

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023****Open to Public  
Inspection**

<b>A</b> For the 2023 calendar year, or tax year beginning <u>10/01/2023</u> and ending <u>09/30/2024</u>																									
<b>B</b> Check if applicable:	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;"><input type="checkbox"/> Address change</td> <td colspan="2"><b>C</b> Name of organization <u>PITT COUNTY MEMORIAL HOSPITAL, INC.</u></td> <td><b>D</b> Employer identification number <u>56-0585243</u></td> </tr> <tr> <td><input type="checkbox"/> Name change</td> <td colspan="2">Doing business as <u>ECU HEALTH MEDICAL CENTER</u></td> <td><b>E</b> Telephone number <u>(252) 847-7479</u></td> </tr> <tr> <td><input type="checkbox"/> Initial return</td> <td colspan="2">Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2100 STANTONSBURG ROAD</u></td> <td><b>G</b> Gross receipts \$ <u>2,119,330,764.</u></td> </tr> <tr> <td><input type="checkbox"/> Final return/terminated</td> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code <u>GREENVILLE, NC 27835</u></td> <td></td> </tr> <tr> <td><input type="checkbox"/> Amended return</td> <td colspan="3"><b>F</b> Name and address of principal officer: <u>JAY BRILEY</u></td> </tr> <tr> <td><input type="checkbox"/> Application pending</td> <td colspan="3"><u>SAME AS "C" ABOVE</u></td> </tr> </table>	<input type="checkbox"/> Address change	<b>C</b> Name of organization <u>PITT COUNTY MEMORIAL HOSPITAL, INC.</u>		<b>D</b> Employer identification number <u>56-0585243</u>	<input type="checkbox"/> Name change	Doing business as <u>ECU HEALTH MEDICAL CENTER</u>		<b>E</b> Telephone number <u>(252) 847-7479</u>	<input type="checkbox"/> Initial return	Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2100 STANTONSBURG ROAD</u>		<b>G</b> Gross receipts \$ <u>2,119,330,764.</u>	<input type="checkbox"/> Final return/terminated	City or town, state or province, country, and ZIP or foreign postal code <u>GREENVILLE, NC 27835</u>			<input type="checkbox"/> Amended return	<b>F</b> Name and address of principal officer: <u>JAY BRILEY</u>			<input type="checkbox"/> Application pending	<u>SAME AS "C" ABOVE</u>		
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<b>I</b> 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																									
<b>J</b> Website: <u>WWW.ECUHEALTH.ORG</u>																									
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other																									
<b>L</b> Year of formation: <u>1953</u> <b>M</b> State of legal domicile: <u>NC</u>																									

**H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

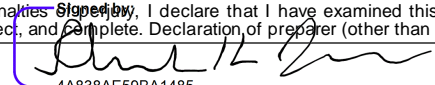
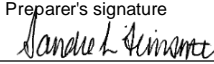
If "No," attach a list. See instructions.

**H(c)** Group exemption number**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>TO PROVIDE ACCESS TO QUALITY MEDICAL SERVICE TO ALL CITIZENS OF PITT COUNTY AND EASTERN NC.</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)		<u>20</u>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)		<u>17</u>
	<b>5</b> Total number of individuals employed in calendar year 2023 (Part V, line 2a)		<u>15,705</u>
	<b>6</b> Total number of volunteers (estimate if necessary)		<u>646</u>
		<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	
	<b>b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11		<u>NONE</u>
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<u>2,470,769.</u>	<u>2,322,433.</u>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<u>1,653,621,340.</u>	<u>1,987,784,324.</u>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>43,526,589.</u>	<u>35,648,020.</u>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>65,541,864.</u>	<u>93,575,987.</u>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>1,765,160,562.</u>	<u>2,119,330,764.</u>
	<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<u>857,125.</u>
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		<u>NONE</u>	<u>NONE</u>
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		<u>602,525,867.</u>	<u>670,055,452.</u>
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		<u>NONE</u>	<u>NONE</u>
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)		<u>NONE</u>	
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		<u>1,039,850,976.</u>	<u>1,209,133,854.</u>
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		<u>1,643,233,968.</u>	<u>1,880,251,194.</u>
<b>19</b> Revenue less expenses. Subtract line 18 from line 12		<u>121,926,594.</u>	<u>239,079,570.</u>
<b>Net Assets or Fund Balances</b>		<b>20</b> Total assets (Part X, line 16)	<u>1,673,354,621.</u>
	<b>21</b> Total liabilities (Part X, line 26)	<u>364,868,432.</u>	<u>413,169,010.</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<u>1,308,486,189.</u>	<u>1,238,428,792.</u>

**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.

<b>Sign Here</b>		<u>7/16/2025</u>			
	Signature of officer	Date			
	ANDREW K. ZUKOWSKI Type or print name and title	CFO			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	SANDRA L FEINSMITH		<u>07/16/2025</u>	<input type="checkbox"/>	<u>P01064157</u>
	Firm's name BDO USA	Firm's EIN	<u>13-5381590</u>		
	Firm's address 421 FAYETTEVILLE STREET, SUITE 300 RALEIGH, NC 27601	Phone no.	<u>919-278-1936</u>		

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2023)

**Application for Extension of Time To File an Exempt Organization  
Return or Excise Taxes Related to Employee Benefit Plans**File a separate application for each return.  
Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.

OMB No. 1545-0047

**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](http://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**

<b>Type or Print</b>  File by the due date for filing your return. See instructions.	Name of exempt organization, employer, or other filer, see instructions. PITT COUNTY MEMORIAL HOSPITAL, INC.	Taxpayer identification number (TIN) 56-0585243
	Number, street, and room or suite no. If a P.O. box, see instructions. 2100 STANTONSBURG ROAD	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. GREENVILLE, NC 27835	

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)

JENNIFER WORSLEY  
The books are in the care of 2100 STANTONSBURG ROAD GREENVILLE NC 27835  
Telephone No. 252 847-2254 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 08/15, 2025, to file the **exempt organization return** for the organization named above. The extension is for the organization's return for:

☐ calendar year 20\_\_\_\_ or  
☒ tax year beginning 10/01, 2023, and ending 09/30, 2024.

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	\$	NONE
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	\$	NONE
c <b>Balance due.</b> 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	\$	NONE

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

Form 8868 (Rev. 1-2024)

**Part III** Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No**1** Briefly describe the organization's mission:

TO IMPROVE THE HEALTH AND WELL-BEING OF EASTERN NORTH CAROLINA.

**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 ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ) (Expenses \$ 653,217,739. including grants of \$ NONE ) (Revenue \$ 608,500,017. )

CANCER AND CLINICAL SERVICES:

PCMH (D/B/A ECU HEALTH MEDICAL CENTER) CANCER SERVICES INCLUDE THE MOST ADVANCED TREATMENTS FOR THE PEOPLE OF EASTERN NORTH CAROLINA.

WE USE THE LATEST TECHNOLOGIES, INCLUDING GAMMA KNIFE RADIOSURGERY, AVAILABLE TO OUR EXPERT MEDICAL STAFF, NURSES AND THERAPISTS. COMBINING NATIONAL TREATMENT PROTOCOLS AND THE HIGHEST STANDARDS OF CLINICAL QUALITY, OUR TEAM OF SPECIALISTS TAKE CARE OF THOUSANDS OF PATIENTS EACH YEAR. IN CANCER AND CLINICAL SERVICES DURING FISCAL YEAR 2024, ECU HEALTH MEDICAL CENTER PERFORMED 3,178,570 LAB TESTS, 151,683 RADIOLOGY CASES, 4,050 PET SCANS, 868 GAMMA KNIFE CASES, AND 189,796 RESPIRATORY TREATMENTS.

**4b** (Code: ) (Expenses \$ 440,904,281. including grants of \$ NONE ) (Revenue \$ 451,724,125. )

SURGICAL SERVICES:

SURGEONS AT ECU HEALTH MEDICAL CENTER ARE LEADERS IN THEIR FIELDS. OUR BARIATRIC SURGEONS WERE PIONEERS OF GASTRIC BYPASS SURGERY. OTHER AREAS OF SURGICAL EMPHASIS INCLUDE ORTHOPEDICS, CARDIOTHORACIC, GYNECOLOGY, TRAUMA AND GENERAL SURGERY. ECU HEALTH MEDICAL CENTER SURGICAL SERVICES PERFORMED 27,385 SURGERIES IN FISCAL YEAR 2024.

**4c** (Code: ) (Expenses \$ 242,049,425. including grants of \$ NONE ) (Revenue \$ 250,453,505. )

SEE SCHEDULE O

**4d** Other program services (Describe on Schedule O.) SEE SCHEDULE O

(Expenses \$ 418,170,528. including grants of \$ 1,061,888. ) (Revenue \$ 677,106,677. )

**4e** Total program service expenses 1,754,341,973.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	<b>1</b> X	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors? See instructions. . . . .	<b>2</b> X	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	<b>4</b> X	
<b>5</b> 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? If "Yes," complete Schedule C, Part III . . . . .	<b>5</b>	X
<b>6</b> 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? If "Yes," complete Schedule D, Part I . . . . .	<b>6</b>	X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .	<b>8</b>	X
<b>9</b> 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? If "Yes," complete Schedule D, Part IV . . . . .	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? If "Yes," complete Schedule D, Part V . . . . .	<b>10</b>	X
<b>11</b> 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.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	<b>11a</b> X	
<b>b</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? If "Yes," complete Schedule D, Part VII . . . . .	<b>11b</b> X	
<b>c</b> 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? If "Yes," complete Schedule D, Part VIII . . . . .	<b>11c</b>	X
<b>d</b> 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? If "Yes," complete Schedule D, Part IX . . . . .	<b>11d</b> X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .	<b>11e</b> X	
<b>f</b> 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)? If "Yes," complete Schedule D, Part X . . . . .	<b>11f</b> X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .	<b>12a</b>	X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	<b>14a</b>	X
<b>b</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? If "Yes," complete Schedule F, Parts I and IV . . . . .	<b>14b</b>	X
<b>15</b> 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? If "Yes," complete Schedule F, Parts II and IV . . . . .	<b>15</b>	X
<b>16</b> 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? If "Yes," complete Schedule F, Parts III and IV . . . . .	<b>16</b>	X
<b>17</b> 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? If "Yes," complete Schedule G, Part I. See instructions . . . . .	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	<b>18</b>	X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .	<b>20a</b> X	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	<b>20b</b> X	
<b>21</b> 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? If "Yes," complete Schedule I, Parts I and II . . . . .	<b>21</b> X	

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . . . .</i>	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		X
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or 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? <i>If "Yes," complete Schedule L, Part II . . . . .</i>		X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III . . . . .</i>		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions).		
<b>28a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>28b</b> A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	X	
<b>28c</b> A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		X
<b>29</b> Did the organization receive more than \$25,000 in noncash contributions? <i>If "Yes," complete Schedule M . . . . .</i>		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . . . .</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . . . .</i>	X	
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .</i>	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .	X	
<b>35b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . . . .</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? <b>Note:</b> All Form 990 filers are required to complete Schedule O . . . . .	X	

**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 ☐

	Yes	No
<b>1a</b> Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable . . . . .	1a	14
<b>1b</b> Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable . . . . .	1b	NONE
<b>1c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	X	

<b>Part V Statements Regarding Other IRS Filings and Tax Compliance</b> (continued)		Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 15705		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?		X	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		X	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			X
<b>b</b> If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?			
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?			
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			
<b>10 Section 501(c)(7) organizations.</b> Enter:			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:			
<b>a</b> Gross income from members or shareholders	<b>11a</b>		
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?			
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note:</b> See the instructions for additional information the organization must report on Schedule O.			
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?			X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O			
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.			X
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.			X
<b>17 Section 501(c)(21) organizations.</b> Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.			

**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 ☒ X**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year . . . . .	20	
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.		
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent. . . . .	17	
<b>2</b> 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
<b>3</b> 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
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .		X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .		X
<b>6</b> Did the organization have members or stockholders? . . . . .		X
<b>7a</b> 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>b</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	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? . . . . .	X	
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	X	
<b>9</b> 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
<b>10a</b> Did the organization have local chapters, branches, or affiliates? . . . . .		X
<b>b</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? . . . . .		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	X	
<b>b</b> Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	X	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done . . . . .	X	
<b>13</b> Did the organization have a written whistleblower policy? . . . . .	X	
<b>14</b> Did the organization have a written document retention and destruction policy? . . . . .	X	
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official . . . . .	X	
<b>b</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.		
<b>16a</b> 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>b</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	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed NC.

**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.  
 JENNIFER WORSLEY 2100 STANTONSBURG ROAD GREENVILLE, NC 27835

252-847-2254

**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 ☒ X**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 dotted 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) MICHAEL WALDRUM, MD CHIEF EXECUTIVE OFFICER	2.00 52.00	X						NONE	1,377,781.	368,120.
(2) WILLIAM FLOYD (THRU 12/23) COO/PRESIDENT	40.00 2.00			X				819,034.	NONE	259,617.
(3) DAPHNE BREWINGTON SVP, NURSING EXCELLENCE	40.00 NONE						X	381,803.	NONE	577,277.
(4) JAY BRILEY (AS OF 01/24) PRES., ECUH COMM HOSP/ECUHMC	2.00 50.00			X				NONE	512,320.	175,853.
(5) TRISH BAISE CHIEF NURSE EXECUTIVE	2.00 40.00			X				NONE	509,303.	119,736.
(6) VAN SMITH (THRU 12/23) EVP, OPS. ECUHMC/PRES., ECUH	40.00 12.00			X				397,137.	NONE	180,449.
(7) WALTER POFAHL SVP, MEDICAL AFFAIRS	40.00 NONE				X			433,901.	NONE	85,980.
(8) BOBBY DUNN SVP, FINANCE	2.00 42.00			X				NONE	369,565.	87,663.
(9) JEFFERY DIAL VP, OPERATIONS	NONE 40.00						X	NONE	290,709.	154,758.
(10) DEBRA HERNANDEZ SVP, SYSTEM EMERGENCY SERVICES	40.00 NONE				X			338,593.	NONE	95,506.
(11) TERESA ANDERSON VP, QUALITY	NONE 40.00						X	NONE	274,341.	130,585.
(12) STEPHEN TRIPP VP, PERIOPERATIVE SVCS AND SMS	NONE 40.00						X	NONE	257,994.	145,747.
(13) JAMES WORDEN, JR. SYS ADMIN, PHARMACY SVC LINE	40.00 NONE					X		251,178.	NONE	143,766.
(14) KIMBERLY CRICKMORE OSBORNE VP, WOMENS & CHILDRENS SVS	40.00 NONE				X			253,434.	NONE	137,723.

Form 990 (2023)



**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 dotted 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)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(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			
( 15 ) LOUIS HARLOW SVP, ALLIED HEALTH SYSTEM	40.00 NONE				X			327,479.	NONE	54,122.
( 16 ) WENDY LEUTGENS SVP, PERIOPERATIVE SERVICES	40.00 NONE				X			278,400.	NONE	57,422.
( 17 ) TRACY ESKRA PHYSICIAN	NONE 40.00						X	NONE	276,784.	54,525.
( 18 ) JACOB PARRISH VP, CAPACITY & THROUGHPUT	40.00 NONE					X		224,578.	NONE	89,704.
( 19 ) JENNIFER STYRON PHARMACIST IV	40.00 NONE					X		241,201.	NONE	62,333.
( 20 ) DENNIS CAMPBELL PRESIDENT - BEAUFORT CAMPUS	40.00 NONE				X			211,684.	NONE	65,888.
( 21 ) TERESA CRANDOL STAFF NURSE IV	40.00 NONE					X		240,451.	NONE	NONE
( 22 ) JULIE FORBES VP, PATIENT CARE SERVICES	40.00 NONE				X			180,655.	NONE	55,396.
( 23 ) TAMESIA VANN STAFF NURSE INTERNAL TRAVEL-NB	40.00 NONE					X		234,417.	NONE	NONE
( 24 ) DEBORAH DAVIS VICE CHAIR/CHAIR	2.00 2.00	X						NONE	NONE	101,825.
( 25 ) CARLESTER CRUMPLER TREASURER/VICE CHAIR	2.00 NONE	X						NONE	NONE	NONE
<b>1b Sub-total</b> . . . . .								4,813,945.	3,868,797.	3,203,995.
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .								NONE	193,427.	-438,200.
<b>d Total (add lines 1b and 1c)</b> . . . . .								4,813,945.	4,062,224.	2,765,795.

**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 ► 1,137

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .		
<b>4</b> 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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .		
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .		

**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

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

**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 dotted 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)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(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			
( 26 ) DIANE TAYLOR SECRETARY	2.00 4.00	X						NONE	NONE	NONE
( 27 ) TONY KHOURY BOARD MEMBER/ASST. SECRETARY	2.00 NONE	X						NONE	NONE	NONE
( 28 ) VERN DAVENPORT ASST. SECRETARY/ASST. TREAS.	2.00 2.00	X						NONE	NONE	NONE
( 29 ) PHILLIP DIXON, SR. ASST. TREASURER/TREASURER	2.00 NONE	X						NONE	NONE	NONE
( 30 ) ANGELA ALLEN BOARD MEMBER	2.00 2.00	X						NONE	NONE	NONE
( 31 ) TONY CANNON BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 32 ) DEMETRIUS CARTER BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 33 ) MIKE FITZPATRICK BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 34 ) PHIL GIBBS BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 35 ) CHRISTOPHER JENKINS BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 36 ) ROB JONES BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

**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 ►

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .		
<b>4</b> 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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .		
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .		

**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

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

**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 dotted 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)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(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			
( 37 ) BRYANT KITTRELL BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 38 ) MIKE MCLAUGHLIN, MD BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 39 ) WILLIAM MONK, JR. CHAIR/BOARD MEMBER	2.00 2.00	X						NONE	NONE	NONE
( 40 ) PHILIP ROGERS BOARD MEMBER	2.00 2.00	X						NONE	NONE	NONE
( 41 ) ANAND TEWARI, MD BOARD MEMBER	2.00 2.00	X						NONE	NONE	NONE
( 42 ) DONALD THOMPSON BOARD MEMBER	2.00 NONE	X						NONE	NONE	NONE
( 43 ) MEGHAN HOOLEY (AS OF 6/24) VP, ECUHMC FINANCIAL SERVICES	40.00 NONE			X				NONE	NONE	NONE
( 44 ) JENNIFER THOMAS SVP, FINANCIAL SERVICES	NONE 40.00						X	NONE	193,427.	-438,200.
<b>1b Sub-total</b> . . . . .										
<b>c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>d Total (add lines 1b and 1c)</b> . . . . .										

**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 ►

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual . . . . .	X	
<b>4</b> 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	
<b>5</b> 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
SEE SCHEDULE O		

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 98

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
<b>Contributions, Gifts, Grants, and Other Similar Amounts</b>	<b>1a</b>	Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b>	Membership dues . . . . .	<b>1b</b>				
	<b>c</b>	Fundraising events . . . . .	<b>1c</b>				
	<b>d</b>	Related organizations . . . . .	<b>1d</b>				
	<b>e</b>	Government grants (contributions) . .	<b>1e</b>	179,445.			
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>	2,142,988.			
	<b>g</b>	Noncash contributions included in lines 1a-1f . . . . .	<b>1g</b>	\$			
	<b>h</b>	<b>Total.</b> Add lines 1a-1f . . . . .		2,322,433.			
	<b>Program Service Revenue</b>				Business Code		
<b>2a</b>		CANCER & CLINICAL SERVICES	621110	608,500,017.	608,500,017.		
<b>b</b>		SURGICAL SERVICES	621110	451,724,125.	451,724,125.		
<b>c</b>		CARDIOVASCULAR SERVICES	621110	250,453,505.	250,453,505.		
<b>d</b>		EMERGENCY SERVICES	621110	127,003,601.	127,003,601.		
<b>e</b>		ALL OTHER PROGRAM SERVICE REVENUE	621110	550,103,076.	549,946,054.	157,022.	
<b>f</b>		All other program service revenue . . . . .					
<b>g</b>		<b>Total.</b> Add lines 2a-2f . . . . .		1,987,784,324.			
<b>Other Revenue</b>		<b>3</b>	Investment income (including dividends, interest, and other similar amounts) . . . . .		35,521,962.		
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . .		NONE			
	<b>5</b>	Royalties . . . . .		NONE			
	<b>6a</b>	Gross rents . . . . .	(i) Real	693,465.			
			(ii) Personal				
	<b>b</b>	Less: rental expenses		NONE			
	<b>c</b>	Rental income or (loss)		693,465.	NONE		
	<b>d</b>	Net rental income or (loss) . . . . .		693,465.			693,465.
	<b>7a</b>	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other	126,058.			
	<b>b</b>	Less: cost or other basis and sales expenses . .					
	<b>c</b>	Gain or (loss) . . . . .		126,058.			
	<b>d</b>	Net gain or (loss) . . . . .		126,058.			126,058.
	<b>8a</b>	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .		NONE			
				NONE			
			NONE				
<b>b</b>	Less: direct expenses . . . . .		NONE				
<b>c</b>	Net income or (loss) from fundraising events . . . . .		NONE				
<b>9a</b>	Gross income from gaming activities. See Part IV, line 19 . . . . .		NONE				
			NONE				
			NONE				
<b>b</b>	Less: direct expenses . . . . .		NONE				
<b>c</b>	Net income or (loss) from gaming activities . . . . .		NONE				
<b>10a</b>	Gross sales of inventory, less returns and allowances . . . . .		NONE				
			NONE				
			NONE				
<b>b</b>	Less: cost of goods sold . . . . .		NONE				
<b>c</b>	Net income or (loss) from sales of inventory . . . . .		NONE				
<b>Miscellaneous Revenue</b>				Business Code			
	<b>11a</b>	CAFETERIA MEALS	722514	7,429,166.			7,429,166.
	<b>b</b>	REBATES	900099	5,092,037.			5,092,037.
	<b>c</b>	ALL OTHER REVENUE	900099	80,361,319.			80,361,319.
	<b>d</b>	All other revenue . . . . .					
	<b>e</b>	<b>Total.</b> Add lines 11a-11d . . . . .		92,882,522.			
<b>12</b>	<b>Total revenue.</b> See instructions . . . . .			2,119,330,764.	1,987,627,302.	157,022.	129,224,007.

**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 . . . . .	1,061,888.	1,061,888.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	NONE			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	NONE			
4 Benefits paid to or for members . . . . .	NONE			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	4,203,903.		4,203,903.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	NONE			
7 Other salaries and wages . . . . .	525,112,523.	474,344,369.	50,768,154.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	34,253,511.	30,828,160.	3,425,351.	
9 Other employee benefits . . . . .	67,803,983.	61,435,115.	6,368,868.	
10 Payroll taxes . . . . .	38,681,532.	34,813,379.	3,868,153.	
11 Fees for services (nonemployees):				
a Management . . . . .	1,155,764.	1,040,187.	115,577.	
b Legal . . . . .	20,333.	18,300.	2,033.	
c Accounting . . . . .	192,316.		192,316.	
d Lobbying . . . . .	71,851.		71,851.	
e Professional fundraising services. See Part IV, line 17 . . . . .	NONE			
f Investment management fees . . . . .	NONE			
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.) . . . . .	SEE SCHE O 459,744,195.	413,939,234.	45,804,961.	NONE
12 Advertising and promotion . . . . .	237,921.	214,129.	23,792.	
13 Office expenses . . . . .	3,306,734.	2,971,178.	335,556.	
14 Information technology . . . . .	4,107,108.	4,107,108.		
15 Royalties . . . . .	NONE			
16 Occupancy . . . . .	17,623,364.	15,875,340.	1,748,024.	
17 Travel . . . . .	1,476,179.	1,328,561.	147,618.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	NONE			
19 Conferences, conventions, and meetings . . . . .	NONE			
20 Interest . . . . .	25,607,934.	23,043,450.	2,564,484.	
21 Payments to affiliates . . . . .	NONE			
22 Depreciation, depletion, and amortization . . . . .	48,627,452.	43,772,362.	4,855,090.	
23 Insurance . . . . .	14,137,577.	12,724,087.	1,413,490.	
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 MEDICAL SUPPLIES	406,702,001.	406,702,001.		
b MEDICAID ASSESSMENTS	126,152,804.	126,152,804.		
c BAD DEBT	73,282,158.	73,282,158.		
d ALL OTHER EXPENSES	26,688,163.	26,688,163.		
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	1,880,251,194.	1,754,341,973.	125,909,221.	NONE
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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .	NONE	<b>1</b>	NONE
	<b>2</b> Savings and temporary cash investments. . . . .	14,261,974.	<b>2</b>	172,163,224.
	<b>3</b> Pledges and grants receivable, net . . . . .	NONE	<b>3</b>	NONE
	<b>4</b> Accounts receivable, net . . . . .	341,391,704.	<b>4</b>	317,187,890.
	<b>5</b> 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 . . . . .	NONE	<b>5</b>	NONE
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B). . . . .	NONE	<b>6</b>	NONE
	<b>7</b> Notes and loans receivable, net . . . . .	NONE	<b>7</b>	NONE
	<b>8</b> Inventories for sale or use . . . . .	43,647,155.	<b>8</b>	48,233,305.
	<b>9</b> Prepaid expenses and deferred charges . . . . .	7,898,504.	<b>9</b>	13,134,596.
	<b>10 a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 1357841158.		
	<b>b</b> Less: accumulated depreciation. . . . .	<b>10b</b> 905,326,820.		
		445,452,258.	<b>10c</b>	452,514,338.
	<b>11</b> Investments - publicly traded securities. . . . .	NONE	<b>11</b>	NONE
	<b>12</b> Investments - other securities. See Part IV, line 11. . . . .	515,074,481.	<b>12</b>	370,232,621.
	<b>13</b> Investments - program-related. See Part IV, line 11. . . . .	NONE	<b>13</b>	NONE
	<b>14</b> Intangible assets . . . . .	NONE	<b>14</b>	NONE
<b>15</b> Other assets. See Part IV, line 11 . . . . .	305,628,545.	<b>15</b>	278,131,828.	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) . . . . .	1,673,354,621.	<b>16</b>	1,651,597,802.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses. . . . .	287,155,706.	<b>17</b>	288,693,699.
	<b>18</b> Grants payable . . . . .	NONE	<b>18</b>	NONE
	<b>19</b> Deferred revenue . . . . .	NONE	<b>19</b>	NONE
	<b>20</b> Tax-exempt bond liabilities . . . . .	NONE	<b>20</b>	NONE
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .	NONE	<b>21</b>	NONE
	<b>22</b> 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 . . . . .	NONE	<b>22</b>	NONE
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	NONE	<b>23</b>	NONE
	<b>24</b> Unsecured notes and loans payable to unrelated third parties. . . . .	11,957,481.	<b>24</b>	20,863,001.
	<b>25</b> 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 . . . . .	65,755,245.	<b>25</b>	103,612,310.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25. . . . .	364,868,432.	<b>26</b>	413,169,010.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here and complete lines 27, 28, 32, and 33.</b> <input checked="" type="checkbox"/>			
	<b>27</b> Net assets without donor restrictions. . . . .	1,308,486,189.	<b>27</b>	1,238,428,792.
	<b>28</b> Net assets with donor restrictions. . . . .	NONE	<b>28</b>	NONE
	<b>Organizations that do not follow FASB ASC 958, check here and complete lines 29 through 33.</b> <input type="checkbox"/>			
	<b>29</b> Capital stock or trust principal, or current funds . . . . .		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>31</b>	
	<b>32</b> <b>Total net assets or fund balances</b> . . . . .	1,308,486,189.	<b>32</b>	1,238,428,792.
<b>33</b> <b>Total liabilities and net assets/fund balances.</b> . . . . .	1,673,354,621.	<b>33</b>	1,651,597,802.	

Form **990** (2023)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☒

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12) . . . . .	<b>1</b>	2,119,330,764.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25) . . . . .	<b>2</b>	1,880,251,194.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1 . . . . .	<b>3</b>	239,079,570.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) . . . . .	<b>4</b>	1,308,486,189.
<b>5</b>	Net unrealized gains (losses) on investments . . . . .	<b>5</b>	
<b>6</b>	Donated services and use of facilities . . . . .	<b>6</b>	
<b>7</b>	Investment expenses . . . . .	<b>7</b>	
<b>8</b>	Prior period adjustments . . . . .	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O). . . . .	<b>9</b>	-309,136,967.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) . . . . .	<b>10</b>	1,238,428,792.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII. ☒

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ 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? . . . . .  
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:  
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? . . . . .  
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:  
☐ Separate basis ☒ Consolidated basis ☐ 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? . . . .  
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? . . . . .
- 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 . . .

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>	X	
<b>3b</b>	X	

Form **990** (2023)

**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**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 ☒ 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 . . . . .
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

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

Schedule A (Form 990) 2023



**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
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4 Total.</b> Add lines 1 through 3. . . . .						
<b>5</b> 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). . . . .						
<b>6 Public support.</b> 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
<b>7</b> Amounts from line 4 . . . . .						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources . . . . .						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . . .						
<b>11 Total support.</b> Add lines 7 through 10 . . . . .						
<b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .					<b>12</b>	
<b>13 First 5 years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f)) . . . . .	<b>14</b>	%
<b>15</b> Public support percentage from 2022 Schedule A, Part II, line 14 . . . . .	<b>15</b>	%
<b>16a 33 1/3% support test - 2023.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization. . . . . <input type="checkbox"/>		
<b>b 33 1/3% support test - 2022.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization . . . . . <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test - 2023.</b> 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 <b>stop here</b> . 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>b 10%-facts-and-circumstances test - 2022.</b> 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 <b>stop here</b> . 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>18 Private foundation.</b> 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
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> 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 . . . . .						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5. . . . .						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</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 . . . . .						
<b>c</b> Add lines 7a and 7b. . . . .						
<b>8 Public support.</b> (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
<b>9</b> Amounts from line 6. . . . .						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources . . . . .						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .						
<b>11</b> Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on. . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .						
<b>14 First 5 years.</b> 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 <b>stop here</b> . . . . . <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

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

**Section D. Computation of Investment Income Percentage**

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

**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
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> 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 <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> 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>b</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 <b>Part VI</b> when and how the organization made the determination.</i>		
<b>c</b> 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 <b>Part VI</b> what controls the organization put in place to ensure such use.</i>		
<b>4a</b> 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>b</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 <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> 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 <b>Part VI</b> 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>		
<b>5a</b> 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 <b>Part VI</b>, 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>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> 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 <b>Part VI</b>.</i>		
<b>7</b> 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>		
<b>8</b> 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>		
<b>9a</b> 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 <b>Part VI</b>.</i>		
<b>b</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 <b>Part VI</b>.</i>		
<b>c</b> 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 <b>Part VI</b>.</i>		
<b>10a</b> 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>b</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)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
<b>b</b> A family member of a person described on line 11a above?		
<b>c</b> A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in <b>Part VI</b> .		
<b>11a</b>		
<b>11b</b>		
<b>11c</b>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> 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? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>2</b> 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? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<b>1</b>		
<b>2</b>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> 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)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> 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?		
<b>2</b> 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? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>3</b> 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? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>1</b>		
<b>2</b>		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

	Yes	No
<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a governmental entity (see instructions).		
<b>2</b> Activities Test. Answer lines 2a and 2b below.		
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
<b>b</b> Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
<b>3</b> Parent of Supported Organizations. Answer lines 3a and 3b below.		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No," provide details in <b>Part VI</b> .		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.		
<b>2a</b>		
<b>2b</b>		
<b>3a</b>		
<b>3b</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 VII*). 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)
<b>1</b> Net short-term capital gain	<b>1</b>		
<b>2</b> Recoveries of prior-year distributions	<b>2</b>		
<b>3</b> Other gross income (see instructions)	<b>3</b>		
<b>4</b> Add lines 1 through 3.	<b>4</b>		
<b>5</b> Depreciation and depletion	<b>5</b>		
<b>6</b> 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)	<b>6</b>		
<b>7</b> Other expenses (see instructions)	<b>7</b>		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	<b>8</b>		

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

Section C - Distributable Amount			Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, column A)	<b>1</b>		
<b>2</b> Enter 0.85 of line 1.	<b>2</b>		
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, column A)	<b>3</b>		
<b>4</b> Enter greater of line 2 or line 3.	<b>4</b>		
<b>5</b> Income tax imposed in prior year	<b>5</b>		
<b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	<b>6</b>		
<b>7</b> <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).			

Schedule A (Form 990) 2023

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

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

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

Schedule A (Form 990) 2023

**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](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2023**

Name of the organization

Employer identification number

PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

**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).

Name of organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**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	N/A	\$ 1,796,368.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	N/A	\$ 269,199.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	N/A	\$ 179,445.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	N/A	\$ 25,787.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	N/A	\$ 12,645.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**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
    	    	\$    	    
    	    	\$    	    
    	    	\$    	    
    	    	\$    	    
    	    	\$    	    
    	    	\$    	    
    	    	\$    	    

Name of organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**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 information once. See instructions.) \$ \_\_\_\_\_

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE C**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

**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](https://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2023**

**Open to Public Inspection**

**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	Employer identification number
PITT COUNTY MEMORIAL HOSPITAL, INC.	56-0585243

**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. See instructions for definition of "political campaign activities."
- 2 Political campaign activity expenditures. See instructions . . . . . \$ \_\_\_\_\_
- 3 Volunteer hours for political campaign activities. See instructions . . . . . \_\_\_\_\_

**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-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
<b>1a</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) . . . . .			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) . . . . .			
<b>d</b> Other exempt purpose expenditures . . . . .			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) . . . . .			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
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.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) . . . . .			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .			
<b>j</b> 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.)

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

Schedule C (Form 990) 2023

**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
<b>1</b> 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:			
<b>a</b> Volunteers? . . . . .		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? . . . . .		X	
<b>c</b> Media advertisements? . . . . .		X	
<b>d</b> Mailings to members, legislators, or the public? . . . . .		X	
<b>e</b> Publications, or published or broadcast statements? . . . . .		X	
<b>f</b> Grants to other organizations for lobbying purposes? . . . . .		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? . . . . .		X	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? . . . . .		X	
<b>i</b> Other activities? . . . . .	X		71,851.
<b>j</b> Total. Add lines 1c through 1i . . . . .			71,851.
<b>2a</b> Did the activities in line 1 cause the organization to not be described in section 501(c)(3)? . . . . .		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 . . . . .			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 . . . . .			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members? . . . . .	1	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . .	2	
<b>3</b> 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."**

<b>1</b> Dues, assessments and similar amounts from members . . . . .	1	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year . . . . .	2a	
<b>b</b> Carryover from last year. . . . .	2b	
<b>c</b> Total . . . . .	2c	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues. . . . .	3	
<b>4</b> 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	
<b>5</b> 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 IV** Supplemental Information *(continued)*

SCHEDULE C, PART II-B, LINE 1, LOBBYING ACTIVITIES:

25.93% OF DUES TO NCHA ARE ALLOCATED TO LOBBYING.

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Employer identification number

56-0585243

**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.

	(a) Donor advised funds	(b) Funds and other accounts
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? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No
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? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements**

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

1 Purpose(s) of conservation easements held by the organization (check all that apply). <input type="checkbox"/> Preservation of land for public use (for example, recreation or education) <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of open space <input type="checkbox"/> Preservation of a historically important land area <input type="checkbox"/> Preservation of a certified historic structure	
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.	<b>Held at the End of the Tax Year</b>
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included on line 2a . . . . .	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register . . . . .	2d
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? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
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)? . . . . .	<input type="checkbox"/> Yes <input type="checkbox"/> No
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.

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.	
b 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. . . . . \$	

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 . . . . .					
b Contributions . . . . .					
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 . . . . .					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment \_\_\_\_\_ %  
 b Permanent endowment \_\_\_\_\_ %  
 c Term endowment \_\_\_\_\_ %

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? . . . . .	3a(i)	
(ii) Related organizations? . . . . .	3a(ii)	
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? . . . . .	3b	

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 . . . . .		18,560,198.		18,560,198.
b Buildings . . . . .		793,137,887.	510,912,369.	282,225,518.
c Leasehold improvements . . . . .				
d Equipment . . . . .		481,603,320.	363,361,271.	118,242,049.
e Other . . . . .		64,539,753.	31,053,180.	33,486,573.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B)) . . . . .				452,514,338.



**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) OTHER INVESTMENTS	370,232,621.	FMV
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 12, col. (B)) . . .	370,232,621.	

**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)		
<b>Total.</b> (Column (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) DUE FROM THIRD PARTY PAYORS	165,866,945.
(2) DEFERRED OUTFLOWS	74,790,022.
(3) OTHER RECEIVABLES	29,505,544.
(4) INVESTMENTS IN SUBSIDIARIES	7,969,317.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 15, col. (B)). . . . .	278,131,828.

**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	
(2) DUE TO THIRD PARTY PAYORS	48,348,606.
(3) DEFERRED PENSION INFLOWS	23,859,819.
(4) SERP PAYABLE	13,770,571.
(5) DUE TO AFFILIATES	4,949,137.
(6) ASSET RETIREMENT OBLIGATION	675,000.
(7) OTHER	12,009,177.
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 25, col. (B)). . . . .	103,612,310.

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.

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

**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.

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

**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.

SEE SUPPLEMENTAL PAGE

**Part XIII** Supplemental Information *(continued)*

SCHEDULE D, PART X, LINE 2:

PITT COUNTY MEMORIAL HOSPITAL HAS BEEN DETERMINED TO QUALIFY AS A TAX-EXEMPT ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. PITT COUNTY MEMORIAL HOSPITAL HAS REVIEWED ITS TAX POSITIONS FOR ALL OPEN YEARS AND HAS CONCLUDED THAT NO MATERIAL LIABILITIES EXIST AS OF SEPTEMBER 30, 2024 AND 2023. PITT COUNTY MEMORIAL HOSPITAL FILES TAX RETURNS WITH THE U.S. FEDERAL AND STATE OF NORTH CAROLINA JURISDICTIONS. WITH FEW EXCEPTIONS, PITT COUNTY MEMORIAL HOSPITAL IS NO LONGER SUBJECT TO U.S. FEDERAL EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2021.

**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

	Yes	No
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .	<input checked="" type="checkbox"/>	
<b>1b</b> If "Yes," was it a written policy? . . . . .	<input checked="" type="checkbox"/>	
<b>2</b> 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 checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
<b>3</b> 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.		
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: . . . . . <input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
<b>c</b> 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.		
<b>4</b> 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"? . . . . .	<input checked="" type="checkbox"/>	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
<b>5b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? . . . . .	<input checked="" type="checkbox"/>	
<b>5c</b> 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? . . . . .		<input checked="" type="checkbox"/>
<b>6a</b> Did the organization prepare a community benefit report during the tax year? . . . . .	<input checked="" type="checkbox"/>	
<b>6b</b> If "Yes," did the organization make it available to the public? . . . . .	<input checked="" type="checkbox"/>	

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						
Financial Assistance and Means-Tested Government Programs	(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
<b>a</b> Financial Assistance at cost (from Worksheet 1) . . . .			38,224,518.		38,224,518.	2.12
<b>b</b> Medicaid (from Worksheet 3, column a) . . . . .			410,685,815.	612,819,262.	NONE	NONE
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b) . .						
<b>d Total.</b> Financial Assistance and Means-Tested Government Programs . . .			448,910,333.	612,819,262.	38,224,518.	2.12
Other Benefits						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .	38	645707.	5,874,707.	546,560.	5,328,147.	0.29
<b>f</b> Health professions education (from Worksheet 5) . . . .	5	1,557.	1,985,240.		1,985,240.	0.11
<b>g</b> Subsidized health services (from Worksheet 6) . . . . .						
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .	7	136064.	6,124,984.		6,124,984.	0.34
<b>j Total.</b> Other Benefits . . . .	50	783328.	13,984,931.	546,560.	13,438,371.	0.74
<b>k Total.</b> Add lines 7d and 7j .	50	783328.	462,895,264.	613,365,822.	51,662,889.	2.86

**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.

	(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
1 Physical improvements and housing						
2 Economic development						
3 Community support	1		81,870.		81,870.	NONE
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building	1	43.	NONE		NONE	NONE
7 Community health improvement advocacy						
8 Workforce development	2	1,002.	349,415.		349,415.	0.02
9 Other						
10 Total	4	1,045.	431,285.		431,285.	0.02

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

- 1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . . **1** X
- 2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount. . . . . **2** 16,644,317.
- 3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit . . . . . **3**
- 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.

**Section B. Medicare**

- 5 Enter total revenue received from Medicare (including DSH and IME) . . . . . **5** 253,808,270.
- 6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . . **6** 310,957,886.
- 7 Subtract line 6 from line 5. This is the surplus (or shortfall) . . . . . **7** -57,149,616.
- 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 ☒ Cost to charge ratio ☐ Other

**Section C. Collection Practices**

- 9a Did the organization have a written debt collection policy during the tax year? . . . . . **9a** X
- b 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)

(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 %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

**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? 2

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	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER/24 hours	ER-other	Other (describe)	Facility reporting group
<b>1</b> PITT COUNTY MEMORIAL HOSPITAL, INC. 2100 STANTONSBURG ROAD GREENVILLE NC 27835	H0104								REHABILITATION, BEHAVIORAL HEALTH	
<b>2</b> EAST CAROLINA HEALTH - BEAUFORT, INC. 628 EAST TWELFTH STREET WASHINGTON NC 27889	H0188									
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>										
<b>8</b>										
<b>9</b>										
<b>10</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: FACILITY REPORT GROUP ALine number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1, 2

		Yes	No
<b>Community Health Needs Assessment</b>			
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? . . . . .	1	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 . . . . .	2	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 . . . . . If "Yes," indicate what the CHNA report describes (check all that apply):	3	X
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: <u>2021</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 . . . . .	5	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 . . . . .	6a	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 . . . . .	6b	X
7	Did the hospital facility make its CHNA report widely available to the public? . . . . . If "Yes," indicate how the CHNA report was made widely available (check all that apply):	7	X
a	<input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE PART V DISCLOSURE</u>		
b	<input type="checkbox"/> Other website (list url): _____		
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 . . . . .	8	X
9	Indicate the tax year the hospital facility last adopted an implementation strategy: <u>2021</u>		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website? . . . . .	10	X
a	If "Yes," (list url): <u>SEE PART V DISCLOSURE</u>		
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? . . . . .	10b	
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)? . . . . .	12a	X
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? . . . . .	12b	
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: FACILITY REPORT GROUP A

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
<b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	<b>13</b> X	
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200.0000</u> % and FPG family income limit for eligibility for discounted care of <u>200.0000</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input checked="" type="checkbox"/> Medical indigency		
e <input type="checkbox"/> Insurance status		
f <input type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input type="checkbox"/> Other (describe in Section C)		
<b>14</b> Explained the basis for calculating amounts charged to patients? . . . . .	<b>14</b> X	
<b>15</b> Explained the method for applying for financial assistance? . . . . .	<b>15</b> 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)		
<b>16</b> Was widely publicized within the community served by the hospital facility? . . . . .	<b>16</b> 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 PART V DISCLOSURE</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V DISCLOSURE</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V DISCLOSURE</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)		

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**Part V Facility Information** (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group: **FACILITY REPORT GROUP A**

	Yes	No
<b>17</b> 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? . . . . .	<b>17</b> X	
<b>18</b> 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:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <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		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>f</b> <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
<b>19</b> 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? . . . . .	<b>19</b>	X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <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		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>20</b> 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):		
<b>a</b> <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>b</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)		
<b>c</b> <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
<b>d</b> <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
<b>e</b> <input type="checkbox"/> Other (describe in Section C)		
<b>f</b> <input type="checkbox"/> None of these efforts were made		

**Policy Relating to Emergency Medical Care**

	Yes	No
<b>21</b> 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? . . . . .	<b>21</b> X	
If "No," indicate why:		
<b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
<b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing		
<b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
<b>d</b> <input type="checkbox"/> Other (describe in Section C)		

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**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: FACILITY REPORT GROUP A

	Yes	No
<b>22</b> 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:		
<b>a</b> <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>b</b> <input checked="" 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		
<b>c</b> <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		
<b>d</b> <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
<b>23</b> 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? . . . . . If "Yes," explain in Section C.	<b>23</b>	<b>X</b>
<b>24</b> 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? . . . . . If "Yes," explain in Section C.	<b>24</b>	<b>X</b>

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**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.

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 5:

INPUT WAS GATHERED FROM A BROAD RANGE OF REMARKABLE LEADERS AND STAKEHOLDERS ACROSS PITT COUNTY WHO ARE PASSIONATE ABOUT THE HEALTH AND WELLBEING OF THE RESIDENTS. THE ECU HEALTH MEDICAL CENTER DIRECTLY COLLABORATED WITH PITT COUNTY HEALTH DEPARTMENT AND PITT PARTNERS FOR HEALTH, THE STAKEHOLDER GROUP IN PITT COUNTY. ECU HEALTH MEDICAL CENTER SERVES AS THE ADMINISTRATIVE AGENCY FOR PITT PARTNERS FOR HEALTH, PROVIDING A COORDINATOR FOR THE COALITION. THE MEMBERS INCLUDE, BUT ARE NOT LIMITED TO ACCESS EAST/HEALTH ASSIST, AMERIHEALTH CARITAS, AMEXCAN, CATHOLIC CHARITIES, CHURCHES OUTREACH NETWORK, COMMUNITY CROSSROADS, EASTERN AHEC, EAST CAROLINA UNIVERSITY, FOUNTAIN PRESBYTERIAN CHURCH, HEALTHY LIVES HEALTHY CHOICES, GREENVILLE HOUSING AUTHORITY, GREENVILLE POLICE DEPARTMENT, LOCAL MUNICIPALITIES, NC CIVIL, NC COOPERATIVE EXTENSION, PITT COUNTY COMMUNITY SCHOOLS AND RECREATION DEPARTMENT, PITT COUNTY COUNCIL ON AGING, PITT COUNTY DEPARTMENT OF SOCIAL SERVICES, PITT COUNTY EMS, PITT COUNTY FAMILY DEVELOPMENT COOPERATION PITT COUNTY PLANNING DEPARTMENT, PITT COUNTY SCHOOLS, SAINT JOHN MISSIONARY BAPTIST CHURCH, SYCAMORE HILL MISSIONARY BAPTIST CHURCH, TRILLIUM HEALTH CARE, THIRD STREET ACADEMY, AND WEST GREENVILLE HEALTH COUNCIL. THESE PARTNERS WERE INVOLVED IN THE PLANNING, DATA REVIEW, AND PRIORITIZATION PROCESS TO COMPLETE THE 2022 PITT COUNTY COMMUNITY HEALTH NEEDS ASSESSMENT.

PRIMARY AND SECONDARY DATA WAS COLLECTED AND REVIEWED BETWEEN APRIL 1 AND JUNE 30, 2021. PRIMARY DATA INCLUDED A COMMUNITY OPINION SURVEY AVAILABLE IN PAPER AND AN ELECTRONIC VERSION. THE LEADERSHIP TEAM USED GRASS ROOT EFFORTS TO DISTRIBUTE THE COMMUNITY HEALTH OPINION SURVEY TO A BROAD RANGE OF PEOPLE IN THE COMMUNITY, TARGETING DIFFERENT INCOME LEVELS, INCLUDING UNDERSERVED MEMBERS OF THE COMMUNITY, THE ELDERLY, AND THE GENERAL POPULATION. IN PITT COUNTY A TOTAL OF 928 SURVEY RESPONSES WERE RECEIVED: 922 IN ENGLISH AND 6 IN SPANISH.

ADDITIONALLY, DUE TO A HIGH SURVEY RESPONSE FROM WOMEN OVER AGE 55 WHO HAD OBTAINED A BACHELOR'S OR GRADUATE DEGREE, THE LEADERS HELD SEVERAL FOCUS GROUPS DUE TO THEIR HISTORICAL VALUE OF PROVIDING CRITICAL PRIMARY DATA FOR THE CHNA. SEVEN (7) FOCUS GROUPS WERE HELD DURING THE SUMMER OF 2021. DUE TO THE COVID-19 PANDEMIC, SIX (6) FOCUS GROUPS WERE CONDUCTED VIRTUALLY, AND ONE WAS HELD IN A FACE-TO-FACE FORMAT. PARTICIPANTS INCLUDED COMMUNITY HEALTH WORKERS, HEALTH PROVIDERS, COMMUNITY ORGANIZATION PROFESSIONALS AND COMMUNITY MEMBERS OF VARIOUS AGES. THE FOCUS GROUPS CONDUCTED WITHIN PITT COUNTY WERE STRATEGICALLY PLANNED TO ENSURE AN ACCURATE REPRESENTATION OF THE OVERALL COMMUNITY WITH AN EMPHASIS ON INDIVIDUALS WHO SERVE MEMBERS, OR WHO ARE MEMBERS, OF THE MOST VULNERABLE POPULATIONS. THE MAJORITY OF THE SELECTED GROUPS WERE HIGHLY CONCENTRATED WITH PROFESSIONALS REPRESENTING THE HEALTHCARE, HUMAN SERVICES, AND EDUCATION PROFESSIONAL ARENAS. THESE INDIVIDUALS INTERACTED

**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.

REGULARLY WITH THE COMMUNITY AND COULD READILY IDENTIFY HEALTH ISSUES THAT ARE MOST PREVALENT AMONG THE PEOPLE THEY SERVE. THE FOCUS GROUPS REPRESENTATION INCLUDED THE FOLLOWING: GOLD PATH SENIORS (SENIOR CITIZENS), PITT COUNTY AGING COALITION, PITT COUNTY EMERGENCY MANAGEMENT FIRST RESPONDERS, PITT COUNTY SCHOOL SOCIAL WORKERS, PITT COUNTY SCHOOL NURSES, HEALTHY LIVES HEALTHY CHOICES LAY HEALTH ADVISORS, AND THE PITT-GREENVILLE CHAMBER OF COMMERCE YOUNG PROFESSIONALS GROUP.

ECU HEALTH BEAUFORT HOSPITAL A CAMPUS OF ECU HEALTH MEDICAL CENTER:

INPUT WAS ALSO GATHERED FROM A BROAD RANGE OF REMARKABLE LEADERS AND STAKEHOLDERS WHO ARE PASSIONATE ABOUT THE HEALTH AND WELLBEING OF THE RESIDENTS OF BEAUFORT AND HYDE COUNTIES. ECU HEALTH BEAUFORT HOSPITAL DIRECTLY COLLABORATED WITH BEAUFORT COUNTY HEALTH DEPARTMENT AND PARTNERS THAT INCLUDED: ACCESS EAST, AGAPE HEALTH SERVICES, BEAUFORT COUNTY NC WORKS, BEAUFORT COUNTY COMMUNITY COLLEGE, BEAUFORT COUNTY UNITED WAY, BEAUFORT COUNTY HEALTHY CLERGY, CONGREGATIONS, AND COMMUNITIES (BCH3C), BEAUFORT COUNTY ECONOMIC DEVELOPMENT, BEAUFORT COUNTY DEPARTMENT OF SOCIAL SERVICES, BEAUFORT COUNTY AREA ON AGING, BEAUFORT-HYDE PARTNERSHIP FOR CHILDREN, BEAUFORT COUNTY SCHOOLS, CLEARPOINT, CORNERSTONE FAMILY WORSHIP CENTER, EAGLE'S WINGS FOOD PANTRY, FOOD BANK OF THE ALBEMARLE, AND TRILLIUM TO COMPLETE THE 2022 BEAUFORT COUNTY COMMUNITY HEALTH NEEDS ASSESSMENT. IN HYDE COUNTY, THE HOSPITAL COLLABORATED WITH HYDE COUNTY HEALTH DEPARTMENT, HYDE COUNTY BEHAVIORAL HEALTH, HYDE COUNTY COOPERATIVE EXTENSION, HYDE COUNTY HOTLINE, HYDE COUNTY DEPARTMENT OF SOCIAL SERVICES, HYDE COUNTY SHERIFF'S OFFICE, HYDE COUNTY EMS, ECU HEALTH CANCER CARE, HYDE COUNTY SCHOOLS, COUNTY OF HYDE (ADMINISTRATION), BEAUFORT-HYDE PARTNERSHIP FOR CHILDREN, PROJECT DIRECT LEGACY FOR MEN & THEIR FAMILIES, AND HYDE TRANSIT TO COMPLETE THE 2022 HYDE COUNTY COMMUNITY HEALTH NEEDS ASSESSMENT.

PRIMARY AND SECONDARY DATA WAS COLLECTED AND REVIEWED BETWEEN APRIL 1 AND JUNE 30, 2021. PRIMARY DATA INCLUDED A COMMUNITY OPINION SURVEY AVAILABLE IN PAPER AND AN ELECTRONIC VERSION. COMMUNITY LOCATIONS FOR SURVEY DISTRIBUTION WERE SELECTED TO ENRICH PARTICIPATION REPRESENTATION BY HISTORICALLY UNDERREPRESENTED SUBGROUPS INCLUDING MINORITY POPULATIONS, LOW INCOME AND ELDERLY RESIDENTS. IN BEAUFORT COUNTY A TOTAL OF 340 SURVEY RESPONSES WERE RECEIVED: 337 IN ENGLISH AND 3 IN SPANISH. IN HYDE COUNTY A TOTAL OF 219 SURVEY RESPONSES WERE RECEIVED: 213 IN ENGLISH AND 6 IN SPANISH. DUE TO THE COVID -19 PANDEMIC THE COUNTIES DID NOT OFFER FOCUS GROUPS FOR THE 2022 CHNA AS IT HAD IN PREVIOUS YEARS.

ADDITIONALLY, THE COUNTY CHNA'S WERE PART OF THE HEALTH ENC COLLABORATIVE ALIGNING THE CHNA CYCLE WITH 35 ADDITIONAL COUNTIES IN EASTERN NC. THIS ALIGNMENT WILL PROMOTE COMMUNITY HEALTH IMPROVEMENT ACTIVITIES ACROSS COUNTY LINES.

**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.

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 6A:

THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS CONDUCTED WITH THE FOLLOWING HOSPITALS:

PITT COUNTY MEMORIAL HOSPITAL, INC. DBA ECU HEALTH MEDICAL CENTER  
EAST CAROLINA HEALTH BEAUFORT, INC. DBA ECU HEALTH BEAUFORT HOSPITAL

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 6B:

ECU HEALTH MEDICAL CENTER COLLABORATED WITH PITT COUNTY HEALTH DEPARTMENT.

ECU HEALTH BEAUFORT COLLABORATED WITH BEAUFORT COUNTY HEALTH DEPARTMENT AND HYDE COUNTY HEALTH DEPARTMENT.

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 7A AND 10A:

THE HOSPITAL MAKES ITS COMMUNITY HEALTH NEEDS ASSESSMENT AND MOST RECENTLY ADOPTED IMPLEMENTATION STRATEGY AVAILABLE TO THE PUBLIC ON THE HOSPITAL'S WEBSITE:

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 11:

THE LEADERSHIP AND PARTNERSHIP GROUP MENTIONED IN PART V SECTION B LINE 5 HAVE A LONG HISTORY OF WORKING TOGETHER ON THE COMMUNITY NEEDS. TOGETHER, BASED ON THE DATA, THE GROUP DISCUSSED RESOURCES AVAILABLE AND THE ROLES OF THE PARTNERS, AS NO ONE ORGANIZATION CAN ADDRESS THE COMMUNITY HEALTH NEEDS ALONE, WHEN THEY CHOSE THE PRIORITIES FOR PITT COUNTY. THE PRIORITIES DETERMINED WERE ACCESS TO CARE/SOCIAL DETERMINANTS OF HEALTH; HEALTHY LIFESTYLES; AND MENTAL/BEHAVIORAL HEALTH.

THE ECU HEALTH MEDICAL CENTER BOARD OF TRUSTEES APPROVED THE PRIORITIES AND AN "ON-GOING" SET OF IMPLEMENTATION STRATEGIES FOR THE HOSPITAL TO ADDRESS FOR THE THREE-YEAR CYCLE.

ACCESS TO CARE: THE MEDICAL CENTER STRATEGIES INCLUDED: CHRONIC DISEASE

**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.

PREVENTION SCREENING FOR HEART DISEASE, STROKE, DIABETES, AND CANCER WITH 1,060 INDIVIDUALS SCREENED (36 REFERRED FOR URGENT FOLLOW-UP DUE TO ABNORMAL OR SUSPICIOUS RESULTS); PROVIDING SCHOOL HEALTH NURSES TO PITT COUNTY SCHOOLS (2,566 STUDENTS SECURING CARE DUE TO REFERRAL FROM NURSE FOR MEDICAL, VISION, OR DENTAL NEED. THE PROGRAM HAS A 93% SUCCESS RATE FOR HELPING STUDENTS REMAIN AT SCHOOL DUE TO SEEING THE SCHOOL NURSE); PEDIATRIC ASTHMA CARE MANAGEMENT (2,132 CHILDREN MANAGED); SEVERAL INJURY PREVENTION RELATED PROGRAMS THROUGH WHICH 6,861 SAFETY ITEMS WERE DISTRIBUTED (GUN LOCKS, MEDICATION LOCK BOXES, AND CAR SEATS AND HELMETS); INSURANCE ACCESS REFERRALS (3,571 PATIENTS GAINING INSURANCE THROUGH ELEVATE); SENIOR SERVICES EDUCATION PROGRAMMING WITH 300 SENIOR HOUSEHOLDS RECEIVING EDUCATION MONTHLY, MEDICARE PART D EDUCATION AND ENROLLMENT; WOMEN'S HEALTH EDUCATION CLASSES (302 PARTICIPANTS IN CHILDBIRTH EDUCATION CLASSES); TRAUMA OUTREACH EVENTS (422 STOP THE BLEED KITS PROVIDED AND 1,576 ADULTS, CHILDREN, AND PROVIDERS TRAINED); THROUGH PITT PARTNERS -HEALTHY PEOPLE HEALTHY CAROLINAS OFFER KNOW IT CONTROL IT PROGRAM PROVIDED A BLOOD PRESSURE KIOSK TO INCREASE ACCESS TO 1,393 RESIDENTS IN THE COUNTY WITH EDUCATION SERIES RESULTED IN 50% OF PARTICIPANTS DECREASING BLOOD PRESSURE.

HEALTHY LIFESTYLES: STRATEGIES INCLUDE OPERATING A MEDICAL FOOD PANTRY FOR PATIENTS SCREENING POSITIVE FOR FOOD INSECURITY (1,069 VOUCHERS REDEEMED SERVING 2,368 PEOPLE); PITT PARTNERS-HEALTHY PEOPLE HEALTHY CAROLINAS PROGRAMS LIKE COORDINATED APPROACHES TO CHILD HEALTH (22 OF THE 29 SCHOOLS SERVING K-8 TRAINED TO IMPLEMENT CATCH PE AND 464 K-8 STUDENTS COMPLETING CATCH MY BREATH PROGRAM FOR VAPING AND TOBACCO PREVENTION); PENNY PINCHERS HEALTHY GROCERY STORE TOURS (173 PARTICIPANTS WITH 91% SUCCESS RATE - SHOP FOR A HEALTHY MEAL FOR FAMILY OF 4 UNDER \$15.00); HEALTH FOOD PANTRY TASTE EXPLORERS (357 PARTICIPANTS AT 5 EVENTS WITH 93% STATING THEY LIKED WHAT THEY TASTED); LIFESTYLE MEDICINE (244 INDIVIDUALS ATTENDED COOKING WITH A DOC SESSIONS AND 40 INDIVIDUALS WITH LOW SES AWARDED EXERCISE IS MEDICINE SCHOLARSHIP); AND WALKWISENC PROGRAM THAT ESTABLISHED 2 WALKING TRAILS IN THE COUNTY.

MENTAL/BEHAVIORAL HEALTH: STRATEGIES INCLUDE DISTRIBUTING COMMUNITY-WIDE POSITIVE MESSAGING, MAINTAIN AND UPDATED MENTAL HEALTH RESOURCE GUIDE, AND DISTRIBUTING SUICIDE PREVENTION MAGNETS WITH 988 NUMBER; OFFERING MONTHLY DEMENTIA SUPPORT GROUP FOR FAMILY CAREGIVERS AND PROVIDE EDUCATION SESSIONS ACROSS COMMUNITY; HOSTING ANNUAL CARE GIVERS CONFERENCE; PROMOTING FIREARM SAFETY (2,707 GUN LOCKS DISTRIBUTED AND 152 INDIVIDUALS TRAINED IN COUNSELING TO ACCESS TO LETHAL MEANS (CALM) WITH 96% SHOWING AN INCREASE IN KNOWLEDGE); PROVIDING MENTAL HEALTH / MENTAL DISORDER EDUCATION (165 INDIVIDUALS EDUCATED ON MENTAL HEALTH FIRST AID AND 12 INDIVIDUALS RECEIVED APPLIED SUICIDE INTERVENTION SKILLS TRAINING); AND SUBSTANCE USE EDUCATION AND PREVENTION (591 STUDENTS PARTICIPATED IN THE ESCAPE THE VAPE PROGRAM WITH A 78% CHANGE IN KNOWLEDGE.)

**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.

ADDITIONALLY, THE HOSPITAL PROVIDES COMMUNITY HEALTH GRANTS TO NON-PROFIT ORGANIZATIONS THAT CONCENTRATE ON THESE THREE PRIORITIES. SO FAR IN THIS THREE-YEAR CYCLE \$1,516,250 WAS DISTRIBUTED. SEE PART VI LINE 1, PART 1, LINE 7, I FOR MORE DETAILS.

ECU HEALTH BEAUFORT HOSPITAL A CAMPUS OF ECU HEALTH MEDICAL CENTER:

THE LEADERSHIP AND PARTNERSHIP GROUP MENTIONED IN PART V SECTION B LINE 5 HAVE A LONG HISTORY OF WORKING TOGETHER ON THE COMMUNITY NEEDS. TOGETHER, BASED ON THE DATA, THE GROUP DISCUSSED RESOURCES AVAILABLE AND THE ROLES OF THE PARTNERS, AS NO ONE ORGANIZATION CAN ADDRESS THE COMMUNITY HEALTH NEEDS ALONE, WHEN THEY CHOSE THE PRIORITIES FOR BEAUFORT AND HYDE COUNTIES. THE PRIORITIES DETERMINED FOR BEAUFORT COUNTY CHRONIC DISEASE; MENTAL HEALTH; AND ECONOMY AND VULNERABLE POPULATIONS. THE PRIORITIES FOR HYDE COUNTY WERE SUBSTANCE ABUSE; MENTAL HEALTH; AND CHILD ABUSE AND NEGLECT.

THE ECU HEALTH MEDICAL CENTER BOARD OF TRUSTEES APPROVED THE PRIORITIES AND AN "ON-GOING" SET OF IMPLEMENTATION STRATEGIES FOR THE HOSPITAL TO ADDRESS IN THESE COUNTIES FOR THE THREE-YEAR CYCLE.

CHRONIC DISEASE: THE HOSPITAL ORGANIZES FREE HEALTH SCREENINGS AT COMMUNITY EVENTS, LOCAL ORGANIZATIONS, AND SCHOOLS TO PROMOTE HEALTH EDUCATION AND COACHING BASED ON BMI, BLOOD PRESSURE, CHOLESTEROL, AND SUGAR LEVELS; PROVIDES FREE CLINICS FOR BREAST AND LUNG CANCER SCREENINGS AND PARTNERS WITH ECU HEALTH CANCER CARE TO RAISE AWARENESS ABOUT CANCER PREVENTION AND EARLY DETECTION. (87 SCREENINGS PROVIDED FOR HEART DISEASE, STROKE, DIABETES, AND CANCER SERVING 1,263 PEOPLE); OFFERS CHRONIC DISEASE PREVENTION EDUCATION EVENTS (11 EVENTS); COLLABORATES WITH PROGRAMS SUCH AS BEAUFORT COUNTY HEALTHY CLERGY, CONGREGATIONS, AND COMMUNITIES TO ELIMINATE HEALTH BARRIERS AND IMPROVE FITNESS FOR LOCAL GROUPS; PROMOTES STROKE AWARENESS CAMPAIGNS (4 EVENTS WITH 100 ADULTS, 145 STUDENTS), AND MAINTAINED GET WITH THE GUIDELINES DESIGNATION FOR STROKE CARE.

MENTAL HEALTH: STRATEGIES INCLUDED SERVING ON THE BC360 BEHAVIORAL HEALTH TASK FORCE (CO-ORGANIZED 10 COMMUNITY IN ACTION EVENTS BRINGING MENTAL HEALTH AND SUBSTANCE USE RESOURCES TOGETHER IN ONE PLACE WITHIN THE COMMUNITIES IN NEED, AND ORGANIZED 2 CRISIS INTERVENTION TEAM TRAININGS WITH LAW ENFORCEMENT); OFFERS TELE-PSYCH SERVICES IN THE EMERGENCY DEPARTMENT FOR MENTAL HEALTH ASSESSMENTS TO ENSURE TIMELY SUPPORT AND CARE COORDINATION FOR PATIENTS.

ECONOMY AND VULNERABLE POPULATIONS: STRATEGIES INCLUDE REFERRING PATIENT WITH SOCIAL DETERMINANTS OF HEALTH NEEDS THROUGH THE NCCARE360 PORTAL; BUILDING CONNECTIONS WITH FAITH-BASED ORGANIZATIONS IN BEAUFORT AND HYDE COUNTIES TO ENHANCE HEALTHCARE ACCESS AND AWARENESS; SERVING AS A LEAD ORGANIZATION FOR BEAUFORT COUNTY 360; AND ASSISTING PATIENTS WITH ACCESS

**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.

TO HEALTH INSURANCE (250 GAINED INSURANCE).

ADDITIONALLY, THE HOSPITAL PROVIDES COMMUNITY HEALTH GRANTS TO NON-PROFIT ORGANIZATIONS IN BOTH COUNTIES THAT CONCENTRATE ON THESE APPROVED PRIORITIES. SO FAR IN THIS THREE-YEAR CYCLE, \$386,800 WAS DISTRIBUTED. SEE PART VI LINE 1, PART 1, LINE 7, I FOR MORE DETAILS.

FACILITY REPORT GROUP A:

PART V, SECTION B, LINE 16A, 16B, AND 16C:

THE HOSPITAL MAKES ITS FINANCIAL ASSISTANCE POLICY, APPLICATION, AND PLAIN LANGUAGE SUMMARY AVAILABLE AT THE FOLLOWING WEBSITE:

[HTTPS://WWW.ECUHEALTH.ORG/PATIENTS-AND-FAMILIES/YOUR-BILL/FINANCIAL-ASSISTANCE/](https://www.ecuhealth.org/patients-and-families/your-bill/financial-assistance/)



**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? \_\_\_\_\_

Name and address	Type of facility (describe)
<b>1</b>	
<b>2</b>	
<b>3</b>	
<b>4</b>	
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	
<b>9</b>	
<b>10</b>	

Schedule H (Form 990) 2023

**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 (e.g., 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 6A:

ECU HEALTH PREPARES THE COMMUNITY BENEFIT REPORT. THE NUMERIC DATA IN  
THIS REPORT IS BASED ON THE FORM 990, SCHEDULE H CRITERIA.

PART I, LINE 7, FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS:

COSTS WERE CALCULATED USING THE ESTIMATED COST TO CHARGE RATIO FROM THE  
NORTH CAROLINA HOSPITAL ASSOCIATION'S ADVOCACY NEEDS DATA INITIATIVE  
WHICH IS THE STANDARD FOR REPORTING COMMUNITY BENEFITS IN NORTH CAROLINA.

DURING MARCH 2023, THE HEALTHCARE ACCESS AND STABILIZATION PROGRAM (HASP)  
WAS ENACTED BY THE STATE OF NORTH CAROLINA AND IS A FEDERALLY FUNDED  
PROGRAM THROUGH THE CENTER FOR MEDICARE & MEDICAID SERVICES (CMS) TO  
ENHANCE MEDICAID REIMBURSEMENT. HASP WAS SPECIFICALLY DESIGNED TO  
STRENGTHEN VULNERABLE RURAL HOSPITALS, SUCH AS THOSE IN THE ECU HEALTH  
SYSTEM, AND PROVIDE THEM FINANCIAL STABILITY TO CARE FOR ALL MEMBERS OF  
THEIR COMMUNITY. DURING SEPTEMBER 2023, CMS APPROVED HASP AND THE

**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 (e.g., 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.

INCREASED REIMBURSEMENTS TO BE MADE FOR SERVICES PROVIDED FOR THE PERIOD JULY 1, 2023 TO JUNE 30, 2025. FOR THE YEAR ENDED SEPTEMBER 30, 2024, ECU HEALTH RECOGNIZED \$261.7 MILLION AS NET PATIENT SERVICE REVENUE, NET OF ASSESSMENTS OF APPROXIMATELY \$86.3 MILLION. INCLUDED IN THESE 2024 HASP REVENUE IS 3 MONTHS RELATED TO THE 2023 FISCAL YEAR TOTALING \$42.1 MILLION, NET OF ASSESSMENTS. THE HASP PROGRAM BRINGS REIMBURSEMENTS IN LINE MORE CLOSELY WITH THE ACTUAL COST OF CARE, HELPING TO STABILIZE OUR HEALTHCARE SAFETY NET. THESE FUNDS PLAY A CRITICAL ROLE IN ALLOWING ECU HEALTH TO FULFIL ITS COMMITMENT TO THE CARE AND WELL-BEING OF THE PATIENTS WE SERVE AND ALLOWS US TO FOCUS ON PROVIDING SAFE, HIGH-QUALITY CARE TO ALL, REGARDLESS OF A PATIENT'S ABILITY TO PAY.

MEDICAID EXPANSION BROUGHT HEALTHCARE COVERAGE TO APPROX 34,000 IN OUR ECU HEALTH SERVICE AREA WHO WERE PREVIOUSLY UNINSURED, THEREBY IMPROVING HEALTH OUTCOMES AND FINANCIAL SECURITY FOR MANY FAMILIES. GOING FORWARD, HASP PAYMENTS, AND A HIGHER HOSPITAL TAX, ALSO HAS A NEW REQUIREMENT THAT HOSPITALS AGREE TO A MEDICAL DEBT INCENTIVE PROGRAM. HOSPITALS ARE NOT RECEIVING NEW MONEY TO IMPLEMENT THE MEDICAL DEBT MITIGATION PLAN,

**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.
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- 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 (e.g., 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.

RATHER, HOSPITALS LIKE ECU HEALTH ARE RECEIVING THE FULL AMOUNT OF REIMBURSEMENT OWED TO THEM BY PARTICIPATING IN THE PLAN. MEDICAL DEBT IS A COMPLEX ISSUE AND CAN NOT BE SOLVED SOLELY BY HOSPITALS AND HEALTHCARE PROVIDERS. THERE IS SIGNIFICANT WORK TO BE DONE TO DEVELOP FINANCIALLY SUSTAINABLE SOLUTIONS TO ADDRESS MEDICAL DEBT THAT INCLUDES HEALTH INSURANCE PLANS, PROVIDERS, EMPLOYERS, BUSINESS LEADERS AND GOVERNMENT PARTNERS.

MOST PEOPLE STRUGGLING WITH MEDICAL DEBT ARE INSURED. NO MATTER HOW GENEROUS, HOSPITAL FINANCIAL ASSISTANCE WILL NEVER BE A SUBSTITUTE FOR A HEALTH INSURANCE PLAN THAT COVERS PREVENTIVE AND NECESSARY CARE AT AN AFFORDABLE PRICE ON THE FRONT AND BACK END OF COVERAGE. ECU HEALTH PROVIDES HIGH-QUALITY CARE FOR EVERYONE WHO WALKS THROUGH OUR DOORS, REGARDLESS OF THEIR ABILITY TO PAY. INABILITY TO PAY FOR SERVICES SHOULD NOT DETER ANYONE FROM SEEKING NEEDED MEDICAL CARE. THAT IS WHY ECU HEALTH HAS DEVELOPED AND COMMITTED TO PRINCIPLES AND GUIDELINES FOR ASSISTING UNINSURED PATIENTS, AS WELL AS UNDERINSURED PATIENTS, AND GUIDELINES FOR DEBT COLLECTION, THAT PROVIDE SIGNIFICANT PATIENT ASSISTANCE AND

**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 (e.g., 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.

PROTECTION.

ECU HEALTH IS COMMITTED TO HELPING PATIENTS PLAN FOR MEDICAL BILLS BY OFFERING FINANCIAL COUNSELING AND FINANCIAL ASSISTANCE PROGRAMS AND WORK HARD TO INFORM PATIENTS ABOUT THE FINANCIAL ASSISTANCE POLICIES. IN 2024, ECU HEALTH PROVIDED \$54.0 MILLION IN CHARITY CARE AND FORGAVE \$33.7 MILLION IN BAD DEBT.

PART I, LINE 7, OTHER BENEFITS:

COMMUNITY HEALTH IMPROVEMENT SERVICES & COMMUNITY BENEFIT OPERATIONS (E)  
PITT COUNTY DEDICATED 46,570 HOURS OF STAFF TIME TO COMMUNITY HEALTH IMPROVEMENT SERVICES, SERVING 617,126 INDIVIDUALS WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$4,200,807. THESE SERVICES INCLUDED COMMUNITY OUTREACH INITIATIVES SUCH AS OFFERING ADVANCE CARE PLANNING AT NO CHARGE TO ASSIST WITH COMPLETING ADVANCE DIRECTIVES, FLU SHOT CLINICS, HEALTH EDUCATION CLASSES ON TOPICS LIKE SUICIDE PREVENTION, FALL PREVENTION, MEDICATION SAFETY, ASTHMA ASSESSMENTS, AND FREE WELLNESS SCREENINGS THAT MEASURED

**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.
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- 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 (e.g., 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.

BLOOD PRESSURE, BLOOD SUGAR, WEIGHT, BMI, AND CHOLESTEROL. SPECIFIC

PROGRAMS INCLUDED MONTHLY MEETINGS FOCUSING ON TOPICS LIKE FALL

PREVENTION AND WINTER SAFETY, HELD AT LOCAL HEALTH CENTERS. ADDITIONALLY,

THE SENIOR WELLNESS GROUP PROVIDED HEALTH EDUCATION CLASSES ON FALL

PREVENTION, WITH ATTENDEES FROM VARIOUS COMMUNITY ORGANIZATIONS.

THESE INITIATIVES INCLUDED EDUCATIONAL PRESENTATIONS ON SUICIDE

PREVENTION STRATEGIES, PARTICULARLY FOR LGBTQ YOUTH, AND PROMOTING MENTAL

HEALTH SUPPORT SERVICES. OTHER PROGRAMS INCLUDED EDUCATIONAL

PRESENTATIONS ON THE ROLE OF PHYSICAL ACTIVITY IN PUBLIC PARKS, AIMED AT

PROMOTING AWARENESS AND ENCOURAGING COMMUNITY PARTICIPATION IN

HEALTH-PROMOTING ACTIVITIES. THESE EFFORTS INVOLVED SIGNIFICANT STAFF AND

VOLUNTEER HOURS, MILES DRIVEN FOR OUTREACH, AND EXPENSES DEDICATED TO

IMPROVING COMMUNITY HEALTH AND WELL-BEING.

BEAUFORT COUNTY DEDICATED 6,473 HOURS OF STAFF TIME TO COMMUNITY HEALTH

IMPROVEMENT SERVICES, SERVING 28,581 INDIVIDUALS WITH A TOTAL COMMUNITY

BENEFIT EXPENSE OF \$1,023,229. THESE SERVICES INCLUDED COMMUNITY OUTREACH

**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.
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- 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.

INITIATIVES SUCH AS OFFERING ADVANCE CARE PLANNING AT NO CHARGE TO ASSIST WITH COMPLETING ADVANCE DIRECTIVES, FLU CLINICS, HEALTH EDUCATION CLASSES ON TOPICS LIKE COLORECTAL CANCER AWARENESS AND MENTAL HEALTH, AND FREE WELLNESS SCREENINGS THAT REACHED 570 PERSONS, MEASURING BLOOD PRESSURE, BLOOD SUGAR, WEIGHT, BMI, AND CHOLESTEROL.

SCREENING MAMMOGRAPHY AND BREAST CANCER PROGRAMS WERE CONDUCTED USING MOBILE WELLNESS UNITS AT VARIOUS LOCATIONS, INCLUDING BURTON WELLS GYMNASIUM, ST. HELENA BRANCH LIBRARY, GREEN POND FIRE DEPARTMENT, AND BLUFFTON JASPER VOLUNTEERS IN MEDICINE CLINIC. THESE PROGRAMS INVOLVED 8 HOURS OF STAFF TIME AND A TOTAL EXPENSE OF \$552, SCREENING A COMBINED TOTAL OF 17 INDIVIDUALS ACROSS THESE LOCATIONS.

THESE EFFORTS WERE PART OF A BROADER INITIATIVE TO ENHANCE COMMUNITY HEALTH AND WELL-BEING, ENSURING THAT RESIDENTS HAVE ACCESS TO ESSENTIAL HEALTH SERVICES AND EDUCATION.

IN BEAUFORT COUNTY, 1,684 HOURS OF STAFF TIME WERE UTILIZED, WITH A TOTAL

**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.
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- 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.

COMMUNITY BENEFIT EXPENSE OF \$104,111. THE COMBINED TOTAL COMMUNITY BENEFIT EXPENSE FOR COMMUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNITY BENEFIT OPERATIONS AMOUNTED TO \$1,127,340.

#### HEALTH PROFESSIONAL EDUCATION (F)

PITT COUNTY DEDICATED 11,439 HOURS OF STAFF TIME TO HEALTH PROFESSIONS EDUCATION, SERVING 1,557 INDIVIDUALS WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$1,985,240. THIS INCLUDED NURSING INTERNSHIPS/PRECEPTORSHIPS AND OTHER HEALTH PROFESSIONS SUCH AS SOCIAL WORK, EMS, PHLEBOTOMY, RADIOLOGY, AND MEDICAL STUDENTS. THE PROGRAM AIMED TO PROVIDE COMPREHENSIVE TRAINING AND HANDS-ON EXPERIENCE TO FUTURE HEALTHCARE PROFESSIONALS. NURSING INTERNSHIPS ALLOWED STUDENTS TO WORK CLOSELY WITH EXPERIENCED NURSES IN VARIOUS CLINICAL SETTINGS, ENHANCING THEIR PRACTICAL SKILLS AND CLINICAL KNOWLEDGE. SOCIAL WORK INTERNS GAINED PRACTICAL SKILLS BY ENGAGING WITH DIVERSE PATIENT POPULATIONS AND ADDRESSING THEIR PSYCHOSOCIAL NEEDS, PREPARING THEM FOR REAL-WORLD CHALLENGES IN HEALTHCARE SETTINGS. EMS TRAINEES PARTICIPATED IN EMERGENCY RESPONSE SCENARIOS TO ENHANCE THEIR READINESS FOR REAL-LIFE SITUATIONS,



**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.
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- 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.

ENSURING THEY ARE WELL-PREPARED TO HANDLE EMERGENCIES EFFICIENTLY.

PHLEBOTOMY STUDENTS PRACTICED BLOOD COLLECTION TECHNIQUES UNDER

SUPERVISION TO ENSURE PROFICIENCY AND SAFETY, WHICH IS CRUCIAL FOR

PATIENT CARE. RADIOLOGY INTERNS LEARNED IMAGING PROCEDURES CRITICAL FOR

ACCURATE DIAGNOSIS AND TREATMENT PLANNING, PROVIDING THEM WITH ESSENTIAL

SKILLS FOR THEIR FUTURE CAREERS. MEDICAL STUDENTS ROTATED THROUGH

DIFFERENT DEPARTMENTS TO GAIN A BROAD UNDERSTANDING OF PATIENT CARE

ACROSS SPECIALTIES, OFFERING THEM A WELL-ROUNDED EDUCATION IN VARIOUS

MEDICAL DISCIPLINES.

FOR EXAMPLE, RESPIRATORY CARE MANAGERS PROVIDED EDUCATION TO STUDENTS

DURING SHADOWING IN HIGH-ACUITY SETTINGS, CONTRIBUTING A TOTAL OF 24

VOLUNTARY HOURS. THESE ACTIVITIES WERE PART OF THE BROADER EFFORT TO

ENHANCE THE EDUCATIONAL EXPERIENCE OF HEALTH PROFESSION STUDENTS,

ENSURING THEY ARE WELL-PREPARED TO MEET THE DEMANDS OF THEIR FUTURE

CAREERS.

CASH AND IN-KIND CONTRIBUTIONS FOR COMMUNITY BENEFIT (I)

**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.
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- 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.

PITT COUNTY DEDICATED 987 HOURS OF STAFF TIME TO CASH AND IN-KIND CONTRIBUTIONS, SERVING 136,064 INDIVIDUALS WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$6,107,872. THESE CONTRIBUTIONS INCLUDED \$4,986,094 IN CASH DONATIONS, \$762,000 IN GRANTS, SERVING 15,415 INDIVIDUALS AND 16 ORGANIZATIONS, AND \$349,952 IN IN-KIND DONATIONS. THE CASH AND IN-KIND DONATIONS SUPPORTED VARIOUS ACTIVITIES, SUCH AS BLOOD DRIVES THAT SERVED 2,601 INDIVIDUALS, PROVIDING \$150,553 FOR TRANSPORTATION ASSISTANCE AND \$79,974 TO COVER AIR TRANSPORT, AMBULANCE SERVICES, DURABLE MEDICAL EQUIPMENT, HOME HEALTH, INFUSION THERAPY, INPATIENT HOSPICE, AND MEDICATIONS.

BEAUFORT COUNTY HAD A TOTAL COMMUNITY BENEFIT EXPENSE OF \$17,112 FOR CASH AND IN-KIND CONTRIBUTIONS. THESE CONTRIBUTIONS INCLUDED \$5,000 IN CASH DONATIONS AND \$12,112 IN IN-KIND DONATIONS. THE CASH AND IN-KIND DONATIONS SUPPORTED VARIOUS ACTIVITIES, SUCH AS BLOOD DRIVES THAT COLLECTED 26 UNITS OF WHOLE BLOOD, HELPING 78 INDIVIDUALS, AND PROVIDING \$138.75 FOR TRANSPORTATION ASSISTANCE. ADDITIONALLY, FUNDRAISING EFFORTS WERE CONDUCTED TO SUPPORT OTHER NON-PROFIT ORGANIZATIONS.

**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.
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IN PITT COUNTY, THE COMMUNITY BENEFIT GRANTS PROVIDED FUNDING FOR VARIOUS INITIATIVES. IN BEAUFORT COUNTY, COMMUNITY BENEFIT GRANTS PROVIDED FUNDING TO BEAUFORT AREA TRANSIT SYSTEM FOR MEDICAL TRANSPORTATION TRIPS FOR 33 COMMUNITY MEMBERS. ADDITIONALLY, THEY DISTRIBUTED BACKPACK WEEKEND MEALS TO SCHOOL CHILDREN, DELIVERED NUTRITIOUS MEALS DAILY TO HOMEBOUND SENIORS, AND PROVIDED COUNSELING SESSIONS FOR UNINSURED AND UNDERINSURED COUNTY RESIDENTS. ANOTHER GRANT IMPACTED 64 PARENTS WHO BENEFITED FROM 606 CLIENT APPOINTMENTS. 58 WOMEN RECEIVED SONOGRAMS, AND 129 INDIVIDUALS BENEFITED FROM 492 EVIDENCE-BASED PARENT EDUCATION SESSIONS. THE LEARN TO EARN PROGRAM DISTRIBUTED INCENTIVES TO PARENTS FOR ATTENDING EDUCATION CLASSES. ITEMS EARNED/DISTRIBUTED INCLUDED: 17 NEW CAR SEATS, 11 NEW CO-SLEEPERS, 11 NEW PACK-N-PLAYS WITH CRIB SHEETS, 12 NEW DIAPER BAGS, 317 PACKS OF DIAPER WIPES, AND 12,000 DIAPERS.

**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.
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- 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 II, COMMUNITY BUILDING ACTIVITIES:

ECU HEALTH MEDICAL CENTER DEDICATED 372 HOURS OF STAFF TIME TO COMMUNITY BUILDING ACTIVITIES, WITH A TOTAL COMMUNITY BENEFIT EXPENSE OF \$431,285. THESE ACTIVITIES INCLUDED \$81,870 FOR COMMUNITY SUPPORT AND \$349,415 FOR WORKFORCE DEVELOPMENT. SPECIFIC INITIATIVES INCLUDED PRESENTING AT CHAMBER OF COMMERCE MEETINGS AND EXECUTIVE LEADERSHIP ATTENDING MEDICAID EXPANSION EVENTS. EDUCATIONAL ACTIVITIES AND COMMUNITY SUPPORT EFFORTS WERE HIGHLIGHTED. FOR EXAMPLE, EDUCATIONAL EVENTS AT THE RONALD MCDONALD HOUSE WERE COMPLETED WITH STAFF MEMBERS CONTRIBUTING A TOTAL OF 1.5 HOURS AT 100% BENEFIT. FIRE DRILLS AT THE ECU EDUCATION CENTER WERE CONDUCTED ON MULTIPLE DATES, WITH STAFF MEMBERS CONTRIBUTING A TOTAL OF 22 HOURS AT 100% BENEFIT.

THESE ACTIVITIES WERE PART OF A BROADER EFFORT TO ENHANCE COMMUNITY ENGAGEMENT AND SUPPORT, ENSURING THAT HEALTHCARE PROFESSIONALS ARE WELL-PREPARED TO MEET THE DEMANDS OF THEIR FUTURE CAREERS. CLINICAL INTERNSHIPS AT ECU HEALTH MEDICAL CENTER PROVIDED HANDS-ON EXPERIENCE FOR

**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.
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- 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.

ALLIED HEALTH STUDENTS, CONTRIBUTING TO WORKFORCE DEVELOPMENT AND  
COMMUNITY SUPPORT. THESE INTERNSHIPS INVOLVED DIRECT EDUCATION AND  
TRAINING, PREPARING STUDENTS FOR REAL-WORLD HEALTHCARE CHALLENGES.

PART III, LINE 2:

BAD DEBT IS BASED ON AGING CATEGORIES, CURRENT ECONOMIC CONDITIONS AND  
HISTORICAL COLLECTION EXPERIENCE; AND IS RECORDED IN THE PERIOD IN WHICH  
COLLECTION IS CONSIDERED DOUBTFUL.

PART III, LINE 3:

IN CONNECTION WITH THE PRESUMPTIVE ELIGIBILITY CONSIDERATION OF THE  
AFFORDABLE CARE ACT, ECU HEALTH ENTITIES DO NOT REFLECT ANY BAD DEBT IN  
CONNECTION WITH FAP-ELIGIBLE PATIENTS. THESE PATIENTS ARE PRESUMED TO BE  
PART OF THE MEDICAID POPULATION AND AFFORDED COVERAGE AS SUCH.

**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.
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- 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 III, LINE 4:

THE FINANCIAL STATEMENTS OF ECU HEALTH ARE PRESENTED ON A CONSOLIDATED BASIS; THE TEXT OF THE FOOTNOTE FROM PAGE 30 IS PRESENTED BELOW:

PATIENT ACCOUNTS RECEIVABLE, NET

PATIENT ACCOUNTS RECEIVABLES ARE REPORTED NET OF ESTIMATED ALLOWANCES FOR CONTRACTUAL ADJUSTMENTS AND ALLOWANCES FOR BAD DEBTS AND ARE RECORDED IN THE PERIOD IN WHICH COLLECTION IS CONSIDERED DOUBTFUL. ESTIMATED ALLOWANCES FOR BAD DEBTS ARE APPROXIMATELY \$118.3 MILLION AS OF SEPTEMBER 30, 2024.

**Part VI Supplemental Information**

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PART III, LINE 8:

THE SHORTFALL OF MEDICARE REVENUE TO MEDICARE WAS CALCULATED ACCORDING TO THE COST TO CHARGE RATIO. ALLOWABLE COSTS OF CARE SHOULD BE CONSIDERED COMMUNITY BENEFIT BECAUSE IN THE AREA SERVED BY ECU HEALTH, THERE ARE NO OTHER PROVIDERS AVAILABLE TO PROVIDE THE REQUIRED SERVICES. THEREFORE, THE CARE WOULD BECOME A GOVERNMENT OBLIGATION AND IS TREATED AS A COMMUNITY BENEFIT PROVIDED BY ECU HEALTH.

PART III, LINE 9B:

RECOMMENDED PATIENT ACCOUNTS WILL CONTINUE TO GO THROUGH THE ACCOUNTS RECEIVABLE BILLING CYCLE AS NORMAL. WHEN THE ACCOUNT REACHES THE CUSTOMER SERVICE/COLLECTIONS MANAGER, FINANCIAL COUNSELING SUPERVISOR OR PATIENT ACCOUNTS SUPERVISOR, BASED ON THE INFORMATION GIVEN, A DECISION WILL BE MADE WHETHER TO PROCEED WITH COLLECTION OR REFER THE ACCOUNT FOR APPROVAL OF CHARITY CARE. THE PROCESS WILL OCCUR AS FOLLOWS:

**Part VI Supplemental Information**

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- 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.
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- 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.

I. FINANCIAL COUNSELORS WILL TRY TO LOCATE THIRD PARTY PAYORS. IF NOT ELIGIBLE FOR ANY THIRD-PARTY COVERAGE (INCLUDING CHARITIES), THEY MAY, BASED UPON THE FINANCIAL INFORMATION RECEIVED, RECOMMEND THE PATIENT FOR CHARITY CARE.

II. PATIENT COUNSELORS WILL REVIEW FOR ANY THIRD-PARTY PAYORS AND VERIFY EMPLOYMENT AND ASSETS. A CHARITY CARE APPLICATION WILL NEED TO BE COMPLETED ALONG WITH TAX RETURN, PAY STUBS, SOCIAL SECURITY AWARD LETTER AND OTHER FINANCIAL INFORMATION AS MAY BE REQUIRED.

III. THE PATIENT ACCOUNTS SUPERVISOR, FINANCIAL COUNSELING SUPERVISOR OR CUSTOMER SERVICE/COLLECTIONS MANAGER, BASED UPON ACCOUNT BALANCE AND THE INFORMATION GIVEN, WILL MAKE A DECISION WHETHER TO PROCEED WITH COLLECTION OR REFER THE PATIENT ACCOUNT FOR APPROVAL FOR CHARITY CARE. PRESUMPTIVE ELIGIBILITY FOR CHARITY CARE - THERE ARE OCCASIONS IN WHICH A PATIENT MAY APPEAR ELIGIBLE FOR A CHARITY CARE DISCOUNT, BUT THERE IS NO FINANCIAL ASSISTANCE INFORMATION AVAILABLE TO SUPPORT FINANCIAL AID.

A. SOME PATIENTS ARE PRESUMED TO BE ELIGIBLE FOR CHARITY CARE DISCOUNTS



**Part VI Supplemental Information**

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ON THE BASIS OF INDIVIDUAL LIFE CIRCUMSTANCES (E.G., HOMELESSNESS

PATIENTS WITH NO INCOME, BANKRUPTCY, DECEASED PATIENTS WITH NO ESTATE OR SPOUSE, ETC.)

B. THROUGH THE ASSISTANCE OF A THIRD-PARTY VENDOR AND CERTAIN ALGORITHMS, IN CONJUNCTION WITH OUR CHARITY POLICY GUIDELINES, ALL ACCOUNTS, PRIOR TO OUTSIDE COLLECTION AGENCY REFERRAL, WILL BE TESTED FOR PRESUMPTIVE CHARITY.

C. THE ACCOUNTS DEEMED CHARITY WILL BE ADJUSTED OFF AND THE REMAINING ACCOUNTS WILL BE REFERRED TO AN OUTSIDE COLLECTION AGENCY.

D. ONCE THE AGENCY HAS HAD THE ACCOUNTS FOR SIX MONTHS AND HAS DEEMED THEM UNCOLLECTIBLE, THE ACCOUNTS WITH BALANCES OF \$1,580 OR GREATER WILL REMAIN WITH THE AGENCY AND BE KEPT ON THE PATIENT'S CREDIT FILE.

E. THE ACCOUNTS RETURNED TO THE HOSPITAL WILL BE PLACED IN A UNIQUE FINANCIAL CLASS AND WILL NOT BE PURSUED FOR COLLECTIONS.

**Part VI** Supplemental Information

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PART VI, LINE 2:

THE ORGANIZATION ASSESSES COMMUNITY NEED IN CONJUNCTION WITH THE STATE  
AFFILIATED COUNTY HEALTH DEPARTMENTS AND OTHER LOCAL HEALTH CARE  
ORGANIZATIONS. THIS HAS BEEN DESCRIBED IN DETAIL IN SCHEDULE H, PART V,  
SECTION C, LINES 5 AND 11.

PART VI, LINE 3:

INFORMATION IS AVAILABLE ON THE ORGANIZATION'S WEBSITE AND AT  
REGISTRATION FOR PATIENTS. IN ADDITION, FACE TO FACE FINANCIAL COUNSELING  
IS AVAILABLE TO PATIENTS AND THEIR FAMILIES IN THE CENTRAL BUSINESS  
OFFICE.

**Part VI Supplemental Information**

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PART VI, LINE 4:

THE PRIMARY SERVICE AREA FOR ECU HEALTH MEDICAL CENTER GREENVILLE CAMPUS IS PITT COUNTY. PITT COUNTY IS COMPRISED OF TEN MUNICIPALITIES: AYDEN, BETHEL, FARMVILLE, FAUKLAND, FOUNTAIN, GREENVILLE, GRIFTON, GRIMESLAND, SIMPSON, AND WINTERVILLE, WITH GREENVILLE SERVING AS THE COUNTY SEAT. PITT COUNTY'S POPULATION HAS CONTINUED TO GROW SINCE THE 2010 CENSUS REPORTED THE COUNTY'S POPULATION AS 168,148. ACCORDING TO THE US CENSUS BUREAU, THERE WERE 170,243 INDIVIDUALS RESIDING IN PITT COUNTY IN 2020 AND AN ESTIMATED 172,169 IN 2021. IT IS PROJECTED THAT PITT COUNTY'S POPULATION WILL GROW TO AN ESTIMATED 203,250 BY THE YEAR 2029.

THE WHITE POPULATION COMPRISES THE COUNTY'S LARGEST POPULATION GROUP (57.2%) FOLLOWED BY THE BLACK OR AFRICAN AMERICAN RESIDENTS, WHO REPRESENT 34.7%. THE HISPANIC OR LATINO POPULATION COMPRISES 6.3% OF PITT COUNTY'S RESIDENTS.

IN 2021, PITT COUNTY SHIFTED FROM A TIER ONE TO A TIER TWO ECONOMIC

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- 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.

RANKING. THE COUNTY'S ECONOMIC DISTRESS RANK WAS #44 IN 2021 AS COMPARED TO #33 IN 2020. WHILE THE COUNTY'S POPULATION GROWTH RANK AND UNEMPLOYMENT RATE RANK IMPROVED, THE COUNTY'S MEDIAN HOUSEHOLD INCOME RANK DECLINED. PITT COUNTY'S MEDIAN HOUSEHOLD INCOME (\$47,437) WAS LOWER THAN THE MEDIAN HOUSEHOLD INCOME IN NORTH CAROLINA (\$54,602).

PITT COUNTY HAS A HIGHER RATE OF POVERTY THAN NC AND THE HEALTH ENC REGION. TWENTY-THREE (23.0%) OF PITT COUNTY'S POPULATION LIVES BELOW THE POVERTY LEVEL, COMPARED TO 15.0% OF THE POPULATION IN NC AND 17.5% FOR THE HEALTH ENC REGION. PITT COUNTY'S MOST COMMON RACIAL OR ETHNIC GROUP LIVING BELOW THE POVERTY LEVEL IN PITT COUNTY IS BLACK, FOLLOWED BY WHITE, AND HISPANIC. THE RATES OF POVERTY AMONG CHILDREN, OLDER ADULTS, AND DISABLED INDIVIDUALS LIVING IN PITT COUNTY ARE ALL HIGHER THAN THE RATES FOR NC.

ECU HEALTH BEAUFORT HOSPITAL A CAMPUS OF ECU HEALTH MEDICAL CENTER:  
THE PRIMARY SERVICE AREA FOR ECU HEALTH BEAUFORT HOSPITAL INCLUDES BEAUFORT AND MAINLAND HYDE COUNTIES IN NORTH CAROLINA. SURROUNDING CITIES

**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.
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- 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 (e.g., 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.
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AND TOWNS INCLUDE WASHINGTON, AURORA, BATH, BELHAVEN, PANTEGO, CHOCOWINITY AND WASHINGTON PARK IN BEAUFORT COUNTY AND PONZER, SWAN QUARTER, FAIRFIELD AND ENGELHARD IN HYDE COUNTY. ACCORDING TO THE 2020 CENSUS, BEAUFORT COUNTY HAS A POPULATION OF 44,468. 72.1% OF THE POPULATION IS WHITE, FOLLOWED BY 24.2% BLACK, AND 8.5% HISPANIC. LESS THAN 1% CONSIDER THEMSELVES AMERICAN INDIAN OR ASIAN. THE 2020 CENSUS REPORTS A POPULATION OF 4,508 IN HYDE COUNTY. 69.1% OF THE POPULATION IS WHITE, 27% IS BLACK, AND 10.2% IS HISPANIC. 1.3% CONSIDER THEMSELVES AMERICAN INDIAN OR ASIAN.

BEAUFORT COUNTY

. PERSONS LIVING BELOW THE FEDERAL POVERTY LEVEL: 19% OF THE POPULATION IN BEAUFORT COUNTY IS LIVING IN POVERTY WHICH IS HIGHER THAN THE RATE FOR NORTH CAROLINA (15.0% OF THE POPULATION) AND THE HEALTH ENC REGION (17.5%).

. 27% OF THE BLACK POPULATION IN BEAUFORT COUNTY LIVE AT OR BELOW THE POVERTY LEVEL. 32% OF THE HISPANIC POPULATION IN BEAUFORT COUNTY LIVE AT OR BELOW THE POVERTY LEVEL COMPARED TO 12% OF THE WHITE POPULATION LIVE

**Part VI Supplemental Information**

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AT OR BELOW THE POVERTY LEVEL.

. SENIORS WHO LIVE IN POVERTY ARE AN ESPECIALLY VULNERABLE GROUP DUE TO MEDICAL NEEDS, SOCIAL ISOLATION AND DECREASED PHYSICAL MOBILITY: 9.6% OF ADULTS ARE LIVING BELOW THE POVERTY LEVEL.

. MEDIAN HOUSEHOLD INCOME IN BEAUFORT COUNTY IS 17.2% LOWER THAN THE MEDIAN HOUSEHOLD INCOME IN NORTH CAROLINA.

HYDE COUNTY

. THE RATE OF CHILDREN BELOW THE POVERTY LEVEL IS MUCH HIGHER FOR HYDE COUNTY (38%) WHEN COMPARED WITH N.C. (21%) AND THE HEALTH ENC COUNTIES (25.5%).

. THE CHILD ABUSE RATE IN HYDE COUNTY HAS BEEN INCONSISTENT OVER THE PAST THREE MEASUREMENT PERIODS. THE 2018 CHILD ABUSE RATE IN HYDE COUNTY (9.2 PER 1,000 POPULATION) WAS HIGHER THAN NORTH CAROLINA (8.0) AND HEALTH ENC (8.8)

. 35% OF THE BLACK POPULATION LIVING IN HYDE COUNTY LIVE AT OR BELOW THE POVERTY LINE.

. CHILDREN IN POVERTY ARE MORE LIKELY TO HAVE PHYSICAL HEALTH PROBLEMS,

**Part VI Supplemental Information**

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BEHAVIORAL PROBLEMS AND EMOTIONAL PROBLEMS.

. SENIORS WHO LIVE IN POVERTY ARE AN ESPECIALLY VULNERABLE GROUP DUE TO  
THE INCREASE IN PHYSICAL LIMITATIONS, MEDICAL NEEDS AND SOCIAL ISOLATION.

ADDITIONALLY, SEE INFORMATION POSTED AT

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

PART VI, LINE 5:

THIS HAS BEEN DESCRIBED IN DETAIL IN SCHEDULE H, PART V, SECTION C, LINES  
5 AND 11.

ADDITIONALLY, SEE INFORMATION POSTED AT

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

**Part VI Supplemental Information**

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PART VI, LINE 6:

OUR MISSION AT ECU HEALTH IS TO IMPROVE THE HEALTH AND WELL-BEING OF  
EASTERN NORTH CAROLINA. OUR VISION IS TO BECOME THE NATIONAL MODEL FOR  
RURAL HEALTH AND WELLNESS BY CREATING A PREMIER, TRUSTED HEALTH CARE  
DELIVERY SYSTEM WHILE REMAINING TRUE TO OUR VALUES OF INTEGRITY,  
COMPASSION, EDUCATION, ACCOUNTABILITY, SAFETY AND TEAMWORK.

OUR OPERATIONAL IMPERATIVES DRIVE ECU HEALTH PERFORMANCE AND OUTCOMES.  
THESE IMPERATIVES ARE EXPERIENCE, FINANCE, QUALITY, WELL-BEING, EQUITY &  
INCLUSION. WE KEEP PATIENTS, FAMILIES, TEAM MEMBERS AND COMMUNITIES AT  
THE CENTER OF EVERYTHING THAT WE DO. WE ARE MANAGING LIVES THROUGH A  
MODERN DELIVERY SYSTEM OF HEALTH CARE IN AN ACADEMIC AND RURAL SETTING TO  
DELIVERY SAFE, HIGHLY RELIABLE HUMAN CENTERED CARE.

ECU HEALTH IS A NORTH CAROLINA NON-PROFIT CORPORATION WITH HEADQUARTERS  
IN GREENVILLE, NORTH CAROLINA. ECU HEALTH AND ITS AFFILIATES OPERATE AN  
INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF



**Part VI Supplemental Information**

Provide the following information.

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APPROXIMATELY 1.4 MILLION PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN NORTH CAROLINA. THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN PRACTICES, OUTPATIENT SERVICES, HOME HEALTH, HOSPICE, AND WELLNESS SERVICES. THE HEALTH SYSTEM'S OWNED HOSPITALS ARE ECU HEALTH MEDICAL CENTER, WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER, THAT INCLUDES THE ECU HEALTH BEAUFORT HOSPITAL AS A DEPARTMENT OPERATING AS A CAMPUS OF ECU HEALTH MEDICAL CENTER AND SEVEN OTHER ACUTE CARE HOSPITALS: ECU HEALTH ROANOKE-CHOWAN HOSPITAL, ECU HEALTH EDGEcombe HOSPITAL, ECU HEALTH CHOWAN HOSPITAL, ECU HEALTH BERTIE HOSPITAL, ECU HEALTH DUPLIN HOSPITAL, ECU HEALTH NORTH HOSPITAL, AND THE OUTER BANKS HOSPITAL. ECU HEALTH MEDICAL CENTER SERVES AS THE TEACHING HOSPITAL FOR THE BRODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED HEALTH, PITT COMMUNITY COLLEGE AND BEAUFORT COMMUNITY COLLEGE. THE SYSTEM ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLINA.

IN OUR RURAL HEALTH CARE SETTING, WE ARE FACED WITH UNIQUE CHALLENGES. ONE OF THE CHALLENGES IS ACCESS TO CARE. FACTORS INFLUENCING ACCESS INCLUDE PATIENT FACTORS SUCH AS TRANSPORTATION NEEDS AS WELL AS PROVIDER

**Part VI Supplemental Information**

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AND STAFFING SHORTAGES. SHORTAGES IN STAFFING INFLATE THE COST OF PROVIDING CARE THROUGH THE USE OF LOCCUM AND TEMPORARY LABOR AND CAUSE ADDITIONAL FINANCIAL STRAINS RELATED TO THE HIGH PERCENTAGE OF GOVERNMENT PAYORS AS WELL AS THE UNINSURED POPULATION IN OUR REGION. MANY COUNTIES IN WHICH ECU HEALTH OPERATES ARE DESIGNATED AS HEALTH PROFESSIONAL SHORTAGE AREA (HPSA). AS A RESULT, OUR EMERGENCY DEPARTMENTS BECOME A PRIMARY CARE ACCESS POINT AND CAUSE OVERLOAD ON THE SYSTEM WHICH RESULT IN CAPACITY CONSTRAINTS FOR BEDS NEEDED FOR ADMISSIONS AND BOARDERS WAITING FOR TRANSFERS TO BEHAVIORAL HEALTH FACILITIES.

ECU HEALTH HAS MADE A CONSCIOUS DECISION TO PROVIDE CERTAIN SERVICES FOR THE BENEFIT OF THE COMMUNITY ALTHOUGH VOLUMES ARE NOT LARGE ENOUGH TO GENERATE A PROFIT. ONE EXAMPLE OF THESE SERVICES ARE OB SERVICES WHERE LESS THAN 1 BABY IS BORN A DAY IN SOME OF OUR REGIONAL HOSPITALS; HOWEVER, DUE TO OUR RURAL NATURE WE BELIEVE IT WOULD BE DETRIMENTAL TO OUR COMMUNITY TO NOT MAINTAIN THESE SERVICES. ECU HEALTH IS CONTINUOUSLY COLLABORATING ON WAYS TO INCREASE ACCESS SUCH AS THROUGH USE OF TELEMEDICINE TO PROVIDE HIGH LEVEL CARE TO OUR REGIONAL HOSPITALS BY

**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.
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USING RESOURCED AT OUR ACADEMIC MEDICAL CENTER TO KEEP PATIENTS CLOSE TO  
HOME WHEN POSSIBLE.

ADDITIONALLY. SEE INFORMATION POSTED AT

[HTTPS://WWW.ECUHEALTH.ORG/ABOUT-US/COMMUNITY/HEALTH-NEEDS-ASSESSMENT/](https://www.ecuhealth.org/about-us/community/health-needs-assessment/)

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

NC

SCHEDULE I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

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](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

2023

Open to Public  
Inspection

Employer identification number

56-0585243

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
(1) PCMH FOUNDATION P.O. BOX 8469 GREENVILLE, NC 27834	58-1399266	501(C)(3)	1,041,800.				CHARITABLE DONATION
(2) WASHINGTON-BEAUFORT CO CHAMBER OF COMMERCE 102 STEWART PARKWAY WASHINGTON, NC 27889	27-0537248	501(C)(3)	7,841.				COMMUNITY EVENTS SPONSORSHIP
(3) BEAUFORT COUNTY COMMUNITY COLLEGE P.O. BOX 1069 WASHINGTON, NC 27889	56-1698724	GOVT ENTITY	5,600.				SCHOLARSHIP FUNDS & COMMUNITY EVENTS
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

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

3 Enter total number of other organizations listed in the line 1 table . . . . . NONE

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

Schedule I (Form 990) 2023

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 non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV

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

SCHEDULE I, PART I, LINE 2:

ECU HEALTH MEDICAL CENTER MAINTAINS RECORDS TO SUBSTANTIATE ALL  
DISBURSEMENTS MADE IN ACCORDANCE WITH ITS DOCUMENT RETENTION POLICY. ALL  
GRANTS AND ASSISTANCE ARE APPROVED AT THE APPROPRIATE LEVEL OUTLINED IN  
ITS POLICY AND PROCEDURES.

SCHEDULE J  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public  
Inspection

Employer identification number

56-0585243

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 type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use   |
| <input 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 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 checked="" type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" 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

2

4a

4b

4c

5a

5b

6a

6b

7

8

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				
MICHAEL WALDRUM, MD 1 CHIEF EXECUTIVE OFFICER	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	960,564.	404,165.	13,052.	313,500.	54,620.	1,745,901.	NONE
WILLIAM FLOYD (THRU 12 2 COO/PRESIDENT	(i)	730,910.	88,124.	NONE	211,403.	48,214.	1,078,651.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DAPHNE BREWINGTON 3 SVP, NURSING EXCELLENCE	(i)	367,803.	14,000.	NONE	557,487.	19,790.	959,080.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JENNIFER THOMAS 4 SVP, FINANCIAL SERVICES	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	193,427.	NONE	NONE	-449,272.	11,072.	-244,773.	NONE
JAY BRILEY (AS OF 01/2 5 PRES., ECUH COMM HOSP/ECUHC	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	455,176.	57,144.	NONE	131,913.	43,940.	688,173.	NONE
TRISH BAISE 6 CHIEF NURSE EXECUTIVE	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	421,959.	72,344.	15,000.	84,200.	35,536.	629,039.	NONE
VAN SMITH (THRU 12/23) 7 EVP, OPS. ECUHMC/PRES., ECUH	(i)	377,403.	19,734.	NONE	135,942.	44,507.	577,586.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
WALTER POFAHL 8 SVP, MEDICAL AFFAIRS	(i)	412,786.	21,115.	NONE	44,294.	41,686.	519,881.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
BOBBY DUNN 9 SVP, FINANCE	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	352,065.	17,500.	NONE	38,047.	49,616.	457,228.	NONE
JEFFERY DIAL 10 VP, OPERATIONS	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	249,714.	34,745.	6,250.	108,015.	46,743.	445,467.	NONE
DEBRA HERNANDEZ 11 SVP, SYSTEM EMERGENCY SERVICES	(i)	322,845.	15,748.	NONE	74,642.	20,864.	434,099.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TERESA ANDERSON 12 VP, QUALITY	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	261,268.	13,073.	NONE	87,507.	43,078.	404,926.	NONE
STEPHEN TRIPP 13 VP, PERIOPERATIVE SVCS AND SMS	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(ii)	229,306.	28,688.	NONE	105,910.	39,837.	403,741.	NONE
JAMES WORDEN, JR. 14 SYS ADMIN, PHARMACY SVC LINE	(i)	250,511.	667.	NONE	126,563.	17,203.	394,944.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
KIMBERLY CRICKMORE OSB 15 VP, WOMENS & CHILDRENS SVS	(i)	241,184.	12,250.	NONE	119,165.	18,558.	391,157.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
LOUIS HARLOW 16 SVP, ALLIED HEALTH SYSTEM	(i)	312,229.	15,250.	NONE	33,000.	21,122.	381,601.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE

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				
WENDY LEUTGENS	(i)	264,900.	13,500.	NONE	28,092.	29,330.	335,822.	NONE
1 SVP, PERIOPERATIVE SERVICES	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TRACY ESKRA	(i)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
2 PHYSICIAN	(ii)	276,784.	NONE	NONE	NONE	54,525.	331,309.	NONE
JACOB PARRISH	(i)	198,828.	25,750.	NONE	51,719.	37,985.	314,282.	NONE
3 VP, CAPACITY & THROUGHPUT	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JENNIFER STYRON	(i)	240,534.	667.	NONE	29,683.	32,650.	303,534.	NONE
4 PHARMACIST IV	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DENNIS CAMPBELL	(i)	200,267.	11,417.	NONE	27,208.	38,680.	277,572.	NONE
5 PRESIDENT - BEAUFORT CAMPUS	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TERESA CRANDOL	(i)	240,451.	NONE	NONE	NONE	NONE	240,451.	NONE
6 STAFF NURSE IV	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JULIE FORBES	(i)	176,280.	4,375.	NONE	26,791.	28,605.	236,051.	NONE
7 VP, PATIENT CARE SERVICES	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
TAMESIA VANN	(i)	234,417.	NONE	NONE	NONE	NONE	234,417.	NONE
8 STAFF NURSE INTERNAL TRAVEL-NB	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(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.

SCHEDULE J, PART I, LINE 3:

THE TOP MANAGEMENT OFFICIAL IS THE PRESIDENT WHO IS AN EMPLOYEE OF ECU HEALTH MEDICAL CENTER. THE COMPENSATION IS DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS ALSO DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. ALL COMPENSATION DISCUSSIONS AND ACTIONS ARE DOCUMENTED AND APPROVED IN THE MINUTES OF THE COMMITTEE.

**SCHEDULE L**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c; or Form 990-EZ, Part V, line 38a or 40b.

Attach to Form 990 or Form 990-EZ.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open To Public  
Inspection**

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

Employer identification number

56-0585243

**Part I**

**Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b; or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 . . . . . \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . \$

**Part II**

**Loans to and/or From Interested Persons**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total						\$						

**Part III**

**Grants or Assistance Benefiting Interested Persons**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

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

Schedule L (Form 990) 2023

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
<b>(1)</b> ARIANA CRUMPLER	FAMILY OF BOARD MEMBER	28,297.	EMPL. OF ECU HEALTH MED.CENTER		X
<b>(2)</b>					
<b>(3)</b>					
<b>(4)</b>					
<b>(5)</b>					
<b>(6)</b>					
<b>(7)</b>					
<b>(8)</b>					
<b>(9)</b>					
<b>(10)</b>					

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions).

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**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 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

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**2023**

**Open to Public  
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PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

**FORM 990, PART III, LINE 4A:**

OVERVIEW OF UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA:

OUR MISSION AT ECU HEALTH IS TO IMPROVE THE HEALTH AND WELL-BEING OF  
EASTERN NORTH CAROLINA. OUR MISSION, VISION AND VALUES CONTINUE TO LEAD  
US ON A VOYAGE TO EXCELLENCE. BECAUSE THE PEOPLE WE TAKE CARE OF ARE OUR  
NEIGHBORS, FRIENDS AND FAMILY THEY DESERVE THE BEST.

ECU HEALTH IS A NORTH CAROLINA NON-PROFIT CORPORATION WITH HEADQUARTERS  
IN GREENVILLE, NORTH CAROLINA. ECU HEALTH AND ITS AFFILIATES OPERATE AN  
INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SERVES A TOTAL MARKET OF  
APPROXIMATELY 1.4 MILLION PEOPLE IN 29 CONTIGUOUS COUNTIES IN EASTERN  
NORTH CAROLINA. THE HEALTH SYSTEM INCLUDES HOSPITALS, PHYSICIAN  
PRACTICES, OUTPATIENT SERVICES, HOME HEALTH, HOSPICE, AND WELLNESS  
SERVICES. THE HEALTH SYSTEM'S OWNED HOSPITALS ARE ECU HEALTH MEDICAL  
CENTER, WHICH IS A TERTIARY CARE HOSPITAL AND AN ACADEMIC MEDICAL CENTER,  
THAT INCLUDES THE ECU HEALTH BEAUFORT HOSPITAL AS A DEPARTMENT OPERATING  
AS A CAMPUS OF ECU HEALTH MEDICAL CENTER AND SEVEN OTHER ACUTE CARE  
HOSPITALS: ECU HEALTH ROANOKE-CHOWAN HOSPITAL, ECU HEALTH EDGEcombe  
HOSPITAL, ECU HEALTH CHOWAN HOSPITAL, ECU HEALTH BERTIE HOSPITAL, ECU  
HEALTH DUPLIN HOSPITAL, ECU HEALTH NORTH HOSPITAL, AND THE OUTER BANKS  
HOSPITAL. ECU HEALTH MEDICAL CENTER SERVES AS THE TEACHING HOSPITAL FOR  
THE BRODY SCHOOL OF MEDICINE, EAST CAROLINA SCHOOLS OF NURSING AND ALLIED  
HEALTH, PITT COMMUNITY COLLEGE AND BEAUFORT COMMUNITY COLLEGE. THE SYSTEM  
ALSO SERVES AS A REGIONAL REFERRAL CENTER FOR EASTERN NORTH CAROLINA.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**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.

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PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

THE SYSTEM'S NINE OWNED HOSPITALS ARE LICENSED TO OPERATE 1,708 BEDS.

EACH HOSPITAL IS LICENSED BY THE DIVISION OF FACILITY SERVICES OF THE

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES AND APPROVED AS A

PROVIDER BY THE MEDICARE AND MEDICAID PROGRAMS. ECU HEALTH AND ITS

HOSPITALS AND AFFILIATE ORGANIZATIONS PROVIDE SERVICES TO PATIENTS

WITHOUT REGARD TO THEIR ABILITY TO PAY. IN FISCAL YEAR 2024 ECU HEALTH'S

COMBINED PATIENT CARE STATISTICS WERE: INPATIENT ADMISSIONS, 68,152;

INPATIENT DAYS OF CARE, 385,435; SURGERIES, 56,012; BIRTHS, 6,690; AND

OUTPATIENT VISITS, 450,414. OUR SYSTEM'S WORKFORCE INCLUDED 13,090

EMPLOYEES.

EACH OF ECU HEALTH'S HOSPITALS OPERATES AN EMERGENCY ROOM, WHICH IS OPEN

24 HOURS A DAY. ECU HEALTH MEDICAL CENTER ALSO OFFERS A FULL SPECTRUM OF

TRAUMA SERVICES. EMERGENCY AND TRAUMA SERVICES ARE PROVIDED TO PATIENTS

WITHOUT REGARD TO THEIR ABILITY TO PAY. IN FISCAL YEAR 2024 ECU HEALTH

PROVIDED CARE TO 274,505 EMERGENCY ROOM PATIENTS.

ECU HEALTH'S BOARD OF DIRECTORS CONSISTS OF 11 VOTING MEMBERS, SIX OF

WHOM MUST BE CURRENT OR FORMER PITT COUNTY, NORTH CAROLINA APPOINTEES OF

ECU HEALTH MEDICAL CENTER'S BOARD OF TRUSTEES AND FIVE OF WHOM MUST BE

CURRENT OR FORMER BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA

APPOINTEES OF ECU HEALTH MEDICAL CENTER'S BOARD OF TRUSTEES.

ECU HEALTH MEDICAL CENTER, IN AFFILIATION WITH THE BRODY SCHOOL OF

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**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 990-EZ.

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PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

MEDICINE, WHICH IS OWNED BY THE STATE OF NORTH CAROLINA, OPERATES 30  
RESIDENT-TRAINING PROGRAMS WITH OVER 400 MEDICAL RESIDENTS. THIS  
RELATIONSHIP ENABLES ECU HEALTH MEDICAL CENTER AND THE BRODY SCHOOL OF  
MEDICINE TO COMBINE THEIR RESOURCES FOR THE PROVISION OF QUALITY PATIENT  
CARE, MEDICAL EDUCATION AND RESEARCH FOR THE RESIDENTS OF EASTERN NORTH  
CAROLINA. THE BRODY SCHOOL OF MEDICINE HAS THREE IMPORTANT GOALS:  
EDUCATING PRIMARY CARE PHYSICIANS, MAKING MEDICAL CARE MORE READILY  
AVAILABLE TO THE PEOPLE OF EASTERN NORTH CAROLINA, AND PROVIDING  
OPPORTUNITIES TO MINORITY AND DISADVANTAGED STUDENTS.

AS A NON-PROFIT ORGANIZATION, ECU HEALTH REINVESTS ALL EXCESS OF REVENUES  
OVER EXPENSES IN PROGRAMS, SERVICES, AND FACILITIES THAT PROVIDE ACCESS  
TO PATIENT CARE AND HEALTH SERVICES TO THE CITIZENS OF EASTERN CAROLINA.

OVERVIEW OF ECU HEALTH COMMUNITY BENEFIT PROGRAMS

1. EASTERN NORTH CAROLINA IS COMPRISED OF 1.4 MILLION PEOPLE LIVING IN  
14,000 SQUARE MILES. BOUNDARIES ARE FROM I-95 EAST TO THE COAST, AND FROM  
THE VIRGINIA LINE DOWN TO AND INCLUDING ONSLOW COUNTY. THE AREA IS  
LARGELY RURAL AND LARGELY POOR, WITH HIGHER THAN STATE OR NATIONAL  
AVERAGE RATES FOR POVERTY AND UNINSURED. HEALTH STATUS INDICATORS SHOW  
INCREASED INCIDENCE OF DISEASE IN THE REGION, ESPECIALLY CANCER, HEART  
DISEASE AND STROKE. ECU HEALTH DETERMINES PRIORITIES FOR TARGET  
POPULATIONS BY WORKING IN CONCERT WITH MEDICAL AND COMMUNITY AGENCY  
PARTNERS IN ONGOING ASSESSMENT OF THE MOST PRESSING HEALTH CARE NEEDS.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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MANY EFFORTS OVER THE PAST DECADE HAVE FOCUSED ON DIABETES, PEDIATRIC  
ASTHMA, SCHOOL HEALTH, INJURY PREVENTION, ACCESS TO CARE, NUTRITION  
ENHANCEMENT, PHYSICAL ACTIVITIES AND CHRONIC DISEASE SCREENINGS. ALSO,  
SPECIAL PROGRAMS TO MANAGE THE CARE OF MEDICAID ENROLLEES, ADDRESS ACCESS  
TO BOTH MEDICAL CARE AND MEDICATIONS FOR THE UNINSURED, AND COORDINATION  
OF SERVICES FOR CHILDREN WITH OBESITY HAVE BEEN UNDERTAKEN. THE  
POPULATIONS THAT ARE SERVED BY ADDRESSING THESE ISSUES ARE LARGELY THE  
POOR, THE UNDERSERVED, AND MINORITIES. DETERMINATION OF SPECIFIC  
POPULATIONS TO ADDRESS OCCURS WHEN PARTNERS SUCH AS THE NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES, LOCAL HEALTH DEPARTMENTS, COUNTY  
COALITIONS, TASK FORCES, AND PHYSICIANS IDENTIFY A QUANTIFIABLE NEED, AND  
COMMUNITY PARTNERS ARE ENGAGED TO WORK TOGETHER WITH THE HEALTH SYSTEM.

2. FUNDING FOR COMMUNITY HEALTH PROGRAMS IS OBTAINED FROM BOTH THE  
OPERATING FUNDS OF ECU HEALTH ENTITIES AND EXTERNAL GRANT-AWARDING  
ORGANIZATIONS. THE ECU HEALTH BOARD ANNUALLY PROVIDES FINANCIAL SUPPORT  
FOR THE COMMUNITY BENEFIT INITIATIVES PROGRAM BASED WITHIN EACH ECU  
HEALTH HOSPITAL. FUNDS ARE AWARDED TO COMMUNITY AGENCIES THAT  
SUCCESSFULLY DEMONSTRATE BOTH NEED AND A WELL-DESIGNED PLAN TO ADDRESS  
ONE OF THE HEALTH PRIORITIES IDENTIFIED IN THE COMMUNITY HEALTH  
ASSESSMENT PROCESS. THESE FUNDS ARE THEN AWARDED TO COMMUNITY AGENCIES  
THAT SUCCESSFULLY DEMONSTRATE BOTH NEED AND A WELL-DESIGNED PLAN TO  
ADDRESS ONE OF THE FOUNDATION'S PRIORITY CATEGORIES. IN ADDITION, EACH  
ECU HEALTH HOSPITAL FINANCIALLY SUPPORTS COMMUNITY HEALTH RESOURCES  
WITHIN ITS OPERATING BUDGET. PROGRAMS VARY ACCORDING TO THE HOSPITAL'S

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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► Attach to Form 990 or 990-EZ.

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56-0585243

FINANCIAL ABILITY AND COMMUNITY NEED, BUT ALL INCLUDE COLLABORATIVE EFFORTS WITH LOCAL HEALTH DEPARTMENTS, INCLUDING HEALTH SCREENINGS AND EDUCATION TO TARGETED POPULATIONS. ECU HEALTH ALSO HAS A SUCCESSFUL TRACK RECORD OF OBTAINING COMMUNITY HEALTH PROGRAM SUPPORT FROM EXTERNAL AGENCIES THAT AWARD GRANT FUNDING TO APPROVE PROJECTS. THE ECU HEALTH GRANTS OFFICE WAS ESTABLISHED IN 2008 AND SERVES AS THE CENTRAL POINT FOR GRANT MINING, ACQUISITION AND MANAGEMENT OF GRANTS AWARDED TO ECU HEALTH HOSPITALS FOR COMMUNITY-BASED PROGRAMS. GRANT FUNDS ARE UTILIZED TO DEMONSTRATE THE EFFECTIVENESS OF A PROPOSED COMMUNITY PROGRAM, MEASURE THE OUTCOMES ACHIEVED, AND GARNER LONG-TERM SUSTAINABILITY FROM EITHER THE HEALTH SYSTEM, OTHER COMMUNITY AGENCIES OR AS A COLLABORATIVE PROGRAM. MANY COMMUNITY HEALTH PROGRAMS ARE COLLABORATIVE IN NATURE WITH LOCAL SERVICE AGENCIES, AND OFTEN A PORTION OF THE GRANT FUNDS ARE USED TO SUPPORT RESOURCES OR SERVICES IN THESE AGENCIES

3. COMMUNITY HEALTH PRIORITIES ARE DETERMINED FOLLOWING THE COMPLETION OF A COMMUNITY HEALTH NEEDS ASSESSMENT EVERY THREE YEARS. THE COMMUNITY HEALTH NEEDS ASSESSMENT INCLUDES INPUT FROM COMMUNITY MEMBERS RECEIVED THROUGH COMMUNITY SURVEYS AND FOCUS GROUP DISCUSSIONS, AS WELL AS A REVIEW OF SECONDARY HEALTH DATA. COMMUNITY ALLIANCES, PARTNERS AND ORGANIZATIONS, INCLUDING LOCAL HEALTH DEPARTMENTS, PARTICIPATE IN THIS REVIEW. A LIST OF THE MOST PRESSING HEALTH ISSUES ARE COMPILED FOR EACH COMMUNITY AND THEN PRIORITIZED FOLLOWING AN ASSESSMENT OF CURRENT HEALTH RESOURCES TO ADDRESS THE IDENTIFIED HEALTH ISSUES. ESTABLISHED RESOURCES/COALITIONS AND NEW PARTNERSHIPS ARE FORMED TO ADDRESS THE



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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56-0585243

IDENTIFIED HEALTH PRIORITIES

4. COMMUNITY HEALTH PRIORITIES ARE ALSO ESTABLISHED IN RESPONSE TO A  
COMPELLING NEED IDENTIFIED BY HEALTH PRACTITIONERS OR COMMUNITY GROUPS.  
ECU HEALTH IS FORTUNATE TO HAVE A STRONG COLLABORATIVE PARTNERSHIP WITH  
EAST CAROLINA UNIVERSITY AND WORKS CLOSELY WITH THE SCHOOLS WITHIN THE  
HEALTH SCIENCES DIVISION, ESPECIALLY THE BRODY SCHOOL OF MEDICINE.

**FORM 990, PART III, LINE 4A CONTINUATION:**

PROVIDED BELOW ARE A FEW HIGHLIGHTS OF THE COMMUNITY BENEFIT AND  
EDUCATION ACTIVITIES:

COMMUNITY HEALTH IMPROVEMENT SERVICES: COMMUNITY HEALTH IMPROVEMENT  
SERVICES ARE PROGRAMS AND SERVICES THAT MEET AN IDENTIFIED NEED AND ARE  
OFFERED TO THE COMMUNITY AT LITTLE OR NO CHARGE. ECU HEALTH HOSPITALS  
SPONSOR PROGRAMS THAT IMPROVE ACCESS TO HEALTH CARE FOR THE UNDERSERVED  
AND ENHANCE THE IDENTIFICATION AND MANAGEMENT OF CHRONIC DISEASES, SUCH  
AS CANCER, DIABETES AND HEART DISEASE. HERE ARE A FEW EXAMPLES OF THESE  
PROGRAMS:

- MEDICAL ASSISTANCE PROGRAMS FOR UNINSURED PATIENTS
- SUPPORT FOR COMMUNITY COALITIONS FOCUSED ON HEALTH
- SUPPORT OF LOCAL FEDERALLY QUALIFIED HEALTH CENTER
- SUPPORT FOR HEALTHY NEIGHBORS FAITH HEALTH PARTNERSHIP
- SUPPORT FOR SCHOOL HEALTH PARTNERSHIP

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

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56-0585243

HEALTH PROFESSIONAL EDUCATION: PREPARING FUTURE HEALTH CARE PROFESSIONALS IS IMPORTANT TO US. OUR HOSPITALS PROVIDE CLINICAL SETTINGS FOR STUDENTS OF HEALTH PROFESSIONS, SUCH AS FUTURE PHYSICIANS, NURSES AND OTHER ALLIED HEALTH PROFESSIONALS. WE ALSO SUPPORT STUDENTS THROUGH DEFERRED FORGIVABLE LOANS AND INTERNSHIPS INCLUDING RESIDENT TRAINING, NURSING CLINIC SITES, ALLIED HEALTH PROFESSIONALS, AND FINANCIAL SUPPORT OF NURSING PROGRAMS.

RESEARCH: EAST CAROLINA UNIVERSITY (ECU) CONDUCTS RESEARCH TO EVALUATE NEW TREATMENTS AND PROTOCOLS. THESE STUDIES HELP HEALTH PROFESSIONALS EVERYWHERE PROVIDE QUALITY CARE TO PATIENTS. ECU HEALTH SUPPORTS THIS THROUGH VARIOUS MEANS INCLUDING SUPPORTING THE INSTITUTIONAL REVIEW BOARD AT ECU AND PROVIDING STUDY SITES.

FINANCIAL AND IN-KIND CONTRIBUTIONS: ECU HEALTH DONATES MONEY AND IN-KIND SERVICES TO COMMUNITY GROUPS AND ACTIVITIES THAT SHARE OUR MISSION OF IMPROVING HEALTH. THEY INCLUDE MEALS ON WHEELS, THE BLOOD CONNECTION BLOOD DRIVES, MEDICAL SUPPLIES TO EMERGENCY MEDICAL SERVICES, FREE MEDICATIONS TO QUALIFYING PATIENTS, AND LOCAL HIGH SCHOOL AND COMMUNITY COLLEGE ALLIED HEALTH PROGRAMS. ECU HEALTH HOSPITALS ARE KEY PARTNERS IN FUNDRAISING FOR ORGANIZATIONS SUCH AS THE UNITED WAY, AMERICAN HEART ASSOCIATION, AND THE AMERICAN CANCER SOCIETY.

COMMUNITY BUILDING: COMMUNITY-BUILDING ACTIVITIES INCLUDE PROGRAMS THAT ARE NOT DIRECTLY RELATED TO HEALTH CARE BUT ADDRESS UNDERLYING ISSUES

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**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 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2023**

**Open to Public  
Inspection**

Employer identification number

PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

THAT IMPACT THE HEALTH OF COMMUNITIES. POVERTY, CRIME, HOMELESSNESS,  
WORKFORCE DEVELOPMENT AND ECONOMIC DEVELOPMENT ALL AFFECT THE OVERALL  
HEALTH OF COMMUNITIES. ECU HEALTH HAS PROVIDED SUPPORT FOR OUR LOCAL  
CHAMBERS OF COMMERCE, INVESTMENTS IN COMMUNICATION INFRASTRUCTURE VIA  
INFORMATION TECHNOLOGY CONNECTIONS, SUPPORT FOR THE TEEN LEADERSHIP  
ACADEMY, RECRUITMENT OF PHYSICIANS TO OUR RURAL COMMUNITIES, AND PROGRAMS  
THAT ENCOURAGE STUDENTS TO PURSUE HEALTH CAREERS.

**FORM 990, PART VI, SECTION A, LINE 1A:**

THE EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES SHALL CONSIST OF NINE  
MEMBERS INCLUDING THE CHAIRMAN, VICE CHAIRMAN, SECRETARY, AND SIX MEMBERS  
ELECTED BY THE BOARD OF TRUSTEES FROM THE AT LARGE MEMBERSHIP IN A  
MANNER SUCH THAT A TOTAL OF FIVE MEMBERS OF THE EXECUTIVE COMMITTEE ARE  
MEMBERS OF THE BOARD APPOINTED BY THE COUNTY COMMISSIONERS AND A TOTAL OF  
FOUR MEMBERS OF THE EXECUTIVE COMMITTEE ARE MEMBERS OF THE BOARD  
APPOINTED BY THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA.  
THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY EXERCISE, IN THE INTERIM  
BETWEEN MEETINGS OF THE BOARD OF TRUSTEES, AND EXCEPT AS OTHERWISE PROVIDED  
IN THE BYLAWS, ALL THE POWERS OF THE BOARD OF TRUSTEES OF PITT COUNTY  
MEMORIAL HOSPITAL, INCORPORATED. IF THE EXECUTIVE COMMITTEE DETERMINES  
THAT EMERGENCY CIRCUMSTANCES EXIST WHICH REQUIRE ACTION, THE COMMITTEE  
SHALL HAVE THE POWER TO TAKE SUCH ACTION AS IT MAY DEEM TO BE WISE AND IN  
THE BEST INTEREST OF THE HOSPITAL AND THE PATIENTS THEREIN AND REPORT THE  
ACTIONS TAKEN TOGETHER WITH THE EMERGENCY CIRCUMSTANCES TO THE NEXT  
MEETING OF THE FULL BOARD. MEETINGS MAY ALSO BE CALLED BY OR AT THE

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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56-0585243

REQUEST OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE OR BY TWO OR MORE OF  
THE EXECUTIVE COMMITTEE MEMBERS.

**FORM 990, PART VI, SECTION A, LINE 7A:**

THE BOARD OF COMMISSIONERS OF PITT COUNTY AND THE BOARD OF GOVERNORS OF  
THE UNIVERSITY OF NORTH CAROLINA SHALL HAVE THE POWER TO APPOINT THE  
TWENTY MEMBERS OF THE BOARD OF TRUSTEES OF PITT COUNTY MEMORIAL HOSPITAL.

**FORM 990, PART VI, SECTION A, LINE 7B:**

THE RESTATED ARTICLES OF INCORPORATION FOR PITT COUNTY MEMORIAL HOSPITAL,  
INC. STATE THE ARTICLES AND BYLAWS MAY NOT BE AMENDED WITHOUT THE  
APPROVAL OF UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA, INC. (ECU  
HEALTH). THE CEO OF ECU HEALTH, IN CONSULTATION WITH THE GOVERNING BOARD,  
SHALL SELECT AND APPOINT A QUALIFIED PRESIDENT OF THE CORPORATION, SHALL  
HAVE CONTROL AND AUTHORITY OVER ITS OTHER OFFICERS, AGENTS, AND  
EMPLOYEES, AND SHALL HAVE GENERAL CHARGE OF THE BUSINESS AFFAIRS AND  
PROPERTY OF THE CORPORATION.

**FORM 990, PART VI, SECTION B, LINE 11B:**

FORM 990 IS MADE AVAILABLE TO BOARD MEMBERS BY POSTING TO A BOARD  
MEMBER'S WEBSITE. ANY BOARD MEMBER WHO DOES NOT HAVE THE ABILITY TO  
ACCESS THE RETURN IN THIS MANNER WILL RECEIVE A COPY VIA ELECTRONIC OR  
REGULAR MAIL. THE RETURN IS ALSO REVIEWED BY THE CHIEF FINANCIAL OFFICER,  
CHIEF GENERAL COUNSEL AND THE CHIEF AUDIT AND COMPLIANCE OFFICER OF ECU  
HEALTH PRIOR TO FILING WITH THE IRS.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

**FORM 990, PART VI, SECTION B, LINE 12C:**

ALL OFFICERS, BOARD MEMBERS AND KEY EMPLOYEES ARE REQUIRED TO COMPLETE A YEARLY COMPREHENSIVE CONFLICT OF INTEREST QUESTIONNAIRE. THESE ARE REVIEWED BY LEGAL COUNSEL AND ANY POTENTIAL OR ACTUAL CONFLICTS ARE BROUGHT TO THE BOARD FOR DISPOSITION. BOARD MEMBERS ARE INSTRUCTED TO REPORT ANY POTENTIAL CONFLICTS ARISING DURING THE YEAR FOR REVIEW. BOARD MEMBERS ARE REQUIRED TO RECUSE THEMSELVES FROM VOTING ON ISSUES IN WHICH THEY ARE DEEMED TO HAVE A CONFLICT.

**FORM 990, PART VI, SECTION B, LINE 15:**

THE COMPENSATION IS DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. THIS PROCESS IS PERFORMED EVERY YEAR. COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS ALSO DETERMINED BY THE COMPENSATION AND BENEFITS COMMITTEE OF THE ECU HEALTH BOARD USING COMPARATIVE DATA FROM LIKE ORGANIZATIONS AND INPUT FROM CONSULTANTS. THIS PROCESS IS PERFORMED EVERY YEAR. ALL COMPENSATION DISCUSSIONS AND ACTIONS ARE DOCUMENTED AND APPROVED IN THE MINUTES OF THE COMMITTEE.

**FORM 990, PART VI, SECTION C, LINE 19:**

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST FOR THE SAME PERIOD OF DISCLOSURE AS SET FORTH IN IRC SECTION 6104(D).

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

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**2023**

**Open to Public  
Inspection**

Employer identification number

**PITT COUNTY MEMORIAL HOSPITAL, INC.**

**56-0585243**

**FORM 990, PART VII:**

AMOUNTS PAID TO BOARD DIRECTOR ARE RELATED TO PRIOR YEAR EMPLOYMENT

AGREEMENTS AND NOT THE INDIVIDUAL'S ROLE ON THE BOARD OF DIRECTORS.

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

NET ASSET TRANSFER \$(309,136,967)

**FORM 990, PART XII, LINE 2C:**

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Name of the organization

Employer identification number

PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

## FORM 990, PART III - PROGRAM SERVICE

=====

## LINE 4C, PROGRAM SERVICE

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## CARDIOVASCULAR SERVICES:

ECU HEALTH MEDICAL CENTER PROVIDES PATIENTS WITH THE LATEST TREATMENTS AND TECHNOLOGY AVAILABLE. WE HAVE NATIONALLY AND INTERNATIONALLY RECOGNIZED PHYSICIANS AT THE EAST CAROLINA HEART INSTITUTE, PERFORMING DELICATE HEART SURGERIES AND PROCEDURES USING THE DAVINCI ROBOT. OUR HEART AND VASCULAR SERVICES INCLUDE: STENTS, IMAGING STUDIES, PACEMAKER PLACEMENT, ABLATION, ROBOT-ASSISTED HEART SURGERY, AND HEART FAILURE PROGRAMS. THESE AND MANY MORE SERVICES ARE PROVIDED AT THE EAST CAROLINA HEART INSTITUTE AT ECU HEALTH MEDICAL CENTER, THE FIRST FACILITY IN NORTH CAROLINA DEVOTED EXCLUSIVELY TO EDUCATION, RESEARCH, TREATMENT AND PREVENTION OF CARDIOVASCULAR DISEASES. CARDIOVASCULAR SERVICES PERFORMED 89,373 EKGS.

Name of the organization

Employer identification number

PITT COUNTY MEMORIAL HOSPITAL, INC.56-0585243

## FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

=====

DESCRIPTION -----	GRANTS -----	EXPENSES -----	REVENUE -----
EMERGENCY SERVICES	NONE	108,333,813.	127,003,601.
REHABILITATIVE SERVICES	NONE	55,713,047.	48,725,019.
ALL OTHER SERVICES	1,061,888.	254,123,668.	501,378,057.
	-----	-----	-----
TOTALS	1,061,888.	418,170,528.	677,106,677.
	=====	=====	=====



Name of the organization

Employer identification number

**PITT COUNTY MEMORIAL HOSPITAL, INC.****56-0585243**

## FORM 990, PART VII-COMPENSATION OF THE 5 HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
AMN HEALTHCARE, INC. P.O. BOX 281923 ATLANTA, GA 30384	TEMPORARY STAFF SVCS	56,231,937.
EAST CAROLINA UNIV. SCHOOL OF MEDICINE P.O. BOX 75514 CHARLOTTE, NC 28275	MEDICAL STAFF SVCS	34,672,393.
MEDICAL SOLUTIONS, LLC 1010 N. 102ND STREET OMAHA, NE 68114	TEMPORARY STAFF SVCS	22,892,842.
EAST CAROLINA ANESTHESIA ASSOCIATION 2080-B W ARLINGTON BOULEVARD GREEVILLE, NC 27834	ANESTHESIA SERVICES	14,076,883.
METRO AVIATION, INC. P.O. BOX 7008 SHREVEPORT, LA 07137	MANAGEMENT SERVICES	14,032,482.

Name of the organization

Employer identification number

PITT COUNTY MEMORIAL HOSPITAL, INC.56-0585243

## FORM 990, PART IX - OTHER FEES

=====

DESCRIPTION	(A) TOTAL FEES	(B) PROGRAM SERVICE EXP.	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING EXPENSES
-----	-----	-----	-----	-----
CONTRACTED SERVICES	459,744,195.	413,939,234.	45,804,961.	NONE
TOTALS	-----	-----	-----	-----
	459,744,195.	413,939,234.	45,804,961.	NONE
	=====	=====	=====	=====

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization

PITT COUNTY MEMORIAL HOSPITAL, INC.

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](http://www.irs.gov/Form990) for instructions and the latest information.

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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
(1) MOYE MEDICAL ENDOSCOPY CENTER 26-1671435 521 MOYE BOULEVARD GREENVILLE, NC 27834	HEALTHCARE	NC	1,145,732.	484,037.	SEE PART VII
(2) VIDANT RADIATION ONCOLOGY 47-4828383 2100 STANTONSBURG ROAD GREENVILLE, NC 27834	HEALTHCARE	NC	16,656,547.	36,523,955.	SEE PART VII
(3)					
(4)					
(5)					
(6)					

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
SEE SUPPLEMENTAL PAGE							
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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

Schedule R (Form 990) 2023

## PART II - IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS

(A) NAME\ADDRESS\EIN	(B) ACTIVITY	(C) LEGAL DOMICILE	(D) EXEMPT CODE	(E) CHARITY STATUS	(F) DIRECT CONTROLLING	(G) SEC 512 YES	NO
-----							
UNIV HEALTH SYSTEMS OF EASTERN CAROLINA 2100 STANTONSBURG ROAD	56-2141073 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	12C, III-FI	N/A		X
EAST CAROLINA HEALTH 2100 STANTONSBURG ROAD	56-2003393 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
PCMH MANAGEMENT, INC. 2100 STANTONSBURG ROAD	56-1690740 GREENVILLE, NC 27835 MEDICAL PROPE	NC	501(C)(2)	N/A	ECU HEALTH		X
VIDANT MEDICAL GROUP, LLC. 2100 STANTONSBURG ROAD	38-3740839 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 10	ECU HEALTH		X
THE OUTER BANKS HOSPITAL, INC. 2100 STANTONSBURG ROAD	56-2112733 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	EC HEALTH		X
HEALTHACCESS 2100 STANTONSBURG ROAD	56-1396133 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 12B,II	ECU HEALTH		X
EAST CAROLINA HEALTH-BERTIE 2100 STANTONSBURG ROAD	56-2072002 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-CHOWAN 2100 STANTONSBURG ROAD	56-2101090 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-HERITAGE 2100 STANTONSBURG ROAD	56-2093700 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X
EAST CAROLINA HEALTH-BEAUFORT 2100 STANTONSBURG ROAD	45-2436270 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH		X

PITT COUNTY MEMORIAL HOSPITAL, INC.

56-0585243

(A) NAME\ADDRESS\EIN	(B) ACTIVITY	(C) LEGAL DOMICILE	(D) EXEMPT CODE	(E) CHARITY STATUS	(F) DIRECT CONTROLLING	(G) SEC 512 YES NO
DUPLIN GENERAL HOSPITAL 2100 STANTONSBURG ROAD	56-6011594 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH	X
ACCESS EAST, INC. 2410 STANTONSBURG RD., STANTON	56-1949493 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 10	ECU HEALTH	X
HALIFAX REGIONAL MEDICAL CENTER, INC. 2100 STANTONSBURG ROAD	56-0989789 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH	X
ROANOKE VALLEY HEALTH SERVICES 2100 STANTONSBURG ROAD	56-1925492 GREENVILLE, NC 27835 HEALTHCARE	NC	501(C)(3)	LINE 3	ECU HEALTH	X
EAST CAROLINA HEALTH 2100 STANTONSBURG ROAD	91-1997979 GREENVILLE, NC 27835 HOSPITAL	NC	501(C)(3)	LINE 3	ECU HEALTH	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	
(1) SURGICENTER CENTER OF EASTERN 2100 STANTONSBURG ROAD GREENVI	SEE PART VII	NC	SEE PART VII	RELATED	10,403,095.	10,832,136.		X	NONE		X	55.0000
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

**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
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

**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.

	Yes	No
<b>1</b> 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?		
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity . . . . .	<b>1a</b> X	
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .	<b>1b</b> X	
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .	<b>1e</b>	X
<b>f</b> Dividends from related organization(s) . . . . .	<b>1f</b>	X
<b>g</b> Sale of assets to related organization(s) . . . . .	<b>1g</b>	X
<b>h</b> Purchase of assets from related organization(s) . . . . .	<b>1h</b>	X
<b>i</b> Exchange of assets with related organization(s) . . . . .	<b>1i</b> X	
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .	<b>1j</b> X	
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	<b>1k</b> X	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	<b>1l</b> X	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b> X	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	<b>1n</b>	X
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	<b>1o</b> X	
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .	<b>1p</b> X	
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	<b>1q</b> X	
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	<b>1r</b>	X
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .	<b>1s</b>	X
<b>2</b> 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) SURGICENTER CENTER OF EASTERN CAROLINA, LLC	A	25,702.	FMV
(2)			
(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) Are all partners section 501(c)(3) organizations?		(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		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													



**Part VII Supplemental Information**

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

SCHEDULE R, PART I, COLUMN F, DIRECT CONTROLLING ENTITY:

DISREGARDED ENTITY: MOYE MEDICAL ENDOSCOPY CENTER

DIRECT CONTROLLING ENTITY: PITT COUNTY MEMORIAL HOSPITAL, INC. D/B/A ECU

HEALTH MEDICAL CENTER

DISREGARDED ENTITY: VIDANT RADIATION ONCOLOGY

DIRECT CONTROLLING ENTITY: PITT COUNTY MEMORIAL HOSPITAL, INC. D/B/A ECU

HEALTH MEDICAL CENTER

SCHEDULE R, PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

FULL NAME, EIN, AND ADDRESS OF RELATED ORGANIZATIONS:

NAME: UNIVERSITY HEALTH SYSTEMS OF EASTERN CAROLINA D/B/A ECU HEALTH

EIN: 56-2141073

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH D/B/A ECU HEALTH COMMUNITY HOSPITALS

EIN: 56-2003393

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

**Part VII Supplemental Information**

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

NAME: PCMH MANAGEMENT, INC. D/B/A ECU HEALTH PROPERTIES

EIN: 56-1690740

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: VIDANT MEDICAL GROUP, LLC. D/B/A ECU HEALTH PHYSICIANS

EIN: 38-3740839

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: THE OUTER BANKS HOSPITAL, INC. D/B/A OUTER BANKS HEALTH

EIN: 56-2112733

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-BERTIE D/B/A ECU HEALTH BERTIE HOSPITAL

EIN: 56-2072002

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-CHOWAN D/B/A ECU HEALTH CHOWAN HOSPITAL

EIN: 56-2101090

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-HERITAGE D/B/A ECU HEALTH EDGEcombe HOSPITAL

EIN: 56-2093700

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH-BEAUFORT D/B/A ECU HEALTH BEAUFORT HOSPITAL

EIN: 45-2436270

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

**Part VII Supplemental Information**

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

NAME: DUPLIN GENERAL HOSPITAL D/B/A ECU HEALTH DUPLIN HOSPITAL

EIN: 56-6011594

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: HALIFAX REGIONAL MEDICAL CENTER, INC. D/B/A ECU HEALTH NORTH  
HOSPITAL

EIN: 56-0989789

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

NAME: EAST CAROLINA HEALTH D/B/A ECU HEALTH COMMUNITY HOSPITALS

EIN: 91-1997979

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

SCH. R, PART III, IDENTIFICATION OF RELATED ORG. TAXABLE AS A PARTNERSHIP:

FULL NAME, EIN, AND ADDRESS OF RELATED ORGANIZATION:

NAME: SURGICENTER CENTER OF EASTERN CAROLINA, LLC

EIN: 26-2558314

ADDRESS: 2100 STANTONSBURG ROAD, GREENVILLE, NC 27835

PRIMARY ACTIVITY: AMBULATORY SURGICAL SERVICES

DIRECT CONTROLLING ENTITY: PITT COUNTY MEMORIAL HOSPITAL, INC. D/B/A ECU  
HEALTH MEDICAL CENTER

## ECU Health

### **Financial Statements, Supplementary Information and Reports and Schedules Required by *Government Auditing Standards* and the Requirements of the Single Audit**

Year Ended September 30, 2024

## ECU Health

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Financial Statements, Supplementary Information and Reports and  
Schedules Required by *Government Auditing Standards*  
and the Requirements of the Single Audit  
Year Ended September 30, 2024

# ECU Health

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# ECU Health

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## **Independent Auditor's Report**

To the Board of Directors  
University Health Systems of Eastern Carolina, Inc.  
d/b/a ECU Health  
Greenville, North Carolina

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health (ECU Health) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise ECU Health's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining fund information of ECU Health as of September 30, 2024, and the respective changes in financial position and where applicable, cash flows thereof for the year 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ECU Health and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ECU Health's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS and *Government Auditing Standards* 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 financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the 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 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 ECU Health'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ECU Health'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the accompanying Management's Discussion and Analysis (unaudited) and the other required supplementary information (unaudited) as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited



procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise ECU Health's basic financial statements. The accompanying supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The consolidating and combining information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The combining schedules are prepared by management in accordance with the financial reporting provisions of Article 1 of the Amended and Restated Master Trust Indenture, dated February 1, 2006 (as amended between ECU Health and U.S. Bank National Association), (the MTI), which is a basis of accounting other than the principles generally accepted in the United States of America. In our opinion, the combining information is fairly stated, in all material respects, in accordance with the financial reporting provisions of Article 1 of the MTI, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2025 on our consideration of ECU Health's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ECU Health's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ECU Health's internal control over financial reporting and compliance.

BDO USA, P.C.

January 22, 2025

## **Management's Discussion and Analysis (Unaudited)**

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# ECU Health

## Management's Discussion and Analysis (Unaudited)

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### Annual Financial Report

The discussion and analysis of the University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health, formerly Vidant Health, (the Parent Corporation) financial performance provides an overview of the health system's financial activities for the year ended September 30, 2024. The Parent Corporation, along with its nine component units (the Health System or ECU Health), are nonprofit, tax-exempt corporations. ECU Health consists of the Parent Corporation and its blended component units: Pitt County Memorial Hospital, Inc. d/b/a ECU Health Medical Center (VMC), East Carolina Health, Inc. d/b/a ECU Health Community Hospitals (VCOM), Coastal Plains Network (CPN), Channel Marker Insurance Company, SPC (CMIC), ECU Health Physicians (VMG) which includes Roanoke Valley Health Services, Inc. (RVHS), PCMH Management, Inc. d/b/a ECU Health Properties (VP), Access East, Inc. (Access East), HealthAccess, Inc. (HealthAccess) and Vidant Integrated Care, LLC d/b/a ECU Health Alliance, LLC (VIC). The financial statements of VMC include the activities of ECU Health Medical Center, East Carolina Health-Beaufort, Inc. d/b/a ECU Health Beaufort Hospital—A Campus of ECU Health Medical Center (VBEA), Moye Medical Endoscopy Center, LLC d/b/a ECU Health Endoscopy Center—Greenville (MMEC), SurgiCenter of Eastern Carolina, LLC d/b/a ECU Health SurgiCenter (VSC), and Vidant Radiation Oncology, LLC d/b/a ECU Health Radiation Oncology (VRO). The financial statements of VCOM also include the activities of East Carolina Health-Bertie d/b/a ECU Health Bertie Hospital (BER), East Carolina Health-Chowan d/b/a ECU Health Chowan Hospital (CHO), East Carolina Health-Heritage, Inc. d/b/a ECU Health Edgecombe Hospital (EDG), Duplin General Hospital d/b/a ECU Health Duplin Hospital (DUP), East Carolina Health, Inc. d/b/a ECU Health Roanoke-Chowan Hospital (ROA), Halifax Regional Medical Center, Inc. d/b/a ECU Health North (NOR) and The Outer Banks Hospital, Inc. d/b/a Outer Banks Health (OBH).

ECU Health is a health care delivery system headquartered in Greenville, North Carolina, that provides primarily hospital and other health care-related services to the citizens of eastern North Carolina. As of September 30, 2024, ECU Health has a total of 1,708 licensed beds and is anchored by VMC, a 1,116-bed teaching and tertiary hospital, which is affiliated with the Brody School of Medicine at East Carolina University. As of September 30, 2024, VCOM includes seven hospitals with a total of 592 licensed beds, which are located in communities throughout eastern North Carolina. Please read this information in conjunction with ECU Health's financial statements of its business-type activities, which begin on page 19. The financial statements also include comprehensive notes that describe the Health System, its history and significant accounting policies.

### Financial Highlights

- In 2024, ECU Health's admissions and total surgeries increased by 8.7% and 6.2%, respectively, while total patient days and outpatient visits increased 3.7% and 4.3%, respectively. In 2023, ECU Health's admissions and total surgeries increased by 0.5% and 6.3%, respectively, while total patient days and outpatient visits increased 1.9% and 6.3%, respectively.
- ECU Health's income (loss) from operations for the years ended September 30, 2024 and 2023, was \$110.5 million and \$(0.4) million, respectively. ECU Health's operating margins for 2024 and 2023 were 2.9% and (1.1)%, respectively (the operating margin percentage includes interest expense as an operating expense, but does not include any grant funding from the federal or state government).

# ECU Health

## Management's Discussion and Analysis (Unaudited)

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- ECU Health's operating cash flow margins (income from operations plus depreciation and amortization divided by total revenues) for the years ended September 30, 2024 and 2023, were 8.0% and 4.3%, respectively (the operating cash flow margin percentage does not include any grant funding from the federal or state government).
- ECU Health's net nonoperating revenue for the years ended September 30, 2024 and 2023, were \$71.9 million and \$53.7 million, respectively. Investment income for the year ended September 30, 2024, was \$110.4 million, consisting of dividends, interest income and realized gains on investments of \$42.5 million, plus unrealized gains on investments of \$67.9 million. Interest expense on long-term debt was \$(26.9) million for the year. Other included an unrealized loss on the interest rate swap of \$(1.0) million, gain on equity method investments of \$2.2 million, unrestricted contributions received of \$5.0 million, and other nonoperating expenses of \$(17.8) million.
- ECU Health's increase in net position for the years ended September 30, 2024 and 2023, was \$172.7 million and \$43.4 million, respectively.
- ECU Health's unrestricted cash and internally designated investments for capital improvements at September 30, 2024 and 2023, totaled \$1,003.3 million and \$688.8 million, respectively.

### Overview of the Financial Statements

ECU Health presents three basic financial statements of its business-type activities: statement of net position; statement of revenues, expenses and changes in net position; and statement of cash flows. The statements and related notes provide information about the financial activity of ECU Health.

The statement of net position presents the financial position on September 30, 2024 and shows the assets and deferred outflows owned by ECU Health and the liabilities owed to others and deferred inflows. The statement of net position includes information that reflects ECU Health's assets and deferred outflows relative to its obligations to bondholders, suppliers, team members and other creditors. The excess of assets and deferred outflows over liabilities and deferred inflows represents ECU Health's net position.

The statement of revenues, expenses and changes in net position reports the financial results from operations during the fiscal year. The statement shows how much ECU Health's net position increased during the past year as a result of operating and nonoperating activities and other changes.

The statement of cash flows describe the flow of cash into and out of ECU Health during the fiscal year. The statement reports cash flows received during the year from operations, management of current assets and liabilities, contributions, investing activities and other sources. The statement also reports how cash was used for investment in capital projects and equipment, contributions and transfers, and other uses, as well as related financing activities.

ECU Health presents a pension trust fund. The statement of fiduciary net position - pension trust fund includes the assets and net position of the Health System's team members' pension plans that are held in a fiduciary capacity. The statement of changes in fiduciary net position reports the additions and deductions to these fiduciary funds during the period. The pension trust fund does

# ECU Health

## Management's Discussion and Analysis (Unaudited)

not issue separate financial statements; however, it is included as the aggregate remaining fund information of the Health System.

Nonfinancial factors would also need to be considered in evaluating the overall financial health of ECU Health, including, but not limited to, changes in ECU Health's market share, patient base and the quality of service provided by ECU Health, as well as local, state and national economic and regulatory matters and policy changes.

### Summary Financial Statements of The Business-Type Activities of ECU Health

#### Financial Position

The ECU Health condensed statements of net position are presented below:

#### Condensed Statements of Net Position (Dollars in Thousands)

September 30,	2024	2023
Current assets	\$ 1,139,356	\$ 964,135
Assets limited as to use—other	736,304	629,682
Capital assets, net	828,511	817,969
Other assets	10,217	33,334
Total assets	2,714,388	2,445,120
Deferred outflows	169,938	200,278
Total assets and deferred outflows	\$ 2,884,326	\$ 2,645,398
Current liabilities	\$ 555,914	\$ 439,364
Long-term liabilities	855,425	936,268
Total liabilities	1,411,339	1,375,632
Deferred inflows	42,251	11,734
Net investment in capital assets	259,370	224,242
Restricted—noncontrolling interests	51,508	50,913
Restricted—other	3,439	3,186
Unrestricted	1,116,419	979,691
Total net position	1,430,736	1,258,032
Total liabilities, deferred inflows and net position	\$ 2,884,326	\$ 2,645,398

At September 30, 2024, ECU Health's statement of net position includes total assets and deferred outflows of \$2.9 billion and net position of \$1.4 billion. From September 30, 2023 to 2024, and from September 30, 2022 to 2023, total assets and deferred outflows increased by \$238.9 million and \$156.6 million, respectively, while net position increased by \$172.7 million and \$43.4 million, respectively.

# ECU Health

## Management's Discussion and Analysis (Unaudited)

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Current assets consist primarily of cash available for operations, patient receivables, other receivables, settlements due from third-party payors, inventories and prepaid expenses. In 2024, current assets were \$1,139.4 million and increased by \$175.3 million from 2023. Cash and cash equivalents increased by \$211.8 million, patient accounts receivable decreased by \$34.4 million, other receivables decreased by \$3.8 million, and third-party settlements decreased by \$11.6 million. In 2024, the increase in cash and cash equivalents was a result of Healthcare Access and Stabilization Program (HASP) receipts, investment gains and operating improvements.

In 2023, current assets were \$964.1 million and increased by \$208.2 million from 2022. Cash and cash equivalents increased by \$16.4 million, patient accounts receivable increased by \$51.0 million, other receivables increased by \$13.0 million, and third-party settlements increased by \$139.6 million. In 2023, the increase in accounts receivable is due in part to timing of payments as volumes continued to increase after the previous decline in volumes related to COVID-19. The increase in third-party settlements was a result of Healthcare Access and Stabilization Program (HASP) funding related to Medicaid expansion which was approved for 2023.

Assets limited as to use consist primarily of investments in equity securities and bonds that are internally designated for future capital improvements and totaled \$736.3 million and \$629.7 million at September 30, 2024 and 2023, respectively. These funds increased by \$106.6 million in 2024 and decreased by \$155.6 million in 2023. ECU Health's cash and investment position increased in 2024 due to strong cash flow provided by operating activities and HASP funding and decreased in 2023 due to experiencing operational needs that required using cash reserves.

Capital assets, net of accumulated depreciation and amortization, totaled \$828.5 million at September 30, 2024, and increased by \$10.5 million in 2024. Capital assets, net of accumulated depreciation, totaled \$818.0 million at September 30, 2023, and increased by \$44.3 million in 2023. These changes are described on page 16 in the discussion of capital assets.

Other assets include intangible assets, other than goodwill, and other long-term receivables and totaled \$10.2 million at September 30, 2024. Other assets include intangible assets, other than goodwill, and other long-term receivables and totaled \$33.3 million at September 30, 2023.

Deferred outflows decreased by \$30.4 million from adjustments related to deferred losses on various bond refunding transactions, goodwill and deferred assets related to various pension items.

Current liabilities consist primarily of accounts payable, accrued expenses, settlements due to third-party payors, the current portion of reserves established for professional liability losses, current maturities of long-term debt, current portion of lease liability and current portion of subscription software. At September 30, 2024, current liabilities were \$555.9 million and increased by \$116.5 million from 2023. Accounts payable increased by \$30.6 million, estimated settlements due to third-party payors increased by \$17.9 million, accrued expenses increased by \$60.6 million, current reserves for professional liability losses increased by \$1.5 million, current maturities of long-term debt increased by \$3.3 million, current lease liability increased by \$1.1 million and current subscription software increased by \$1.7 million.

At September 30, 2023, current liabilities were \$439.4 million and increased by \$52.7 million from 2022. Accounts payable decreased by \$15.6 million, estimated settlements due to third-party payors increased by \$31.3 million, accrued expenses increased by \$25.0 million, current reserves for professional liability losses decreased by \$5.8 million, current maturities of long-term debt increased by \$1.8 million, current lease liability decreased by \$0.3 million and current subscription

# ECU Health

## Management's Discussion and Analysis (Unaudited)

software increased by \$16.1 million due to the first year implementation of GASB Statement 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

Long-term liabilities consist primarily of long-term debt, net pension liability, professional liability losses, long-term lease liability, subscription software, other liabilities and noncontrolling interest. Long-term liabilities were \$855.4 million at September 30, 2024, and decreased by \$80.9 million. Long-term debt, less current maturities, decreased by \$16.2 million, net pension liability decreased by \$66.1 million, reserve for professional liability increased by \$4.1 million, long-term lease liability, less current maturities, increased by \$0.7 million, subscription software, less current maturities, decreased by \$1.6 million and other liabilities decreased by \$1.7 million. Long-term debt, less current maturities, decreased primarily as a result of the decrease in net pension liability due to investment gains which impacted the value.

Long-term liabilities were \$936.3 million at September 30, 2023, and increased by \$120.1 million. Long-term debt, less current maturities, decreased by \$19.8 million, net pension liability increased by \$143.1 million, reserve for professional liability decreased by \$10.1 million, long-term lease liability, less current maturities, decreased by \$0.4 million, subscription software, less current maturities, increased by \$11.8 million and other liabilities decreased by \$4.5 million. Long-term debt, less current maturities, increased primarily as a result of the increase in net pension liability due to investment losses which impacted the value and long-term subscription software increased in 2023 as a result of the implementation of GASB Statement 96, *SBITA*.

### Changes in Net Position

The ECU Health condensed statements of revenues, expenses and changes in net position are presented below:

### Condensed Statements of Revenues, Expenses and Changes in Net Position (Dollars in Thousands)

Year Ended September 30,	2024	2023
<b>Operating Revenues</b>		
Net patient service revenue	\$ 2,695,480	\$ 2,322,581
Other operating revenues	186,958	150,825
Total operating revenues	2,882,438	2,473,406
<b>Operating Expenses</b>		
Salaries and wages	1,201,660	1,058,043
Employee benefits	308,945	268,434
Supplies and other	1,133,895	1,029,000
Depreciation and amortization	120,871	109,538
Lease activity	6,571	8,777
Total operating expenses	2,771,942	2,473,792
Operating Income (Loss)	110,496	(386)



## ECU Health

### Management's Discussion and Analysis (Unaudited)

<i>Year Ended September 30,</i>	<b>2024</b>	<b>2023</b>
Nonoperating revenues (expenses):		
Interest expense	<b>(26,866)</b>	(26,155)
Federal and state grant funds	-	378
Investment income (loss), net and other	<b>98,794</b>	79,467
Total nonoperating revenues (expenses), net	<b>71,928</b>	53,690
Income before noncontrolling interests	<b>182,424</b>	53,304
Income applicable to noncontrolling interests	<b>(13,386)</b>	(13,232)
Increase in Net Position—ECU Health	<b>\$ 169,038</b>	<b>\$ 40,072</b>
Net position—beginning of year	<b>\$ 1,258,032</b>	<b>\$ 1,214,622</b>
Contributions from members and other, net	<b>3,666</b>	3,338
Increase in net position—ECU Health	<b>169,038</b>	40,072
Increase in net position	<b>172,704</b>	43,410
Net position—end of year	<b>\$ 1,430,736</b>	<b>\$ 1,258,032</b>

Income (loss) from operations for 2024 and 2023 was \$110.5 million and \$(0.4) million, respectively. The related operating margins for 2024 and 2023 were 2.9% and (1.1)%, respectively. The operating margin percentages include interest expense as an operating expense, but excludes federal and state grant funding.

During 2024, operating revenues were \$2.9 billion and increased by 16.5%, while operating expenses increased by 12.1%. Operating revenues increased during 2024 due to increases in inpatient activity of 8.7%, an increase of 8.5% in admissions at VMC and an increase of 9.0% in admissions at VCOM hospitals. Surgical volumes increased 6.2%. Operating revenues for 2024 included \$13.2 million of favorable reimbursement settlements and other prior fiscal year adjustments as well as \$42.1 million for 3 months of HASP revenue, net of assessments relating to fiscal year 2023.

During 2023, operating revenues were \$2.5 billion and increased by 11.0%, while operating expenses increased by 8.8%. Operating revenues increased during 2023 due to increases in inpatient activity of 0.5%, an increase of 2.5% in admissions at VMC and a decrease of 4.4% in admissions at VCOM hospitals. Surgical volumes increased 6.3%. Operating revenues for 2023 included \$18.7 million of favorable reimbursement settlements and other prior fiscal year adjustments.

During 2024, salaries and benefits increased by 13.9% to \$1.5 billion due to pay for performance, incentives and market salary adjustments and an 29.2% increase in group insurance expense. Supplies and other expense increased by 10.2% to \$1.1 billion. Depreciation and amortization expense increased by 11.4% to \$120.9 million. Lease activity expense decreased by 25.0% to \$6.6 million.

## ECU Health

### Management's Discussion and Analysis (Unaudited)

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Total net nonoperating revenue is \$71.9 million in 2024, as compared to net nonoperating revenue of \$53.7 million in 2023. Nonoperating activity consists primarily of investment income, interest expense, gain on interest rate swap and unrestricted contributions. Income from investments was \$110.4 million in 2024 and increased by \$25.7 million as compared to 2023. ECU Health's 2024 investment income of \$110.4 million consisted of unrealized gains on investments of \$67.9 million and dividends and interest income and realized gains on investments of \$42.5 million. Other income consisted primarily of an unrealized loss on ECU Health's interest rate swap of \$1.0 million in addition to \$17.8 million of other nonoperating expenses. Investment income was higher in 2024 as compared to 2023 due to overall improvement in financial markets in 2024. In 2024, unrestricted contributions totaled \$5.0 million and increased by \$2.3 million over 2023 levels. Interest expense on ECU Health's debt totaled \$26.9 million, an increase of \$0.7 million as compared to 2023. Gain on equity method investments totaled \$2.2 million, an increase of \$1.3 million as compared to 2023.

Total net nonoperating revenue is \$53.7 million in 2023, as compared to net nonoperating expense of \$(117.8) million in 2022. Nonoperating activity consists primarily of investment income, interest expense, gain on interest rate swap, federal and state grant funds and unrestricted contributions. Income from investments was \$84.7 million in 2023 and increased by \$211.9 million as compared to 2022. ECU Health's 2023 investment income of \$84.7 million consisted of unrealized gains on investments of \$70.4 million and dividends and interest income and realized gains on investments of \$14.4 million. Other income consisted primarily of an unrealized gain on ECU Health's interest rate swap of \$1.6 million in addition to \$10.5 million of other nonoperating expenses. Also included is \$0.4 million of federal and state grant funds primarily related to the CARES Act. Investment income was higher in 2023 as compared to 2022 due to overall improvement in financial markets in 2023. In 2023, unrestricted contributions totaled \$2.7 million and decreased by \$2.1 million over 2022 levels. Interest expense on ECU Health's debt totaled \$26.2 million, an increase of \$1.4 million as compared to 2022. Gain on equity method investments totaled \$0.9 million, a decrease of \$0.9 million as compared to 2022.

Income applicable to noncontrolling interests consists of noncontrolling interest due to Chesapeake General Hospital for their 40% ownership in OBH and the noncontrolling interest due to the local physicians for their 45% ownership in VSC. Income applicable to noncontrolling interests for 2024 totaled \$13.4 million and increased by \$0.2 million as compared to 2023. Income applicable to noncontrolling interests for 2023 totaled \$13.2 million and decreased by \$1.1 million as compared to 2022.

# ECU Health

## Management's Discussion and Analysis (Unaudited)

### Cash Flows

The ECU Health condensed statements of cash flows are presented below:

#### Condensed Statements of Cash Flows (Dollars in Thousands)

<i>Year Ended September 30,</i>	<b>2024</b>	<b>2023</b>
Cash flows:		
Operating activities	\$ 393,321	\$ (42,953)
Noncapital financing activities	(23,166)	(17,277)
Capital and related financing activities	(181,324)	(168,215)
Investing activities	22,961	244,823
Net increase in cash and cash equivalents	211,792	16,378
Cash and cash equivalents—beginning of year	101,009	84,631
Cash and cash equivalents—end of year	\$ 312,801	\$ 101,009

ECU Health's cash and cash equivalents increased by \$211.8 million and \$16.4 million in 2024 and 2023, respectively. Cash flows from operating activities were \$393.3 million in 2024 and \$(43.0) million in 2023, and increased by \$436.3 million and \$3.7 million in 2024 and 2023, respectively. ECU Health's total cash position at September 30, 2024, was \$1,003.3 million, an increase of approximately \$314.5 million from September 30, 2023. The 2024 increase in cash was due to strong cash flow provided by operating activities, HASP funding and investment earnings. Days cash on hand, an important metric for ECU Health's bond ratings, increased from 103.4 days at September 30, 2023, to 134.9 days at September 30, 2024.

Net cash outflows for capital and noncapital financing activities were \$204.5 million in 2024. In 2024, cash was used to fund capital asset additions of \$101.5 million to make principal payments on long-term debt of \$66.8 million, and to make interest payments of \$22.8 million. In 2023, cash was used to fund capital asset additions of \$108.3 million to make principal payments on long-term debt of \$48.2 million, and to make interest payments of \$22.3 million.

Net cash flow provided by investing activities was \$23.0 million in 2024 and \$244.8 million in 2023. ECU Health had dividends and interest income and realized gains on investments of \$42.5 million and \$14.4 million in 2024 and 2023, respectively. Net sales of securities and investments used \$40.7 million of cash in 2024, and provided \$232.1 million of cash in 2023. During 2024 and 2023, respectively, ECU Health distributed \$12.8 million and \$9.8 million of earnings to noncontrolling members in joint ventures.

# ECU Health

## Management's Discussion and Analysis (Unaudited)

### Capital Assets and Administration

#### Capital Assets

ECU Health's investment in capital assets consisted of the following at:

<i>September 30,</i>	<b>2024</b>	<b>2023</b>
Land	\$ 41,294	\$ 40,627
Land improvements	44,439	44,481
Buildings and improvements	1,225,801	1,184,841
Equipment	937,216	893,229
Right-to-use leased assets	67,272	53,830
Right-to-use subscription assets	78,731	52,060
Construction in progress	34,028	48,675
<b>Total Capital Assets</b>	<b>2,428,781</b>	<b>2,317,743</b>
Accumulated depreciation and amortization	(1,600,270)	(1,499,774)
<b>Capital Assets, Net</b>	<b>\$ 828,511</b>	<b>\$ 817,969</b>

At September 30, 2024 and 2023, ECU Health had \$828.5 million and \$818.0 million invested in capital assets, respectively. A summary of these assets is presented in Note 7 to the financial statements. During 2024, ECU Health's net investment in capital assets of \$133.1 million, excluding accruals and capitalized interest, was higher than its net depreciation and amortization expense of \$120.9 million.

In fiscal year 2025, ECU Health expects to invest approximately \$153.5 million in capital assets. The Health System expects to spend approximately \$18.5 million for information systems, nearly \$57.7 million in building renovations, \$18.1 million in new buildings, \$21.9 million for contingency, and more than \$37.3 million in new replacement equipment purchases throughout the region, including VMC and the VCOM hospitals.

#### Economic Outlook

ECU Health's primary service area covers 29 counties in eastern North Carolina. Greenville is home to East Carolina University (ECU), part of the state of North Carolina public university system and a number of community colleges in the state community college system which provide a pipeline for talent. The eastern North Carolina region has a strong collaboration with ECU and community colleges as well as government and industry partners. The population consists of rural areas and a high dependency on government programs.

The HASP program enacted by the State of North Carolina in March 2023 is a federally funded program through CMS to enhance Medicaid reimbursement. HASP provides for increased reimbursements to hospitals like ECU Health. The expansion of Medicaid in North Carolina has expanded Medicaid coverage to additional lives in the service area and also requires hospital assessments to fund the program. The passing of NC Care by the North Carolina General Assembly also provided additional much needed resources to the area to improve access to high quality health care for citizens and communities located in rural areas of North Carolina by establishing outcome

# ECU Health

## Management's Discussion and Analysis (Unaudited)

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driven regional system of care, beginning in eastern North Carolina. These programs are expected to have a positive impact to ECU Health to allow us to continue to provide the necessary services to the residents of eastern North Carolina.

### **Contacting Financial Management**

If you have questions about this report or need additional information, please contact ECU Health's Chief Financial Officer at ECU Health, 2100 Stantonsburg Road, P.O. Box 6028, Greenville, North Carolina 27835-6028.

## Financial Statements

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# ECU Health

## Statement of Net Position (in \$000's)

<i>September 30,</i>	<i>2024</i>
<b>Assets and Deferred Outflows of Resources</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 312,801
Patient accounts receivable, net	454,236
Other receivables	57,194
Estimated settlements due from third-party payors	206,780
Lease receivable, current portion	281
Inventories	71,370
Prepaid expenses	30,986
Assets limited as to use—professional liability losses, current	5,708
<b>Total Current Assets</b>	<b>1,139,356</b>
<b>Assets Limited as to Use</b>	
Internally designated for capital improvements	666,851
Internally designated for professional liability losses	52,579
Other cash limited as to use	16,874
<b>Total Assets Limited as to Use, Net of Current</b>	<b>736,304</b>
<b>Capital Assets, Net</b>	<b>828,511</b>
<b>Other Noncurrent Assets</b>	
Other intangible assets, net	2,656
Other assets	7,454
Lease receivable, less current portion	107
<b>Total Other Noncurrent Assets</b>	<b>10,217</b>
<b>Total Assets</b>	<b>2,714,388</b>
<b>Deferred Outflows of Resources</b>	<b>169,938</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 2,884,326</b>

# ECU Health

## Statement of Net Position (continued) (in \$000's)

September 30, 2024

### Liabilities, Deferred Inflows of Resources and Net Position

<b>Current Liabilities</b>	
Accounts payable	\$ 141,640
Accrued expenses	277,106
Estimated settlements due to third-party payors	72,174
Current portion of professional liability losses	5,708
Current maturities of long-term debt	30,963
Lease liability, current portion	10,507
Subscription software, current portion	17,816
<b>Total Current Liabilities</b>	<b>555,914</b>
<b>Long-Term Liabilities</b>	
Long-term debt, less current maturities	551,305
Net pension liability	205,596
Professional liability losses, less current portion	28,937
Lease liability, less current portion	26,466
Subscription software, less current portion	10,172
Other liabilities	32,949
<b>Total Liabilities</b>	<b>1,411,339</b>
<b>Deferred Inflows of Resources</b>	<b>42,251</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,453,590</b>
<b>Net Position</b>	
Net investment in capital assets	259,370
Restricted—noncontrolling interests	51,508
Restricted—other	3,439
Unrestricted	1,116,419
<b>Total Net Position</b>	<b>1,430,736</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 2,884,326</b>

See accompanying notes to financial statements.



# ECU Health

## Statement of Revenues, Expenses and Changes in Net Position (in \$000's)

<i>Year Ended September, 30</i>		<b>2024</b>
<b>Operating Revenues</b>		
Net patient service revenue, net of provision of bad debts	\$	2,695,480
Other operating revenues		186,958
<b>Total Operating Revenues</b>		<b>2,882,438</b>
<b>Operating Expenses</b>		
Salaries and wages		1,201,660
Employee benefits		308,945
Supplies and other		1,133,895
Depreciation and amortization		120,871
Lease activity		6,571
<b>Total Operating Expenses</b>		<b>2,771,942</b>
<b>Operating Income</b>		<b>110,496</b>
<b>Nonoperating Revenues (Expenses)</b>		
Interest expense		(26,866)
Investment income, net		110,401
Other		(11,607)
<b>Total Nonoperating Revenues, Net</b>		<b>71,928</b>
<b>Income Before Non-Controlling Interests</b>		<b>182,424</b>
Income applicable to noncontrolling interests		(13,386)
<b>Increase in Net Position - ECU Health</b>	<b>\$</b>	<b>169,038</b>
<b>Increase in Net Position</b>		
Net Position - Beginning of Year	\$	1,258,032
Distributions to noncontrolling interests		(12,790)
Other		3,070
Income before non-controlling interests		182,424
<b>Increase in Net Position</b>		<b>172,704</b>
<b>Net Position - End of Year</b>	<b>\$</b>	<b>1,430,736</b>

*See accompanying notes to financial statements.*

# ECU Health

## Statement of Cash Flows (in \$000's)

<i>Year ended September 30,</i>	<i>2024</i>
<b>Operating Activities</b>	
Receipts from payments by or on behalf of patients	\$ 2,763,058
Receipts from other operations	185,610
Payments to employees for wages and benefits	(1,435,891)
Payments to vendors and suppliers	(1,119,456)
<b>Net Cash Provided by Operating Activities</b>	<b>393,321</b>
<b>Noncapital Financing Activities</b>	
Noncapital grants and contributions received	5,001
Noncapital grants and contributions paid	(9,957)
Distributions to noncontrolling interests	(12,790)
Other nonoperating expense	(4,800)
Intangible asset purchase	(620)
<b>Net Cash Used in Noncapital Financing Activities</b>	<b>(23,166)</b>
<b>Capital and Related Financing Activities</b>	
Capital asset additions	(101,529)
Proceeds from issuance of long-term debt	9,822
Principal payments on long-term debt	(66,802)
Interest paid related to capital financing activities	(22,815)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(181,324)</b>
<b>Investing Activities</b>	
Purchases of investment securities	(1,111,328)
Proceeds from sales and maturities of investment securities	1,070,581
Investment income	43,057
Change in other assets	20,651
<b>Net Cash Provided by Investing Activities</b>	<b>22,961</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>211,792</b>
Cash and Cash Equivalents—Beginning of Year	101,009
Cash and Cash Equivalents—End of Year	\$ 312,801

# ECU Health

## Statement of Cash Flows (continued) (in \$000's)

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Year Ended September 30,	2024
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### Reconciliation of Operating Income to Net Cash Provided by

#### Operating Activities

Operating income	\$	110,496
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization		120,871
Provision for bad debts		142,726
Loss on disposal of capital assets		333
Changes in operating assets and liabilities:		
Patient accounts receivable		(108,328)
Other receivables		3,708
Inventories		(6,973)
Prepaid expenses		(6,084)
Estimated settlements due from/to third-party payors		29,472
Accounts payable		28,460
Accrued expenses		60,462
Other liabilities		(1,681)
Professional liability losses		5,607
Change in net pension liability, deferred outflows and deferred inflows of resources, net		14,252

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<b>Net Cash Provided by Operating Activities</b>	<b>\$</b>	<b>393,321</b>
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### Supplemental Disclosure of Noncash Information

Accounts payable related to capital asset additions	\$	11,900
Amortization of deferred loss on refunding and bond discounts and premiums in interest expense	\$	3,900

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*See accompanying notes to financial statements.*

# ECU Health

## Statement of Fiduciary Net Position—Pension Trust Funds (in \$000's)

<i>September 30,</i>		<i>2024</i>
<b>Assets</b>		
Investments at fair value:		
Mutual funds	\$	779,522
Alternative funds		130,855
Cash equivalents		21,646
Equity securities		25,620
<b>Total Investments</b>		<b>957,643</b>
<b>Liabilities</b>		
Accounts payable		366
<b>Total Liabilities</b>		<b>366</b>
<b>Net Position Restrctited for Pension Benefits</b>		<b>957,277</b>
<b>Total Liabilities and Net Position Restricted for Pension Benefits</b>	\$	<b>957,643</b>

*See accompanying notes to financial statements.*

## ECU Health

### Statement of Changes in Fiduciary Net Position—Pension Trust Funds (in \$000's)

<i>Year ended September 30,</i>		<b>2024</b>
<b>Additions</b>		
Investment earnings:		
Net increase in fair value of investments	\$	148,732
Interest and dividends		3,804
<b>Net Investment Earnings</b>		<b>152,536</b>
Employer pension contributions		23,285
<b>Total Additions</b>		<b>175,821</b>
<b>Deductions</b>		
Benefit payments		52,808
Administrative expenses		2,630
<b>Total Deductions</b>		<b>55,438</b>
<b>Net Increase in Fiduciary Net Position</b>		<b>120,383</b>
<b>Net Position Restricted for Pension Benefits</b>		
<b>Beginning of Year</b>		<b>836,894</b>
<b>End of year</b>	\$	<b>957,277</b>

*See accompanying notes to financial statements.*

# ECU Health

## Notes to Financial Statements (in \$000's)

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### 1. Organization and Blended Component Units

University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health, formerly Vidant Health, (the Parent Corporation) was incorporated on November 24, 1998, and is a nonprofit, tax-exempt corporation. The Parent Corporation, along with its affiliates (the Health System or ECU Health), is a health care delivery system providing hospital and other health care related services to the citizens of eastern North Carolina. ECU Health is not considered to be a component unit of any governmental organization.

Pitt County Memorial Hospital, Inc. d/b/a ECU Health Medical Center (VMC or the Hospital) is required to pay Pitt County annual payments in lieu of taxes and to partially reimburse Pitt County for its contribution to the North Carolina Medicaid Program. A number of the Hospital's Board of Directors are appointed by the County of Pitt (Pitt County) (see detailed discussion under the nucleus of the reporting entity section below); however, the facilities are not owned by Pitt County. The payment in lieu of taxes to Pitt County was approximately \$2.2 million for the year ended September 30, 2024. The Medicaid payment was approximately \$0.7 million for the year ended September 30, 2024. Because these payments are considered nonexchange transactions between governmental entities, the annual payments are recognized as components of nonoperating expenses in the statement of revenues, expenses and changes in net position.

**Nucleus of the reporting entity:** The financial statements of the business-type activities of the Health System present the financial position and results of operations of the Parent Corporation and its affiliates: VMC, which includes the activities of ECU Health Medical Center, East Carolina Health-Beaufort, Inc. d/b/a ECU Health Beaufort Hospital—A Campus of ECU Health Medical Center (VBEA), East Carolina Health, Inc. d/b/a ECU Health Community Hospitals (VCOM), ECU Health Physicians (VMG) which includes Roanoke Valley Health Services, Inc. (RVHS), Coastal Plains Network (CPN), Channel Marker Insurance Company, SPC (CMIC), PCMH Management, Inc. d/b/a ECU Health Properties (VP), Access East, Inc. (Access East), HealthAccess, Inc. (HealthAccess) and Vidant Integrated Care, LLC d/b/a ECU Health Alliance, LLC (VIC). The component units, which are described below, are referred to as affiliates throughout the financial statements. The Parent Corporation has blended the affiliates in a single column with the Parent Corporation in these financial statements based on the interrelationship of these component units and the Parent Corporation. See Note 17 for the presentation of the separate condensed financial information of the Parent Corporation and the major component units.

ECU Health's Board of Directors has certain reserve powers as it relates to VMC's actions. ECU Health's Board of Directors appoints the members of VCOM's Board of Directors. VMC, VCOM and several other component units are obligated in some manner for the debt of the Parent Corporation (see The Combined Group section below). All of the component units operate under substantially the same senior management team, operate to provide services entirely or almost entirely to ECU Health, and ECU Health employs substantially all of the team members of the component units. In addition, the team members are covered under common benefit plans, which are managed by ECU Health.

The Parent Corporation's Board of Directors consists of eleven voting members, six of whom must be current or former Pitt County appointees of VMC's Board of Trustees and five of whom must be current or former University of North Carolina (UNC) appointees of VMC's Board of Trustees. The Vice Chancellor of Health Sciences for East Carolina University also serves ex officio without voting rights. No more than nine current members of VMC's Board of Trustees may serve simultaneously as members of the Parent Corporation's Board of Directors. At all times, a majority, or six members, of the Parent Corporation's Board of Directors must be current members of VMC's Board of Trustees.

# ECU Health

## Notes to Financial Statements (in \$000's)

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Appointments are for terms of three years, and thereafter members may be reappointed for one additional successive term of three years.

ECU Health has determined it has a fiduciary responsibility over three defined benefit pension plans (pension plans) that are offered to some of the team members of the Health System. The pension plans are included in the financial statements as a fiduciary fund.

The business-type activities of the Health System consist of the Parent Corporation and the following entities:

**ECU Medical Center:** VMC is a tax-exempt 501(c)(3) corporation formed for the purpose of providing health care services to the citizens of eastern North Carolina. VMC is an academic teaching hospital, a regional referral center and a community general hospital. VMC consolidates the financial statements of the Hospital and its affiliates: Moyer Medical Endoscopy Center, LLC d/b/a ECU Health Endoscopy Center—Greenville (MMEC), SurgiCenter of Eastern Carolina, LLC d/b/a ECU Health SurgiCenter (VSC), and Vidant Radiation Oncology, LLC d/b/a ECU Health Radiation Oncology (VRO). Effective January 27, 2024, VMC acquired the remaining 50% ownership of VRO becoming the sole member. The purpose of VRO is to direct, operate and maintain radiation therapy centers in eastern North Carolina. VSC's financial statements are consolidated into ECU Health with the 45% interest owned by physicians reported as a noncontrolling interest.

The Hospital is the primary affiliated teaching hospital for the Brody School of Medicine at East Carolina University (Brody School of Medicine), which is physically adjacent to the Hospital. The Hospital and the Brody School of Medicine are committed to providing access to quality medical service to all citizens of Pitt County and eastern North Carolina. See Note 16.

Effective October 1, 2021, BEA became a provider-based department operating as a campus of VMC. ECU Health has a lease agreement with Beaufort County to lease and control Beaufort Regional Health System's assets through September 2041. The initial transaction required an upfront payment by ECU Health to Beaufort County, which approximated the net present value of future lease payments and other expenses. ECU Health recorded the upfront payment as the consideration for the transaction and allocated that consideration to the assets and liabilities acquired. At the end of the lease term, ECU Health is entitled to complete title and ownership of VBEA for a purchase price of \$10.0 million.

**ECU Community Hospitals:** VCOM is a tax-exempt 501(c)(3) corporation formed in 1996 to enhance the quality and management of nonprofit hospitals and health care system services through the operation of community health facilities for the benefit of the residents of eastern North Carolina. VCOM includes the operations of VCOM and its affiliates:

- VCOM owns and operates East Carolina Health, Inc. d/b/a ECU Health Roanoke-Chowan Hospital (ROA), East Carolina Health-Bertie d/b/a ECU Health Bertie Hospital (BER), East Carolina Health-Heritage, Inc. d/b/a ECU Health Edgecombe Hospital (EDG), and Halifax Regional Medical Center, Inc. d/b/a ECU Health North (NOR). NOR was acquired on June 1, 2019, through the execution of a change of control agreement. In consideration for acquiring NOR, ECU Health has committed to providing capital expenditures in the first 10 years for projects and initiatives that ECU Health deems necessary. These entities are component units of VCOM as they provide support exclusively to benefit VCOM.

# ECU Health

## Notes to Financial Statements (in \$000's)

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- VCOM leases East Carolina Health-Chowan d/b/a ECU Health Chowan Hospital (CHO), from Chowan County. At the end of the lease term, November 2, 2028, ownership of the facilities will pass to VCOM, subject to Chowan County's option to buy back the hospital and related facilities for an amount equal to the then fair market value.
- VCOM operates The Outer Banks Hospital, Inc. d/b/a Outer Banks Health (OBH), which is a joint venture between ECU Health (60%) and Chesapeake General Hospital (40%). Chesapeake General Hospital's 40% interest is reported as a noncontrolling interest.
- VCOM operates Duplin General Hospital d/b/a ECU Health Duplin Hospital (DUP) through a lease agreement with Duplin County to lease and control DUP's assets for a 25-year period ending on September 30, 2035. At the end of the lease term, ECU Health is entitled to complete title and ownership of DUP. The transfer of title and ownership is contingent on ECU Health continuing to use the assets for the delivery of health care services.

VCOM recorded the CHO and DUP agreements as capital leases and VMC recorded the BEA agreement as a capital lease. Under the lease agreements, there are no ongoing lease payments required. As of September 30, 2024, the net book value of the assets under these capital leases is approximately \$70.5 million.

**HealthAccess, Inc.:** HealthAccess is a nonprofit, 501(c)(3) tax-exempt corporation formed in 1993 to establish an outreach program for ECU Health by offering support services to other health care providers in eastern North Carolina. HealthAccess offers home health and hospice services (d/b/a ECU Home Health & Hospice). ECU Health appoints all members of the HealthAccess Board.

**ECU Health Physicians:** VMG provides the capability to lead and manage all aspects of physician organizations. VMG provides a variety of physician services through both stand-alone and hospital-based practice settings. The establishment of VMG has provided strategic alignment and improved the coordination of care throughout the Health System and associated service areas. On June 1, 2019, the operations of RVHS were acquired and are included in the operations of VMG since that date. VMG's financial statements are combined into ECU Health as it is the sole member of VMG.

**ECU Health Properties:** VP currently owns and operates several office buildings and land in the Health System's service area. The Hospital leases the majority of the office buildings for health system office and clinical services space. VP's financial statements are combined into ECU Health as it is the sole member of VP.

**Coastal Plains Network, LLC and Vidant Integrated Care, LLC:** CPN and VIC are health care management companies that integrate clinical information and health care services in order to improve value to patients. CPN provides those services primarily for Medicare Shared Savings and VIC provides these services to other payors, including the ECU Health team member plan. These entities are component units of ECU Health as they provide support exclusively to benefit ECU Health.

**Channel Marker Insurance Company, SPC:** CMIC is a segregated portfolio company and a wholly owned subsidiary of the Parent Corporation, domiciled in the Cayman Islands. CMIC is providing professional liability (PL) and general liability (GL) coverage to ECU Health and its wholly owned subsidiaries effective October 1, 2017, on a claims-made basis, with a retroactive date of October 1, 2001. CMIC is providing coverage to VSC effective October 1, 2017, on a claims-made basis, with retroactive dates of June 10, 2008 (PL) and October 1, 2017 (GL). CMIC provides professional and



# ECU Health

## Notes to Financial Statements (in \$000's)

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general liability coverage to NewCo Cancer Services (wholly owned subsidiary of VMC) effective October 1, 2017, on a claims-made basis, with a retroactive date of June 11, 2011 (PL) and October 1, 2017 (GL). CMIC provides indefinite tail coverage for NewCo Cancer Services effective October 1, 2018. CMIC began providing professional and general liability primary and shared excess coverage to ECU Health's employed and contract physicians effective March 30, 2018, on a claims-made basis. For the primary layer, coverage will correspond to the individual physician's retroactive date. For the shared excess layer, coverage will reflect a retroactive date of March 30, 2011, or the individual physician's retroactive date, whichever is later. Effective October 1, 2019, OBH was added to ECU Health's PL/GL program under CMIC. Effective October 1, 2020, NOR was added to ECU Health's PL/GL program under CMIC. Effective July 1, 2022, a new cell was created for a non-consolidated entity, the Brody School of Medicine and ECU Physicians.

**Access East, Inc.:** AE is a nonprofit corporation formed in 1995 for the purpose of supporting the delivery of high-quality, low-cost health care to residents of Pitt County and the surrounding region through a Medicaid Care Management demonstration project, the Community Care Plan of Eastern Carolina. Effective July 1, 2021 with the change the Medicaid Managed Care, AE now partners with the Prepaid Health Plans (PHP) to provide similar services for the Medicaid population as well as providing care management and other services to ECU Health.

**The Combined Group:** The bonds discussed in Note 8 are collateralized by the accounts of the members of the Obligated Group and Restricted Affiliates (Combined Group). Each member of the Obligated Group has covenanted that it will cause each of its Restricted Affiliates to pay, loan or otherwise transfer to such member of the Obligated Group (i) such amounts as are necessary to make payments due under all master obligations or portions thereof, the proceeds of which were loaned or otherwise made available to or benefited such Restricted Affiliate and (ii) such other amounts as are necessary to enable such member of the Obligated Group to make payments due under all master obligations. As of September 30, 2024, the primary members of the Combined Group were the Parent Corporation and its component units: VMC (excluding VSC and VRO), VCOM (excluding OBH), VP and VMG (excluding RVHS).

Separately issued financial statements of The Outer Banks Hospital, Inc. d/b/a Outer Banks Health (a component unit of VCOM) and CMIC can be obtained by writing to University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health, PO Box 6028, Greenville, NC 27835, Attention: Finance Department.

## 2. Significant Accounting Policies

### *Basis of Presentation*

ECU Health meets the definition of a governmental reporting entity and follows accounting principles generally accepted in the United States of America. The financial statements are prepared in accordance with the GASB. ECU Health utilizes enterprise fund accounting for its business-type activities whereby revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. Revenues are recognized when earned, and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows.

The pension trust funds are fiduciary funds used to account for the assets held in trust for the benefit of the team members of the Health System who participate in the three defined benefit pension plans. The pension plans custodians hold the pension plans assets in custody accounts on behalf of the trust.

# ECU Health

## Notes to Financial Statements (in \$000's)

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### ***Use of Estimates in the Preparation of Financial Statements***

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the accompanying notes. Actual results could differ from those estimates.

### ***Basis for Consolidation***

The financial statements of the business-type activities include the accounts of the Parent Corporation and all of its affiliates as described in Note 1. All significant intercompany accounts and transactions have been eliminated upon consolidation.

### ***Income Taxes***

ECU Health and most of its affiliates have been determined to qualify as tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code and are exempt from federal and state income taxes on related income. There was no material amount of income tax expense in 2024.

### ***Patient Accounts Receivable, Net***

Patient accounts receivable are reported net of estimated allowances for contractual adjustments and allowances for bad debts and are recorded in the period in which collection is considered doubtful. Estimated allowances for bad debts are approximately \$118.3 million as of September 30, 2024.

### ***Net Patient Service Revenue***

Net patient service revenue is recorded when services are performed at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and estimated provision for bad debts. Provision for bad debts is included with net patient service revenue. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. The provision for uncollectible patient accounts receivable is based on the duration the patient's account has been outstanding, current economic conditions, and historical collection experience. ECU Health provides care to patients who meet certain criteria under its charity care policy. See Note 3.

### ***Investments and Investment Income***

Investments in equities, mutual funds, debt and fixed-income equity securities are recorded at fair value and are included in assets limited as to use on the statement of net position. All investment income and losses, net of applicable fees, including changes in realized and unrealized gains and losses on investments and changes in the fair value of derivative instruments, are recognized as nonoperating revenue or nonoperating expense in the statement of revenues, expenses and changes in net position when earned, net of applicable fees.

Assets limited as to use include (1) internally designated assets set aside for capital improvements and to fund professional liability losses, over which the Board retains control and may at its discretion subsequently use for other purposes, except for the portion of professional liability

# ECU Health

## Notes to Financial Statements (in \$000's)

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reserves that are required to be maintained in CMIC, and (2) assets held by a trustee for capital improvements or debt service and the supplemental executive retirement plan. Assets limited as to use consist of cash, cash equivalents and marketable securities.

### ***Operating Revenues and Expenses***

The statement of revenues, expenses and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, ECU Health's principal activity. Nonexchange revenues and expenses, including grants, payments to Pitt County and other governmental entities, contributions made to East Carolina University for research and education, and contributions received, are reported as nonoperating revenues and expenses. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

### ***Federal and State Grants and Deferred Revenue***

ECU Health recognizes revenue from grants when the expenses have been incurred for the purpose specified by the grantor or in accordance with the terms of the agreement. Payments received in advance are reported as deferred revenue. ECU Health is subject to examination by the funding sources of grants to determine its compliance with grant provisions. In the event that expenditures could be disallowed through such examination or review, repayment of such disallowances could be required.

### ***Cash and Cash Equivalents***

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less when purchased that are not included in assets limited as to use.

### ***Inventories***

Inventories, which consist principally of medical, pharmaceutical and dietary supplies, are stated at the lower of cost (first-in, first-out method) or market.

### ***Capital Assets***

Capital assets are stated at cost when acquired, or at acquisition value at date of donation, and are depreciated by the straight-line method over their estimated useful lives, as follows:

Capital Asset Classification	Estimated Useful Lives
Land improvements	5-40 years
Buildings and improvements	5-40 years
Equipment	2-20 years
Right of use assets	2-10 years

Expenditures for repairs and maintenance are charged to expense as incurred. The costs of major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon disposition, the asset and related accumulated depreciation accounts are relieved, and any related

# ECU Health

## Notes to Financial Statements (in \$000's)

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gain or loss is credited or charged to nonoperating revenues or expenses. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is primarily \$5,000 for most asset classifications and for items with useful lives greater than one year. Capital assets are reviewed for impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined.

### ***Leases***

Leased assets are included in capital assets, net of accumulated amortization, lease liability is included in lease liability current portion and long-term portion. Leased assets represent the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Leased assets are recognized at the commencement date based on the initial measurement of the lease liability, adjusted for payments made to the lessor and amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the obligation to make lease payments arising from the lease. Lease liabilities are initially recognized at the commencement date based on the present value of the expected lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made and interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Health System will exercise that option. The Health System has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or capital assets on the statement of net position but as lease activity within operating expenses.

The individual lease contracts do not provide information about the discount rate implicit in the lease; therefore, the Health System has elected to use their incremental borrowing rate to calculate the present value of the expected lease payments.

Lease receivables represent the right to receive lease payments arising from the lease. Lease receivables are included in lease receivable, current portion, lease receivable, long term portion and deferred inflows. Lease receivables are initially recognized at the commencement date based on the present value of the expected lease payments to be received over the lease term. Subsequently, the lease receivable and deferred inflow are reduced by the principal portion of the lease payments received.

### ***Subscription Software***

Subscription software assets are included in capital assets, net of accumulated amortization; subscription software liability is in subscription software current portion, subscription software, long term portion. Subscription software assets represent the right to use another party's IT software, alone or in combination with underlying IT assets, for the subscription term, as specified in the contract, in an exchange or exchange-like transaction. Subscription software assets are recognized at the commencement date based on the initial measurement of the subscription software liability, adjusted for payments made to the IT software party and amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT asset.

# ECU Health

## Notes to Financial Statements (in \$000's)

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Subscription software liabilities represent the obligation to make subscription software payments arising from the subscription. Subscription software liabilities are initially recognized at the commencement date based on the present value of the expected subscription software payments over the subscription term. Subsequently, the subscription software liability is reduced by the principal portion of the subscription software payments made and interest expense is recognized ratably over the subscription term.

The subscription term may include options to extend or terminate the software subscription when it is reasonably certain that the Health System will exercise that option. The Health System has elected to recognize payments for short-term software subscriptions with a subscription term of 12 months or less as expenses as incurred, and these software subscriptions are not included as subscription software liabilities or subscription software assets on the statement of net position but as supplies and other in operating expenses.

The individual subscription software contracts do not provide information about the discount rate implicit in the software subscription; therefore, the Health System has elected to use their incremental borrowing rate to calculate the present value of the expected software subscription payments.

### ***Bond Discounts and Premiums***

The discounts and premiums associated with the issuance of the long-term debt was amortized using the effective-interest method over the period to maturity of the debt.

### ***Derivative Financial Instruments***

ECU Health's derivative financial instruments consist of an interest rate swap, which is utilized by ECU Health to manage net exposure to interest rate changes associated with its variable-rate debt and to lower its overall borrowing costs. ECU Health entered into the floating to fixed interest rate swap agreement to reduce the market risk associated with the changes in interest rates related to certain of ECU Health's variable-rate revenue bonds. Management has evaluated and determined the swap to be an ineffective hedge under the accounting standards, and has recorded its fair value in long-term debt on the statement of net position and includes the gain or loss on the change in the fair value in other nonoperating revenues (expenses) in the statement of revenues, expenses and changes in net position.

### ***Deferred Outflows and Inflows of Resources***

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

# ECU Health

## Notes to Financial Statements (in \$000's)

Components of deferred outflows and inflows of resources are as follows:

September 30, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Loss on refunding of debt (net of amortization)	\$ 41,865	\$ -
Pensions and OPEB—difference between projected and actual experience, changes in actuarial assumptions, and net differences between projected and actual investment earnings	67,671	(41,856)
Goodwill, net of amortization	33,567	-
Contributions to pension plans and OPEB after measurement date	26,835	-
Deferred lease receivable	-	(395)
Total	\$ 169,938	\$ (42,251)

Further discussion of deferred outflows and inflows of resources related to pensions and OPEB are included in Notes 13 and 14, respectively.

### ***Concentration of Credit Risk***

ECU Health provides services primarily to the residents of eastern North Carolina without collateral or other proof of ability to pay. Concentrations of credit risk with patients are limited due to the large number of patients served and the formalized agreements with third-party payors. ECU Health has significant patient accounts receivable whose collectability or realizability is dependent upon the performance of certain government programs. The mix of ECU Health's net patient accounts receivable and net patient service revenue at September 30, 2024, is summarized as follows:

	Patient Accounts Receivable, net	Net Patient Service Revenue
Medicare	28%	38%
Medicaid	14%	26%
Significant commercial payor	27%	20%

Net patient service revenue represents the amount of net revenue by primary payor at the time service was performed. Patient accounts receivable, net by payor is based on the primary party who is currently responsible for making payment.

### ***Compensated Absences***

ECU Health's team members earn paid time off (PTO) at varying rates depending upon years of service. The maximum amount of PTO that can carry over from one fiscal year is 50 days (400 hours). The liabilities recorded for compensated absences that have been earned and are expected to be paid are included in accrued expenses in the statement of net position.

# ECU Health

## Notes to Financial Statements (in \$000's)

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Prior to December 14, 2014, team members also earned sick time hours. As of December 14, 2014, those hours can only be used for qualified short-term disability events, after 40 hours of PTO is used. Certain team members that have unused accumulated sick time hours at retirement may get paid for a portion of these hours. ECU Health estimates the amounts that will be paid out to the eligible team members upon their future retirement and reports that liability in accrued expenses in the statement of net position.

### ***Net Position***

Net position is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, goodwill and assets whose use is limited from the issuance of bonds and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets as well as the deferred outflows that are attributable to those outstanding borrowings. Restricted—noncontrolling interests includes the minority portion of net position interests in various joint ventures that are owned by unconsolidated partners. Restricted—other includes contributions to be used for operation and capital improvements for the benefit of the ROA and its Wellness Center. The unrestricted component of net position is the net amount of assets, deferred outflows/inflows of resources, and liabilities that is not included in the determination of net investment in capital assets or the restricted components of net position.

The decision to use restricted or unrestricted resources when an expense is incurred is dependent upon the transaction. When both restricted and unrestricted resources are available for use, it is ECU Health's policy to use restricted resources first followed by unrestricted.

### ***Community Benefit***

ECU Health furthers its charitable purpose by providing a wide variety of benefits to the community. These services and donations account for a measurable portion of the Health System's costs and serve to promote affordable access to care, health education, community development and healthy lifestyles. See Note 3.

### ***Risk Management***

The Health System is exposed to various risks of loss from theft of, damage to and destruction of assets; professional liability; workers' compensation; team member medical expense; and other risk for which ECU Health has self-insured a portion of and purchased commercial insurance coverage for the remaining risks. Settled claims have not exceeded the commercial coverage in either of the two preceding years. See Note 11.

The cost of professional liability losses incurred by ECU Health is accrued in the period the services are rendered. A provision has been made for claims in process of review and for claims incurred but not reported at year-end. The amount of this liability is computed by an independent actuary using historical claims payment experience and industry trends and is recognized on a discounted basis. Liability loss estimates are adjusted based upon changes in experience, and such adjustments are reflected in current operations.

# ECU Health

## Notes to Financial Statements (in \$000's)

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### ***Recently Adopted Accounting and Reporting Pronouncements***

In 2022, the GASB issued Statement No. 100, *Accounting Changes for Error Corrections—An Amendment of GASB Statements No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 100 did not have any impact on ECU Health's financial statements.

### ***Future Accounting and Reporting Pronouncements***

In 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are required to be adopted no later than the year ending September 30, 2025. Management is currently evaluating the impacts GASB Statement No. 101 will have on ECU Health's financial statements.

In 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 102, *Certain Risk Disclosures*, will have on ECU Health's financial statements.

In 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing accountability. Certain application issues are also addressed by this statement. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 103 will have on ECU Health's financial statements.

In 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to provide users of financial statements with essential information about certain types of capital assets by requiring certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. The requirements of this Statement are required to be adopted for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is currently evaluating the impacts GASB Statement No. 104 will have on ECU Health's financial statements.

## **3. Charity Care and Community Benefits**

### ***Charity Care***

ECU Health provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Key elements used to determine eligibility include household income, real property and other assets. ECU Health does not pursue collection of amounts determined to qualify as charity care; therefore, they are not reported as revenue.



# ECU Health

## Notes to Financial Statements (in \$000's)

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ECU Health maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges forgone for services and supplies furnished under its charity care policy and the estimated cost of these services and supplies. ECU Health has a presumptive charity program, which recognizes that there is a segment of the population that should fall within the guidelines of its charity programs, yet do not qualify due to failure to apply or failure to provide income documentation. ECU Health's presumptive charity program seeks to identify and provide financial relief for those patients who would have qualified had their economic situation been known and documented. ECU Health also contracts with an independent third party, which provides assistance in determining which patients qualify for presumptive charity.

ECU Health has estimated its direct and indirect costs of providing charity care under its charity care policy. In order to estimate the cost of providing such care, management calculated a cost-to-charge ratio by comparing the per diem rate from the most recently filed cost report to the Health System's gross bill rate. The cost-to-charge ratio is applied to the charity care charges foregone to calculate the estimated direct and indirect cost of providing charity care. Using the methodology noted above, ECU Health has estimated the costs associated with amounts foregone for patient service revenues of \$49.0 million for the year ended September 30, 2024. ECU Health did not receive any funds to subsidize the costs of providing charity care under its charity care policy for the year ended September 30, 2024.

### ***Community Benefits***

In addition to providing financial assistance to uninsured patients and in furtherance of its mission, the Health System provides a broad range of benefits and services, including medical education and research opportunities, to the community spanning the geographic region within which ECU Health operates. These community benefits can be measured and categorized as follows:

- Cost of care extended to uninsured and underinsured patients who do not qualify for financial assistance, estimated using applicable cost-to-charge ratios
- Unpaid cost of Medicare and Medicaid services represent the net unreimbursed cost, estimated using the applicable cost-to-charge ratios, of services provided to patients who qualify for federal and/or state government health care benefits
- Community benefit programs include the unreimbursed cost of various medical education programs and costs of various research programs, non-billed medical services, in-kind donations, and other services that meet a community need but do not pay for themselves and would not be provided if based solely on financial considerations alone

### **4. Net Patient Service Revenue**

ECU Health has agreements with third-party payors that provide for payments at amounts different from its established rates. A summary of these arrangements follows:

**Medicare:** VMC, VMG, HealthAccess and VCOM's inpatient acute care, rehab, psych and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors and cover payment for both operating and capital costs. Direct medical education costs related to Medicare beneficiaries are paid on the basis of reasonable costs. VMC and VCOM are reimbursed for cost-reimbursable items at a tentative rate, with final settlement determined after

# ECU Health

## Notes to Financial Statements (in \$000's)

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submission of annual cost reports by VMC and VCOM and audits thereof by the Medicare Administrative Contractors. BER, CHO and TOBH (the Critical Access Hospitals) have received critical access status, which provides for cost-based reimbursement from the Medicare program. VMC and VCOM's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization. VMC's cost reports have been audited by the Medicare Administrative Contractor through 2017. CHO's and BER's Medicare cost reports have been audited by the Medicare Administrative Contractors through 2011 and 2018, respectively. DUP's and EDG's Medicare cost reports have been audited by the Medicare Administrative Contractor through 2020. TOBH's Medicare cost reports have been audited by the Medicare Administrative Contractor through 2019. BEA's, ROA's and NOR's Medicare cost reports have been audited by the Medicare Administrative Contractor through 2020.

**Medicaid:** Prior to July 1, 2021, VMC's Medicaid reimbursement is based on the cost for inpatient and outpatient services. VMC was reimbursed at a tentative rate, with final settlement determined after submission of annual cost reports by VMC and audits thereof by the Medicaid fiscal intermediary. VMC's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through 2019.

Prior to July 1, 2021, VCOM's Medicaid reimbursement was based on a payment per discharge system, with case-mix adjustments based on diagnosis-related groups (DRGs) similar to those used in the Medicare program. Outpatient services are paid at a percentage of cost based on the filing of Medicaid cost reports. The Critical Access Hospitals receive cost-based Medicaid reimbursement. VCOM's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through 2018.

VMG and HealthAccess Medicaid reimbursement is based on a payment per discharge system, with case-mix adjustments based on DRGs similar to those used in the Medicare program.

Effective July 1, 2021, North Carolina Department of Health and Human Services (DHHS) converted to Managed Care Medicaid by contracting with select number of Prepaid Health Plans (PHP) to manage the care for most individuals covered by Medicaid. The new base rates were developed by the State of North Carolina to be the equivalent of the amount received (including the supplemental payments) on a per patient basis for fiscal year 2020 plus an inflation factor. As of September 30, 2024, ECU has contracted with the majority of the PHP providers.

ECU Health has historically participated in the voluntary North Carolina Medicaid Reimbursement Initiative Program (the MRI Program). The MRI Program allows the Hospital to receive additional annual Medicaid funding for its disproportionate share costs. ECU Health recognizes the revenues related to the MRI Program as net patient service revenue. In March 2012, the Center for Medicare & Medicaid Services (CMS) approved a new disproportionate share plan for North Carolina. The GAP Assessment Program Plan (the GAP Plan) covers all non—state government hospitals and private hospitals in North Carolina, except for the UNC Health Care System—affiliated hospitals, and is essentially a supplemental upper payment limit plan to the existing MRI Program.

Under the provisions of the GAP Plan, ECU Health is assessed an intergovernmental transfer (IGT Payment) by Medicaid; in return, Medicaid makes an upper payment limit (UPL Plan) payment to ECU Health. When both amounts are reasonably estimable and probable of payment, ECU Health recognizes the revenues related to the UPL Plan as net patient service revenue. The IGT Payment is recorded as an operating expense and classified in supplies and other. Although DHS converted to Managed Care Medicaid effective July 1, 2021, ECU Health can continue to receive funds from these two programs due to the State of North Carolina's reconciliation of the prior plans.

## ECU Health

### Notes to Financial Statements (in \$000's)

The following table summarizes the transactions recognized by ECU Health related to these plans:

<i>Year Ended September 30,</i>	<b>2024</b>
Medicaid managed care revenue	\$ 136,760
HASP revenue	348,029
IGT payments	(31,664)
Direct pay assessment	(22,378)
Expansion assessment	(21,527)
HASP assessment	(86,294)
Total Medicaid Managed Care	\$ 322,926

ECU Health has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

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 participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or 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. Management believes that ECU Health is in compliance with fraud and abuse as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown and unasserted at this time.

During March 2023, the Healthcare Access and Stabilization Program (HASP) was enacted by the State of North Carolina and is a federally funded program through CMS to enhance Medicaid reimbursement. HASP provides for increased reimbursements to hospitals and increases hospital assessments to fund the program. During September 2023, CMS approved HASP and the increased reimbursements to be made for services provided for the period July 1, 2022 to June 30, 2023. For the year ended September 30, 2024, ECU Health recognized \$261.7 million as net patient service revenue, net of assessments of approximately \$86.3 million, which includes \$42.1 million for 3 months of HASP revenue, net of assessments relating to fiscal year 2023.

# ECU Health

## Notes to Financial Statements (in \$000's)

Net patient service revenue for the year ended September 30, 2024 is composed of the following:

	2024
Gross charges at established rates	\$ 6,656,055
Deductions:	
Medicare adjustments	2,276,603
Medicaid adjustments	551,751
Other contractual adjustments	849,764
Provision for bad debts	142,726
Charges forgone for charity care	139,731
Net patient service revenue	\$ 2,695,480

### 5. Deposits and Investments

#### *Custodial Credit Risk—Deposits*

Custodial credit risk is the risk that in the event of a bank failure, ECU Health's deposits may not be returned. ECU Health does not have a deposit policy for custodial credit risk. As of September 30, 2024, \$347.5 million of ECU Health's bank balance of \$351.6 million was exposed to custodial credit risk, as it exceeded the Federal Deposit Insurance Corporation (FDIC) insurance limit and was not collateralized.

#### *Investments and Assets Limited as to Use*

ECU Health requires that its long-term investments be held in a diversified portfolio that has the following maximum allocation guidelines: Long-Term Investment Fund—fixed income 56.5%, equity 63.5% and real assets 18%.

Following is a summary of the fair value of ECU Health's investments. The investments that represent securities are uninsured and unregistered, for which securities are held by the broker or dealer, or by its trust department or agent, but not in ECU Health's name:

September 30,	2024
Investments classified as assets limited as to use:	
Corporate debt and commercial paper	\$ 86,396
U.S. Treasury securities	81,062
U.S. government-backed securities	71,290
Fixed-income mutual funds	20,736
Equity and real asset mutual funds	338,536
	598,020

# ECU Health

## Notes to Financial Statements (in \$000's)

<i>September 30,</i>	<i>2024</i>
Cash equivalents	141,469
Accrued interest receivable	2,523
	742,012
Less amounts classified as current	5,708
Total assets limited as to use, net of current	\$ 736,304

A summary of investment income follows:

<i>Year Ended September 30,</i>	<i>2024</i>
Dividends and interest income	\$ 27,879
Net realized gains	14,644
Net unrealized gains	67,878
Investment income, net	\$ 110,401

### ***Interest Rate Risk***

ECU Health holds investments in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Interest rate risk represents the potential volatility of the price of debt securities prior to maturity. Securities with longer maturities have more volatile prices than securities of comparable quality with shorter maturities.

ECU Health does not have a formal policy that dictates the target maturities of its portfolio. As of September 30, 2024, scheduled maturities of debt-type investments classified as limited as to use are as follows:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More Than 10
Corporate debt and commercial paper	\$ 86,396	\$ 2,864	\$ 34,856	\$ 29,044	\$ 19,632
U.S. Treasury securities	81,062	11,339	51,460	7,570	10,693
U.S. government-backed securities	71,290	14,252	11,819	10,792	34,427
	238,748	\$ 28,455	\$ 98,135	\$ 47,406	\$ 64,752
Cash equivalents and accrued interest receivable	143,992				
Fixed-income mutual funds	20,736				
Equity and real asset mutual funds	338,536				
Total assets limited as to use	\$ 742,012				

## ECU Health

### Notes to Financial Statements (in \$000's)

The cash equivalents in the table above are generally invested in U.S. Treasury securities with original maturity dates of less than 90 days at the time of purchase.

The fair value and durations of the fixed-income mutual funds held were as follows:

<i>September 30, 2024</i>	<b>Fair Value</b>	<b>Duration (Years)</b>
Fund A	\$ 11,971	3.85
Fund B	8,764	1.94

Duration is a commonly used measure of the potential volatility of the price of debt securities prior to maturity. Securities with a longer duration have more volatile prices than securities of comparable quality with a shorter duration.

#### **Credit Risk**

ECU Health's investment policy objective of short-term investment fund is to generate a rate of return similar to or above short-term money market rate and maintain high liquidity to fund near-term needs for operations and other strategic purposes. The portfolio will be of high quality and well diversified with maturity and duration ranges designed to minimize risk to principal and provide liquidity for withdrawals. The long-term investment fund objective is to maximize returns with reasonable and acceptable levels of risk. To achieve the investment objectives, while assuming acceptable risk levels, the general policy is to diversify investments based on their roles in the funds so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment strategy by investing within specific target asset allocations and rebalancing as needed.

The quality ratings of ECU Health's investments classified as assets limited as to use, based on fair value as of September 30, 2024, are as follows:

Investment Type	Total	Quality Ratings							
		AAA	AA	A	BBB	BB	B	CCC	Unrated
Corporate debt and commercial paper	\$ 86,396	\$ 1,952	\$ 2,642	\$18,744	\$29,824	\$13,349	\$ 6,900	\$ 1,784	\$11,201
U.S. Treasury securities	81,062	37,601	-	-	-	-	-	-	43,461
U.S. government-backed securities	71,290	-	3,926	1,135	6,532	4,233	2,978	1,713	50,773
	238,748	\$39,553	\$ 6,568	\$19,879	\$36,356	\$17,582	\$ 9,878	\$ 3,497	\$105,435
Cash equivalents and accrued interest receivable	143,992								
Unrated fixed-income mutual funds	20,736								
Equity and real asset mutual funds	338,536								
Total assets limited as to use	\$ 742,012								

# ECU Health

## Notes to Financial Statements (in \$000's)

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### 6. Fair Value Measurements

Accounting guidance provides a framework for measuring fair value of certain assets and liabilities and requires certain disclosures about fair value measurements. As defined in GASB Statement No. 72, *Fair Value Measurement and Application* (GASB No. 72), fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB No. 72 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy defined by GASB No. 72 and description of the valuation methodologies used for instruments measured at fair value are as follows:

**Level 1:** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date.

**Level 2:** Pricing inputs are other than quoted prices included in Level 1 that are observable for an asset or liability through corroboration with market data at the measurement date.

**Level 3:** Pricing inputs include those that are significant to the fair value of the financial asset or liability and are not observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

ECU Health's assets and liability measured at fair value on a recurring basis are limited to investments and certain interest rate swaps.

The fair values of certain investments in mutual funds are estimated using the net asset value (NAV) per share of the investments. As such, they are not included in Level 1, 2 or 3 in the following table. ECU Health may redeem its investments measured at NAV within a stated time period, subject to certain fund availability restrictions. These valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while ECU Health believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

ECU Health has capital commitments to alternative investment funds. At September 30, 2024, the remaining unfunded commitment of \$6.5 million will be funded as the managers make capital calls to the funds.

# ECU Health

## Notes to Financial Statements (in \$000's)

The following table sets forth, by level within the fair value hierarchy, ECU Health's financial assets and liability measured at fair value on a recurring basis:

September 30, 2024	Total	Fair Value Measurements at Reporting Date Using			
		Quoted Prices in	Significant Other	Significant	Measured
		Active Markets for	Observable	Unobservable	
		Identical Assets	Inputs	Inputs	Using
		(Level 1)	(Level 2)	(Level 3)	NAV
Financial assets:					
Equity and mutual funds	\$ 323,657	\$ 88,558	\$ -	\$ -	\$ 235,099
Venture capital and partnerships	35,615	-	-	-	35,615
Cash equivalents	143,992	143,992	-	-	-
Corporate debt and commercial paper	86,396	7,603	78,793	-	-
U.S. Treasury and government-backed securities	152,352	81,839	70,513	-	-
Total financial assets	\$ 742,012	\$ 321,992	\$ 149,306	\$ -	\$ 270,714
Financial liabilities:					
Interest rate swap	\$ 1,565	\$ -	\$ -	\$ 1,565	\$ -

Alternative investments recorded at NAV consisted of the following:

September 30, 2024	Fair Value	Redemption Frequency	Redemption Notice Period
Pimco Priv Inv Grade Corp Sec	\$ 11,971	Daily	1 business day
Pimco PAPS Asset Backed Securities	8,765	Daily	1 business day
Dover Street XI Feeder Fund	1,215	*	*
SSGA Russell 2000 R Index	24,308	Daily	1 business day
State Street S&P 500 Index	129,794	Daily	1 business day
SSGA MSCI ACWI EX USA	60,261	Daily	1 business day
Core Plus Fix Income	34,400	Daily	1 business day
	\$ 270,714		

\*The nature of investing in private investments is such that investors are subject to constraints that limit the ability to withdrawal capital after such investments are made. It is estimated that the underlying assets of the Dover Street XI Feeder Fund would be liquidated over 10-14 years from the final close (2023).



## ECU Health

### Notes to Financial Statements (in \$'000's)

#### 7. Capital Assets

Capital asset additions, retirements and balances are as follows:

<i>Year Ended September 30, 2024</i>	Beginning of Year	Additions/ Transfers In	Reductions/ Transfers Out	End of Year
<b>Capital Assets at Cost</b>				
Land	\$ 40,627	\$ 750	\$ (83)	\$ 41,294
Construction in progress	48,675	25,352	(39,999)	34,028
Total nondepreciable assets	89,302	26,102	(40,082)	75,322
Land improvements	44,481	406	(448)	44,439
Buildings and improvements	1,184,841	43,655	(2,695)	1,225,801
Equipment	893,229	73,277	(29,290)	937,216
Right-to-use leased assets:				
Land	36	18	-	54
Buildings	44,187	9,733	(224)	53,696
Equipment	9,607	3,925	(10)	13,522
Right-to-use subscription assets	52,060	26,671	-	78,731
Total depreciable assets	2,228,441	157,685	(32,667)	2,353,459
Total	2,317,743	183,787	(72,749)	2,428,781
<b>Accumulated Depreciation and Amortization</b>				
Land improvements	35,910	1,132	(340)	36,702
Buildings and improvements	710,602	50,435	(1,532)	759,505
Equipment	717,999	54,964	(39,462)	733,501
Right-to-use leased assets:				
Land	21	17	-	38
Buildings	15,278	9,284	(194)	24,368
Equipment	4,541	2,943	(10)	7,474
Right-to-use subscription assets	15,423	23,259	-	38,682
Total	1,499,774	142,034	(41,538)	1,600,270
<b>Capital Assets, Net</b>	<b>\$ 817,969</b>	<b>\$ 41,753</b>	<b>\$ (31,211)</b>	<b>\$ 828,511</b>

# ECU Health

## Notes to Financial Statements (in \$000's)

### 8. Long-Term Obligations

A summary of long-term obligations is as follows:

	September 30, 2023	Additions	Reductions	September 30, 2024	Due Within One Year
Bonds and notes payable:					
Revenue bonds	\$ 572,910	\$ -	\$ (25,775)	\$ 547,135	\$ 27,270
Notes payable	12,425	15,048	(2,685)	24,788	3,693
	585,335	15,048	(28,460)	571,923	30,963
Interest rate swap agreement	547	1,018	-	1,565	-
Net unamortized discount/premium	9,352	-	(572)	8,780	-
Lease liability	35,245	13,699	(11,971)	36,973	10,507
Subscription software	27,937	26,422	(26,371)	27,988	17,816
Total long-term debt	658,416	56,187	(67,374)	647,229	59,286
Other noncurrent liabilities:					
Estimated professional liability losses	29,038	20,083	(14,476)	34,645	5,708
Other liabilities	37,166	2,271	(4,031)	35,406	2,457
Total other noncurrent liabilities	66,204	22,354	(18,507)	70,051	8,165
Total long-term debt and other noncurrent liabilities	\$ 724,620	\$ 78,541	\$ (85,881)	\$ 717,280	\$ 67,451

Long-term debt consists of the following:

September 30,	2024
Health Care Facilities Revenue Bonds—Series 2022A, B & C; maturing incrementally through December 2041; principal payable annually June 1 for Series 2022A and December 1 for Series 2022B & C; interest payable monthly at fixed rates for Series 2022A and variable for Series 2022B & C	\$ 201,310
Health Care Facilities Revenue Bonds—Series 2021A; maturing incrementally through June 1, 2033; principal payable annually June 1; interest payable monthly at fixed rates	115,825
Health Care Facilities Revenue Bonds—Series 2019B; maturing incrementally through June 1, 2033; principal payable annually June 1; interest payable monthly at fixed rates; 2019A refunded March 3, 2022	46,250
Health Care Facilities Revenue Bonds—Series 2015; maturing incrementally through June 1, 2045, principal payable annually June 1; interest payment semiannually June 1 and December 1 at fixed rates	183,750
Notes payable, payment due monthly through June 2034; fixed interest rates	24,788
	571,923

# ECU Health

## Notes to Financial Statements (in \$000's)

September 30,	2024
Plus (less):	
Interest rate swap agreement	1,565
Net unamortized discount/premium	8,780
Current maturities of long-term debt	(30,963)
	\$ 551,305

### ***Bonds Payable***

**Series 2022 Bonds:** In March 2022, ECU Health issued \$94.7 million of Series 2022A tax-exempt revenue refunding bonds (Series 2022A Bonds). Proceeds of the Series 2022A Bonds were used to refund the outstanding balance of the Series 2019A Bonds. As a result, the refunded bonds are considered to be defeased and the liability was removed from the statement of net position in fiscal year 2022. The refunding of the Series 2019A Bonds resulted in a savings of \$3.4 million.

In June 2022, ECU Health issued \$111.7 million of Series 2022B tax-exempt revenue bonds (Series 2022B Bonds) and \$37.4 million of Series 2022C tax-exempt revenue bonds (Series 2022C Bonds). Proceeds of the Series 2022B Bonds were used to refund the outstanding balance of the Series 2013A Bonds and 2013B Bonds. Proceeds of the Series 2022C Bonds were used to refund the outstanding balance of the Series 2011 Bonds. As a result, the refunded bonds are considered to be defeased and the liability was removed from the statement of net position in fiscal year 2022. The refunding of the Series 2013A Bonds, Series 2013B Bonds and Series 2011 Bonds resulted in a savings of \$1.6 million in total.

The Series 2022B Bonds will initially bear interest based upon a Daily Secured Overnight Financing Rate (SOFR) index formula, whereas the 2022C Bonds will bear interest based upon a 1-Month Bloomberg Short-term Bank Yield (BSBY) index formula. ECU Health will pay costs of issuance from its own funds. The LIBOR-based swap that hedged the Series 2013A and 2013B Bonds, and will now hedge the 2022B Bonds, will be converted to a Daily SOFR index formula under the ISDA swap protocol, thereby eliminating basis risk between the swap and the 2022B Bonds. The 1-Month BSBY index was chosen as the new index for the 2022C Bonds for diversification purposes, and to permit ECU Health to monitor the relative performance of the two indices. Effective November 1, 2024, the 2022C Bonds will bear interest based upon a Daily SOFR index formula.

**Series 2021A Bonds:** In March 2021, ECU Health issued \$120.9 million of Series 2021A taxable revenue refunding bonds (Series 2021A Bonds). Proceeds of the Series 2021A Bonds were used to advance refund \$101.9 million of outstanding Series 2015 Bonds. The Series 2021A Bonds are expected to be refunded and simultaneously redeemed by a tax-exempt fixed rate bond to be issued on June 1, 2025 (or up to 90 days before), the first optional call date for the Refunded Bonds which will constitute a current refunding. As a result, the refunded bonds are considered to be defeased and the liability was removed from the statement of net position in fiscal year 2021.

The Series 2021A Bonds are bank held bonds with a taxable fixed rate of interest of 2.32% through 2033. At the time of conversion, the taxable rate will convert to a tax-exempt rate of 1.83%, which was locked in as of March 25, 2021, the closing date. Principal payments are due annually on June 1, while interest payments are due monthly.

# ECU Health

## Notes to Financial Statements (in \$000's)

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**Series 2019 Bonds:** In October 2019, ECU Health issued \$96.1 million of Series 2019A taxable revenue refunding bonds (Series 2019A Bonds) and \$54.1 million of Series 2019B tax-exempt revenue bonds (Series 2019B Bonds) (collectively the Series 2019 Bonds). Proceeds of the Series 2019A Bonds were used to advance refund certain portions of the Series 2012A Bonds totaling \$88.0 million. The Series 2019A Bonds were fully refunded as part of the Series 2022A Bonds issued during 2022.

Proceeds of the Series 2019B Bonds were used to refund \$33.2 million of the Series 2012A Bonds maturing on June 1, 2033, redeem the outstanding balances of the NOR Series 2011 and Series 2016 bonds and outstanding promissory note together totaling \$16.2 million, as well as provide funds of \$3.9 million for the purchase of a medical transportation helicopter. The 2019B Bonds are bank-held bonds with a fixed rate of interest of 1.86% through maturity.

In connection with the issuance of the Series 2019 Bonds, effective October 23, 2019, NOR was designated as a restricted affiliate and a member of the Combined Group as defined in the Master Trust Indenture (Amended and Restated) dated February 1, 2006.

**Series 2015 Bonds:** In April 2015, ECU Health issued Series 2015 tax-exempt revenue bonds (the Series 2015 Bonds). Proceeds of the Series 2015 Bonds were used to advance refund the outstanding balance of the Series 2008D Bonds and pay a portion of the cost of acquiring, constructing and equipping various health care facilities, including the ECU Cancer Care, Eddie and Jo Allison Smith Tower at VMC. The Series 2015 bonds were partially refunded as part of the Series 2021A Bonds issued during 2021.

### ***Covenants and Collateral***

The Combined Group is required to comply with certain restrictive covenants relating to its revenue bonds payable. The bonds are collateralized by the accounts receivable of the Combined Group. Certain covenants are measured quarterly.

### ***Notes Payable***

Notes payable at September 30, 2024, were \$24.8 million. The various notes payable bear interest between 0.09% and 7.91%, and principal amounts are due through 2034. The notes payable are collateralized by certain capital assets.

### ***Swap Agreement***

On October 5, 2005, ECU Health entered into a variable to fixed interest rate swap agreement with an effective date of February 16, 2006, and a termination date of December 1, 2028 (the Swap Agreement), for the original purpose of hedging the variable interest rate on the 2006 Refunding Bonds.

The agreement by the counterparty to pay certain amounts to ECU Health pursuant to the Swap Agreement did not alter or affect ECU Health's obligation to pay the principal of, interest on, or redemption price of any of the 2006 Refunding Bonds. Therefore, the Swap Agreement remained in effect upon the refunding of the 2006 Refunding Bonds and refunding of the Series 2013 Bonds. The principal amount and repayment terms of the Series 2013 Bonds did not change significantly from the 2006 Refunding Bonds, other than the interest rate and the principal amount and repayment terms of the Series 2022B Bonds did not change significantly from the Series 2013 Bonds, other than the interest rate. The notional amount of the Swap Agreement at September 30, 2024, was \$76.2 million.

# ECU Health

## Notes to Financial Statements (in \$000's)

In order to secure ECU Health's payment obligations under the Swap Agreement, ECU Health issued Master Obligation, Series 2006A and 2006B (Derivative Agreement) (the Series Derivative Agreement Master Obligation) to the counterparty. The Series Derivative Agreement Master Obligation was issued under the Master Indenture and Supplemental Master Trust Indenture No. 8, dated February 1, 2006, between ECU Health and the Master Trustee.

Effective June 14, 2012, the interest rate swap was novated from Citibank N.A. to Wells Fargo Bank N.A. with largely the same terms and conditions of the Series 2006A and 2006B Derivative Agreement. The exception to those terms and conditions was the collateral posting requirement; if the estimated fair value of the swap liability is in excess of \$20.0 million, Wells Fargo Bank N.A. will require ECU Health to post collateral. No collateral was posted on September 30, 2024, for the interest rate swap.

The estimated fair value of the swap as of September 30, 2024, was a liability of \$1.6 million and has been included in long-term debt in the statement of net position. The change in fair value was a loss of \$1.0 million for the year ended September 30, 2024 and is included in other nonoperating revenues (expenses) in the statement of revenues, expenses, and changes in net position, as the swap is considered to be an ineffective hedge under the accounting standards.

### Interest Rate Risk

ECU Health is exposed to interest rate risk on their interest rate swap. Interest rate risk is a risk that the underlying bond rate (62% of one-month SOFR plus 0.371%) is less than the fixed rate (3.452% per annum) that ECU Health pays the interest rate swap. As underlying bond rates are increasing, the fair value of the interest rate swap is decreasing. Settlements are made on the first Wednesday of each month.

### Debt Service Requirements

Scheduled future debt service requirements of long-term debt, for years subsequent to September 30, 2024, are as follows:

September 30,	Series 2015 Bonds	Series 2019 Bonds	Series 2021 Bonds	Series 2022 Bonds	Other	Total Principal	Interest Payments	Total Debt Service
2025	\$ 1,510	\$ 1,695	\$ 1,750	\$ 22,315	\$ 3,693	\$ 30,963	\$ 18,487	\$ 49,450
2026	1,575	1,730	2,075	23,660	3,875	32,915	17,218	50,133
2027	1,620	5,175	2,110	21,025	3,275	33,205	16,210	49,415
2028	-	4,620	8,705	18,175	3,316	34,816	15,174	49,990
2029	-	4,690	8,955	17,765	2,761	34,171	14,134	48,305
2030-2034	20,000	28,340	92,230	22,285	7,868	170,723	59,474	230,197
2035-2039	41,860	-	-	70,885	-	112,745	39,235	151,980
2040-2044	94,510	-	-	5,200	-	99,710	18,773	118,483
2045	22,675	-	-	-	-	22,675	1,007	23,682
	\$ 183,750	\$ 46,250	\$ 115,825	\$ 201,310	\$ 24,788	\$ 571,923	\$ 199,712	\$ 771,635

# ECU Health

## Notes to Financial Statements (in \$000's)

### 9. Lease Liabilities

ECU Health utilizes facilities and equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to minimum increases.

The total minimum lease payments for ECU Health under lease agreements are as follows:

<i>Years ending September 30:</i>	Right of Use Maturity Schedule		
	Principal	Interest	Total
2025	\$ 10,507	\$ 1,228	\$ 11,735
2026	8,569	896	9,465
2027	6,495	638	7,133
2028	5,388	415	5,803
2029	3,037	234	3,271
2030-2034	2,977	170	3,147
	36,973	\$ 3,581	\$ 40,554
Less current maturity of lease liability	(10,507)		
	\$ 26,466		

Right of use assets acquired through outstanding leases are shown in Note 7.

### 10. Subscription Software Right of Use Maturity Schedules

ECU Health utilizes subscription software for various terms under long-term, non-cancelable subscription agreements. The subscriptions expire at various dates through 2028 and provide for renewal options.

The total minimum subscription payments for ECU Health under subscription software agreements are as follows:

<i>Years ending September 30:</i>	Subscription Software Right of Use Maturity Schedule		
	Principal	Interest	Total
2025	\$ 17,816	\$ 1,023	\$ 18,839
2026	7,825	398	8,223
2027	1,736	116	1,852
2028	611	50	661
	27,988	\$ 1,587	\$ 29,575
Less current maturity of lease liability	(17,816)		
	\$ 10,172		

# ECU Health

## Notes to Financial Statements (in \$000's)

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Right of use assets acquired through outstanding software subscriptions are shown in Note 7.

### 11. Commitments and Contingencies

#### *Medical Malpractice Costs*

Effective October 1, 2017, CMIC, ECU Health's wholly owned captive, was formed and provides medical professional liability (PL) and general liability (GL) coverage, on a claims-made basis, to ECU Health's wholly owned hospitals, VSC and NewCo Cancer Services, LLC. In March 2018, CMIC began insuring ECU Health's employed and contract physicians.

ECU Health is self-insured for GL and PL claims up to certain limits for each event and in the annual aggregate, on a claims-made basis. ECU Health also has ten Excess of Loss reinsurance policies through CMIC. Effective October 1, 2019, OBH was added to ECU Health's PL/GL program under CMIC. A prior acts policy for OBH is provided by CMIC with coverage dates of February 4, 2002 through October 1, 2019. Effective October 1, 2020, NOR was added to ECU Health's PL/GL program under CMIC. A prior acts policy for NOR entities and Emergency Department providers is provided by CMIC with coverage dates through October 1, 2020, per endorsement to the policy.

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for reported claims and claims incurred but not reported. The provision is based on actuarially projected estimates of their cost based on historical loss payment patterns as well as current known facts, discounted at 2% for 2024.

Effective October 1, 2020, coverage is provided by a loss portfolio transfer policy between CMIC and ECU Health for the run-off and legacy PL, GL, and Team Member Benefit liabilities for claims reported through September 30, 2017, and for physician run-off and legacy liabilities for claims reported through March 30, 2018.

#### *Workers' Compensation*

ECU Health is self-insured for workers' compensation with an occurrence retention of \$1.5 million each occurrence. An excess workers' compensation policy, with statutory limits for each team member accident or disease, covers claims above the self-insured retention. In addition, the excess workers' compensation policy provides employer's liability coverage with limits of \$1.0 million per occurrence and annual aggregate. Ten Excess of Loss reinsurance liability policies through CMIC provide an annual aggregate limit for employer's liability above the excess workers' compensation policy. The current portion of the liability is included in accrued expenses, and the long-term portion is included in other long-term liabilities.

OBH and VSC were moved into ECU Health's self-insured workers compensation program effective October 1, 2018.

Effective October 1, 2019, the self-insured workers' compensation program moved into CMIC as a deductible buy-down policy.

Effective October 1, 2020, coverage is provided by a loss portfolio transfer policy between ECU Health and CMIC for the run-off and legacy workers' compensation liabilities for claims reported through September 30, 2019.

# ECU Health

## Notes to Financial Statements (in \$000's)

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### ***Cyber Liability***

Effective October 1, 2023, CMIC provides cyber liability coverage in two separate ways: 1) a deductible buy-down policy to fund a \$1 million cyber liability deductible and 2) A 50% quota share participation with the commercial carriers for the \$10 million excess \$30 million and \$10 million and \$10 million excess \$40 million layers.

### ***Medical Coverage***

ECU Health is self-insured for team members medical and dental coverage with an excess coverage (stop-loss) policy that covers annual medical costs in excess of \$450,000 per participant on a claims-made basis. Effective January 1, 2024, CMIC provides stop-loss coverage of \$350,000 aggregate deductible above the \$450,000 self-insured per participant. Annual costs were approximately \$144.0 million for the year ended September 30, 2024, which is included in team member benefits in the statement of revenues, expenses and changes in net position. The medical and dental coverage liability is recorded on the statement of net position in accrued expenses and totaled \$24.1 million at September 30, 2024.

### ***Regulatory Matters***

Laws and regulations concerning government programs, including Medicare, Medicaid and various research grant programs, are complex and subject to varying interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. As a result of nationwide investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. 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. ECU Health expects that the level of review and audit to which it is subject will increase.

There can be no assurance that regulatory authorities will not challenge ECU Health's compliance with these laws and regulations, and it is not possible to estimate the impact (if any) such claims or penalties would have on ECU Health. Management believes that ECU Health is in compliance with fraud and abuse as well as other applicable government laws and regulations. Management is monitoring compliance through its Corporate Compliance Program.

CMS implemented a project using recovery auditors as part of CMS's further efforts to assure accurate payments. The project uses the recovery auditors to search for potentially inaccurate Medicare payments that may have been made to health care providers and that were not detected through existing CMS program integrity efforts. Once a recovery auditor identifies a claim believed to be inaccurate, the recovery auditor makes a deduction from or addition to the provider's Medicare reimbursement in an amount estimated to equal the overpayment or underpayment.

### ***Litigation***

ECU Health is party to a number of pending or threatened lawsuits arising out of, or incidental to, the ordinary course of business for which it carries professional and general liability coverage and other insurance coverages. In the opinion of management, upon consultation with legal counsel, all of the pending or threatened lawsuits that are determined to result in a probable loss to ECU Health have been properly recorded within the financial statements.



# ECU Health

## Notes to Financial Statements (in \$000's)

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### *Construction Commitment*

ECU Health entered into contracts for various construction projects. ECU Health's outstanding commitments for signed contracts totaled approximately \$21.8 million as of September 30, 2024, primarily related to renovations of existing buildings and equipment upgrades.

### *Leases*

ECU Health has a total of \$3.5 million of future minimum lease payments under non-cancelable leases for buildings and equipment that do not meet the right of use asset criteria at September 30, 2024. These agreements expire at various times through 2029.

## **12. Defined Contribution Retirement Plan**

ECU Health sponsors a defined contribution retirement plan, with a matching component of 50%, 75% or 100% of the team member's contribution, up to 5% of the team member's salary, for team members who have met the eligibility and years of service requirements of the plan. During 2024, ECU Health contributed approximately \$26.8 million to the defined contribution retirement plan, which is included in salaries and wages in the statement of revenues, expenses and changes in net position.

## **13. Defined Benefit Pension Plans**

Defined benefit pension plans disclosures, as required by the Plan sponsor (GASB Statement No. 68):

### *Plan Description*

ECU Health maintains a noncontributory defined benefit pension plan (the Plan) covering some of the team members of ECU Health. Plan participants are now fully vested with over 10 years of service as the Plan was frozen to new team members hired on or after January 1, 2010. The Plan is funded annually by ECU Health and its affiliates in amounts at least equal to the actuarially determined contribution (pension cost). The Plan is considered a governmental entity under section 401(a) of the Internal Revenue Code of 1954. The Plan year is January 1 to December 31. Team members hired after this date are eligible to participate in the defined contribution retirement plan described in Note 12.

# ECU Health

## Notes to Financial Statements (in \$000's)

### *Team Members Covered by Benefit Terms*

The pension liability at September 30, 2024, is computed using a measurement date as of October 1, 2023 and was determined by an actuarial valuation date of January 1, 2023 rolled forward to September 30, 2024 to calculate the net pension liability as of that date. The participant data utilized in the actuarial computation is as of January 1, 2023, which is rolled forward to the measurement dates using the standard methodology.

Following is the team member participant data utilized:

	VMC	NOR	DUP	Consolidated
Participant data as of January 1:				
Active participants	2,939	175	104	3,218
Inactives with deferred benefits	3,147	214	146	3,507
Inactives receiving payment	3,549	418	177	4,144
Total	9,635	807	427	10,869

### *Contributions*

Actuarially determined contributions are calculated as of October 1, one year prior to the end of the fiscal year in which contributions are reported. ECU Health's funding policy is to make contributions to at least meet the minimum funding requirements for the current year as determined by an independent actuary. ECU Health contributed 100% of the actuarially determined contributions for the year ended September 30, 2024, which approximated \$25.4 million, which is recorded as a deferred outflow.

### *Summary of Significant Accounting Policies*

The pension plan is accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Benefit payments are recognized when due and payable in accordance with benefit terms.

### *Investment Management Agreement*

In March 2020, the plan sponsor and investment fiduciary committee delegated certain authority to an investment consultant in an arrangement referred to as Outsourced Chief Investment Officer (OCIO). The OCIO provides services with respect to investment program review, investment strategy, asset allocation, selection and monitoring of sub-advisors and investments, investment in advised funds, reporting and investment communication and custody and registration of plan assets.

# ECU Health

## Notes to Financial Statements (in \$000's)

### *Actuarial Assumptions*

The annual required contribution and the net pension liability recorded on the statement of net position at September 30, 2024, were computed as part of an actuarial valuation performed using the measurement date of October 1, 2023. Significant actuarial assumptions used in that actuarial valuation of the Plan include the following:

Rate of return on plan assets	7.50%
Mortality	Pri-2012 Mortality Table, Scale MP-2021
Projected salary increases	3.00%
Inflation rate	2.50%
Measurement date	October 1, 2023

These assumptions were selected by management at the measurement date.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Total Allocation	Real Rate of Return
International equity	45.0%	4.78%
Core U.S. fixed income	17.0%	1.56%
Hedge funds	8.0%	3.32%
Real estate	10.0%	4.05%
Private equity	10.0%	7.12%
Private debt	2.5%	5.07%
Multi-asset credit	7.5%	4.29%
Total	100.0%	

The discount rate used to measure the total pension liability as of September 30, 2024 was 7.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in amounts equal to the actuarially determined contributions. Based on that assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive team members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

There are six investments in the pension plan that make up \$648.4 million and 77.4% of the total investments at September 30, 2023.

# ECU Health

## Notes to Financial Statements (in \$000's)

The following table sets forth, by level within the fair value hierarchy, ECU Health, NOR and DUP's pension plan financial assets measured at fair value on a recurring basis at the measurement date of September 30, 2023:

	Total	Fair Value Measurements at Measurement Date Using			Measured Using NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level2)	Significant Unobservable Inputs (Level 3)	
Financial Assets:					
Mutual funds	\$ 689,379	\$ -	\$ -	\$ -	\$ 689,379
Alternative funds	103,121	-	-	-	103,121
Cash equivalents	23,430	23,430	-	-	-
Equity securities	20,965	20,965	-	-	-
Total financial assets	\$ 836,895	\$ 44,395	\$ -	\$ -	\$ 792,500

At September 30, 2023, the pension plans alternative investments recorded at NAV consisted of the following:

	Fair Value	Redemption Frequency	Redemption Notice Period
Trumbull Property	\$ 8,030	Quarterly	60 Days
MFO Aon Collective Investment Formerly Aon Hew Large Cap Equity Index	11,889	Daily	1 Business Day
MRO Aon Collective Investment Formerly Aon Hew Small Cap Equity Index	1,834	Daily	1 Business Day
Aon Core Real Estate	3,071	Quarterly	105 Days
MFO AGT Non-US Active EQ	136,767	Daily	1 Business Day
Russell Small Cap	10,544	Daily	1 Business Day
S&P 500 ® Index	201,135	Daily	1 Business Day
AGT Global Real Estate	4,812	Daily	1 Business Day
Aon Core Real Estate	974	Quarterly	105 Days
Aon Collective Investment Formerly Aon New Bond	119,436	Daily	1 Business Day
AHGT High Yield Plus Bond	6,183	Daily	1 Business Day
Aon Multi-Asset Credit Fund	65,109	Monthly	10 Days
Aon Return Enhancing Alternatives	70,320	Biannual	95 Days
		(June 30, December 31)	
AON Core Real Estate	55,619	Quarterly	105 Days
Aon Return Enhancing Alternatives	1,687	Biannual	95 Days
		(June 30, December 31)	
Dover Street IX Cayman Fund LP	30,319	N/A	N/A
Aon Opportunistic Credit Portfolio LP	11,449	N/A	N/A

## ECU Health

### Notes to Financial Statements (in \$000's)

	Fair Value	Redemption Frequency	Redemption Notice Period
Oaktree Real Estate Opportunities Fund III, LP	10,256	N/A	N/A
FTV VII, L.P.	4,013	N/A	N/A
One Rock Capital Partners III, LP	8,298	N/A	N/A
Trive Capital Fund IV, L.P.	4,544	N/A	N/A
Level Equity Growth Partners V, L.P.	3,661	N/A	N/A
The Veritas Capital Vantage Fund, L.P.	3,528	N/A	N/A
Stepstone Secondaries Fund V, L.P.	2,811	N/A	N/A
GTCR Fund XIII B LP	2,299	N/A	N/A
Diversis Capital Partners II, L.P.	2,231	N/A	N/A
GTCR Fund XIII A LP	1,734	N/A	N/A
Stepstone Global Partners XI (Cayman) LP	784	N/A	N/A
Arlington Capital Partners VI, LP	2,356	N/A	N/A
Aon PRVT CR OPPS FD II-SUB	6,807	N/A	N/A
	\$ 792,500		

#### *Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents ECU Health's net pension liability calculated using the discount rate of 7.50% at September 30, 2024, as well as the net pension liability using a discount rate that is 1% lower and 1% higher:

	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
Net pension liability, September 30, 2024	\$ 327,170	\$ 205,596	\$ 103,748

#### *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

For the year ended September 30, 2024, ECU Health recognized pension expense of \$40.7 million. Pension expense is included in salaries and wages in the statement of revenues, expenses and changes in net position.

# ECU Health

## Notes to Financial Statements (in \$'000's)

Changes in the net pension liability are summarized in the following table:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2023	\$ 1,042,807	\$ 771,111	\$ 271,696
Changes for the year:			
Service cost	7,016	-	7,016
Interest	71,822	-	71,822
Difference between expected and actual experience	13,330	18,078	(4,748)
Changes in assumptions	(58,040)	-	(58,040)
Employer contributions	-	28,845	(28,845)
Net investment income	-	53,305	(53,305)
Benefit payments	(48,388)	(48,388)	-
Net changes	(14,260)	51,840	(66,100)
Balances at September 30, 2024	\$ 1,028,547	\$ 822,951	\$ 205,596

As of October 1, 2023, the most recent actuarial date, the Plan was 80.0% funded.

At September 30, 2024, ECU Health reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<i>September 30, 2024</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 13,037	\$ (39)
Changes in actuarial assumptions	5,054	(39,546)
Net differences between projected and actual earnings on pension plan investments	48,196	-
Contributions made after the measurement date, not yet recognized in the net pension liability	25,379	-
Total	\$ 91,666	\$ (39,585)

## ECU Health

### Notes to Financial Statements (in \$000's)

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At September 30, 2024, amounts reported as deferred outflows and inflows of resources related to defined benefit pension, excluding the contributions made after the measurement date, will be recognized in pension expense as follows:

*Years ending September 30:*

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2025	\$	6,381
2026		(4,729)
2027		28,720
2028		(3,670)
		<hr/>
		\$ 26,702

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Effective October 1, 2010, ECU Health assumed sponsorship of and full financial responsibility for the DUP defined benefit pension plan (DUP Plan). Effective September 30, 2010, the DUP Plan was amended to freeze the DUP Plan. No participant shall accrue any additional benefits, and each participant's accrued benefit shall be determined based on their average annual compensation and number of years of service at September 30, 2010. DUP made an additional \$2.4 million contribution on September 27, 2010, to the DUP Plan in connection with this amendment to fund any unfunded amounts at that time. As of September 30, 2024, the fair value of the plan assets exceeded the gross pension liability, resulting in a net pension asset of \$2.5 million, reflected on the statement of net position in prepaid expenses.

Effective June 1, 2019, ECU Health assumed sponsorship of and full financial responsibility for the NOR defined benefit pension plan (NOR Plan). During 2005, the NOR Plan was amended to freeze the NOR Plan. No participant shall accrue any additional benefits, and each participant's accrued benefit shall be determined based on their average annual compensation and number of years of service at 2005. NOR makes annual contributions to the NOR Plan based on actuarial calculations using the projected unit credit actuarial cost model. As of September 30, 2024, the fair value of the plan assets were less than the gross pension liability, resulting in a net pension liability of \$2.4 million reflected on the statement of net position in net pension liability.

***Defined Benefit Pension Plans Disclosures, as Required by the Plan (GASB Statement No. 67)***

The net pension liability of the Plan as of September 30, 2024, to be reported as the net pension liability of the Health System as of September 30, 2025, was measured as of September 30, 2024. The total pension liability as of September 30, 2024, is based on the liability determined on January 1, 2024, census data and a January 1, 2024, valuation date using update procedures to roll forward to the measurement date of September 30, 2024.

## ECU Health

### Notes to Financial Statements (in \$000's)

The components of the net pension liability of the pension plans (the Plan, NOR Plan and DUP Plan) at September 30, 2024, were as follows:

	2024
Total pension liability	\$ 1,105,323
Plan fiduciary assets	957,643
Net pension liability	\$ 147,680
Plan fiduciary net position as a percentage of the total pension liability	86.6%

The following presents the sensitivity of the net pension liability calculated using a 1.0% increase and a 1.0% decrease in the discount rate used to measure the net pension liability and asset:

<i>September 30, 2024</i>	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
Net pension liability - the Plan	\$ 279,265	\$ 153,299	\$ 47,714
Net pension liability (asset) - NOR Plan	\$ 1,018	\$ (1,349)	\$ (3,394)
	1% Decrease 5.25%	Current Rate 6.25%	1% Increase 7.25%
Net pension asset - DUP Plan	\$ (3,161)	\$ (4,270)	\$ (5,209)
Net	\$ 277,122	\$ 147,680	\$ 39,111

There were no changes in assumptions for the measurement date for the year ended September 30, 2024.



## ECU Health

### Notes to Financial Statements (in \$000's)

Best estimates of arithmetic real rates of return (expected returns, net of pension plan investment expense and inflation) for major asset classes included in the pension plans asset allocations as of September 30, 2024, are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
International equity	4.5%
Core U.S. fixed income	2.2%
Hedge funds	4.5%
Real estate	4.1%
Private equity	6.7%
Multi-asset credit	5.4%
Private debt	4.7%

#### *Investment Capital Commitment*

The ECU Health noncontributory defined benefit pension plan has capital commitments to alternative investment funds in the pension plan. At September 30, 2024, the remaining unfunded commitment of \$91.4 million will be funded as the managers make capital calls to the funds.

The tables below present the fair value leveling of the pension plans investments as of September 30, 2024 in accordance with GASB Statement No. 72:

September 30, 2024	Level 1	Level 2	Level 3	NAV	Total
Mutual funds	\$ -	\$ -	\$ -	\$ 779,522	\$ 779,522
Alternative funds	-	-	-	130,855	130,855
Cash equivalents and accrued interest receivable	21,646	-	-	-	21,646
Equity securities	25,620	-	-	-	25,620
	\$ 47,266	\$ -	\$ -	\$ 910,377	\$ 957,643

Interest rate risk exposure is managed by limiting investment maturities in accordance with parameters in the Plan's investment policy. At September 30, 2024, the pension plans had no stated investment maturities and credit ratings.

#### *Supplemental Executive Retirement Plan*

ECU Health has also established a noncontributory, nonvesting supplemental executive retirement plan (SERP). For the year ended September 30, 2024, ECU Health recognized expense of approximately \$0.7 million. SERP had a net pension obligation of approximately \$13.8 million at September 30, 2024.

The SERP is not a qualified plan, and as a result, ECU Health is unable to net the plan's liability against assets held for the plan. ECU Health had funds set aside of approximately \$16.9 million at

## ECU Health

### Notes to Financial Statements (in \$000's)

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September 30, 2024, in relation to this plan. The liability associated with this plan is recorded in other long-term liabilities, and the assets associated with this plan are recorded in assets limited as to use, other restricted cash.

Effective January 1, 2010, ECU Health froze the plan to new entrants. On November 20, 2012, the ECU Health Board of Directors froze plan benefits of existing participants beginning January 1, 2013. This was replaced by a cash balance plan on that date. There are 33 inactive participants in the plan who are receiving payments and no active participants in the plan.

#### ***Contributions***

ECU Health's funding policy is to make contributions to meet the minimum funding requirements for the current year as determined by an independent actuary. ECU Health contributed payments to the plan for the year ended September 30, 2024, of approximately \$1.1 million.

#### ***Actuarial Assumptions***

The annual required contribution and the net pension liability recorded on the statement of net position at September 30, 2024, were computed as part of an actuarial valuation performed as of October 1, 2023, which is also the measurement date. Significant actuarial assumptions used in the actuarial valuation of the plan include a discount rate of 4.09% in 2024 and mortality rates using the Pri-2012 Mortality Table and generationally projected with Scale MP-2021.

#### ***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents ECU Health's net pension liability calculated using the discount rate of 4.09% in 2024, as well as the net pension liability using a discount rate that is 1% lower and 1% higher:

	1% Decrease 3.09%	Current Rate 4.09%	1% Increase 5.09%
Net pension liability, September 30, 2024	\$ 15,077	\$ 13,770	\$ 12,648

## ECU Health

### Notes to Financial Statements (in \$000's)

Changes in the net SERP pension liability for the year ended September 30, 2024, are summarized in the following table:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2023	\$ 14,269	\$ -	\$ 14,269
Changes for the year:			
Interest	551	-	551
Difference between expected and actual experience	177	-	177
Changes in assumptions	(85)	-	(85)
Benefit payments	(1,142)	-	(1,142)
Net changes	(499)	-	(499)
Balances at September 30, 2024	\$ 13,770	\$ -	\$ 13,770

At September 30, 2024, ECU Health reported deferred outflows of resources and deferred inflows of sources related to the SERP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date, not yet recognized in the net pension liability	\$ 1,142	\$ -
Total	\$ 1,142	\$ -

At September 30, 2024, amounts reported as deferred outflows of resources related to the SERP, excluding the contributions made after the measurement date, will be recognized in pension expense in the year ending September 30, 2024.

## 14. Other Postemployment Benefits

### Plan Description

ECU Health sponsors a postretirement health care benefit program (referred to as the Retiree Medical Plan) for all team members hired before July 1, 2008, that satisfies the criteria for receiving retirement benefits under the plan. The Retiree Medical Plan includes eligible retirees, spouses and spouse survivors. All eligible members pay a portion of the expense. Effective July 1, 2008, ECU Health froze the plan to new entrants. The Retiree Medical Plan does not issue stand-alone financial reports.

## ECU Health

### Notes to Financial Statements (in \$000's)

Membership of the Retiree Medical Plan consisted of the following at October 1, 2023, the date of the latest actuarial valuation:

Retirees eligible for benefits (including eligible spouses)	\$	64
Active plan members (including eligible spouses)		2,420
Total	\$	2,484

#### ***Funding Policy***

ECU Health has chosen to fund the Retiree Medical Plan on a pay-as-you-go basis. Contributions are not expressed as a percentage of covered payroll, since benefits provided are not payroll related. ECU Health has outsourced the processing of their health claims for the Retiree Medical Plan through a third-party administrator. ECU Health's contributions were \$0.3 million as of September 30, 2024 and were 100% of the benefits paid in the plan.

#### ***Summary of Significant Accounting Policies***

The other postemployment benefits (OPEB) are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Postemployment benefit expenses are made from ECU Health's operating assets. No funds are set aside to pay benefits or administration costs. Benefit and administration expenses are recognized in the accounting period in which the benefits are provided. No assets are accumulated in a trust to fund the plan. The net OPEB liability is recorded in other liabilities within the statement of net position.

#### ***Actuarial Assumptions***

The annual expense and the net OPEB liability recorded on the statement of net position at September 30, 2024, were computed as part of an actuarial valuation performed as of October 1, 2023. Significant actuarial assumptions used in the actuarial valuation of the plan for the year ended September 30, 2024, include the following:

Discount rate	4.09%
Mortality	Pri-2012 Table
Health care participation rate	10.00%
Health care cost trend rate	7.02%
Valuation date	October 1, 2022
Measurement date	October 1, 2023

Health care claims development were based on the average pre-65 claims costs of a blend of retiree and active claim experience based on three years of data and adjusted for population, health care trends and paid-to-incurred basis.

**Actuarial methods and assumptions:** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members at that point.

# ECU Health

## Notes to Financial Statements (in \$000's)

**Sensitivity of the net OPEB liability to changes in the discount rate and health care cost trend rate:** The following presents ECU Health's net OPEB liability calculated using the discount rate of 4.09% in 2024, as well as the net OPEB liability using a discount rate that is 1% lower and 1% higher:

	1% Decrease 3.09%	Current Rate 4.09%	1% Increase 5.09%
Net OPEB liability, September 30, 2024	\$ 6,196	\$ 5,772	\$ 5,384

The following presents ECU Health's net OPEB liability calculated using a health care cost trend rate that is 1% lower and 1% higher than the current health care trend rate:

	1% Decrease 6.02%	Current Rate 7.02%	1% Increase 8.02%
Net OPEB liability, September 30, 2024	\$ 5,263	\$ 5,772	\$ 6,349

Changes in the net OPEB liability for the year ended September 30, 2024, are summarized in the following table:

	Increase (Decrease) in Total Net OPEB Liability
Balance at beginning of year, October 1	\$ 4,881
Changes for the year:	
Service cost	74
Interest	192
Differences between expected and actual experience	803
Change in assumptions	199
Benefit payments	(377)
Net changes	891
Balance at end of year, September 30	\$ 5,772

## ECU Health

### Notes to Financial Statements (in \$000's)

At September 30, 2024, ECU Health reported deferred outflows of resources and deferred inflows of sources related to the OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 1,080	\$ (1,780)
Changes in actuarial assumptions	304	(491)
Contributions made after the measurement date, not yet recognized in the net OPEB liability	314	-
<b>Total</b>	<b>\$ 1,698</b>	<b>\$ (2,271)</b>

At September 30, 2024, amounts reported as deferred inflows of resources related to the OPEB, excluding the contributions made after the measurement date, will be recognized in benefit expense as follows:

*Years ending September 30:*

2025	\$ (540)
2026	(340)
2027	(102)
2028	95
	<b>\$ (887)</b>

## 15. Other Nonoperating Revenues and Expenses

Other nonoperating revenues and expenses on the statement of revenues, expenses and changes in net position are composed of the following:

<i>Year Ended September 30,</i>	<i>2024</i>
Mark to market loss on interest rate swap	\$ (1,018)
Foundation expenses	(3,254)
Payments to Pitt County:	
Payment in lieu of taxes	(2,196)
Medicaid funding	(741)
Investment expense	(1,679)
Contributions made	(9,957)
Unrestricted contributions received	5,001
Gain on equity method investments	2,237
	<b>\$ (11,607)</b>

# ECU Health

## Notes to Financial Statements (in \$000's)

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### 16. Related Parties

**East Carolina University and the Brody School of Medicine:** The Hospital is the primary affiliated teaching hospital for the Brody School of Medicine through a formal agreement originally executed on December 17, 1975, and most recently renewed on August 8, 2013, for an additional 20-year period. The Brody School of Medicine reimburses the Hospital for costs associated with the utilization of Hospital facilities. The Hospital reimburses the Brody School of Medicine for any third-party reimbursement resulting from any of the school's costs being included in the Hospital's Medicare and Medicaid cost-reimbursement reports.

The Hospital has recorded receivables of approximately \$4.1 million and payables of approximately \$0.8 million as of September 30, 2024, with the Brody School of Medicine, which are settled in the normal course of business. These receivables and payables are recorded in other receivables and accrued expenses within the statement of net position, respectively.

Operating expenses recognized related to services received from East Carolina University (ECU) were \$65.1 million for the year ended September 30, 2024. Other revenues earned from services provided to ECU were \$15.5 million for the year ended September 30, 2024. These revenues and expenses are recorded in other revenue and supplies and other expenses within the statement of revenues, expenses and changes in net position, respectively.

**Joint Operating Agreement:** Effective January 1, 2022, ECU Health and Brody School of Medicine entered into a joint operating agreement (JOA) to move toward greater clinical integration. The JOA will create closer alignment between ECU Health and Brody School of Medicine and support the combined vision of creating a premier, rural academic health system that cares for 1.4 million people throughout eastern North Carolina.

Under the JOA, ECU Health and the Brody School of Medicine will retain their separate legal entities and continue to report to their respective Boards but will operate as a single clinical enterprise with an integrated system of care under a new, shared brand known as ECU Health. Most ECU Health entities and ECU physicians will operate under the new brand while the Brody School of Medicine's name will not change. There are no changes to the employment status or benefits of current team members and no assets will be exchanged as a result of the JOA; however, the JOA will operate under the single leadership of the CEO/Dean who fills both the role of the CEO of ECU Health and the Dean of the Brody School of Medicine. The role of CEO/Dean began on July 1, 2021 and is jointly employed by both organizations.

A joint operation committee (JOC) of nine members was formed and serve as a non-fiduciary, oversight and advisory committee responsible for providing advice, guidance and oversight to the CEO/Dean regarding management and oversight of ECU Health. The JOC will be responsible for approving and overseeing strategic planning and budgeting and will be responsible for but not limited to operations, finances, reporting of information, advising on matters of integrated leadership, making recommendations to respective Boards, overseeing reports on performance, growth and direction, stewardship, quality, performance, care delivery models, board liaisons, execution of milestones, providing input on the performance of the CEO/Dean and reviewing risk management and compliance plans and concerns of ECU Health.

**ECU Health Foundation:** University Health Systems of Eastern Carolina Foundation, Inc. d/b/a ECU Health Foundation (the Foundation) was organized to receive gifts, donations, income and funds for the promotion of health and wellness to the general public and community in eastern North Carolina

# ECU Health

## Notes to Financial Statements (in \$000's)

and all areas served by ECU Health. The Foundation provides these services directly to the Development Councils for BEA, BER, CHO, EDG, NOR and OBH. VMC provides management services, supplies and labor to the Foundation. VCOM hospitals also provide some administrative services. The Foundation is not required to reimburse VMC or the VCOM hospitals for the cost of these expenses; however, the Foundation recognizes the value of those expenses paid on their behalf as contributed services expense along with corresponding contributed services, or in-kind, revenue in their financial statements.

At September 30, 2024, consolidated assets of the Foundation were approximately \$58.9 million and liabilities were approximately \$20.8 million. The assets that were restricted for use for the benefit of other entities, primarily ECU Health, were \$19.5 million at September 30, 2024. The consolidated net assets of the Foundation had an increase of approximately \$7.4 million for the year ended September 30, 2024.

ECU Health Foundation is not included in the financial statements of ECU Health as it does not meet the criteria used that would require consolidation since there is no control by ECU Health. A separate audit of the ECU Health Foundation is issued.

### 17. Condensed Financial Information

Following is the condensed statement of net position, and the related condensed statement of revenues, expenses and changes in net position and cash flows for the Parent Corporation (primary government) and its significant blended component units:

#### Condensed Statement of Net Position:

<i>September 30, 2024</i>	Parent Corporation	VMC	VCOM	Eliminations and Other	Total ECU Health
<b>Current assets</b>	\$ 60,323	\$ 759,246	\$ 288,984	\$ 30,803	\$ 1,139,356
Assets limited as to use-other	265,924	370,233	32,361	67,786	736,304
Capital assets, net of accumulated depreciation	109,586	458,688	177,586	82,651	828,511
Other assets	6,863	1,775	1,559	20	10,217
<b>Total assets</b>	<b>442,696</b>	<b>1,589,942</b>	<b>500,490</b>	<b>181,260</b>	<b>2,714,388</b>
Deferred outflows	58,194	75,986	28,088	7,670	169,938
<b>Total assets and deferred outflows</b>	<b>\$ 500,890</b>	<b>\$ 1,665,928</b>	<b>\$ 528,578</b>	<b>\$ 188,930</b>	<b>\$ 2,884,326</b>
<b>Current liabilities</b>	\$ 162,210	\$ 229,215	\$ 108,410	\$ 56,079	\$ 555,914
Long-term liabilities	584,340	167,291	48,983	54,811	855,425
<b>Total liabilities</b>	<b>746,550</b>	<b>396,506</b>	<b>157,393</b>	<b>110,890</b>	<b>1,411,339</b>
Deferred inflows	7,030	24,369	7,399	3,453	42,251
Net investment in capital assets	(434,864)	452,414	179,713	62,107	259,370
Restricted-noncontrolling interests	-	4,905	46,603	-	51,508
Restricted-other	-	-	3,439	-	3,439
Unrestricted (deficit)	182,174	787,734	134,031	12,480	1,116,419
<b>Total net position (deficit)</b>	<b>(252,690)</b>	<b>1,245,053</b>	<b>363,786</b>	<b>74,587</b>	<b>1,430,736</b>
<b>Total liabilities, deferred inflows and net position</b>	<b>\$ 500,890</b>	<b>\$ 1,665,928</b>	<b>\$ 528,578</b>	<b>\$ 188,930</b>	<b>\$ 2,884,326</b>



# ECU Health

## Notes to Financial Statements (in \$000's)

### Condensed Statement of Revenues, Expenses and Changes in Net Position:

<i>Year Ended September 30, 2024</i>	Parent Corporation	VMC	VCOM	Eliminations and Other	Total ECU Health
Operating revenues	\$ 359,707	\$ 1,934,171	\$ 648,857	\$ (60,297)	\$ 2,882,438
Operating expenses:					
Salaries and wages	145,151	536,940	217,138	302,431	1,201,660
Team member benefits	53,937	143,901	60,785	50,322	308,945
Supplies and other	160,710	936,723	305,986	(269,524)	1,133,895
Depreciation and amortization	40,739	49,561	18,488	12,083	120,871
Lease activity	2,914	8,445	2,648	(7,436)	6,571
Total operating expenses	403,451	1,675,570	605,045	87,876	2,771,942
Income (loss) from operations	(43,744)	258,601	43,812	(148,173)	110,496
Nonoperating revenues (expenses):					
Interest expense	(24,581)	(25,608)	(3,351)	26,674	(26,866)
Investment gain (loss) and other	99,838	15,114	4,501	(20,659)	98,794
Total nonoperating revenues (expenses), net	75,257	(10,494)	1,150	6,015	71,928
Income (loss) before non-controlling interests	31,513	248,107	44,962	(142,158)	182,424
Income applicable to noncontrolling interest	-	(9,028)	(4,358)	-	(13,386)
Increase (decrease) in net position	\$ 31,513	\$ 239,079	\$ 40,604	\$ (142,158)	\$ 169,038

### Condensed Statement of Cash Flows:

<i>Year Ended September 30, 2024</i>	Parent Corporation	VMC	VCOM	Eliminations and Other	Total ECU Health
Cash flows:					
Operating activities	\$ 11,307	\$ 387,591	\$ 111,752	\$ (117,329)	\$ 393,321
Capital and noncapital financing activities	(86,608)	(90,072)	(26,870)	(940)	(204,490)
Investing activities	40,514	(136,989)	(239)	119,675	22,961
Net increase (decrease) in cash and cash equivalents	(34,787)	160,530	84,643	1,406	211,792
Cash and cash equivalents-beginning of year	34,787	15,646	40,998	9,578	101,009
Cash and cash equivalents-end of year	\$ -	\$ 176,176	\$ 125,641	\$ 10,984	\$ 312,801

## 18. Subsequent Events

The System has evaluated subsequent events from September 30, 2024 through January 22, 2025 (the date of the audit report and the date the financial statements were ready to be issued). No material recognizable events were identified.

## **Required Supplementary Information (Unaudited)**

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# ECU Health

## Required Supplementary Information - Schedule of Changes in the Net Pension Liability and Related Ratios (Unaudited) (in \$000's)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 7,016	\$ 7,297	\$ 7,520	\$ 8,033	\$ 8,422	\$ 9,831	\$ 9,809	\$ 11,385	\$ 11,685	\$ 12,452
Interest	71,822	69,044	67,085	65,025	61,447	58,279	55,756	52,511	50,456	47,259
Plan changes**	-	-	-	-	-	3,752	-	-	-	-
Assumption changes	(58,040)	2,197	25,982	(2,970)	(2,085)	(3,970)	17,238	6,745	(7,194)	-
Differences between expected and actual experience	13,330	8,527	4,991	(297)	(1,279)	(361)	6,517	209	(5,456)	60
Benefit payments	(48,388)	(45,831)	(42,850)	(38,940)	(34,392)	(30,254)	(27,577)	(24,492)	(19,200)	(13,890)
<b>Net Change in Total Pension Liability</b>	<b>(14,260)</b>	<b>41,234</b>	<b>62,728</b>	<b>30,851</b>	<b>32,113</b>	<b>37,277</b>	<b>61,743</b>	<b>46,358</b>	<b>30,291</b>	<b>45,881</b>
<b>Total Pension Liability - Beginning of Year</b>	<b>1,042,807</b>	<b>1,001,573</b>	<b>938,845</b>	<b>907,994</b>	<b>875,881</b>	<b>808,882</b>	<b>747,139</b>	<b>700,781</b>	<b>670,490</b>	<b>624,609</b>
Addition of VNOR liability	-	-	-	-	-	29,722	-	-	-	-
<b>Total Pension Liability - End of Year (a)</b>	<b>1,028,547</b>	<b>1,042,807</b>	<b>1,001,573</b>	<b>938,845</b>	<b>907,994</b>	<b>875,881</b>	<b>808,882</b>	<b>747,139</b>	<b>700,781</b>	<b>670,490</b>
<b>Plan Fiduciary Net Position</b>										
Employer contributions	28,845	43,041	33,028	27,591	34,200	29,463	27,303	28,571	26,809	30,370
Net investment income	53,305	61,010	52,826	51,496	48,513	45,158	41,605	38,283	38,545	34,514
Differences between expected and actual experience	18,078	(160,053)	96,478	(22,550)	(20,781)	(7,861)	27,055	4,065	(47,920)	7,267
Benefit payments	(48,388)	(45,831)	(42,850)	(38,940)	(34,392)	(30,254)	(27,577)	(24,492)	(19,200)	(13,890)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>51,840</b>	<b>(101,833)</b>	<b>139,482</b>	<b>17,597</b>	<b>27,540</b>	<b>36,506</b>	<b>68,386</b>	<b>46,427</b>	<b>(1,766)</b>	<b>58,261</b>
<b>Plan Fiduciary Net Position—Beginning of Year</b>	<b>771,111</b>	<b>872,944</b>	<b>733,462</b>	<b>715,865</b>	<b>688,325</b>	<b>623,250</b>	<b>554,864</b>	<b>508,437</b>	<b>510,203</b>	<b>451,942</b>
Addition of VNOR net position	-	-	-	-	-	28,569	-	-	-	-
<b>Plan Fiduciary Net Position—End of Year (b)</b>	<b>822,951</b>	<b>771,111</b>	<b>872,944</b>	<b>733,462</b>	<b>715,865</b>	<b>688,325</b>	<b>623,250</b>	<b>554,864</b>	<b>508,437</b>	<b>510,203</b>
<b>Net Pension Liability—End of Year (a) - (b)</b>	<b>\$ 205,596</b>	<b>\$ 271,696</b>	<b>\$ 128,629</b>	<b>\$ 205,383</b>	<b>\$ 192,129</b>	<b>\$ 187,556</b>	<b>\$ 185,632</b>	<b>\$ 192,275</b>	<b>\$ 192,344</b>	<b>\$ 160,287</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>80.0%</b>	<b>73.9%</b>	<b>87.2%</b>	<b>78.1%</b>	<b>78.8%</b>	<b>78.6%</b>	<b>77.1%</b>	<b>74.3%</b>	<b>72.6%</b>	<b>76.1%</b>
<b>Covered Employee Payroll</b>	<b>\$ 247,101</b>	<b>\$ 249,743</b>	<b>\$ 254,173</b>	<b>\$ 261,364</b>	<b>\$ 271,681</b>	<b>\$ 281,572</b>	<b>\$ 296,700</b>	<b>\$ 309,816</b>	<b>\$ 333,405</b>	<b>\$ 351,483</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>83.2%</b>	<b>108.8%</b>	<b>50.6%</b>	<b>78.6%</b>	<b>70.7%</b>	<b>66.6%</b>	<b>61.0%</b>	<b>62.1%</b>	<b>57.7%</b>	<b>45.6%</b>

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

\*\* The plan was amended on May 3, 2019, so that ad hoc additional accrued benefit adjustments were added for select participants effective December 31, 2018.

## ECU Health

### Required Supplementary Information - Schedule of Employer Contributions (Unaudited) (in '000's)

<i>Year Ended September 30,</i>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 25,379	\$ 28,845	\$ 27,665	\$ 27,012	\$ 26,906	\$ 27,525	\$ 28,456	\$ 26,011	\$ 26,186	\$ 26,842
Contributions in relation to the actuarially determined contribution	25,379	28,845	43,041	33,028	27,591	34,200	29,462	27,301	28,571	26,842
<b>Contribution excess</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,376)</b>	<b>\$ (6,016)</b>	<b>\$ (685)</b>	<b>\$ (6,675)</b>	<b>\$ (1,006)</b>	<b>\$ (1,290)</b>	<b>\$ (2,385)</b>	<b>\$ -</b>
Covered employee payroll	\$ 247,101	\$ 249,743	\$ 254,173	\$ 261,364	\$ 271,681	\$ 281,572	\$ 304,497	\$ 309,816	\$ 333,405	\$ 351,483
Contributions recognized as a percentage of actuarially determined contribution	100.0%	100.0%	155.6%	122.3%	102.5%	124.3%	103.5%	105.0%	109.1%	100.0%
Contributions as a percentage of covered employee payroll	10.3%	11.5%	16.9%	12.6%	10.2%	12.1%	9.7%	8.8%	8.6%	7.6%

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

#### Notes to Required Supplementary Information (Unaudited)

**Valuation date:** October 1, 2023

**Actuarial cost method:** Projected Unit Credit

**Asset valuation method:** Five-year smoothing

**Inflation:** 2.5%

**Salary increases:** 3.0%

**Investment rate of return:** 7.50% in 2024. 7.00% in 2022 through 2023 (was 7.25% beginning 2018 through 2021), including inflation, previously 7.5% prior to 2018.

**Retirement age:** Varies by age and service

**Mortality:** In 2024 and 2023 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2021. In 2022 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2020. In 2021 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2019. RP-2014 Table for Employees and Healthy Annuitants, Generationally Projected with Scale MP-2014 for 2015, MP-2015 for 2016 and 2017, MP-2016 for 2018, MP-2017 for 2019, MP-2018 for 2020.

**Changes in assumptions:** In 2024, change in discount rate and investment rate return. In 2023, no substantive changes. In 2022, change in discount rate and investment reutrn. In 2021, change in discount rate and investment rate return. In 2018, change in investment rate return and discount rate. In 2017, changes in the expected retirement rate and termination rate for active employees and change in mortality assumption. In 2020 and prior years, no substantive changes.

The North pension plan liability and net position was acquired as of June 1, 2019.

# ECU Health

## Required Supplementary Information - Schedule of Changes in the Net SERP Liability and Related Ratios (Unaudited) (in '\$000s)

	2024	2023	2022	2021	2020	2019	2018	2017	2016**
<b>Total Pension Liability</b>									
Interest	\$ 551	\$ 381	\$ 391	\$ 473	\$ 649	\$ 847	\$ 810	\$ 862	\$ 903
Plan changes***	-	-	-	-	-	(7,085)	-	-	-
Differences between expected and actual experience	177	195	169	(50)	109	876	(462)	72	-
Changes in assumptions	(85)	(2,571)	(283)	620	2,680	(1,048)	(2,030)	-	-
Benefit payments	(1,142)	(1,142)	(1,142)	(1,115)	(1,115)	(1,534)	(2,710)	(2,532)	(2,085)
<b>Net Change in Total Pension Liability</b>	<b>(499)</b>	<b>(3,137)</b>	<b>(865)</b>	<b>(72)</b>	<b>2,323</b>	<b>(7,944)</b>	<b>(4,392)</b>	<b>(1,598)</b>	<b>(1,182)</b>
<b>Total Pension Liability - Beginning of Year</b>	<b>14,269</b>	<b>17,406</b>	<b>18,271</b>	<b>18,343</b>	<b>16,020</b>	<b>23,964</b>	<b>28,356</b>	<b>29,954</b>	<b>31,136</b>
<b>Total Pension Liability - End of Year (a)</b>	<b>13,770</b>	<b>14,269</b>	<b>17,406</b>	<b>18,271</b>	<b>18,343</b>	<b>16,020</b>	<b>23,964</b>	<b>28,356</b>	<b>29,954</b>
<b>Plan Fiduciary Net Position—Beginning of Year*</b>	-	-	-	-	-	-	-	-	-
<b>Plan Fiduciary Net Position—End of Year (b)*</b>	-	-	-	-	-	-	-	-	-
<b>Net Pension Liability—End of Year (a) - (b)</b>	<b>\$ 13,770</b>	<b>\$ 14,269</b>	<b>\$ 17,406</b>	<b>\$ 18,271</b>	<b>\$ 18,343</b>	<b>\$ 16,020</b>	<b>\$ 23,964</b>	<b>\$ 28,356</b>	<b>\$ 29,954</b>
<b>Covered Employee Payroll</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>\$ 3,427</b>	<b>\$ 3,343</b>	<b>\$ 3,210</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>699.3%</b>	<b>848.2%</b>	<b>933.1%</b>
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271	\$ 2,085
Contributions in Relation to the Actuarially Determined Contribution	1,142	1,142	1,142	1,115	1,115	1,534	2,710	2,532	2,085
<b>Contribution excess</b>	<b>\$ 1,142</b>	<b>\$ 1,142</b>	<b>\$ 1,142</b>	<b>\$ 1,115</b>	<b>\$ 1,115</b>	<b>\$ 1,534</b>	<b>\$ 2,710</b>	<b>\$ 2,261</b>	<b>\$ -</b>
Contributions Recognized as a Percentage of Actuarially Determined Contribution	NA	NA	NA	NA	NA	NA	NA	934.3%	100.0%
Contributions as a Percentage of Covered Employee Payroll	***	***	***	***	***	***	79.1%	75.7%	65.0%

### Notes to Required Supplementary Information (Unaudited)

**Valuation date:** January 1, 2023

**Actuarial cost method:** Entry Age Normal

**Discount rate:** 3% in 2016 and 2017; 3.65% in 2018; 4.20 in 2019; 2.66% in 2020; 2.21% in 2021; 2.26% in 2022; 4.02% in 2023; 4.09 in 2024.

**Salary increases:** NA

**Investment rate of return:** NA

**Retirement age:** NA. All inactive.

**Mortality:** In 2024 and 2023 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2021. RP-2014 Table for Employees and Healthy Annuitants, Generationally Projected with Scale MP-2015 for 2016 and 2017, MP-2016 for 2018, MP-2017 for 2019, MP-2018 for 2020. In 2021 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2019. In 2022 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2020.

**Changes in assumptions:** In 2018, 2019, 2020, 2021, 2022, 2023 and 2024 change in discount rate. In prior years, no substantive changes.

\* Although assets are not included to reduce the net pension liability, ECU Health does have assets set aside to fund this liability. See Note 13 to the financial statements.

\*\* Certain information prior to 2016 is not available.

\*\*\* All participants that had not yet reached age 62 were impacted by the plan changes during 2019; therefore, there is no longer covered payroll associated with this plan. The financial accounting valuation reflects an ad hoc adjustment for certain participants to reduce the accrued benefit under the plan.

# ECU Health

## Schedule of Changes in the Net OPEB Liability and Related Ratios (Unaudited) (\$000's)

	2024	2023	2022	2021	2020	2019	2018	2017*
Total OPEB liability:								
Service cost	\$ 74	\$ 154	\$ 141	\$ 165	\$ 130	\$ 171	\$ 187	\$ 221
Interest	192	188	145	293	347	329	304	305
Differences between expected and actual experience	803	(2,590)	1,467	(3,512)	1,374	(572)	-	-
Changes in assumptions	199	(664)	478	(1,239)	1,249	724	(496)	-
Benefit payments	(377)	(721)	(232)	(67)	(698)	(1,999)	(221)	(814)
<b>Net change in total OPEB liability</b>	<b>891</b>	<b>(3,633)</b>	<b>1,999</b>	<b>(4,360)</b>	<b>2,402</b>	<b>(1,347)</b>	<b>(226)</b>	<b>(288)</b>
Total OPEB liability—beginning	<b>4,881</b>	<b>8,514</b>	<b>6,515</b>	<b>10,875</b>	<b>8,473</b>	<b>9,820</b>	<b>10,046</b>	<b>10,334</b>
Total OPEB liability—ending	<b>\$ 5,772</b>	<b>\$ 4,881</b>	<b>\$ 8,514</b>	<b>\$ 6,515</b>	<b>\$ 10,875</b>	<b>\$ 8,473</b>	<b>\$ 9,820</b>	<b>\$ 10,046</b>

### Methods and assumptions used to determine contribution rates:

**Valuation date:** October 1, 2022

**Actuarial cost method:** Entry Age Normal

**Discount rate:** 4.09% in 2024, 4.02% in 2023, 2.26% in 2022; 2.21% in 2021; 2.66% in 2020; 4.20% in 2019; 3.65% in 2018; 3.00% in 2017

**Salary increases:** 3.00% in 2024, 2023, 2022 and 2021. 0.00% in other years

**Health care participation rate:** 10% in 2024, 2023, 2022, 2021, 2020 and 2019, 15% in other years

**Retirement rates:** Age 55 to 57—5% with progressive increases to 100% at age 65

**Mortality:** In 2024 and 2023 Pri-2012 aggregate benefits-weighted table adjusted to 2012 generationally projected with Scale MP-2021. In 2022 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2020. In 2021 Pri-2012 aggregate benefits-weighted table adjusted to 2012 and generationally projected with Scale MP-2019. RP-2014 Table for Employees and Healthy Annuitants, Generationally Projected with Scale MP-2015 for 2017, MP-2016 for 2018, MP-2017 for 2019, MP-2018 for 2020.

**Changes in assumptions:** In 2024, change in discount rate. In 2023, change in discount rate. In 2022, change in discount rate. In 2021, change in discount rate and change in the salary scale. In 2020, change in discount rate. In 2019, change in discount rate, change in the retirement age to better reflect past and expended future plan experiences and change in the future retirees health care participation rate from 15% to 10% to better reflect recent plan experience. In 2018, change in discount rate. In 2017, no substantive changes.

**Change in benefit terms:** There were no changes to benefit terms.

\*Certain information prior to 2017 is not available.

## Supplementary Information

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# ECU Health

## Consolidating Schedule of Net Position (in \$000's)

<i>September 30, 2024</i>	Consolidated	Eliminations	ECU Health	ECU Health Medical Center	ECU Health Community Hospitals	ECU Health Alliance	Coastal Plains Network	Channel Marker	ECU Health Physicians	ECU Health Properties	Access East, Inc.	HealthAccess, Inc.
<b>Assets and Deferred Outflows of Resources</b>												
<b>Current Assets</b>												
Cash and cash equivalents	\$ 312,801	\$ -	\$ -	\$ 176,176	\$ 125,641	\$ 42	\$ 457	\$ 3,312	\$ -	\$ 4,622	\$ 2,479	\$ 72
Patient accounts receivable, net	454,236	-	518	325,839	97,026	-	-	-	27,336	-	-	3,517
Other receivables	57,194	(47,612)	42,650	28,607	7,433	-	1	8,427	14,437	703	2,506	42
Estimated settlements due from third-party payors	206,780	-	-	165,867	40,956	-	-	-	(43)	-	-	-
Lease receivable, current portion	281	-	-	52	122	-	-	-	-	107	-	-
Inventories	71,370	-	3,233	49,442	14,575	-	-	-	4,102	1	-	17
Prepaid expenses	30,986	-	13,922	13,263	3,231	-	-	24	404	42	51	49
Assets limited as to use—professional liability losses, current	5,708	-	-	-	-	-	-	5,708	-	-	-	-
<b>Total Current Assets</b>	<b>1,139,356</b>	<b>(47,612)</b>	<b>60,323</b>	<b>759,246</b>	<b>288,984</b>	<b>42</b>	<b>458</b>	<b>17,471</b>	<b>46,236</b>	<b>5,475</b>	<b>5,036</b>	<b>3,697</b>
<b>Assets Limited as to Use</b>												
Internally designated for capital improvements	666,851	-	265,924	353,359	32,361	-	-	-	-	-	15,207	-
Internally designated for professional liability losses	52,579	-	-	-	-	-	-	52,579	-	-	-	-
Other cash limited as to use	16,874	-	-	16,874	-	-	-	-	-	-	-	-
<b>Total Assets Limited as to Use, Net of Current</b>	<b>736,304</b>	<b>-</b>	<b>265,924</b>	<b>370,233</b>	<b>32,361</b>	<b>-</b>	<b>-</b>	<b>52,579</b>	<b>-</b>	<b>-</b>	<b>15,207</b>	<b>-</b>
Capital Assets, Net	828,511	-	109,586	458,688	177,586	-	-	-	40,177	40,796	1,405	273
<b>Other Noncurrent Assets</b>												
Other intangible assets, net	2,656	-	890	1,746	-	-	-	-	-	-	-	20
Other assets	7,454	-	5,973	-	1,481	-	-	-	-	-	-	-
Lease receivable, less current portion	107	-	-	29	78	-	-	-	-	-	-	-
<b>Total Other Noncurrent Assets</b>	<b>10,217</b>	<b>-</b>	<b>6,863</b>	<b>1,775</b>	<b>1,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>
<b>Total Assets</b>	<b>2,714,388</b>	<b>(47,612)</b>	<b>442,696</b>	<b>1,589,942</b>	<b>500,490</b>	<b>42</b>	<b>458</b>	<b>70,050</b>	<b>86,413</b>	<b>46,271</b>	<b>21,648</b>	<b>3,990</b>
<b>Deferred Outflows of Resources</b>	<b>169,938</b>	<b>-</b>	<b>58,194</b>	<b>75,986</b>	<b>28,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,897</b>	<b>-</b>	<b>1,487</b>	<b>1,286</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 2,884,326</b>	<b>\$ (47,612)</b>	<b>\$ 500,890</b>	<b>\$ 1,665,928</b>	<b>\$ 528,578</b>	<b>\$ 42</b>	<b>\$ 458</b>	<b>\$ 70,050</b>	<b>\$ 91,310</b>	<b>\$ 46,271</b>	<b>\$ 23,135</b>	<b>\$ 5,276</b>



# ECU Health

## Consolidating Schedule of Net Position (continued) (in \$000's)

<i>September 30, 2024</i>	Consolidated	Eliminations	ECU Health	ECU Health Medical Center	ECU Health Community Hospitals	ECU Health Alliance	Coastal Plains Network	Channel Marker	ECU Health Physicians	ECU Health Properties	Access East, Inc.	HealthAccess, Inc.
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>												
<b>Current Liabilities</b>												
Accounts payable	\$ 141,640	\$ (45,388)	\$ 56,556	\$ 64,392	\$ 38,170	\$ 85	\$ 171	\$ 1,050	\$ 23,539	\$ 304	\$ 1,394	\$ 1,367
Accrued expenses	277,106	(2,224)	60,380	110,417	44,215	-	-	6,202	44,219	5	11,636	2,256
Estimated settlements due to third-party payors	72,174	-	-	48,349	23,825	-	-	-	-	-	-	-
Current portion of professional liability losses	5,708	-	-	-	-	-	-	5,708	-	-	-	-
Current maturities of long-term debt	30,963	-	27,270	3,094	480	-	-	-	119	-	-	-
Lease liability, current portion	10,507	-	943	2,208	1,720	-	-	-	5,457	-	84	95
Subscription software, current portion	17,816	-	17,061	755	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>555,914</b>	<b>(47,612)</b>	<b>162,210</b>	<b>229,215</b>	<b>108,410</b>	<b>85</b>	<b>171</b>	<b>12,960</b>	<b>73,334</b>	<b>309</b>	<b>13,114</b>	<b>3,718</b>
<b>Long-Term Liabilities</b>												
Long-term debt, less current maturities	551,305	-	530,210	17,769	2,870	-	-	-	456	-	-	-
Net pension liability	205,596	-	34,949	117,934	39,466	-	-	-	8,893	-	1,883	2,471
Professional liability losses, less current portion	28,937	-	6,269	-	269	-	-	18,958	3,441	-	-	-
Lease liability, less current portion	26,466	-	2,150	4,263	5,688	-	-	-	14,088	-	235	42
Subscription software, less current portion	10,172	-	9,571	601	-	-	-	-	-	-	-	-
Other liabilities	32,949	-	1,191	26,724	690	-	-	4,343	1	-	-	-
<b>Total Liabilities</b>	<b>1,411,339</b>	<b>(47,612)</b>	<b>746,550</b>	<b>396,506</b>	<b>157,393</b>	<b>85</b>	<b>171</b>	<b>36,261</b>	<b>100,213</b>	<b>309</b>	<b>15,232</b>	<b>6,231</b>
<b>Deferred Inflows of Resources</b>	<b>42,251</b>	<b>-</b>	<b>7,030</b>	<b>24,369</b>	<b>7,399</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,078</b>	<b>116</b>	<b>680</b>	<b>579</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,453,590</b>	<b>(47,612)</b>	<b>753,580</b>	<b>420,875</b>	<b>164,792</b>	<b>85</b>	<b>171</b>	<b>36,261</b>	<b>102,291</b>	<b>425</b>	<b>15,912</b>	<b>6,810</b>
<b>Net Position</b>												
Net investment in capital assets	259,370	-	(434,864)	452,414	179,713	-	-	-	20,069	40,796	1,086	156
Restricted—noncontrolling interests	51,508	-	-	4,905	46,603	-	-	-	-	-	-	-
Restricted—other	3,439	-	-	-	3,439	-	-	-	-	-	-	-
Unrestricted (deficit)	1,116,419	-	182,174	787,734	134,031	(43)	287	33,789	(31,050)	5,050	6,137	(1,690)
<b>Total Net Position (Deficit)</b>	<b>1,430,736</b>	<b>-</b>	<b>(252,690)</b>	<b>1,245,053</b>	<b>363,786</b>	<b>(43)</b>	<b>287</b>	<b>33,789</b>	<b>(10,981)</b>	<b>45,846</b>	<b>7,223</b>	<b>(1,534)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 2,884,326</b>	<b>\$ (47,612)</b>	<b>\$ 500,890</b>	<b>\$ 1,665,928</b>	<b>\$ 528,578</b>	<b>\$ 42</b>	<b>\$ 458</b>	<b>\$ 70,050</b>	<b>\$ 91,310</b>	<b>\$ 46,271</b>	<b>\$ 23,135</b>	<b>\$ 5,276</b>

# ECU Health

## Consolidating Schedule of Revenues and Expenses (in '000's)

<i>Year Ended September 30, 2024</i>	Consolidated	Eliminations	ECU Health	ECU Health Medical Center	ECU Health Community Hospitals	ECU Health Alliance	Coastal Plains Network	Channel Marker	ECU Health Physicians	ECU Health Properties	Access East, Inc.	HealthAccess, Inc.
<b>Operating Revenues</b>												
Net patient service revenue, net of provision for bad debts	\$ 2,695,480	\$ -	\$ (131)	\$ 1,842,451	\$ 626,329	\$ -	\$ -	\$ -	\$ 217,296	\$ -	\$ -	\$ 9,535
Other operating revenues	186,958	(459,114)	359,838	91,720	22,528	-	-	28,352	108,341	8,317	26,868	108
<b>Total Operating Revenues</b>	<b>2,882,438</b>	<b>(459,114)</b>	<b>359,707</b>	<b>1,934,171</b>	<b>648,857</b>	<b>-</b>	<b>-</b>	<b>28,352</b>	<b>325,637</b>	<b>8,317</b>	<b>26,868</b>	<b>9,643</b>
<b>Operating Expenses</b>												
Salaries and wages	1,201,660	-	145,151	536,940	217,138	-	-	-	274,022	-	16,804	11,605
Employee benefits	308,945	(6,643)	53,937	143,901	60,785	-	-	1,431	45,672	-	5,957	3,905
Supplies and other	1,133,895	(442,837)	160,710	936,723	305,986	2,511	3,213	17,592	137,114	2,822	6,239	3,822
Depreciation and amortization	120,871	-	40,739	49,561	18,488	-	-	-	8,797	2,997	175	114
Lease activity	6,571	(9,634)	2,914	8,445	2,648	-	-	-	1,467	-	90	641
<b>Total Operating Expenses</b>	<b>2,771,942</b>	<b>(459,114)</b>	<b>403,451</b>	<b>1,675,570</b>	<b>605,045</b>	<b>2,511</b>	<b>3,213</b>	<b>19,023</b>	<b>467,072</b>	<b>5,819</b>	<b>29,265</b>	<b>20,087</b>
<b>Operating Income (Loss)</b>	<b>110,496</b>	<b>-</b>	<b>(43,744)</b>	<b>258,601</b>	<b>43,812</b>	<b>(2,511)</b>	<b>(3,213)</b>	<b>9,329</b>	<b>(141,435)</b>	<b>2,498</b>	<b>(2,397)</b>	<b>(10,444)</b>
<b>Nonoperating Revenues (Expenses)</b>												
Interest expense	(26,866)	27,561	(24,581)	(25,608)	(3,351)	-	-	-	(865)	-	(15)	(7)
Investment loss, net	110,401	-	78,105	23,811	2,709	-	9	5,375	29	21	337	5
Other	(11,607)	(27,561)	21,733	(8,697)	1,792	-	-	(33)	(159)	53	-	1,265
<b>Total Nonoperating Revenues (Expenses), Net</b>	<b>71,928</b>	<b>-</b>	<b>75,257</b>	<b>(10,494)</b>	<b>1,150</b>	<b>-</b>	<b>9</b>	<b>5,342</b>	<b>(995)</b>	<b>74</b>	<b>322</b>	<b>1,263</b>
<b>Income (Loss) Before Non-Controlling Interests</b>	<b>182,424</b>	<b>-</b>	<b>31,513</b>	<b>248,107</b>	<b>44,962</b>	<b>(2,511)</b>	<b>(3,204)</b>	<b>14,671</b>	<b>(142,430)</b>	<b>2,572</b>	<b>(2,075)</b>	<b>(9,181)</b>
<b>Income applicable to noncontrolling interests</b>	<b>(13,386)</b>	<b>-</b>	<b>-</b>	<b>(9,028)</b>	<b>(4,358)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase (Decrease) in Net Position - ECU Health</b>	<b>\$ 169,038</b>	<b>\$ -</b>	<b>\$ 31,513</b>	<b>\$ 239,079</b>	<b>\$ 40,604</b>	<b>\$ (2,511)</b>	<b>\$ (3,204)</b>	<b>\$ 14,671</b>	<b>\$ (142,430)</b>	<b>\$ 2,572</b>	<b>\$ (2,075)</b>	<b>\$ (9,181)</b>

**ECU Health Medical Center**  
**Consolidating Schedule of Net Position**  
(in \$000's)

<i>Year ended September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	ECU Health* Medical Center	ECU Health SurgiCenter	ECU Health Radiation Oncology
<b>Assets and Deferred Outflows of Resources</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 176,176	\$ -	\$ 167,386	\$ 4,012	\$ 4,778
Patient accounts receivable, net	325,839	-	312,597	8,652	4,590
Other receivables	28,607	(1,235)	28,914	417	511
Estimated settlements due from third-party payors	165,867	-	165,867	-	-
Lease receivable, current portion	52	-	52	-	-
Inventories	49,442	-	48,233	1,209	-
Prepaid expenses	13,263	-	12,587	129	547
<b>Total Current Assets</b>	<b>759,246</b>	<b>(1,235)</b>	<b>735,636</b>	<b>14,419</b>	<b>10,426</b>
<b>Assets Limited as to Use</b>					
Internally designated for capital improvements	353,359	-	353,359	-	-
Other cash limited as to use	16,874	-	16,874	-	-
<b>Total Assets Limited as to Use, Net of Current</b>	<b>370,233</b>	<b>-</b>	<b>370,233</b>	<b>-</b>	<b>-</b>
<b>Capital Assets, Net</b>	<b>458,688</b>	<b>-</b>	<b>445,411</b>	<b>6,174</b>	<b>7,103</b>
<b>Other Noncurrent Assets</b>					
Other intangible assets, net	1,746	-	1,126	-	620
Other assets	-	(6,223)	6,223	-	-
Lease receivable, less current portion	29	-	29	-	-
<b>Total Other Noncurrent Assets</b>	<b>1,775</b>	<b>(6,223)</b>	<b>7,378</b>	<b>-</b>	<b>620</b>
<b>Total Assets</b>	<b>1,589,942</b>	<b>(7,458)</b>	<b>1,558,658</b>	<b>20,593</b>	<b>18,149</b>
<b>Deferred Outflows of Resources</b>	<b>75,986</b>	<b>-</b>	<b>56,416</b>	<b>1,196</b>	<b>18,374</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 1,665,928</b>	<b>\$ (7,458)</b>	<b>\$ 1,615,074</b>	<b>\$ 21,789</b>	<b>\$ 36,523</b>

\*Includes activity of MMEC and BEA

**ECU Health Medical Center**  
**Consolidating Schedule of Net Position (continued)**  
(in \$000's)

<i>Year ended September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	ECU Health* Medical Center	ECU Health SurgiCenter	ECU Health Radiation Oncology
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 64,392	\$ (1,235)	\$ 60,853	\$ 3,281	\$ 1,493
Accrued expenses	110,417	-	105,703	2,202	2,512
Estimated settlements due to third-party payors	48,349	-	48,349	-	-
Current maturities of long-term debt	3,094	-	3,094	-	-
Lease liability, current portion	2,208	-	1,628	-	580
Subscription software, current portion	755	-	314	-	441
<b>Total Current Liabilities</b>	<b>229,215</b>	<b>(1,235)</b>	<b>219,941</b>	<b>5,483</b>	<b>5,026</b>
<b>Long-Term Liabilities</b>					
Long-term debt, less current maturities	17,769	-	17,769	-	-
Net pension liability	117,934	-	115,176	2,758	-
Lease liability, less current portion	4,263	-	3,325	-	938
Subscription software, less current portion	601	-	601	-	-
Other liabilities	26,724	-	26,453	271	-
<b>Total Liabilities</b>	<b>396,506</b>	<b>(1,235)</b>	<b>383,265</b>	<b>8,512</b>	<b>5,964</b>
<b>Deferred Inflows of Resources</b>	<b>24,369</b>	<b>-</b>	<b>23,940</b>	<b>429</b>	<b>-</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>420,875</b>	<b>(1,235)</b>	<b>407,205</b>	<b>8,941</b>	<b>5,964</b>
<b>Net Position</b>					
Net investment in capital assets	452,414	-	421,919	6,357	24,138
Restricted—noncontrolling interests	4,905	4,905	-	-	-
Unrestricted	787,734	(11,128)	785,950	6,491	6,421
<b>Total Net Position</b>	<b>1,245,053</b>	<b>(6,223)</b>	<b>1,207,869</b>	<b>12,848</b>	<b>30,559</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 1,665,928</b>	<b>\$ (7,458)</b>	<b>\$ 1,615,074</b>	<b>\$ 21,789</b>	<b>\$ 36,523</b>

\*Includes activity of MMEC and BEA

**ECU Health Medical Center**  
**Consolidating Schedule of Revenues and Expenses**  
(in \$000's)

<i>Year ended September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	ECU Health* Medical Center	ECU Health SurgiCenter	ECU Health Radiation Oncology
<b>Operating Revenues</b>					
Net patient service revenue, net of provision for bad debts	\$ 1,842,451	\$ -	\$ 1,772,139	\$ 54,102	\$ 16,210
Other operating revenues	91,720	(2,997)	93,989	325	403
<b>Total Operating Revenues</b>	<b>1,934,171</b>	<b>(2,997)</b>	<b>1,866,128</b>	<b>54,427</b>	<b>16,613</b>
<b>Operating Expenses</b>					
Salaries and wages	536,940	-	523,266	8,081	5,593
Employee benefits	143,901	-	140,752	2,705	444
Supplies and other	936,723	(2,997)	912,161	21,338	6,221
Depreciation and amortization	49,561	-	46,490	933	2,138
Lease activity	8,445	-	5,477	1,631	1,337
<b>Total Operating Expenses</b>	<b>1,675,570</b>	<b>(2,997)</b>	<b>1,628,146</b>	<b>34,688</b>	<b>15,733</b>
<b>Operating Income</b>	<b>258,601</b>	<b>-</b>	<b>237,982</b>	<b>19,739</b>	<b>880</b>
<b>Nonoperating Revenues (Expenses)</b>					
Interest expense	(25,608)	-	(25,568)	-	(40)
Investment income	23,811	-	23,445	323	43
Other	(8,697)	(11,034)	2,337	-	-
<b>Total Nonoperating Revenues (Expenses), Net</b>	<b>(10,494)</b>	<b>(11,034)</b>	<b>214</b>	<b>323</b>	<b>3</b>
<b>Income before Non-Controlling Interests</b>	<b>248,107</b>	<b>(11,034)</b>	<b>238,196</b>	<b>20,062</b>	<b>883</b>
Income applicable to noncontrolling interest	(9,028)	(9,028)	-	-	-
<b>Increase in Net Position—ECU Health Medical Center</b>	<b>\$ 239,079</b>	<b>\$ (20,062)</b>	<b>\$ 238,196</b>	<b>\$ 20,062</b>	<b>\$ 883</b>

\*Includes activity of MMEC and BEA

# ECU Health Community Hospitals

## Consolidating Schedule of Net Position

(in \$000's)

<i>September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Outer Banks Health	ECU Health Roanoke- Chowan Hospital	ECU Health Bertie Hospital	ECU Health Edgecombe Hospital	ECU Health Chowan Hospital	ECU Health Duplin Hospital	ECU Health Beaufort Hospital	ECU Health North
<b>Assets and Deferred Outflows of Resources</b>										
<b>Current Assets</b>										
Cash	\$ 125,641	\$ -	\$ 28,499	\$ 9,009	\$ 20,135	\$ 20,054	\$ 26,869	\$ 11,385	\$ 1,756	\$ 7,934
Patient accounts receivable, net	97,026	-	18,353	15,734	4,203	17,920	12,148	10,926	(196)	17,938
Other receivables	7,433	(100)	2,973	696	243	1,020	567	665	22	1,347
Estimated settlements due from third-party payors	40,956	-	3,709	6,544	1,717	7,107	5,401	8,367	642	7,469
Lease receivable, current portion	122	-	117	-	-	-	-	-	-	5
Inventories	14,575	-	2,094	3,142	441	2,505	2,056	1,373	-	2,964
Prepaid expenses	3,231	-	230	124	52	32	40	2,557	-	196
<b>Total Current Assets</b>	<b>288,984</b>	<b>(100)</b>	<b>55,975</b>	<b>35,249</b>	<b>26,791</b>	<b>48,638</b>	<b>47,081</b>	<b>35,273</b>	<b>2,224</b>	<b>37,853</b>
<b>Assets Limited as to Use</b>										
Internally designated for capital improvements	32,361	-	31,855	-	-	-	-	-	-	506
<b>Capital Assets, Net</b>	<b>177,586</b>	<b>-</b>	<b>57,042</b>	<b>22,107</b>	<b>5,375</b>	<b>19,881</b>	<b>19,294</b>	<b>22,177</b>	<b>-</b>	<b>31,710</b>
<b>Other Noncurrent Assets</b>										
Other assets	1,481	-	-	564	-	-	-	-	-	917
Lease receivable, less current portion	78	-	66	-	-	-	-	-	-	12
<b>Total Other Noncurrent Assets</b>	<b>1,559</b>	<b>-</b>	<b>66</b>	<b>564</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>929</b>
<b>Total Assets</b>	<b>500,490</b>	<b>(100)</b>	<b>144,938</b>	<b>57,920</b>	<b>32,166</b>	<b>68,519</b>	<b>66,375</b>	<b>57,450</b>	<b>2,224</b>	<b>70,998</b>
<b>Deferred Outflows of Resources</b>	<b>28,088</b>	<b>-</b>	<b>-</b>	<b>4,996</b>	<b>-</b>	<b>16,237</b>	<b>3,335</b>	<b>2,165</b>	<b>-</b>	<b>1,355</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 528,578</b>	<b>\$ (100)</b>	<b>\$ 144,938</b>	<b>\$ 62,916</b>	<b>\$ 32,166</b>	<b>\$ 84,756</b>	<b>\$ 69,710</b>	<b>\$ 59,615</b>	<b>\$ 2,224</b>	<b>\$ 72,353</b>

**ECU Health Community Hospitals**  
**Consolidating Schedule of Net Position (Continued)**  
(in \$000's)

<i>September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Outer Banks Health	ECU Health Roanoke- Chowan Hospital	ECU Health Bertie Hospital	ECU Health Edgecombe Hospital	ECU Health Chowan Hospital	ECU Health Duplin Hospital	ECU Health Beaufort Hospital	ECU Health North
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>										
<b>Current Liabilities</b>										
Accounts payable	\$ 38,170	\$ (100)	\$ 8,923	\$ 5,303	\$ 1,494	\$ 5,790	\$ 3,227	\$ 4,149	\$ -	\$ 9,384
Accrued expenses	44,215	-	8,932	7,882	2,084	7,429	5,143	5,298	95	7,352
Estimated settlements due to third-party payors	23,825	-	3,186	2,148	2,147	2,718	6,834	1,595	2,495	2,702
Current maturities of long-term debt	480	-	108	43	-	105	-	24	-	200
Lease liability, current portion	1,720	-	1,134	90	1	87	6	257	-	145
<b>Total Current Liabilities</b>	<b>108,410</b>	<b>(100)</b>	<b>22,283</b>	<b>15,466</b>	<b>5,726</b>	<b>16,129</b>	<b>15,210</b>	<b>11,323</b>	<b>2,590</b>	<b>19,783</b>
<b>Long-Term Liabilities</b>										
Long-term debt, less current maturities	2,870	-	479	167	163	452	754	165	-	690
Net pension liability	39,466	-	-	14,631	-	9,179	10,749	2,339	-	2,568
Professional liability losses, less current portion	269	-	269	-	-	-	-	-	-	-
Lease liability, less current portion	5,688	-	5,202	44	3	49	2	196	-	192
Other liabilities	690	-	44	108	44	140	63	43	-	248
<b>Total Liabilities</b>	<b>157,393</b>	<b>(100)</b>	<b>28,277</b>	<b>30,416</b>	<b>5,936</b>	<b>25,949</b>	<b>26,778</b>	<b>14,066</b>	<b>2,590</b>	<b>23,481</b>
<b>Deferred Inflows of Resources</b>	<b>7,399</b>	<b>-</b>	<b>183</b>	<b>2,218</b>	<b>-</b>	<b>1,565</b>	<b>1,484</b>	<b>1,097</b>	<b>-</b>	<b>852</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>164,792</b>	<b>(100)</b>	<b>28,460</b>	<b>32,634</b>	<b>5,936</b>	<b>27,514</b>	<b>28,262</b>	<b>15,163</b>	<b>2,590</b>	<b>24,333</b>
<b>Net Position</b>										
Net investment in capital assets	179,713	-	50,119	21,779	5,208	31,847	18,532	21,745	-	30,483
Restricted—noncontrolling interests	46,603	46,603	-	-	-	-	-	-	-	-
Restricted—other	3,439	-	-	3,434	5	-	-	-	-	-
Unrestricted	134,031	(46,603)	66,359	5,069	21,017	25,395	22,916	22,707	(366)	17,537
<b>Total Net Position</b>	<b>363,786</b>	<b>-</b>	<b>116,478</b>	<b>30,282</b>	<b>26,230</b>	<b>57,242</b>	<b>41,448</b>	<b>44,452</b>	<b>(366)</b>	<b>48,020</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 528,578</b>	<b>\$ (100)</b>	<b>\$ 144,938</b>	<b>\$ 62,916</b>	<b>\$ 32,166</b>	<b>\$ 84,756</b>	<b>\$ 69,710</b>	<b>\$ 59,615</b>	<b>\$ 2,224</b>	<b>\$ 72,353</b>

# ECU Health Community Hospitals

## Consolidating Schedule of Revenues and Expenses

(in \$000's)

<i>Year Ended September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Outer Banks Health	ECU Health Roanoke- Chowan Hospital	ECU Health Bertie Hospital	ECU Health Edgecombe Hospital	ECU Health Chowan Hospital	ECU Health Duplin Hospital	ECU Health Beaufort Hospital	ECU Health North
<b>Operating Revenues</b>										
Net patient service revenue, net of provision for bad debts	\$ 626,329	\$ -	\$ 125,417	\$ 92,345	\$ 32,405	\$ 109,511	\$ 84,798	\$ 75,748	\$ 2,080	\$ 104,025
Other operating revenues	22,528	(294)	4,762	4,505	240	6,779	2,202	1,309	-	3,025
<b>Total Operating Revenues</b>	<b>648,857</b>	<b>(294)</b>	<b>130,179</b>	<b>96,850</b>	<b>32,645</b>	<b>116,290</b>	<b>87,000</b>	<b>77,057</b>	<b>2,080</b>	<b>107,050</b>
<b>Operating Expenses</b>										
Salaries and wages	217,138	-	49,625	34,192	10,404	35,889	21,221	28,199	-	37,608
Employee benefits	60,785	-	10,435	10,901	2,344	10,505	6,646	8,486	-	11,468
Supplies and other	305,986	(294)	59,332	49,090	10,504	53,713	33,151	30,164	224	70,102
Depreciation and amortization	18,488	-	4,351	1,850	560	3,716	1,815	2,918	-	3,278
Lease activity	2,648	-	331	601	112	484	414	406	-	300
<b>Total Operating Expenses</b>	<b>605,045</b>	<b>(294)</b>	<b>124,074</b>	<b>96,634</b>	<b>23,924</b>	<b>104,307</b>	<b>63,247</b>	<b>70,173</b>	<b>224</b>	<b>122,756</b>
<b>Operating Income (Loss)</b>	<b>43,812</b>	<b>-</b>	<b>6,105</b>	<b>216</b>	<b>8,721</b>	<b>11,983</b>	<b>23,753</b>	<b>6,884</b>	<b>1,856</b>	<b>(15,706)</b>
<b>Nonoperating Revenues (Expenses)</b>										
Interest expense	(3,351)	-	(264)	(340)	(7)	(2,129)	(140)	(52)	-	(419)
Investment income	2,709	-	2,162	158	29	154	56	33	5	112
Other	1,792	-	2,893	(151)	(186)	(175)	(284)	(70)	-	(235)
<b>Total Nonoperating Revenues (Expenses), Net</b>	<b>1,150</b>	<b>-</b>	<b>4,791</b>	<b>(333)</b>	<b>(164)</b>	<b>(2,150)</b>	<b>(368)</b>	<b>(89)</b>	<b>5</b>	<b>(542)</b>
<b>Income (Loss) Before Non-Controlling Interests</b>	<b>44,962</b>	<b>-</b>	<b>10,896</b>	<b>(117)</b>	<b>8,557</b>	<b>9,833</b>	<b>23,385</b>	<b>6,795</b>	<b>1,861</b>	<b>(16,248)</b>
Income applicable to noncontrolling interest	(4,358)	(4,358)	-	-	-	-	-	-	-	-
<b>Increase (Decrease) in Net Position - ECU Health Community Hospitals</b>	<b>\$ 40,604</b>	<b>\$ (4,358)</b>	<b>\$ 10,896</b>	<b>\$ (117)</b>	<b>\$ 8,557</b>	<b>\$ 9,833</b>	<b>\$ 23,385</b>	<b>\$ 6,795</b>	<b>\$ 1,861</b>	<b>\$ (16,248)</b>



**ECU Health (Combined Group)**  
**Consolidating Schedule of Net Position**  
(in '\$000s)

<i>September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Combined Group	Unrestricted Affiliates
<b>Assets and Deferred Outflows of Resources</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 312,801	\$ -	\$ 266,771	\$ 46,030
Patient accounts receivable, net	454,236	-	418,758	35,478
Other receivables	57,194	(9,205)	51,498	14,901
Estimated settlements due from third-party payors	206,780	-	203,114	3,666
Lease receivable, current portion	281	-	164	117
Inventories	71,370	-	68,018	3,352
Prepaid expenses	30,986	-	29,956	1,030
Assets limited as to use—professional liability losses, current	5,708	-	-	5,708
<b>Total Current Assets</b>	<b>1,139,356</b>	<b>(9,205)</b>	<b>1,038,279</b>	<b>110,282</b>
<b>Assets Limited as to Use</b>				
Internally designated for capital improvements	666,851	-	619,789	47,062
Internally designated for professional liability losses	52,579	-	-	52,579
Other cash limited as to use	16,874	-	16,874	-
<b>Total Assets Limited as to Use, Net of Current</b>	<b>736,304</b>	<b>-</b>	<b>636,663</b>	<b>99,641</b>
<b>Capital Assets, Net</b>	<b>828,511</b>	<b>-</b>	<b>756,509</b>	<b>72,002</b>
<b>Other Noncurrent Assets</b>				
Intangible assets, net	2,656	-	2,016	640
Other assets	7,454	(584)	8,038	-
Lease receivable, less current portion	107	-	41	66
<b>Total Other Noncurrent Assets</b>	<b>10,217</b>	<b>(584)</b>	<b>10,095</b>	<b>706</b>
<b>Deferred Outflows of Resources</b>	<b>169,938</b>	<b>-</b>	<b>147,595</b>	<b>22,343</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 2,884,326</b>	<b>\$ (9,789)</b>	<b>\$ 2,589,141</b>	<b>\$ 304,974</b>

**ECU Health (Combined Group)**  
**Consolidating Schedule of Net Position (Continued)**  
(in \$000's)

<i>September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Combined Group	Unrestricted Affiliates
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 141,640	\$ (9,205)	\$ 132,552	\$ 18,293
Accrued expenses	277,106	-	242,998	34,108
Estimated settlements due to third-party payors	72,174	-	68,988	3,186
Current reserve for professional liability losses	5,708	-	-	5,708
Current maturities of long-term debt	30,963	-	30,855	108
Lease liability, current portion	10,507	-	8,614	1,893
Subscription software, current portion	17,816	-	17,375	441
<b>Total Current Liabilities</b>	<b>555,914</b>	<b>(9,205)</b>	<b>501,382</b>	<b>63,737</b>
<b>Long-Term Liabilities</b>				
Long-term debt, less current maturities	551,305	-	550,826	479
Net pension liability	205,596	-	198,484	7,112
Professional liability losses, less current portion	28,937	-	9,710	19,227
Lease liability, less current portion	26,466	-	20,049	6,417
Subscription software, less current portion	10,172	-	10,172	-
Other liabilities	32,949	(584)	28,875	4,658
<b>Total Long-Term Liabilities</b>	<b>855,425</b>	<b>(584)</b>	<b>818,116</b>	<b>37,893</b>
<b>Total Liabilities</b>	<b>1,411,339</b>	<b>(9,789)</b>	<b>1,319,498</b>	<b>101,630</b>
<b>Deferred Inflows of Resources</b>	<b>42,251</b>	<b>-</b>	<b>40,380</b>	<b>1,871</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,453,590</b>	<b>(9,789)</b>	<b>1,359,878</b>	<b>103,501</b>
<b>Net Position</b>				
Net investment in capital assets	259,370	-	177,509	81,861
Restricted—noncontrolling interests	51,508	-	51,508	-
Restricted—other	3,439	-	3,439	-
Unrestricted	1,116,419	-	996,807	119,612
<b>Total Net Position</b>	<b>1,430,736</b>	<b>-</b>	<b>1,229,263</b>	<b>201,473</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 2,884,326</b>	<b>\$ (9,789)</b>	<b>\$ 2,589,141</b>	<b>\$ 304,974</b>

**ECU Health (Combined Group)**  
**Consolidating Schedule of Revenues and Expenses**  
(in \$000's)

<i>Year Ended September 30, 2024</i>	Consolidated	Eliminations and Noncontrolling Interests	Combined Group	Unrestricted Affiliates
<b>Operating Revenues</b>				
Other operating revenues	\$ 2,695,480	\$ -	\$ 2,487,149	\$ 208,331
Other revenue	186,958	(33,696)	159,716	60,938
<b>Total Operating Revenues</b>	<b>2,882,438</b>	<b>(33,696)</b>	<b>2,646,865</b>	<b>269,269</b>
<b>Operating Expenses</b>				
Salaries and wages	1,201,660	-	1,106,861	94,799
Employee benefits	308,945	-	283,283	25,662
Supplies and other	1,133,895	(32,065)	1,044,865	121,095
Depreciation and amortization	120,871	-	113,159	7,712
Lease activity	6,571	(1,631)	3,972	4,230
<b>Total Operating Expenses</b>	<b>2,771,942</b>	<b>(33,696)</b>	<b>2,552,140</b>	<b>253,498</b>
<b>Operating Income</b>	<b>110,496</b>	<b>-</b>	<b>94,725</b>	<b>15,771</b>
<b>Nonoperating Revenues (Expenses)</b>				
Interest expense	(26,866)	-	(26,540)	(326)
Investment loss, net	110,401	-	102,141	8,260
Income applicable to noncontrolling interest	(13,386)	(13,386)	-	-
Other	(11,607)	-	(15,732)	4,125
<b>Total Nonoperating Revenues (Expenses), Net</b>	<b>58,542</b>	<b>(13,386)</b>	<b>59,869</b>	<b>12,059</b>
<b>Increase in Net Position—ECU Health</b>	<b>\$ 169,038</b>	<b>\$ (13,386)</b>	<b>\$ 154,594</b>	<b>\$ 27,830</b>

**Reports and Schedules Required by *Government Auditing Standards* and the Uniform Guidance**

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Directors  
University Health Systems of Eastern Carolina, Inc.  
d/b/a ECU Health  
Greenville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health (ECU Health), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise ECU Health's basic financial statements, and have issued our report thereon dated January 22, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered ECU Health's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ECU Health's internal control. Accordingly, we do not express an opinion on the effectiveness of ECU Health's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or team members, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ECU Health's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ECU Health's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

January 22, 2025



## **Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance**

To the Board of Directors  
University Health Systems of Eastern Carolina, Inc.  
d/b/a ECU Health  
Greenville, North Carolina

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited University Health Systems of Eastern Carolina, Inc.'s d/b/a ECU Health (ECU Health), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of ECU Health's major federal programs for the year ended September 30, 2024. ECU Health's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ECU Health complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of ECU Health and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of ECU Health's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to ECU Health's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on ECU Health's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about ECU Health's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 ECU Health's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ECU Health's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of ECU Health's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or team members, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.





Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BDO USA, P.C.

January 22, 2025

# ECU Health

## Schedule of Expenditures of Federal Awards

Year Ended September 30, 2024

Federal Grantor/Pass-Through Agency/Program Title	Assistance Listing Number	Agency or Pass-Through Grantor's Number	Provided to Subrecipients	Total Federal Expenditures
<b>Federal Awards</b>				
<b>U.S. Department of Health and Human Services</b>				
<i>Health Resources and Services Administration (HRSA)</i>				
Direct awards:				
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912			450,522
Pass-through awards from North Carolina Healthcare Quality Alliance, Inc.:				
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	GA1RH39580		55
Pass-through awards from NC Department of Health and Human Services, Office of Rural Health: COVID-19, Rural Health Research Centers	93.155	H3L42219		195,736
<i>Center for Medicare and Medicaid Services (CMS)</i>				
Pass-through awards from Legal Aid of North Carolina, Inc.:				
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	93.332	NAVCA210405-03-00 NAVCMS240463-01-00		364,557
<i>Administration for Community Living (ACL)</i>				
Pass-through awards from North Carolina Department of Insurance:				
State Health Insurance Assistance Program	93.324	90SAPG0099-03-00 90SAPG0099-04-00		2,599
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0074-01-00		1,986
<i>Centers for Disease Control and Prevention (CDC)</i>				
Pass-through awards from NC Department of Health and Human Services, Division of Public Health: Paul Coverdell Acute Stroke Program National Center for Chronic Disease Prevention and Health Promotion	93.810	NU58DP006944		43,798
Injury Prevention and Control Research and State and Community Based Programs	93.136	NU50CE002591		75,646
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	NH75OT000028		60,000
Pass-through awards from University of North Carolina at Chapel Hill: Cancer Center Supports Grants	93.397	5P30CA016086-46/47		3,194
<b>Total U.S. Department of Health and Human Services</b>				<b>1,198,093</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ -</b>	<b>\$ 1,198,093</b>

See notes to schedule of expenditures of federal awards.

# ECU Health

## Notes to Schedule of Expenditures of Federal Awards

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### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of University Health Systems of Eastern Carolina, Inc. d/b/a ECU Health (ECU Health) for the year ended September 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of ECU Health, it is not intended to and does not present the financial position, changes in net position, or cash flows of ECU Health.

### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are recognized under the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### **Note 3. Indirect Cost Rate**

ECU Health has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

# ECU Health

## Schedule of Findings and Questioned Costs Year Ended September 30, 2024

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### I. Summary of Auditor's Results

#### Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

#### Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

#### Federal Awards

#### Internal control over major federal programs

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

#### Identification of federal major programs:

##### Assistance Listing Number(s)

93.912

##### Name of Federal Program or Cluster

Rural Health Care Services Outreach, Rural Health Network and Small Health Care Provider Quality Improvement

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

## **ECU Health**

### **Schedule of Findings and Questioned Costs Year Ended September 30, 2024**

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#### **II. Financial Statement Findings**

There are no matters to report.

#### **III. Federal Award Findings and Questioned Costs**

There are no audit findings to be reported under 2 CFR 200.516(a).

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## Summary Schedule of Prior Audit Findings

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### Status of Prior Year Findings

#### **2023-001** - *Estimation / Reconciliation of Medicaid Directed Payment Receivable / IGT Assessment Liability*

##### Prior Year Finding:

Beginning July 1, 2021, Medicaid moved to a managed care model for care in North Carolina. As part of the reimbursement modeling, Pitt County Memorial Hospital, Inc. d/b/a ECU Health Medical Center (VMC) was one of two entities (UNC owning the other) that were provided an additional add-on payment as a result of being an academic teaching facility to account for previous adjustments to reimbursement that were being accomplished through the cost report. The Directed Payment model created for VMC and UNC was a simple reimbursement model that would be paid quarterly (in arrears), computed by a contracted rate per discharge to be applied to all “paid” claims during the quarter. The rate is not impacted by any other factor, but rather is simply a per discharge amount set annually by the State.

As a result of this reimbursement change, the ECU Health reimbursement team began recording a receivable each month, calculated as the total discharges during the month times the Directed Payment rate. In addition, the reimbursement team would apply an assessment expense factor to that total receivable to account for the expected Intergovernmental Transfer (IGT), which is the process by which funds are transferred for the purpose of the federal match to the State.

During fiscal year 2023, the Medicaid Directed Payment receivable and related IGT assessment liability continued to grow. It was determined that the receivable and related assessment liability was never discounted for potential denials based on experience.

As a result, the reimbursement team performed a complete review and reconciliation matching up payments received by quarter which resulted in a net overstatement of the receivable and related assessment liability of \$14.1 million with \$8.7 million of the net overstatement related to fiscal year 2022 and prior.

We recommend that ECU Health reconcile the receivable and related assessment liability on a timely basis going forward ensuring to continually challenge the critical factors in this estimation which includes updating for the discount related to actual denial experience.

##### Current Year Status:

This finding has been corrected in the current year.

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