



Healthcare providers have the daily opportunity, and a profound responsibility, to improve the human condition. At CHS, it's why we exist—to help people get well and live healthy.

For us, that begins with providing accessible, safe and high-quality healthcare services for our patients. Through millions of patient encounters each year, we bridge the divide between illness and wellness, pain and comfort, despair and hope.

We also recognize that health systems have a big footprint in their communities, and that comes with an inherent obligation to do our part to create a healthier, more sustainable future for everyone. This is why we make it a priority to help protect the environment and preserve our planet. It's the reason we share our resources to acknowledge and address social determinants of health. And, through the jobs we provide, the capital we invest, and the taxes we pay, we contribute to healthier economies, too.

Caring for our own colleagues is another way we commit to a brighter future. Our programs support affordable academic pathways, professional development, and career advancement. We intentionally shape workplace environments where employees are respected and valued, knowing this will accrue to our patients, as well. The women and men who work across our organization inspire me constantly as they tend to their patients with extraordinary skill, professionalism, and kindness. And, not just while on the job. Many of our employees serve through volunteerism and participate in activities that support and improve their communities.

Helping people – this is what motivates us day after day.

Our 2024 Community Impact Report highlights just some of the ways we are a positive force in the cities and towns where CHS operates and across the world we all share.

Sincerely,

**Tim L. Hingtgen**Chief Executive Officer







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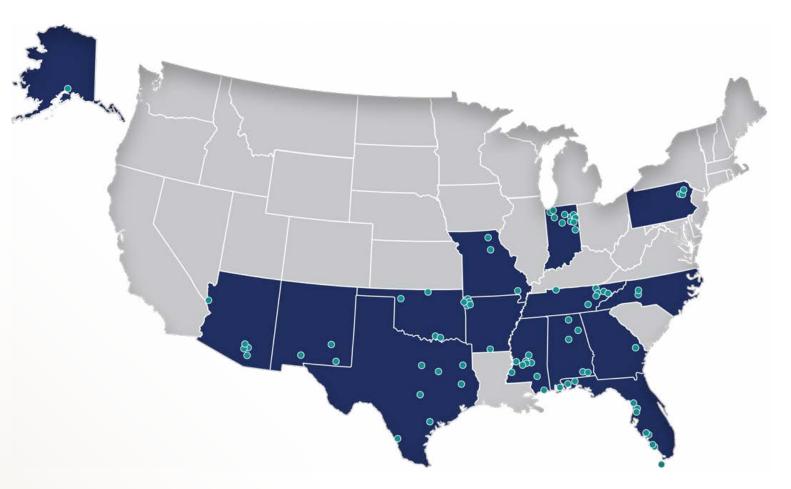


# Purpose

We help people get well and live healthier
by providing safe, quality healthcare,
building enduring relationships with our
patients, and providing value for the people
and communities we serve.

# Company PROFILE

Community Health Systems, Inc. is one of the nation's leading healthcare providers. At the end of 2023, CHS affiliates operated 40 distinct healthcare systems which include 71 acute care hospitals and more than 1,000 other sites of care, including physician practices, urgent care centers, freestanding emergency departments, occupational medicine clinics, imaging centers, cancer centers, and ambulatory surgery centers.



## **Hospitals & Ambulatory Care**

**71** Hospitals

**700+** Practice Locations

**55+** Urgent Care and Walk-in Clinic Locations

48 Ambulatory Surgery Centers

17 Freestanding Emergency Rooms

## **Patient Encounters**

**12.6M** Patient Encounters

435,900 Inpatient Admissions

**2.1M** Emergency Room Visits

12.2M Outpatient Visits

## **Economic Impact**

\$5.4B Payroll and Benefits

\$467M Capital Investments

\$1.3B Charity Care, Uninsured Discounts and other Uncompensated Care

Results for the year ended December 31, 2023.



# Safety First, Safety Always

Pursuing Zero Events of Preventable Harm

Because we believe zero events of preventable harm is truly possible and it is the only acceptable target that aligns with safety as a core value, keeping patients safe is the first priority for everyone who works across the CHS organization.

Through efforts to deliver better outcomes for patients, reduce risk and liability, and build trust in our communities, CHS hospitals have achieved an impressive 90% reduction in the Serious Safety Event Rate since the baseline established in 2013. That equates to thousands of people spared from harm.

CHS was one of the first healthcare organizations to establish an AHRQ-certified Patient Safety Organization (PSO) in order to foster open dialogue about safety concerns, conduct continuous data analysis within a legally protected framework, and pinpoint areas for ongoing improvement.

In December 2023, NEJM Catalyst, a publication of the *New England Journal of Medicine*, featured CHS' safety commitment and ongoing work to achieve zero events of preventable harm by pursuing processes that minimize accidents and errors, reinforce human error prevention behaviors, and identify the root cause behind every serious safety event to help avoid recurrence.



"Leadership of a zero-harm safety and quality strategic imperative is not only about adopting a safety culture, but also committing that safety must be a core value — one that is constant, unchanging, and unyielding in the face of the latest trends or competing priorities."

 Lynn Simon, MD, President, Healthcare Innovation and Chief Medical Officer as quoted in the NEJM Catalyst.



90% reduction in the Serious Safety Event Rate since 2013.

Results for the quarter ended March 31, 2024.

# High Quality Healthcare



Our clinicians, caregivers and support teams care deeply about the quality of care provided for their patients. Millions of people rely on CHS hospitals and our ambulatory sites of care to deliver the best possible outcomes, so we continuously monitor and constantly improve quality measures related to processes of care, timeliness of care, infection rates, mortality rates, patient experience, and many other indicators of clinical excellence. Our proprietary clinical scorecard offers visibility into how each hospital is performing and progressing.

"Many of our health systems have earned national recognition for the services they provide. Quality is a commitment to do your best every day, for every patient, and it's a commitment you will find throughout the CHS organization."

- Miguel Benet, MD, Executive Vice President, Clinical Operations



# Stopping Sepsis to Save Lives

Early Treatment Improves Survival Rates

Sepsis is a life-threatening condition that occurs when the body's immune system has an extreme response to an infection. It is the third leading cause of death in U.S. hospitals. Every hour a patient is in septic shock without receiving antibiotics increases mortality by 8% - per hour!

But, quick action can – and is – saving lives in CHS hospitals thanks to an initiative designed to rapidly identify and treat sepsis.

Hospital leaders and clinicians are tackling sepsis head on. For example, North Okaloosa Medical Center in Crestview, Florida, has improved administration of antibiotics within one hour of arrival from 38% to 89% for septic shock patients. Santa Rosa Medical Center in Milton, Florida, also improved administration of antibiotics within one hour from 18% to 70%. As a result, both hospitals have lowered their mortality rates.

The key to these improvements is speed to identification and treatment. At North Okaloosa, during the triage process, patients meeting sepsis criteria are assigned an orange clipboard to make

them more easily identified and prioritized by the entire care team. ER nurses also use special smart phones to expedite communications with other caregivers.

According to North Okaloosa Chief Executive Officer Michael Nordness, simple solutions can make a big difference. "Frontline staff engagement is critical to success as are deliberate communication protocols and ongoing process refinements," says Nordness. "Thanks to our enhanced focus on sepsis, we now treat every patient like they are in severe sepsis until proven otherwise."

The team at Santa Rosa also focuses on speed to treat. They rely on tight coordination in the emergency room to manage arriving patients who may be septic, ensuring they get tested and treated within that first hour.

"Sepsis is often treatable when caught in time," says Santa Rosa Chief Nursing Officer Stephanie Jones, DNP, RN, NE-BC. "The coordination of care starting with the triage nursing team accelerates diagnosis and treatment, which in turn, is saving lives."



# Innovations in Healthcare

CHS is advancing healthcare delivery in very positive ways through technology, AI, and innovative partnerships. When considering these new opportunities, we ask two questions: Will the initiative improve patient care and outcomes? Will it support our workforce?

Over the past few years, CHS has scaled several groundbreaking solutions that are improving health and well-being, advancing patient safety, supporting care teams, and reducing costs.



An Al-powered maternal-fetal early warning system alerts caregivers to concerning labor trends, making childbirth safer.

#### Innovation in Action

#### **Remote Patient Monitoring**

At the end of 2023, nearly 9,000 people were actively enrolled in our remote monitoring program for people with chronic conditions such as hypertension and heart failure. Participating patients use cellular-enabled devices to send vital signs to a virtual care team that escalates any concerning trends to the patient's physician. The program is helping patients live healthier and avoid hospitalizations. Another virtual care program provides behavioral health support for patients diagnosed with conditions such as anxiety and depression.

#### **Virtual Patient Sitting**

Our virtual patient sitting program expanded in 2023 to include 29 CHS hospitals. Patients at high risk for falls are monitored 24/7 by a remote nursing team. Using video technology, the program reduces the need for in-person sitters and allows nurses in the hospital to perform top-of-license nursing care. So far, the program has reduced the number of patient falls by nearly 8% in the participating hospitals.

#### **Maternal-Fetal Early Warning System**

Using Artificial Intelligence, our labor and delivery teams are able to rapidly identify concerning trends during childbirth and intervene sooner, if needed. In addition to making each episode of labor and delivery safer, consolidated trends can help identify overarching opportunities for improvement.

#### **Collaboration with Google Cloud**

In early 2024, CHS announced a partnership with Google Cloud that will unify data into a single platform that facilitates greater transparency, enables more real-time decision-making, and serves as the foundation for future uses of generative AI in healthcare settings.

#### Use of Artificial Intelligence in Healthcare

Al has the potential to transform patient care by automating routine tasks, providing clinical decision support and enabling personalized medicine and, eventually it may play an even more important role in bedside medicine, providing physicians with powerful tools for diagnosing and treating their patients. CHS is committed to responsible and ethical use of Al that includes trustworthy audits to identify and address any potential biases and human clinical oversight of Al-enabled decision making.

## Partnering with Mark Cuban Cost Plus Drugs

In early 2024, CHS announced a partnership with Mark Cuban Cost Plus Drugs and became the first healthcare system to purchase drugs directly from a new Cost Plus Drugs manufacturing plant in Dallas, Texas. The first orders were for epinephrine and norepinephrine, drugs that are often used to treat life threatening conditions and serious illnesses, especially in emergency departments and intensive care units. The Food and Drug Administration includes epinephrine on its list of current drug shortages due to increased demand and manufacturing delays.

The CHS and Cost Plus Drugs collaboration is designed to address critically important issues related to drug supplies in the hospital setting, including:

#### Rising costs of pharmaceuticals

Cost Plus Drugs is committed to price transparency and supplying drugs at a lower price, helping hospitals manage inflationary pressures as the cost of providing patient care continues to climb.

#### Drug shortages

Cost Plus Drugs is manufacturing drugs that are often in limited supply, threatening patient treatment and outcomes when shortages occur. CHS and Cost Plus Drugs are working together to identify, prepare for, and mitigate potential future drug shortages.

#### Pharmaceutical waste

Cost Plus Drugs offers CHS-affiliated hospitals more flexible ordering opportunities, including alternative vial sizes for drug administration, which can reduce waste and help hospitals order and maintain drug supplies in quantities that are most efficient for the unique needs of their patients and the specific services they offer.

#### Patient safety and medication error prevention

Because Cost Plus Drugs provides drugs in vial sizes that many other drug manufacturers won't offer, there is less potential for dosage errors when drugs must be measured prior to administration at the bedside.







# The Patient Experience

Quality of care is vital to good outcomes, but the way patients and their families feel about how they are treated matters, too.

At CHS, the patient experience begins with making healthcare services accessible and convenient, extends through treatment and follow-up, and encompasses things like communication, involving patients and their families in healthcare decisions, and the presence of a culturally competent environment.

A positive patient experience is characterized by attentive caregivers, compassion and empathy, respect for patient preferences, effective communication of medical information, and coordinated care that addresses individual needs.

Patient engagement and satisfaction actually contributes to better health outcomes and encourages active participation in each person's own healthcare journey.



Employees at many CHS hospitals describe how they contribute to a positive patient experience by completing "My KEY to the EXPERIENCE" cards which are prominently displayed where patients, visitors, and colleagues can see the commitment of our caregivers. Words like empathy, patience, compassion, hopefulness, respect, and kindness appear often on these displays.

## Madelyn's Story

Born 8½ weeks early, Madelyn and her parents, Kathryn and EJ, settled into the caring hands of the Neonatal Intensive Care Unit (NICU) nurses at Northwest Healthcare - Porter in Valparaiso, Indiana. Veteran NICU charge nurse Dawn Wilcox, RN, quickly bonded with the family, teaching them how to care for Madelyn and arranging for meals and other conveniences as the new parents prepared for an extended stay in the NICU.

About a month into that stay, Kathryn began experiencing severe migraines. As the headaches worsened, doctors diagnosed a blood clot in her brain. Kathryn was immediately transported to a hospital more than an hour away, adding to her already stressful situation.

Wanting to help ease Kathryn's mind about her baby, Dawn sent daily updates and photos of Madelyn so Kathryn could stay connected to her newborn's progress. This kindness did not go unnoticed by Kathryn or EJ who only have positive things to say about the hospital and its staff.

"Dawn – and really everyone in the NICU – was wonderful," says Kathryn. "There is no other place I would have wanted to deliver my baby. From the minute we arrived, they knew exactly what needed to be done."

Once recovered, Kathryn returned to Valparaiso, and after a few more days of coaching and reassurance from the NICU team, Kathryn and EJ took their healthy baby home. But, that's not where the story ends.

Madelyn is nearly three years old now and big sister to Elizabeth. Dawn stays in touch with the family and they make it a point to see each other every time Madelyn returns to the hospital for a checkup.

"The only thing better than releasing a patient home is getting to see the progress our patients have made when they come back for checkups," says Dawn. "There is something special about the bond that forms between patients and their care teams."



## Financial Assistance

Helping Patients Manage the Cost of Care

#### Price Transparency

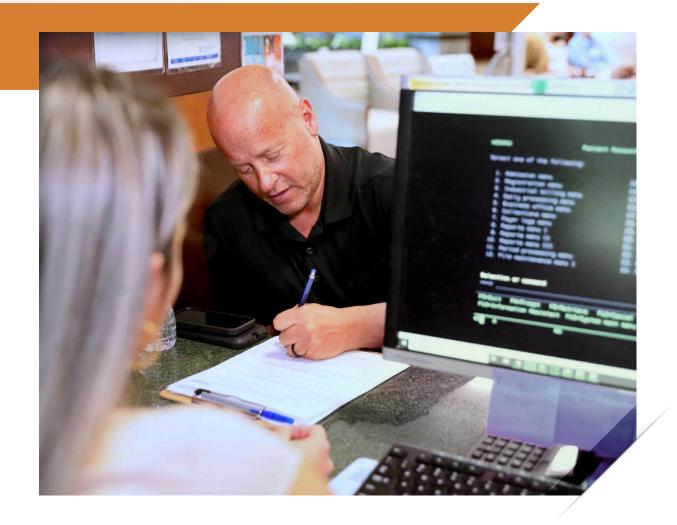
We recognize that patients want to know how much health services will cost. While that can be complicated, our health systems participate in price transparency initiatives that help patients understand their financial responsibility and payment options for the services they receive. Estimates are available through a price estimator tool available on each hospital's website or patients can meet with a financial counselor for a more detailed and personalized estimate. The standard charges listed on each hospital's website include negotiated rates with health insurers and discounted cash prices.

### Discounts and Charity Care

Our hospitals offer significant discounts for uninsured patients and charity care for those who qualify. Long-term and flexible payment plans are also available. Many of our hospitals partner with third-party organizations to provide discounted upfront cash payment options for various services, which is especially beneficial for patients without insurance or those with high-deductible plans.

## Eligibility Screening Services (ESS)

Each CHS hospital has team members who can help qualified patients identify available insurance plans, such as Medicaid, to help cover medical expenses. Through enrollment in federal, state, or local programs, patients gain better access to preventive care and ongoing medical support.



**72,997** patients obtained new insurance coverage with the assistance of our patient access and financial assistance teams in 2023.

## Affordable Healthcare

Supporting Patients Who Need Financial Assistance



Thanks to help from CHS Eligibility Screening Services, former Wilkes-Barre General Hospital patient Chester Coleman and his family can breathe easier knowing that their healthcare coverage would continue.

Forty-seven year old Chester Coleman was admitted to Wilkes-Barre General Hospital in Wilkes-Barre, Pennsylvania, for a severe GI blockage and subsequently diagnosed with colon cancer.

Adding to his worries while being hospitalized, he received notification from the state of Pennsylvania letting him know – without explanation – that his Medicaid coverage was about to be terminated. His wife Amanda assumed it was due to his recent \$0.20 per hour pay increase that pushed him over the income threshold. His potential loss of coverage, scheduled to begin in a matter of days, would threaten the family's financial stability as Chester began his lengthy and uncertain medical journey, with bills that would reach tens of thousands of dollars for treatments including chemotherapy, a colostomy, and medications.

Overwhelmed by the uncertainty,
Amanda was relieved that the hospital
put her in touch with Caitlin Davison,
a CHS Eligibility Screening Services
(ESS) Representative, who assured her

Chester's hospital stay would be covered under their current policy and helped submit an appeal to keep their policy intact for ongoing oncology care.

Despite the possible lapse in coverage, Chester's surgeon still saw him for follow-up appointments and Caitlin assured Chester and Amanda that, "Everything will be okay. One day at a time..."

Eight days after Chester was discharged from the hospital, Amanda received the news that they were guaranteed ongoing coverage. The Colemans are forever grateful for Chester's healthcare team and also the hospital's Eligibility Screening Services program, which helps ensure that families can focus on healing without the added burden of financial stress during such a challenging time.

"I don't ask for handouts, and I would have never asked for help on this," said Amanda. "But there are so many amazing people associated with the hospital who supported us in every way and when we needed it most."



# Powered by People

Clinicians, Caregivers and Colleagues

At the center of everything we do, of every service we offer, of every patient encounter, are the amazing people on our team. We come from different walks of life, from many different places. We bring unique skills and experiences to our jobs. We have our own challenges... and dreams. But, we also share something in common.

#### We are all caregivers.

Our extraordinary clinicians and support teams ensure that healthcare is always available – 24 hours a day, 7 days a week. We are powered by people. In return, we are committed to being a place where our employees choose and want to work. A place where they can advance their careers. A place where people are respected and recognized. A place to stay.

62,000 Employees

**7.76** Years Average Tenure

23% of Nurses have 10+ Years of Service

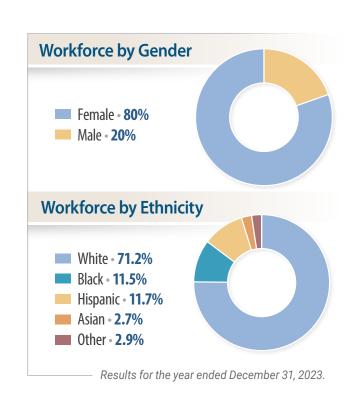
Results for the year ended December 31, 2023.



# Culturally Inclusive and Caring

CHS health systems are dedicated to building a quality workforce that reflects and respects the diversity of the communities we serve. Work environments where employees can be authentic and feel like they belong are beneficial for staff and patients alike. That's why individuals from diverse backgrounds can be found serving on hospital boards of trustees, in the C-suite, as medical staff leaders, in nursing, direct care, and support team positions.

Our hospitals are equipped to meet the unique needs of multicultural patient populations. We offer ongoing education to encourage inclusive, comfortable experiences for those we serve. Additional resources, such as translation and telemedicine services, are available to help address language barriers and other cultural sensitivities for patients and their families.





## Continuous Learning

Professional Development and Career Advancement

#### The Pathways Program

In 2022, CHS introduced new benefits to help employees achieve their educational, career, and financial goals. The Pathways Program includes a student loan refinancing and repayment program that helps pay back existing student debt, an expanded tuition assistance program for employees who want to gain additional education to advance their careers, and fee coverage for job-related certifications and licensures.

#### Since its inception, the Pathways Program has:

- Paid \$18.2 million in student loan payments
- Refinanced more than \$2.5 million in student loan debt
- Covered more than \$2.1 million in professional license or certification fees

## Charting A Career Path

#### Sam Nemati, Nurse Practitioner

Longview Regional Medical Center Longview, Texas

Sam Nemati had a very clear career goal: he wanted to take care of patients. From the time he worked as a medical scribe in the ER at Longview Regional Medical Center in Longview, Texas, he knew he wanted – and was capable of – much more.

Sam went to nursing school. After receiving his bachelor's degree, he began working as an Registered Nurse in the hospital's intensive care unit, a particularly challenging environment, especially for a new nurse. But to no one's surprise, Sam quickly rose to the challenge, and like many of his colleagues, braved the trials of the COVID pandemic to help patients and families cope during a difficult time.

But, Sam wanted even more. With an ultimate goal of becoming a Nurse Practitioner, and with help from CHS' tuition reimbursement and student loan assistance programs, Sam spent three years completing another degree and will soon leave the ICU – but only to begin seeing patients as an Internal Medicine Nurse Practitioner in Longview Regional's affiliated clinics.

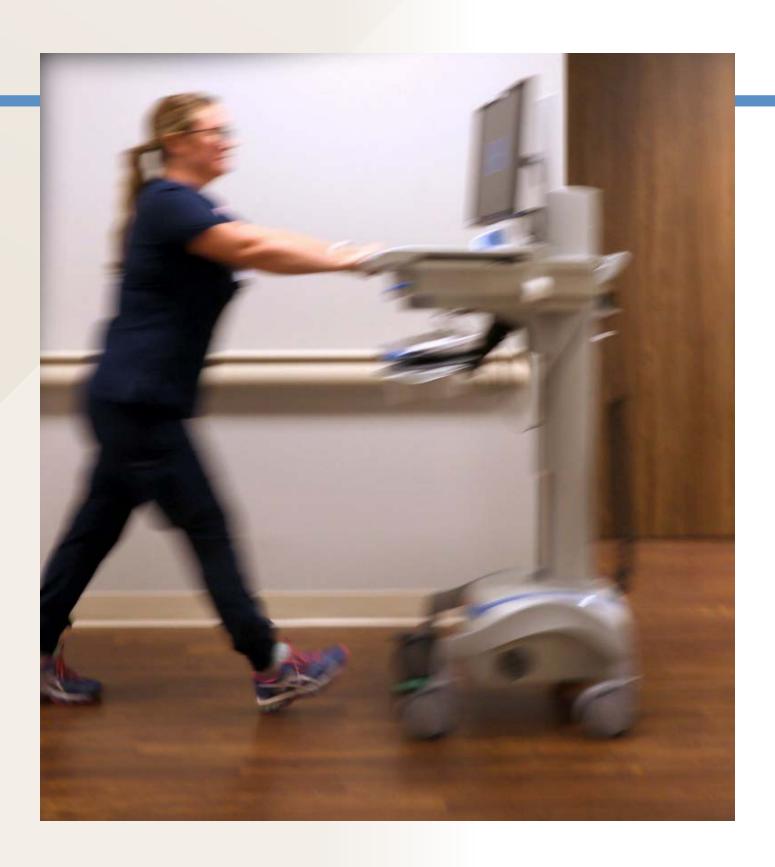


Sam Nemati, center, with colleagues at Longview Regional Medical Center.

"Sam's positivity and engagement are quite special," says Longview Regional Chief Executive Officer Steve Gordon. "I find it really rewarding when the employee programs we invest in benefit the employee, our health system, and the community, and this is a shining example of that."

As for Sam, he says it has been a long journey, but completely worth the pursuit.

"Two bachelors' degrees and a master's degree later I couldn't have gotten to where I am without the support of my family – and my work family," he says. "Everyone, from the hospital administrators, to my colleagues, and to my patients along the way, has played an important role in shaping the healthcare professional I am today. For that, I'm truly grateful."



## **Development and Training**

At CHS, we encourage, and sometimes require, continuing education, participation in skills enhancement programs, regulatory training, technology briefings, and other professional development. While a variety of methods are used, our Advanced Learning Center offers free online education programs for employees in almost every line of work.

## Advanced Learning Center Utilization in 2023

- 10,000 free online education programs offered
- **94,500** full- and part-time employees and contractors used the ALC
- 3.2 million ALC courses were completed
- 34 courses completed on average per user
- 22 hours of training on average per user
- \$54 average cost per user
- \$5.1 million investment to fund the ALC

**Community LEADS** is a proprietary leadership development program for leaders to help improve critical people management skills in areas such as coaching teams, influential communications, conflict resolution, and more.

**Executive Development** tracks accelerate career advancement opportunities for individuals aspiring to CEO, COO, CFO, or CNO leadership roles through mentoring, opportunities for increasingly larger levels of responsibility, and sequential promotions as soon as participants are ready for advancement.



# Our Nurses

Trusted Clinicians, Compassionate Caregivers

Nurses play a pivotal role in the healthcare delivery system. They are caregivers, that's for sure. We often hear they make all of the difference in a patient's experience. They are also educators, advocates, guardians, and crucial members of interdisciplinary healthcare teams. Their specialized knowledge and clinical skills are used to monitor patient conditions, administer treatments, provide compassionate bedside care, and educate patients and families about health management and disease prevention.

Our nurses serve as liaisons between patients and doctors, translating complex medical information into understandable terms and ensuring patients feel heard and respected. They adapt swiftly to evolving healthcare technologies and protocols, enhancing patient care standards and outcomes. They act with dedication and empathy, fostering trust and comfort for patients during vulnerable times.

For 22 consecutive years, nursing has been named the most honest and ethical profession in America.\* We couldn't agree more.

**5,869** Registered Nurses chose to join CHS hospitals in 2023 marking one of our strongest years of RN recruitment.



Tonya Miller, RN, a nurse at Tennova Healthcare Clarksville received a DAISY Award after being nominated by the appreciative daughter of one of her patients who said, "Tonya came in every shift like a ray of sunshine. Not only was she kind, she thoroughly explained my mother's care plan. She took great care of my mom and extended her attention to me as well. I hope, if I'm ever hospitalized, I will have someone as great as Tonya taking care of me."

## Honoring Our Nurses

Not a day goes by without a celebration taking place in a CHS hospital somewhere. We honor employees in every area of our organization for extraordinary work, years of service, and special achievements. When it comes to our nurses, exceptional care is recognized with two special awards.

The DAISY Award is for nurses who go above and beyond by delivering great clinical care with kindness, compassion, and special attention to their patients. Patients, their family members, co-workers, and physicians can nominate deserving nurses for the DAISY Award, and each year hundreds of CHS nurses have earned this meaningful recognition.

Once a year, each CHS hospital presents its Nursing Excellence Award to one nurse who demonstrates a deep commitment to clinical excellence. professionalism, and support for the team. Nurses are nominated by other hospital employees and selected by the hospital leadership team. In addition to spotlighting outstanding nurses at each hospital, ten national winners are honored.



No two days are the same for Cy Xiong, RN, BSN, an ICU nurse at Mat-Su Regional Medical Center in Palmer, Alaska, and one of ten National Nursing Excellence Award recipients for 2023. Whether he's treating a patient experiencing heart failure, sepsis, pneumonia, or some other serious condition, Cy is of the mindset he's not just there to cure an illness, he's there to help a human being.

And, since no two patients are the same either, Cy makes it a point to learn where his patients are from, what brought them to Alaska, who their families are, and more about who they are as people so he can make a strong connection, which can help with healing. Cy is known for being able to safely care for multiple patients, while making each one feel like his only patient.

## Nursing Excellence **Award Winner**

Cy Xiong, RN, BSN

Mat-Su Regional Medical Center Palmer, Alaska

> Even though he has been a nurse for only five years, Cy has already shown a passion for supporting new graduates and mentoring them through the first years of their nursing career.

> "I want new hires to know that we're a team. and I am constantly looking for cues to see if they need help or if they're too afraid to ask a question," he says. "Intensive care units are intimidating, and I try to be helpful and nonjudgmental."

An extrovert at heart, if Cy has a free moment to spare, he's stopping by one of his patient's rooms or checking in on his colleagues to offer support where it is needed.

When asked about what his National Nursing Excellence Award meant to him, his humble response was, "All of my peers at Mat-Su are equally deserving of this recognition. It was hard for me to accept it, because I go to work expecting to give 100 percent every shift, and we all do – that's the culture of our hospital and the essence of our profession."

## Nursing School Partnerships

#### Training Tomorrow's Nurses Today

CHS has cultivated partnerships with numerous nursing schools nationwide, including a pivotal alliance with Jersey College. The Jersey College Professional Nursing Program is a hospital-based nursing school that spans six semesters, leading to an Associate of Science degree in nursing and paving the way for graduates to pursue a career as a registered nurse.

By the close of 2023, Jersey College programs had been established in eight key markets, with ongoing efforts to expand to additional campuses. The inaugural cohort of nurses completed their studies in January 2023. There are approximately 635 students enrolled in Jersey College programs on CHS hospital campuses and when the partnership is fully matured, we anticipate 750 new nurses will graduate annually.

Through collaborations with other nursing institutions, CHS extends discounts and deferred tuition options to current employees interested in transitioning to the nursing profession or advancing their nursing careers at a CHS hospital.





When she wasn't selected for admission to nursing school through her home state's lottery system, Californian Emmalee
Berryman-Maciel moved to Fort Wayne, Indiana, for a job at Lutheran Hospital. As a patient care technician on a telemetry unit, she spent her days tending to patients at the bedside. About a year into her tenure, she decided to try one more time to get into nursing school – this time through the Jersey College School of Nursing on the Lutheran Hospital campus.

## Becoming A Nurse

Emmalee Berryman-Maciel, RN Lutheran Hospital Fort Wayne, Indiana

"I figured the relationships I had established at the hospital, along with the great experience I had gained as a patient tech would help my chances of getting into the Jersey College program," says Emmalee. "Two years later as I completed my degree, I looked back and realized I may not have won the California lottery system for nursing schools, but I hit the jackpot with Lutheran and Jersey College."

Emmalee graduated from nursing school in August of 2023 after completing her courses and a preceptorship in cardiovascular intensive care where she works today as a registered nurse.

"Everything about the program and its relationship with the hospital – from preparing for the nursing board exam to securing a position following graduation – was seamless," says Emmalee. "I truly felt cared for and supported by the educators and my hospital colleagues."



# Our Physicians

Medical Experts, Partners in Care.

Health systems rely on their physicians and advanced practice clinicians to lead all aspects of patient care - in the practice setting, urgent cares and ERs, surgery suites, and at the hospital bedside. To achieve the best outcomes, strong partnerships must be formed.

Across CHS, we encourage physicians to be actively involved in medical staff leadership roles and to participate in advisory councils that seek physician input for clinical improvements, operational decisions, supply chain purchasing, and service line development. We survey physicians about their work experience and satisfaction once a year and continuously solicit feedback through formal and informal channels.

- 19,800+ physicians and advanced practice clinicians serve on the medical staffs of CHS hospitals
- 2,600+ physicians and advanced practice clinicians are employed by CHS affiliates

Results for the year ended December 31, 2023.

## Physician Relationships



Provider recruitment has always been one of the most critical factors in the growth and success of our health systems. Whether independent, employed, or contracted, each time a physician or advanced practice clinician joins us, we expand the health services available in our communities and fortify our hospitals with the professional expertise and skills necessary to serve our patients.

**528** physicians and advanced practice clinicians were recruited to CHS-affiliated healthcare systems in 2023

## **Employing Hospital-Based Providers**

Healthcare systems across the country are developing strategies to overcome physician staffing challenges, especially in essential hospital-based care areas such as emergency medicine and hospitalist services. Most hospitals have found it necessary to partner with medical staffing companies to ensure ER and hospitalist coverage.



Merit Health River Region Physician Assistant Vanessa Perniciaro.

So, when CHS executives learned in July of 2023 that one of its long-time provider staffing companies was going to cease operations within a matter of days, there was no time to waste. The CHS team worked quickly to complete a transaction in which the staffing company's hospitalist and ED providers joined the CHS organization – without any interruption in services for 16 affected hospitals.

It was no small task to move the employment of nearly 550 people and to ensure that physicians and other providers would have all of the support needed, including insurance coverage, legal assistance for those working under visa programs, and an operational team to ensure staff scheduling and other day-to-day needs would be covered.

"CHS was able to pull together its resources – practically overnight – to ensure the staffing stability its hospitals required and the more stable work experience the physicians needed from their employer," says Emergency Medicine physician Dr. Richard Vann at Gadsden Regional Medical Center in Gadsden, Alabama.

"We're already seeing greater collaboration between hospital leaders and physicians, which in turn should drive better outcomes, value, and satisfaction," says Physician Assistant Vanessa Perniciaro who joined Merit Health River Region in Vicksburg, Mississippi, as part of the transaction.

CHS will continue to work with third-party provider organizations for some of its needs, but also having an in-house program enables more self-reliance and less potential for future disruptions. Since first insourcing hospitalist and ER providers for some CHS markets, the company has added Anesthesia staffing for select markets.

SUPPORTING OUR PEOPLE

#### Graduate Medical Education

#### Training Physicians of the Future

Community Health Systems continues to expand its Graduate Medical Education footprint. Under CHS's GME Sponsoring Institution. Health Education Services, three new residency programs successfully achieved new accreditation by the ACGME (Accreditation Council for Graduate Medical Education) in 2023. These new residency programs increase our training presence to active programs across the enterprise. Further growth is planned for 2024 as Health Education Services pursues the accreditation of additional primary care residency programs.

By 2025, CHS expects to offer training spots to more than **600** resident physicians annually.



"Match Day" is a term used in the graduate medical education community to represent the day when the National Resident Matching Program releases results to applicants seeking residency and fellowship training positions in the United States. South Baldwin Regional Medical Center's Residency Program was established in 2018 with a goal to provide excellent training for family medicine physicians to serve the Foley, Alabama, community with compassionate, quality care.

## Family Medicine Residency Program

South Baldwin Regional Medical Center • Foley, Alabama

Graduate Medical Education (GME) Programs are so much more than medical training – they support the future generation of physicians and improve health outcomes.

Programs like South Baldwin Regional Medical Center's Family Medicine Residency in Foley, Alabama, teach residents to be well-rounded in the principles of evidence-based medicine, leadership, and attention to health disparities.

One of the program's graduates is Dr. Jon Storey, a family medicine physician who followed in his late father's footsteps by attending the same undergraduate program and medical school, and training under South Baldwin's faculty, many of whom had worked with his father. "On Match Day, I was ecstatic to find out I would be going to South Baldwin," said Dr. Storey. "I interviewed at over 20 programs, and their residency was my top choice. It was more down-to-earth, and I knew it was an environment where I'd build my clinical acumen."

Three years later and now an attending physician, Dr. Storey's enthusiasm for the Gulf Coast community remains strong. Upon graduating, Dr. Storey laid down roots near the area so he could keep the relationships he had

already built with his patients – some who drive more than an hour just to come see him.

Those are the very things that attracted incoming resident, Dr. Bailey Tobin, to South Baldwin's program. She may not have always known she wanted to be a family medicine physician, but like Dr. Storey, she's sure this program will hone her clinical skills and she also fell in love with the southern hospitality South Baldwin has to offer.

"I know residency will be challenging, but the South Baldwin team is very encouraging and supportive, and they know they are contributing to something larger than themselves," she says. "I feel at home here, and excited for what lies ahead."

Dr. Tobin also chose South Baldwin's GME program for its community-based health elective.

"They are so ingrained in their community and help people get connected to resources. Healthcare doesn't just happen in a doctor's office. It's everywhere. It's in the grocery store, at church, in schools. South Baldwin is one of the few programs I found that helps its community overcome health disparities, and I want to be part of that."

UR PEOPLE



# Serving Country, Serving Patients

#### Leading from the Frontlines

Pictured left: U.S. Army Veteran and Director of Emergency Services, Ginger Thomas, RN, center, stands with colleagues at Flowers Hospital in Dothan, Alabama.

CHS employs more than 1,300 military veterans. Ginger Thomas, RN, is Director of Emergency Services at Flowers Hospital in Dothan, Alabama where she oversees care for 41,000 emergency visits annually. Ginger shares how her military background inspired her choice to work in medicine and continues to influence her career today, guiding her from military service to the front lines of emergency care.

#### What is your military background?

**Ginger:** I served in the U.S. Army for eight years, including one-year in Korea. When I left, I held a Sergeant ranking and was a 31-Bravo Military Police Officer. I enjoyed being a first responder so I went into paramedic school. Then, I became a nurse because I wanted to know what happened to my patients after I dropped them off in the emergency department.

#### • How did your experience prepare you to be an emergency department leader?

**Ginger:** I can put myself in the shoes of the police officer and paramedic first arriving at the scene. I also worked in patient air transfer, stabilizing trauma patients en route to the hospital. I've worn just about every hat there is in emergency care – inside and outside of the hospital – and I know how every role needs to come together for positive patient outcomes.

Being in the Army teaches you about teamwork, accountability, and integrity – all foundational elements of being a team leader, especially in this line of work where if one person doesn't follow protocol, it can be a matter of life or death.

#### • How is civilian life different from being in the military?

**Ginger:** The military is very linear and your career path is pretty straight forward. As I got older, my priorities changed and that was no longer appealing. In fact, I had a health scare at one point and was grateful I could take a step back from a leadership position to work part time for a while so I could focus on my health and my family.

#### What makes you want to serve others?

**Ginger:** In the military, community and teamwork are expected. Now, that's how I want people who work in my department to feel and act, too. Sometimes, that means I go deep into the trenches, put on a set of scrubs, and get out on the floor.

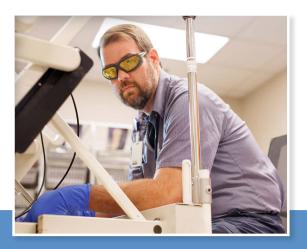
Emergency care is heavy, and it attracts a lot of new graduates and younger nurses who find this out on the front lines. When they're doing a procedure for the first time, I'm going to be there for them for moral support and to foster that same sense of community that I had.

#### What advice do you have for other leaders?

**Ginger:** Remember, skills are teachable. People can learn how to start an IV or a nasogastric tube. What you can't do is teach people how to care. As time goes on, that's the number one thing I look for in people I hire – I want to know their "why."

Fortunately, it's relatively easy to find in Dothan, Alabama. In this community, people want to get to know you and care about you as a person.





# All of Our People

Doctors, nurses and pharmacists, surgical techs, physical therapists, and radiology teams can't maintain patient care 24 hours a day without essential support. Countless dedicated people work alongside our clinicians to ensure that our hospitals stay safe and clean, that nutritious food is available, that equipment and technology work properly, and that many other tasks required to provide lifesaving care happen without fail. Because we are all in this together, we recognize all of the people who assure quality healthcare is always available....







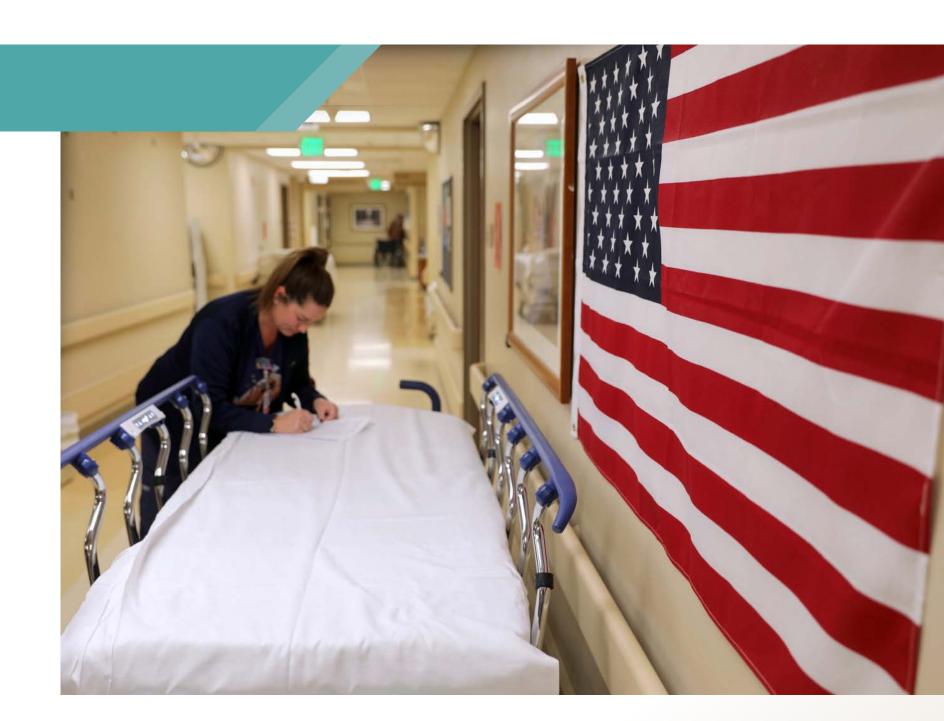
# **Economic Impact**

Making a Difference in All of Our Communities

CHS contributes to the economic health of the communities we serve. Our commitment is evident through the jobs we create, the taxes we pay, the projects we support, and the donations we give, all affirming that we consider these communities our home as well.

- **\$5.41 billion** in payroll and benefits creates significant downstream economic impact.
- **\$641 million** paid in property, sales, and other taxes supports local, state, and federal government, schools, and community infrastructure.
- \$467 million in capital investments to increase access, enhance services, modernize facilities, and deliver the best medical care.

Results for the year ended December 31, 2023.



# Charity Care

Providing Financial Assistance for the Most Vulnerable

Every CHS-affiliated hospital offers charity care for individuals at or below 100 percent of the Federal Poverty Level (FPL) and provides significant discounts for uninsured individuals between 101 percent and 400 percent of the FPL. Patients are required to complete a financial assistance application to determine eligibility.

**\$1.3 billion** in charity care was provided to help the most vulnerable in 2023.

Many CHS-affiliated hospitals in states without expanded Medicaid have adopted presumptive charity care scoring. This involves utilizing a third-party credit reporting agency to assess eligibility for charity care, even if patients have not completed a financial assistance application.

Nearly **19,000 patients** received free care through the presumptive charity care scoring program in 2023.



# Capital Investments

#### **Expanding Access and Services**

Each newly constructed, renovated, or expanded facility and every investment to build up a service line or bring in new medical technology contributes to enhanced quality and an improved patient experience. These investments have other far reaching contributions to local economies – by creating new jobs, purchasing local products and services, and serving as a catalyst for other development projects.

In early 2024, CHS completed a new tower at Tennova North Knoxville Medical Center, adding 28 new ICU beds, 28 new medical-surgical beds, an expanded Emergency Department with behavioral health observation beds and an eight bed cardiac observation suite. In another major capital project, construction advanced on a 200,000 square foot expansion of South Baldwin Regional Medical Center in Foley, Alabama.

A new open heart surgery program in Laredo, Texas, is saving lives. A comprehensive Cancer Center at DeTar Hospital in Victoria, Texas, is giving cancer patients hope. An expansion of the labor and delivery unit at Woodland Heights Medical Center in Lufkin, Texas, is giving babies a healthier future. New primary care, specialty care, and urgent care centers. New freestanding emergency rooms. New ambulatory surgery centers. CHS invests to ensure healthcare services are available when and where they are needed.

## CHS has invested more than \$3 billion into our health systems since 2018.



South Baldwin Regional Medical Center in Foley, Alabama, will open a new 200,000 sq. ft., 5-story patient tower in late 2024.

## Heck of an Investment

#### Investing Where There's a Need

Family Medicine Physician Dr. Morgan Heck was among the first to receive treatment at the new DeTar Cancer Center just outside of Victoria, Texas, when it opened in April 2023. She received treatment every three weeks for Stage 2 Hormone Negative Breast Cancer, enduring 17 rounds of infusions and 15 rounds of radiation over 15 months to finally achieve remission.



Family Medicine physician Dr. Morgan Heck celebrates her remission.

For her, the \$15.5 million investment DeTar Hospital made in the community was far more than bricks and mortar or the latest technology. It underscored DeTar's commitment to investing in the lives of the men and women who live in Victoria County.

The Crossroads region, particularly Victoria, had the highest cancer rates in Texas between 2014 and 2018, according to the National Cancer Institute. The need was there, and DeTar saw the opportunity to enhance access and improve health outcomes.

Beyond new infrastructure, DeTar also established a comprehensive network for cancer care, with radiology oncology and specialists extending their reach to outlying community clinics.

"Cancer protocols do not change whether you're in the country or the city – you still need care," says Dr. Heck. "Without having to drive two hours for treatment, I could rely on my friends and family to drop me off or to come sit with me during chemotherapy without feeling as if I was imposing on them."

DeTar Cancer Center is just one of the many capital projects CHS completed in 2023 to improve healthcare delivery. Each investment is a testament to keeping loved ones close to home and transforming not just buildings, but lives and the promise of a better future.

MAKING AN IMPACT

## Social Determinants of Health

CHS health systems work with many local organizations to improve health equity, to support programs that address social determinants of health, and to increase access to resources needed for overall wellbeing. These programs and partnerships vary by market, but all of our health systems participate in two signature programs that are making a difference in all of our communities.



#### Jars of Love Peanut Butter Drive

Our second annual Jars of Love Peanut Butter Drive to help fight hunger, collected 86,000 jars of peanut butter, enough to make 1.4 million peanut butter sandwiches. We collect peanut butter because it is nutritious, has a long shelf life, and is one of the most requested items by food banks – and because we want to address food security, a fundamental social determinant of health. All jars collected are donated directly to local food banks in the community.



## Doctors' Day Donations

March 30 marks an important occasion in the world of healthcare – National Doctors' Day. This annual observance serves as a moment to honor the dedication, skill, and unwavering commitment of physicians. At CHS hospitals, we do this by asking physicians to identify charitable organizations in their communities that address social determinants of health. In recognition of Doctor's Day, our hospitals make donations to the organizations selected by their physicians. Together, CHS hospitals contributed more than \$250,000 in 2024 to support causes that fight hunger, homelessness, barriers to education, and economic instability.

## Helping in Our Hometown

CHS supports charitable programs in and around Middle Tennessee where our corporate headquarters is located. Our employees generously volunteer, raise funds, serve on boards, and participate in activities for a number of philanthropic causes.

CHS has been a long-time presenting sponsor of Dancing for Safe Haven, a fundraiser for **Safe Haven Family Shelter**. The organization is dedicated to helping local families experiencing homelessness. Each year, a company executive dances in the competitive event, and solicits donations from our colleagues and vendors. Over the past decade, CHS leaders have raised more than \$1.5 million for Safe Haven.





The annual CHS Charity Golf Tournament has raised hundreds of thousands of dollars for the benefit of several charitable organizations. In 2023, proceeds from the tournament were donated to AbleVoices, Graceworks, Habitat for Humanity, Safe Haven Family Shelter, and the CHS CARES Fund. Many of our business partners support the tournament, helping to extend our fundraising capabilities.

MAKING AN IMPACT

# Disaster Preparedness

Off-Season Tornado Hits Clarksville, Tennessee

On December 9, 2023, an F3 tornado tore across a community just four miles north of our Tennova Healthcare - Clarksville campus in Clarksville, Tennessee. Driven by intense winds, the tornado touched down sporadically, destroying more than 114 homes, causing major damage to 250 others, and impacting more than 1,000 structures in total.

Fortunately, Tennova Clarksville was prepared for this kind of emergency and its staff rose to the challenge. During the storm, more than 60 extra surge employees staffed the Emergency Department and other critical areas of



the hospital, ensuring medical care would be available for everyone who needed it. Following the storm, hospital employees volunteered to help with recovery efforts and the Tennova Birth Center offered to safely store frozen breast milk for up to 30 days for families without electricity or damage to their homes.

Four hospital employees lost their homes and others suffered serious property damage. Colleagues rallied to help coworkers in need and the Volunteer Auxiliary gifted displaced employees with gift cards to purchase essential items.

According to hospital CEO Drew Emery, "The storm reminded us all that we chose our professions so we can help others, so we can be there for our community when there is a need. Our team most certainly exhibited that in their selfless behavior as they cared for their neighbors."

## Caring for Our Own

CHS CARES Fund Assists Tornado Victim

- Clarksville had her world turned upside down after learning that her home was damaged in the tornado. "Both my husband and I were out of town that day and our daughter was with a babysitter when the tornado hit," says Hunter.

"My neighbor called me and said the weather had taken a nasty turn. She sent me pictures of our house and we didn't think it would be that bad," recalls Hunter.

But returning home was a different story. "The back porch was torn apart, the electrical unit ripped clean off," Hunter explained. "Our insurance said the house was technically livable, but being newly pregnant, with a husband, a two year old, and four dogs, it just wasn't."

Desperate for shelter, Hunter turned to the CHS CARES Fund, which was established to help employees in need. "I filled out the form and hoped for the best," she said. "Within a matter of days I received a call from CHS and was told a grant from the CARES Fund would cover three months of rent for temporary housing, which turned out to be just enough time for our house to be made habitable again."

Reflecting on the experience, Hunter spoke of the support she found from CHS. "The CARES Fund was a lifesaver, and I was so touched by the kindness of coworkers I had never met who contributed to the CARES Fund," she said.

Now, as Hunter and her husband prepare to welcome their new baby, she finds comfort in being back home. "It's been a journey," she said. "We're back on our feet and ready for whatever comes next."



Hunter Waynick, EKG Technician with her family.



# Building a Sustainable Future

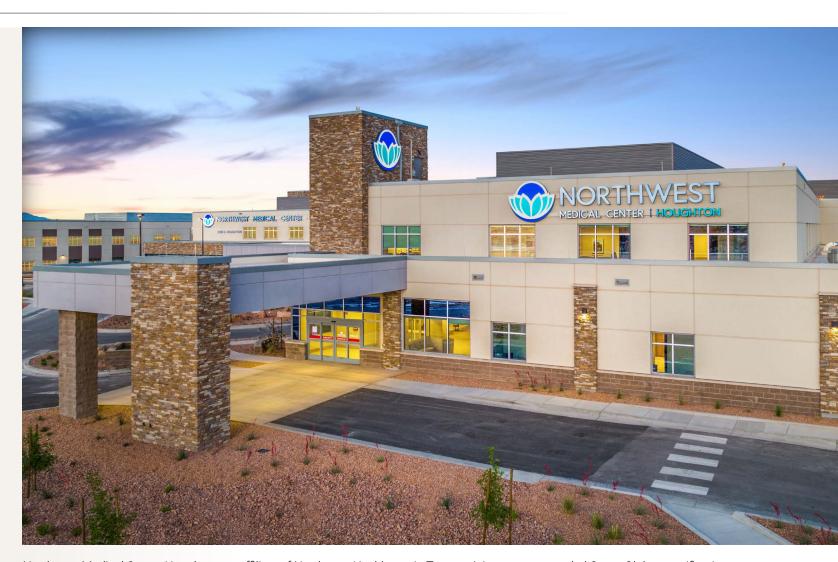
We recognize the importance of using the earth's resources responsibly to preserve our planet and protect the environment for the good of future generations. Work to effectively manage our environmental impact includes taking steps to reduce our carbon footprint, build sustainable facilities, conserve water and energy, and manage material waste.

#### Construction & Design

For new buildings and many of our renovation projects, we establish sustainability requirements within the phases of architectural and engineering design, facility construction, and construction waste management. The design standards require building commissioning by third party engineering firms before and during construction to verify relevant subsystems for mechanical (HVAC), plumbing, electrical, fire/life safety, building envelopes, sustainable systems, and lighting. In addition to meeting sustainability standards, this work helps assure that our facilities operate at peak performance from initial occupancy onward.

Requirements for our architects and contractors in connection with new buildings and significant renovation projects include:

- Assistance with Green Globes certification
- Site design to minimize environmental impact
- Recycled content for building and finish materials
- Low-emitting VOC finish materials, paints, and furniture
- Verification of environmental product declarations, third-party certifications, and lifecycle assessment calculations
- · Tracking of waste materials diverted from landfills



Northwest Medical Center Houghton, an affiliate of Northwest Healthcare in Tucson, Arizona, was awarded Green Globes certification for demonstrating a commitment to environmental efficiency practices.

## **Energy Management**

Monitoring, controlling, and optimizing energy use helps reduce our carbon footprint to improve environmental impact. Our Energy Management Program creates a systematic approach in the following categories:

#### • Energy Use Intensity (EUI)

EUI calculations are updated annually for each acute care hospital, enabling site performance comparisons, and targeted improvement measures.

#### Efficiency of Operations

Building automation systems are programmed to cycle equipment on and off and to adjust various set points based on occupancy levels, temperature, and humidity. Our operational standards help improve energy consumption per square foot.

#### Energy Audits

ASHRAE Level I and II Energy Audits are completed by a third party engineering firm at targeted locations based on their calculated EUI. The audits provide valuable feedback and potential improvement estimates in the areas of operational, low-cost, and capital investment opportunities.

**2023 Energy Audit Pipeline Projects**: Projected Carbon Reductions 14,880 (t CO2e)

#### Capital Investments

CHS routinely funds capital to upgrade or replace aging equipment, implement energy conservation measures (ECMs), and pilot energy project initiatives.

**2023** LED Conversion Projects: 2.9 million ft<sup>2</sup> • 12.1 million (kWh) Reduction

#### Continuous Monitoring

In 2024, CHS implemented a software platform for system-wide energy and carbon management. The software is used to monitor energy utilization and investment performance. The software can also track and measure scope 1 and 2 green house gas (GHG) emissions.



## Water Management

Water conservation is an important part of CHS' sustainability objectives. Design standards require installation of U.S. EPA WaterSense-compliant plumbing fixtures (reduced- or low-flow) for new construction, renovation projects, and other areas identified for upgrades.

#### Efficiency in Water Consumption

Efforts to conserve water and reduce volumetric water include installing water-efficient fixtures in our facilities, replacing or upgrading heating and cooling mechanical equipment with higher efficiency units, and exploring other water efficiency opportunities that can be piloted. Then, if effective, the efforts can be scaled across the organization.

In 2023, CHS reduced water consumption at acute care sites by 62.1 million gallons.

#### Water Chemical Treatment Program

Our chemical treatment program for infrastructure systems is based on best practices and industry standards for water quality. A sustainable and green chemical treatment program assures that piping systems are cleaned of undissolved solids and algal growth, increasing the efficiency of pumped water systems. Implementing a system-wide approach to water treatment promotes longer lasting equipment and mechanical pipework. This not only reduces equipment in the landfill, but also reduces the potential of water loss from leaking or ruptured pipes.



## **Board of Directors**

The Community Health Systems, Inc. Board of Directors is an experienced and diverse group with expertise in fields such as healthcare, management, and finance. The Board is actively engaged in overseeing various aspects of our operations, particularly focused on financial, accounting, and regulatory compliance. Since 1997, our Board-adopted Code of Conduct has set the standard for directors, officers, health system leaders, and all CHS-affiliated employees.

Regular briefings keep the Board abreast of relevant regulations, policy changes, and industry matters. Meetings are conducted at least quarterly, if not more frequently, to assess company performance and receive updates from leaders across the organization. Additionally, the Board rigorously examines our enterprise risk management report, which outlines potential threats to our organization, and is updated annually with input from hospital and corporate executives.

The Board and its committees conduct a comprehensive self-appraisal each year and review an annual evaluation from the CEO to ensure accountability and continuous improvement.

- 12 of 14 directors are independent members of the Board
- 4 new independent directors have joined the Board over the past 5 years
- 43% Board diversity based on gender and ethnicity
- 1 director is a highly-decorated military veteran
- All Board committees Audit and Compliance, Compensation, and Governance and Nominating – are solely comprised of independent Board members

As of June 30, 2024.

Additional information about the company's Board of Directors, including our Board's governing guidelines, committee charters, our Code of Conduct and a biography of each director can be found at chs.net.



Pictured left to right (back row): Michael Dinkins, K. Ranga Krishnan, MBBS, James S. Ely, III, Lt. Gen. Ronald L. Burgess Jr. (U.S. Army, Retired), John A. Fry, H. James Williams, PhD, Tim L. Hingtgen; (front row): Elizabeth T. Hirsch, William Norris Jennings, MD, Susan W. Brooks, John A. Clerico, Lead Director, Wayne T. Smith, Non-Executive Chairman, Fawn D. Lopez, Joseph A. Hastings, DMD.

# **Ethics and Compliance**

A Commitment To Do the Right Thing, Always

CHS has a longstanding Compliance Program to help ensure that everyone in the organization adheres to regulatory requirements for healthcare organizations. A cornerstone of our Compliance Program is our Code of Conduct. Every employee signs the Code of Conduct when hired and also participates in our annual compliance training program. Employees are encouraged to report any concerns to their supervisors or the compliance officers at their respective hospitals. A Compliance Hotline and website are also available for employees, patients and their families, business partners, vendors, and anyone else who wants to report a concern or make a confidential disclosure. Individuals may choose to identify themselves or remain anonymous.

At CHS, compliance isn't just about following the law – it is about acting with integrity, conducting our business ethically, and holding ourselves to the highest standards.



#### **Annual Compliance Training Completion Rate**

- 100% of the Community Health Systems, Inc. Board of Directors
- 97% of CHS-affiliated employees

Results for the year ended December 31, 2023.

# Data and Cyber Security

Protecting Our Patients and Their Data

#### Cyber Security Risk Management

CHS affiliates manage millions of patient health records and sensitive files annually. To protect this valuable information, we have invested in a robust cyber security and data protection program. We review our policies annually to ensure their effectiveness and continuously evolve our cybersecurity program to stay ahead of new threats. Our policies, capabilities, and services are aligned with the National Institute of Standards and Technology (NIST) cybersecurity framework and the HIPAA Privacy, Security, and Breach Notification Rules.

Our Cyber Security Risk Management team oversees cyber and data security, with strong collaboration from partners across Legal, Compliance, Privacy, and more, and our Board of Directors provides ultimate oversight of our program. Additionally, our Cyber Risk Executive Steering Committee exists to establish and enforce effective governance, policies, and key risk indicator monitoring and reporting with respect to our cyber risk profile.

Our employees are encouraged to report anything they suspect might compromise the safety and integrity of our company and patient data. CHS employees and contractors complete mandatory cybersecurity training during onboarding and participate in an annual refresher course. We also conduct regular simulated phishing email campaigns and deploy continuous security awareness and educational materials, ensuring heightened awareness, and organization-wide participation in cybersecurity.

In the case of a cyber-security incident, we have procedures in place which adhere to industry best practices, allowing us to identify, detect, respond to, and recover from incidents effectively. We conduct annual penetration testing and cyber tabletop exercises in order to refine and practice response procedures, and we periodically conduct external audits and compliance reviews of our program to identify potential risks.

In 2023, the Cyber Security Risk Management team completed more than **400** third-party cyber risk assessments.

# **Buying Right**

Responsible Supply Chain Management

CHS health systems are major purchasers of medical equipment, supplies, and a large variety products and services. We prioritize supplier diversity and advocate for procurement practices that support environmental sustainability.

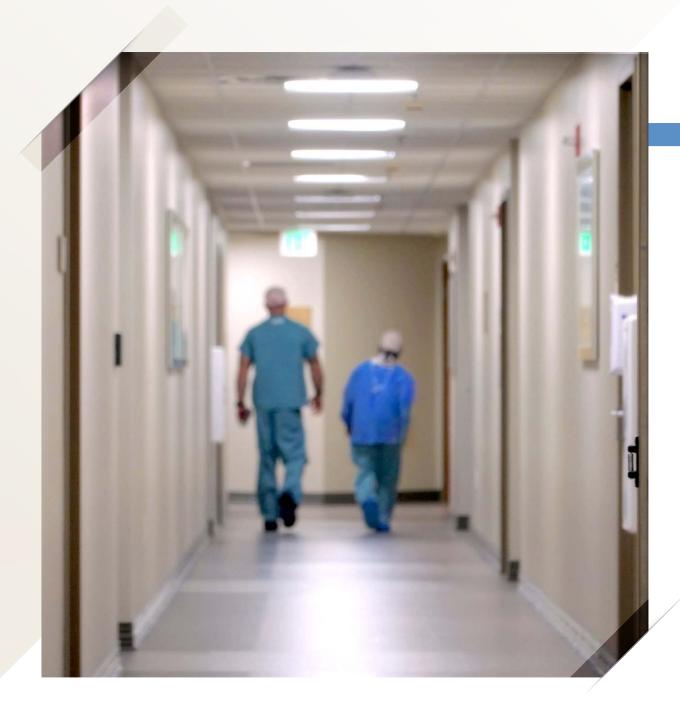
We are committed to giving fair opportunities to minority, women, and veteran-owned businesses. We also actively engage with small and emerging enterprises, recognizing their potential to offer innovative solutions.

In our sourcing decisions, we aim to minimize our environmental footprint by prioritizing environmentally-friendly products. We endorse responsible practices such as procuring reprocessed single-use medical devices and opting for reusable materials, thereby reducing waste generation.

To strengthen these initiatives, Community Health Systems collaborates closely with HealthTrust Purchasing Group, a group purchasing organization in which CHS is a noncontrolling partner. We actively participate in the HealthTrust Supplier Diversity Council and the HealthTrust Environmental Sustainability Council. Through this partnership, we align with HealthTrust's policies mandating compliance with labor and employment laws by our suppliers, subcontractors, and manufacturers, which prohibit child labor, forced labor, unsafe or unsanitary working conditions, and human trafficking.







## **Endless Commitment**

A shift ends. One team goes home. They leave the hospital to be with their families, indulge in a hobby, take the dog for a walk, or help the kids with homework. They take a breath. And, perhaps they think for just a moment of the difference made on just another "ordinary day" at the hospital.

Meanwhile, other team members step up to ensure continuity of care for their patients. Procedures are scheduled. Medicines ordered. Nerves are soothed, fears addressed, families are comforted, too. The ER hums with reassuring confidence.

Every day in a hospital is an inflection point. Mostly, it is about helping our patients reach a more positive balance, a better quality of life, and optimism for the future. What an incredible opportunity to help improve someone's world...to help improve the world.

Our responsibilities do not begin or end with the patient in front of us. Whole communities need care, too. The environmental and social impacts on health and well-being are indisputable. Clean air and water, economic opportunity, social equality — these things matter to our business, too.

There are so many victories in our work. So many moving moments of profound satisfaction and clarity of purpose. Even on those days when our hopes are not realized, we can end another hard-fought shift knowing that tomorrow will introduce us to another person whose best days are ahead of them because of what we will do.

Our purpose — to help people get well and live healthier — is like a relay that never ends. Another shift is over and the baton is passed again. And so it goes... one shift, one day at a time.

This is our endless commitment so that our patients can return to their lives, too, better than when we met them. Because in that moment, the world most certainly is a better place.

**Community Health Systems** would like to express its sincere appreciation to the physicians, employees and patients depicted in the preceding pages. Most of the photographs in this report were taken in CHS-affiliated hospitals in 2023 and 2024.

To the many dedicated healthcare professionals who are part of the CHS Community, and to all of the patients who entrust our organization for their healthcare, **we thank you**.

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