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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 private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

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

C Name of organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Doing Business As
SIDNEY REGIONAL MEDICAL CENTER

Number and street (or P O box if mail is not delivered to street address) | Room/suite
645 OSAGE STREET

City or town, state or province, country, and ZIP or foreign postal code
SIDNEY, NE 69162

D Employer identification number
47-0408242

E Telephone number
(308) 254-5825

G Gross receipts $ 44,030,894

F Name and address of principal officer
KELLY UTLEY
645 OSAGE STREET
SIDNEY, NE 69162

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates 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 SIDNEYRMC COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1951

M State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
FOCUS ON THE NEEDS OF THOSE SERVED THROUGH THE DELIVERY OF HIGH QUALITY AND COMPASSIONATE CARE

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	11
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	435
6	Total number of volunteers (estimate if necessary)	**6**	100
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	93,508	92,884
9	Program service revenue (Part VIII, line 2g)	37,787,380	43,755,550
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	76,507	72,465
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	157,073	109,995
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	38,114,468	44,030,894
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
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)	19,286,514	22,738,911
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)	15,272,166	16,627,707
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	34,558,680	39,366,618
19	Revenue less expenses Subtract line 18 from line 12	3,555,788	4,664,276

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	34,308,543	38,093,883
21	Total liabilities (Part X, line 26)	5,519,538	4,640,602
22	Net assets or fund balances Subtract line 21 from line 20	28,789,005	33,453,281

Net Assets or Fund Balances

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

****** | 2014-11-17
Signature of officer | Date

JASON PETIK CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
BARBARA J FAJEN				P00400874

Firm's name ▶ SEIM JOHNSON LLP | Firm's EIN ▶ 47-6097913

Firm's address ▶ 18081 BURT STREET SUITE 200
OMAHA, NE 680224722 | Phone no (402) 330-2660

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 or note to any line in this Part III . . . . . ☑

1 Briefly describe the organization's mission

OUR MISSION IS TO FOCUS ON THE NEEDS OF THOSE WE SERVE THROUGH THE DELIVERY OF HIGH QUALITY AND COMPASSIONATE CARE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the 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 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 $ 2,974,228 including grants of $) (Revenue $ 6,688,481)

THE HOSPITAL NURSING DEPARTMENT PROVIDED 2,982 PATIENTS DAYS OF CARE IN 2013, DELIVERING 39 NEWBORNS FOR THE ELEVEN COUNTY AREA THAT SIDNEY REGIONAL MEDICAL CENTER (SRMC) SERVES SRMC HAD 3,305 PATIENTS SEEK CARE IN THE EMERGENCY DEPARTMENT DURING 2013

4b (Code) (Expenses $ 2,049,052 including grants of $) (Revenue $ 3,871,015)

THE EXTENDED CARE UNIT PROVIDED CARE FOR AN AVERAGE OF 52 PATIENTS DAILY DURING 2013 SRMC PROVIDED 18,851 PATIENT DAYS OF CARE FOR RESIDENTS IN THE CHEYENNE, DEUEL, KIMBALL AND SURROUNDING AREAS

4c (Code) (Expenses $ 1,884,467 including grants of $) (Revenue $ 4,858,126)

SRMC PHARMACY DEPARTMENT HAS BEEN ACTIVELY INVOLVED WITH THE QUALITY OF CARE PROVIDED TO ALL PATIENTS BOTH IN THE ACUTE AND OUT PATIENT SETTINGS THE PHARMACY DEPARTMENT HAS HELPED PROVIDE CARE FOR THOSE INDIVIDUALS WITH THE TREATMENT FOR RADIATION OR CHEMOTHERAPY

(Code) (Expenses $ 31,221,801 including grants of $) (Revenue $ 28,337,928)

OTHER MISCELLANOUES PATIENT SERVICES

4d Other program services (Describe in Schedule O)

(Expenses $ 31,221,801 including grants of $) (Revenue $ 28,337,928)

4e **Total program service expenses** ▶ 38,129,548

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 for escrow or custodial account liability, 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		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	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	Yes	
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 and XII*	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 and XII 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, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts 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 other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts 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 (see instructions)*	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 hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants or 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**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
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	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, 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 employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *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**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		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, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, 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**		
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**		No
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 11b 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 or note to any line in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	72		
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	435		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			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 as charitable contributions? . . .	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.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			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 or note to any line 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**	13		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	11		
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**		Yes	
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 this 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 ☐ Other (explain in Schedule O)

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 during the tax year

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

▶KELLY UTLEY 645 OSAGE STREET
SIDNEY, NE 69162 (308) 254-5825

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

Check if Schedule O contains a response or note to any line in this Part VII . . . . . ☑

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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) WILLIAM PILE CHAIRMAN	1 00 0 00	X		X				0	0	0
(2) TIM MILLER VICE CHAIRMAN	1 00 0 00	X		X				0	0	0
(3) TOM MILLMAN SECRETARY	1 00 0 00	X		X				0	0	0
(4) JEFF ELLWANGER TREASURER	1 00 0 00	X		X				0	0	0
(5) STAN BELIEU MEMBER	1 00 1 00	X						0	0	0
(6) JIM JONES MEMBER	1 00 0 00	X						0	0	0
(7) MICHAEL MATTHEWS MD MEMBER - PHYSICIAN AT LARGE	40 00 0 00	X						372,090	0	0
(8) KATHY NARJES MEMBER	1 00 0 00	X						0	0	0
(9) ROB ROBINSON MEMBER	1 00 0 00	X						0	0	0
(10) DWIGHT SMITH MEMBER	1 00 0 00	X						0	0	0
(11) JAMES THAYER MD MEMBER - CHIEF OF STAFF SURGEON	40 00 0 00	X						342,135	0	36,467
(12) JULIE WAMSLEY MEMBER	1 00 0 00	X						0	0	0
(13) LAURIE WIDOWSON MEMBER	1 00 0 00	X						0	0	0
(14) JASON PETIK CEO	39 00 1 00			X				0	0	0
(15) KELLY UTLEY CFO	39 00 1 00			X				136,952	0	24,219
(16) MANDY SHAW DOCTOR	40 00 0 00					X		409,711	0	17,500
(17) KENNETH MARTIN CRNA	40 00 0 00					X		219,941	0	38,781

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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) DANA HLAVINKA	40 00					X		219,580	0	34,486
CRNA	0 00									
(19) CALVIN CUTRIGHT	40 00					X		233,824	0	18,967
DOCTOR	0 00									
(20) CLINTON DORWART	40 00					X		213,641	0	36,022
DOCTOR	0 00									
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								2,147,874	0	206,442

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 ▶ 28

		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**	Yes	

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
RURAL PARTNERS IN MEDICINE LLC PO BOX 772519 STEAMBOAT SPRINGS CO 80477	PHYSICIAN SERVICES	1,646,205
BYTES COMPUTER & NETWORK SOLUTIONS INC 1712 AVENUE B SCOTTSBLUFF NE 69361	IT SERVICES	306,223
POUDRE VALLEY HEALTH CARE INC PO BOX 2103 FORT COLLINS CO 80522	MANAGEMENT SERVICES	233,991
SHARED MEDICAL SERVICES INC PO BOX 330 COTTAGE GROVE WI 53527	MRI LEASE	196,900
HEALTH CAROUSEL LLC PO BOX 44743 MIDDLETOWN OH 45044	HOME HEALTH CONTRACT SERVICES	159,884

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 ▶ 9

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	27,178			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	65,706			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		92,884			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	624100	25,298,223	25,298,223		
	b	MEDICARE/MEDICAID	624100	16,975,671	16,975,671		
	c	340B REVENUE	624100	945,835	945,835		
	d	HOME CARE	621610	236,420	236,420		
	e	HIT INCENTIVE PAYMENT	624100	69,000	69,000		
	f	All other program service revenue		230,401	230,401		
	g	**Total.** Add lines 2a–2f . . . . . ▶		43,755,550			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		72,465			72,465
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(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					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . . ▶					
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 . . ▶					
	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 . . ▶					
	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 . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA	624100	97,819			97,819
	b	PATRONAGE DIVIDEND	624100	12,176			12,176
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶		109,995			
	12	**Total revenue.** See Instructions . . . . . ▶		44,030,894	43,755,550	0	182,460

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)

Check if Schedule O contains a response or note to any line 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				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	161,171		161,171	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	811,858	750,692	61,166	
7 Other salaries and wages	16,573,940	16,304,717	269,223	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	475,033	467,763	7,270	
9 Other employee benefits	3,517,765	3,440,920	76,845	
10 Payroll taxes	1,199,144	1,155,263	43,881	
11 Fees for services (non-employees)				
a Management	233,991		233,991	
b Legal	46,174		46,174	
c Accounting	83,765		83,765	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	4,155,374	4,097,932	57,442	
12 Advertising and promotion	143,066	143,066		
13 Office expenses	1,463,174	1,451,030	12,144	
14 Information technology	518,348	518,348		
15 Royalties . .				
16 Occupancy	934,908	934,908		
17 Travel	147,835	135,950	11,885	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	46,805		46,805	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,244,265	1,244,265		
23 Insurance	539,567	539,567		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a MEDICAL SUPPLIES	4,735,289	4,735,289		
b BAD DEBTS	1,881,022	1,881,022		
c TAXES & LICENSES	91,545	67,617	23,928	
d DUES AND SUBSCRIPTIONS	75,534	28,062	47,472	
e All other expenses	287,045	233,137	53,908	
25 **Total functional expenses.** Add lines 1 through 24e	39,366,618	38,129,548	1,237,070	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		4,547,176	1	4,699,797
	2	Savings and temporary cash investments		9,240,879	2	12,808,661
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		6,549,084	4	6,123,177
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		895,473	8	968,973
	9	Prepaid expenses and deferred charges		205,422	9	520,330
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 27,246,702			
	b	Less accumulated depreciation	10b 14,740,076	11,631,437	10c	12,506,626
	11	Investments—publicly traded securities		81,017	11	84,292
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,158,055	15	382,027
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		34,308,543	16	38,093,883
Liabilities	17	Accounts payable and accrued expenses		3,105,212	17	3,101,089
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		1,926,291	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		233,054	23	440,515
	24	Unsecured notes and loans payable to unrelated third parties			24	
	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		254,981	25	1,098,998
	26	**Total liabilities.** Add lines 17 through 25		5,519,538	26	4,640,602
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		28,789,005	27	33,438,102
	28	Temporarily restricted net assets		0	28	15,179
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), 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		28,789,005	33	33,453,281
	34	Total liabilities and net assets/fund balances		34,308,543	34	38,093,883

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	44,030,894
2	Total expenses (must equal Part IX, column (A), line 25)	2	39,366,618
3	Revenue less expenses Subtract line 2 from line 1	3	4,664,276
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	28,789,005
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	33,453,281

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line 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
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
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.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2013.** 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—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** 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—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 2013 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2012** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2013.** 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—2012.** 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.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test		
Return Reference	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. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

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, Part V, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	47-0408242

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 in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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)).

	For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(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?	Yes		5,051
j	Total Add lines 1c through 1i			5,051
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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

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

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation
PART II-B, LINE 1	A PORTION OF THE DUES PAID TO THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND THE NEBRASKA HOSPITAL ASSOCIATION (NHA) ARE USED BY THOSE ORGANIZATIONS FOR LOBBYING ACTIVITIES

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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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, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $ _____

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

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

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

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

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 XIII 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 XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

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

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶

The percentages in lines 2a, 2b, and 2c should equal 100%

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)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. 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	92,500	526,741		619,241
b Buildings		15,144,253	8,011,697	7,132,556
c Leasehold improvements		21,420	5,101	16,319
d Equipment		9,322,274	6,388,484	2,933,790
e Other		2,139,514	334,794	1,804,720
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				12,506,626

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. 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) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
DEFERRED COMPENSATION PLAN LIABILITY	379,234
ESTIMATED THIRD PARTY SETTLEMENTS	719,764
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	1,098,998

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	

Part XIII Supplemental Information

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

Return Reference	Explanation
PART X, LINE 2	SIDNEY REGIONAL MEDICAL CENTER AND CHEYENNE COUNTY HOSPITAL AND HEALTH CENTER FOUNDATION ARE EXEMPT FROM INCOME TAXES UNDER SECTION 501(A) OF THE CODE AND A SIMILAR PROVISION OF STATE LAW HOWEVER, THEY ARE SUBJECT TO FEDERAL INCOME TAX ON ANY UNRELATED BUSINESS TAXABLE INCOME THE SYSTEM ACCOUNTS FOR UNCERTAINTIES IN ACCOUNTING FOR INCOME TAX ASSETS AND LIABILITIES USING GUIDANCE INCLUDED IN FASB ASC 740, INCOME TAXES THE SYSTEM RECOGNIZES THE EFFECT OF INCOME TAX POSITIONS ONLY IF THOSE POSITIONS ARE MORE LIKELY THAN NOT OF BEING SUSTAINED AT DECEMBER 31, 2013, THE SYSTEM HAD NO UNCERTAIN TAX POSITIONS ACCRUED WITH FEW EXCEPTIONS, THE SYSTEM IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY U S FEDERAL, STATE, OR LOCAL AUTHORITIES FOR YEARS BEFORE 2010

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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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.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	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 financial assistance 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 report during the tax year?	6a	Yes	
b	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 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			624,804		624,804	1 670 %
b Medicaid (from Worksheet 3, column a)			2,303,015	2,086,726	216,289	0 580 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			2,927,819	2,086,726	841,093	2 250 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			228,899	67,349	161,550	0 430 %
f Health professions education (from Worksheet 5)			93,615		93,615	0 250 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			11,300		11,300	0 030 %
j **Total.** Other Benefits			333,814	67,349	266,465	0 710 %
k **Total.** Add lines 7d and 7j			3,261,633	2,154,075	1,107,558	2 960 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support	86	1,954	7,100		7,100	0 020 %
4	Environmental improvements						
5	Leadership development and training for community members	6	568	62,720		62,720	0 170 %
6	Coalition building						
7	Community health improvement advocacy	64	8,851	5,500		5,500	0 010 %
8	Workforce development						
9	Other						
10	**Total**	156	11,373	75,320		75,320	0 200 %

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	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	1,881,022		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	705,383		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	12,016,345
6	Enter Medicare allowable costs of care relating to payments on line 5	6	12,205,447
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-189,102
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 (owned 10% or more by officers, directors, trustees, key employees, and physicians—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					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 1

	Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☑ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 11			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? 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**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW SIDNEYRMC COM			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide 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 its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☑ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 100 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	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 ☑ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☑ Other (describe in Part VI)			
Billing and Collections			
15 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?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 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 individual's eligibility under the facility's FAP?	**17**		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 Section C)			

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- **a** ☐ Notified individuals of the financial assistance policy on admission
- **b** ☐ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- **d** ☑ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

		Yes	No
19 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?	**19**	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)			

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 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 its 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)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual 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?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 1J THE PANHANDLE PUBLIC HEALTH DISTRICT (PPHD) AND ALL OF THE HOSPITALS IN THE PANHANDLE OF NEBRASKA WORKED AS A NETWORK TO CREATE THE CHNA PPHD ADMINISTERED THE SURVEY FOR THE PANHANDLE OF NEBRASKA WITH DIRECT COLLABORATION WITH ALL THE NEBRASKA PANHANDLE HOSPITALS SOLICITING OPINIONS OF THE GENERAL PUBLIC REGARDING HEALTH NEEDS THIS INCLUDED ALL OF THE REMOTE COUNTIES IN WESTERN NEBRASKA PRIORITY AREAS FOR COMMUNITY PARTICIPANTS INCLUDED 1 ECONOMIC FACTORS - POVERTY AND ECONOMIC DEVELOPMENT 2 HEALTH PROMOTION - ACCESS TO QUALITY FOOD, ACCESS TO EXERCISE EQUIPMENT/FACILITIES, FAST FOODS, HEALTHY EATING 3 COMMUNITY CONTEXT - NO TRANSPORTATION, HEALTH CARE AVAILABILITY, RACISM, ACCEPTANCE OF ALCOHOL, JUSTICE SYSTEM, LEADERSHIP, LACK OF COMMUNITY COLLABORATION, ACTIVITIES FOR TEENS, SOCIAL NORMS 4 MOTIVATION - PARENT EDUCATION, ATTITUDES, ACCEPTANCE, INITIATIVE THE FOLLOWING WERE IDENTIFIED AS CHALLENGES DECREASE IN VOLUNTEERISM, POTENTIAL FOR PROGRAM CUTS IN STATE BUDGET, INCREASED GOVERNMENT INVOLVEMENT IN HEALTH CARE, SUSTAINABILITY, ECONOMIC SHIFTS, APPROPRIATE USE OF TECHNOLOGY
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 3 THE PANHANDLE PUBLIC HEALTH DISTRICT AND COMMUNITY HOSPITALS HELD PUBLIC MEETINGS FOR THE COMMUNITY FORUMS AND WORKED WITH THE HOSPITALS AND OTHER PUBLIC OFFICIALS SURVEYS WERE SENT OUT FROM FEBRUARY 2011 TO MAY 2011 THE SURVEY WAS AVAILABLE ONLINE AND WAS SENT TO 26,000 HOUSEHOLDS WITH 564 CITIZENS RESPONDING THE CFO OF CHEYENNE COUNTY HOSPITAL ASSOCIATION, KELLY UTLEY, PARTICIPATED IN THE PLANNING AND IN ONE OF THE FORUMS AS A REPRESENTATIVE FOR CHEYENNE COUNTY
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 4 THE FOLLOWING IS A LIST OF HOSPITALS THAT PARTICIPATED IN THE CHNA -BOX BUTTE GENERAL HOSPITAL, ALLIANCE, NE-MORRILL COUNTY HOSPITAL, BRIDGEPORT, NE-REGIONAL WEST MEDICAL CENTER, SCOTTSBLUFF, NE-CHADRON COMMUNITY HOSPITAL, CHADRON, NE-GARDEN COUNTY HEALTH SERVICES, OSHKOSH, NE-GORDON MEMORIAL HOSPITAL, GORDON, NE-KIMBALL HEALTH SERVICES, KIMBALL, NE-SCOTTSBLUFF COUNTY HEALTH DEPARTMENT, SCOTTSBLUFF, NE-SIDNEY REGIONAL MEDICAL CENTER, SIDNEY, NE
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 6I THROUGH THE CHNA, 4 AREAS WERE IDENTIFIED AS BEING THE FOCAL POINTS FOR COLLABORATION BETWEEN PPHD, THE PANHANDLE COUNTIES AND SRMC 1 HEALTHY LIVING 2 MENTAL & EMOTIONAL WELL BEING 3 INJURY & VIOLENCE PREVENTION 4 CANCER PREVENTION DIABETES PREVENTION WAS ADDED AS ONE ADDITIONAL AREA TO FOCUS ON WHICH IS ADDRESSED, IN PART, BY HEALTHY EATING IN CONJUNCTION WITH HEALTHY LIVING SRMC NURSES MAKE HOUSE CALLS TO NEW MOTHERS TO DISCUSS CARE FOR THE INFANT, HEALTHY LIVING, HEALTHY EATING, ACTIVE LIVING AND THE IMPORTANCE OF BREASTFEEDING THESE HOUSECALLS ARE MADE TO ALL FAMILIES IN THE AREA WHO HAVE RECENTLY DELIVERED A BABY REGARDLESS OF WHETHER THE BABY WAS DELIVERED AT SRMC DURING 2013, IN COLLABORATION WITH PPHD, SRMC IMPLEMENTED DIABETES PREVENTION EDUCATION CLASSES OFFERED TO ALL INDIVIDUALS IN THE AREA AND TO EMPLOYEES OF SRMC THESE CLASSES ARE OFFERED AT NO COST TO THE PARTICIPANTS SRMC HAS ALSO INCREASED ACCESS TO THE LOCAL COMMUNITY CENTER FOR EMPLOYEES TO STAY ACTIVE SRMC HAS CO-SPONSORED, WITH THE COMMUNITY CENTER, THE "GET FIT - STAY FIT" PROGRAM WHICH HAS BEEN OFFERED TO RESIDENTS IN THE AREA MENTAL AND EMOTIONAL WELL BEING, INJURY AND VIOLENCE PREVENTION AND CANCER PREVENTION ARE BEING TAUGHT IN THE SCHOOLS WITH THE ASSISTANCE OF THE PANHANDLE PUBLIC HEALTH DISTRICT PREVENTION OF TOBACCO USE IS BEING TAUGHT IN THE SCHOOLS SRMC PROVIDES SMOKING CESSATION CLASSES AND CONSULTATION FOR ALL PATIENTS AND OFFERS SUPPORT TO EMPLOYEES WHO CHOOSE TO QUIT THROUGH COUNSELING AND PHARMACEUTICALS AT NO CHARGE
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 14G THE POLICY IS REFERENCED IN BILLING STATEMENTS AND IS VERBALLY REVIEWED THROUGH MANY AVENUES IN ADMISSIONS AND PATIENT FINANCIAL SERVICES, INCLUDING PATIENT ADVOCACY THE POLICY IS AVAILABLE IN THE WAITING ROOMS AT THE HOSPITAL ADDITIONALLY, FINANCIAL SERVICE REPRESENTATIVES ACTIVELY SCAN FOR ACCOUNTS WHICH COULD QUALIFY FOR CHARITY CARE AND OFFER IT WITH OTHER OPTIONS FOR PAYMENT DURING THEIR CONVERSATIONS WITH PATIENTS A HARDCOPY OF THE POLICY IS OFFERED BY THE PATIENT ADVOCATE/FINANCIAL COUNSELOR DURING MEETINGS WITH PATIENTS MEDICAID PATIENTS AUTOMATICALLY QUALIFY AT 100%
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC	PART V, SECTION B, LINE 20D ELIGIBLE PATIENTS UNDER THE FINANCIAL ASSISTANCE POLICY RECEIVE AN ADJUSTMENT ON A PERCENTAGE BASIS THE ADJUSTMENT IS CALCULATED USING SOFTWARE WHICH TAKES INTO ACCOUNT THEIR INCOME, HOUSEHOLD STATUS, ETC IN COMPLIANCE WITH THE POLICY TRUE PRIVATE PAY INDIVIDUALS (UNINSURED) RECEIVE AN IMMEDIATE REDUCTION IN CHARGES EQUIVALENT TO AN AVERAGE COMMERCIAL RATE FAP ELIGIBLE PATIENTS MAY RECEIVE A REDUCTION UP TO 100% OF CHARGES LEAVING CHARGES TO THOSE INDIVIDUALS AT ZERO FAP ELIGIBLE PATIENTS WHO ARE ELIGIBLE FOR THE 70% OR 100% DISCOUNTS WOULD NOT BE BILLED MORE THAN THE LOWEST COMMERCIAL RATE OR MEDICAID RATE AS THESE RATES ARE HIGHER THAN 30% OF CHARGES

Part V Facility Information *(continued)*

Section D. Other Health Care 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 health care facilities did the organization operate during the tax year? 2

	Name and address	Type of Facility (describe)
1	SIDNEY REG'L MEDICAL CTR EXTENDED CARE 645 OSAGE SIDNEY,NE 69162	LONG TERM CARE FACILITY
2	SLOAN ESTATES ASSISTED LIVING 2550 CRAIG AVENUE SIDNEY,NE 69162	ASSISTED LIVING
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

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

Form and Line Reference	Explanation
PART I, LINE 3C	THE CALCULATION FOR ELIGIBILITY IS BASED ON ALL INCOME PER HOUSEHOLD WITH EXCEPTIONS MADE FOR WAGE EARNERS WHO ARE STUDENTS AND OTHER MEDICAL PAYMENTS ALREADY BEING MADE THIS INCOME IS COMPARED TO THE NATIONAL POVERTY GUIDELINES AND A DETERMINATION OF REDUCTION IS MADE BASED ON THE ADJUSTED INCOME LEVEL THE WRITE OFF AMOUNT MAY BE REDUCED FOR EQUITY IN ASSETS, IF ANY, ABOVE EXEMPTION THRESHHOLDS FOR HOMES AND VEHICLES THERE IS NO EXEMPTION FOR INVESTMENTS OR OTHER ASSETS HELD
PART I, LINE 6A	THE COMMUNITY BENEFIT REPORT IS PREPARED BY THE STAFF OF SIDNEY REGIONAL MEDICAL CENTER IN CONJUNCTION WITH THE PANHANDLY PUBLIC HEALTH DEPARTMENT (PPHD)

Form and Line Reference	Explanation
PART I, LINE 7	THE COST TO CHARGE RATIO IS DETERMINED AS FOLLOWS (TOTAL EXPENSES - BAD DEBT)/GROSS PATIENT SERVICE REVENUE = PERCENTAGE OF COST TO CHARGE
PART I, LINE 7G	THERE ARE NO SUBSIDIZED HEALTH SERVICES

Form and Line Reference	Explanation
PART I, LN 7 COL(F)	BAD DEBT EXPENSE OF $1,881,022 HAS BEEN EXCLUDED FROM THE DENOMINATOR IN THE CALCULATION OF THE PERCENTAGES IN LINE 7, COLUMN F
PART II, COMMUNITY BUILDING ACTIVITIES	COMMUNITY SUPPORT INCLUDES ACTIVITIES SUCH AS THERAPISTS AVAILABLE AT GAMES AND AT THE COMMUNITY CENTER AND WELLNESS CAMPAIGNS IN COOPERATION WITH THE COMMUNITY CENTER LEADERSHIP DEVELOPMENT INCLUDES PROGRAMS DEVELOPED USING TRAINING PROVIDED BY JOE TYE, A PROFESSIONAL FOCUSED IN LEADERSHIP AND VALUES COACHING COMMUNITY HEALTH IMPROVEMENT INCLUDES COMMUNITY BLOOD DRAWS, HEALTH FAIR, BLOOD PRESSURE SCREENINGS, DIABETES PREVENTION PROGRAMS, AND MULTIPLE SMALLER COMMUNITY EDUCATION PROGRAMS THROUGH RADIO INTERVIEWS WITH HEALTH PROFESSIONALS

Form and Line Reference	Explanation
PART III, LINE 2	IN EVALUATING THE COLLECTIBILITY OF ACCOUNTS RECEIVABLE, THE SYSTEM ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS
PART III, LINE 3	SIDNEY REGIONAL MEDICAL CENTER HAS ESTIMATED THE AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS WHO MAY HAVE BEEN ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY AT 37 5% THIS ESTIMATE IS BASED ON A RECOVERY RATE FROM THE COLLECTION AGENCY FOR 2013 ACCOUNTS OF 24 88% THEORETICALLY, THE NEARLY 25% WHICH HAS BEEN RECOVERED IS BEING RECOVERED FROM PEOPLE WHO COULD PAY BUT DIDN'T WHEN ESTIMATING THAT POSSIBLY HALF OF THE REMAINING 75% OF THE BAD DEBT WAS ATTRIBUTABLE TO PATIENTS WHO HAD NO MEANS OF PAYMENT RATHER THAN MEANS BUT NO INTENT, THIS ESTIMATE OF FAP AMOUNTS IN BAD DEBT WOULD TOTAL APPROXIMATELY 37 5%

Form and Line Reference	Explanation
PART III, LINE 4	THE HOSPITAL'S FINANCIAL STATEMENTS DO NOT CONTAIN A SPECIFIC FOOTNOTE DESCRIBING BAD DEBT HOWEVER, THE FOLLOWING IS THE TEXT OF THE FOOTNOTES TITLED "PATIENT RECEIVABLES, NET", "NET PATIENT SERVICE REVENUE", AND "CHARITY CARE" PATIENT RECEIVABLES, NET THE SYSTEM REPORTS PATIENT ACCOUNTS RECEIVABLE FOR SERVICES RENDERED AT NET REALIZABLE AMOUNTS FROM THIRD-PARTY PAYERS, PATIENTS AND OTHERS ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IN EVALUATING THE COLLECTIBILITY OF ACCOUNTS RECEIVABLE, THE SYSTEM ANALYZES ITS PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYER SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYER SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS NET PATIENT SERVICE REVENUE THE SYSTEM HAS AGREEMENTS WITH THIRD-PARTY PAYERS THAT PROVIDE FOR PAYMENTS TO THE SYSTEM 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 PAYERS, AND OTHERS FOR SERVICES RENDERED, INCLUDING ESTIMATED RETROACTIVE ADJUSTMENTS UNDER REIMBURSEMENT AGREEMENTS WITH THIRD-PARTY PAYERS RETROACTIVE ADJUSTMENTS ARE ACCRUED ON AN ESTIMATED BASIS IN THE PERIOD THE RELATED SERVICES ARE RENDERED AND ADJUSTED IN FUTURE PERIODS AS FINAL SETTLEMENTS ARE DETERMINED CHARITY CARE THE SYSTEM 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 SYSTEM DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THEY ARE NOT REPORTED AS REVENUE IN THE COMBINED STATEMENTS OF OPERATIONS
PART III, LINE 8	THE ORGANIZATION USED THE MEDICARE COST REPORT FOR FISCAL YEAR 2013 TO REPORT THE AMOUNTS OF TOTAL REVENUE RECEIVED FROM MEDICARE AND RELATED MEDICARE ALLOWABLE COSTS MEDICARE PAYS THE HOSPITAL'S RURAL HEALTH CLINICS (RHC) AT COST SUBJECT TO CERTAIN LIMITS MEDICARE SHORTFALLS IN PAYMENT SHOULD BE CONSIDERED A COMMUNITY BENEFIT AS IT IS PART OF THE HOSPITAL'S MISSION TO PROVIDE THESE SERVICES EVEN IF MEDICARE REIMBURSEMENT IS BELOW COST

Form and Line Reference	Explanation
PART III, LINE 9B	THE CHARITY CARE POLICY ALLOWS FOR PROACTIVE WRITE OFF TO ALLOWANCE FOR CHARITY CARE OF ANY BALANCE OWED BY A PATIENT KNOWN TO QUALIFY FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY COLLECTION PROCEDURES DO NOT ENSUE ON ANY ACCOUNTS ELIGIBLE FOR FINANCIAL ASSISTANCE
PART VI, LINE 2	NEEDS ASSESSMENTS ARE DETERMINED THROUGH SCIENTIFIC, AS WELL AS, UNSCIENTIFIC METHODS EVERY 2 TO 3 YEARS A MARKET ASSESSMENT IS COMPLETED USING CLAIMS DATA WHICH REVEALS THE NEEDS OF COMMUNITY MEMBERS BEING MET ELSEWHERE DUE TO EITHER UNAVAILABILITY OF SERVICE OR PATIENT CHOICE THIS ASSESSMENT INCLUDES THE DEMOGRAPHICS OF THE AREA WHICH SHOW AN AGING AND MODERATE INCOME POPULATION THESE FACTS ARE THEN USED TO DETERMINE THE NEEDS OF THE COMMUNITY AS WELL AS THE FUTURE NEEDS BASED ON HISTORICAL DATA ADDITIONALLY, COMMUNITY NEEDS ARE DETERMINED USING PUBLIC OPINION, PATIENT SATISFACTION RECOMMENDATIONS, BOARD AND LEADERSHIP EXPERIENCE, COMMUNICATIONS WITH COMMUNITY MEMBERS, AND PHYSICIAN INPUT FUTURE MEASUREMENTS OF HEALTH DATA MINED FROM CLAIMS SUBMISSIONS WILL BE USED TO FURTHER ANALYZE THE NEEDS OF THE COMMUNITY

Form and Line Reference	Explanation
PART VI, LINE 3	AT THE POINT OF ADMISSION, A PATIENT'S INSURED STATUS IS DETERMINED PATIENTS WHO ARE UNDERINSURED OR UNINSURED RECEIVE COUNSELING THROUGH THE HOSPITALS PATIENT ADVOCATE AND/OR A MEMBER OF THE FINANCIAL SERVICES STAFF SERVING AS A FINANCIAL COUNSELOR INFORMATION IS CONVEYED TO THE PATIENT OR THE GUARANTOR REGARDING MEDICAID AND MEDICARE, AS WELL AS CHARITY CARE PROVIDED BY THE HOSPITAL ADDITIONAL COUNSELING IS PROVIDED AFTER DISMISSAL WHEN THE PROACTIVE APPROACH WAS UNSUCCESSFUL ADDITIONALLY, SOCIAL SERVICES PERSONNEL HOLD WORKSHOPS AND MEETINGS WITH PATIENTS INDIVIDUALLY REGARDING THEIR COVERAGE IN AN ATTEMPT TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE AND OTHER MEANS FOR THE INDIVIDUALS
PART VI, LINE 4	THE HOSPITAL'S PRIMARY SERVICE AREA (PSA) IDENTIFIES THE GEOGRAPHIC AREA THAT ACCOUNTS FOR 80-90% OF ALL PATIENT VISITS RESIDENTS OF SRMC'S PSA IN THE PANHANDLE OF WESTERN NEBRASKA COMPRISE 90% OF THE HOSPITAL'S INPATIENT DISCHARGES AND 83% OF ITS ER VISITS THE PSA POPULATION IS ESTIMATED AT APPROXIMATELY 12,500 WITH A NONEXISTENT GROWTH PATTERN EXPECTED BETWEEN 2009 AND 2014 MEDIAN AGE IN THE PSA IS 40 7, WHICH IS SLIGHTLY YOUNGER THAN THE STATE OF NEBRASKA AT 43 7 SIGNIFICANT GROWTH IS PROJECTED FOR THE AGE GROUP 65+ BETWEEN 2009 & 2014 MEDIAN HOUSEHOLD INCOME IN THE PSA IS COMPARABLE TO THE STATE OF NEBRASKA OVERALL, HOWEVER THERE IS WIDE VARIATION IN MEDIAN HOUSEHOLD INCOME WITHIN THE PSA

Form and Line Reference	Explanation
PART VI, LINE 5	SPECIFIC TO THE COMMUNITY BUILDING ACTIVITIES THE HOSPITAL CONTRIBUTES THROUGH LEADERSHIP EDUCATION, RESIDENCIES AND SCHOLARSHIPS, IMPROVEMENTS TO FACILITIES, AND COLLABORATION WITH COMMUNITY CLUBS, EMPLOYERS, LEADERS AND THE COMMUNITY CENTER THE CFO SERVED DURING 2013 AS THE PRESIDENT OF THE FINANCE COMMITTEE FOR PANHANDLE PUBLIC HEALTH AND A BOARD MEMBER OF THE CHAMBER OF COMMERCE WHILE OTHER LEADERS IN THE HOSPITAL PARTICIPATED IN THE CHEYENNE COUNTY LEADERSHIP GROUPS ROTARY CLUB AND CITY COUNCIL ACTIVITIES AS WELL AS OTHER VOLUNTEER ORGANIZATIONS SAW COLLABORATION FROM THE HOSPITAL AND ITS REPRESENTATIVES SIDNEY REGIONAL MEDICAL CENTER (SRMC) HOLDS A HOSPITAL SPONSORED COMMUNITY HEALTH FAIR ANNUALLY SRMC ALSO PROVIDES SMALLER HEALTH CLINICS AT BUSINESSES THROUGHOUT THE COMMUNITY CHILD OUTREACH FOR NEW MOTHERS, IMMUNIZATION CLINICS, DIABETES EDUCATION, FLU SHOTS AND COMMUNITY WELLNESS ACTIVITIES ARE ACCOMPLISHED THROUGH COLLABORATION WITH SCHOOLS, THE COMMUNITY CENTER, DOCTORS' OFFICES, AND COMMUNITY BUSINESSES AS WELL AS OTHER NOT FOR PROFIT ORGANIZATIONS SMALL HOSPITALS HAVE BEEN INCREASINGLY CHALLENGED TO MAINTAIN THEIR HISTORICAL SCOPE OF SERVICES, AND MANY HAVE RELUCTANTLY DISCONTINUED PROVIDING OBSTETRICS, CRITICAL CARE, HOME HEALTH AND OTHER SERVICES IMPORTANT TO THE COMMUNITY BUT NOT SUSTAINABLE FROM A FINANCIAL PERSPECTIVE SRMC HAS BEEN ABLE TO CONTINUE PROVIDING THESE SERVICES AND REMAINS COMMITTED TO DOING SO IN THE FORESEEABLE FUTURE THE HOSPITAL ORGANIZATION IS PART OF A 'HEALTH SERVICES' COLLABORATION FOCUSING ON THE INITIATIVES ABOVE IN DAILY ROUTINE THE ORGANIZATION INCLUDES HOME HEALTH AND HOSPICE SERVICES IN COLLABORATION WITH MANY COMMUNITY VOLUNTEERS, WITHOUT WHOM THE SERVICE WOULD NOT BE SUCCESSFUL EXTENDED CARE SERVICES AS WELL AS ASSISTED LIVING SERVICES ARE OFFERED AS DEPARTMENTAL ENTITIES OF THE HOSPITAL ORGANIZATION THESE SERVICES ALONG WITH THE HOME HEALTH AND HOSPICE ARE NOT COST BASED REIMBURSED AND, IN FACT, ERODE THE COST BASED REIMBURSEMENT WHICH COULD BE ENJOYED AS A CRITICAL ACCESS HOSPITAL HOWEVER, THE BOARD OF THE DIRECTORS IS COMMITTED TO PUBLIC HEALTH IN ITS ENTIRETY AND CONTINUES TO SUPPORT ALL HEALTH SERVICES IN THE COMMUNITY
PART VI, LINE 6	SIDNEY REGIONAL MEDICAL CENTER IS NOT PART OF AN AFFILIATED HEALTH CARE ORGANIZATION

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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, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

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 or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☑ 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**	Yes	
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 Regulations 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 duplicate copies if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(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 as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)MICHAEL MATTHEWS MD MEMBER - PHYSICIAN AT LARGE	(i) (ii)	371,510 0	0 0	580 0	0 0	0 0	372,090 0	0 0
(2)JAMES THAYER MD MEMBER - CHIEF OF STAFF SURGEON	(i) (ii)	322,178 0	18,873 0	1,084 0	17,500 0	18,967 0	378,602 0	0 0
(3)KELLY UTLEY CFO	(i) (ii)	136,737 0	0 0	215 0	6,055 0	18,164 0	161,171 0	0 0
(4)MANDY SHAW DOCTOR	(i) (ii)	409,484 0	0 0	227 0	17,500 0	0 0	427,211 0	0 0
(5)KENNETH MARTIN CRNA	(i) (ii)	219,730 0	0 0	211 0	11,243 0	27,538 0	258,722 0	0 0
(6)DANA HLAVINKA CRNA	(i) (ii)	219,435 0	0 0	145 0	11,405 0	23,081 0	254,066 0	0 0
(7)CALVIN CUTRIGHT DOCTOR	(i) (ii)	230,208 0	0 0	3,616 0	0 0	18,967 0	252,791 0	0 0
(8)CLINTON DORWART DOCTOR	(i) (ii)	212,223 0	0 0	1,418 0	8,484 0	27,538 0	249,663 0	0 0

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
PART I, LINE 5	DR JAMES THAYER RECEIVES DRAW ON HIS SALARY BASED ON HIS GROSS CHARGES THE DRAW IS CALCULATED BY MULTIPLYING THE GROSS CHARGES BY 33% AND SUBTRACTING OFF HIS BASE BIWEEKLY SALARY OF $10,000 ADDITIONALLY, HE RECEIVES A BONUS BASED UPON QUALITY INDICATORS, MEDICAL RECORDS COMPLETION, ETC
SCHEDULE J, PART III	JASON PETIK, CEO, RECEIVES COMPENSATION FROM POUDRE VALLEY HEALTH CARE, INC , AN UNRELATED ENTITY POUDRE VALLEY HEALTH CARE, INC PROVIDES MANAGEMENT SERVICES TO ITS CLIENTS, INCLUDING THE SIDNEY REGIONAL MEDICAL CENTER THE SIDNEY REGIONAL MEDICAL CENTER'S BOARD OF DIRECTORS SETS THE SALARY AND BENEFITS FOR MR PETIK MR PETIK RECEIVED $193,519 SALARY, $7,049 RETIREMENT BENEFITS, AND $5,074 NONTAXABLE BENEFITS MR PETIK'S SALARY IS REFLECTED IN PART IX, LINE 11A

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

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

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

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
Total ▶ $												

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) KEVIN UTLEY	EMPLOYEE OF ORGANIZATION AND SPOUSE OF KELLY UTLEY, CFO	61,166	EMPLOYEE W-2 WAGES		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

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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.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 3	POUDRE VALLEY HEALTH CARE, INC CURRENTLY EMPLOYS THE CHIEF EXECUTIVE OFFICER FOR SIDNEY REGIONAL MEDICAL CENTER SRMC PROVIDES POUDRE VALLEY HEALTH CARE WITH DATA ON SERVICES PROVIDED TO THE COMMUNITY MONTHLY FOR COMPARISON DATA PURPOSES

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE ORGANIZATION'S ACCOUNTING DEPARTMENT PREPARES AN ORGANIZER SUPPLIED BY THE ACCOUNTING FIRM SEIM JOHNSON, LLP AND SUBMITS THE ORGANIZER TO THE ACCOUNTING FIRM FOR THE PREPARATION OF THE FORM 990 COMMUNICATIONS BETWEEN THE ACCOUNTING FIRM AND THE ACCOUNTING DEPARTMENT FINALIZE THE PREPARATION OF THE FORM 990 THE CEO AND CFO THEN REVIEW THE FORM 990 AND E-MAIL IT TO ALL MEMBERS OF THE BOARD OF DIRECTORS FOR THEIR REVIEW ONCE THE 990 RETURN HAS BEEN APPROVED BY ALL PARTIES IT IS SUBMITTED TO THE IRS ON OR BEFORE THE REGULAR OR EXTENDED DUE DATE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	EACH YEAR ALL BOARD MEMBERS ARE REQUIRED TO DISCLOSE ANY CONFLICTS OF INTEREST ANY DUALITY OF INTEREST OR POTENTIAL CONFLICT OF INTEREST ON THE PART OF ANY OFFICER, DIRECTOR, COMMITTEE MEMBER, OR ANY KEY EMPLOYEE IS DISCLOSED TO THE BOARD OF DIRECTORS AND MADE A MATTER OF RECORD WHENEVER IT ARISES WHENEVER IT INVOLVES A MATTER OF BOARD ACTION, ANY OFFICER, DIRECTOR, COMMITTEE MEMBER, OR KEY EMPLOYEE HAVING A DUALITY OF INTEREST OR A POSSIBLE CONFLICT OF INTEREST IN ANY MATTER DOES NOT VOTE OR ABSTAINS FROM THE VOTE, IF PRESENT IN THE ROOM, ON ISSUES WITH THE CONFLICT EXISTS OFTEN THE BOARD MEMBER IS ASKED TO LEAVE THE MEETING DURING DISCUSSION PERIODS AND FOR THE VOTE. THESE INDIVIDUALS DO NOT USE THEIR PERSONAL INFLUENCE ON THE MATTERS

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	POUDRE VALLEY HEALTH CARE, INC PROVIDES ADMINISTRATIVE SERVICES TO SIDNEY REGIONAL MEDICAL CENTER (SRMC) THIS INCLUDES PROVIDING THE HOSPITAL'S CHIEF EXECUTIVE OFFICER SRMC'S METHOD TO DETERMINE EXECUTIVE SALARY RANGES IS TO ANNUALLY PULL SALARY RANGES FROM NO LESS THAN TWO SURVEY SOURCES (THREE WHEN POSSIBLE) TO DETERMINE THE AVERAGE SALARY RANGE FOR EACH EXECUTIVE POSITION BY GEOGRAPHICAL REGION THESE ARE REVIEWED AND PRESENTED TO THE HUMAN RESOURCE COMMITTEE OF THE BOARD OF DIRECTORS FOR REVIEW AND APPROVAL/RECOMMENDATIONS

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICIES AND FINANCIAL STATEMENTS ARE MADE AVAILABLE UPON REQUEST ALSO, THE FINANCIAL STATEMENTS ARE SENT ANNUALLY TO COMMUNITY LEADERS

Return Reference	Explanation
FORM 990, PART VII, SECTION A, LINE 1A	JASON PETIK RECEIVES COMPENSATION FROM AN UNRELATED ORGANIZATION, POUDRE VALLEY HEALTH CARE INC , WHICH PROVIDES MANAGEMENT SERVICES TO SIDNEY REGIONAL MEDICAL CENTER

Return Reference	Explanation
FORM 990, PART VII, SECTION A	MICHAEL MATTHEWS, MD AND JAMES THAYER, MD ARE PHYSICIANS OF SIDNEY REGIONAL MEDICAL CENTER AND ARE COMPENSATED FOR THE MEDICAL SERVICES THEY PROVIDE. NEITHER IS PAID BY THE HOSPITAL FOR THEIR SERVICE ON THE BOARD OF DIRECTORS

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	PROFESSIONAL FEES - OTHER PROGRAM SERVICE EXPENSES 2,311,689 MANAGEMENT AND GENERAL EXPENSES 57,442 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,369,131 CONTRACT SERVICES - SURGERY PROFESSIONALS PROGRAM SERVICE EXPENSES 1,549,372 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,549,372 CONTRACT SERVICES - MEDICAL RECORDS PROGRAM SERVICE EXPENSES 236,871 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 236,871

Return Reference	Explanation
FORM 990, PART XI, LINE 2C	THE BOARD OF DIRECTORS ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF SRMC'S FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT THIS PROCESS HAS NOT CHANGED SINCE THE PRIOR YEAR

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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" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CHEYENNE COUNTY HOSPITAL ASSOCIATION INC

Employer identification number
47-0408242

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

(a) Name, address, and EIN (if applicable) 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 entity? Yes	(g) No
(1) CHEYENNE COUNTY HOSPITAL AND HEALTH CENTER FOUNDATION 645 OSAGE SIDNEY, NE 69162 47-0686476	SUPPORT SIDNEY REGIONAL MEDICAL CENTER	NE	501(C)(3)	LINE 11C, III-FI	N/A		No

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) 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	

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	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
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 or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
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		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Cheyenne County Hospital Association, Inc. d/b/a

Sidney Regional Medical Center and Combined Affiliate

Sidney, Nebraska

Combined Financial Statements
and Supplementary Information
December 31, 2013 and 2012

Together with Independent Auditor's Report

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Table of Contents

SEIM JOHNSON

Independent Auditor's Report

To the Board of Directors
Cheyenne County Hospital Association, Inc d/b/a
Sidney Regional Medical Center and Combined Affiliate
Sidney, Nebraska

Report on the Financial Statements

We have audited the accompanying combined financial statements of Cheyenne County Hospital Association, Inc d/b/a Sidney Regional Medical Center and Combined Affiliate (the "System") which comprise the combined balance sheets as of December 31, 2013 and 2012, and the related combined statements of operations, changes in net assets, and cash flows for the years then ended and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these combined 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 combined financial statements are free of material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the System, as of December 31, 2013 and 2012, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

Other Matter

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole The combining information in Exhibits 1-3 is presented for purposes of additional analysis rather than to present the financial position, the results of operations, and changes in net assets of the individual organizations and is not a required part of the combined 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 combined financial statements The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole

Sem Johnson, LLP

Omaha, Nebraska,
April 25, 2014

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Combined Balance Sheets
December 31, 2013 and 2012

		2013	2012
ASSETS			
Current assets			
Cash and cash equivalents	$	15,685,459	6,902,937
Investments		--	5,000,000
Receivables -			
Patients, net of estimated allowance for doubtful accounts of $2,469,922 in 2013 and $1,906,751 in 2012		5,132,899	6,141,687
Other		990,278	407,397
Inventories		968,973	895,473
Prepaid expenses		520,330	205,422
Estimated third-party payor settlements - Medicare and Medicaid		--	898,049
Total current assets		23,297,939	20,450,965
Investments		2,533,281	2,566,045
Assets limited as to use		1,273,472	1,084,124
Property and equipment, net		12,610,767	11,739,642
Total assets	$	39,715,459	35,840,776
LIABILITIES AND NET ASSETS			
Current liabilities			
Current portion of long-term debt	$	200,837	319,157
Accounts payable -			
Trade		1,045,730	992,279
Property and equipment		56,544	108,781
Accrued salaries, vacation, and benefits payable		1,998,815	2,006,723
Estimated third-party payor settlements - Medicare and Medicaid		719,764	--
Total current liabilities		4,021,690	3,426,940
Deferred compensation plan liability		379,234	254,966
Long-term debt, net of current portion		239,678	1,840,188
Total liabilities		4,640,602	5,522,094
Commitments and contingencies			
Net assets			
Unrestricted		34,824,472	30,114,657
Temporarily restricted		250,385	204,025
Total net assets		35,074,857	30,318,682
Total liabilities and net assets	$	39,715,459	35,840,776

See notes to combined financial statements

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Combined Statements of Operations
For the Years Ended December 31, 2013 and 2012

	2013	2012
UNRESTRICTED REVENUE, GAINS, AND OTHER SUPPORT		
Net patient service revenue before provision for bad debts	$ 42,510,314	37,227,173
Provision for bad debts	(1,881,022)	(2,541,612)
Net patient service revenue	40,629,292	34,685,561
Other operating revenue	1,358,884	713,811
Net assets released from restrictions used for operations	--	2,898
Total unrestricted revenue, gains, and other support	41,988,176	35,402,270
EXPENSES		
Salaries and wages	17,486,283	15,457,518
Employee benefits	5,071,669	3,791,627
Purchased services and professional fees	4,444,674	4,180,623
Supplies and other	9,283,874	7,344,742
Interest	46,805	81,081
Depreciation and amortization	1,248,329	1,197,111
Total expenses	37,581,634	32,052,702
OPERATING INCOME	4,406,542	3,349,568
NONOPERATING REVENUE		
Investment income	88,255	88,739
Contributions	170,886	82,802
Other	--	6,209
Nonoperating revenue	259,141	177,750
EXCESS OF UNRESTRICTED REVENUE, GAINS, AND OTHER SUPPORT OVER EXPENSES	4,665,683	3,527,318
CHANGE IN NET UNREALIZED GAINS AND LOSSES ON OTHER THAN TRADING SECURITIES	44,132	26,571
INCREASE IN UNRESTRICTED NET ASSETS	$ 4,709,815	3,553,889

See notes to combined financial statements

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Combined Statements of Changes in Net Assets
For the Years Ended December 31, 2013 and 2012

	2013	2012
UNRESTRICTED NET ASSETS		
Excess of unrestricted revenue, gains, and other support over expenses	$ 4,665,683	3,527,318
Change in net unrealized gains and losses on other than trading securities	44,132	26,571
Increase in unrestricted net assets	4,709,815	3,553,889
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	46,360	24,253
Net assets released from restrictions used for operations	--	(2,898)
Increase in temporarily restricted net assets	46,360	21,355
INCREASE IN NET ASSETS	4,756,175	3,575,244
NET ASSETS, beginning of year	30,318,682	26,743,438
NET ASSETS, end of year	$ 35,074,857	30,318,682

See notes to combined financial statements

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Combined Statements of Cash Flows
For the Years Ended December 31, 2013 and 2012

		2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	$	4,756,175	3,575,244
Adjustments to reconcile the change in net assets to net cash provided by operating activities			
Depreciation and amortization		1,248,329	1,197,111
Change in net unrealized gains and losses on other than trading securities		(44,132)	(26,571)
Loss on sale of property and equipment		--	3,471
(Increase) decrease in current assets -			
Receivables -			
Patients		1,008,788	(1,442,720)
Other		(582,881)	(154,800)
Inventories		(73,500)	(256,296)
Prepaid expenses		(314,908)	19,790
Estimated third-party payor settlements - Medicare and Medicaid		898,049	(891,546)
Increase (decrease) in current liabilities -			
Accounts payable - trade		53,451	331,249
Accrued salaries, vacation, and benefits payable		(7,908)	240,092
Estimated third-party payor settlements - Medicare and Medicaid		719,764	--
Net cash provided by operating activities		7,661,227	2,595,024
CASH FLOWS FROM INVESTING ACTIVITIES			
Withdrawals from investments		5,032,764	1,322,643
Deposits to assets limited as to use, net		(20,948)	(1,310,556)
Purchase of property and equipment, net		(1,803,065)	(2,714,903)
Net cash provided by (used in) investing activities		3,208,751	(2,702,816)
CASH FLOWS FROM FINANCING ACTIVITIES,			
Payments on long-term debt		(2,087,456)	(377,863)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		8,782,522	(485,655)
CASH AND CASH EQUIVALENTS, Beginning of year		6,902,937	7,388,592
CASH AND CASH EQUIVALENTS, End of year	$	15,685,459	6,902,937
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
The System entered into capital lease obligations for new equipment	$	368,626	40,950
Cash paid for interest		46,805	81,081
Amount transferred from assets limited as to use to investments		--	1,317,269

See notes to combined financial statements

(1) Description of Organization and Summary of Significant Accounting Policies

The following is a description of the organization and a summary of significant accounting policies of Cheyenne County Hospital Association, Inc d/b/a Sidney Regional Medical Center and Combined Affiliate (the "System") These policies are in accordance with accounting principles generally accepted in the United States of America

A Description of Organization

The combined financial statements include the accounts of Cheyenne County Hospital Association, Inc d/b/a Sidney Regional Medical Center and Cheyenne County Hospital and Health Center Foundation

Cheyenne County Hospital Association, Inc d/b/a Sidney Regional Medical Center (SRMC) is a not-for-profit acute care hospital which provides inpatient, outpatient and emergency care service to patients in Sidney, Nebraska It also operates long-term care facilities, a home health agency, and provider-based rural health clinics in Sidney, Nebraska and in Chappell, Nebraska

Cheyenne County Hospital and Health Center Foundation is a not-for-profit organization established to receive and solicit contributions, gifts, and grants exclusively for the benefit of the Cheyenne County Hospital Association, Inc

For financial reporting purposes, management has elected to present combined financial statements due to the common organizational purposes between the entities Significant intercompany accounts and transactions have been eliminated in combination

B Industry Environment

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 abuse 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 System is in compliance with government laws and regulations as they apply to areas of fraud and abuse While no regulatory inquiries have been made which are expected to have a material effect on the System's combined 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

As a result of recently enacted federal healthcare reform legislation, substantial changes are anticipated in the United States healthcare system Such legislation includes numerous provisions affecting the delivery of healthcare services, the financing of healthcare costs, reimbursement of healthcare providers and the legal obligations of health insurers, providers and employers These provisions are currently slated to take effect at specified times over approximately the next decade

C Management

SRMC is a not-for-profit provider of health care services Effective January 1, 2011, SRMC entered into two year contract with Poudre Valley Health Care, Inc , to provide management personnel and consulting services The original contract expired December 31, 2013 A five year contract was negotiated with Poudre Valley Health Care, Inc becoming effective January 1, 2014

D *Use of Estimates*

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

E *Cash and Cash Equivalents*

Cash and cash equivalents for purposes of the combined statements of cash flows include certain investments in highly liquid debt instruments with original maturities of three months or less

F *Patient Receivables, Net*

The System reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others Accounts receivable are reduced by an allowance for doubtful accounts In evaluating the collectibility of accounts receivable, the System analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts The System records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

G *Inventories*

Inventories are stated at the lower of cost (first-in, first-out valuation method) or market

H *Investments*

Investments in equity securities with readily determinable fair values, all investments in debt securities, and investments in land are measured at fair value in the accompanying combined balance sheets Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of unrestricted revenue, gains and other support over expenses unless the income or loss is restricted by donor or law Net change in unrealized gains and losses on investments are excluded from excess of unrestricted revenue, gains, and other support over expenses unless the investments are trading securities

I *Assets Limited as to Use*

Assets limited as to use include assets restricted by donors, a deferred compensation plan, and 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

J *Property and Equipment, Net*

Property and equipment acquisitions are recorded at cost Depreciation is provided on the straight-line method based upon useful lives set forth using general guidelines from the American Hospital Association Guide for Useful Lives of Depreciable Hospital Assets Assets under capital lease obligations and leasehold improvements are amortized on the straight-line method over the shorter of the lease term or their respective estimated useful lives Such amortization is included in depreciation and amortization in the combined financial statements Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those costs The System maintains a capitalization policy of $5,000

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from the excess of unrestricted revenue, gains, and other support over expense, 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

The System's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable If the sum of expected cash flows is less than the carrying amount of the asset, a loss is recognized

K *Temporarily and Permanently Restricted Net Assets*

Temporarily restricted net assets are those whose use by the System 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 System in perpetuity At December 31, 2013 and 2012, the System had no permanently restricted net assets

When the System has both restricted and unrestricted net assets available for a particular expense, it is the System's policy to apply restricted net assets before unrestricted

L *Excess of Unrestricted Revenue, Gains, and Other Support Over Expenses*

The combined statements of operations include excess of unrestricted revenue, gains and other support over expenses as a performance indicator Changes in unrestricted net assets which are excluded from the performance indicator, consistent with industry practice, include change in net unrealized gains and losses on 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)

M *Net Patient Service Revenue*

The System has agreements with third-party payers that provide for payments to the System 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 payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

N *Charity Care*

The System 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 System does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue in the combined statements of operations Management's disclosure of charity care cost is described in Note 3

O *Donor-Restricted Gifts*

Unconditional promises to give cash and other assets to the System are reported at fair value at the date the promise is received Conditional promises to give and indications of intent 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 the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the combined statements of operations as net 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 combined financial statements

P *Group Health Insurance Costs*

The System is partially self-insured for employee health insurance costs, up to certain limits Included in the accompanying combined statements of operations is a provision for premiums for excess coverage insurance and payments for claims, including estimates of the ultimate costs for both reported claims and claims incurred but not yet reported at year end

Q *Medical Malpractice Insurance*

Medical malpractice insurance is purchased under claims-made policies Under these policies, only claims made and reported to the insurer are covered during the policy term

The System accrues the expense of its share of asserted and unasserted claims occurring during the year by estimating the probable ultimate cost of any such claim Such estimates are based on the System's own claims experience The System's management does not expect any claim to exceed the insurance coverage limits However, because of the risk involved in providing health care services, it is possible an event has occurred that will be the basis of a future material claim

R *Fair Value of Financial Instruments*

Financial instruments consist of cash and cash equivalents, receivables, investments, assets limited as to use, liabilities and long-term debt obligations Management's estimates of fair value of investments and assets limited as to use are described in Note 5 The carrying amounts reported in the combined balance sheets for cash and cash equivalents, receivables and current liabilities approximate fair value due to the short-term nature of these financial instruments The carrying value of long-term debt obligations approximates fair value since the interest rates closely reflect current market rates for notes with similar maturities and credit quality

S *Income Taxes*

SRMC and Cheyenne County Hospital and Health Center Foundation are exempt from income taxes under Section 501(a) of the Code and a similar provision of state law However, they are subject to federal income tax on any unrelated business taxable income

The System accounts for uncertainties in accounting for income tax assets and liabilities using guidance included in FASB ASC 740, *Income Taxes* The System recognizes the effect of income tax positions only if those positions are more likely than not of being sustained At December 31, 2013, the System had no uncertain tax positions accrued With few exceptions, the System is no longer subject to income tax examinations by U S federal, state, or local authorities for years before 2010

T *Subsequent Events*

The System considered events occurring through April 25, 2014 for recognition or disclosure in the combined financial statements as subsequent events That date is the date the combined financial statements were available to be issued See Note 14 for subsequent events

U Reclassification

Certain amounts in the 2012 combined financial statements have been reclassified to conform to the 2013 reporting format

(2) Net Patient Service Revenue

The System recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered See summary of payment arrangements below For uninsured patients that do not qualify for charity care, the System recognizes revenue on the basis of its standard rates for services provided On the basis of historical experience, a significant portion of the System's uninsured patients will be unable or unwilling to pay for the services provided Thus, the System records a significant provision for bad debts related to uninsured patients in the period the services are provided Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the year from these major payer sources, is as follows

December 31, 2013	Medicare	Medicaid	BCBS and Other Commercial	Self Pay	Total
Gross patient charges	$ 27,987,247	6,983,229	28,590,512	5,147,698	68,708,685
Less contractual allowances and discounts	14,104,629	3,890,174	7,032,510	1,171,057	26,198,371
Net patient service revenue before provision for bad debts	$ 13,882,617	3,093,054	21,558,002	3,976,641	42,510,314

December 31, 2012	Medicare	Medicaid	BCBS and Other Commercial	Self Pay	Total
Gross patient charges	$ 21,869,130	5,267,977	22,312,225	5,398,921	54,848,253
Less contractual allowances and discounts	11,457,087	2,012,561	3,887,433	263,999	17,621,080
Net patient service revenue before provision for bad debts	$ 10,412,043	3,255,416	18,424,792	5,134,922	37,227,173

A summary of the payment arrangements with major third-party payers follows

Medicare. Inpatient acute care services rendered to Medicare program beneficiaries in a Critical Access Hospital are paid based on Medicare defined costs of providing the services Inpatient nonacute services, outpatient services, and rural health clinic services related to Medicare beneficiaries are paid based on a cost reimbursement methodology The System is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicare Administrative Contractor The System's Medicare cost reports have been audited by the Medicare Administrative Contractor through December 31, 2011

The "Budget Control Act of 2011 requires, among other things, mandatory across-the-board reductions in Federal spending, also known as sequestration The "American Taxpayer Relief Act of 2012 postponed sequestration for two months As required by law, President Obama issued a sequestration order on March 1, 2013 In general, Medicare claims with dates of service or dates of discharge on or after April 1, 2013, will incur a two percent reduction in Medicare payment

Medicaid. Inpatient acute services, outpatient services, and rural health clinic services rendered to Medicaid program beneficiaries in a Critical Access Hospital are paid based on Medicaid defined costs of providing the services The System is reimbursed for cost reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the System Long-term care services are reimbursed at prospectively determined rates per day of care

Commercial Insurance. The basis for payment to the System under these agreements includes discounts from established charges

Net patient service revenue (before the provision for bad debts), as reflected in the accompanying combined statements of operations, consists of the following

		2013	2012
Gross patient charges			
Acute	$	16,234,818	9,828,337
Home health		1,419,850	1,603,827
Assisted living		1,016,548	955,196
Hospice		1,629,030	1,682,823
Long-term care		3,902,692	3,803,841
Outpatient -			
Hospital		30,757,521	26,308,314
Professional fees		9,222,354	6,438,278
Primary care clinics		4,525,872	4,227,637
		68,708,685	54,848,253
Less contractual allowances and discounts		26,198,371	17,621,080
Net patient service revenue	$	42,510,314	37,227,173

Revenue from the Medicare and Medicaid programs accounted for approximately 33% and 7%, respectively, of the System's net patient revenue for the year ended December 31, 2013 and approximately 28% and 9%, respectively, of the System's net patient revenue for the year ended December 31, 2012 Laws and regulations governing the 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

(3) Charity Care

The System provides charity care to patients who are financially unable to pay for the health care services they receive It is the policy of the System not to pursue collection of amounts determined to qualify as charity care Accordingly, the System does not report these amounts in net patient service revenue or in the allowance for doubtful accounts The System determines the costs associated with providing charity care by aggregating the direct and indirect costs, including salaries, benefits, supplies, and other operating expenses, based on the overall cost to charge ratio The costs of caring for charity care patients for the years ended December 31, 2013 and 2012 were $640,534 and $154,278, respectively

(4) Assets Limited as to Use

The composition of assets limited as to use at December 31, 2013 and 2012, is as follows

		2013	2012
By Board for future capital improvements	$	718,476	659,095
By Trustee under deferred compensation plan		379,235	254,966
By donor		175,761	170,063
	$	1,273,472	1,084,124

(5) Fair Value

Fair Value Hierarchy

The System applies FASB ASC 820 for fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the combined financial statements on a recurring basis FASB ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements) The three levels of the fair value hierarchy are as follows

Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the System has the ability to access at the measurement date

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly through either corroboration or observable market data

Level 3 inputs are inputs are unobservable for the asset or liability Therefore, unobservable inputs shall reflect the System's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk) developed based on the best information available in the circumstances

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value

Cash and cash equivalents and accrued interest – The fair value of cash and cash equivalents, consisting primarily of money market funds, is classified as Level 1 as these funds are valued using quoted market prices

Certificates of deposit – Investments in certificates of deposit are classified as Level 2 based on multiple sources of information, which may include market data and/or quoted market prices form either markets that are not active or are for the same or similar assets of active markets

U S treasury bonds – U S treasury bonds are classified as Level 1 if they trade with sufficient frequency and volume to enable to the System to obtain pricing information on an ongoing basis

Mutual funds – The fair value of mutual funds is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers

Corporate stocks – The fair value of equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers

Land – The fair value of land is based on assessed market value at acquisition date which approximates current fair value and is classified as Level 3

Annuity contracts – Annuity contracts are classified as Level 2 based on contract values as reported by the insurance company that holds the contract Contract values are based on the net asset value of underlying investment options

For the fiscal years ended December 31, 2013 and 2012, the application of valuation techniques applied to similar assets and liabilities has been consistent

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 December 31, 2013 and 2012

	December 31, 2013			
	Total	Level 1	Level 2	Level 3
Investments				
Accrued interest	$ 5,899	5,899	--	--
Certificates of deposit	2,350,590	--	2,350,590	--
U S treasury bonds	84,292	84,292	--	--
Land	92,500	--	--	92,500
	2,533,281	90,191	2,350,590	92,500
Assets limited as to use				
By Board for future capital improvements				
Accrued interest	297	297	--	--
Certificates of deposit	467,157	--	467,157	--
Mutual funds - large cap	232,680	232,680	--	--
Corporate stock - domestic	18,342	18,342	--	--
	718,476	251,319	467,157	--
By Trustee under deferred compensation plan, annuity contracts	379,235	--	379,235	--
By Donor				
Cash and cash equivalents	169,061	169,061	--	--
Certificates of deposit	6,700	--	6,700	--
	1,273,472	420,380	385,935	--
	$ 3,806,753	510,571	2,736,525	92,500

	December 31, 2012			
	Total	Level 1	Level 2	Level 3
Investments				
Cash and cash equivalents	$ 11,163	11,163	--	--
Accrued interest	6,378	6,378	--	--
Certificates of deposit	7,374,987	--	7,374,987	--
U S treasury bonds	81,017	81,017	--	--
Land	92,500	--	--	92,500
	7,566,045	98,558	7,374,987	92,500
Assets limited as to use				
By Board for future capital improvements				
Accrued interest	249	249	--	--
Certificates of deposit	463,458	--	463,458	--
Mutual funds - large cap	181,579	181,579	--	--
Corporate stock - domestic	13,809	13,809	--	--
	659,095	195,637	463,458	--
By Trustee under deferred compensation plan, annuity contracts	254,966	--	254,966	--
By Donor				
Cash and cash equivalents	163,379	163,379	--	--
Certificates of deposit	6,684	--	6,684	--
	1,084,124	359,016	725,108	--
	$ 8,650,169	457,574	8,100,095	92,500

Investment Return

Total investment return is comprised of the following

		2013	2012
Interest and dividend income	$	88,255	88,739
Change in unrealized gains and losses on other than trading securities		44,132	26,571
Total investment return	$	132,387	115,310

(6) Property and Equipment, Net

Property and equipment as of December 31, 2013 and 2012 is summarized as follows

		2013	2012
Land and land improvements	$	1,142,049	1,142,049
Buildings and fixed equipment		15,245,858	15,226,621
Equipment and furnishings		9,323,193	8,614,958
Construction in progress		1,690,109	298,127
		27,401,209	25,281,755
Less Accumulated depreciation and amortization		(14,790,442)	(13,542,113)
	$	12,610,767	11,739,642

Construction in progress primarily contains the System's initial costs related to a replacement facility for hospital and clinic operations The estimated cost to construct and equip the replacement facility is approximately $51,000,000

During September, 2012 the System was approved for a rural development direct loan from the United States Department of Agriculture (USDA) to provide financing not to exceed $20,000,000 at a 3 5% fixed rate over 40 years Currently, the system is seeking an additional $10,000,000 from the USDA in an effort to fix an increased percentage of the replacement facility debt at a lower interest rate The remainder of the replacement facility debt will be financed through the issuance of $10,000,000 in bonds, payable over 23 years

(7) Long-Term Debt

A summary of long-term debt and capital lease obligation at December 31, 2013 and 2012 follows

		2013	2012
Note payable, Hospital Authority No 1 of Cheyenne County, Nebraska	$	--	1,926,291
Capital lease obligations (A)		440,515	233,054
		440,515	2,159,345
Less debt current portion		(200,837)	(319,157)
Long-term debt, net of current portion	$	239,678	1,840,188

(A) Capital leases due through December 2017, collateralized by leased equipment

Property and equipment includes the following property under capital leases

		2013	2012
Equipment	$	496,400	421,683
Less Accumulated depreciation		(290,404)	(195,690)
	$	205,996	225,993

Scheduled payments on capital lease obligations are as follows

Year Ending December 31,		Capital Lease Obligations
2014	$	205,971
2015		142,712
2016		90,786
2017		8,190
		447,659
Less Amount representing interest under capital lease obligation		7,144
	$	440,515

(8) Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2013 and 2012 are available for the following purposes

		2013	2012
Purchases of equipment, maintenance and improvements	$	166,892	148,851
Long-term care resident housing		16,439	15,949
Other		67,054	39,225
	$	250,385	204,025

(9) Employee Benefit Plans

Pension Plans

Sidney Regional Medical Center has a defined-contribution pension plan covering substantially all employees The plan allows for employee contributions up to the maximum allowable percentage of the employee's annual compensation, plus the employer will match 100% of the employee's contributions up to a maximum contribution of 6% of the employee's bi-weekly compensation Pension expense was $498,588 and $353,385 for 2013 and 2012, respectively

Deferred Compensation Plans

Sidney Regional Medical Center offers deferred compensation plans for employed physicians Eligible employees may defer and place into a deferred compensation account an amount up to the maximum allowed by Section 457(b) of the Internal Revenue Code Upon retirement, as defined by the plan, the balance of each participant's deferred compensation account will be paid to the participant

The value of the deferred compensation accounts are included in the accompanying combined balance sheets as assets limited as to use and are valued at fair value of the underlying mutual funds The related deferred compensation plan liability is separately stated as a long term liability

(10) Concentrations of Credit Risk

The System is located in Sidney Nebraska The System grants credits without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements The mix of receivables from patients and third-party payers was as follows

	2013	2012
Medicare	35%	36%
Medicaid	8	13
Other third-party payers	47	41
Private pay	10	10
	100%	100%

The System maintains deposits in excess of Federal Deposit Insurance Corporation limits Management believes the risk relating to the deposits is minimal

(11) Functional Expenses

The System provides general health care services to residents within its geographic area Expenses related to providing these services are as follows

	2013	2012
Program services	$ 36,487,538	30,970,455
General and administrative	998,058	1,025,175
Fundraising	96,038	57,072
	$ 37,581,634	32,052,702

(12) Professional Liability Insurance

The System carries a professional liability policy (including malpractice) which provides $1,000,000 of coverage for injuries per occurrence and $3,000,000 aggregate coverage In addition, the System carries an umbrella policy which also provides an additional $5,000,000 of professional liability coverage per occurrence and aggregate coverage These policies provide coverage on a claims-made basis covering only those claims which have occurred and are reported to the insurance company while the coverage is in force The System could have exposure on possible incidents that have occurred for which claims will be made in the future should professional liability insurance not be obtained, should coverage be limited and/or not available

Accounting principles generally accepted in the United States of America require a healthcare provider to accrue the ultimate costs of malpractice claims or similar contingent liabilities, which include costs associated with litigating or settling claims, when the incidents that give rise to the claims occur The System does evaluate all incidents and claims along with prior claims experience to determine if a liability is to be recognized For the years ended December 31, 2013 and 2012, management determined no liability should be recognized for asserted or unasserted claims Management is not aware of any such claim that would have a material adverse impact on the accompanying combined financial statements

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Exhibit 1

Combining Balance Sheet
December 31, 2013

	Cheyenne County Hospital Association, Inc	Cheyenne County Hospital and Health Center Foundation	Elimination Entries	Combined
ASSETS				
Current assets				
Cash and cash equivalents	$ 15,151,969	533,490	--	15,685,459
Receivables -				
Patients, net of estimated allowance for doubtful accounts of $2,469,922 in 2013	5,132,899	--	--	5,132,899
Other	990,278	--	--	990,278
Inventories	968,973	--	--	968,973
Prepaid expenses	520,330	--	--	520,330
Total current assets	22,764,449	533,490	--	23,297,939
Investments	2,533,281	--	--	2,533,281
Assets limited as to use	379,235	894,237	--	1,273,472
Due from affiliates	2,792	--	(2,792)	--
Property and equipment, net	12,414,126	196,641	--	12,610,767
Total assets	$ 38,093,883	1,624,368	(2,792)	39,715,459
LIABILITIES AND NET ASSETS				
Current liabilities				
Current portion of long-term debt	$ 200,837	--	--	200,837
Accounts payable -				
Trade	1,045,730	--	--	1,045,730
Property and equipment	56,544	--	--	56,544
Accrued salaries, vacation, and benefits payable	1,998,815	--	--	1,998,815
Estimated third-party payor settlements -				
Medicare and Medicaid	719,764	--	--	719,764
Total current liabilities	4,021,690	--	--	4,021,690
Deferred compensation plan liability	379,234	--	--	379,234
Long-term debt, net of current portion	239,678	--	--	239,678
Due to affiliates	--	2,792	(2,792)	--
Total liabilities	4,640,602	2,792	(2,792)	4,640,602
Commitments and contingencies				
Net assets				
Unrestricted	33,438,102	1,386,370	--	34,824,472
Temporarily restricted	15,179	235,206	--	250,385
Total net assets	33,453,281	1,621,576	--	35,074,857
Total liabilities and net assets	$ 38,093,883	1,624,368	(2,792)	39,715,459

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Exhibit 2

Combining Statement of Operations
For the Year Ended December 31, 2013

	Cheyenne County Hospital Association, Inc	Cheyenne County Hospital and Health Center Foundation	Combined
UNRESTRICTED REVENUE, GAINS, AND OTHER SUPPORT			
Net patient service revenue before provision for bad debts	$ 42,510,314	--	42,510,314
Provision for bad debts	(1,881,022)	--	(1,881,022)
Net patient service revenue	40,629,292	--	40,629,292
Other operating revenue	1,358,884	--	1,358,884
Total unrestricted revenue, gains, and other support	41,988,176	--	41,988,176
EXPENSES			
Salaries and wages	17,486,283	--	17,486,283
Employee benefits	5,071,669	--	5,071,669
Purchased services and professional fees	4,431,206	13,468	4,444,674
Supplies and other	9,205,368	78,506	9,283,874
Interest	46,805	--	46,805
Depreciation and amortization	1,244,265	4,064	1,248,329
Total expenses	37,485,596	96,038	37,581,634
OPERATING INCOME (LOSS)	4,502,580	(96,038)	4,406,542
NONOPERATING REVENUE			
Investment income	72,465	15,790	88,255
Contributions	74,052	96,834	170,886
Nonoperating revenue	146,517	112,624	259,141
EXCESS OF UNRESTRICTED REVENUE, GAINS, AND OTHER SUPPORT OVER EXPENSES	4,649,097	16,586	4,665,683
CHANGE IN NET UNREALIZED GAINS AND LOSSES ON OTHER THAN TRADING SECURITIES	--	44,132	44,132
INCREASE IN UNRESTRICTED NET ASSETS	$ 4,649,097	60,718	4,709,815

Cheyenne County Hospital Association, Inc. d/b/a
Sidney Regional Medical Center and Combined Affiliate

Exhibit 3

Combining Statement of Changes in Net Assets
For the Year Ended December 31, 2013

	Cheyenne County Hospital Association, Inc	Cheyenne County Hospital and Health Center Foundation	Combined
UNRESTRICTED NET ASSETS			
Excess of unrestricted revenue, gains, and other support over expenses	$ 4,649,097	16,586	4,665,683
Change in net unrealized gains and losses on other than trading securities	--	44,132	44,132
Increase in unrestricted net assets	4,649,097	60,718	4,709,815
TEMPORARILY RESTRICTED NET ASSETS, Contributions	15,179	31,181	46,360
INCREASE IN NET ASSETS	4,664,276	91,899	4,756,175
NET ASSETS, beginning of year	28,789,005	1,529,677	30,318,682
NET ASSETS, end of year	$ 33,453,281	1,621,576	35,074,857