

Committed to making communities healthier

2023 Impact
Report



Lifepoint Health



Unless otherwise indicated, all data is presented as of, or for the year ended, December 31, 2023 and references to "Lifepoint," "we" or "us" refer to Lifepoint Health, Inc. and its consolidated subsidiaries.

A letter from the Chairman and CEO

Lifepoint Health is a company that cares and is deeply committed to doing the right thing. We believe in conducting business in a way that maximizes our ability to provide the highest quality care to those we serve, enhances our role as a strong community partner and minimizes our impact on the environment.

The culture of our organization is where this work ultimately begins. Our nearly 55,000 team members are united around a shared mission of *making communities healthier*, as well as a meaningful vision and core values that guide our behaviors. These important cultural elements are the cornerstone of our company and our commitment to environmental, social and governance efforts.

For Lifepoint, being socially responsible and ensuring sustainable operations includes how we innovate to expand access to high-quality care for patients; how we support our employees and create places where they want to work; and how we make the right investments to promote and protect the long-term health of our communities and the environment. And our efforts are paying off. Lifepoint ranked #5 in the health category on the 2023 *Newsweek* list of Most Trustworthy Companies in America. This prestigious recognition is a true testament to our dedicated employees and reflects our aspiration to be the first choice for patients, employees, providers and partners across the healthcare continuum.

In 2023, we further strengthened our position as a leading diversified healthcare delivery network, impacting lives through 11 million patient encounters, representing 8 percent growth versus 2022.

We added and expanded service lines and established new and deepened existing partnerships. We invested \$229 million across our portfolio and continued to build out our behavioral health and inpatient rehabilitation platforms in meaningful ways. In addition, we acquired Springstone, a national behavioral health provider, which added 18 new behavioral health hospitals and 35 outpatient locations to the Lifepoint network. We also continued our focus on delivering quality outcomes by bolstering our clinical workforce and adding new physicians and nurses to help meet the clinical needs of our communities.

We invite you to learn more in the following impact report, which shows our progress in a number of key areas related to our patients, our people and our communities. These highlights only scratch the surface of all we accomplished last year.

No matter the challenges that may lie ahead in the healthcare industry, I'm confident that we will continue to be a successful and socially responsible company by focusing on the right things - including our commitment to compliance, quality and patient safety, as well as our mission, vision and values.

Sincerely,



David Dill
Chairman and
Chief Executive Officer

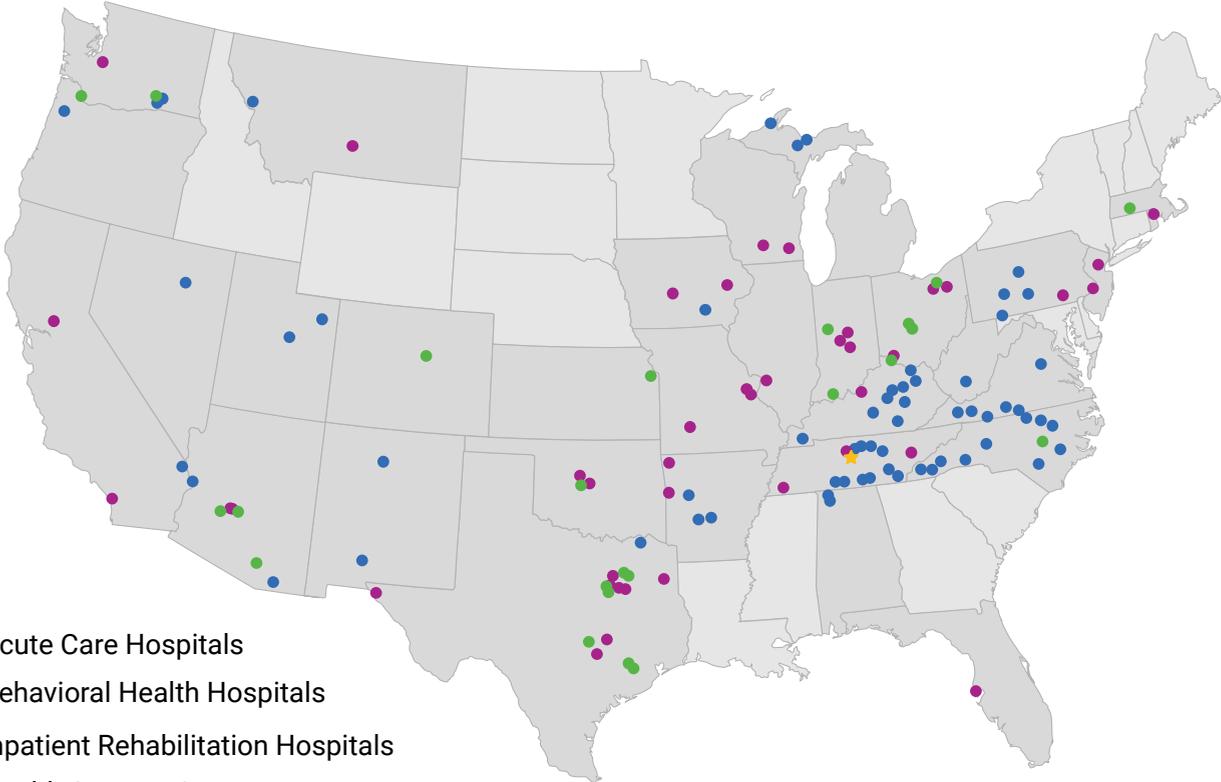




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Lifepoint at a glance



- Acute Care Hospitals
- Behavioral Health Hospitals
- Inpatient Rehabilitation Hospitals
- ★ Health Support Center (Brentwood, TN)

As of 12/31/23

Our Mission

Making communities healthier.®

Our Vision

Our vision is to create places where people choose to come for healthcare, physicians and providers want to practice and employees want to work.



Committed to doing the right thing

Enterprise Risk Management

Lifepoint Health is committed to upholding the highest ethical and legal standards, and maintaining workplace environments that prioritize integrity. As a trusted healthcare leader, it is our responsibility to always strive to do the right thing.

Our people and operations across the nation are governed by policies, practices and standards that help us deliver high-quality care, manage risk and keep patients and providers safe. As an extension of our mission, vision and values, these national standards for enterprise risk management guide everything we do.

At Lifepoint, enterprise risk management brings together an interdisciplinary team comprised of industry leaders and critical functions across the organization – including legal, compliance, people services, drug diversion and prevention, and more – to support our team members and our communities.

We have made meaningful investments to further strengthen our robust enterprise risk management program and ensure it is hardwired into our operations

and culture. In 2023, we focused on supporting our hospitals, providers and employees by providing training, education and best practices, and by prioritizing a culture where our team members are empowered to speak up. Additionally, we supported our communities by being a strong and accountable partner and doing our part to tackle our country's prescription drug epidemic.

A Culture of Compliance

A culture of compliance is essential to our mission of *making communities healthier*, and every Lifepoint employee plays an active role in that culture. The Lifepoint Ethics and Compliance team at our Health Support Center is committed to providing relevant education, transparency and communication to help employees uphold their ethical and legal responsibilities – including required annual compliance training for all employees.

Additionally, the Lifepoint EthicsLine is available for confidential reporting of ethics- and compliance-related concerns 24/7 by calling 877.508.LIFE.





IT'S ON US

Addressing the Opioid Crisis in Our Communities

Many of our communities continue to endure the opioid crisis confronting our nation. We are committed to addressing the significant needs of our patients and communities and are a growing part of the solution. In 2023, we created a national drug diversion and community engagement department within our company. Led by a DEA veteran, this department brings together multi-disciplinary teams to advance our national efforts to prevent drug abuse and protect the health and safety of employees, providers, patients and communities.

This department evaluates community needs and vulnerabilities related to drug abuse and diversion and leads education and training programs to ensure Lifepoint employees, providers, partners and communities understand what drug diversion is and how to prevent, spot and report it. It also oversees the implementation of new tools and technology designed to assist in surveillance, gathering and tracking data and spotting issues and trends. Additionally, the team collaborates with

local community partners, state representatives and law enforcement to identify gaps and areas for improvement, as well as opportunities to share resources, information and best practices outside the walls of our hospitals.

To help motivated patients who experience the early stages of withdrawal, we launched the StepOne Service in partnership with Evergreen Healthcare Partners in 2023. This service expands our ability to care for motivated patients in the early stages of withdrawal from opioids or alcohol. Available initially in five of our markets, StepOne Service is a hospital-based, acute withdrawal management service in dedicated spaces at our hospitals. By providing medical care through a team specially trained to work with withdrawal patients, they can focus on their next steps for recovery as their medical needs are addressed. Our clinical teams work with patients on a long-term care plan to guide the patient from their hospital discharge to their next treatment facility or program, and keep working with the patient for six months after discharge.





Committed to our patients

Great Care Lives Here

Providing safe, high-quality care has always been – and continues to be – Lifepoint Health’s top priority. Quality is ingrained in every aspect of our operations and incorporates how we care for patients, how we ensure the health and safety of each of our employees and how we contribute to the prosperity of our communities.

We have a strong track record of making significant investments in quality care and patient safety including staff, technology, equipment and infrastructure to help drive innovation and enhance the care we provide. Our deep commitment to quality extends across all care settings, from our acute care hospitals to our inpatient rehabilitation and behavioral health hospitals and beyond.

Leaders in delivering patient-centered care

The Lifepoint National Quality Program serves as the framework and foundation for our strategic approach to improving quality across our system. The program fuels our ongoing efforts to ensure consistent, high standards of quality and patient safety in communities nationwide. It focuses on three fundamental priorities, while always keeping patient and family engagement at the center:

- **Leadership that empowers people:**

We take a team-based approach to care in which clinicians and non-clinicians at all levels are empowered to speak up on behalf of their teams, our patients and their families to enhance the quality care we provide.

- **Proven systems of performance improvement:**

We focus on consistently improving quality in a number of ways, including through the work of a Quality Oversight Committee, dedicated clinical leadership councils and the Lifepoint Patient Safety Organization (PSO), which is certified by the Agency for Healthcare Research and Quality.

- **An organization-wide culture of safety:**

We foster a “just culture” in which our clinicians and employees are empowered to speak up when a mistake is made or if they see a potential problem.

With these three pillars at its core, the National Quality Program utilizes both qualitative and quantitative measures to create a more complete picture of quality care and patient safety at our facilities.



Lifepoint Health National Quality Leader Designation

Celebrating successes is crucial to sustaining a strong culture of safety. A key component of our National Quality Program is recognizing facilities that have

successfully implemented programs and processes to achieve the highest standards of care. Facilities that have demonstrated a capacity to continually and measurably improve quality and patient safety are named Lifepoint Health National Quality Leaders. Achieving this designation is a rigorous process in which facilities work closely with quality and safety experts to evaluate how they provide care, and adopt and implement best practices.



Leaders from Lifepoint and Wythe County Community Hospital celebrate the facility's designation as a National Quality Leader.



Acute care hospitals quality highlights

Our facilities have long been recognized for their leadership in quality care. Our acute care hospitals focus on preventing harms such as hospital-acquired infections. In 2023, this work has resulted in:

| Quality Measure ⁽¹⁾ | Annual SIR Improvement ⁽¹⁾ | Acute Care Hospitals Reporting Zero Infections ⁽²⁾ |
|--------------------------------|---------------------------------------|---|
| CLABSI | 51% | 73% |
| MRSA | 42% | 65% |
| C. difficile | 35% | 39% |
| CAUTI | 18% | 59% |

100% of our acute care hospital labs that are evaluated by the Joint Commission are accredited

60% have one or more Joint Commission advanced certificates

14 of our acute care hospitals were among *US News and World Report's* "Best High Performing Hospitals" across 8 procedures and conditions categories

60% earned three stars or higher in CMS' Star Ratings

44% scored As or Bs in Leapfrog's Hospital Safety Scores

98% have received Chest Pain Center Accreditation from the American College of Cardiology

Focus on Maternal and Infant Health

100% of our hospitals with obstetrics services were designated as Birthing-Friendly Hospitals by Centers for Medicare and Medicaid Services (CMS)

2 Lifepoint hospitals were the first in their state to earn the Advanced Certification in Perinatal Care awarded by the Joint Commission: Highpoint Health – Sumner in Tennessee and Community Medical Center in Montana



⁽¹⁾ Based on non-suppressed data reported to CDC's National Healthcare Safety Network (NHSN) for 2023 compared to 2022. SIR means standardized infection ratio. CLABSI means central line-associated bloodstream infections. MRSA means methicillin-resistant Staphylococcus aureus. CAUTI means catheter-associated urinary tract infections.

⁽²⁾ Based on non-suppressed internal data.

Inpatient rehabilitation hospitals quality highlights

Lifepoint's inpatient rehabilitation facilities (IRFs) and acute inpatient rehabilitation units (ARUs) are leaders in quality care.

Program evaluation model (PEM) scores by the Uniform Data System for Medical Rehabilitation (UDSMR) recognize high-performing rehabilitation providers for the delivery of quality patient care that is effective, efficient, timely and patient-centered, and our IRFs and ARUs consistently earn high scores. For 2023, our IRFs outperformed UDSMR facility-level benchmarks for discharges to the community and discharges to acute care. Ten Lifepoint IRFs and 10 ARUs were ranked in the top 10% of rehabilitation providers nationally.

Lifepoint Rehabilitation | Benchmark

IRF discharge to community (%)

80.2 | 78.9

higher is better

IRF discharge to skilled nursing facility (%)

9.9 | 10.9

lower is better

IRF discharge to acute care hospital (%)

9.9 | 10.1

lower is better

IRF average PEM score

98.3 | 88.8

higher is better

ARU average PEM score

90.4 | 88.8

higher is better

Further underscoring the quality care they provide, 19 Lifepoint IRFs and 16 of our managed ARUs were recognized among "America's Best Rehabilitation Hospitals 2023" by *Newsweek*.

Five of our IRFs were ranked first in their respective states



BAPTIST | MEMORIAL REHABILITATION HOSPITAL



Rehabilitation Hospital



Community

Rehabilitation Hospital North

Lancaster Rehabilitation Hospital



Penn Medicine
Lancaster General Health



Rehabilitation Hospital

Quality across our rehabilitation operations is reinforced by our Commission on Accreditation of Rehabilitation Facilities (CARF) accreditations:

- 19** inpatient rehabilitation facilities
- 38** acute rehabilitation units
- 24** stroke specialty programs
- 1** amputation specialty program
- 1** spinal cord injury specialty program



Four of our inpatient rehabilitation hospitals are accredited for disease-specific care by the Joint Commission:

- Atlantic Rehabilitation Institute: Stroke and amputation
- Community Rehabilitation Center: Stroke and amputation
- Lancaster Rehabilitation Hospital: Stroke and brain injury
- Rehabilitation Hospital of Wisconsin: Stroke



Behavioral health hospitals quality highlights

In 2023, we significantly expanded and enhanced access to behavioral health services across the nation with our acquisition of Springstone. All of our behavioral health hospitals and behavioral health units are committed to providing superior patient care that exceeds industry standards as well as patient expectations. We measure our success in several key ways:

- All of our inpatient behavioral health hospitals are accredited by The Joint Commission.
- The Behavior and Symptom Identification Scale (BASIS-32®) is a leading behavioral health assessment tool for both inpatient and outpatient behavioral health providers that uses 32 criteria to indicate how patients feel before and after receiving care. Lifepoint's inpatient adult behavioral health scores were consistently above national averages for the past two years.
- Data also show that our restraint and seclusion hours for patients are far below national averages, as we focus on prevention and de-escalation techniques.
- We are one of five national affiliates of The Jason Foundation, dedicated to the prevention of the "silent epidemic" of youth suicide.
- Nine of our facilities have achieved certifications of excellence in veteran behavioral health treatment from Psych Armor, which is part of our Help for Heroes program. You can read more about this program for active-duty military, veterans, first responders and frontline healthcare workers on page 19.



Total admissions in 2023: **86,000+**

Inpatient admissions: **59,000+**

Outpatient admissions: **nearly 16,000**

Telehealth visits: **nearly 12,000**





Baystate Behavioral Health Hospital



Expanding Access

In August 2023, Baystate Health and Lifepoint Health celebrated the opening of Valley Springs Behavioral Health Hospital in Holyoke, Massachusetts

with a commemorative ribbon-cutting ceremony. The

122,000-square-foot, four-story facility

has 150 private and semi-private rooms for inpatient behavioral healthcare for adults and adolescents. A \$72 million state-of-the-art facility, Valley Springs is the first behavioral health hospital built and operated by the company as part of a joint venture relationship.



Greater access. Better care.

Care Coordination

Lifepoint is committed to enhancing access in the communities we serve, and this means meeting people whenever and wherever they need care. From our broad network of specialized telehealth providers to innovative platforms and technologies that simplify the care journey, we extend the reach of our care teams and services outside of traditional care settings and connect patients with high-quality, convenient care.

Access Point – Access Point enables easier access to care by reaching patients with services to help coordinate and extend care beyond the walls of provider practices and other settings. These include medical answering services, centralized scheduling, nurse triage, transitional care management, patient engagement and virtual care and support. In 2023, Access Point had 3 million patient and physician interactions.

Transfer Center – Our Transfer Center connects patients to a higher level of care when necessary by coordinating and facilitating patient transfers among hundreds of hospitals nationwide. Over the last two years, the Transfer Center has assisted in placing nearly 36,000 patients.

Telehealth

We have grown our telehealth offerings to more than 25 specialties including neurology, psychiatry and stroke. In 2023, we had more than 245,000 telehealth patient encounters.

Remote Patient Management

Lifepoint partners with Cadence to support providers in delivering better healthcare to patients with chronic conditions. Remote patient monitoring and virtual care have helped improve health outcomes for seniors with heart failure, in particular, by delivering consistent, proactive healthcare outside the walls of the hospital. This has resulted in a 5.5x increase in the number of patients with congestive heart failure achieving clinical guidelines. Additional results are highlighted on page 21 of this report.



Focusing on Patient Experience

We are committed to ensuring that our patients and their families have great experiences at our facilities and in every care setting – from knowing what to expect in advance, to check-in procedures and the full spectrum of receiving care, to being discharged and beyond.

Ensuring Health Equity – Lifepoint is dedicated to ensuring that everyone has a fair and just opportunity to be as healthy as possible. We are intentional about identifying and addressing disparities that our patient populations may face. One aspect of our strategy is to address key social determinants of health – like food insecurity – that can greatly impact patient health outcomes. We do this by supporting organizations that address these issues in underserved communities, which is an important component of our social responsibility and philanthropic giving strategy.

Listening to Our Patients – We welcome feedback from our patients and always want to know how we can continue to improve their experience. Between paper and electronic surveys, 100% of eligible inpatients receive a patient experience survey to let us know how we are doing. Recent Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey results show the most meaningful improvement among Lifepoint facilities is with nurse communication and responsiveness of hospital staff, in particular. In fact, 82% of surveyed patients responded “always” when asked how often our nurses treat them with courtesy and respect. Additionally, our inpatient rehabilitation hospitals maintain high patient experience scores as measured by Reputation.com, achieving a 33% increase from January to December 2023.

Complying with Price Transparency – Lifepoint aims to help patients feel more informed and prepared for potential healthcare costs and understand their financial responsibility. All of our hospitals are in compliance with price transparency regulations, making Lifepoint a leader among our industry peers.

Listening to Our Providers

We have a number of councils and collaboratives dedicated to ensuring that providers’ voices are heard and driving quality care and patient safety across our facilities.

For example, we created eight Acute Care Clinician Councils in Cardiovascular Services, Emergency Medicine, Hospital Medicine, Surgical Services, Orthopedics, Women’s Health, Imaging Services and Robotics. Comprised of physicians and advanced practice providers (APPs) across the nation, these councils connect our providers in the field and drive important changes in how care is delivered. In 2023, these councils helped inform care operations and make decisions in critical areas:

- The Cardiovascular Council approved a same-day discharge toolkit to enhance support of patients who have undergone percutaneous coronary intervention (PCI) procedures to open clogged coronary arteries.
- The Women’s Health Council vetted services being considered for genetic testing.
- The Emergency Medicine and Imaging Services Councils played a key role in the development of new intravascular contrast guidance to help improve care and accuracy.

Innovating to drive care forward



Quality care at Lifepoint is fueled by our dedication to innovation – finding new ways of doing things, creating new models of care and working with our teams and communities to overcome barriers to health.

Care Variation Reduction

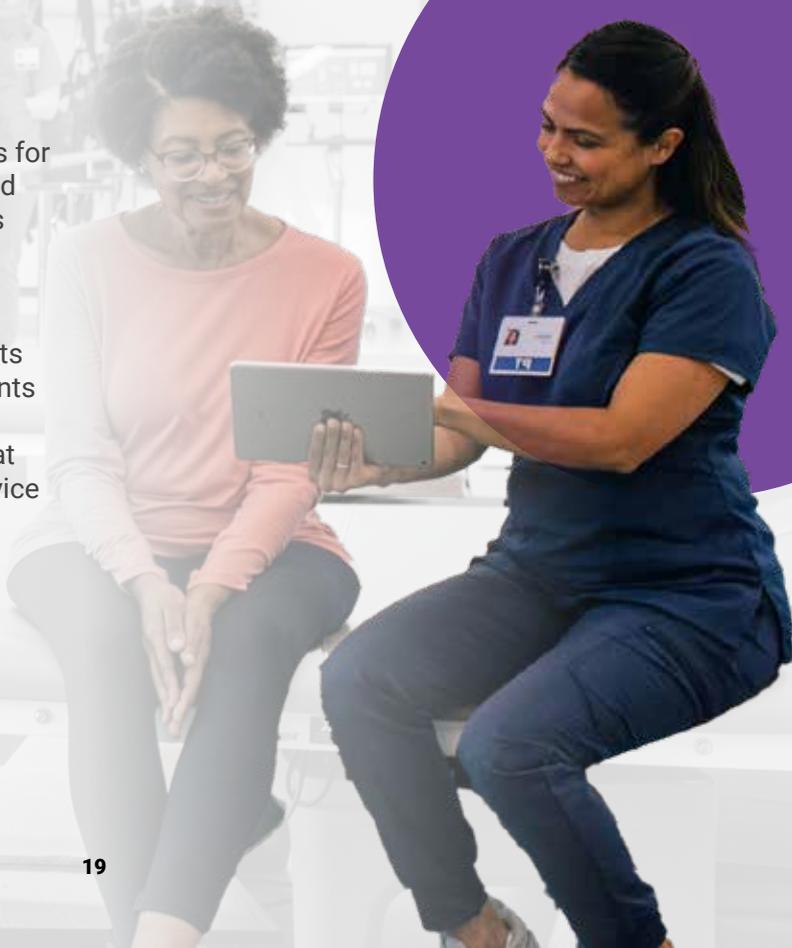
In late 2022, we created a department with seven new employees dedicated to addressing unwarranted care variation across our system. A key component of this team’s work was initiating a multi-year partnership with Health Catalyst, a clinical analytics company that helps organizations achieve data-informed healthcare improvement at scale. Health Catalyst helped us create dashboards with process metrics or lead measures from data in our electronic medical records focused on two important areas: sepsis and heart failure. In less than a year, we estimate these efforts have prevented approximately 1,400 days in the hospital.

Help for Heroes Program

Our Help for Heroes program provides evidence-based and outcomes-driven specialty behavioral health, addictions and trauma treatment services for active-duty military, veterans, first responders and frontline healthcare workers at specific locations across the country. Expanding to serve more communities in different ways, the Help for Heroes program has adapted over time to meet the needs of first responders. Since its inception in 2018, more than 10,000 patients have been treated through the program, and more than 100 military installations, at home and abroad, have referred their service members to the program for treatment. In 2023 alone, we increased outpatient admissions by 25% year-over-year.

RehabTracker

RehabTracker is a groundbreaking, person-centered mobile app that is transforming the way our partners engage with patients and their families. Patients can view their personalized goals, see and track their progress in real time using their cell phones or tablets, share that progress with invited family and friends, and receive messages of support from loved ones – all from the palms of their hands. Technology solutions, like RehabTracker, empower providers to better track short- and long-term goals, while creating an invaluable channel of communication with loved ones to share progress and goal achievements.





Lifepoint *Forward*

Through our innovation strategy, Lifepoint Forward, we explore and implement cutting-edge ideas, partnerships and technologies that meet patient needs, drive growth and advance our mission of *making communities healthier*. Innovation is a strategic priority and a key driver of our journey to being the leader in community-based healthcare. Rooted in the guiding principle of solving today's problems while building for the future, Lifepoint Forward represents our approach to incubating ideas and investing in technology-based solutions to improve quality, access to care and outcomes while lowering costs.

We partner with organizations that are positively disrupting the healthcare ecosystem, and we aim to help nurture companies and build solutions to address new opportunities and areas of unmet market needs. We also invest in capabilities we believe will add value to our organization, the communities we serve, and the broader healthcare system.

Importantly, we know that innovation begins where care is ultimately being delivered – in the communities we serve. That's why we are committed to engaging with our facility teams across the country to understand their specific challenges, and strategically evaluate and implement solutions that meet today's needs and position our network for the future.

Partnership Spotlights



Cadence's remote patient monitoring and intervention solutions help us deliver better care to patients who are managing chronic conditions in their homes. We launched our partnership with Cadence in 2021, focusing on patients with congestive heart failure in one market. As we expanded the offering, we found a 2x increase in hypertension patients with well-controlled blood pressure after 10 weeks of using Cadence, and 98% of patients

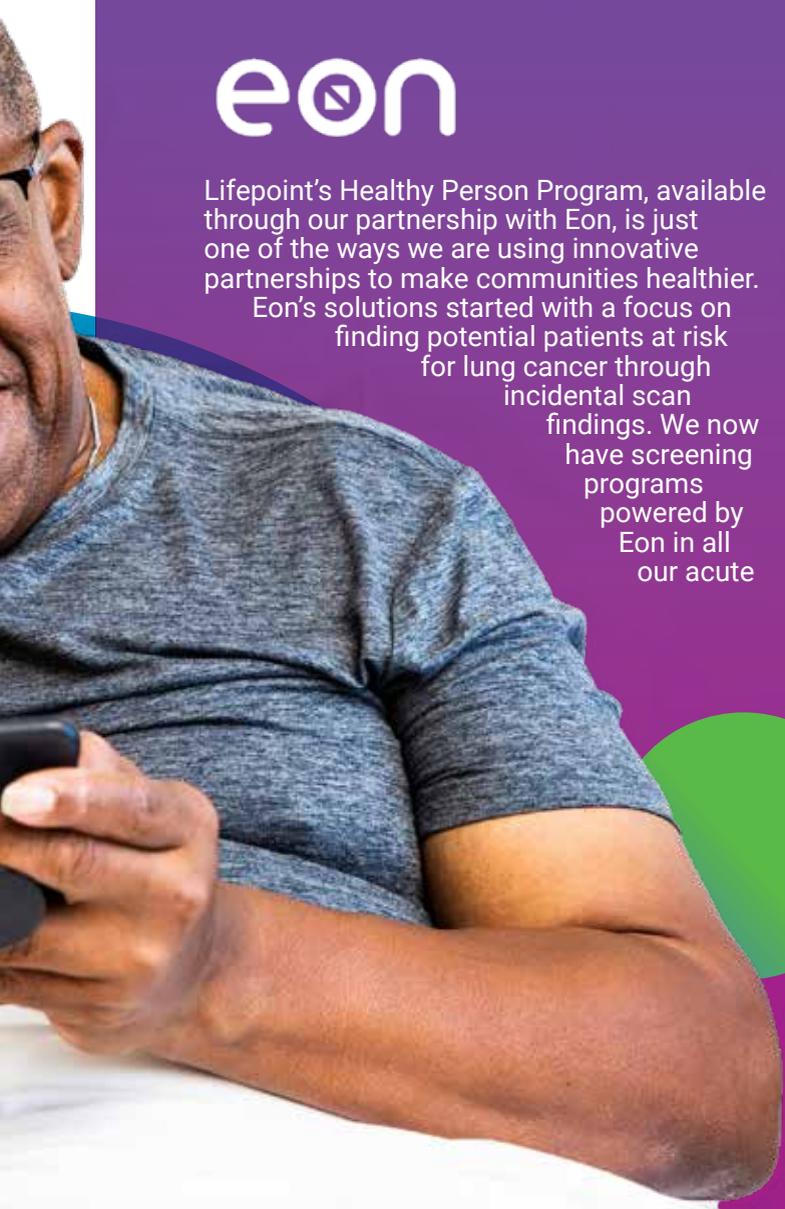
utilizing the program say they are receiving the highest quality medical care in an easy-to-understand way. Now, about 3,500 active patients in 18 of our markets benefit from remote monitoring in four clinical programs (congestive heart failure, type 2 diabetes, hypertension and chronic care management). We plan to extend Cadence solutions to at least 10 additional Lifepoint markets in 2024.



Lifepoint's Healthy Person Program, available through our partnership with Eon, is just one of the ways we are using innovative partnerships to make communities healthier.

Eon's solutions started with a focus on finding potential patients at risk for lung cancer through incidental scan findings. We now have screening programs powered by Eon in all our acute

care hospitals, including those addressing lung, breast, cardiac, thoracic aneurysm, kidney and liver. Our Healthy Person Program continues to evolve in partnership with Eon by identifying new patient cohorts and artificial intelligence (AI) models, as well as further deploying solutions that help manage the patient/physician communication and follow up process. Diagnosing cancer at the earliest stage possible and improving the time to treatment gives patients the highest likelihood for survival. Through our Healthy Lung Program, our patients are being identified and coming back in for treatment twice as fast, resulting in stage shifts and saving lives. In 2023, more than 110,000 patients were identified for follow-up through our Healthy Person Program across the different cohorts, representing a 23% increase over the prior year and a 62% compound annual growth rate since first partnering with Eon in 2018.



Committed to our people

Lifepoint cannot make communities healthier without a strong, compassionate and engaged workforce. We know that our continued growth and success depends on our ability to attract, retain and develop talented individuals who embrace our mission and live out our core values – both personally and professionally. Across all of our care settings, we strive to create diverse, inclusive environments where all employees feel safe, supported and valued – and where they can achieve their career aspirations.





A calling for caring



Recruiting and Retaining High-Performing Talent

Our people are at the very heart of what we do. Our nearly 55,000 team members are located from coast to coast, serving communities of all sizes. In 2023, we undertook an initiative to reimagine our human resources function both at our Health Support Center and within our facilities across the enterprise. This transformation included rebranding the department as “People Services,” representing a meaningful shift to focusing on employee experience, satisfaction and retention.

We also seized the opportunity to optimize our clinical workforce, both to provide our patients greater access to care and to reduce our reliance on contract labor due to the nationwide nursing shortage. We recruited 194 net new physicians and advanced practice providers in our same-facility acute care portfolio during 2023, compared to 22 net new providers added in the prior year.

We also saw success in attracting and retaining employed registered nurses at the bedside, adding 536 net new registered nurses during 2023, a 8.5% increase compared to the end of 2022.

We conduct ongoing market analyses to ensure that each of our locations offers competitive salary and benefit plans. In 2023, we provided nearly \$4.5 billion in salary, wages and benefits across our enterprise.

Lifepoint Workforce by the Numbers

54,239
employees

81%
women

56%
women in executive and senior leadership

25%
racial and ethnic minorities

2023 Recruitment Highlights

8.5% increase

in employed registered nurses at the bedside by adding 536 net new registered nurses

36% reduction

in contract labor spend

194 net new physicians

and advanced practice providers recruited compared to 22 net new providers in the prior year

2023 highlights reflect same-facility acute care portfolio

Lifepoint's Focus on Nursing

During 2023, we continued to address the impact of the nationwide shortage of nurses affecting most healthcare providers. We deployed and expanded programs to grow and strengthen this vital group of professionals for the health and stability of our communities. Through recruiting and retention, we **increased the number of nurses available** at the bedside in our same-facility portfolio by 8.5% and significantly reduced our reliance on contract staffing. Through our efforts, we also **reduced annualized voluntary turnover** for all nurses by 15.4% in the fourth quarter of 2023 compared to prior year.

RN Residency Program

Among other initiatives, we launched an evidence-based RN Residency Program at 38 acute care hospitals in 2023, with the goal of enhancing nurse recruitment, establishing clinical competencies and increasing retention. For the year, we hired and enrolled **431 RN residents** and experienced a **94% retention rate** in the program. We believe the program significantly contributed to a **75% reduction** in our **first-year RN monthly turnover rate** in December 2023 compared to January 2023. In 2024, we will expand this successful program to all of our acute care facilities.

Registered Apprentice Program

Our apprenticeship programs are one way we have expanded our recruiting pipeline and reduced nursing turnover across the company. In 2023, more than **800 apprentices participated** in our Registered Apprentice Program (RAP), which offers structured, year-long programs that support our hospitals and local communities with employee training and development. RAP serves to expand clinical knowledge and capabilities specific to our unique hospital settings.

Available in 23 states and expanding, our apprenticeship programs are registered nationally with the Department of Labor's Office of Apprenticeship, providing career pathways that foster professional development and promote the advancement of quality patient care, along with helping to recruit and retain our employees.



Cultivating our talent

Lifepoint takes a multifaceted approach to creating places where physicians and providers want to practice and employees want to work. This includes:

Health and Safety

It is our responsibility to help keep our team members safe and healthy, and we do this in a number of ways, including:

Drug Diversion Prevention – We have undertaken an enterprise-wide effort to address and prevent drug misuse, abuse and diversion among our teams.

Employee Assistance Program – Our employee assistance program (EAP), Resources for Living, offers free online resources and 24/7, confidential counseling support on all aspects of life for Lifepoint employees and their families. Our EAP also offers employees resources and concierge support for important family needs, including assistance coordinating childcare, scheduling home improvements or repairs, and finding assistance for personal legal services.

Professional Development

We believe in fostering talent and supporting the success of our team members. We offer many leadership training and professional development opportunities, as well as a number of educational

resources, to help strengthen our workforce. Approximately **2.2 million** training courses were completed during 2023.

LEAP Program – We offer a leadership development experience designed for high-performing leaders who currently manage a broad area and who have the desire and potential to take on a larger leadership role.

Executive Fellows Program – This program is a 12-month leadership development program that prepares high potential talent for hospital CEO roles and other important leadership positions across our organization.

Learning Management Systems – Employees have access to learning management systems to complete both required and optional training courses on topics including cultural humility; diversity, equity, inclusion and belonging (DEIB); Code of Conduct and IT security, among others.

Life Leader – Available to all HSC staff and facility management teams, Life Leader is a free resource for audiobooks, online books, courses, videos, channels, journeys and test prep for many types of certifications.



Supporting Continuing Education

We believe educational opportunities for our employees and their families should be both accessible and affordable to further support our colleagues' education and career advancement. We offer eligible colleagues access to an array of education assistance benefits, including:

Tuition Reimbursement – Eligible colleagues can receive up to **\$5,250** in tax-free reimbursement each year for qualified higher education expenses. In 2023, we provided **\$4 million** in tuition reimbursement to more than **1,600** recipients.

Professional Certification Reimbursement – Our certifications support program pays testing fees and offers online prep assistance for select advanced clinical certifications.

Tuition Discount Programs – Lifepoint has partnered with multiple universities to offer discounted educational opportunities to affiliated employees. Eligible employees may qualify for a **10% tuition discount** or preferred scholarship program.

College Savings Education – Through our EAP, Resources for Living, colleagues have access to free counseling sessions for services like college savings planning, federal educational financial aid applications and guidance on 529 plans.



Committed to diversity, equity, inclusion and belonging

As we have continued on our DEIB journey, it has become clear that in a large and complex organization like ours – with people located across the nation – DEIB requires the engagement and perspectives of individuals from many departments, disciplines and locations. With this in mind, we created an interdisciplinary team to continue to shape our overall DEIB strategy and advance our efforts in this critical area. This team is jointly led by three Lifepoint senior leaders who bring valuable expertise from their respective areas – representing quality, people services and communications – that are helping enrich our DEIB strategy.

We aim to create diverse, inclusive and equitable environments for both our patients and our team members, while fostering a sense of belonging for all. This commitment starts at the top. Our Board of Directors continues to proactively seek diverse representation to ensure varying perspectives are heard. The Board now has 25% women and 25% ethnic or racial minority representation. Diverse representation among our executives and senior leaders is also critically important. Women make up 56% of our executives and senior leaders.

To support our inclusion efforts, we offer five employee resource groups (ERGs) that are open to all employees and bring together individuals based on shared characteristics or life experiences. ERGs aim to build community, provide support, enhance career development and contribute to personal growth. Our efforts are paying off, as *Newsweek* has recognized Lifepoint Health as one of America's Greatest Workplaces for Diversity.



**LGBTQ+ team members
and allies**



Black team members and allies



Women team members and allies



**Military veteran team members
and allies**



**Hispanic/Latino team members
and allies**

Conducting Core Values Trainings

Lifepoint proudly introduced a new set of core values and associated behaviors for our organization. As part of this launch, we conducted more than 100 immersive trainings with more than 4,000 leaders across the enterprise to ensure their understanding and adoption of these values, and to fully embed them in our culture.

Recognizing Our Peers

One important way that we deepen our company culture is by recognizing colleagues for demonstrating behaviors associated with our core values. We introduced the Making Moments Matter platform so our employees can show appreciation and publicly acknowledge their peers across the enterprise.

In 2023, more than 7,300 team members logged into Making Moments Matter nearly 44,000 times to send or view more than 93,500 recognitions.

Lending a Helping Hand

We take care of our Lifepoint family by supporting each other during times of need through the Lifecare Fund. From devastating natural disasters to home fires and life-threatening injuries or illness, Lifecare helps our employees and their families pick up the pieces by providing grants to help cover essential costs.

Lifecare has supported nearly 1,800 employees facing financial hardships with \$3.7 million in total grant distribution since inception. Approximately \$280,000 of this total was deployed in 2023 alone.

Celebrating Outstanding Talent – The Mercy Award

Celebrating the contributions and accomplishments of our team members is an important part of our culture. Honoring exceptional employees with the Mercy Award is a deeply important and cherished tradition at our company – and it is the highest honor a Lifepoint employee can receive. The Mercy Award is given in memory of Lifepoint’s founding Chairman and CEO Scott Mercy and recognizes one employee from each of our facilities who profoundly touches the lives of others and best represents the spirit and values on which the company was founded.

Terri Clark, director, growth and outreach, at Northeastern Nevada Regional Hospital, was named the 2023 companywide Mercy Award winner for outstanding service to her hospital and community.





Engaging our employees

Measuring Our Culture of Safety and Engagement

We encourage our staff to speak up and share their ideas and feedback on how our organization can improve. One way we do this is by measuring employee engagement and the culture of safety that exists at Lifepoint through our annual enterprise-wide Culture of Safety and Engagement (CoSE) Survey. **On the 2023 survey, our overall engagement score improved from 67 (in 2022) to 70.** Collaboration and a sense of belonging were noted as top strengths, as well as our employees feeling cared about on a personal level. Communication and action taking continue to be key areas of opportunity for the company, as well as recognition and ensuring our employees have the resources needed to perform well in their jobs. For our clinical workforce, **we saw improvement in our teamwork and safety climate index scores, increasing from 72 in 2022 to 79 in 2023.**

These annual survey results provide a helpful roadmap to inform our employee engagement strategies and make incremental improvements going forward.

Connecting the Enterprise with Enhanced Communications

In response to CoSE survey feedback that indicated employee communication was an opportunity for improvement, we made a significant investment to implement the Firststep communications platform across the organization. Firststep enhances how employees receive information from the company and connect with one another without relying on email. Since introducing the platform, more than 26,500 employees registered for Firststep to view nearly 20,500 pieces of content across more than 200 topics.

Supporting Employee Philanthropy and Volunteerism

Lifepoint is proud to support nonprofit organizations that are important to our employees. For HSC team members, we offer a company matching program to help personal charitable donations have a greater impact. We also offer a volunteer time-off program to allow eligible employees to contribute their time and talents to support meaningful causes during their normal work hours.

Committed to our communities

Lifepoint's commitment to our communities extends well beyond the role we play as a trusted healthcare provider. We are a strong partner and benefactor of the places we call home, giving back through charitable donations, participating in community events, volunteering and supporting economic and industry development. We also do our part to reduce our environmental impact and ensure sustainable operations across our organization.



DONATIONS

Making communities healthier beyond our walls

Economic Impact by the Numbers

In 2023, we had a total economic impact of more than **\$6.4 billion** in the communities we serve. This included approximately:

\$1.3 billion
provided in charity and other uncompensated care

\$36 million
given to support community benefit programs

\$630 million
paid in taxes

We continually invest in our facilities and our people. In 2023, this included approximately:

\$229 million
in capital investments

\$4.5 billion
in salary, wages and benefits across our enterprise

Service Line Investments

Over the past five years, we have invested more than \$375 million to expand and improve our five primary service lines, bringing new technologies and capabilities to our communities and patients. For 2023, these investments included more than:

- **\$29 million in surgery services**, including \$10 million in robotic surgery technology investments
- **\$23 million in cardiology services**, including \$21 million of catheterization lab investments
- **\$18 million in oncology services**, including \$13 million of linear accelerator investments
- **\$16 million in emergency department build-outs**, expansions and renovations
- **\$5 million in women's and children's services**, including \$2 million for 3D mammography imaging



Promoting a Culture of Giving and Service

Lifepoint fosters a culture of giving and service and supports our team members in making a difference together. Our facilities are making a positive impact on the health and well-being of their communities through volunteer efforts, event sponsorships and financial contributions to local organizations. Our corporate social responsibility efforts and approach to strategic giving are guided by the Lifepoint Community Foundation. Our Foundation Board evaluates sponsorship requests on a quarterly basis and provides grants to support key community organizations and initiatives that advance our mission.

Through the foundation, we contributed nearly \$1.1 million in philanthropic support in 2023, which included supporting our pinnacle charitable partners Second Harvest Food Bank of Middle Tennessee and Special Olympics Tennessee.

Our support for Second Harvest includes funding necessary equipment to help ensure its food delivery operations can continue, procuring fresh produce to help feed those in need and educating the community about food insecurity.

In 2023, we contributed \$100,000 to help ensure this vital community organization can continue putting meals on the table for those who are food insecure. This long-term partnership is one important way we are taking action to address social determinants of health.

Additionally, our support of Special Olympics Tennessee has enabled hundreds of athletes to receive important health screenings and enhance access to care for the largely underserved population of individuals with intellectual disabilities. In 2023, we contributed \$100,000 to the organization to help provide free screenings for vision, hearing, dental, sports physicals and adaptive coping skills to thousands of Special Olympics athletes.

Lifepoint HSC employees continue to support both Second Harvest and Special Olympics through volunteerism activities.



Advocating for those we serve

2023 Advocacy Highlights

86%
of our acute care hospital and senior leadership met with their Congressional representatives

80%
of our acute hospital CEOs served on state trade association leadership boards or committees

More than 500 leaders
met with or contacted their state or federal elected officials to provide input on legislative activity

A Voice for Patients

Lifepoint Health works to be a respected, trusted voice at the federal, state and local policy tables. Our advocacy priorities center on our mission of *making communities healthier*.

We work to educate policymakers about the challenges and opportunities we face in ensuring patients have access to high-quality healthcare now and in the future. Our leaders work every day to build relationships with lawmakers who represent our communities so that we can be a resource for how healthcare policy will impact the patients we serve.

Additionally, we collaborate with state and federal trade associations on how we can improve access to care and increase the healthcare workforce to best meet the needs of patients.



Bert Beard, Maria Parham Health CEO; Elmer Polite, Eastern Division President; and David Critchlow, SVP Government Relations attend the bill signing for Medicaid expansion and HASP with North Carolina Governor Roy Cooper (D-NC).



State Representative Stephanie Barnard (R-WA) visits the new Labor and Delivery Unit at Trios Health in Kennewick, WA to learn about the region's children and family healthcare needs.



As we look ahead, our advocacy priorities will continue to focus on the patients we serve. We will work to increase healthcare coverage and access to quality care. We will also continue to collaborate with local and state policymakers to combat the opioid crisis that is prevalent in nearly every community in the country. With our expansion into behavioral health, we are working with lawmakers to expand access to much-needed mental health services.

Reducing our environmental footprint

Protecting the Environment Through Conservation Investments

As a community partner and leader, Lifepoint Health has embarked on an intentional journey to confront energy consumption at our facilities. With a 27-million-square-foot facility footprint, we operate with a life-cycle mindset for our building maintenance, focusing on longer-term impacts rather than first costs. Our energy projects aren't just intended to reduce our environmental impact and our costs. By modernizing aged physical plant systems, we are better equipped to ensure appropriate infection control measures in critical clinical areas, to improve patient and staff comfort and to reduce safety risks across our facilities.

Prior to starting the Lifepoint Health Energy Program in 2020, our acute care hospitals averaged 15% higher energy use index (EUI) scores than the U.S. hospital national average. Since the program's inception, we have identified and executed on projects designed to optimize performance in the largest-use mechanical and electrical systems in our acute care hospitals. Through 2023, we have committed more than \$56 million to these projects, which contributed to annual 2023 reductions of 48 million kWh of electricity and 1.1 million therms of natural gas. As of December 31, 2023, we have improved the average EUI score of our acute care hospitals by 5.3%.

And our efforts are being recognized. During 2023, 11 Lifepoint facilities won the 2023 Energy to Care Award presented by the American Society of Healthcare Engineering (ASHE) for recognition of

either a one-year 10% energy reduction or a two-year 15% energy reduction. These early successes guide our current and future energy projects. Our in-flight projects are expected to generate additional annual reductions of 52 million kWh of electricity and four million therms of natural gas.

Building Analytics Program

We have partnered with third parties to develop and deploy a building analytics platform to leverage data analytics and artificial intelligence to optimize facility operations. Our platform combines energy consumption data and real-time HVAC system data to continuously monitor for under-performing building conditions and to alert operators and engineers of possible causes and corrective actions. The system also tracks utility consumption against historical use and savings resulting from energy completed projects. Key stakeholders are regularly provided scorecards to track building performance indicators.

11 

Lifepoint facilities
received ASHE Energy
To Care Awards

4 

Lifepoint facilities are
Energy Star Certified

**48 million
kWh**

reduction in electricity in 2023⁽¹⁾

**1.1 million
therms**

reduction in natural gas in 2023⁽¹⁾

\$56 million

committed to projects to optimize
energy efficiency since 2020

(1) Same-facility acute care hospital portfolio

Building Automation System Upgrades

Many of our acute care hospitals' HVAC systems are controlled by outdated, pneumatically operated building controls. Since initiating the Lifepoint Health Energy Program in 2020, we have completed retrofits at four hospitals with digital building automation systems, which enable the facilities to participate in our building analytics program and result in deep energy and cost savings. We continue to make investments in this program, with seven hospitals in

active retrofit construction and 22 hospitals in final stages of scope development and proposal reviews. Most importantly, the modern building automation systems provide real-time facility performance data needed to monitor and proactively respond to potential patient comfort issues and to provide assurance of continuous regulatory compliance and maximum infection control in critical clinical spaces.

Case Studies



Northeastern Nevada Regional Hospital

In 2023, we completed building automation system upgrades at Northeastern Nevada Regional Hospital, including digitizing building controls, creating variable air volume (VAV) for terminal boxes, and retro-commissioning and system balancing. With system updates in place during 2023, the hospital saw year-over-year decreases of 10% in electricity consumption and 12% in natural gas consumption (equivalent to approximately 350 metric tons of CO₂), and the facility's overall EUI score improved 13%.



Fauquier Health

In 2022, a thousand-ton chiller failed at Fauquier Health and required replacement. Prior to the development of our Energy Program, the scope of work would have included a "like for like" replacement of the chiller. However, based upon the calculated load reductions from a developing retro-commissioning (RCx) project, we were able to redesign the sizing of the cooling plant and consolidate three existing chillers into two chillers. The results of the energy project not only reduced the annual kWh consumption and associated energy cost, but also provided the ability to reduce system capacity, the amount of the capital investment and maintenance costs.

Environmental Impact by the Numbers

2023 Consumption

648 million kWh electricity used⁽¹⁾

23 million therms natural gas used

875 million gallons water used

2023 Annual Reductions (same-facility acute care portfolio)

48 million kWh electricity

1.1 million therms natural gas

Cumulative Reductions Since 2020 (same-facility acute care portfolio)

118 million kWh electricity

3.7 million therms natural gas

⁽¹⁾ 100% of electric usage sourced from the grid consisting of non-renewable sources

HealthTrust Purchasing Group

Through Lifepoint's partnership with HealthTrust Purchasing Group (HPG), we have expanded our access to environmentally friendly products and supplies, while gaining the financing savings of volume purchasing. As an equity partner in HPG since 1999, we are able to utilize its Environmentally Preferable Purchasing program to take environmental attributes into consideration for product sourcing and procurement. Through this program, HPG provides more high-quality products with less potential negative health or environmental impacts made by manufacturers committed to reducing waste throughout a product's life cycle.

As our largest supply chain partner, HPG also focuses on combating human trafficking and human rights violations in all facets of supplier operations, including raw materials and manufacturing. HPG's supplier contracts and its Supplier Code of Conduct obligate suppliers to ensure they don't have any forced labor or human rights violations and that they're appropriately monitoring their supply chain.

SASB Standards Index

The following table includes and references information responsive to the 2023 Health Care Delivery standards published by the Sustainability Accounting Standards Board (SASB) that we have elected to disclose based on applicability to our business. Data is presented as of, or for the year ended, December 31, 2023 for our consolidated portfolio unless otherwise noted.

| Topic | SASB Code | Metric | Reference/Direct Response |
|---|--------------|---|---|
| Activity Metrics | HC-DY-000.A | Number of (1) facilities and (2) beds, by type | 60 acute care hospitals (8,216 beds) 39 inpatient rehabilitation hospitals (1,929 beds) 23 behavioral health hospitals (1,741 beds) We also own or lease and operate medical office buildings, clinics and other ancillary properties in conjunction with many of our acute care hospitals. |
| | HC-DY-000.B | Number of (1) inpatient admissions and (2) outpatient visits | Approximately 300 thousand inpatient admissions Approximately 10 million outpatient visits |
| Energy Management | HC-DY-130a.1 | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | 2023 Impact Report, page 41 |
| Waste Management | HC-DY-150a.1 | Total amount of medical waste: percentage (a) incinerated, (b) recycled or treated, and (c) landfilled | 674 metric tons of medical waste: 5% incinerated; 20% recycled or treated; 75% landfilled |
| | HC-DY-150a.2 | Total amount of: (1) hazardous and (2) nonhazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated, and (c) landfilled | 13 metric tons of pharmaceutical waste: 99% incinerated; 1% other disposal |
| Patient Privacy & Electronic Health Records | HC-DY-230a.1 | Percentage of patient records that are Electronic Health Records (EHR) that meet "meaningful use" requirements | All Lifepoint acute care hospitals utilize a certified electronic health record system that meets Promoting Interoperability program requirements. |
| | HC-DY-230a.2 | Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII) | Lifepoint is committed to safeguarding the privacy and security of Protected Health Information (PHI) through a comprehensive set of policies and practices. These policies and practices collectively contribute to a comprehensive approach to safeguarding PHI, ensuring compliance with regulations, and promoting a culture of privacy and security within our organization. |
| Access for Low-Income Patients | HC-DY-240a.1 | Discussion of strategy to manage the mix of patient insurance status | All of our hospitals are certified to participate in their respective state Medicaid programs, which contributed approximately 19% of our revenues for fiscal 2023. We also provide care without charge to certain patients that qualify under the local charity care policy of our hospitals. |
| | HC-DY-240a.2 | Amount of Medicare Disproportionate Share Hospital (DSH) adjustment payments received | \$651 million of revenue |

| | | | |
|--------------------------------|--------------|--|---------------------------------|
| Pricing & Billing Transparency | HC-DY-270a.1 | Description of policies or initiatives to ensure that patients are adequately informed about price before undergoing a procedure | 2023 Impact Report, page 17 |
| | HC-DY-270a.2 | Discussion of how pricing information for services is made publicly available | 2023 Impact Report, page 17 |
| Employee Health & Safety | HC-DY-320a.1 | (1) Total recordable incident rate (TRIR) and (2) days away, restricted, or transferred (DART) rate | 4.6% TRIR DART not reported |
| | HC-DY-330a.2 | Description of talent recruitment and retention efforts for health care practitioners | 2023 Impact Report, pages 24-31 |

Workforce Demographic Data (EEO-1)

The tables below set forth certain workforce demographic information as of December 31, 2023 based on the U.S. Equal Employment Opportunity Commission's EEO-1 reporting categories.

| Gender Representation | Female | Male |
|---|--------|------|
| Executive/Senior-Level Officials and Managers | 56% | 44% |
| First/Mid-Level Officials and Managers | 74% | 26% |
| Professionals | 82% | 18% |
| All Other Employees ⁽¹⁾ | 82% | 18% |
| Total | 81% | 19% |

| Race and Ethnicity Representation | Asian | Black or African American | Hispanic or Latino | White | Other ⁽²⁾ |
|---|-------|---------------------------|--------------------|-------|----------------------|
| Executive/Senior-Level Officials and Managers | 2% | 7% | 3% | 86% | 2% |
| First/Mid-Level Officials and Managers | 2% | 6% | 4% | 86% | 2% |
| Professionals | 5% | 8% | 6% | 77% | 3% |
| All Other Employees ⁽¹⁾ | 3% | 14% | 9% | 70% | 4% |
| Total | 4% | 10% | 7% | 75% | 4% |

(1) All Other Employees includes the categories of technicians, sales workers, administrative support workers, craft workers, operatives, laborers and helpers, and service workers.

(2) Other includes Native American or Alaska Native, Native Hawaiian or Pacific Islander, and Two or More Races.



Lifepoint Health