

# 2021 Annual Report



**FORWARD** ■ Our Path to a Vibrant Future.

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## LETTER FROM THE CEO AND THE CHAIRMAN ■

### The Way Forward.



At Novant Health, our past does not define us — it refines us.

Our journey of delivering hope and healing during a global pandemic has indeed refined us in remarkable ways. Throughout 2021, our team was tested beyond measure — and triumphed time and time again. The challenges forged within us a new determination and readiness to embrace the opportunities on the path ahead.

This report tells the story of the extraordinary Novant Health team and the Novant Health Foundation — and of the lives they touched in 2021. It was a year in which our organization and our foundation pushed ahead with renewed purpose.

Because of everything our team has endured, we are even stronger. We have built new bonds between ourselves, pulling together in new, innovative ways to solve problems and care for our communities.

Our physician partners, nurses, advanced practice clinicians and all the dedicated teams working behind the scenes displayed courage, compassion and commitment throughout the year — elevating the care we provide, even as extraordinary demands were placed upon them. We're using the same perseverance and creativity our team used to vaccinate our communities as we offer more advanced care, with greater access and equity for all.

We expanded our presence and extended next-level remarkable care throughout the Coastal region through our partnership with New Hanover Regional Medical Center. The uniting of our two organizations brought together two incredible teams with a similar culture and shared values. Patients and our communities have already benefited tremendously from our work together.

Our institutes are continuing to advance care with human ingenuity, artificial intelligence, predictive analytics and solutions-focused clinical research, making Novant Health the healthcare destination of choice for world-class care. Our teams are taking care outside hospital and clinic walls to meet people where they are. At Novant Health we know that “health” means more than simply caring for physical aspects of health. It means caring for the whole person — mind, body and soul. That's why we're also addressing needs such as housing, safety and economic opportunity.

Today, our system is well-positioned to thrive in the years to come — and to give residents in our region a lasting legacy of health and well-being. We're eager to press forward into the future — a future of making all our communities healthier, one person at a time.

Sincerely,

Carl S. Armato, president and CEO

Robert M. Barr, MD, chairman



**Growth took many forms in 2021 but none so far-reaching in impact as** our partnership with New Hanover Regional Medical Center. When our two health systems came together, we knew we were creating something extraordinary.

As one organization, we are bringing new services to the Coastal region. New points of access and expanded health equity. New technologies and clinical research. Our combined organization exceeded even our best expectations — during a year in which the COVID-19 pandemic tested healthcare workers and hospitals in ways like never before.

“From bringing doctors to underserved rural areas through a partnership with UNC Health to extending our healthy community wage to Coastal team members; from expanding the charity care policy to cover more low-income families to deploying stroke-detecting artificial intelligence, Novant Health is enhancing the health and well-being of patients at the coast,” said Shelbourn Stevens, president of Novant Health New Hanover Regional Medical Center and the Coastal region.

In 2021, we integrated the two organizations' medical groups — so smoothly that patients never noticed a change — and accelerated Coastal physician recruitment. We also brought to the New Hanover team our \$15 an hour healthy community wage.

“One of our bigger wins at the forefront is our Viz.ai system for detecting strokes,” said Joseph “West” Paul, MD, senior vice president and chief clinical officer with Novant Health New Hanover Regional Medical Center. “Also, we have expanded analytic capacity, and are able to get data quickly out of areas of the electronic health record. Now that we’ve joined forces with Novant Health, we are spreading some of our services to them, and they are spreading theirs to us.”

"From bringing doctors to underserved rural areas through a partnership with UNC Health to extending our healthy community wage to coastal team members, Novant Health is enhancing the health and well-being of patients at the coast."

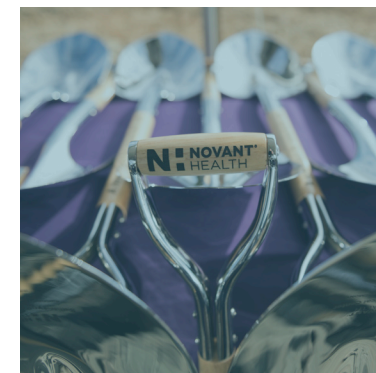
- Shelbourn Stevens

We also grew in our other markets, expanding our partnership with Walgreens to open additional care locations. Patients can now receive Novant Health care at Walgreens pharmacies in Charlotte, Winston-Salem and Brunswick County.

We worked on acute care expansion, as well, announcing the expansion of a bed tower at Novant Health Matthews Medical Center, breaking ground on Novant Health Ballantyne Medical Center in Charlotte and beginning the early phases of construction on a critical care tower at Novant Health Forsyth Medical Center. Targeting a 2024

opening, the tower will include 60 critical care and 36 intermediate beds along with an enhanced surgical suite and co-located supportive services. The larger patient rooms provide additional privacy and flexibility, including conversion to intensive care or isolation rooms.

“Our goal is to continue to invest in our community and provide world-class care in Winston-Salem. In spite of the challenges brought on by COVID-19, we’re fulfilling our commitment,” said Chad Setliff, president of Novant Health Forsyth Medical Center and the greater Winston-Salem market. ■



## FOUNDATION FEATURE ■

Sheila and Dan Saklad Help the Next Generation of Nurses.



**Sheila Saklad's life was shaped by a passion for nursing — a passion that continues to touch the lives of others.**

Sheila's grandmother was a nurse. Sheila's mother was a nurse. So it came as little surprise when Sheila chose nursing as her career path. She and her husband, Dan, championed for nurses and healthcare over the course of their 54-year marriage. When Sheila passed away in August 2020 from complications of multiple myeloma, Dan knew what his wife would have wanted.

Through the Dan and Sheila Saklad Foundation, he committed to giving \$400,000 over two years to New Hanover Regional Medical Center Foundation and Cape Fear Community College Foundation to enhance the education of a new generation of nurses.

The gift for the Novant Health Upward Mobility RN Scholarship Program, named in memory of Sheila, will provide scholarships for Novant Health New Hanover Regional Medical Center team members who want to attend Cape Fear Community College to become registered nurses.

"Certified nursing assistants, nurse technicians and medical nursing assistants who are eligible for upward mobility scholarships can advance to a nursing degree in record time. That will 'lift all boats' for the medical profession and be most valuable for those in economic need," Dan said. "Were Sheila still alive, she would advise these students to work diligently, seize the opportunities the Saklad fellowship provides, and be extremely proud of being a nurse, an extremely noble profession."

The Saklads' long history of generosity includes an oncology education endowment at the New Hanover Regional Medical Center Zimmer Cancer Center, established in 2012.

"No words can express our feelings of appreciation and gratitude for the Dan and Sheila Saklad Foundation gift," said Schorr Davis, executive director of New Hanover Regional Medical Center Foundation.

Through the Upward Mobility RN Scholarship, team members receive up to two years of full tuition coverage for their licensing program, a flexible reduced work schedule with pay and benefits in order to dedicate time to their studies and monthly meetings with a nurse mentor and career coach. "This heartfelt and gracious gift will allow individuals the opportunity to make their dreams a reality," said Amy Akers, chief nurse executive for New Hanover Regional Medical Center. "Entering the nursing profession will provide them a way to give back to their community."

Scholarship recipient Marci Caceres, who emigrated from Guatemala as a child, dreamed of becoming a nurse — but wasn't sure it was possible.

She received a scholarship from Novant Health that helped pay for her nursing school and gave her the final boost she needed to become a registered nurse. "I am so blessed," said Caceres. "That scholarship put everything in place. Without it, this would have been very difficult."

The Saklads' generous gift to the Novant Health Foundation will bring the scholarship's same benefits to team members at the coast, Davis said. "Dan and Sheila's passion for education will impact generations to come." ■

# FORWARD WITH ALL A'S

The Leapfrog Group Recognized Our Excellence.



**Nothing matters more than keeping our patients safe. That's why we were proud for our exemplary safety record to be recognized by The Leapfrog Group with all A's — the highest-possible letter grade.**

“Novant Health is committed to setting the standard for safe, quality patient care,” said Eric Eskioğlu, MD, executive vice president and chief medical and scientific officer for Novant Health. “Throughout the COVID-19 pandemic, our care teams continued to come to work each day with a goal to provide the highest quality care while prioritizing safety for both patients and team members.”

The Leapfrog Group is a national nonprofit that evaluates the safety, quality and patient experience provided by hospitals across the country. Letter grades from A to F are assigned to U.S. hospitals based on their ability to prevent errors, injuries, accidents and infections, and improve patient satisfaction. Not only did all 11 qualifying Novant Health hospitals earn A's, but several which previously had earned A's increased their numeric score, as well.

Getting all A's for safety and quality is a notable achievement. Behind that achievement is committed, concerted teamwork, led by the Novant Health Institute for Safety & Quality. The creation of the institute creates effective leadership to prevent errors and expands on our commitment to exceed and lead strict industry standards. This institute focuses on patient outcomes and safety, clinical excellence and infection prevention.

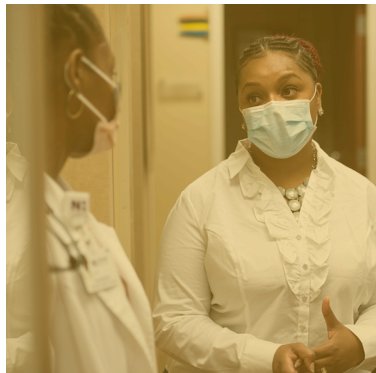
The institute — and our team members — adopted new practices to accelerate safety and quality. For instance, we know hand hygiene is the most effective way to prevent the spread of infection, and that many hospitals rely on manual observation to monitor it. Instead, we launched an electronic hand hygiene pilot at Novant Health Matthews Medical Center to automate the electronic tracking of hand hygiene compliance, down to the team member.

Team members wear electronic badges that collect data on hand hygiene activity at the unit and facility levels. Within the first year of implementation, Matthews Medical Center saw significant results — and now we've rolled out the new program to many of our other facilities.

Other examples: To ensure medication safety, we expanded the partnership between physicians, nursing teams and pharmacy teams to ensure accurate medication lists and safe medication administration. Also, as a move to improve surgical safety and boost post-op recovery, we intensified the education of front-line team members on patient safety indicators, which led to a reduction in surgery complications. Finally, Novant Health New Hanover Regional Medical Center achieved top results in intensive care unit care by using intensivists in its critical care units, which results in better outcomes.

Four of our ambulatory surgery centers were named a Top Ambulatory Surgery Center (ASC) in 2021 by Leapfrog, making up nearly one-third of the only 13 selected nationally for the competitive award. Leapfrog awarded the honor to Novant Health Kernersville Outpatient Surgery Center, Novant Health Brunswick Endoscopy Center, Novant Health Huntersville Outpatient Surgery Center and Novant Health Ballantyne Outpatient Surgery Center.

“Novant Health is building a systemwide safety and quality infrastructure, with the support of both processes and technology across our hospitals,” said Eskioğlu, who oversees medical staff systemwide, as well as safety and quality initiatives and programs supporting clinical variation reduction, pharmacy and healthcare economics. “Our physicians, nurses, advanced practice providers, pharmacists and clinical team members utilize data, analytics and artificial intelligence to predict and prevent errors and infections before they happen.” ■



# FAST-FORWARD ■

Accelerating the Pace of Care.



**We got faster during the pandemic — and nothing exhibited this better than our COVID-19 vaccination campaign.**

In 2021, we moved swiftly to turn all kinds of spaces into vaccination sites, like the former Sears store at Winston-Salem’s Hanes Mall or The Spectrum Center, home of the Charlotte Hornets NBA team. The New Hanover Regional Medical Center team repurposed a movie theater, which soon began showing scenes of grateful patients receiving shots.

It took an army of talented team members to launch each vaccination site on little notice — team members who got power and internet flowing, and supplied everything from tarps to tables and signs to syringes. We also opened multiple pop-up neighborhood vaccination locations weekly.

Even as we deployed rapidly to vaccinate the region, COVID testing was still critical — and required us to accelerate our processes. Early in the pandemic, we sent tests out for processing, and results took as long as a week. Our laboratory leaders acted quickly to bring testing in-house, and soon we were turning tests in as little as four hours.

We accelerated care on the front lines, in the lab and, as it turned out, in patients’ own homes.

“Our tele-health services took a massive leap forward during the pandemic,” said Angela Yochem, executive vice president and chief transformation and digital officer. “We’ve had the capability in place for nearly a decade, but patient demand wasn’t there. In a matter of days, we brought video visits to a full-scale service option. Patients welcomed this innovative, safe and convenient way to receive care in the early days of the pandemic, and continue to utilize it today. It was the fastest acceptance of a new care model that Novant Health has ever seen.” ■

## Streamlining treatment time for cancer patients.

Lung cancer is the No. 1 cause of cancer death in the United States, but expediting clinical care can improve patient outcomes. In 2021, the Novant Health Cancer Institute streamlined the pathway from diagnosis to treatment for lung cancer patients.

Now when a referral to ear-nose-throat, urology, pulmonology or thoracic surgery is generated and a visit diagnosis that indicates the possible presence of cancer, our electronic health record automatically makes a referral to a clinical navigator.

That navigator connects the patient and referring provider with the right specialist to improve the efficiency of the workup and manage evaluation.

Our team saw the impact of the new approach in the case of two cancer patients. One patient opted out of having a navigator, and required additional physician time to connect with a specialist, ordering of additional testing with ongoing patient communication, and then subsequent referral orders initiated by the primary care physician. Operating without the assistance of a navigator lengthened the time to treatment to three months. Another patient, who was given a navigator, had care coordination expedited and was seen by a specialist within three days — and started treatment in just weeks.

“When it comes to cancer diagnosis and treatment, rapid evaluation by a multi-disciplinary care team can make a real difference in a patient’s chance for a cure,” said David Rizzieri, MD, Novant Health Cancer Institute physician executive. “Novant Health is accelerating care – and changing outcomes.” ■

# LOOKING FORWARD

## Improving Care With Advanced Technology.



**Surging COVID-19 hospitalizations strained healthcare systems nationwide in 2021 — prompting Novant Health** to use innovation and technology to create a solution: COVID Care at Home.

COVID Care at Home identifies patients being treated for COVID-19 who can safely transition to care at home and then discharges those patients with on-demand virtual care follow-up appointments and in-home support. Novant Health’s case management team, in collaboration with the guest services team, ensures patients receive education on the tools necessary to facilitate COVID Care at Home. Every patient gets assistance setting up a MyChart account, a pulse oximeter and a step-by-step guide to access their scheduled virtual visit and on-demand virtual visits.

The technology-supported program “allows eligible patients to be treated in the comfort of their home,” said Zak Anderson, MD, clinical physician executive with the Novant Health Hospital-Based Medicine Institute. We soon saw results: Low readmissions among patients in the program, and seamless care throughout their healing.

Innovation and technology are fueling our next-level care and helping patients live the healthiest lives possible.

“Our front-line team members do so much to care for our patients,” said Angela Yochem, executive vice president and chief transformation and digital officer. “We’re excited to offer them a growing array of innovative technologies to assist them — and to deliver the highest level care for the people we serve.”

Our digital products and services team worked diligently to expand our means to care for ICU patients through tele-ICU developments. To bring these services to life, it required a significant enhancement of our electronic health record, along with a physical buildout of the eICU command center. The team also deployed remote video monitoring and surveillance capabilities to seven Novant Health hospitals, and installed technology to support virtual rounding between the facilities and the eICU command center.

Thanks to generous donations from individuals, Novant Health Foundation brought virtual reality (VR) technology to our system to help reduce stress for providers and patients. The goggles place the user in a virtual environment — such as the streets of Paris or a tropical beach — in which they can see and hear the landscape around them. Novant Health providers can use the goggles to rest and refresh. Pediatric cancer patients use the technology to relax during treatments.

Virtual reality is being used in other ways, as well. In 2021, The Duke Endowment provided us a significant opportunity through the funding of two grants totaling \$817,000 over three years to implement advanced surgical technology at Novant Health — technology that includes virtual reality applications and 3D printing.

This funding enables us to pilot integration of virtual reality technology that delivers high-quality 3D reconstructions of patient CT scans in a virtual environment using a portable virtual reality headset. This technology gives an opportunity for clinicians and patients to “walk inside a patient’s body” to visualize and practice procedures before an actual surgery.

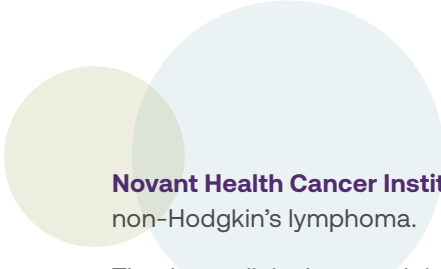
With 3D printing, our teams can design tools and implants specific to particular surgery and patient’s anatomy, trimming lead times for devices by over six weeks and the cost of parts by as much as 98%.

“We’re aiming to become one of the most innovative healthcare systems in the nation,” Yochem said, “and in doing so, to ensure patients live the healthy, active lives they deserve.” ■



# FOUNDATION FEATURE ■

## Philanthropy Paves Way for Milestone Cancer Trial.



**Novant Health Cancer Institute in 2021 treated its first patient with a new drug being tested on non-Hodgkin’s lymphoma.**

Thanks to clinical research investments made by Novant Health and philanthropy by Dan and Kay Donahue to build the Donahue Developmental Therapeutics Unit, a Novant Health patient was the first in the world to receive an immunotherapy drug as part of a first-in-human phase I clinical trial.

The patient, whose lymphoma was no longer responding to chemotherapy, participated in the milestone research at the Donahue Developmental Therapeutics Unit in Winston-Salem. This unit was created because of the Donahues’ dedication to lifesaving cancer care and Novant Health’s commitment to advanced care made possible by research.

Novant Health’s phase I developmental therapeutic facilities — in addition to the Donahue unit, one was also created in Charlotte — are outfitted with the most advanced monitoring equipment, drug infusion equipment, on-site lab support and research workstations. Clocks are integrated into the electronic record system so pharmacokinetics, which are time-stamped lab draws, can happen with the needed pinpoint accuracy.

“The drug being tested in this trial is a type of immunotherapy, which harnesses the body’s own immune system to fight cancer. Immunotherapy can be an elegant, effective solution to a serious disease,” said Frank Chen, MD, physician executive with Novant Health Cancer Institute. “Usually, first-in-human phase 1 trials are only possible at academic medical centers — but thanks in large part to the Donahue family’s gift to Novant Health Foundation, we’re able to offer leading-edge clinical trials close to home.” ■

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“Usually, first-in-human phase 1 trials are only possible at academic medical centers.”

– Frank Chen, MD





# THE CLINICAL TEAM TAKING US FORWARD ■

## Healing Our Communities.

**Ask most patients what they think of when they hear the name Novant Health, and they likely will give a simple answer: The names of their providers. Whatever services or treatments they may receive through our system, patients most remember the people who deliver their care.**

At its heart, that's what Novant Health is — people helping people. And in 2021, our team pulled together in extraordinary ways to push back the pandemic and save lives. "Whether they are in a clinical or caregiving role or not, every one of our team members has been a COVID caregiver. The 'lean in' attitude they displayed on a daily basis in 2021 is remarkable in every way," said Pam Oliver, MD, executive vice president and president of the Novant Health Physician Network.

That was especially true through our "Operation All In" and "Operation Vax All" campaigns, which drew upon the

strengths of thousands of team members to address the pandemic and get communities vaccinated.

"We had so many people raise their hand saying, 'How can I help?'" said Denise Mihal, executive vice president and chief nursing and clinical operations officer. "People carried the weight of COVID's impact on their personal lives and still delivered world-class care. It truly goes to show that by working together, we can overcome and persevere through anything."

The pandemic placed nursing teams on the front lines and in the forefront of the media, uncovering what we already knew to be true — they are heroes. They displayed their professionalism and compassion in hospitals, clinics, testing centers and vaccination sites.

The World Health Organization (WHO) designated 2020 as the Year of the Nurse, and the American Nurses Association (ANA) and the WHO extended that

designation to 2021. Not only did this recognition build on the increased visibility of the contributions of nurses to the world, but it also honored nursing as a profession.

The pandemic took center stage, but our clinical team also was laser-focused on delivering a full range of care and doing it with measurable excellence in teamwork. In our acute facilities and outpatient centers, we consistently delivered outstanding care with excellent outcomes, under extremely high-pressure circumstances. Novant Health Medical Group scored in the 91st percentile in the Press Ganey database for physicians and team members working well together, and in the 96th percentile for effective teamwork between physicians and nurses. Our physicians and APPs rated us in the 99th percentile for satisfaction with our electronic health record system, a climate of trust and business conducted ethically.

"Our physician partners, nurses, advanced practice providers and all of the teams that work behind the scenes excel in safety, quality and compassion," said Carl S. Armato, president and CEO. "And in 2021, they delivered next-level care under unprecedented circumstances with remarkable teamwork — making a lasting impact on patients." ■

## Bringing Back the Old-Fashioned House Call.

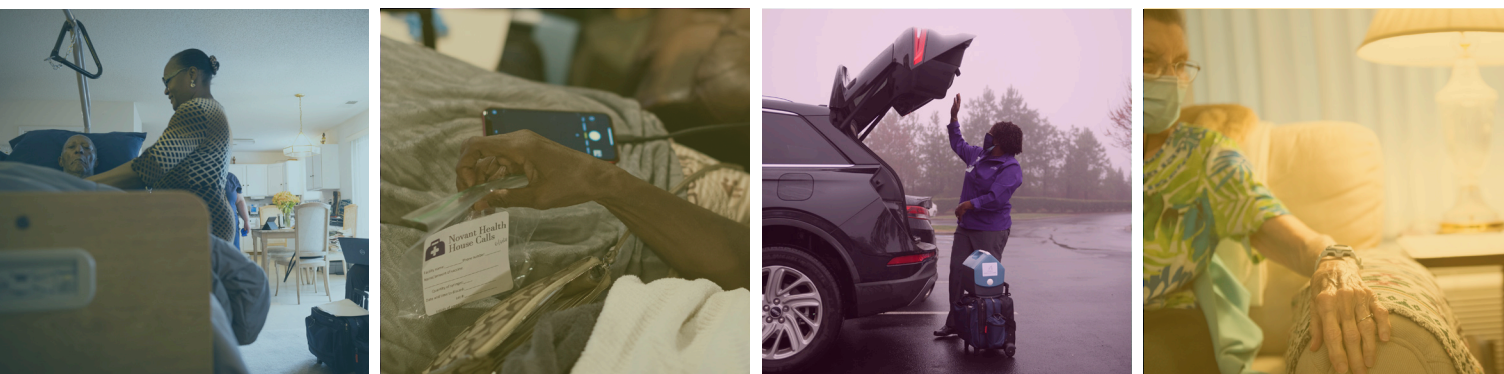
How do you reach patients who aren't getting the care they need? You go where they are. That's why we launched Novant Health House Calls, a program that brings nurse practitioners and physician assistants into the homes of elderly patients who otherwise might miss the follow-ups and other treatment they need.

"I can't get out because I'm wheelchair-bound," said Yvonne Briscoe, 66, of Charlotte, who was recovering from a stroke. "I've had trouble moving my left side, and I've had to cancel a couple of appointments."

Pacharo Ndupu, a Novant Health nurse practitioner, visited Briscoe's east Charlotte home for a wellness checkup, and administered a COVID-19 vaccination.

"I feel more protected now," Briscoe said at the time. Without the shot, she had been isolated from her daughters and grandchildren. This program is ideal for patients like Briscoe, said Michael Hoben, MD, Novant Health Medical Group senior physician executive.

"We felt like it was time to robustly launch the program to see if we could reach those patients before they run into crisis and end up needing the emergency room or the hospital," he said. "We want to head that off beforehand and help them on their journey to great health." ■



# FORWARD-THINKING ■

## Investing in Our Team.



**Our business is the care of all people, beginning with our own team.** In 2021, we lived out that philosophy, our people credo, in new and creative ways, investing time, money and energy into the best team in healthcare.

Our team was tested, working through the second year of a global pandemic and experiencing stress in new ways. For some, the stress involved the shift to permanent remote work, and the need to delineate downtime when the lines between “work” and “home” blurred. For others, stress built along with the patient load during COVID’s delta surge. We lost team members and family members to the virus.

“Our team members delivered world-class care in 2021 and reached out to support each other and our communities,” said Carmen Canales, senior vice president and chief people officer. “We’re grateful for their passion and commitment and proud of the ways in which we have promoted well-being in their personal and professional lives.”

As COVID put new burdens on team members, we continued to develop our emotional health advocate team (eHAT), which provides peer-to-peer support. Through eHAT, team members experienced the help that a confidential conversation with a trained, empathetic listener provides.

We ensured no jobs were cut due to COVID-19, supported flexible work arrangements and instituted market wage increases. We extended our healthy community wage of \$15 an hour to our newest team members at the coast. Systemwide, we have invested more than \$300 million as of the end of 2021 in enhancements to base salaries, incentives and benefits programs, to help recruit and retain team members.

Through the annual campaign Giving. Serving. Together., our team members pledged more than \$1 million through the Novant Health Foundation to support Novant Health programs and community partners. Of this total, more than \$207,921 was pledged through



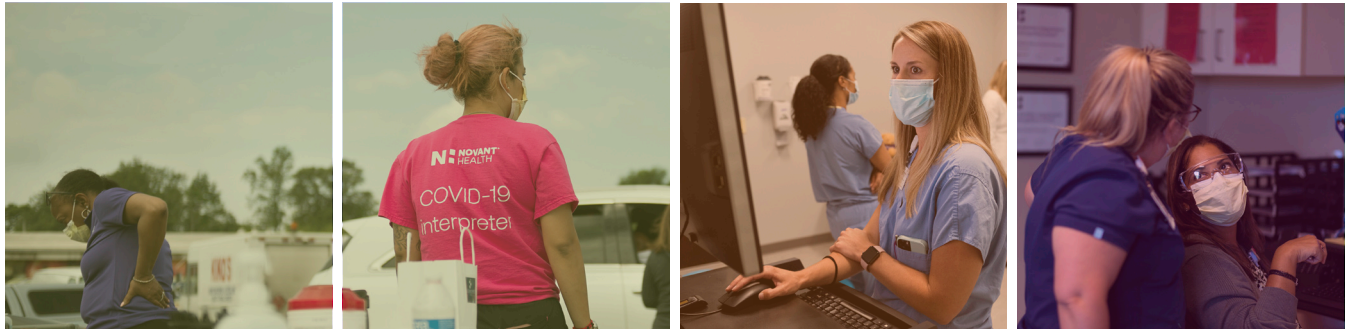
the foundation to employee emergency funds — allowing team members to support those experiencing unforeseen financial crisis.

To honor and reward the heroic ongoing efforts of the team, we offered new gifts and rewards to team members during our “A Million Thank-Yous” campaign. Other investments included COVID-19 nondiscretionary bonuses shared in March 2021, dependent care resources and financial assistance, care packages for COVID-positive team members, COVID-related negative PTO forgiveness and more.

In 2021, we expanded our Upward Mobility RN Scholarship Program through philanthropy to the Coastal region. Team members who are enrolled in a North Carolina community college nursing program and experiencing financial hardship can receive up to two years of upfront coverage of tuition and fees, a flexible schedule to make classes possible, and career coaching and mentoring.

Our efforts to make Novant Health a supportive workplace for all won recognition. Novant Health was ranked first in the nation in the 2021 Diversity MBA Magazine rankings for “Best Places for Women & Diverse Managers to Work.” And for the second year in a row, Novant Health was recognized as one of the “Best Places to Work for Disability Inclusion” by Disability:IN and the American Association of People with Disabilities. These recognitions are evidence of Novant Health’s strong commitment to being an organization people want to work for — and to building a team that reflects the diversity of the communities we serve.

“What we provide our team is not only a wise investment, it’s the right thing to do. We’re continually striving to create a culture where people can truly flourish,” Canales said. “At Novant Health, people are the heart of all we do — and all we are.” ■





**Alan T. Dickson was a co-founder of Ruddick Corporation**, the former parent company of Harris Teeter Supermarkets and other subsidiaries. When he passed away in 2012, he left a lasting impact on the state of North Carolina. He invested in the region he loved through his support of healthcare, the arts and education. That was especially true of his work as a founding member of the Presbyterian Hospital Foundation board, on which he served for more than 20 years.

Now Dickson's impact will be felt for generations to come, thanks to the creation of the Alan T. Dickson Conference and Education Center, which will support training, education and outreach for Novant Health's doctors, nurses, residents and other clinical care team members — and serve as a place for patients, families and community members to meet with medical experts. The Alan T. Dickson Conference and Education Center is located in the Claudia W. and John M. Belk Heart & Vascular Institute and Agnes B. and Edward I. Weisiger Cancer Institute in uptown Charlotte and was made possible by a generous \$2 million gift from The Dickson Foundation to the Novant Health Foundation.

"Alan Dickson understood that a community with a great healthcare system was a community that would thrive and grow in prosperity," said Ann Caulkins, Novant Health senior vice president and president of Novant Health Foundation. "He valued the impact great health and healthcare accessibility had on equity. The new conference and education center will enhance

the care our team offers — and will allow patients and families to hear directly from top experts about treatment advances."

Within this new conference and education hub, Novant Health will:

- Host a quarterly community lecture series, engaging national and international medical experts to share medical innovations, research and trends with Novant Health clinical teams and the community.
- Sponsor an annual seminar for leading cardiologists, oncologists, primary care providers and nationally renowned researchers on cardio-oncology issues.
- Convene prominent clinical leaders and policy specialists at an annual health equity series for our medical residency program clinical education.
- Provide collaborative space for tumor boards to discuss treatment options for individual cancer patients.
- Launch the Oncology Certification Scholarship & Lecture Series to allow Novant Health team members to refine skills and stay current with the latest developments in their specialty. The series also will promote clinical research and aid team members' professional growth.

"This gift honors Alan Dickson's legacy as the conference center becomes a catalyst for healthcare education in our community — and beyond," said Stuart Dickson, Alan's brother and chair of The Dickson Foundation. ■

"The gift honors Alan Dickson's legacy as the conference center becomes a catalyst for healthcare education in our community — and beyond."

- Stuart Dickson



# PAYING IT FORWARD ■

## Extending Equity and Opportunity.



**The need was urgent. Elderly members of an underserved neighborhood in the Charlotte** area needed to get protected from COVID — but many didn't have transportation to vaccine sites or digital access to sign up for appointments. Ylida Roberson and the Novant Health community engagement team jumped into action.

“I met one of our faith partners after work in the parking lot of the dance studio where her granddaughter was taking a class. She had about six pages of handwritten patient information for members of their church community who wanted to register for a vaccine appointment,” said Roberson, director of community engagement and social responsibility. Roberson used the handwritten lists to get the seniors registered for shots and her team directed the other puzzle pieces — helping the faith community get the word out about the vaccine's safety and arrange rides for those who needed them.

The team effort was just one of the countless ways in which we worked to extend health and well-being to more people across our region, ensuring equitable access to needed care. Ensuring the COVID vaccine was easily accessible to all was vital to ending the pandemic and healing our communities.

We deployed mobile health units to priority ZIP codes across all our markets to vaccinate residents. We partnered with faith leaders to educate those hesitant to get the vaccine about its benefits and to ensure people without transportation, especially seniors, could get to a vaccination site. The Novant Health Foundation invested \$250,000 to provide doses to underserved neighborhoods that might otherwise have been left behind.

Charlotte-area residents were able to celebrate at our Welcome Back Fest in July. While enjoying food, fun and entertainment that included performances by Grammy Award winner Anthony Hamilton (pictured left), festivalgoers could roll up their sleeves to get vaccinated against COVID.

“Novant Health's commitment to health equity was never more clear than in the race to vaccinate against the COVID pandemic,” said Jesse Cureton, executive vice president and chief consumer officer. “We took vaccine and vaccine education to where people live, work and worship. We've always brought care to where people are, but during the campaign to get our communities protected against COVID it was more visible than ever.”

Other health concerns didn't stop during the pandemic. Novant Health Foundation's partnership with Truist Bank brought a new community cruiser to Charlotte so that providers could offer healthcare services at community centers and other neighborhood spots.

Also, as an organization we are dedicated to improving screening mammogram rates for all patients and the communities we serve. Two years ago, we identified a disparity among two of



*continued*

the fastest growing patient populations in our footprint — our Asian and Latina patients, who were less likely to have received a mammogram. In response, Novant Health developed a corporate health equity goal to increase the rate of screening mammograms — a goal entitled Mammography Equity for All.

We shared on social media personal stories of women who are breast cancer survivors — and sent letters in a wide range of languages to encourage patients to get screened. Patients responded — and as a result, we delivered more lifesaving mammograms to women in historically underserved populations.

### **Affordable housing, swimming safety**

When we connect people with the social, economic and environmental support they need to lead healthier lives, outcomes improve. That's why we address social determinants of health, like housing.

For Tia Reaves, who works in environmental services at New Hanover Regional Medical Center, the thrill of coming home to the house she helped build in 2021 never gets old.

“What I love about my house is just a feeling I get once I get off work,” said Reaves, who built her home through Cape Fear Habitat for Humanity, which partners with local families to build, and then purchase, affordable homes. She pursued this opportunity after learning about it through a housing fair held at Novant Health New Hanover Regional Medical Center.

For the wall-raising ceremony, it meant a lot to Reaves that alongside her family members and Habitat volunteers, were fellow team members from New Hanover Regional Medical Center, including her supervisor, Nicholas Green.

The Habitat home meant Reaves and her family — her son, Justice, 2, and daughter, Amiyrah, 9 — would have their first place of their own after apartment living. And — the best part, as far as her children were concerned — it meant outside playtime, which they didn't have before.

We've also made significant financial investments that address the affordable housing crisis in the Charlotte market and are working with others in the Winston-Salem area on the issue. We know that a safe, stable living environment can have an enormous impact on our health.

Our team expanded health and well-being in other ways, too, such as sponsoring the inaugural NSEA Swim Sprint for Swimclusion 5K and fun run in Wilmington. Participants raised more than \$20,000 to help fund swim lessons. Our vaccination team also sponsored a community COVID-19 vaccination event on-site in conjunction with the race.

Swim lessons are critical for children, especially in communities of color. Drowning is the second-leading cause of accidental death in children under 14, and African American children are five-and-a-half times more likely to drown than white children.

“As a coastal community, it is extremely important for all our residents to know how to be safe in the water,” said Philip Brown, MD, chief community impact officer. “By sponsoring this event, Novant Health is showing its commitment to meeting the unique needs of our local community and addressing disparities that exist and too often result in tragic outcomes.”

### **Opening the doors of opportunity**

Our milestones include work that opens the doors of opportunity to all. We celebrated the 2021 graduating class of Project Search in Brunswick County, extending internship experiences to young people with developmental disabilities. We helped teen girls develop self-confidence and key skills through a program called EQUIP Her. The program, offered by the Charlotte-Mecklenburg Police Department and supported by the Novant Health Latino/Hispanic/Todos Unidos (TU) business resource group, teaches girls ages 13 to 16 about personal safety, victimization, self-care and self-image.

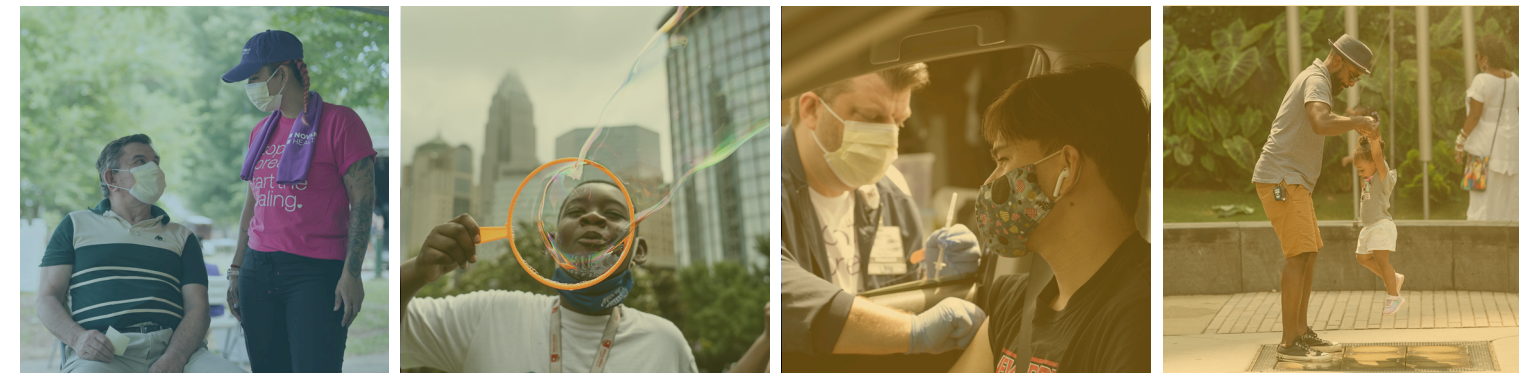
Our Discovery Series program was another way we extended economic opportunity beyond our walls. This program offered participants a virtual tour of careers within our system — and the chance to ask questions of clinical and nonclinical team members. From pharmacy to surgical services, from emergency department and imaging to respiratory therapy, sports medicine and physical therapy, participants learned what

education each job requires, what a typical workday looks like and more.

Through our team member giving campaign, Giving. Serving. Together., the Novant Health family helped extend health equity and open the doors of opportunity to so many in our region. Among the results of this generosity:

- 200 more team members received financial assistance through the employee emergency fund.
- Five nursing team members received assistance to advance their certifications to RN through the Upward Mobility RN Scholarship Program.
- More than 115 community members received counseling through United Way of Central Carolinas partners for managing depression and anxiety caused by pandemic-related isolation and financial stress.
- Community members in need received more than 241,395 meals through the Second Harvest Food Bank.

“When we talk about making our communities healthier, we know that there are layers to achieving good health — including access to medical care, food, adequate housing, education and employment,” said Chere Gregory, senior vice president and chief health equity officer. “Novant Health is committed to identifying and addressing aspects of our lives that impact our health and well-being.” ■



# FOUNDATION FEATURE ■

## Michael Jordan Contributes \$10M for New Wilmington Clinics.

**For decades, Michael Jordan has given his hometown Wilmington, North Carolina, plenty to cheer about.** In 2021, he added to that list with a \$10 million gift through the Novant Health Foundation to open two medical clinics in Wilmington in partnership with Novant Health.

“Everyone should have access to quality healthcare, no matter where they live, or whether or not they have insurance,” Jordan said in a news release. “Wilmington holds a special place in my heart and it’s truly gratifying to be able to give back to the community that supported me throughout my life.”

Starting in 2018, Novant Health and Michael Jordan partnered to open two Michael Jordan Family Medical Clinics in Charlotte, bringing comprehensive primary care, including behavioral health and social support services, to the area’s most vulnerable communities. It’s care that patients like Kim Spurgeon have come to rely on. After a house fire forced Spurgeon and her family to relocate from New Jersey to Charlotte and their subsequent housing fell through, the family of nine was left homeless.

“The doctor and his team spent so much time with us that it was like we were the only patients there. And then, when we had questions after our visit, he was the one who called us back — I was blown away!”

- Kim Spurgeon

Despite competing stressors, Spurgeon knew healthcare would be important, so she and her husband took their children to a Novant Health Michael Jordan Family Medical Clinic. “The clinic was really clean, intimate and personal,” she said. “The doctor and his team spent so much time with us that it was like we were the only patients there. And then, when we had questions after our visit, he was the one who called us back — I was blown away!”

Clinic staff went the extra mile — such as when they helped Spurgeon collect and print her Medicaid paperwork and insurance card because they knew it might be hard to access a printer at the shelter.

“To know you are understood and taken care of is all you can ever wish for,” Spurgeon said. “I couldn’t be more grateful for what the Michael Jordan Family Medical Clinic has given my family.”

Like those in Charlotte, the new Wilmington Michael Jordan Family Medical clinics will help address a lack of primary care, mental health services and dental care in the communities they serve and are part of our goal of advancing health equity in the Coastal region.

“These clinics also will be transformative as they create new job opportunities and bring to life opportunities to train professionals in various healthcare careers in these communities that have been underserved for so long,” said Philip Brown, MD, chief community impact officer at Novant Health New Hanover Regional Medical Center. “Through the Novant Health Foundation, Michael Jordan is bringing this integrated care model to more rural and rural-adjacent communities in his hometown and offering much-needed services to those who are uninsured or underinsured.” ■



# FINANCIALS

## Forward From a Strong Foundation.

### Careful preparation and stewardship led

Novant Health to finish 2021 in a solid financial position, enabling us to invest in what makes us remarkable: Our team members.

For 2021, Novant Health reported a net income of \$812 million on operating revenues of \$7.4 billion.

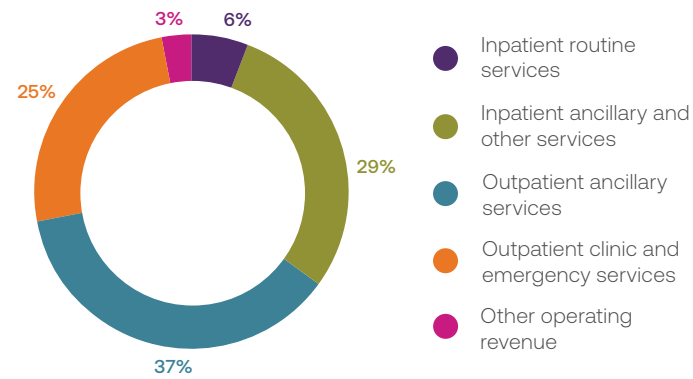
The fiscal year 2021 net income comprised \$369 million in operating income and \$443 million in non-operating income. Novant Health's investment returns of \$452.8 million helped the health system weather continued COVID-19 impacts and allowed for increased investments in team members, innovation initiatives and capital fund projects.

"Despite adapting to the ever-changing demands COVID-19 dealt Novant Health for a second year, the system remained financially strong. A diverse and solid investment portfolio, combined with less overall market volatility contributed to a robust, record investment return," said Fred M. Hargett, Novant Health executive vice president and chief financial officer. "More significant was Novant Health's investment in our team members, totaling more than \$300 million in 2021 alone. We believe our business is caring for all people, starting with our team members."

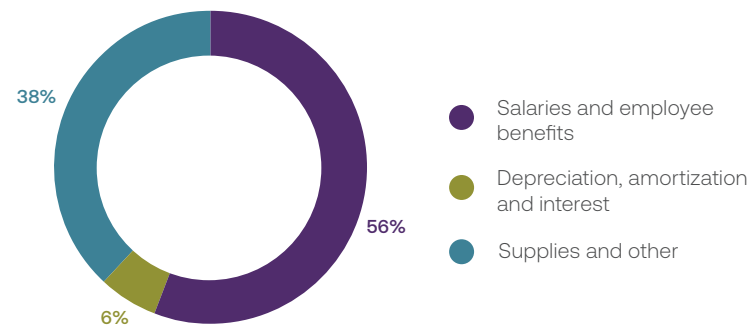
Novant Health continued to make a significant community impact in 2021, reporting more than \$1.1 billion in total community benefit (including financial assistance and unpaid cost of Medicare and Medicaid). In 2020, community benefit totaled \$1.0 billion, not including the contributions of New Hanover Regional Medical Center.

"We're proud of all we continue to do to help our communities flourish," Hargett said. "As we return benefit to our region, we know we are investing in the health and well-being of all." ■

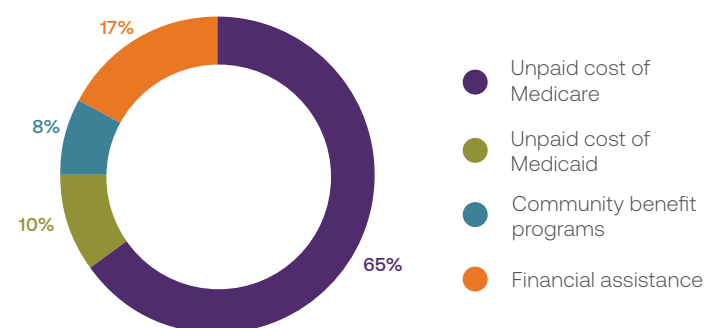
### SOURCES OF REVENUE



### DISTRIBUTION OF EXPENSES



### COMMUNITY BENEFITS



### SUMMARY BALANCE SHEET

(in 000s) as of Dec. 31, 2021

Cash and investments	\$ 4,721,387
Other current assets	1,296,357
Property and equipment, net	2,883,230
Other assets	1,867,436
<b>Total assets</b>	<b>\$ 10,768,410</b>
Current liabilities	\$ 1,489,347
Long-term debt	2,610,282
Other liabilities	940,241
<b>Total liabilities</b>	<b>\$ 5,039,870</b>
<b>Net assets</b>	
Unrestricted	\$ 5,637,618
Restricted	90,922
<b>Total net assets</b>	<b>\$ 5,728,540</b>
<b>Total liabilities and net assets</b>	<b>\$ 10,768,410</b>

### SERVICE VOLUME GROWTH

	2021	2020	2019
Licensed beds	3,292	2,671	2,671
Inpatient discharges	154,175	128,946	134,844
Adjusted patient days	2,016,853	1,297,526	1,344,716
ER visits	609,886	480,058	579,279
Surgeries	169,380	128,366	143,533
Physician office visits	6,438,597	5,312,677	5,538,001
Newborn deliveries	23,111	19,256	20,173
Employees	35,742	30,552	30,550

### SUMMARY STATEMENT OF REVENUE AND EXPENSES

(in 000s) for the year ended Dec. 31, 2021

<b>Operating revenue</b>	<b>\$ 7,396,146</b>
<b>Operating expenses</b>	
Salaries and employee benefits	\$ 3,924,166
Supplies and other expenses	2,685,642
Depreciation, amortization and interest	417,329
<b>Total operating expenses</b>	<b>\$ 7,027,137</b>
Operating income	\$ 369,009
Nonoperating income	442,990
<b>Excess of revenues over expenses</b>	<b>\$ 811,999</b>

# LETTER FROM THE FOUNDATION PRESIDENT



Where to start when you try to sum up 2021? I have struggled with this myself as I surveyed the past year and tried to comprehend the hardship, frustration and pain the pandemic unleashed on so many lives.

But after much thought, this is where I landed: Everyone came together.

Everyone came together to improve healthcare in our communities by focusing on the goal — not the relentless challenges — to make sure more people see the doctors they need and get the care they deserve. Our donors were more generous than ever before, enabling us to raise nearly \$33 million. It was amazing. We watched our teams persevere through impossible times to provide incredible care for patients. Breathtaking. It was such a challenging year, but one we'll look back on with gratitude for our donors, providers, foundation team and the communities we serve. Yes, it was remarkable.

In these pages we've seen testaments to the inspiring difference giving makes through the work of our foundation. We've witnessed the benefit of the generosity of Michael Jordan and other supporters of health equity through the story of the Spurgeon family and their experience at one of the Novant Health Michael Jordan Family Medical Clinics. We have learned about the advances in clinical trials that were donor-funded and carried out by Frank Chen, MD, and his team. We've peered into virtual reality goggles to see how innovation is improving healthcare for the patients and providers. We're celebrating the upward mobility scholarships to team members that enable them to better their lives while giving next-level care to our patients. We are transforming healthcare by providing access to those who need it most by using our mobile cruisers. Whether it was an individual donor, a foundation or corporation, these generous acts made profound differences.

We are grateful for the continued trust you have placed in us, as your philanthropy partners, to deliver compassion and remarkable care to the patients we serve. We look forward to working with you in 2022 as we partner to expand access to healthcare through innovation, technological advances and the commitment of our own teams.

Sincerely,

Ann Caulkins  
Senior vice president, Novant Health  
President, Novant Health Foundation

## 2021 NEW COMMITMENT GOALS

Dec. 31, 2021

Market	YTD Gift Total
Brunswick Medical Center Foundation	\$ 10,223,437
Forsyth Medical Center Foundation	1,648,144
Presbyterian Medical Center Foundation	9,972,961
Prince William Medical Center Foundation	27,243
Rowan Medical Center Foundation	1,816,385
Thomasville Medical Center Foundation	446,873
New Hanover Regional Medical Center Foundation	2,616,743
Grants	5,970,430
<b>Total</b>	<b>\$ 32,722,216</b>

\*Notes:  
The FCC Reimbursement Grants are captured in the Grants team total.

Michael Jordan's pledge in support of two community clinics in Wilmington and surrounding counties is included in the Brunswick Medical Center Foundation total.

New Hanover Regional Medical Center Foundation numbers reflect new commitments through combining previous fiscal years with an extra quarter.

# LEADERSHIP

## NOVANT HEALTH EXECUTIVE TEAM

### Carl S. Armato

President and CEO

### Jesse J. Cureton

Executive vice president and chief consumer officer

### Frank E. Emory Jr.

Executive vice president and chief administrative officer

### Eric Eskioglu, MD

Executive vice president and chief medical and scientific officer

### John H. Gizdic

Executive vice president and chief business development officer

### Fred M. Hargett

Executive vice president and chief financial officer

### Jeffery T. Lindsay

Executive vice president and chief operating officer

### Denise B. Mihal

Executive vice president and chief nursing and clinical operations officer

### Pamela A. Oliver, MD

Executive vice president and president of Novant Health Physician Network

### J. Dean Swindle

Executive vice president and president of Novant Health Enterprises

### Angela J. Yochem

Executive vice president and chief transformation and digital officer

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Mecklenburg Radiology Associates, PA

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Wells Fargo (retired)

### Secretary treasurer

#### James F. Amos

U.S. Marine Corps (retired general)

## President

### Carl S. Armato

Novant Health

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Bank of America (retired)

### Brandon T. Adcock

Adaptive Health

### Deborah M. Ally

United Way of Gaston County (retired)

### Alvaro G. de Molina

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### Brian C. Eckel

Cape Fear Commercial

### Lari E. Harding

Inmar Intelligence  
(Ex-officio, non-voting member)

### Joia M. Johnson

Hanesbrands

### Christine P. Katziff

Bank of America

### David P. King

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### John M. Lewis

Charlotte Area Transit System  
(Ex-officio, non-voting member)

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BAE Systems (retired)

### B. Dawn Moose, MD

Piedmont Radiation Oncology

### T. David Neill

Bob Neill, Inc.

### David R. Plyler

Forsyth County Board of Commissioners

### Elwood L. Robinson

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Nondiscrimination and access to healthcare: Novant Health does not discriminate against any person on the basis of race, color, national origin, religion, disability, sex, veteran status, sexual orientation, gender identity or age with regard to admission, treatment or participation in its programs, services and activities, or in employment. Free foreign language interpreters are available for individuals with limited English proficiency. Free sign language and oral interpreters, TTYs and other services are available to deaf and hard-of-hearing persons. For further information about this policy, contact: Novant Health director of internal audit and compliance, 704-384-7638 or TDD 800-735-8262.

Novant Health, 2085 Frontis Plaza Blvd., Winston-Salem, NC 27103

NovantHealth.org    