



Baylor Scott & White Medical Center - Waxahachie  
Annual Report of Community Benefits  
2400 North I-35E  
Waxahachie, Texas 75165  
Taxpayer ID # 75-1844139  
For the Fiscal Year Ended June 30, 2019

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June 30, 2019

Dear Fellow Texan,

Baylor Scott & White Medical Center – Waxahachie (Baylor Scott & White – Waxahachie) is committed to fulfilling its mission to operate within an integrated health care system, which exists to serve people as an extension of its Christian ministry of healing by offering a continuum of quality services with a commitment to patient care and community service.

Ellis County continues to be one of the fastest growing areas in North Central Texas. In response to the growing health needs of the community, Baylor Scott & White – Waxahachie has added 25 new patient beds accommodating an additional 6 Progressive Care Unit (PCU) beds, representing an increase to 12 beds. PCU is for patients who do not need intensive care but who require more care than a regular in-patient floor provides. In addition, this has provided an addition 19 medical surgical beds that provide care for the majority of patients. Other ways we are serving the community needs are by working to achieve Stroke designation.

Baylor Scott & White – Waxahachie is committed to promoting an environment of wellness in the community and to coaching residents to adopt healthier lifestyle to reduce the number of deaths associated with chronic disease. The provisions of quality patient care at Baylor Scott & White – Waxahachie often includes subsidized services that would otherwise not be available to the community. Within this report, you will find a quantification of community benefit services provided to the citizens of Ellis County and surrounding area for the fiscal year ended June 30, 2019.

Our hospital's ambition is, "To be the trusted leader, educator and innovator in value-based care delivery, customer experience and affordability." We have committed our resources, included personnel and money to accomplish this vision.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Will Turner".

Will Turner, FACHE President  
Baylor Scott & White Medical Center – Waxahachie

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I. Effective Dates of the Report

The annual report of community benefits provided is for the fiscal year ended June 30, 2019 (Fiscal Year 2019).

II. Hospital Description

Baylor Scott & White Medical Center - Waxahachie is a not-for-profit hospital dedicated to providing technologically advanced medical care close to home for residents of Ellis County and surrounding communities. The Waxahachie facility is a 300,000 square-foot facility, with 129 licensed beds, located at the intersection of I-35 and Highway 287 on 52 acres of land. Many windows fill the facility with natural light to complement a healing environment. The hospital offers advanced technology for physicians and numerous amenities for patients and their families, including all private rooms, free Wi-Fi and no visiting-hour restrictions.

Some of the hospital amenities include 12 ICU beds, an Emergency Department with 35 treatment spaces, 8 operating rooms, Cardiac and Pulmonary rehabilitation, a wound care program with 2 hyperbaric chambers, childbirth services with 24-hour Neonatal Nurse Practitioner coverage, Interventional Radiology, weight management program, diabetes management and a sleep center. Also included is Baylor Scott & White Charles A. Sammons Cancer Center – Waxahachie featuring a linear accelerator and infusion bays.

Baylor Scott & White Medical Center Waxahachie accreditations include:

- Cancer Center Accreditation (2018-2020)
- Metabolic and Bariatric Surgery Accreditation (2019)
- The Joint Commission Hospital Accreditation (2018-2021)
- Pathway to Excellence designation from the American Nurses Credentialing Center (2016-2018)
- Press Ganey Guardian of Excellence Award, Texas Ten Steps
- American College of Radiology (ACR) Accreditations in CT, Nuclear Medicine, MRI and Ultrasound (2016-2019)
- Laboratory & Blood Gas Lab Accreditation from the College of American Pathologists (2015 – 2017).
- In addition, BSWMCW is now an Advanced Primary Stroke Center certified by The Joint Commission and a Level II Stroke Center designated by the State of Texas.

The Hospital uses its revenue after expenses to improve the health of Waxahachie and surrounding communities through patient care, education, research, and community service. In the fiscal year ending June 30, 2019, the Hospital had 7,356 total adult and special care nursery admits resulting in a total of 31,142 days of care; delivered 1,056 babies, and there were 47,255 emergency department visits.

As part of the Hospital's commitment to the community, the Hospital provides financial assistance in the form of charity care to patients who are indigent and satisfy certain requirements. Additionally, the Hospital is committed to treating patients who are eligible for means tested government programs such as Medicaid and other government sponsored programs including Medicare, which is provided regardless of the reimbursement shortfall, and thereby relieves the state and federal government of the burden of paying the full cost of care for these patients. Often, patients are unaware of the federal, state and local programs open to them for financial assistance, or they are unable to access them due to the cumbersome enrollment process required to receive these benefits. The Hospital offers assistance in enrollment to these government programs or extends financial assistance in the form of charity care through the Hospital's Financial Assistance Policy, which can be located on the Hospital's website at [BaylorHealth.com/Financial Assistance](http://BaylorHealth.com/Financial Assistance). In addition to the Hospital's Financial Assistance Policy, as part of a large faith based integrated health care delivery System the areas of medical education, research, subsidized services and community health education and screenings are initiatives that take place across the System, and comprise a significant portion of the Hospital's community benefit program.

The Hospital is also committed to assisting with the preparation of future nurses at entry and advanced levels of the profession to establish a workforce of qualified nurses. Through the System's relationships with six North Texas schools of nursing, the Hospital maintains strong affiliations with schools of nursing. In the fiscal year ending June 30, 2019, the Hospital invested in training 108 nurses in collaboration with five area colleges and universities. Total unreimbursed cost of these programs was \$278,626. Also in fiscal year 2019, the hospital participated in the education of non-nursing allied health professionals entering the workforce. One hundred eighty one students from 10 area high schools, trade schools and universities received training from the hospital in allied health professions. The total cost of these programs was \$325,587. Like physicians, neither nursing graduates nor allied health students trained at a System entity are obligated to join the staff although many remain in the North Texas area to provide top quality nursing services to many health care institutions.

### III. Hospital Mission Statement

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

#### IV. Description of Community Served

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

The hospital has defined their community to be the geographical area of Ellis County. The community served was determined based on the counties that make up at least 75 percent of each hospital's inpatient and outpatient admissions.

#### V. Identified Community Health Needs

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

To assess the health needs of the community served, took a quantitative and qualitative approach. In addition to collecting data from a number of public and Truven Health Analytics utilized proprietary sources, interviews and focus groups with individuals representing public health, community leaders/groups, public organizations, and other providers. This health assessment will serve as the foundation for community health improvement efforts for next three years.

The identified community health needs as outlined below received review and prioritization from the Baylor Scott & White Health (BSWH) Senior Leadership, and approved by the BSWH Board of Trustees.

Significant community health needs identified through quantitative and qualitative data obtained when assessing the community. Needs supported by data showing the community to be worse than the state by a greater magnitude and were a frequent theme during interviews and focus groups were determined to be significant.

These significant needs received prioritization based on input gathered from the focus groups and interviews. Participants of these focus groups and interviews ranked the top three health needs of the community based on the importance they placed on addressing the need. Through this process, the health needs prioritization basis is on the frequency of listing as the top health care needs. The prioritized health needs of this community are below.

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

#### Identified Community Needs

1. Physician and non-physician primary care providers to population ratio
2. Mental/behavioral health resources
3. Chronic disease

4. Heart failure
5. Excessive drinking

VI. Programs Addressing Identified Community Health

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

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

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

For Fiscal Year 2019, Baylor Scott & White Medical Center - Waxahachie provided \$15,916,073 in unreimbursed costs of charity care and government-sponsored indigent health care.

VIII. Government-Sponsored Health Care Provided

For Fiscal Year 2019, Baylor Scott & White Medical Center - Waxahachie provided \$38,388,814 in unreimbursed costs of government-sponsored health care.

IX. Other Types of Community Benefits Provided \$1,283,729

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

A. Community Health and Wellness Improvement Services \$486,013

These activities improve community health, extend beyond patient care activities and receive hospital subsidy. Such services do not generate patient care bills and may include community health education activities; community based clinical services for under-insured and uninsured persons; support groups; enrollment services; transportation efforts; and self-help programs; community-based chaplaincy programs and spiritual care.

B. Financial Donations \$ 99,867

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

C. Medical Education

\$ 604,213

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

D. Subsidized Health Services

\$ 93,636

Subsidized health services are clinical programs provided despite a financial loss so significant that negative margins remain after removing the effects of financial assistance, bad debt, and Medicaid shortfall. Nevertheless, the service is provided because it meets an identified community need and if no longer offered would be unavailable in the area, or fall to the responsibility of government or another tax-exempt organization to provide.

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

As required by Section 311.046 (a) (4), Baylor Scott & White Medical Center - Waxahachie reports \$157,508,409 in total operating expenses. As required by Section 311.046(1) (5), the ratio of cost to charges was 23.42%. Please see the attached worksheet for the full calculation.

XI. Report of Community Benefit Provided During Fiscal Year 2019

In a commitment to fulfill its mission, Baylor Scott & White Medical Center - Waxahachie benefit to the community, conservatively estimated, was \$55,588,616 for Fiscal Year 2019. Baylor Scott & White Medical Center - Waxahachie is filing its Annual Statement of Community Benefits Standard (Statement) as a consolidated system with the other affiliated hospitals of BSWH that are qualified to file as a hospital system.

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

Any comments or suggestions in regard to the community benefit activities are greatly welcomed and may be addressed to Niki Shah, Vice President Care Redesign and Equitable Health, Baylor Scott & White Health at 8080 N. Central Expwy., Suite 700, Dallas, Texas 75206.

**Baylor Medical Center at Waxahachie**

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

For the Fiscal Year Ended June 30, 2018

157,508,409

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

Total Patient Revenues (from 2018 Medicare Cost Report, Worksheet G-3, Line 1)	(a)	<u>629,345,210</u>
Total Operating Expenses (from 2018 Medicare Cost Report, Worksheet A, Line 118, Col. 7)	(b)	<u>140,526,945</u>
Initial Ratio of Cost to Charge ((b) divided by (a))	(c)	<u>22.33%</u>
Application of Initial Ratio of Cost to Charge to Bad-Debt Expense		
Bad Debt Expense (from 2019 audited financial statements)	(d)	<u>30,703,147</u>
Multiply "Bad Debt Expense" by "Initial Ratio of Cost to Charge" ((d)*(c))	(e)	<u>6,856,013</u>
Add the allowable "Bad-Debt Expense" to "Total Operating Expenses" ((b) + (e))	(f)	<u>147,382,958</u>
Calculation of Ratio of Cost to Charge ((f) divided by (a))	(g)	<u>23.42%</u>