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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

C Name of organization
GRITMAN MEDICAL CENTER

Doing Business As

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

City or town, state or province, country, and ZIP or foreign postal code
MOSCOW, ID 83843

D Employer identification number
82-0146328

E Telephone number
(208)882-4511

G Gross receipts $ 52,368,408

F Name and address of principal officer
KARA BESST
700 S MAIN STREET
MOSCOW,ID 83843

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW GRITMAN ORG

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

L Year of formation 1939

M State of legal domicile ID

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE EXTRAORDINARY CARE TO IMPROVE THE HEALTH OF THE PEOPLE IN OUR COMMUNITIES

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	552
6	Total number of volunteers (estimate if necessary)	**6**	476
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	39,746
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	411,329	42,641
9	Program service revenue (Part VIII, line 2g)	47,204,608	49,068,989
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	761,327	724,845
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-11,419	-4,009
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	48,365,845	49,832,466
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	160,937	417,509
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	25,311,478	24,980,623
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	21,198,329	22,949,751
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	46,670,744	48,347,883
19	Revenue less expenses Subtract line 18 from line 12	1,695,101	1,484,583

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	73,625,343	73,664,644
21	Total liabilities (Part X, line 26)	30,744,076	29,033,354
22	Net assets or fund balances Subtract line 21 from line 20	42,881,267	44,631,290

Net Assets or Fund Balances

Part II Signature Block

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

Sign Here

****** | 2014-11-04
Signature of officer | Date

KARA BESST CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
TERRI REXRODE CPA MST		2014-11-04		P00096513

Firm's name ▶ WIPFLI LLP — Firm's EIN ▶ 39-0758449

Firm's address ▶ PO BOX 12237
GREEN BAY, WI 543072237 — Phone no (920) 662-0016

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

TO PROVIDE EXTRAORDINARY CARE TO IMPROVE THE HEALTH OF THE PEOPLE IN OUR COMMUNITIES

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 $ 42,450,312 including grants of $ 417,509) (Revenue $ 48,047,241)

GRITMAN MEDICAL CENTER IS ESTABLISHED TO ADDRESS A NEED FOR HEALTH SERVICES IN OUR COMMUNITY AT THE HEART OF GRITMAN MEDICAL CENTER IS OUR COMMITMENT TO SERVING YOUR HEALTH CARE NEEDS AS A NOT FOR PROFIT ORGANIZATION, WE TAKE SERIOUSLY OUR SOCIAL RESPONSIBILITY TO PROVIDE ACCESS TO SERVICES REGARDLESS OF ONE'S ABILITY TO PAY PROVIDING EMERGENCY CARE TO YOU AND YOUR FAMILY 24-HOURS-A-DAY, SEVEN-DAYS-A-WEEK, IS A PRIORITY AT GRITMAN MEDICAL CENTER OUR DOORS ARE ALWAYS OPEN TO YOU A DOCTOR FROM MOSCOW EMERGENCY PHYSICIANS AND OUR HIGHLY-TRAINED STAFF ARE READY TO CARE FOR YOU OUR EMERGENCY SERVICES DEPARTMENT IS EQUIPPED FOR ROUTINE MEDICAL AND OBSTETRICAL EMERGENCIES AND HAS LARGE TRAUMA BAYS EQUIPPED WITH TRAUMA RESUSCITATION EQUIPMENT AND CARDIAC MONITORING OUR NURSING STAFF WORKS CLOSELY WITH THE PHYSICIANS TO PROVIDE THE BEST CARE POSSIBLE INPATIENT CARE CAN ALSO INCLUDE PHYSICAL, OCCUPATIONAL, SPEECH AND MASSAGE THERAPY, AS NECESSARY FOR THE BEST RECOVERY PATIENT-FOCUSED DIETICIANS WORK DIRECTLY WITH YOU TO ESTABLISH NUTRITIOUS, APPROPRIATE DIETS SPECIALIZED OSTOMY AND WOUND CARE IS AVAILABLE TO INPATIENTS AND OUTPATIENTS LAB SERVICES ARE AVAILABLE TO THOSE WITHOUT INSURANCE OR WHO ARE NOT COVERED FOR A PARTICULAR TEST, THROUGH OUR COMMUNITY WELLNESS PANEL THESE TESTS ARE PATIENT-REQUESTED RATHER THAN PHYSICIAN-ORDERED AND THE RESULTS GO DIRECTLY TO YOU PAYMENT IS REQUIRED AT THE TIME OF SERVICE, BUT THE TESTS OR SCREENINGS ARE DISCOUNTED FAMILY BIRTH CENTER UPON ARRIVAL, PATIENTS ARE MATCHED WITH ONE OF OUR SKILLED AND COMPASSIONATE LABOR NURSES THEY WILL GUIDE PATIENTS THROUGH THEIR LABOR, MONITOR THE PROGRESS OF THEIR BABY AND MAKE SURE THEIR NEEDS ARE MET THEY AND THE REST OF THE NURSING TEAM WORK TOGETHER WITH THE DOCTOR TO PROVIDE A WELCOMING ENVIRONMENT FOR YOUR NEWEST FAMILY MEMBER SURGERY WORKING TOGETHER WITH SURGEONS, NURSING, PHYSICAL THERAPISTS, REGISTERED DIETITIANS, LAB, RADIOLOGY, PHARMACY, SOCIAL SERVICES EXPERTS AND OTHERS, WE CAN HELP YOU REGAIN YOUR HEALTH GRITMAN OFFERS A FULL ARRAY OF SURGERIES INCLUDING GENERAL SURGERY, ORTHOPEDICS, OB/GYN, UROLOGY THERAPY SOLUTIONS AT GRITMAN THERAPY SOLUTIONS, WE HAVE CREATED A WELCOMING ENVIRONMENT TO PROVIDE YOU THE BEST OPPORTUNITY FOR A FULL RECOVERY WE WORK WITH ALL AGES OF PATIENTS FROM INFANTS THROUGH SENIORS WHETHER YOU ARE RECOVERING FROM A JOINT REPLACEMENT, SPORTS RELATED INJURY OR HAVE A CHILD STRUGGLING WITH SPEECH, OUR SKILLED STAFF IS HERE TO HELP WE OFFER PHYSICAL, SPEECH, OCCUPATIONAL AND MASSAGE THERAPIES IN OUR OUTPATIENT THERAPY ROOMS, EXERCISE GYMS, OUTDOOR THERAPY PARK AND WARM WATER THERAPY POOL WE ALSO PROVIDE SERVICE IN MANY OF OUR AREA SCHOOLS

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

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** ▶ 42,450,312

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	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? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	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)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	142		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	552		
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	**1a** 10		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 9		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**		No
6	Did the organization have members or stockholders?	**6**		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**		No

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

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

Section C. Disclosure

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

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

☑ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

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

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

▶PRESTON BECKER 700 S MAIN ST
MOSCOW,ID 83843 (208)883-2220

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) BJ SWANSON BOARD CHAIR	2 00	X		X				0	0	0
(2) JANIE NIRK VICE-CHAIR	2 00	X		X				0	0	0
(3) ROBIN WOODS SECRETARY/TREASURER	2 00	X		X				0	0	0
(4) GREG MANN TRUSTEE	2 00	X						0	0	0
(5) CHARLES JACOBSON MD TRUSTEE	2 00	X						52,800	0	0
(6) BARBARA WELLS TRUSTEE	2 00	X						0	0	0
(7) GREG KIMBERLING TRUSTEE	2 00	X						0	0	0
(8) DICK HEIMSCH TRUSTEE	2 00	X						0	0	0
(9) WAYNE RUBYMD TRUSTEE	2 00	X						0	0	0
(10) TERRY ARMSTRONG BOARD REPRESENTATIVE	2 00	X						0	0	0
(11) KARA BESST CEO	40 00			X				241,471	0	59,615
(12) PRESTON BECKER CFO	40 00			X				28,939	0	2,367
(13) SHERYL WASHBURN CNO	40 00			X				21,508	0	0
(14) KANE FRANCETICH CIO	40 00			X				117,150	0	20,104
(15) CONNIE OSBORN CQO	40 00			X				94,565	0	19,079
(16) AREBI GARSA FORMER INTERIM CFO	40 00			X				54,615	0	14,091
(17) LISA WOOD FORMER CFO	40 00			X				66,569	0	14,853

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RHONDA DUNCUN FORMER INTERIM CNO	40 00			X				103,000	0	0
(19) DEENA RAUCH FORMER CNO	40 00			X				74,750	0	5,667
(20) STEVEN REITZ CRNA	40 00					X		236,168	0	20,313
(21) MARIA BODE CRNA	40 00					X		237,332	0	18,143
(22) DEBORAH MAURO-BENDER CRNA	40 00					X		239,442	0	15,560
(23) KIM LUNSFORD INTERIM SURGERY DIRECTOR	40 00					X		131,460	0	13,576
(24) KAMA WHITE PHYSICIAN	40 00					X		208,495	0	24,022
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								1,908,264	0	227,390

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 ▶ 12

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MOSCOW EMERGENCY PHYSICIANS 700 S MAIN ST MOSCOW ID 83843	ER SERVICES	1,500,085
CARDINAL HEALTH 411 INC 3712 COLLECTION CENTER DR CHICAGO IL 60693	PHARMACEUTICALS	1,277,005
SMITH & NEPHEW ORTHO PO BOX 785921 PHILADELPHIA PA 19178	ORTHO SERVICES	766,506
SPRENGER CONSTRUCTION INC PO BOX 9869 MOSCOW ID 83843	CONSTRUCTION	647,158
MCKESSON PO BOX 98347 CHICAGO IL 60693	COMPUTER PROGRAM SERVICES	508,109

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 ▶ 21

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	42,586			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	55			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		42,641			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	621110	48,047,241	48,047,241		
	b	OTHER REVENUE	621110	376,702			376,702
	c	CAFETERIA REVENUE	900099	296,130			296,130
	d	GIFT SHOP REVENUE	900099	172,776			172,776
	e	EDUCATIONAL CLASS REVENUE	900099	99,590			99,590
	f	All other program service revenue		76,550		76,550	
	g	**Total.** Add lines 2a–2f . . . . . ▶		49,068,989			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		515,225			515,225
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	886,954 /				
	b	Less rental expenses	890,963 /				
	c	Rental income or (loss)	-4,009 /				
	d	Net rental income or (loss) . . . . . ▶		-4,009		-36,804	32,795
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	1,727,952 / 126,647				
	b	Less cost or other basis and sales expenses	1,510,619 / 134,360				
	c	Gain or (loss)	217,333 / -7,713				
	d	Net gain or (loss) . . . . . ▶		209,620			209,620
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶					
	12	**Total revenue.** See Instructions . . . . . ▶		49,832,466	48,047,241	39,746	1,702,838

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	417,509	417,509		
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	991,143	508,623	482,520	
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	18,770,410	17,026,885	1,743,525	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	5,219,070	5,035,944	183,126	
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal	64,680		64,680	
c Accounting	60,809	4,674	56,135	
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)	3,014,899	2,507,305	507,594	
12 Advertising and promotion	562,078	5,506	556,572	
13 Office expenses	6,818,080	6,040,076	778,004	
14 Information technology				
15 Royalties . .				
16 Occupancy	745,396	745,396		
17 Travel	330,353	234,782	95,571	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	57,967		57,967	
20 Interest	932,009	932,009		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,248,650	3,248,650		
23 Insurance	599,880	599,880		
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 BAD DEBT EXPENSE	3,897,757	3,897,757		
b REPAIRS AND MAINTENANCE	2,005,173	1,182,815	822,358	
c LOSS IN JOINT VENTURE	479,798		479,798	
d DUES AND SUBSCRIPTIONS	132,222	62,501	69,721	
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	48,347,883	42,450,312	5,897,571	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		5,060,690	1	4,123,563
	2	Savings and temporary cash investments		1,301,657	2	1,326,644
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		8,168,436	4	8,325,986
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		1,148,972	8	1,498,576
	9	Prepaid expenses and deferred charges		525,036	9	616,308
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 77,707,751			
	b	Less accumulated depreciation	10b 38,807,134	38,584,426	10c	38,900,617
	11	Investments—publicly traded securities		16,685,390	11	16,766,754
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		2,150,736	15	2,106,196
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		73,625,343	16	73,664,644
Liabilities	17	Accounts payable and accrued expenses		4,888,982	17	4,627,457
	18	Grants payable			18	
	19	Deferred revenue			19	1,502,526
	20	Tax-exempt bond liabilities		15,695,000	20	15,235,000
	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		9,288,012	23	6,378,974
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		872,082	25	1,289,397
	26	**Total liabilities.** Add lines 17 through 25		30,744,076	26	29,033,354
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		42,872,931	27	44,622,954
	28	Temporarily restricted net assets		8,336	28	8,336
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		42,881,267	33	44,631,290
	34	Total liabilities and net assets/fund balances		73,625,343	34	73,664,644

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	49,832,466
2	Total expenses (must equal Part IX, column (A), line 25)	2	48,347,883
3	Revenue less expenses Subtract line 2 from line 1	3	1,484,583
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	42,881,267
5	Net unrealized gains (losses) on investments	5	265,440
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	44,631,290

Part XII Financial Statements and Reporting

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

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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
GRITMAN MEDICAL CENTER	82-0146328

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period — Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		8,949
j	Total Add lines 1c through 1i			8,949
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1	EXPENSES PAID TO STRATEGIC HEALTHCARE ORGANIZATIONS WHOSE FOCUS IS STATE AND FEDERAL GOVERNMENT RELATIONS AND ADVOCACY EFFORTS ON BEHALF OF HOSPITAL ASSOCIATIONS

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

		(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance	8,336				
b	Contributions		8,336			
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	8,336	8,336			

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 ▶ 100 000 %

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

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

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		No
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		6,524,265		6,524,265
b Buildings		19,028,851	8,460,785	10,568,066
c Leasehold improvements		23,360,645	8,883,112	14,477,533
d Equipment		28,338,985	21,463,237	6,875,748
e Other		455,005		455,005
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				38,900,617

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
PAYABLE TO THIRD-PARTY REIMBURSEMENT PROGRAM	1,289,397
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	1,289,397

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

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

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4	FUNDS INCLUDE TORQUATO FETAL DEMISE FUNDS AND CHILDCARE UNITED WAY FUNDS
PART X, LINE 2	IN ORDER TO ACCOUNT FOR ANY UNCERTAIN TAX POSITIONS, THE MEDICAL CENTER AND FOUNDATION DETERMINE WHETHER IT IS MORE LIKELY THAN NOT THAT A TAX POSITION WILL BE SUSTAINED UPON EXAMINATION OF THE TECHNICAL MERITS OF THE POSITION, ASSUMING THE TAXING AUTHORITY HAS FULL KNOWLEDGE OF ALL INFORMATION IF THE TAX POSITION DOES NOT MEET THE MORE LIKELY THAN NOT RECOGNITION THRESHOLD, THE BENEFIT OF THE TAX POSITION IS NOT RECOGNIZED IN THE FINANCIAL STATEMENTS THE MEDICAL CENTER IS ALSO ENGAGED, TO A LIMITED EXTENT, IN ACTIVITIES WHICH THE INTERNAL REVENUE SERVICE (IRS) CONSIDERS UNRELATED TO THE MEDICAL CENTER'S EXEMPT PURPOSE, AND THEREFORE, TAXABLE THESE ACTIVITIES, HOWEVER, HAVE RESULTED IN NET OPERATING LOSSES FOR INCOME TAX PURPOSES THE MEDICAL CENTER DOES NOT PRESENTLY ANTICIPATE THAT A TAX BENEFIT FROM THESE NET OPERATING LOSSES WILL BE REALIZED IN THE FUTURE ACCORDINGLY, ANY POTENTIAL DEFERRED TAX ASSET RESULTING FROM THE AVAILABILITY OF NET OPERATING LOSS CARRY-FORWARD IS OFFSET BY A VALUATION ALLOWANCE OF EQUAL AMOUNT NO DEFERRED TAX ASSETS AND LIABILITIES HAVE BEEN RECOGNIZED SINCE NO OTHER DIFFERENCES EXIST BETWEEN THE FINANCIAL AND TAX BASIS OF REPORTING THE MEDICAL CENTER'S ASSETS AND LIABILITIES THE MEDICAL CENTER RECORDED NO ASSETS OR LIABILITIES FOR UNCERTAIN TAX POSITIONS FEDERAL RETURNS FOR THE TAX YEARS 2010 AND BEYOND REMAIN SUBJECT TO EXAMINATION BY THE IRS

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a		No
b	If "Yes," did the organization make it available to the public?	6b		
	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)			971,142		971,142	2 180 %
b Medicaid (from Worksheet 3, column a)			3,956,404	2,715,334	1,241,070	2 790 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			4,927,546	2,715,334	2,212,212	4 970 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	10	3,854	55,737		55,737	0 130 %
f Health professions education (from Worksheet 5)	6	95	380,769		380,769	0 860 %
g Subsidized health services (from Worksheet 6)	3	0	820,763	515,998	304,765	0 690 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits	19	3,949	1,257,269	515,998	741,271	1 680 %
k **Total.** Add lines 7d and 7j	19	3,949	6,184,815	3,231,332	2,953,483	6 650 %

Part II Community Building Activities Complete this 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	1		15,625		15,625	0 040 %
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**	1		15,625		15,625	0 040 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	3,897,757		
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	9,260,626
6	Enter Medicare allowable costs of care relating to payments on line 5	6	9,770,022
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-509,396
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 1 PALOUSE HEALTH PROPERTIES LLC	PROPERTY MANAGEMENT	60 850 %		39 150 %
2 2 PALOUSE SURGERY CENTER LLC	OUTPATIENT SURGERY CENTER	61 700 %		38 300 %
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group GRITMAN MEDICAL CENTER

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 2013			
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?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) WWW.GRITMAN.ORG			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	10	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	11	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	12	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☐ Asset level			
c ☑ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	13	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			

Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	17		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☑ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
GRITMAN MEDICAL CENTER	PART V, SECTION B, LINE 3 LOCAL EXPERT ADVISORS WERE SELECTED ACCORDING TO CRITERIA REQUIRED BY FEDERAL GUIDELINES AND REGULATIONS THE HOSPITAL'S DESIRE IS TO REPRESENT THE REGION'S GEOGRAPHICALLY AND ETHNICALLY DIVERSE POPULATION
GRITMAN MEDICAL CENTER	PART V, SECTION B, LINE 14G GRITMAN HAS 1 5 FULL-TIME FINANCIAL COUNSELOR(S) TO INFORM AND EDUCATE PATIENTS ONE FINANCIAL COUNSELOR WORKS WITH PATIENTS WHO VISIT US THROUGH OUREMERGENCY DEPARTMENT AFTER A PATIENT IS SEEN IN THE ED, THE COUNSELOR WILL SHARE INFORMATION ON ALL AVAILABLE PAYMENT OPTIONS INCLUDING COUNTY ASSISTANCEAND OUR CHARITY CARE IF THE PATIENT CANNOT PAY, THE PATIENT IS GIVEN OUR CHARITY CARE FORM AND IF NEEDED CAN ASSIST IN FILLING OUT THE FORM OUR CASE MANAGEMENT STAFF REFER PATIENTS TO OUR FINANCIAL COUNSELORS, AS WELL, IF PATIENTS EXPRESS INTEREST OR NEED IN RECEIVING BILLING INFORMATION OUR FINANCIAL POLICY IS AVAILABLE ON OUR WEBSITE AND IN BROCHURE FORM
GRITMAN MEDICAL CENTER	PART V, SECTION B, LINE 16E LEGAL ACTION MAY BE USED AS PART OF THE COLLECTION PROCESS
GRITMAN MEDICAL CENTER	PART V, SECTION B, LINE 20D THEY ARE BILLED AT THE CHARGE RATE, HOWEVER CAN GET THE PROMPT PAY DISCOUNT OF 15% IF PAYMENT IS MADE WITHIN 20 DAYS OF RECEIVING THEIR BILL

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? **1**

	Name and address	Type of Facility (describe)
1	PALOUSE SURGERY CENTER LLC 2300 WEST A STREET MOSCOW,ID 83843	GENERAL MEDICAL AND SURGERY
2		
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 7	PART I, LINE 7 LINES 7A, B AND C WERE CALCULATED USING A COST TO CHARGE RATIO BASED ON TOTAL OPERATING EXPENSES LESS BAD DEBT DIVIDED BY GROSS PATIENT CHARGES PART I, LINES 7E,F,G AND I WERE CALCULATED FROM GENERAL LEDGER ACTUAL COSTS
PART I, LINE 7G	THREE RURAL PHYSICIAN HEALTH CLINICS WERE INCLUDED IN LINE 7G THE COST OF THE CLINICS WAS $304,765

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 3,897,757
PART II, COMMUNITY BUILDING ACTIVITIES	IN 2013, GRITMAN FUFILLED ITS MISSION TO PROVIDE EXTRORDINARY CARE TO IMPROVE THE HEALTH OF THE PEOPLE IN OUR COMMUNITIES THROUGH 1,465 INPATIENT ADMISSIONS, 4,179 PATIENT DAYS AND 58,860 OUTPATIENT VISITS THROUGH OUR POTLATCH AND KENDRICK RURAL CLINICS, WE PROVIDED 5,450 OFFICE VISITS THROUGH THE TROY CLINIC WE PROVIDED 1,364 OFFICE VISITS ALSO, IN 2013, THE HOSPITAL PROVIDED $1 7 MILLION IN UNREIMBURSED CHARITY CARE ADDITIONALLY, GRITMAN SERVED AS A CLINIC SITE FOR AREA SCHOOLS WITH PARTNERSHIPS THROUGH WALLA WALLA COMMUNITY COLLEGE, LEWIS-CLARK STATE COLLEGE AND OTHER AREA COLLEGES

Form and Line Reference	Explanation
PART III, LINE 4	THE MEDICAL CENTER AND SURGERY CENTER REPORT PATIENT ACCOUNTS RECEIVABLE FOR SERVICES RENDERED AT NET REALIZABLE AMOUNTS FROM THIRD-PARTY PAYERS, PATIENTS AND OTHERS THE MEDICAL CENTER AND SURGERY CENTER PROVIDE AN ALLOWANCE FOR DOUBTFUL ACCOUNTS BASED UPON A REVIEW OF OUTSTANDING RECEIVABLES, HISTORICAL COLLECTION INFORMATION AND EXISTING ECONOMIC CONDITIONS AS A SERVICE TO THE PATIENT, THE MEDICAL CENTER AND SURGERY CENTER BILL THIRD PARTY PAYERS DIRECTLY AND BILL THE PATIENT WHEN THE PATIENT'S LIABILITY IS DETERMINED PATIENT ACCOUNTS RECEIVABLE ARE DUE IN FULL WHEN BILLED THE RECEIVABLES ARE NON-INTEREST BEARING ACCOUNTS ARE CONSIDERED DELINQUENT AND SUBSEQUENTLY WRITTEN OFF AS BAD DEBTS BASED ON INDIVIDUAL CREDIT EVALUATION AND SPECIFIC CIRCUMSTANCES OF THE ACCOUNT
PART III, LINE 8	INFORMATION WAS FROM GRITMAN MEDICAL CENTER'S 2013 COST REPORT

Form and Line Reference	Explanation
PART III, LINE 9B	GRITMAN MEDICAL CENTER DOES NOT COLLECT FROM PATIENTS INITIALLY KNOWN TO QUALIFY FOR CHARITY CARE IF A PATIENT IN COLLECTIONS IS LATER DETERMINED TO QUALIFY FOR CHARITY CARE, GRITMAN MEDICAL CENTER CEASES COLLECTION EFFORTS FOR THAT PATIENT
PART VI, LINE 2	EACH YEAR, GRITMAN LEADERSHIP HOSTS "COMMUNITY CONVERSATIONS" IN THE SMALL TOWNS OF LATAH COUNTY THESE TOWNS COMPOSE OUR PRIMARY SERVICE AREA THE COMMUNITY CONVERSATIONS ARE FREE AND OPEN TO THE PUBLIC AND PROVIDE US AN OPPORTUNITY TO HEAR DIRECTLY FROM THE COMMUNITY ON HOW WE ARE DOING AND WHAT SERVICES THEY WOULD LIKE TO SEE US PROVIDE WE ALSO EVALUATE DATA FROM IDAHO PUBLIC HEATH DISTRICT #2 WHICH INCLUDES INFORMATION ON LATAH COUNTY (AMONG OTHERS) FROM THE BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM, DEVELOPED BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION AND DESIGNED TO ESTIMATE THE PREVALENCE OF RISK FACTORS FOR MAJOR CAUSES OF MORBIDITY AND MORTALITY IN THE UNITED STATES

Form and Line Reference	Explanation
PART VI, LINE 3	GRITMAN HAS 1 5 FULL-TIME FINANCIAL COUNSELOR(S) TO INFORM AND EDUCATE PATIENTS OUR FINANCIAL COUNSELOR WORKS WITH ALL OF OUR PATIENTS THE COUNSELOR WILL SHARE INFORMATION ON ALL AVAILABLE PAYMENT OPTIONS INCLUDING COUNTY ASSITANCE AND OUR CHARITY CARE IF THE PATIENT CANNOT PAY, THE PATIENT IS GIVEN OUR CHAIRTY CARE FORM AND IF NEEDED CAN ASSIST IN FILLING OUT THE FORM OUR CASE MANAGEMENT STAFF REFER PATIENTS TO OUR FINANCIAL COUNSELORS, AS WELL, IF THE PATIENT EXPRESS INTEREST OR NEED IN RECEIVING BILLNG INFORMATION OUR FINANCIAL POLICY IS AVAILABLE ON OUR WEBSITE AND IN BROCHURE FORM
PART VI, LINE 4	GRITMAN MEDICAL CENTER IS A NOT-FOR-PROFIT, COMMUNITY-OWNED HOSPITAL IN A RURAL/AGRICULTURAL AREA OF NORTH IDAHO CALLED THE PALOUSE GRITMAN MEDICAL CENTER HAS BEEN A PART OF THE COMMUNITY FOR OVER 100 YEARS THE PRIMARY SERVICE AREA FOR GRITMAN MEDICAL CENTER IS LATAH COUNTY LATAH COUNTY IS 2,000 SQUARE MILES WITH APPROXIMATELY 37,704 PEOPLE LATAH COUNTY IS COMPOSED OF MOSCOW, THE COUNTY SEAT AND 10 SMALL TOWNS WHICH HAVE BEEN HARD-HIT BY THE DECLINING NATURAL RESOURCE INDUSTRIES THERE IS WIDE VARIATION IN THE MEDIAN AGE IN OUR SERVICE AREA 5 6% ARE PERSONS UNDER 5 YEARS, 18 5% ARE PERSONS UNDER 18 YEARS, 10 4% ARE PERSONS 65 YEARS AND OVER MEDIAN HOUSEHOLD INCOME IS APPROXIMATELY $33,000 20 4% OF OUR POPULATION LIVES BELOW THE POVERTY LEVEL GRITMAN IS IN A HIGHLY COMPETITIVE MARKET WITH FOUR OTHER HOSPITALS BEING JUST 30 MINUTES AWAY ALL BUT ONE ARE CRITICAL ACCESS HOSPITALS

Form and Line Reference	Explanation
PART VI, LINE 5	GRITMAN MEDICAL CENTER WAS ORIGINALLY ESTABLISHED NOT FOR ECONOMIC OPPORTUNITY BUT TO ADDRESS A NEED FOR HEALTH SERVICES IN OUR COMMUNITY AT THE HEART OF GRITMAN MEDICAL CENTER IS OUR COMMITMENT TO SERVING YOUR HEALTHCARE NEEDS AS A NOT-FOR-PROFIT ORGANIZATION, WE TAKE SERIOUSLY OUR SOCIAL RESPONSIBILITY TO PROVIDE ACCESS TO SERVICES REGARDLESS OF ONE'S ABILITY TO PAY GRITMAN'S COMMITMENT TO OUR COMMUNITY INCLUDES GIVING BACK IN OTHER WAYS, TOO WE OFFER FREE MAMMOGRAMS TO LOCAL WOMEN WHO ARE UNABLE TO COVER THE SCREENING ON THEIR OWN THROUGH THE BOSOM BUDDIES PROGRAM WE PROVIDE SERVICES TO HELP CANCER PATIENTS IMPROVE THEIR QUALITY OF LIFE THROUGH THE LIGHT A CANDLE PROGRAM WE OFFER FREE AND LOW COST THERAPY, FITNESS CLASSES, WELLNESS SCREENINGS, FREE BLOOD PRESSURE CLINICS AND SMOKING CESSATION CLASSES AS WELL AS SUPPORT GROUPS FOR CAREGIVERS GRITMAN ALSO HELPS PROVIDE SUPPORT TO LOCAL ORGANIZATIONS AND PROGRAMS WITHIN THE COMMUNITY THROUGH VOLUNTEER, IN-KIND AND FINANCIAL CONTRIBUTIONS

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) GRITMAN MEDICAL CENTER FOUNDATION INC 700 S MAIN STREET MOSCOW,ID 83843	20-0586022	501 (C) (3)	360,352				OPERATING EXPENSES

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
PART I, LINE 2	WHEN GRANT FUNDS ARE RECEIVED THEY ARE PLACED IN THEIR OWN FUND ACCOUNT AND TRACKED TO MAKE SURE THEY ARE SPENT IN ACCORDANCE WITH THE GRANT

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☐ Compensation committee	☑ Written employment contract		
	☐ Independent compensation consultant	☑ Compensation survey or study		
	☐ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in 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)KARA BESST CEO	(i)	231,068	10,403	0	0	59,615	301,086	0
	(ii)	0	0	0	0	0	0	0
(2)STEVEN REITZ CRNA	(i)	236,168	0	0	4,802	15,511	256,481	0
	(ii)	0	0	0	0	0	0	0
(3)MARIA BODE CRNA	(i)	237,332	0	0	9,604	8,539	255,475	0
	(ii)	0	0	0	0	0	0	0
(4)DEBORAH MAURO-BENDER CRNA	(i)	239,442	0	0	9,604	5,956	255,002	0
	(ii)	0	0	0	0	0	0	0
(5)KAMA WHITE PHYSICIAN	(i)	208,495	0	0	8,643	15,379	232,517	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Return Reference	Explanation
SCHEDULE J, PART II	KARA BESST, CEO, RECEIVED COMPENSATION OF $311,944 FROM AN UNRELATED ORGANZATION, QUORUM HEALTH RESOURCES RHONDA DUNCUN, FORMER INTERIM CNO, RECEIVED COMPENSATION OF $103,000 FROM AN UNRELATED ORGANIZATION, MEDICAL LEGAL RESOURCES

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	IDAHO HEALTH FACILITIES AUTHORITY	82-6051863	45129UAV6	06-01-2003	18,545,000	NEW HOSPITAL WING		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	3,310,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	18,904,302			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	281,940			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	17,384,432			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2003			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X						

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X							
b	Exception to rebate?		X						
c	No rebate due?		X						
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X						
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X						

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	
FORM 990, PART VI, SECTION B, LINE 12C	POTENTIAL CONFLICTS ARE REQUIRED TO BE DISCLOSED TO THE BOARD THROUGHOUT THE YEAR LEGAL C OUNSEL REVIEWS ALL POTENTIAL CONFLICTS OF INTEREST PRESENT AND THEN DETERMINES IF A CONFLI CT OF INTEREST IS PRESENT IT IS THE POLICY OF GRITMAN MEDICAL CENTER THAT ANY BOARD MEMBE R WITH AN UNDISCLOSED CONFLICT OF INTEREST MAY BE SUBJECT TO IMMEDIATE TERMINATION FROM SE RVICE ON THE BOARD
FORM 990, PART VI, SECTION B, LINE 15	THE ORGANIZATIONS CEO IS AN EMPLOYEE OF QUORUM HEALTH RESOURCES (QHR) AS SUCH, THEIR PAY R ATE IS DETERMINED BY QHR QHR PERFORMS A COMPENSATION SURVEY TO DETERMINE THE CEO'S COMPEN SATION, THE ORGANIZATION'S BOARD OF DIRECTORS REVIEWS ALL CONTRACTS WITH QHR TO DETERMINE REASONABLE SALARIES GRITMAN HAS FOUR OTHER SENIOR ADMINISTRATIVE STAFF, THE CHIEF FINANCI AL OFFICER (CFO), THE CHIEF NURSING OFFICER (CNO), THE CHIEF QUALITY OFFICER (CQO), AND TH E CHIEF INFORMATION OFFICER (CIO) EACH YEAR PRIOR TO THE ANNUAL PAY INCREASE THEIR POSITIO NS ARE REVIEWED BY THE HUMAN RESOURCES DIRECTOR THEIR SALARY GRADE MINIMUM AND MAXIMUM RAT ES AND THEIR ACTUAL PAID RATES ARE COMPARED TO STATE AND REGIONAL SALARY SURVEY DATA TO DE TERMINE THEIR RELATIONSHIP TO OUR EXTERNAL MARKET IN ADDITION TO THE EXTERNAL COMPARISON, WE ENSURE WE HAVE INTERNAL EQUITY BASED ON THEIR SALARY GRADE LEVEL, YEARS OF EXPERIENCE A ND HOW THEIR RESPONSIBILITIES COMPARE TO THOSE IN OTHER POSITIONS ALL PAY INCREASES ARE R EVIEWED AND APPROVED BY THE CEO THE PAY INCREASES ARE THEN INCORPORATED INTO THE ANNUAL BU DGET WHICH IS APPROVED BY THE BOARD OF DIRECTORS SALARY DECISIONS ARE MADE BY THOSE WITHO UT CONFLICT AND THE DECISIONS ARE DOCUMENTED THE PAY INCREASE ARE NOT APPROVED UNTIL THE A NNUAL BUDGET IS APPROVED BY THE BOARD
FORM 990, PART VI, SECTION C, LINE 19	FINANCIAL INFORMATION IS MADE AVAILABLE AT GRITMAN'S ANNUAL BOARD MEETING IN MAY OF EACH YEAR, WHICH IS OPEN TO THE PUBLIC
FORM 990, PART XII, LINE 2C	REQUESTS FOR PROPOSALS ARE SENT OUT TO MULTIPLE AUDITING FIRMS EVERY 3 YEARS THE CEO, CFO , AND BOARD MEMBERS LOOK OVER THE PROPOSALS AND CHOOSE THE APPROPRIATE ACCOUNTING FIRM TO CONDUCT THE AUDIT THIS PROCESS HAS NOT CHANGED

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493310019404

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
GRITMAN MEDICAL CENTER

Employer identification number
82-0146328

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
(1) GRITMAN MEDICAL PARK LLC 700 S WASHINGTON MOSCOW, ID 83843	REAL ESTATE RENTALS	ID	-36,804	7,679,613	GRITMAN MEDICAL CENTER

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) GRITMAN MEDICAL CENTER FOUNDATION 700 S MAIN STREET MOSCOW, ID 83843 20-0586022	HOSPITAL SUPPORT	ID	501(C)(3)	7	GRITMAN MEDICAL CENTER	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) PALOUSE SURGERY CENTER LLC 2300 WEST A STREET MOSCOW, ID 83843 81-0593962	OUTPATIENT SURGERY CENTER	ID	GRITMAN MEDICAL CENTER	RELATED	84,404	438,929		No			No	61 700 %
(2) PALOUSE HEALTH PROPERTIESLLC 2300 WEST A STREET MOSCOW, ID 83843 81-0593963	PROPERTY MANAGEMENT	ID	GRITMAN MEDICAL CENTER	RELATED	89,630	479,751		No			No	60 850 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

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

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

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
(1) GRITMAN MEDICAL CENTER FOUNDATION	B	360,352	ACTUAL
(2) PALOUSE SURGERY CENTER LLC	S	84,404	ACTUAL
(3) PALOUSE HEALTH PROPERTIES LLC	S	89,630	ACTUAL

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation

Gritman Medical Center, Inc. and Subsidiaries

Moscow, Idaho

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2013 and 2012

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2013 and 2012

Table of Contents

WIPFLi LLP

Independent Auditor's Report

Board of Directors
Gritman Medical Center, Inc.
Moscow, Idaho

We have audited the accompanying consolidated financial statements of Gritman Medical Center, Inc. and Subsidiaries which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated 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, 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.

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 auditor considers 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Gritman Medical Center, Inc. and Subsidiaries, at December 31, 2013 and 2012, and the results of their operations, changes in their net assets, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Wipfli LLP

Wipfli LLP

May 27, 2014
Spokane, Washington

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2013 and 2012

Assets	2013	2012
Current assets		
Cash and cash equivalents	$ 4,887,839	$ 5,779,221
Accounts receivable - Net	8,454,853	8,255,736
Other receivables	384,838	368,962
Inventories	1,645,918	1,301,543
Prepaid expenses	632,446	540,369
Total current assets	16,005,894	16,245,831
Assets limited as to use		
Internally designated for capital acquisition	17,093,727	16,986,246
Internally designated for Friends of Hospice of the Palouse	1,316,707	1,241,880
Held by trustee - Bond reserve	1,231,728	1,233,182
Total assets limited as to use	19,642,162	19,461,308
Property and equipment - Net	41,637,326	41,114,333
Other assets		
Deferred financing costs	484,077	509,320
Investment in joint ventures	312,868	346,566
Total other assets	796,945	855,886
TOTAL ASSETS	$ 78,082,327	$ 77,677,358

Liabilities and Net Assets	2013	2012
Current liabilities		
Current maturities of long-term debt	$ 2,780,716	$ 1,439,749
Current maturities of capital lease payable	187,921	144,107
Line of credit	2,728,000	3,428,000
Accounts payable	1,722,841	3,388,849
Accrued expenses	2,967,983	2,943,427
Amounts payable to third-party reimbursement programs	1,289,397	872,082
Deferred revenue	500,842	-
Total current liabilities	12,177,700	12,216,214
Long term liabilities		
Long-term debt - Less current maturities	17,323,206	20,172,624
Capital lease payable - Less current maturities	322,541	302,848
Deferred revenue	1,001,684	-
Total long-term liabilities	18,647,431	20,475,472
Total liabilities	30,825,131	32,691,686
Gritman Medical Center, Inc. net assets		
Unrestricted	46,218,020	44,177,716
Temporarily restricted	347,124	276,540
Permanently restricted	104,719	104,719
Total net assets of Gritman Medical Center, Inc.	46,669,863	44,558,975
Noncontrolling interests in subsidiaries	587,333	426,697
Total net assets	47,257,196	44,985,672
TOTAL LIABILITIES AND NET ASSETS	$ 78,082,327	$ 77,677,358

See accompanying notes to consolidated financial statements.

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Statements of Operations

Years Ended December 31, 2013 and 2012

	2013	2012
Revenue		
Patient service revenue - Net of contractual adjustments and discounts	$ 49,058,870	$ 48,174,101
Provision for bad debts	(3,897,757)	(2,900,969)
Net patient service revenue	45,161,113	45,273,132
Other revenue	2,586,140	1,795,572
Net assets released from restrictions used for operations	211,965	123,201
Total revenue	47,959,218	47,191,905
Expenses		
Salaries and wages	20,268,104	20,492,034
Employee benefits	5,169,087	5,272,945
Professional fees	2,067,404	2,130,500
Supplies and other	6,244,275	6,177,376
Other fees	2,545,860	2,187,066
Repairs and maintenance	2,234,509	1,900,655
Insurance	619,964	684,751
Utilities	929,275	826,364
Leases and rentals	220,167	426,388
Other	1,468,209	1,157,307
Depreciation and amortization	3,676,620	3,577,360
Interest	1,068,666	1,113,096
Total expenses	46,512,140	45,945,842
Income from operations	1,447,078	1,246,063
Other income (expense)		
Investment income	554,421	757,101
Contributions	170,473	151,587
Rental income	169,239	168,873
Depreciation expense	(112,358)	(117,497)
Net loss in joint ventures	(479,798)	(432,668)
Gain on sale of assets and investments	209,620	63,964
Other expense - Net	(132,310)	(181,143)
Total other income (expense)	379,287	410,217
Excess of revenue over expenses	1,826,365	1,656,280
Net change in unrealized gains on investments	311,879	951,424
Noncontrolling interest in earnings of subsidiaries	(97,940)	(78,547)
Increase in unrestricted net assets	$ 2,040,304	$ 2,529,157

See accompanying notes to consolidated financial statements.

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Statements of Changes in Net Assets

Years Ended December 31, 2013 and 2012

	2013	2012
Unrestricted net assets		
Excess of revenue over expenses	$ 1,826,365	$ 1,656,280
Net change in unrealized gains on investments	311,879	951,424
Noncontrolling interest in earnings of subsidiaries	(97,940)	(78,547)
Increase in unrestricted net assets	2,040,304	2,529,157
Temporarily restricted net assets.		
Contributions - Net	282,549	218,544
Net assets released from restrictions used in operations	(211,965)	(123,201)
Increase in temporarily restricted net assets	70,584	95,343
Increase in net assets	2,110,888	2,624,500
Net assets - Beginning of year	44,558,975	41,934,475
Total net assets of Gritman Medical Center, Inc - End of year	$ 46,669,863	$ 44,558,975

See accompanying notes to consolidated financial statements.

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

Years Ended December 31, 2013 and 2012

	2013	2012
Increase (decrease) in cash and cash equivalents		
Cash flows from operating activities.		
Increase in net assets	$ 2,110,888	$ 2,624,500
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	3,788,978	3,694,857
Provision for bad debt	3,897,757	2,900,969
Interest Income	(73,373)	(955,344)
Gain (loss) on disposal of property	137,954	109,665
Changes in operating assets and liabilities		
Patient accounts receivable - Net	(4,096,874)	(3,054,093)
Other accounts receivable	(15,876)	302,267
Inventories	(344,375)	255,222
Prepaid expenses	(92,077)	(153,657)
Amounts receivable from third-party reimbursement programs	-	1,167,586
Accounts payable	(1,666,008)	1,210,042
Accrued expenses	24,556	6,469
Amounts payable to third-party reimbursement programs	417,315	(369,468)
Deferred revenue	1,502,526	-
Total adjustments	3,480,503	5,114,515
Net cash provided by operating activities	5,591,391	7,739,015
Cash flows from investing activities.		
Purchase of property	(4,217,068)	(3,470,614)
Purchase of investments	(107,481)	(1,602,923)
Sale and maturity of investments	-	892,999
Minority earnings in subsidiaries	160,636	(93,127)
Payments for purchase of investments in joint ventures	33,698	(143,699)
Net cash used in investing activities	$ (4,130,215)	$ (4,417,364)

Gritman Medical Center, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

Years Ended December 31, 2013 and 2012

	2013	2012
Cash flows from financing activities		
Proceeds from issuance of long-term debt	$ -	$ 1,409,313
Principal payments on long-term debt and capital lease obligations	(1,652,558)	(2,159,773)
Net change in line of credit	(700,000)	1,127,771
Net cash provided by (used in) financing activities	(2,352,558)	377,311
Net increase in cash and cash equivalents	(891,382)	3,698,962
Cash and cash equivalents - Beginning of year	5,779,221	2,080,259
Cash and cash equivalents - End of year	$ 4,887,839	$ 5,779,221
Supplemental disclosure of cash flow information:		
Cash paid for interest related to operations	$ 1,068,666	$ 1,113,096
Noncash investing and financing activities:		
Equipment acquired under capital lease obligations	$ 207,614	$ -

See accompanying notes to consolidated financial statements.

Gritman Medical Center, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1 Summary of Significant Accounting Policies

The Entity

Gritman Medical Center, Inc., primarily earns revenue by providing inpatient, outpatient, and emergency care services to patients in Moscow, Idaho, and the surrounding area. Gritman Medical Center, Inc.'s subsidiaries are Palouse Surgery Center, LLC (the "Surgery Center"), Palouse Health Properties, LLC (the "Health Properties"), Gritman Medical Center Foundation Inc. (the "Foundation") and Gritman Medical Park, LLC (the "Medical Park"). The Surgery Center is a joint venture between the Medical Center and a group of local physicians that began operations in May 2004. The Health Properties is a joint venture created to hold real estate that it leases to the Surgery Center. The Health Properties also began operations in May 2004. The Medical Center holds a 60% ownership interest in the Surgery Center and the Health Properties. The Foundation is an affiliate established to provide fundraising assistance to the Medical Center. The Medical Park was created to hold office space which is rented to healthcare providers and other public and private entities. The Medical Park began operation in 2007.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Gritman Medical Center Inc., the Surgery Center, the Health Properties, the Foundation, and the Medical Park (collectively the "Medical Center"). All material intercompany accounts and transactions have been eliminated in the consolidated financial statements.

Financial Statement Presentation

The Medical Center follows accounting standards set by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The ASC is the single source of authoritative accounting principles generally accepted in the United States (GAAP) to be applied to nongovernmental entities in the preparation of financial statements in conformity with GAAP.

Use of Estimates in Preparation of Consolidated Financial Statements

The preparation of the accompanying consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Note 1 Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Medical Center considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents excluding amounts whose use is limited or restricted.

Accounts Receivable and Credit Policy

Patient accounts receivable are uncollateralized patient obligations that are stated at the amount management expects to collect from outstanding balances. These obligations are primarily from local residents, most of whom are insured under third-party payor agreements. The Medical Center bills third-party payors on the patients' behalf, or if a patient is uninsured, the patient is billed directly. Once claims are settled with the primary payor, any secondary insurance is billed, and patients are billed for co-pay and deductible amounts that are the patients' responsibility. Payments on patient accounts receivable are applied to the specific claim identified on the remittance advice or statement. The Medical Center does not have a policy to charge interest on past due accounts.

Patient accounts receivable are recorded in the accompanying balance sheets net of contractual adjustments and allowances for doubtful accounts which reflect management's best estimate of the amounts that won't be collected. Management provides for contractual adjustments under terms of third-party reimbursement agreements through a reduction of gross revenue and a credit to patient accounts receivable. In addition, management provides for probable uncollectible amounts, primarily uninsured patients and amounts patients are personally responsible for, through a reduction of gross revenue and a credit to a valuation allowance.

In evaluating the collectibility of patient accounts receivable, the Medical Center analyzes past results 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. Specifically, for receivables associated with services provided to patients who have third-party coverage, the Medical Center analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts 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.

Note 1 Summary of Significant Accounting Policies (Continued)

Accounts Receivable and Credit Policy (Continued)

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 Medical Center 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.

Inventories

Inventories of supplies are valued at the lower of cost, determined on the first-in, first-out method, or market.

Investments, Assets Limited as to Use, and Interest Income

Assets limited as to use include assets designated by the Board of Directors for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes, investments held for restricted purposes, and assets set aside by the Foundation for future projects.

Interest income is reported as other income and is included in excess of revenue over expenses unless the income is restricted by donor or law. Unrealized gains and losses are excluded from the excess of revenue over expenses unless the investments are trading securities. Realized gains or losses are determined by specific identification.

The Medical Center monitors the difference between the cost and fair value of its investments. A decline in market value of an individual investment security below cost that is deemed to be other-than-temporary results in an impairment, and the Medical Center reduces the investment's carrying value to fair value. A new cost basis is established for the investment, and any impairment loss is recorded as a realized loss on investment income.

Note 1 Summary of Significant Accounting Policies (Continued)

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP provides a 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). Assets or liabilities measured and reported at fair value are classified and disclosed in one of the three following categories

Level 1 Inputs to the valuation methodology are unadjusted quoted priced for identical assets or liabilities in active markets that the Medical Center has the ability to access.

Level 2 Inputs to the valuation methodology include.

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs, other than quoted prices, that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See Note 7 for further disclosures regarding fair value measurements of financial instruments.

Note 1 Summary of Significant Accounting Policies (Continued)

Property, Equipment, and Depreciation

Property and equipment acquisitions are recorded at cost or, if donated, at fair value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the consolidated financial statements. Estimated useful lives range from five to forty years for buildings and improvements and from three to twenty years for equipment.

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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

Asset Impairment

The Medical Center reviews its property, equipment, and intangible assets periodically to determine potential impairment by comparing the carrying value of property, equipment, and intangible assets with the estimated future net discounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future net cash flows be less than the carrying value, the Medical Center would recognize an impairment loss at that time. No asset impairments were recognized in 2013 and 2012.

Unamortized Bond Issue Costs

Unamortized bond issue costs related to issuance of long-term debt are being amortized over the life of the related debt using the straight-line method.

Note 1 Summary of Significant Accounting Policies (Continued)

Investment in Joint Ventures

The investment in joint ventures is accounted for using the equity method.

Self-Funded Insurance

The Medical Center self-funds health benefits for eligible employees and their dependents. Health insurance expense is recorded on an accrual basis. An accrued liability, which estimates the incurred but not yet reported claims, is recorded in the accompanying balance sheets. The Medical Center has stop-loss insurance to cover catastrophic claims.

Deferred Revenue

Deferred revenue consists of incentive payments the Medical Center received from the Medicare program for having demonstrated meaningful use of electronic health records (EHR) technology. Amounts expected to be recognized into revenue within one year have been reclassified to current liabilities in the accompanying balance sheets.

Net Assets

Unrestricted net assets consist of investments and otherwise unrestricted amounts that are available for use in carrying out the mission of the Medical Center and include those expendable resources that have been designated for special use by the Medical Center's Board of Directors. Temporarily restricted net assets are those whose use by the Medical Center has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Medical Center in perpetuity.

Patient Service Revenue

The Medical Center recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. Certain third-party payor reimbursement agreements are subject to audit and retrospective adjustments. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Note 1 Summary of Significant Accounting Policies (Continued)

Patient Service Revenue (Continued)

For uninsured patients that do not qualify for charity care, the Medical Center 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 Medical Center's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Medical Center records a significant provision for bad debts related to uninsured patients in the period the services are provided.

Electronic Health Record Incentive Funding

The American Recovery and Reinvestment Act of 2009 (ARRA) provides for incentive payments under the Medicare and Medicaid programs for certain hospitals and physician practices that demonstrate meaningful use of certified electronic health record (EHR) technology. These provisions of ARRA, collectively referred to as the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), are intended to promote the adoption and meaningful use of health information technology and qualified EHR technology.

The Medical Center recognizes revenue for EHR incentive payments when there is reasonable assurance that the Medical Center will meet the conditions of the program, primarily demonstrating meaningful use of certified EHR technology for the applicable period. The demonstration of meaningful use is based on meeting a series of objectives. Meeting the series of objectives in order to demonstrate meaningful use becomes progressively more stringent as its implementation is phased in through stages as outlined by the Centers for Medicare and Medicaid Services (CMS).

Amounts recognized under the Medicare and Medicaid EHR incentive programs are based on management's best estimates, which are based in part on cost report data that is subject to audit by fiscal intermediaries, accordingly, amounts recognized are subject to change. In addition, the Medical Center's attestation of its compliance with the meaningful use criteria is subject to audit by the federal government or its designee.

The Medical Center incurs both capital expenditures and operating expenses in connection with the implementation of its EHR initiative. The amount and timing of these expenditures does not directly correlate with the timing of the Medical Center's receipt or recognition of the EHR incentive payments.

Note 1 Summary of Significant Accounting Policies (Continued)

Electronic Health Record Incentive Funding (Continued)

The Medical Center has deferred the payment received under the Medicare EHR program. The deferred revenue is being amortized and recognized as revenue over four years, which is the period the software would have been depreciated and cost reimbursed through the cost report.

Charity Care

The Medical Center provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The Medical Center maintains records to identify the amount of charges foregone for services and supplies furnished under the charity care policy. Because the Medical Center does not pursue collection of amounts determined to qualify as charity care, they are not included as net patient service revenue.

Advertising Costs

The Medical Center charges advertising costs to operations as incurred. Advertising expense was $453,470 and $417,235 for 2013 and 2012, respectively.

Contributions

Contributions are considered available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give cash and other assets to the Medical Center are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received.

Contributions are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

Note 1 Summary of Significant Accounting Policies (Continued)

Excess of Revenue Over Expenses

The consolidated statements of operations include the classification excess of revenue over expenses, which is considered the operating indicator. Changes in net assets, which are excluded from excess of revenue over expenses, include net change in unrealized gains and losses, net transfers between related parties, dividends paid, and noncontrolling interest in earnings of subsidiaries.

Income Taxes

Gritman Medical Center, Inc. and the Foundation are nonprofit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and are exempt from federal taxes on related income pursuant to Section 501(a) of the Code. The Medical Center and Foundation are also exempt from state taxes on related income.

In order to account for any uncertain tax positions, the Medical Center and Foundation determine whether it is more likely than not that a tax position will be sustained upon examination of the technical merits of the position, assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of the tax position is not recognized in the financial statements.

The Medical Center is also engaged, to a limited extent, in activities which the Internal Revenue Service (IRS) considers unrelated to the Medical Center's exempt purpose, and therefore, taxable. These activities, however, have resulted in net operating losses for income tax purposes. The Medical Center does not presently anticipate that a tax benefit from these net operating losses will be realized in the future. Accordingly, any potential deferred tax asset resulting from the availability of net operating loss carry-forward is offset by a valuation allowance of equal amount. No deferred tax assets and liabilities have been recognized since no other differences exist between the financial and tax basis of reporting the Medical Center's assets and liabilities.

The Medical Center recorded no assets or liabilities for uncertain tax positions. Federal returns for the tax years 2010 and beyond remain subject to examination by the IRS.

Note 1 Summary of Significant Accounting Policies (Continued)

Subsequent Event

Subsequent events have been evaluated through May 27, 2014, which is the date the financial statements are available to be issued.

Note 2 Reimbursement Arrangements With Third-Party Payers

The Medical Center has agreements with third-party payers that provide for reimbursement to the Medical Center at amounts that vary from its established rates. A summary of the basis of reimbursement with major third-party payers follows.

Medicare and Medicaid - Gritman Medical Center, Inc. is designated a Critical Access Hospital. As such, all inpatient, and outpatient hospital services are paid based on a cost reimbursement method, with the exception of certain types of laboratory and therapy services which are reimbursed on a prospectively determined fee schedule. Professional services provided by physicians and other clinicians continue to be reimbursed on prospectively determined fee schedules. Substantially all services rendered to Medicare and Medicaid program beneficiaries by the Surgery Center are reimbursed on the basis of prospectively determined rates per procedure.

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

Accounting for Medicare and Medicaid Contractual Arrangements - The Medical Center is reimbursed for cost-reimbursable items at interim rates with final settlements determined after audit of the related annual cost reports by the respective Medicare and Medicaid fiscal intermediaries. Estimated provisions to approximate the final expected settlements after review by the intermediaries are included in the accompanying consolidated financial statements. The Medical Center's cost reports have been audited by the Medicare fiscal intermediaries through December 31, 2011. The Medical Center's Medicaid cost reports have been audited through December 31, 2010.

Note 2 Reimbursement Arrangements With Third-Party Payers (Continued)

Electronic Health Record Incentive Funding

For the year ended December 31, 2013, the Medical Center amortized $521,375 of deferred revenue from the Medicare EHR incentive program. This amount is included in other operating revenue in the accompanying consolidated statement of operations. As of December 31, 2013, deferred revenue from the Medicare EHR incentive payments totaled $1,502,526.

Compliance

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and billing regulations. Government activity with respect to investigations and allegations concerning possible violations of such regulations by health care providers has increased. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayment for patient services previously billed. Management believes that the Medical Center is in compliance with applicable government laws and regulations. While no significant regulatory inquiries have been made of the Medical Center, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

CMS uses recovery audit contractors (RACs) to search for potentially inaccurate Medicare payments that might have been made to health care providers and were not detected through existing CMS program-integrity efforts. Once the RAC identifies a claim it believes is inaccurate, the RAC makes a deduction from or addition to the provider's Medicare reimbursement in an amount estimated to equal the overpayment or underpayment. A RAC review of the Medical Center's Medicare claims is anticipated, however, the outcome of such a review is unknown, and any financial impact cannot be reasonably estimated at December 31, 2013.

Note 3 Accounts Receivable - Net

Accounts receivable - net consisted of the following at December 31

	2013	2012
Accounts receivable	$ 13,337,619	$ 14,558,172
Less		
Allowance for contractual adjustments	3,065,811	5,728,323
Allowance for doubtful accounts	1,816,955	574,113
Accounts receivable - Net	$ 8,454,853	$ 8,255,736

The Medical Center's allowance for doubtful accounts for self-pay patients increased from 38% of self-pay accounts receivable at December 31, 2012, to 46% of self-pay accounts receivable at December 31, 2013. In addition, the Medical Center's self-pay write-offs increased $427,000 from $2,901,000 for fiscal year 2012 to $3,328,000 for fiscal year 2013. The Medical Center has not changed its charity care or uninsured discount policies during fiscal years 2012 or 2013. The Medical Center does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

Note 4 Net Patient Service Revenue

The following table sets forth the detail of patient service revenue (net of contractual allowances and discounts) prior to the provision for bad debts for the years ended December 31

	2013	2012
Gross patient service revenue		
Inpatient services	$ 28,933,911	$ 30,311,034
Outpatient services	49,888,479	47,158,472
Gross patient service revenue	78,822,390	77,469,506
Contractual adjustments		
Medicare	14,321,333	11,471,795
Medicaid	3,856,902	4,037,296
Other	11,585,285	13,786,314
Patient service revenue - Net of contractual adjustments and discounts	$ 49,058,870	$ 48,174,101

Patient service revenue, net of contractual allowances and discounts (before the provision for bad debts), recognized in the period from these major payor sources, was as follows for the years ended December 31

	2013	2012
Third party payors	$ 44,781,678	$ 43,340,223
Self-pay	4,277,192	4,833,878
Total all payors	$ 49,058,870	$ 48,174,101

Approximately 36% in 2013 and 34% in 2012 of the Medical Center's gross patient service revenue was for services provided to Medicare and Medicare Advantage Plan Program beneficiaries.

Approximately 9% in 2013 and 10% in 2012 of the Medical Center's gross patient service revenue was for services provided to Medicaid and Medicaid HMO Program beneficiaries.

Note 5 Charity Care

The Medical Center provides health care services and other financial support through various programs that are designed, among other matters, to enhance the health of the community including the health of low-income patients. Consistent with the mission of the Medical Center, care is provided to patients regardless of their ability to pay, including providing services to those persons who cannot afford health insurance because of inadequate resources or are underinsured. Health care services to patients under government programs, such as Medicaid, are also considered part of the Medical Center's benefit provided to the community since a substantial portion of such services are reimbursed at amounts less than the costs of providing care.

Patients who meet certain criteria for charity care, generally based on federal poverty guidelines, are provided care based on qualifying criteria as defined in the Medical Center's charity care policy and from applications completed by patients and their families.

Benefits for the community also include unpaid costs of health screenings, community education through seminars and classes, and other health-related services.

The estimated cost of providing care to patients under the Medical Center's charity care policy was approximately $905,000 and $950,000 in 2013 and 2012, respectively, calculated by multiplying the ratio of cost to gross charges for the Hospital times the gross uncompensated charges associated with providing charity care.

Note 6 Investments, Assets Limited as to Use, and Investment Income

Assets Limited as to Use

Assets limited as to use consisted of the following at December 31

	2013	2012
Internally designated		
Certificates of deposit	$ 539,304	$ 1,679,985
Mutual funds	5,984,741	4,379,428
Fixed income securities	11,885,650	12,167,531
Interest receivable	739	1,182
Total internally designated	18,410,434	18,228,126
Held by trustee - Bond reserve		
Certificates of deposit	1,231,728	1,233,182
Total assets limited as to use	$ 19,642,162	$ 19,461,308

Note 6 Investments, Assets Limited as to Use, and Investment Income (Continued)

Investment Income

Investment income, including charges in unrealized gains and losses, consisted of the following at December 31

	2013	2012
Nonoperating investment income	$ 554,421	$ 757,101
Change in unrealized gains and losses on investments other than trading securities	311,879	951,424
Total investment income	$ 866,300	$ 1,708,525

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Management assesses individual investment securities as to whether declines in market value are other-than-temporary and result in impairment. For equity securities, the Medical Center considers whether they have the ability and intent to hold the investment until a market price recovery. Evidence considered in this includes the reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end, the issuer's financial condition, and the general market condition in the geographic area or industry in which the investee operates. For debt securities, if the Medical Center has made a decision to sell the security, or if it is more likely than not the Medical Center will sell the security before the recovery of the security's cost basis, an other-than-temporary impairment is considered to have occurred. If the Medical Center has not made a decision or does not have the intent to sell the debt security, but the debt security is not expected to recover its value due to a credit loss, an other-than temporary impairment is considered to have occurred.

Because the Medical Center has the intent and the ability to hold investment securities until a market price recovery or maturity, investment securities at December 31, 2013 and 2012 are not considered other-than-temporarily impaired. No impairment losses were recognized by the Medical Center during 2013 and 2012.

Note 7 Fair Value of Financial Instruments

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds are valued at quoted market prices, which represent the net asset value (NAV) of shares held by the Medical Center at year-end.

Fixed income securities are valued at cost, which approximates fair value.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, while the Medical Center believes its valuation methods are appropriate and consistent with 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 tables set forth by level, within the fair value hierarchy, the Medical Center's assets at fair value at December 31

2013

	Fair Value Measurements Using			Total Assets at
	Level 1	Level 2	Level 3	Fair Value
Assets				
Equity mutual funds	$ 5,984,741	$ -	$ -	$ 5,984,741
Fixed income securities	11,885,650	-	-	11,885,650
Total assets	$17,870,391	$ -	$ -	$ 17,870,391

2012

	Fair Value Measurements Using			Total Assets at
	Level 1	Level 2	Level 3	Fair Value
Assets				
Equity mutual funds	$ 4,379,428	$ -	$ -	$ 4,379,428
Fixed income securities	12,167,531	-	-	12,167,531
Total assets	$16,546,959	$ -	$ -	$ 16,546,959

The carrying value of current assets and current liabilities are reasonable estimates of their fair value due to the short-term nature of these financial instruments.

Note 8 Property and Equipment

Property and equipment consisted of the following at December 31

	2013	2012
Used in health care services		
Land and land improvements	$ 5,031,478	$ 4,954,471
Buildings and building improvements	35,192,155	34,081,615
Equipment	30,539,408	27,787,872
Total used in health care services	70,763,041	66,823,958
Not used in health care services		
Land and land improvements	2,779,212	2,409,212
Buildings and building improvements	8,933,336	7,010,681
Equipment	13,492	13,492
Total not used in health care services	11,726,040	9,433,385
Total property and equipment	82,489,081	76,257,343
Less - Accumulated depreciation	41,306,760	37,584,840
Net depreciated value	41,182,321	38,672,503
Construction in progress	455,005	2,441,830
Property and equipment - Net	$ 41,637,326	$ 41,114,333

Depreciation expense for property and equipment used in operating and nonoperating activities consisted of the following at December 31

	2013	2012
Used in health care services	$ 3,652,893	$ 3,553,633
Not used in health care services	112,358	117,497
Total depreciation expense	$ 3,765,251	$ 3,671,130

Construction in progress at December 31, 2013, represents costs to complete system equipment upgrades and remodel projects around the hospital. Estimated costs to complete construction in progress at December 31, 2013, are approximately $220,000.

Note 9 Investment in Joint Ventures

The Medical Center entered into a joint venture, Palouse Surgeons, LLC, with locum tenens surgeons to help recruit and bring additional surgeons into the area. In 2008, the Medical Center had an initial good faith investment in Palouse Surgeons, LLC of $60,000, which represents a 40% ownership in the joint venture. In 2012, the Medical Center altered its investment in Palouse Surgeons, LLC to include 50% ownership in a specific department of Palouse Surgeons, LLC, Gastroenterology. The Medical Center entered into a joint venture, Inland Northwest Renal Care Group, LLC (INWRCG), to provide dialysis opportunities to the local community. The Medical Center had an initial good faith investment in INWRCG of $75,000 which represents a 30% ownership in the joint venture.

The operating results of these investments are reported in the consolidated statements of operations and changes in net assets in other operating revenue. The Medical Center accounts for these investments under the equity method. Detail by investment as of and for the years ended December 31 follows.

	2013			2012		
	Investments	Gain (Loss) on Equity Investments	Contribution	Investments	Gain (Loss) on Equity Investments	Contribution
Palouse Surgeons	$ 168,690	$ (535,927)	$ 506,100	$ 198,517	$ (444,994)	$ 576,367
INWRCG	144,178	56,129	-	148,049	12,326	-
Totals	$ 312,868	$ (479,798)	$ 506,100	$ 346,566	$ (432,668)	$ 576,367

Each joint venture has rent expense related to property rented from the Medical Center. Related party rent for the years ended December 31 follows

	2013	2012
Palouse Surgeons	$ 38,517	$ 55,130
INWRCG	126,225	114,693
Total rent expense	$ 164,742	$ 169,823

Note 9 Investment in Joint Ventures (Continued)

The following is a summary of the financial position of Palouse Surgeons and INWRCG as of December 31.

	2013	2012
Assets	$ 1,114,395	$ 1,283,594
Liabilities	$ 256,292	$ 308,040
Equity	$ 858,103	$ 975,554

Note 10 Medical Malpractice Claims

The Medical Center obtains its medical malpractice insurance through Yellowstone Insurance Exchange ("Yellowstone"), a reciprocal risk retention group formed in the State of Vermont, pursuant to the federal Liability Risk Retention Act of 1986. Yellowstone provides liability insurance coverage to hospitals in Idaho, Montana, North Dakota, Wyoming, and neighboring states that meet Yellowstone's underwriting standards. Yellowstone provides primary, broad form professional liability insurance coverage with limits of $1,000,000 per claim and $3,000,000 in the aggregate. Yellowstone provides coverage on a claims-made basis. Under a claims-made policy, Yellowstone provides coverage only for claims reported to Yellowstone during the policy period and related to medical incidents which occurred after the inception date stated in the policy. Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with the Medical Center. Although there exists the possibility of claims arising from services provided to patient through December 31, 2013, which have not been asserted, the Medical Center is unable to determine the ultimate cost, if any, of such possible claims, and accordingly, no provision has been made for them.

The Medical Center pays an annual premium to Yellowstone for its torts insurance coverage. Yellowstone's governing agreement specifies that Yellowstone will be self-sustaining through member premiums and will reinsure through commercial carriers from claims in excess of stop-loss amounts. GAAP requires a health care provider to accrue the expense of its share of malpractice claim costs, if any, during the year by estimating the probable ultimate costs of the incidents. The Medical Center has accrued $100,000, the annual deductible, as estimated expenses due to malpractice claims. It is reasonably possible that this estimate could change in the near term.

Note 11 Long-Term Debt

Long-term debt consisted of the following at December 31:

	2013	2012
Series 2003 Revenue bonds (A)	$ 15,235,000	$ 15,695,000
Note payable (B)	446,846	500,626
Note payable (C)	411,490	604,740
Note payable (D)	378,333	433,659
Note payable (E)	77,798	205,707
Note payable (F)	131,944	214,175
Note payable (G)	1,520,796	1,688,108
Note payable (H)	846,722	894,623
Note payable (I)	-	64,184
Note payable (J)	-	36,551
Note payable (K)	1,054,993	1,275,000
Totals	20,103,922	21,612,373
Less - Current maturities	2,780,716	1,439,749
Long-term portion	$ 17,323,206	$ 20,172,624

(A) Health Facilities Revenue bonds in the original amount of $18,545,000 dated June 1, 2003, which bear interest at 2.90% to 5.20%. The bonds are payable in annual installments ranging from $1,225,000 to $1,228,300 June 1, 2008, through June 1, 2033 secured by gross revenue of the Medical Center.

(B) Note payable is a construction note for use in the construction of a Medical Office Building (MOB I). The total note is $650,942. The note payable is due in monthly installments of $1,633 including interest through February 2019. The note bears interest of 5.63% adjusting to five-year fixed rate of the Federal Home Loan Bank plus 1.5% and is secured by the MOB I building.

(C) Note payable due in annual installments of $218,952 including interest through December 2015. The note bears interest at 4.25% and is secured by certain equipment of the Medical Center and physical therapy revenue.

(D) Note payable due in monthly installments of $6,602 including interest through July 2019. The note bears interest at 5.77% and is secured by certain equipment of the Medical Center.

Note 11 Long-Term Debt (Continued)

(E) Note payable due in monthly installments of $11,405 including interest through July 2014. The note bears interest at 5.98% and is secured by certain equipment of the Medical Center.

(F) Note payable due in monthly installments of $7,647 including interest through July 2015. The note bears interest at 5.39% and is secured by certain equipment of the Medical Center.

(G) Note payable due in monthly installments of $19,390 including interest at a rate of 2.20% plus that rate at which Lender would be able to borrow funds of comparable amounts in the Money Markets for a three-year period for a final rate of 4%, with a final balloon payment on September 1, 2014. The note is secured by a deed of trust on Health Properties building. Management intends to pay the balloon payment with additional debt.

(H) Note payable due in monthly installments of $7,310 including interest through August 2021 with remaining balance due as a balloon payment in September 2021. The note bears interest at 4.5% and is secured by certain property of the Medical Center.

(I) Note payable due in annual installments of $21,395 including interest at 3.25%, paid off in 2013.

(J) Note payable due in annual installments of $12,183 including interest at 3.25%, paid off in 2013.

(K) Note payable due in monthly installments of $22,844 including interest through January 2018. The note bears interest at 2.79% and is secured by MRI equipment of the Medical Center.

Note 11 Long-Term Debt (Continued)

Under the Loan Agreement for the Series 2003 Revenue bonds, the Medical Center is required to maintain certain funds with the Trustee, meet certain requirements before the issuance of additional debt and maintain certain financial ratios, including historical debt service coverage of 1.25 to 1, at least 60 days cash on hand and no more than 80 days net revenue in accounts receivable. At December 31, 2013, management believes that the Medical Center is in compliance with all such measures of financial performance.

Scheduled future payments of principal on long-term debts at December 31, 2013, are as follows

2014	$ 2,780,716
2015	1,185,203
2016	966,741
2017	1,025,381
2018	205,719
Thereafter	13,940,162
Total	$ 20,103,922

Note 12 Capital Lease Obligations

The Center uses certain equipment under lease agreements classified as capital leases. Capital lease obligations consisted of the following at December 31.

	2013	2012
Capital lease obligation, with imputed interest at 3.297% and secured by communications equipment, due in monthly installments $13,057 through December 2015	$ 302,848	$ 446,955
Capital lease obligation, with imputed interest at 3.00% and secured by phacoemulsification equipment, due in monthly installments $1,464 through November 2018	86,664	-
Capital lease obligation, with imputed interest at 5.00% and secured by luxor microscope, due in monthly installments $1,792 through June 2018	56,908	-
Capital lease obligation, with imputed interest at 3.9% and secured by colonoscope equipment, due in monthly installments $1,195 through November 2018	64,042	-
Total	510,462	446,955
Less - Current maturities	187,921	144,107
Long-term portion	$ 322,541	$ 302,848

Note 12 Capital Lease Obligations (Continued)

Scheduled future payments at December 31, 2013, are as follows

2014	$	202,729
2015		202,729
2016		46,050
2017		46,050
2018		36,321
Total minimum lease payments		533,879
Less amount representing interest		23,417
Present value of net minimum lease payments		510,462
Less - Current portion		187,921
Long-term obligation under capital lease	$	322,541

Note 13 Line of Credit

The Medical Center has a bank line-of-credit agreement with Umpqua Bank that provides for maximum borrowing of $1,250,000 at 4.50% as of December 31, 2013 and 2012. The Medical Center also has a line-of-credit agreement with UBS Financial Services, Inc. that allows for maximum borrowing of $5,000,000 at the one month LIBOR + 1.5%. Amounts outstanding under line-of-credit agreements were $2,728,000 and $3,428,000 as of December 31, 2013 and 2012, respectively.

Note 14 Noncontrolling Interest in Subsidiaries

The Medical Center's subsidiaries include Palouse Surgery Center, LLC (the "Surgery Center") and Palouse Health Properties, LLC (the "Health Properties"). The Surgery Center is a joint venture between the Medical Center and a group of local physicians that began operations in May 2004. The Health Properties is a joint venture created to hold real estate that it leases to the Surgery Center. The Health Properties also began operations in May 2004. The Medical Centers originally had a 60% ownership interest in the Surgery Center and in the Health Properties. This percentage may vary based upon noncontrolling interests equity transactions.

The noncontrolling interest in subsidiaries in the balance sheets reflects the investments made by the noncontrolling owners in these consolidated subsidiaries, along with their proportional share of the gains and losses in these subsidiaries. Noncontrolling interest in gains and losses of subsidiaries in the consolidated statements of operations represents the noncontrolling owners' share of the gains and losses of the consolidated subsidiaries.

Noncontrolling interest in subsidiaries as of December 31 is calculated below

	2013	2012
Ending equity balance of joint ventures		
Surgery Center	$ 744,483	$ 592,636
Health Properties	846,165	679,246
Total equity of joint venture	1,590,648	1,271,882
Noncontrolling ownership percentage	37%	34%
Noncontrolling interest in subsidiaries	$ 587,333	$ 426,697

Note 14 Noncontrolling Interest in Subsidiaries (Continued)

The Medical Center's majority interest in subsidiaries as of December 31 is calculated below.

	2013	2012
Ending equity balance of joint ventures		
Surgery Center	$ 744,483	$ 592,636
Health Properties	846,165	679,246
Total equity of joint venture	1,590,648	1,271,882
Majority ownership percentage	63%	66%
Majority interest in subsidiaries	$ 1,003,315	$ 845,185

Note 15 Leasing Activities

The Medical Center leases building space to other medical operations under operating leases. The net book value of building space under operating leases was $4,069,757 and $4,394,611 at December 31, 2013 and 2012, respectively, and is included at cost in buildings and improvements not used in health care services in net property and equipment, in the accompanying consolidated balance sheet. Accumulated depreciation on equipment under operating leases was $1,051,066 and $958,174 at December 31, 2013 and 2012, respectively. Operating leases with original terms of one year or longer are as follows at December 31, 2013

2014	$ 730,449
2015	474,890
2016	479,514
2017	488,251
2018	460,331
Thereafter	488,322
Total	$ 3,121,757

Note 16 Temporarily Restricted Net Assets

Temporarily restricted net assets include assets set aside in accordance with donor restrictions as to time or use. Temporarily restricted net assets were available for the following purposes at December 31

	2013	2012
Foundation scholarships	$ 313,898	$ 251,642
Other	33,226	24,898
Total temporarily restricted net assets	$ 347,124	$ 276,540

During 2013 and 2012, net assets were released from donor restriction by incurring expenses, satisfying the restricted purposes in the amount of $211,966 and $123,201, respectively.

Note 17 Pension Plan

The Medical Center sponsors a defined contribution pension plan covering substantially all of its employees. The Board of Directors annually determines the amount, if any, of the Medical Center's contributions to the plan. The total pension expense for 2013 and 2012 was $531,973 and $579,324, respectively.

Note 18 Concentration of Credit Risk

Financial instruments that potentially subject the Medical Center to possible credit risk consist principally of accounts receivable, cash deposits in financial institutions in excess of insured limits, and investments which are uninsured.

Accounts receivable consist of amounts due from patients, their insurers, or governmental agencies (primarily Medicare and Medicaid) for health care provided to the patients. The majority of the Medical Center's patients are from Moscow, Idaho, and the surrounding area.

The mix of receivables from patients and third-party payers was as follows at December 31

	2013	2012
Medicare	20%	18%
Medicaid	5%	7%
Other third-party payers	39%	42%
Patients	36%	33%
Total	100%	100%

The Company maintains depository relationships with area financial institutions that are Federal Depository Insurance Corporation (FDIC) insured institutions. Depository accounts at these institutions are insured by the FDIC up to $250,000. At December 31, 2013, the Medical Center exceeded the insured limits by approximately $4,377,400.

Note 19 Self-Funded Health Insurance

The Medical Center sponsors a self-funded health insurance plan for substantially all employees. The Medical Center's liability is limited through its arrangement with a commercial insurance carrier to indemnify it against losses in excess of prescribed specific and aggregate limits (stop-loss coverage). Losses from claims incurred are accrued based on estimates incorporating the Medical Center's past experience, as well as other considerations including the nature of each claim and relevant trend factors. A liability of $205,743 and $231,650 for claims outstanding has been recorded at December 31, 2013 and 2012. Management believes this liability is sufficient to cover estimated claims, including claims incurred but not yet reported. The Medical Center incurred expenses related to health insurance of $2,080,658 and $2,286,395 for the years ending December 31, 2013 and 2012.

Note 20 Functional Expenses

The Medical Center provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows

	2013	2012
Health care services	$ 38,006,911	$ 37,784,124
General and administrative	8,063,005	7,809,193
Fund-raising	442,224	352,525
Total	$ 46,512,140	$ 45,945,842

Note 21 Reclassifications

Certain reclassifications were made to the 2012 financial statements to conform with the classifications used in 2013.

Supplementary Information

WIPFLi LLP

Independent Auditor's Report on Supplementary Information

Board of Directors
Gritman Medical Center, Inc.
Moscow, Idaho

We have audited the consolidated financial statements of Gritman Medical Center, Inc. and Subsidiaries as of and for the years ended December 31, 2013 and 2012, and our report theron dated May 27, 2014, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information appearing on pages 39 through 44 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 audit 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. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Wipfli LLP

Wipfli LLP

May 27, 2014
Spokane, Washington

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2013

Assets	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Current assets							
Cash and cash equivalents	$ 3,945,100	$ 368,318	$ 273,380	$ 205,525	$ 95,516	$ -	$ 4,887,839
Accounts receivable - Net	8,312,061	-	-	142,792	-	-	8,454,853
Other receivables	2,498,017	26,659	13,925	8,290	7,384	(2,169,437)	384,838
Inventories	1,498,576	-	-	147,342	-	-	1,645,918
Prepaid expenses	616,308	-	-	16,138	-	-	632,446
Total current assets	16,870,062	394,977	287,305	520,087	102,900	(2,169,437)	16,005,894
Assets limited as to use							
Internally designated for capital acquisition	16,767,494	326,233	-	-	-	-	17,093,727
Internally designated for Friends of Hospice of the Palouse	-	1,316,707	-	-	-	-	1,316,707
Held by trustee - Bond reserve	1,231,728	-	-	-	-	-	1,231,728
Total assets limited as to use	17,999,222	1,642,940	-	-	-	-	19,642,162
Property and equipment - Net	31,508,309	-	7,392,308	496,032	2,240,677	-	41,637,326
Other assets							
Deferred financing costs	460,693	-	-	-	23,384	-	484,077
Investment in subsidiaries	1,003,315	-	-	-	-	(1,003,315)	-
Investment in joint ventures	312,868	-	-	-	-	-	312,868
Total other assets	1,776,876	-	-	-	23,384	(1,003,315)	796,945
TOTAL ASSETS	$ 68,154,469	$ 2,037,917	$ 7,679,613	$ 1,016,119	$ 2,366,961	$ (3,172,752)	$ 78,082,327

Liabilities and Net Assets	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Current liabilities							
Current maturities of long-term debt	$ 1,152,899	$ -	$ 107,021	$ -	$ 1,520,796	$ -	$ 2,780,716
Current maturities of capital lease payable	148,931	-	-	38,990	-	-	187,921
Line of credit	2,728,000	-	-	-	-	-	2,728,000
Accounts payable	1,705,492	(656)	2,182,327	5,115	-	(2,169,437)	1,722,841
Accrued expenses	2,909,076	-	-	58,907	-	-	2,967,983
Amounts payable to third-party reimbursement programs	1,289,397	-	-	-	-	-	1,289,397
Deferred revenue	500,842	-	-	-	-	-	500,842
Total current liabilities	10,434,637	(656)	2,289,348	103,012	1,520,796	(2,169,437)	12,177,700
Long term liabilities							
Long-term debt - Less current maturities	16,136,659	-	1,186,547	-	-	-	17,323,206
Capital lease payable - Less current maturities	153,917	-	-	168,624	-	-	322,541
Deferred revenue	1,001,684	-	-	-	-	-	1,001,684
Total long-term liabilities	17,292,260	-	1,186,547	168,624	-	-	18,647,431
Total liabilities	27,726,897	(656)	3,475,895	271,636	1,520,796	(2,169,437)	30,825,131
Gritman Medical Center, Inc net assets							
Unrestricted	40,419,236	1,595,066	4,203,718	489,075	514,240	(1,003,315)	46,218,020
Temporarily restricted	8,336	338,788	-	-	-	-	347,124
Permanently restricted	-	104,719	-	-	-	-	104,719
Total net assets of Gritman Medical Center, Inc	40,427,572	2,038,573	4,203,718	489,075	514,240	(1,003,315)	46,669,863
Noncontrolling interests in subsidiaries	-	-	-	255,408	331,925	-	587,333
Total net assets	40,427,572	2,038,573	4,203,718	744,483	846,165	(1,003,315)	47,257,196
TOTAL LIABILITIES AND NET ASSETS	$ 68,154,469	$ 2,037,917	$ 7,679,613	$ 1,016,119	$ 2,366,961	$ (3,172,752)	$ 78,082,327

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended December 31, 2013

	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Revenue							
Patient service revenue - Net of contractual adjustments and discounts	$ 46,904,343	$ -	$ -	$ 2,154,527	$ -	$ -	$ 49,058,870
Provision for bad debts	(3,897,757)	-	-	-	-	-	(3,897,757)
Net patient service revenue	43,006,586	-	-	2,154,527	-	-	45,161,113
Other revenue	1,708,818	470,036	767,638	-	282,088	(642,440)	2,586,140
Income from subsidiaries	158,130	-	-	-	-	(158,130)	-
Net assets released from restrictions used for operations	-	211,965	-	-	-	-	211,965
Total revenue	44,873,534	682,001	767,638	2,154,527	282,088	(800,570)	47,959,218
Expenses							
Salaries and wages	19,544,184	98,905	61,446	563,569	-	-	20,268,104
Employee benefits	4,986,553	25,894	15,439	141,201	-	-	5,169,087
Professional fees	2,035,363	-	-	30,580	1,461	-	2,067,404
Supplies and other	5,601,199	3,631	4,739	634,706	-	-	6,244,275
Other fees	2,498,505	6,011		41,344	-	-	2,545,860
Repairs and maintenance	2,028,909	8,916	97,856	98,828	-	-	2,234,509
Insurance	599,880	-		20,084	-	-	619,964
Utilities	757,290	-	103,491	68,494	-	-	929,275
Leases and rentals	219,328	-	-	282,927	-	(282,088)	220,167
Other	915,147	298,867	159,484	92,931	1,780	-	1,468,209
Depreciation and amortization	3,248,650	-	295,354	57,661	74,955	-	3,676,620
Interest	932,009	-	66,633	3,512	66,512	-	1,068,666
Total expenses	43,367,017	442,224	804,442	2,035,837	144,708	(282,088)	46,512,140
Income from operations forwarded	$ 1,506,517	$ 239,777	$ (36,804)	$ 118,690	$ 137,380	$ (518,482)	$ 1,447,078

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Statement of Operations (Continued)

Year Ended December 31, 2013

	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Income from operations brought forward	$ 1,506,517	$ 239,777	$ (36,804)	$ 118,690	$ 137,380	$ (518,482)	$ 1,447,078
Other income (expense)							
Investment income	507,769	46,652	-	-	-	-	554,421
Contributions	(189,879)	-	-	-	-	360,352	170,473
Rental income	169,239	-	-	-	-	-	169,239
Depreciation expense	(112,358)	-	-	-	-	-	(112,358)
Net loss in joint ventures	(479,798)	-	-	-	-	-	(479,798)
Gain on sale of assets and investments	209,620	-	-	-	-	-	209,620
Other expense - Net	(132,310)	-	-	-	-	-	(132,310)
Total other income (expense)	(27,717)	46,652	-	-	-	360,352	379,287
Excess of revenue over expenses	1,478,800	286,429	(36,804)	118,690	137,380	(158,130)	1,826,365
Other changes in unrestricted net assets							
Net asset transfers (to) from affiliates	42,586	(42,586)	-	-	-	-	-
Net change in unrealized gains on investments	265,440	46,439	-	-	-	-	311,879
Noncontrolling interest in earnings of subsidiaries	-	-	-	-	-	(97,940)	(97,940)
Increase (decrease) in unrestricted net assets	$ 1,786,826	$ 290,282	$ (36,804)	$ 118,690	$ 137,380	$ (256,070)	$ 2,040,304

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Balance Sheet

December 31, 2012

Assets	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Current assets							
Cash and cash equivalents	$ 5,129,165	$ 291,416	$ -	$ 293,751	$ 64,889	$ -	$ 5,779,221
Accounts receivable - Net	8,117,596	-	-	138,140	-	-	8,255,736
Other receivables	473,383	33,209	178,558	-	-	(316,188)	368,962
Inventories	1,148,972	-	-	152,571	-	-	1,301,543
Prepaid expenses	525,036	-	-	15,333	-	-	540,369
Total current assets	15,394,152	324,625	178,558	599,795	64,889	(316,188)	16,245,831
Assets limited as to use							
Internally designated for capital acquisition	16,686,573	299,673	-	-	-	-	16,986,246
Internally designated for Friends of Hospice of the Palouse	-	1,241,880	-	-	-	-	1,241,880
Held by trustee - Bond reserve	1,233,182	-	-	-	-	-	1,233,182
Total assets limited as to use	17,919,755	1,541,553	-	-	-	-	19,461,308
Property and equipment - Net	33,127,214	-	5,457,212	215,792	2,314,115	-	41,114,333
Other assets							
Deferred financing costs	484,419	-	-	-	24,901	-	509,320
Investment in subsidiaries	845,185	-	-	-	-	(845,185)	-
Investment in joint ventures	346,566	-	-	-	-	-	346,566
Total other assets	1,676,170	-	-	-	24,901	(845,185)	855,886
TOTAL ASSETS	$ 68,117,291	$ 1,866,178	$ 5,635,770	$ 815,587	$ 2,403,905	$ (1,161,373)	$ 77,677,358

Liabilities and Net Assets	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Current liabilities							
Current maturities of long-term debt	$ 1,202,120	$ -	$ 101,682	$ 20,704	$ 115,243	$ -	$ 1,439,749
Current maturities of capital lease payable	144,107	-	-	-	-	-	144,107
Line of credit	3,428,000	-	-	-	-	-	3,428,000
Accounts payable	3,415,746	188,470	-	100,821	-	(316,188)	3,388,849
Accrued expenses	2,885,481	-	-	57,946	-	-	2,943,427
Amounts payable to third-party reimbursement programs	872,082	-	-	-	-	-	872,082
Total current liabilities	11,947,536	188,470	101,682	179,471	115,243	(316,188)	12,216,214
Long term liabilities							
Long-term debt - Less current maturities	17,226,161	-	1,293,567	43,480	1,609,416	-	20,172,624
Capital lease payable - Less current maturities	302,848	-	-	-	-	-	302,848
Total long-term liabilities	17,529,009	-	1,293,567	43,480	1,609,416	-	20,475,472
Total liabilities	29,476,545	188,470	1,395,249	222,951	1,724,659	(316,188)	32,691,686
Gritman Medical Center, Inc net assets							
Unrestricted	38,632,410	1,304,785	4,240,521	414,906	430,279	(845,185)	44,177,716
Temporarily restricted	8,336	268,204	-	-	-	-	276,540
Permanently restricted	-	104,719	-	-	-	-	104,719
Total net assets of Gritman Medical Center, Inc	38,640,746	1,677,708	4,240,521	414,906	430,279	(845,185)	44,558,975
Noncontrolling interests in subsidiaries	-	-	-	177,730	248,967	-	426,697
Total net assets	38,640,746	1,677,708	4,240,521	592,636	679,246	(845,185)	44,985,672
TOTAL LIABILITIES AND NET ASSETS	$ 68,117,291	$ 1,866,178	$ 5,635,770	$ 815,587	$ 2,403,905	$ (1,161,373)	$ 77,677,358

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Statement of Operations

Year Ended December 31, 2012

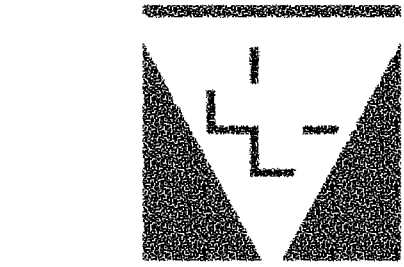
	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Revenue							
Patient service revenue - Net of contractual adjustments and discounts	$ 46,092,483	$ -	$ -	$ 2,081,618	$ -	$ -	$ 48,174,101
Provision for bad debts	(2,900,969)	-	-	-	-	-	(2,900,969)
Net patient service revenue	43,191,514	-	-	2,081,618	-	-	45,273,132
Other revenue	1,258,584	84,879	452,109	-	276,556	(276,556)	1,795,572
Income from subsidiaries	124,710	-	-	-	-	(124,710)	-
Net assets released from restrictions used for operations	-	123,201	-	-	-	-	123,201
Total revenue	44,574,808	208,080	452,109	2,081,618	276,556	(401,266)	47,191,905
Expenses							
Salaries and wages	19,840,997	115,766		535,271	-	-	20,492,034
Employee benefits	5,109,366	25,468		138,111	-	-	5,272,945
Professional fees	2,099,090	-		31,410	-	-	2,130,500
Supplies and other	5,535,606	8,303		633,467	-	-	6,177,376
Other fees	2,141,092	5,652		40,322	-	-	2,187,066
Repairs and maintenance	1,815,187	1,664	23,408	60,396	-	-	1,900,655
Insurance	663,305	-		21,446	-	-	684,751
Utilities	741,688	-	22,617	62,059	-	-	826,364
Leases and rentals	425,091	-		277,853	-	(276,556)	426,388
Other	741,360	195,672	142,288	76,148	1,839	-	1,157,307
Depreciation and amortization	3,158,178	-	217,220	127,007	74,955	-	3,577,360
Interest	966,645	-	71,818	1,637	72,996	-	1,113,096
Total expenses	43,237,605	352,525	477,351	2,005,127	149,790	(276,556)	45,945,842
Income from operations forwarded	$ 1,337,203	$ (144,445)	$ (25,242)	$ 76,491	$ 126,766	$ (124,710)	$ 1,246,063

Gritman Medical Center, Inc. and Subsidiaries

Consolidating Statement of Operations (Continued)

Year Ended December 31, 2012

	Medical Center	Foundation	Medical Park	Surgery Center	Health Properties	Eliminations	Total
Income from operations brought forward	$ 1,337,203	$ (144,445)	$ (25,242)	$ 76,491	$ 126,766	$ (124,710)	$ 1,246,063
Other income (expense)							
Investment income	691,957	65,144	-	-	-	-	757,101
Contributions	151,587	-	-	-	-	-	151,587
Rental income	168,873	-	-	-	-	-	168,873
Depreciation expense	(117,497)	-	-	-	-	-	(117,497)
Net loss in joint ventures	(432,668)	-	-	-	-	-	(432,668)
Gain on sale of assets and investments	63,964	-	-	-	-	-	63,964
Other expense - Net	(181,143)	-	-	-	-	-	(181,143)
Total other income (expense)	345,073	65,144	-	-	-	-	410,217
Excess of revenue over expenses	1,682,276	(79,301)	(25,242)	76,491	126,766	(124,710)	1,656,280
Other changes in unrestricted net assets							
Net asset transfers (to) from affiliates	38,067	(38,067)	-	-	-	-	-
Net change in unrealized gains on investments	868,995	82,429	-	-	-	-	951,424
Noncontrolling interest in earnings of subsidiaries	-	-	-	-	-	(78,547)	(78,547)
Dividends paid	-	-	-	(92,000)	-	92,000	-
Increase (decrease) in unrestricted net assets	$ 2,589,338	$ (34,939)	$ (25,242)	$ (15,509)	$ 126,766	$ (111,257)	$ 2,529,157



GRITMAN
MEDICAL CENTER

MOSCOW, IDAHO

2013 COMMUNITY HEALTH NEEDS ASSESSMENT AND IMPLEMENTATION PLAN

ADOPTED BY BOARD OF DIRECTORS OCTOBER 30, 2013[1]

[1] Response to Schedule H (Form 990) Part V B 2

Dear Community Resident:

Gritman Medical Center (Gritman) welcomes you to review this document as we strive to meet the health and medical needs in our community. All not-for-profit hospitals are required to develop this report in compliance with the Accountable Care Act.

The "2013 Community Health Needs Assessment" identifies local health and medical needs and provides a plan to indicate how GRITMAN will respond to such needs. This document suggests areas where other local organizations and agencies might work with us to achieve desired improvements and illustrates one way we, GRITMAN, are meeting our obligations to efficiently deliver medical services.

GRITMAN will conduct this effort at least once every three years. As you review this plan, please consider if, in your opinion, we have identified the primary needs and if our intended response should make appropriate needed improvements.

We do not have adequate resources to solve all the problems identified. Some issues are beyond the mission of the hospital and action is best suited for a response by others. Some improvements will require personal actions by individuals rather than the response of an organization. We view this as a plan for how we, with other organizations and agencies, can collaborate to bring the best each has to offer to address more pressing identified needs.

The report is a response to a federal requirement of not-for-profit hospital's to identify the community benefit it provides in responding to documented community need. Footnotes are provided to answer specific tax form questions; for most purposes, they may be ignored. Of greater importance, is the potential for this report to guide our actions and the efforts of others to make needed health and medical improvements.

Please think about how to help us improve the health and medical services our area needs. I invite your response to this report. We all live and work in this community together and our collective efforts can make living here healthier and more enjoyable..

Thank you

Table of Contents

EXECUTIVE SUMMARY

Executive Summary

Gritman Medical Center (GRITMAN) is organized as a not-for-profit hospital. A "Community Health Needs Assessment" (CHNA) is part of the necessary hospital documentation for "Community Benefit" under the Affordable Care Act (ACA), required of all not-for-profit hospitals as a condition of retaining tax-exempt status. A CHNA assures GRITMAN identifies and responds to the primary health needs of its residents.

This study is designed to comply with standards required of a not-for-profit hospital.[2] Tax reporting citations in this report are superseded by the most recent 990 H filings made by the hospital.

In addition to completing a CHNA and funding necessary improvements, a not-for-profit hospital must document the following:

- Financial assistance policy and policies relating to emergency medical care;
- Billing and collections; and
- Charges for medical care.

Further explanation and specific regulations are available from Health and Human Services (HHS), the Internal Revenue Service (IRS) and the U.S. Department of the Treasury.[3]

Project Objectives

GRITMAN partnered with Quorum Health Resources (QHR) for the following:[4]

- Complete a Community Health Needs Assessment report, compliant with Treasury – IRS;
- Provide the Hospital with information required to complete the IRS – 990h schedule; and
- Produce information necessary for the hospital to issue an assessment of community health needs and document its intended response.

Brief Overview of Community Health Needs Assessment

Typically, nonprofit hospitals qualify for tax-exempt status as a Charitable Organization, described in Section 501(c) 3 of the Internal Revenue Code; however, the term "Charitable Organization" is undefined. Prior to the passage of Medicare, charity was generally recognized as care provided to the less fortunate without means to pay. With the introduction of Medicare, the government met the burden of providing compensation for such care.

In response, IRS Revenue ruling 69-545 eliminated the Charitable Organization standard and established the Community Benefit Standard as the basis for tax-exemption. Community Benefit

---

[2] Part 3 Treasury/IRS – 2011 – 52 Notice Community Health Needs Assessment Requirements

[3] As of the date of this report Notice of proposed rulemaking was published 6/26/2012 and available at http://federalregister.gov/a/2012-15537

[4] Part 3 Treasury/IRS – 2011 – 52 Section 3.03 (2) third party disclosure notice

determines if hospitals promote the health of a broad class of individuals in the community, based on factors including:

- Emergency room open to all, regardless of ability to pay;
- Surplus funds used to improve patient care, expand facilities, train, etc.;
- Control by independent civic leaders; and
- All available and qualified physicians are privileged.

Specifically, the IRS requires:

- Effective on tax years beginning after March 23, 2012, each 501(c) 3 hospital facility is required to conduct a community health needs assessment at least once every three taxable years and adopt an implementation strategy to meet the community needs identified through such assessment;
- Assessment may be based on current information collected by a public health agency or nonprofit organization and may be conducted together with one or more other organizations, including related organizations;
- Assessment process must take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge or expertise of public health issues;
- The hospital must disclose in its annual information report to the IRS (Form 990 and related schedules) how it is addressing the needs identified in the assessment and, if all identified needs are not addressed, the reasons why (e.g., lack of financial or human resources);
- Each hospital facility is required to make the assessment widely available and ideally downloadable from the hospital web site;
- Failure to complete a community health needs assessment in any applicable three-year period results in a penalty to the organization of $50,000. If a facility does not complete a community health needs assessment in taxable years one, two or three, it is subject to the penalty in year three. If it then fails to complete a community health needs assessment in year four, it is subject to another penalty in year four (for failing to satisfy the requirement during the three-year period beginning with taxable year two and ending with taxable year four); and
- An organization that fails to disclose how it is meeting needs identified in the assessment is subject to existing incomplete return penalties.[5]

[5] Section 6652

APPROACH

Approach

To complete a CHNA, the hospital must:

- Describe processes and methods used to conduct the assessment:
  - Sources of data and dates retrieved;
  - Analytical methods applied;
  - Information gaps impacting ability to assess the needs; and
  - Identify with whom the Hospital collaborated.
- Describe how the hospital gained input from community representatives:
  - When and how the organization consulted with these individuals;
  - Names, titles and organizations of these individuals; and
  - Any special knowledge or expertise in public health possessed by these individuals.
- Describe the process and criteria used in prioritizing health needs;
- Describe existing resources available to meet the community health needs; and
- Identify programs and resources the hospital facility plans to commit to meeting each identified need and the anticipated impact of those programs and resources on the health need.

QHR takes a comprehensive approach to assess community health needs. We perform several independent data analyses based on secondary source data, augment this with local survey data and resolve any data inconsistency or discrepancies from the combined opinions formed from local experts. We rely on secondary source data and most secondary sources use the county as the smallest unit of analysis. We asked our Local Experts, area residents, to note if they perceived the problems or needs, identified by secondary sources, to exist in their portion of the county.[6]

The data displays used in our analysis are presented in the Appendix. Data sources include:[7]

Web Site or Data Source	Data Element	Date Accessed	Data Date
www countyhealthrankings org	Assessment of health needs of Latah County compared to all Idaho counties	July 21, 2013	2002 to 2010

[6] Response to Schedule H (Form 990) Part V B 1 i
[7] Response to Schedule H (Form 990) Part V B 1 d

Web Site or Data Source	Data Element	Date Accessed	Data Date
www communityhealth hhs gov	Assessment of health needs of Latah County compared to its national set of "peer counties"	July 21, 2013	1996 to 2009
Truven (formerly known as Thomson) Market Planner	Assess characteristics of the hospital's primary service area, at a zip code level, based on classifying the population into various socio-economic groups, determining the health and medical tendencies of each group and creating an aggregate composition of the service area according to the contribution each group makes to the entire area, and, to access population size, trends and socio-economic characteristics	July 21, 2013	2012
www capc org and www getpalliativecare org	To identify the availability of Palliative Care programs and services in the area	July 21, 2013	2012
www caringinfo org and iweb nhpco org	To identify the availability of hospice programs in the county	July 21, 2013	2012
www healthmetricsandevaluation org	To examine the prevalence of diabetic conditions and change in life expectancy	July 21, 2013	1989 through 2009
www dataplace org	To determine availability of specific health resources	July 21, 2013	2005
www cdc gov	To examine area trends for heart disease and stroke	July 21, 2013	2007 to 2009
www CHNA org	To identify potential needs among a variety of resource and health need metrics	July 21, 2013	2003 to 2010
www datawarehouse hrsa gov	To identify applicable manpower shortage designations	July 21, 2013	2013
www worldlifeexpectancy com/usa-health-rankings	To determine relative importance among 15 top causes of death	July 21, 2013	2010 published 11/29/12

Federal regulations surrounding CHNA have evolved to require local input from representatives of particular sectors. For this reason, Quorum has refined a process of gathering community input. In addition to gathering data from the above sources:

- We deployed a CHNA "Round 1" survey to our Local Expert Advisors to gain local input on local health needs and the needs of priority populations. Local Expert Advisors were local individuals selected according to criteria required by the Federal guidelines and regulations[8] and the Hospital's desire to represent the regions geographically and ethnically diverse population.
- We received community input from 21 Local Expert Advisors. Survey responses started Tuesday, June 25, 2013 at 12:47 p.m. and ended with the last response on Wednesday, July 17, 2013 at 10:04 a.m.
- Information analysis augmented by local opinions showed how Latah County relates to its peers in terms of primary and chronic needs, as well as other issues of uninsured persons, low-income persons and minority groups; respondents commented on if they believe certain population groups (or people with certain situations) need help to improve their condition and if so, who needs to do what.[9]

When the analysis was complete, we put the information and summary conclusions before our local group of experts[10] who were asked to agree or disagree with the summary conclusions. Experts were free to augment potential conclusions with additional statements of need; however, new needs did not emerge from this exchange.[11] Consultation with 17 local experts occurred again via an internet based survey (explained below) during the period beginning Monday, August 5, 2013 at 10:41 a.m. and ending Saturday, August 17, 2013 at 7:30 a.m.

With the prior steps identifying potential community needs, the Local Experts participated in a structured communication technique called a Delphi method, originally developed as a systematic, interactive forecasting method which relies on a panel of experts who answer questionnaires in a series of rounds. We contemplated and implemented one round as referenced during the above dates. After each round, we provided an anonymous summary of the experts' forecasts from the previous round, as well as the reasons provided for their judgments. The process encourages experts to revise their earlier answers in light of the replies of other members of their panel. Typically, this process decreases the range of answers and moves the expert opinions toward a consensus answer. The process stops when we identify the most pressing, highest priority community needs.

In the GRITMAN process, each local expert allocated 100 points among all identified needs, having the opportunity to introduce needs previously unidentified and to challenge conclusions developed

[8] Response to Schedule H (Form 990) Part V B 1 h, complies with 501(r)(3)(B)(i)
[9] Response to Schedule H (Form 990) Part V B 1 f
[10] Part response to Schedule H (Form 990) Part V B 3
[11] Response to Schedule H (Form 990) Part V B 1 e

from the data analysis. A rank order of priorities emerged, with some needs receiving none or virtually no support and other needs receiving identical point allocations.

The proposed regulations clarify that a CHNA need only identify significant health needs, and need only prioritize, and otherwise assess, those identified as significant health needs. A hospital facility may determine whether a health need is significant based on all of the facts and circumstances present in the community it serves. The determination of the break point, Significant Need as opposed to Other Need, was a qualitative interpretation by QHR and the GRITMAN executive team where a reasonable break point in the descending rank order of votes occurred, indicated by the weight amount of points each potential need received and the number of local experts allocating any points to the need. Our criteria included that the Significant Needs had to represent a majority of all cast votes. The Significant Needs also needed a plurality of Local Expert participation. "When presented to the Gritman executive team, the order of the needs, ranked "Significant" vs. "Other," identified which needs the hospital needed to focus upon in determining where and how it was to develop an implementation response.[12]

During the development of the Implementation Plan, the Public Health Idaho North Central District issued their report 2013 Community Health Assessment. The public health report considered several items examined in the CHNA report. While the process in compiling the public health report was vastly different than as employed in the CHNA report, several priority considerations are similar. Page 24 of the public health report provides a list of health problem rankings for Latah County. A comparison of results is as follows (Please see Appendix B for the rank order of priorities developed in this effort.)

Area of Focus:	Public Health Idaho North Central District Report	Gritman's CHNA Report
Obesity	#1 Public Health Priority	#5 Priority Significant Need
Mental Health	#2 Public Health Priority	#1 Priority Significant Need
Cancer	#3 Public Health Priority	#7 Priority Significant Need
Smoking	#4 Public Health Priority	#14 Priority Significant Need
Children	#5 Public Health Priority	#6 Priority Significant Need
Diabetes	#6 Public Health Priority	#8 Priority Significant Need
Teen Pregnancy	#7 Public Health Priority	#19 Priority Significant Need

[12] Response to Schedule H (Form 990) Part V Section B 6 g, h and Part V B 1 g

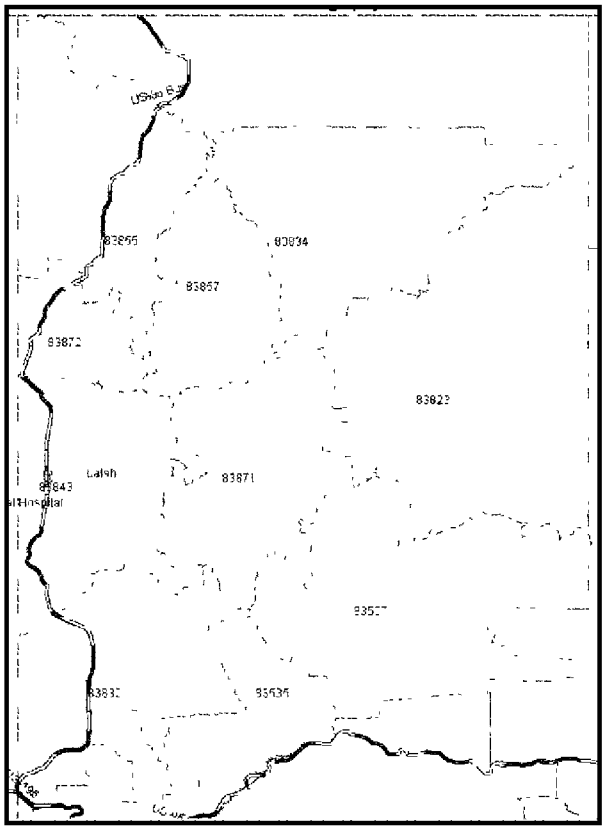
- Five other PHP unranked considerations were ranked needs in this report. Two PHP considerations (High blood pressure and infectious disease) were examined in the data analytical efforts of this report but did not emerge as need problem considerations.. 13 other potential needs were considered and ranked in this report but were not considered by the Public health department.
- With 5 of the 7 high priority ranked needs appearing in this report as Significant Needs, we conclude there is a fair amount of concurrence between our effort and that of the Public Health Department.[13]

[13] Response to Schedule H (Form 990) Part V Section B 3

FINDINGS

Findings

Definition of Area Served by the Hospital Facility[14]



Gritman Medical Center, in conjunction with QHR, defines its service area as Latah County in Idaho which includes the following ZIP codes:

83535 – Juliaetta	83537 – Kendrick	83823 – Deary
83832 – Genesee	83834 – Harvard	83843 – Moscow
83855 – Potlatch	83857 – Princeton	83871 – Troy
83872 – Viola	83806 – Bovill	

In 2011, the Hospital received 85.9% of its patients from this area.[15]

[14] Responds to IRS Form 990 (h) Part V B 1 a

[15] Truven MEDPAR patient origin data for the hospital, Responds to IRS Form 990 (h) Part V B 1 a

Demographic of the Community [16]

The 2013 population for Latah County is estimated to be 39,105,[17] and is expected to increase at a rate of 4.4% in contrast to the 3.3% national rate of growth and the Idaho growth rate of 4.0%. Latah Countyanticipates a population of 40,825 in 2018.

According to population estimates utilized by Truven, provided by The Neilson Company, the 2013 median age for the county is 31.5 years, which is younger than the Idaho median age (34.9 years) and the national median age (37.5 years). The 2013 Median Household Income for the area is $36,578, which is lower than the Idaho median income of $41,535 and the national median income of $49,223. Median Household Wealth value also is below the National and the Idaho value. Median Home Values for Latah ($166,868) is between the comparison values, above the Idaho median of $152,806 and below the national median of $169,011. Latah's unemployment rate as of July, 2013 was 6%,[18] which is better than the 6.6% statewide and the 7.4% national civilian unemployment rate.

The portion of the population in the county over 65 is 11.5%, which is below the Idaho (12.2%) and the national average (13.9%). The portion of the population of women of childbearing age is 23.4%, which is above the Idaho average of 19.4% and the national rate of 19.8%.

Demographics Expert 2.7
2013 Demographic Snapshot
Area Latah County, ID
Level of Geography: ZIP Code

DEMOGRAPHIC CHARACTERISTICS

	Selected Area	USA
2010 Total Population	38,096	308,745,538
2013 Total Population	39,105	314,861,807
2018 Total Population	40,825	325,322,277
% Change 2013 - 2018	4.4%	3.3%
Average Household Income	$49,832	$69,637

	2013	2018	% Change
Total Male Population	20,097	20,892	4.0%
Total Female Population	19,008	19,933	4.9%
Females, Child Bearing Age (15-44)	9,286	9,458	1.9%

POPULATION DISTRIBUTION

	Age Distribution				
Age Group	2013	% of Total	2018	% of Total	USA 2013 % of
0-14	6,238	16.0%	6,835	16.7%	19.6%
15-17	1,123	2.9%	1,065	2.6%	4.1%
18-24	9,189	23.5%	8,345	20.4%	10.0%
25-34	5,720	14.6%	6,200	15.2%	13.1%
35-54	8,097	20.7%	8,592	21.0%	26.9%
55-64	4,257	10.9%	4,363	10.7%	12.4%
65+	4,481	11.5%	5,425	13.3%	13.9%
Total	39,105	100.0%	40,825	100.0%	100.0%

HOUSEHOLD INCOME DISTRIBUTION

	Income Distribution		
2013 Household Income	HH Count	% of Total	USA % of
<$15K	3,078	19.8%	13.8%
$15-25K	2,490	16.0%	11.6%
$25-50K	3,998	25.7%	25.3%
$50-75K	2,859	18.4%	18.1%
$75-100K	1,485	9.5%	11.7%
Over $100K	1657	10.6%	19.5%
Total	15,567	100.0%	100.0%

EDUCATION LEVEL

	Education Level Distribution		
2013 Adult Education Level	Pop Age 25+	% of Total	USA % of
Less than High School	359	1.6%	6.2%
Some High School	991	4.4%	8.4%
High School Degree	5,338	23.7%	28.4%
Some College/Assoc. Degree	6,576	29.2%	28.9%
Bachelor's Degree or Greater	9,291	41.2%	28.1%
Total	22,555	100.0%	100.0%

RACE/ETHNICITY

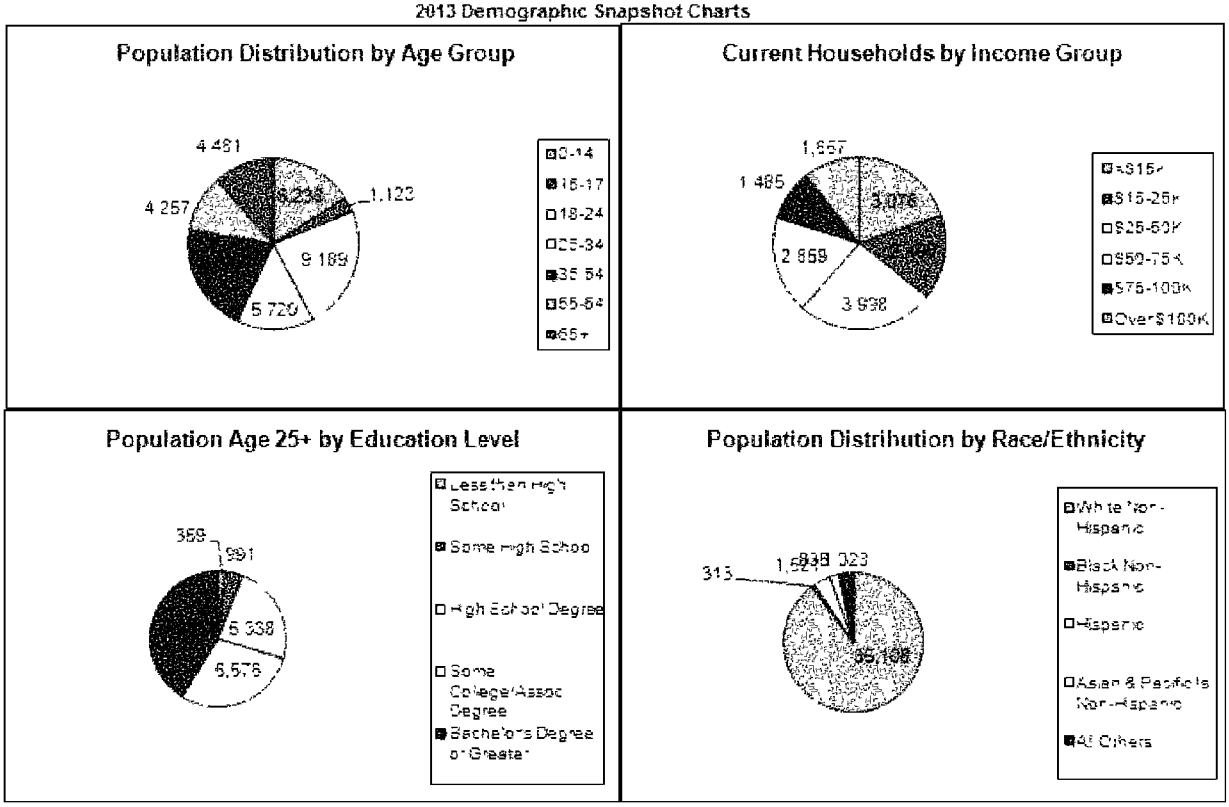
	Race/Ethnicity Distribution		
Race/Ethnicity	2013 Pop	% of Total	USA % of
White Non-Hispanic	35,108	89.8%	62.3%
Black Non-Hispanic	313	0.8%	12.3%
Hispanic	1,521	3.9%	17.3%
Asian & Pacific Is. Non-Hispanic	835	2.1%	5.1%
All Others	1,328	3.4%	2.9%
Total	39,105	100.0%	100.0%

[16] Responds to IRS Form 990 (h) Part V B 1 b

[17] All population information, unless otherwise cited, sourced from Truven (formally Thomson) Market Planner

[18] http://research.stlouisfed.org/fred2/series/IDLATA7URN, http://research.stlouisfed.org/fred2/series/IDUR

2013 Demographic Snapshot Charts



2013 Benchmarks
Area: Latah County, ID
Level of Geography: ZIP Code

Area	2013-2018 % Population Change	Median Age	Population 65+ % of Total Population	Population 65+ % Change 2013-2018	Females 15-44 % of Total Population	Females 15-44 % Change 2013-2018	Median Household Income	Median Household Wealth	Median Home Value
USA	3.3%	37.5	13.9%	16.3%	19.8%	-0.1%	$49,233	$54,682	$169,011
Idaho	4.0%	34.9	13.2%	15.7%	19.4%	2.7%	$41,535	$52,542	$152,804
Selected Area	4.4%	31.5	11.5%	21.1%	23.7%	1.9%	$36,578	$45,246	$166,868

Demographics Expert 2.7
DEMO0003.SQP

The population was examined according to characteristics presented in the Claritas Prizm customer segmentation data. This system segments the population into 66 demographically and behaviorally distinct groups. Each group, based on annual survey data, is documented as exhibiting specific health behaviors. The makeup of the service area, according to the mix of Prizm segments and its characteristics, is contrasted to the national population averages to discern the following table of probable lifestyle and medical conditions present in the population. Items with red text are viewed as statistically important adverse potential findings. Items with blue text are viewed as statistically important potential beneficial findings. Items with black text are viewed as either not statistically different from the national normal situation or not being a favorable or unfavorable consideration in our use of the information.

Health Service Topic	Demand as % of National	% of Population Affected	Health Service Topic	Demand as % of National	% of Population Affected
Weight / Lifestyle			**Heart**		
BMI: Morbid/Obese	104.7%	26.7%	Routine Screen Cardiac Stress 2yr	80.5%	13.0%
Vigorous Exercise	99.1%	50.4%	Chronic High Cholesterol	98.9%	19.8%
Chronic Diabetes	107.3%	11.1%	Routine Cholesterol Screening	94.1%	47.8%
Healthy Eating Habits	87.2%	25.8%	Chronic High Blood Pressure	95.9%	25.2%
Very Unhealthy Eating Habits	136.8%	3.7%	Chronic Heart Disease	106.1%	8.9%
Behavior			**Routine Services**		
I Will Travel to Obtain Medical Care	99.1%	29.5%	FP/GP: 1+ Visit	100.6%	88.8%
I Follow Treatment Recommendations	89.8%	36.3%	Used Midlevel in last 6 Months	99.4%	41.5%
I am Responsible for My Health	95.4%	60.6%	OB/Gyn 1+ Visit	94.7%	43.6%
Pulmonary			Ambulatory Surgery last 12 Months	94.5%	18.2%
Chronic COPD	103.5%	7.8%	**Internet Usage**		
Tobacco Use: Cigarettes	124.8%	31.6%	Use Internet to Talk to MD	88.6%	12.9%
Chronic Allergies	96.9%	21.6%	Facebook Opinions	84.3%	8.7%
Cancer			Looked for Provider Rating	88.6%	12.7%
Mammography in Past Yr	93.4%	42.4%	**Misc**		
Cancer Screen: Colorectal 2 yr	89.0%	21.8%	Charitable Contrib: Hosp/Hosp Sys	86.7%	20.7%
Cancer Screen: PapSmear Test 2 yr	89.7%	54.0%	Charitable Contrib: Other Health Org	81.7%	31.9%
Routine Screen: Prostate 2 yr	80.5%	28.2%	HSA/FSA: Employer Offers	97.4%	50.6%
Orthopedic			**Emergency Service**		
Chronic Lower Back Pain	107.3%	25.1%	Emergency Room Use	110.5%	37.5%
Chronic Osteoporosis	102.1%	9.9%	Urgent Care Use	100.6%	23.8%

Leading Causes of Death

Cause of Death			Rank among all counties in ID (#1 rank = worst in state)	Rate of Death per 100,000 age adjusted		
ID Rank	Latah Co. Rank	Condition		ID	Latah Co.	Observation
4,10,12,13,14, 16,26,27,28, 29,31,33	1	Cancer	29 of 43	159 5	158 7	Lower than expected
1	2	Heart Disease	39 of 43	154 6	136 2	Lower than expected
3	3	Stroke	30 of 43	41 1	48 2	As expected
15, 19, 24	4	Accidents	38 of 43	44 1	38 9	Lower than expected
2	5	Lung	36 of 43	48 1	38 6	As expected
6	6	Alzheimer's	3 of 42	24 2	37 4	Higher than expected
8	7	Suicide	20 of 43	20 4	17 2	Higher than expected
7	8	Diabetes	36 of 42	24 2	15 0	Lower than expected
11	9	Flu - Pneumonia	27 of 41	13 5	14 8	Lower than expected
20	10	Parkinson's	3 of 40	8 3	12 3	Higher than expected
21	11	Liver	21 of 42	8 6	9 1	As expected
9	12	Hypertension	16 of 40	5 6	6 4	Lower than expected
14	13	Kidney	40 of 42	12 3	3 7	Lower than expected
Not Ranked	14	Homicide	15 of 36	1 4	3 3	Lower than expected
32	15	Blood Poisoning	33 of 36	4 9	2 1	Lower than expected

Primary and Chronic Disease Needs and Health Issues of Uninsured Persons, Low-Income Persons and Minority Groups

Some information is available to describe the size and composition of various uninsured persons, low income persons, minority groups and other vulnerable population segments. Studies identifying specific group needs, distinct from the general population at a county unit of analysis, are not readily available from secondary sources.

The National Healthcare Disparities Report results from a Congressional directive to the Agency for Healthcare Research and Quality (AHRQ). This production is an annual report to track disparities related to "racial factors and socioeconomic factors in priority populations." The emphasis is on disparities related to race, ethnicity and socioeconomic status and includes a charge to examine

disparities in "priority populations," which are groups with unique health care needs or issues that require special attention.[19]

Nationally, this report observes the following trends:

- Measures for which Blacks were worse than Whites and are getting better:
  - Diabetes – Hospital admissions for short-term complications of diabetes per 100,000 population;
  - HIV and AIDS – New AIDS cases per 100,000 population age 13 and over; and
  - Functional Status Preservation and Rehabilitation – Female Medicare beneficiaries age 65 and over who reported ever being screened for osteoporosis with a bone mass or bone density measurement.
- Measures for which Blacks were worse than Whites and staying the same:
  - Cancer – Breast cancer diagnosed at advanced stage per 100,000 women age 40 and over ; breast cancer deaths per 100,000 female population per year; adults age 50 and over who ever received colorectal cancer screening; colorectal cancer diagnosed at advanced stage per 100,000 population age 50 and over; colorectal cancer deaths per 100,000 population per year;
  - Diabetes – Hospital admissions for lower extremity amputations per 1,000 population age 18 and over with diabetes;
  - Maternal and Child Health – Children ages 2-17 who had a dental visit in the calendar year; Children ages 19-35 months who received all recommended vaccines;
  - Mental Health and Substance Abuse – Adults with a major depressive episode in the last 12 months who received treatment for depression in the last 12 months; people age 12 and over treated for substance abuse who completed treatment course;
  - Respiratory Diseases – Adults age 65 and over who ever received pneumococcal vaccination; hospital patients with pneumonia who received recommended hospital care;
  - Supportive and Palliative Care – High-risk long-stay nursing home residents with pressure sores; short-stay nursing home residents with pressure sores; adult home health care patients who were admitted to the hospital; hospice patients who received the right amount of medicine for pain;
  - Timeliness – Adults who needed care right away for an illness, injury or condition in the last 12 months who got care as soon as wanted; emergency department visits where patients left without being seen; and

[19] http://www.ahrq.gov/qual/nhdr10/Chap10.htm 2010

- Access – People with a usual primary care provider; people with a specific source of ongoing care.

- Measures for which Asians were worse than Whites and getting better:
  - Cancer – Adults age 50 and over who ever received colorectal cancer screening; and
  - Patient Safety – Adult surgery patients who received appropriate timing of antibiotics.
- Measures for which Asians were worse than Whites and staying the same:
  - Respiratory Diseases – Adults age 65 and over who ever received pneumococcal vaccination; hospital patients with pneumonia who received recommended hospital care; and
  - Access – People with a usual primary care provider.
- Measures for which American Indians and Alaska Natives were worse than Whites for most recent year and staying the same:
  - Heart Disease – Hospital patients with heart failure who received recommended hospital care;
  - HIV and AIDS – New AIDS cases per 100,000 population age 13 and over;
  - Respiratory Diseases – Hospital patients with pneumonia who received recommended hospital care;
  - Functional Status Preservation and Rehabilitation – Female Medicare beneficiaries age 65 and over who reported ever being screened for osteoporosis with a bone mass or bone density measurement;
  - Supportive and Palliative Care – Hospice patients who received the right amount of medicine for pain; high-risk, long-stay nursing home residents with pressure sores; adult home health care patients who were admitted to the hospital; and
  - Access – People under age 65 with health insurance.
- Measures for which American Indians and Alaska Natives were worse than Whites for most recent year and getting worse:
  - Cancer – Adults age 50 and over who ever received colorectal cancer screening; and
  - Patient safety – Adult surgery patients who received appropriate timing of antibiotics.
- Measures for which Hispanics were worse than non-Hispanic Whites for most recent year and getting better:
  - Maternal and Child Health – Children ages 2-17 who had a dental visit in the calendar year;

- Lifestyle Modification – Adult current smokers with a checkup in the last 12 months who received advice to quit smoking; adults with obesity who ever received advice from a health provider about healthy eating; and
- Functional Status Preservation and Rehabilitation – Female Medicare beneficiaries age 65 and over who reported ever being screened for osteoporosis with a bone mass or bone density measurement.

- Measures for which Hispanics were worse than non-Hispanic Whites for most recent year and staying the same:
  - Cancer – Women age 40 and over who received a mammogram in the last 2 years; adults age 50 and over who ever received colorectal cancer screening;
  - Diabetes – Adults age 40 and over with diagnosed diabetes who received all three recommended services for diabetes in the calendar year;
  - Heart Disease – Hospital patients with heart attack and left ventricular systolic dysfunction who were prescribed angiotensin-converting enzyme inhibitor or angiotensin receptor blocker at discharge; hospital patients with heart failure who received recommended hospital care;
  - HIV and AIDS – New AIDS cases per 100,000 population age 13 and over;
  - Mental Health and Substance Abuse – Adults with a major depressive episode in the last 12 months who received treatment for depression in the last 12 months;
  - Respiratory Disease – Adults age 65 and over who ever received pneumococcal vaccination; hospital patients with pneumonia who received recommended hospital care;
  - Lifestyle Modification – Adults with obesity who ever received advice from a health provider to exercise more;
  - Supportive and Palliative Care – Long-stay nursing home residents with physical restraints; high-risk, long-stay nursing home residents with pressure sores; short-stay nursing home residents with pressure sores; adult home health care patients who were admitted to the hospital; hospice patients who received the right amount of medicine for pain;
  - Patient Safety – Adult surgery patients who received appropriate timing of antibiotics;
  - Timeliness – Adults who needed care right away for an illness, injury or condition in the last 12 months who got care as soon as wanted;
  - Patient Centeredness – Adults with ambulatory visits who reported poor communication with health providers; children with ambulatory visits who reported poor communication with health providers; and

- Access – People under age 65 with health insurance; people under age 65 who were uninsured all year; people with a specific source of ongoing care; people with a usual primary care provider; people unable to get or delayed in getting needed care due to financial or insurance reasons

- Measures for which Hispanics were worse than non-Hispanic Whites for most recent year and getting worse:
  - Maternal and Child Health – Children ages 3-6 who ever had their vision checked by a health provider.

We asked a specific question to our Local Expert Advisors about unique needs of priority populations. We reviewed their response to identify if any of the above trends were obvious in the service area. Accordingly, we place great reliance on the commentary received to identify unique population needs to which we should respond. Specific opinions from the Local Expert Advisors are summarized as follows[20]:

- Dominant comments focus on Poor working families unable to afford "any kind of medical care"
- CHAS clinic helps but may need health coaches to guide proper decision making
- Access to affordable medical care frequently cited but also mentions of needs for professional mental health and the lack of dental service
- Aged need for affordable assisted living was a less frequent cited need.

[20] All comments and the analytical framework behind developing this summary appear in Appendix A

Statistical information about special populations:

Access to Care: **Latah County, ID**

In addition to use of services, access to care may be characterized by medical care coverage and service availability

Uninsured individuals (age under 65)[1]	**6,134**
Medicare beneficiaries[2]	
Elderly (Age 65+)	**3,515**
Disabled	**633**
Medicaid beneficiaries[2]	**3,455**
Primary care physicians per 100,000 pop[2]	**64.1**
Dentists per 100,000 pop[2]	**47.3**
Community/Migrant Health Centers[3]	**No**
Health Professional Shortage Area[3]	**No**

nda No data available.

Vulnerable Populations: **Latah County, ID**

Vulnerable populations may face unique health risks and barriers to care, requiring enhanced services and targeted strategies for outreach and case management.

Vulnerable Populations Include People Who[1]	
Have no high school diploma (among adults age 25 and older)	**1,851**
Are unemployed	**697**
Are severely work disabled	**602**
Have major depression	**2,285**
Are recent drug users (within past month)	**2,681**

nda No data available.

[1] The most current estimates of prevalence, obtained from various sources (see the Data Sources, Definitions, and Notes for details), were applied to 2008 mid-year county population figures.

Findings

Upon completion of the CHNA, QHR identified several issues within the Gritman Medical Center community:

Conclusions from Public Input to Community Health Needs Assessment

Our group of 21 Local Experts participated in an on-line survey to offer opinions about their perceptions of community health needs and potential needs of unique populations.

Responses were first obtained to the question: "What do you believe to be the most important health or medical issue confronting the residents of your County?" In summary, we receive the following commentary regarding the more important health or medical issues:

- Dominant concern is affordable care
- Shortage of primary care providers and those accepting Medicare or Medicaid
- Lack of public transportation also cited as aspect of access problem
- Obesity most frequent clinical concern with minor mentions of alcoholism, tobacco, dental and eye care concerns

Responses were then obtained to the question: "Do you perceive there are any primary and/or chronic disease needs, as well as potential health issues, of uninsured persons, low-income persons, minority groups and/or other population groups (i.e. people with certain situations) which need help or assistance in order to improve? If you believe any situation as described exists, please also indicate who you think needs to do what?" In summary, we received the following commentary regarding the more important health or medical issues:

- Dominant comments focus on Poor working families unable to afford "any kind of medical care"
- CHAS clinic helps but may need health coaches to guide proper decision making
- Access to affordable medical care frequently cited but also mentions of needs for professional mental health and the lack of dental service
- Aged need for affordable assisted living was a less frequent cited need

Summary of Observations from Latah County Compared to All Other Idaho Counties, in Terms of Community Health Needs

In general, Latah County residents are better than average compared to the healthiest in Idaho.

In a health status classification termed "Health Outcomes", Latah ranks number 4 among the 42 Idaho ranked counties (best being #1). Premature Death (deaths prior to age 75) for 10 years presented better values (longer survivability) than on average for ID or the US. Poor or Fair Health ranking was below the ID average, but above the US average. Low Birth Weight Births show Latah residents presenting with lower values than ID and the US average.

In another health status classification "Health Factors", Latah County ranks number 5 among the 42 ranked Idaho counties, with Physical Inactivity being below the ID average, but not significantly different that the US average. Excessive Drinking and Sexually Transmitted Infections are well above both the ID and US averages. Teen Birth Rates, however, are well below the ID and US averages.

In the "Clinical Care" classification, Latah County ranks number 5 among the 42 ranked ID counties. Uninsured rate is below the ID average, but well above the US average.

Social and Economic factors are mostly positive. Education metrics (school years completed) are better than average in ID, with the Some college numbers being much higher than US. Inadequate social support is lower than the US average and significantly lower than ID. Unemployment is higher than the US average, but is below the ID average.

Overall, Physical Environment metrics are better than average for ID and are either at or approaching the US average. Air pollution, however, is higher than both ID and US..

Summary of Observations from Latah County Peer Comparisons

The federal government administers a process to allocate all counties into "Peer" groups. County "Peer" groups have similar social, economic and demographic characteristics. Health and wellness observations when Latah County is compared to its national set of Peer Counties and compared to national rates include:

UNFAVORABLE observations occurring at rates worse than national AND worse than among Peers (Please note this list of adverse indicators is much shorter than observed in other hospital studies):

- BREAST CANCER (FEMALE)
- SUICIDE

SOMEWHAT A CONCERN observations because occurrence is worse than national average BUT better than the Peer group average, OR, better than national average BUT worse than Peer group average (The following list contains fewer indicators than typically observed in studies conducted for other hospitals.):

- BIRTHS TO WOMEN AGE 40 to 54
- UNINTENTIONAL INJURY
- MOTOR VEHICLE INJURIES
- STROKE

BETTER PERFORMANCE than peers and national averages (This list is considerably more extensive than typically observed):

- LOW BIRTH WEIGHT (Less than 2,500 g)
- VERY LOW BIRTH WEIGHT (Less than 1,500 g)
- PREMATURE BIRTHS (Less than 37 weeks)
- BIRTHS TO WOMEN UNDER 18
- BIRTHS TO UNMARRIED WOMEN

- INFANT MORTALITY
- WHITE non HISPANIC INFANT MORTALITY
- NEONATAL INFANT MORTALITY
- POST NEONATAL INFANT MORTALITY
- COLON CANCER
- CORONARY HEART DISEASE
- LUNG CANCER.

Latah Population Characteristics

Latah County in 2013 comprises 39,105 residents. Since 2010 it has experienced a small population increase and anticipates continued growth through the next five years to achieve 40,825 residents. The population is 89.8% non-Hispanic White. Asian & Pacific Island non-Hispanics constitute 2.1% of the population. Hispanics comprise the largest minority population at 3.9% of the population. Black non-Hispanics are at 0.8%. 11.5% of the population is age 65 or older. This is a smaller population segment than the elderly comprise elsewhere in Idaho, on average, or in comparison to the national average. 23.7% of the women are in the childbirth population segment. This segment is considerably larger than as elsewhere on average in Idaho or in comparison to the national average. The median income and median household wealth are below their respective Idaho averages. Median home values are higher than the Idaho average, but lower than the US average.

The following areas were identified from a comparison of the county to national averages:

- Metrics impacting more than 25% of the population and statistically significantly different from the national average include the following. All are considered adverse findings unless otherwise noted:

    1. Obtained a Pap/Cervix test in last 2 years 10% below average impacting 54% of the population

    2. Obtained routine cholesterol screening 6% below average impacting 48% of the population

    3. Had OB/Gyn in last year is 5% below average impacting 44% of the population

    4. Obtained mammography in last year is 7% below average impacting 42% of the population

    5. Used emergency room in past year is 10% above average impacting 38% of the population

    6. I follow treatment recommendations 10% below average impacting 36% of the population

7. Use tobacco products / smoke 22% above average impacting 32% of the population

8. Had prostate screening in last 2 years 11% below average impacting 28% of the population

9. Health eating habits 13% below average impacting 26% of the population

10. Chronic lower back pain 17% above average impacting 25% of the population

- Situations and Conditions statistically significantly different from the national average but impacting less than 25% of the population include the following. All are considered adverse findings unless otherwise noted:
  - Colorectal cancer screen in last 2 years 11% below average impacting 22% of population
  - Cardiac stress screen in last 2 years 16% below average impacting 13% of the population
  - Chronic diabetes 7% above average impacting 11% of population
  - Chronic heart disease 6% above average impacting 9% of the population
  - Very unhealthy eating habits 37% above average impacting 4% of the population

Key Conclusions from Consideration of Other Statistical Data Examinations

- Palliative Care (programs focused on symptom relief from serious illness) do not exist in the County. Hospice Care (programs to provide comfort care during terminal disease) do exist in the County.
- Among the leading causes of death, Latah County has a significantly lower death rate in 9 of the 15 leading causes of death and a significantly higher death rate in 3 of the 15 leading causes of death. Ranking the causes of death in Latah County finds the following (in descending order of occurrence):

  1. Cancer 158.7 (rate per 100,000) – a rate lower than expected, Latah County ranks #29 of 43 ranked Counties in ID (#1 rank = worse in state), the death rate from this disease is below ID avg.

  2. Heart Disease 136.2 – lower than expected, rank #39, below ID average

  3. Stroke 48.2 – as expected, rank #30, above ID average

  4. Accidents 38.9 – lower than expected, rank #38, below ID average

  5. Lung disease 38.6 – as expected, rank #36, below ID average

  6. Alzheimer's 37.4 – higher than expected, rank #3 (of 42 as apparently one county had a rate to low to be included in the analysis), above ID average

7. Suicide 17.2 – higher than expected, rank #20, below ID average

8. Diabetes 15.0 – lower than expected, rank #36 (of 42 ranked ID counties), significantly below ID average

9. Flu-Pneumonia 14.8 – lower than expected, rank #27 (of 41 ranked ID counties), above ID average

10. Parkinson's 12.3 – higher than expected, rank #3 (of 40 ranked ID counties), higher than the ID average

- Heart Disease Mortality during 2008 through 2010 (322.9) is lower than the national average (358.6). Native American mortality (468.5) is considerably higher than the US Native American average (315.9).
- The incident of Stroke deaths (76.3) is slightly lower than the national rate (78.3).
- Life expectancy for both Men and Women has increased, however, females have longer life spans than males but male life expectancy improved considerably more than females. Female life expectancy in 2009 was 82.1 years, 3.7 years behind the best rates. Life expectancy for Males in 2009 was 78.5 years, 3.1 years behind the 10 best rates.
- Latah is designated as a Health Professional Shortage Area (HPSA) for primary care, dental care and mental health, and it qualifies as a Medically Underserved Area (MUA).
- 21.1% of the population lives in poverty, considerably above the US and ID average of 14.3%. 17.3% of Latah children live in poverty, which is slightly below the ID average but well below the US average. Only 9.75% of the population receives Medicaid.
- The rate of liquor store access is in line with US average but about 40% above the ID average. Heavy alcohol consumption is above average (Latah 17.8%; ID 13.7%; US 15%).
- A below average percentage of Latah residents smoke (14.5%; ID 17%; US 18.5%).
- An above average percent of the population are without dental exams (Latah 33.6%; ID 31.4%; US 30.1%)

.

EXISTING HEALTH CARE FACILITIES, RESOURCES AND GRITMAN IMPLEMENTATION PLAN

Significant Health Needs

We used the priority ranking of area health needs to organize the search for locally available resources.[21] The following list identifies locally available resources corresponding to each priority need:

- Identifies the rank order of each identified Significant Need;
- Presents the factors considered in developing the ranking;
- Establishes a Problem Statement to specify the problem indicated by use of the Significant Need term;
- Identifies GRITMAN current efforts responding to the need;
- Establishes the Implementation Plan programs and resources GRITMAN will devote to attempt to achieve improvements;
- Documents the Leading Indicators GRITMAN will use to measure progress;
- Presents the Lagging Indicators GRITMAN believes the Leading Indicators will influence in a positive fashion, and;
- Presents the locally available resources noted during the development of this report as believed to be currently available to respond to this need.

In general, GRITMAN is the major hospital in the service area. GRITMAN is a 25 bed critical access, acute care medical facility located in Moscow, ID. The next closest facilities are primarily outside the service area and include:

- Pullman Regional Hospital – a 25 bed critical access hospital located in Pullman, WA (9.5 miles, 16 minutes)
- St Joseph Regional Medical Center – a 132 bed hospital located in Lewiston, ID (32.5 miles, 40 minutes)
- Benewah Community Hospital – a 19 bed critical access hospital located in Saint Maries, ID (66.5 miles, 1 hour 25 minutes)
- Clearwater Valley Hospital and Clinics – a 25 bed critical access hospital located in Orofino, ID (71.5 miles, 1 hour 19 minutes)
- Whitman Hospital and Medical Center - 25 bed critical access hospital located in Colfax, WA (25 miles, less than 30 minutes)
- Tri-State Memorial Hospital - 25 bed critical access hospital located in Clarkston, WA (30 miles, less than 30 minutes)

In rank order of need, the local resources, listed in the tables beginning on the next page, could be available to respond to the need. All data items analyzed to determine significant needs are "Lagging Indicators", measures presenting results after a period of time, characterizing historical performance.

---

[21] Response to IRS Form 990 h Part V B 1 c

Lagging Indicators tell you nothing about how the outcomes were achieved. In contrast the GRITMAN Implementation Plan utilizes "Leading Indicators". Leading Indicators anticipate change in the Lagging Indicator. Leading Indicators focus on short-term performance, and if accurately selected, anticipate the broader achievement of desired change in the Lagging Indicator. In the QHR application Leading Indicators also must be within the ability of the hospital to influence and measure.

Significant Needs

1. MENTAL HEALTH / SUICIDE – Suicide seventh cause of death ranks #20 (#1 = worst) below ID average; Suicide rate worse than US and Peer average; mental health federal shortage designation

Problem Statement: Suicide death rate needs to decrease

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN Telemedicine pediatric psychiatric consultation.
- Emergency service triage for behavioral conditions.

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- Participate and support local efforts with the organizations listed below which offer resources responding to this need by identifying how GRITMAN services can benefit their initiatives.
- Emergency service staff will be assessed and trained in suicide tendency identification and awareness of intervention strategies
- Evaluate the feasibility of expanding the pediatric telemedicine program into adult medicine
- Evaluate feasibility of campaign to raise awareness and reduce the stigma associated with patients seeking mental health counseling.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- GRITMAN efforts can help address the symptoms of and results from adverse lifestyle choices and other factors.
- Increased awareness of suicide desire and prevention

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Volume of pediatric telemedicine consultations.
    - 2012 patient encounters = 0

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Suicide death rate
    - 17.2 per 100,000 www worldlifeexpectancy com/usa-health-rankings

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
IDAHO Region II Behavioral Health Crisis Line	N/A	866-449-3815
Idaho Department of Health and Welfare	www.healthandwelfare.idaho.gov 1350 Troy Highway Suite 2, Moscow, ID	208-882-2433
Region II Children's Mental Health	1350 Troy Highway Suite 2, Moscow, ID	208-882-0562
Department of Health and Welfare	1118 F Street, PO Drawer B, Lewiston, ID	208-799-4440
Alliance Family Services, Inc.	212 Rodeo Drive, Moscow, ID www.alliancefamilyservices.com	208-882-5960
Aspire Counseling Services	200 S Almon Street, Moscow, ID	208-310-4578
Bridge Bible Fellowship	960 W. Palouse River Drive, Moscow, ID	208-882-0674
Child and Family Enrichment Center	619 S Washington Street Suite 301, Moscow, ID	208-882-9200
Community Christian Ministries	516 S Main Street, Moscow, ID	208-883-0997
Counseling Center of the Palouse	814 S Washington Street, Moscow, ID	208-883-0619
Department of Health and Welfare	1350 Troy Road Suite 2, Moscow, ID	208-882-0562

Educational and Psychological Services	2301 West A Street Suite C, Moscow, ID	208-883-1144
Fraley & Associates, PLLC	3320 Highway 8, Moscow, ID 504 Main Street Suite 422, Lewiston, ID	509-884-4623
Integrative Mindworks	803 S Jefferson Street Suite 3, Moscow, ID	208-882-8159
Kitzrow, Martha	106 E Third Street Suite 6, Moscow, ID	208-883-1842
Latah County Youth Advocacy Council	220 E 5th Street, Room 336 Moscow, ID 83843	208-883-2268
Mason Counseling and Consulting	106 E Third Street Suite 2B, Moscow, ID	208-882-1289
Nekich, Jamie PhD	814 S Washington Street, Moscow, ID	208-885-5057
Newsome, Teri	818 S Washington Street, Moscow, ID	208-883-3046
Paradise Creek Counseling	619 S Washington Street Suite 301, Moscow, ID	208-596-2542
Scott Community Care	200 S Almon Street, Moscow, ID 119 New 6th Street, Lewiston, ID	208-882-3504 208-746-9946
University of Idaho Student Counseling & Testing Center	University of Idaho Mary E Forney Hall 1210 Blake Avenue, Moscow, ID	208-885-6716
Weeks & Vietri	818 S Washington Street, Moscow, ID	208-882-8514 888-875-2784
Wellhouse Counseling Services	N/A	208-882-8340

Yama, Mark, PhD	PO Box 3033, Moscow, ID	208-885-7376 208-882-2182
University of Idaho - Counseling and Testing Center	Mary E. Forney Hall, Rm 306 1210 Blake Avenue University of Idaho Moscow, ID 83844-3140	208-885-6716

2. Affordability / Access – Leading Local Expert dominant concern is affordable care; Uninsured rate below ID average well above US average; Leading Local Expert concern lack of public transportation also cited as aspect of access problem

Problem Statement: Local residents should not be denied access to care because of limited payment ability

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN Financial Assistance Program - The Financial Assistance Program is based on the Federal Poverty Income Guidelines. Gritman Medical Center uses a sliding scale up to 200 percent of those guidelines. Detailed information is available at www.gritman.org
- Provide space for CHAS - Latah Community Health, open Monday - Friday.
- GRITMAN Van Service - we provide free transportation to community residents for any health and wellness program affiliated with Gritman Medical Center, Monday - Friday, 8:00 - 4:30 pm.
- GRITMAN Rural Clinics - in Kendrick, Troy and Potlatch, open Monday - Friday.
- Bosom Buddy Program - provides free screening mammograms to women receiving health care in Latah County who cannot afford the screening.
- Cancer Resource Center - open Monday - Friday, 10 a.m. to 4 p.m.
- Light A Candle Program - provides resources to people with a cancer diagnosis in Latah and Whitman counties.
- Cardiac Rehab Fund - provides scholarships to those in need.
- Martin Wellness Center Fund - provides scholarships to those in need.
- Provide space for Family Promise Program at the Martin Wellness Center - helps homeless families find affordable and permanent shelter.

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- Continue above initiatives
- Increase use of telemedicine as a way for patients to access qualified health and mental health professionals.
- Encourage enrollment in existing programs such as Medicaid via outreach/education and expedited enrollment.
- Offer Functional Movement Screens at county schools in collaboration with our rural clinics
- Work with local schools to offer education on wellness, nutrition, and exercise.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- GRITMAN efforts can help address the symptoms of and results from problems of affordability and access but it can do little to impact the underlying causes of this problem which stem from unemployment, limited education, adverse lifestyle choices and other factors.

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Volume of patient financial assistance efforts should increase from 2012 volumes.
  - 2012 patients assisted by GRITMAN financial assistance policies = 1,680
  - 2012 dollars expended by GRITMAN financial assistance policies = 1,728,447

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Percent of County population below Federal poverty guideline
  - 21.31% http://assessment.communitycommons.org/CHNA/Report.aspx?page=2&id=779

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Latah Community Health	719 S. Main Street Moscow, ID 83843	208-848-8300
SMART TRANSIT	Regional Public Transportation P.O. Box 3854 Moscow, ID 83843	208-883-7747

3. ALCOHOL ABUSE inc. Drug Abuse – Alcoholism a minor Local Expert concern; Excessive Drinking well above ID and US average; liquor store access at US average; Heavy alcohol consumption above average; Drug Abuse a Local Expert documented concern added to the definition

Problem Statement: Incident of substance abuse should not exceed the state average

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN medical detox and referral
- Substance abuse testing services
- Pre-employment physicals include substance testing
- Provide space and resources for AA and NA programs

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- Emergency service consultations with the University of Idaho counseling service

- Establish Alcohol and substance abuse education resources in Gritman Wellness Program, Health Library, and Lunch and Learn programming.
- Provide Alcohol screening and brief interview training to emergency service triage staff
- Sponsor mass media campaign relating to alcohol and substance impaired driving
- Sponsor school-based social norming programs to reduce alcohol consumption
    - Support for above concepts is at http://www.countyhealthrankings.org/policies?t[0]=field_program_health_factors%3A12056

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- A decrease in Adult rate of heavy alcohol consumption

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Number of University Student substance abuse referrals
    - 2012 program participants = 0
- Number of Detox patient admissions
    - 2012 admissions = 120

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Percentage of adults aged 18 and older who self-report heavy alcohol consumption (defined as more than two drinks per day for men and one drink per day for women)
    - Latah County = 17.8% http://assessment.communitycommons.org/CHNA/Report.aspx?page=5

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Website to locate substance abuse treatment facilities anywhere in the US	http://findtreatment.samhsa.gov/list_search.htm	N/A
Alcoholics Anonymous	www.area92aa.org or www.aa.org for location and times of meetings	882-1597
ALANON	www.al-anon-idaho.org	888-4al-anon 208-289-0997
Narcotics Anonymous	http://wnir-na.org/cities.shtml for meeting locations	208-746-7632

Business Psychology Associates	n/a	800-922-3406
Alliance Family Services	212 Rodeo Drive Suite 410, Moscow, ID	208-882-5960
Latah County Youth Advocacy Council	220 E 5th Street, Room 336 Moscow, ID 83843	208-883-2268
Region II Adult Mental Health	1350 Troy Highway Suite 2, Moscow, ID	208-882-0562
Weeks & Vietri	818 S Washington Street, Moscow, ID	208-882-8514
University of Idaho Student Counseling & Testing Center	University of Idaho Mary E Forney Hall 1210 Blake Avenue, Moscow, ID	208-885-6716

4. PHYSICIANS – primary care federal shortage designation; leading Local Expert concern Shortage of primary care providers and those accepting Medicare or Medicaid ; OB/Gyn visit 5% below average impacts 44% of pop; Used emergency room 10% above average impacts 38% of pop;

Problem Statement: Increase the Primary Care physician to population ratio

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN physician and midlevel recruitment support initiatives
- WWAMI scholarship program - provides scholarships to WWAMI students interested in practicing in rural Idaho.
- Healthcare scholarships - scholarships to local students pursuing a medical degree. These scholarships are awarded to future doctors, nurses, and care providers who have an interest in returning to our community. Scholarships include:
  - Janet Chisholm Martin Healthcare Scholarship
  - L. Clay Boyd Memorial Healthcare Scholarship
  - Chanda Morris Scholarship
  - Maurine Cherrington Scholarship
  - The Besst Family Scholarship

- Midge Presol Scholarship

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- GRITMAN will review the success of its physician recruitment process and enter discussions with the medical staff about how to construct the most desirable practice environment.
- Explore feasibility of partnering with the Moscow Volunteer Fire and EMS program to educate/encourage volunteers to consider careers in medicine and nursing.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- Increase in the medical resource professionals in Latah County

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Number of qualified physicians actively exploring opportunities in Latah County
  - 2012 =8
- Number of healthcare scholarships awarded on annual basis

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Percentage of adults aged 18 and older who self-report that they do not have at least one person who they think of as their personal doctor or health care provider.
  - Latah County 2012 = 23.79% http://assessment.communitycommons.org/CHNA/Report.aspx?page=4&id=504

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Moscow Family Medicine	623 S Main Street Moscow, ID 83843	208-882-2011
Moscow Medical	213 N Main Street Moscow, ID 83843	208-882-7565
Latah Community Health	719 S. Main Street Moscow, ID 83843	208-848-8300
Inland Orthopaedic Surgery	2500 W A St Ste 201, Moscow	208-883-2828
Palouse Surgery Center	2300 West A Street Moscow, ID 83843	208-883-1500

Palouse Medical	825 Se Bishop Blvd Ste 200, Pullman, WA 99163	509-332-2517

5. OBESITY/OVERWEIGHT – Leading Local Expert concern obesity most frequent clinical concern; Physical Inactivity below ID average not different that US average; Health eating habits 13% below average impacts 26% of population.

Problem Statement: Increase awareness of maintaining a healthy weight and lifestyle.

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN dietary and nutrition service consultations
- Participation in educational efforts at local school and community events
- GRITMAN Martin Wellness Center programs - independent exercise, core strength and weight training, water aerobics, group exercise classes, Fit and Fall Proof
- Cardiac rehabilitation prevention program focus on education and exercise
- GRITMAN Fun Runs (2) annually - The Colors of Hope Run in September and the Red Skirt Scamper in February.
- GRITMAN Wellness Scholarships for Cardiac Rehab and Wellness Center.
- Provide point-of-decision prompts for use of stairs: motivational signs placed on or near stairwells, elevators, and escalators encourage individuals to use stairs.
- Implement breastfeeding programs to increase breastfeeding initiation, exclusive breastfeeding, and duration of breastfeeding.

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- GRITMAN will establish an integrated approach to obesity by coordinating its efforts with diabetic reduction efforts formulating a multi-component obesity prevention intervention initiative.
- GRITMAN will lead by example by fostering employee involvement in a worksite prevention intervention.
- Provide healthy eating vending options.
- Make water available and promote consumption of water in place of sweetened beverages.
- Provide point-of-purchase , visitor and patient prompts to highlight healthier alternatives such as fruits and vegetables.
- Use competitive pricing, e.g., higher prices for non-nutritious foods than for nutritious foods.
- Work with schools to institute school policies that increase activity such as expanding school-based physical education classes, active recess, and walking or biking to school.

- Help schools to promote exercise and recreation in communities, e.g., by allowing evening access to school recreational facilities.
- Increase access to fitness centers and athletic facilities: access can be increased in a number of ways, including physical access/location accessibility and reduced costs or sliding scale fees to improve economic access.
- Offer health insurance premium support for maintaining appropriate weight and participate in health assessment for wellness incentives
- Institute workplace incentives for physical activity, including use of rehabilitation resources
- Offer resource guide with information on healthy eating and fitness opportunities in the area
- Offer Functional Movement Screens at county schools in collaboration with our rural clinics.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- GRITMAN anticipates a greater percentage of residents will no longer be obese

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Martin Wellness Center and GRITMAN Cardiac Rehabilitation visits
    - 2012 = 24,597

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Reduction in the percent of Latah residents adults aged 18 and older self-report that they have a Body Mass Index (BMI) between 25.0 and 30.0 (overweight)
    - Latah 2012 = 37.21% http://assessment.communitycommons.org/CHNA/Report.aspx?page=6&id=604

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Active Living Task Force	City of Moscow 206 East Third Street Moscow, ID 83843	208-883-7123
Anytime Fitness	436 N Main St, Moscow , ID 83843	208-882-3100
Backyard Harvest	510 West Palouse River Drive, Moscow, ID 83843	208-882-3996
CHAS Latah Community Health	719 S. Main Street Moscow, ID 83843	208.848.8300
Rayme Geidl, MD	213 N Main St, Moscow, ID 83843	208-882-7565

High Five Children's Health Collaborative	City of Moscow Alisa Stone, Grants Manager 206 East Third Street Moscow, ID 83843	208-883-7123 or 208-883-7600
Moscow Farmers Market (cooking demos and recipe cards)	City of Moscow 206 East Third Street Moscow, ID 83843	208-883-7132 farmersmarket@ci.moscow.id.us
Parks & Recreation	City of Moscow 1724 East F Street Moscow, ID 83843	208-883-7084
Poverty on the Palouse Forum		208-883-7132 jpffiffner@ci.moscow.id.us
Heart of the Arts	412 East 3rd Street Moscow, ID 83843	208-882-1562
Moscow Chamber of Commerce	411 S. Main Street Moscow, ID 83843	208-882-1800
Moscow Mountain Sport	872 Troy Rd, Ste 180 Moscow , ID 83843	208-882-1426
Moscow School District	650 North Cleveland Street Moscow, ID 83843	208-882-1120
Movement Sciences	University of Idaho College of Education University of Idaho Moscow, Idaho 83844-2401	208-885-7921
North Idaho Athletic Club	408 S Main St, Moscow	208-882-7884
Officer Newbill Kids Safety Fair	n/a	208-882-4414

PCEI	1040 Rodeo Drive PO. Box 8596, Moscow, ID 83843	208.882.1444
Safe Routes to School (University of Idaho & City of Moscow)	n/a	http://sr2smoscow.com
SMART Transit	Regional Public Transportation PO Box 3854 Moscow, ID 83843	208-883-7747
SNAP (Backyard Harvest)	P.O. Box 9783 Moscow, ID 83843	208-669-2259 info@backyardharvest.org
Summer Lunch Program MSD	510 Home Street Moscow, ID 83843	208-882-1120
UI Extension	PO Box 442338 Moscow, ID 83843	208-885-5883 extension@uidaho.edu

6. PRIORITY POPULATION – Minority and other groups Local Expert concern, dominant comments focus on Poor working families unable to afford "any kind of medical care", CHAS clinic helps but may need health coaches to guide proper decision making, access to affordable medical care frequently cited but also mentions of needs for professional mental health and the lack of dental service, aged need for affordable assisted living was a less frequent cited need.

Problem Statement: Child health and Prevention resources need to increase

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- Motherhood Connections - a free weekly support group for new moms and their babies, held at the Martin Wellness Center
- GRITMAN Financial Assistance Program - The Financial Assistance Program is based on the Federal Poverty Income Guidelines. Gritman Medical Center uses a sliding scale up to 200 percent of those guidelines. Detailed information is available at www.gritman.org
- Provide space for Family Promise Program at the Martin Wellness Center - helps homeless families find affordable and permanent shelter.
- Provide space for CHAS - Latah Community Health, open Monday - Friday.

- Provide child car seats and bike helmets

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- GRITMAN will explore and if feasible implement a coalition program in concert with Safe Kids Idaho[22] (based on the Kootenai program) and integrate it into its pediatric program.

- Explore opportunities to expand car seat & helmet services and develop relationship with the Moscow Police Department.

- Car Seat Safety
    - GRITMAN currently has a number of Car Seat Technicians
    - They often work with the Moscow Police Department (Marie Miller, 208-301-4238) to offer their services at events through out the year, including the Officer Newbill Kid's Safety Fair.
    - These opportunities could include education on using seat belts, safety in and around cars and dangers during the summer months.
    - More relationships could be developed with local car dealerships, UI Students and the department of Health and Welfare.
- Bike Safety
    - GRITMAN has current relationships with both the city of Moscow and the UI through the Safe Routes to School program, I Count, Active Living Task Force and the Officer Lee Newbill Kid's Safety Fair.
    - These are all very well established programs that we could continue to develop and serve a role.
    - This education could be expanded to the university to promote safety of those pedestrians and bikers. Ideas that have been bounced around are bike rodeo's, simple bike repairs and maintenance, proper and safe riding in town, and improving safe crossings at roadways.
    - Gritman currently holds a bike safety class for children with special needs each summer. Therapy Solutions will look to expand this program to the rural communities and developing a relationship with a new Bike Co-Op in Moscow.
    - Other organizations that have been included in the past or could brought on board are: The local bike shops, Palouse Bicycle Racing, PCEI, Moscow Area Mountain Biker's Association, and the Moscow PD.
- Water Safety
    - This is the area where we have the least amount of development in our region.
    - The city of Moscow and the University of Idaho certify Life Guards.
    - Water Safety courses could be taught through the Moscow Parks and Recreation Department.

[22] http://www.safekids.org/coalition/safe-kids-kootenai-county

    - Therapy Solutions spoke with the Kootenai County coordinator of the program and she said that they partner with the aquatic police force for this portion of the program.
    - Other organizations who we could partner with are Northwest River Supply and the UI.
    - Therapy Solutions physical therapists have a desire to work with kids on rafting safety to allow for another type of outdoor activity.
- Playground Safety and Fall Prevention
    - The city of Moscow does a wonderful job of seeking public comment regarding all playgrounds they install in the city.
    - We can also work with the rural schools to ensure safety at their playgrounds.
- Other area's of safety concern
    - ATV Safety
    - Hunter Safety
    - Concussions
    - Functional Movement Screens
    - Youth Sports Safety

Summary: There is an abundance of local resources and programs currently offering many of these services. A great goal would be to bring these entities together under the umbrella of the Safe Kids Program. This would allow for more organization and team work amongst the groups for a healthier and safer community.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- GRITMAN efforts can help address the symptoms of and results from problems of affordability and access but it can do little to impact the underlying causes of this problem which stem from unemployment, limited education, adverse lifestyle choices and other factors.
- Increased adherence to prevention program participation goals

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Participant in Safe Kids safety events
    - 2012 = 3

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Reduction in the percent of under age 19 without medical insurance

- 2010 = 8.5% http://assessment.communitycommons.org/CHNA/Report.aspx?page=2&id=772

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Family Promise	510 West Palouse River Drive., Moscow, ID 83843	Family Promise
Latah Community Health	719 South Main Street Moscow, ID 83843	208-848-8300
Latah County Youth Advocacy Council	220 E 5th Street, Room 336 Moscow, ID 83843	208-883-2268
Sojourners Alliance	627 N Van Buren St, Moscow	208-883-3438

7. CANCER – Cancer leading cause of death at rate lower than expected, ranks #29 in ID (#1 = worse), death rate below ID average; Breast Cancer rate worse than US and Peer average; Colon Cancer and Lung Cancer better than peers and US average; Pap/Cervix test 10% below average impacts 54% of pop; Mammography 7% below average impacts 42% of pop; Prostate screening 11% below average impacts 28% of pop

Problem Statement: Cancer detection and screening services need greater participation

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN Cancer Resource Center - open Monday - Friday, 10 a.m. to 4 p.m.
- Bosom Buddy program - free screening mammograms to women receiving care in Latah County who are unable to afford the screening.
- Light a Candle Program - provides resources to people with a cancer diagnosis in Latah and Whitman counties.
- Provide space for support groups - Breast Cancer Support Group meets the second Monday of each month in the Gritman Board Room.

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- Coordinating efforts with Pullman Regional Hospital and Whitman Hospital and Medical Group to develop a cancer center located in Moscow, ID
- Continue implementation of current efforts

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- An increase in the use of screening and cancer detection services leading to earlier intervention and increased survival

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Volume of colonoscopy and mammography exams should increase from 2012 volumes.
  - 2012 colonoscopy exams = 176
  - 2012 mammography exams = 2,674

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Cancer death rate per 100,000
  - 2012 = 158.7 www worldlifeexpectancy com/usa-health-rankings

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
St Joseph Regional Oncology Center	1250 Idaho Street Lewiston, Idaho 83501	208 750-7385
St. Joseph Medical Group Cancer Center & Blood Institute	2506 West A St. Suite G Moscow, ID 83843	
Palouse Surgeons	2301 West A Street, Suite A Moscow, ID 83843	208-882-1700
North Idaho Dermatology	619 South Washington Street Moscow, ID 83843	208-665-7546.

8. DIABETES – Diabetes is the eighth cause of death, lower than expected ranks #36 (#1 = worst) below ID average

Problem Statement: An increased number of confirmed diabetic patients need to actively monitor their condition.

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- GRITMAN Diabetes Education Services
- GRITMAN Diabetes Wellness classes
- GRITMAN Diabetes Support Group (in Moscow & Colfax)
- Certified diabetic educators, recognized by the American Diabetes Association.
- Holiday Cooking Class
- Education in the schools, as requested

GRITMAN IMPLEMENTATION PLAN PROGRAMMATIC INITIATIVES:

- Coordinating efforts with the rural clinics in Potlatch, Troy and Kendrick, the Martin Wellness Center, medical offices, and Pullman Regional Hospital to better educate those with diabetes and pre-diabetes.

ANTICIPATED RESULTS FROM GRITMAN IMPLEMENTATION PLAN

- Increase in compliance with disease management initiatives

LEADING INDICATOR GRITMAN WILL USE TO MEASURE PROGRESS:

- Number of diabetic educator program hours.
  - 2012 = 982

LAGGING INDICATOR GRITMAN WILL USE TO IDENTIFY IMPROVEMENT

- Percent of diabetic Medicare enrollees that receive HbA1c screening
  - 2010 = 83% http://www.countyhealthrankings.org/app/idaho/2013/measure/factors/7/map

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
n/a	n/a	n/a

9. DENTAL – Minor dental Local Expert concern; dental care federal shortage designation; above average residents without dental exams

Problem Statement: Increase the Dentist to population ratio

GRITMAN SERVICES AVAILABLE TO RESPOND TO THIS NEED INCLUDE:

- Emergency temporary dental service

GRITMAN WILL NOT DEVELOP AN IMPLEMENTATION PLAN FOR THIS SIGNIFICANT NEED:

- Need is addressed by other facility or organization

Other Local Resources identified during the CHNA process which are believed available to respond to this need include the following:		
Bearable Dentistry Schiavoni, Bryan DDS Sept, Matthew DDS Weitz, Dustin DDS	1410 S Main St., Moscow, ID	208-882-3214
Moscow Family Dentistry Bowen, Benjamin DDS Bowen, Patricia DDS	1215 6th St., Moscow, ID	208-882-6570
Palouse View Dental Hansen, Clay DDS	1526 Levick St., Moscow, ID	208-882-4923
BlueSky Dental Henry, Kevin, DDS	2500 West A Street, #204, Moscow, ID	208-882-9111
My Dentist Kline, Jeffrey DDS	2016 W Pullman Rd., Moscow, ID	208-882-0991
Naturally Designed Smiles Peterson, Wayne DMD PC	1138 W A St., Moscow, ID	208-883-7645
Potlatch Family Dental Pitt, Ammon DDS	225 6th St., Potlatch, ID	208-875-0441
Palouse Pediatric Dentistry Sept, Karen DMD	1246 W A St., Moscow, ID	208-882-9999

Kendrick Family Dentistry Sowle, Jeffrey DDS	601 E Main St., Kendrick, ID	208-289-3221
Dental Depot Loomis, Larry DDS	803 S. Jefferson St., Moscow, ID	208-882-2531
Nature's Way Dentistry Werner, John DDS	619 South Washington St., Moscow, ID	208-883-7777

Other Needs Identified During the CHNA Process Presented in Rank Order of Need

10. COMPLIANCE BEHAVIOR / PREDISPOSING CONDITIONS inc focusing on cause rather than symptoms - Education better than ID average; Inadequate social support lower than ID and US average; Follows treatments 10% below average impacts 36% of population; 21.1% of population live in poverty, above US and ID average; 17.3% of Latah children live in poverty, below ID and US average
11. SEXUALLY TRANSMITTED DISEASE - Sexually Transmitted Infections well above ID and US average
12. ALZHEIMER'S - Alzheimer's sixth cause of death ranks #3 (#1 = worst) above ID average
13. PALLIATIVE CARE & HOSPICE - Palliative Care do not exist in Latah, Hospice Care do exist
14. SMOKING / TOBACCO USE – Tobacco use a minor Local Expert concern; Use tobacco / smoke 22% above average impacts 32% of population; below average smoke
15. CORONARY HEART DISEASE – Heart Disease second cause of death lower than expected, ranks #39, in ID (#1 = worst) below ID average; Native American heart mortality considerably higher than US Native American average; Coronary Heart Disease better than peers and US average
16. LOW BACK PAIN (Chronic) – Chronic lower back pain 17% above average impacts 25% of pop
17. CHOLESTEROL (HIGH) – Cholesterol screening 6% below average impacts 48% of population
18. STROKE – Stroke third cause of death ranks #30 (#1 = worst) above ID average; Stroke deaths lower than US average; Stroke Rate worse than national average or Peer average
19. MATERNAL AND INFANT MEASURES – Low Birth Weight Births lower than ID and the US average; Teen Birth Rates well below ID and US average; Births to Women Age 40 to 54 Rate worse than national average or Peer average; Better than peers and US average for Low

Birth Weight, Very Low Birth Weight, Premature Births, Births to Women Under 18, Births to Unmarried Women, Infant Mortality, White non-Hispanic Infant Mortality, Neonatal Infant Mortality, Post Neonatal Infant Mortality

20. ACCIDENTS - Accidents fourth cause of death, lower than expected ranks #38 (#1 = worst) below ID average; Unintentional Injury and Motor Vehicle Injury Rate worse than national average or Peer average
21. PARKINSON'S – Parkinson's tenth cause of death ranks #3 (#1 = worst) higher than ID average
22. FLU / PNEUMONIA including chronic sinusitis / Allergies – Flu-Pneumonia ninth cause of death, lower than expected ranks #27 (#1 = worst) above ID average
23. EYE CARE – Eye care minor Local Expert concerns
24. LIFE EXPECTANCY / PREMATURE DEATH – Health Outcomes Latah ranks number 4 among the 42 Idaho ranked counties (best being #1). Premature Death (prior to age 75) longer survivability than average for ID or US; Life expectancy increased but males improved considerably more than females
25. LUNG – Lung disease fifth cause of death rank #36 (#1 = worst) below ID average
26. PHYSICAL ENVIRONMENT – Air pollution higher than ID and US average

Overall Community Need Statement and Priority Ranking Score:

Significant Needs Where Hospital Has an Implementation Plan

1. MENTAL HEALTH / SUICIDE
2. AFFORDABILITY / ACCESS
3. ALCOHOL ABUSE including drug abuse
4. PHYSICIANS
5. OBESITY/OVERWEIGHT
6. PRIORITY POPULATION
7. CANCER
8. DIABETES

Significant Needs Where Hospital Did Not Develop an Implementation Plan[23]

9. DENTAL

Other Needs Where Hospital Developed an Implementation Plan

(none)

Other Needs Where Hospital Did Not Develop an Implementation Plan

10. COMPLIANCE BEHAVIOR / PREDISPOSING CONDITIONS including focusing on cause rather than symptoms
11. SEXUALLY TRANSMITTED DISEASE
12. ALZHEIMER'S
13. PALLIATIVE CARE & HOSPICE
14. SMOKING / TOBACCO USE
15. CORONARY HEART DISEASE
16. LOW BACK PAIN (Chronic)
17. CHOLESTEROL (HIGH)
18. STROKE
19. MATERNAL AND INFANT MEASURES
20. ACCIDENTS
21. PARKINSON'S

[23] Reference Schedule H (Form 990) Part V Section B 7

22. FLU / PNEUMONIA including chronic sinusitis / Allergies

23. EYE CARE

24. LIFE EXPECTANCY / PREMATURE DEATH

25. LUNG

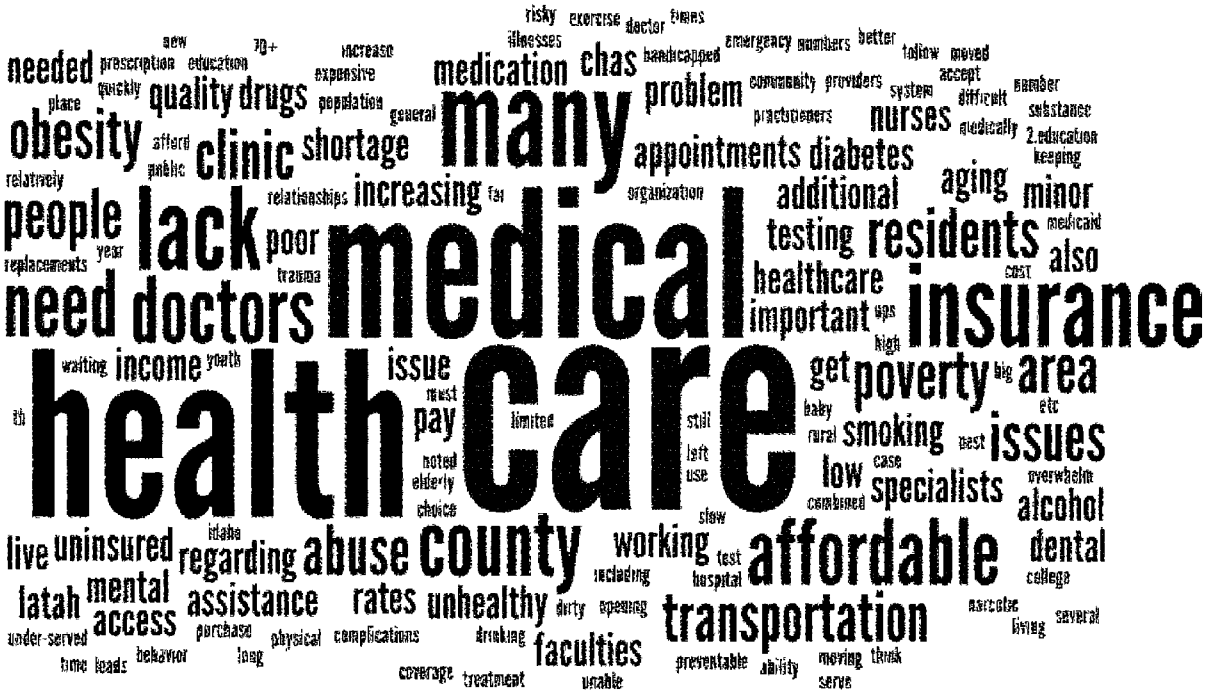
26. PHYSICAL ENVIRONMENT

Appendix

Appendix A – Area Resident Survey Response[24]

A total of 21 local expert advisors participated in an online survey offering opinions regarding their perceptions of community health needs. The following is an analysis of their responses:

The first question was open-ended. "What do you believe to be the most important health or medical issue confronting the residents of your County?" Answers were placed in a "Word Cloud" format for analysis and generated the following image:



Word Clouds are analytical tools which give greater visual prominence to words appearing more frequently in the source text. This information visualization establishes a portrait of the aggregate responses, presenting the more frequently used terms with greater text size and distinction in the visual depiction. Common article words (i.e., "a," "the," etc.), non-contextual verbs (i.e., "is," "are," etc.) and similar words used when writing sentences are suppressed by this application.

Specific verbatim comments received were as follows:

- It seems we have a shortage of quality doctors - several have retired or left the area and few replacements have moved in - as noted by long waiting times, difficulty in making appointments and slow follow ups.

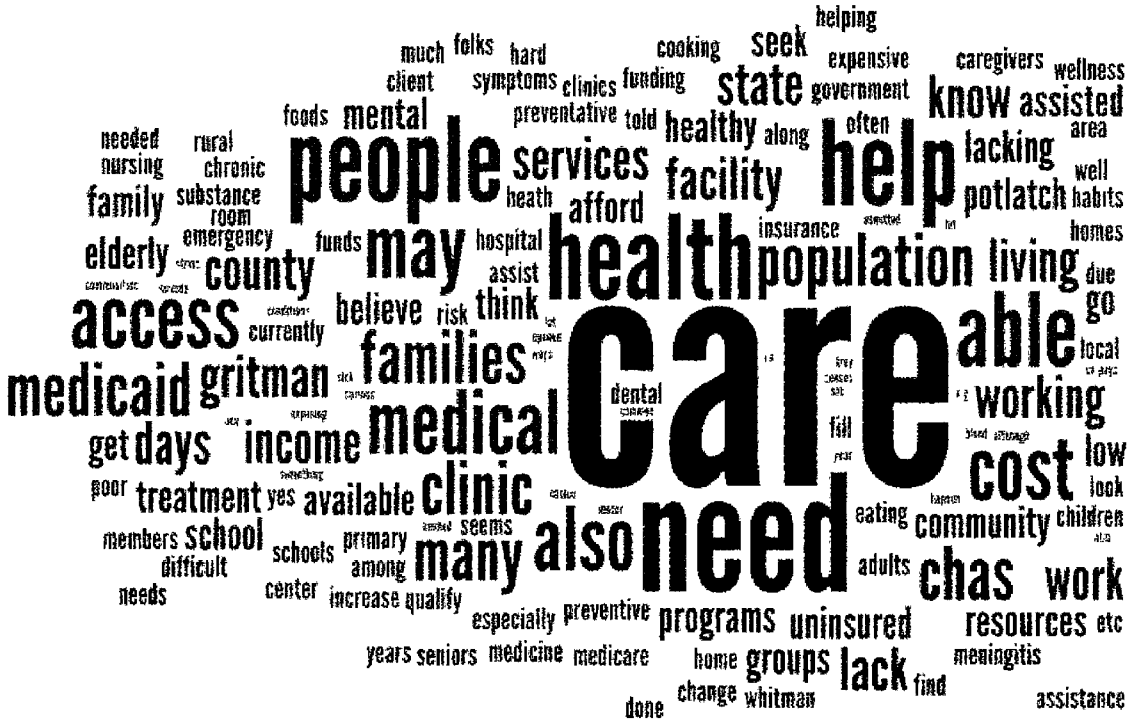
[24] Responds to IRS Schedule H (Form 990) Part V B 1 h

- Getting people moving for their physical and mental health.
- Transportation to get to medical faculties outside of the area if needed. Health care rates No insurance
- Affordable health care (minor care) for the uninsured and affordable in home assistance for the elderly.
- 1. Access to healthcare for working poor, 2.education regarding preventable diseases, 3. education regarding treatment of minor injuries and illnesses
- Smoking, obesity and narcotic abuse
- Unhealthy lifestyles including poor nutrition, lack of exercise, smoking, drinking, risky behavior, etc. This leads to diabetes, obesity and many other complications that are so expensive to treat and for many who do not have insurance and can't afford to pay.
- Shortage of primary care providers, and those who also accept Medicare and Medicaid.
- Lack of health insurance coverage because we have a relatively high rate of poverty
- Residents are medically under-served in Latah County as is the case for most of Idaho. Lack of doctors, many residents do not have health insurance, public transportation to medical offices does not exist for rural county residents.
- Diabetes Overweight and Obesity Heart Disease Mental Health issues
- The increasing wave of baby boomers who are aging and who will need additional medical care with the issues of aging. That combined with the mobility of families who live far away so many have very limited support systems and the increasing numbers of those diagnosed with dementia who will need additional assistance will overwhelm the system we now have in place. We need to be proactive to prepare for this and must increase our working relationships and interdependence to serve this population best.
- Substance abuse
- At the present time the clinic in Potlatch is not fully handicapped accessible. Transportation to get to other medical faculties. Health care rates No insurance
- Some of the senior citizens that I deliver meals to live in a dirty environment and a very unhealthy situation and are at the poverty level.
- Lack of medical care, dental care and ability to purchase medication for low income and uninsured. With CHAS Clinic this is better but I still think it is a problem.
- Certainly, our distance from many different medical specialists is an ongoing problem, not only trauma specialists, but many others. We also lack a sufficient number of general practitioners in the community to be able to schedule appointments with your own doctor quickly in cases of urgent but not emergency need.

- The use of alcohol, tobacco and other drugs of choice by our under 21 youth is an important health and medical issue. Collaboration between the hospital, city, college and county is needed to address these issues.
- Affordable health care.
- Abuse of alcohol and drugs.
- Affordable care- the recent opening of the CHAS clinic will help to fill that void for inexpensive medical care. Dental Care and Eye Care are a big one that most low income people are unable to access! Prescription medication is difficult for those living in poverty. Testing for TB. The cost is prohibitive for our organization to test 70+ people a year nor do our clients have the funds to pay for testing.
- I believe that the most important health or medical issue in Latah County is recruitment and retention of quality healthcare staff - both bringing new talented doctors and nurses to our area, and keeping our established doctors and nurses

Our second question to the local experts was, "Do you perceive there are any primary and/or chronic disease needs, as well as potential health issues, of uninsured persons, low-income persons, minority groups and/or other population groups (i.e., people with certain situations), which need help or assistance in order to improve? If you believe any situation as described exists, please also indicate who you think needs to do what."

The responses generated the following image:



Specific verbatim comments received were as follows:

- It seems that some adults who have low income but work hard are unable to afford any kind of medical care but don't qualify for the typical social welfare programs. Can the state do more for these folks?
- With the life style and eating habits of some of our assisted groups, they develop diabetes or high blood pressure. They are told to change their eating with foods we don't have or their cooking habits need to change. Education into foods we have. Mackenzie Femreite with "Cooking is a Snap" helping our area.
- In Potlatch aging is a major issue so there is a need for an affordable assisted living facility along with a wellness center. As we all know with age comes the lack of mobility, with a wellness facility in Potlatch people would be able to participate in a regular fitness program. This is something that would require partnerships with Federal / State and Local Government along with the private sector for funding.
- I think our community has done well helping the low-income families through different programs at the school and through other groups in town. The group that I do see, on a personal note also, is the need for in home assistance for the elderly that do not qualify for Medicaid. It makes it hard to keep the elderly in their homes when some only make $100 over the income limit for Medicaid. Many families are able to be there in the mornings before work and the evenings after work, but the days are where the assistance is needed. The cost lies on the family members which is usually too expensive. I know ANS is working on getting the qualifications to accept Medicare but it has been years in the working. If the government made the process easier more nursing services would be able to provide services to Medicare recipients, more of the elderly would be able to stay in their homes and the cost of nursing care which transitions to Medicaid anyway would not be needed as much.
- I believe there is a lack of access to health care for the working poor families -- people without insurance or those who cannot afford co-pays etc. It would be ideal if there were funds (such as a non-profit health charity) to fill the gaps for these families. Such a fund could be accessed for anything from glucose meter strips to lice shampoo. CHAS may be able to help fill that gap. I also help families access resources through The Hope Center, Community Action Network and the Lion's Club. These funds are limited. In addition more primary care could be done through the schools for the pediatric population. The MSD currently has a nurse: student ratio of 1:1500. The CHAS clinic or the Gritman Foundation might be able to increase access to basic health care through assisting with funding in the schools as Kootenai Health does in CDA.
- There are many uninsured who do not get satisfactory healthcare due the cost.
- The obese population that often is uninsured. The CHAS clinic may help with this but also need to look at health coaches for those who are currently having problems. Also, by

offering healthy school lunches and teaching classes focusing on healthy lifestyles beginning in elementary school and repeating every 3-4 years.

- There is a large population of un- and under insured persons in our county. The difficult thing is that even if there is care available, due to the distance they need to travel for routine medical care, many people do not seek care until they are very sick. There is also a culture of "non-care", those who do not seek preventative care because they don't believe that preventative medicine will help (outside of common sense, e.g.. most people know that they should eat healthy and exercise, they "don't need a doctor to tell me that"). Maybe if the resources that are available to help those were advertised and marketed they may be more willing to seek care before their condition is very serious.
- Yes, lack of preventive care among those living in poverty. CHAS clinic may be able to help address these concerns
- If people cannot afford or have access to medical care, preventive care doesn't happen. This can lead to chronic conditions which cost more to treat when and if they can get care. The emergency room is often where they go - the most expensive choice. Children in the outlying areas lack medical and dental care. Gritman Hospital has opened clinics in some of the rural communities which help but there are still many needs unmet.
- Access to Dental services and care is lacking in all populations, especially in low income, Medicaid and uninsured. (especially for children and seniors) Mental health and Substance abuse services are lacking in all population groups. Suicide prevention and resources are also lacking.
- I think that we need to increase our understanding of dementia and our ability to diagnose it and then to assist family caregivers because they will need to be the primary line of care as we do not have sufficient facilities to care for this rapidly growing population nor do most people want to live in a facility. They will be seen in increasing numbers in our EDs when family caregivers become overwhelmed.
- Mental health care
- I think the health dept; or someone with authority needs to look in on these people
- There are a lot of substance abusing people who have Hep C and find it difficult to find treatment.
- It seems that the establishment of a CHAS clinic in the city of Moscow speaks to some of these issues, as do Gritman's clinics in Troy and Potlatch. Whitman County's vast western reaches may be very underserved in all senses, although that is the concern of Pullman Regional and Whitman County in Colfax, not Gritman. I'm not aware of chronic diseases peculiar to this area. Adult students at our universities, working mothers and the rural poor may be among those whose finances are most fragile.

- Yes, I know there are. I am constantly reminding folks who need medical care to go to the Kendrick Clinic and get the help they need and not to worry about the charges. Many are unemployed and fall under the radar (i.e. no insurance, no Medicaid, etc.)
- Access to professional mental heath the therapy and treatment to low income, impoverished community members to include teenage to young adults with few coping skills. The state of Idaho has cut programs to the point of non-effective involvement. No local heath care facility is available. The State should work with Gritman for localized treatment.
- Earlier this year we had a client who went to the Emergency Room with severe medical symptoms that was consistent with Meningitis. They were told to go back to their communal living situation and return in three days if the symptoms did not improve. The client returned to the hospital two days later and was admitted for 5 days with Meningitis. The risk of exposing the disease to 11 other clients as well as staff was a bit unnerving. Solution: I really don't have one.
- I believe that our senior citizens are most at risk in our county - from care to the rising cost of medicine to the cost of assisted living, Latah County is fortunate to have Circle of Friends and My Own Home to assist as much as possible, but we need to remain mindful of ways to continue to support our seniors.

Appendix B – Process to Identify and Prioritize Community Need[25]

Community Health Need Topic	Total Points Allocated	Number of Local Experts Allocating Points	Cumulative Percentage of Points	Break Point From Higher Need	Need Determination
1 MENTAL HEALTH / SUICIDE	265	16	15 6%	0	Significant Needs
2 AFFORDABILITY / ACCESS	199	12	27 3%	66	
3 ALCOHOL ABUSE inc drug abuse	183	14	38 1%	16	
4 PHYSICIANS	166	11	47 8%	17	
5 OBESITY/OVERWEIGHT	116	11	54 6%	50	
6 PRIORITY POPULATION	86	6	59 7%	30	
7 CANCER	84	8	64 6%	2	
8 DIABETES	78	8	69 2%	6	
9 DENTAL	77	9	73 8%	1	
10 COMPLIANCE BEHAVIOR / PREDISPOSING CONDITIONS inc focusing on cause rather than symptoms	60	6	77 3%	17	Other Identified Needs
11 SEXUALLY TRANSMITTED DISEASE	55	7	80 5%	5	
12 ALZHEIMER'S	50	6	83 5%	5	
13 PALLIATIVE CARE & HOSPICE	44	7	86 1%	6	
14 SMOKING / TOBACCO USE	44	7	88 6%	0	
15 CORONARY HEART DISEASE	38	5	90 9%	6	
16 LOW BACK PAIN (Chronic)	31	5	92 7%	7	
17 CHOLESTEROL (HIGH)	29	5	94 4%	2	
18 STROKE	21	5	95 6%	8	
19 MATERNAL AND INFANT MEASURES	20	5	96 8%	1	
20 ACCIDENTS	16	5	97 8%	4	
21 PARKINSON'S	14	5	98 6%	2	
22 FLU / PNEUMONIA inc chronic sinusitis / Allergies	9	4	99 1%	5	
23 EYE CARE	6	2	99 5%	3	
24 LIFE EXPECTANCY / PREMATURE DEATH	5	3	99 8%	1	
25 LUNG	3	3	99 9%	2	
26 PHYSICAL ENVIRONMENT	1	1	100 0%	2	
Total	1 700	17	100 0%		

Note: Need statements presented in capital letters originate from data analysis. Need statements presented in lower case type originate from local expert opinions.

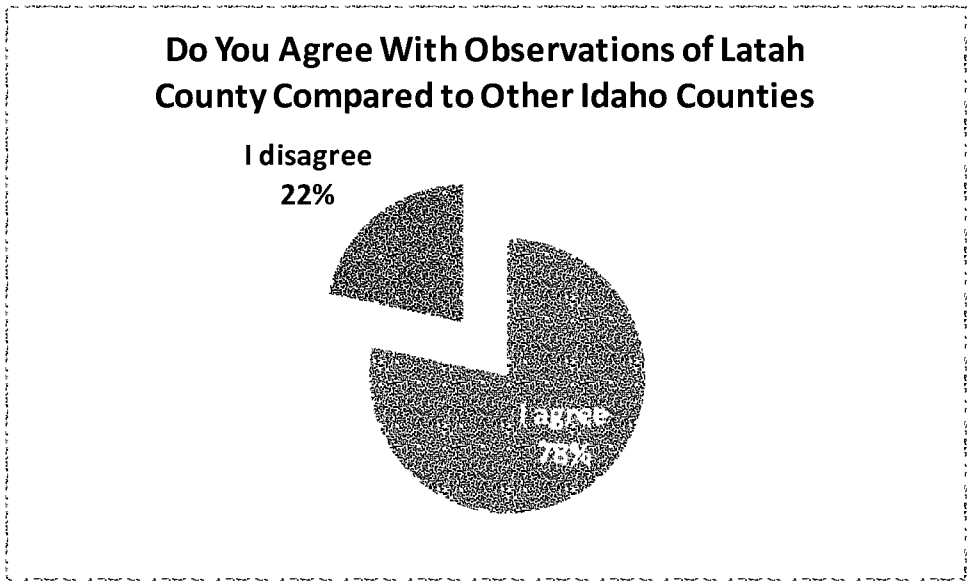
Individuals Participating as Local Expert Advisors

	Organization	Position	Areas of Expertise
1	Latah Economic Development	Executive Director	Economic development, long term area resident
2	Circles of Caring Adult Day Health	Executive Director	Eldercare and dementia
3	University of Idaho and Family Promise	Vice Provost for Student Affairs/Dean of Students	oversee student health services president of non profit to help homeless families, long term resident
4	Public Health - Idaho North Central District	District Director	Public Health
5	Gritman Medical Center	Physician Assistant	Family Practice Practitioner
6	Genesee Civic Association/Genesee City C	Secretary/Councilor	Long term area resident
7	Weeks and Vietri Counseling	Owner/Clinical Supervisor	Mental Health/Substance Abuse
8	City of Kendrick	Mayor	working with the public & senior citizens
9	Moscow Police Department	Chief of Police	community policing
10	City of Potlatch	Mayor	Local Goverment
11	Latah County Youth Advocacy Council	Prevention Director	Youth Drug Prevention
12	Moscow Police Department	Chief	Public Safety
13	League of Women Voters of Moscow	President	retired social worker, long time resident
14	Moscow Chamber of Commerce	Executive Director	long term resident, prepresentative of business interests
15	Moscow School District	Nurse	pediatric, school nursing
16	Moscow Family Medicine	Physician	FP
17	Moscow-Pullman Daily News	Managing Editor	Medical service consumer, public information
18	retired	n/a	former high school principal, long term area resident
19	Gritman Hospital Kendrick Clinic	ARNP FNP	Family Practice
20	Potlatch Food Bank	Ordering volunteer	volunteer at foodbank, long term area resident
21	Retired	Owner	long term resident
22	Sojourners' Alliance	Executive Director	Housing for the homeless and Poverty

[25] Responds to IRS Schedule H (990) Part V B 1 g and V B 1 h

Advice Received from Local Experts

Q. Do you agree with observations formed about the comparison of Latah County to all other Idaho counties?

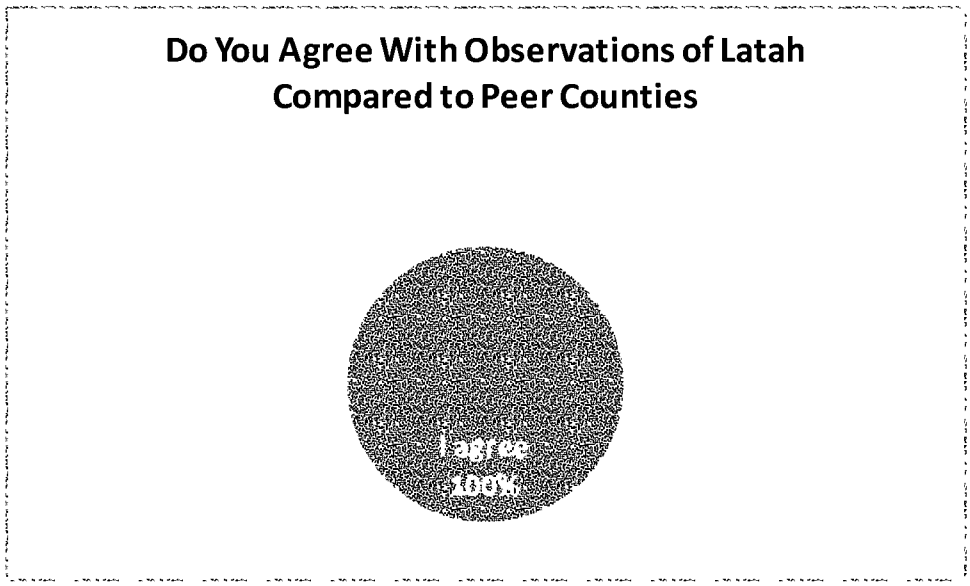


Clarifying Comments:

- No comments
- I disagree with some
- I disagree that Excessive Drinking is higher then the state or national averages. During the school year there may be a higher rate then during the rest of the year because of all the students that come to the area. I also disagree that Air Pollution is higher in Latah County then the rest of the state or nationally.
- I have never read any of the stats on the above but I disagree that Latah County is above average for Drinking or Sexually Infections. Drinking may be higher then normal For Latah County during the school year because of the students that come to the area for school. In Potlatch you see fewer vehicles in front of the taverns then you would have seen 5 or 10 years ago. There is no way that Latah County has higher air pollution then in others areas of ID or the US.
- I have never read anything on the above ratings but I do disagree with a few. I do not believe that Drinking or Sexually Transmitted Infections are above ID or US averages in Latah County, I do believe that during the school year the Drinking may be a little higher then normal because of all of the college students that come into our county. In Potlatch you see fewer cars sitting in front of taverns then 5 or 10 years ago, that's not saying that they may be drinking elsewhere but I do not feel that Latah County is above average! There is no way that in Latah County Air Pollution is higher in either ID or the US.

- Low Birth Weight Births show Latah residents presenting with lower values than ID and the US average. Not at all clear whether that is a good or bad outcome. Air pollution is all about dust.

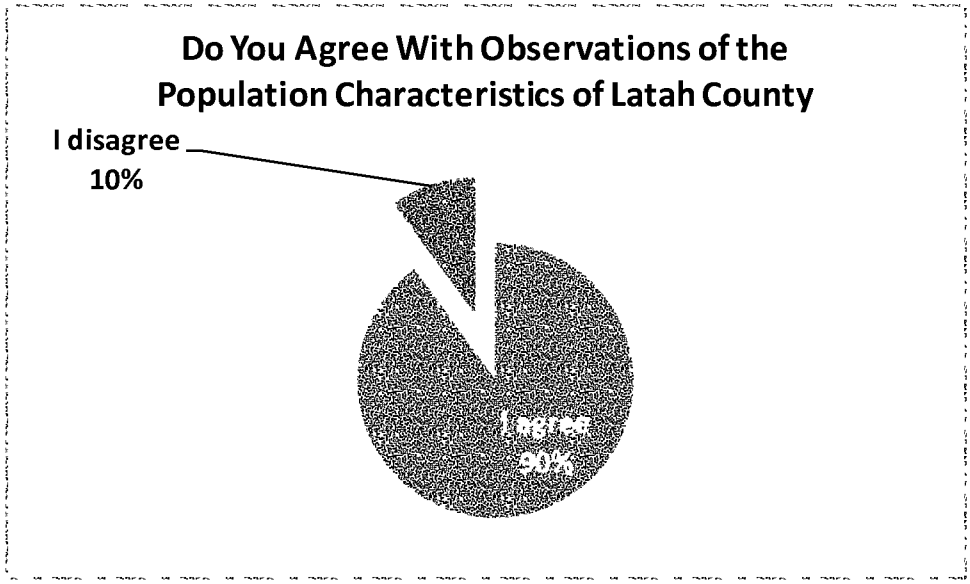
Q. Do you agree with observations formed about the comparison of Latah County to its Peer counties?



Clarifying Comments:

- No comments
- I agree
- I agree
- Alcohol overdose/poisoning is a major concern within the community

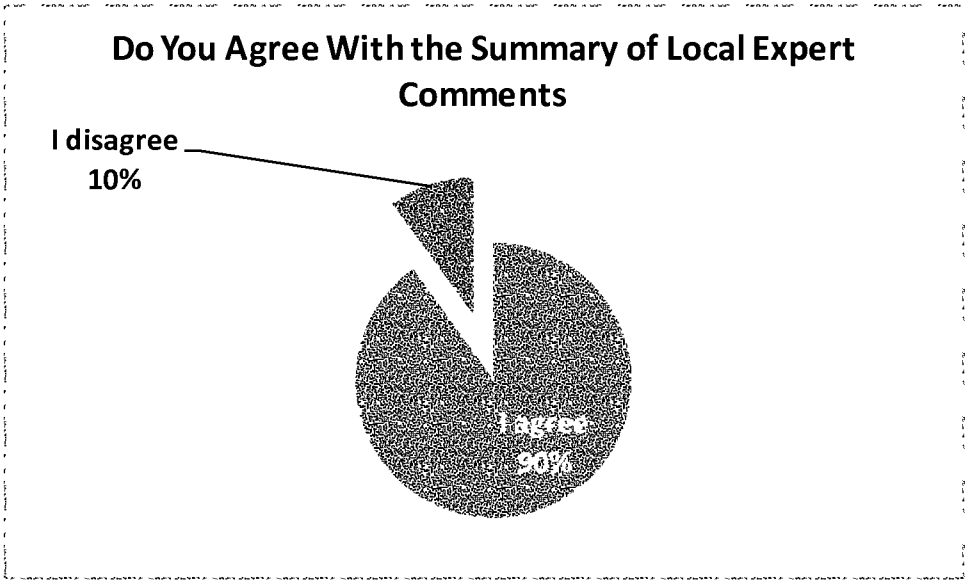
Q. Do you agree with observations formed about population characteristics of Latah County?



Clarifying Comments:

- No comments
- I agree
- I AGREE
- I disagree with #7 Use tobacco products / smoke 22%. This statement conflicts with the 2nd to last paragraph on Page 9. I have seen other studies that show a very low percentage of Latah County residents smoke.
- Some of these concerns follow our large college student population
- Very little of this information is known in my field since it is HIPPA protected.

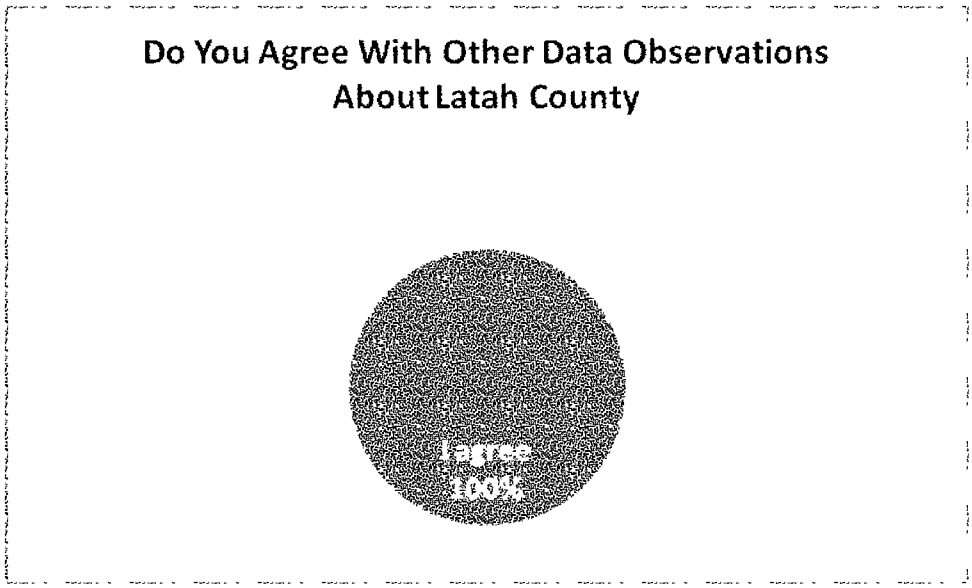
Q. Do you agree with observations formed about the opinions from local residents?



Clarifying Comments:

- There is one person that I deliver meals to that lives in filth
- I agree
- I AGREE
- Also include:
    - Mental health funding; probably by the State of Idaho
    - Nutritional, healthy lifestyles; probably by the State of Idaho
- For people who can afford medical care but have medical needs beyond the ordinary, it often simply isn't available here without a trip to Spokane or elsewhere. And it seems to rest on the shoulders of the patients to seek out that care. Luckily, much of the population is highly educated and capable of doing that on its own. What resources are available for the less highly educated and, again, those less able to afford specialized care?

Q. Do you agree with observations formed about additional data analyzed about Latah County?



Clarifying Comments:

- No comments
- I agree
- This statement "A below average percentage of Latah residents smoke..." conflicts with statement #7 on page 7.
- "There seem to be three distinct populations in Latah County. 1) College students 2) Faculty, their families and other related knowledge industry workers, including medical and education 3) The urban and rural poor. Each seems to play a particular role in generating statistics outside the norm."

Appendix C – Illustrative Schedule H (Form 990) Part V B Potential Response[26]

Community Health Need Assessment Answers

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***

   Illustrative Answer – Yes

   If "Yes," indicate what the Needs Assessment describes (check all that apply):

   a. ***A definition of the community served by the hospital facility;***
   b. ***Demographics of the community;***
   c. ***Existing health care facilities and resources within the community that are available to respond to the health needs of the community;***
   d. ***How the data was obtained;***
   e. ***The health needs of the community;***
   f. ***Primary and chronic disease needs and health issues of uninsured persons, low-income persons and minority groups;***
   g. ***The process for identifying and prioritizing community health needs and services to meet the community health needs;***
   h. ***The process for consulting with persons representing the community's interests;***
   i. ***Information gaps that limit the hospital facility's ability to assess all of the community's health needs; and***
   j. ***Other (describe in Part VI)***

   Illustrative Answer – check a. through i. Answers available in this report are found as follows:

   1. a. – See Footnotes #14 (page 11) and #15 (page 11);

   1. b. – See Footnotes #16 (page 12);

   1. c. – See Footnote #20 (page 19);

   1. d. – See Footnotes #7 (page 5);

   1. e. – See Footnotes #12 (page 8);

   1. f. – See Footnotes #10 (page 7);

[26] Questions are drawn from 2012 Schedule H Forms (as of January 16, 2013) and may have changed at the time when the hospital is to make its 990 h filing

1. g. – See Footnote #13 (page 9) & #24 (page 51);

1. h. – See Footnote #8 (page 7), #23 (page 48) and #24 (page 51);

1. i. – See Footnote #6 (page 5); and

1. j. – No response needed.

2. ***Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 _ _***

Illustrative Answer – 2013

See Footnote #1 (Title page)

3. ***In conducting its most recent CHNA, did the hospital facility take into account input from representatives 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.***

Illustrative Answer – Yes

See Footnotes #9 (page 7), #11 (page 7)

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.***

Illustrative Answer – No

5. ***Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)***

    a. ***Hospital facility's website;***
    b. ***Available upon request from the hospital facility; and***
    c. ***Other (describe in Part VI).***

Illustrative Answer – check a. and b.

The hospital will need to obtain Board approval of this report, document the date of approval and take action to make the report available as a download from its web site. It also may be prudent to place a notice in a paper of general circulation within the service area noting the report is available free upon request.

6. ***If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):***

    a. ***Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA;***
    b. ***Execution of an implementation strategy;***

c. Participation in the development of a community-wide community plan;

d. Participation in the execution of a community-wide plan;

e. Inclusion of a community benefit section in operational plans;

f. Adoption of a budget for provision of services that address the needs identified in the CHNA;

g. Prioritization of health needs in its community;

h. Prioritization of services that the hospital facility will undertake to meet the needs in its community; and

i. Other (describe in Part VI).

Illustrative Answer – check a, b, g, and h.

6. a. – See footnote #21 (page 27);

6. b. – See footnote #21 (page 27);

6. g. – See footnote #13 (page 9); and

6. h. – See footnote #13 (page 9).

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?

Illustrative Answer – Yes

Part VI suggested documentation – See Footnote #22 (page 40)

8. a. 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)?

b. If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?

c. If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form4720 for all of its hospital facilities?

Illustrative Answer – No