



Baylor Scott & White Medical Center - Centennial
Annual Report of Community Benefits
12505 Lebanon Road
Frisco, TX 75035
Taxpayer ID # 824052186
For the Fiscal Year Ended June 30, 2020

Table of Contents

Letter from the President

- I. Effective Dates of the Report
- II. Hospital Description
- III. Hospital Mission Statement
- IV. Description of the Community Served
- V. Identified Community Health Needs by Priority
 1. Cancer Incidence/Female Breast
 2. Depression in Medicare Population
 3. Motor Vehicle Deaths While Driving With Alcohol Impairment
 4. Ratio of Population to One Non-Physician Primary Care Provider
 5. Schizophrenia and Other Psychotic Disorders in the Medicare Population
 6. Corona Virus Pandemic (ancillary to the CHNA 2019)
- VI. Programs Addressing Identified Community Health Needs
- VII. Charity Care and Government-Sponsored Indigent Health Care Provided
- VIII. Government-Sponsored Health Care Provided
- IX. Other Types of Community Benefits Provided
 - A. Community Health and Wellness Improvement Services
 - B. Financial and In-kind Donations
 - C. Medical Education
 - D. Community Benefit Operations
 - E. Workforce Development
- X. Total Operating Expenses and Calculation of the Ratio of Cost to Charge
- XI. Report of Community Benefits Provided During Fiscal Year 2020



Dear Fellow Texan:

Since opening in 2004, Baylor Scott & White Medical Center – Centennial has provided compassionate, quality care in a safe and efficient manner to our diverse population that includes adults residing in Collin County and the surrounding areas. It has also been our mission to work towards increasing the public's knowledge about their health risks and the services offered at the hospital to help meet these needs.

Baylor Scott & White – Centennial serves thousands of patients annually for cardiovascular care, emergency care, orthopedics and sports medicine, gastroenterology, neuroscience, women's health, neonatal intensive care, spine surgery, all digital imaging and more. The hospital is committed to fulfilling its mission:

"Founded as a Christian ministry of healing, Baylor Scott & White Health promotes the wellbeing of all individuals, families and communities."

By appropriately delegating resources within our hospital, strengthening local partnerships, and creating innovative programs both on the hospital campus and within the community, the hospital seeks to make a positive impact on the identified community needs of: Access to Care for Middle to Lower Socio Economic, Preventable Admits/Adult Uncontrolled Diabetes and Mental/Behavioral Health. Based on this assessment, Baylor Scott & White – Centennial participates annually in several health fairs and supports local not-for-profit organizations. Baylor Scott & White – Centennial offers several support groups and educational events. Our commitment is to provide advanced health care for the ever-changing needs of our community.

I encourage you to give me feedback for this report. Please address comments to me, in care of Niki Shah, Vice President, Care Redesign and Equitable Health, Baylor Scott and White Health, 8080 N. Central Expressway, Suite 700, Dallas, Texas 75206.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Gebhart".

Ryan Gebhart
President Baylor Scott & White Medical Center – Centennial

Annual Report of Community Benefits
12505 Lebanon Road
Frisco, TX 75035
Taxpayer ID # 824052186
For the Fiscal Year Ended June 30, 2020

I. Effective Dates of the Report

The annual report of community benefits provided is for the fiscal year ended June 30, 2020 (Fiscal Year 2020).

II. Hospital Description

Baylor Scott & White Medical Center – Centennial is a 118-bed full-service hospital, serving the residents of Frisco, TX and surrounding communities. The hospital is proud to raise the standard of healthcare through our unwavering commitment to quality. This commitment to excellence has resulted in numerous awards and accreditations for outstanding achievement including the Joint Commission Gold Seal of Approval for Spinal Surgery Programs and recognition with Advanced Certification for Primary Stroke Centers by the Joint Commission.

The Hospital uses its revenue after expenses to improve the health of Frisco and surrounding communities through patient care, education, research, and community service. In the fiscal year, ending June 30, 2020 the Hospital had 3,216 total adult and special care nursery admits resulting in a total of 12,735 days of care; there were 933 babies delivered and there were 14,822 emergency department visits.

As part of the Hospital's commitment to the community, the Hospital provides financial assistance in the form of charity care to patients who are indigent and satisfy certain requirements. Additionally, the Hospital is committed to treating patients who are eligible for means tested government programs such as Medicaid and other government sponsored programs including Medicare, which the hospital provides regardless of the reimbursement shortfall, and thereby relieves the state and federal government of the burden of paying the full cost of care for these patients. Often, patients are unaware of the federal, state and local programs open to them for financial assistance, or they are unable to access them due to the cumbersome enrollment process required to receive these benefits. The Hospital offers assistance in enrollment to these government programs or extends financial assistance in the form of charity care through the Hospital's Financial Assistance Policy that can be located on the Hospital's website at BaylorHealth.com/Financial Assistance.

In addition to the Hospital's Financial Assistance Policy, as part of a large faith based integrated health care delivery System the areas of medical education, research, subsidized services and community health education and screenings are initiatives that take place across the System, and comprises a significant portion of the Hospital's community benefit program.

The Hospital is also committed to assisting with the preparation of allied health students pursuing health professions and future nurses at entry and advanced levels of the profession to establish a qualified healthcare workforce. The Hospital maintains strong affiliations with three North Texas

Baylor Scott & White Medical Center – Centennial

Community Benefit Report: FY 2020

Page 3

schools of nursing and area technical schools and universities to educate ancillary health care workers. In the fiscal year ending June 30, 2020, the Hospital invested in training 40 nurses and 2 allied health students. Total unreimbursed cost of these programs was \$74,924 for nursing and allied health student supervision. Like physicians, neither allied health students nor nursing graduates trained at a System entity are not obligated to join the staff although many remain in the North Texas area to provide top quality nursing services to many health care institutions.

III. Hospital Mission Statement

Founded as a Christian ministry of healing, Baylor Scott & White Health promotes the well-being of all individuals, families and communities.

IV. Description of Community Served

The System is committed to serving a vast array of neighborhoods comprising its service area and recognizes the importance of preserving a local community focus to meet community needs effectively.

For the 2019 assessment, the hospital has defined their community to be the geographical area of Collin, Dallas and Denton counties. The community served was determined based on the counties that make up at least 75 percent of each hospital's inpatient and outpatient admissions.

V. Identified Community Health Needs

During the fiscal year ending June 30, 2019, the Hospital conducted a CHNA to assess the health care needs of the community. The CHNA took into account input from persons who represent the broad interest of the community served by the Hospital, including those with special knowledge of or expertise in public health. The CHNA is widely available to the public and is located on the website at the following address, BSWHealth.com/CommunityNeeds.

By addressing the prioritized needs via an implementation strategy, the Hospital aims to affect the overall health status of the community.

Identified Community Needs

1. Access to care for middle to lower socioeconomic
2. Drug Abuse
3. Lack of Dental Providers
4. Mental Behavioral Health
5. Preventable Admits/Adult Uncontrolled Diabetes
6. Teen Births

VI. Programs Addressing Identified Community Health Needs

Community benefit services include programs or activities providing treatment promote health and healing as response to identified community need and meet at least one of these objectives:

1. Cancer Incidence/Female Breast
2. Depression in Medicare Population
3. Motor Vehicle Deaths While Driving With Alcohol Impairment
4. Ratio of Population to One Non-Physician Primary Care Provider
5. Schizophrenia and Other Psychotic Disorders in the Medicare Population
6. Corona Virus Pandemic (ancillary to the CHNA 2019)

VII. Charity Care and Government-Sponsored Indigent Health Care Provided

For Fiscal Year 2020, Baylor Scott & White Medical Center – Centennial provided \$4,101,241 in unreimbursed costs of charity care and government-sponsored indigent health care.

VIII. Government-Sponsored Health Care Provided

For Fiscal Year 2020, Baylor Scott & White Medical Center – Centennial provided \$11,625,879 in unreimbursed costs of government-sponsored health care.

IX. Other Types of Community Benefits Provided \$ 703,179

Baylor Scott & White Medical Center – Centennial is committed to improving the quality of life for the many citizens living and working in its area. Baylor Scott & White – Centennial was pleased to allocate funds to the following community benefit activities.

A. Community Health and Wellness Improvement \$ 63,331

Community benefit services include programs or activities providing treatment promote health and healing as response to identified community need and meet at least one of these objectives:

- Improve access to health care services
- Enhance public health
- Advance/increase general knowledge
- Relieve or reduce the burden of government to improve health.

B. Financial and In-kind Donations \$ 30,000

These donations include funds and in-kind services donated to community organizations or to the community at large to address an identified need or serve a community benefit purpose. In-kind services could include hours contributed by staff while on hospital work time; the cost of meeting space provided to community groups and the donation of food, equipment, and supplies.

C. Medical Education

\$ 74,924

This category includes educational program for physician, interns and residents, medical students, nurse and nursing students, and other health professionals when that education is necessary for a degree, certificate or training that is required by state law, accrediting body or health profession society. It may also include a clinical setting for student training and internships for dietary professionals, technicians, physical therapists, social workers, pharmacists and other health professionals.

D. Community Benefit Operations

\$ 1,463

The Hospital regularly and formally assesses the needs of the community through a System conducted Community Health Needs Assessment. The Hospital develops strategies to address the CHNA's identified needs through an Implementation Plan that guides community benefit efforts. The Hospital provides dedicated staff for managing or overseeing community benefit program activities that are not included in other categories of community benefit. This staff provides internal tracking and reporting community benefit as well as managing or overseeing community benefit program activities.

E. Workforce Development

\$533,461

Recruitment of physicians and other health professionals for areas identified as medically underserved areas (MUAs) or other community needs assessment. The age and characteristics of a state's population has a direct impact on the health care system. The hospitals seeks to allay the physician shortage, thereby better managing the growing health needs of the community.

X. Total Operating Expenses and Calculation of the Ratio of Cost to Charge

As required by Section 311.046 (a) (4), Baylor Scott & White Medical Center - Centennial reports \$103,725,619 in total operating expenses. As required by Section 311.046(1) (5), the ratio of cost to charges was 21.77%. Please see the attached worksheet for the full calculation.

XI. Report of Community Benefit Provided During Fiscal Year 2020

In a commitment to fulfill its mission, Baylor Scott & White Medical Center – Centennial benefit to the community, conservatively estimated, was \$16,430,299 for Fiscal Year 2020. Baylor Scott & White Medical Center - Waxahachie is filing its Annual Statement of Community Benefits Standard (Statement) as a consolidated system with the other affiliated hospitals of BSWH that are qualified to file as a hospital system.

Through community benefit activities, BSWH-affiliated hospitals provided: quality patient care and subsidized services otherwise not available in the community; medical education, training for medical technicians, hospital chaplains, nurses, and future physicians; and medical research that will speed the time between scientific finding and its application to improving medical care.

Any comments or suggestions concerning the community benefit activities are greatly welcomed. Please address them to Niki Shah, Vice President, Care Redesign and Equitable Health, Baylor Scott and White Health, 8080 N. Central Expressway, Suite 700, Dallas, Texas 75206.

Baylor Scott & White Medical Center - Centennial

**Total Operating Expenses
Section 311.046(a)(4)**

For the Fiscal Year Ended June 30, 2019 103,725,619

**Calculation of the Ratio of Cost to Charge
Section 311.046(a)(5)**

Total Patient Revenues (a) 422,472,902
(from 2019 Medicare Cost Report, Worksheet G-3, Line 1)

Total Operating Expenses (b) 88,764,234
(from 2019 Medicare Cost Report, Worksheet A, Line 118, Col. 7)

Initial Ratio of Cost to Charge ((b) divided by (a)) (c) 21.01%

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

Bad Debt Expense (d) 15,287,488
(from 2020 audited financial statements)

Multiply "Bad Debt Expense" by "Initial Ratio of Cost to Charge" ((d)*(c)) (e) 3,211,901

Add the allowable "Bad-Debt Expense" to "Total Operating Expenses" ((b) + (e)) (f) 91,976,135

Calculation of Ratio of Cost to Charge ((f) divided by (a)) (g) 21.77%