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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 04/01 , **2010, and ending** 03/31, **20** 11

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Doing Business As NORTHWEST MEDICAL CENTER

Number and street (or P O box if mail is not delivered to street address) | Room/suite
705 NORTH COLLEGE ST.

City or town, state or country, and ZIP + 4
ALBANY, MO 64402

D Employer identification number
44-0580870

E Telephone number
(660) 726-3941

G Gross receipts $ 14,781,706.

F Name and address of principal officer JON DOOLITTLE
705 N COLLEGE ST. ALBANY, MO 64402

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW.NORTHWESTMEDICALCENTER.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1955 | **M** State of legal domicile MO

Part I Summary

1 Briefly describe the organization's mission or most significant activities.
TO SERVE OUR COMMUNITY BY PROVIDING COMPASSIONATE, VALUE-DRIVEN HEALTH CARE AS WE PREVENT ILLNESS, RESTORE HEALTH, AND PROVIDE COMFORT TO ALL WHO ENTRUST US WITH THEIR CARE.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	12.
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12.
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	197.
6	Total number of volunteers (estimate if necessary)	6	12.
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	49,414.	104,603.
9	Program service revenue (Part VIII, line 2g)	14,329,942.	14,316,551.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	111,773.	138,979.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	198,117.	204,400.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,689,246.	14,764,533.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	84,147.	40,789.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	8,246,072.	8,278,093.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	6,357,760.	6,441,351.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	14,687,979.	14,760,233.
19	Revenue less expenses. Subtract line 18 from line 12	1,267.	4,300.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	16,486,612.	17,831,490.
21	Total liabilities (Part X, line 26)	1,756,543.	2,714,219.
22	Net assets or fund balances Subtract line 21 from line 20	14,730,069.	15,117,271.

SCANNED MAR 08 2012

RECEIVED FEB 21 2012 IRS-OSC OGDEN, UT

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Signature of officer — Date ✓ 2/17/12

▶ Type or print name and title: Nate Blackford VP of HR & Finance

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
Michael J. Engle, CPA	Michael J. Engle	FEB 13 2012	☐	

Firm's name ▶ BKD, LLP — Firm's EIN ▶

Firm's address ▶ 1201 WALNUT, SUITE 1700 KANSAS CITY, MO 64106-2246 — Phone no 816 221-6300

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2010)

JSA
0E1010 1 000

Part III **Statement of Program Service Accomplishments**
Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission
TO SERVE OUR COMMUNITY BY PROVIDING COMPASSIONATE, VALUE-DRIVEN HEALTH CARE AS WE PREVENT ILLNESS, RESTORE HEALTH, AND PROVIDE COMFORT TO ALL WHO ENTRUST US WITH THEIR CARE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses $ 9,583,457 including grants of $ 40,789.) (Revenue $ 11,596,406)
INPATIENT - WE SAW A TOTAL OF 4,487 PATIENTS DAYS COMBINED FOR OUR ACUTE CARE AND SWING BED PROGRAM. 3,807 (84.85%) PATIENT DAYS WERE MEDICARE PATIENTS WITH ANOTHER 143 (4.63%) DAYS BEING MEDICAID.

4b (Code _____) (Expenses $ 2,011,343 including grants of $ 0) (Revenue $ 2,433,814)
EMERGENCY ROOM - WE SAW 2,986 PATIENTS IN THE LAST YEAR THROUGH THE EMERGENCY ROOM. 35% OF PATIENTS SEEN IN THE ER WERE FROM MEDICARE AND 23% WERE MEDICAID.

4c (Code _____) (Expenses $ 236,629 including grants of $ 0) (Revenue $ 286,331.)
HOME HEALTH - WE SERVED 4,201 PATIENTS THROUGH OUR HOME HEALTH AGENCY. OUT OF THE TOTAL PATIENTS SEEN, 93% WERE MEDICARE AND 2% WERE MEDICAID.

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses ▶ 11,831,429.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	X	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments—othersecurities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20 a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	X	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25 a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ Yes ☒ No			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V. ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	44		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	197		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b			

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI X

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 1a 12			
b	Enter the number of voting members included in line 1a, above, who are independent 1b 12			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ MO,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ JON DOOLITTLE 705 N COLLEGE ST. ALBANY, MO 64402
660-726-3941

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) KEVIN HARDING DIRECTOR/CHAIRMAN	1.00	X		X				0.	0.	0.
(2) KENT PETERSON DIRECTOR/VICE CHAIRMAN	1.00	X		X				0.	0.	0.
(3) JOANN GIBBANY DIRECTOR/TREASURER	1.00	X		X				0.	0.	0.
(4) RHONDA SCHNEIDER DIRECTOR/SECRETARY	1.00	X		X				0.	0.	0.
(5) KIM FINDLEY DIRECTOR	1.00	X						0.	0.	0.
(6) MARY EWING DIRECTOR	1.00	X						0.	0.	0.
(7) NORMA HILL DIRECTOR	1.00	X						0.	0.	0.
(8) JIM HUMPHREY DIRECTOR	1.00	X						0.	0.	0.
(9) ROBERT MILLER DIRECTOR	1.00	X						0.	0.	0.
(10) SERENA NAYLOR DIRECTOR	1.00	X						0.	0.	0.
(11) DAVID PARMAN DIRECTOR	1.00	X						0.	0.	0.
(12) ROBERT SMITH DIRECTOR	1.00	X						0.	0.	0.
(13) JOHN RICHMOND (RETIRED 7/23/10) PRESIDENT AND CEO	40.00			X				790,598.	0.	12,130.
(14) BARBARA AXON EXECUTIVE VICE PRESIDENT	36.00			X				119,496.	0.	4,098.
(15) DONNA WALTER VP OF PATIENT CARE SERVICES	40.00			X				101,719.	0.	4,090.
(16) MARK THORN VP OF FINANCE	40.00			X				118,807.	0.	4,586.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) JAMES CROUCH VP OF INFORMATION TECHNOLOGY	40.00			X				92,833.	0.	3,829.
(18) JON DOOLITTLE PRESIDENT AND CEO	40.00			X				129,852.	0.	5,299.
(19) DR. NASER SOGHRATI ER PHYSICIAN	75.00					X		352,617.	0.	10,701.
(20) DR. ANGELA MARTIN FAMILY PRACTICE PHYSICIAN	40.00					X		190,965.	0.	8,592.
(21) DR. JACKIE MILLER FAMILY PRACTICE PHYSICIAN	40.00					X		372,498.	0.	2,137.
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
1b Sub-total ▶								2,269,385.	0.	55,462.
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								2,269,385.	0.	55,462.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 8

		Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*		X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	X	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
DR. JACKIE MILLER KING CITY, MO 64463	ER PHYSICIAN	138,347.
HAVE A NICE DAY ANESTHESIA CHILLICOTHE, MO 64601	ANESTHESIA SERVICES	125,004.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 2

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c	5,520			
	d Related organizations	1d				
	e Government grants (contributions)	1e	9,046			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	90,037			
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f		104,603			
Program Service Revenue		Business Code				
	2a NET PATIENT SERVICE REVENUE	621110	14,316,551	14,316,551		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		14,316,551			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		118,569			118,569
	4 Income from investment of tax-exempt bond proceeds		0			
	5 Royalties		0			
		(i) Real	(ii) Personal			
	6a Gross Rents	9,100				
	b Less rental expenses	4,982.				
	c Rental income or (loss)	4,118				
	d Net rental income or (loss)		4,118			4,118
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		20,410			
	b Less cost or other basis and sales expenses		0			
	c Gain or (loss)		20,410			
	d Net gain or (loss)		20,410			20,410
	8a Gross income from fundraising events (not including $ 5,520 of contributions reported on line 1c) See Part IV, line 18	a 20,979				
	b Less direct expenses	b 12,191				
	c Net income or (loss) from fundraising events		8,788.			8,788
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities		0			
	10a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory		0			
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA	811000	60,908			60,908
	b VENDING MACHINE	900099	4,685			4,685
	c					
	d All other revenue	900099	125,901			125,901
	e Total. Add lines 11a-11d		191,494.			
	12 Total revenue. See instructions		14,764,533.	14,316,551	0	343,379

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	40,789.	40,789.		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	813,989.		813,989.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	146,469.	146,469.		
7 Other salaries and wages	5,606,200.	5,323,753.	282,447.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	115,123.	95,901.	19,222.	
9 Other employee benefits	1,137,531.	860,440.	277,091.	
10 Payroll taxes	458,781.	382,178.	76,603.	
11 Fees for services (non-employees)				
a Management	0.			
b Legal	7,226.		7,226.	
c Accounting	80,613.		80,613.	
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	1,681,263.	875,897.	805,366.	
12 Advertising and promotion	12,610.	4,261.	8,349.	
13 Office expenses	1,465,641.	1,411,334.	54,307.	
14 Information technology	237,370.	184,981.	52,389.	
15 Royalties	0.			
16 Occupancy	282,301.	227,461.	54,840.	
17 Travel	145,224.	63,062.	82,162.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	0.			
20 Interest	3,587.		3,587.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	651,836.	514,950.	136,886.	
23 Insurance	174,901.	138,172.	36,729.	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a BAD DEBT	1,011,340.	1,011,340.		
b REPAIRS AND MAINTENANCE	589,207.	485,296.	103,911.	
c EDUCATION	47,056.	39,914.	7,142.	
d DUES & SUBSCRIPTIONS	18,993.	18,993.		
e				
f All other expenses	32,183.	6,238.	25,945.	
25 **Total functional expenses.** Add lines 1 through 24f	14,760,233.	11,831,429.	2,928,804.	0.
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		723,644.	1	486,376.
	2	Savings and temporary cash investments		39,689.	2	19,304.
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		2,363,492.	4	3,730,250.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		202,560.	8	418,152.
	9	Prepaid expenses and deferred charges		171,694.	9	169,936.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 13,712,092.			
	b	Less accumulated depreciation	10b 6,642,352.	6,326,653.	10c	7,069,740.
	11	Investments - publicly traded securities		1,723,574.	11	1,349,566.
	12	Investments - other securities See Part IV, line 11			12	
	13	Investments - program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		4,935,306.	15	4,588,166.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		16,486,612.	16	17,831,490.
Liabilities	17	Accounts payable and accrued expenses		1,509,812.	17	1,112,740.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		246,731.	23	1,601,479.
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D			25	
	26	**Total liabilities.** Add lines 17 through 25		1,756,543.	26	2,714,219.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		11,331,052.	27	11,379,390.
	28	Temporarily restricted net assets		3,266,252.	28	3,605,116.
	29	Permanently restricted net assets		132,765.	29	132,765.
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		14,730,069.	33	15,117,271.
	34	Total liabilities and net assets/fund balances		16,486,612.	34	17,831,490.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI X

1	Total revenue (must equal Part VIII, column (A), line 12)	1	14,764,533.
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,760,233.
3	Revenue less expenses Subtract line 2 from line 1	3	4,300.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	14,730,069.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	382,902.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	15,117,271.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization	**Employer identification number**
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870

Part I Reason for Public Charity Status (All organizations must complete this part) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii)	A family member of a person described in (i) above?	11g(ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2010

JSA
0E1210 3 000

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)** (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) . . . . . 14 %

15 Public support percentage from 2009 Schedule A, Part II, line 14 . . . . . 15 %

16a **33 1/3 % support test - 2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **33 1/3 % support test - 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

17a **10%-facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **10%-facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . . . ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10 a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19 a **33 1/3 % support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3 % support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Also complete this part for any additional information. (See instructions)

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of organization	Employer identification number
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2 Political expenditures . . . . . ▶ $

3 Volunteer hours . . . . . .

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 . . . . . ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . . . ☐ Yes ☐ No

4a Was a correction made? . . . . . ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities . . . . . ▶ $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . . . ▶ $

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b . . . . . ▶ $

4 Did the filing organization file **Form 1120-POL** for this year? . . . . . ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

	(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		X	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c	Media advertisements?		X	
d	Mailings to members, legislators, or the public?		X	
e	Publications, or published or broadcast statements?		X	
f	Grants to other organizations for lobbying purposes?	X		3,915.
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i	Other activities? If "Yes," describe in Part IV		X	
j	Total Add lines 1c through 1i			3,915.
2 a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i Also, complete this part for any additional information

Part IV Supplemental Information *(continued)*

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number

44-0580870

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

- ☐ Preservation of land for public use (e g , recreation or education)
- ☐ Protection of natural habitat
- ☐ Preservation of open space
- ☐ Preservation of an historically important land area
- ☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	132,765.	132,765.	132,765		
b Contributions					
c Net investment earnings, gains, and losses	36,702	14,604	0		
d Grants or scholarships					
e Other expenditures for facilities and programs	36,702.	14,604	0		
f Administrative expenses					
g End of year balance	132,765	132,765	132,765		

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ 0.0000 %
- b Permanent endowment ▶ 100.0000 %
- c Term endowment ▶ 0.0000 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		X
(ii) related organizations	3a(ii)		X
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		41,867.		41,867.
b Buildings		7,608,920.	3,278,883.	4,330,037.
c Leasehold improvements				
d Equipment		4,640,637.	3,224,597.	1,416,040.
e Other		1,420,668.	138,872.	1,281,796.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* ▶				7,069,740.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

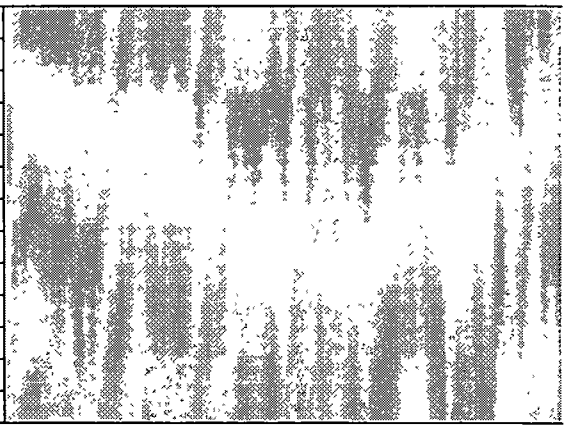
(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER ASSETS	125,700.
(2) INTEREST RECEIVABLE	43,346.
(3) REPURCHASE AGREEMENTS	60,000.
(4) INTEREST IN TRUST ASSETS	3,605,116.
(5) ANNUITIES	684,004.
(6) DUE FROM THIRD PARTIES	70,000.
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	4,588,166.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	



2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	14,764,533.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	14,760,233.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	4,300.
4	Net unrealized gains (losses) on investments	4	44,038.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	338,864.
9	Total adjustments (net). Add lines 4 through 8	9	382,902.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	387,202.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	14,747,768.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	44,038.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	17,173.		
e	Add lines 2a through 2d			2e	61,211.
3	Subtract line 2e from line 1			3	14,686,557.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	77,976.		
c	Add lines 4a and 4b			4c	77,976.
5	Total revenue Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12)*			5	14,764,533.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	14,777,406.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d	17,173.		
e	Add lines 2a through 2d			2e	17,173.
3	Subtract line 2e from line 1			3	14,760,233.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines 4a and 4b			4c	
5	Total expenses Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18)*			5	14,760,233.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

SEE PAGE 5

Part XIV Supplemental Information *(continued)*

INTENDED USE OF ENDOWMENT FUNDS

SCHEDULE D, PART V, LINE 4

THE ENDOWMENT IS USED FOR ANY AND ALL HOSPITAL EXPENSES OF ANY NATURE.

UNCERTAIN TAX POSITIONS DISCLOSURE

SCHEDULE D, PART X, LINE 2

MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 740. BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS.

RECONCILIATION OF CHANGE IN NET ASSETS

SCHEDULE D, PART XI, LINE 8

NET GAIN ON INTEREST IN TRUST ASSETS	$ 416,840
NET ASSETS RELEASED FROM RESTRICTION	$ (77,976)
	$ 338,864

OTHER REVENUE ON BOOKS BUT NOT ON RETURN

SCHEDULE D, PART XII, LINE 2D

SPECIAL EVENT EXPENSES	$ 12,191
RENTAL EXPENSES	$ 4,982
	$ 17,173

Part XIV Supplemental Information *(continued)*

OTHER REVENUE ON RETURN BUT NOT ON BOOKS

SCHEDULE D, PART XII, LINE 4B

NET ASSETS RELEASED FROM RESTRICTION	$ 77,976

OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

SCHEDULE D, PART XIII, LINE 2D

SPECIAL EVENT EXPENSES	$ 12,191
RENTAL EXPENSES	$ 4,982

	$ 17,173

SCHEDULE G
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions

OMB No 1545-0047
2010
Open To Public Inspection

Name of the organization
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number
44-0580870

Part I **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17 Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

a ☐ Mail solicitations
b ☐ Internet and email solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	(iii) No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total ▶							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b List events with gross receipts greater than $5,000

		(a) Event #1 GOLF TOURNAMENT (event type)	(b) Event #2 (event type)	(c) Other Events 0. (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	26,499.			26,499.
	2 Less. Charitable contributions	5,520.			5,520.
	3 Gross income (line 1 minus line 2)	20,979.			20,979.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	12,191.			12,191.
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(12,191.)
	11 Net income summary Combine line 3, column (d), and line 10 ▶				8,788.

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary Combine line 1, column d, and line 7 ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ _____

Address ▶ _____

15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶$ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address of the third party

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶$ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable Also complete this part to provide any additional information (see instructions).

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number
44-0580870

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b	If "Yes," was it a written policy?	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care [ ] 100% [ ] 150% [ ] 200% [X] Other 125.0000 %	X	
b	Did the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care [ ] 200% [ ] 250% [ ] 300% [ ] 350% [ ] 400% [ ] Other _____ %		X
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care		
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a	Did the organization prepare a community benefit report during the tax year?	X	
b	If "Yes," did the organization make it available to the public?	X	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			859,007.	488,984.	370,023.	2.51
b Unreimbursed Medicaid (from Worksheet 3, column a)			1,903,254.	1,444,971.	458,283.	3.10
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			2,762,261.	1,933,955.	828,306.	5.61
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,957.		2,957.	
f Health professions education (from Worksheet 5)			47,056.		47,056.	.32
g Subsidized health services (from Worksheet 6)			8,100,045.	7,658,749.	441,296.	2.99
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			40,789.	20,258.	20,531.	.14
j **Total.** Other Benefits			8,190,847.	7,679,007.	511,840.	3.45
k **Total.** Add lines 7d and 7j			10,953,108.	9,612,962.	1,340,146.	9.06

Part II **Community Building Activities** Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			40,789.		40,789.	.28
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			40,789.		40,789.	.28

Part III **Bad Debt, Medicare, & Collection Practices**

Section A. Bad Debt Expense

			Yes	No
1	Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1		X
2	Enter the amount of the organization's bad debt expense (at cost)	2 755,755.		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3 309,859.		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts in community benefit			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	6,405,838.
6	Enter Medicare allowable costs of care relating to payments on line 5	6	6,475,602.
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-69,764.
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☒ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy during the tax year?	9a	X	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV **Management Companies and Joint Ventures**

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 NORTHWEST MEDICAL CENTER 705 NORTH COLLEGE ST ALBANY MO 64402	X	X			X		X		
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: NORTHWEST MEDICAL CENTER

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
	If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment 20 __ __			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5	Did the hospital facility make its Needs Assessment widely available to the public?	5		
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a	☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide community benefit plan			
d	☐ Participation in the execution of a community-wide community benefit plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8		
9	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9		
	If "Yes," indicate the FPG family income limit for eligibility for free care __ __ __ %			

Part V Facility Information *(continued)* NORTHWEST MEDICAL CENTER

		Yes	No
10	Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care _ _ _ %		
11	Explained the basis for calculating amounts charged to patients?	11	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)		
a	☐ Income level		
b	☐ Asset level		
c	☐ Medical indigency		
d	☐ Insurance status		
e	☐ Uninsured discount		
f	☐ Medicaid/Medicare		
g	☐ State regulation		
h	☐ Other (describe in Part VI)		
12	Explained the method for applying for financial assistance?	12	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		
a	☐ The policy was posted on the hospital facility's website		
b	☐ The policy was attached to billing invoices		
c	☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	☐ The policy was posted in the hospital facility's admissions offices		
e	☐ The policy was provided, in writing, to patients on admission to the hospital facility		
f	☐ The policy was available on request		
g	☐ Other (describe in Part VI)		

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14	
15	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year		
a	☐ Reporting to credit agency		
b	☐ Lawsuits		
c	☐ Liens on residences		
d	☐ Body attachments		
e	☐ Other actions (describe in Part VI)		
16	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16	
	If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply)		
a	☐ Reporting to credit agency		
b	☐ Lawsuits		
c	☐ Liens on residences		
d	☐ Body attachments		
e	☐ Other actions (describe in Part VI)		
17	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply)		
a	☐ Notified patients of the financial assistance policy on admission		
b	☐ Notified patients of the financial assistance policy prior to discharge		
c	☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d	☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance		
e	☐ Other (describe in Part VI)		

Part V Facility Information *(continued)* NORTHWEST MEDICAL CENTER

Policy Relating to Emergency Medical Care

			Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18		
	If "No," indicate the reasons why (check all that apply)			
a	☐ The hospital facility did not provide care for any emergency medical conditions			
b	☐ The hospital facility did not have a policy relating to emergency medical care			
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d	☐ Other (describe in Part VI)			

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)			
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c	☐ The hospital facility used the Medicare rate for those services			
d	☐ Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	20		
	If "Yes," explain in Part VI			
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?	21		
	If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 5

	Name and address	Type of Facility (describe)
1	NMC CLINIC EAST 1607 EAST HWY 136 ALBANY MO 64402	PHYSICIAN CLINIC
2	NMC CLINIC WEST 402 EAST HWY 136 ALBANY MO 64402	PHYSICIAN CLINIC
3	NMC HOME HEALTH AGENCY 1607 EAST HWY 136 ALBANY MO 64402	HOME HEALTH AGENCY
4	NMC GRANT CITY CLINIC 16 WEST 4TH STREET GRANT CITY MO 64456	PHYSICIAN CLINIC
5	STANBERRY RURAL HEALTH CLINIC 202 EAST MAIN STREET STANBERRY MO 64489	RURAL HEALTH CLINIC
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

SCHEDULE H, PART I, LINE 3C

THE PATIENT QUALIFIES FOR 100% DISCOUNTED CARE IF THEY ARE BELOW 125% OF THE FPG. THE ORGANIZATION DOES NOT USE AN ASSET TEST OR ANY OTHER THRESHOLD OTHER THAN PRIOR YEARS TAX RETURNS, 3 CONSECUTIVE PAY STUBS, OR PROOF OF UNEMPLOYEMENT.

SCHEDULE H, PART I, LINE 7, COLUMN F

THE AMOUNT OF BAD DEBT EXPENSE REMOVED FROM TOTAL EXPENSES FOR CALCULATING THE NET COMMUNITY BENEFIT EXPENSE PERCENTAGE WAS $1,011,340.

SCHEDULE H, PART I, LINE 7

THE COSTING METHODOLOGY USED TO CALCULATE THE AMOUNTS CONTAINED IN THE TABLE OF PART I, LINE 7, OF SCHEDULE H, IS A COST TO CHARGE RATIO.

SCHEDULE H, PART I, LINE 7G

COSTS ATTRIBUTABLE TO PHYSICIAN'S CLINICS	$ 847,618

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

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6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

COMMUNITY BUILDING ACTIVITIES

SCHEDULE H, PART II

WE HAVE A BOARD OF DIRECTORS THAT IS MADE UP OF 12 VOLUNTEERS OF THE COMMUNITY. EVERY DECISION WE MAKE IS BASED ON HOW IT EFFECTS THE COMMUNITY. WE GIVE DONATIONS AND CHARITY CARE TO AID IN LOCAL NEEDS. BECAUSE WE ARE A SMALL RURAL HOSPITAL AND ARE ONE OF THE LARGEST EMPLOYERS IN THE AREA, EVERYTHING WE DO EFFECTS THE BUILDING OF THE COMMUNITY AROUND US.

BAD DEBT EXPENSE

SCHEDULE H, PART III, LINE 4

ACCOUNTS ARE CONSIDERED DELINQUENT AND SUBSEQUENTLY WRITTEN OFF AS BAD DEBTS BASED ON INDIVIDUAL CREDIT EVALUATION AND SPECIFIC CIRCUMSTANCES OF THE ACCOUNT.

OUR BAD DEBT IS FIGURED ON THE ALLOWANCE METHOD, THEREFORE, ANYTHING OUTSTANDING IN THE AGING BUCKETS WOULD BE INCLUDED IN THE ALLOWANCE CALCULATION. THIS ALSO MEANS THAT THERE WILL BE PEOPLE WHO ARE CURRENTLY

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

IN THE PROCESS OF SUBMITTING CHARITY CARE PAPERWORK THAT ARE INCLUDED IN THE BAD DEBT NUMBER.

MEDICARE SHORTFALL

SCHEDULE H, PART III, LINE 8

SERVING PATIENTS WITH GOVERNMENT HEALTH BENEFITS, SUCH AS MEDICARE, IS A COMPONENT OF THE COMMUNITY BENEFIT STANDARD THAT TAX-EXEMPT HOSPITALS ARE HELD TO. THIS IMPLIES THAT SERVING MEDICARE PATIENTS IS A COMMUNITY BENEFIT AND THAT THE HOSPITAL OPERATES TO PROMOTE THE HEALTH OF THE COMMUNITY.

COLLECTION PRACTICES

SCHEDULE H, PART III, LINE 9B

IF THE PATIENT QUALIFIES FOR CHARITY CARE THEN WE WRITE OFF THEIR BILL TO CHARITY CARE. THOSE PATIENTS NO LONGER OWE THE HOSPITAL WHAT IS OWED FOR THOSE PATIENT VISITS.

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

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4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

NEEDS ASSESSMENT

SCHEDULE H, PART VI, LINE 4

WE DO OUR NEEDS ASSESSMENT THROUGH OUR BALANCED SCORECARD COMMITTEE. WE LOOK AT WHO WE SERVE AND WHAT WE NEED TO DO DIFFERENTLY TO MAKE SURE WE ARE MEETING THE NEEDS OF OUR COMMUNITY.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

SCHEDULE H, PART VI, LINE 3

OUR SOCIAL WORKER PERSONALLY VISITS WITH PATIENTS TO DISCUSS WITH THEM ALL OF THEIR OPTIONS AND WILL HELP IN ANY WAY TO FILL OUT PAPERWORK AND FILE IT WITH THE APPROPRIATE AGENCY, IF NECESSARY. WE HAVE A DESIGNATED PERSON IN FINANCIAL PATIENT SERVICES TO HELP IN SETTING UP PAYMENTS, GIVING OUT CHARITY CARE PACKETS, FOLLOWING UP ON MISSING OR INCOMPLETE FORMS, AND TO ANSWER ANY AND ALL QUESTIONS PERTAINING TO OUR CHARITY CARE POLICY.

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

COMMUNITY INFORMATION

SCHEDULE H, PART VI, LINE 4

WE SERVE A THREE COUNTY (GENTRY, WORTH, HARRISON) RURAL AREA THAT IS MADE UP OF 18,093 PEOPLE. HARRISON COUNTY DOES HAVE ITS OWN RURAL HOSPITAL SO THAT IS NOT OUR TARGET COUNTY ALTHOUGH WE DO SEE SOME PATIENTS FROM THERE. THE MEDIAN INCOME LEVEL FOR THESE COUNTIES IS $28,700 WHICH IS $13,280 LESS THAN THE NATIONAL AVERAGE.

PROMOTION OF COMMUNITY HEALTH

SCHEDULE H, PART VI, LINE 5

WE PROVIDE FREE DENTAL CARE TO CHILDREN WHO CANNOT AFFORD DENTAL CARE ON THEIR OWN. WE HAVE ANNUAL HEALTH FAIRS AND SPORTS PHYSICALS AT ALL OUR AREA CLINICS. WE HAVE ALWAYS SUPPORTED LOCAL BUSINESSES AND SCHOOLS AS WELL AS ASSOCIATIONS.

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

STATE FILING OF COMMUNITY BENEFIT REPORT

SCHEDULE H, PART VI, LINE 7

MO

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number

44-0580870

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000 Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed . . . . . ▶ [X]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶

3 Enter total number of other organizations . . . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

MONITORING OF GRANTS

SCHEDULE I, PART I, LINE 2

THE RECIPIENTS OF THE GRANTS REQUEST AN EXACT AMOUNT OF FUNDS THAT IS

SUPPORTED BY DOCUMENTATION THEY PROVIDE THE HOSPITAL.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.** ▶**See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number
44-0580870

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☒ Compensation committee	☐ Written employment contract		
	☒ Independent compensation consultant	☒ Compensation survey or study		
	☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JOHN RICHMOND (RETIRED	(i)	168,260.	25,000.	597,338.	6,832.	5,299.	802,729.	597,338.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 DR. NASER SOGHRATI	(i)	352,617.	0.	0.	9,664.	1,037.	363,318.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 DR. ANGELA MARTIN	(i)	190,965.	0.	0.	3,294.	5,299.	199,558.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 DR. JACKIE MILLER	(i)	372,498.	0.	0.	1,100.	1,037.	374,635.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

SCHEDULE J, PART I, LINE 4B

JOHN RICHMOND $ 562,367

THESE WERE FUNDS THAT WERE FIGURED AND PRESENTED BY AN INTEGRATED HEALTHCARE STRATEGIES. THEY WERE BOARD APPROVED AND ACCRUED IN THE SPECIFIC YEARS THEY WERE GIVEN. IT WAS PAID IN APRIL 2010.

COMPENSATION OF DR. JACKIE MILLER

FORM 990, PART VII, LINE 21 & SCHEDULE J, PART II, LINE 4

THE COMPENSATION BEING REPORTED FOR DR. MILLER INCLUDES COMPENSATION AS AN EMPLOYEE AND ALSO AS AN INDEPENDENT CONTRACTOR. THE AMOUNT REPORTED ON DR. MILLER'S W-2 IS $234,151 FOR SERVICES PERFORMED AS A FAMILY PRACTICE PHYSICIAN. THE AMOUNT REPORTED ON DR. MILLER'S 1099 OF $138,347 IS FOR SERVICES PERFORMED AS AN INDEPENDENT CONTRACTOR IN THE CAPACITY OF AN ER PHYSICIAN.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open To Public Inspection

Name of the organization
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number
44-0580870

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
Total . . . . . ▶ $										

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c

	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	(e) No
(1)	SEE SCHEDULE L, PART V					
(2)						
(3)						
(4)						
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Part V Supplemental Information
Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS

SCHEDULE L, PART IV

(A) ALLISON THORN

(B) ALLISON THORN IS A NURSE PRACTITIONER FOR NORTHWEST MEDICAL CENTER IN THEIR GRANT CITY, MO CLINIC AND IS THE SPOUSE OF MARK THORN, WHO IS CFO OF NORTHWEST MEDICAL CENTER.

(C) $90,642

(D) SALARY FOR NURSE PRACTITIONER SERVICES

(E) NO

(A) SARAH FOUNTAIN

(B) SARAH FOUNTAIN IS THE LABORATORY MANAGER AT NORTHWEST MEDICAL CENTER AND IS THE DAUGHTER OF RHONDA SCHNEIDER WHO IS A BOARD MEMBER OF NORTHWEST MEDICAL CENTER.

(C) $55,827

(D) SALARY FOR LABORATORY MANAGER SERVICES

(E) NO

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization	Employer identification number
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870

BUSINESS RELATIONSHIPS

FORM 990, PART VI, SECTION A, LINE 2

DAVID PARMAN (BOARD MEMBER), AND NORMA HILL (BOARD MEMBER) HAVE A BUSINESS RELATIONSHIP.

MEMBERS

FORM 990, PART VI, SECTION A, LINES 7A AND 7B

LINE 7A:

OUR HOSPITAL HAS MEMBERS OF THE HOSPITALS ASSOCIATION THAT VOTE ON THE BOARD MEMBERS EVERY YEAR IN AUGUST. THEY ARE NOT PAID AND ARE PEOPLE FROM THE COMMUNITY WHO PAY $10 PER PERSON (WHICH IS USED AS A DONATION) THAT WILL VOTE ON THE NOMINATED BOARD MEMBERS THAT WERE PICKED BY THE NOMINATIONS COMMITTEE WHICH IS MADE UP OF CURRENT BOARD MEMBERS.

LINE 7B:

THE VOTE BY THE ASSOCIATION ON THE NOMINATIONS FOR NEW BOARD MEMBERS BY THE NOMINATIONS COMMITTEE IS THE ONLY DECISIONS SUBJECT TO APPROVAL BY MEMBERS, STOCKHOLDERS, OR OTHER PERSONS.

FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION B, LINE 11B

WE DISTRIBUTE THE 990 VIA EMAIL TO THE BOARD MEMBERS. THEY REVIEW IT AND RELAY ANY ISSUES OR QUESTIONS. THE CEO AND CFO BOTH REVIEW IT AS WELL. IF THERE ARE ANY CORRECTIONS, THE PREPARING COMPANY IS NOTIFIED. UPON ALL AGREEMENT, THE 990 IS APPROVED FOR SUBMISSION.

Name of the organization: NORTHWEST MEDICAL CENTER ASSOCIATION, INC.

Employer identification number: 44-0580870

CONFLICT OF INTEREST POLICY

FORM 990, PART VI, SECTION B, LINE 12C

EVERY YEAR ALL OFFICERS AND BOARD MEMBERS HAVE TO READ AND SIGN A CONFLICT OF INTEREST STATEMENT STATING THEY UNDERSTAND WHAT THEY CAN AND CANNOT DO AND HOW THE REPORTING PROCESS IS HANDLED. IF THERE ARE ISSUES, ALL CONFLICTS OF INTEREST ARE REPORTED THROUGH THE CORPORATE COMPLIANCE COMMITTEE FOR INVESTIGATION BY WHICH A RESOLUTION WILL BE SUGGESTED TO THE GOVERNING BODY. ANY BOARD MEMBER THAT HAS A CONFLICT OF INTEREST DOES NOT VOTE ON THE ISSUE.

COMPENSATION REVIEW

FORM 990, PART VI, SECTION B, LINES 15A & 15B

LINE 15A:

THE CEO'S COMPENSATION IS REVIEWED BY THE EXECUTIVE COMMITTEE ON A YEARLY BASIS. THE EXECUTIVE COMMITTEE COMES UP WITH THE COMPENSATION PLAN AND GIVES THAT PLAN TO THE HUMAN RESOURCES DIRECTOR UPON APPROVAL FROM THE CHAIRMAN OF THE BOARD.

LINE 15B:

THE CEO REVIEWS ALL OTHER OFFICER'S COMPENSATION AND SHARES WITH THE HUMAN RESOURCES DIRECTOR ANY CHANGES.

AVAILABILITY OF DOCUMENTS

FORM 990, PART VI, SECTION C, LINES 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST. ALL OF THESE DOCUMENTS ARE LOCATED IN ADMINISTRATION.

Name of the organization	Employer identification number
NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870

RECONCILIATION OF NET ASSETS

FORM 990, PART XI, LINE 5

NET UNREALIZED GAINS(LOSSES) ON INVESTMENTS	$ 44,038
NET GAIN ON INTEREST IN TRUST ASSETS	$ 416,840
NET ASSETS RELEASED FROM RESTRICTION	$ (77,976)

	$ 382,902

Form **8868**
(Rev January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ▶ X
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing *(e-file)* You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Type or print	Name of exempt organization	Employer identification number
File by the due date for filing your return See instructions	NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870
	Number, street, and room or suite no If a P O box, see instructions 705 NORTH COLLEGE ST.	
	City, town or post office, state, and ZIP code For a foreign address, see instructions ALBANY, MO 64402	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ JOHN W. RICHMOND

Telephone No ▶ 660 726-3941 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . . . . . ▶ ☐ If it is for part of the group, check this box . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 11/15, 20 11, to file the exempt organization return for the organization named above The extension is for the organization's return for

▶ ☐ calendar year 20 ____ or

▶ X tax year beginning 04/01, 20 10, and ending 03/31, 20 11

2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 0.
c	**Balance Due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . . ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed)

Type or print	Name of exempt organization	Employer identification number
File by the extended due date for filing your return See instructions	NORTHWEST MEDICAL CENTER ASSOCIATION, INC.	44-0580870
	Number, street, and room or suite no If a P O box, see instructions 705 NORTH COLLEGE ST.	
	City, town or post office, state, and ZIP code For a foreign address, see instructions ALBANY, MO 64402	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ JOHN W. RICHMOND
  Telephone No ▶ 660 726-3941 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . . . . . ▶ [ ] If it is for part of the group, check this box . . . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 02/15, 20 12

5 For calendar year _____, or other tax year beginning 04/01, 20 10, and ending 03/31, 20 11

6 If the tax year entered in line 5 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS REQUIRED TO ACCUMULATE THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	**8a**	$ 0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	**8b**	$ 0.
c	**Balance Due.** Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	**8c**	$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Title ▶ Date ▶

Northwest Medical Center Association, Inc.

Accountants' Report and Financial Statements

March 31, 2011 and 2010

BKD LLP
CPAs & Advisors

Northwest Medical Center Association, Inc.

March 31, 2011 and 2010

Contents

BKD LLP
CPAs & Advisors

1201 Walnut Street, Suite 1700
Kansas City MO 64106-2246
816 221 6300 Fax 816 221 6380 www.bkd.com

Independent Accountants' Report

Board of Directors
Northwest Medical Center Association, Inc.
Albany, Missouri

We have audited the accompanying balance sheets of Northwest Medical Center Association, Inc. (Medical Center) as of March 31, 2011 and 2010, and the related statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Medical Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest Medical Center Association, Inc. as of March 31, 2011 and 2010, and the results of its operations, changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BKD, LLP

June 16, 2011

Northwest Medical Center Association, Inc.

Balance Sheets

March 31, 2011 and 2010

Assets

	2011	2010
Current Assets		
Cash and cash equivalents	$ 505,680	$ 762,143
Accounts receivable, net of allowance; 2011 – $627,500, 2010 – $495,000	3,592,380	2,265,460
Other receivables	137,870	98,032
Estimated amounts due from third-party payers	70,000	792,800
Prepaid expenses and supplies	588,088	374,254
Total current assets	4,894,018	4,292,689
Investments	211,338	174,635
Assets Limited as to Use		
Internally designated	1,792,813	2,163,618
Externally restricted by donors	3,737,881	3,399,017
	5,530,694	5,562,635
Property and Equipment, At Cost		
Land and land improvements	244,246	261,570
Building	7,608,920	7,834,738
Equipment	4,640,637	4,627,046
Construction in progress	1,218,289	236,165
	13,712,092	12,959,519
Less accumulated depreciation	6,642,352	6,632,866
	7,069,740	6,326,653
Other Assets	125,700	130,000
Total Assets	$ 17,831,490	$ 16,486,612

See Notes to Financial Statements

Liabilities and Net Assets

	2011	2010
Current Liabilities		
Note payable to bank	$ 1,500,000	$ -
Current maturities of long-term debt	101,479	143,560
Accounts payable	528,343	352,753
Accrued salaries and payroll taxes	220,570	257,474
Accrued interest	2,225	4,090
Accrued compensated absences and retirement	361,602	895,495
Total current liabilities	2,714,219	1,653,372
Long-term Debt	-	103,171
Total liabilities	2,714,219	1,756,543
Net Assets		
Unrestricted	11,379,390	11,331,052
Temporarily restricted	3,605,116	3,266,252
Permanently restricted	132,765	132,765
Total net assets	15,117,271	14,730,069
Total Liabilities and Net Assets	$ 17,831,490	$ 16,486,612

Northwest Medical Center Association, Inc.

Statements of Operations

Years Ended March 31, 2011 and 2010

	2011	2010
Unrestricted Revenues, Gains and Other Support		
Net patient service revenues	$ 14,316,551	$ 14,329,942
Cafeteria revenue	60,908	54,566
Other	169,142	147,770
	14,546,601	14,532,278
Expenses		
Salaries	6,566,658	6,469,956
Employee benefits	1,606,808	1,776,430
Medical professional fees and services	1,082,460	883,812
Supplies and other operating expenses	3,849,735	3,849,623
Depreciation and amortization	656,818	652,314
Interest	3,587	7,343
Provision for bad debts	1,011,340	1,064,393
	14,777,406	14,703,871
Operating Loss	(230,805)	(171,593)
Other Income		
Investment income	40,593	29,650
Change in net unrealized gains and losses on trading securities	44,038	196,189
Net unrealized losses on investments from prior periods	-	(880)
Contributions	116,536	55,134
	201,167	280,093
Excess (Deficiency) of Revenues Over Expenses	(29,638)	108,500
Net unrealized losses on investments from prior periods	-	880
Net Assets Released From Restriction for Purchase of Property and Equipment	77,976	88,076
Increase in Unrestricted Net Assets	$ 48,338	$ 197,456

See Notes to Financial Statements

Northwest Medical Center Association, Inc.

Statements of Changes in Net Assets

Years Ended March 31, 2011 and 2010

	2011	2010
Unrestricted Net Assets		
Excess (deficiency) of revenues over expenses	$ (29,638)	$ 108,500
Net unrealized losses on investments from prior periods	-	880
Net assets released from restriction for purchase of property and equipment	77,976	88,076
Increase in unrestricted net assets	48,338	197,456
Temporarily Restricted Net Assets		
Net realized and unrealized gains on interest in trust assets	416,840	764,352
Net assets released from restriction	(77,976)	(88,076)
Increase in temporarily restricted net assets	338,864	676,276
Increase in Net Assets	387,202	873,732
Net Assets, Beginning of Year	14,730,069	13,856,337
Net Assets, End of Year	$ 15,117,271	$ 14,730,069

Northwest Medical Center Association, Inc.

Statements of Cash Flows

Years Ended March 31, 2011 and 2010

	2011	2010
Operating Activities		
Change in net assets	$ 387,202	$ 873,732
Items not requiring (providing) cash		
Depreciation and amortization	656,818	652,314
Loss on sale of fixed assets	-	5,953
Net unrealized gains on investments	(44,038)	(196,189)
Change in interest in trust assets	(416,840)	(764,352)
Changes in		
Accounts receivable	(1,326,920)	126,478
Other receivables	(39,838)	(42,216)
Estimated amounts due to/from third-party payers	722,800	(757,800)
Prepaid expenses and supplies	(213,834)	56,212
Accounts payable	190,103	14,952
Accrued expenses	(572,662)	170,745
Net cash provided by (used in) operating activities	(657,209)	139,829
Investing Activities		
Purchase of property and equipment	(1,430,528)	(799,774)
Proceeds on sale of fixed assets	20,410	-
Increase in investments	(877)	(890)
Decrease in assets limited as to use	456,993	65,440
Net cash used in investing activities	(954,002)	(735,224)
Financing Activities		
Proceeds from issuance of debt	1,500,000	-
Principal payments on long-term debt	(145,252)	(135,999)
Net cash provided by (used in) financing activities	1,354,748	(135,999)
Net Decrease in Cash and Cash Equivalents	(256,463)	(731,394)
Cash and Cash Equivalents, Beginning of Year	762,143	1,493,537
Cash and Cash Equivalents, End of Year	$ 505,680	$ 762,143
Additional Cash Flows Information		
Interest paid	$ 42,508	$ 13,013
Property and equipment included in accounts payable	26,287	40,800

Northwest Medical Center Association, Inc.

Notes to Financial Statements

March 31, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Northwest Medical Center Association, Inc. (Medical Center) is a Missouri not-for-profit corporation. The Medical Center provides inpatient, outpatient and emergency care services to residents in Gentry County, Missouri. It also operates a home health agency, physician clinics and a rural health clinic in the same geographic area.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Medical Center has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donor to be maintained by the Medical Center in perpetuity.

Cash and Cash Equivalents

The Medical Center considers all liquid investments, other than those limited as to use, with original maturities of three months or less to be cash equivalents. At March 31, 2011 and 2010, cash equivalents consisted primarily of money market accounts.

The financial institutions holding the Hospital's cash accounts is participating in the FDIC's Transaction Account Guarantee Program. Under that program, which expired December 31, 2010, all noninterest-bearing transaction accounts are fully guaranteed by the FDIC for the entire amount in the account. Pursuant to legislation enacted in 2010, the FDIC will fully insure all noninterest-bearing transaction accounts beginning December 31, 2010 through December 31, 2012, at all FDIC-insured institutions. At March 31, 2011, the Medical Center's deposit account balances, including those limited as to use, did not exceed federally insured limits.

Patient Accounts Receivable

The Medical Center reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, residents and others. The Medical Center provides an allowance for doubtful accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. The Medical Center bills third-party payers directly and bills the patient when the patient's liability is determined. Patient accounts receivable are due in full when billed. Accounts are considered delinquent and subsequently written off as bad debts based on individual credit evaluation and specific circumstances of the account.

Supplies

Supply inventories are stated at the lower of cost, determined using the first-in, first-out method or market.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of operations and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

Effective April 1, 2009, the Medical Center changed the accounting classification of substantially all of its investments from available for sale to trading. This change in classification requires the Medical Center to recognize unrealized gains and losses on substantially all of its investments as a component of other non-operating income and expense in the statement of operations and changes in net assets. Previously, changes in the fair value of these investment securities were recorded as other changes in net assets. Total net unrealized gains included as a non-operating income for the year ended March 31, 2010, was approximately $195,000. The effect of this change decreased non-operating income by approximately $880, all of which related to prior periods.

Assets Limited as to Use

Assets limited as to use include (1) assets restricted by donors and (2) assets set aside by the Board of Directors for future capital improvements over which the Board retains control and may at its discretion subsequently use the assets for other purposes.

Property and Equipment

Property and equipment are depreciated on a straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives. Amortization of assets subject to leases is reported as part of depreciation expense.

The Medical Center capitalizes interest costs as a component of construction in progress, based on the weighted-average rates paid for long-term borrowing. Total interest incurred was:

	2011	2010
Interest costs capitalized	$ 37,055	$ -
Interest costs charged to expenese	3,587	7,343
Total interest incurred	$ 40,642	$ 7,343

The Medical Center is in the process of implementing a new electronic medical record technology system with a total estimated construction cost of $2,287,000. Construction costs incurred as of March 31, 2011, totaled approximately $1,475,000, of which approximately $1,218,000 was included in construction in process at March 31, 2011. The Medical Center is funding the project through a line of credit for up to $2,300,000 (*see Note 6*). The Medical Center began implementation in February 2011.

Long-lived Asset Impairment

The Medical Center evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimate future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended March 31, 2011 and 2010.

Net Patient Service Revenue

The Medical Center has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Medical Malpractice Coverage and Claims

The Medical Center purchases medical malpractice insurance under a claims-made policy on a fixed premium basis. Accounting principals generally accepted in the United States of America require a health care provider to accrue the expense of its share of the malpractice claims costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. The cost of the coverage

is accrued over the coverage period and includes both the minimum premium plus any estimated additional costs related to claims during the period. It is reasonably possible that this estimate could change materially in the near term.

Contributions

Unconditional promises to give cash and other assets are accrued at estimated fair value at the date each promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Receipt of contributions, which are conditional, are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

Charity Care

The Medical Center provides charity care to patients who are unable to pay for services. Because the Medical Center does not pursue collection of amounts determined to qualify as charity care, charity care is not included in net patient service revenue. Charges excluded from revenue under the Medical Center's charity care policy were $431,092 and $381,043 in 2011 and 2010, respectively.

Income Taxes

The Medical Center is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law.. However, the Medical Center is subject to federal income tax on any unrelated business taxable income. The Medical Center is no longer subject to tax examinations by taxing authorities for years prior to 2008.

Estimated Health Insurance

An annual estimated provision is accrued for the self-insured portion of health insurance and includes an estimate of the ultimate costs for both reported claims and claims incurred but not reported.

Excess (Deficiency) of Revenues Over Expenses

The statements of operations include excess (deficiency) of revenues over expenses. Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

Subsequent Events

Subsequent events have been evaluated through June 16, 2011, which is the date the financial statements were available to be issued.

Reclassifications

Certain reclassifications have been made to the 2010 financial statements to conform to the 2011 financial statement presentation. These reclassifications had no effect on the change in net assets.

Note 2: Net Patient Service Revenue

The Medical Center has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. These payment arrangements include:

- **Medicare.** Inpatient and substantially all outpatient services related to Medicare beneficiaries are paid based on a cost reimbursement methodology. The Medical Center is reimbursed for certain services at a tentative rate with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare Fiscal Intermediary.
- **Medicaid.** Inpatient and outpatient services rendered to Medicaid patients are reimbursed at prospectively determined rates.

Approximately 65% and 64% of net patient service revenues are from participation in the Medicare and state-sponsored Medicaid Programs for the years ended March 31, 2011 and 2010, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

The Medical Center has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Medical Center under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Note 3: Investments and Investment Return

Assets Limited as to Use

Assets limited as to use at March 31, 2011 and 2010 include the following investments stated at fair value.

	2011	2010
Internally designated		
Cash	$ 5,620	$ 1,190
Money market mutual funds	231,398	11,006
Certificates of deposit	616,875	1,223,576
Repurchase agreements	60,000	60,000
Interest receivable	43,346	22,172
Mutual funds	-	33,229
Corporate bonds	151,570	148,364
Annuities	684,004	664,081
	1,792,813	2,163,618
Externally restricted by donors		
Beneficial interest in trust assets (*see Note 10*)	3,605,116	3,266,252
Mutual funds	112,000	112,000
Certificates of deposit	20,765	20,765
	3,737,881	3,399,017
	$ 5,530,694	$ 5,562,635

Other Investments

Other investments at March 31, 2011 and 2010 consisted of the following, carried at fair value:

	2011	2010
Certificates of deposit	$ 21,128	$ 20,250
Mutual funds	190,210	154,385
	$ 211,338	$ 174,635

Investment Return

Investment return during 2011 and 2010 consisted of the following:

	2011	2010
Interest and dividends	$ 40,593	$ 29,650
Net realized and unrealized gains on investments	460,878	960,541
	$ 501,471	$ 990,191

Total investment return is reflected in the statements of operations and changes in net assets as follows:

	2011	2010
Unrestricted net assets		
Other nonoperating income	$ 40,593	$ 29,650
Change in net unrealized gains on investments	44,038	196,189
Temporarily restricted net assets		
Net realized and unrealized gains on interest in trust assets	416,840	764,352
	$ 501,471	$ 990,191

Note 4: Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at March 31 are available for the following purposes or periods:

	2011	2010
Health care services		
Construction of facilities for periods after June 2035	$ 3,605,116	$ 3,266,252

Permanently restricted net assets at March 31 are restricted to the following:

	2011	2010
Investments to be held in perpetuity, the income from which is unrestricted	$ 132,765	$ 132,765

Note 5: Endowments

The Medical Center's endowment consists of two individual funds established for a variety of purposes. The endowments include donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Medical Center's governing body has interpreted the State of Missouri Prudent Management of Institutional Funds Act (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Medical Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Medical Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Medical Center and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Medical Center
7. Investment policies of the Medical Center

Amounts of donor-restricted endowment funds classified as permanently restricted net assets at 2011 and 2010, consisted of:

	2011	2010
Permanently restricted net assets - portion of perpetual endowment funds required to be retained permanently by explicit donor stipulation	$ 132,765	$ 132,765

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Medical Center is required to retain as a fund of perpetual duration pursuant to donor stipulation. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. The Medical Center did not have any deficiencies of this nature at March 31, 2011 and 2010.

The Medical Center has investment policies for endowment assets as established for the general investments of the Medical Center. The Medical Center has spending policies as set forth in the donor agreements. Endowment assets include those assets of donor-restricted endowment funds the Medical Center must hold in perpetuity or for donor-specified periods. Under the Medical Center's policies, endowment assets are invested in a manner that is intended to produce reasonable results while assuming a low level of investment risk.

The Medical Center's investment portfolio is designed to obtain a reasonable rate of return taking into account investment risk constraints and the cash flow characteristics of the portfolio. The Medical Center targets a diversified asset allocation in order to ensure that potential losses on individual securities do not exceed the income guaranteed from the remainder of the portfolio.

Note 6: Note Payable to Bank

The Medical Center entered into a line of credit which provides for borrowing of up to $2,300,000, with an outstanding balance of $1,500,000 at March 31, 2011. The line of credit bears interest at prime (5.75% in 2011) payable monthly, and matures in October 2011. The Medical Center only made interest payments during 2011. The Medical Center is using the proceeds on the line of credit to fund an electronic medical records technology system and is intending to renew the note on a long-term basis once the project is complete.

Note 7: Long-term Debt

	2011	2010
Revenue bonds payable, bank (A)	$ 101,479	$ 246,731
Less current maturities	101,479	143,560
Noncurrent portion	$ -	$ 103,171

(A) Hospital Revenue Bonds, Series 1997, $1,500,000 original balance, payable annually at approximately $149,000 to July 1, 2012, including interest (2.21% and 3.25% in 2011 and 2010, respectively) equal to 68% of the prime rate adjusted each July 1; secured by a Deed of Trust.

Aggregate annual maturities of long-term debt based on current interest rates at March 31, 2011 are as follows:

2012	$ 101,479

Note 8: Concentration of Credit Risk

The Medical Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers at March 31, 2011 and 2010 is as follows:

	2011	2010
Medicare	41%	41%
Medicaid	10%	7%
Other third-party payers	16%	27%
Patients	33%	25%
	100%	100%

Note 9: Functional Expenses

The Medical Center provides general health care services to residents within its geographic location including pediatric care and outpatient surgery. Expenses related to providing these services are as follows:

	2011	2010
Health care services	$ 10,660,648	$ 10,383,284
General and administrative	4,116,758	4,320,587
	$ 14,777,406	$ 14,703,871

Note 10: Assets Held in Trust

The Medical Center is one of numerous income beneficiaries of the Helen O. Griffin Trust. Distributions of income are made annually. The Trust will continue until June 2035, at which time the principal will be distributed to the beneficiaries. At March 31, 2011 and 2010, the estimated value of the Trust was $12,017,053 and $10,887,505. The Trust investments are comprised of approximately 39% equity securities, 40% fixed income securities, and 21% hedge funds and other. The Medical Center's share of $3,605,116 and $3,266,252 (30% of Trust assets) is recorded as assets held in trust at March 31, 2011 and 2010, respectively. Distributions of income for 2011 and 2010 totaled $77,976 and $88,076, respectively.

All funds distributed to the Medical Center by the Trust are restricted for construction of facilities.

Note 11: Pension Plan

The Medical Center has a defined contribution pension plan covering substantially all employees. The plan allows employees to contribute amounts not to exceed 25% of their gross compensation or IRS-allowed limits. The Board of Directors annually determines the amount of matching, if any, of the Medical Center's contribution to the plan. Pension expense was $115,123 and $98,428 for the years ended March 31, 2011 and 2010, respectively.

Note 12: Risk Management

The Medical Center is primarily self-insured for employee health care claims. Claims individually and in the aggregate that exceed certain amounts are covered by insurance. The Medical Center has accrued as other liabilities $97,800 and $104,000 for self-insured losses at March 31, 2011 and 2010, respectively. The accrued liabilities are based on management's evaluation of the merits of various claims, historical experience and consultation with external insurance consultants, and include estimates for incurred by not reported claims. There can be no assurance that the accrued liabilities will be sufficient for the ultimate amounts that will be paid for claims and settlements.

Note 13: Disclosures About Fair Value of Financial Instruments

ASC Topic 820, *Fair Value Measurements*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also specifies a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the inputs and valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include corporate debt obligations.

Beneficial Interest in Trust

The fair value of an interest in a charitable trust is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

Fair Value Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at March 31, 2011 and 2010:

		2011 Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 533,608	$ 533,608		
Corporate bonds	151,571	-	$ 151,571	
Beneficial interest in trust	3,605,116	-	-	$ 3,605,116
	$ 4,290,295	$ 533,608	$ 151,571	$ 3,605,116

		2010 Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 310,620	$ 310,620		
Corporate bonds	148,364	-	$ 148,364	
Beneficial interest in trust	3,266,252	-	-	$ 3,266,252
	$ 3,725,236	$ 310,620	$ 148,364	$ 3,266,252

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying balance sheets using significant unobservable (Level 3) inputs:

	Beneficial Interest in Trust
Balance, March 31, 2009	$ 2,589,976
Total unrealized gain included in change in net assets	764,352
Earnings distributed to the Medical Center	(88,076)
Balance, March 31, 2010	3,266,252
Total unrealized gain included in change in net assets	416,840
Earnings distributed to the Medical Center	(77,976)
Balance, March 31, 2011	$ 3,605,116
Total gains or losses for the period included in the change in net assets attributable to the change in unrealized gains or losses related to assets still held at the reporting date	$ 416,840

Note 14: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in *Notes 1 and 2.*

Admitting Physicians

The Medical Center is served by four admitting physicians whose patients comprise approximately 79% of the Medical Center's net patient service revenue.

Current Economic Conditions

The current protracted economic decline continues to present hospitals with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in the fair value of investments and other assets, large declines in contributions, constraints on liquidity and difficulty obtaining financing. The financial statements have been prepared using values and information currently available to the Medical Center.

Current economic and financial market conditions, including the rising unemployment rate, have made it difficult for certain patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue, which could have an adverse impact on the Medical Center's future operating results. Further, the effect of economic conditions on the state may have an adverse effect on cash flows related to the Medicaid program.

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values and allowances for accounts receivable that could negatively impact the Medical Center.

Supplementary Information

Northwest Medical Center Association, Inc.
Schedules of Patient Service Revenues
Years Ended March 31, 2011 and 2010

	2011			2010		
	Total	Inpatient	Outpatient	Total	Inpatient	Outpatient
Daily Patient Services						
Daily patient care	$ 1,411,096	$ 1,411,096		$ 1,216,318	$ 1,216,318	
Swing-bed	868,665	868,665		711,834	711,834	
	2,279,761	2,279,761		1,928,152	1,928,152	
Other Nursing Services						
Medical and surgical	2,501,944	1,096,338	$ 1,405,606	2,675,563	1,073,990	$ 1,601,573
Operating room	84,708	2,496	82,212	81,952	15,156	66,796
Emergency room	2,697,258	-	2,697,258	2,660,598	-	2,660,598
Home health	497,389	-	497,389	486,665	-	486,665
	5,781,299	1,098,834	4,682,465	5,904,778	1,089,146	4,815,632
Other Professional Services						
Pharmacy	1,681,185	1,044,003	637,182	1,704,097	1,065,215	638,882
Laboratory	2,646,487	920,474	1,726,013	2,401,804	859,053	1,542,751
Inhalation therapy	770,059	635,277	134,782	683,739	538,243	145,496
Radiology	4,778,915	808,236	3,970,679	4,969,517	755,260	4,214,257
Anesthesiology	262,212	12,084	250,128	194,861	28,195	166,666
Electrocardiology	432,996	173,876	259,120	473,718	192,576	281,142
Physcial therapy	532,866	189,056	343,810	509,954	152,348	357,606
Speech therapy	47,803	14,720	33,083	44,102	14,804	29,298
Occupational therapy	27,874	12,266	15,608	70,132	27,130	43,002
Cardiac rehabilitation	123,196	-	123,196	89,931	-	89,931
Physicians clinic	1,410,650	-	1,410,650	1,566,629	-	1,566,629
Rural health clinic	625,782	-	625,782	615,996	-	615,996
	13,340,025	3,809,992	9,530,033	13,324,480	3,632,824	9,691,656
Patient Service Revenue	21,401,085	$ 7,188,587	$ 14,212,498	21,157,410	$ 6,650,122	$ 14,507,288
Third-Party Contractual Adjustments and Charity	7,084,534			6,827,468		
Net Patient Service Revenues	$ 14,316,551			$ 14,329,942		

Northwest Medical Center Association, Inc.

Schedules of Operating Expenses

Years Ended March 31, 2011 and 2010

	2011			2010		
	Total	Salaries	Supplies and Expenses	Total	Salaries	Supplies and Expenses
Nursing Services						
Routine care	$ 1,760,968	$ 1,416,240	$ 344,728	$ 1,616,089	$ 1,247,178	$ 368,911
Operating room	137,329	91,938	45,391	112,767	72,990	39,777
Nursing administration	149,233	143,157	6,076	147,428	142,944	4,484
Emergency room	1,105,434	665,597	439,837	1,091,608	738,888	352,720
	3,152,964	2,316,932	836,032	2,967,892	2,202,000	765,892
Other Professional Services						
Pharmacy	492,206	32,164	460,042	494,332	30,673	463,659
Laboratory	634,797	338,468	296,329	629,969	317,321	312,648
Inhalation therapy	74,586	51,290	23,296	53,785	31,231	22,554
Radiology	930,248	365,902	564,346	909,452	317,605	591,847
Anesthesiology	130,237	-	130,237	126,553	-	126,553
Electrocardiology	47,183	16,146	31,037	51,574	16,456	35,118
Medical records	326,875	179,332	147,543	201,148	160,777	40,371
Physcial therapy	190,246	163,912	26,334	173,652	164,448	9,204
Occupational therapy	62	-	62	36,317	-	36,317
Speech therapy	45,732	37,090	8,642	50,359	40,942	9,417
Cardiac rehabilitation	59,162	53,313	5,849	78,368	73,890	4,478
Outpatient clinics	177,131	164,678	12,453	190,357	164,230	26,127
Physicians clinic	970,752	683,155	287,597	955,552	710,118	245,434
Rural Health Clinic	333,758	220,049	113,709	311,326	197,552	113,774
Home Health Agency	356,660	303,763	52,897	352,750	299,795	52,955
	4,769,635	2,609,262	2,160,373	4,615,494	2,525,038	2,090,456

Northwest Medical Center Association, Inc.

Schedules of Operating Expenses (Continued)

Years Ended March 31, 2011 and 2010

	2011			2010		
	Total	Salaries	Supplies and Expenses	Total	Salaries	Supplies and Expenses
General Services						
Dietary	$ 385,832	$ 218,680	$ 167,152	$ 363,459	$ 213,162	$ 150,297
Operation and maintenance of plant	434,347	112,212	322,135	421,404	110,589	310,815
Housekeeping	161,024	110,154	50,870	158,981	102,937	56,044
	981,203	441,046	540,157	943,844	426,688	517,156
Administrative Services						
Administration	2,486,577	1,100,883	1,385,694	2,582,112	1,229,207	1,352,905
Purchasing	60,377	51,719	8,658	47,047	41,588	5,459
Employee benefits	1,606,808	-	1,606,808	1,776,430	-	1,776,430
Social services	48,097	46,816	1,281	47,002	45,435	1,567
	4,201,859	1,199,418	3,002,441	4,452,591	1,316,230	3,136,361
Depreciation and Amortization	656,818		656,818	652,314		652,314
Interest	3,587		3,587	7,343		7,343
Provision for Bad Debts	1,011,340		1,011,340	1,064,393		1,064,393
	$ 14,777,406	$ 6,566,658	$ 8,210,748	$ 14,703,871	$ 6,469,956	$ 8,233,915