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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

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

OMB No 1545-0047

2013

Open to Public Inspection

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

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

C Name of organization
CARSON TAHOE REGIONAL HEALTHCARE

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
PO BOX 2168
Suite

City or town, state or province, country, and ZIP or foreign postal code
CARSON CITY, NV 89702

D Employer identification number
88-0502320

E Telephone number
(775) 445-8000

G Gross receipts $ 237,747,683

F Name and address of principal officer
ANN BECK
PO BOX 2168
CARSON CITY,NV 89702

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 CARSONTAHOE COM

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

L Year of formation 2002

M State of legal domicile NV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO ENHANCE THE HEALTH AND WELL BEING OF THE COMMUNITIES WE SERVE

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	6
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	1,394
6	Total number of volunteers (estimate if necessary)	**6**	252
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	840,264	68,140
9	Program service revenue (Part VIII, line 2g)	226,411,992	223,712,278
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,414,071	1,815,228
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-5,464,770	4,311,058
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	223,201,557	229,906,704
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	91,640	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	98,319,342	83,239,847
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶117,271		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	122,567,649	139,528,284
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	220,978,631	222,768,131
19	Revenue less expenses Subtract line 18 from line 12	2,222,926	7,138,573

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	331,550,909	312,507,573
21	Total liabilities (Part X, line 26)	141,214,305	136,200,971
22	Net assets or fund balances Subtract line 21 from line 20	190,336,604	176,306,602

Part II Signature Block

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

Sign Here

▶ Signature of officer — 2014-11-07 Date

▶ ANN BECK VP FINANCIAL SRVCS
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JOYCE M UNDERWOOD				P00022361

Firm's name ▶ BDO USA LLP — Firm's EIN ▶

Firm's address ▶ 7101 WISCONSIN AVE SUITE 800
BETHESDA, MD 208144827

Phone no (775) 445-8000

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 ENHANCE THE HEALTH AND WELL BEING OF THE COMMUNITIES WE SERVE

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 $ 159,356,798 including grants of $) (Revenue $ 224,476,678)

Carson Tahoe Regional Medical Center is the main hub of Carson Tahoe Health System Located in North Carson City, Nevada, the regional medical center provides inpatient and outpatient medical services for over 250,000 people These services are provided regardless of race, creed, sex, national origin, disability, age, or ability to pay Carson Tahoe's mission is to enhance the health and well-being of the communities we service See Schedule O for continuation

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** ▶ 159,356,798

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	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**	Yes	
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**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	81		
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	1,394		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a			No
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	12		
	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**	6		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			**2** Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .			**3**	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			**4**	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .			**5**	No
6	Did the organization have members or stockholders?			**6** Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			**7a** Yes	
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** Yes	
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**		No
	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 ▶ NV

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

▶ MARLENE HARRIS CONTROLLER PO BOX 2168
CARSON CITY, NV 89702 (775) 445-7917

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) ED EPPERSON PRESIDENT & CEO	1 0 38 0	X		X				0	564,671	36,341
(2) JEFFREY D UPTON MD CHAIR	1 0 3 0	X		X				1,500	0	
(3) DON HATAWAY VICE CHAIR	1 0 2 0	X		X				1,400	0	
(4) KATHY TRIPLETT SECRETARY	1 0 1 0	X		X				1,500	0	
(5) CALEB R MILLS ASSISTANT SECRETARY	1 0 2 0	X		X				1,400	0	
(6) JOHNATHAN MILLER TREASURER	1 0 2 0	X		X				1,400	0	
(7) JEFFERY BASA MD DIRECTOR	1 0 0 0	X						0	0	
(8) ELIZABETH DUFFRIN DIRECTOR	1 0 0 0	X						0	0	
(9) JAMES R GIBSON DIRECTOR	1 0 2 0	X						1,400	0	
(10) TIMOTHY MCFARREN MD VCOS DIRECTOR	1 0 0 0	X						0	0	
(11) LARRY MESSINA DIRECTOR	1 0 0 0	X						0	0	
(12) BRUCE ROBERTSON DIRECTOR	1 0 0 0	X						0	0	
(13) RICHARD STAUB DIRECTOR	1 0 3 0	X						1,400	0	
(14) DAVID STRULL MD DIRECTOR	1 0 0 0	X						0	0	
(15) ANDREA WEED DO DIRECTOR	1 0 2 0	X						1,400	0	
(16) GILBERT YANUCK DIRECTOR	1 0 0 0	X						0	0	
(17) Ann T Beck CFO, VP Finance	1 0 38 0			X				0		

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) CYNTHIA A KUPERUS DIRECTOR PERIPERATIVE SERVICES	40 0 0 0				X			180,406	0	31,915
(19) KATHLEEN MOLINA NURSING SERVICES DIRECTOR	40 0 0 0				X			233,587	0	36,164
(20) ANNETTE C PATELLOS DIRECTOR CARDIAC SERVICES	40 0 0 0				X			184,331	0	39,983
(21) WAYNE MITCHELL MANAGER-PHARM CLINIC	40 0 0 0					X		176,099	0	42,814
(22) SUSAN P WILLIAMS PHARMACIST	40 0 0 0					X		183,113	0	26,518

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	968,936	564,671	213,735

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 ▶ 83

			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
CARSON-TAHOE HEALTH SYSTEM, PO BOX 2168 CARSON CITY NV 89702	SHARED SERVICES	18,183,430
PACHARIN NORASEAT MD, PO BOX 10674 RENO NV 89510	PHYSICIAN	165,163
DWARAKANATH VUPPALAPATI, PO BOX 1811 CARSON CITY NV 89702	PHYSICIAN	155,900
DAVID EISENHAUER MD, 2851 TAMARA CT MINDEN NV 89423	PHYSICIAN	121,633
SANJAI SHUKLA MD, 4475 GREAT FALLS LOOP RENO NV 89511	PHYSICIAN	103,633

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 ▶ 5

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	68,140			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	0			
	g	Noncash contributions included in lines 1a-1f $		20,730			
	h	**Total.** Add lines 1a-1f		68,140			
Program Service Revenue			Business Code				
	2a	THIRD PARTY REIMBURSEMENT	621110	123,650,228	123,650,228		
	b	MEDICARE/MEDICAID PAYMENTS	621110	98,493,438	98,493,438		
	c	SSI SERVICES	621110	1,566,417	1,566,417		
	d	POST THERAPY REVENUE	621110	2,195	2,195		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		223,712,278			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		2,605,026			2,605,026
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real / (ii) Personal				
	6a	Gross rents	847,837 /				
	b	Less rental expenses	/				
	c	Rental income or (loss)	847,837 / 0				
	d	Net rental income or (loss)		847,837			847,837
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	7,000,000 / 51,181				
	b	Less cost or other basis and sales expenses	7,785,036 / 55,943				
	c	Gain or (loss)	-785,036 / -4,762				
	d	Net gain or (loss)		-789,798			-789,798
	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		0			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		0			
		Miscellaneous Revenue	Business Code				
	11a	PARTNERSHIP INTERESTS	621110	764,400	764,400		
	b	MISCELLANEOUS REVENUE	900099	1,940,626			1,940,626
	c	COMMUNITY WELLNESS EDUCATION	621110	107,648			107,648
	d	All other revenue		650,547			650,547
	e	**Total.** Add lines 11a–11d		3,463,221			
	12	**Total revenue.** See Instructions		229,906,704	224,476,678		5,361,886

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	0			
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	717,787	717,787		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	66,374,419	54,016,889	12,291,142	66,388
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,912,168	1,561,781	348,402	1,985
9 Other employee benefits	9,327,927	7,686,180	1,632,368	9,379
10 Payroll taxes	4,907,546	4,005,574	897,107	4,865
11 Fees for services (non-employees)				
a Management	0			
b Legal	0			
c Accounting	0			
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	204,526		204,526	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	40,125,716	15,048,359	25,064,088	13,269
12 Advertising and promotion	34,200	20,186	9,094	4,920
13 Office expenses	39,319,895	36,784,618	2,530,030	5,247
14 Information technology	0			
15 Royalties . .	34,407		34,407	
16 Occupancy	12,606,459	7,077,070	5,524,735	4,654
17 Travel	57,152	44,317	12,101	734
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	86,537	1,400	85,137	
20 Interest	4,050,217		4,050,217	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	14,358,935	4,891,126	9,467,478	331
23 Insurance	0			
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 PROVISION FOR BAD DEBTS	26,978,036	26,978,036		
b MISCELLANEOUS OTHER EXPENSES	937,781	73,956	863,825	
c DUES AND SUBSCRIPTIONS	387,981	131,809	251,172	5,000
d EMPLOYEE&PHYSICIAN RECRUITMENT	322,980	314,967	7,944	69
e All other expenses	23,462	2,743	20,289	430
25 **Total functional expenses.** Add lines 1 through 24e	222,768,131	159,356,798	63,294,062	117,271
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		0	1	0
	2	Savings and temporary cash investments		54,251,445	2	6,136,169
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		26,139,901	4	25,240,171
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	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		0	6	0
	7	Notes and loans receivable, net		5,531,391	7	7,249,127
	8	Inventories for sale or use		4,143,217	8	4,327,729
	9	Prepaid expenses and deferred charges		4,212,210	9	3,880,711
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 250,237,982			
	b	Less accumulated depreciation	10b 88,058,545	166,085,021	10c	162,179,437
	11	Investments—publicly traded securities		42,451,564	11	85,142,156
	12	Investments—other securities See Part IV, line 11		19,632,283	12	6,916,412
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		7,576,566	14	6,448,863
	15	Other assets See Part IV, line 11		1,527,311	15	4,986,798
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		331,550,909	16	312,507,573
Liabilities	17	Accounts payable and accrued expenses		17,756,485	17	20,672,833
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		113,878,892	20	110,188,729
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	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		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		9,578,928	25	5,339,409
	26	**Total liabilities.** Add lines 17 through 25		141,214,305	26	136,200,971
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		190,336,604	27	176,306,602
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		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		190,336,604	33	176,306,602
	34	Total liabilities and net assets/fund balances		331,550,909	34	312,507,573

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	229,906,704
2	Total expenses (must equal Part IX, column (A), line 25)	2	222,768,131
3	Revenue less expenses Subtract line 2 from line 1	3	7,138,573
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	190,336,604
5	Net unrealized gains (losses) on investments	5	-935,209
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	-20,233,366
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	176,306,602

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

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

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

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

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

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

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE 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
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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	44,747,459	54,112,358	51,842,437	53,863,362	47,226,955
b	Contributions					5,741,807
c	Net investment earnings, gains, and losses	1,941,504	1,285,697	2,269,921	2,479,075	894,600
d	Grants or scholarships					
e	Other expenditures for facilities and programs		10,650,596		4,500,000	
f	Administrative expenses					
g	End of year balance	46,688,963	44,747,459	54,112,358	51,842,437	53,863,362

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

- a Board designated or quasi-endowment ▶ 100 000 %
- b Permanent endowment ▶ 0 %
- c Temporarily restricted endowment ▶ 0 %

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		22,997,760		22,997,760
b Buildings		130,777,566	29,618,437	101,159,128
c Leasehold improvements		17,126,702	7,641,204	9,485,499
d Equipment		76,296,400	50,798,904	25,497,496
e Other		3,039,554		3,039,554
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				162,179,437

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	0
MARKET VALUE OF SWAP	5,339,409
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	5,339,409

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
FORM 990, SCHEDULE D, PART V, LINE 4	The funds are designated for capital improvements, to meet bond Requirements, and to provide funds for health care program
FORM 990, SCHEDULE D, PART X, LINE 2	THE HOSPITAL HAS BEEN RECOGNIZED AS EXEMPT FROM INCOME TAXES UNDER SECTION 501 OF THE INTERNAL REVENUE CODE (THE "CODE") HOWEVER, THE HOSPITAL IS SUBJECT TO FEDERAL INCOME TAX ON ANY UNRELATED BUSINESS TAXABLE INCOME UNDER FASB ASC 740, INCOME TAXES, THE COMPANY IS REQUIRED TO RECOGNIZE A LIABILITY FOR EACH UNCERTAIN TAX POSITION AT THE AMOUNT ESTIMATED TO BE REQUIRED TO SETTLE THE ISSUES AS OF DECEMBER 31, 2013 AND 2012, THERE WERE NO LIABILITIES RECORDED FOR UNCERTAIN TAX POSITIONS THE FEDERAL INCOME TAX RETURNS HAVE A THREE YEAR STATUTE OF LIMITATIONS AND THE NEVADA RETURNS EACH HAVE A FOUR YEAR STATUTE OF LIMITATION, FROM THE LATTER OF A) THE DUE DATE OF THE RETURN OR B) THE DATE THE RETURN IS FILED DURING THIS TIME PERIOD THE INCOME TAX RETURNS COULD BE SUBJECT TO EXAMINATION THE FEDERAL INCOME TAX RETURNS ARE SUBJECT TO EXAMINATION FROM 2009 THROUGH 2012 AND STATE INCOME TAX RETURNS ARE SUBJECT TO EXAMINATION FROM 2008 TO 2012

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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		No
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		
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			6,969,311		6,969,311	3 560 %
b Medicaid (from Worksheet 3, column a)			12,596,398	7,372,455	5,223,943	2 670 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			452,432	232,118	220,314	0 110 %
d **Total** Financial Assistance and Means-Tested Government Programs			20,018,141	7,604,573	12,413,568	6 340 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,423,194	158,000	2,265,194	1 020 %
f Health professions education (from Worksheet 5)			10,021		10,021	
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			146,630		146,630	0 070 %
j **Total.** Other Benefits			2,579,845	158,000	2,421,845	1 090 %
k **Total.** Add lines 7d and 7j			22,597,986	7,762,573	14,835,413	7 430 %

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			5,460		5,460	
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**			5,460		5,460	

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount 2 26,978,036			
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 13,990,566			
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	87,207,308
6	Enter Medicare allowable costs of care relating to payments on line 5	6	83,868,461
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	3,338,847
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	Carson Surg Hosp Bld	Medical building landlord	70 000 %	3 000 %	27 000 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group Carson Tahoe Regional Healthcare

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 13			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) http //www carsontahoe com/			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☐ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☐ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

			Yes	No
Financial Assistance Policy				
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 % 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 % 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
Form 990, Schedule H, Part V, line 3 - Community Health Needs Assessment	As part of this Community Health Needs Assessment, two focus groups were held on May 2, 2013 The focus group participants included 17 local key informants physicians, a public health representative, other health professionals, social service providers, business leaders and other community leaders A list of recommended participants for the focus groups was provided by Carson Tahoe Health Potential participants were chosen because of their ability to identify primary concerns of the populations with whom they work, as well as of the community overall Focus group candidates were first contacted by letter to request their participation Follow-up phone calls were then made to ascertain whether or not they would be able to attend Confirmation calls were placed the day before the groups were scheduled to insure a reasonable turnout Final participation included representatives of several organizations Through this process, input was gathered from a representative of public health, as well as several individuals whose organizations work with low-income, minority (including African American, Hispanic, Native American, and undocumented residents), or other medically underserved populations (specifically, elderly, disabled, the uninsured/underinsured, homeless and Medicaid recipients)
Form 990, Schedule H, Part V, line 4 - Community Health Needs Assessment	Sierra Surgery Hospital Carson Tahoe Continuing Care Hospital
Form 990, Schedule H, Part V, line 7 - Community Health Needs Assessment	Addressed the higher priorities based on available resources

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? **8**

	Name and address	Type of Facility (describe)
1	SUNRIDGE MEDICAL CENTER 973 Mica Drive Carson City, NV 89705	OP SURGICAL CENTER
2	Minden Medical Center 925 Ironwood Drive Minden, NV 89703	Urgent Care, OP Imaging/Lab/Therapy
3	Great Basin Imaging 2874 N Carson Street Suite 300 Carson City, NV 89706	OP Imaging
4	Carson Tahoe Cancer Center 1535 Medical Parkway Carson City, NV 89706	OP Ambulatory Infusion Center
5	Dayton Professional Center 901 Medical Center Dr Dayton, NV 89403	OP Imaging/ Lab/Therapies
6	Carson Tahoe Therapy 755 N Roop Street Suite 107 Carson City, NV 89701	OP Therapies
7	Carson Mall 1122 S Stewart St Carson City, NV 89703	OP Cardiac/ Pulmonary Rehab
8	Holbrook Junction 1550 US Hwy 395 S Gardnerville, NV 89410	OP Therapies
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
Form 990, Schedule H, Part III, Section A - Bad Debt, line 2a	Gross charges in 2013 expected to be written-off as bad debt and using the BD and Charity Analysis worksheet
Form 909, Schedule H, Part III, Section A - Bad debt, line 3a	Other bad debt amounts are allowable in the annual State of Nevada Community Benefits Report

Form and Line Reference	Explanation
Form 990, Schedule H, Part III, Section A - Bad Debt, line 4	NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, PAGE 13 SEE NOTE 1 PATIENT ACCOUNTS RECEIVABLE LINE 2 THE AMOUNT ENTERED REPRESENTS THE BAD DEBT EXPENSE REPORTED IN THE AUDITED FINANCIAL STATEMENTS
Form 990, Schedule H, Part III, Section B - Medicare, line 8a	Medicare allowable costs per the as filed FY 2013 Medicare Cost Report

Form and Line Reference	Explanation
Form 990, Schedule H, Part III, Section C - Collection Policies, line 9b	Per Policies in effect during 2013
Form 990, Schedule H, Part VI - Needs Assessment	The most current needs assessment was done in 2013 Needs are currently based on direct patient and physician feedback, survey responses and best practice information from other organizations Information obtained from the previous needs assessment conducted in 2010 recognized the community's need for better access to healthcare In response, Carson Tahoe has established cardiology clinics and clinics at WalMart in outlying areas The healthcare system relies on Intellimed services to report information on out migration of services within the primary and secondary markets then utilitzes information gathered to formulate needs assessment Our HealthCheck laboratory services offers health screening at discounted rates as a result of feedback from physicians and community requests We work with Nevada State Health and Human Services on identifying areas of need CDC and Infection Control monitor industry trends and advises possible areas of focus

Form and Line Reference	Explanation
Form 990, Schedule H, Part VI - Patient Educ of Eligibility for Assistance	Information is provided to the patient at the time of registration, both in writing and through direct discussion with patients Information is provided in the patient's bill Eligibility representatives and financial counselors are located on site
Form 990, Schedule H, Part VI - Community Information	The hospital community consists of a small urban area and a large rural population in excess of 250,000 people, covering Northern Nevada and Eastern California, largest demographic age is 50 and above

Form and Line Reference	Explanation
Form 990, Schedule H, Part VI - Promotion of community health	Use of surplus funds allows facility to update medical equipment and technology which provide advancements in patient care Carson Tahoe participates with Carson City Health and Human Services in the Community Health Improvement Plan 2020 Carson Tahoe provides outreach programs, health fairs, wellness programs, business health partnerships, seminars, lectures and educational forums to help promote a healthier community The Women's Health Institute provides free health resources, classes and guidance Carson Tahoe is committed to providing the best healthcare available to all community members regardless of their ability to pay

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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)ED EPPERSON PRESIDENT & CEO	(i)	0					0	
	(ii)	488,439	69,454	6,778	23,000	13,341	601,012	
(2)CYNTHIA A KUPERUS DIRECTOR PERIPERATIVE SERVICES	(i)	153,558	25,887	961	23,000	8,915	212,321	
	(ii)	0					0	
(3)KATHLEEN MOLINA NURSING SERVICES DIRECTOR	(i)	134,293	25,719	73,575	23,000	13,164	269,751	
	(ii)	0					0	
(4)ANNETTE C PATELLOS DIRECTOR CARDIAC SERVICES	(i)	157,462	25,092	1,777	26,785	13,198	224,314	
	(ii)	0					0	
(5)WAYNE MITCHELL MANAGER-PHARM CLINIC	(i)	162,912	13,187		23,000	19,814	218,913	
	(ii)	0					0	
(6)SUSAN P WILLIAMS PHARMACIST	(i)	154,699	395	28,019	17,500	9,018	209,631	
	(ii)	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
FORM 990, SCHEDULE J, PART I, LINE 3	At this time, compensation is analyzed and calculated by Carson Tahoe Health System, the parent compnany The determination for Base salaries for officers and key employees will be positioned so that midpoints target the 50th percentile Executive salaries will be administered within ranges built around the 50th percentile and based on performance, experience, tenure, and other relevant factors as evaluated by CEO Incentive will be positioned to provide total cash compensation at the 50th percentile for on-plan performance Achieving maximum incentives may raise total compensation to approximately the 65th percentile Benefits will be positioned at market competitive levels

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in 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
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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	CITY OF CARSON CITY NEVADA (SERIES 2003B)	88-6000189	145810BQ9	12-03-2003	50,000,000	CONSTRUCTION OF REGIONAL MEDICAL		X		X		X
B	CITY OF CARSON CITY NEVADA (SERIES 2005)	88-6000189	145810BR7	10-27-2005	15,000,000	CONSTRUCTION OF REGIONAL MEDICAL		X		X		X
C	CITY OF CARSON CITY NEVADA (SERIES 2012)	88-6000189	145810CPO	09-06-2012	57,151,648	REFUNDING 2002 & 2003A BONDS		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0	0	0	
2	Amount of bonds legally defeased	0	0	0	
3	Total proceeds of issue	50,000,000	15,000,000	57,151,648	
4	Gross proceeds in reserve funds	0	0	0	
5	Capitalized interest from proceeds	0	0	0	
6	Proceeds in refunding escrows	0	0	56,404,387	
7	Issuance costs from proceeds	502,639	231,750	747,261	
8	Credit enhancement from proceeds	466,372	63,764	0	
9	Working capital expenditures from proceeds	0	0	0	
10	Capital expenditures from proceeds	49,030,989	14,705,486	0	
11	Other spent proceeds	0	0	0	
12	Other unspent proceeds	0	0	0	
13	Year of substantial completion	2005	2005	2012	

		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		X	X			
15	Were the bonds issued as part of an advance refunding issue?		X		X	X			
16	Has the final allocation of proceeds been made?	X		X		X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		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		X		X		
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		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		X		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		X		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 ▶	0 %		0 %		0 %			
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?	X		X		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		X		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?		X		X		X		
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		X		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		X		X		
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X		X			
b	Exception to rebate?								
c	No rebate due?								
	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		X			X		
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		
b	Name of provider	0		0		0			
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		X		X		
b	Name of provider	0		0		0			
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		X		X		
7	Has the organization established written procedures to monitor the requirements of section 148?		X		X	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		X		X		

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

Return Reference	Explanation
FORM 990, PART III, LINE 4A	The regional medical center provides care to persons, some of whom are covered by governmental programs including Medicare and Medicaid, as well as medically indigent patients unable to pay The cost of direct and indirect costs for services furnished under its charity care policy were approximately $6 5M in 2013 The Hospital also sponsors health activities and programs to support the community including wellness education and support The hospital had 10,362 inpatient admissions, 45,578 inpatient days, and 179,100 outpatient registrations in 2013 Carson Tahoe Regional Medical Center consists of an acute care regional medical center with 144 licensed beds, inpatient and outpatient behavioral health services with a total of 40 licensed beds, a free-standing licensed emergent care center, 2 urgent cares, accredited cancer center, physician clinics, retail clinics, imaging centers, pain management center, therapy, rehabilitation and several medical office buildings

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	Ed Epperson, Andrea Weed, Don Hataway, James Gibson, Jonathan Miller, and Dr Upton all have a business relationship due to also serving as officers or board members of a related for-profit entity, Carson Tahoe Physician Clinics Both Carson Tahoe Regional Healthcare and Carson Tahoe Physicians clinics report to the same parent company called Carson-Tahoe Health System

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6 and 7A	The sole member of the organization is Carson-Tahoe Health System, a tax exempt organization The governing body is appointed by Carson Tahoe Health System, the parent company

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	Carson Tahoe Health System is the governing body Certain decisions of the governing body are subject to approval by the member, including any amendment or restatement of the articles of incorporation, limited liability company or partnership or the merger, dissolution or consolidation of the organization, any mortgage, sale, lease, exchange or pledge of all or substantially all of the assets of the organization, any change in long-term debt arrangements of the organization or any of its subsidiaries or affiliated organizations, the strategic plan of the organization, the establishment or change of the philosophy according to which the organization operates, approval of the contract of employment of the CEO of the organization, and the determination of the amount of any compensation for members of the board

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	The Organization engages an independent accounting firm to prepare and review the 990 The 990 is then reviewed by the organization's officers and the accounting personnel with the independent accounting firm Through the review process, any clarifications or corrections that need to be made are made The form 990 is then reviewed by the finance committee of the board with the independent accounting firm Any questions or concerns the finance committee raises are addressed and any corrections for clarifications that need to be made are made The final form 990 with all required schedules is then provided to all voting members of the board prior to filing the form 990

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	At the time of hire (or election in the case of trustees), the CEO or his designee shall provide to the board and all executive officers, staff, and volunteers, a copy of the conflict of interest policy and the applicable conflict of interest disclosure form and questionnaire which shall be completed to identify any relationships, positions or circumstances wherein it is believed a conflict may arise Such annual monitoring and review procedures shall be part of the corporate compliance plan An appropriate report shall be submitted to the board concerning any interest disclosed Each member of the board of trustees and all executive management shall disclose fully and frankly any and all actual or potential conflicts of duality of interest or responsibility, whether individual, personal, or business which may exist or appear to exist to Carson Tahoe Regional Healthcare or any system entity on any matter of business which may come before the board (including its committees)

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15A	At this time, compensation is analyzed and calculated by Carson Tahoe Health System, the parent compnany The determination for Base salaries for officers and key employees will be positioned so that midpoints target the 50th percentile Executive salaries will be administered within ranges built around the 50th percentile and based on performance, experience, tenure, and other relevant factors as evaluated by CEO Incentive will be positioned to provide total cash compensation at the 50th percentile for on-plan performance Achieving maximum incentives may raise total compensation to approximately the 65th percentile Benefits will be positioned at market competitive levels

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Return Reference	Explanation
FORM 990, PART XI, LINE 9	Transfer TO CTHS -22,159,272 NET ASSETS TRANSFER OF DISREGARDED ENTITIES -2,023,613 CHANGE IN FAIR VALUE OF SWAP 3,949,519 ---------- LINE 9 TOTAL -20,233,366

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION SHARES SERVICES TOTAL FEES 18183430

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION PHYSICIAN FEES TOTAL FEES 10386520

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION OTHER PURCHASED SERVICES TOTAL FEES 3812601

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION CONSULTING FEES TOTAL FEES 1948144

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION COLLECTION AGENCY TOTAL FEES 1396077

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION TRANSCRIPTION TOTAL FEES 892108

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION SECURITY TOTAL FEES 663543

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION DIALYSIS TOTAL FEES 657205

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION LAUNDRY TOTAL FEES 648409

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION LAB TOTAL FEES 576062

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION MEDICAL RECORDS TOTAL FEES 504328

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION CONTRACT LABOR TOTAL FEES 457289

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CARSON TAHOE REGIONAL HEALTHCARE

Employer identification number
88-0502320

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) CTRH Foundation 1600 Medical Pkwy Carson City, NV 89703 88-0387923	Fundraising	NV	501(c)(3)	11-III-FI	NA		No
(2) CTRH AUXILIARY 1600 MEDICAL PARKWAY CARSON CITY, NV 89703 88-6007118	SUPPORT	NV	501(C)(3)	11-III-O	NA		No
(3) CARSON-TAHOE HEALTH SYSTEM 1600 MEDICAL PARKWAY CARSON CITY, NV 89703 88-0502318	PARENT CORP	NV	501(C)(3)	11-II	NA		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) CARSON SURGICAL HOSPITAL BUILD	BLDG OWNER	NV	CTRH	INVESTMENT	1,086,124	6,892,219		No	0		No	70 000 %
(2) SIERRA SURGERY HOSPITAL LLC	SURGICAL HOSPITAL	NV	NA	N/A				No			No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) CARSON TAHOE PHYSICIAN CLINICS 1600 MEDICAL PARKWAY CARSON CITY, NV 89703 02-0566741	PHYSICIAN GROUP	NV	N/A	C CORP				Yes	

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e	Yes	
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	Yes	
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) CARSON SURGICAL HOSPITAL BUILDING DEVELOPMENT	J	135,013	MARKET RATE
(2) CARSON TAHOE PHYSICIAN CLINICS	J	186,375	MARKET RATE
(3) CARSON TAHOE HEALTH SYSTEM (SEE PART VII)	J	367,394	MARKET RATE
(4) CARSON SURGICAL HOSPITAL BUILDING DEVELOPMENT	S	1,099,006	CASH TRANSFER

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
FORM 990, SCHEDULE R, PART III, LINE 1, COLUMN(A)	EIN 1600 MEDICAL PARKWAY CARSON CITY, NV 89703
FORM 990, SCHEDULE R, PART III, LINE 2, COLUMN(A)	EIN 38-3667923 1400 MEDICAL PARKWAY CARSON CITY, NV 89703
FORM 990, SCHEDULE R, PART V, LINE 2, ITEM(3), COLUMNS(A&C)	CARSON TAHOE HEALTH SYSTEM HAS TWO DISREGARDED ENTITIES THAT PAID RENT TO CARSON TAHOE REGIONAL HEALTHCARE IN 2013 THE TRANSACTION AMOUNT ON PART V, LINE 2, ITEM 3 INCLUDES BOTH DISREGARDED ENTITIES $344,400 CARSON TAHOE CARDIOLOGY, LLC (CTC) $ 22,994 CARSON TAHOE PHYSICIAN HOSPITAL ORG LLC (PHO) _____ $367,394 =========

Carson Tahoe Regional Healthcare

(Parent-Only)

Financial Statements

Years Ended December 31, 2013 and 2012

BDO

Carson Tahoe Regional Healthcare
(Parent-Only)

Financial Statements
Years Ended December 31, 2013 and 2012

Carson Tahoe Regional Healthcare
(Parent-Only)

Contents

BDO

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3200 Bristol Street, 4th Floor
Costa Mesa, CA 92626

Independent Auditor's Report

Board of Trustees
Carson Tahoe Regional Healthcare
Carson City, Nevada

We have audited the accompanying financial statements of Carson Tahoe Regional Healthcare, which comprise the balance sheet as of December 31, 2013, and the related statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 financial statements referred to above present fairly, in all material respects, the financial position of Carson Tahoe Regional Healthcare as of December 31, 2013, and changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the accompanying financial statements, the subsidiaries of Carson Tahoe Regional Healthcare are accounted for in these accompanying financial statements on the equity method of accounting. We have also audited the consolidated financial statements of Carson Tahoe Health System and subsidiaries, the Ultimate Parent Company, (which is not included herein) and issued our unmodified report thereon dated April 21, 2014. Certain elements of the Ultimate Parent Company's financial statements are included in Note 1 to the financial statements. Our opinion on the 2013 Carson Tahoe Regional Healthcare financial statements is not modified with respect to this matter.

As described in Note 1 to the accompanying financial statements, Carson Tahoe Regional Healthcare was reorganized effective January 1, 2013 whereby certain investments and equity method investees were transferred to Carson Tahoe Health System, which is Carson Tahoe Regional Healthcare's ultimate parent company. Therefore, the Carson Tahoe Regional Healthcare's financial statements at December 31, 2013 and for the year then ended are not comparable with the financial statements at December 31, 2012 and for the year then ended. Our opinion is not modified with respect to this matter.

Other Matter

The 2012 financial statements of Carson Tahoe Regional Healthcare were audited by other auditors, whose report dated April 22, 2013 expressed an unmodified opinion on those statements.

BDO USA, LLP

April 21, 2014

Financial Statements

Carson Tahoe Regional Healthcare
(Parent-Only)

Balance Sheets
(Dollars in thousands)

December 31,	2013	2012
Assets		
Current assets		
Cash	$ 6,136	$ 4,195
Short-term investments	39,865	47,528
Assets limited as to use - current	5,870	4,209
Patients accounts receivable, less bad debt allowances of $16,884 and $13,538, respectively	30,104	25,975
Other receivables	2,385	1,312
Due from governmental payors	-	452
Supplies	4,328	4,122
Prepaid expenses and other	2,468	4,190
Due from affiliates, net	3,585	4,178
Total current assets	94,741	96,161
Assets Limited As To Use		
Internally designated for bond compliance	45,277	43,533
Held by trustee under indenture agreement	1,412	1,214
	46,689	44,747
Less amount required to meet current obligations	(5,870)	(4,209)
	40,819	40,538
Equity method investments	6,916	19,532
Property and equipment, net	162,179	165,593
Deferred financing costs, net	1,401	1,527
Goodwill	6,248	6,248
Intangible assets, net	201	327
Total assets	$ 312,505	$ 329,926

Carson Tahoe Regional Healthcare
(Parent-Only)
(In Thousands)

Balance Sheets

December 31,	2013	2012
Liabilities and Net Assets		
Current liabilities		
Current maturities of long-term debt	$ 3,335	$ 3,265
Accounts payable	6,183	5,466
Accrued compensation and payroll taxes	6,340	6,888
Accrued expenses	4,008	2,159
Accrued interest	954	944
Estimated professional liabilities	311	290
Due to governmental payors	783	-
Total current liabilities	21,914	19,012
Long-term debt, less current portion	106,795	110,553
Deferred gain from sale of property	2,150	2,759
Interest rate swap agreement	5,339	9,289
Total liabilities	136,198	141,613
Unrestricted Net Assets	176,307	188,313
Total liabilities and net assets	$ 312,505	$ 329,926

See Independent Auditor's Report and accompanying notes to financial statements.

Carson Tahoe Regional Healthcare
(Parent-Only)
(In Thousands)

Statements of Operations

For the years ended December 31,	2013	2012
Unrestricted Revenues, Gains and Other Support		
Patient service revenue (net of contractual allowance and discounts)	$ 221,633	$ 218,136
Provision for uncollectible accounts	(26,978)	(24,041)
Net patient service revenue less provision for uncollectible accounts	194,655	194,095
Other nonpatient revenue	5,673	4,783
Total unrestricted revenues, gains and other support	200,328	198,878
Expenses		
Salaries	67,420	73,392
Employee benefits	16,256	17,691
Professional fees	12,335	12,416
Purchased services	31,635	12,635
Supplies	38,582	34,431
Other operating costs	10,948	19,126
Depreciation and amortization	14,233	12,517
Interest	4,331	5,033
Total expenses	195,740	187,241
Operating Income	4,588	11,637
Other Income (Expenses)		
Loss on disposal of real estate	-	(1,442)
Investment return	1,770	2,775
Income (loss) in equity method investment	764	(7,186)
Loss on extinguishment of debt	-	(4,361)
Other non-operating loss, net	(4)	-
Change in fair value of interest rate swap agreement	3,950	(154)
Total other income (expense)	6,480	(10,368)
Excess of Revenue Over Expenses	11,068	1,269
Unrealized (losses) gains on investments, net	(935)	1,432
Contribution for acquisition of property and equipment	21	840
Increase in Unrestricted Net Assets	$ 10,154	3,541

See Independent Auditor's Report and accompanying notes to financial statements.

Carson Tahoe Regional Healthcare
(Parent-Only)
(In Thousands)

Changes in Net Assets

Balance, December 31, 2011	$	184,772
Increase in unrestricted net assets		3,541
Balance, December 31, 2012		188,313
Transfer of cash to Carson Tahoe Health System		(9,879)
Transfer of investment interests to Carson Tahoe Health System		(12,281)
Increase in unrestricted net assets		10,154
Balance, December 31, 2013	$	176,307

See Independent Auditor's Report and accompanying notes to financial statements.

Carson Tahoe Regional Healthcare
(Parent-Only)
(In Thousands)

Statements of Cash Flows

For the years ended December 31,	2013	2012
Cash flows from operating activities		
Increase in unrestricted net assets	$ 10,154	$ 3,541
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	14,233	12,517
Provision for uncollectible accounts	26,978	24,041
(Income) Loss on investment in equity investees	(764)	7,186
Amortization of deferred financing costs, net	(297)	-
Amortization of deferred gain on sale of property	(609)	(609)
Loss on extinguishment of debt	-	4,361
Loss on disposal of acquired real estate	-	1,442
Realized losses (gains) on investments, net	785	(41)
Unrealized losses (gains) on investments, net	935	(1,432)
Change in fair value of interest rate swap agreement	(3,950)	154
Loss on disposal of property and equipment	5	-
Contribution of long-lived assets	(21)	(840)
Changes in assets and liabilities:		
Patient accounts receivable	(31,107)	(23,442)
Other receivables	(1,073)	-
Due to/from government payors	1,235	(2,299)
Supplies	(206)	(392)
Prepaid expenses and other	1,722	2,352
Accounts payable and accrued expenses	106	(199)
Accrued compensation and benefits	(548)	-
Due to affiliates, net	593	-
Other liabilities	1,880	-
Net cash provided by operating activities	20,051	26,340
Cash flows from investing activities		
Proceeds from short-term investments	7,000	-
Purchase of short-term investments, net	(1,057)	(10,098)
Change in assets limited as to use, net	(1,942)	9,365
Proceeds from disposal of property and equipment	52	-
Investment in and advances to equity investees	-	(8,798)
Distribution from equity investee	1,099	2,137
Purchase of property and equipment	(10,118)	(11,450)
Net cash used in investing activities	(4,966)	(18,844)
Cash flows from financing activities		
Transfer of cash to Carson Tahoe Health System	(9,879)	-
Principal payment on long-term debt	(3,265)	(62,355)
Proceeds from issuance of 2012 refunding bonds	-	55,000
Net cash used in financing activities	(13,144)	(7,355)
Net increase in cash	1,941	141
Cash, beginning of year	4,195	4,054
Cash, end of year	$ 6,136	$ 4,195

Carson Tahoe Regional Healthcare
(Parent-Only)
(In Thousands)

Statements of Cash Flows (Continued)

For the years ended December 31,	2013	2012
Supplemental disclosure of cash flow information		
Interest paid	$ 4,321	$ 5,516
Supplemental disclosure of non-cash transactions		
Property and equipment acquired through noncash contributions	$ 21	$ 840
Property and equipment purchases financed through accounts payable	$ 611	$ 116
Bond Premium amortization	$ 423	$ 134
Transfer of investment interests to Carson Tahoe Health System	$ 12,281	$ -

See Independent Auditor's Report and accompanying notes to financial statements.

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Carson Tahoe Regional Healthcare (the "Hospital" or the "Company") is a Nevada not-for-profit hospital that provides inpatient, outpatient and emergency care services to patients in Carson City, Nevada. The Hospital also provides behavioral health services and operates primary care clinics in the surrounding areas.

As of December 31, 2012, and effective January 1, 2013, the Hospital and its investments in subsidiaries (collectively referred to as the "Corporation"), agreed to a reorganization, whereby the Corporation's ownership interests in certain investments and equity method investees as described below, were transferred to Carson Tahoe Health System ("CTHS"), which is considered the ultimate Parent company. The reorganization resulted in a consolidated control environment structure and acts as a conduit for cash transfers and allocation of cost. The Hospital does not expect the reorganization will materially impact its financial condition or operations in future years.

Basis of Presentation

In these parent-only financial statements, the Hospital's investment in subsidiaries are stated at cost plus equity in the undistributed changes in net assets of the subsidiaries since the date of acquisition. The Hospital's share of changes in net assets of its unconsolidated subsidiaries is included in the change in net assets using the equity method of accounting. These parent-only financial statements should be read in conjunction with the CTHS consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The significant estimates made in the preparation of the Company's financial statements relate to the assessment of the carrying value of accounts receivable and bad debt allowances, accruals for malpractice liability and other similar risks, amounts payable or receivable under health insurance plans, and amounts due to or from from governmental payors. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Hospital considers all highly liquid investments that are readily convertible to cash, with original maturity dates of three months or less when purchased, to be cash and cash equivalents.

Investments and Investment Return

Investments having a readily determinable fair value are carried at fair value. Other investments are carried at the lower of cost (or fair value at the time of donation, if acquired by contribution) or fair value. Investment return includes dividend and interest income and realized gains and losses on investments carried at fair value. Investment return that is initially restricted by donor

stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of operations and changes in net assets as unrestricted, temporarily restricted, or restricted based upon the existence and nature of any donor or legally imposed restrictions. Investments in equity investees is reported using the equity method of accounting.

Assets Limited as to Use

Assets limited as to use include assets held by trustee restricted under indenture agreements and assets set aside by the board of trustees for bond compliance over which the board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of the Hospital are included in current assets.

Patient Accounts Receivable

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for uncollectible accounts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital records a provision for uncollectible accounts 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 or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Supplies

The Hospital's supply inventories consist primarily of pharmaceuticals and medical supplies and are stated at the lower of cost, determined using the first-in, first out method or market.

Equity Method Investments

The Hospital's equity method investments include a 70% interest in Sierra Surgery Hospital, LLC ("SSH"), a 70% interest in Carson Surgical Hospital Building Development, LLC ("CSHBD"), a 39% interest in Carson Tahoe Radiation Oncology Associates ("ROA"), a 100% interest in Carson Tahoe Physician Clinics ("CTPC"), a 100% interest in Carson Tahoe Continuing Care Hospital, Inc. ("LTACH"), a 100% interest in Carson Tahoe Physician Hospital Organization, LLC, ("PHO") and a

(In Thousands)

100% interest in Carson Tahoe Cardiology, LLC ("CTC"). These investments are accounted for using the equity method in these parent-only financial statements. Of the equity method investments, SSH, ROA, CSHBD, CTC, CTPC, and PHO are for profit entities while LTACH is a not-for-profit entity.

Effective January 1, 2013, the ownerships interests in all of the equity method investments, except for CSHBD, were transferred to CTHS as part of the restructuring plan. The carrying value of the transferred equity method investees on January 1, 2013 approximated $12,381. Accordingly, the equity method investments on the accompanying balance sheet are not comparable with the prior period. The transfer of these investment interests was accounted for under the asset disposal method rather than the de-pooling method.

Property and Equipment

Property and equipment are depreciated on a straight-line basis over the estimated useful life of each asset. Estimated useful lives assigned to each asset are based on industry standards. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives. Donations of property and equipment are reported at fair value as an increase in unrestricted net assets.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Land improvements	3 - 25 years
Buildings and building improvements	5 - 40 years
Equipment	3 - 20 years

Deferred Financing Costs

At December 31, 2013 and 2012, there was approximately $1,401 and $1,527, respectively, in deferred financing costs outstanding. Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are being amortized over the term of the respective debt using the effective interest rate method. In 2012, the Hospital used the issuance of the 2012 bonds to refund the 2002 and 2003A bonds (refer to Note 5).

Fair Value Measurement

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

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

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

(In Thousands)

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

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2013 and 2012:

	December 31, 2013			
	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Money markets	$ 1,122	$ -	$ -	$ 1,122
Mutual funds	1,174	-	-	1,174
U.S. government and federal agency	-	11,976	-	11,976
U.S. government-sponsored enterprises (GSEs)	-	1,011	-	1,011
Municipal bonds	-	347	-	347
Corporate bonds				
Financial institutions	-	4,326	-	4,326
Foreign	-	1,087	-	1,087
Industrial	-	17,541	-	17,541
Asset-backed securities	-	25,665	-	25,665
Collateralized mortgage obligations	-	11,923	-	11,923
Commercial mortgage	-	4,048	-	4,048
Total debt securities	2,296	77,924	-	80,220
Equity securities	4,512	-	-	4,512
Total Investments	$ 6,808	$ 77,924	$ -	$ 84,732
Interest rate swap agreement	$ -	$ (5,339)	$ -	$ (5,339)

	December 31, 2012			
	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Money markets	$ 9,628	$ -	$ -	$ 9,628
Mutual funds	4,298	-	-	4,298
U.S. government and federal agency	-	14,622	-	14,622
U.S. government-sponsored enterprises (GSEs)	-	16,099	-	16,099
Corporate bonds				
Financial institutions	-	7,924	-	7,924
Foreign	-	2,283	-	2,283
Industrial	-	17,152	-	17,152
Asset-backed securities	-	10,144	-	10,144
Collateralized mortgage obligations	-	10,145	-	10,145
Commercial mortgage	-	6,981	-	6,981
Total debt securities	$ 13,926	$ 85,350	$ -	$ 99,276
Interest rate swap agreement	$ -	$ (9,289)	$ -	$ (9,289)

The following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended December 31, 2013 or 2012.

Investments

Where quoted market prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. There were no Level 3 investments as of December 31, 2013 or 2012.

Interest Rate Swap Agreement

The fair value is estimated using forward-looking interest rate curves and discounted cash flows that are observable or can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of the tangible and intangible net assets acquired.

The Company does not amortize its goodwill. Goodwill impairment is determined using a two-step process. The first step of the goodwill impairment test is used to identify potential impairment by comparing the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of impairment loss, if any.

The second step of the goodwill impairment test compares the implied fair value of the reporting unit's goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. That is, the fair value of the reporting unit is allocated to all of the assets and liabilities of that unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the purchase price paid to acquire the reporting unit. There were no goodwill impairments identified for the Hospital during the years ended December 31, 2013 or 2012.

Intangible Assets

The net carrying basis of recognized intangible assets was approximately $201 and $327 at December 31, 2013 and 2012, respectively. Intangible assets include customer relationships and trade names. The recognized intangible assets have estimated useful lives ranging from two to five years and are amortized on a straight-line basis. These amortizable intangible assets are assessed for possible impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable, or whenever the Company has committed to a plan to dispose of the assets. No impairment on intangible assets was identified during the years ended December 31, 2013 or 2012.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and include estimated retroactive adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known. These retroactive adjustments may be material.

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

Medicare. Inpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Outpatient services are paid on a combination of predetermined package rates based on the services provided to patients and fee schedules. The Hospital is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare administrative contractor.

Medicaid. Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed based on prospectively determined rates. Annual cost reports are filed by the Hospital for determination of future rates and audited by the Medicaid administrative contractor.

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

For uninsured patients that do not qualify for charity care, the Company recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a portion of the Company's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Company records a provision for uncollectible accounts related to uninsured patients in the period the services are provided. This provision for uncollectible accounts is presented on the statement of operations as a component of net patient service revenue.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

Cost report settlement estimates are recorded based upon as-filed cost reports and are usually not adjusted until a final Notice of Program Reimbursement ("NPR") is issued. Once final NPRs are issued, the resulting changes to existing cost reporting estimates are adjusted and these adjustments can be material. At December 31, 2013 and 2012, the Company recorded an estimated liability of $783 and an estimated receivable of $452, respectively, which are reflected in due to or from governmental payors in the accompanying balance sheets. For the years ended December 31, 2013 and 2012, the Company recorded net unfavorable adjustments relating to cost report estimates of approximately $350 and favorable adjustments of $625, to net patient revenues, respectively.

The Company is currently undergoing an audit under the Recovery Audit Contractor ("RAC") program. The Company reinstates a patient receivable to its original carrying value on notification of the payment retraction by the RAC. Once reinstated, the receivable is re-estimated by management to determine its net collectible value. Where management believes that the receivable will not be collected, it is written off. The estimated receivables subject to RAC include assumptions based on the probability of successful appeal against the retraction. Management of the Company has established sufficient historical experience in determining successful appeals against retractions including engaging specialists to assist with the process. Estimated patient accounts receivables in the amount of $3,476 and $358, net of write offs, were reinstated at December 31, 2013 and 2012, respectively, and included in the accompanying balance sheets. As the final results of the audit cannot be determined, it is not possible to estimate the impact of the RAC on the financial statements, and the final result may be material.

Charity Care

The Hospital provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue. The Hospital's direct and indirect costs for services furnished under its charity care policy were measured by applying the ratio of allowable costs to gross charges as defined in the December 31, 2012 Medicare cost report, and were approximately $6,483 and $6,225 in 2013 and 2012, respectively.

Electronic Health Records Incentive Program

The Electronic Health Records Incentive Program, enacted as part of the American Recovery and Reinvestment Act of 2009, provides for one-time incentive payments under both the Medicare and Medicaid programs to eligible hospitals that demonstrate meaningful use of certified electronic health records technology ("EHR"). Payments under the Medicare program are generally made for up to four years based on a statutory formula. Payments under the Medicaid program are generally made for up to four years based upon a statutory formula, as determined by the state, which is approved by the Centers for Medicare and Medicaid Services ("CMS"). Payment under both programs are contingent on the hospital continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the Medicare administrative contractor. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

The Hospital recognizes revenue ratably over the reporting period starting at the point when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period.

The Hospital recorded $1,372 and $1,916 related to the Medicare programs within other operating revenues in the statements of operations for the years ended December 31, 2013 and 2012, respectively. These incentives have been recognized following the grant accounting model.

Contributions

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

Employee Health Claims

Substantially all of the Hospital's employees are eligible to participate in the Hospital's health insurance plan. The Hospital is self-insured for health claims of participating employees and dependents up to limits provided for in an agreement with its insurance plan administrator. A provision is accrued for self-insured employee health claims including both claims reported and claims incurred but not yet reported. The accrual is estimated based on consideration of prior claims experience, recently settled claims, frequency of claims and other economic and social factors. Refer to Note 12.

Professional Liability Claims

The Hospital recognizes an accrual for claim liabilities based on estimated ultimate losses and costs associated with settling claims and a receivable to reflect the estimated insurance recoveries, if any. Professional liability claims are described more fully in Note 12.

Interest Rate Swap Agreement

The Hospital has entered into an interest rate swap agreement to reduce the effect of changes in cash flows related to interest fluctuations on the 2003B bonds. The swap is recognized on the accompanying balance sheets at fair value. The net cash payments or receipts under the swap are recorded as increases or decreases to interest expense. The interest rate swap is described in Note 7.

Excess of Revenues Over Expenses

The statements of operations include excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments, the change in fair value of interest

(In Thousands)

rate swaps that are considered effective, permanent transfers to and from affiliates for other than goods and services and contributions of long-lived assets.

Income Taxes

The Hospital has been recognized as exempt from income taxes under Section 501 of the Internal Revenue Code (the "Code"). However, the Hospital is subject to federal income tax on any unrelated business taxable income. Under FASB ASC 740, Income taxes, the Company is required to recognize a liability for each uncertain tax position at the amount estimated to be required to settle the issues. As of December 31, 2013 and 2012, there were no liabilities recorded for uncertain tax positions.

The federal income tax returns have a three year statute of limitation and the Nevada returns each have a four year statute of limitation, from the latter of a) the due date of the return or b) the date the return is filed. During this time period the income tax returns could be subject to examination. The federal income tax returns are subject to examination from 2009 through 2012 and state income tax returns are subject to examination from 2008 through 2012.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation with no impact to the prior year changes in net assets.

Subsequent Events

Subsequent events have been evaluated through April 21, 2014, which is the date the financial statements were issued.

2. Equity Method Investments

Financial position and results of operations of the equity investees, defined in Note 1, for 2013 and 2012 are summarized below:

	2013	2012
Current assets	$ 320	$ 13,194
Property and other long term assets	9,526	21,182
Total assets	9,846	34,376
Current liabilities	-	7,972
Long-term liabilities	-	7,210
Total liabilities	-	15,182
Unrestricted net assets	$ 9,846	$ 19,194
Net revenue	$ 1,661	$ 58,205
Excess (deficiency) of revenues over expenses	$ 1,055	$ (6,438)

(In Thousands)

The Hospital recognized approximately $764 and $(7,186) for its allocable share of the income (loss) from the equity investees for the year ended December 31, 2013 and 2012, respectively.

3. Investments and Investment Return

All of the Hospitals' investments are held at one financial institution. Assets limited as to use and short-term investments at December 31, 2013 and 2012 include:

	December 31, 2013		
	Assets limited as to use	Short term investments	Total
Money market accounts	$ 657	$ 465	$ 1,122
Mutual fund	-	1,174	1,174
U.S. government and federal agency	8,953	3,023	11,976
U.S. government-sponsored enterprises (GSEs)	706	305	1,011
Municipal bonds	97	250	347
Corporate bonds			
Financial institutions	1,486	2,840	4,326
Foreign	436	651	1,087
Industrial	5,473	12,068	17,541
Asset-backed securities	23,514	2,151	25,665
Collateralized mortgage obligations	1,853	10,070	11,923
Commercial mortgages	1,954	2,094	4,048
Equities	-	4,512	4,512
Interest receivable	148	262	410
Total	$ 45,277	$ 39,865	$ 85,142

	December 31, 2012		
	Assets limited as to use	Short term investments	Total
Money market accounts	$ 1,082	$ 7,332	$ 8,414
Mutual fund	-	4,298	4,298
U.S. government and federal agency	5,079	9,542	14,621
U.S. government-sponsored enterprises (GSEs)	11,807	4,292	16,099
Municipal bonds	-	231	231
Corporate bonds			
Financial institutions	4,226	3,698	7,924
Foreign	1,115	1,168	2,283
Industrial	9,752	7,400	17,152
Asset-backed securities	5,084	5,060	10,144
Collateralized mortgage obligations	1,283	1,216	2,499
Commercial mortgages	3,868	3,113	6,981
Equities	-	-	-
Interest receivable	237	178	415
Total	$ 43,533	$ 47,528	$ 91,061

(In Thousands)

Total funds held by trustee under indenture agreement at December 31, 2013 and 2012 include:

	2013	2012
Held by trustee under indenture agreement		
Money market accounts	$ 1,412	$ 1,214
	$ 1,412	$ 1,214

Total investment return for the years ended December 31, 2013 and 2012 is comprised of the following:

	2013	2012
Interest and dividend income	$ 2,555	$ 2,734
Realized (losses) gains on sales of investments, net	(785)	41
	$ 1,770	$ 2,775

The total change in unrealized losses and gains on the investments, net was ($935) and 1,432 for the years ended December 31, 2013 and 2012, respectively.

4. Property and Equipment

Property and equipment at December 31, 2013 and 2012, is as follows:

	2013	2012
Land	$ 24,443	$ 24,443
Land improvements	15,681	15,394
Buildings and building improvements	130,778	129,305
Equipment	76,296	68,230
Construction in progress	3,040	2,524
	250,238	239,896
Less accumulated depreciation	(88,059)	(74,303)
	$ 162,179	$ 165,593

Depreciation expense was $14,106 and $12,157 for the years ended December 31, 2013 and 2012, respectively.

In 2012, the Hospital acquired significantly all of the assets for the following two entities for a total cost of $2,060, which was paid in cash:

- Carson Douglas Pain Care, Inc., a pain management practice.
- Northern Nevada Urgent Care, LP, an urgent care center, the Hospital previously had an 85% ownership interest.

Total property and equipment acquired in these transactions totaled approximately $1,661.

(In Thousands)

5. Long-term Debt

Long-term debt at December 31, 2013 and 2012, consists of the following:

	2013	2012
Carson City, Nevada Hospital Revenue Bonds Series 2003B (A)	$ 42,305	$ 43,525
Carson City, Nevada Hospital Revenue Bonds Series 2005 (B)	13,015	13,340
Carson City, Nevada Hospital Revenue Refunding Bonds Series 2012 (C)	51,210	52,930
	106,530	109,795
Unamortized bond premium	3,659	4,084
Unamortized bond discount	(59)	(61)
	110,130	113,818
Less current maturities	(3,335)	(3,265)
	$ 106,795	$ 110,553

(A) Carson City, Nevada Hospital Revenue Bonds Series 2003B in the original amount of $50,000 dated December 3, 2003; bearing interest at a variable rate, 0.05% and 0.11% at December 31, 2013 and 2012, respectively, which is adjusted weekly, based on The Securities Industry and Financial Markets Association Municipal Swap Index; convertible to fixed rate in whole or in part on any rate change date; payable in annual installments through September 1, 2033; remaining outstanding bonds may be redeemed on any date while the bonds are under variable interest; remaining bonds outstanding at the date of conversion to a fixed interest rate may be redeemed on any date after a no-call period which is based on the remaining term until maturity of the bond, redemption price varies from 101% to 100% depending on various factors.

(B) Carson City, Nevada Hospital Revenue Bonds Series 2005 in the original amount of $15,000 dated October 27, 2005; bearing interest at a variable rate, 0.05% and 0.11% at December 31, 2013 and 2012, respectively, which is adjusted weekly, based on The Securities Industry and Financial Markets Association Municipal Swap Index; convertible to fixed rate in whole or in part on any rate change date; payable in annual installments through September 1, 2035; remaining outstanding bonds may be redeemed on any date while the bonds are under variable interest; remaining bonds outstanding at the date of conversion to a fixed interest rate may be redeemed on any date after a no-call period which is based on the remaining term until maturity of the bond, redemption price varies from 101% to 100% depending on various factors.

(C) Carson City, Nevada Hospital Revenue Refunding Bonds Series 2012 (2012 Bonds) in the original amount of $52,930 dated September 1, 2012, which bear interest at 2% to 5%. The 2012 Bonds are payable at annual installments through September 1, 2033. The 2012 Bonds maturing on or before September 1, 2022, shall not be subject to redemption. The 2012 Bonds maturing after September 30, 2022, are subject to redemption equal to 100%.

As of September 1, 2012, the Hospital used the proceeds of the 2012 Bonds to refund the outstanding principal on the 2002 Hospital Revenue Bonds in the aggregate principal amount of $20,180, and the 2003A Hospital Revenue Bonds in the aggregate principal amount of $39,035. This refunding transaction resulted in a loss on extinguishment of debt of approximately $4,361 and is located in the other income or expense in the statement of operations and changes in net assets.

The city of Carson City, Nevada issued the bonds on behalf of the Hospital. The proceeds of the bond issues were loaned to the Hospital under a master trust indenture dated March 1, 2002, as well as trust indentures and loan agreements dated March 1, 2002, for the Series 2002 bond issue, October 1, 2003, for both Series 2003 bond issues and October 1, 2005, for the Series 2005 bond issue, and September 1, 2012, for the series 2012 bond issue.

The trust indenture and loan agreements require that certain funds be established with the trustee. Accordingly, these funds are included as assets limited as to use in the balance sheets. The trust indentures also require the Hospital to comply with certain restrictive covenants including maintaining an annual debt service coverage ratio of at least 1.15 to 1, and restrictions on incurrence of additional debt. The reimbursement agreement related to the letter of credit on the variable rate Series 2003B and Series 2005 Bonds includes additional restrictive covenants including a 1.35 to 1 debt service coverage ratio. The Hospital was in compliance with its covenants at December 31, 2013.

The bonds are secured by the net revenues of the Hospital, a mortgage on the Carson Tahoe Regional Medical Center land and buildings and the assets restricted under the bond indenture agreements. The bonds have not been guaranteed by the City. The Carson City, Nevada Revenue Bonds Series 2003B and Series 2005 are variable rate demand bonds. The Hospital has an irrevocable letter of credit from a financial institution to allow for a situation where the remarketing agent is unable to remarket the bonds and the bonds are put back to the issuer. The letter of credit expires December 13, 2016. If the letter of credit is drawn upon and not immediately reimbursed by the Hospital, the reimbursement agreement specifies that the amount of the advance would initiate a term loan between the letter of credit provider and the Hospital. The Hospital would re-pay the term loan in eight equal quarterly installments commencing on the first business day of the month that is at least 367 days following the date of the advance with interest at the prime rate plus 1.00% for the first 367 days and the prime rate plus 2.00% thereafter. This arrangement requires approximately one-half of the variable rate demand bonds be considered due in 2012 and the remainder payable in 2013. At December 31, 2013, none of the bonds had been put back to the issuer and the letter of credit had not been drawn upon.

The Hospital entered into an interest rate swap agreement related to the Carson City, Nevada Revenue Bonds Series 2003B variable rate demand bonds, as described in Note 7.

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(In Thousands)

Maturities of long-term debt at December 31, 2013, that included both the scheduled contractual maturities of the variable rate demand bonds and payments that could be required under the term loan provisions of the letter of credit reimbursement agreement as described above are as follows:

Years ending December 31,	Principal Maturities
2014	$ 3,335
2015	3,455
2016	3,605
2017	3,765
2018	3,960
Thereafter	88,410
	106,530
Unamortized net bond premium and discounts, net	3,600
	$ 110,130

6. Deferred Gain on Sale of Property

In 2006, the Hospital entered into a sale-leaseback transaction with a third-party for the Minden Medical Center resulting in a deferred gain of $3,100. The Hospital recognizes the gain on a straight-line basis over the life of the 10-year lease.

In 2008, the Hospital entered into a transaction with a third-party for the Specialty Medical Center resulting in a deferred gain of $2,991. The Hospital recognizes the gain on a straight-line basis over the life of the 10-year lease.

As of December 31, 2013 and 2012, the Hospital had a deferred gain on sale of properties of $2,150 and $2,759 located in long-term liabilities on the balance sheets. For each of the years ended December 31, 2013 and 2012, the Hospital recognized $609 of the deferred gain, which is reflected as a reduction to rent expense in other operating expense on the statements of operations.

7. Interest Rate Swap

As a strategy to maintain acceptable levels of exposure to the risk of changes in future cash flows due to interest rate fluctuations, the Hospital entered into an interest rate swap agreement (the "Agreement") on its Carson City, Nevada Hospital Revenue Bonds Series 2003B variable rate debt. The Agreement provides for the Hospital to receive interest from the counterparty at 67% of one-month LIBOR and to pay interest to the counterparty at a fixed rate of 3.558% on the notional amount of $42,305 and $43,525 as of December 31, 2013 and 2012, respectively. Under the Agreement, the Hospital pays or receives the net interest amount monthly, with the monthly settlement included in interest expense.

The Agreement is recorded at its fair value as a long-term liability on the balance sheets.

(In Thousands)

The table below presents certain information regarding the Hospital's Agreement as of December 31, 2013 and 2012.

	2013	2012
Fair value of interest rate swap agreement - liability	$ (5,339)	$ (9,289)
Gain (loss) recognized in excess of revenues over expenses	$ 3,950	$ (154)

8. Net Patient Service Revenue

The difference between charges generated from agreements with third-party payors and the related payment amounts are reflected as contractual discounts as shown below:

Years ended December 31,	2013	2012
Gross patient service revenue	$ 732,798	$ 687,907
Contractual discounts	(511,165)	(469,771)
Patient service revenue	$ 221,633	$ 218,136

Patient service revenue by payor mix, net of contractual allowances and discounts (but before the provision for uncollectible accounts), recognized in the years ended December 31, 2013 and 2012, respectively, was approximately:

	2013	2012
Medicare	$ 89,803	$ 85,839
Medicaid	2,973	1,646
Other third-party payers and government payers	99,570	104,600
Self-pay	29,287	26,051
	$ 221,633	$ 218,136

9. Pension Plan

The Hospital has a voluntary defined-contribution pension plan covering substantially all employees. The Hospital matches 100% of employee contributions up to 3% of covered compensation plus 50% of employee contributions between 3% and 5% of covered compensation. Pension expense was approximately $1,985 and $2,000, for 2013 and 2012, respectively.

10. Functional Expenses

The Hospital provides health care services primarily to residents within its geographic area. Expenses related to providing these services are as follows:

Years ended December 31,	2013	2012
Health care services	$ 131,085	$ 137,788
General and administrative	64,655	49,453
	$ 195,740	$ 187,241

(In Thousands)

11. Related Party Transactions

Shared Services

As part of its restructuring efforts during the 2012 fiscal year, on January 1, 2013 the Hospital entered into a shared service agreement with CTHS to share the cost of services with compensation arrangements, information technology, marketing, accounting, human resources, risk management and consulting, compliance, education and quality management, and professional and general liability insurance to reduce costs and increase future operating efficiencies.

Total amounts incurred for shared services with CTHS during the year ended December 31, 2013 approximated $18,183, which is reflected within purchased services on the statements of operation. There were no amounts incurred for such services during the year ended December 31, 2012.

Patient Services

The Hospital provides inpatient medical services to several subsidiaries of CTHS. For the years ended December 31, 2013 and 2012, the Hospital recognized approximately $826 and $719, respectively, which is reflected within patient service revenue on the statements of operations.

Other Operating Revenue

The Hospital provides certain goods and services to several subsidiaries of CTHS. Total other operating revenue approximated $2,026 and $1,553, of which $1,515 and $329 was reflected within due from affiliates, net on the balance sheets at December 31, 2013 and 2012, respectively.

12. Commitments and Contingencies

Leases

The Hospital has noncancellable operating leases for real estate and for equipment expiring through 2022. Future minimum lease payments at December 31, 2013, were:

Years Ending December 31,		
2014	$	6,725
2015		6,773
2016		6,626
2017		5,710
2018		2,937
Thereafter		3,696
	$	32,467

Rent expense for all operating leases aggregated approximately $5,950 and $5,871 for the years ended December 31, 2013 and 2012, respectively.

Healthcare Legislation

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity has continued with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. 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.

HIPAA

The Health Insurance Portability and Accountability Act ("HIPAA") assures health insurance portability, reduces healthcare fraud and abuse, guarantees security and privacy of health information, and enforces standards for health information. The Health Information Technology for Economic and Clinical Health Act ("HITECH Act") imposes notification requirements in the event of certain security breaches relating to protected health information. Organizations are subject to significant fines and penalties if found not to be compliant with the provisions outlined in the regulations.

Affordable Care Act

The Patient Protection and Affordable Care Act ("PPACA") will substantially reform the United States health care system. The legislation impacts multiple aspects of the health care system, including many provisions that change payments from Medicare, Medicaid and insurance companies. Starting in 2014, the legislation requires the establishment of health insurance exchanges, which will provide individuals without employer provided health care coverage the opportunity to purchase insurance. It is anticipated that some employers currently offering insurance to employees will opt to have employees seek insurance coverage through the insurance exchanges. It is possible that the reimbursement rates paid by insurers participating in the insurance exchanges may be substantially different than rates paid under current health insurance products. Another significant component of the PPACA is the expansion of the Medicaid program to a wide range of newly eligible individuals. In anticipation of this expansion, payments under certain existing programs, such as Medicare disproportionate share, will be substantially decreased.

Section 501(r) Compliance

As part of the Affordable Care Act, hospitals exempt from the tax under Section 501(c)(3) of the Code are required to comply with the new requirements under new Code Section 501(r). Code Section 501(r) requires exempt hospitals prepare and implement a community health needs assessment, implement a financial assistance policy, implement an emergency care policy, limit charges to individuals eligible for financial assistance and refrain from certain collection actions for patients that may qualify for financial assistance. Failure to comply with these section requirements could result in a hospital not being recognized as exempt under Code Section 501(c)(3). The Hospital believes it has taken reasonable steps to comply with Code Section 501(r) and has recorded no provision relative to the Hospital's compliance or non-compliance with Code Section 501(r).

Litigation

In the normal course of business, the Hospital is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by insurance. The Hospital evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each of these matters. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

In the normal course of the Hospital's ongoing compliance and review process, the Hospital routinely investigates all allegations of non-compliance or violation of Medicare and Medicaid laws and regulations, including any potential Stark or Anti-kickback issues. On March 22, 2012, the Hospital self-disclosed a regulatory compliance matter to CMS that involves a lack of formal documentation of certain of on-call service arrangements as required under the Stark Law. At this time, it is probable that a settlement will ultimately be entered into with the Federal government with respect to these issues. At December 31, 2013 and 2012, the Hospital has accrued a settlement reserve of $825 and $375, respectively, in other accrued expenses on the balance sheets.

Self-Insured Employee Health

The Hospital retains a significant portion of certain expected losses related to employee health care costs. Provisions for losses expected under these programs are recorded based upon the Hospital's estimates of the aggregate liability for claims incurred. The Hospital believes that its estimates are sufficient; however, actual amounts may materially differ from those estimates. For the years ended December 31, 2013 and 2012, these liabilities were approximately $1,219 and $1,100, and are recorded in accrued expenses in the balance sheets.

McKesson Technologies, Inc.

In 2012, the Company entered into software and services agreements with McKesson Technologies Inc. ("McKesson") to upgrade its information technology systems. Under the agreements, McKesson will provide the Company with a variety of services, including new software implementation and education/training services for our personnel, software maintenance services and professional services related to movement and migration of data from legacy systems. McKesson will also furnish to the Company and maintain new hardware to accommodate the upgraded software and systems. The new hardware will include computers and servers, among other things, and will include installation, testing, and ongoing maintenance. The Company has entered into the arrangement to enhance its clinical information systems and upgrade its billing and revenue management information systems. The agreements will initially run for a period of five years, and the recurring services may be renewed by the Company for successive periods. The agreements do not provide that they may be terminated by the Company prior to the initial expiration date. The agreements provide for recurring fees related to software and subscription services of approximately $349 per year. The Company will also continue to test and develop system applications where necessary.

(In Thousands)

Professional and General Liabilities

The Hospital shares medical malpractice insurance coverage under a claims-made policy coverage with CTHS pursuant to the Shared Services Agreement. Under such a policy, only claims made and reported to the insurer during the policy term, regardless of when the incidents giving rise to the claims occurred, are covered. CTHS's insurance policy requires a deductible of $50 per claim, and coverage limits of $1,000 per claim and an annual aggregate of $3,000 per year. In addition, CTHS maintains an occurrence based policy for its excess liability with coverage of $9,000 in aggregate per annum.

The Hospital accrues for estimated general and professional liability claims, to the extent not covered by insurance, when they are estimable and probable. At December 31, 2013 and 2012, the Hospital recorded a liability relating to its estimate for medical malpractice claims on the balance sheet for approximately $311 and $290, respectively. It is reasonably possible that this estimate could change materially in the near term.

13. Fair Value of Financial Instruments

At December 31, 2013, the carrying value of cash and cash equivalents, accounts receivable, payables, accrued liabilities were measured at cost and approximate their respective fair values because of the short maturities of these instruments. The carrying amount of short term investments, assets limited as to use, and the interest rate swap are reported on the balance sheet at fair value.

Long-term debt: Fair values of the Hospital's 2003B Bonds, 2005 Bonds, and 2012 Bonds are based on current traded value.

The carrying amounts and estimated fair values of the long term debt at December 31, 2013 and 2012, are as follows:

	2013		2012	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Long-term debt*	**$ 110,130**	**$ 110,915**	$ 113,818	$ 114,823

* Level 2 measurement was used to determine the fair value.

14. Concentrations

Concentration of Credit Risk

Financial instruments which potentially subject the Hospital to concentration of credit risk consist of cash deposits, investments and patient accounts receivables (which are described in detail below). Substantially all of the Hospital's deposits and investments are held at two financial institutions. The Hospital believes it mitigates its risks by investing in or through financial institutions with high credit ratings. Recoverability is dependent upon the performances of the financial institutions. Nonperformance by these institutions could expose the Company to losses for amounts in excess of the insured balances. The Hospital has not experienced, nor does it anticipate, nonperformance by these institutions.

(In Thousands)

In addition, the Hospital's non-interest bearing cash balances were fully insured at December 31, 2013 up to $250 per depositor at each financial institution.

Credit risk associated with patient receivables

The Hospital grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers for the Hospital at December 31, 2013 and 2012, were:

	2013	2012
Medicare	29%	26%
Medicaid	3%	3%
Other third-party payers and government payers	56%	53%
Self-pay	12%	18%
	100%	100%

Labor Agreement

Approximately 90% of the Hospital's employees are covered by a collective bargaining agreement. The agreement expires in June 2015.