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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 04-01-2013 , 2013, and ending 03-31-2014

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

C Name of organization
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 1000 HIGHWAY 12

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
HETTINGER, ND 58639

D Employer identification number
45-0340688

E Telephone number
(701) 567-4561

G Gross receipts $ 25,958,668

F Name and address of principal officer
JIM K LONG
1000 HIGHWAY 12
HETTINGER, ND 58639

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 WRHS COM

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

L Year of formation 1977

M State of legal domicile ND

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PROVIDE COMPREHENSIVE HEALTH AND WELLNESS SERVICES TO THE RESIDENTS AND VISITORS OF THE REGION

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	8
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	330
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	638,092	503,166
9	Program service revenue (Part VIII, line 2g)	24,390,118	24,659,369
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	69,415	4,185
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	55,770	45,995
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	25,153,395	25,212,715
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	2,044	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)	10,659,915	10,962,676
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶32,409		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	13,786,171	14,282,993
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	24,448,130	25,245,669
19	Revenue less expenses Subtract line 18 from line 12	705,265	-32,954

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	26,931,485	27,248,275
21	Total liabilities (Part X, line 26)	7,900,868	7,786,365
22	Net assets or fund balances Subtract line 21 from line 20	19,030,617	19,461,910

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

****** 2015-02-03
Signature of officer Date

JIM LONG CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DEIDRE BUDAHL CPA		2015-02-06		P01273830

Firm's name ▶ CASEY PETERSON & ASSOC — Firm's EIN ▶ 46-0403496

Firm's address ▶ 909 ST JOSEPH ST SUITE 101
RAPID CITY, SD 57701 — Phone no (605) 348-1930

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

THE MISSION OF WEST RIVER HEALTH SERVICES (WRHS) IS TO PROVIDE COMPREHENSIVE HEALTH AND WELLNESS SERVICES TO THE RESIDENTS AND VISITORS OF THE REGION

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 $ 20,714,370 including grants of $) (Revenue $ 24,598,991)

WEST RIVER HEALTH SERVICES (WRHS) IS A NATIONALLY-RECOGNIZED RURAL HEALTH CARE DELIVERY SYSTEM INCLUDING HOSPITAL, SWING BED, SURGERY, LAB, RADIOLOGY, EMERGENCY ROOM, SEVEN CLINICS, EYE CLINIC, VISITING NURSE SERVICES, AMBULANCE SERVICE, FAMILY THERAPY, REHABILITATIVE THERAPIES INCLUDING PHYSICAL THERAPY, OCCUPATIONAL THERAPY AND SPEECH THERAPY, HOME MEDICAL EQUIPMENT STORE, AND WELLNESS/FITNESS SERVICES IN FY 2014 WRHS PROVIDED ACUTE CARE SERVICES TO 858 PATIENTS FOR A TOTAL OF 3,152 DAYS OF CARE SWING BED SERVICES WERE PROVIDED TO 77 PATIENTS FOR A TOTAL OF 618 DAYS OF CARE IN ADDITION, 690 DAYS OF OBSERVATION CARE WERE PROVIDED THERE WERE 1,736 EMERGENCY ROOM VISITS DURING THE YEAR THERE WERE 102 BABIES BORN DURING THE YEAR WITH A TOTAL OF 258 DAYS OF CARE PROVIDED THERE WERE A TOTAL OF 985 SURGICAL CASES DURING THE YEAR, WITH 782 OF THOSE BEING DONE ON AN OUTPATIENT BASIS THE AMBULANCE CREW MADE 168 AMBULANCE RUNS AND 122 TRANSFERS THROUGHOUT THE YEAR THERE WERE 42,384 CLINIC ENCOUNTERS TO THE SEVEN CLINICS ANCILLARY SERVICES WERE PROVIDED AS FOLLOWS 40,774 LAB TESTS, 9,928 RADIOLOGY TESTS, 7,354 RESPIRATORY THERAPY TESTS, 33,890 MEALS TO PATIENTS, VISITORS, AND EMPLOYEES, AND THERE WERE 1,708 VISITING NURSE VISITS IT IS THE POLICY OF THE WRHS TO PROVIDE QUALITY HEALTH CARE SERVICES TO ALL PATIENTS IN THE REGION REGARDLESSS OF RACE, COLOR, CREED OR ABILITY TO PAY TO THIS END, WRHS OFFERS FREE AND DISCOUNTED SERVICES TO PATIENTS WHO LACK ABILITY TO PAY THE WRHS CHARITY CARE POLICY, INITIALLY APPROVED IN JUNE OF 2006 AND REVISED IN 2011, ASSURES THAT ALL ELIGIBLE PATIENTS WILL RECEIVE THE CARE THEY DESERVE WITHOUT FINANCIAL WORRY THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS HAS OVERSIGHT OF THE CHARITY CARE PROGRAM, APPROVES ELIGIBILITY CRITERIA, AND EVALUATES PROGRAM EFFECTIVENESS THE AMOUNT OF CHARITY CARE PROVIDED IN FY '14 FOR ELIGIBLE INDIVIDUALS WAS $262,797 THIS AMOUNT REFLECTS THE AMOUNT OF CHARGES FOREGONE BASED ON ESTABLISHED RATES

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** ▶ 20,714,370

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	Yes	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		No
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI 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**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	51		
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	330		
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**	11		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	8		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		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**		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

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

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

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

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

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

▶NATHAN STADHEIM 1000 HIGHWAY 12
HETTINGER, ND 58639 (701) 567-4561

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) ERIC ANDRESS CHAIRMAN	2 00	X		X				160	0	0
(2) GARY DEWHIRST SECRETARY/TREASURER	2 00	X		X				120	0	0
(3) JONATHON EATON BOARD MEMBER	2 00	X						170	0	0
(4) TRAVIS ELLISON BOARD MEMBER	2 00	X						170	0	0
(5) HALEY EVANS VICE CHAIRMAN	2 00	X		X				170	0	0
(6) LARRY JACKSON BOARD MEMBER	2 00	X						180	0	0
(7) CODY JORGENSON PAST CHAIRMAN/WRHS REPRESENTATIVE	2 00	X						270	0	0
(8) ROBERT PARKER BOARD MEMBER	2 00	X						140	0	0
(9) ERVIN SCHNEIDER BOARD MEMBER	2 00	X						110	0	0
(10) CLEVE TESKE BOARD MEMBER	2 00	X						160	0	0
(11) DR JENNIFER SHEFFIELD MEDICAL STAFF LIAISON	2 00	X						0	0	0
(12) JIM LONG CEO	34 00 6 00			X				159,574	0	19,895
(13) NATHAN STADHEIM CFO	32 00 8 00			X				83,211	0	11,083
(14) MITCH SCHULTZ PHARMACIST	40 00					X		142,709	0	23,334

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			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								387,144	0	54,312

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 ▶ 2

			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
UNITED CLINICS PHYSICIANS PC 110 HWY 12 HETTINGER ND 58639	PHYSICIAN SERVICES	4,416,007
DR MARK KRISTY, 1000 HWY 12 HETTINGER ND 58639	RADIOLOGY SERVICES	353,038
MONDAK IMAGING SERVICES 11 SOUTH 7TH ST MILES CITY MT 59301	MRI SERVICES	200,760
NORTHERN PLAINS LABORATORY PO BOX 2036 BISMARCK ND 58501	LABORATORY SERVICES	168,731
ALEX OR KATHLEEN THOMPSON, 600 2ND AVE N HETTINGER ND 58639	PHYSICAL THERAPY SERVICES	155,760
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	142,422			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	360,744			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . . ▶		503,166			
Program Service Revenue			Business Code				
	2a	PATIENT SERVICE REVENUE	621110	23,933,505	23,933,505		
	b	AFFILIATION SUPPORT	900099	337,499	337,499		
	c	OTHER	900099	129,743	129,743		
	d	ASSISTED LIVING RENT	621610	99,300	99,300		
	e	CAFETERIA	722210	98,944	98,944		
	f	All other program service revenue		60,378			60,378
	g	**Total.** Add lines 2a–2f . . . . . ▶		24,659,369			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		24,272			24,272
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	60,225 /				
	b	Less rental expenses	14,230 /				
	c	Rental income or (loss)	45,995 /				
	d	Net rental income or (loss) . . . . . ▶		45,995			45,995
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	704,242 / 7,394				
	b	Less cost or other basis and sales expenses	731,723 / 0				
	c	Gain or (loss)	-27,481 / 7,394				
	d	Net gain or (loss) . . . . . ▶		-20,087			-20,087
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶					
	12	**Total revenue.** See Instructions . . . . . ▶		25,212,715	24,598,991	0	110,558

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	385,494		385,494	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	8,564,908	5,992,545	2,539,954	32,409
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	2,012,274	1,640,003	372,271	
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal	5,319		5,319	
c Accounting	66,890		66,890	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	6,286,173	6,144,043	142,130	
12 Advertising and promotion	98,793		98,793	
13 Office expenses	51,490	41,964	9,526	
14 Information technology				
15 Royalties . .				
16 Occupancy	548,767	447,245	101,522	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	217,111	147,957	69,154	
20 Interest	243,687	243,687		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,453,739	1,184,797	268,942	
23 Insurance	206,951	172,848	34,103	
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 SUPPLIES - OPERATING	3,151,962	3,022,841	129,121	
b REPAIRS & MAINTENANCE	727,088	592,577	134,511	
c BAD DEBTS	684,200	684,200		
d STAFF RECRUITMENT	267,381	201,800	65,581	
e All other expenses	273,442	197,863	75,579	
25 **Total functional expenses.** Add lines 1 through 24e	25,245,669	20,714,370	4,498,890	32,409
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			1	
	2	Savings and temporary cash investments		3,457,254	2	3,682,106
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		4,462,194	4	5,194,732
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		557,143	8	581,419
	9	Prepaid expenses and deferred charges		230,064	9	232,545
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 32,118,483			
	b	Less accumulated depreciation	10b 19,400,730	13,359,865	10c	12,717,753
	11	Investments—publicly traded securities		2,422,057	11	2,493,067
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		2,442,908	15	2,346,653
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		26,931,485	16	27,248,275
Liabilities	17	Accounts payable and accrued expenses		1,771,123	17	2,060,808
	18	Grants payable			18	
	19	Deferred revenue			19	30,348
	20	Tax-exempt bond liabilities		4,848,841	20	4,700,042
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		1,106,008	23	995,167
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		174,896	25	0
	26	**Total liabilities.** Add lines 17 through 25		7,900,868	26	7,786,365
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		19,030,617	27	19,461,910
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		19,030,617	33	19,461,910
	34	Total liabilities and net assets/fund balances		26,931,485	34	27,248,275

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	25,212,715
2	Total expenses (must equal Part IX, column (A), line 25)	2	25,245,669
3	Revenue less expenses Subtract line 2 from line 1	3	-32,954
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	19,030,617
5	Net unrealized gains (losses) on investments	5	80,719
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	383,528
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	19,461,910

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
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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 8,114
d	Additions during the year	1d 13,078
e	Distributions during the year	1e 11,608
f	Ending balance	1f 9,584

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

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

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

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

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

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

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

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

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	18,000	90,113		108,113
b Buildings	1,941,458	17,007,445	9,191,533	9,757,370
c Leasehold improvements				
d Equipment	30,107	12,186,915	9,835,470	2,381,552
e Other		844,445	373,727	470,718
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				12,717,753

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
(1) DEFERRED FINANCING COSTS	85,273
(2) RELATED PARTY RECEIVABLES	1,133,883
(3) ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,127,497
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	2,346,653

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	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	

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	24,623,464
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	80,719		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-684,200		
e	Add lines **2a** through **2d**			2e	-603,481
3	Subtract line **2e** from line **1**			3	25,226,945
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	-14,230		
c	Add lines **4a** and **4b**			4c	-14,230
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	25,212,715

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	24,575,699
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	14,230		
e	Add lines **2a** through **2d**			2e	14,230
3	Subtract line **2e** from line **1**			3	24,561,469
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	684,200		
c	Add lines **4a** and **4b**			4c	684,200
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	25,245,669

Part XIII Supplemental Information

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

Return Reference	Explanation
PART IV, LINE 1B	THE HOSPITAL HAS AN AUXILIARY THAT OPERATES UNDER THEIR EIN THESE FUNDS ARE CONTROLLED BY THE AUXILIARY BOARD MEMBERS
PART X, LINE 2	WEST RIVER HEALTH SERVICES (WRHS) IS ORGANIZED AS A NORTH DAKOTA NONPROFIT CORPORATION AND HAS BEEN RECOGNIZED BY THE INTERNAL REVENUE SERVICE (IRS) AS EXEMPT FROM FEDERAL INCOME TAXES UNDER INTERNAL REVENUE CODE 501(C)(3) WRHS IS ANNUALLY REQUIRED TO FILE A RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX (FORM 990) WITH THE IRS IN ADDITION, WRHS IS SUBJECT TO INCOME TAX ON NET INCOME THAT IS DERIVED FROM BUSINESS ACTIVITIES THAT ARE UNRELATED TO ITS EXEMPT PURPOSE WRHS HAS DETERMINED IT IS NOT SUBJECT TO UNRELATED BUSINESSS INCOME TAX AND HAS NOT FILED AN EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN (FORM 990T) WITH THE IRS WRHS BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS WRHS WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED
PART XI, LINE 2D - OTHER ADJUSTMENTS	BAD DEBT EXPENSE NETTED WITH REVENUE ON AUDIT -684,200
PART XI, LINE 4B - OTHER ADJUSTMENTS	REAL ESTATE TAXES NETTED AGAINST REVENUE ON 990 -14,230
PART XII, LINE 2D - OTHER ADJUSTMENTS	REAL ESTATE TAXES NETTED AGAINST REVENUE ON 990 14,230
PART XII, LINE 4B - OTHER ADJUSTMENTS	BAD DEBT EXPENSE NETTED WITH REVENUE ON AUDIT 684,200

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
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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		No
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a		No
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		
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		No
b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			216,307		216,307	0 880 %
b Medicaid (from Worksheet 3, column a)			669,033	523,666	145,367	0 590 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			885,340	523,666	361,674	1 470 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			40,539	21,796	18,743	0 080 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			899,707	550,231	349,476	1 420 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			6,405		6,405	0 030 %
j **Total.** Other Benefits			946,651	572,027	374,624	1 530 %
k **Total.** Add lines 7d and 7j			1,831,991	1,095,693	736,298	3 000 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			10,388		10,388	0 040 %
7 Community health improvement advocacy						
8 Workforce development			65,581		65,581	0 270 %
9 Other						
10 **Total**			75,969		75,969	0 310 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	684,200		
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	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	10,324,056		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	10,529,804		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-205,748		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group WEST RIVER HEALTH SERVICES

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) _____

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

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 150 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☐ Uninsured discount			
f ☑ Medicaid/Medicare			
g ☑ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☐ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☑ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☑ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**	Yes	
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**	Yes	
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
See Additional Data Table	

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 2

	Name and address	Type of Facility (describe)
1	HETTINGER WEST RIVER EYE CENTER 1000 HWY 12 HETTINGER,ND 58639	CLINIC
2	WEST RIVER FOOT & ANKLE CENTER 683 STATE AVENUE SUITE E DICKINSON,ND 58601	CLINIC
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

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

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

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 684,200

Form and Line Reference	Explanation
PART I LINE 7	CHARITY CARE EXPENSE WAS CONVERTED TO COST ON LINE 7A BASED ON AN OVERAL COST-TO-CHARGE RATIO ADDRESSING ALL PATIENT SEGMENTS UNREIMBURSED MEDICAID ON LINE 7B WAS CALCULATED USING THE WORKSHEET 3 THE ORGANIZATION USED ACUTAL EXPENSES TO DETERMINE THE COST FOR COMMUNITY HEALTH IMPROVEMENT SERVICES ON LINE 7E THE COST OF SUBSIDIZED HEALTH SERVICES ON LINE 7G WAS DETERMINED USING THE MEDICARE COST REPORT

Form and Line Reference	Explanation
PART II, COMMUNITY BUILDING ACTIVITIES	WEST RIVER HEALTH SERVICES IS A NOT-FOR-PROFIT ORGANIZATION WHOSE MISSION IS TO PROVIDE COMPREHENSIVE HEALTH AND WELLNESS SERVICES TO RESIDENTS AND VISITORS OF THE REGION WE DO THIS BY REINVESTING OUR PROFITS BACK INTO THE COMMUNITIES THROUGH VARIOUS PROGRAMS AND SERVICES, MAKING SURE THAT CARE IS AVAILABLE TO EVERYONE REGARDLESS OF ABILITY TO PAY, OFFERING CARE WITH COMPASSION TO ALL PATIENTS, AND PROVIDING A WIDE RANGE OF SPECIAL BENEFITS TO EACH COMMUNITY, SUCH AS PROGRAMS TO MANAGE CARE FOR PERSONS WITH CHRONIC DISEASES, HEALTH EDUCATION AND DISEASE PREVENTION INITIATVES, OUTREACH FOR THE ELDERLY, AND CARE FOR PERSONS WHO ARE POOR OR UNINSURED WEST RIVER HEALTH SERVICES WORKS WITH MANY COMMUNITY PROGRAMS EACH YEAR, OFTEN PARTNERING WITH OTHER ORGANIZATIONS THROUGHOUT THE SERVICE AREA THE ORGANIZATION WAS INSTRUMENTAL IN THE APPLICATION TO AND AWARD OF A SOUTHWESTERN AREA HEALTHCARE EDUCATION CONSORTIUM, AN OUTREACH EFFORT ENCOMPASSING THE WESTERN HALF OF NORTH DAKOTA THE GOAL OF THE SWAHEC IS TO ASSIST HEALTH CARE PROVIDERS IN THEIR RECUITMENT AND RETENTION OF HEALTH CARE WORKERS THROUGHOUT WESTERN NORTH DAKOTA QUITE THE CONTRAST TO OTHER PARTS OF THE NATION, NORTH DAKOTA IS FACING SEVERE SHORTAGE OF WORKERS IN MANY INDUSTRIES, INCLUDING HEALTH CARE MEMBERS FROM THE MANAGEMENT TEAM STAY CONNECTED TO THE COMMUNITIES THROUGH THEIR INVOLVEMENT WITH OTHER COMMUNITY ORGANIZATIONS, INCLUDING MEMBERSHIP ON NUMEROUS COMMUNITY BOARDS AND COMMITTEES DOING SO GIVES THE ORGANIZATION A VOICE AND INPUT INTO LOCAL ACTIVITIES, AS WELL AS SERVES AS REPRESENTATION OF HEATLH ACTIVITIES IN EACH OF THE COMMUNITIES THE BOARD REPRESENTS MEMBERS FROM THE COMMUNITY THAT ARE NEITHER EMPLOYEES, NOR CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS THEREOF WRHS EXTENDS MEDICAL STAFF PRIVILEDGES TO ALL QUALIFIED PHYSICIANS IN ITS COMMUNITY FOR ALL OF ITS DEPARTMENTS WEST RIVER HEALTH SERVICES HAS A POLICY OF USING ANY OF ITS SURPLUS FUNDS FOR IMPROVEMENTS THAT PRMOTE A HIGHER LEVEL OF QUALITY PATIENT CARE

Form and Line Reference	Explanation
PART III, LINE 2	THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS CAN BE FOUND ON PAGE 11 OF THE ATTACHED FINANCIAL STATEMENTS

Form and Line Reference	Explanation
PART III, LINE 3	PATIENT ACCOUNTS ARE WRITTEN OFF TO BAD DEBT AFTER EVERY EFFORT IS MADE TO COLLECT THE BALANCE AND PATIENTS ARE GIVEN OPPORTUNITIES TO COMPLETE CHARITY CARE APPLICATIONS OR SET UP PAYMENT PLANS ALL DISCOUNTS AND CONTRACTUAL ADJUSTMENTS ARE APPLIED TO ACCOUNTS BEFORE THEY ARE WRITTEN OFF TO BAD DEBT CURRENT PAYMENTS ON ACCOUNTS PREVIOUSLY WRITTEN OFF AS BAD DEBT REDUCES BAD DEBT EXPENSE THE ESTIMATED AMOUNT OF THE ORGNIZATION'S BAD DEBT EXPENSE THAT IS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATIONS CHARITY CARE PROGRAM WAS BASED ON THE PERCENTAGE OF CHARITY CARE TO GROSS CHARGES TIMES THE STATED BAD DEBT EXPENSE

Form and Line Reference	Explanation
PART II LINES 6-8	LINE 6 - COALITION BUILDINGSEVERAL OF THE WRHS STAFF ARE MEMBERS OF THE ADAMS COUNTY DISASTER MANAGEMENT TEAM AND, AS SUCH, ARE ALSO REPRESENTED ON THE SOUTHWEST REGION COALITION FOR DISASTER MANAGEMENT THESE GROUPS HAVE BEEN INSTRUMENTAL IN DEVELOPING DISASTER PLANS WHICH ENCOMPASS A VARIETY OF NATURAL DISASTERS IN A TEAM INVOLVING FIRE, POLICE, RESCUE, AND HOSPITAL PERSONNEL IN THIS REPORTING PERIOD, $1,289 OF COMMUNITY BENEFIT EXPENSE WAS INCURRED THERE WAS NO DIRECT OFFSETTING REVENUE TO THE EXPENSE THREE EMPLOYEES FROM WRHS WERE REPRESENTED ON THE SOUTHWEST REGION INFLUENZA COALITION THIS COALITION WORKS WITH THE SOUTHWEST DISTRICT HEALTH UNIT TO HELP ENSURE ADEQUATE VACCINATION COVERAGE FOR THE UNDERINSURED AND UNINSURED POPULATION OF THE AREA THE COALITION WAS ALSO INSTRUMENTAL IN ASSURING AN ADEQUATE AVAILABILITY OF BOTH INFLUENZA AND TDAP VACCINE THE GROUP MET MONTHLY TO DISCUSS CURRENT PUBLIC HEALTH CONCERNS AND OUTBREAKS THEY PROVIDED MUCH EDUCATION TO THE PUBLIC ON BENEFITS OF INFLUENZA VACCINATIONS AND OFFERED FLUE CLINICS AT AREA FARM SHOWS AND SCHOOLS IN THIS REPORTING PERIOD, $1,350 OF COMMUNITY BENEFIT EXPENSE WAS INCURRED THERE WAS NO DIRECT OFF SETTING REVENUE TO THE EXPENSE NUMEROUS WRHS STAFF PARTICIPATE IN THE NORTH DAKOTA HOSPITAL ENGAGEMENT NETWORK REPRESENTATIVES FROM MEMBERS OF HOSPITALS AROUND THE STATE GATHER TO DISCUSS BEST PRACTICES AND LESSONS LEARNED DURING THE CARE OF THEIR PATIENTS THE TIME COMMITTED TO THIS PROGRAM CAME AT A COST OF $7,749 DURING THE CURRENT YEAR GRAND TOTAL OF ALL COALITION BUILDING EFFORT WAS $10,388 LINE 8 - WORKFORCE DEVELOPMENTINCLUDED IN THE WRHS HEALTH CARE SYSTEM IS A 25-BED CRITICAL ACCESS HOSPITAL, EIGHT CLINICS (LOCATED IN HETTINGER, BOWMAN, SCRANTON, NEW ENGLAND, DICKINSON, AND MOTT IN NORTH DAKOTA AND LEMMON IN SOUTH DAKOTA), A VISITING NURSE PROGRAM, ADVANCED LIFE SUPPORT AMBULANCE SERVICE, PLUS A WIDE ARRAY OF ANCILLARY SERVICES TO COMPLIMENT THE ENTIRETY OF THE SYSTEM THE SERVICE AREA COVERS OVER 25,000 SQUARE MILES AND SERVES AN ESTIMATED POPULATION OF 25,000 ONE OF THE BIGGEST CHALLENGES WRHS HAS AND CONTINUES TO FACE IS FINDING A WORKFORCE WILLING TO LOCATE TO THIS SPARSELY-POPULATED AREA MOST COMMUNITIES WITHIN THE SYSTEM, INCLUDING HETTINGER, HAVE BEEN DESIGNATED MEDICAL SHORTAGE AREAS WRHS HAS LONG SUPPORTED THE NEED FOR HEALTH CARE SERVICES IN EVEN THE REMOTEST OF AREAS RECOGNIZING THAT RURAL PEOPLE DESERVE THE SAME QUALITY HEALTH CARE AS DO THEIR URBAN COUNTERPARTS, PHYSICIANS AND MID-LEVELS TRAVEL DAILY TO THESE REMOTE SITES IN ORDER TO PROVIDE THE HEALTH CARE THESE RURAL PEOPLE SO DESPARATELY NEED GIVEN THE CURRENT SHORTAGE, RECRUITMENT HAS BEEN A MAJOR EXPENSE OVER THE PAST YEAR EXPENSES HAVE INCLUDED COLLABORATIVE PHYSICIAN RECRUITMENT FEES, EXPENSE TO ATTEND STATEWIDE RECRUITMENT FAIRS, FORGIVENESS OF ACADEMIC LOANS FOR PHYSICIANS, AND EXPENSE TO BRING CANDIDATES ON-SITE TO SEE THE WEST RIVER SYSTEM AND TO INTERVIEW FOR POSITIONS RECRUITMENT EXPENSE FOR THIS REPORTING PERIOD TOTALED $65,581 GRAND TOTAL OF ALL WORKFORCE DEVELOPMENT ACTIVITIES WAS $65,581

Form and Line Reference	Explanation
PART III, LINE 4	PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, WRHS ANALYZES ITS HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AND PROVISION FOR BAD DEBTS MANAGEMENT REGULARLY REVIEWS DATA ABOUT THESE MAJOR PAYOR SOURCES IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD PARTY COVERAGE, WRHS ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY (FOR EXAMPLE, FOR EXPECTED UNCOLLECTIBLE DEDUCTIBLES AND COPAYMENTS ON ACCOUNTS FOR WHICH THE THIRD PARTY PAYOR HAS NOT YET PAID, OR FOR PAYORS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY) FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL), WRHS RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MAY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNTED RATES, IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS WRHS' PROCESS FOR CALCULATING THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR SELF-PAY PATIENTS HAS NOT SIGNIFICANTLY CHANGED FROM MARCH 31, 2013 TO MARCH 31, 2014 THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR SELF-PAY PATIENTS INCREASED FROM 82 60 PERCENT OF SELF-PAY ACCOUNTS RECEIVABLE AT MARCH 31, 2013 TO 86 48 PERCENT OF SELF-PAY ACCOUNTS RECEIVABLE AT MARCH 31, 2014 (A $666,000 INCREASE), WHILE BAD DEBT EXPENSE REMAINED CONSISTENT BETWEEN THE TWO YEARS THE INCREASE IN THE ALLOWANCE IS THE RESULT OF CONTINUED DIFFICULTIES IN COLLECTING AMOUNTS FROM SELF-PAY PATIENTS AND LESS SELF-PAY ACCOUNTS BEING WRITTEN OFF (REMOVED FROM THE PATIENT ACCOUNTS RECEIVABLE LEDGER) AS BEING UNCOLLECTABLE DURING FISCAL YEAR 2014 WRHS DOES NOT MAINTAIN A MATERIAL ALLOWANCE FOR DOUBTFUL ACCOUNTS FROM THIRD-PARTY PAYORS, NOR DID IT HAVE SIGNIFICANT WRITE-OFFS FROM THIRD-PARTY PAYORS

Form and Line Reference	Explanation
PART III, LINE 8	MEDICARE ALLOWABLE COSTS OF CARE ARE BASED ON THE MEDICARE COST REPORT THE MEDICARE COST REPORT IS COMPLETED BASED ON THE RULES AND REGULATIONS SET FORTH BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES

Form and Line Reference	Explanation
PART III, LINE 9B	FOR THOSE PATIENTS THAT RECEIVE DISCOUNTED CARE UNDER THE FAP THE REMAINING SELF-PAY PORTION FALLS UNDER THE SAME COLLECTIONS POLICY AS ALL OTHER PATIENT ACCOUNTS THE HOSPITAL POLICY IS TO SEND THE UNPAID AMOUNTS TO COLLECTIONS 45 DAYS AFTER THIS INITIAL LETTER, HOWEVER THE HOSPITAL MAKES ALL EFFORTS TO WORK WITH THE PATIENTS TO COLLECT THE UNPAID AMOUNT BEFORE THEY ACTUALLY SEND IT TO COLLECTIONS THE PATIENT ACCOUNT MANAGER MAKES SEVERAL ATTEMPTS TO MAKE PAYMENT ARRANGEMENTS THROUGH PHONE CONVERSATIONS AND PERSONAL CONTACT WITH THE PATIENT

Form and Line Reference	Explanation
PART V SECTION A	WEST RIVER HEALTH SERVICES OPERATES IN HETTINGER CLINIC, A PROVIDER BASED CLINIC THE HOSPITAL ALSO OPERATES FIVE PROVIDER BASED RURAL HEALTH CLINICS NEW ENGLAND CLINIC, BOWMAN CLINIC, SCRANTON CLINIC, MOTT CLINIC AND LEMMON CLINIC

Form and Line Reference	Explanation
PART VI, LINE 2	BOARD MEMBERS FROM ALL AFFILIATED BOARDS (WRHSF, WRHS, WHLC) AS WELL AS WRHS MEDICAL STAFF MET TOGETHER AT THE ANNUAL BOARD RETREAT IN JANUARY OF 2012 AT WHICH TIME RESULTS OF THE COMMUNITY HEALTH NEEDS ASSESSMENT CONDUCTED IN JULY OF 2011 WERE REVIEWED AND DISCUSSED THE NEEDS ASSESSMENT SERVED AS THE BASIS FOR HEALTH CARE STRATEGIC AND LONG-RANGE PLANNING TO DEVELOP HEALTHY POLICY, ALLOCATE RESOURCES, IMPROVE OR EXPAND EXISTING SERVICES, IMPLEMENT NEW PROGRAMS, AND COLLABORATE WITH OTHER COMMUNITY HEALTH CARE PROVIDERS THERE IS A WIDE REPRESENTATION FROM ACROSS THE MULTI-COUNTY REGION ON THE WRHS BOARD OF DIRECTORS BOARD MEMBERS ROUTINELY PROVIDE FEEDBACK TO ADMINISTRATION AND TEH BOARD OF PERCEIVED HEALTH CARE NEEDS BASED ON DISCUSSION WITH PATIENTS IN THEIR RESPECTIVE COMMUNITIES ALTHOUGH ALL MEMBERS OF THE 14-MEMBER PHYSICIAN GROUP WITH WHOM WRHS CONTRACTS FOR PROFESSIONAL MEDICAL SERVICES RESIDE IN HETTINGER, THEY TRAVEL DAILY/WEEKLY TO COMMUNITY CLINICS WITHIN THE REGION THEY HAVE BECOME ADVOCATES FOR EACH OF THESE COMMUNITIES AND REPRESENT THE COMMUNITY NEEDS TO ADMINISTRATION AND BOARD OF DIRECTORS WRHS CONDUCTS REGULAR SATISFACTION SURVEYS WITH PATIENTS WHO HAVE RECEIVED HOSPITAL/CLINIC SERVICES FROM WRHS AS PART OF THOSE SURVEYS, PATIENTS ARE ASKED FOR THEIR INPUT FOR IMPROVEMENT AND/OR TO SUGGEST OTHER NEEDED SERVICES WRHS FURTHER IDENTITIES UNMET COMMUNITY HEALTH NEEDS BY PARTICIPATING IN COMMUNITY COALITIONS, PARTNERSHIPS, BOARDS, COMMITTEES, ADVISORY GROUPS, AND PANELS LOCALLY AND WITHIN THE REGION BASED ON THE ABOVE-NOTED ASSESSMENT MEASURES, THE MAJOR COMMUNITY NEEDS IDENTIFIED FOR 2011 WERE THE NEED TO INCREASE ACCESS TO QUALITY HEALTH CARE, ESPECIALLY FOR CHILDREN, PREGNANT WOMEN, AND UNINSURED ADULTS AND SENIORS, THE NEED TO OBTAIN MEDICAL CARE FOR THE UNDERSERVED BY ENROLLING ELIGIBLE RESIDENTS IN MEDICAID, SCHIP, AND OTHER INSURANCE PROGRAMS, THE NEED TO ENHANCE AND STRENGTHEN MENTAL HEALTH SERVICES WITHIN THE REGION BY RECRUITING ADDITIONAL MENTAL HEALTH PROVIDERS, THE NEED TO CONSIDER THE ADDITION OF ORTHOPEDIC SERVICES, THE NEED TO RECRUIT ADDITIONAL QUALIFIED PHYSICIANS TO THIS UNDERSERVED AREA, AND THE NEED TO PROVIDE HEALTH EDUCATION, DISEASE PREVENTION AND CHRONIC DISEASE MANAGEMENT (INCLUDING OBESITY) PROGRAMS TO IMPROVE THE HEALTH STATUS OF THE COMMUNITES SERVED DURING 2014, THE ORGANIZATION HIRED HEALTH PLANNING & MANAGEMENT RESOURCES, INC TO UPDATE THE 2012 NEEDS ASSESSMENT AND ASSIST IN THE DEVELOPMENT OF A COLLABORATIVE IMPLEMENTATION PLAN CORE DATA SUCH AS DEMOGRAPHICS AND HEALTH STATUS HAVE NOT CHANGED THE HP&MR TEAM MET WITH VARIOUS PERSONS IN THE COMMUNITY TO IDENTIFY HEALTH ISSUES FOR VARIOUS POPULATION COHORTS, RESOURCES NECESSARY TO ADDRESS THE ISSUES, AND RESOURCES CURRENTLY AVAILABLE TO ADDRESS THE ISSUES IDENTIFIED

Form and Line Reference	Explanation
PART VI, LINE 3	IT IS THE MISSION OF WEST RIVER HEALTH SERVICES (WRHS) TO PROVIDE COMPREHENSIVE HEALTH AND WELLNESS SERVICES TO ALL RESIDENTS AND VISITORS IN THE REGION IT SERVES THESES SERVICES ARE OFFERED TO ALL PATIENTS REGARDLESS OF RACE, COLOR, CREED OR ABILITY TO PAY WE ARE COMMITTED TO PROVIDE QUALITY HEALTH CARE SERVICES WITH COMPASSION AND RESPECT, PARTICULARLY THE UNDERINSURED AND UNINSURED POPULATION IT IS THE POLICY OF WRHS TO PROVIDE EFFECTIVE COMMUNICATION WITH PATIENTS REGARDING HOSPITAL BILLS, TO MAKE AFFIRMATIVE EFFORTS TO HELP PATIENTS APPLY FOR PUBLIC AND PRIVATE FINANCIAL SUPPORT PROGRAMS, TO OFFER FINANCIAL SUPPORT TO PATIENTS WITH LIMITED MEANS, TO ASSIST LOW-INCOME PATIENTS IN A CONSISTENT MANNER AND TO MAINTAIN FAIR AND CONSISTENT BILLING AND COLLECTION PRACTICES FOR ALL PATIENTS WITH PATIENT PAYMENT OBLIGATIONS IT IS NORMALLY AT THE POINT OF ADMISSION THAT THE PATIENT'S ABILITY TO PAY IS ASSSESSED PATIENTS WHO ARE UNINSURED AND BELIEVED TO HAVE LIMITED RESOURCES ARE REFERRED TO THE WRHS FINANCIAL COUNSELOR WHO WILL DETERMINE PATIENT'S ELIGIBILITY FOR CHARITY CARE AND/OR OTHER FINANCIAL ASSISTANCE PROGRAMS THE FINANCIAL COUNSELOR WILL ALSO DISCUSS WITH THE PATIENT THE AVAILABILITY OF VARIOUS GOVERNMENTAL PROGRAMS, INCLUDING MEDICAID OR OTHER STATE-FUNDED PROGRAMS WHERE APPROPRIATE, THE FINANCIAL COUNSELOR WILL ASSIST THE PATIENT WITH QUALIFICATION AND /OR APPLICATION TO SUCH PROGRAMS PATIENTS UNABLE TO PAY THEIR MEDICAL BILLS ARE INVITIED TO SUBMIT AN APPLICATION TO THE CHARITY CARE PROGRAM BOTH THE FINANCIAL COUNSELOR AND THE PATIENT FINCANCIAL SERVICES MANAGER ARE READILY AVAILABLE TO VISIT WITH CANDIDATES TO THIS PROGRAM AND TO ASSIST IN THE APPLICATION PROCESS, AS APPROPRIATE WRHS INFORMS PATIENTS OF ITS FINANCIAL ASSISTANCE PROGRAMS THROUGH THE WRHS WEBSITE, BROCHURES AVAILABLE AT POINTS OF ADMISSION AND THE PATIENT CARE HANDBOOK LOCATED IN EACH PATIENT ROOM EVERY EFFORT IS MADE TO DETERMINE A PATIENT'S ELIGIBLITY PRIOR TO OR AT THE TIME OF ADMISSION OR SERVICE HOWEVER, DETERMINATION FOR FINANCIAL SUPPORT CAN BE MADE DURING ANY STAGE OF THE PATIENT'S STAY AFTER STABILIZATION OR DURING THE COLLECTION CYCLE WRHS HAS ESTABLISHED A WRITTEN POLICY FOR THE BILLING, COLLECTION AND SUPPORT FOR PATIENTS WITH PAYMENT OBLIGATIONS WRHS MAKES EVERY EFFORT TO ADHERE TO THE POLICY AND IS COMMITTED TO APPLYING THE POLICY FOR ASSISTING PATIENTS WITH LIMITED MEANS IN A PROFESSIONAL, CONSISTENT MANNER WRHS EDUCATES STAFF MEMBERS WHO WORK CLOSELY WITH PATIENTS (INCLUDING THOSE WORKING IN PATIENT REGISTRATION AND ADMITTING, FINANCIAL ASSISTANCE, CUSTOMER SERVICE, BILLING AND COLLECTIONS) ON THE POLICIES WITH AN EMPHASIS ON TREATING ALL PATIENTS WITH DIGNITY AND RESPECT REGARDLESS OF THEIR INSURANCE STATUS OR THEIR ABILITY TO PAY FOR SERVICES THE FINANCIAL COUNSELOR IS GIVEN MORE IN-DEPTH TRAINING ON HANDLING FINANCIAL ASSISTANCE REQUESTS, PROCESING OF APPLICATIONS, AND MANAGING OUTCOMES

Form and Line Reference	Explanation
PART VI, LINE 4	HETTINGER IS LOCATED IN SOUTHERWESTERN NORTH DAKOTA AND BORDERS THE STATES OF SOUTH DAKOTA AND MONTANA THE CITY HAS A POPULATION OF 1,226 WITH A TOTAL POPULATION OF 2,343 IN ADAMS COUNTY IN ADDITION TO THE HOSPITAL AND CLINIC SERVICES LOCATED IN HETTINGER, THERE ARE ALSO RURAL CLINICS LOCATED IN NEW ENGLAND (SLOPE COUNTY), BOWMAN AND SCRANTON (BOWMAN COUNTY), AND MOTT (HETTINGER COUNTY), ALL IN SOUTHWESTERN NORTH DAKOTA ANOTHER CLINIC IS LOCATED IN LEMMON, SOUTH DAKOTA (PERKINS COUNTY) IN TOTAL, WEST RIVER HEALTH SERVICS PROVIDES HEALTH CARE TO APPROXIMATELY 37,134 INDIVIDUALS OVER 25,000 SQUARE MILES INCLUSIVE OF THE COUNTIES NAMED THE MEDIAN HOUSHOLD INCOME FOR THESE COUNTIES IS $38,371, WHICH IS CONSIDERABLY BELOW THE NORTH DAKOTA AVERAGE OF $46,781 TWENTY-THREE PERCENT OF THE POPULATION IN ALL COUNTIES SERVED IS 65 YEARS OF AGE OR OLDER FOUR HUNDRED THIRTY-NINE FAMILIES WITHIN THE SERVICE AREA FALL BELOW THE FEDERAL POVERTY GUIDLINES FOR AN AVERAGE OF 11 7% THE NORTH DAKOTA AVERAGE FOR FAMILIES FALLING BELOW POVERTY LEVELS IS 12 3% NOT INCLUDED IN THE ABOVE DEMOGRAPHICS IS THE CITY OF DICKINSON, 75 MILES FROM HETTINGER AND LOCATED IN STARK COUNTY IT IS HERE THAT WRHS OPERATES A WEEKLY FOOT AND ANKLE CENTER WITH THE EXCEPTION OF DICKINSON, ALL OTHER SITES HAVE BEEN DESIGNATED AS MEDICALLY UNDERSERVED AREAS HEALTH CARE IS AN IMPORTANT PART OF THE ECONOMY AND, AS SUCH, THE HOSPITAL AND CLINICS HAVE BECOME ONE OF THE TOP EMPLOYERS IN THE REGION APPROXIMATELY 3 5% OF ALL PATIENTS SERVED ARE MEDICAID RECIPIENTS AND 7 6% OF ALL PATIENTS ARE UNINSURED THERE IS ANOTHER HOSPITAL AND CLINIC IN BOWMAN, LOCATED 40 MILES WEST OF HETTINGER THERE IS ALSO A HOSPITAL AND SERVERAL OTHER CLINICS IN DICKINSON, LOCATED 75 MILES NORTHWEST OF HETTINGER TERTIARY REFERRAL CETNERS ARE LOCATED 150 MILES AWAY IN BISMARK, NORTH DAKOTA, AND 180 MILES AWAY IN RAPID CITY, SOUTH DAKOTA

Form and Line Reference	Explanation
PART VI, LINE 5	THE ORGANIZATION HAS LONG BEEN A PROMOTER OF MEDICAL EDUCATION AND HAS ENJOYED A LONGSTANDING RELATIONSHIP WITH THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE IN PROVIDING ROTATION SITES FOR MEDICAL STUDENTS PHYSICIANS WITHIN THE ORGANIZATION GRACIOUSLY PRECEPTOR THESE STUDENTS WITH THE SUPPORT, ENDORSEMNT, AND APPROVAL OF UND'S ADVISORY COUNCIL, THE STATE BOARD OF HIGHER EDUCATION, AND THE UND SCHOOL OF MEDICINE AND HEALTH SCIENCES, THE NORTH DAKOTA STATE LEGISLATURE APPROVED THE INITAL FUNDING FOR AN EXPANSION OF GRADUATE MEDICAL EDUCATION RESIDENCIES WITH THE STATE WEST RIVER REGIONAL MEDICAL CENTER OF HETTINGER WAS INCLUDED TO THE FUNDING PROPOSAL AND WILL PARTNER WITH THE BISMARK CENTER FOR FAMILY MEDICINE TO OFFER RESIDENCIES TO YEAR TWO AND THREE STUDENTS IN A RURAL SETTING THIS IS A COLLBORATIVE EFFORT BETWEEN ALL ENTITIES TO ENSURE AN ADEQUATE SUPPLY OF PROFESSIONALS FOR THE FUTURE, ESPECIALLY PRIMARY CARE PROVIDERS AND PARTICULARLY TO RURAL AREAS THIS PARTNERSHIP WILL BE INVALUABLE AS IT WILL HELP ADDRESS THE NUMBER ONE CONCERN IDETNIFIED THROUGH THE HEALTH NEEDS ASSESSMENT, THAT OF A CRITICAL SHORTAGE OF HEALTHCARE PROVIDERS IN ADDITION TO TOTAL UNCOMPENSATED CARE FOR FY '14 OF $262,797, WRHS ALSO PROVIDES MANY OTHER SERVICES AS IN-KIND SUPPORT TO BENEFIT THE HEALTH OF THE COMMUNITIES AND REGIONS IT SERVES THESE COMMUNITY BENEFITS INCLUDE OFFERING CPR AND FIRST AID PROGRAMS TO THE GENERAL PUBLIC, GUIDING TOURS OF THE HOSPITAL/CLINIC TO AREA SCHOOL CHILDREN, PROVIDING HEALTH AND WELNESS EDUCATION CLASSES TO THE PUBLIC AND EDUCATING/TRAINING PARAMEDICS/EMTS IN ALL OUTREACH COMMUNITIES HETTINGER HAS A LOCALLY-OWNED RADIO STATION THIS STATION HAS A PROGRAM CALLED TTO (THIS, THAT, AND OTHER THINGS) THIS PROGRAM AIRS DAILY (M-F) WRHS HAS A DESIGNATED HOUR PER MONTH TO SHARE INFORMATION ABOUT HEALTHY HAPPENINGS AND PRMOTE GENERAL HEALTH AND WELL-BEING DURING THIS REPORTING PERIOD, THE FOLLOWING TOPICS WERE DISCUSSED ON TTO INFLUENZA PRECAUTIONS AND INFECTION CONTROL, MEDICATION/PRESCRIPTION CARDS, GENERAL WELLNESS AND FITNESS, DIABETIC EDUCATION, WIC, ASSISTANCE PROVIDED BY WRHS TO THE UNINSURED AND/OR UNDERINSURED, PUBLIC ACCESS TO ELECTRONIC HEALTH INFORMATION, ETC WRHS COSTS SHOWN WERE STAFF TIME TO PREPARE AND PARTICIPATE IN THE TALK SHOW TWO OF THE WRHS OB STAFF ANNUALLY TEACH FOURTH, FIFTH, AND SIXTH GRADERS AT THE PUBLIC SCHOOL ABOUT PUBERTY AND ITS CHANGES FOR BOTH BOYS AND GIRLS HYGIENE, HORMONAL CHANGES, AND BODY DEVELOPMENT PHASES ARE A MAJOR PART OF THIS CURRICULUM PHYSICIANS, MID-LEVELS, AND NURSES WERE FINDING IT DIFFICULT TO KEEP CURRENT RECORDS ON THE MEDICATIONS AND DOSAGES PATIENTS WERE TAKING IN REPSONSE TO THIS ISSUE, SEVERAL NURSES AND THE HOSPITAL PHARMACIST MET AND SUBSEQUENTLY DESIGNED MEDICATION CARDS TO BE MASS DISTRIBUTED TO ALL PATIENTS WITHIN THE SERVICE AREA THE WALLET-SIZE MEDICATION CARD OFFERED IS AN EXCELLENT TOOL FOR PATIENTS TO MANAGE HIS/HER OWN MEDICATIONS AS WELL AS TO INFORM PROVIDERS OF THE MEDS THE PATIENT IS CURRENTLY TAKING SEVERAL HOURS HAVE BEEN DEVOTED BY STAFF TO HELP IN THE EDUCATION OF THE CARD USE AS WELL AS HOW TO FILL THEM OUT APPROPRIATELY THE TOOL HAS BEEN HEARTILY RECEIVED BY THE PUBLIC WEST RIVER HEALTH SERVICES AND CLINICS IT OPERATES ARE LOCATED IN A VERY SPARSELY POPULATED RURAL AREA TRANSPORTATION FOR SENIORS TO/FROM CLINIC APPOINTMENTS IS DIFFICULT AND EXPENSIVE MANY SENIORS OFTEN OPT TO NOT COME FOR THIER APPOINTMENT IN LIGHT OF THE COST AND INCONVENIENCE FO GETTING TO THE CLINIC RECOGNIZING THE IMPORTANCE OF THESE PATIENTS TO KEEP THEIR APPOINTMENTS AND MAINTAIN OPTIMAL HEALTH, WRHS IS SHARING IN THE COST FOR SENIORS TO TRAVEL TO/FROM CLINICS LOCALLY-ESTABLISHED SENIOR VANS ARE USED FOR THIS SERVICE AND WRHS REMIBURSES ONE-HALF THE COST OF THE TRANSPORTATION IN GETTING PATIENTS TO/FROM CLINIC AND/OR HOSPITAL SERVICES FOR MORE INFORMATION ABOUT WRHS, VISIT WWW WRHS COM

Form and Line Reference	Explanation
PART VI, LINE 7, REPORTS FILED WITH STATES	ND

Additional Data

Software ID:
Software Version:
EIN: 45-0340688
Name: WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

990 Schedule H, Supplemental Information

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
WEST RIVER HEALTH SERVICES	
WEST RIVER HEALTH SERVICES	PART V, SECTION B, LINE 14G THE HOSPITAL PROVIDES A SUMMARY IN PLAIN LANGUAGE ON THE HOSP ITAL WEBSITE, EMERGENCY AND WAITING ROOMS, ADMISSIONS OFFICE, UPON ADMISSION TO THE HOSPIT AL, AND IN PACKETS PROVIDED IN EACH PATIENT ROOM THE PLAIN LANGUAGE SUMMARY INCLUDES INFO RMATION ON WHERE THE PATIENT CAN OBTAIN ACCESS TO THE POLICY
WEST RIVER HEALTH SERVICES	PART V, SECTION B, LINE 20D THE MAXIMUM AMOUNT CHARGED TO A PATIENT UNDER THE FINANCIAL A SSISTANCE POLICY FOR EMERGENCY AND MEDICALLY NECESSARY CARE IS 80% OF THE GROSS CHARGES T HIS IS BASED ON THE LOWEST DISCOUNT UNDER THE CHARITY CARE POLICY OF 20% THE HOSPITAL WIL L REVIEW THE PROPOSED METHODS TO DETERMINE AMOUNTS GENERALLY BILLED TO DETERMINE ITS DISCO UNT UNDER THE FINANCIAL ASSISTANCE POLICY MEETS THE REQUIREMENTS OF 501(R)
WEST RIVER HEALTH SERVICES	PART V, SECTION B, LINE 21 THE HOSPITAL PROVIDES A REDUCTION TO GROSS CHARGES THE HOSPIT AL HAS NOT DETERMINED THE AMOUNT GENERALLY BILLED UNDER THE VARIOUS PROPOSED METHODS OF CA LCULATION THEREFORE, IT IS POSSIBLE A PATIENT UNDER THE FINANCIAL ASSISTANCE POLICY COULD HAVE PAID MORE THAN THE AMOUNT GENERALLY BILLED THE HOSPITAL WILL REVIEW THE VARIOUS MET HODS TO DETERMINE AMOUNTS GENERALLY BILLED TO ENSURE IT IS IN COMPLIANCE WITH SECTION 501(R)
WEST RIVER HEALTH SERVICES	PART V, SECTION B, LINE 22 ALL INDIVIDUALS ELIGIBLE UNDER THE HOSPITAL FINANCIAL ASSISTAN CE POLICY ARE PROVIDED A DISCOUNT FOR EMERGENCY AND OTHER MEDICALLY NECESSARY CARE THE FI NANCIAL ASSISTANCE POLICY DOES NOT APPLY TO ELECTIVE PROCEDURES THEREFORE, FAP-ELIGIBLE P ATIENTS WITHOUT INSURANCE MAY BE CHARGED GROSS CHARGES ON ELECTIVE PROCEDURES

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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
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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)JIM LONG CEO	**(i)**	159,574	0	0	10,822	9,073	179,469	0
	(ii)	0	0	0	0	0	0	0
(2)MITCH SCHULTZ PHARMACIST	**(i)**	142,709	0	0	4,616	18,718	166,043	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Return Reference	Explanation

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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
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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 HETTINGER NORTH DAKOTA	45-6002094		01-31-2008	5,275,000	EXPAND AND RENOVATE HOSPITAL FACILITY		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	574,958			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	5,275,000			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	105,500			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	5,169,500			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2010			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

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

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
SCHEDULE K, PART IV, LINE 2	WEST RIVER HEALTH SERVICES HAS DETERMINED THAT A REBATE COMPUTATION WAS NOT WARRANTED DUE TO THE TAX EXEMPT BOND BEING A DRAW DOWN BOND THAT DID NOT HAVE INVESTED PROCEEDS ALL FUNDS WERE SPENT WITHIN THE ALLOTTED TIME PERIOD

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) JENNIFER LONG	SPOUSE OF JIM LONG, CEO	41,056	COMPENSATION		No
(2) KYLEE STADHEIM	SPOUSE OF NATHAN STADHEIM, CFO	12,756	COMPENSATION		No
(3) DANA ANDRESS	SPOUSE OF ERIC ANDRESS, DIRECTOR	56,955	COMPENSATION		No
(4) TARA JORGENSON	SPOUSE OF CODY JORGENSON, DIRECTOR	64,715	COMPENSATION		No
(5) RIA EATON	SPOUSE OF JONATHAN EATON, DIRECTOR	30,007	COMPENSATION		No

Part V Supplemental Information

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1	
FORM 990, PART VI, SECTION A, LINE 6	WEST RIVER HEALTH SERVICES FOUNDATION IS THE SOLE MEMBER OF THE ORGANIZATION
FORM 990, PART VI, SECTION A, LINE 7A	AS THE SOLE MEMBER, WRHS FOUNDATION APPOINTS THE BOARD MEMBERS OF WRHS
FORM 990, PART VI, SECTION A, LINE 7B	AS A SOLE MEMBER, WRHS FOUNDATION APPROVES ALL AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS, DETERMINES APPROVED DEBT LEVELS AND APPROVES INDIVIDUAL DEBT TRANSACTIONS THAT EXCEED THE APPROVED DEBT LEVELS, APPROVES DISSOLUTION OR MERGER OF THE ORGANIZATION, AND APPROVES THE SALE OR TRANSFER OF ANY CAPITAL ASSETS HAVING A PURCHASE PRICE OR MARKET VALUE GREATER THAN $100,000
FORM 990, PART VI, SECTION B, LINE 11	THE CFO AND CEO WILL REVIEW THE FORM 990 PRIOR TO THE COMPLETED FORM 990 BEING DISTRIBUTED ELECTRONICALLY TO THE BOARD MEMBERS FOR THEIR REVIEW AND COMMENTS THE FORM 990 IS ALSO REVIEWED AND DISCUSSED AT A BOARD MEETING
FORM 990, PART VI, SECTION B, LINE 12C	ALL MEDICAL STAFF, EMPLOYEES, AND BOARD MEMBERS ARE REQUIRED TO DISCLOSE ANY POTENTIAL CONFLICTS POTENTIAL CONFLICTS ARE REVIEWED BY THE CEO INDIVIDUALS WITH CONFLICTS ABSTAIN FROM VOTING, AND THIS ACTION IS NOTED BY BOARD MINUTES
FORM 990, PART VI, SECTION B, LINE 15A	CEO EACH BOARD AND MEDICAL STAFF MEMBER ANNUALLY COMPLETE AN EVALUATION FORM ON THE CEO'S PERFORMANCE THE CHAIRMAN OF EXECUTIVE COMMITTEE TABULATES THE RESULTS AND REVIEWS THEM WITH THE OTHER MEMBERS OF THE EXECUTIVE COMMITTEE THE RESULTS ARE PRESENTED TO THE FULL BOARD OF DIRECTORS WHO HAVE FINAL AUTHORITY IN DETERMINING COMPENSATION COMPARABILITY DATA FROM THE STATE HOSPITAL ASSOCIATION, AS ELL AS OTHER COMPARATIVE INDUSTRY INFORMATION, IS USED IN DETERMINING COMPENSATION CFO THE CEO REVIEWS THE CFO'S PERFORMANCE AND USES COMPARABILITY DATA IN DETERMINING COMPENSATION ALL OTHER EMPLOYEES THE ADMINISTRATIVE STAFF USES COMPARABLE DATA IN SETTING COMPENSATION FOR EACH LEVEL OF EMPLOYEE COMPENSATOIN WAS LAST REVIEWED IN APRIL OF 2012
FORM 990, PART VI, SECTION C, LINE 18	ADMINISTRATIVE REPRESENTATIVES OF THE ORGANIZATION WILL PROVIDE THE GOVERNING BOARD DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS UPON WRITTEN OR VERBAL REQUEST TO ADMINISTRATIVE REPRESENTATIVES OF THE ORGANIZATION
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
FORM 990, PART IX, LINE 11G	PURCHASED SERVICES PROGRAM SERVICE EXPENSES 6,144,043 MANAGEMENT AND GENERAL EXPENSES 142,130 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 6,286,173
FORM 990 PART XII LINE 2C	THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Employer identification number
45-0340688

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) WESTERN HORIZONS LIVING CENTER 1104 HIGHWAY 12 HETTINGER, ND 58369 26-0794602	LONG-TERM CARE/ ASSISTED LIVING SERVICES	ND	501C(3)	LINE 9	WEST RIVER HEALTH SERVICES FOUNDATION		No
(2) WEST RIVER HEALTH SERVICES FOUNDATION 1000 HIGHWAY 12 HETTINGER, ND 58369 45-0411825	FUNDRAISING	ND	501C(3)	LINE 11C, III-FI			No

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

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

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

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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

Additional Data

Software ID:
Software Version:
EIN: 45-0340688
Name: WEST RIVER HEALTH SERVICES DBA WEST RIVER REGIONAL MEDICAL CENTER

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
WR HEALTH SERVICES FOUNDATION	C	142,422	CASH PAID
WR HEALTH SERVICES FOUNDATION	D	258,734	CASH PAID
WESTERN HORIZONS LIVING CENTER	D	875,149	CASH PAID
WR HEALTH SERVICES FOUNDATION	O	32,409	CASH PAID
WESTERN HORIZONS LIVING CENTER	J	99,300	LEASE AGREEMENT
WR HEALTH SERVICES FOUNDATION	P	66,580	CASH PAID
WESTERN HORIZONS LIVING CENTER	P	63,163	CASH PAID

WEST RIVER HEALTH SERVICES

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

MARCH 31, 2014 AND 2013

CASEY PETERSON
& ASSOCIATES, LTD.
CPAs & FINANCIAL ADVISORS

RAPID CITY, SOUTH DAKOTA
GILLETTE, WYOMING

West River Health Services
Table of Contents
March 31, 2014 and 2013

Independent Auditor's Report

To the Board of Directors
West River Health Services
Hettinger, North Dakota

We have audited the accompanying financial statements of West River Health Services (a nonprofit health care entity), which comprise the balance sheet as of March 31, 2014, and the related statements of operations and 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 audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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

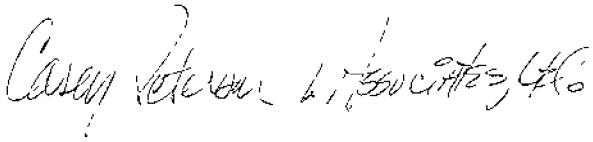
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West River Health Services as of March 31, 2014 and the results of its operations, 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

Prior Period Financial Statements

The financial statements of West River Health Services as of March 31, 2013 were audited by other auditors whose report, dated July 16, 2013, expressed an unmodified opinion on those statements As discussed in Note 12 to the financial statements, West River Health Services has adjusted its 2013 financial statements to retrospectively correct errors The other auditors reported on the financial statements before the retrospective adjustments

As part of our audit of the 2014 financial statements, we also audited adjustments described in Note 12 that were applied to restate the 2013 financial statements In our opinion, such adjustments are appropriate and have been properly applied We were not engaged to audit, review, or apply any procedures to the 2013 financial statements of West River Health Services other than with respect to the adjustments described in Note 12 and, accordingly, we do not express an opinion or any other form of assurance on the 2013 financial statements as a whole



Casey Peterson & Associates, LTD

Rapid City, South Dakota
September 23, 2014

FINANCIAL STATEMENTS

West River Health Services
Balance Sheets
March 31, 2014 and 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 3,682,106	$ 3,457,254
Receivables		
Patient, Net of Estimated Uncollectibles of $8,137,000 in 2014 and $6,786,000 in 2013	5,015,707	4,396,136
Estimated Third-party Payor Settlements	1,127,497	1,335,169
Related Party Receivable, Current Portion	261,809	436,586
Other	179,025	66,058
Supplies	581,419	557,143
Prepaid Expenses	232,545	230,064
Total Current Assets	11,080,108	10,478,410
ASSETS LIMITED AS TO USE, BY BOARD	2,493,067	2,422,057
PROPERTY AND EQUIPMENT, NET	11,758,645	12,329,236
OTHER ASSETS		
Deferred Financing Costs, Net of Accumulated Amortization of $27,921 in 2014 and $23,394 in 2013	85,273	89,800
Related Party Receivable, Net of Current Portion	872,074	868,653
Rental Property, Less Accumulated Depreciation of $1,030,457 in 2014 and $951,344 in 2013	959,108	1,030,629
Total Other Assets	1,916,455	1,989,082
TOTAL ASSETS	$ 27,248,275	$ 27,218,785

See notes to the financial statements

	2014	2013
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Maturities of Long-term Debt	$ 278,216	$ 259,582
Accounts Payable		
Trade	814,519	698,681
Related Parties	101,313	78,668
Accrued Expenses		
Paid Personal Leave	664,562	645,272
Salaries and Wages	393,224	344,406
Payroll Taxes and Other	87,190	82,764
Deferred Revenue	30,348	-
Total Current Liabilities	2,369,372	2,109,373
LONG-TERM DEBT, LESS CURRENT MATURITIES	5,416,993	5,695,267
Total Liabilities	7,786,365	7,804,640
NET ASSETS		
Unrestricted	19,461,910	19,414,145
TOTAL LIABILITIES AND NET ASSETS	$ 27,248,275	$ 27,218,785

See notes to the financial statements

West River Health Services
Statements of Operations and Changes in Net Assets
For the Years Ended March 31, 2014 and 2013

	2014	2013
UNRESTRICTED REVENUES AND OTHER SUPPORT		
Net Patient Service Revenue	$ 23,933,505	$ 23,770,383
Provision for Bad Debts	(684,200)	(788,680)
Net Patient Service Revenue Less Provision For Bad Debts	23,249,305	22,981,703
Other Revenue	1,146,833	1,171,342
Total Unrestricted Revenues and Other Support	24,396,138	24,153,045
EXPENSES		
Salaries	8,950,402	8,727,606
Purchased Services	6,358,382	5,933,410
Supplies	3,151,962	3,214,329
Employee Benefits	2,012,274	1,967,546
Depreciation and Amortization	1,453,739	1,415,283
Minor Equipment and Other	522,536	413,806
Repairs and Maintenance	727,088	685,122
Utilities	465,261	435,682
Rent	83,506	78,810
Interest	243,687	247,893
Education and Travel	217,111	205,307
Physician Recruitment	182,800	133,203
Insurance	206,951	198,247
Total Expenses	24,575,699	23,656,244
OPERATING INCOME (LOSS)	(179,561)	496,801
OTHER INCOME		
Realized Losses on Investments	(27,481)	-
Interest Income	24,272	69,415
Unrestricted Contributions	16,828	29,041
Other Income	7,394	-
Total Other Income	21,013	98,456
EXCESS OF REVENUES OVER (UNDER) EXPENSES	(158,548)	595,257

See notes to the financial statements

	2014	2013
OTHER CHANGES IN UNRESTRICTED NET ASSETS		
Change in Unrealized Gains on Investments	80,719	26,583
Contributions Used for Capital	125,594	-
Grant Proceeds for Equipment	-	398,360
Total Other Changes in Unrestricted Net Assets	206,313	424,943
CHANGE IN NET ASSETS	47,765	1,020,200
NET ASSETS, BEGINNING OF YEAR, AS PREVIOUSLY STATED	19,030,617	18,297,717
PRIOR PERIOD ADJUSTMENTS	383,528	96,228
NET ASSETS, BEGINNING OF YEAR - AS RESTATED	19,414,145	18,393,945
NET ASSETS, END OF YEAR	$ 19,461,910	$ 19,414,145

See notes to the financial statements

West River Health Services
Statements of Cash Flows
For the Years Ended March 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 47,765	$ 1,020,200
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization	1,374,626	1,337,342
Depreciation on Rental Property	79,113	77,941
Provision for Bad Debts	684,200	788,680
Change in Unrealized Gains on Investments	(80,719)	(26,583)
Realized Losses on Investments	27,481	-
Contributions Used for Capital	(125,594)	-
Grant Proceeds for Equipment	-	(398,360)
Change in Assets and Liabilities		
Patient Accounts Receivables	(1,303,771)	(1,240,830)
Estimated Third-party Payor Settlements	207,672	(1,530,169)
Related Party Receivables	171,356	532,124
Other Receivables	(112,967)	6,629
Supplies	(24,276)	(14,387)
Prepaid Expenses	(2,481)	(21,902)
Trade Accounts Payable	115,838	(53,196)
Related Party Accounts Payable	22,645	(294,951)
Accrued Expenses	72,534	45,951
Deferred Revenue	30,348	(423,733)
Net Cash Provided (Used) by Operating Activities	1,183,770	(195,244)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase and Construction of Property and Equipment	(799,508)	(1,090,268)
Proceeds from Sales of Assets Limited as to Use	1,888,894	330,045
Purchase of Assets Limited as to Use	(1,906,666)	(393,548)
Purchase of Rental Property	(7,592)	(48,656)
Net Cash Used by Investing Activities	(824,872)	(1,202,427)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long-term Debt	(259,640)	(255,692)
Proceeds from Issuance of Long-term Debt	-	527,650
Contributions Used for Capital	125,594	-
Grant Proceeds for Equipment	-	398,360
Net Cash Provided (Used) by Financing Activities	(134,046)	670,318

See notes to the financial statements

	2014	2013
NET CHANGE IN CASH AND CASH EQUIVALENTS	224,852	(727,353)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,457,254	4,184,607
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 3,682,106	$ 3,457,254
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	$ 242,690	$ 247,893

See notes to the financial statements

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

West River Health Services (WRHS) consists of a 25-bed acute care hospital located in Hettinger, North Dakota and a network of health clinics located in southwestern North Dakota and northwestern South Dakota

The sole member of WRHS is West River Health Services Foundation (Foundation) The Foundation was organized to facilitate diversification of services The Foundation is also the sole member of Western Horizons Living Centers (WHLC) See Note 7 for a description of transactions between WRHS, the Foundation, and WHLC

Financial Statements

WRHS is affiliated with the Foundation and WHLC The accompanying financial statements include only the accounts of WRHS Consolidated financial statements for West River Health Services Foundation and Subsidiaries have been prepared under a separate cover

Income Taxes

WRHS follows the accounting guidance for uncertainty in income taxes which require tax positions be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the taxing authorities

WRHS is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and is determined not to be a private foundation under Section 170(b)(1)(A)(ii) of the Code WRHS is not liable for income taxes if it operates within the confines of its exempt status However, WRHS may be responsible for taxes on unrelated business activities In the event of an examination of the income tax returns, the tax liability of WRHS could be changed if taxing authorities adjust the tax-exempt purpose of WRHS or if taxing authorities determine activities are subject to unrelated business income

As of March 31, 2014, WRHS had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements WRHS' income tax filings are subject to audit by various taxing authorities WRHS is no longer subject to federal and state income tax examinations by taxing authorities for fiscal years before 2010 Management continually evaluates expiring statutes of limitation, audits, proposed settlements, changes in tax law and new authoritative rulings WRHS believes estimates are appropriate based on current facts and circumstances Interest and penalties assessed by income taxing authorities, if any, are included in interest expense

Assets Limited as to Use

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

Fair Value Measurements

WRHS has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability Level 3 inputs are unobservable inputs related to the asset or liability

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturity of three months or less, excluding assets limited as to use

Patient Receivables

Patient receivables are uncollateralized patient and third-party payor obligations Payments of patient receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim

Patient accounts receivable are reduced by an allowance for doubtful accounts In evaluating the collectability of accounts receivable, WRHS analyzes its history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts For receivables associated with services provided to patients who have third party coverage, WRHS analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely) For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), WRHS records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that may patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates, if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts

WRHS' process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from March 31, 2013 to March 31, 2014 The allowance for doubtful accounts for self-pay patients increased from 82 60 percent of self-pay accounts receivable at March 31, 2013 to 86 48 percent of self-pay accounts receivable at March 31, 2014 (a $666,000 increase), while bad debt expense remained consistent between the two years The increase in the allowance is the result of continued difficulties in collecting amounts from self-pay patients and less self-pay accounts being written off (removed from the patient accounts receivable ledger) as being uncollectable during fiscal year 2014 WRHS does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors

Charity care is determined based on household income compared to federal poverty guidelines During the year ended March 31, 2013 WRHS changed its charity care policy by removing the $150,000 or more restriction on a single household's equity Charity care is now determined by the household income compared to federal poverty guidelines There were no significant changes to WRHS' charity care policy during the year ended March 31, 2014 WRHS did not significantly change its uninsured discount policies during the years ended March 31, 2014 and 2013

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Supplies

Supplies are valued at lower of cost or market using the first-in, first-out method

Related Party Receivable / Notes Receivable

As discussed in Note 7, related party receivables include note a receivable from WHLC The note receivable is stated at cost, less an allowance for amounts management has determined to be uncollectible At March 31, 2014 management had determined the note receivable is fully collectible Interest is assessed on outstanding principal balances only if specified within the terms of the agreements Management determines notes receivable as past due if payments are not received within the payment terms outlined in the agreement and other arrangements have not been made with management Interest is no longer accrued on past due balances based on management's judgment about the ability to collect the accrued interest Payments received on nonaccrual notes receivable are applied to principal until payment in full, at which time management will begin applying payments to the amount of deferred interest until paid in full or deemed no longer collectible As of March 31, 2014 and 2013, the WHLC note receivable was on nonaccrual status

Rental Property

Rental property consists of certain property that is not used in operations and is available for rental to third parties Rental income is recorded as other revenue and rental expenses are reported as operating expenses

Investments and Investment Income

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

Property and Equipment

Property and equipment acquisitions in excess of $5,000 are capitalized and are recorded at cost Depreciation is provided over the estimated useful life of each depreciable asset and is computed on the straight-line method The estimated useful lives of property and equipment are as follows

Land Improvements	5 - 20 years
Buildings and Fixed Equipment	5 - 40 years
Major Movable Equipment	5 - 25 years

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

Deferred Financing Cost

Deferred financing costs are amortized over the period the related obligation is outstanding using the straight-line method

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by WRHS has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained by WRHS in perpetuity At March 31, 2014 and 2013, WRHS did not have any temporarily or permanently restricted net assets

Net Patient Service Revenue

WRHS has agreements with third-party payors that provide for payments to WRHS at amounts different from its established rates Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

Charity Care

WRHS provides health care services to patients who meet certain criteria under its Charity Care Policy without charge or at amounts less than established rates Since WRHS does not pursue collections of these amounts, they are not reported as patient services revenue The estimated cost of providing these services was $189,315 and $103,000 for the years ended March 31, 2014 and 2013, calculated by multiplying the ratio of cost to gross charges for WRHS by the gross uncompensated charges associated with providing charity care to its patients

WRHS follows Accounting Standards Update (ASU) No 2010-23 Health Care Entities (Topic 954) Measuring Charity Care for Disclosure, which requires health care entities to use cost as the measurement basis for charity care disclosures and defines cost as the direct and indirect costs of providing charity care

Advertising Costs

Costs incurred for producing and distributing advertising are expensed as incurred Advertising costs for the years ended March 31, 2014 and 2013 were $98,793 and $85,219, respectively

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When donor stipulated time restrictions or purpose restrictions are met or accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the statement of operations

Electronic Health Record Incentive Payments

The American Recovery and Reinvestment Act of 2009 (ARRA) amended the Social Security Act to establish incentive payments under the Medicare and Medicaid programs for certain hospitals and professionals that meaningfully use certified Electronic Health Records (EHR) technology

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

To qualify for the EHR incentive payments, hospitals and physicians must meet designated EHR meaningful use criteria In addition, hospitals must attest that they have used certified EHR technology, satisfied the meaningful use objectives, and specify the EHR reporting period This attestation is subject to audit by the federal government or its designee The EHR incentive payment to hospitals for each payment year is calculated as a product of (1) allowable costs as defined by the Centers for Medicare & Medicaid Services (CMS) and (2) the Medicare share Once the initial attestation of meaningful use is completed, critical access hospitals receive the entire EHR incentive payment for submitted allowable costs of the respective periods in a lump sum, subject to a final adjustment on the cost report

WRHS will recognize hospital EHR incentive payments as revenue when there is reasonable assurance that WRHS will comply with the conditions attached to the incentive payments As the hospital EHR incentive payment is received in a lump sum for critical access hospitals and WRHS must annually attest to increasingly stringent meaningful use criteria, the EHR incentive payment is first recognized as a deferred revenue with a ratable recognition of revenue over a specified time period As of March 31, 2014, WRHS had not yet received any hospital related EHR incentive payments

As previously mentioned, WRHS is also eligible to receive EHR incentive payments related to its eligible professionals (EP) who meet specific criteria Unlike the hospital EHR incentive payments, incentive payments associated with EP's are paid annually EP EHR incentive payments can be received for up to five years depending on the year in which the meaningful user certification has been performed EP incentive payments are also subject to specific annual attestations and meaningful use criteria in future years WRHS has elected to utilize a grant accounting model to recognize EP EHR incentive revenues EP EHR incentive revenues are recognized all at once after the EP EHR reporting period has ended This approach is referred to as "cliff recognition " Under the "cliff recognition" approach, no receivables or revenue associated with future reporting periods is recognized, due to the uncertainties related to those amounts WRHS recognized $98,436 and $0 in EP EHR revenues during the years ended March 31, 2014 and 2013, respectively

EHR incentive payments are included in other operating revenue in the accompanying financial statements The amount of EHR incentive payments recognized are based on management's best estimate and those amounts are subject to change with such changes impacting the period in which they occur

Excess of Revenues Over (Under) Expenses

The statement of operations includes the excess of revenues over (under) expenses Changes in unrestricted net assets which are excluded from the excess of revenues over (under) expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets)

Use of Estimates

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

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain items in the prior year financial statements have been reclassified for comparability purposes with the current year financial statements These reclassifications did not affect the financial position or changes in assets as previously reported

NOTE 2 - NET PATIENT SERVICE REVENUE

WRHS recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered, as discussed in more detail below For uninsured patients who do not qualify for charity care, WRHS recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) On the basis of historical experience, a significant portion of WRHS' uninsured patients will be unable or unwilling to pay for the services provided Thus, WRHS records a significant provision for bad debts related to uninsured patients in the period the services are provided Net patient service revenue, before the provision for bad debts, recognized for the years ended March 31, from these major payor sources, is as follows

	2014	2013
Net Patient Service Revenue		
Third-party Payors	$ 22,711,891	$ 22,777,378
Self-pay	1,221,614	993,005
Total Payors	$ 23,933,505	$ 23,770,383

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

Medicare

WRHS is licensed as a critical access hospital (CAH) WRHS is reimbursed for most inpatient and outpatient services at cost plus 1% with final settlement determined after submission of annual cost reports by WRHS and is subject to audits thereof by the Medicare intermediary Clinical services are paid on a fixed fee schedule or on a cost related basis for rural health clinic services WRHS' Medicare cost reports have been audited by the Medicare fiscal intermediary through March 31, 2012

Medicaid

Inpatient and outpatient hospital services provided to Medicaid program beneficiaries are paid on a cost related basis Inpatient services are reimbursed using Medicare interim per diem rates, decreased by 1%, and outpatient services are paid at the Medicare interim payment rates Final cost settlements are determined based on the audited Medicare cost report Clinical services are paid on a fixed fee schedule WRHS' Medicaid cost reports have been audited by the Medicaid fiscal intermediary through March 31, 2011

Blue Cross

Inpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per discharge Outpatient services are reimbursed at outpatient payment fee screens or at charges less a prospectively determined discount The prospectively determined discount is not subject to retroactive adjustment Clinical services are paid on a fixed fee schedule

NOTE 2 - NET PATIENT SERVICE REVENUE (CONTINUED)

WRHS has also entered into payment agreements with certain commercial insurance carriers and other organizations The basis for payment to WRHS under these agreements includes prospectively determined rates per discharge, discounts from established charge, and prospectively determined daily rates

Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

A summary of patient service revenue and contractual adjustments for the years ended March 31 is as follows

	2014	2013
Total Patient Service Revenue	$ 33,660,520	$ 33,696,697
Contractual Adjustments		
Medicare	(6,537,302)	(6,277,921)
Blue Cross Blue Shield	(1,434,724)	(1,508,392)
Medicaid	(703,856)	(850,151)
Other	(1,051,133)	(1,289,850)
Total Contractual Adjustments	(9,727,015)	(9,926,314)
Net Patient Service Revenue	$ 23,933,505	$ 23,770,383

NOTE 3 - INVESTMENTS AND INVESTMENT INCOME

Assets Limited as to Use

The composition of assets limited as to use is shown in the following table Cash and other investments and certain certificates of deposit are stated at cost plus accrued interest, and certain certificates of deposit, bonds and notes, and mutual funds stated at fair value

	2014	2013
Cash and Other Investments	$ 129,675	$ 86,848
Annuity	454,835	436,458
Certificates of Deposit	200,000	1,001,135
Corporate Fixed Income	702,817	-
Government Securities	409,951	-
Stocks	595,789	-
Bonds and Notes	-	269,877
Mutual Funds	-	627,739
	$ 2,493,067	$ 2,422,057

NOTE 3 - INVESTMENTS AND INVESTMENT INCOME (CONTINUED)

Investments in Unrealized Gain (Loss) Position

Investments in an unrealized gain (loss) position at March 31, 2014 and 2013 are shown in the following tables

	2014			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Gains
Annuity	$ -	$ -	$ 454,835	$ 90,371
Corporate Fixed Income	351,834	(1,114)	350,983	786
Government Securities	331,849	(1,478)	78,102	81
Stocks	152,081	(10,902)	443,708	44,885
	$ 835,764	$ (13,494)	$ 1,327,628	$ 136,123

	2013			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Gains
Certificates of Deposit	$ 714,528	$ (472)	$ 286,607	$ -
Bonds and Notes	-	-	269,877	5,877
Mutual Funds	122,932	(3,202)	504,807	39,707
	$ 837,460	$ (3,674)	$ 1,061,291	$ 45,584

The duration of the investments in an unrealized loss position at March 31, 2014 is shown in the following table

	Greater Than 12 Months		Less Than 12 Months	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Corporate Fixed Income	$ -	$ -	$ 351,834	$ (1,114)
Government Securities	-	-	331,846	(1,478)
Stocks	-	-	152,081	(10,902)
	$ -	$ -	$ 835,761	$ (13,494)

The unrealized losses on investments in corporate fixed income, government securities, and stocks were primarily a result of market declines consistent with the cyclical nature of the financial markets WRHS has a diversified portfolio of investments WRHS investments in an unrealized loss position consisted of investments in various market sectors Based on that evaluation and WRHS' ability and intent to hold those investments for a reasonable period to time sufficient for a forecasted recovery of fair value, WRHS does not consider those investments to be other than temporarily impaired at March 31, 2014

NOTE 3 - INVESTMENTS AND INVESTMENT INCOME (CONTINUED)

Investment Income

Investment income and gains and losses on investments and cash equivalents are comprised of the following for the years ended March 31, 2014 and 2013

	2014	2013
Other Income		
Interest Income	$ 24,272	$ 69,415
Realized Losses on Investments	(27,481)	-
	$ (3,209)	$ 69,415
Other Changes in Unrestricted Net Assets		
Unrealized Gains on Investments	$ 80,719	$ 26,583

NOTE 4 - PROPERTY AND EQUIPMENT

A summary of property and equipment as of March 31 is as follows

	2014		2013	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	$ 90,113	$ -	$ 90,113	$ -
Land Improvements	550,762	373,727	550,762	351,584
Buildings and Fixed Equipment	17,007,445	8,161,076	16,973,644	7,587,916
Major Movable Equipment	12,186,915	9,835,470	11,711,092	9,180,177
Construction in Progress	293,683	-	123,302	-
	$ 30,128,918	$ 18,370,273	$ 29,448,913	$ 17,119,677
Net Property and Equipment		$ 11,758,645		$ 12,329,236

Depreciation expense for the years ended March 31, 2014 and 2013 was $1,449,212 and $1,410,755, respectively

Construction in progress at March 31, 2014, represents the implementation of a MRI and building for the MRI, a portal and time clock system, and electronic medical records The estimated costs to complete the projects are approximately $3,337,362 The projects are expected to be completed in fiscal year 2015 The MRI along with the building for the MRI will be funded with donations and cash reserves The portal and time clock system will also be funded with cash reserves The implementation of the electronic medical records is financed with the proceeds from bank notes as discussed in Note 5 and future EHR incentive payments as discussed in Note 1

NOTE 5 - LONG-TERM DEBT

	2014	2013
4 875% Hospital Facilities Revenue Bond, Series 2008, due in Monthly installments of $21,824 to January 2033, secured by property and equipment	$ 4,700,042	$ 4,848,841
1% note payable to bank, due in monthly installments of $6,329, including interest, to June 2021, secured by inventory, certain equipment, and general intangibles	530,822	595,287
1% note payable to bank, due in monthly installments of $4,621, including interest, to December 2022, secured by inventory, certain equipment, and general intangibles	464,345	510,721
	5,695,209	5,954,849
Less Current Maturities	(278,216)	(259,582)
Long-term Debt, Less Current Maturities	$ 5,416,993	$ 5,695,267

The Hospital Facilities Revenue Bonds, Series 2008, have a variable interest rate that will adjust in July 2020 to the ten-year LIBOR swap rate, with a ceiling of 6 875% and a floor of 3 87%

Long-term debt maturities are as follows

Year Ending March 31	
2015	$ 278,216
2016	287,208
2017	296,643
2018	306,477
2019	316,753
Thereafter	4,209,912
Total	$ 5,695,209

NOTE 6 - RETIREMENT PLAN

WRHS has a tax deferred annuity plan under which employees may elect to participate upon completion of $1,000 hours of service per year Employee contributions and employer contributions of 3% to 5% of annual compensation are deposited with the trustee who invests the plan assets Total employer retirement plan expense for the years ended March 31, 2014 and 2013 was $300,179 and $296,151, respectively

NOTE 7 - RELATED PARTY TRANSACTIONS

As discussed in Note 1, WRHS is controlled by the Foundation In 2014 and 2013, WRHS recorded contributions of $140,777 and $29,042, respectively, from the Foundation During the years ended March 31, 2014 and 2013, WRHS received $66,580 and $96,000 from the Foundation for professional services rendered WRHS provided administrative services to WHLC, also controlled by the Foundation, in the amount of $56,849 and $46,842, during the years ended March 31, 2014 and 2013, respectively

NOTE 7 - RELATED PARTY TRANSACTIONS (CONTINUED)

The related party receivables and payables at March 31 consisted of the following

	2014	2013
Receivables - Current		
Foundation		
Academic Loans	$ 258,734	$ 434,410
WHLC		
Other Advances	3,075	2,176
	$ 261,809	$ 436,586
Receivables - Noncurrent		
WHLC		
Note Receivable	$ 600,000	$ 600,000
Other Advances	272,074	268,653
	$ 872,074	$ 868,653
Accounts Payable, Current		
Foundation		
Professional Services and Deferred Compensation	$ 101,313	$ 78,668

NOTE 8 - FUNCTIONAL EXPENSES

WRHS provides healthcare services to residents within its geographic location Expenses related to providing these services by functional classification for the years ended March 31, 2014 and 2013 are as follows

	2014	2013
Patient and Resident Health Care Services	$ 20,030,171	$ 19,748,063
General and Administrative	4,545,528	3,908,181
	$ 24,575,699	$ 23,656,244

NOTE 9 - FAIR VALUE OF ASSETS

Assets measured at fair value on a recurring basis at March 31, 2014 and 2013 are as follows

	2014	2013
Corporate Fixed Income	$ 702,817	$ -
Government Securities	409,951	-
Stocks	595,789	-
Certificates of Deposit	-	714,528
Bonds and Notes	-	269,877
Mutual Funds	-	627,739
Total Assets	$ 1,708,557	$ 1,612,144

NOTE 9 - FAIR VALUE OF ASSETS (CONTINUED)

The related fair values of these assets are determined as follows

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2014			
Corporate Fixed Income			
Consumer Goods	$ 106,641	$ -	$ -
Energy	88,733	-	-
Financial	191,062	-	-
Healthcare	50,105	-	-
Industrial	83,312	-	-
Information Technology	49,662	-	-
Telecommunication	133,302	-	-
Total Corporate Fixed Income	702,817	-	-
Government Securities			
U S Government Treasury Bonds	300,894	-	-
U S Government Securities	109,057	-	-
Total Government Securities	409,951	-	-
Stocks			
Consumer Goods	129,256	-	-
Energy	69,757	-	-
Financial	56,102	-	-
Healthcare	83,239	-	-
Industrial	93,937	-	-
Information Technology	92,741	-	-
Materials	35,998	-	-
Other Equities	2,345	-	-
Telecommunication	19,914	-	-
Utilities	12,500	-	-
Total Stocks	595,789	-	-
	$ 1,708,557	$ -	$ -

NOTE 9 - FAIR VALUE OF ASSETS (CONTINUED)

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
March 31, 2013			
Certificate of Deposit			
Financial	$ 714,528	$ -	$ -
Bonds and Notes			
Insurance	69,796	-	-
Financial	200,081	-	-
Total Bonds and Notes	269,877	-	-
Mutual Funds			
Short Term Bond	112,667	-	-
Intermediate Term Bond	101,827	-	-
Bank Loan	21,267	-	-
High Yield Bond	15,868	-	-
World Bond	32,685	-	-
Moderate Allocation	143,023	-	-
Unit Investment Trust Fund	200,402	-	-
Total Mutual Funds	627,739	-	-
	$ 1,612,144	$ -	$ -

The fair value for all investments is determined by reference to quoted market prices

NOTE 10 - CONCENTRATIONS OF CREDIT RISK

WRHS grants credit without collateral to its patients, most of who are local citizens and are insured under third-party payor agreements The mix of receivables from patients and third-party payors at March 31, 2014 and 2013 was as follows

	2014	2013
Medicare	41%	34%
Blue Cross and Other Commercial Insurances	25%	23%
Medicaid	7%	5%
Other Third-party Payors and Patients	27%	38%
	100%	100%

WRHS' cash balances are maintained in various bank deposit accounts At various times during the year, the balances of these deposits may be in excess of federally insured limits

NOTE 11 - CONTINGENCIES

Malpractice

WRHS has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of $1 million per claim and an annual aggregate limit of $3 million Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured

Litigations, Claims, and Other Disputes

WRHS is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs In the opinion of management, the ultimate settlement of litigation, claims, and disputes in process will not be material to the financial position of WRHS

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations which could result in the imposition of significant fines and penalties as well as significant repayments of previously billed and collected revenues from patient services Management is not aware of any pending matters that may have a material impact on the financial statements

NOTE 12 - PRIOR PERIOD ADJUSTMENTS

Certain errors resulting in an understatement of previously reported estimated third-party payor receivables were discovered during the current year These errors relate to amounts reported on the 2012 Medicare cost report and the omission of a cost settlement associated with the 2013 Medicaid cost report Accordingly, adjustments of $237,300 (Medicare) and $50,000 (Medicaid) were made during 2014 to record the receivables as of the beginning of the year A corresponding entry was made to increase previously reported net assets by $287,300 The effect of the restatement on the change in net assets for the year ended March 31, 2013 was an increase of $287,300

An error resulting in an overstatement of previously reported related party accounts payable was discovered during the current year This error related to a liability to the Foundation that was incorrectly established in years prior to 2013 Accordingly, an adjustment of $96,228 was made during 2014 to remove the payable as of the beginning of the fiscal year 2013 A corresponding entry was made to increase previously reported net assets as of March 31, 2013 by $96,228 This adjustment had no impact on the change in net assets reported for the year ended March 31, 2013

NOTE 13 - SUBSEQUENT EVENTS

WRHS has evaluated subsequent events through the date of the independent auditor's report, which is the date the financial statements were available to be issued