIES. FURTHER, NOVANT HEALTH INCLUDES AMBULATORY SURGERY CENTERS, IMAGING CENTERS, REHABILITATION CENTERS, AND OTHER OUTPATIENT FACILITIES; ALL DEDICATED TO PROMOTING THE HEALTH OF THEIR RESPECTIVE COMMUNITIES.

PART VI, LINE 7: STATE FILING OF COMMUNITY BENEFIT REPORT
 NOVANT HEALTH, INC. FILES A SYSTEM-WIDE COMMUNITY BENEFIT REPORT PREPARED IN ACCORDANCE WITH THE NORTH CAROLINA HEALTHCARE ASSOCIATION REPORTING GUIDELINES WITH THE NORTH CAROLINA MEDICAL CARE COMMISSION AS PART OF THE DOCUMENTATION REQUIRED FOR THE ISSUANCE OF TAX EXEMPT BOND FINANCING.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.
Attach to Form 990.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

**Open to Public
Inspection**

Name of the organization **FORSYTH MEMORIAL HOSPITAL, INC.** Employer identification number **56-0928089**

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
AMERICAN HEART ASSOCIATION, INC 7272 GREENVILLE AVENUE DALLAS, TX 75231	13-5613797	501(C)(3)	134,400.	0.			COMMUNITY OUTREACH
CANCER SERVICES, INC. 3175 MAPLEWOOD AVENUE WINSTON-SALEM, NC 27103	56-0656375	501(C)(3)	22,000.	0.			COMMUNITY OUTREACH
CRISIS CONTROL MINISTRY, INC 200 EAST TENTH STREET WINSTON-SALEM, NC 27101	23-7348168	501(C)(3)	12,500.	0.			COMMUNITY OUTREACH
CROSBY SCHOLARS COMMUNITY PARTNERSHIP - 2701 UNIVERSITY PARKWAY - WINSTON-SALEM, NC 27105	31-1523230	501(C)(3)	24,500.	0.			COMMUNITY OUTREACH
DAVIE COMMUNITY FOUNDATION, INC 107 N. SALISBURY STREET MOCKSVILLE, NC 27028	58-1850531	501(C)(3)	20,000.	0.			COMMUNITY OUTREACH
EXCHANGE CLUB CENTER FOR PREVENTION OF CHILD ABUSE OF NC, INC. - 500 WEST NORTHWEST BLVD - WINSTON-SALEM, NC 27105	58-1443692	501(C)(3)	15,000.	0.			COMMUNITY OUTREACH

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **40.**
- 3** Enter total number of other organizations listed in the line 1 table **1.**

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2023

Part II Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FAMILY SERVICES, INC. 1200 SOUTH BROAD STREET WINSTON-SALEM, NC 27101	56-0689235	501(C)(3)	9,500.	0.			COMMUNITY OUTREACH
FORSYTH FUTURES 100 N CHERRY STREET WINSTON-SALEM, NC 27101	56-1092807	501(C)(3)	30,000.	0.			COMMUNITY OUTREACH
FORSYTH HEALTHCARE, INC. 515 N CLEVELAND AVE WINSTON-SALEM, NC 27101	32-0097975	501(C)(3)	150,000.	0.			COMMUNITY OUTREACH
GO FAR, INC. 2011 SANDY RIDGE ROAD COLFAX, NC 27235	26-2059189	501(C)(3)	20,000.	0.			COMMUNITY OUTREACH
HOPE OF WINSTON-SALEM, INC. 844 GLEN ECHO TRAIL WINSTON-SALEM, NC 27106	46-3772491	501(C)(3)	6,500.	0.			COMMUNITY OUTREACH
LEAD GIRLS OF NC INC 500 W 4TH STREET WINSTON-SALEM, NC 27101	82-0984711	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
LEADERSHIP WINSTON-SALEM 624 W SIXTH STREET, SUITE 110 WINSTON-SALEM, NC 27101	58-1574887	501(C)(3)	8,000.	0.			COMMUNITY OUTREACH
MARCH OF DIMES FOUNDATION 1275 MAMARONECK AVENUE WHITE PLAINS, NY 10605	13-1846366	501(C)(3)	25,000.	0.			COMMUNITY OUTREACH
MEDASSIST OF MECKLENBURG DBA NC MEDASSIST - 4428 TAGGART CREEK ROAD - CHARLOTTE, NC 28208	56-2018957	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
PIEDMONT TRIAD PARTNERSHIP PO BOX 2672 HIGH POINT, NC 27261	56-1750279	501(C)(3)	25,000.	0.			COMMUNITY OUTREACH
RONALD MCDONALD HOUSE OF WINSTON-SALEM - 419 S. HAWTHORNE ROAD - WINSTON-SALEM, NC 27103	58-1454715	501(C)(3)	12,500.	0.			COMMUNITY OUTREACH
SAMARITAN MINISTRIES 414 E NORTHWEST BLVD WINSTON-SALEM, NC 27105	56-1490019	501(C)(3)	15,000.	0.			COMMUNITY OUTREACH
SECOND HARVEST FOOD BANK OF NORTHWEST NC INC - 3655 REED STREET - WINSTON-SALEM, NC 27107	58-1457912	501(C)(3)	25,000.	0.			COMMUNITY OUTREACH
SENIOR SERVICES INC. 2895 SHOREFAIR DRIVE WINSTON-SALEM, NC 27105	56-1085968	501(C)(3)	150,000.	0.			COMMUNITY OUTREACH
SHEPHERD'S CENTER OF GREATER WINSTON-SALEM, INC. - 1700 EBERT STREET - WINSTON-SALEM, NC 27103	56-1646960	501(C)(3)	20,280.	0.			COMMUNITY OUTREACH
THE CENTERS FOR EXCEPTIONAL CHILDREN, INC. - 2315 COLISEUM DRIVE - WINSTON-SALEM, NC 27106	56-0615188	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
THE LEUKEMIA & LYMPHOMA SOCIETY, INC - 3 INTERNATIONAL DR - RYE BROOK, NY 10573	13-5644916	501(C)(3)	102,000.	0.			COMMUNITY OUTREACH
THE SCIENCE CENTER AND ENVIRONMENTAL PARK OF FORSYTH COUNTY DBA SCIWORKS - 400 W HANES MILL ROAD - WINSTON-SALEM, NC	56-0815746	501(C)(3)	209,120.	0.			COMMUNITY OUTREACH

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
UNITED WAY OF FORSYTH COUNTY, INC 301 N MAIN STREET, SUITE 1700 WINSTON-SALEM, NC 27101	23-7357234	501(C)(3)	47,500.	0.			COMMUNITY OUTREACH
WINSTON-SALEM ALLIANCE 100 N. MAIN STREET WINSTON-SALEM, NC 27101	31-1726654	501(C)(6)	35,000.	0.			COMMUNITY OUTREACH
SMART START OF DAVIE COUNTY, INC. 1278 YADKINVILLE ROAD MOCKSVILLE, NC 27028	31-1600557	501(C)(3)	8,000.	0.			COMMUNITY OUTREACH
YOUNG MEN'S CHRISTIAN ASSOCIATION OF NORTHWEST NORTH CAROLINA - 301 N MAIN STREET, SUITE 1900 - WINSTON-SALEM, NC 27101	56-0530015	501(C)(3)	1,250,000.	0.			COMMUNITY OUTREACH
GREATER WINSTON-SALEM INC FOUNDATION - 525 VINE STREET, SUITE 240 - WINSTON-SALEM, NC 27101	51-0167887	501(C)(3)	30,000.	0.			COMMUNITY OUTREACH
PIEDMONT DOWN SYNDROME SUPPORT NETWORK - 305 W. 4TH ST. SUITE #B11 - WINSTON-SALEM, NC 27101	20-3131948	501(C)(3)	6,000.	0.			COMMUNITY OUTREACH
JUNIOR ACHIEVEMENT OF THE TRIAD 3220 NORTHLINE AVENUE GREENSBORO, NC 27408	56-0844838	501(C)(3)	13,000.	0.			COMMUNITY OUTREACH
REACH WOMENS NETWORK 2618 ARBOR PLACE COURT WINSTON-SALEM, NC 27104	83-1574715	501(C)(3)	5,280.	0.			COMMUNITY OUTREACH
GOLER DEPOT STREET RENAISSANCE CORPORATION - 889 NORTH LIBERTY STREET - WINSTON-SALEM, NC 27101	56-2118777	501(C)(3)	8,000.	0.			COMMUNITY OUTREACH

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Domestic Organizations and Domestic Governments (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
IMPRINTS CARES 711 COLISEUM PLAZA COURT WINSTON-SALEM, NC 27106	56-0949178	501(C)(3)	8,000.	0.			COMMUNITY OUTREACH
HOSPITALITY HOUSE OF WINSTON-SALEM 1970 BALDWIN LANE WINSTON-SALEM, NC 27103	20-3604576	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
SMART START OF FORSYTH COUNTY 7820 NORTH POINT BLVD, SUITE 200 WINSTON-SALEM, NC 27106	56-1899564	501(C)(3)	10,000.	0.			COMMUNITY OUTREACH
AGE-FRIENDLY FORSYTH 110 OAKWOOD DRIVE, SUITE 300 WINSTON-SALEM, NC 27103	87-3894106	501(C)(3)	15,000.	0.			COMMUNITY OUTREACH
FORSYTH BACKPACK PROGRAM BOX 402 380-H KNOLLWOOD STREET WINSTON-SALEM, NC 27103	46-1940233	501(C)(3)	25,000.	0.			COMMUNITY OUTREACH
YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF HIGH POINT, NC, INC - 155 W. WESTWOOD AVE. - HIGH POINT, NC 27262	56-0579600	501(C)(3)	45,000.	0.			COMMUNITY OUTREACH
THE SHEPHERD'S CENTER OF KERNERSVILLE, INC - P.O. BOX 2044 - KERNERSVILLE, NC 27285	56-1471510	501(C)(3)	20,500.	0.			COMMUNITY OUTREACH
FORSYTH COMMUNITY PCC, LLC 650 N. HIGHLAND AVENUE, SUITE 120 WINSTON-SALEM, NC 27101	81-5300614	501(C)(3)	144,816.	0.			COMMUNITY OUTREACH

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
PATIENT ASSISTANCE	80	12,160.	0.		
MEDICATION FOR INDIGENT PATIENTS	220	0.	52,772.	FMV	MEDICATION FOR INDIGENT PATIENTS
PATIENT TRANSPORTATION	2175	0.	537,006.	FMV	CAB FARES FOR INDIGENT PATIENTS
ZOLL LIFE VESTS	1	0.	3,250.	FMV	ZOLL LIFE VESTS FOR INDIGENT PATIENTS
SCHOLARSHIPS	25	28,595.	0.		

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

PART I, LINE 2 : PROCEDURES FOR MONITORING THE USE OF THE GRANT FUNDS

THE FILING ORGANIZATION IS PART OF THE INTEGRATED HEALTHCARE SYSTEM

OPERATED BY NOVANT HEALTH, INC. ("NOVANT HEALTH"), THE PARENT

ORGANIZATION. NOVANT HEALTH'S BYLAWS AUTHORIZE IT TO ESTABLISH CERTAIN

POLICIES FOR ALL OF ITS SUBSIDIARIES WITHIN THE SYSTEM. NOVANT HEALTH

HAS ESTABLISHED A SYSTEM-WIDE CORPORATE POLICY WITH STANDARDIZED

GUIDELINES THAT ARE TO BE USED IN REVIEWING THE ELIGIBILITY AND

SELECTION OF GRANTEEES RECEIVING CERTAIN EXEMPT PURPOSE FUNDS. THE

FILING ORGANIZATION MAINTAINS DOCUMENTATION OF THE ELIGIBILITY AND

Part IV Supplemental Information

SELECTION CRITERIA AND RECORDS OF THE AMOUNTS ARE MAINTAINED VIA THE
GENERAL LEDGER. FUNDS ARE GENERALLY NOT TRACKED AFTER BEING GRANTED, AS
THE ORIGINAL ELIGIBILITY AND SELECTION CRITERIA HAVE ALREADY BEEN MET.

Multiple horizontal lines for supplemental information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input checked="" type="checkbox"/> First-class or charter travel | <input checked="" type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input checked="" type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2023

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CARL ARMATO TRUSTEE (FR 1/1/23)/PRES/CEO NH	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	2,316,664.	2,052,150.	1,451,716.	1,169,800.	36,391.	7,026,721.	0.
(2) FRED HARGETT EVP/CFO (TO 9/6/23)	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	886,648.	1,074,292.	439,730.	19,800.	30,905.	2,451,375.	0.
(3) MICHAEL SETLIFF PRES NHFMC/GWM	(i)	626,622.	436,049.	113,803.	118,941.	40,639.	1,336,054.	68,211.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) JOHN MANN MD SVP NH INST	(i)	422,132.	418,901.	75,972.	16,595.	27,388.	960,988.	0.
	(ii)	193,743.	0.	9,016.	101,220.	22,513.	326,492.	28,813.
(5) STANLEY FULLER MD SVP CH CLIN OFFICER	(i)	535,885.	363,476.	48,119.	105,764.	47,564.	1,100,808.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) ROLAND FRIEDMAN MD UROLOGIST	(i)	319,537.	578,635.	88,592.	19,800.	40,068.	1,046,632.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) GEOFFREY GARDNER CFO (FR 9/6/23)	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	496,309.	343,441.	69,356.	98,858.	29,891.	1,037,855.	25,993.
(8) KIRSTEN ROYSTER FMR KE (12/31/21)	(i)	413,718.	293,395.	42,592.	83,119.	15,983.	848,807.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) JUDSON RACKLEY MD UROLOGIST	(i)	470,973.	250,361.	57,600.	19,800.	39,524.	838,258.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) SUSAN HINES MD ONCOLOGIST	(i)	424,213.	320,376.	33,861.	19,800.	26,639.	824,889.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) FRANKLIN CHEN MD TRUSTEE, CLIN PHYS EXEC	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	592,246.	32,000.	41,213.	19,800.	37,006.	722,265.	0.
(12) ASHLEY PERROTT MD TRUSTEE, SR PHYS EXEC	(i)	420,472.	92,250.	54,948.	19,800.	22,791.	610,261.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) ALISHA HUTCHENS PRES, COO	(i)	384,542.	91,344.	16,666.	19,800.	37,472.	549,824.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A:**FRINGE OR EXPENSE EXPLANATION****FIRST-CLASS OR CHARTER TRAVEL:**

FIRST-CLASS OR CHARTER TRAVEL IS NOT A COVERED TRAVEL EXPENSE FOR EXECUTIVES; THEY ARE LIMITED TO BUSINESS OR COACH CLASS FARES FOR COMMERCIAL FLIGHTS. HOWEVER, CHARTER TRAVEL IS AVAILABLE TO CERTAIN EXECUTIVES, BOARD MEMBERS, AND APPROVED BUSINESS PERSONNEL MEETING APPLICABLE POLICY CRITERIA.

TRAVEL FOR COMPANIONS:

COMPANIONS ARE ALLOWED ON CERTAIN CHARTER FLIGHTS PAID FOR BY THE ORGANIZATION. IN THAT CASE, THE VALUE OF THE COMPANION'S FLIGHT IS CALCULATED UNDER APPLICABLE TAX LAWS AND THAT AMOUNT IS INCLUDED IN THE EXECUTIVE'S TAXABLE INCOME AS PRESCRIBED BY THE APPLICABLE TAX LAWS.

DISCRETIONARY SPENDING ACCOUNT:

CERTAIN EXECUTIVES RECEIVE A DISCRETIONARY SPENDING ACCOUNT. THE DOLLAR AMOUNT IN THE ACCOUNT IS PRE-APPROVED BY THE COMPENSATION AND LEADERSHIP

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

COMMITTEE OF THE NOVANT HEALTH BOARD OF TRUSTEES. THE EXECUTIVE MAY DEFER
THE AMOUNT TO A RETIREMENT ACCOUNT OR THE AMOUNT IS TREATED AS COMPENSATION
AND IS SPREAD OUT OVER THE COURSE OF THE YEAR IN THE EXECUTIVE'S PAYCHECKS
AS TAXABLE INCOME.

HOUSING ALLOWANCE OR RESIDENCE FOR PERSONAL USE:

WE PROVIDE TEMPORARY HOUSING ALLOWANCES IN CERTAIN EXECUTIVE RECRUITMENT
AND RELOCATION PACKAGES. THE VALUE IS CALCULATED UNDER APPLICABLE TAX LAWS
AND THAT AMOUNT IS INCLUDED IN THE EXECUTIVE'S INCOME AS PRESCRIBED BY THE
APPLICABLE TAX LAWS.

PART I, LINE 3:

THE FILING ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, AN INTEGRATED
HEALTHCARE SYSTEM AND RELIES UPON NOVANT HEALTH, INC., THE PARENT
ORGANIZATION, TO USE THE PROCESS DESCRIBED IN PART VI, LINE 15A/15B OF THIS
RETURN TO ESTABLISH COMPENSATION FOR CERTAIN EXECUTIVES. THIS PROCESS
ADHERES TO THE REQUIREMENTS SET FORTH TO SECURE THE REBUTTABLE PRESUMPTION
OF REASONABLENESS AND INCLUDES A REVIEW AND APPROVAL BY INDEPENDENT AND
DISINTERESTED MEMBERS OF A COMPENSATION COMMITTEE, CONSULTATION WITH

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

INDEPENDENT COMPENSATION CONSULTANTS, THE UTILIZATION OF THIRD-PARTY
COMPARABILITY DATA SUCH AS PUBLISHED COMPENSATION SURVEYS, AND
CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION.

PART I, LINES 4A-C: SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS

SEVERANCE

NONE

NONQUALIFIED

GEOFFREY GARDNER \$25,993

JOHN MANN MD \$35,792

MICHAEL SETLIFF \$70,493

EQUITY-BASED

NONE

PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS:

THE SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") IS INTENDED TO

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SUPPORT RETENTION OF KEY EXECUTIVES, AND TO OFFER COMPETITIVE TOTAL
 COMPENSATION. GENERALLY, ANNUAL CONTRIBUTIONS TO THE PLAN OR PAYMENTS
 TO PARTICIPANTS WILL BE BASED ON A PERCENTAGE OF THE PARTICIPANT'S BASE
 SALARY AS OF JANUARY 1ST OF THE PREVIOUS PLAN YEAR AND ARE REPORTED IN
 COLUMN (C) OF SCHEDULE J. PRIOR TO MAKING THE CONTRIBUTIONS OR
 PAYMENTS, THE NOVANT HEALTH COMPENSATION AND LEADERSHIP COMMITTEE
 ("COMMITTEE") WILL APPROVE THE AMOUNTS AS TO REASONABLENESS, WHEN
 COMBINED WITH ALL OTHER ANNUAL COMPENSATION. A 3 YEAR CLASS-YEAR
 VESTING PERIOD WILL APPLY UP TO AGE 62, WHEN ALL MONEY WOULD BE VESTED
 AND PAID OUT TO THE PARTICIPANT. OTHERWISE, VESTING WILL OCCUR ON
 JANUARY 1ST OF EACH YEAR FOR THE APPROPRIATE CLASS-YEAR VESTING PERIOD.
 THE COMMITTEE REVIEWS, APPROVES, AND OVERSEES ALL ASPECTS AND ALL
 ELEMENTS OF EXECUTIVE COMPENSATION AND BENEFITS, INCLUDING THE AMOUNTS
 AWARDED UNDER THIS SERP.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

FORSYTH MEMORIAL HOSPITAL, INC.

Employer identification number

56-0928089

FORM 990, ITEM C, DOING BUSINESS AS:

NOVANT HEALTH FORSYTH MEDICAL CENTER

FORM 990, PI, L1: ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES

NOVANT HEALTH IS A NON-PROFIT INTEGRATED HEALTHCARE SYSTEM OF 15
MEDICAL CENTERS WITH MORE THAN 35,000 EMPLOYEES AND 1,800 PHYSICIANS IN
OVER 800 LOCATIONS, AS WELL AS NUMEROUS OUTPATIENT SURGERY CENTERS,
MEDICAL PLAZAS, REHABILITATION PROGRAMS, DIAGNOSTIC IMAGING CENTERS AND
COMMUNITY HEALTH OUTREACH PROGRAMS. HEADQUARTERED IN WINSTON-SALEM,
NORTH CAROLINA, NOVANT HEALTH'S TEAM MEMBERS AND PHYSICIAN PARTNERS
CARE FOR PATIENTS AND COMMUNITIES IN NORTH CAROLINA, SOUTH CAROLINA AND
GEORGIA.

THE NOVANT HEALTH INTEGRATED HEALTHCARE SYSTEM OPERATES TO CARRY OUT
ITS CHARITABLE MISSION OF IMPROVING THE HEALTH OF COMMUNITIES IT SERVES
AND MAKING HEALTHCARE REMARKABLE FOR PATIENTS. NOVANT HEALTH
ACCOMPLISHES THAT MISSION BY PROVIDING AND SUPPORTING EXCELLENT
HEALTHCARE FACILITIES AND PHYSICIAN PRACTICES AND BY MAKING A
COMMITMENT TO COMMUNITY OUTREACH/SERVICE THROUGH THE PROVISION OF
COMMUNITY BENEFIT PROGRAMS. BY BRINGING TOGETHER WORLD-CLASS
TECHNOLOGY AND CLINICIANS TO PROVIDE QUALITY CARE, NOVANT HEALTH IS
COMMITTED TO CREATING A HEALTHCARE EXPERIENCE THAT IS SIMPLER, MORE
CONVENIENT, AND MORE AFFORDABLE SO PATIENTS CAN FOCUS ON GETTING BETTER
AND STAYING HEALTHY. IN 2023, NOVANT HEALTH PROVIDED NEARLY 7 MILLION

PATIENT VISITS AND OVER \$1.5 BILLION OF COMMUNITY BENEFIT EXPENDITURES

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990) 2023

LHA 332211 11-14-23

Name of the organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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SYSTEM-WIDE.

IN ADDITION TO PROVIDING A HIGH QUALITY, COMPREHENSIVE CATALOG OF HEALTHCARE SERVICES, NOVANT HEALTH OFFERS A ROBUST PATIENT FINANCIAL ASSISTANCE PROGRAM, WORKING WITH ITS PATIENTS TO ASSIST WITH ESTABLISHING REASONABLE PAYMENT PLANS, DISCOUNTING PATIENT BILLS, AND PROVIDING FREE CARE FOR THOSE THAT QUALIFY UNDER ITS FINANCIAL ASSISTANCE POLICY.

FORSYTH MEMORIAL HOSPITAL, INC. IS AN INTEGRAL PART OF THE NOVANT HEALTH SYSTEM AND INCLUDES FOUR HOSPITAL FACILITIES AS FOLLOWS: NOVANT HEALTH FORSYTH MEDICAL CENTER ("NHFCM"), NOVANT HEALTH KERNERSVILLE MEDICAL CENTER ("NHKMC"), NOVANT HEALTH CLEMMONS MEDICAL CENTER ("NHCMC"), AND NOVANT HEALTH REHABILITATION HOSPITAL OF WINSTON-SALEM, LLC.

- NHFCM IS AN 859-BED HOSPITAL IN WINSTON-SALEM, NC OFFERING A WIDE RANGE OF SERVICES IN EMERGENCY, MEDICAL, SURGERY, NEUROLOGY, CRITICAL CARE, ONCOLOGY, WOMEN'S HEALTH AND WELLNESS AND BEHAVIORAL HEALTH. CENTERS OF EXCELLENCE INCLUDE THE MAYA ANGELOU WOMEN'S HEALTH AND WELLNESS CENTER, HEART AND VASCULAR INSTITUTE, DERRICK L. DAVIS CANCER INSTITUTE, STROKE AND NEUROSCIENCES CENTER, ORTHOPEDIC CENTER AND BEHAVIORAL HEALTH.

- NHKMC IS A 50-BED COMMUNITY HOSPITAL IN KERNERSVILLE, NC OFFERING A WIDE RANGE OF SERVICES IN EMERGENCY, SURGERY, CARDIOVASCULAR, DIAGNOSTIC AND CANCER CARE CLOSE TO HOME FOR LOCAL RESIDENTS.

- NHCMC IS A 36-BED COMMUNITY HOSPITAL IN CLEMMONS, NC OFFERING EMERGENCY, IMAGING, LABORATORY, MEDICAL, SURGERY AND ORTHOPEDIC

Name of the organization FORSYTH MEMORIAL HOSPITAL, INC.	Employer identification number 56-0928089
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SERVICES. THE MEDICAL CENTER FIRST OPENED IN APRIL 2013 AND WAS EXPANDED TO A FULL-SERVICE HOSPITAL IN AUGUST 2017.

- NH REHAB HOSPITAL OF WINSTON-SALEM, LLC IS A JOINT VENTURE HOSPITAL FACILITY OFFERING INPATIENT REHABILITATION FOR STROKE, BRAIN INJURY, HIP FRACTURE AND OTHER COMPLEX NEUROLOGICAL AND ORTHOPEDIC CONDITIONS.

COMMUNITY OUTREACH

COMMUNITY OUTREACH IS A CRITICAL COMPONENT TO THE MISSION OF NOVANT HEALTH. THE HEALTHCARE SYSTEM PROVIDES HUNDREDS OF PROGRAMS THAT SERVE PATIENTS, NEIGHBORS, AND SOME OF THE COMMUNITIES' MOST VULNERABLE CITIZENS. NOVANT HEALTH ALSO PROVIDES FINANCIAL ASSISTANCE (I.E., CHARITY CARE) FOR ITS QUALIFIED UNINSURED PATIENTS, CATASTROPHIC SETTLEMENTS AND LONG-TERM PAYMENT PLANS TO MEDICALLY INDIGENT PATIENTS, SERVICES TO PATIENTS WITH MEDICARE, MEDICAID, AND OTHER GOVERNMENT MEDICAL PROGRAM COVERAGE (REIMBURSED AT LESS THAN COST), COMMUNITY HEALTH EDUCATION, SUPPORT GROUPS, SUBSIDIZED OUTREACH SERVICES, AND COMMUNITY EVENTS/SCREENINGS. IN ADDITION, NOVANT HEALTH PARTICIPATES IN MEDICAL RESEARCH, AS WELL AS ACADEMIC HEALTH PROGRAMS AND PARTNERSHIPS WITH A DIVERSE GROUP OF ORGANIZATIONS TO PROVIDE OTHER COMMUNITY INITIATIVES.

NOVANT HEALTH IS ALSO COMMITTED TO SUPPORTING THE COMMUNITIES IT SERVES THROUGH CHARITABLE CONTRIBUTIONS TO COMMUNITY-BASED PROGRAMS THAT IMPROVE HEALTH EQUITY AND UPWARD MOBILITY FOR THOSE WHO NEED IT MOST. TOWARD THAT GOAL, NOVANT HEALTH INVESTS IN COMMUNITY-BASED PROGRAMS THAT ALIGN WITH ITS TWO INVESTMENT PRIORITIES OF DEVELOPING HEALTHY COMMUNITIES AND EXPANDING OPPORTUNITIES FOR HEALTHCARE EDUCATION.

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THE ANNUAL NOVANT HEALTH COMMUNITY IMPACT REPORT, AVAILABLE AT [HTTPS://WWW.NOVANTHEALTH.ORG/ABOUT/COMMUNITY/COMMUNITY-HEALTH-NEEDS/](https://www.novanthealth.org/about/community/community-health-needs/), INCLUDES QUALITATIVE AND QUANTITATIVE INFORMATION REGARDING THE HEALTHCARE SYSTEM'S COMMUNITY BENEFIT EFFORTS AND ACHIEVEMENTS. FOR 2023, NOVANT HEALTH'S SYSTEM-WIDE COMMUNITY BENEFIT EXPENDITURES TOTALED APPROXIMATELY \$1.61 BILLION, INCLUDING \$225 MILLION OF FINANCIAL ASSISTANCE. NOTE: NUMERIC DATA IN THIS REPORT IS NOT BASED UPON FORM 990, SCHEDULE H INSTRUCTIONS, BUT RATHER IN ACCORDANCE WITH NORTH CAROLINA HEALTHCARE ASSOCIATION COMMUNITY BENEFIT REPORTING GUIDELINES. NOVANT HEALTH COMMUNITY IMPACT REPORT SHOULD NOT BE RELIED UPON AS EQUIVALENT TO FORM 990, SCHEDULE H COMMUNITY BENEFIT, COMMUNITY HEALTH NEEDS ASSESSMENT OR COMMUNITY BENEFIT IMPLEMENTATION STRATEGY REPORTING.

IN 2023, NOVANT HEALTH AND THE YMCA OF NORTHWEST NORTH CAROLINA ANNOUNCED A STRATEGIC PARTNERSHIP TO ENCOMPASS THE YMCA'S 17 BRANCH LOCATIONS ACROSS ALEXANDER, DAVIE, FORSYTH, IREDELL, STOKES, WILKES AND YADKIN COUNTIES. GUIDED BY THE LOCAL COMMUNITY HEALTH NEEDS ASSESSMENTS "CHNAS", THE TWO NON-PROFIT ORGANIZATIONS WILL EXPAND WELLNESS PROGRAMMING, SUPPORT YOUTH SPORTS, AND ESTABLISH PHYSICAL AND TELEHEALTH CLINIC LOCATIONS TO CREATE INTEGRATED HEALTHCARE ACCESS FOR THE REGION.

NHFMC SUPPORTED THE COMMUNITY IN 2023 THROUGH RESOURCES, SCREENINGS/CLINICS, HEALTH EDUCATION INITIATIVES AND CLASSES, SOCIAL & ENVIRONMENTAL IMPROVEMENT ACTIVITIES, COMMUNITY BUILDING ACTIVITIES, IN-KIND DONATIONS, AND MORE. SOME EXAMPLES OF RESOURCES PROVIDED TO THE COMMUNITY INCLUDE:

Name of the organization

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- MYCOMMUNITY ACCESS, WHICH ENABLED COMMUNITY MEMBERS TO SEARCH FOR FREE OR REDUCED COST RESOURCES LOCATED WITHIN THE COMMUNITY. NOVANT PAID THE ANNUAL FEES FOR THIS PLATFORM THAT COMMUNITY MEMBERS WOULD HAVE OTHERWISE HAD TO PAY.

- PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES

- 'ASK THE EDUCATOR IN ENGLISH AND SPANISH'

- HISPANIC OUTREACH SPECIFICALLY FOR NAVIGATING HEALTHCARE.

- SCREENINGS/CLINICS FOR BLOOD PRESSURE/HYPERTENSION, CHOLESTEROL, DIABETES, AND BREAST CANCER, IN BOTH STATIONARY AND MOBILE CLINIC SETTINGS.

- MATERNAL & INFANT HEALTH INITIATIVES INCLUDED CHILDBIRTH PREPARATION, BREASTFEEDING, INFANT SAFETY & CPR, CAR SEAT SAFETY, NEWBORN CARE (IN ENGLISH AND SPANISH), SIBLING PREPARATION, DAD'S 411, FINANCIAL CHECKLIST FOR NEW PARENT CLASSES, AND INCREASING COMFORT IN LABOR, POSTPARTUM 101.

- SUPPORT GROUPS ESTABLISHED WERE FOR POSTPARTUM, GI WELLNESS, GYN ONCOLOGY, AND NURSING MOTHERS (BABY CAFE).

- NUTRITION, EXERCISE & WELLNESS PROGRAMS PROVIDED WERE PREGNANCY YOGA, MOMMY & BABY YOGA, CHAIR YOGA, TRADITIONAL YOGA, BREAST CANCER NUTRITION PREVENTION, AND SURVIVORSHIP CLASSES.

- SOCIAL AND ENVIRONMENTAL IMPROVEMENT ACTIVITIES & COMMUNITY BUILDING WERE LEADERSHIP WINSTON SALEM HEALTHCARE DAY, SENIOR ACADEMY DAY DROPOUT PREVENTION PROGRAM, LEADERSHIP WINSTON SALEM MENTORSHIP, BRIDGES TO HEALTHCARE INTERN SUPPORT, TEAM MEMBER NON-PROFIT BOARD SERVICE, ADVISORY COUNCIL SERVICE, AND A COMMITTEE/COALITION SERVICE.

- IN-KIND GIFTS CAME FOR FIRST-AID PERSONNEL AT COMMUNITY EVENTS.

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- OTHER COMMUNITY EDUCATIONAL PROGRAMS AND ACTIVITIES INCLUDED CANCER EDUCATION CLASSES, CPR/FIRST AID TRAINING, HEALTH FAIRS, HEART HEALTH TALKS, BARIATRIC SOLUTIONS FOR SENIOR'S HEALTH TALK, MONKEY POX VACCINE EDUCATION, AND VARIOUS WELLNESS WEBINARS.

NHKMC PROVIDED MYCOMMUNITY ACCESS AND PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES. SCREENINGS/CLINICS PROVIDED WERE FOR BLOOD PRESSURE AND HYPERTENSION SCREENING. HEALTH EDUCATION INITIATIVES INCLUDED A WELLNESS WEBINAR, HEALTHY LIVING EXPO & OTHER HEART HEALTH PROGRAMMING, AND AN 'ASK AN EDUCATOR' EVENT.

NHKMC PROVIDED MYCOMMUNITY ACCESS AND PRINTED RESOURCE CARDS FOR ANYONE TO SEARCH FOR LOCAL FREE AND REDUCED COST SERVICES. SCREENINGS/CLINICS PROVIDED WERE FOR BLOOD PRESSURE AND BODY FAT MEASUREMENTS. HEALTH EDUCATION INITIATIVES INCLUDED GENERAL WELLNESS HEALTH EDUCATION EVENTS, AND A HEALTHY AGING PROGRAM. IN-KIND DONATIONS WERE MADE AT FOOD DRIVES AND FOR PHYSICALS FOR PARTICIPATION IN SCHOOL-BASED SPORTS.

FORM 990, PI, L1: CONTINUED

NEW TECHNOLOGY & SERVICES

NHFMC LAUNCHED ITS FIRST 2 PLUVICTO ADMINISTRATIONS IN OCTOBER 2023. PLUVICTO IS A THERAPEUTIC RADIOPHARMACEUTICAL USED TO TREAT METASTATIC CASTRATION-RESISTANT PROSTATE CANCER. DR. SHOGBESAN BECAME THE NEW MEDICAL DIRECTOR OF MOLECULAR IMAGING AND THERANOSTICS, JOINING TRIAD RADIOLOGY ASSOCIATES IN AUGUST OF 2023. DR. SHOGBESAN COMPLETED HIS NUCLEAR MEDICINE RESIDENCY AND A SPECIAL FELLOWSHIP IN PET/CT AND THERANOSTICS AT EMORY SCHOOL OF MEDICINE.

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IN AUGUST 2023, NHFMC OPENED ITS COMPLETELY RENOVATED MOTHER-BABY UNIT ON THE SIXTH AND SEVENTH FLOORS OF THE HOSPITAL. THIS UNIT, WHICH PROVIDES AROUND-THE-CLOCK CARE FOR NEWBORNS AND THEIR PARENTS, WAS THE FINAL STEP IN A MULTIPHASE CONSTRUCTION PROJECT SPECIFICALLY DESIGNED TO ENHANCE ALL ASPECTS OF MATERNITY CARE.

NHFMC CELEBRATED THE STRUCTURAL COMPLETION OF ITS NEW CRITICAL CARE TOWER IN MAY 2023 WITH A "TOPPING OUT" CEREMONY. ONCE COMPLETE IN EARLY 2025, THE FIVE-STORY, 193,000-SQUARE-FOOT TOWER WILL BRING THE LATEST IN ADVANCED ACUTE CARE SERVICES TO THE GROWING POPULATION IN AND AROUND FORSYTH COUNTY.

NHKMC OPENED ITS NEW HEART AND VASCULAR LAB IN APRIL 2023, BRINGING NEW CARDIOVASCULAR DIAGNOSTIC AND INTERVENTIONAL PROCEDURES TO THE HOSPITAL, IMPROVING ACCESS TO LIFESAVING CARE AND TREATMENT FOR PATIENTS IN KERNERSVILLE AND WEST GUILFORD COUNTY. THE MEDICAL CENTER'S NEWLY EXPANDED INTENSIVE CARE UNIT OPENED IN DECEMBER 2023. THE EXPANSION DOUBLED THE SIZE OF THE UNIT AND IS DESIGNED TO PROVIDE THE LATEST IN ADVANCED CARE FOR THE SICKEST PATIENTS IN THE AREA. BOTH PROJECTS ARE PART OF NHKMC'S ONGOING \$55 MILLION EXPANSION PROJECT, WHICH WILL ALSO INCLUDE A BIRTH CENTER, SCHEDULED FOR COMPLETION IN EARLY 2024.

AWARDS AND RECOGNITION & CERTIFICATIONS/RECERTIFICATIONS

- NOVANT HEALTH FORSYTH MEDICAL CENTER
- "A" RATED HOSPITAL FOR SAFETY BY THE LEAPFROG GROUP (2023)
- GOLD PLUS RATED HOSPITAL BY AMERICAN HEART ASSOCIATION (2020, 2021,

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2022, 2023)

- ADVANCED COMPREHENSIVE STROKE CERTIFICATION BY THE JOINT COMMISSION

- "BABY-FRIENDLY" DESIGNATED HOSPITAL BY THE WORLD HEALTH ORGANIZATION

AND THE UNITED NATIONS CHILDREN'S FUND

- 5-STAR-RATED HOSPITAL FOR "BREASTFEEDING FRIENDLINESS" BY NORTH

CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017,

2018, 2019, 2020, 2022)

- CLINICAL EXCELLENCE AWARD BY VIZIENT

- MAGNET RECOGNITION PROGRAM DESIGNATED HOSPITAL BY THE AMERICAN NURSES

CREDENTIALING CENTER

- NORTH CAROLINA DIVISION OF MEDICAL ASSISTANCE - MEDICAID

- TJC - COMPREHENSIVE STROKE CENTER CERTIFICATION

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE

NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

- "A" RATED HOSPITAL FOR SAFETY BY THE LEAPFROG GROUP (2023)

- GOLD PLUS RATED HOSPITAL BY THE AMERICAN HEART ASSOCIATION (2020,

2021, 2022, 2023)

- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017,

2018, 2019, 2020, 2022)

- ANCC MAGNET RECOGNITION PROGRAM DESIGNATION

- METABOLIC & BARIATRIC SURGERY ACCREDITATION AND QUALITY IMPROVEMENT

PROGRAM

- FDA MQSA CERTIFICATION

- INTERNATIONAL ASSOCIATION FOR HEALTHCARE SECURITY AND SAFETY

- NORTH CAROLINA DIVISION OF MEDICAL ASSISTANCE - MEDICAID

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- TJC - ACUTE STROKE READY HOSPITAL

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE

NOVANT HEALTH CLEMMONS MEDICAL CENTER

- GOLD SAFETY AWARD BY NORTH CAROLINA DEPARTMENT OF LABOR

- LEADER IN LGBTQ HEALTHCARE EQUALITY BY HUMAN RIGHTS CAMPAIGN (2017, 2018, 2019, 2020, 2022)

- HIP AND KNEE JOINT REPLACEMENT CERTIFICATION BY THE JOINT COMMISSION

- INTERNATIONAL ASSOCIATION FOR HEALTHCARE SECURITY AND SAFETY

- NORTH CAROLINA DIVISION OF MEDICAL ASSISTANCE - MEDICAID

- TJC - HIP JOINT REPLACEMENT CERTIFICATION

- TJC - KNEE JOINT REPLACEMENT CERTIFICATION

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - CLIA

- UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - MEDICARE

ACCREDITATION

NHFMC, NHKMC, NHCMC HAVE BEEN FULLY ACCREDITED BY THE JOINT COMMISSION,

AN INDEPENDENT ORGANIZATION THAT EVALUATES A HEALTHCARE ORGANIZATION'S

PERFORMANCE IN AREAS THAT MOST AFFECT PATIENT HEALTH AND SAFETY. IN

ADDITION, THESE HOSPITAL FACILITIES HAVE EARNED SOME OF THE NATION'S

TOP HONORS IN QUALITY CARE, INCLUDING BREAST CENTER ACCREDITATION.

NHKMC ALSO MEETS ALL CRITERIA AS A COMPREHENSIVE CENTER UNDER THE

METABOLIC AND BARIATRIC SURGERY ACCREDITATION AND QUALITY IMPROVEMENT

PROGRAM (MBSAQIP), A JOINT PROGRAM OF THE AMERICAN COLLEGE OF SURGEONS

(ACS) AND THE AMERICAN SOCIETY FOR METABOLIC AND BARIATRIC SURGERY

(ASMBS). THE MBSAQIP STANDARDS ENSURE THAT BARIATRIC SURGICAL PATIENTS

RECEIVE A MULTIDISCIPLINARY PROGRAM, NOT JUST A SURGICAL PROCEDURE,

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WHICH IMPROVES PATIENT OUTCOMES AND LONG-TERM SUCCESS.

NOVANT HEALTH FORSYTH MEDICAL CENTER

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN COLLEGE OF RADIOLOGY: RADIATION ONCOLOGY
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- AMERICAN SOCIETY OF HEALTH SYSTEM PHARMACISTS - PHARMACY RESIDENCY PROGRAM

- COLLEGE OF AMERICAN PATHOLOGY
- INTERSOCIETAL ACCREDITATION COMMISSION ECHOCARDIOGRAPHY LABORATORIES
- NOVANT HEALTH CANCER INSTITUTE
- NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS
- NATIONAL ASSOCIATION EPILEPSY CENTERS

NOVANT HEALTH CLEMMONS MEDICAL CENTER

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- COLLEGE OF AMERICAN PATHOLOGY

NOVANT HEALTH KERNERSVILLE MEDICAL CENTER

- AMERICAN ASSOCIATION OF BLOOD BANKS
- AMERICAN COLLEGE OF RADIOLOGY: MAMMOGRAPHY
- AMERICAN COLLEGE OF RADIOLOGY: RADIATION ONCOLOGY
- AMERICAN NURSES CREDENTIALING CENTER - NURSE RESIDENCY PROGRAM
- COLLEGE OF AMERICAN PATHOLOGY
- INTERSOCIETAL ACCREDITATION COMMISSION ECHOCARDIOGRAPHY LABORATORIES
- NOVANT HEALTH CANCER INSTITUTE
- NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS

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FORM 990, PART III, LINE 1: OUR CAUSE (FKA MISSION, VISION AND VALUES)
 IN THE SPIRIT OF KEEPING OUR FOCUS ON PATIENT-CENTERED, EQUITABLE AND
 COMPASSIONATE CARE WHILE ENSURING OUR ORGANIZATION IS SUSTAINABLE FOR
 FUTURE GENERATIONS, WE HAVE RESTATED OUR MISSION, VISION AND VALUES AND
 ARE NOW GUIDED BY OUR CAUSE.

OUR CAUSE

WE CREATE A HEALTHIER FUTURE AND BRING REMARKABLE EXPERIENCES TO LIFE.

DISCOVER

WE CONSISTENTLY SEEK TO INNOVATE, COURAGEOUSLY TRANSFORM OURSELVES AND
 FIND NEW WAYS TO ADD VALUE FOR OUR PATIENTS, COMMUNITIES AND ONE
 ANOTHER.

EMPOWER

WE PROVIDE ONE ANOTHER, OUR PATIENTS, FAMILIES AND COMMUNITIES WITH THE
 RESOURCES AND ENVIRONMENT TO CREATE SHARED ACCOUNTABILITY AND ACTION.

THRIVE

WE DEMONSTRATE EQUITY, EMPATHY, SAFETY AND QUALITY TO HELP EACH OTHER,
 AND OUR COMMUNITIES GROW AND SUCCEED.

TOGETHER

WE WORK AS A TRUSTED TEAM WITH OUR UNIQUE PERSPECTIVES, LIFE
 EXPERIENCES AND EXPERTISE TO BRING REMARKABLE TO LIFE IN EVERY
 INTERACTION. WE ALL BELONG.

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FORM 990, PART III, LINE 4A: PROGRAM SERVICE ACCOMPLISHMENTS

NHFMC HAS 859 LICENSED BEDS. IN 2023, THERE WERE 220,769 PATIENT DAYS WITH AN AVERAGE LENGTH OF STAY OF 6 DAYS, AN AVERAGE DAILY CENSUS OF 605, AND 36,034 DISCHARGES. THERE WERE 22,631 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 1,022,884 OUTPATIENT ENCOUNTERS AND 78,126 EMERGENCY DEPARTMENT VISITS.

NHKMC HAS 50 LICENSED BEDS. IN 2023 THERE WERE 12,690 PATIENT DAYS WITH AN AVERAGE LENGTH OF STAY OF 4 DAYS, AN AVERAGE DAILY CENSUS OF 35, AND 3,074 DISCHARGES. THERE WERE 3,725 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 60,405 OUTPATIENT ENCOUNTERS AND 35,263 EMERGENCY DEPARTMENT VISITS.

NHMC HAS 36 LICENSED BEDS. IN 2023 THERE WERE 5,286 PATIENT DAYS WITH AN AVERAGE LENGTH OF STAY OF 3 DAYS, AN AVERAGE DAILY CENSUS OF 14, AND 1,899 DISCHARGES. THERE WERE 3,876 INPATIENT AND OUTPATIENT SURGERIES, A TOTAL OF 43,626 OUTPATIENT ENCOUNTERS AND 24,649 EMERGENCY DEPARTMENT VISITS.

FORM 990, PART VI, SECTION A, LINE 6: CLASSES OF MEMBERS OR STOCKHOLDERS

THE CORPORATION IS A NONPROFIT CORPORATION WITH MEMBERS (OR A MEMBER). MEMBER HAS SOLE VOTING AUTHORITY OVER ALL MATTERS. IN ADDITION TO THESE POWERS, MEMBER HAS CERTAIN RIGHTS SUBJECT TO THE RESERVED POWERS OF NOVANT HEALTH, INC.

FORM 990, PART VI, SECTION A, LINE 7A: ELECTION OF MEMBERS AND THEIR RIGHTS

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NOVANT HEALTH, INC. ELECTS ALL MEMBERS OF THE GOVERNING BODY OF FORSYTH MEMORIAL HOSPITAL, INC.

FORM 990, PART VI, SECTION A, LINE 7B: DECISIONS SUBJECT TO APPROVAL OF MEMBERS

NOVANT HEALTH, INC. HAS CERTAIN RESERVED POWERS, SUCH AS APPROVAL OF AMENDMENTS TO THE ARTICLES AND BYLAWS OF THE CORPORATION, AND TO ADOPT CERTAIN POLICIES WHICH SHALL BE IMPLEMENTED BY THE CORPORATION BOARD.

FORM 990, PART VI, SECTION B, LINE 11: ORGANIZATION'S PROCESS TO REVIEW FORM 990

THE BOARD DELEGATES REVIEW OF THE FORM 990 TO NOVANT HEALTH'S BOARD OF TRUSTEES' AUDIT AND COMPLIANCE COMMITTEE ("THE COMMITTEE"), WHICH OVERSEES TAX MATTERS FOR ENTITIES IN THE NOVANT HEALTH SYSTEM. THE COMMITTEE IS THE REVIEW BODY FOR ALL OF THE FORM 990S FILED FOR TAX-EXEMPT ORGANIZATIONS WITHIN THE NOVANT HEALTH SYSTEM. THE COMMITTEE IS PROVIDED A COPY OF FORM 990 AND MEETS TO ADDRESS ANY QUESTIONS AND SIGNIFICANT DISCLOSURES WITHIN THE FORM 990 PRIOR TO ITS FILING WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: MONITORING AND ENFORCEMENT OF COI THE ORGANIZATION'S TRUSTEE CONFLICT OF INTEREST POLICY APPLIES TO ALL TRUSTEES, PRINCIPAL OFFICERS OR MEMBERS OF A COMMITTEE WITH BOARD DELEGATED POWERS INCLUDING ANY APPLICABLE DISREGARDED ENTITIES. ALL TRUSTEES ARE SENT AN ANNUAL DISCLOSURE QUESTIONNAIRE. THE TRUSTEE ANNUAL DISCLOSURE QUESTIONNAIRES ARE REVIEWED BY THE COMPLIANCE AND TAX DEPARTMENTS. WITH

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RESPECT TO PARTICULAR TRANSACTIONS THAT COME BEFORE THE BOARD, THE CONFLICT OF INTEREST POLICY WOULD BE FOLLOWED. THE POTENTIAL CONFLICT OF INTEREST WOULD BE DISCLOSED BY THE BOARD MEMBER BEFORE A VOTE ON THE TRANSACTION AND THE REST OF THE BOARD WOULD DETERMINE WHETHER A CONFLICT OF INTEREST EXISTS. IF THE REST OF THE BOARD DETERMINED THAT A CONFLICT OF INTEREST EXISTED THEN THE BOARD MEMBER WITH THE CONFLICT OF INTEREST WOULD NOT PARTICIPATE IN THE DELIBERATIONS AND VOTE.

FORM 990, PART VI, SECTION B, LINE 15A/15B:

THE FILING ORGANIZATION IS AN INTEGRAL PART OF NOVANT HEALTH, AN INTEGRATED HEALTHCARE SYSTEM. INDEPENDENT AND DISINTERESTED BOARD MEMBERS OF THE PARENT ORGANIZATION, NOVANT HEALTH, INC. BOARD OF TRUSTEES (WHO COMPRISE THE COMPENSATION AND LEADERSHIP COMMITTEE OF THE BOARD), REVIEW, APPROVE, AND OVERSEE ALL ASPECTS OF COMPENSATION AND BENEFITS FOR CERTAIN LEADERS ("EXECUTIVES") SERVING AS OFFICERS, INCLUDING THE TOP MANAGEMENT & FINANCIAL OFFICIALS, OR KEY EMPLOYEES FOR NOVANT HEALTH ENTITIES. THE COMMITTEE WORKS WITH AN INDEPENDENT COMPENSATION CONSULTANT AND USES THIRD PARTY COMPARABILITY DATA FOR FUNCTIONALLY SIMILAR POSITIONS AT COMPARABLE ORGANIZATIONS TO ENSURE THAT TOTAL COMPENSATION AND BENEFITS FOR EACH EXECUTIVE IS REASONABLE. THE COMMITTEE REVIEWS AND APPROVES EXECUTIVE COMPENSATION AND BENEFITS ANNUALLY, CONSISTENT WITH THE WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY OF NOVANT HEALTH, AND IN A MANNER THAT QUALIFIES FOR THE REBUTTABLE PRESUMPTION OF REASONABLENESS.

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS DISCLOSURE

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAINING ALL ORGANIZATIONS

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IN THE NOVANT HEALTH SYSTEM ARE POSTED TO THE NOVANT HEALTH WEBSITE. THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT AVAILABLE TO THE PUBLIC.

FORM 990, PART VII, SECTION B: INDEPENDENT CONTRACTORS
NOVANT HEALTH, INC, A RELATED ORGANIZATION, IS RESPONSIBLE FOR CERTAIN CORPORATE SUPPORT FUNCTIONS OF THE FILING ORGANIZATION, INCLUDING ACCOUNTS PAYABLE AND ISSUANCE OF FORMS 1099. INFORMATION REPORTED IN PART VII, SECTION B REPRESENTS EXPENSES PAID BY NOVANT HEALTH, INC. ON BEHALF OF THE FILING ORGANIZATION TO INDEPENDENT CONTRACTORS OVER \$100,000.

FORM 990, PART IX, LINE 6: COMPENSATION OF DISQUALIFIED PERSONS
THE AMOUNTS REPORTED HERE INCLUDE AMOUNTS ATTRIBUTABLE TO DISQUALIFIED PERSONS (DQP) AS DEFINED IN THE INSTRUCTIONS, BUT NOW ALSO INCLUDES AMOUNTS ATTRIBUTABLE TO INDIVIDUALS THAT MAY NOT DEFINITELY BE CONSIDERED DQPS UNDER THE 4958 RULES. WE HAVE OPTED TO TAKE A MORE EXPANSIVE APPROACH AS TO WHO MAY BE CONSIDERED A DQP AND REPORT THEM HERE AS WELL.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

CONTRIBUTIONS:	-1,149,202.
AFFILIATE TRANSFERS:	-312,228.
INVESTMENT IN NORFOLK PARTNERSHIP:	-2,943,370.
MEMBER WITHDRAWAL:	-2,661,224.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

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Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
NOVANT HEALTH CLEMMONS OUTPATIENT SURGERY, LLC - 82-5250651, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	7,976,387.	7,792,975.	FORSYTH MEMORIAL HOSPITAL, INC.
NOVANT HEALTH KERNERSVILLE OUTPATIENT SURGERY, LLC - 82-1651821, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	6,164,585.	8,865,387.	FORSYTH MEMORIAL HOSPITAL, INC.

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
AUXILIARY OF FORSYTH MEMORIAL HOSPITAL - 56-0862112, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	GIFT SHOP	NORTH CAROLINA	501(C)(3)	LINE 10	FORSYTH MEMORIAL HOSPITAL, INC.	X	
BRUNSWICK NOVANT MEDICAL CENTER FOUNDATION - 27-4616751, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	BRUNSWICK COMMUNITY HOSPITAL, LLC		X
CAROLINA HEALTHCARE ASSOCIATES, INC. - 56-2049697, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	HEALTHCARE STAFFING	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
COMMUNITY GENERAL HOSPITAL FOUNDATION, INC. - 56-1828629, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH THOMASVILLE MEDICAL CENTER,		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2023

SEE PART VII FOR CONTINUATIONS

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
FORSYTH MEDICAL CENTER FOUNDATION - 56-2120959, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	FORSYTH MEMORIAL HOSPITAL, INC.	X	
FOUNDATION HEALTH SYSTEMS CORP. - 56-1373175 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 10	NOVANT HEALTH, INC.		X
NEW HANOVER REGIONAL MEDICAL CENTER FOUNDATION, INC. - 56-1752396, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
NHRMC HOME CARE - 35-2379154 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 10	PENDER MEMORIAL HOSPITAL, INC.		X
NOVANT HEALTH, INC. - 56-1376950 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	N/A		X
NOVANT MEDICAL GROUP, INC. - 58-1728803 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	NMG SERVICES, LLC		X
PENDER MEMORIAL HOSPITAL, INC. - 56-0653348 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER,		X
PRESBYTERIAN HOSPITAL FOUNDATION - 58-1413074, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH SOUTHERN PIEDMONT REGION, LLC		X
ROWAN REGIONAL MEDICAL CENTER AUXILIARY - 23-7022472, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	GIFT SHOP	NORTH CAROLINA	501(C)(3)	LINE 10	NOVANT HEALTH ROWAN MEDICAL CENTER, LLC		X
ROWAN REGIONAL MEDICAL CENTER FOUNDATION, INC. - 56-1424818, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	FUNDRAISING	NORTH CAROLINA	501(C)(3)	LINE 7	NOVANT HEALTH ROWAN MEDICAL CENTER, LLC		X
SELF INSURANCE FUND - NOVANT HEALTH, INC. - 58-1867242, 2085 FRONTIS PLAZA BLVD, WINSTON SALEM, NC 27103	INSURANCE	NORTH CAROLINA	501(C)(3)	LINE 12C, III-FI	NOVANT HEALTH, INC.		X
THE PRESBYTERIAN HOSPITAL - 56-0554230 2085 FRONTIS PLAZA BLVD WINSTON SALEM, NC 27103	HEALTHCARE	NORTH CAROLINA	501(C)(3)	LINE 3	NOVANT HEALTH SOUTHERN PIEDMONT REGION, LLC		X

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
ADEPT HEALTH, INC. - 56-2226937 2085 FRONTIS PLAZA BLVD. WINSTON SALEM, NC 27103	ADMIN SERVICES	NC	N/A	C CORP	N/A	N/A	N/A		X
CHOICEHEALTH, INC. - 56-1896065 2085 FRONTIS PLAZA BLVD. WINSTON SALEM, NC 27103	MANAGED CARE	NC	N/A	C CORP	N/A	N/A	N/A		X
COMMUNICARE, INC. - 56-1952950 2085 FRONTIS PLAZA BLVD. WINSTON SALEM, NC 27103	RENTAL REAL ESTATE	NC	N/A	C CORP	N/A	N/A	N/A		X
KERNERSVILLE MEDICAL CENTER PARK OWNERS' ASSOCIATION - 47-1511401, 2085 FRONTIS PLAZA BLVD., WINSTON SALEM, NC 27103	REAL PROPERTY MGMT	NC	N/A	C CORP	N/A	N/A	N/A		X
MEDQUEST, INC. & SUBSIDIARIES - 22-3860764 3480 PRESTON RIDGE RD., STE 600 ALPHARETTA, GA 30005	DIAGNOSTIC IMAGING	DE	N/A	C CORP	N/A	N/A	N/A		X

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)	X	
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) FORSYTH MEDICAL CENTER FOUNDATION	C	1,776,170.	CASH
(2) FORSYTH MEDICAL CENTER FOUNDATION	R	312,176.	CASH
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) <small>Are all partners sec. 501(c)(3) orgs.?</small>		(f) Share of total income	(g) Share of end-of-year assets	(h) <small>Dispropor- tionate allocations?</small>		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) <small>General or managing partner?</small>		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME OF RELATED ORGANIZATION:

CAROLINA HEALTHCARE ASSOCIATES, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER, LLC

NAME OF RELATED ORGANIZATION:

COMMUNITY GENERAL HOSPITAL FOUNDATION, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH THOMASVILLE MEDICAL CENTER, LLC

NAME OF RELATED ORGANIZATION:

NEW HANOVER REGIONAL MEDICAL CENTER FOUNDATION, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER, LLC

NAME OF RELATED ORGANIZATION:

PENDER MEMORIAL HOSPITAL, INC.

DIRECT CONTROLLING ENTITY: NOVANT HEALTH NEW HANOVER REGIONAL MEDICAL CENTER, LLC

Electronic Filing PDF Attachment

**Novant Health, Inc.
and Affiliates**

**Consolidated Financial Statements and
Supplemental Information
December 31, 2023 and 2022**

Novant Health, Inc. and Affiliates
Index
December 31, 2023 and 2022

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Report of Independent Auditors

To the Board of Trustees of Novant Health, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Novant Health, Inc. and Affiliates (the “Company”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022 and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended, including the related notes (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are

considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Pricewaterhouse Coopers LLP

Charlotte, North Carolina
March 29, 2024

Novant Health, Inc. and Affiliates
Consolidated Balance Sheets
December 31, 2023 and 2022

(in thousands of dollars)

	2023	2022
Assets		
Current assets		
Cash and cash equivalents	\$ 739,797	\$ 643,997
Accounts receivable, net	1,055,998	902,323
Short-term investments	11,080	234,253
Current portion of assets limited as to use	27,617	28,832
Receivable for settlement with third-party payors	12,650	13,985
Other current assets	513,058	645,001
Total current assets	<u>2,360,200</u>	<u>2,468,391</u>
Assets limited as to use	270,232	239,778
Long-term investments	3,387,889	3,029,968
Property and equipment, net	3,219,937	3,004,232
Right-of-use assets, net	462,557	477,247
Intangible assets and goodwill, net	621,916	645,420
Investments in affiliates	397,207	267,532
Deferred tax asset	3,570	2,658
Other assets	122,802	131,583
Total assets	<u>\$ 10,846,310</u>	<u>\$ 10,266,809</u>
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt	\$ 79,065	\$ 61,219
Accounts payable	402,157	369,880
Accrued liabilities	729,416	762,340
Current portion of operating lease liabilities	106,085	106,950
Estimated third-party payor settlements	102,827	59,531
Total current liabilities	<u>1,419,550</u>	<u>1,359,920</u>
Long-term debt, net of current portion	2,588,423	2,589,153
Deferred tax liability	14,932	19,551
Operating lease liabilities, net of current portion	386,962	388,638
Derivative financial instruments	12,254	13,191
Employee benefits and other liabilities	442,017	382,721
Total liabilities	<u>4,864,138</u>	<u>4,753,174</u>
Commitments and contingencies		
Net assets		
Without donor restrictions - attributable to Novant Health	5,871,264	5,413,189
Without donor restrictions - noncontrolling interests	4,806	5,059
Total net assets without donor restrictions	<u>5,876,070</u>	<u>5,418,248</u>
With donor restrictions	106,102	95,387
Total net assets	<u>5,982,172</u>	<u>5,513,635</u>
Total liabilities and net assets	<u>\$ 10,846,310</u>	<u>\$ 10,266,809</u>

The accompanying notes are an integral part of these consolidated financial statements.

Novant Health, Inc. and Affiliates
Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2023 and 2022

(in thousands of dollars)

	2023	2022
Total operating revenues, gains, and other support		
Net patient service revenues	\$ 7,415,779	\$ 6,652,892
Other revenue and gains	879,369	899,218
Total operating revenues, gains, and other support	<u>8,295,148</u>	<u>7,552,110</u>
Operating expenses		
Salaries and employee benefits	4,471,515	4,250,720
Supplies and other	3,258,361	2,773,908
Depreciation and amortization expense	330,517	330,308
Impairment charge	-	62,981
Interest expense	87,975	65,984
Total operating expenses	<u>8,148,368</u>	<u>7,483,901</u>
Operating income	146,780	68,209
Non-operating income (expense)		
Investment income (loss)	310,804	(251,112)
Income tax expense	(1,907)	(38,753)
Other net periodic pension benefits (costs)	5,168	(1,183)
Excess (deficit) of revenues over expenses	<u>\$ 460,845</u>	<u>\$ (222,839)</u>
Other changes in net assets without donor restrictions		
Change in funded status of defined benefit plans	(543)	4,664
Amortization of deferred loss on derivative financial instruments	2,564	2,778
Other changes in net assets without donor restrictions	(5,044)	(3,973)
Increase (decrease) in net assets without donor restrictions	<u>457,822</u>	<u>(219,370)</u>
Net assets with donor restrictions		
Contributions and investment income	21,980	14,777
Net assets released from restrictions for operations	(11,265)	(10,312)
Increase in net assets with donor restrictions	<u>10,715</u>	<u>4,465</u>
Increase (decrease) in total net assets	468,537	(214,905)
Net assets, beginning of period	<u>5,513,635</u>	<u>5,728,540</u>
Net assets, end of period	<u>\$ 5,982,172</u>	<u>\$ 5,513,635</u>

The accompanying notes are an integral part of these consolidated financial statements.

Novant Health, Inc. and Affiliates
Consolidated Statements of Cash Flows
Years Ended December 31, 2023 and 2022

(in thousands of dollars)

	2023	2022
Cash flows from operating activities		
Increase (decrease) in total net assets	\$ 468,537	\$ (214,905)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation, amortization and accretion	332,503	330,291
Gain on sale of consolidated entities	(14,085)	(241,452)
Impairment charge	-	62,981
Actuarial loss (gain) on pension and postretirement benefits	(598)	609
Change in funded status of defined benefit plans	543	(4,664)
Share of earnings (losses) in affiliates, net of distributions	(156)	8,336
Net realized and unrealized losses (gains) on assets limited as to use and investments	(259,908)	302,918
Change in fair value of interest rate swaps	(937)	(26,069)
Contributions restricted for capital	(2,135)	(1,585)
Changes in operating assets and liabilities, net of assets acquired and liabilities assumed		
Accounts receivable	(172,847)	(27,584)
Accounts payable and accrued liabilities	58,921	126,082
Medicare advanced repayments	(91,145)	(174,883)
Long-term liabilities	32,683	(53,630)
Other current assets	(97,500)	(64,401)
Third-party payor settlements	44,631	(18,346)
Deferred taxes, net	(5,531)	16,220
Other assets and liabilities, net	15,261	7,259
Net cash provided by operating activities	<u>308,237</u>	<u>27,177</u>
Cash flows from investing activities		
Capital expenditures	(520,858)	(466,327)
Proceeds from sales of long-term investments	1,451,632	1,811,190
Purchases of long-term investments	(1,662,899)	(1,701,165)
Proceeds from sales of short-term investments	724,287	760,857
Purchases of short-term investments	(493,175)	(581,223)
Proceeds from sale of property and equipment	22,273	3,405
Proceeds (payments) from sale of consolidated entities, net of cash disposed	250,061	(20,088)
Investments in unconsolidated affiliates	(92,019)	(3,366)
Other investing activities	(1,852)	(3,861)
Net cash used in investing activities	<u>(322,550)</u>	<u>(200,578)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Novant Health, Inc. and Affiliates
Consolidated Statements of Cash Flows, continued
Years Ended December 31, 2023 and 2022

(in thousands of dollars)

	2023	2022
Cash flows from financing activities		
Principal payments on long-term debt	(24,740)	(17,971)
Payments on repurchase agreements, net	-	(124,300)
Proceeds from sale of accounts receivable	19,734	20,312
Proceeds from revolving credit facility	43,627	2,000
Other financing activities	(1,412)	3,077
	<u>37,209</u>	<u>(116,882)</u>
Net cash provided by (used in) financing activities	37,209	(116,882)
Net increase (decrease) in cash, cash equivalents and restricted cash	22,896	(290,283)
Cash, cash equivalents and restricted cash		
Beginning of period	850,183	1,140,466
End of period	<u>\$ 873,079</u>	<u>\$ 850,183</u>

	2023	2022
Supplemental disclosure of cash flow information		
Interest paid	\$ 93,161	\$ 92,781
Income taxes paid	31,577	1,873
Supplemental disclosure of noncash financing and investing activities		
Property and equipment financed through current liabilities	79,044	52,299
Investments in affiliates acquired in sale of business	-	218,548

The following table reconciles cash and cash equivalents on the consolidated balance sheets to cash, cash equivalents and restricted cash on the consolidated statements of cash flows:

	2023	2022
Cash and cash equivalents	\$ 739,797	\$ 643,997
Restricted cash included in assets limited as to use:		
Nonqualified plans	11,025	9,357
Transition stabilization escrow	43,283	55,135
Bond proceeds	-	10
Other	16,269	10,484
Cash and cash equivalents included in long-term investments	<u>62,705</u>	<u>131,200</u>
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 873,079</u>	<u>\$ 850,183</u>

The accompanying notes are an integral part of these consolidated financial statements.

Novant Health, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

(in thousands of dollars)

1. Reporting Entity

Novant Health, Inc. (“Novant Health” or the “Company”) is a not-for-profit integrated system of 15 medical centers and more than 1,800 physicians in over 800 locations, as well as numerous outpatient surgery centers, medical plazas, rehabilitation programs, diagnostic imaging centers and community health outreach programs. Novant Health’s more than 35,000 team members and physician partners care for patients and communities in North Carolina, South Carolina and Georgia.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Principles of Consolidation

The consolidated financial statements include the accounts of all affiliates controlled by Novant Health. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Significant estimates include, but are not limited to, accounts receivable price concessions, third-party payor settlements, goodwill and intangible asset valuation and subsequent recoverability, useful lives of intangible assets and property and equipment and medical and professional liability and other self-insurance accruals related assumptions.

Fair Value of Financial Instruments

The fair value of financial instruments approximates the carrying amount reported in the consolidated balance sheets for cash and cash equivalents, investments other than alternatives, assets limited as to use and interest rate swaps. More information can be found in Note 8, *Fair Value Measurements*.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding amounts limited as to use by board designation, donors or trustees and certain amounts that are reported as long-term investments.

Restricted Cash

Novant Health holds cash that is restricted by the Company to purchase investments, pay participants in the Company’s nonqualified plan, make payments related to the transition stabilization fund and fund expenditures with proceeds of the Series 2019 A bonds. Restricted cash balances were \$133,282 and \$206,186 as of December 31, 2023 and 2022, respectively, and are classified as current or long-term, consistent with the nature of their intended use based on the restrictions.

Novant Health, Inc. and Affiliates

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

(in thousands of dollars)

Accounts Receivable

Accounts receivable consist primarily of amounts owed by various governmental agencies, insurance companies and patients. Novant Health manages these receivables by regularly reviewing the accounts and contracts and by recording appropriate price concessions. Amounts the Company receives for treatment of patients covered by governmental programs and third-party payors as well as directly from patients are subject to both explicit and implicit price concessions. The Company estimates these price concessions using contractual agreements, discount policies, historical experience as well as current and expected future economic conditions. Novant Health records price concessions in the period of service based on the analysis and consideration of these factors.

Leases

Novant Health leases property and equipment under finance and operating leases and determines if an arrangement is a lease at the inception of the contract. Right-of-use assets represent the Company's right to use the underlying assets for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the leases. For leases with terms greater than 12 months, the related right-of-use assets and liabilities are recorded at the present value of lease payments over the term. Many of the Company's leases include rental escalation clauses and renewal options that are factored into our determination of lease payments when appropriate. The Company uses its estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of the lease payment.

Other Current Assets

Other current assets include supplies (which primarily consist of hospital and medical supplies and pharmaceuticals), prepaid expenses and other receivables. Supply costs are determined primarily using the average cost method and are stated at the lower of cost or net realizable value.

Investments

Debt investments are classified as trading securities. All debt investments are designated as trading at the time of acquisition. Unrealized gains and losses on debt and equity investments are included in excess (deficit) of revenues over expenses, unless the income or loss is restricted by donor or law. Long-term investments are classified as noncurrent assets as the Company does not expect to use these funds to meet its current liabilities.

Investments in equity and debt securities with readily determinable fair values are measured at fair value based on prices obtained on active markets or exchanges. The Company also invests in alternative and private equity investments through funds structured as limited partnerships, limited liability companies ("LLC's") and corporations. These investments are recorded using the equity method, with the values provided by the respective partnership, LLC or corporation based on market value or other estimates that require varying degrees of judgment. The Company also has certain investments that are reported at Net Asset Value ("NAV") as a practical expedient as permitted under GAAP. Novant Health believes the NAV reported at the end of the period is representative of the price we would receive if we sold the investment. For all of the Company's long-term investments, the related earnings are reported as investment income (loss) in the consolidated statements of operations and changes in net assets. At December 31, 2023 and 2022, the Company held \$45,701 and \$36,239, respectively, of long-term investments that were accounted for at cost less impairment

Novant Health, Inc. and Affiliates
Notes to Consolidated Financial Statements
December 31, 2023 and 2022

(in thousands of dollars)

with adjustments made for any observable price changes resulting from an orderly transaction for the identical or a similar investment of the same issuer.

The determination of any other-than-temporary impairment (“OTTI”) of the Company’s equity and debt investments is based upon periodic evaluations and assessments of known and inherent risks associated with the respective asset class. The Company updates its evaluations regularly and recognizes OTTI as conditions change and new information becomes available. OTTI is included in investment income (loss) in the combined statements of operations and changes in net assets. There was no OTTI for the years ended December 31, 2023 and 2022.

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the investment balances included in the consolidated financial statements.

Assets Limited as to Use

Assets limited as to use primarily include assets held by trustees, funds designated for wind down expenses related to an acquisition (transition stabilization fund), and assets designated for specific purposes by the Board of Trustees.

Derivatives

The Company selectively enters into interest rate protection agreements to mitigate changes in interest rates on variable rate borrowings. The notional amounts of such agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to loss. None of these agreements are used for speculative or trading purposes.

Derivatives are recognized on the consolidated balance sheets at fair value. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship. The Company formally documents the hedging relationships at inception of the contract for derivative transactions, including identifying the hedge instruments and hedged items, as well as the risk management objectives and strategies for entering into the hedge transaction. At inception and on a quarterly basis thereafter, the Company assesses the effectiveness of derivatives used to hedge transactions. If a cash flow hedge is deemed highly effective, the change in fair value is recorded as a change in net assets without donor restrictions. The change in fair value of derivatives that do not qualify for hedge accounting is recognized in excess (deficit) of revenues over expenses.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or at fair value at the date of donation, if donated. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets. Leasehold improvements are amortized over the life of the lease or the useful life of the asset, whichever is shorter.

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Following is a summary of the estimated useful lives used in computing depreciation:

Land improvements	5–45 years
Buildings	30–40 years
Machinery and equipment	3–15 years
Software	3–10 years
Furniture and fixtures	7–14 years

Maintenance and repairs of property and equipment are expensed in the period incurred. Replacements or improvements that increase the estimated useful life of an asset are capitalized. The Company also capitalizes the cost of software developed for internal use. Assets that are sold, retired or otherwise disposed of are removed from the respective asset cost and accumulated depreciation accounts and any gain or loss is included in the results of operations.

Gifts of long-lived assets such as land, buildings or equipment are excluded from excess (deficit) of revenues over expenses and are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the net assets of acquired companies. Intangible assets generally represent the acquisition date fair value of certain rights or relationships obtained in such business acquisitions.

The Company considers certificates of need, which are required by certain states prior to the acquisition of high cost capital items, to be indefinite-lived intangible assets. During 2023, regulatory changes in states where the Company does business eliminated these requirements for certain types of equipment at dates in the future. As a result of these changes, these intangible assets now have estimated useful lives and are being amortized accordingly. The Company also has intangible assets with identifiable useful lives related to business acquisitions. These assets include business relationships and corporate trade names. In accordance with GAAP, the Company amortizes the cost of these intangible assets over their estimated useful lives.

Following is a summary of the estimated useful lives used in computing amortization:

Certificates of need	Based on state regulatory requirements
Business relationships	26 years
Corporate trade name	29 years

On October 1st each year, Novant Health tests goodwill and indefinite-lived assets for impairment. Novant has elected to evaluate goodwill triggering events at the end of each quarterly reporting period. If it is more likely than not that the indefinite-lived asset is impaired, additional testing for impairment is required.

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GAAP prescribes that impairment for indefinite-lived intangibles is evaluated by comparing the fair value of the asset with its carrying amount. If the carrying amount exceeds the fair value, an impairment loss is recognized as the amount of that excess.

Impairment tests are performed at the reporting unit level for units that have goodwill. If it is more likely than not that the fair value of the reporting unit exceeds the carrying value of the reporting unit, additional impairment testing is not required. If it is more likely than not that the carrying value of the reporting unit exceeds the fair value of the reporting unit, additional testing for impairment is required. The first step is to determine if the carrying value of the reporting unit with goodwill is less than the related fair value of the reporting unit. The fair value of the reporting unit is determined through use of discounted cash flow methods and/or market based multiples of earnings and sales methods. If the carrying value of the reporting unit is less than the fair value of the reporting unit, the goodwill is not considered impaired. If the carrying value is greater than the fair value, the goodwill is considered impaired and an impairment charge is recorded for the amount by which the carrying value exceeds the fair value of the reporting unit.

Investments in Affiliates

Investments in entities which Novant Health does not control, but in which it has a substantial ownership interest and can exercise significant influence, are accounted for using the equity method. Investments for which the Company does not have the ability to exercise significant influence are accounted for at fair value or, if fair value is not readily determinable, at cost less impairment with adjustments made for any observable price changes resulting from an orderly transaction for the identical or a similar investment of the same issuer. Distributions from affiliates are shown as operating cash flows on the Company's consolidated statements of cash flows.

Other Assets

Other assets consist of notes and pledges receivable, reinsurance receivables, deferred rent income and the cash surrender value of insurance policies.

Compensated Absences

The Company's employees earn paid time off at varying rates depending on years of service. Paid time off accumulates up to certain limits, at which time no additional hours can be earned. Provided this hourly limit is not met, employees can continue to accumulate hours and time can be carried over to future years. Accrued paid time off is included in accrued liabilities on the Company's consolidated balance sheets.

Pension and Postretirement Benefit Plans

Novant Health's defined benefit plans are measured using actuarial techniques that reflect management's assumptions for discount rate, investment returns on plan assets, salary increases, expected retirement, mortality, employee turnover and future increases in healthcare costs. The discount rate (which is required to be the rate at which the projected benefit obligation could be effectively settled as of the measurement date) is determined with the assistance of actuaries, who calculate the yield on a theoretical portfolio of high-grade corporate bonds (rated Aa or better) with cash flows that are designed to match expected benefit payments in future years. The expected rate of return is a judgmental matter which is reviewed on an annual basis and revised as appropriate.

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The accounting guidance related to employers' accounting for defined benefit pension and other postretirement plans requires recognition in the consolidated balance sheets of the funded status of these plans. The Company uses mark-to-market accounting and immediately recognizes changes in the fair value of plan assets and actuarial gains or losses in operating results.

Self-Insurance Reserves

The Company is self-insured for certain employee health benefit options, workers' compensation and malpractice. These costs are accounted for on an accrual basis to include estimates of future payments for claims incurred.

Net Assets

Net assets without donor restrictions include undesignated amounts as well as amounts designated by the board for a specific purpose. Net assets with donor restrictions are held by related foundations and consist primarily of amounts contributed to foundations by donors with purpose restrictions. The Company also has net assets with donor restrictions that are perpetual in nature. Earnings on these assets are available for use as specified by the donors.

Contributions Received

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or the condition is met. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is met, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions, which is included in other operating revenue. Donor-restricted contributions whose restrictions are met within the same year as received are reported as net assets without donor restrictions in the accompanying consolidated financial statements.

Statement of Operations

All activities of Novant Health deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenues and expenses. Other activities are deemed to be non-operating and include investment income (loss), income tax expense and other net periodic pension costs.

Novant Health hospitals receives supplemental Medicaid payments from the state of North Carolina through a federally approved directed payment program which was approved during 2023. This program provides a funding model whereby hospitals are assessed an amount based on a percentage of their costs and are then paid supplemental amounts in an effort to reduce Medicaid losses. Novant Health records payments received as net patient service revenue and assessments paid as supplies and other on the consolidated statements of operations and changes in net assets. These supplemental payments are recognized in income when earned, if reasonably estimable and deemed collectible. During 2023, Novant Health hospitals received \$330,268 and paid \$107,938. North Carolina hospitals also pay assessments to finance portions of North Carolina's Medicaid fee-for-service, general medical education and managed care program. Novant Health hospitals paid assessments of \$140,032 in 2023 and \$123,657 in 2022. The Medicaid program in the state of North Carolina was expanded on

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December 1, 2023. This expansion increases Medicaid access for individuals and families meeting certain criteria. North Carolina hospitals also pay assessments to finance this program. Novant Health hospitals paid \$9,188 in Medicaid expansion assessments in 2023.

The consolidated statements of operations and changes in net assets include excess (deficit) of revenues over expenses. Changes in net assets without donor restrictions which are excluded from excess (deficit) of revenues over expenses include the change in funded status of defined benefit plans and amortization of deferred loss on derivative financial instruments that apply hedge accounting.

Other Revenue

Other revenue consists primarily of pharmacy revenue, revenue from pay-for-performance contracts, earnings from investments in affiliates accounted for using the equity method of accounting, revenue from management services agreements, net assets released from restriction, gain on sale of consolidated entities and rental income.

Income Taxes

Novant Health is classified as a nonprofit organization pursuant to Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on revenue earned from its tax-exempt purposes. Novant Health also operates various for-profit subsidiaries which operate in service lines that are complementary to the Company's tax-exempt purpose. Income from activities that are determined by IRS regulations to be unrelated to the tax-exempt purposes as well as income from activities of for-profit subsidiaries of the Company are subject to federal and state taxation.

The Company provides for income taxes using the asset and liability method. This approach recognizes the amount of federal, state and local taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequences of events recognized in the consolidated financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates in the period in which such laws or rates are enacted. A valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient future taxable income.

3. Organizational Changes

On December 31, 2022, the Company sold its economic interests in its North Carolina imaging operations as well as the business that provided management services of imaging operations to Novant Health and others. In exchange, Novant Health received a 50.1% ownership interest in Novant Health-Norfolk LLC and a 30% ownership interest in Norfolk Management Services LLC, and \$229,828 in cash proceeds. The newly formed entities own the economic interest in and oversee management of the imaging centers. The cash was received in January 2023 and is included in other current assets on the consolidated balance sheets as of December 31, 2022. The transaction resulted in a gain of \$241,452, which is included in other revenue on the consolidated statements of operations and changes in net assets for the year ended December 31, 2022. The transaction also resulted in an impairment charge of \$62,981 related to certain intangible assets which became impaired as of the date of the sale.

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On September 29, 2023, the Company sold its economic interest in additional North Carolina imaging operations to Novant Health-Norfolk LLC in exchange for \$20,233 in proceeds. The transaction resulted in a gain of \$14,085 which is included in other revenue on the consolidated statements of operations and changes in net assets for the year ended December 31, 2023.

On January 1, 2023, the Company purchased 49.0% ownership interest of an organization that offers products to Medicare beneficiaries in exchange for \$44,100. This investment is accounted for using the equity method and is included in investments in affiliates on the consolidated balance sheets.

On August 1, 2023, the Company purchased 30.0% ownership interest of an organization that owns all the membership interests of a health system in Conway, SC. The system includes 222 inpatient beds, outpatient facilities and more than 200 physicians. The ownership was purchased for \$37,500 in cash and a payable of \$37,500, due in equal installments on the first and second anniversary of the purchase. This investment is accounted for using the equity method and is included in investments in affiliates on the consolidated balance sheet.

4. Revenue Recognition and Accounts Receivable

Net Patient Service Revenue

Net patient service revenue is reported at the amount that reflects the consideration to which Novant Health expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs) and others. Generally, the Company bills the patient and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges. Novant Health believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in our hospitals receiving inpatient acute care services. The Company measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and the Company does not believe it is required to provide additional goods or services to the patient.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Company has elected to apply the practical expedient provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amounts of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. These performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

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Novant Health determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with Novant Health's policies and/or implicit price concessions provided to uninsured patients. The Company determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. The Company determines its estimate of implicit price concessions based on historical collection experience as well as expectations about current and future economic conditions. Agreements with third-party payors typically provide for payments at amounts less than established charges. For services provided under Medicare and Medicaid programs, inpatient acute care services rendered to program beneficiaries are paid at prospectively determined rates per diagnosis. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient non-acute services, certain outpatient services and defined capital and medical education costs related to beneficiaries are paid based on a cost reimbursement methodology. Outpatient services are paid at a prospectively determined rate. Physician services are paid based upon established fee schedules. Novant Health is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by Novant Health and audits thereof by the fiscal intermediary. Payment arrangements with commercial insurance carriers include prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to interpretation. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge Novant Health's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Company. In addition, the contracts the Company has with commercial payors also provide for retroactive audit and review of claims.

Cost report settlements under reimbursement agreements with Medicare and Medicaid for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Company's historical experience. Estimated settlements are adjusted in future periods as final settlements are determined. There is a reasonable possibility that recorded estimates will change by a material amount in the near term. Adjustments arising from a change in the transaction price were not significant in 2023 and 2022.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. Novant Health also provides services to uninsured patients. The transaction price for both uninsured patients as well as insured patients with deductibles and coinsurance is estimated based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenue in the period of the change. For the years ended December 31, 2023 and 2022, additional revenue of \$6,800 and

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\$9,800, respectively, was recognized due to changes in estimates of implicit price concessions, discounts and contractual adjustments for performance obligations satisfied in prior years.

Subsequent changes that are determined to be the results of an adverse change in the patient's ability to pay are recorded as expected credit losses. These are reported as a component of supplies and other in the consolidated statements of operations and changes in net assets and were not significant for the years ended December 31, 2023 and 2022.

The composition of net patient service revenues by payor and type of service is as follows:

	December 31, 2023		
	Acute Care Facilities	Outpatient Locations	Total
Medicare	\$ 1,775,882	\$ 631,736	\$ 2,407,618
Medicaid	845,240	129,268	974,508
Managed care	2,408,111	1,159,911	3,568,022
Other	378,428	36,633	415,061
Self-pay	22,865	27,705	50,570
Total	\$ 5,430,526	\$ 1,985,253	\$ 7,415,779

	December 31, 2022		
	Acute Care Facilities	Outpatient Locations	Total
Medicare	\$ 1,624,372	\$ 593,886	\$ 2,218,258
Medicaid	505,037	121,322	626,359
Managed care	2,245,043	1,161,802	3,406,845
Other	300,491	42,321	342,812
Self-pay	29,103	29,515	58,618
Total	\$ 4,704,046	\$ 1,948,846	\$ 6,652,892

Novant Health has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Company's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Company does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Novant Health has a program of factoring certain patient receivables with recourse to a third-party. Novant Health is obligated to repurchase factored receivables upon occurrence of certain conditions of the program. Accordingly, the Company accounts for the factoring as a secured borrowing. The factored receivables are recorded at their estimated net realizable value and are shown as other assets in the consolidated balance sheets. An offsetting liability, representing Novant Health's potential recourse for these receivables, is part of employee benefits and other liabilities in the

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consolidated balance sheets. As of December 31, 2023, the factored notes and the related liabilities were \$43,371 and \$54,224, respectively. As of December 31, 2022, the factored notes and the related liabilities were \$45,588 and \$57,004, respectively.

Other Revenue

In addition to net patient service revenue, Novant Health also recognizes revenue from other transactions. Revenue from these transactions is recognized when obligations under the terms of the respective contract are satisfied and is measured as the amount of consideration the Company expects to receive from those services. The Company recognizes rental income in accordance with GAAP on a straight-line basis over the lease term. Other revenue is comprised of the following for the years ended December 31:

	2023	2022
Pharmacy revenue	\$ 532,143	\$ 381,243
Gain on sale of consolidated entities	14,085	241,452
Pay-for-performance contracts	94,987	76,680
Release of purchase escrow	37,500	-
Provider relief funds	-	31,099
Management services agreements	6,860	25,367
Equity in earnings of affiliates	18,162	2,252
Rental income	8,929	8,929
Other miscellaneous revenues	166,703	132,196
	<u>\$ 879,369</u>	<u>\$ 899,218</u>

5. Charity Care and Community Benefit

In accordance with Novant Health's mission to improve the health of its communities one person at a time, Novant Health facilities accept patients regardless of their ability to pay. At acute facilities, uninsured patients qualify for a full write-off of their bills if their household income is at or below 300% of the federal poverty level. Novant Health also offers a catastrophic discount for patients with an account balance greater than \$5, flexible payment plans, and discounts for uninsured patients who do not qualify for the charity care program. In addition to these programs for hospitals, Novant Health physician groups and outpatient centers also have charity care programs to assist patients in need. The Company's approximate cost of providing care to indigent patients was \$224,873 and \$212,556 for the years ended December 31, 2023 and 2022, respectively. Novant Health estimates the costs of providing traditional charity care using each facility's estimated ratio of costs to charges. Funds received from gifts or grants to subsidize charity services provided were \$11,133 and \$12,006 for the years ended December 31, 2023 and 2022, respectively.

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6. Other Current Assets

Other current assets consist of the following at December 31:

	2023	2022
Supplies	\$ 179,253	\$ 164,948
Prepays	77,533	74,288
Receivable from sale of imaging centers	-	229,828
Other receivables	256,272	175,937
	<u>\$ 513,058</u>	<u>\$ 645,001</u>

7. Assets Limited as to Use and Investments

Short-Term Investments

Novant Health holds certain investments that are short-term in nature and have original maturity dates ranging from three to twelve months. Short-term investments consist of the following at December 31:

	2023	2022
Certificates of deposit	\$ 11,080	\$ 10,681
Fixed income - government securities	-	223,572
	<u>\$ 11,080</u>	<u>\$ 234,253</u>

Assets Limited as to Use

The designation of assets limited as to use is as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Under general and professional liability funding arrangement held by trustee	\$ 3,280	\$ 2,493	\$ 5,421	\$ 1,395
Transition stabilization fund	11,852	31,431	7,000	48,135
Held by bond trustee	-	-	10	-
Designated by Board to service benefit plans	12,485	236,308	16,401	190,248
	<u>\$ 27,617</u>	<u>\$ 270,232</u>	<u>\$ 28,832</u>	<u>\$ 239,778</u>

Assets limited as to use are invested primarily in cash and cash equivalents and corporate, U.S. government and U.S. agency debt obligations.

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Long-Term Investments

Investments are reported at either fair value, the equity method of accounting or at NAV as a practical expedient. The composition of long-term investments is as follows:

	December 31, 2023			
	At Fair Value	On Equity Method	At NAV	Total
Cash and cash equivalents	\$ 62,705	\$ -	\$ -	\$ 62,705
U.S. equities	470,903	-	475,311	946,214
International equities	176,932	-	228,432	405,364
Fixed income - government securities	703,675	-	-	703,675
Fixed income - corporate and other	24,678	109,614	-	134,292
Hedge funds	-	300,570	-	300,570
Private equity	-	460,446	-	460,446
Emerging markets	1,469	-	95,522	96,991
Real estate and other	67,188	210,444	-	277,632
	<u>\$ 1,507,550</u>	<u>\$ 1,081,074</u>	<u>\$ 799,265</u>	<u>\$ 3,387,889</u>

	December 31, 2022			
	At Fair Value	On Equity Method	At NAV	Total
Cash and cash equivalents	\$ 131,200	\$ -	\$ -	\$ 131,200
U.S. equities	340,236	-	381,772	722,008
International equities	129,369	-	223,698	353,067
Fixed income - government securities	604,190	-	-	604,190
Fixed income - corporate and other	23,015	113,334	-	136,349
Hedge funds	-	288,113	-	288,113
Private equity	-	386,877	-	386,877
Emerging markets	1,856	-	105,733	107,589
Real estate and other	105,170	195,405	-	300,575
	<u>\$ 1,335,036</u>	<u>\$ 983,729</u>	<u>\$ 711,203</u>	<u>\$ 3,029,968</u>

Long-term investments recorded on the equity method represent interests in Limited Liability Partnerships (LLP's) and Limited Liability Company's (LLC's) that do not trade in an active market. The agreements generally run for a number of years and require the Company to make capital contributions to the investments throughout the term of the partnership, up to the amount in the subscription agreement. The Company will generally receive distributions throughout the life of the investment, at the discretion of the investment manager and in accordance with the LLP or LLC agreements, with any final distribution made at the termination of the agreement. As of December 31, 2023, there are no LLP's or LLC's that are set to terminate within one year.

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Long-term investments carried at NAV represent interests in private investment companies that do not trade in an active market and may be redeemed or liquidated only after giving notice to the investment company, with notice periods ranging from daily to 120 days. The investments are held in U.S. and international equities and emerging markets. The Company has elected to value the investments using NAV as a practical expedient as reported by the investment company without adjustment, unless it is probable that the investment will be sold at a value significantly different than the reported NAV. At December 31, 2023 and 2022 we have not made any adjustments to the NAVs reported by the investment companies. The Company has the ability to redeem its interests at or within 120 days of the financial statement date.

The Company's investments in hedge funds include funds structured as limited partnerships, LLCs and corporations. These funds are domiciled in the U.S. and foreign jurisdictions and are managed by investment managers subject to oversight by various countries' regulators. The underlying assets of the hedge funds vary widely in risk and liquidity. Overall, the hedge fund holdings of the Company are expected to provide improved diversification to the Company's broader portfolio.

The Company's investments in hedge funds represent 8.9% and 9.5% of total long-term investments held at December 31, 2023 and 2022, respectively. These instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and nonmarketable investments) and nondisclosure of portfolio composition.

Novant Health is obligated under certain investment agreements to periodically advance additional funding up to specified levels. As of December 31, 2023 and 2022, Novant Health had future commitments of \$358,387 and \$402,226, respectively, for which capital calls had not been exercised.

Investment income (loss) for assets limited as to use and investments is comprised of the following for the years ended December 31:

	2023	2022
Interest and dividend income	\$ 50,896	\$ 51,806
Net realized gains	43,248	32,775
Net unrealized gains (losses)	<u>216,660</u>	<u>(335,693)</u>
	<u>\$ 310,804</u>	<u>\$ (251,112)</u>

Investment income (loss) is shown net of related expenses on the consolidated statements of operations and changes in net assets. Investment related administrative expenses were \$5,271 and \$7,358 for the years ended December 31, 2023 and 2022, respectively.

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Liquidity and Availability

As of December 31, 2023 and 2022, Novant Health has working capital of \$940,650 and \$1,108,471, respectively.

Financial assets at year-end:	2023	2022
Cash and cash equivalents	\$ 739,797	\$ 643,997
Accounts receivable, net	1,055,998	902,323
Short-term investments	11,080	234,253
Assets limited as to use	297,849	268,610
Receivable for settlement with third-party payors	12,650	13,985
Other current assets	256,272	405,765
Long-term investments	3,387,889	3,029,968
Other assets	50,379	45,781
Total financial assets	\$ 5,811,914	\$ 5,544,682
Less amounts not available:		
Long-term investments with liquidity horizons greater than one year	837,670	806,625
Assets limited as to use	297,849	268,610
Donor restricted funds	106,102	95,387
Financial assets not available to be used within one year	\$ 1,241,621	\$ 1,170,622
Financial assets available to meet general expenditures within one year	\$ 4,570,293	\$ 4,374,060

As part of the Company's liquidity management plan, cash in excess of daily requirements is invested in either money market funds, short-term investments or long-term investments. Investment decisions are made based on anticipated liquidity needs, such that financial assets are available as general expenditures, liabilities and other obligations come due. Additionally, Novant Health maintains a line of credit, as discussed in Note 15, *Long-Term Debt*. As of December 31, 2023, \$204,500 was available on the line of credit. As of December 31, 2022, the Company was in compliance with financial covenants as discussed in Note 15, *Long-Term Debt*.

8. Fair Value Measurements

Novant Health categorizes, for disclosure purposes, assets and liabilities measured at fair value in the consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs which are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability. The

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Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Novant Health follows the three-level fair value hierarchy to categorize these assets and liabilities recognized at fair value at each reporting period, which prioritizes the inputs used to measure such fair values. Level inputs are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date. Investments classified in this level generally include exchange traded equity securities, futures, pooled short-term investment funds, options and exchange traded mutual funds.

Level 2: Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Investments classified in this level generally include fixed income securities, including fixed income government obligations; asset-backed securities; certificates of deposit; derivatives; as well as certain U.S. and international equities which are not traded on an active exchange.

Level 3: Pricing inputs are generally unobservable for the assets and liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of the fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities.

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets. Novant Health uses techniques consistent with the market approach and income approach for measuring the fair value of its Level 2 assets and liabilities. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted).

The degree of judgement exercised in determining fair value is greatest for securities categorized in Level 3. Inputs used in estimating the fair value of Level 3 investments include earnings metrics and a valuation multiple. Assumptions used, due to lack of observable inputs, may significantly impact the fair value of the investment.

As of December 31, 2023 and 2022, the Level 1 and Level 2 assets and liabilities listed in the fair value hierarchy tables below utilize the following valuation techniques and inputs:

Certificates of deposit

The fair value of certificates of deposit is based on cost plus accrued interest. Significant observable inputs include security cost, maturity and relevant short-term interest rates.

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U.S. equities, international equities, emerging markets and other exchange traded funds

The fair value of investments in U.S. equities, international equities, emerging markets and other exchange traded funds are primarily determined using either quoted prices in active markets or the calculated net asset value. The values for underlying investments are fair value estimates determined by external fund managers based on operating results, balance sheet stability, growth and other business and market sector fundamentals. The investments in Level 2 may be redeemed or liquidated on a daily basis with no notice.

Fixed income and debt securities

The fair value of investments in fixed income and debt securities is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads and security specific characteristics, such as early redemption options.

Derivatives

The fair value of derivative contracts is primarily determined using techniques consistent with the market approach. Significant observable inputs to valuation models include interest rates, credit spreads, volatilities and maturity.

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The following table summarizes fair value measurements, by level, at December 31, 2023 for all financial assets and liabilities measured at fair value on a recurring basis in the consolidated financial statements:

	Fair Value Measurements at Reporting Date Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Assets				
Short-term investments:				
Certificates of deposit	\$ -	\$ 11,080	\$ -	\$ 11,080
Fixed income - government securities	-	-	-	-
Total short-term investments	-	11,080	-	11,080
Assets limited as to use:				
Cash and cash equivalents	70,577	-	-	70,577
U.S. equities	204,365	-	-	204,365
International equities	7,830	-	-	7,830
Fixed income - government securities	15,077	-	-	15,077
Total assets limited as to use	297,849	-	-	297,849
Long-term investments:				
Cash and cash equivalents	62,705	-	-	62,705
U.S. equities	425,202	-	45,701	470,903
International equities	176,932	-	-	176,932
Fixed income - government securities	-	703,675	-	703,675
Fixed income - corporate and other	24,573	105	-	24,678
Emerging markets	1,469	-	-	1,469
Other exchange traded funds	67,188	-	-	67,188
Total long-term investments	758,069	703,780	45,701	1,507,550
Total assets at fair value	\$ 1,055,918	\$ 714,860	\$ 45,701	\$ 1,816,479
Liabilities				
Accrued liabilities	\$ 12,485	\$ -	\$ -	\$ 12,485
Derivative financial instruments	-	12,254	-	12,254
Deferred compensation liabilities	237,151	-	-	237,151
Total liabilities at fair value	\$ 249,636	\$ 12,254	\$ -	\$ 261,890

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The following table summarizes fair value measurements, by level, at December 31, 2022 for all financial assets and liabilities measured at fair value on a recurring basis in the consolidated financial statements:

	Fair Value Measurements at Reporting Date Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Assets				
Short-term investments:				
Certificates of deposit	\$ -	\$ 10,681	\$ -	\$ 10,681
Fixed income - government securities	-	223,572	-	223,572
Total short-term investments	-	234,253	-	234,253
Assets limited as to use:				
Cash and cash equivalents	74,986	-	-	74,986
U.S. equities	171,944	-	-	171,944
International equities	5,757	-	-	5,757
Fixed income - government securities	9,183	5,190	-	14,373
Fixed income - corporate and other	-	1,550	-	1,550
Total assets limited as to use	261,870	6,740	-	268,610
Long-term investments:				
Cash and cash equivalents	131,200	-	-	131,200
U.S. equities	303,997	-	36,239	340,236
International equities	129,369	-	-	129,369
Fixed income - government securities	-	604,190	-	604,190
Fixed income - corporate and other	22,047	968	-	23,015
Emerging markets	1,856	-	-	1,856
Other exchange traded funds	105,170	-	-	105,170
Total long-term investments	693,639	605,158	36,239	1,335,036
Total assets at fair value	\$ 955,509	\$ 846,151	\$ 36,239	\$ 1,837,899
Liabilities				
Accrued liabilities	\$ 16,401	\$ -	\$ -	\$ 16,401
Derivative financial instruments	-	13,191	-	13,191
Deferred compensation liabilities	195,452	-	-	195,452
Total liabilities at fair value	\$ 211,853	\$ 13,191	\$ -	\$ 225,044

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The table below sets forth a summary of the changes in the fair value of the Level 3 investments for the years ended December 31, 2023 and 2022:

	U.S. Equities
Balance at December 31, 2022	\$ 36,239
New investments	9,000
Unrealized gain	462
Balance at December 31, 2023	<u>\$ 45,701</u>
Balance at December 31, 2021	\$ 30,233
New investments	2,679
Unrealized gain	3,327
Balance at December 31, 2022	<u>\$ 36,239</u>

During 2023 and 2022, there were no transfers between levels.

9. Property and Equipment

Property and equipment consists of the following at December 31:

	2023	2022
Land	\$ 304,004	\$ 305,747
Land improvements	127,065	128,355
Leasehold improvements	355,753	552,948
Buildings and building improvements	2,966,945	2,682,209
Equipment	2,172,738	1,873,427
Software	553,507	613,316
Construction-in-progress	517,518	395,381
	<u>6,997,530</u>	<u>6,551,383</u>
Less: Accumulated depreciation	<u>(3,777,593)</u>	<u>(3,547,151)</u>
	<u>\$ 3,219,937</u>	<u>\$ 3,004,232</u>

Novant Health reviews long-lived assets for recoverability as required when events and changes in circumstances indicate that its carrying value may not be recoverable. No impairment charges were recorded in 2023 or 2022.

Depreciation expense for the years ended December 31, 2023 and 2022 was \$312,189 and \$324,787, respectively. At December 31, 2023, construction contracts of approximately \$916,914 exist for the construction of new hospitals and facilities, expansion of existing hospitals and facility renovations. At December 31, 2023, the remaining commitment on these contracts was \$545,047.

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10. Leases

Novant Health leases property and equipment under non-cancellable agreements. The following table presents the components of our right-of-use assets and liabilities related to leases and their classification as of December 31:

	<u>2023</u>	<u>2022</u>
Assets:		
Operating lease assets	\$ 456,876	\$ 469,914
Finance lease assets	5,681	7,333
Total leased assets	<u>\$ 462,557</u>	<u>\$ 477,247</u>
Liabilities:		
Operating lease liabilities		
Current	\$ 106,085	\$ 106,950
Long-term	386,962	388,638
Total operating lease liabilities	493,047	495,588
Finance lease liabilities		
Current ⁽¹⁾	1,394	1,578
Long-term ⁽²⁾	4,696	6,280
Total finance lease liabilities	<u>6,090</u>	<u>7,858</u>
Total lease liabilities	<u>\$ 499,137</u>	<u>\$ 503,446</u>

⁽¹⁾ Included in the current portion of long-term debt in the consolidated balance sheets.

⁽²⁾ Included in long-term debt, net of current portion in the consolidated balance sheets.

Novant Health's operating leases are primarily for real estate, including off-campus outpatient facilities, medical office buildings and corporate and other administrative offices, as well as medical and office equipment. Novant Health's finance leases consist of a real estate lease and several medical equipment leases. Real estate lease agreements typically have initial terms of five to ten years and equipment lease agreements typically have initial terms of three years. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets.

Real estate leases may include one or more options to renew, with renewals that can extend the lease term from five to ten years. The exercise of lease renewal options is at the Company's sole discretion. In general, renewal options are not considered to be reasonably likely to be exercised, therefore, renewal options are generally not recognized as part of right-of-use assets and lease liabilities. Certain leases also include options to purchase the leased property. The useful lives of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The majority of medical equipment leases have terms of three

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years with a bargain purchase option that is reasonably certain of exercise; therefore, these assets are depreciated over their useful life, typically ranging from five to seven years. Certain lease agreements for real estate include payments based on actual common area maintenance expenses and/or include rental payments adjusted periodically for inflation. These variable lease payments are recognized in supplies and other in the consolidated statements of operations and changes in net assets but are not included in the right-of-use asset or liability balances in the consolidated balance sheets. Lease agreements do not contain any material residual value guarantees, restrictions or covenants.

Novant Health has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all asset classes except major movable equipment.

The following table presents certain information related to lease expense for finance and operating leases for the years ended December 31:

	2023	2022
Operating leases ⁽¹⁾	\$ 128,890	\$ 129,442
Variable lease expense ⁽¹⁾	13,219	12,451
Finance lease expense:		
Amortization of leased assets	1,578	1,393
Interest on lease liabilities	153	176
	<u>\$ 143,840</u>	<u>\$ 143,462</u>

⁽¹⁾ Expenses are included in supplies and other in the consolidated statements of operations and changes in net assets.

The following table presents supplemental cash flow information for the years ended December 31:

	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 127,380	\$ 127,355
Operating cash flows for finance leases	1,731	1,567
Financing cash flows for finance leases	153	176

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Future maturities of lease liabilities at December 31, 2023 are presented in the following table:

	<u>Operating Leases</u>	<u>Finance Leases</u>	<u>Total</u>
2024	\$ 116,883	\$ 1,731	\$ 118,614
2025	103,201	1,277	104,478
2026	89,237	1,145	90,382
2027	67,975	770	68,745
2028	54,146	602	54,748
Thereafter	<u>107,377</u>	<u>983</u>	<u>108,360</u>
Total lease payments	538,819	6,508	545,327
Less: Imputed interest	<u>(45,772)</u>	<u>(418)</u>	<u>(46,190)</u>
Total lease obligations	493,047	6,090	499,137
Less: Current obligations	<u>(106,085)</u>	<u>(1,394)</u>	<u>(107,479)</u>
Long-term lease obligations	<u>\$ 386,962</u>	<u>\$ 4,696</u>	<u>\$ 391,658</u>

At December 31, 2023 and 2022, the weighted average remaining lease term for operating leases is 6.0 and 6.2 years, respectively, and the weighted average discount rate is 2.7% and 2.5%, respectively. For finance leases, the weighted average remaining lease term for the years ended December 31, 2023 and 2022 is 5.0 and 5.7 years, respectively and the weighted average discount rate is 2.1% and 2.3%, respectively.

Novant Health is also a lessor and sublessor of real estate under operating leases. At December 31, 2023 and 2022, \$14,020 and \$13,160, respectively, of deferred rent was recorded in the consolidated balance sheets as a component of other assets. Lease income for the years ended December 31, 2023 and 2022 was \$8,929 and \$8,929, respectively, which is included in other revenue in the consolidated statements of operations and changes in net assets. Most of the Company's leases include operating expenses such as utilities and maintenance costs in rent charges. However, variable rent income is not material. The Company has elected the practical expedient that allows lessors to not separate lease and non-lease components by class of underlying asset for all asset classes. The combined component is accounted for under lease accounting guidance.

Although the Company leases and subleases a small amount of building space to non-affiliated medical practices, the significant leases consist of long-term ground leases classified as operating leases with remaining terms from 42 years with options to extend for the additional terms of five years each to 59 years with no options to extend.

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The future undiscounted cash flows to be received from these leases are as follows:

Years Ending December 31

2024	\$	6,508
2025		6,035
2026		5,686
2027		5,490
2028		3,280
Thereafter		<u>116,864</u>
	\$	<u>143,863</u>

11. Intangible Assets and Goodwill

Intangible assets consist of the following at December 31:

	<u>Gross Intangible</u>	<u>Accumulated Amortization</u>	<u>Net Intangible</u>
Balance at December 31, 2023			
Unamortized intangible assets			
Certificates of need	\$ 12,857	\$ -	\$ 12,857
Total unamortized intangible assets	<u>12,857</u>	<u>-</u>	<u>12,857</u>
Amortized intangible assets			
Business relationships	658	(327)	331
Certificates of need	21,961	(20,124)	1,837
Corporate trade name and other intangibles	96,556	(11,019)	85,537
Total amortized intangible assets	<u>119,175</u>	<u>(31,470)</u>	<u>87,705</u>
Total intangible assets	<u>\$ 132,032</u>	<u>\$ (31,470)</u>	<u>\$ 100,562</u>
Balance at December 31, 2022			
Unamortized intangible assets			
Certificates of need	\$ 34,818	\$ -	\$ 34,818
Total unamortized intangible assets	<u>34,818</u>	<u>-</u>	<u>34,818</u>
Amortized intangible assets			
Business relationships	658	(293)	365
Corporate trade name and other intangibles	96,556	(7,673)	88,883
Total amortized intangible assets	<u>97,214</u>	<u>(7,966)</u>	<u>89,248</u>
Total intangible assets	<u>\$ 132,032</u>	<u>\$ (7,966)</u>	<u>\$ 124,066</u>

Amortization expense related to intangible assets was \$23,504 and \$5,632 for the years ended December 31, 2023 and 2022, respectively. Estimated annual amortization expense for intangible assets is \$4,796 and \$4,183 for 2024 and 2025, respectively, and is \$3,571 for 2026 through 2028. The weighted average amortization period for intangible assets is 25.7 years.

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The following table summarizes the changes in the carrying amount of goodwill for the years ended December 31:

	2023	2022
As of January 1		
Goodwill, net of accumulated amortization	\$ 551,203	\$ 692,555
Accumulated impairment losses	<u>(29,849)</u>	<u>(32,150)</u>
	521,354	660,405
Disposals	<u>-</u>	<u>(139,051)</u>
	<u>521,354</u>	<u>521,354</u>
As of the end of the period		
Goodwill, net of accumulated amortization	551,203	551,203
Accumulated impairment losses	<u>(29,849)</u>	<u>(29,849)</u>
	<u>\$ 521,354</u>	<u>\$ 521,354</u>

Novant Health reviews long-lived assets for recoverability as required when events and changes in circumstances indicate that its carrying value may not be recoverable. The Company tests goodwill and indefinite-lived assets for impairment on an annual basis. Impairment tests presume stable or improving results at certain Novant Health reporting units which are based on the implementation of programs and initiatives that are designed to achieve projected results. If these projections are not met, or in the future negative trends occur which would impact our future outlook, further impairments of goodwill and other intangible assets may occur. Future restructuring of our markets that could potentially change our reporting units could also result in future impairments of goodwill.

At December 31, 2022, the change in the structure of Novant Health's involvement in its imaging business triggered an evaluation of impairment for certain reporting units. Based on the projected cash flow, certificate of need, business relationships and corporate trade name and other intangible assets were determined to be fully impaired and \$62,981 of impairment charges were recorded. No impairment charges to intangible assets were recorded as a result of our review in 2023.

12. Investments in Affiliates

Novant Health has noncontrolling interests in 24 healthcare related entities. The Company's ownership interests in the entities range from 10.0% to 51.0%. These investments are accounted for using either the equity method or a measurement alternative.

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A summary of investments, ownership percentages, investment amounts and the Company's share of earnings for the years ended December 31, 2023 and 2022 is as follows:

Investee	% Ownership		Investment Balance		Share of Earnings of Investee	
	2023	2022	2023	2022	2023	2022
Novant Health-Norfolk LLC	50%	50%	\$ 156,677	\$ 149,010	\$ 12,678	\$ -
Norfolk Management Services LLC	30%	30%	64,548	69,538	2,510	-
Conway Hospital Holdings LLC	30%	0%	81,329	-	6,329	-
HTA Holdings LLC	49%	0%	42,806	-	(1,294)	-
Novant Health Rehabilitation Hospital Radiation Oncology Centers of the Carolinas LLC	50%	50%	19,161	18,006	3,096	2,003
Advanced Services	50%	50%	15,908	16,227	1,846	2,632
Providence Plaza LLC	23%	23%	6,891	4,187	2,703	(132)
Other	30%	30%	4,784	4,721	352	327
	Various	Various	5,103	5,843	(10,058)	(2,578)
			<u>\$ 397,207</u>	<u>\$ 267,532</u>	<u>\$ 18,162</u>	<u>\$ 2,252</u>

The following table presents summarized financial information related to investments in the above noncontrolled entities as of December 31:

	2023	2022
Assets	\$ 1,647,457	\$ 759,574
Liabilities	573,525	172,682
Equity	1,073,931	586,892
Total revenue	703,228	113,961
Total expenses	647,667	109,885
Net income	55,560	4,076
Novant Health's share of net income	18,162	2,252

13. Other Assets

Other assets consist of the following at December 31:

	2023	2022
Notes receivable and other	\$ 56,741	\$ 67,328
Cash surrender value of insurance policies	39,618	35,664
Deferred rent income	14,020	13,160
Pledges receivable	10,761	10,117
Reinsurance receivables	1,662	5,314
	<u>\$ 122,802</u>	<u>\$ 131,583</u>

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14. Accrued Liabilities

Accrued liabilities consist of the following at December 31:

	2023	2022
Accrued compensation	\$ 493,557	\$ 431,902
Medicare advanced payments, current portion	-	91,145
Payroll taxes and withholdings	16,945	10,986
Interest	13,559	13,499
Postretirement benefit liability	1,312	1,350
Other accrued liabilities	146,348	156,772
Self-insurance		
Employee medical claims liability	48,465	46,900
Malpractice and workers' compensation liability, current portion	9,230	9,786
	<u>\$ 729,416</u>	<u>\$ 762,340</u>

15. Long-Term Debt

Following is a summary of long-term debt at December 31:

	2023	2022
Tax-exempt revenue bonds	\$ 592,455	\$ 609,150
Taxable revenue bonds	<u>1,750,000</u>	<u>1,750,000</u>
Total bonds	2,342,455	2,359,150
Taxable term loan	262,795	264,165
Finance lease obligations and other notes payable	8,728	16,282
Borrowings on revolving credit facility	<u>45,500</u>	<u>2,000</u>
	2,659,478	2,641,597
Unamortized premium or discount, net	21,364	22,003
Unamortized debt issuance costs, net	<u>(13,354)</u>	<u>(13,228)</u>
	2,667,488	2,650,372
Less: Current maturities	<u>(79,065)</u>	<u>(61,219)</u>
	<u>\$ 2,588,423</u>	<u>\$ 2,589,153</u>

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Tax-Exempt Revenue Bonds

Novant Health has tax-exempt financing agreements through conduit issuers. These bonds are comprised of the following at December 31:

	2023	2022
Series 2019 A Current Interest Term Bonds, bearing interest at rates ranging from 3.1% to 4.0% payable semi-annually with mandatory redemption beginning in 2047	\$ 306,985	\$ 306,985
Series 2013 A Current Interest Term Bonds and Serial Bonds, bearing interest at rates ranging from 3.125% to 5.0% payable semi-annually and maturing through 2046; principal payments began in 2014	113,820	116,575
Series 2008 A, B and C Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2028; principal payments began in 2009	36,650	50,590
Series 2004 A and B Variable Rate Demand Bonds, bearing interest at variable rates payable monthly and maturing through 2034; principal payments begin in 2025	135,000	135,000
	<u>\$ 592,455</u>	<u>\$ 609,150</u>

In 2003, Novant Health entered into a new Master Trust Indenture that was amended in October 2021 (the "Agreement"). The Agreement authorizes the creation of a Combined Group, which consists of the members of the Obligated Group and the Restricted Affiliates. Novant Health and two of its affiliates that operate tertiary care hospitals, Novant Health Forsyth Medical Center and Novant Health Presbyterian Medical Center, are the members of the Obligated Group. The members of the Obligated Group are jointly and severally liable for the payment of all obligations under the Agreement. The Company's Restricted Affiliates, which include certain other subsidiaries of the Company, are not directly obligated to pay obligations under the Agreement, but the members of the Obligated Group have covenanted in the Agreement to cause the Restricted Affiliates to provide funds to the members of the Obligated Group to pay obligations under the Agreement. All bonds issued by Novant Health are collateralized by the Obligated Group.

The bond agreements provide for early redemption periods of the bonds prior to mandatory redemption, subject to a premium in certain circumstances, as defined in the agreements. In accordance with the bond indenture agreements, the bonds are general, unsecured obligations of Novant Health. The bond indentures require Novant Health to cause the Restricted Affiliates to comply with certain covenants, including the maintenance of a minimum debt service coverage ratio. As of December 31, 2023 and 2022, Novant Health is in compliance with these bond covenants.

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The Series 2004 A and B Variable Rate Demand Bonds are collateralized by a standby purchase agreement (“SBPA”) issued by JP Morgan Chase Bank National Association. The SBPA expires April 1, 2025. If the SBPA should be used to fund tenders due to a failed remarketing, repayment in quarterly installments over three years is required. As a result, the Company has classified \$36,818 of the 2004 bonds as current at December 31, 2023 and 2022.

In March 2011, the documents related to the Series 2008 A, B and C Variable Rate Demand Bonds were amended to allow the conversion of the bonds to bank direct purchase index floating rate bonds. In December 2017, the Series 2008 A, B, and C Variable Rate Demand Bonds were refinanced. Subsequent to the refinancing, the direct purchase agreements have a term of seven years and will expire in December 2024. As a result, the Company has classified \$36,650 as current at December 31, 2023.

Taxable Revenue Bonds

In April 2013, Novant Health issued \$250,000 of taxable fixed rate bonds (the “2013 C Bonds”). The 2013 C Bonds bear interest at a rate of 4.37% and mature in 2043. Proceeds of the 2013 C Bonds were used for eligible purposes, including the refinancing of long-term debt.

In April 2021, Novant Health issued \$1,500,000 of taxable fixed rate bonds (the “2021 A Bonds”). The 2021 A Bonds bear interest at rates ranging from 2.67% to 3.32% and mature in 2036, 2051 and 2061. Proceeds of the 2021 A Bonds were used for eligible purposes, including the refinancing of long-term debt. The taxable revenue bonds are subject to the same covenant requirements that are included in the bond agreements for the tax-exempt revenue bonds.

Taxable Term Loan

In March 2020, Novant Health entered into an agreement to borrow \$264,165. The loan bears interest at a fixed rate of 1.89% with principal payments due annually beginning in 2023 through the maturity date of April 1, 2030.

Other Long-Term Debt

Other long-term debt consists of a promissory note related to the redemption of a membership interest and various loans and notes on buildings and finance leases, bearing interest at rates ranging from 0.81% to 12.15%. Scheduled maturities of all long-term debt are as follows:

Years Ending December 31

2024	\$ 20,057
2025	63,618
2026	18,909
2027	19,914
2028	20,473
Thereafter	<u>2,516,507</u>
	<u>\$ 2,659,478</u>

Novant Health capitalized \$7,814 and \$3,451 of interest in 2023 and 2022, respectively.

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Revolving Credit Facility

On July 1, 2022, Novant Health entered into a \$250,000 Revolving Credit Agreement that matures July 1, 2025. Borrowings bear interest at variable rates. At December 31, 2023, the interest rate was 6.5 % and \$204,500 was available for borrowing.

Debt Issuance Costs

Unamortized debt issuance costs are presented in the consolidated balance sheets as a direct deduction from the carrying value of the associated debt. Debt issuance costs are amortized using the effective interest method over the life of the related debt agreements and instruments.

16. Interest Rate Swaps

As of August 18, 2008, concurrent with the 2008 bond issuance, Novant Health entered into two interest rate swap agreements to hedge the variable interest rates of the 2008 bonds. The swaps are based on an aggregate notional amount of \$50,590. Novant Health receives a variable rate which is tied to 68% of LIBOR, and pays a fixed rate of 3.679% and 3.621% for the \$36,100 and \$14,490 notional amounts, respectively. The swaps have been designated as cash flow hedges and are carried on the consolidated balance sheets at fair value. In the fourth quarter of 2018, the hedge relationship ceased to be highly effective and hedge accounting was discontinued.

In July 2006, Novant Health entered into a floating-to-fixed swap agreement with a notional amount of \$135,000 and a term of 28 years to hedge the floating rate 2004 bonds. Novant Health receives a variable rate which is tied to 64.8% of LIBOR plus 12 basis points and pays a fixed interest rate of 3.8%. The swap has been designated as a cash flow hedge and is carried on the consolidated balance sheets at fair value. In the first quarter of 2019, the hedge relationship ceased to be highly effective and hedge accounting was discontinued.

Novant Health records interest rate swaps at fair value. These swaps are presented as derivative financial instruments in the consolidated balance sheets.

The following table summarizes the expense for derivatives which is included in interest expense in the consolidated statements of operations and changes in net assets for the years ended December 31:

	2023	2022
Change in fair value of non-hedged interest rate swaps	\$ 937	\$ 26,069
Amortization of deferred loss	(2,564)	(2,778)
	<u>\$ (1,627)</u>	<u>\$ 23,291</u>

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17. Employee Benefits and Other Liabilities

Employee benefits and other liabilities consist of the following at December 31:

	2023	2022
Deferred compensation liabilities	\$ 237,151	\$ 195,452
Employee benefits and other	90,242	62,117
Transition stabilization fund	31,431	48,135
Self-insurance malpractice and workers' compensation, net of current portion	47,620	39,746
Deferred gains	21,761	22,786
Postretirement benefit liability, net of current portion	13,812	14,485
	<u>\$ 442,017</u>	<u>\$ 382,721</u>

18. Income Taxes

The provision for federal and state income taxes is as follows:

	2023	2022
Current tax expense		
Federal	\$ 4,833	\$ 22,112
State	646	964
	<u>5,479</u>	<u>23,076</u>
Deferred tax expense (benefit)		
Federal	(2,688)	12,992
State	(884)	2,685
	<u>(3,572)</u>	<u>15,677</u>
	<u>\$ 1,907</u>	<u>\$ 38,753</u>

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The components of deferred taxes are as follows:

	2023	2022
Deferred tax assets		
Loss carryforwards	\$ 16,517	\$ 15,075
Deferred charge for intercompany transfer	1,418	2,851
Allowance for doubtful accounts	697	723
Accrued expenses	1,276	2,007
Future deductions- operating leases	1,661	1,665
Other	602	206
Total deferred tax assets	<u>22,171</u>	<u>22,527</u>
Deferred tax liabilities		
Intangible assets	(642)	(5,321)
Property and equipment	-	(4)
Right-of-use assets	(1,619)	(1,618)
Other	(14,856)	(14,349)
Total deferred tax liabilities	<u>(17,117)</u>	<u>(21,292)</u>
Valuation allowance	<u>(16,416)</u>	<u>(18,128)</u>
Net deferred tax liability	<u>\$ (11,362)</u>	<u>\$ (16,893)</u>

GAAP requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are deductible. In making this determination, management considers all available positive and negative evidence affecting specific deferred tax assets, including the Company's past and anticipated future performance, reversal of deferred tax liabilities, length of carryback and carryforward periods and implementation of tax planning strategies. Objective positive evidence is necessary to support a conclusion that a valuation allowance is not needed for all or a portion of deferred tax assets when significant negative evidence exists.

Cumulative losses in recent years are the most compelling form of negative evidence considered by management in this determination. For the years ended December 31, 2023 and 2022, management has determined that based on all available evidence, a valuation allowance of \$16,416 and \$18,128, respectively, is appropriate.

As of December 31, 2023, the Company had approximately \$68,255 of federal and \$28,435 of state loss carryforwards available to reduce taxable income. \$56,918 of the loss carryforwards expire through 2038 and the remainder do not expire. In addition, at December 31, 2023, the Company had approximately \$13,127 of federal contribution carryforwards available to reduce taxable income.

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Income tax expense (benefit) reported in the consolidated statements of operations and changes in net assets is shown below:

	2023	2022
Federal taxes	\$ 2,145	\$ 35,104
State income taxes	<u>(238)</u>	<u>3,649</u>
	<u>\$ 1,907</u>	<u>\$ 38,753</u>

The Company is required to evaluate uncertain tax positions. This evaluation includes a quantification of tax risk in areas such as unrelated business taxable income and the taxation of our for-profit subsidiaries. This evaluation did not have a material effect on the Company's consolidated statements of operations and changes in net assets for the years ended December 31, 2023 and 2022.

19. Employee Benefit Plans and Other Postretirement Benefit Plans

Certain Novant Health affiliates have supplemental retirement income plans covering highly compensated employees. These are nonqualified plans which are not subject to ERISA funding requirements. As such, Novant Health intends only to fund the plans in amounts equivalent to the plans' annual benefit payments. During 2013, the Company implemented a new supplemental retirement income plan that covers certain highly compensated employees. This plan acts as a defined contribution plan and annual funding requirements are determined under provisions of the plan. Some of these plans are nonqualified deferred compensation plans which provide certain individuals meeting specific criteria with the ability to defer compensation. The assets of these plans, along with the associated liabilities, are recorded as current and long-term assets limited as to use, accrued liabilities, and employee benefits and other liabilities on the consolidated balance sheets.

Novant Health also provides fixed dollar amounts for health care and life insurance benefits to certain retired employees. Covered employees may become eligible for these benefits if they meet minimum age and service requirements, and if they are eligible for retirement benefits. Novant Health has the right to modify or terminate these benefits. The unfunded obligation in the consolidated balance sheets at December 31, 2023 and 2022 was \$15,124 and \$15,835, respectively. The expense associated with these plans totaled \$181 for 2023 and \$3,846 for 2022. The discount rate used in determining the benefit obligation ranged between 4.50% and 4.70% for 2023 and 4.70% and 4.90% for 2022. The health care costs increase trend rate used was 6.25% in 2023 and 6.50% in 2022. The health care cost increase trend rate is projected to gradually decline to 4.50% by 2027.

In addition to these plans, Novant Health sponsors a number of defined contribution plans. Contributions are determined under various formulas. Costs related to such plans amounted to \$140,273 and \$115,294 in 2023 and 2022, respectively.

Eligible Novant Health employees participate in cafeteria plans which provide certain benefits, including basic medical and dental coverage, long-term disability benefits, reimbursement of supplemental dependent care expenses and group life insurance benefits. The Company contributes predetermined amounts for each eligible full-time and part-time employee, which is allocated to the

Novant Health, Inc. and Affiliates
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various benefit options in accordance with the participant's election. The Company's contributions to these plans were \$327,590 in 2023 and \$319,123 in 2022.

20. Net Assets without Donor Restrictions

The following table reconciles the carrying amounts of the Company's controlling interest and the noncontrolling interests for net assets without donor restrictions:

	<u>Total</u>	<u>Controlling Interest</u>	<u>Noncontrolling Interests</u>
Balance at January 1, 2022	\$ 5,637,618	\$ 5,630,943	\$ 6,675
Excess (deficit) of revenues over expenses	(222,839)	(223,046)	207
Change in funded status of defined benefit plans	4,664	4,664	-
Amortization of deferred loss on derivative financial instruments	2,778	2,778	-
Other changes in net assets without donor restrictions	(3,973)	(2,150)	(1,823)
Balance at December 31, 2022	5,418,248	5,413,189	5,059
Excess of revenues over expenses	460,845	457,643	3,202
Change in funded status of defined benefit plans	(543)	(543)	-
Amortization of deferred loss on derivative financial instruments	2,564	2,564	-
Other changes in net assets without donor restrictions	(5,044)	(1,589)	(3,455)
Balance at December 31, 2023	\$ 5,876,070	\$ 5,871,264	\$ 4,806

21. Net Assets with Donor Restrictions

Donor restricted net assets are available for the following purposes as of December 31:

	2023	2022
Buildings and equipment	\$ 17,538	\$ 17,760
Clinical care, research and academic	66,963	54,847
Charity care	9,568	9,657
Other	12,033	13,123
	<u>\$ 106,102</u>	<u>\$ 95,387</u>

22. Professional and General Liability Insurance Coverage

Novant Health is self-insured for professional and general liability exposures up to certain limits. The Company has umbrella policies in place above those limits. The provision for estimated medical malpractice claims includes estimates of the ultimate costs for reported claims and claims incurred but not reported. Novant Health also participates in a self-insured program for workers' compensation and is self-insured for certain health benefits options. A portion of these self-insured professional liabilities is funded through a revocable trust fund operated by Novant Health. This fund was converted to claims-made status on January 1, 2020, and prior reported liabilities under this coverage were placed in run-off. Effective January 1, 2020, funding for self-insured professional liabilities are

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insured by Novant Health Casualty, LLC, a North Carolina domiciled insurance captive. Coverage terms and umbrella policies of the same or higher limits are in place for the captive. At December 31, 2023 and 2022, undiscounted professional and general liability loss reserves of \$56,850 and \$49,532, respectively, are included in accrued liabilities and employee benefits and other liabilities on the consolidated balance sheets. Expenses related to these plans amounted to \$35,828 and \$22,203 in 2023 and 2022, respectively.

23. Commitments and Contingencies

The Company and its affiliates are presently involved in various personal injury, regulatory investigations, tort actions and other claims and assessments arising out of the normal course of business. The Company establishes separate legal reserves when such matters, other than those covered under the Company's self-insured programs, present loss contingencies that are both probable and estimable. Management believes that Novant Health has adequate legal defenses, self-insurance reserves and/or insurance coverage for these asserted claims, as well as any unasserted claims and does not believe these claims will have a material effect on the Company's operations or financial position. The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, protection of sensitive patient data, reimbursement for patient services and Medicare and Medicaid fraud and abuse. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

24. Concentrations of Credit Risk

Novant Health provides services primarily to the residents of various counties within North Carolina, South Carolina and Georgia without collateral or other proof of ability to pay. Most patients are local residents who are insured partially or fully under third-party payor arrangements.

The mix of receivables from patients and third-party payors at December 31 is as follows:

	2023	2022
Medicare	30.2%	29.2%
Medicaid	8.8%	9.5%
Other third-party payors	57.2%	57.4%
Patients	3.8%	3.9%
	<u>100.0%</u>	<u>100.0%</u>

Novant Health places the majority of its cash and investments with corporate and financial institutions. Novant Health maintains cash balances in excess of FDIC insured limits; however, the Company has not experienced any losses on such deposits.

Novant Health, Inc. and Affiliates
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25. Functional Expenses

Novant Health provides general health care services to residents within its geographic region. Novant Health's financial statements report certain expense categories that are attributable to more than one health care service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, amortization and interest and other occupancy costs, are allocated to a function based on a square footage or units of service basis. Allocated health care services costs not allocated on a units of service basis are generally allocated based on revenue.

Expenses relating to providing these services are as follows:

	December 31, 2023			
	Health Care Services		Support Services	
	Acute Care Facilities	Outpatient Locations	General & Administrative	Total
Salaries and employee benefits	\$ 2,398,445	\$ 1,718,121	\$ 354,949	\$ 4,471,515
Supplies and other	2,076,815	814,796	366,750	3,258,361
Depreciation and amortization expense	225,728	55,994	48,795	330,517
Interest expense	66,756	5,718	15,501	87,975
Other non-operating expenses	-	2,567	694	3,261
Total expenses	\$ 4,767,744	\$ 2,597,196	\$ 786,689	\$ 8,151,629

	December 31, 2022			
	Health Care Services		Support Services	
	Acute Care Facilities	Outpatient Locations	General & Administrative	Total
Salaries and employee benefits	\$ 2,248,404	\$ 1,661,489	\$ 340,827	\$ 4,250,720
Supplies and other	1,783,748	705,784	284,376	2,773,908
Depreciation and amortization expense	209,783	109,708	73,798	393,289
Interest expense	51,780	6,677	7,527	65,984
Other non-operating expenses	(56)	(33,288)	(6,592)	(39,936)
Total expenses	\$ 4,293,659	\$ 2,450,370	\$ 699,936	\$ 7,443,965

Novant Health, Inc. and Affiliates
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26. Subsequent Events

On January 31, 2024, the Company purchased substantially all of the assets of three hospitals in South Carolina from Tenet Healthcare Corporation. The purchase included Coastal Carolina Hospital, Hilton Head Hospital and East Cooper Medical Center, as well as affiliated physician practices and other related hospital operations. The purchase price of approximately \$2,400,000 was partially financed with the proceeds of two short-term borrowings. The Company intends to issue long-term financing later in 2024. The purchase price allocation for this acquisition has not been finalized.

On March 1, 2024 the Company purchased ownership interests of 70% and 51% of two surgery centers in exchange for \$60,000 and \$5,241, respectively. The purchase price allocation for this acquisition has not been finalized.

27. Significant Recent Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848)* and has subsequently issued supplemental and/or clarifying ASUs (collectively "ASC 848"). This guidance provides relief from the application of certain guidance during the transition to alternative reference rates. Optional expedients are provided for contract modification that replace a reference rate affected by reference rate reform and related contemporaneous modifications. Exceptions are provided for changes to the critical terms of a hedging relationship due to reference rate reform. Expedients are provided for cash flow hedging relationships and fair value hedging relationships. These provisions were initially available until December 31, 2022, but in late 2022 were extended to December 31, 2024. Novant Health elected to adopt ASC 848 on April 1, 2023 and used the exceptions when transitioning affected contracts to alternative reference rates.

Other Financial Information



Report of Independent Auditors

To the Board of Trustees of Novant Health, Inc.

We have audited the consolidated financial statements of Novant Health, Inc. and Affiliates (the "Company") as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated March 29, 2024, which included an unmodified opinion on those consolidated financial statements. That audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating information as of and for the year ended December 31, 2023 and the supplemental schedule of cost of community benefit programs for the year ended December 31, 2023 appearing on pages 45-51 (collectively referred to herein as the "information" are presented for purposes of additional analysis and are not a required part of the consolidated financial statements nor are they intended to present, and we do not express an opinion on the financial position, results of operations, changes in net assets and cash flows of the individual entities. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental information, excluding the schedule of cost of community benefit programs information marked "unaudited," has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information, excluding the schedule of costs of community benefit programs information marked "unaudited," is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The schedule of costs of community benefit programs information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, accordingly, we do not express an opinion or provide any assurance on it.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
March 29, 2024

Novant Health, Inc. and Affiliates
Schedule of Cost of Community Benefit Programs (unaudited)
December 31, 2023

In addition to providing charity care to uninsured patients, Novant Health also provides services to beneficiaries of public programs and various other community health services intended to improve the health of the communities in which the Company operates. Novant Health uses the following four categories to identify the resources utilized for the care of persons who are underserved and for providing community benefit programs to the needy:

- Traditional charity care, which includes the cost of services provided to persons who cannot afford health care because of inadequate resources and who are uninsured.
- Unpaid cost of Medicare, which represents the unpaid cost of services provided to persons through the government program for individuals age 65 and older as well as those that qualify for federal disability benefits.
- Unpaid cost of Medicaid, which represents the unpaid cost of services provided to persons covered by the government program for medically indigent patients.
- Community benefit programs, which consist of the unreimbursed costs of certain programs and services for the general community, mainly for indigent patients but also for people with chronic health risks. Examples of these programs include health promotion and education, free clinics and screenings and other community services.

The net cost of providing care to indigent patients and community benefit programs is as follows:

	2023
Traditional charity care	\$ 224,873
Unpaid cost of Medicare	1,114,765
Unpaid cost of Medicaid	125,779
Community benefit programs	<u>146,726</u>
	<u>\$ 1,612,143</u>

Novant Health, Inc. and Affiliates
Consolidating Balance Sheet
December 31, 2023

<i>(in thousands of dollars)</i>	Combined Group	Unrestricted Affiliates	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 596,066	\$ 143,731	\$ -	\$ 739,797
Accounts receivable, net	967,693	88,305	-	1,055,998
Short-term investments	10,867	213	-	11,080
Current portion of assets limited as to use	24,337	3,280	-	27,617
Receivable for settlement with third-party payors	11,123	1,527	-	12,650
Other current assets	453,586	68,146	(8,674)	513,058
Total current assets	<u>2,063,672</u>	<u>305,202</u>	<u>(8,674)</u>	<u>2,360,200</u>
Assets limited as to use	262,689	7,543	-	270,232
Long-term investments	2,972,024	415,865	-	3,387,889
Property and equipment, net	2,742,247	477,690	-	3,219,937
Right-of-use assets, net	481,408	57,679	(76,530)	462,557
Intangible assets and goodwill, net	598,493	23,423	-	621,916
Investments in affiliates	1,723,082	302,265	(1,628,140)	397,207
Deferred tax asset	-	3,570	-	3,570
Other assets	108,566	16,809	(2,573)	122,802
Total assets	<u>\$ 10,952,181</u>	<u>\$ 1,610,046</u>	<u>\$ (1,715,917)</u>	<u>\$ 10,846,310</u>
Liabilities and Net Assets				
Current liabilities				
Current portion of long-term debt	\$ 78,998	\$ 67	\$ -	\$ 79,065
Accounts payable	350,733	60,098	(8,674)	402,157
Accrued liabilities	616,326	113,090	-	729,416
Current portion of operating lease liabilities	101,506	15,405	(10,826)	106,085
Estimated third-party payor settlements	98,189	4,638	-	102,827
Due to (from) related organizations	(450,500)	450,500	-	-
Total current liabilities	<u>795,252</u>	<u>643,798</u>	<u>(19,500)</u>	<u>1,419,550</u>
Long-term debt, net of current portion	2,586,125	2,298	-	2,588,423
Deferred tax liability	-	14,932	-	14,932
Operating lease liabilities, net of current portion	410,754	44,439	(68,231)	386,962
Derivative financial instruments	12,254	-	-	12,254
Employee benefits and other liabilities	396,858	45,159	-	442,017
Total liabilities	<u>4,201,243</u>	<u>750,626</u>	<u>(87,731)</u>	<u>4,864,138</u>
Net assets				
Without donor restrictions - attributable to Novant Health	6,750,653	748,797	(1,628,186)	5,871,264
Without donor restrictions - noncontrolling interests	-	4,806	-	4,806
Total net assets without donor restrictions	<u>6,750,653</u>	<u>753,603</u>	<u>(1,628,186)</u>	<u>5,876,070</u>
With donor restrictions	285	105,817	-	106,102
Total net assets	<u>6,750,938</u>	<u>859,420</u>	<u>(1,628,186)</u>	<u>5,982,172</u>
Total liabilities and net assets	<u>\$ 10,952,181</u>	<u>\$ 1,610,046</u>	<u>\$ (1,715,917)</u>	<u>\$ 10,846,310</u>

The accompanying notes are an integral part of this supplemental consolidating information.

Novant Health, Inc. and Affiliates
Consolidating Statement of Operations
December 31, 2023

<i>(in thousands of dollars)</i>	Combined Group	Unrestricted Affiliates	Eliminations	Total
Total operating revenues, gains, and other support				
Net patient service revenues	\$ 6,745,648	\$ 670,131	\$ -	\$ 7,415,779
Other revenue	780,590	162,425	(63,646)	879,369
Total operating revenues, gains, and other support	<u>7,526,238</u>	<u>832,556</u>	<u>(63,646)</u>	<u>8,295,148</u>
Operating expenses				
Salaries and employee benefits	4,019,104	455,810	(3,399)	4,471,515
Supplies and other	2,928,412	392,428	(62,479)	3,258,361
Depreciation and amortization expense	276,667	53,850	-	330,517
Interest expense	79,413	8,562	-	87,975
Total operating expenses	<u>7,303,596</u>	<u>910,650</u>	<u>(65,878)</u>	<u>8,148,368</u>
Operating income (loss)	222,642	(78,094)	2,232	146,780
Non-operating income (expense)				
Investment income	280,247	30,557	-	310,804
Income tax benefit (expense)	(4,725)	2,818	-	(1,907)
Other net periodic pension benefit (costs)	5,795	(627)	-	5,168
Excess (deficit) of revenues over expenses	<u>\$ 503,959</u>	<u>\$ (45,346)</u>	<u>\$ 2,232</u>	<u>\$ 460,845</u>

The accompanying notes are an integral part of this supplemental consolidation information.

Novant Health, Inc. and Affiliates
Combined Group Combining Balance Sheet
December 31, 2023

<i>(in thousands of dollars)</i>	Obligated Group	Restricted Affiliates	Eliminations	Combined Group Total
Assets				
Current assets				
Cash and cash equivalents	\$ 517,030	\$ 79,036	\$ -	\$ 596,066
Accounts receivable, net	461,995	505,698	-	967,693
Short-term investments	10,867	-	-	10,867
Current portion of assets limited as to use	12,485	11,852	-	24,337
Receivable for settlement with third-party payors	6,826	4,297	-	11,123
Other current assets	287,610	165,976	-	453,586
Total current assets	1,296,813	766,859	-	2,063,672
Assets limited as to use	231,258	31,431	-	262,689
Long-term investments	2,972,024	-	-	2,972,024
Property and equipment, net	1,534,548	1,207,699	-	2,742,247
Right-of-use assets, net	218,733	262,675	-	481,408
Intangible assets and goodwill, net	19,788	578,705	-	598,493
Investments in affiliates	1,810,919	(1,184)	(86,653)	1,723,082
Other assets	91,542	17,024	-	108,566
Total assets	<u>\$ 8,175,625</u>	<u>\$ 2,863,209</u>	<u>\$ (86,653)</u>	<u>\$10,952,181</u>
Liabilities and Net Assets				
Current liabilities				
Current portion of long-term debt	\$ 77,604	\$ 1,394	\$ -	\$ 78,998
Accounts payable	244,925	105,808	-	350,733
Accrued liabilities	334,432	281,894	-	616,326
Current portion of operating lease liabilities	39,357	62,149	-	101,506
Estimated third-party payor settlements	40,355	57,834	-	98,189
Due to (from) related organizations	(1,061,254)	610,754	-	(450,500)
Total current liabilities	(324,581)	1,119,833	-	795,252
Long-term debt, net of current portion	2,581,470	4,655	-	2,586,125
Operating lease liabilities, net of current portion	196,467	214,287	-	410,754
Derivative financial instruments	12,254	-	-	12,254
Employee benefits and other liabilities	344,197	52,661	-	396,858
Total liabilities	2,809,807	1,391,436	-	4,201,243
Net assets				
Without donor restrictions - attributable to Novant Health	5,365,818	1,471,488	(86,653)	6,750,653
Total net assets without donor restrictions	5,365,818	1,471,488	(86,653)	6,750,653
With donor restrictions	-	285	-	285
Total net assets	5,365,818	1,471,773	(86,653)	6,750,938
Total liabilities and net assets	<u>\$ 8,175,625</u>	<u>\$ 2,863,209</u>	<u>\$ (86,653)</u>	<u>\$10,952,181</u>

The accompanying notes are an integral part of this supplemental consolidating information.

Novant Health, Inc. and Affiliates
Combined Group Combining Statement of Operations
December 31, 2023

<i>(in thousands of dollars)</i>	Obligated Group	Restricted Affiliates	Eliminations	Combined Group Total
Total operating revenues, gains, and other support				
Net patient service revenues	\$ 3,249,895	\$ 3,495,753	\$ -	\$ 6,745,648
Other revenue	330,409	457,447	(7,266)	780,590
Total operating revenues, gains, and other support	<u>3,580,304</u>	<u>3,953,200</u>	<u>(7,266)</u>	<u>7,526,238</u>
Operating expenses				
Salaries and employee benefits	1,908,549	2,110,555	-	4,019,104
Supplies and other	1,302,596	1,633,082	(7,266)	2,928,412
Depreciation and amortization expense	140,490	136,177	-	276,667
Interest expense	46,888	32,525	-	79,413
Total operating expenses	<u>3,398,523</u>	<u>3,912,339</u>	<u>(7,266)</u>	<u>7,303,596</u>
Operating income	181,781	40,861	-	222,642
Non-operating income (expense)				
Investment income	280,245	2	-	280,247
Income tax expense	(4,725)	-	-	(4,725)
Other net periodic pension benefit (costs)	5,855	(60)	-	5,795
Excess of revenues over expenses	<u>\$ 463,156</u>	<u>\$ 40,803</u>	<u>\$ -</u>	<u>\$ 503,959</u>

The accompanying notes are an integral part of this supplemental consolidating information.

Novant Health, Inc. and Affiliates

Notes to Consolidating or Combining Supplemental Schedules

December 31, 2023

1. Reporting Entity

Novant Health, Inc. (“Novant Health” or the “Company”) is a not-for-profit integrated system of 15 medical centers and more than 1,800 physicians in over 800 locations, as well as numerous outpatient surgery centers, medical plazas, rehabilitation programs, diagnostic imaging centers and community health outreach programs. Novant Health’s more than 35,000 team members and physician partners care for patients and communities in North Carolina, South Carolina and Georgia.

2. Basis of Presentation and Summary of Significant Accounting Policies

Novant Health, Inc. Consolidating Balance Sheet and Consolidating Statement of Operations (which Combines the Information of the Combined Group and Unrestricted Affiliates)

The Total column reconciles to the consolidated financial statements of Novant Health, Inc. and includes the accounts of all affiliates controlled by Novant Health, Inc. The Total is comprised of the Combined Group (as described below, which is comprised of the Obligated Group and Restricted Affiliates) and the Unrestricted Affiliates, which represent affiliates not meeting the definition of the Obligated Group or Restricted Affiliates as defined below.

The Eliminations column represents the elimination of intercompany transactions and balances between the Combined Group and the Unrestricted Affiliates.

The consolidating balance sheet and consolidating statement of operations are otherwise prepared in accordance with accounting policies described in the accompanying notes to the consolidated financial statements. These schedules are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America, as a result of the exclusion of all required disclosures.

Combined Group Combining Balance Sheet and Statement of Operations

As noted in Note 15 to the consolidated financial statements, the Company is subject to a Master Trust Indenture (the “Agreement”) which authorizes the creation of a Combined Group, which consists of the members of the Obligated Group and the Restricted Affiliates.

The members of the Obligated Group are jointly and severally liable for the payment of all obligations under the Agreement. The members of the Obligated Group are Novant Health and its two affiliates that operate tertiary care hospitals, Forsyth Memorial Hospital, Inc. d/b/a Novant Health Forsyth Medical Center and The Presbyterian Hospital d/b/a Novant Health Presbyterian Medical Center, both of which are North Carolina nonprofit corporations. In the accompanying Combined Group combining balance sheet and combining statement of operations, the Obligated Group column presents information of the aforementioned entities.

Restricted Affiliates represent entities that are not directly obligated to pay obligations under the Agreement, but the members of the Obligated Group have covenanted in the Agreement to cause the Restricted Affiliates to provide funds to the members of the Obligated Group to pay obligations under the Agreement. The Company has designated ten of its affiliates as Restricted Affiliates. Six of these Restricted Affiliates, Medical Park Hospital, LLC d/b/a Novant Health Medical Park Hospital,

Novant Health, Inc. and Affiliates
Notes to Consolidating or Combining Supplemental Schedules
December 31, 2023

Novant Health Thomasville Medical Center, LLC, Novant Health Matthews Medical Center, LLC, Brunswick Community Hospital, LLC d/b/a Novant Health Brunswick Medical Center, Novant Health Mint Hill Medical Center, LLC, and Novant Health New Hanover Regional Medical Center, LLC, operate, or maintain a significant investment in, hospitals. The other four Restricted Affiliates, Carolina Mediacorp Enterprises, LLC, Foundation Health Systems Corp., Novant Medical Group, Inc. f/k/a Presbyterian Regional Healthcare Corp. and Salem Health Services, Inc., provide, or invest in subsidiaries or joint ventures which provide health care and ancillary services. All of the members of the Combined Group, except Salem Health Services, Inc., are exempt from federal and state income taxation.

The Eliminations column represents the elimination of intercompany transactions and balances between the Obligated Group and the Restricted Affiliates.

The Combined Group combining balance sheet and combining statement of operations are otherwise prepared in accordance with accounting policies described in the accompanying notes to the consolidated financial statements. These schedules are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America, as a result of the exclusion of all required disclosures.