



## MEDIA RELEASE

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### **Hospital Accountability Report: Northeast Georgia Medical Center** *Report details health care access, cost in northeast Georgia*

ATLANTA – Georgia Watch released today a detailed financial analysis of Northeast Georgia Medical Center, a regional safety net hospital that serve low-income, uninsured, underinsured and other vulnerable populations in Gainesville and its surrounding region. This section of the state, serviced primarily by Northeast Georgia Medical Center, has an uninsured rate that is higher than the state average; many area health consumers face significant barriers in affording care.

With a 21 percent of the region’s residents living below the poverty level, many residents of northeastern Georgia likely delay needed care because they feel they cannot afford it, often having no choice but to postpone both preventative and ongoing care in order to pay their rent or mortgage. As its area’s primary safety net facility, Northeast Georgia Medical Center shoulders the financial burden of caring for needy patients, offering many services at a discount, and some preventative care on a sliding scale or at no charge.

Northeast Georgia Medical Center serves as a state model for its participation in programs that help uninsured and low-income individuals access care. However, the hospital also engages in certain practices that mirror those of other nonprofit hospitals in Georgia, including high executive compensation and tremendous mark-ups, which is a barrier to affordable care for uninsured, underinsured, low-income and self-pay patients.

“Northeast Georgia Medical Center has many practices and programs that directly benefit their patients and their community,” **said Hospital Accountability Project Manager Holly Lang.** “But the hospital charges are high and, even when discounted, can easily prove to be a barrier to affordable care for many.”

In our research of Northeast Georgia Medical Center, we have found:

- In 2008, the hospital charged approximately \$1.00 for every \$0.30 a service or procedure actually cost – a mark-up of about 333 percent, an amount significantly higher than the state average of 247 percent, but is comparable to peer hospitals that provide similar specialty services and serve a disproportionate share of indigent and Medicaid patients;
- Northeast Georgia Medical Center’s quality of care is often awarded, and the hospital ranks among the top in the state for cardiac services;

- The hospital's chief executive officer is among the highest paid not-for-profit hospital executives in Georgia, receiving a salary of \$821,619 in FY2008, a figure about 35 times that of the average resident in Hall County in 2008, where the Medical Center is located and where, in 2008, 13 percent of individuals lived below the poverty level; and,
- Northeast Georgia Medical Center renders considerable transparency to consumers through its detailed community benefits report, which provides itemized financial information on each of its expenditures aimed at serving its local community.

Without affordable care, many conditions or medical needs that could have been treated affordably and efficiently in a clinic or primary care setting can escalate to the point of needing emergency treatment, the most expensive type of care. This not only directly impacts the consumer both fiscally and physically, but also the community as a whole, including the hospital, which may be left with an unpaid bill.

While Northeast Georgia Medical Center has significantly contributed to local programs that aim to address these issues, elected officials, hospital leadership, community leaders, employee representatives, patients and other stakeholders must continue working to identify and confront the barriers to affordable care the region's uninsured and underinsured face.

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*"Hospital Accountability Project: Northeast Georgia Medical Center" can be found at [www.georgiawatch.org](http://www.georgiawatch.org)*

*Founded in 2002, Georgia Watch is a nonprofit, nonpartisan 501-(c)(3) watchdog group focusing on consumer education and research in the areas of health care, insurance, identity theft and personal finance.*

*A program of Georgia Watch, the Hospital Accountability Project examines the financial practices of nonprofit and for-profit hospitals in the state, with a focus on health care affordability for self-pay, uninsured and underinsured patients.*