PERFORMANCE AUDIT • REPORT NUMBER 25-02 • MAY 2025

Rural Hospital Tax Credit

Credit administration largely consistent with statutory requirements

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DOAA
Georgia Department of Audits & Accounts

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Why we did this review

O.C.G.A. § 48-7-29.20 requires the Department of Audits and Accounts to conduct an annual audit of the Rural Hospital Tax Credit (RHTC) program that includes the following:

1. All contributions received by rural hospital organizations;
2. All tax credits received by individual and corporate donors; and
3. All amounts received by third parties that solicited, administered, or managed donations pertaining to O.C.G.A. §§ 48-7-29.20 and 31-8-9.1.

About the Rural Hospital Tax Credit

The RHTC was established in 2017 and allows taxpayers to donate to eligible rural hospitals and reduce their state income tax liability by the amounts they donate. Taxpayers may choose a specific hospital or, if one is not designated, the hospital will be chosen based on a ranking of need.

The Department of Revenue (DOR) administers portions of the RHTC related to taxpayer eligibility criteria, and the Department of Community Health (DCH) administers portions related to hospital eligibility criteria. The Georgia HEART Hospital Program LLC (Georgia HEART), a third-party vendor, provides services to hospitals and contributors but is under contract with hospitals, not the state, for these services.

Rural Hospital Tax Credit

Credit administration largely consistent with statutory requirements

What we found

Taxpayer credits nearly reached the annual program cap of $75 million in tax year 2024. In 2023, hospitals reported spending $70.5 million and having accumulated another $42.0 million in donations still available for future years. Hospitals, state agencies, and other entities with program responsibilities were largely compliant with program requirements.

Contributions to rural hospitals totaled $74.3 million in 2024.

In tax year 2024, taxpayers contributed $74.3 million to eligible rural hospitals. The amount contributed to each hospital varied significantly, ranging from approximately $71,000 to nearly $4.0 million.

RHTC collections vary significantly across the rural hospitals. In 2024, 34 of the 54 eligible hospitals received more than $1 million in contributions, and 11 received less than $500,000. Most contributions were designated by donors and not necessarily to the neediest hospitals as determined by DCH. Four of the 10 neediest hospitals received contributions below the average contribution per hospital of approximately $1.4 million.

Contributions not designated for a specific hospital by donors were distributed to the neediest hospital on the DCH list (Northeast Georgia Medical Center Lumpkin).

Hospitals spent $70.5 million in RHTC funds and had $42.0 million in unspent funds in 2023.

Hospitals reported to DCH that the largest proportion of RHTC funds were spent on capital expenditures or regular operating expenses in 2023. Hospitals reported $42.0 million in unspent RHTC funds, close to the amount reported in 2022. Twenty-five of the 56 hospitals with funds remaining from prior years reported unspent funds, with amounts ranging from $8,000 to $8.8 million.

Hospitals are not required to spend funds within a specific timeframe, and information from the hospitals indicated that most funds are designated to be used for capital projects, equipment purchases, and the recruitment of medical professionals.

DCH and DOR have improved processes and generally complied with state law.

DCH verified that all rural hospitals receiving contributions in tax years 2023 and 2024 were eligible based on the criteria established in state law. Based on discussions during last year's audit, DCH added steps to its RHTC eligibility review procedures to ensure hospital reports are current and accurate.

DOR controls (which existed prior to our review) ensure that individual hospital limits and the annual aggregate credit limit are not exceeded. Total RHTC contributions did not exceed the $75 million program limit, and no individual hospital received contributions exceeding the $4 million hospital limit. The hospital with the highest amount of RHTC contributions in tax year 2024—Colquitt Regional Medical Center—received nearly $4 million.

Based on recommendations made in last year's audit, DOR strengthened processes for reporting contribution discrepancies. These included modifying DOR systems to allow for the reporting of $0 contributions and informing Georgia HEART that discrepancies should be reported to DOR staff via email; however, more formalization could help preserve institutional knowledge. DOR also finalized its process for reviewing excess credits claimed by corporate taxpayers based on statutory limits. While excess credits claimed on tax year 2022 returns have not been adjusted, DOR expects adjustments to be complete in April 2025—approximately one year before the three-year statute of limitations. Georgia HEART also improved its reporting as a result of last year's recommendations.

Hospitals paid Georgia HEART 3% of contributions, as permitted by state law.

In 2024, all 54 rural hospitals contracted with Georgia HEART to provide services such as marketing the credit to taxpayers, processing taxpayer preapproval requests, processing contributions, and assisting hospitals with required reporting to DOR and DCH. For tax year 2023, Georgia HEART charged rural hospitals a 3% fee, as permitted by state law. This totaled $2.17 million in fee revenue, which hospitals also reported to DCH.

What we recommend

We recommend that DOR and Georgia HEART continue to ensure that contribution amendments are reported and credits are adjusted, and that DOR consider formalizing its policies and/or procedures for the reporting of relevant contributions so institutional knowledge is preserved. Additionally, we recommend that DOR ensure controls regarding corporate tax credit limits are implemented appropriately and adjustments are made within the statute of limitations.

See **Appendix A** for a detailed listing of recommendations.

Agency Response: *The Department of Community Health agreed with the findings. The Department of Revenue and Georgia HEART agreed with the findings and recommendations.*

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Purpose of the Audit

O.C.G.A. § 48-7-29.20 requires the Department of Audits and Accounts to conduct an annual audit of the Rural Hospital Tax Credit (RHTC) program. The review must include:

1. All contributions received by rural hospital organizations;
2. All tax credits received by individual and corporate donors; and
3. All amounts received by third parties that solicited, administered, or managed donations pertaining to O.C.G.A. §§ 48-7-29.20 and 31-8-9.1.

A description of the objectives, scope, and methodology used in this review is included in **Appendix B**. A draft of the report was provided to the Department of Revenue, the Department of Community Health, and Georgia HEART for their review, and pertinent responses were incorporated into the report.

Background

Rural Hospitals

The Rural Hospital Tax Credit (RHTC) was established to provide financial support to rural hospitals by allowing Georgia taxpayers to contribute to eligible rural hospitals and receive a tax credit. It became effective January 1, 2017.

Rural hospitals in Georgia face financial challenges; eight[1] have closed since 2010. Closures can occur for several reasons. Rural communities suffer from depopulation, resulting in fewer hospital patients. Additionally, rural hospitals often have a high share of patients who either lack insurance or are on Medicaid, which has lower reimbursement rates than most group insurance. In recent years, the COVID-19 pandemic and staffing shortages have also negatively impacted hospitals' finances.

As of calendar year 2024,[2] 130 hospitals provided acute, short-term care to patients in Georgia, including 54[3] RHTC-eligible hospitals. In several regions, including Southwest, Southeast, and Middle Georgia, a hospital closure would significantly increase the distance residents would need to travel to receive medical care. **Exhibit 1** shows all hospitals in the state that provide acute, short-term care to patients, including RHTC-eligible hospitals.

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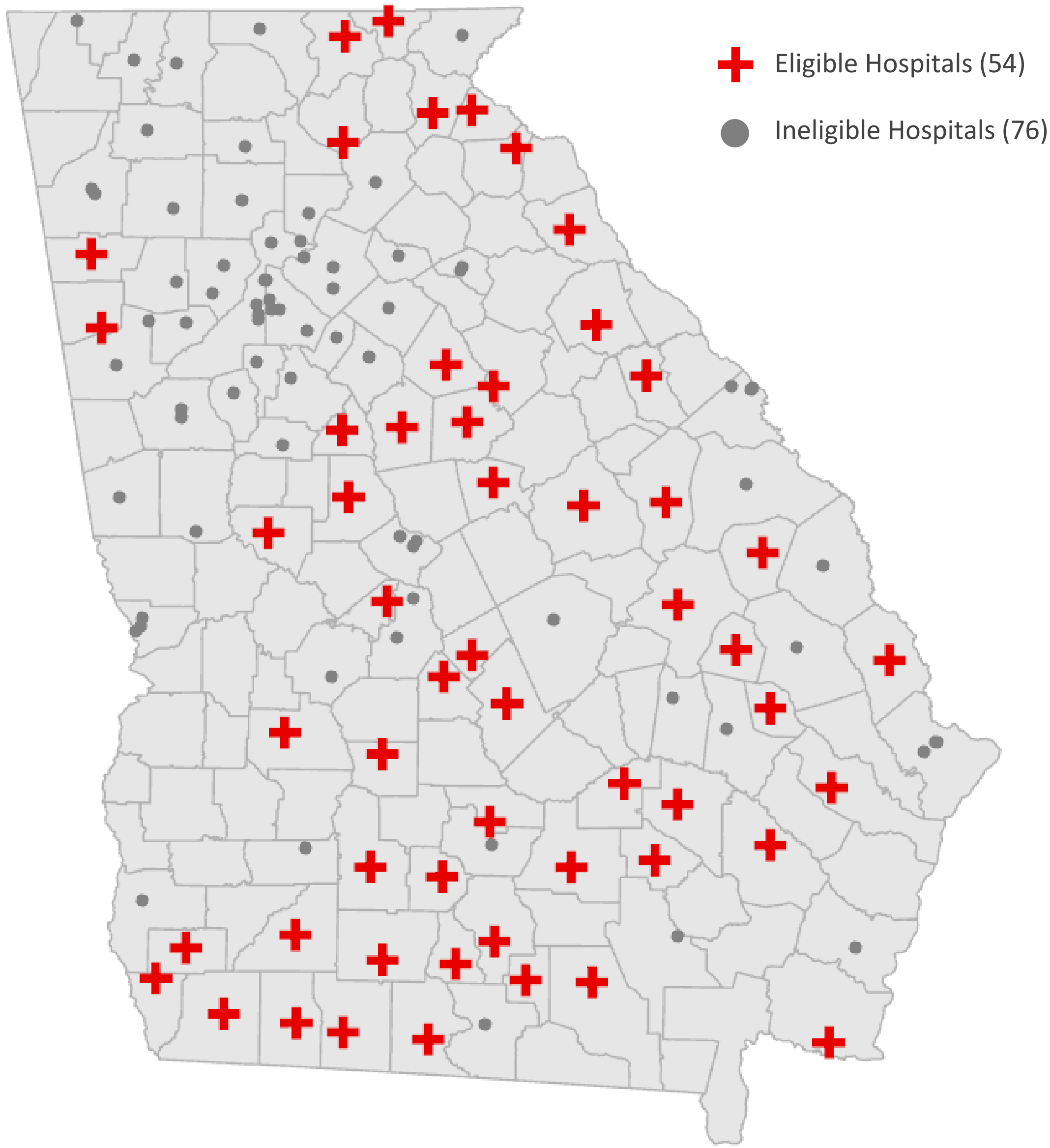
[1] *This number differs from audit reports published prior to 2024 due to a change in the classification of one hospital closure.*
[2] *Data used in this report consists of the most recent data available. The Department of Revenue's tax year 2023 data was used to report credits approved and claimed, while tax year 2024 data reported by Georgia HEART was used to report the most recent contributions received by hospitals.*
[3] *One hospital became eligible for the RHTC in February 2024 (i.e., after the calendar year began) after it requested a correction to a report affecting its eligibility.*

Exhibit 1
More than 40% of Georgia hospitals are eligible for RHTC contributions (CY 2024)



[1] The map does not show hospitals that only provide long-term, rehabilitative, or psychiatric care.

Source: DCH records

Eligibility Criteria

In calendar year 2024, 54 hospitals were eligible to receive contributions through the RHTC. A hospital must meet the following criteria to qualify:

- Reside in a county with a population of less than 50,000 or be designated a Critical Access Hospital;[4]

[4] *Critical Access Hospital is a federal designation for rural hospitals that meet certain federal requirements, including being located more than 35 miles from another hospital and having 25 or fewer acute care inpatient beds.*

- Be an acute care licensed hospital that provides inpatient hospital services and participates in Medicare and Medicaid;
- Provide healthcare services to indigent patients;
- Have at least 10% annual net revenue from indigent care, charity care, or bad debt;
- Is operated by a county or municipal authority or is a tax-exempt 501(c)(3) organization;
- Be current with all audits and reports required by law; and
- Have a three-year average patient revenue margin, as a percentage of expenses, less than one standard deviation above the statewide three-year average of other rural hospitals, as calculated by the Department of Community Health (DCH).

Since the RHTC's inception in 2017, the number of hospitals eligible to receive contributions has varied. Of the 60 hospitals that have received contributions through the RHTC, 42 have been eligible for the entire duration of the program. Generally, hospitals have lost eligibility because of changes to their business operations (e.g., converting from nonprofit to for-profit or financial fluctuations affecting the three-year average patient revenue margin). See **Appendix C** for an overview of each hospital's eligibility status in calendar years 2017-2024.

Rural Emergency Hospital Model

Beginning January 1, 2023, the Centers for Medicare and Medicaid Services established the Rural Emergency Hospital (REH) model as a new hospital designation intended to strengthen financial viability and mitigate the risk of closure. Hospitals that elect to convert to an REH must have either been a Critical Access Hospital or a rural, acute-care hospital with no more than 50 beds. Unlike Critical Access Hospitals, an REH cannot provide inpatient services.

As of January 2025, two hospitals in Georgia have converted to REHs: Irwin County Hospital (Irwin County) and Taylor Regional Hospital (Pulaski County). In 2023, Irwin and Taylor were respectively ranked #1 and #15 on DCH's list of hospitals by financial need. Under current state law, hospitals that elect to convert to an REH are no longer eligible to receive RHTC contributions; however, hospitals may still receive RHTC contributions that were approved prior to conversion.

DCH is required to annually rank all eligible hospitals by financial need. To rank rural hospitals by financial need, DCH utilizes the following each year:

- **Dun and Bradstreet Supplier Evaluation Risk (SER) Score** – Obtained from Dun and Bradstreet reports that hospitals submit to DCH with their five-year plans, this supply risk metric helps management professionals evaluate long-term risks of doing business with various entities, including hospitals.

- **Low Income Utilization Rate (LIUR)** – The LIUR is the percentage of revenue a hospital receives from Medicaid, state and local government cash subsidies, and uncompensated hospital services attributable to charity care. This is obtained from the Disproportionate Share Hospital calculation.
- **Current Ratio** – Calculated using annual financial data that hospitals submit to DCH, the current ratio measures an entity's ability to pay short-term obligations or those due within one year.

DCH ranks each eligible rural hospital for each criterion and adds the three equally weighted ranks to calculate a hospital's overall financial need ranking. The neediest hospital is ranked first on the list (#1) and the least needy is ranked last (#54 in 2024). DCH posts the ranked list of eligible hospitals on its website. All eligible rural hospitals may receive RHTC contributions.

RHTC Tax Limits

For tax years 2017 to 2022, the RHTC had an annual aggregate credit limit of $60 million. Legislation increased the aggregate limit to $75 million starting in 2023, and $100 million beginning in 2025. Although the aggregate limit increased since 2017, the annual individual limit for each hospital remains at $4 million.

Taxpayers who participate in the RHTC may receive a state tax credit equal to 100% of their contribution to an eligible rural hospital. The maximum credit between January 1 and June 30 is $5,000 for individuals and $10,000 for married couples filing jointly. Owners of pass-through entities[5] (including S-corporations and partnerships) may also receive a maximum credit of $10,000[6] unless they elect to pay tax at the entity level. If paying taxes at the entity level, the maximum amount approved in the first half of the year increases to 75% of their Georgia income tax liability. Unlimited contributions for individuals are allowed after July 1 of the calendar year if the aggregate limit has not been met. For C-corporations, it is also a 100% tax credit, equal to the actual contribution amount or 75% of the corporation's income tax liability, whichever is less. Credits not claimed in the tax year of the contribution can be carried forward for five years. **Exhibit 2** (on the next page) shows the limits for individual and corporate taxpayers.

Since the RHTC was created in 2017, the General Assembly has made changes to the credit. These changes include expanding eligibility to owners of pass-through entities, requiring the publication of various documents, providing direction for handling undesignated contributions, and requiring an annual audit by the Department of Audits and Accounts. See **Appendix D** for a summary of legislative changes and **Appendix E** for changes to preapproval and tax credit limits.

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[5] For pass-through entity owners, O.C.G.A. § 48-7-29.20 states that the maximum credit "shall be allowed only for the portion of the income on which such tax was actually paid by such individual."

[6] Beginning January 1, 2025, the maximum credit for individual owners of pass-through entities is $25,000 in the first half of the year.

Exhibit 2
Maximum credit amounts[1] are determined by taxpayer type

Taxpayer Type	Maximum Credit Amount, January 1 – June 30	Maximum Credit Amount, July 1 – December 31
Individual	$5,000 single $10,000 married $10,000 pass-through entity owner[2]	Unlimited
C-Corporation, Trust, or Pass-Through Entity Electing to Pay Tax at the Entity Level	Up to 75% of the entity's tax liability	

[1] Subject to the annual aggregate credit limit.
[2] In tax years 2019-2024, individual owners of pass-through entities had the same mid-year credit limit as married couples filing jointly. Beginning 2025, however, the mid-year credit for pass-through entity owners increased to $25,000. Per O.C.G.A. § 48-7-29.20, credits for pass-through entity owners are allowed "only for the portion of the income on which such tax was actually paid by such individual."

Source: O.C.G.A § 48-7-29.20

Roles and Responsibilities

DCH and the Department of Revenue (DOR) are responsible for administering the RHTC. DCH enforces statutory requirements for rural hospitals, and DOR enforces statutory requirements related to taxpayer credit claims. In addition, a private third-party vendor acts as a processor for most taxpayer contributions to hospitals under contract.

DCH Requirements

O.C.G.A. § 31-7-22 and O.C.G.A. § 31-8-9.1 require DCH to:

- Finalize the list of rural hospitals eligible for participation in the RHTC for the upcoming calendar year;
- Maintain an operations manual containing the current ranking of rural hospitals in order of financial need, the criteria and formula used to calculate financial neediness of rural hospitals, rural hospitals' deadlines for submitting required information to DCH, and materials required for rural hospitals to submit;
- Collect five-year plans from rural hospitals each year;
- Prepare an annual report containing information on all donations received by eligible hospitals and how those funds were expended for members of the General Assembly; and
- Post on its website a list of eligible rural hospitals in order of financial need; the annual report prepared for the General Assembly; amounts retained by third-party vendors participating in soliciting, administering, or managing contributions; and a link to DOR's website containing RHTC tax credit information.

DOR Requirements

O.C.G.A. § 48-7-29.20 requires DOR to:

- Track and enforce contribution limits for the RHTC;
- Notify taxpayers of preapproval or denial for contributing to the RHTC within 30 days;
- Post timelines and deadlines related to the RHTC on its website;
- Post the ranking of rural hospitals eligible to receive RHTC contributions; and
- Maintain a monthly progress report of total preapproved contributions to date to rural hospitals, total contributions received to date by rural hospitals, total aggregate amount of preapproved contributions, aggregate amount of tax credits available, and a list of preapproved contributions made to undesignated rural hospitals, as well as which rural hospitals have received undesignated contributions.

Third-Party Administrator

The Georgia HEART Hospital Program, LLC ("Georgia HEART") assists rural hospitals in obtaining and administering contributions through the RHTC. Georgia HEART is a wholly owned subsidiary of the Georgia Community Foundation, a 501(c)(3) tax-exempt organization.[7]

Georgia HEART contracted with all eligible rural hospitals in tax years 2023 and 2024. As permitted by state law, it charged each hospital a 3% fee on its services. According to Georgia HEART, its services include:

- Marketing the RHTC to individuals and businesses;
- Submitting and tracking taxpayers' preapproval requests to DOR;
- Managing an online dashboard for rural hospitals to view contributions in real time;
- Assisting with preparing documents rural hospitals must submit to DCH and DOR;
- Providing RHTC-related customer service to rural hospitals, contributors, and tax preparers;
- Monitoring RHTC-related legislation and federal and state tax laws and regulations;
- Providing continuing professional education training and updates to CPAs, tax professionals, and financial advisors; and
- Providing annual reports that show results and uses of funds to contributors and legislators.

[7] *According to the transparency and accountability narrative posted on Georgia HEART's website.*

Contribution Process

Taxpayers may designate a rural hospital to receive a contribution or make an undesignated contribution, allowing DOR to designate to the highest ranked hospital on the DCH list. Taxpayers may contribute to the RHTC through Georgia HEART or through DOR's online Georgia Tax Center.

- **Contributing through Georgia HEART** – Taxpayers complete a form on the Georgia HEART website, and the information is submitted to DOR by Georgia HEART on their behalf. Upon DOR approval, Georgia HEART informs the taxpayer of the hospital that should receive the contribution. Whether a contribution was initially designated by the taxpayer or DOR, the taxpayers send checks made out to the hospital, and Georgia HEART deposits the checks on behalf of the hospital.
- **Contributing directly through DOR** – A taxpayer can submit a request to DOR for preapproval to make a designated or undesignated contribution. DOR then sends notification of preapproval or denial within 30 days based on the aggregate, taxpayer, and rural hospital limits of the RHTC.

Taxpayers have 180 days[8] to submit their preapproved contributions to the designated rural hospital to claim the credit on their state income taxes. After submitting their payment, the rural hospital confirms with the taxpayer that it received their contribution and submits required documentation to DOR. Once the hospital reports to DOR that the contribution was received, the taxpayer is eligible to claim the credit on a tax return.

[8] *Effective January 1, 2025, taxpayers preapproved before September 30 must contribute before October 31 regardless of when their preapprovals were initially granted. Taxpayers preapproved after September 30 must contribute by December 31.*

Requested Information

Hospitals Receiving Contributions

Finding 1: Eligible hospitals received $74.3 million in RHTC contributions in tax year 2024, with amounts to individual hospitals varying significantly.

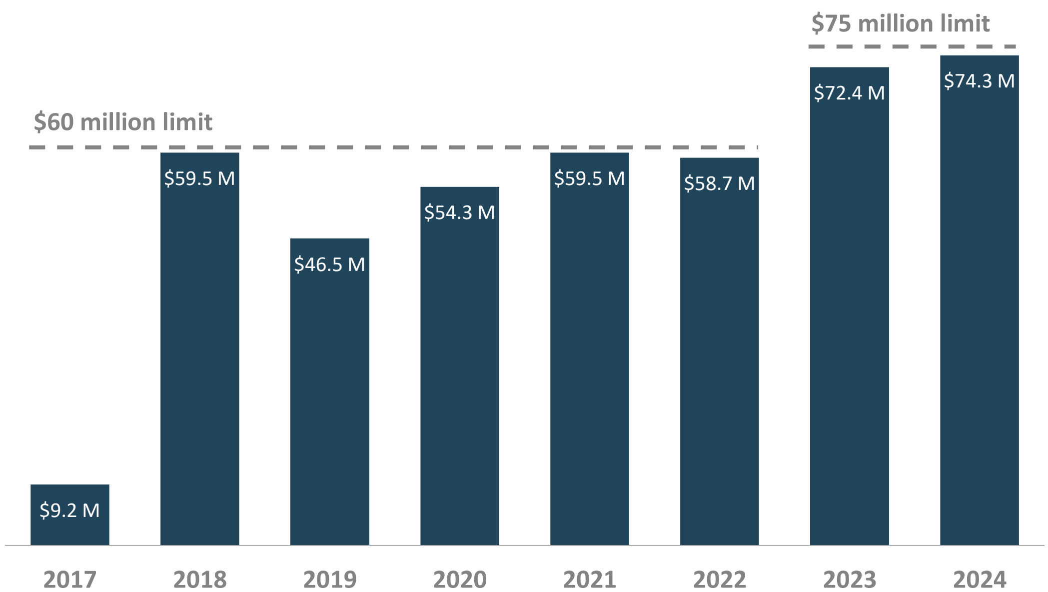
The amount of RHTC contributions that rural hospitals receive is dependent on taxpayer usage of the RHTC tax credit. Since the RHTC was created in 2017, contributions have nearly reached the aggregate limit in most years. Tax year 2024 contributions totaled $74.3 million, and individual hospitals received between approximately $71,000 and $4.0 million.[9]

Rural Hospital Contributions

For tax year 2024, Georgia HEART reported $74.3 million in contributions. As shown in **Exhibit 3,** since its inception in 2017, RHTC contributions have been close to the annual aggregate limit in most years.

Exhibit 3

RHTC contributions were close to the annual aggregate limit in most years (TY 2018-2024)[1]



[1] 2017 was the first year the RHTC was available and is presented for information only. We do not use 2017 data in our analyses or comparisons to other years.

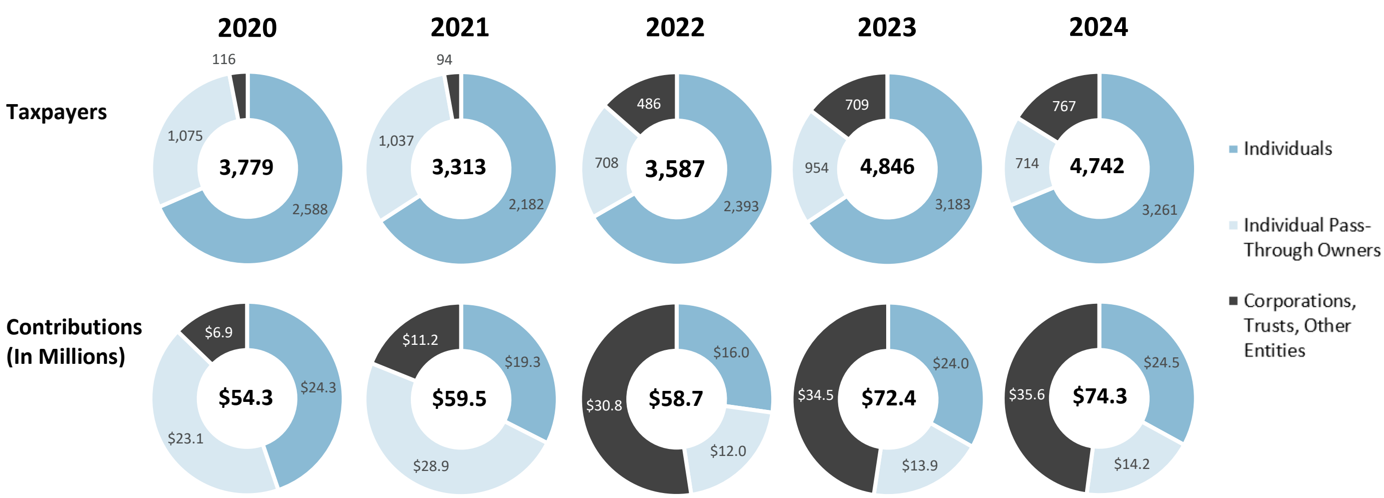
Source: DOAA analysis of 2017 and 2018 DCH Donation and Expenditure Reports, DOR contribution data for tax years 2019-2022, and Georgia HEART contribution data for tax years 2023 and 2024

[9] Georgia HEART contribution data for tax years 2023 and 2024—which were provided in February 2024 and January 2025, respectively—are the primary sources used to present information in this finding. Other data used in the report includes DOR tax credit and return data for tax years 2018-2023, DCH hospital expenditure reporting for calendar year 2023, and Georgia HEART contribution data for earlier years.

The total number of taxpayers contributing to the RHTC has fluctuated in recent years. From 2022 to 2023, the number increased 35%, primarily due to the increase in the annual aggregate credit limit. From 2023 to 2024, however, the number decreased only 2%.

As shown in **Exhibit 4**, the number of corporate taxpayers has increased significantly since 2020. The share of contributions attributed to corporate taxpayers also rose during this period. Recent changes in federal and state tax regulations (discussed on the next page) likely contributed to the rising amount of corporate contributions. The majority (521, or 68%) of the 767 corporate taxpayers in 2024 were pass-through entities that elected to pay tax at the entity level.

Exhibit 4
RHTC contributions from corporations increased (TY 2020-2024)



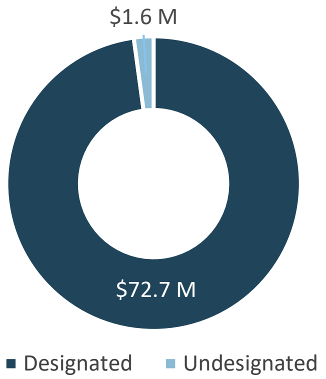
Source: DOAA analysis of Georgia HEART contribution data for tax years 2020, 2021, 2022, 2023, and 2024

Designated vs. Undesignated Contributions

As shown in **Exhibit 5** on the next page, designated contributions represented the vast majority (98%) of total contributions in tax year 2024. The low percentage of undesignated contributions[10] is likely attributable to changes in federal tax policies (discussed in the text box on the next page), because RHTC contributions from individuals no longer qualify as charitable deductions for federal tax returns. Designated contributions are less likely to be affected by this change because the donors may have personal, professional, or other reasons for donating to a particular hospital. In addition, corporations and pass-through entities may be more likely to make a designated contribution to benefit specific communities so that it qualifies as a federal business expense deduction.

[10] *DOR designates these contributions to the hospital deemed the most in need, as determined by DCH. See Finding 8 for more information.*

Exhibit 5
Most contributions are designated[1] (TY 2024)



Source: DOAA analysis of Georgia HEART contribution data for tax year 2024

Legislative Changes Impacting RHTC Contributions

Changes in federal and state tax policies led to increased corporate RHTC contributions in recent years because a corporation or electing pass-through entity can receive both a federal tax deduction and a Georgia tax credit for RHTC contributions.

The Internal Revenue Service (IRS) finalized a rule in 2019 that prohibited taxpayers from receiving a federal income tax deduction for charitable contributions for which the taxpayer also received a state or local tax credit. This rule likely contributed to the decline in RHTC contributions in 2019. In August 2020, the IRS issued a rule that provided corporations and pass-through entities with an avenue to claim a contribution to a non-profit as an "ordinary and necessary" business expense rather than a charitable contribution if the taxpayer can argue that the payment will financially benefit the business in some way, for instance, through increased name recognition in the state. In November 2020, the IRS issued a notice that endorsed workarounds to the state and local tax (SALT) deduction cap so that owners of pass-through entities can avoid the $10,000 SALT deduction limit that applies to individuals.

In response, the Georgia General Assembly passed House Bill 149 in 2021, which created a workaround to the SALT deduction cap by allowing owners of pass-through entities to pay state taxes at the entity level rather than the individual level. The Georgia Department of Revenue also updated its rules to permit electing pass-through entities to cover up to 75% of their state income tax liability through the RHTC program—meaning pass-through entities are essentially treated as "C" corporations.

Distribution of RHTC Contributions Across Rural Hospitals

RHTC contributions to individual hospitals vary significantly. As shown in **Exhibit 6**, 27 of 55 hospitals in tax year 2023 and 20 of 54 hospitals in tax year 2024 received less than $1 million in contributions. The smallest annual contributions were received by Archbold Mitchell in both years (approximately $52,000 and $71,000, respectively). Colquitt Regional Medical Center received the highest contributions, nearly reaching the $4 million limit in both years ($3.97 million and $3.99 million, respectively). The average contribution amount did not increase significantly from 2023 to 2024, rising by only 4%. The median increased by a greater percentage (15%), however, which is likely reflective of more hospitals receiving over $3 million in contributions in 2024 (five hospitals) versus 2023 (two hospitals). (See **Appendix F** for a list of hospitals and their tax year 2024 contributions, and **Appendix G** for a list of hospitals and their tax years 2017-2024 contributions.)

Exhibit 6

Hospital contributions vary (TY 2023 and 2024)

Total Contributions	2023 Hospitals
$0 - <$500k	9
$500k - <$1M	18
$1M - <$1.5M	8
$1.5M - <$2M	8
$2M - <$2.5M	4
$2.5M - <$3M	6
$3M - <$3.5M	1
$3.5M - <$4M	1

Total Contributions	2024 Hospitals
$0 - <$500k	11
$500k - <$1M	9
$1M - <$1.5M	14
$1.5M - <$2M	7
$2M - <$2.5M	8
$2.5M - <$3M	
$3M - <$3.5M	3
$3.5M - <$4M	2

Source: DOAA analysis of Georgia HEART contribution data for tax years 2023 and 2024

The distribution of RHTC contributions was not consistent with individual hospitals' financial need as determined by DCH.

The hospital ranked first on DCH's ranking of need is the neediest hospital for the year. The hospital ranked last (#54 in 2024) is the least needy.

- In tax year 2023, 31 of 55 eligible hospitals received less than the average contribution ($1.3 million) and five received more than twice the average. Of the two that received more than $3 million in contributions, one (Colquitt Regional Medical Center) was in the bottom half of DCH's list of hospitals ranked by financial need. Five of the 10 neediest hospitals received contributions below the average.
- In tax year 2024, 32 of 54 eligible hospitals received less than the average contribution ($1.4 million) and five received more than twice the average. Of the five that received more than $3 million in contributions, two (Colquitt Regional Medical Center and Higgins General Hospital) were in the bottom half of DCH's list of hospitals ranked by financial need. Four of the 10 neediest hospitals received contributions below the average.

DOR and Georgia HEART Response:

DOR and Georgia HEART stated they agree with this finding.

Finding 2: All RHTC contributions to hospitals were within statutory limits in tax year 2024.

Tax year 2024 contributions made through the RHTC program were within statutory limits. Preapprovals and contributions were within the aggregate limit for the program, and no hospital received contributions that exceeded mid-year or end-of-year limits.

As shown in **Exhibit 7**, O.C.G.A. § 48-7-29.20 sets limits for aggregate earnings and individual hospitals, which were not exceeded in tax year 2024.

- **Aggregate Credit Limits –** According to state law, the aggregate amount of credits shall not exceed $75 million[11] per taxable year. In tax year 2024, total contributions to rural hospitals through the program were $74.3 million—approximately $760,000 below the limit.[12]
- **Individual Hospital Limits –** According to the law, no rural hospital shall receive more than $4 million of the aggregate contributions in a taxable year. During tax year 2024, no individual rural hospital received more than $4 million.
- **Taxpayer Type Limits –** No hospital may receive more than $2 million in preapproved contributions from either individual taxpayers or corporations prior to July 1, and no hospital exceeded this limit.

DOR's tax system has controls designed to ensure that total program, individual hospital, and taxpayer type limits are not exceeded. The controls are intended to reject an application for a tax credit that exceeds these limits.

Exhibit 7
RHTC contributions complied with state law (TY 2024)

Statutory Requirement	Compliant	Non-Compliant
Credits approved based on contributions are capped at $75 million each year.	✓	
Credits approved based on contributions are capped at $4 million for individual hospitals each year.	✓	
Preapproved contributions do not exceed $2 million per hospital from individual taxpayers prior to July 1.	✓	
Preapproved contributions do not exceed $2 million per hospital from corporate taxpayers prior to July 1.	✓	

Source: DOAA analysis of Georgia HEART contribution data, DOR preapproval data, and O.C.G.A. § 48-7-29.20

DOR and Georgia HEART Response:

DOR and Georgia HEART stated they agree with this finding.

[11] Beginning January 1, 2025, the aggregate amount of credits cannot exceed $100 million per taxable year.
[12] Amounts do not sum to $75 million due to rounding.

Finding 3: Rural hospitals that received RHTC contributions were generally in compliance with state law.

DCH verified that all rural hospitals receiving RHTC contributions in tax years 2023 and 2024 were eligible based on the criteria established in state law. The hospitals followed statutory requirements to report all contribution expenditures and administrative fees remitted to third parties involved in the RHTC program. As discussed in the text box on page 14, DCH made changes to address concerns related to reporting.

- **Hospital Eligibility Requirements** – O.C.G.A. § 31-8-9.1 outlines criteria that must be met for rural hospitals to receive RHTC contributions. These criteria include a county population of less than 50,000 or critical access designation, acceptance of Medicaid and Medicare patients, and demonstration that at least 10% of annual net revenue is indigent care, charity, or bad debt. For a complete list of criteria established by state law, see pages 2-3.

  To verify eligibility, DCH staff review census data, hospital financial reporting, IRS forms, and other information reported to the agency.

  Statute requires hospitals to be current with all reports to be eligible for RHTC contributions. We found that 2 of 54[13] hospitals submitted IRS forms with incorrect dates entered in the form's fiscal year fields. DCH staff indicated the hospitals were determined to be eligible because the financial information included in both forms was accurate and current despite the incorrect dates. Staff reported contacting the hospitals to ensure that they would use the correct fiscal year dates going forward.

- **Hospital Five-Year Plans** – O.C.G.A. § 31-8-9.1 requires hospitals to annually submit to DCH a Five-Year Plan that details the financial viability and stability of the rural hospital organization before it can be considered eligible by DCH. The Five-Year Plan asks for information on the hospital's debt, amount of uncompensated care, planned use of RHTC funds to support uncompensated care, and a description of other challenges to financial viability and stability.

  As part of our review of 2024 eligibility information, we obtained copies of the hospitals' Five-Year Plans. While five hospitals submitted plans without dates or with potentially inaccurate dates, DCH staff explained this could be because hospitals may not use DCH's template or may base their date on the fiscal year instead of the date the plan was created. Because staff consider hospital documentation as a whole when determining RHTC eligibility, they do not necessarily consider plans without dates or with potentially incorrect dates to be a concern.

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[13] *Although 55 hospitals submitted RHTC eligibility documentation for 2024, DCH staff determined one hospital was ineligible.*

- **Hospital Donation and Expenditure Reports** – O.C.G.A. § 31-8-9.1 requires rural hospitals to annually report to DCH how RHTC contributions have been spent, as well as the payments made to third parties that solicit, administer, or manage RHTC donations. Payments to these third parties must not exceed 3% of total RHTC contributions.

  As shown in **Exhibit 8**, all hospitals receiving RHTC contributions complied with this statutory requirement in 2023.

Exhibit 8
Hospitals complied with RHTC requirements (TY 2023)

Statutory Requirement	Compliant	Non-Compliant
Rural hospitals must report contribution expenditures to DCH.	✓	
Rural hospitals must report payments to third parties to DCH.	✓	
Payments to third parties do not exceed 3% of contributions.	✓	

Source: DOAA analysis of DCH and hospital documents, hospital contribution data, and O.C.G.A. § 31-8-9.1

DCH added date verification steps to its eligibility review procedures

Last year's audit identified that one hospital submitted outdated reports to DCH for 2023 eligibility consideration. DCH staff indicated that the hospital would have been eligible and compliant if the correct reports, which were later provided, had been submitted on time.

Because of the outdated submission, we discussed adding report date verification steps to RHTC eligibility review procedures with DCH during last year's audit. DCH subsequently added these steps to its eligibility review manual, which instructs reviewers to verify the dates of hospitals' IRS forms and Five-Year Plans. Because the steps were added after 2024 eligibility information was submitted, however, the results of our review of 2024 eligibility information (discussed in this finding) do not reflect the addition of these steps. DCH staff indicated the new steps assisted in identifying and mitigating date concerns in their 2025 eligibility review.

DCH Response:

DCH stated it agrees with this finding.

Finding 4: Rural hospitals reported spending $70.5 million of RHTC funds in 2023, with $42.0 million in funds remaining unspent.

As previously noted, O.C.G.A. § 31-8-9.1 requires rural hospitals to report to DCH how RHTC contributions are used each year. The hospitals should report all expenditures in one of the nine categories included in the DCH template as discussed below. If a recipient hospital does not spend all available contributions by the end of the year, it should report how it intends to use the remaining contributions in the future.

2023 Available Funds and Expenditures

As shown in **Exhibit 9**, rural hospitals had approximately $112.5 million in RHTC funds available over the course of the year, including 2023 contributions and unspent funds from prior years.

Exhibit 9
Hospitals used most contributions on capital expenditures and regular operating expenses (CY 2023)[1]

RHTC Donations			
2023 Donations	$	72,445,880	
Unspent from Prior Years	$	40,066,827	
Total	**$**	**112,512,707**	
RHTC Expenditures			**% of Total**
Capital Expenditures	$	18,481,806	26%
Regular Operating Expenses	$	15,317,954	22%
Other	$	10,481,913	15%
Payments to Reduce Long-term Debt	$	7,990,044	11%
Equipment Purchases	$	7,066,795	10%
Personnel Expenses	$	6,537,436	9%
Contracts (Other than HEART)	$	2,493,670	4%
Admin Fees to HEART	$	2,173,376	3%
Motor Vehicle Purchases	$	-	0%
Total	**$**	**70,542,994**	**100%**
RHTC Outstanding			
Unspent Donated Funds	**$**	**41,969,713**	

[1] This information is based on hospital reports and is not verified or audited. As noted in Exhibit 10, we calculated a slightly different amount of unspent funds.

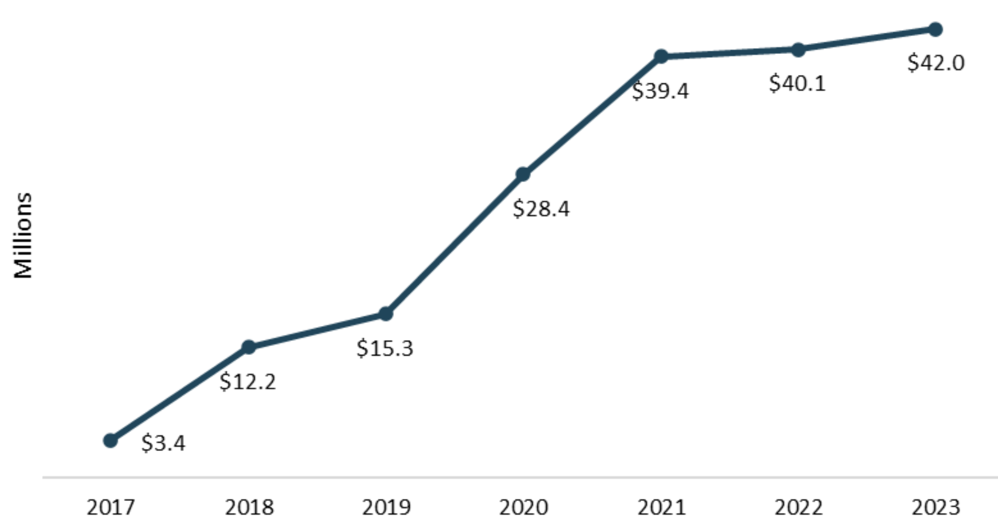
Source: DOAA analysis of Calendar Year 2023 DCH Donation and Expenditure Report

The hospitals reported spending nearly $70.5 million during 2023. The largest proportion of RHTC expenditures was incurred in two categories: capital expenditures and regular operating expenses. Capital expenditures (26%) may include renovating outdated facilities or expanding existing facilities to increase services, while regular operating expenses (22%) can include costs such as administering medicine or providing other treatment to patients. Other notable expenditures included undefined/other expenditures (15%), which often include costs associated with uncompensated care, and payments to reduce long-term debt (11%).

2023 Unspent Funds

In 2023, 25 of 56 hospitals with funds remaining from prior years reported $42.0 million in unspent funds, averaging approximately $1.7 million.[14] Amounts ranged from $8,000 to $8.8 million. Thirteen hospitals reported more than $1 million in unspent funds, including six with more than $2 million. Hospitals indicated that they intend to use the unspent funds on large capital projects, equipment purchases to improve or expand services, and recruitment of medical professionals. As shown in **Exhibit 10**, unspent RHTC funds greatly increased from 2019 through 2021, largely due to capital project delays caused by COVID-19. From 2021 to 2023, unspent funds slightly increased; during the same period, however, the percentage of total available funds remaining unspent decreased (from 45% in 2021 to 37% in 2023). There is no requirement to use funds within a certain timeframe.

Exhibit 10
Unspent RHTC funds have increased since 2017 (CY 2017-2023)[1]



[1] DOAA's analysis of unspent funds accumulated during the period uses hospitals' reporting for expenditures and Georgia HEART's documents for administrative fees and contributions. Because of discrepancies identified in prior audits, DOAA's assessment of unspent funds differs slightly from hospitals' reporting and prior DOAA reports.

Source: DOAA analysis of Calendar Year 2017-2023 Donation and Expenditure Reports and Georgia HEART documents

DCH Response:

DCH stated that it agrees with this finding.

[14] *While only 55 hospitals were eligible for RHTC donations in 2023, an additional hospital reported spending unspent funds received in prior years.*

Taxpayers Obtaining Credits

Finding 5: Individual taxpayers claimed the majority of rural hospital tax credits in tax year 2023.

A taxpayer receives an **approval** for an RHTC tax credit based on contribution amount and estimated tax liability (see requirements on page 4). However, the amount of credit a taxpayer may **claim** depends on actual tax liability.

Approximately 50% of tax credits that were available to taxpayers in 2023 (the most recent year available) will be carried forward to future tax years. Individual taxpayers, who were responsible for the majority of claimed credits in tax year 2023, represented most of Georgia's counties.

As shown in **Exhibit 11**, $91.5 million in rural hospital tax credits was available in tax year 2023—$72.5 million[15] was approved in tax year 2023, and the remainder was approved in previous years. During tax year 2023, taxpayers claimed $44.2 million in rural hospital tax credits. As previously noted (see page 4), unclaimed credits can be carried forward for five years. As a result, $45.8 million in available tax credits will carry forward to future tax years, and $1.5 million in credits approved in 2018 remain unclaimed as of tax year 2023 and are considered expired.[16]

Exhibit 11

Tax credits carried forward are increasing (TY 2018-2023)[1]

Credit Type	2018	2019	2020	2021	2022	2023
Amount Available	$58,852,069	$54,357,423	$64,163,677	$72,760,070	$71,894,793	$91,523,299
Amount Utilized	$50,969,293	$44,511,644	$50,891,755	$58,652,014	$52,904,983	$44,221,180
Amount Remaining	$7,882,776	$9,845,779	$13,271,922	$14,108,056	$18,989,810	$45,776,210[2]

[1] Amounts shown reflect credits claimed through tax year 2023, as of January 23, 2025. Amounts may change, however, because taxpayers have three years to file amended returns and DOR has three years to adjust credits claimed on returns based on statutory limits and contribution discrepancies reported by Georgia HEART.

[2] The amount of credits remaining after tax year 2023 excludes $1,525,909 in credits approved in 2018 that have expired. This amount may change, however, due to the reasons mentioned above.

Source: DOAA analysis of DOR tax data for tax years 2018-2023

While the proportion of rural hospital tax credits claimed by individual taxpayers had been decreasing in prior years, it increased slightly from tax year 2022 to tax year 2023. Individual taxpayers claimed 66% ($29.1 million) of the $44.2 million in credits claimed in tax year 2023, compared to around 90% in 2020 and 2021 and 58% in 2022.[17] The remaining $15.2 million[18] in credits were claimed by corporations, partnerships, S-corporations, and fiduciaries.

As with prior years, taxpayers in the highest income group (those with incomes above $700,000) claimed the largest amount of credits ($14.0 million, or nearly

[15] As reported in last year's audit, Georgia HEART identified several instances in which it reported contributions to DOR but funds had not been received by any hospital. DOR's tax credit approval data for tax year 2023 does not account for these discrepancies, which is why total approved credits for tax year 2023 are greater than total contributions received in 2023 ($72.5 versus $72.4 million). Actual 2023 credits available to claim total $72.4 million.

[16] Because taxpayers have three years to amend returns, the amount of expired credits may change.

[17] Approximately 82% of individual taxpayers who claimed the rural hospital tax credit in tax year 2023 filed as married filing jointly.

[18] The amount of credits claimed by individuals ($29.1 million) and the amount claimed by corporations, partnerships, S-corporations, and fiduciaries ($15.2 million) do not sum to $44.2 million due to rounding.

50%) in tax year 2023 (see **Exhibit 12**). Overall, individuals who claimed the credit had an average Georgia Adjusted Gross Income of approximately $550,000, whereas the median was approximately $270,000.

Exhibit 12
Almost half of credits claimed by individual taxpayers were by those with incomes above $700,000 (TY 2023)

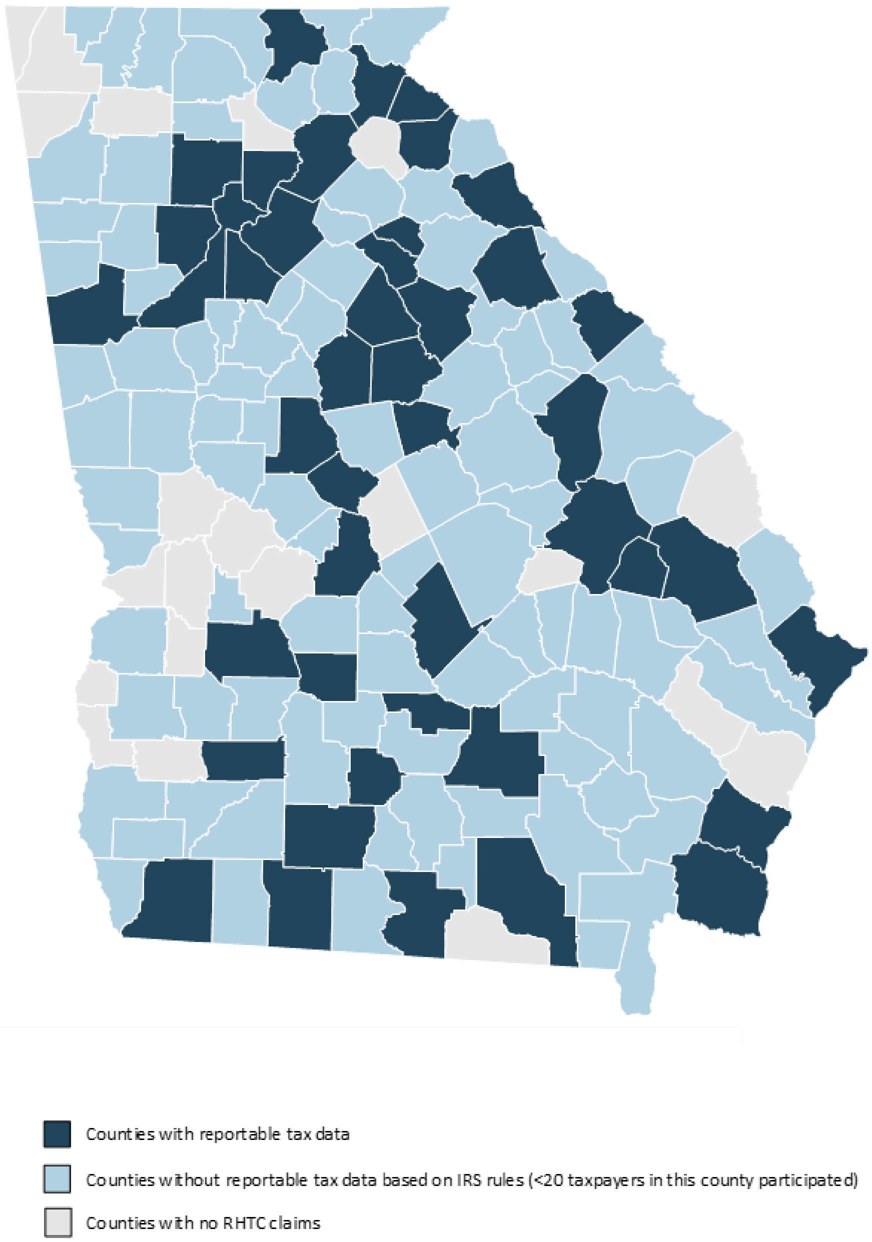
Taxpayer Income	Taxpayers	Credits Claimed
$0 - $50K	238	$819,459
$50K - $100K	343	$614,039
$100K - $150K	347	$964,717
$150K - $200K	335	$1,325,018
$200K - $250K	288	$1,413,461
$250K - $300K	237	$1,480,170
$300K - $350K	197	$1,329,208
$350K - $400K	173	$1,380,173
$400K - $450K	146	$1,299,236
$450K - $500K	115	$1,074,736
$500K - $550K	102	$943,580
$550K - $600K	80	$928,231
$600K - $650K	63	$725,250
$650K - $700K	65	$762,220
More than $700K	524	$14,008,026

Source: DOAA analysis of DOR return data for tax year 2023

Rural hospital tax credits were claimed by individual taxpayers in 138 Georgia counties.[19] IRS tax information security guidelines limit tax data reporting to counties where 20 or more taxpayers claimed a credit. The 44 Georgia counties that met this criterion in tax year 2023 are highlighted in **Exhibit 13** on the next page. These counties represent $23.1 million (52%) of the $44.2 million in rural hospital tax credits claimed in tax year 2023. Four of the five counties with the most claimed credits in tax year 2023 are in Metro Atlanta.

[19] *Taxpayer counties were established based on the primary county for each taxpayer's zip code (additional details are provided in Appendix B).*

Exhibit 13
Taxpayers claiming credits are dispersed throughout the state[1] (TY 2023)



County	Credits Claimed
Fulton County	$5,564,398
DeKalb County	$2,130,710
Cobb County	$1,750,007
Colquitt County	$1,704,706
Gwinnett County	$853,053
Lowndes County	$813,455
Greene County	$647,258
Sumter County	$547,780
Thomas County	$546,536
Carroll County	$502,714
Columbia County	$481,983
Chatham County	$423,686
Hall County	$409,034
Cherokee County	$406,480
Bibb County	$404,221
Coffee County	$364,450
Houston County	$363,730
Tift County	$348,093
Glynn County	$343,102
Morgan County	$338,388
Putnam County	$282,676
Crisp County	$261,802
Union County	$251,767
Dougherty County	$232,183
Clarke County	$231,715
Dodge County	$209,582
Stephens County	$204,541
Oconee County	$199,610
Ben Hill County	$188,912
Decatur County	$185,835
Candler County	$183,722
Forsyth County	$179,433
Bulloch County	$174,854
Habersham County	$172,948
Camden County	$161,244
Jefferson County	$149,438
Wilkes County	$143,007
Emanuel County	$135,676
Monroe County	$121,010
Elbert County	$117,172
Baldwin County	$107,845
Clinch County	$87,840
Jasper County	$75,038
Franklin County	$61,897

[1] Taxpayer counties are illustrated based on the primary county for each taxpayer's zip code. The 100 Georgia taxpayers with an unknown county of residence are not included in the map.

Source: DOAA analysis of DOR return data for tax year 2023 and DCH documents

DOR Response:

DOR stated it agrees with this finding.

Finding 6: DOR has taken steps to improve reporting for contributions that require amendment, though further improvements to controls can be made.

Last year's review identified that between tax years 2018 and 2023, the amount of credits approved for taxpayer use did not align with the amount of contributions hospitals received or with statutory requirements.[20] As a result, we recommended that DOR strengthen controls to ensure RHTC credits claimed align with contributions made, and that Georgia HEART improve reporting processes to ensure contribution discrepancies identified in internal audits are reported. In response, DOR strengthened reporting mechanisms and Georgia HEART improved its reporting. DOR also finalized a control process related to corporate credits, but excess credit claims identified in last year's analysis have not yet been adjusted.

DOR

Steps taken by DOR to address last year's recommendations are discussed below.

- **Reporting contribution variances** – For tax year 2023, Georgia HEART indicated it found five erroneous contribution reports during its internal audits, which were included in DOR credit calculations. DOR indicated it did not have a mechanism to allow rural hospitals or Georgia HEART to amend reports made in error. As a result, we recommended DOR create a mechanism to allow or require rural hospitals/Georgia HEART to report contribution amendments, and DOR adjust credits that needed to be lowered.

  In July 2024, DOR formally communicated to Georgia HEART that contribution discrepancies identified after reporting should be communicated to DOR staff via email.[21] However, no other formal communication mechanism or policy was established. Due to the small number of discrepancies, DOR determined that a system update to allow for the reporting of discrepancies was not necessary.

  This year's review also found that DOR staff reported adjusting tax year 2024 credit certificates requiring amendment. These include 12 $1 contributions reported prior to last year's audit (see explanation below) and a $100 contribution variance that Georgia HEART reported in January 2025.[22] DOR also lowered a tax year 2023 credit by $75,000 that Georgia HEART reported at the end of December 2023—a discrepancy we noted remained in DOR credit calculations during last year's audit.

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[20] These discrepancies totaled approximately $335,000—representing 0.1% of the nearly $351 million credits approved during the period.
[21] Georgia HEART had previously communicated contribution discrepancies to DOR via email. DOR formally communicated that they report discrepancies in this manner, however, as a result of our recommendations.
[22] Total hospital contributions for 2024 recorded by Georgia HEART are $112 less than the amount reported in DOR's final monthly RHTC report for tax year 2024 (published March 24, 2025). The difference is attributable to these contribution discrepancies, which DOR reported will be adjusted through its artificial claims process. This process will prevent taxpayers from claiming unearned credits even though contribution amounts in DOR's data reflect Georgia HEART's original reporting.

- **Reporting $0 contributions** – DOR's information system previously did not allow for the reporting of $0 contributions. Consequently, Georgia HEART would report a $1 contribution for taxpayers who decided not to donate to allow other potential donors' preapproved credits to be made available more quickly. DOR indicated controls would not prevent taxpayers from claiming these $1 credits. As a result, we recommended DOR modify its system to allow for $0 contribution reporting; DOR made this update in July 2024.

- **Adjusting excess corporate credits** – During our 2020 audit of the RHTC, we determined that DOR did not have a process to ensure corporations and individuals receiving income from pass-through organizations have the necessary tax liability to qualify for the amount of credit earned. As a result, these taxpayers could and did receive higher credits than they qualified for based on their tax liability.

  In subsequent audits, DOR staff indicated they created a process to identify and adjust these credits. The process—which DOR finalized in February 2025[23]—includes running an annual query in the third quarter of the calendar year after returns are received (for example, the 2024 query will be run in the third quarter of 2026). However, this year's audit identified that excess credits claimed by corporations in tax year 2022 returns have not been adjusted. Staff stated they expect to complete adjustments to these returns in April 2025.

  Like taxpayers, DOR is generally subject to a three-year statute of limitations to adjust returns. As a result, DOR must complete adjustments to tax year 2022 returns by April or October 2026[24] (three years after 2022 filing deadlines) to ensure these taxpayers cannot claim unearned credits.

Georgia HEART

Last year's audit identified that Georgia HEART failed to report approximately $12,000 in contribution variances to DOR in tax year 2023. As a result, we recommended Georgia HEART notify DOR about erroneous contribution reporting identified during its internal audits. This year's review found that Georgia HEART reported all tax year 2024 contribution variances to DOR. Additionally, Georgia HEART staff reported implementing a new monthly review procedure to ensure their contribution data aligns with DOR's monthly RHTC report.

Last year's audit also recommended that Georgia HEART cease reporting inaccurate $1 contributions, which it used to indicate in DOR's systems that a taxpayer had decided not to contribute. Georgia HEART reported 12 $1 contributions in tax year 2024—but all were reported prior to our recommendation.

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[23] DOR indicated it finished updating this process during our 2023 audit of the RHTC; however, staff reported a need to further update the process during this year's audit to ensure credits were not unfairly denied.
[24] Taxpayers may request extensions to the April 15 deadline that allow them to file by October 15.

RECOMMENDATIONS

1. DOR and Georgia HEART should continue to ensure contribution amendments are reported and credits are adjusted based on reported amendments. In addition, DOR should consider formalizing its policies and/or procedures for reporting contributions requiring amendment to ensure institutional knowledge is preserved.
2. DOR should ensure recently finalized controls regarding corporate credit limits are implemented appropriately and within the statute of limitations.

DOR and Georgia HEART Response:

DOR and Georgia HEART stated they agree with this finding. Their responses to the recommendations are below.

> ***Recommendation 1:*** *DOR and Georgia HEART agreed with this recommendation. DOR stated it will "consider how to formalize this process through written instruction."*
>
> ***Recommendation 2:*** *DOR agreed with this recommendation and indicated it will ensure recently finalized controls are implemented "appropriately and timely."*

Third-Party Organizations that Assist Taxpayers/Hospitals

Finding 7: Administrative fees retained by Georgia HEART in tax year 2023 were within statutory limits.

Total administrative fees that rural hospitals remitted to Georgia HEART in tax year 2023 did not exceed the statutory limit of 3% of total contributions. Additionally, no single rural hospital that received contributions in tax year 2023 remitted administrative fees exceeding 3% of reported contributions.

Rural hospitals can elect to have third-party organizations solicit, administer, and/or manage the RHTC contributions they receive. Per O.C.G.A. § 31-8-9.1, third-party organizations may charge hospitals a fee not exceeding 3% of the total amount of contributions.

In tax year 2023, all 55 RHTC-eligible hospitals contracted with Georgia HEART to provide services such as marketing the credit to taxpayers, processing taxpayer preapproval requests, assisting hospitals with required reporting to DOR and DCH, and monitoring RHTC-related legislation. Georgia HEART charged rural hospitals a 3% fee for services. Georgia HEART's audited financial statements reported $2.17 million in administrative fee revenue in tax year 2023—3% of the $72.4 million in total RHTC contributions. Contribution expenditure reports that rural hospitals submitted to DCH further confirmed that no individual hospital exceeded the 3% limit (see **Exhibit 14**).

Exhibit 14
Payments to Georgia HEART were within the statutory limit (TY 2023)

Statutory Requirement	Compliant	Non-Compliant
Payments to third parties do not exceed 3% of contributions.	✓	

Source: DOAA analysis of hospital contribution data, Georgia HEART financial statements, and O.C.G.A. § 31-8-9.1

Georgia HEART Response:

Georgia HEART stated it agrees with this finding.

Finding 8: Undesignated donations were distributed to rural hospitals in accordance with state law in tax year 2024.

Information from Georgia HEART and DOR indicates that undesignated funds were assigned to hospitals in accordance with state law in tax year 2024. Georgia HEART reports funds to DOR as undesignated, and DOR assigns the undesignated funds to hospitals in accordance with their financial need rank.

Per O.C.G.A. § 48-7-29.20,[25] if a donor does not specify what hospital should receive their contribution, the undesignated funds must be sent to the rural hospital with the highest financial need that has not received the maximum amount of contributions ($4 million) for that taxable year.

Georgia HEART staff reported that when they receive an undesignated contribution, they submit the application to DOR and DOR identifies the hospital that should receive the funds using DCH's ranking of financial need. Once DOR accepts the preapproval, Georgia HEART notifies the taxpayer that they have 180 days[26] to contribute to the selected hospital.

Tax year 2024 data from Georgia HEART indicates that undesignated funds were directed in accordance with state law, as shown in **Exhibit 15**. All undesignated contributions (nearly $1.6 million) were assigned to the hospital ranked as most financially needy (Northeast Georgia Medical Center Lumpkin).

[25] Effective January 1, 2025, if a taxpayer requests a tax credit preapproval for a donation to a hospital nearing its $4 million limit, DOR cannot deny the preapproval. Instead, DOR must approve the proportional amount of the desired contribution up to the $4 million limit, and the remainder is treated as undesignated.
[26] As previously noted, effective January 1, 2025, taxpayers preapproved before September 30 must contribute before October 31 regardless of when their preapprovals were initially granted. Taxpayers preapproved after September 30 must contribute by December 31.

Exhibit 15
Undesignated contributions were distributed in compliance with statute (TY 2024)

Statutory Requirement	Compliant	Non-Compliant
Undesignated funds are sent to neediest rural hospital.	✓	

Source: DOAA analysis of Georgia HEART contribution data, DCH documents, and O.C.G.A. § 48-7-29.20

While undesignated contributions were distributed in accordance with law, we identified concerns with documentation submitted to determine DCH's ranking of need (which determines which hospitals receive undesignated contributions). As discussed on page 3, DCH uses hospitals' Dun & Bradstreet Supplier Evaluation Risk (SER) scores as part of its methodology for determining ranking of need; most hospitals submitted up-to-date SER reports for 2024, but three submitted reports outdated by one year.

These outdated submissions would not have changed the neediest hospital on the list (Northeast Georgia Medical Center Lumpkin); however, they may have affected other hospitals' rankings. Because DCH ranks a hospital's need relative to others, updated scores from the three hospitals that submitted outdated reports may have changed the rankings of other hospitals. The neediest hospital would remain the same, however, even if the three hospitals submitted scores indicating the highest level of risk (i.e., a greater level of financial need).

DCH staff indicated hospitals may have difficulty obtaining reports due to cost constraints or hospital staff turnover. To ensure hospitals submit updated scores, DCH added a step to its documentation review procedures that instructs reviewers to verify reports are up to date.

DOR, DCH, and Georgia HEART Response:

DOR, DCH, and Georgia HEART that they agree with this finding.

Appendix A: Table of Findings and Recommendations

	Agree, Partial Agree, Disagree	Implementation Date
Finding 1: Eligible hospitals received $74.3 million in RHTC contributions in tax year 2024, with amounts to individual hospitals varying significantly. (p. 8)	Agree – DOR and Georgia HEART	**N/A**
1.1 No recommendations		
Finding 2: All RHTC contributions to hospitals were within statutory limits in tax year 2024. (p. 12)	Agree – DOR and Georgia HEART	**N/A**
2.1 No recommendations		
Finding 3: Rural hospitals that received RHTC contributions were generally in compliance with state law. (p. 13)	Agree – DCH	**N/A**
3.1 No recommendations		
Finding 4: Rural hospitals reported spending $70.5 million of RHTC funds in 2023, with $42.0 million in funds remaining unspent. (p. 15)	Agree – DCH	**N/A**
4.1 No recommendations		
Finding 5: Individual taxpayers claimed the majority of rural hospital tax credits in tax year 2023. (p. 17)	Agree – DOR	**N/A**
5.1 No recommendations		
Finding 6: DOR has taken steps to improve reporting for contributions that require amendment, though further improvements to controls can be made. (p. 20)		
6.1 DOR and Georgia HEART should continue to ensure contribution amendments are reported and credits are adjusted based on reported amendments. In addition, DOR should consider formalizing its policies and/or procedures for reporting contributions requiring amendment to ensure institutional knowledge is preserved.	Agree – DOR and Georgia HEART	DOR – Year End 2025 Georgia HEART – No date
6.2 DOR should ensure recently finalized controls regarding corporate credit limits are implemented appropriately and within the statute of limitations.	Agree – DOR	DOR – Year End 2025
Finding 7: Administrative fees retained by Georgia HEART in tax year 2023 were within statutory limits. (p. 22)	Agree – Georgia HEART	**N/A**
7.1 No recommendations		

Finding 8: Undesignated donations were distributed to rural hospitals in accordance with state law in tax year 2024. (p. 23)	Agree – DOR, DCH, and Georgia HEART	**N/A**
8.1 No recommendations		

Appendix B: Objectives, Scope, and Methodology

Objectives

This report examines the Rural Hospital Tax Credit (RHTC) program. Specifically, our examination set out to determine the following:

1. All contributions received by rural hospital organizations;
2. All tax credits received by individual and corporate donors; and
3. All amounts received by third parties that solicited, administered, or managed donations pertaining to O.C.G.A. § 48-7-29.20.

Scope

This performance audit generally covered tax years 2023 and 2024, with consideration of earlier or later periods when relevant. We used the most current data whenever possible. We used the most recent tax year 2024 contribution data reported by the Department of Revenue (DOR) and the Georgia HEART Program, LLC ("Georgia HEART") to capture RHTC contributions made to hospitals. Tax year 2023 data is the most complete and detailed data available for credits claimed by taxpayers in tax filings.

Information used in this report was obtained by reviewing relevant laws, rules, and regulations; interviewing agency officials and staff from the Department of Community Health (DCH), DOR, and Georgia HEART; analyzing data and reports by DCH, DOR, and Georgia HEART; and reviewing previous audit work conducted by our office.

Due to legal restrictions, certain geographic information derived from income tax data is prohibited from public disclosure. As a result, certain confidential or sensitive information has been omitted from the report.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. All three objectives include an assessment of compliance with state law. We gained an understanding of agency controls designed to ensure compliance and reviewed the data to identify instances of noncompliance. Specific information related to our work is described by objective in the methodology below.

Methodology

To evaluate the contributions received by rural hospital organizations, we reviewed DOR and Georgia HEART preapproval and contribution data for all hospitals receiving contributions through the RHTC. We used Georgia HEART and DOR data to identify the number and amount of contributions reported, the contributor type, and the amount of contributions reported as undesignated. DCH reports were used to identify how hospitals spent their contributions. We assessed the controls over DOR data used for this audit and determined the data used were sufficiently reliable for our analyses.

We reviewed state law to identify compliance requirements related to total contributions to rural hospitals, hospital eligibility, and reporting requirements for rural hospitals. We used DOR and Georgia HEART contribution data to determine whether total contributions complied with identified requirements. We also reviewed DCH data and rural hospital documentation to determine whether DCH verifies that hospitals were eligible and satisfied reporting requirements related to RHTC contributions. Finally, we interviewed DCH staff and reviewed DCH documentation to determine whether staff added date verification steps to RHTC eligibility review procedures, which we discussed during last year's audit.

To determine the percentage of Georgia hospitals eligible for the RHTC in 2024, we compared the list of RHTC-eligible hospitals to the list of all hospitals in the state, excluding those that exclusively provide long-term, rehabilitative, or psychiatric/behavioral health services. We used DCH data to identify all hospitals in the state and reviewed prior audit work and hospital documents to determine which hospitals to exclude from our comparison.

To evaluate the tax credits received by individual and corporate donors, we analyzed DOR tax return data for all taxpayers who claimed the RHTC in tax years 2018-2023. The encrypted data includes all taxpayer contribution amounts to rural hospitals, the dates taxpayer contributions were approved, credits claimed and unclaimed by taxpayers, and taxpayer characteristics. We assessed the controls over the data used for this audit and determined the data were sufficiently reliable for our analyses.

We used taxpayer data to differentiate between credits granted to individual and corporate taxpayers, and to describe income levels and counties of residence of individual taxpayers. To determine the counties of residence of individual taxpayers, we used DCH public data that lists Georgia zip codes with each corresponding primary county and cross-referenced this list with zip codes in the tax return data. While zip codes may cross county lines, we determined that this list was sufficiently reliable for our analysis. We also used DOR tax return data to identify the total amount of credits available for taxpayers to claim, the amount of credits that were claimed, and the amount of unclaimed credits that were carried forward and are claimable in the future.

To determine whether recommendations made to DOR and Georgia HEART in last year's audit were implemented, we reviewed DOR contribution and tax credit data and Georgia HEART contribution data. We also interviewed staff and reviewed documents from both entities.

To evaluate the amounts received by third parties that solicited, administered, or managed donations pertaining to O.C.G.A. § 48-7-29.20, we reviewed Georgia HEART's audited financials to identify administrative fee income from RHTC contributions in tax year 2023. We also reviewed DCH data and rural hospital documentation to identify the amount rural hospitals reported as administrative fees charged by Georgia HEART. We reviewed O.C.G.A. § 48-7-29.20 to identify statutory limits on fees that can be charged by third parties and compared limits to Georgia HEART's 2023 administrative fee income.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

If an auditee offers comments that are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, auditing standards require us to evaluate the validity of those comments. In cases when agency comments are deemed valid and are supported by sufficient, appropriate evidence, we edit the report accordingly. In cases when such evidence is not provided or comments are not deemed valid, we do not edit the report and consider on a case-by-case basis whether to offer a response to agency comments.

Appendix C: RHTC Hospital Eligibility, Calendar Years 2017-2024

Average Financial Need Rank[1]	DCH Hospital Name	County	Eligibility 2017	2018	2019	2020	2021	2022	2023	2024
2	Irwin County Hospital	Irwin	■	■	■	■	■	■	■	
3	Northeast Georgia Medical Center Lumpkin	Lumpkin						■	■	■
4	Dorminy Medical Center	Ben Hill	■	■	■	■	■	■	■	■
8	Candler County Hospital	Candler	■	■	■	■	■	■	■	■
8	Emanuel Medical Center	Emanuel	■	■	■	■	■	■	■	■
9	St. Mary's Sacred Heart Hospital	Franklin	■	■	■	■	■	■	■	■
9	Taylor Regional Hospital	Pulaski	■	■	■	■	■	■	■	■
9	Stephens County Hospital	Stephens	■	■	■	■	■	■	■	■
11	Northeast Georgia Medical Center Habersham	Habersham		■	■	■	■	■	■	■
12	Memorial Hospital and Manor	Decatur	■	■	■	■	■	■	■	■
12	Coffee Regional Medical Center	Coffee		■	■	■	■	■	■	■
12	Wellstar Sylvan Grove Medical Center	Butts	■	■	■	■	■	■	■	■
13	Wayne Memorial Hospital	Wayne	■	■	■	■	■	■	■	■
14	Navicent Health Baldwin	Baldwin		■	■	■	■	■	■	■
16	Washington County Regional Medical Center	Washington	■	■	■	■	■	■	■	■
17	Piedmont McDuffie Hospital	McDuffie	■	■	■	■	■	■	■	■
19	Burke Medical Center	Burke	■	■	■	■	■			
20	Evans Memorial Hospital	Evans	■	■	■	■	■	■	■	■
20	Atrium Health Navicent Peach	Peach		■	■	■	■	■	■	■
21	St. Mary's Good Samaritan Hospital	Greene	■	■	■	■	■	■	■	■
21	Piedmont Mountainside Hospital	Pickens	■	■	■	■	■	■	■	
22	Liberty Regional Medical Center	Liberty	■	■	■	■	■	■	■	■
25	Elbert Memorial Hospital	Elbert	■	■	■	■	■	■	■	■
25	Jefferson Hospital	Jefferson	■	■	■	■	■	■	■	■
25	Upson Regional Medical Center	Upson	■	■	■	■	■	■	■	■
26	Southeast Georgia Health System - Camden Campus	Camden		■	■	■	■	■	■	■
27	Wills Memorial Hospital	Wilkes	■	■	■	■	■	■	■	■
27	Dodge County Hospital	Dodge	■	■	■	■	■	■	■	■
27	Effingham Health System	Effingham	■	■	■	■	■	■	■	■
27	Phoebe Sumter Medical Center	Sumter	■	■	■	■	■	■	■	■
28	Tift Regional Medical Center	Tift		■	■	■	■	■	■	■
29	Donalsonville Hospital	Seminole	■	■	■	■	■	■	■	■
31	Putnam General Hospital	Putnam	■	■	■	■	■	■	■	■
31	Southwest Georgia Regional Medical Center	Randolph	■	■	■	■				
32	Jeff Davis Hospital	Jeff Davis	■	■	■	■	■			■
32	Southwell Medical	Cook	■	■	■		■	■	■	■
33	Atrium Health Floyd Polk Medical Center	Polk	■	■	■	■	■	■	■	■
34	Appling Healthcare	Appling	■	■	■	■	■	■	■	■
34	Monroe County Hospital	Monroe	■	■	■	■	■	■	■	■
35	Memorial Health Meadows Hospital	Toombs	■	■	■	■	■			
38	Higgins General Hospital	Haralson	■	■	■	■	■	■	■	■
39	Miller County Hospital	Miller	■	■	■	■	■	■	■	■
39	Phoebe Worth Medical Center	Worth	■	■	■	■	■	■	■	■
39	Bacon County Hospital	Bacon	■	■	■	■	■	■	■	■
39	SGMC Berrien Campus	Berrien	■	■	■	■	■	■	■	■

40	Colquitt Regional Medical Center	Colquitt
41	Archbold Grady	Grady
42	Morgan Medical Center	Morgan
43	Archbold Brooks	Brooks
43	Bleckley Memorial Hospital	Bleckley
43	Jasper Memorial Hospital	Jasper
44	Clinch Memorial Hospital	Clinch
45	Crisp Regional Hospital	Crisp
46	Jenkins County Medical Center[2]	Jenkins
46	AdventHealth Murray	Murray
47	Union General Hospital	Union
47	Chatuge Regional Hospital	Towns
48	SGMC Health Lanier	Lanier
50	Archbold Mitchell	Mitchell
50	Archbold Memorial	Thomas

[1] Average financial need rank represents the hospital's average rank of DCH's ranking of financial need for the years the hospital was eligible for RHTC donations. The neediest hospital is ranked highest on the list (#2), and the least needy is ranked lowest (#50). If two hospitals have the same ranking, they had an approximately equal ranking of financial need during the period.
[2] Jenkins became eligible for 2024 donations on February 26, 2024 (i.e., the facility was only eligible for ten months of the year).

Source: DCH Hospital Eligibility Lists and Financial Need Rankings for 2017-2024

Appendix D: Summary of the RHTC Legislative History, Calendar Years 2016-2024

2016	**Senate Bill 258** created the RHTC and established a $60 million annual aggregate credit limit. It allowed individual taxpayers to claim a tax credit of up to 70% of the amount contributed. Corporate taxpayers could claim a credit of up to 70% of the amount contributed or 75% of their annual tax liability, whichever was less.
2017	**Senate Bill 180** limited third-party vendors to an administrative fee of 3% of hospital contributions. Additionally, it increased mid-year preapproval limits for individuals and raised the amount of credit individuals could claim to up to 90% of the amount contributed. Corporations could claim up to 90% of the amount contributed or 75% of annual tax liability, whichever was less.
2018	**House Bill 769** increased the amount of credit individuals could claim to up to 100% of the amount contributed. Corporations could claim up to 100% of the amount contributed or 75% of annual tax liability, whichever was less.
2019	**House Bill 186** required taxpayers to make a contribution within 180 days of preapproval. **House Bill 321** added two financial measures to hospital eligibility criteria and required DCH to publish a list of eligible hospitals and a ranking of hospitals by financial need online. The legislation also directed undesignated contributions to the hospital with the greatest financial need, required DOR to make certain information available online, and required hospitals owned by nonprofits or municipal authorities to make certain financial and transparency documents available online. Finally, the legislation required DOAA to conduct an annual audit of the RHTC.
2021	**House Bill 149** allowed pass-through entities to pay tax at the entity level and expanded RHTC eligibility to individual owners of pass-through entities.
2022	**House Bill 1041** increased the annual aggregate credit limit to $75 million.
2023	**House Bill 412** allowed all partnership pass-through entities regardless of structure to pay taxes at the entity level and expanded RHTC eligibility to all forms of partnership.
2024	**House Bill 1339** increased the annual aggregate credit limit to $100 million and increased the mid-year preapproval limit for individuals with pass-through income. The legislation also made changes to the credit preapproval process. Lastly, the legislation extended the sunset provision for the RHTC to 2029.

Source: Official Code of Georgia Annotated and legis.ga.gov

Appendix E: RHTC Preapproval and Tax Credit Limits Tax Years 2017-2024

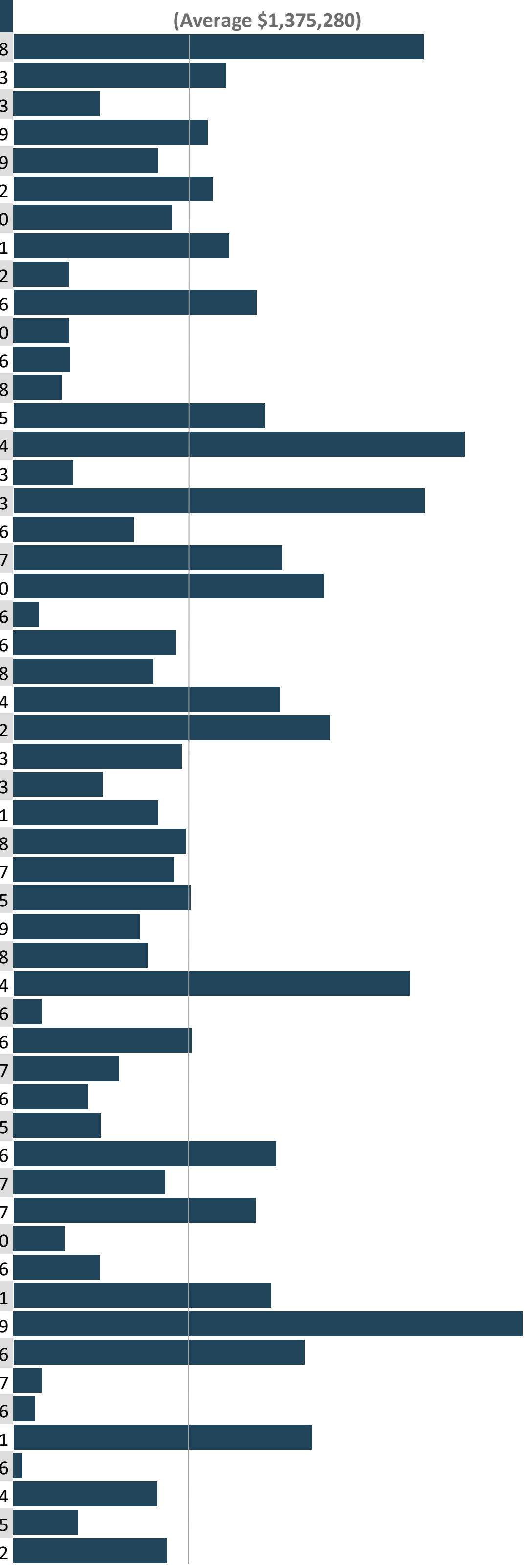
	2017	2018-2021	2022-2024
Preapproval Limit through June 30[1]			
Individual[2]	$5,000 individual $10,000 married (initially $2,500 and $5,000)	$5,000 individual $10,000 married	$5,000 individual $10,000 married
C-Corporation or Trust[3]	Up to 75% of annual tax liability	Up to 75% of annual tax liability	Up to 75% of annual tax liability
Pass-Through Entity Electing to Pay Tax at the Entity Level[3] (starting 2022)	-	-	Up to 75% of annual tax liability
Annual Tax Credit Amount			
Individual[2]	Unlimited	Unlimited	Unlimited
C-Corporation or Trust	Up to 75% of annual tax liability	Up to 75% of annual tax liability	Up to 75% of annual tax liability
Pass-Through Entity Electing to Pay Tax at the Entity Level (starting 2022)	-	-	Up to 75% of annual tax liability

[1] Donation limits are removed after June 30, with donations preapproved on a first-come basis until the annual aggregate credit limit ($75 million in 2024) is reached.
[2] Individual owners of pass-through entities have the same limits and credit amounts as married filing jointly, provided that the maximum credit "shall be allowed only for the portion of the income on which such tax was actually paid by such individual." Beginning January 1, 2025, however, the preapproval limit through June 30 for LLC members, S-corporation shareholders, or partners increased to $25,000.
[3] While corporations and electing pass-through entities do not have an explicit preapproval limit, they are subject to a $2 million limit on corporate preapprovals per hospital through June 30.

Source: O.C.G.A. §§ 48-7-29.20 and 48-7-21

Appendix F: RHTC Contributions by Hospital, Tax Year 2024

Financial Need Rank[1]	DCH Hospital Name	County	Contributions
1	Northeast Georgia Medical Center Lumpkin	Lumpkin	$3,217,958
2	Piedmont McDuffie Hospital	McDuffie	$1,661,583
3	Taylor Regional Hospital	Pulaski	$672,233
4	Dorminy Medical Center	Ben Hill	$1,516,319
4	Stephens County Hospital	Stephens	$1,135,589
6	Northeast Georgia Medical Center Habersham	Habersham	$1,555,332
7	Emanuel Medical Center	Emanuel	$1,246,700
7	St. Mary's Sacred Heart Hospital	Franklin	$1,689,331
9	Wayne Memorial Hospital	Wayne	$437,982
10	Southeast Georgia Health System - Camden Campus	Camden	$1,904,486
11	Appling Healthcare	Appling	$433,900
11	Washington County Regional Medical Center	Washington	$443,976
13	Atrium Health Navicent Peach	Peach	$373,008
14	Memorial Hospital and Manor	Decatur	$1,972,615
14	St. Mary's Good Samaritan Hospital	Greene	$3,540,314
16	Navicent Health Baldwin	Baldwin	$467,833
17	Coffee Regional Medical Center	Coffee	$3,222,713
17	Effingham Health System	Effingham	$947,576
17	Tift Regional Medical Center	Tift	$2,102,487
20	Wellstar Sylvan Grove Medical Center	Butts	$2,435,650
21	Donalsonville Hospital	Seminole	$203,186
22	Phoebe Sumter Medical Center	Sumter	$1,276,526
23	Upson Regional Medical Center	Upson	$1,099,438
24	Candler County Hospital	Candler	$2,085,544
25	Evans Memorial Hospital	Evans	$2,479,252
26	Atrium Health Floyd Polk Medical Center	Polk	$1,321,323
27	Jasper Memorial Hospital	Jasper	$697,423
27	Phoebe Worth Medical Center	Worth	$1,137,311
29	Bacon County Hospital	Bacon	$1,348,668
29	Jefferson Hospital	Jefferson	$1,260,637
31	Dodge County Hospital	Dodge	$1,389,335
31	Wills Memorial Hospital	Wilkes	$992,559
33	Liberty Regional Medical Center	Liberty	$1,050,498
34	Higgins General Hospital	Haralson	$3,104,384
35	Southwell Medical	Cook	$224,126
36	Chatuge Regional Hospital	Towns	$1,397,526
36	Clinch Memorial Hospital	Clinch	$826,017
36	Archbold Grady	Grady	$585,676
39	Monroe County Hospital	Monroe	$680,415
40	Morgan Medical Center	Morgan	$2,054,086
41	Putnam General Hospital	Putnam	$1,188,927
42	Union General Hospital	Union	$1,892,547
43	Jenkins County Medical Center	Jenkins	$395,500
44	Miller County Hospital	Miller	$673,176
45	Elbert Memorial Hospital	Elbert	$2,016,211
46	Colquitt Regional Medical Center	Colquitt	$3,989,999
47	SGMC Berrien	Berrien	$2,279,436
48	Jeff Davis Hospital	Jeff Davis	$224,377
49	Archbold Brooks	Brooks	$168,976
50	Archbold Memorial	Thomas	$2,340,021
50	Archbold Mitchell	Mitchell	$70,676
52	Crisp Regional Hospital	Crisp	$1,129,104
53	SGMC Lanier	Lanier	$503,055
54	Bleckley Memorial Hospital	Bleckley	$1,201,592



[1] The neediest hospital for 2024 is ranked #1 (Northeast Georgia Medical Center Lumpkin) and the least needy is ranked #54 (Bleckley Memorial Hospital).

Source: DOAA analysis of Georgia HEART contribution data for 2024 and DCH Financial Need Ranking for 2024

Appendix G: Cumulative RHTC Contributions by Hospital Tax Years 2017-2024

DCH Hospital Name	Total Contributions, 2017-2024	Number of Years Hospital Received Contributions, 2017-2024	Average Financial Need Rank[1]
Colquitt Regional Medical Center	$25,507,822	7	40
St. Mary's Good Samaritan Hospital	$19,653,848	8	21
Dorminy Medical Center	$17,716,002	8	4
Wellstar Sylvan Grove Medical Center	$17,381,792	8	12
Coffee Regional Medical Center	$15,488,441	7	12
Higgins General Hospital	$15,162,425	8	38
Piedmont Mountainside Hospital	$13,950,292	7	21
Archbold Memorial	$13,124,421	7	50
Tift Regional Medical Center	$12,654,019	7	28
SGMC Berrien Campus	$11,793,130	8	39
Candler County Hospital	$11,647,772	8	8
Memorial Hospital and Manor	$10,900,028	8	12
Crisp Regional Hospital	$10,853,242	8	45
Putnam General Hospital	$10,772,859	8	31
St. Mary's Sacred Heart Hospital	$10,511,298	8	9
Morgan Medical Center	$9,113,769	8	42
Dodge County Hospital	$8,943,526	8	27
Union General Hospital	$8,571,692	8	47
Southeast Georgia Health System - Camden Campus	$8,320,943	7	26
Wills Memorial Hospital	$8,081,837	8	27
Monroe County Hospital	$7,987,977	8	34
Phoebe Sumter Medical Center	$7,741,093	8	27
Taylor Regional Hospital	$7,701,011	8	9
Evans Memorial Hospital	$7,405,922	8	20
Elbert Memorial Hospital	$6,953,172	8	25
Irwin County Hospital	$6,401,486	7	2
Jefferson Hospital	$6,123,571	8	25
Chatuge Regional Hospital	$5,845,453	8	47
Bacon County Hospital	$5,839,853	8	39
Liberty Regional Medical Center	$5,816,054	8	22
Northeast Georgia Medical Center Habersham	$5,796,894	7	11
Phoebe Worth Medical Center	$5,700,295	8	39
Stephens County Hospital	$5,617,970	8	9
Emanuel Medical Center	$5,549,347	8	8
Piedmont McDuffie Hospital	$5,473,139	8	17
Northeast Georgia Medical Center Lumpkin	$5,443,071	3	3
Upson Regional Medical Center	$5,182,260	8	25
Jasper Memorial Hospital	$5,052,509	8	43
Atrium Health Floyd Polk Medical Center	$4,784,274	8	33
Navicent Health Baldwin	$4,777,991	7	14
Bleckley Memorial Hospital	$4,614,006	8	43
SGMC Health Lanier	$4,465,196	8	48
Effingham Health System	$4,273,381	8	27
Memorial Health Meadows Hospital	$3,504,477	5	35
Atrium Health Navicent Peach	$3,237,119	7	20
Washington County Regional Medical Center	$3,158,756	8	16
Miller County Hospital	$3,125,179	8	39
Clinch Memorial Hospital	$3,096,723	8	44

Wayne Memorial Hospital	$3,041,147	8	13
Archbold Grady	$2,938,418	5	41
Appling Healthcare	$2,725,860	8	34
Donalsonville Hospital	$2,594,404	8	29
Burke Medical Center	$2,255,988	5	19
Southwell Medical	$2,058,624	7	32
Archbold Brooks	$2,048,207	8	43
Jeff Davis Hospital	$1,724,240	6	32
Archbold Mitchell	$1,218,212	8	50
AdventHealth Murray	$1,184,205	5	46
Southwest Georgia Regional Medical Center	$1,125,407	4	31
Jenkins County Medical Center	$797,935	3	46

[1] Average financial need rank represents the hospital's average rank of DCH's ranking of financial need for the years the hospital was eligible for the RHTC. If two hospitals have the same ranking, they had an approximately equal ranking of financial need during the period.

Source: DOAA analysis of DCH Donation and Expenditure Reports for 2017 and 2018, DOR contribution reports for 2019-2022, Georgia HEART contribution data for 2023-2024; DCH Financial Need Rankings for 2017-2024

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