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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 05-01-2011 and ending 04-30-2012

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

C Name of organization
COLUMBUS COMMUNITY HOSPITAL INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO BOX 1800

City or town, state or country, and ZIP + 4
COLUMBUS, NE 68602

D Employer identification number
47-0542043

E Telephone number
(402) 562-3357

G Gross receipts $ 70,543,625

F Name and address of principal officer
J Joseph Barbaglia
4600 38th Street
Columbus, NE 68601

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 columbushosp org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1972 | **M** State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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**	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	625
6	Total number of volunteers (estimate if necessary)	**6**	299
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	19,147
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-37,854

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	140,646	303,177
	9 Program service revenue (Part VIII, line 2g)	64,569,556	68,343,052
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-185,651	1,233,315
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	738,418	664,081
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	65,262,969	70,543,625
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,297,521	1,334,804
	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)	29,018,478	30,379,279
	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)	26,681,899	27,885,114
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	56,997,898	59,599,197
	19 Revenue less expenses Subtract line 18 from line 12	8,265,071	10,944,428

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	88,904,691	100,607,338
	21 Total liabilities (Part X, line 26)	16,813,490	18,331,472
	22 Net assets or fund balances Subtract line 21 from line 20	72,091,201	82,275,866

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

****** | 2013-02-08
Signature of officer | Date

Michael T Hansen CHIEF EXECUTIVE OFFICER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4	KPMG LLP Two Central Park Plaza Suite 1501 Omaha, NE 681021626		EIN ▶ Phone no ▶ (402) 348-1450

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

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

OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE

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 organization's program service accomplishments for each of its three largest program services, as measured 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 $ 56,497,758 including grants of $ 155,321) (Revenue $ 68,746,731)

General Hospital and Health Care Columbus Community Hospital ("CCH") is a 47 bed acute care Hospital which currently employs over 600 people It is a significant, positive economic force for Columbus and the area, returning dollars into the economy through local purchases by the organization, and salaries that return to the community It is also a needed asset for the local communities where patients can obtain quality healthcare without the need to drive over 50 miles for care In providing the care necessary for local communities, CCH has a variety of services Following is a brief summary of some of the areas of service provided by CCH -The main focus is acute care services For patients needing an extended recovery the beds at CCH are also certified as swing beds -To assist our non-English speaking patients, CCH uses competent, dedicated medical interpreters as a liaison between the care providers and the patient Since this is the interpreters' full time job at the Hospital, they are available when needed, in house or on call 24/7 -To make the patient's stay successful and comfortable, CCH offers icu, medical surgical, OB, and an orthopedic service line along with a variety of complimentary ancillary services (wound care, diabetic education, cardiac rehab) and clinical pharmacy services provided CCH uses barcoded medication administrated smart pumps and computerized physician order entry to enhance safety -CCH offers rehabilitative services such as physical therapy, speech therapy, occupational therapy and drive rehab therapy, so patients don't have to travel so far to get adult therapy Pediatric physical therapy, speech therapy, and occupational therapy are offered at our off-site location, Wiggles & Giggles Therapy (includes physical, speech, and occupational therapies) for Kids CCH has PTs, OTs and STs with specialized certification in cancer rehab They just recently started a specialized parkinsens treatment approach, which facilitates support groups for parkinsens, TBI and stroke patients -Nurses in the Same Day Services Department prepare patients for surgery and if going home the same day, care for them after surgery The department oversees several outpatient procedures, including seventy to ninety endoscopy procedures each month, also infusions and chemotherapy infusions -CCH offers some of the most advanced imaging services including MRI, CT, Digital Mammography, Ultrasound, etc Radiologists are on campus and/or available 24-7 to read the various scans The dictation used by the radiologists is voice recognized and becomes part of the digital image All images are digital, meaning there are no films -CCH has an up to date Laboratory which performs over 12,000 tests on average per month, for both inpatients and outpatients -CCH has highly trained, employed emergency physicians and nurses in their Emergency Department (ed) and offers 24-7 care The Department includes support from qualified staff in respiratory care, social work, laboratory, medical interpreting, and diagnostic imaging The ED was designated as a Level III Trauma Center in May, 2006 The Medical Staff and personnel in the Trauma Center have received specialized training to resuscitate and stabilize trauma patients The trauma program provides systematic review of the trauma care and participates in injury prevention activities throughout the community -CCH opened wound care services in August of 2008 with three patients The identified service area includes a 45-mile radius around Columbus By January, 2009 a second day was added to support the demand This service has taken off far beyond what was expected Previously, patients seeking this specialized treatment were required to travel on average 75 miles to see a wound clinic specialist It was a much needed service for the local communities Columbus community hospital currently sees over 100 patients per month for wound care -Centering on services outside the Hospital, the larger services are Home Health and Hospice services Home Health is skilled health services for patients at their place of residence The program is medically directed, therefore, it must be ordered by the attending physician The program is Medicare and Medicaid certified and meets the requirements of the Joint Commission Services provided within the program are A) Supervision and administration of medications B) Intravenous therapy C) Teaching diabetic management D) Nutritional assessments E) Home Health Aides F) Personal Care services G) Occupational, Speech and Physical Therapies H) social work care management Hospice services are provided to persons who are no longer receiving curative treatment and whose life expectancy is six months or less Care is provided by an interdisciplinary team which consists of the physician, nurse, social worker, therapist, home health aide, spiritual advisor, volunteer and other health professionals -Our local Healthy Family Nebraska Program (HFN) targets young, primarily single, pregnant mothers and their families Our voluntary HFN home visitation program targets the most vulnerable young women and their families by offering them, intense, in home education, support and resources This home visiting program covers families in a four county area The HFN requires each mother/family to actively participate in building an individualized family plan This strength based approach promotes self-improvement, and enhances self-esteem and independence for our young parents that will help them make better decisions, and break out of destructive cycles -CCH's Sleep Lab offers complete polysomnographic sleep testing for the purpose of diagnosing obstructive/central sleep apnea by trained and licensed sleep technicians -Occupational Health Services (OHS) offers a menu of health care services designed to prevent and treat injuries in the workplace Partnering with employers in more than 900 companies and with other health care professionals, OHS provides a comprehensive health and safety program specific to the needs of each business A comprehensive testing procedure called the Physical Capacity Profile (pcp) matches employees to the job and is designed to accommodate individuals with handicaps The PCP system was developed by an orthopedic physician Through use of this testing, musculoskeletal imbalances are detected which helps employers place employees in the appropriate job to minimize the potential of injury -Lifeline, an in home emergency response program, provides the vital safety net that many people need to continue living at home in familiar and comforting surroundings The program is completely focused on ensuring the patient's independence, safety and well-being in their home It operates with a bracelet worn by the patient with a button that can be pressed if help is needed predetermined responders are summoned to their home or emergency transfer can be called if needed This gives security to the patient and comfort to the patient's relatives -Meals on Wheels are prepared by the Nutrition Services Department and are delivered by community volunteers Seniors and physically handicapped adults qualify for the program Special diets can also be accommodated Financial assistance is available through the Nebraska Department of Social Services -The Hospital participates in and has hosted county wide natural disasters and pandemic drills CCH is a member of a larger preparedness team, RROMRS This allows CCH to assist or receive assitance from this regions medicare providers CCH feels we are well prepared to handle a natural disaster or pandemic should one arise

4b (Code) (Expenses $ 1,179,483 including grants of $ 1,179,483) (Revenue $)

Charity Care CCH offers a Charity/Financial Aid Program to provide uncompensated services to people who are unable to pay CCH Charity/Financial Aid Policy reflects the mission, vision and values of CCH It is intended to assist low-income, underinsured, and uninsured individuals whose financial status, under the hospital's qualification criteria, makes it impractical or impossible to pay for necessary medical services CCH has a fiduciary responsibility to seek payment for services from those who can pay, and every effort will be made to apply consistent, fair and equitable financial aid practices in a manner consistent with all applicable federal and state laws and regulations CCH follows the Federal Poverty Guidelines (FPG) to determine both eligibility for free care, 100% of FPG, and discounted care, 200% FPG CCH also offers catastrophic charity assistance If the applicant qualifies for partial Charity/Financial Assistance and the total balance after all write-off's is $1,200 or greater, an additional write-off will be done as outlined below $1,200 - $5,000 Reduce to $1,200 adjustments will be done from oldest to newest $5,001 - $10,000 Reduce to $1,400 >$10,001 Reduce to $1,800

4c (Code) (Expenses $ including grants of $) (Revenue $)

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

4e **Total program service expenses** ▶ $ 57,677,241

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	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
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		No
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	Yes	
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		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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		No
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		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
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		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
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, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities 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		No
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		No
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		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e		No
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	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
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	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
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 U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
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 U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
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*	17		No
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		No
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		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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**	Yes	
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**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 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**	Yes	
24a	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 questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**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**		No
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**		No
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**		No
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**		No
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**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
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 owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
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**		No
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**		No
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**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
b	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*	**35b**	Yes	
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**	Yes	
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**		No
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**	Yes	

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**	38		
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**	Yes	
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**	625			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	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**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
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 or securities account)?			**4a**		No
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**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
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**		No
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**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
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**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
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? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate 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 aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
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 lines 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 . . . . . ☑

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	11		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
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		No
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		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
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		No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
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	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	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		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made 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 made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

MIKE ADAMY
4600 38TH STREET
COLUMBUS, NE 68601
(402) 562-3382

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, and **current** key employees 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, or 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 organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) JAMES PILLEN DVM CHAIR	1 0	X		X				0	0	0
(2) RONALD ERNST MD DIRECTOR	1 0	X								
(3) JOHN C MCCLURE DIRECTOR	1 0	X								
(4) ANNE HALL DIRECTOR	1 0	X								
(5) ANTHONY RAIMONDO JR TREASURER	1 0	X		X						
(6) REBECCA RAYMAN DIRECTOR	1 0	X								
(7) MARK HOWERTER MD DIRECTOR/PHYSICIAN	40 0	X						417,398		16,629
(8) JEFFREY GOTSCHALL MD VICE CHAIR	1 0	X		X						
(9) BONNIE MCPHILLIPS DIRECTOR	1 0	X								
(10) BRIAN SCHMIDT DIRECTOR	1 0	X								
(11) CLARK LEHR DIRECTOR	1 0	X								
(12) J JOSEPH BARBAGLIA VP FINANCE	40 0			X				162,437		18,487
(13) MICHAEL HANSEN PRESIDENT/CEO/SECRETARY	40 0			X				222,191		7,915
(14) AMY BLASER VP BUSINESS DEVELOPMENT	40 0			X				112,606		11,321
(15) JAMES GOULET VP OPERATIONS	40 0				X			167,690		16,936
(16) LINDA WALLINE VP NURSING	40 0				X			152,451		15,118
(17) PHIL POWERS CRNA CRNA	40 0					X		206,032		20,295

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 (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(18) JOHN SAFRANEK MD PHYSICIAN	40 0					X		198,628		16,871
(19) ROBERT MILLER MD PHYSICIAN	40 0					X		260,574		14,517
(20) MARK SWOPE CRNA	40 0					X		193,390		17,834
(21) ALEX KAZOS MD PHYSICIAN	40 0					X		249,701		23,887

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	2,343,098	0	179,810

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 21

			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*	**3**		No
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*	**4**	Yes	
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*	**5**		No

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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
INPATIENT PHYSICIAN ASSOC 3200 PINE LAKE RD STE A LINCOLN, NE 68516	HOSPITALIST SVCS	1,121,062
TSP CONSTRUCTION SERVICES INC 1112 N WEST AVE SIOUX FALLS, SD 571041333	CONSTRUCTION SVCS	6,883,837
B-D CONSTRUCTION INC 2154 E 32ND AVE COLUMBUS, NE 68601	CONSTRUCTION SVCS	778,342
GEHRING CONSTRUCTION READY MIX CO 5424 WEST MEADOW DRIVE COLUMBUS, NE 68601	CONSTRUCTION SVCS	462,228
MCKESSON TECHNOLOGIES INC PO Box 98347 CHICAGO, IL 60693	IT Consulting	137,988

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 10

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				
	d	Related organizations	1d	303,177			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		303,177			
Program Service Revenue			Business Code				
	2a	NET PATIENT SVC REVENUE	621110	68,343,052	68,343,052		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		68,343,052			
	3	Investment income (including dividends, interest and other similar amounts)		1,174,915			1,174,915
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		58,400			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		58,400			
	d	Net gain or (loss)		58,400			58,400
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	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	OTHER REVENUE	900099	422,826	403,679	19,147	
	b	CAFETERIA	722100	241,255			241,255
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		664,081			
	12	**Total revenue.** See Instructions		70,543,625	68,746,731	19,147	1,474,570

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

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 United States See Part IV, line 21	155,321	155,321		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	1,179,483	1,179,483		
3	Grants and other assistance to governments, organizations, and individuals outside the United States 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	908,248		908,248	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	23,964,260	23,964,260		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	792,235	792,235		
9	Other employee benefits	3,002,646	3,002,646		
10	Payroll taxes	1,711,890	1,711,890		
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	81,622		81,622	
c	Accounting	174,978		174,978	
d	Lobbying	5,490		5,490	
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	0			
g	Other	2,965,404	2,965,404		
12	Advertising and promotion	166,991		166,991	
13	Office expenses	7,509,205	7,288,375	220,830	
14	Information technology	1,205,425	1,205,425		
15	Royalties . .	0			
16	Occupancy	1,064,262	1,064,262		
17	Travel	226,313		226,313	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	137,484		137,484	
20	Interest	282,533	282,533		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	5,120,114	5,120,114		
23	Insurance	221,942	221,942		
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	PROVISION FOR BAD DEBTS	3,888,614	3,888,614		
b	MINOR EQUIP & FINANCING AGRMT	2,094,451	2,094,451		
c	PURCHASED SERVICES	896,700	896,700		
d	DEFERRED FINANCING COSTS	75,815	75,815		
e					
f	All other expenses	1,767,771	1,767,771		
25	**Total functional expenses.** Add lines 1 through 24f	59,599,197	57,677,241	1,921,956	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		1,621,171	1	5,507,494
	2	Savings and temporary cash investments		0	2	0
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		9,468,918	4	8,997,202
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		1,271,025	8	1,454,475
	9	Prepaid expenses and deferred charges		802,965	9	1,418,337
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 83,106,570			
	b	Less accumulated depreciation	10b 45,244,754	30,905,511	10c	37,861,816
	11	Investments—publicly traded securities		44,723,764	11	45,055,102
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		111,337	15	312,912
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		88,904,691	16	100,607,338
Liabilities	17	Accounts payable and accrued expenses		3,987,593	17	6,699,617
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		12,825,897	20	11,631,855
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		16,813,490	26	18,331,472
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		72,091,201	27	82,275,866
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		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		72,091,201	33	82,275,866
	34	Total liabilities and net assets/fund balances		88,904,691	34	100,607,338

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	70,543,625
2	Total expenses (must equal Part IX, column (A), line 25)	2	59,599,197
3	Revenue less expenses Subtract line 2 from line 1	3	10,944,428
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	72,091,201
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-759,763
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	82,275,866

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		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 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	Yes	
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 separated 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		No
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		

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SCHEDULE A (Form 990 or 990EZ)

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

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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 **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 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?
Total									

Part II **Support Schedule for Organizations Described in IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** 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—2010.** If the organization did not check the 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—2011.** 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—2010.** 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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a 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 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2011.** 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—2010.** 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.** Supplemental Information. Complete this part to provide the explanation 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).

Facts And Circumstances Test

Explanation

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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

2011

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, 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, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
COLUMBUS COMMUNITY HOSPITAL INC	47-0542043

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 funtion 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 the 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-

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 (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		5,490
j	Total lines 1c through 1i			5,490
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
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) non-deductible 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

Identifier	Return Reference	Explanation
OTHER ACTIVITIES	SCHEDULE C, PART II-B, LINE 1I	DUES PAID TO AMERICAN HOSPITAL ASSOCIATION ALLOCATED TO LOBBYING $3,042 DUES PAID TO NEBRASKA HOSPITAL ASSOCIATION ALLOCATED TO LOBBYING $2,448

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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 may 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 pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–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 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	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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, 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, 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 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 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 the 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	1,573,063	1,506,660	1,426,826	1,299,402	
b	Contributions	94,673	66,403	79,844	127,424	
c	Investment earnings or losses			-10		
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	1,667,736	1,573,063	1,506,660	1,426,826	

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 100 000 %
- c Term endowment ▶

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

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 property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		696,969		696,969
b Buildings		41,937,820	16,890,992	25,046,828
c Leasehold improvements				
d Equipment		35,879,827	26,765,494	9,114,333
e Other		4,591,954	1,588,268	3,003,686
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				37,861,816

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		
Other		
Total. *(Column (b) should 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
Total. *(Column (b) should 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
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	0

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 (ASC740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

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	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
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			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	

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

1	Total expenses and losses per audited financial statements			1	
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			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
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 should equal Form 990, Part I, line 18)			5	

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, 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

Identifier	Return Reference	Explanation
FIN 48 FOOTNOTE	SCHEDULE D, PART X	The Hospital adopted Financial Accounting Standards Board (FASB) Interpretation No 48, Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No 109 (FIN 48) FIN 48 provides specific guidance on how to address uncertainty in accounting for income tax assets and liabilities, prescribing recognition thresholds and measurement attributes The adoption of FIN 48 by Columbus Community Hospital did not have a material impact on the Hospital's financial position, results of operations, or cash flows In Fiscal Years Ending 2012 and 2011, management determined that there are no income tax positions requiring recognition in the financial statements
SCHEDULE D	PART V, LINE 4	ENDOWMENT FUNDS ARE HELD AND MAINTAINED BY COLUMBUS COMMUNITY HOSPITAL FOUNDATION THE ENDOWMENT FUNDS EXIST IN SUPPORT OF IMPROVED HEALTH SERVICES BY COLUMBUS COMMUNITY HOSPITAL

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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

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies 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? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☑ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
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 uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
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 eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care 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 Charity care at cost (from Worksheet 1)		821	652,251		652,251	1 170 %
b Medicaid (from Worksheet 3, column a)			3,805,014	1,821,057	1,983,957	3 570 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs		821	4,457,265	1,821,057	2,636,208	4 740 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	19	58,967	560,082	5,620	554,462	1 000 %
f Health professions education (from Worksheet 5)	1	47	681		681	
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)	1		18,083		18,083	0 030 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	5	589	22,757		22,757	0 040 %
j **Total** Other Benefits	26	59,603	601,603	5,620	595,983	1 070 %
k **Total.** Add lines 7d and 7j	26	60,424	5,058,868	1,826,677	3,232,191	5 810 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(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	1	30	3,414		3,414	
2	Economic development	1	650	1,540		1,540	
3	Community support	1		841		841	
4	Environmental improvements	1		2,491		2,491	
5	Leadership development and training for community members	1		75		75	
6	Coalition building	2	640	81,851		81,923	0 150 %
7	Community health improvement advocacy						
8	Workforce development	2	31	45,758		45,758	0 080 %
9	Other						
10	**Total**	9	1,351	135,970		136,042	0 230 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense	2	3,888,614		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	2,150,792		
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 as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	20,306,573
6	Enter Medicare allowable costs of care relating to payments on line 5	6	21,544,395
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-1,237,822
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	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
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	Yes	

Part IV Management Companies and Joint Ventures (see instructions)

	(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	HEALTHPARK LLC	PROPERTY MANAGEMENT			71 000 %
2	ZARZ LLC	PROPERTY MANAGEMENT			50 000 %
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size 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	Columbus Community Hospital Inc 4600-38th Street Columbus, NE 686011800	X	X					X		47 BED ACUTE CARE HOSPITAL W/ 24 HOUR ER SERVICES

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)

Columbus Community Hospital Inc

Name of Hospital Facility:

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 2011)			
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 question 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 those 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 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 ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in 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 CHNA			
g ☐ Prioritization of health needs in the 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 together with 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 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 100%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 200 % If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	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	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all 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 upon admission to the hospital facility			
	f ☑ The policy was available upon 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 (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon 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 patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

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**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
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)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☑ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
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**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
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 from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? **9**

	Name and address	Type of Facility (Describe)
1	PREMIER PHYSICAL THERAPY OF CCH US 30 CTR BLDG 3100-23RD st ste 15 COLUMBUS,NE 686013161	PHYSICIAL & AQUATIC THERAPY, SPORTS TRAINING SERVICES
2	WIGGLES & GIGGLES THERAPY FOR KIDS 2108-13TH STREET COLUMBUS,NE 686015100	PEDIATRIC THERAPY SERVICES
3	OCCUPATIONAL HEALTH SERVICES OF CCH 3005-18TH ST SUITE 300 COLUMBUS,NE 686014252	EMP HEALTH CARE SVCS TO PREVENT & TREAT WORK INJURIES
4	WOUND HEALING CENTER 4600-38TH STREET SUITE 165 COLUMBUS,NE 68601	WOUND TREATMENT CENTER
5	HUMPHREY CLINIC OF CCH 3003 MAIN STREET HUMPHREY,NE 686423155	CLINIC IN SMALL TOWN TO OFFER MEDICAL SVCS TO RESIDENTS
6	HOSPICE OF COLUMBUS COMMUNITY HOSPITAL 3005-19TH STREET SUITE 600 COLUMBUS,NE 686014248	HOSPICE SERVICES
7	COLUMBUS COMMUNITY HOSPITAL SLEEP LAB 3020-18TH STREET SUITE 14 COLUMBUS,NE 686014254	POLYSOMNOGRAPHIC SLEEP TESTING
8	HOME HEALTH OF COLUMBUS COMMUNITY HOSP 3005-19TH STREET SUITE 600 COLUMBUS,NE 686014248	HOME HEALTH SERVICES
9	COLUMBUS ORTHOPEDIC & SPORTS MEDICINE CL 4508 38TH STREET STE 133 COLUMBUS,NE 686011668	FREE STANDING CLINIC
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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health 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 hospital 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

Identifier	ReturnReference	Explanation
PART I, LINE 3C		N/A

Identifier	ReturnReference	Explanation
PART I, LINE 6A		A Community Benefit report is included each year in the Hospital's quarterly newsletter "Housecall" with an electronic version of the newsletter housed on the Hospital's website A separate landing page on the website was also created for the report to provide easy access to the report

Identifier	ReturnReference	Explanation
PART I, LINE 7		To determine costs associated with Charity Care and Community Benefits costs, the Hospital has used the worksheets offered in the Schedule H instructions The ratio of patient care costs to charges on Worksheet 2 was used to calculate the amounts on reported on Line 7 of the table Bad debt amounting to $3,888,614 included in the functional expense total in Part IX, Line 25 did not include $59,599,197 of the total operating expenses used to calculate the Table 7 percentage

Identifier	ReturnReference	Explanation
PART II	COMMUNITY BUILDING ACTIVITIES	-Hospital continues to collaborate with local Chamber of Commerce to recruit skilled professionals to fill job openings in the community Provides support and staff time to assist in highlighting the health care community, providing specific department or hospital tours in order to recruit skilled professions to live and work here in the community -Hospital sold land to the City to provide space for a twelve-acre urban lake and 20 acres of land for a future fire station on this property The urban lake is equipped with a nice wooden dock that makes it very accessible for strollers, wheelchairs and other assistive devices to roll down the dock to fish or watch the waterfowl on the lake Local assisted living and nursing care centers bring their wheel chair vans with residents to the lake as they can drive right up to the accessible dock This urban lake, waterfowl area provides a community space within the city limits for the whole community, young and old alike -Hospital continues to partner in several projects and community disease prevention initiatives with our local District Public Health Department and Community Health Center (CHC) The hospital provides financial support and much professional staff time as liaisons to these community partnerships throughout the year working on multiple chronic disease and accident prevention strategies Some of these community initiatives include type II diabetes, hypertension and heart disease, pre- and post natal newborn care, physical activity and exercise, colon cancer prevention and early detection as well as community preparedness to natural and manmade disasters Several other initiatives are addressed throughout the year as community health issues arise Thousands of community members are reached with these community initiative campaigns each year and these make a real difference in people's lives that are living with chronic health issues -Additionally CCH is in attendance in over a dozen Community Health Fairs/Community events each year, providing medical screenings and information for all community members -CCH also partners with local day cares, schools and colleges to provide speakers and hands on learning events for students to encourage entry into the medical professions

Identifier	ReturnReference	Explanation
PART III, LINE 4		Financial statements do not include any text for bad debt The amount in Line 2 was based on the bad debt charges multiplied by the ratio of patient care cost to charge from worksheet 2, Line 11 Charity care is kept separate from bad debt

Identifier	ReturnReference	Explanation
PART III, LINE 8		In accordance with 42 CFR 413 24, Columbus Community Hospital uses the "Step-down Method" as its costing methodology Departments within a provider are usually divided into two types 1) Those that produce patient care revenue (e g , routine services, radiology), and 2) Those that do not directly generate patient care revenue but are utilized as a service by other departments (e g , laundry and linen, dietary) The two types of departments are commonly referred to as "revenue-producing cost centers" and "nonrevenue-producing cost centers," respectively Although nonrevenue-producing cost centers do not directly produce patient care revenue, they contribute indirectly to patient care revenue generated by "serving" as a service to the revenue-producing centers and also to other nonrevenue-producing centers Therefore, for the purpose of proper matching of revenue and expenses, the cost of the revenue-producing centers should include both its direct expenses and its proportionate share of the costs of each nonrevenue-producing center (indirect costs) based on the amount of services received The process of allocating the cost of a particular nonrevenue-producing center to other nonrevenue-producing centers and revenue-producing centers is performed by utilizing a set of statistics (e g , pounds of laundry for allocating "laundry and linen" costs, square feet for allocating "depreciation building" costs) Every nonrevenue-producing cost center has the potential of being allocated to every other nonrevenue-producing cost center in addition to the revenue-producing cost centers This precludes a simple allocation of the direct expense of the nonrevenue-producing cost center because the indirect costs derived from allocation of other nonrevenue-producing cost centers must be computed in determining the "full cost" (direct and indirect costs) of the nonrevenue-producing cost center being allocated The "Step-down Method" recognizes that services furnished by certain nonrevenue-producing departments are utilized by certain other nonrevenue-producing centers as well as by the revenue-producing centers All costs of nonrevenue-producing centers are allocated to all centers that they serve, regardless of whether or not these centers produce revenue The cost of the nonrevenue-producing center serving the greatest number of other centers, while receiving benefits from the least number of centers, is apportioned first Following the apportionment of the cost of the nonrevenue-producing center, that center will be considered "closed" and no further costs are apportioned to that center This applies even though it may have received some service from a center whose cost is apportioned later Generally, if two centers furnish services to an equal number of centers while receiving benefits from an equal number, that center which has the greatest amount of expense should be allocated first

Identifier	ReturnReference	Explanation
PART III, LINE 9B		CHARITY (FINANCIAL AID) PROGRAM POLICY/PROCEDURE Columbus Community Hospital (CCH) offers a Charity/Financial Aid Program to provide uncompensated services to people who are unable to pay CCH Charity/Financial Aid Policy reflects the mission, vision and values of CCH It is intended to assist low-income, underinsured, and uninsured individuals whose financi al status, under the hospital's qualification criteria, makes it impractical or impossible to pay for necessary medical services CCH has a fiduciary responsibility to seek payment for services from those who can pay, and every effort will be made to apply consistent, f air and equitable financial aid practices in a manner consistent with all applicable feder al and state laws and regulations 1 Charity Policy a Our Charity/Financial Aid Policy d oes not eliminate the personal responsibility and financial discounts are always secondary to other government-sponsored programs However, CCH is committed to serve those without the means to pay and work with Good Neighbor Community Health Center and Medicaid services 2 Health Insurance a If a patient or guarantor has access to employer-based or governm ent-sponsored health insurance, yet elected not to enroll or failed to maintain eligibilit y, they may be considered They will be encouraged to obtain coverage at the next eligible period b If patient or guarantor has a Medical Savings Account, this needs to be expend ed before they are eligible for assistance c "Presumptive" financial assistance may be t aken into consideration when a patient has expired and there is no estate An incomplete f inancial assistance form may be on file because documentation was lacking that would suppo rt the provision of financial aid In this case i A family member is contacted to insure no estate exits ii Family member may be asked to sign and date a statement to the effec t that no estate exits iii The county in which the deceased patient resided is contacted to verify that no estate exits d CCH's Charity/Financial Aid is not a substitute for em ployer-sponsored, public or individually-purchased insurance, nor is CCH's financial aid p olicy a substitute for the responsibility of government and employers to expand access to health care coverage for all persons 3 Accounts with a Balance a Charity/Financial Aid may apply to balances due from insured patients for deductibles, co-payments, or co-insura nce, or other types of patient payment responsibility 4 Receiving an application a CCH is diligent in its efforts to determine, at the earliest point in time, the patient's abil ity to pay Information on Charity/Financial Assistance is available in key areas of the h ospital on how to apply or obtain further information, as well as hospital website and pat ient statements i Hospital staff members who work closely with patients are educated on how to communicate financial aid availability and how to direct patients to staff responsi ble for the financial aid application process ii Staff members are trained to treat fina ncial aid applicants with courtesy, confidentiality, and cultural sensitivity iii These principles and guidelines are for those patients who truly cannot afford health care servi ces b Any person requesting financial aid information will be directed to the Patient Ac counts or Social Services Departments An application for the Charity/Financial Aid Progra m needs to be completed before an eligibility determination can be made The application i s also available in Spanish Once the application is submitted with written proof of incom e, a determination will be made in a timely manner One or more of the following are requi red as verification of income i A letter of rejection from the Department of Social Serv ices (Medicaid) if applicable ii Signed copy of previous year's tax return iii Copy of most recent pay stub, with accumulative earnings iv Copy of recent three months of bank statements with an explanation of all deposits v Copy of any compensation received, i e , unemployment, if applicable vi Social Security determination if applicable c A fami ly is defined as anyone living together in a household, this will include college students , regardless of their residence, who are supported by their parents 5 Review Process a All completed applications are reviewed and approved by the Patient Financial Services Dir ector and overseen by the Vice-President of Finance b Any applications that are in need of further assistance are taken to the Vice-President of Finance c All write-offs greate r than $5,000 are reviewed by Vice President of Finance d Monthly the Vice-President of Finance oversees the Charity and Medicare Bad Debt statistical reports e If the applican t's income is above Poverty Guidelines, but is still in need of assistance, a sliding scal e will be used This scale is adjusted according to the current year's Poverty Guidelines If the applicant qualifies for partial Charity/Fi

Identifier	ReturnReference	Explanation
PART III, LINE 9B		nancial Assistance, acceptable monthly payment arrangements must be agreed upon f If the applicant qualifies for partial Charity/Financial Assistance and the total balance after all write-off's is $1,200 or greater, an additional write-off will be done as outlined bel ow $1,200 - $5,000 Reduce to $1,200 $5,001 - $10,000 Reduce to $1,400 >$10,001 Reduce to $1,800 Adjustments will be done from oldest to newest g A letter will be sent to the Gua rantor informing them of the determination for charity/financial assistance along with a M onthly Payment Agreement for those who qualified for partial approval or denied applicants This Agreement needs to be signed and returned to the Patient Accounts Department within 10 days 6 Documentation of Processed Accounts a The Patient Financial Services Directo r will maintain a yearly log of all applicants Documentation of approved accounts that ha ve been written off or denied will be maintained 7 Archived Applications a All charity applications are scanned into HBF under Document Type 'Charity Applications'

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT		In 2010, the Columbus community Hospital's five year strategic plan was implemented The plan includes a thorough assessment of the organization's external environment in terms of opportunities and threats in order to determine its internal strengths and weaknesses The plan also includes strategic issues, goals, and related strategies for future organizational effectiveness Six Organizational Pillars were identified quality, culture, people, service, facilities, and finance 1) Quality - Quality efforts have been focused on evidence based processes and educating staff on the importance of use and integration into daily operations Cch has implemented an electronic medical record to afford ease of information access and communication across the continuum of care 2) Culture - In effort to achieve a high performance organization, cch is in the process of implementing a 4-part culture improvement initiative including teamstepps, just culture, studer, and lean/six sigma process improvement A 3-year implementation time frame has been established 3) People - CCH has continued to employ aggressive employee and physician recruitment efforts to attract and retain the workforce needed to support strategic growth initiatives across all service lines 4) Services - cch performs annual, comprehensive program review of existing and new services and has ranked priority to begin service line development in areas such as hospital medicine, orthopedics, cardiology, cancer, and rehab services 5) Facilities - CCH has developed a comprehensive master facilities plan that is able to adapt to current and future patient care needs An emergency department expansion was completed in 2012

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE		Here is a sample of what is available on our CCH Web Site with detailed links as well as hard copy information in a special wall unit located inside each patient room as well as outpatient areas in brochures There is also a tutorial listed for each step of the way letting the patient know what they will need to bring along or have available to show for coping purposes Monthly Payment Option If you are unable to pay your balance in full, please call Patient Accounts Department to set up an acceptable payment arrangement Patient Charity/Financial Assistance Program If you feel your income is not sufficient to pay for your services at Columbus Community Hospital, please contact Patient Accounts Department AND/OR SOCIAL WORKERS for information regarding Charity/Financial Assistance Further information about Medicare/Medicaid / Charity Care is provided in both English and Spanish The state has their Medicaid applications available online Our patient accounts and social services staff have financial/charity applications available in both English and Spanish to provide to our patients Additionally, signage is posted directing patients to call as needed for financial help, and referrals are built into the Medical Admission software, so if patients voice concerns about the cost, or their lack of coverage a referral is generated to Social Services staff who will see patients individually and counsel on specific circumstances Monthly statements have information on 1)Payment plans 2)Charity/financial assistance program 3)24/7 online business office, which includes information on payment plans, charity/financial assistance, and downloadable financial/charity applications (available in English and Spanish)

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION		The local economy- Our Hospital service area remains in a small pocket that has been relat ively protected from the recession As we currently have over 300 skilled level positions available in several manufacturing companies, including wind generation, plastics, medical equipment, ethanol and the local beef packing plant Columbus Community Hospital is locat ed Columbus, Nebraska, which is the largest city in Platte County With a growing populati on of 32,000, Platte County is the largest of the seven county service area From June 30 , 2008 to December 31, 2009, unemployment in the City of Columbus increased slightly from 3 0% or 566 jobless to 3 7% or 693 jobless During this same period of time, the Nebraska jobless rate was 4 6% and the National average was reported at 10% Since November, 2008 j ob availability in Columbus has increased by 23% The unemployment rate reported for Colum bus in May, 2010 was 4 6%, while the State reported 4 8% and the National average was 9 5% As reported in Money Magazine, Columbus is listed as the third best place in the U S to find employment and in the "Top 100 Best Small Towns to Live" Three counties in Nebraska were listed in the top ten counties in the U S to live and work, including Platte, Madis on (which is contiguous to Platte County) and Sarpy County near Lincoln, Nebraska Our loc al economy is based on agriculture and manufacturing, with many industrial companies attra cted by plentiful, low-priced hydroelectric power Among the major employers are Archer Da niels Midland (ADM), an ethanol manufacturing company, FLEX-CON, Central Confinement Servi ce" Vishay, BD Medical, a medical equipment company, Behlen Manufacturing, which manufactu res steel buildings, and Nebraska Public Power, with headquarters located in Columbus Due to successful economic and industrial development in our area, this large manufacturing b ase remains intact A hard-working, well-educated workforce, low energy costs and a local environment friendly to business, provide encouragement for strong economic and industrial development within our service According to the Nebraska Department of Labor, Columbus i s considered a major hub for the manufacturing industry and has a greater share of manufac turing employment than other Nebraska metropolitan areas We continue to see an influx of single and young families moving into our area seeking employment Our community growth co rrelates to our continuing increase in Hospital outpatient visits Outpatient visits reach ed an all-time high of 45,151 year to date visits for the fiscal year ending April, 2012 This represents a 2% increase in visits over the same twelve month period the prior year In 2005, our outpatient visits over a twelve month period totaled 38,129 This 27% increas e in our outpatient visits over the past five years is a reflection of the significant imp act the Demonstration Project has had on our Hospital Service Capacity THE WOUND CENTER OPENED AUGUST OF 2008 WITH THREE PATIENTS IT HAS GROWN TO 691 PATIENTS AS OF JANUARY 9, 2 013 THE IDENTIFIED SERVICE AREA INCLUDES A 45-MILE RADIUS AROUND COLUMBUS THE WOUND CENT ER IS LOCATED IN THE VISITING PHYSICIAN OFFICE SUITE OF THE ATTACHED MEDICAL OFFICE BUILDI NG THE CENTER OPERATES TWO DAYS PER WEEK ADDITIONAL NURSE STAFF TIME IS SPENT EACH WEEK ASSISTING CLIENTS WITH WOUND APPLICATIONS, SCHEDULING APPOINTMENTS AND OTHER RESPONSIBILIT IES SUCH AS ORDERING SUPPLIES AND MAINTAINING COMPLIANCE WITH NATIONAL STANDARDS PREVIOUS LY, PATIENTS SEEKING THIS SPECIALIZED TREATMENT WERE REQUIRED TO TRAVEL ON AVERAGE 75 MILE S TO SEE A WOUND CENTER SPECIALIST THE VOLUME WE ARE SEEING AT THIS WOUND CENTER REINFORC ES THE AMOUNT OF COMMUNITY NEED THAT EXIST FOR THIS SERVICE AND HAS GREATLY INCREASED THE LOCAL ACCESS TO SERVICE FOR SO MANY OF OUR HIGHER ACUITY PATIENTS AND THEIR FAMILIES CCH WILL BE INSTALLING A NEW CT SCANNER, NEW RADIOLOGIC/FLUSUSCOPY SYSTEM AND NUCLEAR MEDICINE CAMERA THESE REPLACE EXISTING SYSTEMS WHICH ARE OUTDATED WE RECENTLY OPENED A WOMEN'S I MAGING AREA WITHIN THE HOSPITAL WHICH IS SEPERATE FROM THE RADIOLOGY DEPARTMENT A NEW REG ISTRATION AREA RECENTLY OPENED WHICH PROVIDES PATIENT PRIVACY BONE DENSITY, UPGRADED FROM CONTRACTING WITH A MOBILE SERVICE UNIT TO PURCHASING OUR OWN BONE DENSITY STATIONARY EQUI PMENT AND THE NECESSARY SUPPORT EQUIPMENT AND STAFF WHICH WAS ADDED IN EARLY 2010 THIS IS A GREAT ADDED BENEFIT TO THE COMMUNITY, INCREASING ACCESS FOR OUR PATIENTS AND PROVIDERS WHO NO LONGER HAVE TO AWAIT DIAGNOSIS WITH THE MOBILE UNITS' INTERMITTENT SERVICE THIS IS ANOTHER NEW PROGRAM THAT INCREASES ACCESS AND ELIMINATES THE NEED TO TRAVEL TO OUT OF TOW N UNITS FOR PROMPT DIAGNOSIS THAT IS MADE POSSIBLE BY THE DEMONSTRATION PROJECT The Demon stration Project has allowed us to purchase additional equipment, eliminating the wait for diagnosis due to the intermittent service of mobile units This reduces the need to trave l out of town for diagnosis and improves access to

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION		care for our community Columbus Community Hospital is a 47 bed, acute care Hospital serv ing needs offering a variety of surgical procedures and short term hospitalizations All 4 7 beds are licensed for either acute care or swing bed patients In addition, we provide c omprehensive outpatient laboratory, radiology, respiratory and rehabilitative services We also provide free interpreter services 24/7 Our facility offers comprehensive care, incl uding Intensive Care, Medical-Surgical Care, Inpatient and outpatient surgical procedures (general, ENT, urology, podiatry, orthopedic), as well as other complimentary ancillary se rvices including respiratory, wound care, diabetes education, endoscopies and cardiopulmon ary rehabilitation In 2006, the Hospital's Emergency Department was designated as a Level III Trauma Center with nurses certified in TNCC, ACLS and PALS Eight of the Emergency De partment nurses are also certified in ENPC A 30,000 square foot addition to the Hospital, provided the Emergency Department with expanded space the Emergency Department added two trauma bays a two-bay ambulance garage a dedicated decontamination area, a dedicated famil y grief and counseling room, covered drive-up access and a negative air-pressure room, whi ch allows patients with communicable diseases to be treated while protecting other patient s and staff Our Home Health/Hospice interdisciplinary services are provided to patients w ithin a 30 mile radius of Columbus and can provide in home Telehealth monitoring The Hosp ital's Sleep Lab provide polysomnographic sleep testing In addition, we are exploring the possibility making available both daytime and home sleep tests In January 2010, the Hosp ital hired a fulltime RN as the Orthopedic Service Line Coordinator A multi-disciplinary team was organized to review, standardize and improve the patient's total joint process fr om diagnosis to post-surgical recovery and in November 2010 a new orthopedic service line was implemented In MARCH, 2012 the Hospital acquired Columbus Orthopedic and Sports Medic ine Clinic, enabling the Hospital to expand the service line and ensure the community's ag ing population orthopedic services close to home Three cardiologists have relocated to Co lumbus, providing full time cardiology services to the area Since 2010, 40 physicians in total have been recruited to serve the needs of our primary and secondary service areas to include 36 MD's and 4 Midlevels, 20 are full time providers and the other 20 are serving the community in a visiting capacity The Hospital has completed construction on three roa d projects on and around the campus to increase access to the facility Two clinic buildin gs, one for a family practice group and one for a pharmacy have been completed as well

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH		-The Hospital reinvests capital to improve patient care, attract the best qualified staff to provide quality care for our patients, provide medical education and prevention activities in the community -Our Hospital is living our Mission and Vision within the community *OUR MISSION IS TO IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE *OUR VISION IS TO COMPASSIONATELY DELIVER THE STATE'S HIGHEST QUALITY PATIENT CARE -CORE VALUES CCH Core Values are *INTEGRITY *COMPASSION (changed from "Commitment" as part of the communication of this strategic plan) *ACCOUNTABILITY *RESPECT *EXCELLENCE -The Hospital has prioritized our capital reinvestment by aligning it to the Strategic Plan Our plan consists of SIX Organizational Pillars with goals and strategies associated with each The SIX Pillars of Excellence consist of *Quality *Culture *People *Services *Facilities *FINANCE Measurement of ongoing operational performance is organized around these Pillars of Excellence These pillars were strategically identified as common measures around which operational performance is organized in many health care institutions and adapted for CCH COLUMBUS COMMUNITY HOSPITAL HAS AN INDEPENDENT BOARD OF DIRECTORS MADE UP OF COMMUNITY LEADERS WITH DIVERSE BACKGROUNDS COLUMBUS COMMUNITY HOSPITAL HAS AN OPEN EMERGENCY ROOM AVAILABLE TO ALL IN NEED NO MATTER OF RACE, CREED, AGE, OR ABILITY TO PAY THE HOSPITAL ALSO HAS AN OPEN MEDICAL STAFF

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE SYSTEM		N/A

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT		NONE

Identifier	ReturnReference	Explanation
PART V, LINE 13G		INFORMATION BROCHURES ON FINANCIAL/CHARITY ASSISTANCE (F/C) ARE AVAILABLE IN KEY AREAS OF THE HOSPITAL THE CCH WEBSITE HAS INFORMATION REGARDING F/C ASSISTANCE, AS WELL AS APPLICATIONS IN BOTH SPANISH AND ENGLISH THE PATIENT STATEMENTS HAS INFORMATION REGARDING F/C ASSISTANCE THE F/C APPLICATIONS ARE AVAILABLE TO ALL STAFF ON THE H DRIVE UNDER FORMS THE EMERGENCY REGISTRATION, MAIN REGISTRATION, PATIENT ACCOUNTS AND SOCIAL SERVICES DEPARTMENTS HAVE THE F/C APPLICATIONS IN BOTH ENGLISH AND SPANISH AVAILABLE

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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

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

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? . . . ☑ 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. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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) COLUMBUS COMMUNITY HOSPITAL FOUNDATION INC4600 38TH STREET COLUMBUS,NE 68601	47-0836747	501(C)(3)	132,783				TO SUPPORT EXEMPT
(2) AMERCIAN HEART ASSOCIATION INC7272 GREENVILLE AVENUE DALLAS,TX 75231	13-5613797	501(C)(3)	12,440				TO SUPPORT EXEMPT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 2

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) 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) CHARITY CARE TO PATIENTS	825	219	1,179,264	BOOK	WRITE-OFF OF MED EXP

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

Identifier	Return Reference	Explanation
GENERAL INFORMATION ON GRANTS AND ASSISTANCE	Schedule I, Part I, Line 2	COLUMBUS COMMUNITY HOSPITAL does not typically give out donations, but occasionally a request is brought forward and the Board determines that it is in the best interest of the community to provide a particular grant Prior to providing the grant, the Hospital determines that the organization it gives to is a 501(c)(3) organization or a government agency The Hospital will also make grants to their related organizations as necessary to support their exempt purpose

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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, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

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Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 idemnification 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 in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
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**	Yes	
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?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only 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**		No
b	Any related organization?	**5b**		No
	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**		No
b	Any related organization?	**6b**		No
	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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
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 Schedule J-1 if additional space 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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) J JOSEPH BARBAGLIA	(i) (ii)	145,937		16,500	6,666	2,742	171,845	
(2) JAMES GOULET	(i) (ii)	157,940		9,750	6,796	12,880	187,366	
(3) LINDA WALLINE	(i) (ii)	135,951		16,500	5,897	11,557	169,905	
(4) PHIL POWERS CRNA	(i) (ii)	202,849		3,183	8,466	15,931	230,429	
(5) MARK HOWERTER MD	(i) (ii)	417,398			9,800	5,332	432,530	
(6) JOHN SAFRANEK MD	(i) (ii)	182,128		16,500	8,130	12,797	219,555	
(7) ROBERT MILLER MD	(i) (ii)	260,574			9,577	9,907	280,058	
(8) MICHAEL HANSEN	(i) (ii)	205,691		16,500	7,915		230,106	
(9) MARK SWOPE	(i) (ii)	185,474		7,916	7,005	14,662	215,057	
(10) ALEX KAZOS MD	(i) (ii)	249,701			9,800	18,143	277,644	

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

Identifier	Return Reference	Explanation
QUESTIONS REGARDING COMPENSATION	PART I, LINE 1A	THE ORGANIZATION PAID FOR SOCIAL AND HEALTH CLUB DUES AS PART OF THE CEO'S EMPLOYMENT AGREEMENT These amounts were reflected on the CEO's W-2

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	HOSPITAL AUTHO NO 1 OF PLATTE COUNTY NE	47-0830844	000000000	05-04-2010	23,000,000	REFUND PRIOR BONDS		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	11,359,661			
2	Amount of bonds defeased	0			
3	Total proceeds of issue	23,000,000			
4	Gross proceeds in reserve funds	0			
5	Capitalized interest from proceeds	0			
6	Proceeds in refunding escrow	0			
7	Issuance costs from proceeds	0			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	0			
11	Other spent proceeds	23,000,000			
12	Other unspent proceeds	0			
13	Year of substantial completion	2002			

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X							
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X						
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2	Is the bond issue a variable rate issue?		X						
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X						
b	Name of provider	0							
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X						
6	Did the bond issue qualify for an exception to rebate?	X							

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations . . . . . ☐ Yes ☑ No

Part VI Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation
SCHEDULE K, PART III, LINE 3A	0	COLUMBUS COMMUNITY HOSPITAL HAS THE FOLLOWING CONTRACTS, ALL OF WHICH HAVE BEEN REVIEWED BY OUR ATTORNEYS AND ARE 97-13 COMPLIANT 1 HOSPITALISTS SERVICES AGREEMENT FOR HOSPITAL CONTRACTED WITH IPA COLUMBUS, 2 FOOD SERVICE MANAGEMENT AGREEMENT CONTRACTED WITH ARAMARK HEALTHCARE SUPPORT SERVICES, LLC, 3 TRAUMA SURGERY CALL FOR EMERGENCY AGREEMENT, REQUIRED WITH LEVEL III TRAUMA STATUS, WITH RON ERNST, M D , 4 ORTHOPEDIC EMERGENCY ROOM CALL FOR PATIENTS REQUIRING THAT SPECIALTY SERVICE WITH MICHAEL MCGUIRE, M D , 5 WOUND CARE HEALING CENTER MEDICAL DIRECTOR AND PROVIDER WITH RON ERNST, M D , 6 PROFESSIONAL SERVICES AND MEDICAL DIRECTOR FOR HUMPHREY CLINIC WITH COLUMBUS FAMILY PRACTICE, PC, 7 HOME HEALTH/HOSPICE ASSOCIATE MEDICAL DIRECTOR AGREEMENT WITH DRS ED DISCO, M D AND DALE ZARUBA, M D
SCHEDULE K, PART III, LINE 5	0	ALL UNRELATED BUSINESS INCOME IS GENERATED FROM PROPERTY NOT FINANCED BY BONDS REPORTED ON SCHEDULE K
SCHEDULE K, PART III, LINE 7	0	POLICIES ARE IN PLACE, BUT ARE PRESENTLY UNWRITTEN COLUMBUS COMMUNITY HOSPITAL IS CURRENTLY IN THE PROCESS OF PUTTING CURRENT POLICY IN WRITING

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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 to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Identifier	Return Reference	Explanation
GOVERNANCE, MANAGEMENT AND DISCLOSURE	FORM 990, PART VI, LINE 15	The Hospital's Executive Compensation Committee, made up of independent Hospital Board members, reviews the CEO's compensation annually The wage range is compared to information provided by third party consultants, from salary surveys Decisions are documented
GOVERNANCE, MANAGEMENT AND DISCLOSURE	Form 990, Part VI, Line 19	At Columbus Community Hospital, a 3-ring binder exists in the Executive Assistant's office labeled "For Public Disclosure" which includes the most current of the following -Governing Documents which are the Hospital Bylaws -Conflict of Interest Policy -Audited Financial Statements -Forms 990 and 990-T
GOVERNANCE, MANAGEMENT AND DISCLOSURE	Form 990, Part VI, Line 12C	Columbus Community Hospital does monitor any conflict of interests based on their conflict of interest policy EMPLOYEES AND VOLUNTEERS are required to fully disclose any conflict of interest that may exist or appears to exist Hospital reviews any of these conflicts and works with the Compliance Officer and the Vice President or CEO to determine if a conflict exists If one does exist, the Hospital initiates actions to manage, reduce, or eliminate the conflict
COMPENSATION OF OFFICERS	FORM 990,PART VII	Michael Hansen (President/CEO) DEVOTED ON AVERAGE 2 HOURS PER WEEK TO THE COLUMBUS COMMUNITY HOSPITAL FOUNDATION (RELATED ORGANIZATION) IN ADDITION TO HIS TIME SPENT AS CEO/PRESIDENT OF COLUMBUS COMMUNITY HOSPITAL MR HANSEN WAS PAID BY THE HOSPITAL FOR HIS SERVICES
GOVERNANCE, MANAGEMENT AND DISCLOSURE	PART VI, LINE 11B	The Form 990 will be available for all members of the finance committee to review Upon committee review, the 990 will then be submitted to the Board for review and the Board will make any corrections if applicable If changes are made, a final copy of the 990 will be emailed to the Board members (via secure email) prior to filing with the IRS
RECONCILIATION OF NET ASSETS	PART XI, LINE 5	CHANGE IN BENEFICIAL INTEREST IN NET ASSETS OF FOUNDATION (759,763)
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JAMES PILLEN DVM TITLE CHAIR HOURS

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

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Name of the organization
COLUMBUS COMMUNITY HOSPITAL INC

Employer identification number
47-0542043

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) COLUMBUS COMMUNITY HOSPITAL FOUNDATION 4600 38TH STREET COLUMBUS, NE 68601 47-0836747	FUNDRAISING	NE	501(C)(3)	LINE 11, I	CCH	Yes	
(2) HEALTHPARK TITLE CO 4600 38TH STREET COLUMBUS, NE 68601 47-0830945	HOLDING CO	NE	501(C)(3)	N/A	CCH	Yes	

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) ZARZ LLC PO BOX 1800 COLUMBUS, NE 68602 27-3676428	PROPERTY MGMT	NE	HLTHPK TITLE CO	RELATED	0	0		No	0		No	0 %
(2) HEALTHPARK LLC PO BOX 1800 COLUMBUS, NE 68602 47-0836733	PROPERTY MGMT	NE	HLTHPK TITLE CO	RELATED	0	0		No	0		No	0 %

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e	Yes	
f Sale of assets to related organization(s)	1f	Yes	
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i	Yes	
j Lease of facilities, equipment, or other assets from related organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	Yes	
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p	Yes	
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	C	303,177	CASH
(2) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	L	150,275	BOOK
(3) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	E	11,631,855	BOOK
(4) COLUMBUS COMMUNITY HOSPITAL FOUNDATION	B	132,783	CASH
(5) HEALTHPARK TITLE COMPANY	J	198,922	BOOK
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
PART V, LINE 2		COLUMBUS COMMUNITY HOSPITAL FOUNDATION IS LISTED AS BACKING THE COLUMBUS COMMUNITY HOSPITAL, INC 'S TAX EXEMPT BOND THIS IS COVERED WITH THE FOUNDATION'S NON-ENDOWED FUNDS

KPMG

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Financial Statements
and Supplemental Schedules

April 30, 2012 and 2011

(With Independent Auditors' Report Thereon)

KPMG LLP
Suite 1501
222 South 15th Street
Omaha, NE 68102-1610

Suite 1600
233 South 13th Street
Lincoln, NE 68508-2041

Independent Auditors' Report

The Board of Directors
Columbus Community Hospital, Inc

We have audited the accompanying consolidated balance sheets of Columbus Community Hospital, Inc and affiliates (the Hospital) as of April 30, 2012 and 2011, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of the Hospital's management Our responsibility is to express an opinion on these consolidated 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Columbus Community Hospital, Inc and affiliates as of April 30, 2012 and 2011, and the results of their operations and their cash flows for the years then ended, in conformity with U S generally accepted accounting principles

Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole The 2012 supplementary information included in the accompanying schedules is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statement or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole

KPMG LLP

Omaha, Nebraska
July 18, 2012

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Balance Sheets

April 30, 2012 and 2011

Assets	2012	2011
Current assets		
Cash and cash equivalents	$ 5,669,695	1,685,792
Patient accounts receivable, net of allowance for doubtful accounts of approximately $4,195,000 in 2012 and $3,712,000 in 2011	7,566,546	8,521,096
Other receivables	1,430,656	956,822
Inventories	1,470,225	1,286,467
Prepaid expenses	1,418,337	802,965
Total current assets	17,555,459	13,253,142
Assets limited as to use		
Board-designated investments	74,895,935	74,241,977
Total assets limited as to use	74,895,935	74,241,977
Property and equipment		
Land and improvements	4,180,445	2,847,589
Buildings	39,896,812	28,360,073
Equipment and furnishings	35,935,865	33,800,217
Medical office property and equipment	2,520,624	2,520,625
Construction in progress	572,824	3,833,344
Total property and equipment	83,106,570	71,361,848
Less accumulated depreciation	45,244,754	40,456,337
Total property and equipment, net	37,861,816	30,905,511
Investment in Healthpark LLC	880,211	880,211
Deferred financing costs and other assets	427,727	334,878
Total assets	$ 131,621,148	119,615,719

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Balance Sheets

April 30, 2012 and 2011

Liabilities and Net Assets		2012	2011
Current liabilities			
Current portion of long-term debt	$	1,244,138	1,194,042
Accounts payable		127,636	119,208
Accrued salaries, wages, and payroll taxes		4,206,236	3,405,473
Estimated third-party payor settlements		2,332,003	387,528
Accrued interest		42,002	84,514
Total current liabilities		7,952,015	5,190,765
Long-term debt, net of current portion		10,387,717	11,631,855
Total liabilities		18,339,732	16,822,620
Net assets			
Unrestricted		111,106,648	100,721,032
Temporarily restricted		507,032	499,004
Permanently restricted		1,667,736	1,573,063
Total net assets		113,281,416	102,793,099
Total liabilities and net assets	$	131,621,148	119,615,719

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Operations

Years ended April 30, 2012 and 2011

	2012	2011
Unrestricted revenues, gains, and other support		
Net patient service revenue	$ 67,163,788	63,494,628
Other revenue	821,308	978,718
Total revenues, gains, and other support	67,985,096	64,473,346
Expenses		
Salaries and wages	25,559,298	24,291,349
Employee benefits	5,816,162	5,592,876
Professional medical fees	1,617,949	1,242,410
Purchased services, supplies, and other	16,026,676	15,743,189
Depreciation and amortization	5,120,114	4,546,176
Interest	282,532	864,707
Provision for bad debts	3,888,614	3,471,234
Gain on disposal of assets	(58,400)	(94,356)
Total expenses	58,252,945	55,657,585
Operating income	9,732,151	8,815,761
Other income (expense)		
Investment income	1,082,504	4,377,440
Loss on extinguishment of debt	—	(1,259,270)
Other	(40,621)	(309,509)
Total other income, net	1,041,883	2,808,661
Excess of revenues over expenses	10,774,034	11,624,422
Other changes in unrestricted net assets		
Change in unrealized gains and losses on investments, net	(356,304)	510,195
Net assets released from restrictions for the purchase of property and equipment	100,669	57,946
Reclassification of net assets due to donor matching	(132,783)	(30,000)
Total other changes in unrestricted net assets	(388,418)	538,141
Increase in unrestricted net assets	$ 10,385,616	12,162,563

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Changes in Net Assets

Years ended April 30, 2012 and 2011

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Balance, April 30, 2010	$ 88,558,469	296,959	1,506,660	90,362,088
Excess of revenues over expenses	11,624,422	—	—	11,624,422
Change in net unrealized gains and losses on investments, net	510,195	12,808	—	523,003
Restricted investment income	—	71,099	—	71,099
Net assets released from restrictions for the purchase of property and equipment	57,946	(57,946)	—	—
Change in value of charitable remainder trusts	—	97,005	—	97,005
Reclassification of net assets due to donor matching	(30,000)	—	30,000	—
Restricted contributions	—	79,079	36,403	115,482
Increase in net assets	12,162,563	202,045	66,403	12,431,011
Balance, April 30, 2011	100,721,032	499,004	1,573,063	102,793,099
Excess of revenues over expenses	10,774,034	—	—	10,774,034
Change in net unrealized gains and losses on investments, net	(356,304)	(7,759)	—	(364,063)
Restricted investment income	—	724	—	724
Interest and dividends	—	15,787	—	15,787
Net assets released from restrictions for the purchase of property and equipment	100,669	(100,669)	—	—
Change in value of charitable remainder trusts	—	(108,726)	—	(108,726)
Reclassification of net assets due to donor matching	(132,783)	99,450	33,333	—
Restricted contributions	—	109,221	61,340	170,561
Increase in net assets	10,385,616	8,028	94,673	10,488,317
Balance, April 30, 2012	$ 111,106,648	507,032	1,667,736	113,281,416

See accompanying notes to consolidated financial statements

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidated Statements of Cash Flows

Years ended April 30, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Increase in net assets	$ 10,488,317	12,431,011
Adjustments to reconcile increase in net assets to net cash flows provided by operating activities		
Depreciation and amortization	5,107,743	4,457,990
Amortization of deferred financing costs	12,371	88,186
Loss on extinguishment of debt	—	1,259,270
Provision for bad debts	3,888,614	3,471,234
Restricted contributions	(61,340)	(36,403)
Restricted investment income	(724)	(71,099)
Change in value of charitable remainder trusts	108,726	(97,005)
Gain on sale of property and equipment	(58,400)	(94,356)
Change in unrealized gains and losses on investments, net	364,063	(523,003)
Equity in earnings of Healthpark LLC	—	(46,350)
Changes in assets and liabilities		
Patient accounts receivable	(2,934,064)	(4,830,062)
Other receivables	(473,834)	(227,647)
Inventories	(183,758)	(475,191)
Prepaid expenses	(615,372)	272,574
Accounts payable	8,428	(262,890)
Accrued salaries, wages, and payroll taxes	800,763	477,107
Estimated third-party payor settlements	1,944,475	(561,260)
Accrued interest	(42,512)	(706,180)
Other assets	(105,220)	(65,140)
Net cash flows provided by operating activities	18,248,276	14,460,786
Cash flows from investing activities		
Purchases of assets limited as to use	(29,251,699)	(35,293,667)
Sales of assets limited as to use	28,124,952	41,990,425
Additions to property and equipment	(12,005,648)	(8,093,826)
Capital contributions to Healthpark LLC	—	(400,000)
Distributions from Healthpark LLC	—	211,447
Net cash flows used in investing activities	(13,132,395)	(1,585,621)
Cash flows from financing activities		
Repayment of long-term debt	(1,194,042)	(36,289,083)
Issuance of long-term debt	—	23,000,000
Restricted contributions and investment income	62,064	107,502
Payment of debt issuance costs	—	(199,522)
Net cash flows used in financing activities	(1,131,978)	(13,381,103)
Net decrease in cash and cash equivalents	3,983,903	(505,938)
Cash and cash equivalents, beginning of year	1,685,792	2,191,730
Cash and cash equivalents, end of year	$ 5,669,695	1,685,792
Supplemental disclosure of cash flow information		
Cash paid during the year for		
Interest	$ 325,044	864,707

See accompanying notes to consolidated financial statements

(1) Organization

Columbus Community Hospital, Inc (the Hospital) operates a 47-bed acute care not-for-profit hospital located in Columbus, Nebraska

The Hospital also sponsors and is the sole corporate member of the Columbus Community Hospital Foundation (the Foundation) The Foundation was incorporated for the sole benefit of the Hospital to promote and support the Hospital's charitable purpose In addition, the Hospital incorporated Healthpark Title Company, which owns an interest in a medical office building that is adjacent to the Hospital facility and a second medical office building on the Hospital's east campus (note 9) The accompanying consolidated financial statements include the Hospital, the Foundation, and Healthpark Title Company All significant intercompany accounts and transactions have been eliminated in consolidation

(2) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of the Hospital and its affiliates described above These policies are in accordance with U S generally accepted accounting principles

(a) Use of Estimates

The preparation of consolidated financial statements in conformity with U S generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

(b) Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid financial instruments with original maturities of three months or less

(c) Inventories

Inventories are stated at the lower of cost or market Cost is determined principally using the first-in, first-out method

(d) Deferred Financing Costs

In connection with the issuance of Loan Funding Revenue Notes, the Hospital incurred certain financing costs that are being amortized over the term of the notes using the straight-line method

(e) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities The Hospital periodically reviews its

investment portfolio to determine whether any unrealized losses are other than temporary No investment declines were determined to be other than temporary as of April 30, 2012 or 2011

(f) Assets Limited as to Use

Assets limited as to use primarily include designated 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 for other purposes

(g) Property and Equipment

Property and equipment acquisitions are recorded at cost Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method based on the following useful lives

Land improvements	10 to 15 years
Buildings	5 to 40 years
Equipment and furnishings	3 to 40 years
Medical office property and equipment	3 to 20 years

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring the assets During 2012, approximately $224,000 of interest was capitalized No interest was capitalized in 2011

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are excluded from excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed into service

(h) Temporarily and Permanently Restricted Net Assets

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

(i) Excess of Revenues over Expenses

The consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include changes in 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 purposes of acquiring such assets)

(j) Estimated Malpractice Costs

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported

(k) Fair Value of Financial Instruments

The Hospital utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible The Hospital determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels

- Level 1 Inputs Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date
- Level 2 Inputs Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability
- Level 3 Inputs Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date

(l) Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors 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

(m) Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue Costs related to charges foregone calculated on a cost-to-charge method were approximately $592,000 and $603,000, in 2012 and 2011, respectively

(n) Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair

value at the date the gift 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 in the consolidated statements of operations and changes in net assets as assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

The Foundation has entered into legally binding agreements with certain donors, which require matching of donor contributions and thus restrict unrestricted net assets of the Foundation for specific purposes (donor matching funds). During 2012, $33,333 of endowment and $99,450 of temporary restricted net assets have been reclassified as either permanently or temporarily restricted in the accompanying consolidated financial statements. During 2011, $30,000 of endowment net assets has been reclassified as permanently restricted in the accompanying consolidated financial statements.

(o) Endowment Funds

The Hospital follows the provisions of FASB ASC Subtopic 958-205, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* (FSP SFAS 117-1), including any changes required to net asset classification of donor-restricted endowment funds and the incremental disclosure requirements for all endowment funds (including both donor-restricted and board-designated endowment funds).

(p) Income Taxes

The Hospital and the Foundation have been recognized as not-for-profit organizations by the Internal Revenue Service (IRS) as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

The Healthpark Title Company has been recognized as a not-for-profit organization by the IRS as described in Section 501(c)(2) of the Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

The Hospital recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. During 2012 and 2011, management determined that there are no income tax positions requiring recognition in the consolidated financial statements.

(3) Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates A summary of the payment arrangements with major third-party payors is as follows

(a) Medicare

The Hospital continues to be reimbursed the cost of its inpatient services provided to Medicare beneficiaries through their participation in the Medicare sponsored "Rural Community Hospital Demonstration Program" (the Program) The Program is aimed at increasing the capability of selected rural hospitals to meet the needs of their service areas The Hospital is reimbursed at tentative rates with a final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare Audit Contractors (MACs) Prior to that time, the Hospital was reimbursed under the Inpatient Prospective Payment System (IPPS) based on service groups called diagnostic related groups (DRGs)

Outpatient services continue to be reimbursed under the Outpatient Prospective Payment System (OPPS) based on service groups called ambulatory payment classifications (APCs) In addition, the Hospital continues to qualify under the outpatient hold harmless provision, which provides temporary additional reimbursement for certain rural hospitals under 100 beds The estimated impact of the Outpatient Hold Harmless Payments for the years ended April 30, 2012 and 2011 was an increase in reimbursement from the Medicare program of approximately $1,200,000 and $1,100,000, respectively, as compared to what would have been paid under OPPS

Effective March 11, 2010, the Hospital was approved for Sole Community Hospital (SCH) status Sole community hospitals are acute-care facilities eligible for protected status under Medicare regulations and therefore can receive additional payments from Medicare under both IPPS and OPPS The Hospital's reimbursement for inpatient Medicare services still defaults to the Program, however the financial impact between the Program and IPPS is reduced due to the SCH payments

The estimated impact of the Program for the years ended April 30, 2012 and 2011 was an increase in reimbursement from the Medicare program of approximately $3,500,000 and $3,000,000, respectively, as compared to what would have been paid under IPPS with the SCH designation

(b) Nebraska Medicaid

Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge Certain outpatient services are reimbursed based on a percentage rate representing the average ratio of cost to charges discounted by 27%

Revenue from the Medicare and Medicaid programs accounted for approximately 42% and 7%, respectively, of the Hospital's charges for the years ended April 30, 2012 Revenue from the Medicare and Medicaid programs accounted for approximately 42% and 8%, of the Hospital's charges for the year ended April 30, 2011 Laws and regulations governing Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The 2012 net patient service revenue decreased by approximately $69,500 due to additional allowances

required for years still subject to audits, reviews, and investigations The 2011 net patient service revenue increased by approximately $168,000 due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer subject to audits, reviews, and investigations

The Hospital also has entered into payment agreements with certain commercial insurance carriers The basis for payment to the Hospital under these agreements includes primarily discounts from established charges

Net patient service revenue as reflected in the accompanying consolidated statements of operations consists of the following

		2012	2011
Gross patient charges			
Inpatient charges	$	32,769,176	32,138,843
Outpatient charges		63,000,074	58,849,863
Gross patient charges		95,769,250	90,988,706
Less			
Deductions from gross patient charges			
Contractual adjustments – Medicare, Medicaid, and other		28,605,462	27,494,078
Net patient service revenue	$	67,163,788	63,494,628

(4) Long-Term Debt

Long-term debt as of April 30, 2012 and 2011 consisted of the following

		2012	2011
Hospital Authority No 1 of Platte County, Nebraska, Loan Funding Revenue Notes, payable in varying monthly principal installments to 2020, with a fixed-interest rate of 4 33%	$	11,631,855	12,825,897
Less current portion		1,244,138	1,194,042
Long-term debt, excluding current portion	$	10,387,717	11,631,855

During 2011, the Hospital refinanced its Series 2000 Hospital Revenue Bonds with Loan Funding Revenue Notes These revenue notes were issued May 4, 2010 in the amount of $23,000,000 and provide for certain covenants that place restrictions on the incurrence of additional indebtedness and on the sale or disposition of property In connection with the debt issuance, the Hospital incurred a loss on extinguishment of $1,259,270 associated with the retirement Series 2000 Hospital Revenue Bonds

The portion of long-term debt maturing in each of the next five fiscal years is as follows

2013	$ 1,244,138
2014	1,299,870
2015	1,358,098
2016	1,418,143
2017	1,482,462
Thereafter	4,829,144
	$ 11,631,855

(5) Retirement Plan

The Hospital participates in a contributory retirement plan covering substantially all eligible employees The retirement plan is a Defined Contribution Money Purchase Plan, and the minimum benefit provision of the retirement plan is fully funded Funding is based on a salary contribution factor (4% in 2012 and 2011) for all eligible employees, which is approved by the board of directors Total retirement expense for the years ended April 30, 2012 and 2011 was $792,235 and $687,532, respectively

(6) Insurance Coverage

The Hospital has a claims-made policy for its professional liability insurance coverage, which expires May 1, 2013 The policy provides coverage of $1,000,000 per claim with a $3,000,000 annual aggregate limit with no deductible requirement Additionally, the Hospital has a $9,000,000 umbrella policy with no deductible requirement In the event that the current policy is not replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured

The Hospital also carries a workers' compensation policy that expires June 1, 2013 and provides coverage of $500,000 per claim with no deductible requirement

The Hospital has provided for claims, including estimates of the ultimate costs of both reported claims and claims incurred, but not reported at year-end Management is presently not aware of any incidents that would result in probable losses that would have a material adverse impact on the accompanying consolidated financial statements

(7) Assets Limited as to Use

The following is a summary of assets limited as to use as of April 30, 2012 and 2011 (at fair value)

	2012				
	Cash and cash equivalents	Certificates of deposit	U.S. government securities	Equity securities	Total
Board designated	$ 488,836	44,773,201	—	29,633,898	74,895,935

(Continued)

	2011				
	Cash and cash equivalents	Certificates of deposit	U.S. government securities	Equity securities	Total
Board designated	$ 582,264	44,470,641	—	29,189,072	74,241,977

Investment income for assets limited as to use, and cash and cash equivalents are comprised of the following for the years ended April 30, 2012 and 2011

	2012	2011
Income		
Investment income	$ 1,082,504	4,377,440
Other changes in unrestricted net assets		
Changes in unrealized gains and losses on investments, net	(356,304)	510,195

Total unrealized losses at April 30, 2012 and 2011 were nominal

(8) Fair Value Measurements

Fair Value of Financial Instruments

The following table presents the carrying amounts and estimated fair values of the Hospital's financial instruments at April 30, 2012 and 2011 The fair value of a financial instrument is the amount 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

	2012		2011	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	$ 5,669,695	5,669,695	1,685,792	1,685,792
Patient accounts receivable	7,566,546	7,566,546	8,521,096	8,521,096
Other receivables	1,430,656	1,430,656	956,822	956,822
Assets limited as to use	74,895,935	74,895,935	74,241,977	74,241,977
Charitable remainder trusts	114,815	114,815	223,541	223,541
Financial liabilities				
Accounts payable	$ 127,636	127,636	119,208	119,208
Accrued salaries, wages, payroll taxes, and other	4,206,236	4,206,236	3,405,473	3,405,473
Estimated third-party settlements	2,332,003	2,332,003	387,528	387,528
Long-term debt	11,631,855	11,455,210	12,825,897	12,825,897

(Continued)

The carrying amounts shown in the table are included in the consolidated balance sheets under the indicated captions The fair values of the financial instruments represent management's best estimates of the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date Those fair value measurements maximize the use of observable inputs However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Hospital's own judgments about the assumptions that market participants would use in pricing the asset or liability Those judgments are developed by the Hospital based on the best information available in circumstances

The following methods and assumptions were used to estimate the fair value of each class of financial instruments

Cash and cash equivalents, patient accounts receivable, other receivables, estimated third-party payor settlements, accounts payable and accrued salaries, wages and payroll taxes, and other – the carrying amount approximates fair value because of the short maturity of these instruments

Assets limited as to use and charitable remainder trusts – the fair value is based on quoted market prices, if available, or estimated quoted market prices for similar securities

Long-term debt – the fair value is determined by discounting the future cash flows of the debt that reflect, among other things, market interest rates and the Hospital's credit standing The discount rate used for 2012 and 2011 was 4 0% and 4 3%, respectively

Fair Value Hierarchy

The following tables present the financial instruments that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at April 30, 2012 and 2011

	2012 Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 5,669,695	5,669,695	—	—
Charitable remainder trusts	114,815	—	114,815	—
Assets limited as to use				
Cash and cash equivalents	$ 488,836	488,836	—	—
Certificates of deposit	44,773,201	—	44,773,201	—
Mutual funds				
Indexed	13,751,400	13,751,400	—	—
Mid Cap	3,143,748	3,143,748	—	—
Small Cap	1,554,504	1,554,504	—	—
International	5,149,307	5,149,307	—	—
Bond	6,034,939	6,034,939	—	—
Total assets limited as to use	$ 74,895,935	30,122,734	44,773,201	—

(Continued)

	2011 Fair value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 1,685,792	1,685,792	—	—
Charitable remainder trusts	223,541	—	223,541	—
Assets limited as to use				
Cash and cash equivalents	$ 582,264	582,264	—	—
Certificates of deposit	44,470,641	—	44,470,641	—
Mutual funds				
Indexed	13,241,280	13,241,280	—	—
Mid Cap	3,224,202	3,224,202	—	—
Small Cap	1,622,134	1,622,134	—	—
International	4,919,755	4,919,755	—	—
Bond	6,181,701	6,181,701	—	—
Total assets limited as to use	$ 74,241,977	29,771,336	44,470,641	—

The Hospital's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of level 1 or level 2 for the years ended April 30, 2012 and 2011.

(9) Investment in Healthpark LLC

The Hospital has entered into an agreement with certain investors to operate a medical office building adjacent to the existing hospital campus. The Hospital's ownership interest of approximately 29% at April 30, 2012 and 2011 is reflected as an investment in the LLC in the accompanying consolidated balance sheets. Profits and losses are allocated among the members in accordance with their ownership interests. The Hospital has entered into a second agreement with certain investors to operate a medical office building on the Hospital's east campus. The Hospital's ownership interest of approximately 50% at April 30, 2012 is reflected as an investment in the LLC in the accompanying consolidated balance sheets. Profits and losses are allocated among the members in accordance with their ownership interests. The Hospital owns these investments through its wholly owned subsidiary, Healthpark Title Company.

(10) Temporarily and Permanently Restricted Net Assets

Temporarily restricted assets are available for the following purposes at April 30, 2012 and 2011:

	2012	2011
Scholarships	$ 17,053	24,443
Charitable remainder trust (primarily time restriction)	114,815	223,541
Capital equipment	375,164	251,020
	$ 507,032	499,004

(Continued)

Permanently restricted net assets include endowment funds, which are to be held in perpetuity The income on such funds is expendable for the following purposes at April 30, 2012 and 2011

	2012	2011
General healthcare (unrestricted)	$ 1,068,455	973,782
Capital	521,109	521,109
Other healthcare programs	78,172	78,172
	$ 1,667,736	1,573,063

(11) Commitments

Leases

Certain equipment and building space is being leased under long-term noncancelable operating leases The total rent expense under operating leases for 2012 and 2011 was $621,379 and $656,050, respectively

(12) Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are local residents of Nebraska and are insured under third-party payor agreements The mix of receivables from patients and third-party payors at April 30, 2012 and 2011 is as follows

	2012	2011
Medicare	18%	22%
Medicaid	8	6
Other	74	72
	100%	100%

(13) Contingencies

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursements for patient services, and Medicare and Medicaid fraud and abuse Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed Management believes that the Hospital is in compliance with fraud and abuse, as well as other applicable government laws and regulations While no regulatory inquiries have been made that are expected to have a material effect on the Hospital's consolidated financial statements, compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time

(Continued)

(14) Guarantees

Consistent with its policy on physician relocation and recruitment, the Hospital provides income guarantee agreements to certain physicians who agree to relocate to its community to fill a need in the Hospital's service area and commit to remain in practice there Under such agreements, the Hospital is required to make payments to the physicians in excess of the amounts they earn in their practice up to the amount of the income guarantee The income guarantee periods are typically 12 months Such payments are recoverable from the physicians if they do not fulfill their commitment period to the community, which is typically three years The Hospital also provides minimum revenue guarantees to physician groups providing certain services at its hospitals with terms ranging from one to three years As of April 30, 2012 and 2011, the Hospital had outstanding advances of approximately $197,000 and $278,000, respectively, under the agreements The Hospital is currently not committed to any future guarantees

(15) Functional Expenses

The Hospital provides general healthcare services to residents within its geographic location Expenses related to providing these services are as follows

	2012	2011
Healthcare services	$ 50,732,014	48,120,310
General and administrative	7,520,931	7,537,275
	$ 58,252,945	55,657,585

(16) Endowed Net Assets

The Foundation's endowment consists of 28 individual funds established for a variety of purposes As required by U S generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions

The Foundation has interpreted the State Uniform Prudent Management of Institutional Funds Act (SUPMIFA) as requiring the 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 Foundation 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 The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SUPMIFA In accordance with SUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds

(1) The duration and preservation of the fund

(2) The purposes of the Foundation and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the Foundation

(7) The investment policies of the Foundation

The following sets forth the endowment by type of fund as of April 30, 2012 and 2011

	Unrestricted	Temporarily restricted	Permanently restricted	Total
2012				
Donor-restricted endowment funds	$ —	45,773	1,667,736	1,713,509
2011				
Donor-restricted endowment funds	$ —	112,554	1,573,063	1,685,617

Changes in Endowment Net Assets

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, April 30, 2010	$ —	112,101	1,506,660	1,618,761
Investment return				
Investment gain	—	58,399	—	58,399
Contributions	—	—	66,403	66,403
Appropriation of endowment assets for expenditure	—	(57,946)	—	(57,946)
Endowment net assets, April 30, 2011	$ —	112,554	1,573,063	1,685,617

(Continued)

Changes in Endowment Net Assets

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, April 30, 2011	$ —	112,554	1,573,063	1,685,617
Investment return				
Investment gain	—	8,752		8,752
Contributions	—	—	94,673	94,673
Appropriation of endowment assets for expenditure	—	(75,533)	—	(75,533)
Endowment net assets, April 30, 2012	$ —	45,773	1,667,736	1,713,509

(a) Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is a conservative level of investment risk Actual returns in any given year may vary

(b) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints

(c) Appropriation Policy and How the Investment Objectives Relate to Appropriation Policy

The spending policy for endowed funds is determined by the board of directors In establishing this policy, the Foundation considers the long-term expected return on its endowment Accordingly, over the long term, the Foundation is generally focusing on finding securities that demonstrate the ability for price appreciation and earnings momentum equal to major stock index performance This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return

(17) Subsequent Events

The Hospital has evaluated subsequent events from the consolidated balance sheet date through July 18, 2012, the date at which the consolidated financial statements were available to be issued, and determined there are no other material items to disclose

Schedule I

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Balance Sheet Information

April 30, 2012

Assets		Hospital	Foundation	Eliminations	Consolidated
Current assets					
Cash and cash equivalents	$	5,507,494	162,201	—	5,669,695
Patient accounts receivable, net of allowance for doubtful accounts		7,566,546	—	—	7,566,546
Other receivables		1,430,656	—	—	1,430,656
Inventories		1,454,475	15,750	—	1,470,225
Prepaid expenses		1,418,337	—	—	1,418,337
Assets limited as to use – required to meet current obligations		—	—	—	—
Total current assets		17,377,508	177,951	—	17,555,459
Assets limited as to use					
Board-designated investments		45,055,102	29,840,833	—	74,895,935
Total assets limited as to use		45,055,102	29,840,833	—	74,895,935
Beneficial interest in net assets of the Foundation		30,125,339	—	(30,125,339)	—
Property and equipment					
Land and improvements		4,180,445	—	—	4,180,445
Buildings		39,896,812	—	—	39,896,812
Equipment and furnishings		35,935,865	—	—	35,935,865
Medical office property and equipment		2,520,624	—	—	2,520,624
Construction in progress		572,824	—	—	572,824
Total property and equipment		83,106,570	—	—	83,106,570
Less accumulated depreciation		45,244,754	—	—	45,244,754
Total property and equipment, net		37,861,816	—	—	37,861,816
Investment in Healthpark LLC		880,211	—	—	880,211
Deferred financing costs and other assets		312,912	114,815	—	427,727
Total assets	$	131,612,888	30,133,599	(30,125,339)	131,621,148

See accompanying independent auditors' report

Schedule I

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Balance Sheet Information

April 30, 2012

Liabilities and Net Assets		Hospital	Foundation	Eliminations	Consolidated
Current liabilities					
Current portion of long-term debt	$	1,244,138	—	—	1,244,138
Accounts payable		119,376	8,260	—	127,636
Accrued salaries, wages, and payroll taxes		4,206,236	—	—	4,206,236
Estimated third-party payor settlements		2,332,003	—	—	2,332,003
Accrued interest		42,002	—	—	42,002
Total current liabilities		7,943,755	8,260	—	7,952,015
Long-term debt, net of current portion		10,387,717	—	—	10,387,717
Total liabilities		18,331,472	8,260	—	18,339,732
Net assets					
Unrestricted		83,156,077	27,950,571	—	111,106,648
Temporarily restricted		28,457,603	507,032	(28,457,603)	507,032
Permanently restricted		1,667,736	1,667,736	(1,667,736)	1,667,736
Total net assets		113,281,416	30,125,339	(30,125,339)	113,281,416
Total liabilities and net assets	$	131,612,888	30,133,599	(30,125,339)	131,621,148

See accompanying independent auditors' report

Schedule II

COLUMBUS COMMUNITY HOSPITAL, INC. AND AFFILIATES
COLUMBUS, NEBRASKA

Consolidating Statement of Operations Information

Year ended April 30, 2012

	Hospital	Foundation	Eliminations	Consolidated
Unrestricted revenues, gains, and other support				
Net patient service revenue	$ 67,163,788	—	—	67,163,788
Other revenue	652,736	212,181	(43,609)	821,308
Total revenues, gains, and other support	67,816,524	212,181	(43,609)	67,985,096
Expenses				
Salaries and wages	25,559,298	—	—	25,559,298
Employee benefits	5,816,162	—	—	5,816,162
Professional medical fees	1,617,949	—	—	1,617,949
Purchased services, supplies, and other	15,937,026	133,259	(43,609)	16,026,676
Depreciation and amortization	5,120,114	—	—	5,120,114
Interest	282,532	—	—	282,532
Provision for bad debts	3,888,614	—	—	3,888,614
Gain on disposal of assets	(58,400)	—	—	(58,400)
Total expenses	58,163,295	133,259	(43,609)	58,252,945
Operating income	9,653,229	78,922	—	9,732,151
Other income				
Investment income	401,663	680,841	—	1,082,504
Change in beneficial interest in net assets of Foundation	759,763	—	(759,763)	—
Loss on extinguishment of debt	—	—	—	—
Other	(40,621)	—	—	(40,621)
Total other income, net	1,120,805	680,841	(759,763)	1,041,883
Excess of revenues over expenses	10,774,034	759,763	(759,763)	10,774,034
Other changes in unrestricted net assets				
Change in unrealized gains and losses on investments, net	—	(356,304)	—	(356,304)
Change in beneficial interest in net assets of Foundation	(558,812)	—	558,812	—
Transfer between entities	303,177	(303,177)	—	—
Net assets released from restrictions for the purchase of property and equipment	—	100,669	—	100,669
Reclassification of net assets due to donor matching	(132,783)	—	—	(132,783)
Total other changes in unrestricted net assets	(388,418)	(558,812)	558,812	(388,418)
Increase in unrestricted net assets	$ 10,385,616	200,951	(200,951)	10,385,616

See accompanying independent auditors' report

Additional Data

Software ID:
Software Version:
EIN: 47-0542043
Name: COLUMBUS COMMUNITY HOSPITAL INC

Form 990, Special Condition Description:

Special Condition Description