

**Table: County of Santa Cruz Health Services Agency
Charity Care Worksheet: 5.5% Calculation Method**

Entity: Watsonville Community Hospital

HCAI I.D.#: 106444013

2022 Calendar Year: 01/01/2022 to 12/31/2022

Part I.: Medical Costs - Audited by HCAI

A. Cost To Charges Ratio: Section 8(1) - page 22

1. Operating Expenses (Line 200)	\$	152,430,892
2. Gross Revenues (Line 30)	\$	960,233,068
3. Cost to Charges Ratio (CCR) = A.1. / A.2.		15.87%

B. Uncompensated Care Commitment:

1. Operating Expenses (Pag3 22, Line 200 - same as above)		\$	152,430,892
2. Less: Govt. Payors Gross Charges [Section 12(7)-12(11) page 40-44]			
a. Medicare Traditional: Line 415, Col. 1+2 - page 40	\$	246,679,555	
b. Medicare Managed: Line 415, Col 3+4 - page 40	\$	49,685,200	
c. Medi-Cal Traditional : Line 415, Col. 5+6 - page 41	\$	81,514,916	
d. Medi-Cal Managed: Line 415, Col. 7+8 - page 41	\$	471,016,988	
e. County Traditional: Medi-Cruz (Line 415, Col. 9+10) -	\$	-	
f. County Managed (Line 415, Col. 11+12) - page 42	\$	-	
g. Other Indigent: (Line 415, Col 17+ 18) - page 44	\$	1,944,764	
3. Total B.2.	\$	850,841,423	
4. Cost of Government Programs = B.3.*A.3.		\$	135,065,664
5. Net Operating Expense = B.1. - B.4.		\$	17,365,228
6. Threshold Factor Percentage - Uncompensated care 5.5% Method			5.50%
7. Required Care = B.5 * B.6		\$	955,088

C. Charity Care Provided: Section 8(2) - page 23

1. Charity (Line 355)	\$	5,877,191
2. Provided Care = A.3 * C.3	\$	932,967

D. Excess or (Deficit) = C.4 - B.7	Deficit:	\$	(22,121)
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Part II.: Cash & In-Kind Services

Qualifying Expenses Provided for Deficit Correction - Approved by HSA

E. Hospital's list (See Attached for details)

a. Cash Contributions to tax-exempt organizations:	\$	-
Cash contributions to non-profit healthcare organizations directly supporting low-income		
b. Physician Recruitment	\$	-
Relocation costs for medical specialists providing care to indigent patients.		
c. Other community benefit programs	\$	-
d. Emergency Room Department	\$	-
Losses or significant expenses for operating an Emergency Room.		

Total Provided Deficit Correction (E.) : = **Not Reported**

F. Excess Care:	\$	(22,121) *
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*Waiver applied to cure the deficit, per Amendment #5 to ATMC Agreement