



## **MEDIA RELEASE**

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### **Hospital Accountability Report: Floyd Medical Center** *Report details health care access, cost in northwest Georgia.*

**ATLANTA** – Georgia Watch released today a detailed financial analysis of Floyd Medical Center, one of the state’s largest safety net hospitals, second only to Grady Memorial Hospital (Atlanta) in the percentage of uninsured patients it serves. Facing the same challenges as many tax-exempt nonprofit hospitals in the country, Floyd Medical Center exhibits some model practices when caring for uninsured, underinsured, Medicaid and Medicare patients. As northwest Georgia’s primary safety net hospital, Floyd Medical shoulders the financial burden of caring for needy patients, offering many services at a discount, and even some preventative care at no charge or on a sliding scale basis.

However, the facility also engages in certain practices that mirror those of other nonprofit hospitals in Georgia, including high executive compensation and tremendous mark-ups of charge over cost, which is a barrier to affordable care for uninsured, underinsured, low-income and self-pay patients.

In our research of Floyd Medical Center, we have found that:

- The tax-exempt nonprofit hospital offers high levels of indigent and charity care, and many areas of community benefits, including a mobile mammography unit and an indigent pharmacy program;
- Compensation for top-level executives at Floyd Medical rivals that of many for-profit Fortune 500 companies, including its chief executive, who was paid an average compensation of \$838,799 annually between 2005 and 2007, including base pay and incentive pay, as well as retirement and other benefits;
- Like most other trauma centers in the state, Floyd Medical continues to lose money as one of nine Level II trauma centers in Georgia, which offers a high level of care to trauma patients;
- Floyd Medical significantly marks-up the prices of many of its services, including a 2,459 percent mark-up in anesthesiology services; and,
- Floyd Medical grants all self-pay patients up to a 60 percent discount on services, though the discounted price is still significantly higher than the actual cost of the procedure, maintaining a significant barrier to affordable care.



“All Georgians have the right to affordable, quality care,” said **Georgia Watch Executive Director Angela Spier Phelps**. “While Floyd Medical has many practices and programs that directly are beneficial to the community- some things- such as high charges - are a disservice and may prevent people from receiving the care they need - particularly during tough economic times.

“It is important to recognize the good practices that are working to benefit the community but it is equally important to recognize those practices that aren’t working in the best interest of serving the community and demand something better.”

Located in a region with an uninsured rate that is higher than the state average, Floyd Medical Center and its area health consumers face substantial obstacles in financing health care. As with other counties in the state, Floyd County’s unemployment rates continue to rise as the number of insured consumers continues to decrease. With a high number of its residents living below the poverty level, like in other such areas throughout the country, many of these residents delay needed care because they feel they cannot afford it, often choosing to postpone both preventative and ongoing care in lieu of paying their rent or mortgage.

Elected officials, hospital leadership, community leaders, employee representatives, patients and other stakeholders must work to identify and confront the underlying problems preventing millions of Georgia citizens from accessing quality, affordable and medically appropriate care. With the worsening economy and increasing numbers of uninsured and underinsured patients, the crisis of affordable care will only continue both for hospitals and consumers.

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“Hospital Accountability Project: Floyd 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 project 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.*