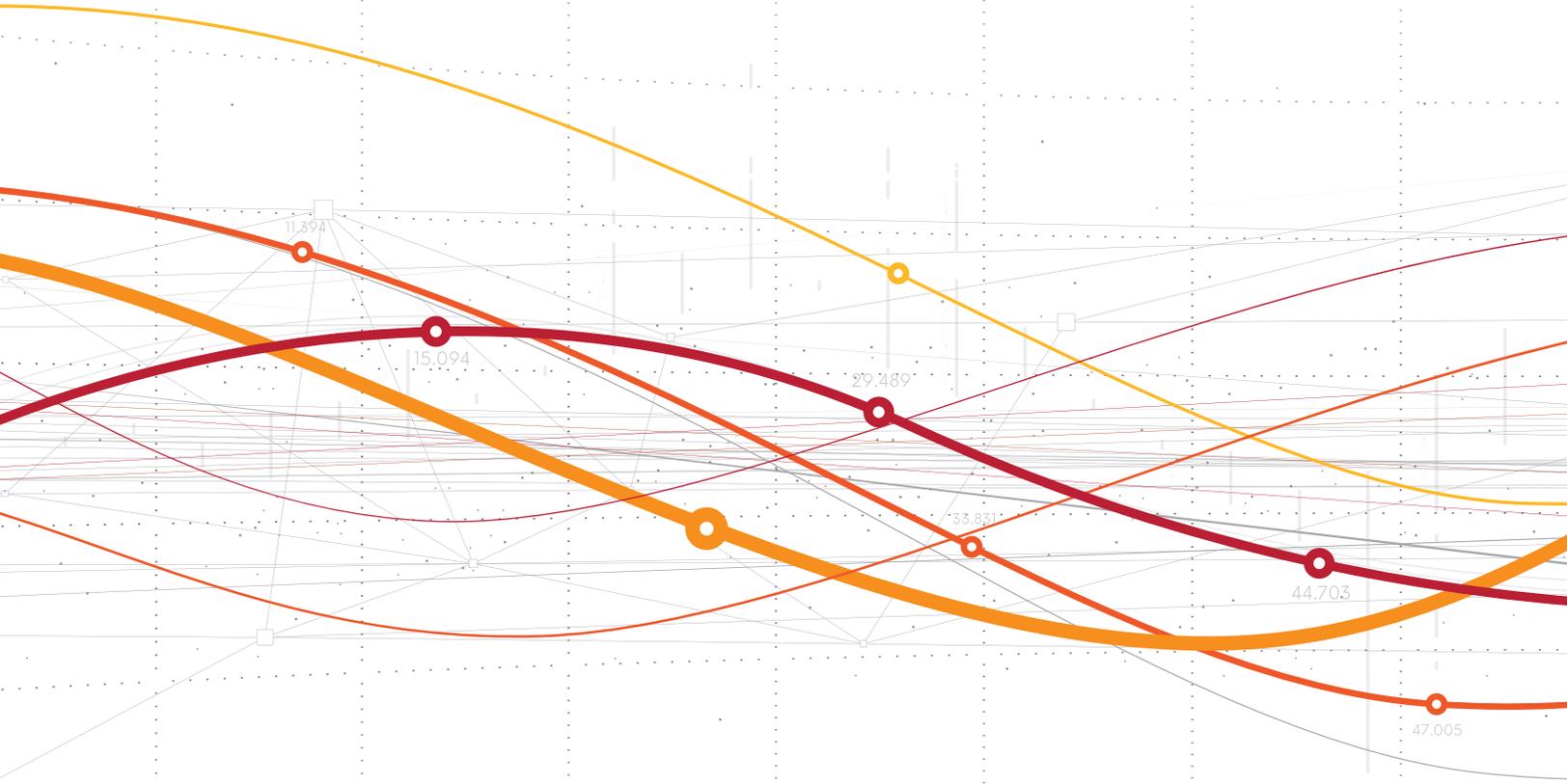


Piedmont Healthcare Foundation

Endowment Report

FISCAL YEAR 2019





For all that you do for Piedmont, thank you!

We are so grateful for donors like you who created 21 endowed funds to support the work of Piedmont Hospital. Some donors have invested in the future of our critical nursing staff by funding scholarships and educational opportunities. Some have invested in patient experiences by ensuring our spaces remain welcoming and aesthetically pleasing. Some donors have invested to advance technology and innovation. And others have given unrestricted funds to meet the greatest needs of the hospital as they arise.

In fulfillment of its stewardship responsibilities, the Piedmont Healthcare Foundation is committed to providing you with clear and concise updates about the health and performance of the total Piedmont endowment. We are pleased to

share with you this report of activities for the fiscal year ending June 30, 2019 along with a few examples of the impact of your support.

Endowments are a perpetual source of support for Piedmont programs and help make future accomplishments, yet to be conceived in the medical world, possible. Whatever your philanthropic motivation, your support is greatly appreciated.

If you have any questions about your endowment, please contact Jeanine Osborne, Stewardship Officer, at 404.605.2130.

Sidney Kirschner

FY20 Investment Committee

Steven Barth
Kevin Brown, *President/CEO*
Dorsey Farr

Samuel Burney Hay
Charles Hoke
Gary T. Jones

Amy W. Medendorp, *Chair*
Charles Jeff Mills
James Nelson

Sixty Plus Endowment

For more than 30 years, Sixty Plus Services at Piedmont has been providing services, education, and support to enhance the well-being of older adults and their families. The six-person Sixty Plus team helps older patients lead healthy lifestyles, maximize independence, promote safety, and experience a satisfying quality of life.



In Fiscal Year 2019, Sixty Plus served more than 4,000 clients, by providing 3,178 personalized consultations (which include office consults, home visits, room visits to hospitalized patients, phone consults and email consults), facilitating 83 caregiver support groups, and presenting 118 community education workshops and seminars. Sixty Plus expanded to Piedmont Henry in January 2019, making it Piedmont's fifth hospital to offer Sixty Plus Services to its community. Sixty Plus is also available at Piedmont Atlanta, Fayette, Mountainside, and Newnan hospitals.

The programs and support provided to older adults and their families through Sixty Plus Services are made possible by the generosity of our donors. Sixty Plus has provided services, education, and support to more than 40,000 older-adult patients and caregivers, free of charge.

Mark E. Silverman Medical Scholar Endowment Chair

Dr. Mark E. Silverman, who was instrumental in developing the cardiology program at Piedmont Hospital and directed its educational programs for many years, left an enduring legacy of commitment to education and medical scholarship at Piedmont. The Mark E. Silverman Endowed chair in Cardiology and Education was established to further the realization of Dr. Silverman's vision. Under the leadership provided in this position, a comprehensive program is constructed to highlight each of the disciplined and clinical pathways represented by Piedmont Heart. In September 2019, Piedmont Heart celebrated its fifth annual event to honor the educational legacy of Mark Silverman, M.D. The event focused on the Women's Heart Health program and honored visiting professor Dr. Malissa J. Wood, Co-Director of the Corrigan Women's Heart Health Program and Associate Professor of Medicine at Harvard Medical School.

David Watson Endowment

In 2019, it was reported that Georgia would soon have the sixth-worst nursing shortage in the nation. Richard Lamphier, President of the Georgia Nurses Association said, "About 50 percent of nurses are over the age of 50. We're losing nurses to retirement and we're not replacing them with younger nurses."

The shortage in Georgia is a great example of a need that we could not anticipate when the David Watson Nursing endowment, which funds scholarships for nursing students, was established.

Chrystal Jones, an RN who attended Walden University, received a scholarship for her Nurse Practitioner program which ended in November 2019. "I appreciate it because it can be very hard to work fulltime, raise and child and go to school fulltime."

Tonya Mallory-Speech was an LPN in the Mason Transplant Clinic. She attended Albany State University to receive her RN degree. Tonya stated "I feel my responsibility to the nursing profession after I graduate is to continue to be an asset. I will continue to strive to be the best nurse I can be and provide patients and families with superior care."

Fuqua Legacy Endowment

In early 2019 the Fuqua classroom at the Fuqua Heart Center at Piedmont was completely gutted and renovated. The outdated room divider, millwork and closets were removed to allow better utilization of the existing square footage. The orientation of the room was changed to fit more people and the old audiovisual equipment was removed and replaced with two new, larger televisions, a 120-inch projection screen and a new microphone system.

FUQUA CLASSROOM BEFORE RENOVATIONS:



FUQUA CLASSROOM AFTER RENOVATIONS:



Piedmont Heart provides education and training to physicians and clinical representatives from across the country by serving as a training site for industry partners. Led by Piedmont Heart faculty, sponsored physicians participate in interactive live cases transmitted from our catheterization labs to the Fuqua Classroom. Attendees also get hands-on instruction by participating in a demo model training session where they learn how to set-up and use the device. Participants also discuss clinical applications, patient selection, and treatment algorithms. The goal of each course is to provide physicians with education to incorporate into their clinical practice, ultimately improving the delivery of healthcare.

The purpose of the J. B. Fuqua endowment is to ensure that the Fuqua Heart Center at Piedmont is always equipped with the most advanced state-of-the-art equipment available; to support and enhance scientific and educational programs; and to support the work of the individuals and teams responsible for carrying out the purposes of the Fuqua Heart Center at Piedmont.

Smith Cancer Endowment

Since the start of the Dana G. Smith Cancer Assistance Fund in 2006, more than \$300,000 has been disbursed to aid cancer patients who are undergoing treatment and need help paying their bills. The fund helps cover grantees' mortgage payments, utilities, and medications. In 2018, 51 patients received assistance with payments that totaled \$36,449, and since the beginning of this fiscal year (July 1, 2019), 36 patients have received a total of \$39,850 in payments.

Patients helped by the fund include:

*Thoughtful, hard-working, 64 year-old, **Bob** was a middle engineer and preparing to retire from the large corporation he worked at his entire career. Bob and his wife had just moved into a new home south of Atlanta when he received a shocking cancerous brain tumor diagnosis in 2017.*

Bob continued to work through the first 18 months of treatment but in late 2018, he and his wife realized that the brain tumor was affecting his cognitive abilities. He needed to leave work on disability. Bob had disability insurance through his employer, but the payment would come once a month, at the end of the month. All of their bills were due on or near the beginning of the month so Bob and his wife weren't sure how they would manage the one-month gap in income. With the help of a Dana G. Smith grant to assist with two months of their mortgage, Bob was able to leave work on disability within in a safe timeframe. The financial assistance gave them breathing room to use their energy to address other issues, such as preparing for his ongoing treatment and inevitable death. Bob's wife believes his quality and length of life were greater because of the grant.

***Ellen** was only in her 30's when she was diagnosed with stage III colorectal cancer. She underwent surgery which was followed by months of chemotherapy that caused significant side effects. After using all of her leave time to manage her surgery and recovery, Ellen was eventually forced to take leave without pay because she was unable to work during her chemotherapy. A Dana G. Smith grant covered four months of her share of rent ensuring safe, secure housing during her final series of chemotherapy treatments. The peace of mind that came with not having to worry about rent was beyond Ellen's ability to express in words. During the last two months of her treatment, with her housing secured, Ellen was able to maintain good nutrition, work on her résumé and job search. Ellen's steady work history and favorable medical prognosis would allow her to rejoin the workforce with confidence and the Dana G. Smith grant ensured that she could enter survivorship with a lightened financial burden.*

William C. Waters III MD Honorary Endowment

The William C. Waters Award for Clinical Excellence was established in 2002 to honor Dr. William C. Waters III, a physician leader who practiced at Piedmont from 1970 until his retirement in 2002. Dr. Waters was known for his brilliant clinical insights, unending compassion and persuasive humanism.

Winners of the 2019 William C. Waters Award for Clinical Excellence were announced at the December Medical Staff meeting. Barbara Casey, R.N., and Jyoti Sharma, M.D. were recognized for providing excellent clinical care with extraordinary compassion.

Barbara works in the operating room, where she is often assigned to medically complex patients scheduled for multi-surgeon procedures because of her high level of expertise and professionalism.

Dr. Sharma is a cardiologist with Piedmont Heart Institute who is passionate about women's heart health. Her passion has been contagious, leading to a focus on women's heart health issues.

Education Endowment

Piedmont is dedicated to providing educational opportunities for staff, as well as the next generation of healthcare workers. Thanks to the Education Endowment, which was created to support the hospital's education expenses, Piedmont Atlanta was able to purchase a SimMan3G manikin. The manikin is being used in



the newly remodeled high-fidelity simulation lab. In this space, physicians, advanced practice providers, nurses, and respiratory therapists run simulations of critical illness so they can work better as a team when patients become critically ill. The new manikin also allows the simulation leaders to observe from a control room, giving practitioners a more realistic experience as they maneuver common scenarios such as cardiac arrest, sepsis, and airway management.

Anne Deborde Spiritual Care Endowment and Chapel Flowers

Renovation of the Chapel at Piedmont Atlanta Hospital was made possible by the Anne Deborde Spiritual Care Endowment. Chapel Flowers provided by the Chapel Flowers Endowment Fund.

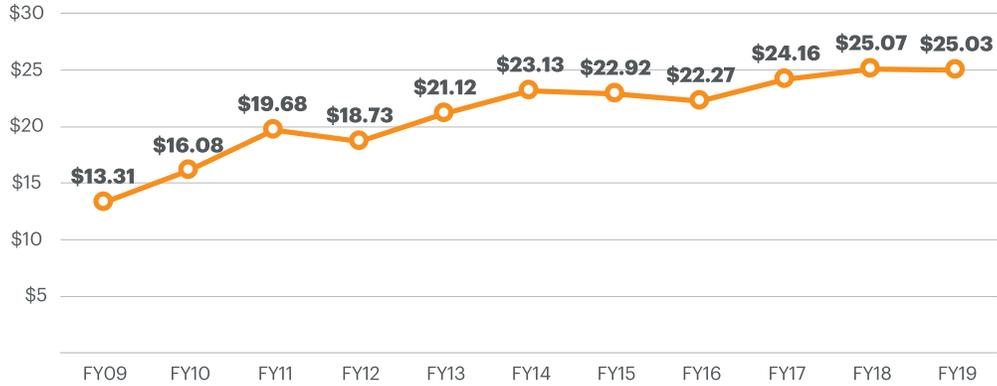
CHAPEL BEFORE:



CHAPEL AFTER:



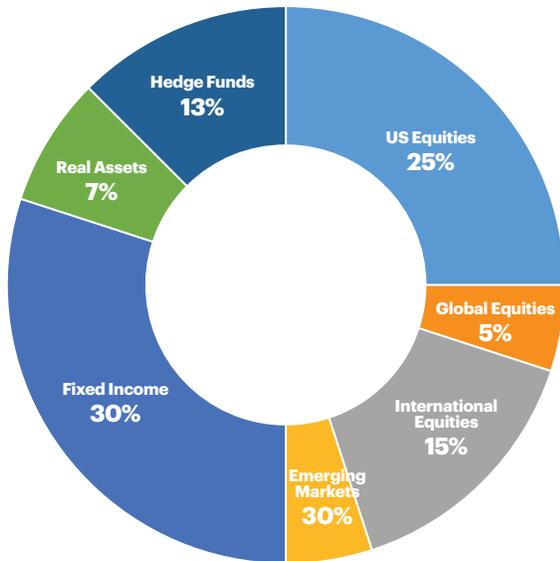
Endowment Growth (Millions)



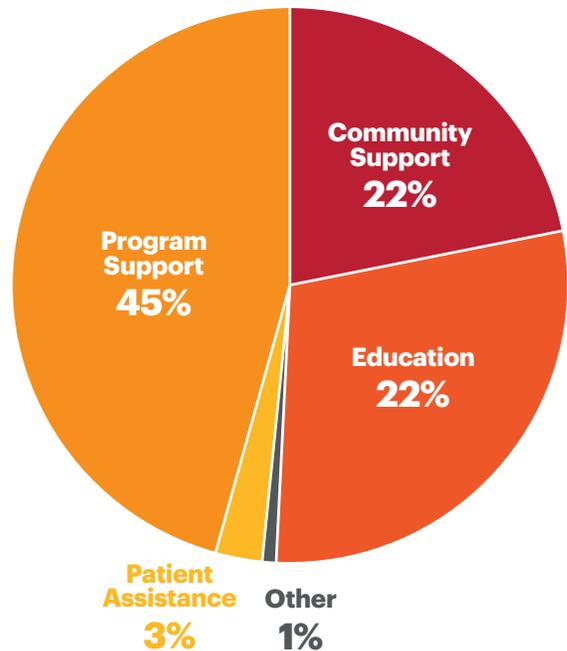
Annual Rate of Return Compared to Benchmark

Annual Rate of Return	Calendar 2019	Annualized Trailing		
		3 Years	5 Years	10 Years
Actual	20.0%	9.4%	6.3%	7.4%
Benchmark	17.7%	8.2%	5.4%	6.8%

Asset Allocation



Endowment Areas of Support



Endowment Portfolio Health

Over the past three years, the endowment funds returned 9.4% on a net of fees, annualized basis. After mixed results for 2017 and 2018 (+15.8% and -5.9% respectively), the endowment funds had a strong 2019 returning +20.0%. In addition to this strong performance, underlying managers and strategies also performed well, outperforming benchmark by 120 basis points across the same three year annualized basis (9.4% vs. benchmark return of +8.2%).

Despite an increase in market volatility associated with global macro events (e.g. China tariffs, BREXIT, etc.), capital markets did well on the heels of continued optimism with U.S. economic strength, a market rebound after a poor fourth quarter 2018,

and the Federal Reserve being proactive by lowering interest rates throughout much of 2019. While other areas of the portfolio did well in 2019 (bonds +9.0% and hedge funds +12.2%), the lion's share of the endowment fund's growth came from equities which were up more than +30%.

While the markets enjoyed a strong 2019, the Investment Committee and consulting firm remained busy reviewing implementation strategies across the equity and bond portfolios. Looking ahead to 2020, the Investment Committee will also be conducting an in-depth review of asset allocation, portfolio risk positioning, and a review of opportunistic/thematic investment ideas based on current market conditions and valuations.



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