



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Part IIISTatement 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

TO PROVIDE A CARING ENVIRONMENT, RESPONDING WITH EXCELLENCE TO THE HEALTH CARE NEEDS OF THOSE WE SERVE
RESPECTING THE DIGNITY AND RECOGNIZING THE WORTH OF EACH PERSON IS THE FOUNDATION OF OUR COMMITMENT TO
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 \$ 32,028,564 including grants of \$) (Revenue \$ 35,541,826)

COMMUNITY HOSPITAL OF ANACONDA IS COMPRISED OF A 25-BED CRITICAL ACCESS HOSPITAL AND A 62-BED NURSING HOME FACILITY WHICH PROVIDES HEALTH
CARE SERVICES THE HOSPITAL PROVIDED 3,994 DAYS OF INPATIENT ACUTE CARE SERVICES, 50,094 OUTPATIENT VISITS, 7,636 EMERGENCY ROOM/CONVENIENT
CARE VISITS, AND 1,157 SURGERIES THE NURSING HOME PROVIDED 20,632 DAYS OF RESIDENT SERVICES FOR THE YEAR ENDED DECEMBER 31, 2013 THE
HOSPITAL PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS AT OR BELOW COST AND TO INDIVIDUALS WHO ARE UNABLE TO PAY THE
UNREIMBURSED CHARGES OF PROVIDING CARE TO THESE PATIENTS WAS 630,283 FOR CHARITY CARE, 10,891,260 FOR MEDICARE, 2,381,516 FOR MEDICAID,
AND 5,333,589 FOR OTHER THIRD PARTY PAYORS FOR THE YEAR ENDED DECEMBER 31, 2013

4b

(Code) (Expenses \$ 27,973 including grants of \$ 27,973) (Revenue \$)

COMMUNITY HOSPITAL OF ANACONDA ALSO SPONSORS NUMEROUS YOUTH GROUPS AND ACTIVITIES WITHIN ITS COMMUNITY

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d


















Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses ▶ 32,056,537

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	No
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 Yes	
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 Yes	
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	No
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If so, complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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.	74	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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	401
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	Yes
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	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, 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	11	
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			
1b	Enter the number of voting members included in line 1a, above, who are independent	7	
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	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
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
7b	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		
8a	The governing body?	8a	Yes
8b	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
10b	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
11b	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
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	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
16b	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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 ▶LAURA AUSTIN VP OF FINANCE 401 W PENNSYLVANIA ANACONDA,MT 59711 (406) 563-8521

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) PETER SORINI MD SURGEON/TRUS	40.00	X						958,031	0	0
(2) JOHN S MCNEECE CEO/TRUSTEE	40.00	X		X				339,288	0	12,649
(3) SHAWNA BAKER MD PHYSICIAN/TR	40.00	X						242,643	0	65,677
(4) BOB FRANCISCO CHAIR	1.00	X		X				0	0	0
(5) LEE ANN BARTOLETTI VICE CHAIR	1.00	X		X				0	0	0
(6) BILL FINNEGAN SECRETARY-TR	1.00	X		X				0	0	0
(7) GENE VUCKOVICH TRUSTEE	1.00	X						0	0	0
(8) JACK HAFLEY TRUSTEE	1.00	X						0	0	0
(9) STAN BLAZ TRUSTEE	1.00	X						0	0	0
(10) JODI MCCARTHY TRUSTEE	1.00	X						0	0	0
(11) JESSE LASLOVICH TRUSTEE	1.00	X						0	0	0
(12) LAURA AUSTIN V P. OF FINA	40.00			X				203,929	0	14,329
(13) PETER WENDT PHYSICIAN	40.00					X		650,000	0	51,083
(14) DOUGLAS DUNHAM MD ER PHYSICIAN	38.00					X		328,855	0	37,614
(15) FREDRICK BARTOLETTI MD ER PHYSICIAN	37.00					X		321,881	0	58,660
(16) JENNIFER AUSTIN PHYSICIAN	40.00					X		299,998	0	72,373
(17) ROBERT WEBSTER PHYSICIAN	40.00					X		271,874	0	36,713

Part VII

(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			
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								3,616,499		349,098

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 **23**

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DR PETER SORINI, 22 BITTERSWEET BUTTE MT 59701	SURGEON SRVCS	958,039
DR JONATHAN PINE, 305 W PENN AVE ANACONDA MT 59711	SURGEON SRVCS	665,400
DR THOMAS MCMAHON, 401 W PENN AVE ANACONDA MT 59711	SURGEON SRVCS	380,927
TOBACCO ROOT ANESTHESIOLOGY 7 VANDOLAH ROAD THREE FORKS MT 59752	ANESTHESIOLOGY	379,350
BRIAN BRADLEY, 401 W PENN AVE ANACONDA MT 59711	PAIN MGMT SRVCS	307,826

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 ►12

Part VIII

Statement of Revenue

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

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	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	24,751		
	e	Government grants (contributions)	1e	555,409		
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	17,584		
	g	Noncash contributions included in lines 1a-1f \$		6,757		
	h	Total. Add lines 1a-1f		597,744		
Program Service Revenue			Business Code			
	2a	PATIENT SERVICE REVENUE, NET	624100	35,539,061	35,539,061	
	b	PHARMACY SALES	446110	42,797		42,797
	c	RENTAL INCOME	621110	2,765	2,765	
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f		35,584,623		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		45,363		45,363
	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		10,800		
	c	Gain or (loss)		-10,800		
	d	Net gain or (loss)		-10,800		-10,800
	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	OTHER	900099	37,818		37,818	
b	CAFETERIA REVENUE	722514	37,498		37,498	
c	MEDICAL RECORDS & TRANSCRIPTI	900099	5,568		5,568	
d	All other revenue					
e	Total. Add lines 11a-11d		80,884			
12	Total revenue. See Instructions		36,297,814	35,541,826	42,797	115,447

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.	27,973	27,973		
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.	570,194		570,194	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7	Other salaries and wages.	15,593,725	13,894,074	1,699,651	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	380,121	337,073	43,048	
9	Other employee benefits.	1,198,621	1,045,468	153,153	
10	Payroll taxes.	1,501,437	1,292,753	208,684	
11	Fees for services (non-employees):				
a	Management.	9,105		9,105	
b	Legal.	69,140		69,140	
c	Accounting.	62,288		62,288	
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).	5,596,850	5,181,663	415,187	
12	Advertising and promotion.	289,948	878	289,070	
13	Office expenses.	2,274,794	2,077,018	197,776	
14	Information technology.	262,595	262,595		
15	Royalties.				
16	Occupancy.	1,137,220	604,415	532,805	
17	Travel.	24,276	17,166	7,110	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	97,721	82,188	15,533	
20	Interest.	192,589	170,885	21,704	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	998,950	807,476	191,474	
23	Insurance.	839,454	834,973	4,481	
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 & DRUGS	3,978,507	3,978,507		
b	HOSPITAL BED TAX	308,746	308,746		
c	DUES & SUBSCRIPTIONS	189,260	125,043	64,217	
d	OTHER EXPENSES	73,611	14,581	59,030	
e	All other expenses	38,906	993,062	-954,156	
25	Total functional expenses. Add lines 1 through 24e.	35,716,031	32,056,537	3,659,494	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 <input type="checkbox"/> 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)		(B)
			Beginning of year		End of year
Assets	1	Cash—non-interest-bearing	502,477	1	1,054,724
	2	Savings and temporary cash investments	3,549,966	2	4,237,981
	3	Pledges and grants receivable, net	588,183	3	134,998
	4	Accounts receivable, net	5,779,207	4	6,764,171
	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	46,080	7	22,000
	8	Inventories for sale or use	728,282	8	641,019
	9	Prepaid expenses and deferred charges	238,609	9	303,805
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a23,261,993		
	b	Less accumulated depreciation	10b11,667,920	7,150,680	10c11,594,073
	11	Investments—publicly traded securities	2,223,324	11	1,984,372
	12	Investments—other securities See Part IV, line 11	391,519	12	399,213
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	449,228	15	1,779,847
	16	Total assets. Add lines 1 through 15 (must equal line 34)	21,647,555	16	28,916,203
Liabilities	17	Accounts payable and accrued expenses	3,376,829	17	3,759,104
	18	Grants payable		18	
	19	Deferred revenue	294,091	19	287,325
	20	Tax-exempt bond liabilities		20	
	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	3,638,774	23	9,668,695
	24	Unsecured notes and loans payable to unrelated third parties	81,842	24	67,372
	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	43,979	25	268,621
	26	Total liabilities. Add lines 17 through 25	7,435,515	26	14,051,117
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	14,212,040	27	14,865,086
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	14,212,040	33	14,865,086
	34	Total liabilities and net assets/fund balances	21,647,555	34	28,916,203

Part XI Reconciliation 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	36,297,814
2	Total expenses (must equal Part IX, column (A), line 25)	2	35,716,031
3	Revenue less expenses Subtract line 2 from line 1	3	581,783
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	14,212,040
5	Net unrealized gains (losses) on investments	5	71,263
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	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	14,865,086

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	No
2b	Were the organization's financial statements audited by an independent accountant? 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 <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	Yes
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes
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
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	

SCHEDULE A
(Form 990 or 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 COMMUNITY HOSPITAL OF ANACONDA	Employer identification number 81-0303913
--	--

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 33¹/₃% 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 33¹/₃% 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?

(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?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 IIISupport 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	
------------------	-------------	--

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 COMMUNITY HOSPITAL OF ANACONDA	Employer identification number 81-0303913
---	---

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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

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

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
- c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- | | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 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
- (i) unrelated organizations

3a(i)

Yes

No

(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		809,274		809,274
b Buildings		6,431,689	3,759,093	2,672,596
c Leasehold improvements				
d Equipment		10,030,317	7,511,592	2,518,725
e Other		5,990,713	397,235	5,593,478
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				11,594,073

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	36,369,077
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	71,263
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	71,263
3	Subtract line 2e from line 1	3	36,297,814
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	36,297,814

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	35,716,031
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	35,716,031
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	35,716,031

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
SCHEDULE D, PAGE 3, PART X	THE HOSPITAL IS A NOT-FOR-PROFIT CORPORATION AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. ACCORDINGLY, NO PROVISION FOR INCOME TAX IS NECESSARY. THE HOSPITAL EVALUATES UNCERTAIN TAX PROVISIONS WHEREBY THE EFFECT OF UNCERTAINTY WOULD BE RECORDED IF THE OUTCOME WERE CONSIDERED PROBABLE AND REASONABLY ESTIMABLE. AS OF DECEMBER 31, 2013 AND 2012, THE HOSPITAL HAS NO UNCERTAIN TAX POSITIONS REQUIRING ACCRUAL.

[illegible]

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
COMMUNITY HOSPITAL OF ANACONDA

Employer identification number
81-0303913

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 <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>130 0000000000 %</u>	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>220 0000000000 %</u>	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 eligible 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)			296,233	21,609	274,624	0 770 %
b Medicaid (from Worksheet 3, column a)			2,717,078	2,717,078		
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			3,013,311	2,738,687	274,624	0 770 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			401,970		401,970	1 130 %
f Health professions education (from Worksheet 5)			842		842	
g Subsidized health services (from Worksheet 6)			12,536,463	8,902,170	3,634,293	10 180 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			21,281		21,281	0 060 %
j Total Other Benefits			12,960,556	8,902,170	4,058,386	11 360 %
k Total. Add lines 7d and 7j			15,973,867	11,640,857	4,333,010	12 130 %

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					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total					

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

908,208

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

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

10,457,450

6

Enter Medicare allowable costs of care relating to payments on line 5.

6

10,481,872

7

Subtract line 6 from line 5. This is the surplus (or shortfall).

7

-24,422

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

9b

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	NA			
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)
COMMUNITY HOSPITAL OF ANACONDA

Name of hospital facility or facility reporting group

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 If "Yes," indicate what the CHNA report describes (check all that apply)	1	Yes
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input checked="" type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
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	No
5	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	Yes
a	<input checked="" type="checkbox"/> Hospital facility's website (list url) <u>WWW.COMMUNITYHOSPITALOFANACONDA.ORG</u>		
b	<input type="checkbox"/> Other website (list url) _____		
c	<input checked="" type="checkbox"/> Available upon request from the hospital facility		
d	<input type="checkbox"/> 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	<input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	<input checked="" type="checkbox"/> Execution of the implementation strategy		
c	<input type="checkbox"/> Participation in the development of a community-wide plan		
d	<input type="checkbox"/> Participation in the execution of a community-wide plan		
e	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	<input checked="" type="checkbox"/> Prioritization of health needs in its community		
h	<input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> 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	No
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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>130 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes		
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>220 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes		
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes		
a <input checked="" type="checkbox"/> Income level					
b <input checked="" type="checkbox"/> Asset level					
c <input type="checkbox"/> Medical indigency					
d <input type="checkbox"/> Insurance status					
e <input type="checkbox"/> Uninsured discount					
f <input type="checkbox"/> Medicaid/Medicare					
g <input type="checkbox"/> State regulation					
h <input type="checkbox"/> Residency					
i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website					
b <input type="checkbox"/> The policy was attached to billing invoices					
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
f <input checked="" type="checkbox"/> The policy was available upon request					
g <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency					
b <input type="checkbox"/> Lawsuits					
c <input type="checkbox"/> Liens on residences					
d <input type="checkbox"/> Body attachments					
e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input checked="" type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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.

[illegible]

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	COMMUNITY NURSING HOME OF ANACONDA 600 MAIN ANACONDA, MT 59711	NURSING HOME
2	PINTLER HOME OPTIONS 305 W PENNSYLVANIA ANACONDA, MT 59711	HOME HEALTH AGENCY
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 7G - SUBSIDIZED HEALTH SERVICES EXPLANATION	THE HOSPITAL HAS INCLUDED COSTS ASSOCIATED WITH PHYSICIAN CLINICS AS SUBSIDIZED HEALTH SERVICES IN PART I, LINE 7G IN THE AMOUNT OF 4,794,380 IN COLUMN C AND 2,835,531 IN COLUMN D
PART I, LINE 7 - COSTING METHODOLOGY EXPLANATION	THE HOSPITAL APPLIES THE RATIO OF PATIENT CARE COST-TO-CHARGES FOR FIGURES REPORTED IN THE TABLE (TOTAL OPERATING EXPENSES LESS NON-PATIENT CARE ACTIVITIES, MEDICAID PROVIDER TAXES, TOTAL COMMUNITY BENEFIT, AND TOTAL COMMUNITY BUILDING EXPENSES)

Form and Line Reference	Explanation
PART II - COMMUNITY BUILDING ACTIVITIES	CHA IS A LEADING SUPPORTER OF SOCIAL SERVICE PROGRAMS THAT BENEFIT LOCAL RESIDENTS HOSPITAL EMPLOYEES ARE ENCOURAGED TO VOLUNTEER IN THE COMMUNITY EMPLOYEES VOLUNTEER AT THE LOCAL FOOD BANK AND VOLUNTEER THEIR TIME TO TEACHING BASIC LIFE SUPPORT COURSES AT LOCAL BUSINESSES THE HOSPITAL SUPPORTS THE LOCAL SCHOOL'S MOUTH-RINSE AND HEALTHY SNACK PROGRAMS AND OFFERS FINANCIAL SUPPORT TO AFTER SCHOOL AND SUMMER PROGRAMS FOR AT RISK YOUTH IN 2013, CHA GAVE A GENEROUS 2500 CONTRIBUTION TO THE BOYS AND GIRLS CLUB OF ANACONDA THE BOYS & GIRLS CLUBS OF AMERICA IS AN ORGANIZATION THAT PROMOTES POSITIVE YOUTH DEVELOPMENT IN STUDENTS BY PROVIDING A SAFE PLACE WITH CARING ADULTS AND FUN ACTIVITIES WHERE YOUTH CAN SPEND THEIR FREE TIME THE LOCAL CLUB PROVIDES TUTORING ASSISTANCE, EDUCATIONAL ENHANCEMENT ACTIVITIES, SUMMER PROGRAMS WHICH INCLUDE MEALS AND "YOUTH QUEST" WHICH IS A PROGRAM TARGETED FOR AT RISK YOUTH CHA IS ALSO COMMITTED TO SPONSORING LOCAL FUN RUNS AND EVENTS SUCH AS THE ANNUAL ST PATRICK DAY RACE AND BICYCLE FEST THE ST PATRICK DAY RACE IS ORGANIZED BY THE LOCAL ANCIENT ORDER OF HIBERNIANS AND INCLUDES BOTH A THREE AND SIX MILE RACE AND A WHEELCHAIR DIVISION, WITH OVER SEVEN HUNDRED PARTICIPANTS THE ANACONDA BICYCLE FESTIVAL IS TWO-DAY WEEKEND OF BICYCLE EVENTS THAT RAISES FUNDS FOR THE UPKEEP AND RESTORATION OF ANACONDA'S WASHOE PARK BOTH EVENTS ARE DEDICATED TO RAISING AWARENESS AND PROMOTING HEALTH LIFESTYLES IN THE SPRING OF 2013, COMMUNITY HOSPITAL OF ANACONDA HOSTED ITS NINTH ANNUAL HEALTH, FITNESS AND WELLNESS FAIR PARTICIPANTS WERE OFFERED A SPECTRUM OF LAB WORK FOR 35-50-SERVICES THAT WOULD NORMALLY COST IN EXCESS OF 300 PARTICIPANTS RECEIVED INFORMATION ON HOW TO INTERPRET THEIR LAB RESULTS AS WELL AS FREE BLOOD PRESSURE SCREENINGS, FREE BLOOD GLUCOSE TESTING, OXYGEN SATURATION SCREENINGS AND COMPLIMENTARY HEALTH PROMOTION ITEMS CHA OFFERS THE FAIR ANNUALLY TO ENSURE THE COMMUNITY KNOWS THEIR NUMBERS AND RISKS AND AS A RESULT, FOCUSES ON PREVENTION AND INTERVENTION IN 2013, CHA PROVIDED SCHOLARSHIPS TO THREE ANACONDA HIGH SCHOOL STUDENTS PURSUING HIGHER EDUCATION IN THE HEALTHCARE ARENA CHA ALSO PROVIDED FUNDING FOR THE MEDSTART SUMMER CAMP WHICH IS A WEEK-LONG CAMP DESIGNED TO ENCOURAGE CURRENT SOPHOMORE AND JUNIOR HIGH SCHOOL STUDENTS TO PURSUE THEIR INTEREST IN A VARIETY OF HEALTHCARE CAREERS THE CAMP FOCUSES ON ACCEPTING STUDENTS WHO COME FROM DISADVANTAGED BACKGROUNDS, LOW-INCOME FAMILIES, RURAL AREAS, MINORITIES, OR WILL BE FIRST IN THEIR FAMILY TO ATTEND COLLEGE THE AIM OF MEDSTART IS TO PROVIDE STUDENTS WHO MAY NOT OTHERWISE HAVE THE OPPORTUNITY A CHANCE TO FURTHER EXPLORE HEALTHCARE CAREERS, LEARN ABOUT COLLEGE LIFE, AND REALIZE IT IS POSSIBLE TO PURSUE HIGHER EDUCATION IN ADDITION, CHA PROVIDED A SCHOLARSHIP FOR A PHARMACY STUDENT AT THE UNIVERSITY OF MONTANA IN 2013 CHA ALSO CONTINUED IT MONTHLY DEMENTIA SUPPORT GROUP AND WEEKLY SIT AND BE FIT EXERCISE CLASS AS WELL AS OUR GOOSE TOWN MATTERS EXERCISE PROGRAM FOR OUR NURSING HOME RESIDENTS IN ADDITION, CHA OFFERED TWO FIVE WEEK FREE PRE-NATAL CLASSES EACH YEAR WHICH COVERED A VARIETY OF TOPICS INCLUDING THE IMPORTANCE OF PRE-NATAL CARE AND FETAL DEVELOPMENT, PREPARING FOR DELIVERY, POSTPARTUM ADJUSTMENTS AND NEWBORN CARE IN MAY OF 2013, WE PROVIDED OVER 200 FREE SPORTS PHYSICALS TO LOCAL HIGH SCHOOL AND MIDDLE SCHOOL ATHLETES THE PHYSICALS INCLUDED A COMPLIMENTARY ECHOCARDIOGRAM AND BAR-B-QUE IN 2013, CHA SPONSORED THE FOLLOWING PROGRAMS BOYS AND GIRLS CLUB OF ANACONDA AHS CLASS OF 2013 CHEMICAL FREE GRADUATION PARTY ANACONDA ANCIENT ORDER OF HIBERNIANS ST PATRICK'S DAY RUN SPECIAL OLYMPICS OF ANACONDA AND MONTANA COPPER VILLAGE MUSEUM AND ART CENTER UNITED VETERANS OF ANACONDA UNITED WAY ANACONDA ANACONDA RELAY FOR LIFE WAYNE ESTES BASKETBALL TOURNAMENT ANACONDA SHAKESPEARE IN THE PARK COPPER VILLAGE MUSEUM AND ART CENTER ANACONDA A'S BASEBALL ANACONDA LITTLE LEAGUE ANNUAL EAST/WEST SHRINE GAME DEMENTIA SUPPORT GROUP SIT & BE FIT PROGRAM ANACONDA FOOD BANK ANACONDA PUBLIC SCHOOLS -SCHOOL MOUTH RINSE PROGRAM -FOOD FOR BLOOD DRIVES -PARENT TEACHER STUDENT ASSOCIATION PLAYGROUND EQUIPMENT FUNDRAISER -WORK SHADOWING FOR HIGH SCHOOL STUDENTS -FREE SPORTS PHYSICALS FOR ATHLETES MONTANA HOPE PROJECT ANACONDA BICYCLE FESTIVAL FREE PRE-NATAL CLASSES MEDICAL TRAINING FOR VOLUNTEER EMS GROUPS FREE SCOLIOSIS SCREENING ALCOHOL FREE AFTER PROM ACTIVITIES JOB CORPS PICNIC AHS BOOSTER CLUB SPONSORSHIP CHA HEALTH FAIR COMMUNITY BABY FAIR PINTLER SUICIDE AWARENESS & PREVENTION PROGRAM SCHOLARSHIPS FOR AHS GRADUATES NEWSPAPERS IN EDUCATION ELECTRONICS RECYCLING JOB CORPS NUTRITION EDUCATION MARCH OF DIMES COMMUNITY INTERVENTION KIWANIS UM PHARMACY SCHOLARSHIP MT MED START CAMP ANACONDA ROTARY CARING IS SHARING PROGRAM
PART III, LINE 2 - BAD DEBT EXPENSE METHODOLOGY	THE HOSPITAL USED THE COST TO CHARGE RATIO OF PATIENT CARE TO DETERMINE THE COST OF BAD DEBT EXPENSE

Form and Line Reference	Explanation
PART III, LINE 3 BAD DEBT EXPENSE, PATIENTS ELIGIBLE FOR ASSISTANCE	THE HOSPITAL DID NOT TRACK THE AMOUNT OF BAD DEBT EXPENSE THAT COULD REASONABLY BE ATTRIBUTABLE TO PATIENTS WHO LIKELY WOULD QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S CHARITY CARE POLICY BUT FOR WHOM SUFFICIENT INFORMATION WAS NOT OBTAINED TO MAKE DETERMINATION OF THEIR ELIGIBILITY DURING THE YEAR
BAD DEBT EXPENSE FOOTNOTE TO FINANCIAL STATEMENTS	THE PATIENT ACCOUNTS RECEIVABLE FOOTNOTE OF THE AUDITED FINANCIAL STATEMENTS IS FOUND IN FOOTNOTE 4 ON PAGE 12 OF THE AUDITED FINANCIAL STATEMENTS THE PROVISION FOR BAD DEBTS IS INCLUDED IN THE FIRST PARAGRAPH OF FOOTNOTE 4 ON PAGE 12 OF THE AUDITED FINANCIAL STATEMENTS

Form and Line Reference	Explanation
PART III, LINE 8 - MEDICARE EXPLANATION	ANY MEDICARE ALLOWABLE COSTS OF PATIENT CARE SHORTFALLS ARE NOT COUNTED AS COMMUNITY BENEFIT THESE ALLOWABLE COSTS ARE OBTAINED FROM THE MEDICARE COST REPORT FOR THE YEAR
PART III, LINE 9B - COLLECTION PRACTICES EXPLANATION	<p>IF A PATIENT CANNOT PAY THE ENTIRE BILL WITHIN THE TIMELINE SPECIFIED IN THE BILLING/COLLECTION POLICY, AN INTERVIEW WITH THE PATIENT IS CONDUCTED WE SCREEN THE PATIENT TO DETERMINE THEIR FINANCIAL STATUS IF THEY ARE TRUE SELF PAY WITHOUT INSURANCE, WE MAKE A REFERRAL TO THE MASH PROGRAM TO SEE IF THEY QUALIFY FOR ANY GOVERNMENT PROGRAMS SUCH AS MEDICAID, MEDICARE, SSI, ETC IF THEY HAVE BEEN SCREENED AND DO NOT QUALIFY FOR ANY PROGRAMS, WE DETERMINE IF THEY ARE ELIGIBLE FOR OUR FINANCIAL ASSISTANCE PROGRAM PART OF THE FINANCIAL ASSISTANCE PROGRAM IS A REDUCED PAYMENT PLAN THAT CAN BE APPROVED EVEN IF THE PATIENT DOES NOT QUALIFY FOR FULL FINANCIAL ASSISTANCE IF THE PATIENT HAS INSURANCE, THE SAME PROCEDURE IS COMPLETED WITHOUT THE PATIENT BEING SCREENED BY THE MASH PROGRAM ANOTHER PROVISION IN THE CREDIT AND COLLECTIONS POLICY ALLOWS THE PATIENT ACCOUNT REPRESENTATIVE TO APPROVE A LESSER PAYMENT ARRANGEMENT IF THE ARRANGEMENT IS IN THE BEST INTEREST OF THE HOSPITAL AND THE PATIENT AN EXAMPLE OF THIS WOULD BE IF A PATIENT IS IN A TEMPORARY SITUATION THAT PREVENTS MEETING A HIGHER PAYMENT, WE WILL APPROVE THE LOWER PAYMENT PLAN WITH A DATE TO REEVALUATE WHEN THAT SITUATION IS RESOLVED CHA WORKS WITH PATIENTS TO ACCOMMODATE THEIR FINANCIAL SITUATION THE FACT THAT THEY CANNOT MEET THE GUIDELINES UNDER THE FINANCIAL POLICY, DOES NOT MEAN THAT THEY ARE SENT DIRECTLY TO COLLECTIONS PARTIAL OR FULL PAYMENT MAY BE REQUIRED PRIOR TO SERVICE IN SOME SITUATIONS ALL NON-EMERGENT PATIENTS REQUIRING A SURGICAL PROCEDURE THAT DO NOT HAVE INSURANCE COVERAGE MUST MEET WITH A PATIENT ACCOUNT REPRESENTATIVE PRIOR TO HAVING THE SERVICE PROVIDED WE INTERVIEW THE PATIENT TO DETERMINE THEIR FINANCIAL STATUS BASED ON THE PROCEDURE BEING PERFORMED AND THE FINANCIAL STATUS OF THE PATIENT, A PARTIAL OR FULL PAYMENT MAY BE REQUIRED IF THE PATIENT IS UNABLE TO MAKE THE PARTIAL OR FULL PAYMENT, A REFERRAL IS MADE WITH THE MASH PROGRAM TO DETERMINE IF THE PATIENT QUALIFIES FOR ANY GOVERNMENT PROGRAMS ONCE SCREENED BY MASH, FOR ANY PATIENT THAT DOES NOT QUALIFY FOR ANY GOVERNMENT PROGRAM, AN APPLICATION FOR FINANCIAL ASSISTANCE IS OFFERED PRIOR TO THE SERVICE BEING PERFORMED BASED ON THE RESULTS OF THE FINANCIAL ASSISTANCE APPLICATION, THE BALANCE OF THE ACCOUNT AND THE PATIENT'S ABILITY TO PAY ARE EVALUATED IF THE PATIENT HAS THE ABILITY TO PAY, A PARTIAL OR FULL PAYMENT IS REQUIRED IF THE PATIENT DOES NOT HAVE THE ABILITY TO PAY, THE ACCOUNT IS RELIEVED UNDER THE PATIENT FINANCIAL ASSISTANCE PROGRAM</p>

Form and Line Reference	Explanation
PART VI, LINE 2 - NEEDS ASSESSMENT	<p>IN MID 2008, CHA COMPLETED A COMMUNITY NEEDS ASSESSMENT WITH ASSISTANCE FROM THE MONTANA OFFICE OF RURAL HEALTH TO DETERMINE THE QUALITY OF CARE AT CHA AS WELL AS TO DETERMINE NEEDED HEALTHCARE AND COMMUNITY SERVICES THE PROCESS INCLUDED A RANDOM SURVEY OF ANACONDA HOUSEHOLDS AND A NUMBER OF FOCUS GROUPS THE FOLLOWING WERE IDENTIFIED AS THE TOP COMMUNITY HEALTH CARE NEEDS ADDITIONAL PROFESSIONALS TO ADDRESS THE ISSUES OF DRUG AND ALCOHOL ABUSE INCREASED COMMUNITY HEALTH EDUCATION REGARDING PREVENTION AND WELLNESS ADDITIONAL SPECIALISTS TO ALLEVIATE THE NEED TO TRAVEL OUT OF THE COMMUNITY IN RESPONSE, CHA HAS INCREASED OUR COMMUNITY OUTREACH EFFORTS, OFFERING PREVENTATIVE HEALTH EDUCATION TO LOCAL BUSINESSES, COUNTY EMPLOYERS AND LOCAL SCHOOLS IN ADDITION, WE HOST AN ANNUAL HEALTH FAIR WITH LOW-COST LAB WORK AND EDUCATION REGARDING NUTRITION AND RISK PREVENTION CHA HAS ALSO WORKED TO DEVELOP ADDITIONAL REFERRAL SOURCES FOR DRUG AND ALCOHOL INTERVENTION/EDUCATION TO ALLEVIATE THE NEED FOR PATIENTS TO TRAVEL GREAT DISTANCES TO SEEK SPECIALIZED CARE, CHA HAS ADDED THE FOLLOWING SPECIALISTS WHO VISIT CHA ON A REGULAR BASIS CARDIOLOGY GASTROENTEROLOGY PODIATARY GENERAL SURGERY NEUROLOGY NEUROSURGERY OBSTETRICS/GYNECOLOGY ORTHOPEDICS IN ADDITION, CHA HAS ADDED ADDITIONAL FULL-TIME PROVIDERS IN THE AREAS OF INTERNAL AND FAMILY MEDICINE AND HAS STAFFED OUR EMERGENCY DEPARTMENT TWENTY FOUR HOURS PER DAY WITH BOARD ELIGIBLE EMERGENCY PHYSICIANS IN AUGUST 2012, CHA BEGAN THE PROCESS OF CONDUCTING ANOTHER HEALTH CARE SERVICES SURVEY AS PART OF THE COMMUNITY HEALTH SERVICES DEVELOPMENT PROGRAM A STEERING COMMITTEE COMPRISED OF A DIVERSE GROUP OF COMMUNITY MEMBERS WAS FORMED TO DISCUSS THEIR PERCEPTION OF HEALTH ISSUES IN THE COMMUNITY, PROVIDE INPUT INTO THE DEVELOPMENT OF A SURVEY INSTRUMENT AND TO REVIEW THE RESULTS OF THE SURVEY AND FOCUS GROUPS IN OCTOBER 2012, 800 SURVEYS WERE SENT TO A RANDOM LIST OF 800 RESIDENTS SELECTED FROM PRIME NET DATA SOURCE 234 SURVEYS WERE RETURNED, FOR A 32% RESPONSE RATE THE SURVEY WAS BASED ON THE DESIGN USED EXTENSIVELY IN ALASKA, IDAHO, WASHINGTON, WYOMING AND MONTANA THE SURVEY WAS DESIGNED TO PROVIDE EACH FACILITY WITH INFORMATION FROM LOCAL RESIDENTS REGARDING DEMOGRAPHICS OF RESPONDENTS, HOSPITALS, PRIMARY CARE PROVIDERS AND SPECIALISTS USED, AND REASON FOR SELECTION, LOCAL HEALTH CARE PROVIDER USAGE, SERVICES PROVIDED LOCALLY, AND PERCEPTION AND SATISFACTION OF LOCAL HEALTH CARE IN ADDITION, THREE FOCUS GROUPS WERE HELD TO IDENTIFY THE MOTIVES USED BY LOCALS WHEN SELECTING HEALTH CARE PROVIDERS AND DISCOVER THE REASONS WHY PEOPLE MAY LEAVE THE ANACONDA AREA TO SEEK HEALTH CARE SERVICES A KEY INFORMANT INTERVIEW WAS ALSO HELD WITH THE ANACONDA DEER LODGE PUBLIC HEALTH DEPARTMENT TO IDENTIFY LOCAL HEALTH CARE ISSUES AN IMPLEMENTATION PLANNING TEAM WAS THEN FORMED, COMPRISED OF STAFF LEADERS FROM COMMUNITY HOSPITAL OF ANACONDA TO SYSTEMATICALLY RESPOND TO ALL ISSUES IDENTIFIED IN THE SURVEYS, FOCUS GROUPS AND KEY INFORMANT INTERVIEWS, WITH CONSIDERATION GIVEN TO CHA'S PARAMETERS AND LIMITATIONS THE PRIORITIZED HEALTH NEEDS AS DETERMINED THROUGH THE ASSESSMENT PROCESS AND WHICH THE FACILITY WILL BE ADDRESSING RELATES TO THE FOLLOWING 1 ACCESS TO AFFORDABLE HEALTH CARE SERVICES AND QUALITY OF CARE 2 SENIOR SERVICES 3 ALCOHOL AND DRUG ABUSE 4 MENTAL HEALTH 5 HEALTHY BEHAVIORS AND LIFESTYLES IN ADDRESSING THE AFOREMENTIONED ISSUES, COMMUNITY HOSPITAL OF ANACONDA SEEKS TO A)IMPROVE ACCESS TO HEALTH CARE SERVICES, B) ENHANCE THE HEALTH OF THE COMMUNITY, C)ADVANCE MEDICAL OR HEALTH KNOWLEDGE, AND/OR D)RELIEVE OR REDUCE THE BURDEN OF GOVERNMENT OR OTHER COMMUNITY EFFORTS THE FOLLOWING GOALS WERE DEVELOPED TO ADDRESS THE PRIORITIZED HEALTH NEEDS GOAL 1 EXPAND COMMUNITY HOSPITAL OF ANACONDA'S ROLE IN IMPROVING ACCESS TO LOCAL HEALTH CARE SERVICES FOR COMMUNITY MEMBERS GOAL 2 PROVIDE MORE SERVICES TARGETED TOWARD THE GROWING SENIOR POPULATION GOAL 3 INCREASE UTILIZATION OF RESOURCES FOR ALCOHOL/SUBSTANCE ABUSE AND MENTAL HEALTH GOAL 4 PROMOTE HEALTHY LIVING IN DEER LODGE COUNTY ACTIVITIES AND STRATEGIES WERE DEVELOPED FOR EACH GOAL WITH A CORRESPONDING IMPLEMENTATION GRID COMMUNITY HOSPITAL OF ANACONDA (CHA) DISSEMINATED THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND IMPLEMENTATION PLAN BY POSTING BOTH DOCUMENTS CONSPICUOUSLY ON CHA'S WEBSITE (WWW.COMMUNITYHOSPITALOFANACONDA.ORG) AS WELL AS HAVING COPIES AVAILABLE AT THE FACILITY SHOULD COMMUNITY MEMBERS REQUEST TO VIEW THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) OR THE IMPLEMENTATION PLANNING DOCUMENTS THE STEERING COMMITTEE, WHICH WAS FORMED SPECIFICALLY AS A RESULT OF THE CHNA PROCESS IN ORDER TO INTRODUCE THE COMMUNITY TO THE ASSESSMENT PROCESS, WILL BE INFORMED OF THE IMPLEMENTATION PLAN TO SEE THE VALUE OF THEIR INPUT AND TIME IN THE CHNA PROCESS, AS WELL AS HOW COMMUNITY HOSPITAL OF ANACONDA IS UTILIZING THEIR INPUT THE STEERING COMMITTEE, AS WELL AS THE BOARD OF DIRECTORS, WILL BE ENCOURAGED TO ACT AS ADVOCATES IN DEER LODGE COUNTY AS THE FACILITY SEEKS TO ADDRESS THE HEALTH CARE NEEDS OF THEIR COMMUNITY FURTHERMORE, THE BOARD MEMBERS OF CHA WILL BE DIRECTED TO THE HOSPITAL'S WEBSITE TO VIEW THE ASSESSMENT RESULTS AND THE IMPLEMENTATION PLAN CHA BOARD MEMBERS APPROVED AND ADOPTED THE PLAN ON NOVEMBER 27, 2013 BOARD MEMBERS ARE ENCOURAGED TO FAMILIARIZE THEMSELVES WITH THE CHNA REPORT AND IMPLEMENTATION PLAN SO THEY CAN PUBLICALLY PROMOTE THE FACILITY'S PLAN TO INFLUENCE THE COMMUNITY IN A BENEFICIAL MANNER CHA WILL ESTABLISH AN ONGOING FEEDBACK MECHANISM IN ORDER TO TAKE INTO ACCOUNT ANY WRITTEN COMMENTS IT MAY RECEIVE ON THE ADOPTED IMPLEMENTATION PLAN</p>
PART VI, LINE 3 - PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	<p>IN COMPLIANCE WITH THE COLLECTION POLICIES OF CHA, AN ANNUAL REVIEW IS PERFORMED OF ALL CREDIT/COLLECTION AND FINANCIAL ASSISTANCE POLICIES ONCE REVIEWED AND REVISED, THE INFORMATION IS DISTRIBUTED TO THE COMMUNITY IN A VARIETY OF WAYS THE FACILITY PUBLISHED A BROCHURE THAT IS PLACED IN PUBLIC AREAS OF ALL THE CHA FACILITIES, AS WELL AS INCLUDED IN ALL FORMAL ADMISSION PACKETS TO PATIENTS THE PATIENT ACCOUNT REPRESENTATIVES HAND OUT THE INFORMATION DURING PATIENT CONSULTS AS WELL THE INFORMATION IS ALSO AVAILABLE ON THE CHA WEBSITE ANNUALLY, THE PATIENT ACCOUNTS LEADER DISTRIBUTES THE NEW INFORMATION TO LOCAL AGENCIES THAT ASSIST LOW INCOME POPULATIONS DISCUSSIONS OCCUR WITH THE AGENCIES REGARDING THE FINANCIAL ASSISTANCE PROGRAMS AND CHA'S ABILITY TO ASSIST PATIENTS WITH THE BURDEN OF APPLYING FOR GOVERNMENT PROGRAMS SUCH AS DISABILITY, ETC</p>

Form and Line Reference	Explanation
PART VI, LINE 4 - COMMUNITY INFORMATION	<p>ANACONDA-DEER LODGE COUNTY (ADLC) COVERS 737 SQUARE MILES OF SOUTHWESTERN MONTANA, WITH 12 6 PERSONS PER SQUARE MILE, MAKING IT A RURAL COUNTY WITH RURAL URBAN CONTINUUM CODE OF 7 (RUCC 1 = MOST URBAN, 10= MOST RURAL)</p> <p>ANACONDA DEER LODGE COUNTY IS A DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA (HPSA, ID1309993042) THE 2010 POPULATION WAS 9,298 COMPARED TO A 2000 POPULATION OF 9,417, REPRESENTING A POPULATION LOSS OF 1 3% SINCE 2000 THE MAJOR COMMUNITY IN ANACONDA-DEER LODGE COUNTY IS ANACONDA, WITH A MEDIAN AGE OF 46 YEARS 21 2% OF THE PEOPLE IN THE COUNTY LIVE BELOW THE POVERTY LINE, WITH AN AVERAGE UNEMPLOYMENT RATE OF 7 8%, COMPARED TO THE STATE RATE OF 6 8% COMMUNITY HOSPITAL OF ANACONDA (CHA) HAS BEEN SERVING THE HEALTHCARE NEEDS OF ANACONDA-DEER LODGE COUNTY (ADLC) SINCE 1889 THE HOSPITAL IS A PRIVATELY OWNED, NON-PROFIT, TWENTY-FIVE BED CRITICAL ACCESS FACILITY BUILT IN 1981 CHA OFFERS A FULL CONTINUUM OF CARE INCLUDING INPATIENT HOSPITAL SERVICES, OUTPATIENT SERVICES, FOUR AMBULATORY CARE CLINICS INCLUDING INTERNAL/FAMILY MEDICINE, SURGICAL, PEDIATRICS AND CONVENIENT CARE, A LONG-TERM CARE FACILITY, AND HOSPICE/HOME HEALTH SERVICES CHA EMPLOYS OVER 340 INDIVIDUALS, WITH AN ANNUAL PAYROLL IN EXCESS OF 18 MILLION</p>
PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH	<p>COMMUNITY HOSPITAL OF ANACONDA'S BOARD OF TRUSTEES IS COMPRISED OF COMMUNITY MEMBERS REPRESENTING MULTIPLE FACETS OF OUR COMMUNITY FROM THE FINANCIAL SECTOR TO SMALL BUSINESS OWNERS TO RETIREES AND SCHOOL DISTRICT EMPLOYEES THIS VOLUNTEER BOARD HAS DEDICATED THEIR TIME TO ENSURING THEY UNDERSTAND THE HEALTH AND WELFARE NEEDS OF OUR COMMUNITY MEDICAL STAFF PRIVILEGES AT CHA ARE OPEN TO ALL MEDICAL PROVIDERS WITH ACTIVE LICENSURE WHILE WE HAVE INSTITUTED AN ARDUOUS CREDENTIALING PROCESS TO ENSURE PRACTITIONERS OF THE HIGHEST CALIBER ARE PRIVILEGED, WE ENCOURAGE PRACTITIONERS FROM NUMEROUS SPECIALTIES TO MEET THE EVER EXPANDING HEALTHCARE NEEDS OF THE COMMUNITY AS A NON-PROFIT CORPORATION, WE DO NOT HAVE SHAREHOLDERS THEREFORE, SURPLUS FUNDS ARE REINVESTED INTO OUR FACILITIES, EQUIPMENT AND EMPLOYEE EDUCATION THE ABSENCE OF SHAREHOLDERS ELIMINATES THE POTENTIAL FOR CONFLICTS OF INTEREST RELATED TO ATTAINING INFLATED PROFIT MARGINS AND ALLOWS COMMUNITY HOSPITAL OF ANACONDA TO FOCUS ON WHAT IS IMPORTANT-MEETING THE HEALTH AND WELFARE NEEDS OF OUR COMMUNITY</p>

Form and Line Reference	Explanation
PART VI, LINE 6 - AFFILIATED HEALTH CARE SYSTEM	N/A
PART VI, LINE 7 - STATE FILING OF COMMUNITY BENEFIT REPORT	MONTANA

OMB No 1545-0047

▶ Attach to Form 990

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

Open to Public Inspection

Employer identification number

81-0303913

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

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

[illegible]

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

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

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

Part IV

Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
SCHEDULE I, PAGE 1, PART I, LINE 2	A REQUEST IS PRESENTED TO THE ADMINISTRATIVE TEAM BY THE HUMAN RESOURCES/MARKETING DIRECTOR THE TEAM APPROVES OR DISAPPROVES THE REQUEST A VOUCHER IS PREPARED FOR ACCOUNTS PAYABLE TO CUT A CHECK FOLLOW UP IS DONE WITH THE RECIPIENT AFTER THE USE OF THE FUNDS

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
COMMUNITY HOSPITAL OF ANACONDA

Employer identification number
81-0303913

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
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. <div><div><input type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III.		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III.		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	7	No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8	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)PETER SORINI MD SURGEON/TRUSTEE	(i) (ii)	958,031					958,031	
(2)JOHN S MCNEECE CEO/TRUSTEE	(i) (ii)	339,288				12,649	351,937	
(3)SHAWNA BAKER MD PHYSICIAN/TRUSTEE	(i) (ii)	242,643				65,677	308,320	
(4)LAURA AUSTIN V P OF FINANCE	(i) (ii)	203,929				14,329	218,258	
(5)PETER WENDT PHYSICIAN	(i) (ii)	650,000				51,083	701,083	
(6)DOUGLAS DUNHAM MD ER PHYSICIAN	(i) (ii)	328,855				37,614	366,469	
(7)FREDRICK BARTOLETTI MD ER PHYSICIAN	(i) (ii)	321,881				58,660	380,541	
(8)JENNIFER AUSTIN PHYSICIAN	(i) (ii)	299,998				72,373	372,371	
(9)ROBERT WEBSTER PHYSICIAN	(i) (ii)	271,874				36,713	308,587	

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
------------------	-------------

Additional Data

Software ID:
Software Version:
EIN: 81-0303913
Name: COMMUNITY HOSPITAL OF ANACONDA

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
PETER SORINI MD SURGEON/TRUSTEE	(i) (ii)	958,031					958,031	
JOHN S MCNEECE CEO/TRUSTEE	(i) (ii)	339,288				12,649	351,937	
SHAWNA BAKER MD PHYSICIAN/TRUSTEE	(i) (ii)	242,643				65,677	308,320	
LAURA AUSTIN V P OF FINANCE	(i) (ii)	203,929				14,329	218,258	
PETER WENDT PHYSICIAN	(i) (ii)	650,000				51,083	701,083	
DOUGLAS DUNHAM MD ER PHYSICIAN	(i) (ii)	328,855				37,614	366,469	
FREDRICK BARTOLETTI MD ER PHYSICIAN	(i) (ii)	321,881				58,660	380,541	
JENNIFER AUSTIN PHYSICIAN	(i) (ii)	299,998				72,373	372,371	
ROBERT WEBSTER PHYSICIAN	(i) (ii)	271,874				36,713	308,587	

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2013

Open to Public Inspection

► 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.

Name of the organization
COMMUNITY HOSPITAL OF ANACONDA

Employer identification number
81-0303913

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?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?	(i) Written agreement?	
			To	From			Yes	No		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) FREDRICK BARTOLETTI MD	TRUSTEE FAMILY	380,541	EMPLOYMENT		No
(2) PETER SORINI MD	TRUSTEE	958,039	CONTRACTED SERVICES		No
(3) JOHN S MCNEECE CEO	TRUSTEE	351,937	EMPLOYMENT		No
(4) SHAWNA BAKER MD	TRUSTEE	308,320	EMPLOYMENT		No

Part V Supplemental Information
Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
------------------	-------------

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 COMMUNITY HOSPITAL OF ANACONDA	Employer identification number 81-0303913
--	--

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 2	LEE ANN BARTOLETTI FREDRICK BARTOLETTI, MD TRUSTEE ER PHYSICIAN FAMILY RELATIONSHIP

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 6	WHEN THE HOSPITAL WAS FORMED IN 1969, SOME COMMUNITY MEMBERS PURCHASED THE HOSPITAL FROM SISTERS OF CHARITY AS THESE ORIGINAL MEMBERS DECEASE, THEIR MEMBERSHIP IS LOST AN ANNUAL MEETING IS SCHEDULED IN SEPTEMBER OF EACH YEAR WITH A PUBLIC NOTICE POSTED IN THE LOCAL PAPER THE REMAINING ORIGINAL MEMBERS MAY ATTEND THE MEETING, HOWEVER, THEY ARE NOT ACTIVE MEMBERS AND DO NOT HAVE VOTING RIGHTS

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 11B	A COPY OF THE 990 IS PROVIDED TO THE V P OF FINANCE, WHO REVIEWS THE FORM, SCHEDULES, AND RELATED ATTACHMENTS. THE FINANCE COMMITTEE IS DESIGNATED BY THE BOARD OF TRUSTEES TO ASSUME RESPONSIBILITY FOR OVERSIGHT OF THE 990 AND IS ALSO PART OF THE REVIEW PROCESS. ANY COMMENTS OR QUESTIONS ARE ADDRESSED WITH THE PREPARER AND A FINAL APPROVAL IS GIVEN TO THE PREPARER BEFORE FINALIZING. ONCE MANAGEMENT IS SATISFIED WITH THE 990, THE V P OF FINANCE SIGNS OFF ON THE FORM 8879-EO BEFORE THE RETURN IS E-FILED BY THE PREPARER.

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 12C	ARTICLE II OF THE BYLAWS STATES THAT, AT A MINIMUM, EACH MEMBER OF THE BOARD WILL EXECUTE THE CONFLICT OF INTEREST FORM AT THE COMMENCEMENT OF THE TERM OR IN THE EVENT OF ANY CHANGE THAT MAY DEVELOP THE CONFLICT OF INTEREST GUIDELINES ARE MONITORED BY THE CHA CORPORATE COMPLIANCE OFFICER THE COMPLIANCE OFFICER ATTENDS NEW EMPLOYEE ORIENTATION AND PRESENTS THE POLICY AS PART OF THE OVERALL CORPORATE LEGAL COMPLIANCE PROGRAM EACH EMPLOYEE IS PRESENTED WITH A CONFLICT OF INTEREST STATEMENT ALL POTENTIAL CONFLICTS ARE DISCLOSED IF ANY POTENTIAL CONFLICTS ARE IDENTIFIED, THE COMPLIANCE OFFICER WILL MEET WITH THE EMPLOYEE'S SUPERVISOR AND ADMINISTRATION TO DETERMINE IF A CONFLICT EXISTS ON AN ANNUAL BASIS, ALL EMPLOYEES AND THE BOARD OF DIRECTORS ARE REQUIRED TO READ AND SIGN THE CONFLICT OF INTEREST STATEMENT THE CORPORATE COMPLIANCE OFFICER TRACKS THE RECEIPT AND COMPLETION OF THE CONFLICT OF INTEREST STATEMENTS THE PROCESS IS A PART OF THE ANNUAL EMPLOYEE REQUIREMENTS MANDATED FOR CONTINUED EMPLOYMENT

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 15A	<p>THE SOURCES UTILIZED BY CHA IN REGARD TO FAIR MARKET VALUE IN SALARIES ARE AN EXECUTIVE COMPENSATION SURVEY , PUBLISHED BY CRITICAL DATA, INC , AND THE MONTANA HOSPITAL ASSOCIATION (MHA) ANNUAL SALARY SURVEY. THESE SURVEYS ARE UTILIZED FOR SETTING THE SALARY LEVELS OF EMPLOYEES AT CHA. THE MHA SURVEY ITEMIZES ALL HOSPITALS AS A GROUP, CAH HOSPITALS, AND HOSPITALS BY REGION. CHALLENGES EXIST WHEN CHA JOB DESCRIPTIONS ARE UNIQUE AND, THEREFORE, MAY NOT BE LISTED AS A JOB CATEGORY IN THE MHA SURVEY. IN REGARD TO SETTING THE SALARY LEVELS OF PHYSICIANS, CHA UTILIZES THE MGMA PHYSICIAN COMPENSATION AND PRODUCTION SURVEY. THIS SURVEY ITEMIZES SALARIES AND PRODUCTIVITY BY PHYSICIAN SPECIALTY, YEARS IN PRACTICE, GEOGRAPHIC REGION, AND OTHER CATEGORIES. CHA STRIVES TO PAY MARKET LEVEL SALARIES TO ALL EMPLOYEES OF THE ORGANIZATION. IT IS OUR GOAL TO RECRUIT AND RETAIN TOP TALENT IN EVERY VENUE, WHILE CONTROLLING SALARY AND BENEFIT COSTS WITHIN ESTABLISHED TARGETS. IN 2010 AND 2012, CHA HIRED AN INDEPENDENT CONSULTANT TO EVALUATE THE SALARY LEVELS OF THE SENIOR MANAGEMENT. THIS SALARY SURVEY REVIEWED SALARIES FOR HOSPITALS IN CHA'S REVENUE RANGE IN OUR REGION, AS WELL AS SALARY LEVELS ACROSS THE COUNTRY. ALL JOBS REVIEWED WERE WELL WITHIN THE PUBLISHED RANGES, AS DETERMINED BY CRITICAL DATA, INC.</p>

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 15B	SEE FORM 990, PART VI, LINE 15A

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 19	COMMUNITY HOSPITAL OF ANACONDA MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST THE FINANCIAL STATEMENTS ARE ALSO INCLUDED IN THE COMMUNITY BENEFIT REPORT

Return Reference	Explanation
FORM 990, PART IX, LINE 11G	5,181,663 415,187 0

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
COMMUNITY HOSPITAL OF ANACONDA

Employer identification number
81-0303913

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	No
(1) CHANHA FOUNDATION PO BOX 1245 ANACONDA, MT 59711 81-0504127	SUPPORT	MT	501C3	11B	COMMUNITY HOSPITAL OF ANACONDA		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) Disproportionate 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.

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 organization 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

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

Lease of facilities, equipment, or other assets to related organization(s)

k

Lease of facilities, equipment, or other assets from related organization(s)

l

Performance of services or membership or fundraising solicitations for related organization(s)

m

Performance of services or membership or fundraising solicitations by related organization(s)

n

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

Other transfer of cash or property to related organization(s)

s

Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

Yes

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

Yes

1l

No

1m

No

1n

No

1o

No

1p

No

1q

No

1r

No

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

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.

[illegible]

Part VII

Supplemental Information

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

Return Reference	Explanation
------------------	-------------

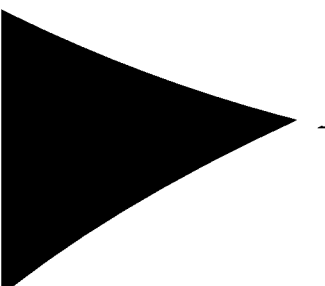
TY 2013 GeneralDependencySmall**Name:** COMMUNITY HOSPITAL OF ANACONDA**EIN:** 81-0303913**Business Name or Person Name:****Taxpayer Identification Number:****Form, Line or Instruction****Reference:****Regulations Reference:****Description:** WAIVE NOL CARRYBACK

Attachment Information: YEAR ENDING: DECEMBER 31, 2013 81-0303913 COMMUNITY HOSPITAL OF ANACONDA COMMUNITY HOSPITAL OF ANACONDA 401 W PENNSYLVANIA ANACONDA, MT 59711 NOL CARRYBACK ELECTION UNDER IRC SECTION 172(B)(3), THE TAXPAYER ELECTS TO RELINQUISH THE ENTIRE CARRYBACK PERIOD WITH RESPECT TO ANY REGULAR TAX AND AMT NET OPERATING LOSS INCURRED DURING THE CURRENT TAX YEAR.

Community Hospital of Anaconda

Financial Statements and
Independent Auditors' Report

December 31, 2013 and 2012



Community Hospital of Anaconda
Table of Contents

	Page
<i>INDEPENDENT AUDITORS' REPORT</i>	1-2
<i>FINANCIAL STATEMENTS</i>	
Balance sheets	3-4
Statements of operations and changes in net assets	5
Statements of cash flows	6-7
Notes to financial statements	8-21
<i>SUPPLEMENTAL INFORMATION</i>	
Hospital revenues	22-23
Hospital operating expenses	24-25



DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Community Hospital of Anaconda
Anaconda, Montana

Report on the Financial Statements

We have audited the accompanying financial statements of Community Hospital of Anaconda (the Hospital) (a nonprofit organization) which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of operations and 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 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 financial statements that are free from material misstatement, whether due to fraud or error

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of December 31, 2013 and 2012, the results of its operations, and the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of Matter Regarding Reporting Entity

The financial statements previously consolidated Community Hospital and Nursing Home of Anaconda Foundation (the Foundation) and the Hospital. The Foundation's assets and operations are no longer significant to the Hospital. The 2012 financial statements have been restated to remove the Foundation to make the financial statements comparable to the 2013 statements. The reporting entity and this change are discussed in note 1 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 22 through 25 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Dingus, Zarecor & Associates PLLC

Spokane Valley, Washington
April 17, 2014

Community Hospital of Anaconda
Balance Sheets
December 31, 2013 and 2012

ASSETS	2013	2012
<i>Current assets</i>		
Cash and cash equivalents	\$ 3,881,602	\$ 2,051,941
Receivables		
Patient accounts, net of allowance for doubtful accounts of \$1,516,475 and \$2,618,753, respectively	6,764,171	5,706,066
Montana provider bed tax	574,649	588,183
Estimated third-party payor settlements	615,913	449,228
Electronic health records incentive	527,898	-
Other	218,385	119,221
Investments	746,889	-
Inventories	641,019	728,282
Prepaid expenses	303,805	238,609
Total current assets	14,274,331	9,881,530
<i>Assets limited as to use</i>	2,163,205	3,348,636
<i>Other assets</i>		
Investment in Yellowstone Insurance Exchange	399,213	391,519
Investments	485,381	875,190
Property and equipment, net	11,594,073	7,150,680
Total other assets	12,478,667	8,417,389
Total assets	\$ 28,916,203	\$ 21,647,555

See accompanying notes to financial statements

Community Hospital of Anaconda
Balance Sheets (Continued)
December 31, 2013 and 2012

LIABILITIES AND NET ASSETS	2013	2012
<i>Current liabilities</i>		
Current maturities of long-term debt	\$ 375,120	\$ 510,904
Accounts payable	1,482,322	1,579,993
Capital accounts payable	556,205	421,633
Accrued salaries, wages, and payroll taxes	1,720,577	1,375,203
Estimated third-party payor settlements	268,621	43,979
Deferred Montana provider bed tax revenue	287,325	294,091
Total current liabilities	4,690,170	4,225,803
<i>Long-term debt, less current maturities</i>	9,360,947	3,209,712
Total liabilities	14,051,117	7,435,515
Unrestricted net assets	14,865,086	14,212,040
Total liabilities and net assets	\$ 28,916,203	\$ 21,647,555

See accompanying notes to financial statements

Community Hospital of Anaconda
Statements of Operations and Changes in Net Assets
Years Ended December 31, 2013 and 2012

	2013	2012
<i>Revenues, gains, and other support</i>		
Patient service revenue (net of contractual allowances and discounts)	\$ 37,471,572	\$ 34,951,258
Provision for bad debts	(1,932,511)	(2,184,663)
Net patient service revenue less provision for bad debts	35,539,061	32,766,595
Contributions	10,388	6,320
Net investment income	45,363	55,549
Grants	59,458	77,605
Electronic health records incentive payment	527,898	-
Other operating revenue	126,446	110,637
Total revenues, gains, and other support	36,308,614	33,016,706
<i>Expenses</i>		
Salaries and wages	16,136,942	14,673,129
Employee benefits	3,107,156	2,939,950
Purchased services	5,736,767	5,398,560
Supplies	5,626,753	5,113,873
Repairs and maintenance	769,958	635,902
Leases and rentals	738,451	784,612
Utilities	486,603	449,398
Insurance	899,343	814,467
Interest	192,589	258,205
Depreciation	998,950	950,054
Other	1,022,519	1,157,967
Total expenses	35,716,031	33,176,117
Excess of revenues, gains, and other support over (under) expenses	592,583	(159,411)
<i>Other income (expense)</i>		
Unrealized gain on investments	71,263	267,756
Loss on sale of equipment (expense)	(10,800)	-
Total other income, net	60,463	267,756
Change in net assets	653,046	108,345
Net assets, beginning of year	14,212,040	14,103,695
Net assets, end of year	\$ 14,865,086	\$ 14,212,040

See accompanying notes to financial statements

Community Hospital of Anaconda
Statements of Cash Flows
Years Ended December 31, 2013 and 2012

	2013	2012
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
<i>Cash flows from operating activities</i>		
Receipts from and on behalf of patients	\$ 34,545,681	\$ 33,164,370
Electronic health records incentive payment	-	448,610
Receipts from investments	45,363	55,549
Contributions received	10,388	6,320
Grants received	59,458	77,605
Receipts from other revenue	16,482	107,647
Payments to and on behalf of employees	(18,898,724)	(17,457,572)
Interest paid	(192,589)	(258,205)
Payments to suppliers and contractors	(15,355,998)	(14,427,097)
Net cash provided by operating activities	230,061	1,717,227
<i>Cash flows from investing activities</i>		
Purchase of investments	(2,998,955)	(1,292,890)
Sale of investments	3,890,875	1,402,166
Purchase of property and equipment	(5,307,771)	(1,246,193)
Net cash used in investing activities	(4,415,851)	(1,136,917)
<i>Cash flows from financing activities</i>		
Proceeds from issuance of long-term debt	7,460,632	-
Repayments of long-term debt	(1,445,181)	(571,971)
Net cash provided by (used in) financing activities	6,015,451	(571,971)
Net increase in cash and cash equivalents	1,829,661	8,339
Cash and cash equivalents, beginning of year	2,051,941	2,043,602
Cash and cash equivalents, end of year	\$ 3,881,602	\$ 2,051,941

See accompanying notes to financial statements

Community Hospital of Anaconda
Statements of Cash Flows (Continued)
Years Ended December 31, 2013 and 2012

	2013	2012
<i>Reconciliation of Change in Net Assets to Net Cash Provided By Operating Activities</i>		
Change in net assets	\$ 653,046	\$ 108,345
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>		
Depreciation	998,950	950,054
Provision for bad debts	1,932,511	2,184,663
Unrealized gain on investments	(71,263)	(267,756)
(Increase) decrease in		
Receivables		
Patient accounts	(2,990,616)	(1,144,076)
Montana provider bed tax	13,534	49,707
Estimated third-party payor settlements	(166,685)	(276,032)
Electronic health records incentive	(527,898)	448,610
Other	(99,164)	(2,990)
Inventories	87,263	(100,739)
Prepaid expenses	(65,196)	(89,564)
Increase (decrease) in		
Accounts payable	(97,671)	117,985
Accrued salaries, wages, and payroll taxes	345,374	155,507
Estimated third-party payor settlements	224,642	(391,633)
Deferred Montana provider bed tax revenue	(6,766)	(24,854)
Net cash provided by operating activities	\$ 230,061	\$ 1,717,227

See accompanying notes to financial statements

Community Hospital of Anaconda
Notes to Financial Statements
Years Ended December 31, 2013 and 2012

1. Organization and Summary of Significant Accounting Policies:

a. Organization

Community Hospital of Anaconda (the Hospital), located in Anaconda, Montana, is a 25-bed critical access hospital (CAH) and a 62-bed nursing facility. The Hospital provides healthcare services to patients in the Deer Lodge County area. Services provided include acute care hospital, long-term nursing care, emergency room, physicians' clinics, home health, hospice, and the related ancillary procedures (imaging, laboratory, etc.). In 2004, the Hospital was awarded the *Baby-Friendly Hospital Designation*.

The Community Hospital and Nursing Home of Anaconda Foundation (the Foundation) was formed in 1995. The purpose of the Foundation is to promote and support the Hospital. The activities of the Foundation include fundraising and administration of donated funds. The Foundation's activity was previously consolidated with the Hospital because the Hospital is the sole member of the Foundation. In 2013 the Foundation sold a building it owned to the Hospital eliminating the majority of its assets. Since the Foundation's assets are no longer significant to the Hospital, the financial statements have been unconsolidated. The 2012 balances have also been removed from the Hospital's financial statements for consistency and comparability.

b. Summary of Significant Accounting Policies

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

Cash and cash equivalents – Cash and cash equivalents are short-term, highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

Investments and investment income – Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including interest, dividends, and realized gains and losses on investments) is included in the excess of revenue unless the income or loss is restricted by donor or law.

Net investment income in 2013 consisted of interest and dividends of \$105,530 of which \$45,363 was realized. Net investment income in 2012 consisted of interest and dividends of \$120,386 of which \$55,549 was realized.

Prepaid expenses – Prepaid expenses are expenses paid during the year relating to expenses incurred in future periods. Prepaid expenses are amortized over the expected benefit period of the related expense. Prepaid expenses include prepaid professional fees, insurance, dues, and maintenance contracts.

Inventories – Inventories are stated at the lower of cost (first in, first out) or market. The major categories of supply inventories are surgical supplies, pharmaceuticals, and other medical and nonmedical supplies used in the Hospital's operations.

Assets limited as to use – Such assets include assets set aside by the Board of Trustees for future capital improvements over which the Board retains control and may, at its discretion, subsequently use for other purposes.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

1. Organization and Summary of Significant Accounting Policies (continued):

b. Summary of Significant Accounting Policies (continued)

Property and equipment – Property and equipment acquisitions of \$5,000 or more each and having useful lives of at least two years are capitalized at cost.

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. A half-year convention is used for equipment. Under this convention, one-half year's depreciation is taken in the year of asset acquisition and one-half year's depreciation is taken in the year of asset disposal. Buildings and building improvements are depreciated for the number of months in use.

Ranges of depreciable lives are as follows:

Buildings and improvements	5 to 40 years
Equipment	3 to 20 years

Excess of revenues, gains, and other support over expenses – The statements of operations and changes in net assets include excess of revenues, gains, and other support over expenses. Changes in net assets which are excluded from the excess of revenues over expenses are consistent with industry practice and include unrealized gains and losses on investments other than trading securities and capital contributions and grants.

Functional expense allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the statements of operations and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Federal income tax – The Hospital is a not-for-profit corporation and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax is necessary. The Hospital evaluates uncertain tax positions whereby the effect of the uncertainty would be recorded if the outcome were considered probable and reasonably estimable. As of December 31, 2013 and 2012, the Hospital has no uncertain tax positions requiring accrual.

Reclassifications – Certain items included in the accompanying 2012 financial statements have been reclassified to conform to the 2013 presentation, with no effect on the previously reported change in net assets.

Subsequent events – The Hospital has evaluated subsequent events through April 17, 2014, the date on which the financial statements were available to be issued.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

2. Investments:

The composition of investments is set forth below. Investments are measured at fair value on a recurring basis using quoted prices in active markets for identical values (Level 1).

	2013	2012
<i>Certificates of deposit</i>		
< 1 year term	\$ 69,231	\$ -
2 year terms	49,864	-
3 year terms	56,050	66,757
4 year terms	-	54,888
5 year terms	28,322	54,731
> 5 year terms	107,625	201,974
Total certificates of deposit	311,092	378,350
<i>Preferred stock</i>		
Fitch AA Rated	-	41,630
S&P BBB+ Rated	-	15,582
S&P BBB Rated	-	21,576
S&P BB+ Rated	-	95,359
Total preferred stock	-	174,147
<i>Stock</i>		
Common stock	239,911	-
Foreign stock	9,147	-
Total preferred stock	249,058	-
<i>Governmental securities</i>		
2 year maturities	20,598	24,505
4 year maturities	-	21,168
6 year maturities	-	27,739
Total governmental securities	20,598	73,412
<i>Corporate securities</i>		
3 year maturities	79,016	-
4 year maturities	57,704	-
5 year maturities	46,762	78,650
6 year maturities	-	24,344
> 7 year maturities	39,440	146,287
Total corporate securities	222,922	249,281
<i>Equity Funds</i>	428,600	-
Total investments	\$ 1,232,270	\$ 875,190

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

3. Fair Value Measurements:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date.

The Hospital classified its investments based upon an established 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 unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are defined as follows.

- **Level 1** – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- **Level 2** – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.
- **Level 3** – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Hospital's assessment of the significance of a particular input to fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Hospital believes its valuation methods are appropriate and consistent with the other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table discloses, by level within the fair value hierarchy, the Hospital's assets measured and reported on the balance sheet as of December 31, 2013, at fair value on a recurring basis.

	Level 1	Level 2	Level 3	Total
Investments	\$ 1,232,270	\$ -	\$ -	\$ 1,232,270
Assets limited as to use	2,163,205	-	-	2,163,205
Investment in Yellowstone Insurance Exchange	-	-	399,213	399,213
	\$ 3,395,475	\$ -	\$ 399,213	\$ 3,794,688

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

3. Fair Value Measurements (continued):

The following table discloses, by level within the fair value hierarchy, the Hospital's assets measured and reported on the balance sheet as of December 31, 2012, at fair value on a recurring basis

	Level 1	Level 2	Level 3	Total
Investments	\$ 875,190	\$ -	\$ -	\$ 875,190
Assets limited as to use	3,348,636	-	-	3,348,636
Investment in Yellowstone Insurance Exchange	-	-	391,519	391,519
	\$ 4,223,826	\$ -	\$ 391,519	\$ 4,615,345

The following table sets forth a summary of changes in the fair value of the Hospital's Level 3 assets for the years ended December 31, 2013 and 2012:

	2013	2012
Balance, beginning of year	\$ 391,519	\$ 259,531
Gain of investment	7,694	131,988
Balance, end of year	\$ 399,213	\$ 391,519

4. Patient Accounts Receivable:

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectibility of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital 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.

The Hospital's allowance for doubtful accounts for self-pay patients has not changed significantly from the prior years. The Hospital's provisions for bad debts and writeoffs have not changed significantly from the prior year. The Hospital has not changed its charity care or uninsured discount policies during fiscal years 2013 or 2012. The Hospital did not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant writeoffs from third-party payors.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

4. Patient Accounts Receivable (continued):

Patient accounts receivable reported as current assets by the Hospital consisted of these amounts

	2013	2012
Receivables from patients and their insurance carriers	\$ 5,625,692	\$ 6,301,268
Receivables from Medicare	2,208,675	1,448,422
Receivables from Medicaid	446,279	575,129
Total patient accounts receivable	8,280,646	8,324,819
Less allowance for doubtful accounts	1,516,475	2,618,753
Patient accounts receivable, net	\$ 6,764,171	\$ 5,706,066

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

5. Assets Limited as to Use:

The composition of assets whose use is limited is set forth below. Investments are measured at fair value on a recurring basis using quoted prices in active markets for identical values (Level 1)

	2013	2012
<i>Cash and cash equivalents</i>	\$ 1,072,145	\$ 593,735
<i>Certificates of deposit</i>		
< 1 year terms	336,097	-
2 year terms	186,971	75,438
3 year terms	182,997	318,206
4 year terms	95,542	450,903
5 year terms	-	424,149
> 5 year terms	59,290	352,428
Total certificates of deposit	860,897	1,621,124
<i>Preferred stock</i>		
Fitch AA+ Rated	-	13,125
Fitch AA Rated	-	45,690
S&P A- Rated	-	26,070
S&P BBB+ Rated	-	57,350
S&P BBB Rated	-	134,621
S&P BBB- Rated	-	26,480
S&P BB+ Rated	-	167,026
Total preferred stock	-	470,362
<i>Government securities</i>		
<1 year maturities	-	139,031
4 year maturities	-	42,336
6 year maturities	-	27,740
> 7 year maturities	-	40,694
Total government securities	-	249,801
<i>Equities</i>	18,000	48,875
<i>Municipal general obligation bonds,</i>		
<i>S&P AA and A+Rated, 5 year term</i>	212,163	364,739
Assets limited as to use	\$ 2,163,205	\$ 3,348,636

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

6. Property and Equipment:

A summary of property and equipment follows

	2013	2012
Land	\$ 809,274	\$ 783,022
Land improvements	516,604	485,201
Buildings	6,431,689	5,952,462
Fixed equipment	2,278,597	2,222,245
Major movable equipment	7,751,720	6,690,850
Construction in progress	5,474,109	1,748,648
Total	23,261,993	17,882,428
Less accumulated depreciation	11,667,920	10,731,748
Property and equipment, net	\$ 11,594,073	\$ 7,150,680

Construction in progress as of December 31, 2013, consists of expenses related to the expansion and renovation of the hospital. The estimated cost to complete is \$9,870,000 and the estimated completion date is December 2014. Construction in progress also consists of costs related to the new computer system. The estimated cost to complete is \$1,000,000, which will be funded through a loan taken with Glacier Bank during the year. The estimated completion date is April 2014.

7. Pension Plan:

The Hospital provides retirement benefits through the Community Hospital of Anaconda 401(k) Profit Sharing Plan (the Plan), a defined contribution plan. This Plan covers all eligible employees who are not covered by union pension plans. Contributions are based on a discretionary percentage of wages and salaries. The contribution rate for 2013 was 2.00%. Employees are eligible to participate in the Plan after completing one year of service and attaining the age of 21. The Plan expense for the years ended December 31, 2013 and 2012, was \$309,919 and \$291,597, respectively. Wells Fargo Management and Trust Company has been selected as the custodian of the Plan's assets. The Hospital is the administrator for the Plan.

Employees represented by the Teamsters Union Local #2 (the Teamsters Union) do not participate in the Plan, but instead receive pension benefits through the Western Conference of Teamsters Pension Trust Fund. The Hospital made monthly payments into the fund at \$1.69 and \$1.65 per hour for the years ended December 31, 2013 and 2012, respectively, for each employee represented by the Teamsters Union. The Hospital's expenses for these payments for the years ended December 31, 2013 and 2012, were \$36,934 and \$36,663, respectively.

Employees represented by the International Union of Operating Engineers, Local 400 (the Engineers' Union) do not participate in the Plan, but instead receive pension benefits through the Central Pension Fund of the Engineers' Union. The Hospital makes monthly payments into the fund at \$4.35 per compensated hour for each employee represented by the Engineers' Union. The Hospital's expenses for these payments for the years ended December 31, 2013 and 2012, were \$44,632 and \$43,849, respectively.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

8. Long-term Debt:

A summary of long-term debt follows

	2013	2012
Note payable, First Montana Bank, monthly payments of \$16,303, including interest at 6.99% through 2036, secured by the hospital building	\$ 2,208,063	\$ 2,249,829
Note payable, Dr. Lloyd Garrels, monthly payments of \$1,582, including interest at 6% through 2017, unsecured	67,372	81,842
Note payable, First Montana Bank, monthly payments of \$28,387, including interest at 5.08%, this loan was paid off during 2013.	-	1,089,938
Note payable, Glacier Bank, monthly payments of \$29,600, including interest at 4.17% through December 2015, secured by the assets of the hospital	1,000,000	-
Construction note payable, Glacier Bank, payable in one installment of the balance due including interest at 3.75% at April 2015. Maximum amount of draws of \$18,785,000. Secured by real property. The loan will be refinanced into a term note payable upon completion of the construction	6,460,632	-
Note payable, Montana Health Facility Authority, monthly payments of \$14,990, including interest at 5.67%, this loan was paid off during 2013	-	299,007
Total long-term debt	9,736,067	3,720,616
Less current portion	375,120	510,904
Long-term debt, net of current portion	\$ 9,360,947	\$ 3,209,712

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

8. Long-term Debt (continued):

Scheduled repayments are as follows

Years Ending December 31,	Amount
2014	\$ 375,120
2015	6,853,230
2016	410,487
2017	68,047
2018	53,299
Thereafter	1,975,884
Total long-term debt	\$ 9,736,067

The Hospital entered into a line of credit agreement with Glacier Bank on December 23, 2013, in the amount of \$1,500,000. No draws have been taken on this line of credit.

9. Net Patient Service Revenue:

The Hospital recognizes patient service revenue associated with services provided to patients who have third-party pay or coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Hospital 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 before the provision for bad debts, recognized in the period from major payor sources, was as follows:

	2013	2012
Patient service revenue (net of contractual allowances and discounts)		
Medicare	\$ 13,451,313	\$ 11,498,550
Medicaid	4,546,912	4,833,233
Other third-party payors	15,359,223	14,666,053
Patients	4,044,993	3,763,426
	37,402,441	34,761,262
Less:		
Hospital and nursing home utilization payments	(699,414)	(748,987)
Charity care	630,283	558,991
Provision for bad debts	1,932,511	2,184,663
Net patient service revenue	\$ 35,539,061	\$ 32,766,595

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

9. Net Patient Service Revenue (continued):

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

- *Medicare* – The Hospital has been designated a critical access hospital and the clinics provider based clinics by Medicare. The Hospital is paid on a cost reimbursement method for substantially all services provided to Medicare beneficiaries. The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after the submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary.
- *Medicaid* – Inpatient and outpatient services provided to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. Medicaid swing-bed services are reimbursed on a prospectively set rate per day.

The Hospital also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital under these agreements includes discounts from established charges.

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. Net patient service revenue decreased by approximately \$13,000 in the year ended December 31, 2013, due to differences between original estimates and final settlements.

The Hospital provides charity care to patients who are financially unable to pay for the healthcare services they receive. The Hospital's policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the Hospital does not report these amounts in net operating revenues or in the allowance for doubtful accounts. The Hospital determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries and wages, benefits, supplies, and other operating expenses, based on data from its costing system. The costs of caring for charity care patients for the years ended December 31, 2013 and 2012, were approximately \$397,000 and \$358,000, respectively. The Hospital did not receive any gifts or grants to subsidize charity services during 2013 and 2012.

10. Electronic Health Records Incentive Payments:

The Hospital recognized Medicare and Medicaid electronic health records (EHR) incentive payments during the year ended December 31, 2013. The EHR incentive payments are provided to incent hospitals to become meaningful users of EHR technology, not to reimburse providers for the cost of acquiring EHR assets. EHR incentive payments are therefore reported as operating revenue.

The Hospital recognizes the Medicare incentive payment on the date that the Hospital has successfully complied with meaningful use criteria during the entire EHR reporting period. The Hospital attested to meaningful use with CMS on September 30, 2013 and 2011. The Medicare EHR reporting period is through September 30 of each year.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

10. Electronic Health Records Incentive Payments (continued):

The Medicare incentive payment recognized is an estimate and subject to audit by CMS. The Medicare EHR incentive payment is based on the patient days reported on the Medicare cost report and the undepreciated cost of the EHR equipment submitted to CMS. The final payment will be based on patient days reported in the current Medicare cost report. A Medicare incentive payment of \$237,648 was recognized as revenue in 2013.

The Hospital recognizes the first of its four Medicaid incentive payments in the year that certified EHR technology is adopted, implemented, or upgraded or when such technology is meaningfully used under the Medicare EHR incentive program. The subsequent three payments will be issued when meaningful use is demonstrated under Medicare. A Medicaid incentive payment of \$290,250 was recognized as revenue in 2013. Subsequent payments of \$174,150, \$58,050, and \$58,050 will be recognized in 2014, 2015, and 2016, respectively.

11. Functional Expenses:

The Hospital provides the following various medical services to residents within its geographic location.

- Acute, intensive, and pediatric care
- Nursing home
- Emergency services
- Outpatient surgery
- Other outpatient procedures
- Physicians' clinics
- Home health
- Hospice

Expenses related to providing these services were as follows:

	2013	2012
Healthcare services	\$ 32,056,537	\$ 29,622,779
General and administrative	3,659,494	3,553,338
Total expenses	\$ 35,716,031	\$ 33,176,117

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

12. Contingencies:

Medical malpractice – The Hospital obtains medical malpractice insurance through Yellowstone Insurance Exchange (the Exchange). The Exchange offers the Hospital a professional and general liability policy on a “claims made” basis with primary limits of \$1,000,000 per claim and an annual aggregate limit of \$3,000,000. The policy has a \$25,000 deductible per claim. The policy was renewed on January 1, 2014.

No liability has been accrued for future coverage of acts, if any, occurring in this or prior years. Also, it is possible that claims may exceed coverage available in any given year.

The Exchange is a reciprocal risk retention group formed in the state of Vermont, pursuant to the *Federal Liability Risk Retention Act of 1986*, to form a captive insurance company with several unrelated hospitals located in Montana and other northwestern states. All profits and losses from the operation of the Exchange are allocated by the Exchange’s Subscriber Advisory Committee, based on premiums paid, exposure rates, and ownership levels. For financial-reporting purposes, the Hospital accounts for its investment in the Exchange under the equity method of accounting for investments in common stock. The equity method is used in accordance with generally accepted accounting principles for multi-provider captive insurance companies.

The Hospital recorded unrealized gains of \$7,694 and \$16,979 in 2013 and 2012, respectively, on this investment.

Litigation – The Hospital is, from time-to-time, involved in litigation and regulatory investigations arising in the course of business. Management estimates these matters will be resolved without material adverse effect on the Hospital’s future financial position or results from operations.

Self-insurance – The Hospital partially self-insures the cost of employee healthcare benefits and purchases annual, stop-loss insurance coverage for claims in excess of \$70,000 per claim. Additionally, the Hospital funds the plan to its aggregate annual obligation; it does not accrue any liability for incurred but not reported claims.

Industry regulations – 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, accreditations, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Hospital is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions known or unasserted at this time.

Healthcare reform – As a result of recently enacted federal healthcare reform legislation, substantial changes are anticipated in the United States of America’s 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. The federal healthcare reform legislation does not affect the 2013 financial statements.

Community Hospital of Anaconda
Notes to Financial Statements (Continued)
Years Ended December 31, 2013 and 2012

13. Concentrations of Risk:

Patient accounts receivable – The Hospital grants credit without collateral to its patients, most of who are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows:

	2013	2012
Patients	26 %	40 %
Medicare	35	22
Other third-party payors	29	21
Blue Cross/Blue Shield	7	11
Medicaid	3	6
	100 %	100 %

Physicians – The Hospital is dependent on local physicians practicing in its service area to provide admissions and utilize hospital services on an outpatient basis. A decrease in the number of physicians providing these services or change in their utilization patterns may have an adverse effect on hospital operations.

Cash and cash equivalents – As of December 31, 2013 and 2012, the Hospital maintained deposits in accounts with major financial institutions which exceeded the \$250,000 Federal Deposit Insurance Corporation limit. These financial institutions have strong credit ratings, and management believes that credit risk related to these deposits is minimal.

Collective bargaining units – The Hospital has entered into contracts with seven different labor unions. The agreements are effective through dates ranging from 2013 to 2016. Approximately, 54% and 53% of the Hospital's pay roll expenses were for union employees for the years ended December 31, 2013 and 2012, respectively. The union agreements cover nurses and employees in the business office, facilities maintenance, dietary, and housekeeping departments.

14. Deferred Montana State Bed Tax Revenue:

In 2003, the Montana State Legislature approved using a portion of the bed taxes paid by the hospitals along with federal matching funding to help reimburse costs incurred while treating Medicaid, uninsured, and underinsured patients. The Hospital's share of the receivable was \$574,649 and \$588,183 at December 31, 2013 and 2012, respectively. Deferred revenue was \$287,325 and \$294,091 at December 31, 2013 and 2012, respectively.

SUPPLEMENTAL INFORMATION

Community Hospital of Anaconda
Hospital Revenues
Years Ended December 31, 2013 and 2012

	2013	2012
<i>Gross patient service revenue</i>		
Daily patient services		
Medical-surgical	\$ 4,298,458	\$ 3,394,564
Nursing home	4,265,248	4,045,032
Nursery	44,148	56,052
Total daily patient services	8,607,854	7,495,648
Department services.		
Labor and delivery	91,360	105,635
Surgery	5,440,248	4,733,051
Recovery room	177,248	172,383
Anesthesia	2,176,933	1,451,859
Radiology	1,530,966	1,536,109
Ultrasound	556,097	519,270
MRI	1,208,634	1,126,986
CT scan	3,089,546	3,055,960
Laboratory	4,877,833	4,829,560
Respiratory therapy	905,273	826,945
Physical therapy	1,804,627	1,663,716
Occupational therapy	545,882	348,322
Medical and implantable supplies	8,685,902	7,589,332
Pharmacy	3,837,606	3,902,453
Pintler Family Medicine	2,865,918	2,377,683
Anaconda Internal Medicine	-	319,579
Anaconda Pediatrics	917,101	1,012,447
Pintler Family Medicine East	121,144	-
Pintler Surgical Specialists	4,249,145	3,741,847
Emergency room	3,648,233	3,678,222
Observation	639,201	695,333
Home health	331,988	230,566
Hospice	399,481	425,281
Total department services	48,100,366	44,342,539
Total gross patient service revenue	\$ 56,708,220	\$ 51,838,187

See accompanying independent auditors' report

Community Hospital of Anaconda
Hospital Revenues (Continued)
Years Ended December 31, 2013 and 2012

	2013	2012
<i>Net patient service revenue</i>		
Gross patient service revenue	\$ 56,708,220	\$ 51,838,187
Less charity care	630,283	558,991
	56,077,937	51,279,196
Less contractual adjustments and provision for bad debts	20,538,876	18,512,601
Total net patient service revenue	\$ 35,539,061	\$ 32,766,595
<i>Other operating revenues</i>		
Cafeteria sales	\$ 37,498	\$ 34,978
Medical records copy fees	5,518	4,983
Pharmacy sales to non-patients	42,797	50,047
Rental income	2,765	2,640
Miscellaneous receipts	37,868	17,989
Total other operating revenues	\$ 126,446	\$ 110,637

See accompanying independent auditors' report

Community Hospital of Anaconda
Hospital Operating Expenses
Years Ended December 31, 2013 and 2012

	2013			2012	
	Salaries and Wages	Supplies and Other Expenses	Total	Total	Increase (Decrease) in Total Expenses
<i>Daily patient services</i>					
Medical-surgical	\$ 1,884,816	\$ 483,387	\$ 2,368,203	\$ 1,979,425	\$ 388,778
Nursery	10,981	-	10,981	10,194	787
Nursing home	1,464,400	317,381	1,781,781	1,747,177	34,604
Total daily patient services	3,360,197	800,768	4,160,965	3,736,796	424,169
<i>Department services</i>					
Labor and delivery	60,811	7,713	68,524	61,217	7,307
Surgery	607,813	326,358	934,171	1,064,222	(130,051)
Recovery room	92,765	-	92,765	63,933	28,832
Anesthesia	321,401	757,700	1,079,101	785,284	293,817
Radiology	222,785	161,210	383,995	338,535	45,460
Ultrasound	34,773	66,564	101,337	95,111	6,226
MRI	36,116	56	36,172	28,518	7,654
CT scan	64,940	112,296	177,236	113,688	63,548
Laboratory	456,346	713,320	1,169,666	1,131,835	37,831
Respiratory therapy	178,084	87,124	265,208	244,809	20,399
Physical therapy	423,742	243,686	667,428	595,680	71,748
Occupational therapy	179,212	1,610	180,822	217,391	(36,569)
Medical and implantable supplies	-	3,231,450	3,231,450	2,651,476	579,974
Pharmacy	411,145	817,571	1,228,716	1,292,982	(64,266)
Pintler Family Medicine	2,150,784	271,999	2,422,783	1,948,307	474,476
Anaconda Internal Medicine	-	-	-	208,557	(208,557)
Anaconda Pediatrics	406,354	94,313	500,667	469,973	30,694
Pintler Family Medicine East	220,264	57,460	277,724	478,662	(200,938)
Pintler Surgical Specialists	1,015,952	2,877,715	3,893,667	3,529,944	363,723
Emergency room (includes physician fees)	1,514,699	363,141	1,877,840	1,770,444	107,396
Home health	228,290	73,033	301,323	325,778	(24,455)
Hospice	159,495	117,491	276,986	227,792	49,194
Total department services	\$ 8,785,771	\$ 10,381,810	\$ 19,167,581	\$ 17,644,138	\$ 1,523,443

See accompanying independent auditors' report

Community Hospital of Anaconda
Hospital Operating Expenses (Continued)
Years Ended December 31, 2013 and 2012

	2013			2012	Increase (Decrease) in Total Expenses
	Salaries and Wages	Supplies and Other Expenses	Total	Total	
<i>Service departments</i>					
Dietary	\$ 451,793	\$ 324,461	\$ 776,254	\$ 711,158	\$ 65,096
Housekeeping	192,624	43,436	236,060	244,618	(8,558)
Laundry and linen	85,938	75,741	161,679	161,653	26
Plant operations and maintenance	192,565	615,227	807,792	770,147	37,645
Medical records	525,348	507,256	1,032,604	857,810	174,794
Social services	90,619	1,283	91,902	89,193	2,709
Activities	44,736	5,448	50,184	47,419	2,765
Transportation	24,581	6,087	30,668	30,974	(306)
Total service departments	1,608,204	1,578,939	3,187,143	2,912,972	274,171
<i>Support services</i>					
Fiscal services and admitting	579,784	325,765	905,549	872,033	33,516
Administration	1,396,783	759,402	2,156,185	2,125,525	30,660
Nursing administration	279,344	2,982	282,326	264,713	17,613
Materials management	126,859	4,250	131,109	139,714	(8,605)
Employee benefits and payroll taxes	-	3,107,156	3,107,156	2,939,950	167,206
Rental expense	-	532,196	532,196	522,955	9,241
Insurance	-	899,343	899,343	814,467	84,876
Depreciation	-	993,889	993,889	944,649	49,240
Interest	-	192,589	192,589	258,205	(65,616)
Total support services	2,382,770	6,817,572	9,200,342	8,882,211	318,131
Total expenses	\$ 16,136,942	\$ 19,579,089	\$ 35,716,031	\$ 33,176,117	\$ 2,539,914

See accompanying independent auditors' report